

BEFORE THE
TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
PUBLIC HEARING
LOW INCOME HOUSING
TAX CREDIT COMMITTEE

PRESENTATION AND DISCUSSION ON YEAR 2000
PROPOSED TAX CREDIT DEVELOPMENT
OF THE LOW INCOME HOUSING
TAX CREDIT PROGRAM

Waller Creek Office Building
Room 437
507 Sabine Street
Austin, Texas

10:10 a.m.
Friday,
May 19, 2000

COMMITTEE MEMBERS PRESENT:

MARGIE BINGHAM, Chair
MICHAEL JONES
KENT CONINE
DON R. BETHEL
MARSHA WILLIAMS
JAMES DAROSS
ROBERT BREWER
DR. FLORITA BELL GRIFFIN

STAFF:

DAISY STINER, Executive Director

I N D E X

<u>AGENDA ITEM</u>	<u>PAGE :</u>
CALL TO ORDER, ROLL CALL CERTIFICATION OF QUORUM	4
PUBLIC COMMENT	
<u>Speaker</u>	
Representative Joe Pickett	5
Jackie Goodman 9	
Paul Hilgers	11
Representative David Swinford	17
Michael Hinojosa	19
Dick Kilday	22
Janet Bartles	23
Steve Harrison	26
George E. English	30
H.K. Allen	33
Dorcas Moore	34
Frank Coday	38
Jim Mattox	39
Jim Dunaway	40
Alfredo Castaneda	43
Bernadine Spears	48
Mario Gonzales	51
Rick J. Deyoe	51
Janet Klotz	55
Jimmy Massour	56

Tom McMullen	58
Barry Haiman	58
Michael Casias	58
Melody Olson	64
Demetrio Jimenez	67
Carlos Tijerina	69
Miguel Lecvona	70
Glenn Lynch	75
Walter Moreau	78
Herman D. Sabrsula	81
Wilfred Bartoskewitz	85
Robert Burchfiehl	88
Mary Mendoza	90
Linda Vargas	92
Rowan Smith	94
Kelly Hunt	98
Mike Dunn	101
ADJOURN	103

P R O C E E D I N G S

1
2 MS. BINGHAM: Good morning. It is roughly
3 10:15. The purpose of this meeting today is this tax
4 credit -- this is not -- this is a tax credit hearing
5 on -- to take comments on the applications that we've
6 received so far.

7 I will -- I don't think I need to call a role
8 of the board, because it's not -- it's a hearing, so --
9 but I will call just for the record to see how many board
10 members are present.

11 Margie Bingham. Dr. Florita Bell Griffin is
12 not here. Lydia Saenz -- not here yet. Mr. Don Bethel.

13 MR. BETHEL: Here

14 MS. BINGHAM: Mr. Brewer?

15 MR. BREWER: Here.

16 MS. BINGHAM: Mr. Conine has not arrived.

17 MR. BREWER: There he is.

18 MS. BINGHAM: Oh, there he is -- just in time.

19 Mr. Daross?

20 MR. DAROSS: Here.

21 MS. BINGHAM: Okay. Mr. Jones?

22 MR. JONES: Here.

23 MR. BINGHAM: Marsha Williams?

24 MS. WILLIAMS: Here.

25 MS. BINGHAM: Okay. Thank you. As I

1 indicated, the purpose of this meeting is to have public
2 comment -- to allow the locals and citizens to comment on
3 proposed projects that they're involved in or in their
4 neighborhood.

5 I'm going to -- I don't have a particular
6 order, but we're going to have -- and for the sake of
7 time, we're going to allow three minutes per speaker and
8 three speakers maximum in support of or are not in support
9 of a given development.

10 First of all, we have a state representative in
11 the audience, Mr. -- that we need to hear from. And Mr.
12 Joe Pickett?

13 REPRESENTATIVE PICKETT: Good morning. Ready
14 for me?

15 MS. BINGHAM: Yes, sir. We wanted to try to
16 get the public officials up front first.

17 REPRESENTATIVE PICKETT: Thank you. Thank you,
18 Madam Chair. I appreciate it. My name is Joe Pickett.
19 I'm one of the House members from the El Paso County area,
20 and I'm here in support of a project called Burgundy
21 Palms.

22 And I'm looking at the list, and these names
23 are wonderful. These are fantastic. And Burgundy
24 Palms -- where we came up with that one is we just figured
25 people would be so interested in what a burgundy palm

1 would look like that they would come out and want to take
2 a look at this project.

3 It's 92 units. It's four quadraplexes. And we
4 are asking for a tax credit. The people that are involved
5 in this, Tropicana Homes in Greater El Paso Housing
6 Corporation, have been doing this for quite some time --
7 in fact, in the last three years, 150 single-family homes.

8 And a lot of what I'm going to say is
9 redundant -- you all know a lot of the situation and our
10 community being in the border area -- high unemployment,
11 low wages. We have a very, very big problem with housing,
12 and at any one time, we're somewhere near 40,000 units
13 short.

14 I'd also like to kind of break the ice here. I
15 know there's a lot of people and I don't have a lot of
16 time. And I am one of the legislators -- one of the bad
17 guys sometimes. But I want to leave an analogy here.

18 There's a little story about this businessman
19 who wants to check on his employees. And he's got a
20 large, large factory and a large staff. And he says, I'm
21 going down on the floor to see what they're all doing and
22 actually find out, listen to them, and stand around the
23 coffee machine and the water fountain and see what's going
24 on.

25 And he sees this guy just kind of languishing

1 around, standing up against a pole, not doing a whole lot.

2 And it just makes him mad. I mean, you know, we've got
3 to get the product out. We've got to get the work done.

4 He goes up to this guy and he says, How much
5 money do you make a week. He says, \$300. He takes out
6 his wallet and he counts out \$300. He says, Here's a
7 week's pay, get out of here, I don't ever want to see you
8 back here again.

9 Then he goes over to one of the managers and he
10 says, How long has that guy been working here. He says,
11 He doesn't work here; he was delivering pizza.

12 (Laughter).

13 REPRESENTATIVE PICKETT: Well, I'm just the
14 pizza delivery guy today. I am in support of this
15 project. We need the project. We need more of these
16 projects. There's going to be on-site day care run
17 through the YWCA. We're going to have counseling.

18 We're going to get these people that have less
19 than good credit into homes that they own eventually --
20 this is a transition. There's going to be a counselor on
21 site.

22 I know of these people. They've been around
23 forever it seems. The builder is on the second or third
24 generation. I know on some of the information that the
25 staff has gotten that it says they've been in business

1 since 1950.

2 And if you see the representative from
3 Tropicana Homes you'll wonder what he's been drinking to
4 stay so young. But actually it's the second generation.
5 They've been around a long time in El Paso.

6 And I appreciate your time and I appreciate
7 your consideration. And I'll take any requests for any
8 pizza at this time.

9 MR. BETHEL: Pepperoni.

10 VOICE FROM AUDIENCE: \$300 -- we've got several
11 pizzas back here today.

12 (Laughter.)

13 MR. JONES: Just one question -- and I
14 appreciate your being here. Thank you. The last couple
15 of days I've learned how we were all supposed to work
16 together.

17 REPRESENTATIVE PICKETT: We would hope so.

18 MR. JONES: We're glad to be here to work with
19 you. I take it, then, that your community really likes
20 this particular development and is very excited about it,
21 and you're here to tell us that.

22 REPRESENTATIVE PICKETT: Very much so. I am
23 not aware of any negative comments about this. In fact,
24 we wish it was 192 units going up right now. We don't
25 have quite the market crunch as Austin does as far as the

1 price. And, because of that, we think this is very, very
2 timely for El Paso.

3 With the increase of rates we offered this --
4 you know, half a percentage point -- one percentage point
5 knocks all kinds of people out of buying a home. This is
6 still a transition into getting them where they need to
7 be.

8 MR. JONES: And you also feel that it's
9 directed at those people in your community that really
10 need it.

11 REPRESENTATIVE PICKETT: Absolutely.
12 Absolutely.

13 MR. JONES: Thank you. We really do appreciate
14 your input.

15 REPRESENTATIVE PICKETT: My pleasure.

16 MS. BINGHAM: Thank you.

17 REPRESENTATIVE PICKETT: Pepperoni?

18 MR. BETHEL: Pepperoni.

19 REPRESENTATIVE PICKETT: Got it. Thank you
20 very much.

21 MS. BINGHAM: Thank you for being here. We
22 have -- our next speaker is Councilwoman Jackie Goodman
23 from the City of Austin.

24 COUNCILWOMAN GOODMAN: Thank you for letting me
25 speak. I've written you letters in the past, but I

1 actually had time today to come over and see you in
2 person. So I took the opportunity.

3 Some of you may remember Fairway Ridge, which
4 was a project that you all helped in leveraging private
5 and city resources to become a wonderful neighborhood that
6 went like that. (Snaps fingers.) It was great. It was a
7 neighborhood rather than a development.

8 And I come to you today asking for your support
9 and consideration of one of the other components of that,
10 the multi-family component, Villas of Cordoba. And
11 Michael Casias is here who will speak to you about details
12 and be able to answer a lot of questions.

13 But what I hope you will see is that it's an
14 integral part of a mixed family neighborhood. And we were
15 so successful with the first part -- we're only seven
16 houses away from our 300 single-family detached. And now
17 we would like to move into the other component, as I said,
18 the multi-family.

19 And Villas of Cordoba I think would be of
20 excellent quality and will continue to build that
21 neighborhood, not just a project, not just a development.

22 The neighborhood is in support. The
23 neighborhood association has written you a letter. And I
24 have, in fact, written you another letter, as usual.
25 My -- you would think that I would know by now, wouldn't

1 you? Hello?

2 VOICE: That will work.

3 COUNCILWOMAN GOODMAN: I took notes. I'll let
4 you all know. Thank you. What I said, in essence, is
5 Villas of Cordoba is a really great multi-family
6 development, and I hope that this panel will consider it
7 to be worthy of helping us to leverage the other resources
8 that we have and --

9 VOICE: How's that?

10 COUNCILWOMAN GOODMAN: That's great -- it's 157
11 units, and it is a wonderful third step of what is a
12 really great project already. But we hope that, by
13 leveraging resources again, the State will help us
14 continue and finish out this project.

15 Michael Casias, as I said, is the non-profit --
16 the representative of the non-profit who's proposing to do
17 this component. It is the only non-profit project
18 proposed this time from Austin. So I hope that that gives
19 it additional consideration for you.

20 Thank you for all your help in the past, and I
21 hope that you will consider this worthy effort to be part
22 of what you approve Thanks.

23 MS. BINGHAM: Thank you. Our next speaker is
24 Paul Hilgers, city of Austin.

25 MR. HILGERS: Thank you, Madam Chairman. As I

1 understand, we've got two minutes --

2 MS. BINGHAM: Three.

3 MR. HILGERS: -- three per application, and I
4 think there are -- I'm speaking for the all of them, so
5 that would be -- no, I'm just teasing. But, in the
6 interest of time, I'll try to cut it shorter.

7 (Laughter.)

8 MR. HILGERS: I am here today in the capacity
9 that -- to -- really, at the request of the mayor of
10 Austin and the city manager to come and speak and thank
11 the Department for having these hearings in Austin -- for
12 allowing us to have an opportunity to have the
13 neighborhoods here and communicate their concerns about
14 these projects.

15 I'm also here to thank the Department for the
16 work that you do around the state and to seek an even
17 expanded partnership that we have. I am the Director of
18 Neighborhood Housing and Community Development, and
19 there's a lot of things that we do together with your
20 staff, and we would like to continue to do more.

21 As you know, housing has become a major issue
22 in Austin. As was discussed, even by the representative
23 from El Paso, the market pressures that we have -- the
24 lack of supply that we have in Austin causes a need for
25 all of these projects to be funded in Austin.

1 I know that's not possible, but we all know
2 that most of these projects that are being proposed to you
3 today need to be funded, because the need is definitely
4 there. So your decision is very difficult, and we
5 understand that.

6 I'm also here today to let the rest of the
7 people know in the state of Texas that Austin is open for
8 business for affordable housing. And it's great to have
9 this opportunity to talk to the developers who are behind
10 these, saying that even if you're successful or not
11 successful we would like to enter into a partnership to
12 bring you and your money and your units to Austin, Texas,
13 because we have the market for it and we'd like to have
14 you here.

15 We have done -- the city council, the city
16 manager has done some great things to help stimulate and
17 to prove that we have an interest in trying to create the
18 opportunity for these units to be successful in Austin.

19 We have expanded the work of our Austin Housing
20 Finance Corporation, which has entered into partnerships
21 with this Department's bond financing. We have just
22 worked with you on some of your 4 percent credit deals for
23 the 50 percent or below, not to mention the successful
24 work that we've done with the other applicants, including
25 Central Texas Mutual Housing that had the great ground

1 breaking yesterday.

2 We also are -- have created a new policy, and
3 in that all of these developments would be eligible for in
4 Austin. We call it Smart Housing. It's an initiative
5 that the council has established some three weeks ago,
6 which all of these projects would be eligible as I
7 understand their direction, in that they would be -- what
8 Smart Housing stands for is safe, mixed-income,
9 accessible, reasonably priced, and transit oriented.

10 And if you meet those standards in Austin -- if
11 you have preferred housing, you get preferred treatment.
12 That means you get capital recovery fees, development and
13 inspection fees, and public works construction fees waived
14 automatically.

15 You also get a facilitator to review an
16 inspection process, and you get advocacy with the
17 development process, and as well with the neighborhood.
18 So we are here to try to make these projects more
19 successful in Austin.

20 I appreciate the opportunity to be here on
21 behalf of the mayor. And I hope that all of these
22 projects in Austin get funded. We look forward to sending
23 you additional comments as we get more information about
24 these projects between now and the time you'll make a
25 decision.

1 MR. JONES: Could I ask you a question?

2 MR. HILGERS: Sure.

3 MR. JONES: You were talking as to all the
4 projects in Austin. Is that correct?

5 MR. HILGERS: Yes, sir.

6 MR. JONES: Do I take it then that you're here
7 to tell us on behalf of the mayor's office that all the
8 projects in the Austin area have community support?

9 MR. HILGERS: What I take it mean at this point
10 is that we know that all these projects in Austin are
11 needed. Each one of these projects, between now and the
12 time that you even make your decision, have an opportunity
13 to communicate with us and the neighborhoods to get --
14 complete the zoning package, as I understand it, and to
15 verify to you that they do have neighborhood support.

16 I'm not saying that each one of these projects
17 right now have gone through all of that proposal. I know
18 that some of them have in their applications that you will
19 be reviewing -- letters from neighborhoods. And I have
20 not reviewed or been privy to all of that information from
21 each one of these applications.

22 And we, at this point, have not had an
23 opportunity to go through and rank each one of these units
24 relative to the standards I just mentioned to you. And I
25 hope that in the future we'll be able to have more of an

1 indication to you about how well they meet the standards
2 we've talked about, including the neighborhood and
3 community support.

4 I guess the last point I'd make to you is that
5 what we're saying in our policy is if you meet the
6 standards -- and the only reason a neighborhood could not
7 want you to be there is because of who lives there. And
8 that's not a good reason for somebody to not want that
9 development in their community.

10 And so if it meets the safe mixed income
11 standards, those are standards that we have worked with
12 the neighborhoods in this community, with the advocates in
13 this community, to set out that says, These are the
14 standards that housing should have. And if they meet
15 these standards, there should be no reason for a
16 neighborhood not to support them.

17 MR. JONES: Certainly I agree with what you're
18 saying. So you're saying that if a neighborhood doesn't
19 support one of these projects that it's because of the
20 wrong reasons that you just described then? Are you
21 saying that at this point in time we're not far enough
22 along in the process for you to have made a determination
23 as to whether or not the community supports these
24 particular projects?

25 MR. HILGERS: What I'm saying is is that I'm

1 not privy to information about the extended support for
2 each one of these projects. And I'm not here -- I know
3 that, for example -- as Mayor Pro Tem Goodman said, the
4 neighborhood association at Villas of Cordoba, which is
5 one of the deals that's in a non-profit separate pool, has
6 mentioned to you the neighborhood support.

7 There are other -- and so we know of that one
8 in particular. The other proposals that are before you, I
9 have not seen all of the neighborhood support that's there
10 or not at this point. And between now and the time you
11 will act on your decision, which is not until July as I
12 understand it, they have the time to have that, and I
13 understand that they don't necessarily have to have that
14 agreement at this particular point in time.

15 MR. JONES: Thank you, sir.

16 MR. HILGERS: Thank you.

17 MS. BINGHAM: Thank you. Our next speaker is
18 State Representative David Swinford. Is he here? David,
19 I hope -- is it David S-W-I-N-F-O -- Swinford? Maybe he
20 hasn't arrived yet.

21 (Pause.)

22 MS. BINGHAM: Well, while we're waiting for
23 him, do we have Mr. Michael Hinojosa -- oh, okay.

24 REPRESENTATIVE SWINFORD: I'm Representative
25 David Swinford. I'm sorry --

1 MS. BINGHAM: Nice to have you, sir.

2 REPRESENTATIVE SWINFORD: Thank you. I come
3 today to support a project in Amarillo, the -- be known as
4 the Talmage Park Central. Would give the opportunity for
5 Amarillo to do two things, one restore a very wonderful
6 historic building, and, number two, to expand the 456
7 units of -- for our elderly.

8 I have brought a letter from Senator Teel
9 Bivins that I'd like to read. Says, Dear Sirs, I am
10 writing this letter to support Park Central Communities
11 Limited in their application for low-income housing tax
12 credits.

13 The project Park Central Communities is
14 proposing would be a great addition of 114 units and a
15 renovation of 32 units of affordable housing for the
16 elderly. This project will help meet the demand for
17 affordable elderly housing in our area, as well as
18 preserving existing housing in Amarillo.

19 I support the Park Central Communities Limited
20 and Baptist [phonetic] community services in their efforts
21 to increase the quality of life for our elderly citizens.

22 If I can be of any further assistance, please feel free
23 to call me. And this is Senator Teel Bivins.

24 Teel had another appointment and couldn't make
25 it here today, but he wanted to make sure that you all

1 knew how much support that these people have in Amarillo.

2 These -- this group has done nothing but what they said
3 they would do and have been a wonderful asset for our
4 community.

5 So I will not get into the details other than
6 to tell you that we certainly appreciate your
7 consideration of this project. And we have -- I have with
8 me today some people that can make a formal presentation,
9 if that would be allowable.

10 MS. BINGHAM: If they've signed a witness
11 affirmation form, we can call upon them as well. Have you
12 signed your witness affirmation form?

13 VOICE FROM AUDIENCE: We have people out there
14 that have, yes.

15 MS. BINGHAM: Could you give me the names
16 because we can take them -- but I'm sorry. We need to
17 take -- we've got a couple more public officials in the
18 audience we need to --

19 REPRESENTATIVE SWINFORD: Okay.

20 VOICE FROM AUDIENCE: We can do it later. We
21 can do it later.

22 REPRESENTATIVE SWINFORD: Okay.

23 MS. BINGHAM: -- we need to bring up with that
24 tight time schedule. We have a Mr. Michael Hinojosa, who
25 is the superintendent of the -- one of -- Hays School

1 District.

2 MR. HINOJOSA: Yes, ma'am, Madam Chairman.
3 Appreciate the opportunity to come speak to you today. My
4 name is Michael Hinojosa, and I'm the superintendent of
5 the Hays Consolidated Independent School District
6 immediately south of Austin. We encompass the communities
7 of Kyle, Buda, and several others.

8 I'm here in support of a project called the
9 Commons at Plum Creek, being brought to you by the Central
10 Texas Mutual Housing Association. There are two main
11 reasons why we -- or why our community and our school
12 district support -- strongly support this effort.

13 The first is that it would allow affordable
14 housing to some of our teachers. There's basically no
15 rental property in our community. Many of our teachers
16 have to live in Austin or San Marcos. And the way the
17 project is designed, it would allow us to have some
18 affordable housing for our young teachers.

19 In addition to our young teachers, we also have
20 a lot of service professionals, such as Austin police
21 officers who live in our community, and we'd like to be
22 able to have a place for them to have a quality home
23 environment.

24 The second main reason is that it matches our
25 vision. This project will have after-school care for the

1 students that will be academic in nature. They will have
2 computer labs which are connected to the internet, which
3 will allow our students to further endeavor in their
4 studies. In addition, they will have required reading
5 times in which our students will gain great benefit in
6 their academic endeavors.

7 So, for those two main reasons, the Hays
8 C.I.S.D. certainly supports this project. I have -- I'm
9 going to leave you a written statement so that you'll
10 remember this information. But I'll be glad to answer any
11 questions you may have at this time.

12 MR. JONES: The only thing I would ask, again,
13 you're familiar with your community, being one of the
14 leaders of it. And you believe your community is in
15 support of this particular development?

16 MR. HINOJOSA: Yes, I do. I strongly believe
17 it.

18 MR. JONES: You don't know of any opposition.

19 MR. HINOJOSA: No, I know of no opposition at
20 all.

21 MR. JONES: Thank you, sir.

22 MR. HINOJOSA: Thank you.

23 MS. BINGHAM: We have -- our next speaker is
24 the Mayor Pro Tem of Cedar Park, Texas. It says Ms. Janet
25 Bartles.

1 MR. KILDAY: Madam Chair, thank you very
2 much -- committee. I'm Dick Kilday, and I'd like to
3 introduce our speaker. We have three speakers, but we'd
4 like to relinquish our time for part of me and the other
5 one to Ms. Bartles.

6 Anyway, I'd just like to say that some months
7 ago -- maybe a year ago, we started looking at Cedar Park
8 as being one of the fastest growing cities in the best
9 locations in really Texas to -- for units because there
10 are no -- you know, there's lots of jobs, lots of growth,
11 and no -- and not very many units, certainly none in the
12 last few years.

13 The first thing we did is we found a site in an
14 excellent location, we think. It's one of the best we've
15 ever done. The second thing we did is we got to know the
16 city -- every member of the city council, the mayor, the
17 mayor pro tem, the city manager, city attorney, and really
18 tried to tell them what we have in mind so that they could
19 hopefully embrace our concept.

20 And one of those people who we have gotten to
21 know well is here, and I'd like to introduce her. And
22 she's the Mayor Pro Tem of Cedar Park, Texas. Thank you
23 very much.

24 And this is on behalf, of course, of the Cedar
25 Creek Town Homes. There's a number of projects there and

1 a number of applications. This is the one with Creek in
2 its title. Thank you. Janet?

3 MS. BARTLES: Thank you. I am the mayor pro
4 tem of Cedar Park, and, as Mr. Kilday said, we are -- last
5 year we had the recognition that we were the fourth
6 fastest growing city of our size in the country.

7 So we started out in 1973 -- is when we were
8 incorporated, and we were definitely a bedroom community
9 at that time. Our population has tripled every year just
10 about, and we now have about 25- to 30,000 people in our
11 community.

12 A lot of our people are high-tech people, and
13 they are what -- we're still a bedroom community. We're
14 trying to make our community not so much a bedroom
15 community where people can work in our community. And we
16 have just recently gotten Sulzer to locate in our city,
17 and that will bring about 350 people to our city in the
18 next couple of years.

19 We also have a downtown plan, which is just
20 right across the street from this project. And, with
21 that, there's a lot of service type jobs, rather than the
22 high tech. So we have people that we need to employ in
23 our city that has affordable housing.

24 And that's our big thing. I know small
25 businessmen often come and tell me that they just are

1 having a real hard time finding people to work because of
2 the distance. And the people that we have been attracting
3 is basically your people that are -- can afford to live in
4 Cedar Park and work in Austin. So we need to have some
5 housing for those other people, because we want a
6 diversified community.

7 And I have a letter -- I have a resolution here
8 that I want to give you that was signed on March 23 by the
9 Mayor George Denny, and it was approved by the City
10 Council. Then I also have a letter from our new mayor,
11 Mayor Bob Young, who was not able to be here today. So
12 the council and all of the staff support this.

13 MS. BINGHAM: Thank you, ma'am.

14 MR. BREWER: I do have a question, ma'am.

15 MS. BARTLES: Uh-huh.

16 MR. BREWER: I do have a question. I notice
17 here that there's two other projects for Cedar Park. Have
18 you all, in your deliberations, made a decision on a
19 priority because it appears that there's two other
20 projects besides this one.

21 MS. BARTLES: I saw that just a little while
22 ago. This is the only project that they have made aware
23 to us. The other two projects were not -- we don't know
24 anything about. So I found out about it today when
25 looking at the list.

1 So I can't say -- I know that this one is right
2 across from downtown -- our proposed downtown. The other
3 one is -- Quarry Oaks one is a little bit west of that.
4 They're on the same main road, 1431. And then the other
5 is on Brushy Creek, which is a little further down into
6 the middle of Cedar Park, so to speak.

7 MR. BREWER: Thank you very much.

8 MS. BINGHAM: Okay. Mr. Kilday, did you have
9 another speaker, because that concludes the public
10 officials that we -- that I have in front of me. Do we
11 have any other --

12 MR. KILDAY: That's fine for us.

13 MS. BINGHAM: Thank you. Do we have any other
14 public officials in the audience -- city council members,
15 mayors?

16 MR. HARRISON: City administrator.

17 MS. BINGHAM: City of -- which city?

18 MR. HARRISON: Kyle.

19 MS. BINGHAM: You have a -- from what city?

20 MR. HARRISON: City of Kyle -- city
21 administrator --

22 MS. BINGHAM: City of Kyle. Have you signed a
23 witness affirmation form?

24 MR. HARRISON: Yes, I have.

25 MS. BINGHAM: Could you come forward and we'll

1 find it? We'll find it.

2 MR. HARRISON: Great. My name is Steve
3 Harrison. I'm the city administrator of the City of Kyle.
4 You had the superintendent of schools from our great
5 school district here.

6 I'm not going to repeat the things that he
7 said. I'm speaking on behalf of the Commons at Plum Creek
8 within the city limits of Kyle.

9 Let me tell you a little bit about Kyle. We
10 are south of Austin between Austin and San Marcos. It was
11 formed in 1880 by the railroad, and they had an auction
12 for all the affordable housing at that time, and that's
13 how the city started.

14 And about over a hundred years nothing really
15 changed a whole lot, and there wasn't a need for multiple
16 family housing and that. About two years ago, the farmers
17 found out that growing homes was more profitable than
18 growing hay. So we've had nothing but growth since that
19 time. We're putting about 60 homes on the ground per
20 month right now as we speak.

21 Unfortunately, a lot of those homes -- and most
22 of those homes aren't affordable to -- as the
23 superintendent mentioned -- the school teachers, police
24 officers in the city of Kyle, other public workers, and
25 other people in the community who would like to move up

1 from what they've had in their -- something a little bit
2 more.

3 We see this project as being unique, because it
4 is clearly well thought out. The reason I'm wearing my
5 gold shirt today -- it's being located on a golf course.
6 I doubt you'll find any of your other projects that you're
7 going to look at having affordable housing right on the
8 golf course.

9 So the people here not only have the
10 educational benefits and the profit sharing in terms of
11 sharing and putting some money in the bank so that they
12 can move up, they're being built within one of our major
13 subdivisions -- a planned unit division called Plum Creek.

14 So the Commons at Plum Creek are going to offer a lot of
15 opportunities for people to move up.

16 They're close to the schools. They're close to
17 new commercial growth. And they're going to be right on a
18 major extension that the state is agreeing to build as far
19 as state road extension that's going to also help with the
20 growth in terms of jobs in Kyle.

21 The things that we see unique about this
22 particular developer -- because, as you may notice, there
23 are three applications -- and the city does support all
24 three, because we're in support of affordable housing.
25 All this growth that's been happening we have zero

1 multiple-family housing in the city of Kyle, and we have
2 limited housing that would be considered affordable in
3 terms of what the real need is.

4 This particular project went the extra mile
5 above and beyond the other two projects within Kyle, in
6 that they presented their projects to the -- both the
7 planning and zoning and the city council.

8 They have been very open to discourse with the
9 public. The newspapers have been able to also run
10 questions about it. So we've had a lot of notice in the
11 community and we've had total support within the community
12 for the notion of affordable housing.

13 We don't have not-in-my-backyard type syndrome
14 going, because the backyard of this, as I mentioned, is
15 going to be the golf course. So when you take your
16 vote -- I know all of these are worthy projects, but the
17 Commons at Plum Creek are going to be an integral part --
18 integrated into the overall community, and we see it as a
19 plus-plus situation. Thank you.

20 MR. BREWER: Mr. Harrison --

21 MR. HARRISON: Yes.

22 MR. BREWER: -- one question. So you're
23 saying out of the three projects that have been submitted
24 from Kyle, though, that Commons of Plum Creek, as far as
25 you're concerned, would be number one?

1 MR. HARRISON: Well, the -- you know, I speak
2 for the council. The council did not take that type of
3 vote or was not asked to prioritize. What I do tell you
4 is that the Commons at Plum Creek did go the extra mile in
5 terms of presenting their projects in open public forum
6 above and beyond.

7 We do support, and we have provided letters of
8 support, from the council for all three. The council has
9 been made aware by me of some of the particulars of the
10 other projects, and so we're in support. I think these
11 people have gone the extra mile to really explain their
12 program and to make us aware of the additional pieces that
13 they would put in. And we're convinced that this is going
14 to be a quality, quality project, and we're very much in
15 support of it.

16 MR. JONES: Not to put you on the spot, but
17 putting you on the spot, how about for Steve Harrison and
18 not for the council? I mean, your personal opinion --
19 would this have a priority of the three?

20 MR. HARRISON: Well, as you know, city
21 administrators don't have personal opinions.

22 (Laughter.)

23 MR. BREWER: In other words, he's ready to take
24 a seat.

25 MR. HARRISON: Any other questions?

1 MS. BINGHAM: We have points in discretion.
2 Maybe you have points and maybe -- you know, the prudent
3 thing and maybe you'll come up with some discretion
4 eventually.

5 MR. BREWER: Thanks.

6 MR. HARRISON: Thank you very much.

7 MS. BINGHAM: Mr. Burt Magill [phonetic], did
8 you have someone with you that you said was a public --

9 VOICE: Yes, George English, mayor pro tem from
10 the City of Temple.

11 MS. BINGHAM: City of Temple. Could we pull
12 that one please?

13 MR. ENGLISH: Members of the Texas Department
14 of Housing and Community Affairs and Tax Credit
15 Committee -- good morning. And thanks for the opportunity
16 to speak in support of the Trails Townhomes 00-48
17 application.

18 I'm George E. English. Presently I am serving
19 as mayor pro tem with the City of Temple and the president
20 of the Temple branch of the N.A.A.C.P.

21 These positions provide me almost daily contact
22 with not only the citizens who live in east Temple, where
23 I live, the citizens who live and work throughout the
24 city.

25 The need for affordable housing in east Temple

1 has existed for many, many years. The current occupancy
2 in Temple exceeds 95 percent for multi-families. And only
3 one new apartment community has been developed in Temple
4 over the 15 last -- past 15 years.

5 The population of Temple is about 54,000, but
6 Temple has a working population of over 100,000. Many of
7 these young people who commute daily would much rather
8 live in the city if they could find nice safe places to
9 live that they could afford financially.

10 With our downtown revitalization efforts,
11 Temple continues economic growth and high employment. The
12 city planners knew that the affordable housing shortage
13 will soon be increasingly high.

14 Currently, data being collected during the east
15 Temple study shows citizens placing high priority on
16 affordable housing. Therefore, the Trails Townhomes
17 proposal will give citizens, especially our young ones,
18 opportunity and an additional choices in the housing
19 market.

20 Citizens have responded very positively during
21 the Trails Homes presentation. They especially like the
22 two- and three-family focus bedroom units and that 25
23 percent of the 152 units can be leased to unrestricted
24 families with incomes above the 60 percent median income
25 levels. These unrestricted units would meet the

1 additional needs for rental housing in Temple.

2 The City Council, the Housing Authority, and
3 east Temple citizens are in support of Trails Townhomes
4 proposal. This 10,875,500 housing proposal gives the kind
5 of economic boost east Temple needs. Its location
6 proximity to Scott & White and the Veterans Hospital, the
7 elementary school, recreation facilities, athletic fields,
8 new fire station, police officers, so make this site an
9 ideal place to live and rear children.

10 Ladies and gentlemen, the Trails Townhomes --
11 many amenities in conjunction with the other components
12 make this application proposal a perfect fit for east
13 Temple community.

14 Also let me tell you before I close that
15 representatives from the city of Temple have visited other
16 communities developed by the Magill developers and found
17 them to be ideal for Temple future housing needs.

18 Thank you for listening. With Temple citizens
19 waiting, watching, and hoping, I pray you will grant the
20 Magill Development Company their request 844,000 annual
21 tax credit for ten years. Thank you. Do you have any
22 questions?

23 MS. BINGHAM: Thank you, sir.

24 MR. ENGLISH: With me, coming -- a friend of
25 the mayor -- my friend, H.K. Allen, would like to also

1 make a statement.

2 MS. BINGHAM: H.K. Allen, did you find his
3 witness --

4 Okay. Thank you.

5 MR. ALLEN: Good morning. Mayor Keifer
6 Marshall from Temple -- it's impossible for him to be
7 present today, and asked me to come and just express to
8 you the desire for Temple to have this project.

9 The Temple Trails Townhomes is something that
10 is desperately needed for our community. Temple has put
11 in a new elementary school -- \$4.5 million elementary
12 school. It has put in a new fire station, emergency
13 medical service, police substation in the close proximity
14 to this project.

15 And Temple is just at the point where this
16 particular happening -- this particular building of this
17 affordable housing will fit perfectly into the development
18 of this area. It's desperately needed, and the mayor
19 wanted me to express this to you so that we get the best
20 consideration possible. And thank you very much.

21 MR. BREWER: Mr. Allen, I do have one question.
22 I notice on here there's three opportunities for Temple.
23 And did the City Council and the mayor address the other
24 two? Is this the number one choice?

25 MR. ALLEN: That's my understanding that they

1 were all addressed and that this one was selected.

2 MR. BREWER: Thank you.

3 MS. BINGHAM: Before we go to the rest of our
4 speakers, I'm going to ask Ms. Stiner to read a letter
5 into the record from Senator Teel Bivins.

6 MR. BETHEL: Madam Chair, I think
7 Representative Swinford read that --

8 MS. BINGHAM: Oh, is --

9 MR. BETHEL: That was the letter he read.

10 MS. STINER: He read into the record for him.

11 MR. BETHEL: Yes, he read --

12 MS. STINER: This is just a copy of it.

13 MR. BETHEL: Yes. That's just a copy of it.

14 MS. BINGHAM: Okay. Do you have another one
15 from another -- someone else?

16 MS. STINER: Oh, no. No, ma'am, not at this
17 time.

18 MS. BINGHAM: Okay. Thank you.

19 MS. STINER: Okay.

20 MS. BINGHAM: So do we have any other public
21 officials in the audience that we have overlooked?

22 (Pause.)

23 MS. STINER: Public officials? Stand, rise --
24 state your name, please. What's her name?

25 MS. MOORE: My name is Dorcas Moore. I'm with

1 the City of Bryan Community Development Office. I am the
2 housing construction manager.

3 We are in support of this 76-townhome unit,
4 because it would provide adequate affordable housing for
5 the citizens in our area. If any of you have been through
6 the City of Bryan -- the north portion of the City of
7 Bryan has been lacking housing -- modern housing for a
8 very long time.

9 Most of the houses in that area are pre-1952.
10 They sit on blocks and they have deplorable situations.
11 We have situations where we have houses marked for
12 condemnation, and we'd have people that move in them and
13 start living in them and want help for assistance.

14 We think that we can do better than that, and
15 we think that, with this project, we can deliver a great
16 quality of life for the citizens of Bryan. Bryan has over
17 2,000 dilapidated structures, and, especially being in
18 north Bryan, this is the hardest hit area. This is our
19 lowest income area, and this is the area where we think
20 that we can potentially do very good for the citizens of
21 that area.

22 One of the things about this townhome unit that
23 we're trying to deliver is not just the quality of life,
24 but also empowerment for the people. We have programs
25 that we're setting aside for the students that's going to

1 be going there -- also for the families and also for the
2 parents.

3 We feel that this will develop into a model
4 site that people can model after all over the state. We
5 want to deliver quality affordable housing for our
6 citizens.

7 We've paired up with a great architect to
8 deliver great promises for us, and we've also looked at
9 things -- we've increased the size of the rooms and of the
10 homes. The homes are going to be anywhere from 1,300 to
11 1,400 square feet -- needed to accommodate that large
12 families.

13 We believe that with this development company
14 that we're working with that we're going to get an
15 excellent project. And we want it to be one that we can
16 praise for years to come.

17 The City of Bryan has fought hard for housing,
18 and this, coupled along with some of the other things
19 we're doing, can help us address some of our housing
20 needs. Although it will not make the biggest dent that we
21 would like, it will make a serious impact, especially for
22 the area of north Bryan.

23 Are there any questions?

24 MS. BINGHAM: We had one other public --

25 VOICE: Certification --

1 MR. ENGLISH: Excuse me. I think your question
2 was not quite asked correctly, sir. H.K. Allen made a
3 mistake there. The council voted and had a resolution to
4 support all of the different developers that presented
5 before us. But we did not pick any specific one. We want
6 the affordable housing -- the multi-family housing, but we
7 didn't say which one had to come.

8 And we wanted to clear that up, because I think
9 we left you with the wrong understanding just then. And
10 we don't want to go out with a foul mark. And please
11 accept that as --

12 MS. BINGHAM: When we get to Houston, I'm going
13 to enter director of housing [phonetic], and I'm going to
14 tell you which one we prefer.

15 (Laughter.)

16 MR. BREWER: Mrs. Bingham, I'd like for you to
17 do that too.

18 MS. BINGHAM: You're going to see some
19 sidestepping. Any other public -- I'm sorry. We're doing
20 a poor job of trying to go through forms. But any other
21 public officials in the audience? And I'm particularly
22 concerned about our state representatives, our state
23 senators, and our mayors and city council members. Do
24 we -- sir, you -- okay.

25 MR. CODAY: Like I said, I'm not really a

1 public official. I'm city manager in Hemphill, Texas,
2 and --

3 MS. BINGHAM: Okay. We need to hear from you.

4 MR. CODAY: Okay. Well, I -- if you don't
5 mind, I'll continue.

6 MS. BINGHAM: Could you state your name for the
7 record so we can clear your form?

8 MR. CODAY: My name is Frank Coday, and, as I
9 said, I'm here today representing the mayor and the city
10 council, and, primarily, for low-income individuals that
11 we have in our city.

12 We're supporting the Westlake Apartments
13 application for rehabilitation of this program of the one
14 unit that we have in our town. We're a small town. The
15 units -- there's 32 units there and it was constructed
16 about 15 years ago.

17 And I'm here today to tell you it definitely
18 meets a need in our community. It has. The community
19 supports it. The units are in need of rehabilitation, and
20 we hope and urge that you'll approve this application so
21 that that can be addressed to improve the quality of life
22 of these individuals.

23 To demonstrate the need for this type housing
24 for low-income in Hemphill, I'd like to go over a few
25 statistics very quickly. Our poverty rate is 26.8 percent

1 in Hemphill -- 1 in 4 is below the poverty rate.

2 26.7 of our population -- percent of the
3 population is over 65. Our per capita income is below
4 \$9,000 a year. And our citywide low- to moderate-income
5 ratio is 73 percent.

6 I have a resolution that the city council
7 passed this week in support of the application and a
8 letter from our mayor, Robert Hamilton, here that I will
9 leave with you.

10 Again, we thank you for the opportunity to
11 appear in support of the application, and we urge that it
12 be approved. There's need to meet the needs of the low
13 income in our community. We're striving to do so in
14 supporting this. And, as I said, our community is proud
15 of this complex and they do want to see it improved.
16 Thank you very much. Are there any questions?

17 MS. BINGHAM: Thank you, sir.

18 MR. CODAY: Thank you.

19 MS. BINGHAM: Okay. Our next speaker is Mr.
20 Jim Mattox.

21 MR. MATTOX: Madam Chairman, I want to -- I am
22 here to speak in favor of the King Fisher Creek, which is
23 number 12 on your agenda item there -- on your list of
24 items, if I may. It's number 62, but it's actually number
25 12 on your -- on this list that we were handed out this

1 morning. So I call your attention to that.

2 I won't take long. This unit is -- this
3 application is for a relatively small unit -- 35 units --
4 called King Fisher Creek, which is being developed by the
5 Citizens Housing, Tom McMullen, down on St. Elmo Street.

6 If you're not familiar with that area -- and I
7 think probably most of you may be. It's out near the
8 airport. It's east of I-35. It is one of the desired
9 development zones.

10 The neighborhood that's out there -- and, as
11 you know, it's generally called Dove Springs. It's a low-
12 to moderate-income area, more lower than moderate, I must
13 say.

14 It would be considered by most standards an
15 economically -- generally economically depressed area --
16 struggling area. There's been no affordable housing
17 that's been built -- multi-family housing been built out
18 in that area in a very long period of time.

19 And, as an employer in the area and someone who
20 has been intimately involved in the process out there, I
21 think this would be an excellent application to be granted
22 and one that's badly needed.

23 I wish it were a much bigger unit, because the
24 housing needs for affordable housing here in Austin are
25 serious, and they're -- frankly, I would support virtually

1 all applications here. The more affordable housing we
2 get, the better off we are.

3 I have no economic interest whatsoever in this
4 application. I'm just speaking on behalf of the folks out
5 there. Any questions I'll be glad to answer. Thank you
6 very much --

7 MS. BINGHAM: Thank you, sir.

8 MR. MATTOX: -- for allowing me to be with
9 you.

10 MS. BINGHAM: Any other public officials? I'm
11 sorry, sir.

12 MR. DUNAWAY: No problem. I just keep moving
13 forward. Madam Chair, members of the committee, I am Jim
14 Dunaway. I'm the city manager of Elgin, and I'm here
15 representing the city council, the City of Elgin, and the
16 Bastrop County Commissioners' Court.

17 I apologize for the judge and the mayor being
18 unable to attend. Both were in meetings earlier this
19 morning. They, of course, me, being city manager, let me
20 go out of the meetings to be here with you today.

21 We do have a project on your list -- Crescent
22 Village Limited. The city of Elgin is a city of about
23 6,000 people. City limit to city limit now, we're about
24 eleven miles from Austin. We're located in the northern
25 tip of Bastrop County. We are by far a majority minority

1 city and growing rapidly.

2 About 70 percent of our population actually
3 works in Austin. And as they come home, they're bringing
4 people with them. This agency very graciously provided
5 the city of Elgin with \$500,000 in housing infrastructure
6 funds last year, and we have a subdivision -- the
7 Shenandoah Subdivision -- for our single-family owner-
8 occupied structures going up there. It is a tremendous
9 success.

10 However, we are and have been for the past
11 three years 100 percent occupied in all of our rental
12 units. We have less than 100 available. We have a lot of
13 young people that need affordable housing. Our housing
14 authority has a waiting list in excess of 200.

15 We are growing and we need the help. We very
16 much need Crescent Village Limited. It will provide 76
17 single-family rental units to the city in a gated
18 community. It is actually 19 fourplexes.

19 It includes all the programs -- the after-
20 school programs for the children, on-site monitoring, a
21 lot of security that we're very happy with.

22 Many of the questions that revolve around
23 support -- the city council last Tuesday finalized the
24 zoning on this project. It has passed planning zoning
25 scrutiny on both platting and zoning.

1 The public has had three opportunities to
2 comment. We received no negative comments on this
3 project. The city of Elgin fully supports it, even to the
4 extent that we're providing assistance with the
5 infrastructure to the site.

6 So we need it. Again, many of these
7 communities -- all of them actually need this. But as
8 Austin grows, we're filling the out migration in the very
9 near area.

10 Many consider Bastrop County to still be a
11 rural area. And, therefore, they're coming to the
12 country, if you will. Our bumper sticker very much holds
13 true, Enjoy Austin But Live in Elgin. And the people are
14 taking us up on that. So we need your assistance with
15 this tax credit in Crescent Village Limited. Any
16 questions I might answer? Thank you for your time.

17 MS. BINGHAM: Thank you, sir. Any other public
18 officials that we have overlooked? Daisy, we can start
19 calling from the rest of the list.

20 MS. STINER: The first speaker I have is Nora
21 Ayala. (Pause.) Nora Ayala. (Pause.)

22 MR. CASTANADA: Madam Chairman and members of
23 the board, I'm Alfredo Castanada. We're both going to
24 present the suggestion --

25 MS. STINER: Okay.

1 MR. CASTANADA: -- for Cotulla. What we put
2 before you is the Mirasol Apartments for the city of
3 Cotulla, number 00166 for the city of Cotulla. And what
4 I've done is put together some of the needs in the city of
5 Cotulla.

6 The city of Cotulla is a small community. We
7 are the affordable housing of the city of Carrizo Springs,
8 a non-profit. And we -- I am also the director of the
9 Housing Authority. Ms. Ayala is the director of the
10 Housing Authority of the city of Cotulla.

11 We understand the needs of the low- and very
12 low-income people. The city of Cotulla, like I said
13 before, is a small housing -- small community. Yet the
14 needs are very great in the city of Cotulla.

15 We have been very fortunate with you all when
16 you gave us the tax credits in Carrizo Springs. Those
17 apartments were being filled as they were being finished.
18 We are 100 percent occupied.

19 And this is one of the reasons why we come to
20 Cotulla and we work together. Housing Authorities tend to
21 work together, and I have been working with the city
22 council, with the -- I've come before city council, gone
23 before the Commissioners' Court. And we have no
24 opposition. Yet, the only question they ask is when will
25 you build, because they know the needs.

1 Some of the housing that we looked into, the
2 homes are dilapidated; they're old. No housing has been
3 built in Cotulla. The structures of the homes are poor.
4 The -- there's no insulation in the homes.

5 As you all know, Cotulla lies on a lower area.
6 And if it's 100 degrees in Carrizo it's 105 in Cotulla.
7 And these elderly are living in these homes with no air
8 conditioning.

9 And I feel that if we are granted this tax
10 credits that the 48 units -- even though we're not coming
11 here asking for 100 or 200 -- we're asking for 48 units.
12 But 48 units is going to make a world of a difference for
13 the families of low income in the city of Cotulla.

14 And this is -- I received recently a study from
15 the U.S. Department of Housing, which I have included some
16 parts in there. The rental housing assistance is a
17 worsening crisis. And one of the findings was that
18 they -- lower income families remain most likely to face
19 worse case problems when they live in suburbs, and we
20 certainly are a part of them.

21 Worse case needs have indeed increased most
22 quickly in minority households, particularly among working
23 families with children. And this is what the problem is
24 in Cotulla.

25 And we come before you to ask that you look at

1 our application, because HUD has clearly identified the
2 problems on rental housing, especially the findings on
3 families living in the suburbs, most of them facing the
4 worse case needs. Cotulla certainly is among them.

5 The purpose -- the proposed project is to serve
6 the needs of the community of Cotulla in La Salle County.

7 The construction of 48 units will indeed help the poor
8 housing with new available affordable housing for low-
9 income families.

10 It will help the children better educate
11 themselves by living in a better environment. And I
12 believe that I've heard two superintendents in here. I'm
13 also a school board member, and I realize what it can do
14 to the children when they live in dilapidated houses and
15 no air conditioners.

16 The Carrizo Springs Affordable Housing, Inc. is
17 grateful to TDHCA for the commitment -- committing
18 themselves with the 60 units in Carrizo Springs, which is
19 100 percent occupied. And we are requesting that you
20 consider us for tax credits in Cotulla to construct 48
21 units -- Mirasol Apartments -- and to give the low-income
22 families there in Cotulla the same opportunity.

23 And this is what we ask. That, even though
24 we're a small community, that you give us a chance -- a
25 fair chance. And, like I say, we don't have any

1 opposition.

2 All the families in there and the councilman --
3 mayor -- and they will come before you tomorrow in San
4 Antonio. They want to know when we can build, especially
5 the families. Give us an opportunity. And I thank you
6 all for what you've done. Thank you.

7 MS. BINGHAM: Thank you. You had one project
8 you said?

9 MR. CASTANADA: In Carrizo Springs. Yes,
10 ma'am.

11 MS. BINGHAM: Okay. How many units was it?

12 MR. CASTANADA: 60 apartments.

13 MS. BINGHAM: Okay.

14 MR. CASTANADA: And they have been 100 percent
15 occupied. They were actually occupied --

16 MS. BINGHAM: Were they tax credit units?

17 MR. CASTANADA: With tax credits, yes.

18 MS. BINGHAM: Okay.

19 MR. CASTANADA: They were being occupied as
20 they were -- as we were finishing them out.

21 MS. BINGHAM: Okay.

22 MR. CASTANADA: And I feel very strong that the
23 city of Cotulla, if we get this award, it will be the same
24 way, because the need is there. Ms. Ayala right now is
25 experiencing the same problem that I had.

1 We have certificates -- Section 8 certificates
2 and vouchers. But the problem is that we are unable to
3 use those certificates and vouchers because of the lack of
4 housing. And the lack of -- and the housing that exists,
5 the problem there is that the better homes go to the
6 people that can afford -- they're above the median income.

7 And those very low income people are the ones
8 that have to go to these homes. And this is what I'm --
9 my job and her job is to see to it that we can also an
10 equal opportunity to those people with no income and very
11 low income families.

12 MS. BINGHAM: Thank you.

13 MR. CASTANADA: Thank you very much.

14 MS. STINER: Any questions?

15 (Pause.)

16 MR. CASTANADA: Thank you.

17 MS. STINER: Thank you.

18 MS. AYALA: Thank you.

19 MS. BINGHAM: Thank you.

20 MS. STINER: Ms. Bernadine Spears, Odessa,
21 Texas.

22 MS. SPEARS: Good morning. I am Bernadine
23 Spears, representing Key West Senior Village, Odessa,
24 Texas. I'm back again from last year. I am here in
25 support of Key West --

1 MS. BINGHAM: You got the project last year,
2 didn't you?

3 MS. SPEARS: Ma'am?

4 MS. BINGHAM: You got the project last year,
5 didn't you?

6 MS. SPEARS: Not Key West, no, ma'am. But I am
7 here in support of Key West Senior Village, which will
8 provide 120 units of senior housing for our seniors who
9 are not only our past, but our future.

10 I represent the Odessa Housing Authority. I am
11 the executive director with 25 years of service there.
12 And our waiting list currently is at 1,000. And that's
13 all-inclusive. That's not only seniors, but that's multi-
14 family. And we ask for your support in anything that you
15 can provide for us.

16 I'll provide you letters of support that we
17 received from the former mayor, as well as the current
18 mayor, the county commissioners, the United Way director,
19 as well as community development director.

20 In addition, we have provided you with a copy
21 of a needs assessment that shows senior housing to be one
22 of the main priorities in Odessa, as well as senior
23 services. We have a resolution from the county and at
24 some of your other public meetings you will have
25 representatives from our city that will speak on our

1 behalf.

2 There is no known opposition at this point, and
3 it is the only community complex that I know of in the
4 area. Are there any questions?

5 MS. BINGHAM: Do you have any other speakers
6 with you?

7 MS. SPEARS: No, ma'am.

8 MS. BINGHAM: Okay.

9 MS. SPEARS: I'm it.

10 MR. BETHEL: I've got one, Madam Chair.

11 MS. SPEARS: Yes, sir.

12 MR. BETHEL: Whereabouts in Odessa in the
13 quadrant is this project?

14 MS. SPEARS: We are southwest along the corner
15 of --

16 MR. BETHEL: Okay.

17 MS. SPEARS: -- West Talley and Clements.

18 MR. BETHEL: So this is the only one in
19 Odessa/Midland?

20 MS. SPEARS: Only one that I know of -- Odessa,
21 Midland, San Angelo, Abilene. It's the only one that I
22 know of. Yes, sir.

23 MR. BETHEL: Okay.

24 MS. SPEARS: Any other questions? (Pause.)

25 Thank you. I'm going to enter this for --

1 VOICE: Thank you.

2 MS. STINER: Okay. I have Mario Gonzales for
3 the development city -- Austin and Elgin.

4 MR. GONZALES: Thank you for letting -- chance
5 to speak. I'm going to relinquish my time to Mr. Rick
6 Deyoe, president of RealTech [phonetic] Development.

7 MR. DEYOE: I've also got a card in there, so
8 just -- you can just take care of both of them at once.
9 I'm here to speak on behalf of two projects.

10 The first is number 00026, Pioneer Villas.
11 It's here in Austin, Texas. As you know, Austin has a
12 critical shortage of affordable housing. The Pioneer
13 Villas development is in an area of Austin -- it's not in
14 east Austin where most of the tax credit developments are.

15 It's in the area that the city is steering
16 growth, and that is the northeast area. It's at Samsung
17 Boulevard and Braker Lane, right across the street from
18 Samsung's corporate headquarters.

19 I sat on a panel with the City of Austin to
20 help them in updating their consolidated plan and learned
21 several things. And one was some of the areas that the
22 city wanted to see housing, and one of the areas is north
23 Austin.

24 The project meets all of the Smart Housing
25 criteria that the city has come up with, and that is that

1 it's a mixed-income development. It meets all the
2 thresholds that the city has.

3 It's in a master plan community. It's in the
4 Pioneer Crossing master plan community, which is a 1,400
5 acre mixed used development. It's got designated right
6 across the street from it an 18-acre city park. Right
7 next door to the city park is an elementary school site.
8 It's a new master plan community. It's in its infancy.

9 And it's a development that -- there's no other
10 tax credit deals within actually a three-mile radius of
11 the project. The other close -- next closest project is
12 at Yager Lane, and it's 100 percent full with a waiting
13 list.

14 The project is -- as I said, is mixed income.
15 It's going to accommodate all income levels -- 50, 60, and
16 market rate. And it will also have all of the amenities
17 and the supportive service program as well.

18 I'm utilizing the advocacy outreach group out
19 of Elgin for the supportive services. They do a whole lot
20 with this board -- with this Agency, and so you all ought
21 to be familiar with them.

22 It scores high. It doesn't score as high as
23 the three projects in east Austin. But then, again, it's
24 in an area where there is no affordable developments in
25 Austin.

1 The second project I want to talk to you about
2 is project 00094, which is Crescent Village. The city
3 manager, on behalf of the city, and, as he said, Bastrop
4 County as well, spoke on it earlier.

5 The city council passed a resolution supporting
6 the project there in Bastrop -- in the city of Elgin. And
7 also the Bastrop County Commissioners -- Commissioners'
8 Court also passed a resolution.

9 The city of Elgin has no affordable housing.
10 There's one 27-unit development that's a tax credit
11 development that's there. In the eyes of the city and the
12 Housing Authority, it is substandard. However, it is 100
13 percent full.

14 The Housing Authority has over 200 people on
15 the waiting list. The total population of the city is
16 6,000 people. It's about four-and-a-half percent of the
17 total city population that's on a waiting list for
18 affordable housing.

19 The project is in the city's targeted growth
20 corridor, and that is to the west towards Austin. The
21 city has recently put all the infrastructure in to the
22 west, and they are targeting growth in that area. That's
23 also where the Shenandoah Subdivision is, which this
24 Agency also assisted in.

25 We're directly across the street from the new

1 Elgin high school that's under construction now -- will be
2 complete and ready for occupancy next school year. And
3 the school district also purchased 95 acres there, and
4 they eventually will build a middle school and an
5 elementary school. And so the total Elgin school campuses
6 will be right across the street from the development.

7 Now, once again, it has support from the city
8 by resolution. It has support by Bastrop County by
9 resolution. I've also got support letters in the
10 application from the State Senator Armbrister and the
11 State Representative Cook, the chairman of the chamber of
12 commerce.

13 The chief of police has sent us a letter of
14 support. And, as the city manager stated, there's been --
15 it's passed zoning, and so the property's zoned and ready
16 to go.

17 It's a 76-unit development fourplex community
18 being constructed in a village type concept. It's on 13
19 acres, so it's very low density. It will get more of a
20 subdivision type of feel, but it will be a rental project.

21 One other thing on the Pioneer Villas site.
22 I've also got, obviously, a letter of support from the
23 mayor. It is within the city's Smart Growth desired
24 development zone.

25 It is eligible for fee waivers. The Smart

1 Growth desired development zone, along with the Smart
2 House program, will allow the project to essentially
3 receive almost all fee waivers. Any questions?

4 (Pause.)

5 MR. DEYOE: Thank you.

6 MS. STINER: Thank you. For development 0026
7 you heard support. We have one speaker in opposition of
8 development 26, Ms. Janet Klotz. Is it Klotz? Yes.

9 VOICE: Which one?

10 MS. STINER: Pioneers Villas, 00026.

11 MS. KLOTZ: I'm Janet Klotz. Thank you for
12 allowing me to speak today on project 00026, Pioneer
13 Villas, at the northeast corner of Samsung Boulevard and
14 Braker in Austin.

15 The community in this area -- this northeast
16 Austin area are acutely aware of that -- the social and
17 economic divide between the east side and the west side of
18 Austin is rapidly widening.

19 The negative perception of the east side of
20 I-35 is continually getting stronger. Instead of erasing
21 the stigma of living east of I-35, it is continually being
22 more ingrained in the minds of the public.

23 If the city of Austin is ever to become a
24 socially -- social economically integrated city, this
25 stigma must be eliminated or the divide will continue to

1 widen. And I would also like to mention that within three
2 miles approximately, over where I live, I know of at least
3 three tax credit projects that are already there, and
4 there may be others that I'm not aware of. Thank you.

5 MS. STINER: The next speaker I have is -- and
6 I'm sorry, sir. Jimmy -- I think this is Massour. I
7 can't -- in Austin?

8 MR. MASSOUR: Massour.

9 MS. STINER: Massour. And you printed too.
10 I'm sorry.

11 MR. MASSOUR: Thank you.

12 MS. STINER: Uh-huh.

13 MR. MASSOUR: I'm here to speak on behalf of
14 King Fisher Creek. It's number 36. I just want to add a
15 few things to what General Mattox had said earlier.

16 This project, again, is a 35-unit project on
17 East St. Elmo just south of Ben White Boulevard towards --
18 on the way towards the airport. It is a small project
19 with a very large need, as are I'm sure most of these
20 projects here before you.

21 The property -- or the area, rather, is an
22 infield site -- a small three-acre wooded site. All the
23 city infrastructure is in place. In fact, East St. Elmo
24 is slotted to be widened, which will greatly enhance the
25 tract and the development.

1 The area is very close to downtown, but yet
2 draws from employer sources, both north and south towards
3 Buda, Kyle, Niederwald, all the way, you know, into
4 downtown, because it is a very convenient site.

5 There are about eight new hotels near the
6 intersection of Ben White and 35, as well as numerous
7 industrial parks which have recently been built. And a
8 lot of the housing needs are for those people that work in
9 those hotels and industrial parks.

10 The demand for affordable housing -- for
11 housing, period -- obviously exceeds the supply in Austin.

12 We enjoy a 1.4 percent unemployment rate, but the demand
13 for affordable housing even further, you know, exceeds
14 what the supply is.

15 There has not been, to my knowledge, any tax
16 credits issued in this census tract, and this would be the
17 first, if it is selected.

18 Several of the projects that have been
19 discussed before you are projects that are slated for what
20 they're calling infancy areas -- areas that soon will be
21 developed. This is an area that is fully developed. It's
22 an infield site. It would be the first project there.

23 There's schools nearby. There's work sources
24 nearby. And, again, I want to request that you approve
25 tax credits for King Fisher Creek, which is number 62.

1 MS. STINER: Tom McMullen please.

2 MR. MCMULLEN: I'll pass.

3 MS. STINER: You pass? For the record, Mr.
4 McMullen has signed up on behalf of supporting 00062.
5 Michael Casias.

6 MR. CASIAS: Casias.

7 MS. STINER: Casias?

8 MR. CASIAS: Yes. Thank you.

9 MS. STINER: Oh, my pronunciation's getting
10 worse.

11 MR. CASIAS: I'm also here with Barry Haiman
12 speaking on behalf of 0031.

13 MS. STINER: Yes. Please come forward. I have
14 both of your witness affirmation forms.

15 MR. HAIMAN: Good morning. My name is Barry
16 Haiman. I'm president of Affordable Housing Solutions to
17 speak on application number 00031, Villas of Cordoba.

18 I wanted to just tell -- take just a couple of
19 minutes to tell you who Affordable Housing is. We are a
20 501(c) not-for-profit corporation with three offices in
21 the state of Florida and one office in downtown Austin.

22 We are divided into three divisions. One is a
23 tax credit division, which we have done -- we have
24 completed ten tax credit applications in four states,
25 South Carolina, New Jersey, Florida, and Georgia.

1 We have been -- we have also another division,
2 which we have a HUD division, which we purchase HUD
3 properties and rehabilitate them.

4 And, finally, is Farmers Home Loan, which is
5 our third division. We have 17 properties located in 17
6 different communities of 1,800 units. We also have under
7 construction and in contract and in application for an
8 additional 1,800 units.

9 We have been brought in by FNMA to help with a
10 historical preservation property in Savannah, Georgia. We
11 have been approved by FNMA, of course, HUD, and, of
12 course, the tax credits in four different states.

13 In the state of Texas, we broke ground last
14 month for a 232-unit property in Duncanville with another
15 not-for-profit. We are closing next month on a 228 units
16 in Allen with another not-for-profit, a 221(b)(3).

17 We have been brought in by a national lender to
18 help out on a 352-unit property in Arlington, Texas. We
19 were approved last year for 176 units in Georgetown, which
20 we hope to be breaking ground very shortly. And we also
21 negotiated for a HUD property right in almost downtown
22 Austin in the eastern side.

23 That's about it for Affordable. I wanted then
24 to call Michael Casias, who's head of our Affordable Texas
25 Advisory Board, to speak about our proposed development.

1 MR. CASIAS: Thank you, Barry. Madam Chair,
2 members of the board, thank you for letting us speak
3 today. I'm here on behalf of Affordable Housing
4 Solutions. I am a board member of the Texas Advisory
5 Board, and have been a board member since the beginning of
6 this -- the inception and design of this project.

7 I'm also an Austin resident. I live a few
8 blocks away from here in east Austin between 11th and
9 12th. I think I've been asked to speak here, one, because
10 I've been involved in this project from the beginning, and
11 I'm a product of mixed-income development.

12 I grew up in one in San Antonio, Texas, and I
13 currently live right in the middle of one, and I sit on
14 the executive board of the Austin Revitalization
15 Authority, which is overseeing commercial revitalization
16 of our economically historically depressed area just east
17 of this highway.

18 I -- you've already heard from Paul Hilgers,
19 neighborhood housing, about the need for affordable
20 housing, so I won't belabor that point.

21 But, basically, you know, it was his initiative
22 and everybody on the council is for this Smart housing
23 program. It's sorely needed. And that is safe, mixed
24 income, accessible, reasonably priced, and transit
25 oriented housing in Austin. And we feel that this

1 project, the Villas of Cordoba, is a prime example of that
2 amidst the -- prime example of what Smart housing is.

3 The city has already invested in
4 infrastructure. I passed out a chart that shows where the
5 site is located in Austin. It's in southeast Austin in
6 the Fairway Ridge neighborhood. And the city's already
7 invested millions of dollars in Fairway Ridge. Fairway
8 Ridge is, if not the most successful, one of the most
9 successful affordable housing single-family home projects
10 in the city.

11 DR. GRIFFIN: Thank you for saying that.

12 MR. CASIAS: Congratulations. We think that
13 although there are other sites that are near the
14 infrastructure, we feel that we're the only site that is
15 within walking distance and extremely close to schools,
16 library, fire station, and city park. We'll have a bike
17 trail leading up to it -- the city park -- that has an
18 indoor rec center, ball field, swimming pool, hike and
19 bike trail.

20 It's on the other side of the green field --
21 green belt of McKinney State Falls Park. There is -- it's
22 off of Stassney -- major arterials. It's near the
23 airport. And there are certainly other applicants that
24 are near. All of these sorely needed -- these employers
25 that sorely need housing for their employees.

1 So what I want to focus on is the neighborhood.
2 You know, some neighborhoods have gotten up and said, you
3 know, we weren't consulted or we -- they may come up and
4 say, you know, we don't support all of this.

5 And I think neighborhoods sometimes have the
6 idea that when you're bringing affordable housing into
7 their backyards that it's going to be -- you know,
8 eventually end up, you know, a housing project, as some of
9 us sometimes see.

10 And so what we kind of started with was
11 approaching the neighborhoods. I have a letter that I
12 passed out from Chris Jackson, who's the president of the
13 Fairway Ridge Neighborhood Association. I've met with him
14 on numerous occasions and other association members. We
15 are continuing to meet with them.

16 But we have basically changed designs, had --
17 and we plan to continue to work with them on making this
18 consistent with what the neighborhood master plan calls
19 for and what the neighbors who are actually sitting there
20 looking out of their, you know, backyards into this
21 complex, that they're going to be completely happy.

22 We've even agreed through negotiation to allow
23 them to sit on the advisory -- Texas Advisory Board so
24 they will always have a say in how this project continues
25 on in the long term. And so you have that letter from

1 Chris Johnson, and we'll continue to meet with him.

2 Just in conclusion, Austin must have affordable
3 housing. You know that. We -- this is the only non-
4 profit sponsored project in Austin. We are asking for the
5 least amount of credits when you look at the total units
6 that we are building out of all the Austin applicants.

7 We think that the entire complex is affordable.

8 Even the market rents are below what people are having to
9 pay here in Austin, even though this is a 60 percent deal.

10 And we think that it's going to be a great place to live,
11 and the neighborhood agrees with that. And --

12 MS. BINGHAM: Thank you.

13 MR. CASIAS: Thank you.

14 MS. STINER: Madam Chair, there are two persons
15 in the audience who do not wish to testify, but would like
16 to have read for the record their support of a development
17 in Temple, Texas, called Temple Veranda Apartments, number
18 0018.

19 Appearing today in support of the project are
20 Reverend Demotis Sherman, Jr., pastor of the Eighth Street
21 Baptist Church, along with Mr. Tony Crosby. Are you all
22 still here? If not, they wanted that read into the
23 record.

24 The next speaker I have signed up to present --
25 stuck with last night. The next speaker is Ms. Melody

1 Olson.

2 MS. OLSON: Good morning. I appreciate the
3 opportunity to share with you about Del Rio. I'm the vice
4 president of the Paces Foundation, a non-profit affordable
5 housing developer, and we learned about Del Rio in a very
6 dramatic way.

7 In August of 1998 there was a flood on this
8 border town. It displaced over 200 families and affected
9 over 600 families. There are currently -- these 200
10 families are currently living in FEMA trailers and at the
11 end of next August are going to be displaced again -- a
12 true tragedy.

13 We are in partnership with the City of Del Rio
14 through the CDC of Del Rio. Desiring to meet the pressing
15 housing need of their city, the City of Del Rio invited
16 several developers to submit bids for the multi-family
17 needed project. We won the bid.

18 TDHCA has already set aside funds for first-
19 time infrastructure to develop housing for the victims of
20 the flood. The apartments that we are proposing -- the
21 Las Brisas Apartments, 150 units -- will be the multi-
22 family part of that subdivision.

23 They are large units. We have done one, two,
24 three, and four bedroom units. We have extensive social
25 service programs because of the need. Because there are

1 tragedies with these victims and the children we have
2 chosen to have a very extensive social service program to
3 help meet the children's needs as well as the families.

4 We have a letter of support that's been
5 included in our application from the mayor of Del Rio,
6 Mayor Chavida [phonetic]. And we have had extensive
7 undergirding from the city for this.

8 I do not have to go into detail about the
9 desperate need that's on this border town. There has
10 never been awarded a tax credit project to Del Rio. Del
11 Rio -- the AMI in that area is 27,001. And so the need
12 for affordable housing, especially larger units, is very
13 pressing.

14 The average age of marriage in that community
15 is 15 years old. And so by the time that they're 25,
16 they've got a lot of children. So we're trying to meet
17 that need with providing four bedroom, two bath units.
18 They're very spacious. They're over 1,300 square feet.
19 And we consider this a very, very worthy and needed
20 project.

21 MR. BETHEL: Madam Chair, I have one question.

22 MS. OLSON: Yes, sir.

23 MR. BETHEL: I noticed on the application you
24 have 150 units, and you gave 149 as tax credit units.
25 What's the one?

1 MS. OLSON: Well, we pay our -- we want to give
2 a worthy wage to the manager of that property. We want to
3 offer them a unit, and we want to pay them a worthy wage
4 so that it might fall outside of the AMI that's needed or
5 the income restriction --

6 MR. BETHEL: Okay.

7 MS. OLSON: -- that's needed there. And we
8 felt like that was fair.

9 MR. BETHEL: Okay. All right.

10 DR. GRIFFIN: And I'd just like to make a
11 comment, Ms. Bingham. I guess it's just a personal
12 comment based on something Ms. Olson said. Last year the
13 town near where I was born -- right beside it -- was
14 flooded out. And I was down there working for several
15 months trying to help get the people located.

16 And hundreds of those families live in FEMA
17 trailers. And those trailers are not even as large as
18 that corner over there -- a little bit larger than that
19 corner where those things -- I mean, you've got whole
20 families living -- I don't know. Are your FEMA trailers
21 larger than that?

22 MS. OLSON: No, they're single wide and
23 they're -- I've visited all of the FEMA parks there just
24 to see what it was like. You have five, six children
25 living in a single wide trailer.

1 DR. GRIFFIN: But these in North Carolina
2 aren't even as long as a normal trailer.

3 MS. OLSON: Exactly. These are not either.

4 DR. GRIFFIN: Right.

5 MS. OLSON: These are not either. And I might
6 just want to add that the existing housing that is
7 there -- I have personally worked in third world country,
8 and this matched -- some of the housing that is in Del Rio
9 currently matches third world conditions without water and
10 sewer to the properties.

11 It's truly a needy area and very worthy
12 project. Is there any other questions?

13 MS. BINGHAM: Thank you.

14 MS. STINER: Mr. Demetrio Jimenez.

15 MR. JIMENEZ: Thank you. I am Demetrio Jimenez
16 with the Greater El Paso Housing Development Corporation,
17 a non-profit out of El Paso. We are the developers of a
18 non-profit set aside for Burgundy Palms complex, a 92-unit
19 quadraplex, single story project.

20 The Greater El Paso Housing Development
21 Corporation primarily builds single family homes. In the
22 last three years, we've built approximately 150 homes, and
23 this year we'll put -- probably build another 150.

24 Last year we built 72 homes in the same area
25 that this apartment complex is to be built. Out of those

1 72, it was a mixed community, and we had 140-unit
2 subdivision -- single family, mixed income project.

3 We saw over 1,000 applications out of that
4 single family project and only qualified 72. The rest
5 were sadly turned away because of credit issues and/or
6 income issues.

7 Greater El Paso Housing Development Corporation
8 decided to partner with one of the largest homebuilders in
9 El Paso, Tropicana Homes, to build these 92 unit single
10 story quadraplexes. The concept it to take these families
11 and incubate them who normally wouldn't qualify under our
12 single family programs and get them into a home.

13 This complex would have a day care facility, a
14 community room, and would be gated. Again, our hope is
15 not to take these families and put them in an apartment
16 complex. But our ultimate goal is to get them in home
17 ownership.

18 So please take a look at Burgundy Palms, and
19 we're in support of it. Thank you.

20 MR. BETHEL: What is the location of this?

21 MR. JIMENEZ: This is in the lower valley of El
22 Paso.

23 MR. BETHEL: The corner of what and what?

24 MR. JIMENEZ: It is in the corner of Burgundy
25 and Betel, not Bethel.

1 MR. BETHEL: Oh.

2 MR. JIMENEZ: But we could rename the street.

3 (Laughter.)

4 MR. JONES: Whatever you do don't rename it --

5 MR. JIMENEZ: All right. Thank you.

6 MS. STINER: Okay. The next speaker I have is

7 Mr. Carlos Tijerina.

8 MR. TIJERINA: Good morning. Madam Chairman,
9 thank you for allowing me to speak. I'm here to speak in
10 favor of the Villas at Willow Springs in San Marcos,
11 Texas. I represent my father-in-law and mother-in-law,
12 who asked me to come on their behalf to ask you to give it
13 favorable consideration.

14 My family has lived there next to the property
15 in question since 1955. They have -- their home is
16 located there, they raised their children and now their
17 grandchildren there.

18 And their concern has always been that they are
19 the center of the family community and want to keep the
20 area suitable for this type of, you know, activity and
21 also for the family.

22 What -- nothing to notice about the project is
23 the fact that for years and years the property in question
24 is zoned for industrial use by the city of San Marcos.
25 And there was a major concern that one day some type of

1 industry would come in there and destroy the environment
2 basically.

3 So when this project was proposed, they decided
4 to be in favor of it because they saw that, first of all,
5 the need for housing, which is also a problem in San
6 Marcos, and also the need for housing for low- to
7 moderate-income families.

8 Their residential neighborhood is primarily
9 made up of these types of families. And so this project
10 would fit ideally there and would be conducive to
11 maintaining the overall integrity of the neighborhood.

12 For this reason and others, they see that this
13 would be much preferable to having any type of industry or
14 even having a vacant lot, which, of course, creates a
15 situation whereby, you know, other problems can be
16 created. You know, young kids hang out back there in the
17 back.

18 And so they want to see this property developed
19 because it looks like it's much more favorable than
20 anything else, you know, currently on the table. That's
21 really all I have to say about it.

22 MR. JONES: Thank you, sir.

23 MS. STINER: Next speaker is Mr. Miguel
24 Lecvona.

25 MS. BINGHAM: You can see why Daisy's doing

1 this and not me.

2 MS. STINER: I'm not doing it that well.

3 MR. LECVONA: I don't know how you got that
4 one. That was good. First of all I want to thank Mr.
5 Wonery [phonetic] and Mr. Guy for letting me speak today.

6 This is in reference to a tax exempt project
7 that is called Ashley Meadows. It's project number 26-T.

8 This is not part of the tax credit projects.
9 Nevertheless, there's an underwriting that is not yet
10 complete, and we wanted to speak on this project.

11 I'm from San Marcos, Texas, and that's where
12 this project is located. It is a 36 acre, 220 unit multi-
13 family development, and it's a zoning request change. And
14 the residents of the city are rising in opposition to this
15 change, because the current zoning for that property is
16 light industrial.

17 This is on the south part of town, and there's
18 one major north-south thoroughfare, Hopkins Street, that
19 connects the south part into downtown. And there's
20 already numerous traffic and infrastructure problems in
21 the city. And the location of this multi-family
22 development would certainly exacerbate the traffic issue
23 there.

24 At three planning and zoning meetings prior to
25 the city council meeting, which is coming up Monday night,

1 there was no local community support demonstrated for this
2 proposal as it came forth. There was -- there were packed
3 houses of neighborhood residents from three neighborhoods,
4 which is, in San Marcos, I'm understanding, is relatively
5 unique.

6 There's the Dunbar neighborhood, the Heritage
7 neighborhood, and the Westover neighborhood all rising
8 saying, This really doesn't make the most sense for what
9 is currently proposed for this property.

10 The site itself is not suitable for multi-
11 family, because it's current zoning is light industrial.
12 It's in a flood plain between Purgatory Creek and the
13 NAFTA rail yard -- railroad tracks, which, as you might
14 know, run 26 trains up and down there every day.

15 This would also leave multi-family residential
16 adjacent to current industrial.

17 MS. BINGHAM: Could I interrupt you just for a
18 minute? This is not a -- this is not Part I of the new
19 tax credit. This is a 4 percent that will come up later.

20 MR. LECVONA: Right.

21 MR. BETHEL: Is this on the agenda for today?
22 This is --

23 MS. BINGHAM: No.

24 MR. BETHEL: This would be a 4 percent coming
25 up --

1 MS. BINGHAM: Later on.

2 MR. BETHEL: -- at a later date --

3 MS. BINGHAM: Not this month.

4 MR. BETHEL: -- another month or so.

5 MS. BINGHAM: Okay.

6 MR. LECVONA: Right. It's actually coming to a
7 head in San Marcos Monday night at a city council meeting.
8 And --

9 MS. BINGHAM: Okay.

10 MR. BETHEL: So we don't have to worry about it
11 until they do something.

12 MS. BINGHAM: Well, in our discussions with
13 administration, we were advised that this would be an
14 opportune time to make an initial appearance here. So I
15 thank you for your time on this. I just have a couple of
16 more points here.

17 There are other locations in the city that are
18 currently zoned multi-family. There's 182 acres available
19 in the city that would be more appropriate for a
20 development like this. Why they're not put into play into
21 this capacity is -- I think it would be more suitable for
22 this.

23 And the neighborhoods themselves are not
24 opposed to development on this tract at all. In fact, we
25 would be supportive of many other types of development on

1 this land, provided that the infrastructure issues are
2 addressed first.

3 And this project, if approved, would shut down
4 several infrastructure options that would alleviate some
5 of the traffic issues that have plagued this area for
6 years.

7 So we would hope to -- we ask this panel to
8 reject this multi-family project as it comes through and
9 ask that that money be placed towards other areas that are
10 currently zoned for it.

11 DR. GRIFFIN: And what's the name of it again?

12 MR. LECVONA: Okay. The name is -- of the
13 property is Ashley Meadows. The project number is 26-T on
14 the tax exempt sheet.

15 DR. GRIFFIN: Okay.

16 MR. LECVONA: The developer is Vestcor
17 Properties from Jacksonville, Florida.

18 MS. BINGHAM: What's the name?

19 MR. LECVONA: Vestcor --

20 MS. BINGHAM: Oh.

21 MR. LECVONA: -- from Jacksonville. We also
22 have exhibits and information on neighborhood opposition
23 that we can either submit now or at another time under
24 your advice.

25 MS. STINER: Thank you.

1 MR. LECVONA: Thank you. Submit them?

2 MS. BINGHAM: Yes.

3 MS. STINER: The next speaker, unless there are
4 any questions -- this speaker, Mr. Glenn Lynch.

5 MR. LYNCH: I'm Glenn Lynch, and, first, I want
6 to apologize for Patsy not being here. She's a more
7 eloquent speaker than I am and definitely better looking.

8 DR. GRIFFIN: I don't know. You're --

9 MR. LYNCH: But she's recovering from some
10 recent surgery.

11 DR. GRIFFIN: -- doing pretty good today, Mr.
12 Lynch.

13 MR. LYNCH: What's that?

14 DR. GRIFFIN: You're doing pretty good today.

15 MR. LYNCH: Well, I've lost a little weight if
16 you all have noticed. I feel good about that.

17 MR. BREWER: But I will take the other side.

18 (Laughter.)

19 MR. LYNCH: Okay. And I'm here to speak in
20 favor of Patsy's and my development in Cedar Park. It's
21 number 0053.

22 I would just like to basically say that we've
23 already done one development in Cedar Park that was a tax
24 exempt bond issue that we got involved in. It was in the
25 1997 round. Actually I didn't put in the application, but

1 I got into it at a later date.

2 We have since completed that, and that
3 development leased up. It was 208 units, 57 percent
4 market rate and 43 percent tax credit supported by the 4
5 percent tax credit. That development leased up. It's
6 like 98 or 99 percent occupied. It leased up in record
7 time.

8 We had 32 units there that were actually three
9 bedroom units, and they were spoken for within 30 days. I
10 mean, it was just like a huge waiting list for them.

11 And, because of that, we started looking at
12 Cedar Park for regular tax credit development and
13 ultimately have put in this application for 220 units,
14 which is a 60/40. It's 60 percent tax credit and 40
15 percent market rates.

16 It's a townhome development located at -- the
17 location actually is defined as Brushy Creek Road. But
18 the true access to this development would be off of
19 Cypress Creek Road, where the bond issue has already been
20 passed. That's in the development. There's a letter in
21 there from the City of Cedar Park that states that.

22 We have met with the mayor of Cedar Park.
23 We've met with other elected officials. I've met with
24 many of the neighborhoods. About a quarter of a mile from
25 this is a rather high end development, and I met with many

1 of their -- the people who live there.

2 And, to the best of my knowledge, we have
3 absolutely no opposition. Everyone that we've explained
4 the development to has been in support of it. And I do
5 have here a letter of support from the mayor.

6 I think the original was actually mailed to you
7 all. This is just a copy that they faxed to us. And so I
8 wanted to deliver this to you in case you all didn't have
9 the other one. I know earlier there was a letter here,
10 but there's also one for our development also. And I
11 wanted to do that.

12 And, as we typically do, I would like to say
13 that we've taken a lot what we consider a developer's fees
14 and the builder's profits that's normally in a project.
15 We've put them into the quality of this development.

16 And this development will be like -- it's 95
17 percent brick and masonry. It's vaulted ceilings, it's
18 ceramic tile floors, and ceilings fans in every room, and
19 garages for every unit. It is without doubt a market rate
20 unit in quality. It's a Class A market rate unit.

21 Even the tax exempt bond deal that we did
22 there -- it competes totally with every market rate deal
23 in Cedar Park. As a matter of fact, I think ours is much
24 better than most of them, and we're really proud of that.

25 And I think it's possible when the developer is

1 willing to take profits that they would normally make and
2 put those profits in the development and pass them on to
3 who could be the tenants there.

4 And our market rate rents are considerably
5 below the market rate rents that are proposed in the area
6 because it's -- as you all know -- you all know Austin. I
7 mean, it's a high tech area --

8 MS. BINGHAM: If Patsy was here she would have
9 more time, but your time is up.

10 MR. LYNCH: Okay.

11 (Laughter.)

12 DR. GRIFFIN: But I will add -- that you look
13 good -- I'm sure you look good beside Patsy because you're
14 doing real well today.

15 MR. LYNCH: Well, thank you very much.

16 MS. STINER: The next speaker is Walter Moreau.

17 MR. MOREAU: Thank you for the time to speak.

18 My name is Walter Moreau. I'm the director of Central
19 Texas Mutual Housing. I'm really excited about our
20 project this year, Commons of Plum Creek, which is in
21 Kyle, about 15 minutes outside of Austin.

22 I know the city administrator was on the spot
23 and didn't want to make a commitment, but we really feel
24 like of all the projects there, ours has a lot of great
25 features. The other projects are right on I-35, and,

1 instead, we look to be as a part of a neighborhood.

2 And we're in the Plum Creek Traditional
3 Neighborhood Development. That's a TND. It's sort of an
4 old-fashioned neighborhood with good streets, detached
5 garage, front porches, picket fences. All the houses are
6 built to a similar architectural style.

7 And they really -- and the kids can walk to
8 their schools. And it's wonderful to actually be invited
9 to be a part of a whole neighborhood and wind up on a site
10 that's right next to the golf course. We really think
11 that's a premium location.

12 There's actually several non-profits applying
13 in the Austin area. We're one in Kyle. There's another
14 group in Kyle that I think is out of Florida. And the
15 other group in Florida -- I understand is from Florida.

16 We think it really, really matters to be local.
17 To have a board and a staff -- we have a staff of 35 that
18 is here in Austin. We spend over half a million dollars a
19 year in family programs -- pre-school programs, after-
20 school programs, adult education.

21 We have over 100 families saving towards their
22 first house, and we match their savings two to one towards
23 that goal.

24 We really feel like we build the highest
25 quality possible housing in terms of architectural

1 features and design. I hope you'll get to see Trails at
2 the Park, which we just did our grand opening on in south
3 side of Austin. Go see it because you'll be shocked. You
4 have no idea what could be done.

5 What happens with a lot of non-profits, there's
6 a for-profit partner. And when decisions get made about
7 what has to get cut in the construction budget, you don't
8 know how that's going to turn out. And our decisions have
9 always been to build the highest quality property that
10 we'll own for the next 50 plus years.

11 When we do -- one different approach we have on
12 the neighborhood issue is that we went and talked to the
13 city council, the planning and zoning commissions, and
14 neighborhood folks. We don't do a little public notice.
15 We put a big -- talked to the newspaper and we were front
16 page in the Kyle newspaper.

17 I won't say to you that we have absolute total
18 support. There's always folks that have questions. Most
19 people go check out our other properties and come to see
20 that we really do what we say we do.

21 We think that's what's needed to create support
22 for affordable housing in Texas for the long run is for
23 developers to go out proactively and work with folks.
24 It's risky, because you have to run on your record and
25 people have to have the opportunity to check you out.

1 In short, I think we are absolutely the kind of
2 organization that you should invest in. We consider the
3 funds you've put into our organization in the past to be
4 investments, and investments in the families and the kids
5 that live in our properties.

6 One underwriting issue -- our site is on a --
7 not a huge road -- Kolor's [phonetic] Crossing -- but the
8 proposed 1626 extension is coming down through there about
9 the same time that our development is going up.

10 And we think we've asked for a very reasonable
11 amount of credits per unit, especially when you compare
12 some of the requests that have come in this year for
13 really large amounts of credits.

14 Thank you for your time, and I invite any
15 questions. And I also brought our recent newsletter that
16 talks about some of our program.

17 MS. BINGHAM: Thank you.

18 MS. STINER: The next speaker is Mr. Wilfred
19 Bartoskewitz.

20 MR. BARTOSKEWITZ: Is it possible to be the
21 second speaker and let Mr. Sabrsula --

22 MS. BINGHAM: Oh, of course. Who's the first?

23 MR. BARTOSKEWITZ: -- speak to this first?

24 MS. STINER: Mr. Sabrsula?

25 MR. BARTOSKEWITZ: Herman Sabrsula.

1 MS. STINER: Yes.

2 MR. SABRSULA: Thank you kindly. My name is
3 Herman Sabrsula, the executive director of Eden Home. And
4 we're here to speak on behalf of the project 00157, Eden
5 Place in Seguin, Texas. We're proposing a 60-unit tax
6 credit program in Seguin, Texas.

7 What I wanted to speak to you today about was
8 the -- who we are, the sponsor. Eden Home, Incorporated,
9 is located in New Braunfels, and we are a church-related,
10 501(3)(c), not-for-profit organization, founded in 1910.
11 So we have been serving the seniors since -- for 90 years.

12 And so we not only provide housing, but we also provide
13 services.

14 The Eden Home is one of the pioneers also in
15 developing the Eden Alternative Program that you may have
16 heard speak of on different T.V. programs and so forth.

17 This program is one that focuses on developing
18 the human habitat in which you involve children, plants,
19 animals, birds, the empowerment employees, and also the
20 residents. So it's really a fine program. We've done
21 that now for about four-and-a-half years -- have been very
22 successful with that.

23 The Eden Place is located next to the Eden
24 Cross, which is a 50-unit apartment unit that is a HUD
25 202 -- Section 202 project. This project -- we've had

1 about a three-year waiting list which is adjacent to this.

2 So the Eden Home family is comprised of Eden Cross, as
3 well as Eden Heights, and some of the other programs we
4 have.

5 But we feel that the Eden Place is an ideal
6 location to provide for the waiting list we already
7 have -- for people that are in need of that -- as well as
8 for the community as a whole.

9 Seguin as a whole has about 2,500 seniors that
10 would qualify for some of this programming. 189 is needed
11 immediately, and so we're not oversaturating the market
12 whatsoever. We feel like there's a real need for this
13 project.

14 If you all have any questions in relationship
15 to some of the projects, we'd be happy to discuss that,
16 because we do want to have a community center adjoining
17 this project to -- which will also have some computer
18 rooms for people that are interested in computerization --
19 some of the things that people, as they come into the
20 market, are going to be wanting to have and services other
21 than what you might commonly see today.

22 So Eden Home and the organization as a whole is
23 very committed to senior services, has been for 90 years,
24 and certainly want to continue doing that serving. And
25 one of the philosophies the organization has always had is

1 that we never refuse to evacuate or ask anyone to be
2 evicted due to lack of funds. And so in 90 years, we've
3 never asked anyone to leave because they're out of funds.

4 So we feel like that's a very good statement on
5 our behalf that we wanted -- it's a ministry is what it is
6 for us.

7 MS. BINGHAM: Thank you.

8 DR. GRIFFIN: Madam Chairman, I have a
9 question. I want -- tell me about the 202 project. How
10 old is it? How -- when did you --

11 MR. SABRSULA: The one in Seguin was built in
12 1986. And it's 50 units -- and been full ever since.

13 DR. GRIFFIN: I'm impressed that you were able
14 to endure the process to get a 202 project.

15 MR. SABRSULA: Well, we have two. We have one
16 in New Braunfels as well, which is 94 apartments. And it,
17 too, has had a waiting list commensurate to the one at
18 Eden Cross.

19 And so, yes, it takes some endurance, but it's
20 worthwhile then when you see the people who have that need
21 to be served.

22 DR. GRIFFIN: So in your 202 you have a mixture
23 of the elderly and the handicapped? Or is it pretty much
24 just --

25 MR. SABRSULA: We have some handicapped, but

1 primarily the seniors. And there are some handicapped
2 units as well. We do have some handicapped individuals.
3 And that sort of cycles. Sometimes we have several;
4 sometimes not, depending on --

5 DR. GRIFFIN: How did you -- did you prepare
6 the units specifically for, let's say, physically
7 challenged? Did you prepare those units and set them
8 aside? Or do you -- how do you cycle the people in and
9 out with standard units?

10 MR. SABRSULA: The project has some handicapped
11 units. And I think we're also proposing some handicapped
12 in this unit as well.

13 DR. GRIFFIN: You just build them out --

14 MR. SABRSULA: However, if not -- because we
15 serve the elderly population anyway, you know, there are a
16 lot of things that you have to do to help them along
17 anyway, such as, well, hand rails and things that they
18 help in their bathing process and so forth. So those are
19 some of the standard things we like to see in our
20 projects.

21 I do have some -- some summary accounts of
22 projects and who we are in that area. Thank you kindly.
23 Appreciate your time.

24 MS. STINER: Mr. Bartoskewitz, would you like
25 to come back now?

1 MR. SABRSULA: Mr. Bartoskewitz is the chairman
2 or the president of the Eden Cross board, and we're just
3 pleased that he's with us today to also support the
4 program because, really, they're the ones that started the
5 ball rolling on this.

6 MR. BARTOSKEWITZ: We want to thank you for
7 your time. I'm Wilfred Bartoskewitz, president of the
8 board at Eden Cross.

9 And the property that we are -- that is in
10 consideration is adjoining to this location. And
11 presently we have 50 units there. And I think the most
12 important thing we are proud of is the activities that we
13 have and the way the facilities are kept.

14 The reason for this is -- which was mentioned,
15 but in the past ten years we have had a waiting list of 20
16 to 30 senior citizens looking for housing. And presently
17 there is 24 that are on the waiting list.

18 We are interested in this particular program
19 because of the variety of income that we can supply
20 housing to. We have found that we needed to be able to
21 have a variety because of the HUD project limits us to the
22 income of someone.

23 As this board started to look into this
24 project, we realized that we could not do this just by
25 ourselves, so we looked and searched for some support.

1 And we turned to the 14 churches that surrounded the New
2 Braunfels/Seguin area.

3 And we found that when asked that what they
4 thought about it at one of the south Texas association
5 meetings, they were in support of it and told us to
6 continue on and see what we could develop on this
7 property. And, again, the denomination is the United
8 Church of Christ, and their home office is in Austin here.

9 And the thing that I feel like what is
10 important that Eden Home has developed and set an example
11 is that for these past 90 years we were here in -- for
12 that length of time, and we will continue to be here from
13 here on. Thank you.

14 MS. STINER: Thank you, sir. Ms. Diane McIver.
15 Diane, you going to pass?

16 MS. MCIVER: I yield my time to Mr. Sabrsula to
17 make one more point.

18 MS. STINER: Okay.

19 MR. SABRSULA: The one additional point I
20 failed to make was in the package I've included letters of
21 support from the mayor of Seguin, from the State
22 Representative Ed Kuempel, from the Guadalupe Valley
23 Hospital, and several other letters of endorsement that
24 we've had there.

25 So we'd like to have you be aware that the

1 support has been very good for us -- very positive. And I
2 think -- and chamber of commerce of Seguin has also given
3 us support there. So we feel like the project has very
4 strong local community support. Thank you.

5 MS. STINER: Thank you, sir. The next speaker
6 is Ms. Linda Vargas.

7 (Pause.)

8 MR. BURCHFIEHL: Ms. Vargas? (Pause.) Could
9 we all come together?

10 MS. STINER: Oh, sure.

11 MR. BURCHFIEHL: Would that be best?

12 MS. STINER: And I have Ms. Mary Mendoza. Do I
13 have -- and Mr. Robert Burchfiehl. Sure.

14 MR. BURCHFIEHL: Good afternoon. I'm Robert
15 Burchfiehl, a third generation developer in Houston,
16 Texas. I'm here today to try to in three minutes tell you
17 of a six-year journey.

18 Six years ago I was asked to go look at Fulton
19 Village. Fulton Village was a post-World War II project.

20 But by the time I got to look at it in 1995, it was in
21 dire trouble. There was asbestos problems, there was lead
22 in the water problems, there were numerous things.

23 I could tell you today before anybody panics
24 that all of those problems are gone. Our work -- we
25 actually, I guess, blew the whistle, as it were, with

1 respect to some of these difficulties.

2 But our real dream in 1995 was to serve the
3 families that had lived in Fulton Village for those many
4 years. And we had hoped to do it in 1995. It's taken us
5 six years later, but, in that process I will tell you now,
6 in concert and with -- in company with the Housing
7 Authority of city of Houston, very ably represented today
8 by Mr. Horace Allison, the acting director, who, by the
9 way, is an architect by education, which is really a
10 wonderful breath of -- this project's been redone five
11 times.

12 And that's because we've worked with all the
13 church organizations, with all of the area organizations,
14 and in the -- the fact that we have support of members of
15 Congress, the state, city, and the local -- of all of
16 those, the ones we're proud of, are the people in this
17 room.

18 These ladies are going to speak for them, but
19 I'd like for you to recognize. Would all of the former
20 residents of Fulton Village please stand and let the board
21 recognize that you got up at six o'clock this morning and
22 drove here to say that they'd like to --

23 (Audience applause.)

24 The young lady in the very far corner is 80
25 years old. She is a Chippewa from -- originally from the

1 north where it snows a lot.

2 MS. MENDOZA: Michigan.

3 MR. BURCHFIEHL: Michigan. But, in spite of
4 her age, she, too, is here today. That's all I have to
5 say. It's a dream of mine that goes back six years. I'm
6 delighted to have had the opportunity to work with
7 Houston -- with the Housing Authority and with these
8 people to bring these families back.

9 It's a story of families that have been cast
10 asunder, but want to come back. 58 families have already
11 signed --

12 MS. MENDOZA: 68.

13 MR. BURCHFIEHL: Excuse me. 68 families wish
14 to return. We only have 108 units, so I'd say we're
15 fairly along -- fairly well along on getting ourselves
16 occupied.

17 It's also replacement housing for Allen Parkway
18 Village -- the very famous Allen Parkway Village, which
19 has hundreds involved. So our housing will certainly be
20 used immediately upon coming on the scene. Would you like
21 to speak, Ms. Vargas? Thank you very much.

22 MS. MENDOZA: Good afternoon. My name is Mary
23 Mendoza. I'm president of Fulton Village Association.
24 And I'm here to say that 86 families were originally
25 living there. We had to disperse because of problems.

1 But 68 families have remained in communication.

2 We're a large extended family. In it we have
3 elderly, senior, single mothers, single fathers, two-
4 parent families. But we've all become united, and we have
5 several families there that have three and four
6 generations that have lived there. That's all we know;
7 that's all that a lot of them know.

8 And I -- the gentleman said we have some
9 relatives there that -- I mean, some families there that
10 have lived over 30 years. It's -- we want to go back
11 desperately because that's the neighborhood that we grew
12 up, that we know.

13 It's -- we have a city park. There's an
14 elementary school, a middle school, a high school, clinics
15 for the sick and the elderly. And we have the local
16 supermarket that even though some families have moved way
17 across town -- and Houston is a big city -- they go on the
18 bus to the same neighborhood, to the same grocery store,
19 to the same checker to buy their groceries every week.

20 And so we're asking to please help Fulton
21 Village Limited partnership realize this dream for us.
22 Some of them, like this back here, say they -- when their
23 time comes they want to die there. And that's, you know,
24 incredible.

25 DR. GRIFFIN: What did you -- tell me again

1 what happened to Fulton Village?

2 MS. MENDOZA: We had to --

3 MS. BINGHAM: Fulton Village is an old HUD
4 property that's --

5 MS. MENDOZA: Uh-huh.

6 MS. BINGHAM: -- being -- that the housing --
7 that HUD disposed of --

8 MS. MENDOZA: Foreclosed on.

9 MS. BINGHAM: -- and it needs to be renovated
10 and --

11 MR. BURCHFIEHL: In 1995 it was privately
12 owned. We tried to get the private ownership to
13 cooperate. HUD wanted us to develop it then. They would
14 not do so without wanting to be remunerated.

15 We could not agree to that. HUD could not
16 agree to that. So we had to go through a very lengthy
17 process of foreclosure. We knew it would take too many
18 years, but we just -- we couldn't fathom that.

19 The housing quality was terrible, but these
20 people -- it was 100 percent occupied. But that's why it
21 didn't happen in 1995.

22 MS. STINER: Ms. Vargas?

23 MS. VARGAS: Yes. Thank you for allowing us to
24 be here today. I want to share this with you. I worked
25 as a caseworker in this community. I am a native

1 Houstonian, which there are very few of us left there.

2 But I wanted to tell you that I grew up in this
3 near north side part of Houston and I worked in the
4 community. As a caseworker, I became aware of all the
5 problems in our area. And back in the mid-eighties, I was
6 working with the homeless program with the City of
7 Houston, and I placed 35 families at Fulton Village.

8 In '95 I was -- I took the position as resident
9 manager, and that's when we became familiar with Fulton
10 Village Limited Partnership. And, yes, I saw all the
11 needs there at Fulton Village. But, in our community,
12 there is no adequate affordable housing.

13 At that point, working there in '95 -- and in
14 '98 -- January of '98 HUD foreclosed on the property and I
15 continued to be a resident of Fulton Village. I did not
16 leave until everyone was off of the property.

17 My reason to stay there was because I wanted to
18 see my big family move into adequate housing. And Fulton
19 Village Limited Partnership -- not only did they come to
20 our aid, but they came to see that our families were moved
21 into adequate housing.

22 It was devastating for us to have to relocate
23 in our area. We have moved 18 families eight miles away,
24 and that's one of the closest communities that we've gone
25 into. But we would love to come back into our community.

1 I -- last year I became ill. I lost my job.
2 My parents -- I'm an only child, and they were very ill.
3 I still would drive eight miles to their home, which was
4 three miles from Fulton Village.

5 My children go to the school that's close to
6 Fulton Village when we have a middle school across the
7 street. But the reason I do this is because I feel that
8 my children -- they're doing great in their school --
9 honor roll students. My oldest daughter is at the U. of
10 H.

11 And we all want to come back to Fulton Village.

12 So we want you to be able to provide those tools to
13 Fulton Village Limited Partnership to be able to provide
14 us with adequate housing back in our community.

15 And I leave you with this. As I heard I
16 believe the other lady from Del Rio speaking, we must
17 remember that poverty exists in -- all over the world.
18 But just remember this. It exists in our own country, in
19 our city, and in our own backyards. Thank you.

20 (Applause.)

21 MS. STINER: Ms. Valencia Grimes.

22 (Pause.)

23 MS. STINER: Ms. Grimes? I'll go to the next
24 speaker. Mr. Rowan Smith.

25 MR. SMITH: How are you all today? My name is

1 Rowan Smith, and I'm here to talk on El Patrimonio
2 Apartments, which is number 10 -- 00010 on your list.

3 This is a project that's in McAllen, Texas,
4 that has strong support from Senator Lucio and State
5 Representative Gutierrez. And I've strongly supported it
6 for the last two years.

7 The project is 192 units mixed use property.
8 It scores the second highest score in the general category
9 and the -- one of the highest scores in the state -- over
10 100 points.

11 MS. BINGHAM: What's that score, Mr. Smith?

12 MR. SMITH: Pardon?

13 MS. BINGHAM: What was that score?

14 MR. SMITH: No, that's -- well, that's as it
15 stands today. Let's put it that way.

16 (Laughter.)

17 MR. BETHEL: So that your final answer then?
18 It's got to be more than one.

19 MR. SMITH: Well, I just thought maybe scoring
20 might help, you know. So, anyway, we're -- another thing
21 I wanted to point out about the city of McAllen which I
22 think you all ought to know -- I'm not up here to do a lot
23 of trying to sway your opinion or anything.

24 But one of the things that's critical that you
25 need to know about the city of McAllen -- the city of

1 McAllen is the largest city along the border that has
2 never had tax credits.

3 Brownsville has had at least four or five large
4 projects. Harlingen's had two large projects. El Paso's
5 had ten or eleven large projects. And the other -- some
6 of the other ones have had some smaller projects along the
7 border.

8 MS. BINGHAM: So you would agree that we've
9 done projects along the border.

10 MR. SMITH: You've done a lot of projects along
11 the border.

12 DR. GRIFFIN: Where were you night before last?

13 MR. SMITH: This issue is -- I'll say this
14 about projects along the border -- because I've started
15 doing them back in 1994 when they were very difficult to
16 do, because you're only getting 62 cents on the tax
17 credits and the interest rates were a lot higher.

18 Because the median incomes are the lowest in
19 the state down there, the rents are very low. They cannot
20 absorb high interest rates and a lower tax credit prices
21 as much as other parts of the state can do.

22 Projects in the larger cities not only can be 9
23 percent tax credits, but their rents are high enough to do
24 4 percent tax credits, where they're not able to do that
25 down along the border areas.

1 So the real thing that works down there is 9
2 percent. We can make them work -- I pioneered it down in
3 the Valley, and we're ready to do another one for the
4 state and for this board that you'll be proud of. And we
5 thank you.

6 MR. BETHEL: Now, there's other areas of the
7 state that's the same -- in the same median incomes too.

8 MR. SMITH: Yes, the same median incomes,
9 but --

10 MR. BETHEL: Maybe like 100 counties.

11 MR. SMITH: Yes, probably so. Those -- even --

12 MS. BINGHAM: Lamesa would fall in that
13 category, wouldn't it?

14 MR. BETHEL: Uh-huh. Sure would.

15 MR. SMITH: Well, the same thing is for all of
16 those too. But --

17 MR. BETHEL: You're saying they're difficult to
18 do even with 9 percent credit.

19 MR. SMITH: Exactly.

20 MR. BETHEL: Okay.

21 MR. SMITH: Because of the low rents.

22 MR. BETHEL: Right.

23 MR. SMITH: So if interest rates keep rising,
24 they're going to become less and less attractive to
25 developers.

1 MS. BINGHAM: Mr. Greenspan, have you talked to
2 him?

3 (Laughter.)

4 MS. STINER: Okay. Kelly Hunt. She still
5 in -- yes, Ms. Hunt.

6 MS. HUNT: Hello. I represent Housing for
7 Texans, and I'm here today to talk to you about
8 application number 00140. It's College Station Southgate
9 Village.

10 As you all are very aware, part of the
11 application process requires us to post this public
12 hearing schedule at the property that we are hoping to
13 obtain the tax credits for. And we have done that,
14 obviously in the hope that some of the residents would
15 feel free to come and speak before you with their opinions
16 of our application and what we are proposing to do in
17 their homes.

18 And, unfortunately, it doesn't appear that
19 we're going to be able to have any of the residents of
20 Southgate Village come talk to you. But what they have
21 done is circulate a petition in support of our
22 application. So I'd like to read that into the record and
23 have you guys look at it.

24 "We, the residents of College Station Southgate
25 Village, would like to take this opportunity to voice our

1 support of the low-income housing tax credit application
2 for College Station Southgate Village Limited.

3 "We feel our apartment community will benefit
4 tremendously if the Texas Department of Housing and
5 Community Affairs approves this application. The most
6 significant of these benefits will be the improvement of
7 the quality of the apartment homes. Southgate Village is
8 in serious need of extensive renovation.

9 "We certainly appreciate any efforts on the
10 part of the new owners to rehabilitate our homes. This
11 will preserve much needed affordable housing in College
12 Station.

13 "Secondly, this preservation project will
14 increase the number of ADA accessible apartment homes.
15 This is a need in our community that has been virtually
16 overlooked for many years.

17 "Additionally, the new owners of our apartment
18 community have realized the need for additional homes for
19 large families. We specifically support the plan to
20 convert many one bedroom units to three bedroom units.
21 Many of the families in the community find themselves in
22 need of large apartment homes, but cannot afford to pay
23 market prices for those units.

24 "This application will preserve affordable
25 housing for our community, while increasing the size of

1 the units. That will be an incredible benefit to us.

2 "Lastly, Housing for Texans has taken a great
3 interest in increasing the community services to our
4 neighborhood. The fact that Housing for Texans will work
5 closely with the Lincoln Center and other social service
6 providers in our community is very important to us. The
7 addition of a resource center on our property is a
8 wonderful idea.

9 "The residents of Southgate Village are very
10 proud of our community, but we also see a tremendous need
11 for improvement. We feel the low income housing tax
12 credit application submitted by Housing for Texans is a
13 perfect way to achieve those improvements. We
14 wholeheartedly support the application and hope you will
15 consider our support when considering the application for
16 approval."

17 Right now we have 58 signatures on the
18 petition. They're still circulating, so chances are you
19 guys are going to get something in the mail from them.
20 But I'd like to submit that and would be happy to answer
21 any questions.

22 MS. STINER: Thank you, Ms. Moore [sic]. I
23 have Mr. -- I'm sorry, Ms. Hunt.

24 MS. HUNT: Yes.

25 MS. STINER: No, I called you by the wrong

1 name. I'm sorry. Thank you, Ms. Hunt. Mike Dunn. And,
2 unless there are other speakers who have signed up and
3 we've overlooked, Mr. Dunn, you --

4 MR. DUNN: Overlooked Mr. Dunn? What?

5 (Laughter.)

6 MS. STINER: Last but not least.

7 VOICE: He's the last one?

8 MS. STINER: Mr. Kilday? Oh, okay. Okay. Mr.
9 Dunn, please.

10 MR. DUNN: Thank you much. Madam Chair
11 Bingham, members of the committee, Chairman Jones, thank
12 you all for letting me speak today towards the tax credit
13 committee -- towards the tax credit program. Excuse me.

14 Before the tax credit committee makes their
15 final decisions on these allocation awards, TACDC would
16 find it very helpful to have a list of the staff
17 scoring -- a list of the final development teams.

18 It's very difficult to gauge the quality of all
19 of the applicants without having a list of all those
20 things made public. So we would ask that you direct staff
21 to make that available in the future and well ahead of the
22 public comment hearing portion of this tax credit.

23 Secondly, we're going to ask that the tax
24 credit committee please -- I'm not here to speak towards
25 any particular -- for or against any particular project.

1 DR. GRIFFIN: Who are you with?

2 MR. DUNN: Texas Association of Community
3 Development Corporation, a non-profit statewide membership
4 association representing community development and
5 affordable housing production in the state of Texas. We
6 are for community developments in Texas.

7 The -- we're going to ask that you please
8 spread the use of the tax credit allocations and pay
9 attention to the border region in the Valley. We feel
10 that area has been underrepresented. We ask that you
11 reverse this trend.

12 Finally, TACDC asks that you support the
13 state's best partners in affordable housing, the ones from
14 the communities in Texas who are -- who know best what is
15 happening in their communities and how to address the
16 needs, and we're -- and basically in providing and
17 preserving affordable housing in the state of Texas.

18 I think there's been many people who have come
19 before you and spoke about the need for affordable housing
20 in their communities today. And it is dire. I do believe
21 that by the year 2030, when we have 40 million Texans,
22 half of which aren't going to be earning much more than
23 \$20,000, it will be even worse.

24 So we need to start now and start awarding more
25 money to non-profits, specifically the ones whose mission

1 is to preserve affordable housing. Keep it affordable as
2 long as possible. Spread the -- make the dollars work as
3 long as possible.

4 If we do start doing that now, by the year
5 2030, you know, it's probably still going to be a crisis,
6 but it -- we might have made a little headway towards
7 that.

8 And, with that, I close my comments. I'd ask
9 that you get -- you know, there's probably -- I'd be happy
10 to go over the list, but I don't know about all of the
11 non-profits on there. About eight to ten of them I'd
12 award if I were up there, but I'm not. So -- but I'll be
13 happy to answer any of your questions if I can.

14 DR. GRIFFIN: Yes, I have a question. If --

15 MR. DUNN: By the way, I almost timed that
16 perfectly.

17 DR. GRIFFIN: If affordable housing is what
18 you're concerned with and the way it's distributed around
19 Texas, why does it matter to you who the development team
20 is if you know the location of the housing?

21 MR. DUNN: I think it speaks -- it's as much
22 about knowing about what the mission of the -- of each
23 element of the development team. Is it about providing
24 affordable housing? is it about preserving affordable
25 housing?

1 DR. GRIFFIN: How can you tell that from
2 looking at somebody's name what their mission is -- their
3 personal mission is that they say they're going to build?

4 MR. DUNN: Well -- exactly. My point exactly.
5 That's why I need more than the name. I need -- we need
6 information about the development teams -- who's doing it,
7 what -- you know, who's putting these deals together, what
8 is their track record.

9 DR. GRIFFIN: That's what I'm saying. That's
10 not going to give you -- that you see that -- that you see
11 their name and who the architect is and who -- this, that
12 and the other. That's not going to tell you their
13 mission.

14 MR. DUNN: Yes. I don't know that it wouldn't.
15 Why don't you give it to us and we'll find out.

16 DR. GRIFFIN: We'll see.

17 MR. DUNN: I appreciate -- you know, I'd just
18 like to say I appreciate everybody's work on this board
19 and in the tax credit committee, both in the past and in
20 the future.

21 And I certainly understand that there's been
22 some hard decisions made and perhaps some things said by
23 some folks that I think they might regret. Thank you much
24 for your time.

25 MS. STINER: Thank you. Who's --

1 MS. BINGHAM: Isn't our next speaker Dr.
2 Kilday?

3 MS. STINER: Mr. Kilday, while you're coming
4 forward, the last speaker was Ms. Grimes. I don't
5 think -- did she come back in? Well, Mr. Kilday, you have
6 the honor of being last but not least.

7 MR. KILDAY: Thank you very much. That happens
8 a lot. Thank you very much. I'm sorry there was a little
9 confusion when we spoke earlier. We had the mayor pro tem
10 from Cedar Park, Texas, and -- speaking on behalf of
11 project number 57, which is sponsored by Diane Kilday and
12 me. And it's called the Cedar Creek Townhomes.

13 And she has a sick relative and had to leave
14 early. And we got a little crossed up. She wanted to
15 read the letter from the mayor into the record, if we
16 could do that.

17 MS. BINGHAM: Yes.

18 MR. KILDAY: If that would be permissible. And
19 I'd like to mention, too -- one other thing real quick
20 that there have been two mayors. The mayor just changed
21 in May -- or in this month I guess. And Mayor George
22 Denny -- I think most of the other applications there,
23 along with mine, have a letter from George Denny, the
24 former mayor, and also we have a council resolution from
25 the former mayor.

1 And he was defeated by Mayor Bob Young just
2 recently. And so we have a letter from the new mayor, Bob
3 Young, that we also wanted to read into the record. And
4 we wish no ill on any of the other projects. We're just
5 trying to do the best we can for ours. Dear members --

6 MR. BETHEL: So then, like Mr. Smith, you're
7 promoting your project then.

8 MR. KILDAY: Yes, sir.

9 MR. BETHEL: I mean, he said he wasn't
10 promoting his, I think.

11 MR. KILDAY: Diane Kilday's project.

12 MR. BETHEL: Yes.

13 MR. KILDAY: "Dear members, It is with great
14 disappointment that I am unable to appear before you today
15 to testify personally on behalf of Cedar Creek Townhomes,
16 number 57 -- project number 57, located at 1456 East
17 Whitestone Boulevard in Cedar Park, Texas.

18 "As mayor of Cedar Park, I have made affordable
19 housing a priority and am passionate about seeking out
20 quality affordable housing projects for Cedar Park. I
21 believe this project, Cedar Creek Townhomes, can provide
22 the quality that the people of Cedar Park deserve.

23 "Cedar Park, Texas, is one of the fastest
24 growing cities in America with a tremendous population
25 increase since the early 1990s. Jobs are being created by

1 the thousands, but there is no quality affordable housing
2 for residents of this area.

3 "This project is located in the growth
4 corridor, FM 1431 and 183A, going over to Highway 35. And
5 it would provide housing for those citizens who make up a
6 large number of Cedar Park residents, the working class.
7 There are -- these are the residents who keep Cedar Park
8 running by working for us in retail and restaurants, not
9 in high tech industry, necessarily.

10 "These hard working citizens need to be able to
11 afford quality housing for themselves and their families.

12 The particular project would provide 144 residences which
13 are low density and high quality home sites on ten acres
14 offering an abundance of amenities and features.

15 "The location of the proposed project is ideal
16 as it would have easy access in all directions from FM
17 1431 east to I-35 and U.S. 183 South to Austin and north
18 to Temple and Killeen area.

19 "This project fits with the city's
20 comprehensive plan, and is located near Cedar Park's
21 projected new downtown area just across the street.

22 "I would urge you, as members of the Low Income
23 Housing Tax Credit Committee, to look closely at the
24 application for this project in Cedar Park, Texas, and
25 grant these tax credits for this much needed project.

1 "I have attached a copy of the city council
2 resolution in which every member of the city council
3 showed support. I appreciate your consideration in this
4 matter. Sincerely, Bob Young, Mayor of Cedar -- City of
5 Cedar Park."

6 Thank you for letting me read that. And I'll
7 ask if there are any questions. I'd be glad --

8 MS. BINGHAM: Thank you, Mr. Kilday.

9 MR. KILDAY: Thank you.

10 MS. BINGHAM: Do we have any other --

11 MS. STINER: No, Madam Chair. That's the end
12 of the public speakers.

13 MS. BINGHAM: I would also, just for the
14 audience -- you probably are aware of our next -- who has
15 a copy of the --

16 MS. STINER: Tax credit --

17 MS. BINGHAM: -- tax credit --

18 MS. STINER: Public hearings?

19 MR. BREWER: [indiscernible], Margie.

20 MS. BINGHAM: I have mine. The next public
21 hearing is on -- is tomorrow, Saturday, May 20, in the
22 city council chambers of the city of San Antonio.

23 The next hearing is in Houston on Saturday, May
24 27, in the original city hall chamber at 901 Bagby
25 [phonetic], 10:00 a.m.

1 And the last public hearing will be in Dallas
2 on Saturday, June 3, at 10:00 a.m. at the city council
3 chambers in Dallas. That's the last public hearing.

4 And, of course, the board meeting will be July
5 for tax credits.

6 That concludes all of our speakers. Do we have
7 any of the board members who would like to do their
8 speech? If not, thank you.

9 I don't think -- this is a hearing, so I don't
10 know if we need a motion to adjourn or not. But we stand
11 adjourned anyway.

12 (Whereupon, at 12:25 p.m., the public hearing
13 was concluded.)

C E R T I F I C A T E

1
2
3 MEETING OF: Low Income Housing Tax Credit Committee
4 Public Hearing
5 LOCATION: Austin, Texas
6 DATE: May 19, 2000

7 I do hereby certify that the foregoing pages,
8 numbers 1 through 110, inclusive, are the true, accurate,
9 and complete transcript prepared from the verbal recording
10 made by electronic recording by Penny Bynum before the
11 Texas Department of Housing and Community Affairs.

(Transcriber) 05/30/00
(Date)

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