

TEXAS STATE AFFORDABLE HOUSING CORPORATION

BOARD MEETING

TSAHC Offices
6701 Shirley Avenue
Austin, Texas 78752

Wednesday,
October 13, 2021
10:30 a.m.

BOARD MEMBERS:

WILLIAM H. DIETZ, JR., Chair
VALERIE V. CARDENAS, Vice Chair
COURTNEY JOHNSON ROSE, Member
ANDY WILLIAMS, Member
LEMUEL WILLIAMS, Member

ON THE RECORD REPORTING
(512) 450-0342

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P R O C E E D I N G S

MR. DIETZ: It is 10:34 a.m. on Wednesday, October 13, and the Texas State Affordable Housing Corporation Board Meeting is called to order, and to begin, we'll do our roll call.

Bill Dietz, Chair. I am here.

Valerie Cardenas, Vice Chair?

MS. CARDENAS: Here.

MR. DIETZ: Courtney Johnson Rose?

MS. JOHNSON ROSE: Present.

MR. DIETZ: Lemuel Williams?

MR. L. WILLIAMS: Here.

MR. DIETZ: And Andy Williams?

MR. A. WILLIAMS: Present.

MR. DIETZ: And we are all here, and I think this is the first time that we have all been here in person in a year and a half --

MS. JOHNSON ROSE: Yeah. I think so.

MR. DIETZ: -- in this building.

MS. JOHNSON ROSE: In the building.

MR. DIETZ: Yeah. You're right. Okay. And before we begin, if you could join me in the Pledge of Allegiance to the American and the Texas flags.

(The Pledge of Allegiance was recited.)

MR. DIETZ: And to the Texas flag.

1 (The Texas Pledge was recited.)

2 MR. DIETZ: And before we move into the present
3 report, is there any public comment not relating to a
4 specific agenda item? I don't hear any.

5 So, on to the President's report. Mr. Long?

6 MR. LONG: Good morning, Chairman Dietz and
7 Members. It's actually really good to see everybody here.
8 As Mr. Dietz notes, it's the first time in this building
9 and it's good to have everybody together again in person.

10

11 The Board packet, in addition to the agenda
12 items, contains the program reports, including the
13 Corporation's quarterly investment report from our
14 investment advisor from Patterson and Associates.

15 The Corporation's fiscal year 2021 audit began
16 on Monday, the 11th. We anticipate the audit process will
17 be completed and the audit report issued on or before the
18 20th of November, pursuant to our enabling legislation.
19 The Corporation is required to submit our annual financial
20 report and our audit report to the Comptroller of Public
21 Accounts by November 20th and December 20th respectively.

22 TSAHC's Loan Committee met yesterday via
23 conference call. The Committee reviewed and approved for
24 Board consideration on the agenda today three new loans
25 under the Texas Housing Impact Fund. Cassandra will be

1 going over those under Tab Items 2, 3, and 4 here shortly.

2 The first two are bridge loans. One to Kiva
3 East, an LLC, and that will be for an 87-unit new
4 construction property in Dallas. June West, LLC, is an
5 apartment complex in Austin, an 80-unit new construction.

6 And then, we also approved a revolving line of
7 credit for Board consideration, a construction loan to
8 Legacy Community Development Corporation. And again, as I
9 noted earlier, those will be in front of you here shortly.

10 I'd like to thank the committee for its
11 participation yesterday, and I always like to thank Mr.
12 Williams for his participation as the Board member
13 representative on that.

14 Single-family updates -- the Homeownership
15 Staff continue to provide several training opportunities
16 to our partner lenders and realtors, including our
17 Overcoming Down Payment Hurdle webinars, mandatory lender
18 training for participating lenders in our 24/7 online
19 training webinars. They also approved three new lenders
20 who participate in our single-family program since the
21 last Board meeting.

22 The Corporation recently released its 2021
23 Housing Impact Fund Investment Report in late September.
24 The annual report spotlights projects we financed through
25 the Housing Impact Fund and partners that make these

1 projects really possible for us.

2 This year we spotlighted our partnership with
3 the Texas Health and Human Services Commission, as well as
4 our partnership as a housing associate member of the
5 Federal Home Loan Bank. These reports are available on
6 our website, and I think in the press report I sent you
7 all, there's a link there you can click on, if you would
8 like.

9 Outreach -- Katie Claflin and Michael Wilt on
10 September 29th participated and presented to the financial
11 institutions focus on the Corporation's Texas Supportive
12 Housing Institute. The presentation was part of the CRA
13 Connections webinar series hosted by the Fed Reserve Bank
14 in Dallas. And so, we thank them for their participation
15 in that. I actually watched it, and they did a really
16 good job.

17 On Thursday the 7th, Michael Wilt moderated a
18 session as part of the Texas Association of CDC's Annual
19 Policy Summit. It was a virtual conference this year, and
20 that focused on the 87th Legislative Session.

21 Permanent supportive housing -- we completed
22 our fourth session under the Texas Supportive Housing
23 Institute, which is the Corporation's training and
24 technical assistance program for developers interested in
25 creating permanent supportive housing. I do always like

1 to mention it, because this takes a lot of money to get
2 this off the ground and we do it every year.

3 And so, I want to recognize the Institute
4 sponsors on that. And the grants that we receive were
5 provided by J.P. Morgan Chase, Wells Fargo, Insperity,
6 Minimum, Texas Capital Bank, Frost Bank, and Regions Bank.
7 And so, thank you to those sponsors for helping us make
8 that happen.

9 Under the Texas Foundations Fund, our
10 Corporation's grant program, we started working on our
11 2022 grant agreements for our 33 Texas foundations by
12 nonprofit partners. If you recall, this is a two-year
13 award, and this is the second year of that award to these
14 33 partners. They'll receive \$20,000 each in support of
15 their home repair or supportive services program for a
16 total of just over \$660,000. So, again, thank you to
17 them, the staff working through that, and for the Board
18 for your support in allowing us to use those monies in
19 that manner.

20 Under the single-family compliance and rental
21 program, James and Celina attended the Novogradac 2021
22 Affordable Housing Tax Conference and Tax Credit and Bond
23 Conference. I will say this was in person. We do require
24 staff, when they come back from travel, to get tested for
25 COVID, and they did all that. But it was just nice that

1 they got to go.

2 In addition to that, Celina was actually a
3 participant on one of the panels. She was asked to speak
4 at the Novogradac conference. She was a panelist on the
5 session that was titled, What Does Back to Normal Mean for
6 Compliance?

7 And as you can imagine, they're working to
8 figure out how best to get back out in the field and still
9 do the compliance reviews that we have to do. So, thank
10 you to them.

11 The other part of their team, Estefania,
12 completed course requirements and exam to obtain her tax
13 credit specialist certificate. So, congratulations to
14 her.

15 Before I conclude, Mr. Chairman, I would like
16 to note, while he's not here today -- he'd probably be
17 embarrassed if I did this, but I'm really proud of him.
18 I'd like to congratulate Michael Wilt. He participated in
19 the Boston Marathon on Monday, and he completed that race
20 in 26.48 miles. And for me, that would be death.

21 Michael completed it in two hours, 48 minutes,
22 and 36 seconds. He ran it -- his average was a two
23 minute -- a six minute and 22 second mile, which is pretty
24 amazing. So, congratulations to Michael on that. So, I'm
25 very, very happy for him.

1 He's not here today. He's actually taking a
2 little time off to recuperate, and he's actually enjoying
3 some time in the Boston area. So, good for Michael.

4 Our next scheduled Board meeting is Wednesday,
5 the 17th at 10:30. So, again, we'll tentatively throw
6 that out there. We obviously have things that we will
7 bring to you. But if that needs to change or if the Board
8 members need to change it, just let us know.

9 And with that, I'll conclude my remarks, Mr.
10 Chairman.

11 MR. DIETZ: Great. Thank you. Any questions
12 from the Board for Mr. Long? No? Then we will move into
13 our action items for today's meeting.

14 Tab Item 1 is the presentation, discussion, and
15 possible approval of the minutes of the Board meeting that
16 was held on September 15, 2021. Any questions, comments,
17 corrections? Or is there a motion to approve?

18 MR. L. WILLIAMS: Chairman, this is Lemuel
19 Williams. I'd like to make a motion to approve the
20 September Board minutes.

21 MR. DIETZ: Is there a second?

22 MS. CARDENAS: Second.

23 MR. DIETZ: Okay. It's been moved and seconded
24 that we approve the minutes of the Board from September
25 15, 2021, as submitted.

1 Is there any public comment? Hearing none, all
2 in favor, please say, aye.

3 (A chorus of ayes.)

4 MR. DIETZ: And any opposed?

5 (No response.)

6 MR. DIETZ: Okay. The minutes are approved.

7 Tab Item 2, the presentation, discussion, and
8 possible approval of a resolution approving a Texas
9 Housing Impact Fund second lien bridge loan to Kiva East,
10 LLC, in an amount not to exceed \$1 million for the Kiva
11 East Apartments.

12 MS. RAMIREZ: Good morning. My name is
13 Cassandra Ramirez and I'm the Development Finance Manager
14 with TSAHC. As David mentioned, this was approved by the
15 Loan Committee yesterday with conditions.

16 And to give you a little bit of background,
17 this agenda and resolution is related to a second lien
18 bridge loan in an amount not to exceed \$1 million for the
19 Kiva East Apartments, which was a 2021 9-percent loan from
20 Housing Tax Credit awardee.

21 TSAHC funds will be used for site acquisition
22 costs and will be repaid from proceeds at closing from the
23 construction lender. Loan Committee approved this loan at
24 the October meeting with the following conditions: an
25 interest rate per annum for a 12-month term, monthly

1 payments of interest only will be made during the loan
2 term.

3 TSAHC will collect an origination fee of
4 \$10,000 on the date of closing. Loan closing will be
5 conditioned on financing commitments from Legacy Bank in
6 the approximate amount of \$2.3 million for the remaining
7 site acquisition cost. TSAHC also requests copies, along
8 with commitment letters from the City of Dallas and other
9 construction and permanent source lenders referenced in
10 their loan application.

11 Closing of this loan must occur simultaneously
12 with other financing sources and TSAHC must approve of any
13 subordination or parity agreements, and approval and
14 funding are conditioned on a satisfactory financial
15 review. Regarding financial review, the Corporation will
16 accept a signed compilation report for both Ms. Stephens'
17 personal financial statements, and Saigebrook Development,
18 LLC's financial statements from a third-party CPA for the
19 developer.

20 I forgot to mention that Abby Penner is
21 available for any questions and comments regarding this
22 agenda item and the one related to June West.

23 MR. DIETZ: This is in the City of Dallas
24 proper?

25 MS. RAMIREZ: Uh-huh.

1 MR. DIETZ: Where in Dallas is it located? Do
2 you know?

3 MS. RAMIREZ: Near the Deep Ellum. It's part
4 of a trail.

5 MR. DIETZ: Okay. Down in that area?

6 MS. RAMIREZ: Uh-huh.

7 MR. DIETZ: Yep. Okay. Any other questions or
8 comments?

9 MR. L. WILLIAMS: Chair, this is Lemuel.

10 A quick question for you. You don't -- is
11 there currently any areas of concern with this loan that
12 you see? Or the project?

13 MS. RAMIREZ: No. I mean, they have financing
14 commitments from their construction lender and their
15 permanent lender, and they do have the 2021 Tax Credit
16 Award.

17 MR. L. WILLIAMS: Okay.

18 MS. RAMIREZ: So, this is just to bridge their
19 costs to acquire the site --

20 MR. L. WILLIAMS: Okay.

21 MS. RAMIREZ: -- once they close with their
22 construction --

23 MR. DIETZ: Any other questions? Okay. Unless
24 there are any other questions or comments, or unless we'd
25 like to ask questions of the representative here, we could

1 have a motion.

2 MS. JOHNSON ROSE: Mr. Chairman, I'll make a
3 motion to approve.

4 MR. DIETZ: Is there a second?

5 MR. L. WILLIAMS: Chair, this is Lemuel. I'll
6 second.

7 MR. DIETZ: Okay. It's been moved and seconded
8 that we approve the resolution to approve the Texas
9 Housing Impact Fund second lien bridge loan to Kiva East,
10 LLC, in amount not to exceed \$1 million for the Kiva East
11 Apartments.

12 Is there any public comment?

13 (No response.)

14 MR. DIETZ: Okay. All in favor, please say,
15 aye.

16 (A chorus of ayes.)

17 MR. DIETZ: Any opposed?

18 (No response.)

19 MR. DIETZ: Okay. It is approved. Thank you.

20

21 Tab Item 3, the presentation, discussion, and
22 possible approval of a resolution approving a Texas
23 Housing Impact Fund second lien bridge loan to June West,
24 LLC, in an amount not to exceed \$1.2 million for June West
25 Apartments.

1 MS. RAMIREZ: This is Cassandra Ramirez again.
2 So, yes, this is related to the June West Apartments in
3 Austin.

4 This is also a 2021 9-percent tax credit
5 project that was awarded tax credits in 2021. And similar
6 to Kiva East, TSAHC's funds will be used for site
7 acquisition costs and will be repaid from proceeds at
8 closing from the construction lender.

9 Loan Committee approved this loan at the
10 October meeting with the following conditions: an
11 interest rate of 3 percent per annum for a 12-month term,
12 monthly payments of interest only will be made during the
13 term of the loan, TSAHC will collect an origination fee of
14 \$12,000 on the date of closing, loan closing will be
15 conditioned on financing commitment from Legacy Bank in
16 the approximate amount of \$2.8 million for the remaining
17 site acquisition costs, and TSAHC is also requesting
18 copies, along with commitment letters from the City of
19 Austin, and other construction and permanent sources
20 referenced in the loan application.

21 Closing of this loan must occur simultaneously
22 with other financing sources, and TSAHC must approve any
23 subordination or parity agreements. And approval and
24 funding are conditioned on the satisfactory financial
25 review that the same conditions referenced for the

1 Committee.

2 MR. DIETZ: Where in Austin is this project?

3 MS. RAMIREZ: Brentwood neighborhood, off of --

4 MR. LONG: Koenig.

5 MS. RAMIREZ: -- Koenig Lane.

6 MR. LONG: 2222 area.

7 MS. RAMIREZ: Uh-huh. Close by.

8 MR. LONG: It's a great location.

9 MR. DIETZ: Yeah. Any other questions or
10 comments from the Board?

11 MR. L. WILLIAMS: Chair, Lemuel Williams.

12 I guess, kind of going back to the last
13 question with -- I guess, for third-party financing, same
14 thing is going to occur with Kiva to kind of have that
15 third-party auditing? Okay.

16 MS. RAMIREZ: Uh-huh.

17 MR. L. WILLIAMS: Okay. I'm just asking,
18 because there's always factors that could throw something
19 off.

20 MS. RAMIREZ: We won't close and fund until our
21 CFO and our accounting staff are satisfied --

22 MR. L. WILLIAMS: Okay.

23 MS. RAMIREZ: -- with it, too.

24 MR. L. WILLIAMS: Okay. Okay.

25 MR. DIETZ: That's a fairly common way for us

1 to be involved in these types of transactions: the
2 acquisition of the property, bridge loan until the
3 construction loan pays us off?

4 MS. RAMIREZ: Right. Uh-huh.

5 MR. DIETZ: And they typically last 12 months?

6 MS. RAMIREZ: This one does a 12-month term
7 loan.

8 MR. DIETZ: That's a -- yeah.

9 MS. RAMIREZ: It's very similar to the loan you
10 all approved in June for Saison North Apartments.

11 MR. DIETZ: Okay.

12 MS. RAMIREZ: Similar tax credit.

13 MS. JOHNSON ROSE: And it looks like the funds
14 are coming out of our Housing Impact Fund, specifically.

15 MR. LONG: This is actually something we've
16 been doing more and more, and it's an activity and a
17 transaction I really like that we're doing. I mean, we
18 really are adding capacity by filling in the gap with a
19 bridge loan. But we're not committing long term, or
20 funding long term --

21 MS. JOHNSON ROSE: Yeah.

22 MR. LONG: -- over five years. So, it gives us
23 a chance to do this more and more to help these
24 transactions get off the ground and secure the land, which
25 is really what we're trying to help with these things.

1 MS. JOHNSON ROSE: Yeah.

2 MR. LONG: There's such an up-front cost with a
3 lot of this. It just allows us to be a participant in a
4 way that we can commit funds without being a long-term
5 commitment.

6 MS. JOHNSON ROSE: How much of our budget do we
7 have allocated in the Impact Fund?

8 MR. LONG: Melinda? Do you know how much is in
9 the Impact Fund?

10 MS. SMITH: What was the question?

11 MR. LONG: How much money do we have committed
12 to lending programs?

13 MS. SMITH: To the --

14 MR. LONG: Impact Fund and lending programs?
15 Is it \$8 million?

16 MS. SMITH: I don't know the exact amount, to
17 be honest. I can get back to you, though.

18 MS. JOHNSON ROSE: Just curious.

19 MR. LONG: I think it's in excess of \$8
20 million.

21 MS. JOHNSON ROSE: That's great.

22 MR. LONG: Yeah.

23 MS. JOHNSON ROSE: Okay. Awesome. Mr. Chair,
24 I want to make a motion to approve Tab Item 3.

25 MR. DIETZ: Great. Is there a second?

1 MR. A. WILLIAMS: I'll second.

2 MR. DIETZ: It's been moved and seconded that
3 we approve the resolution approving a Texas Housing Impact
4 Fund second lien bridge loan to June West, LLC, in an
5 amount not to exceed \$1.2 million for the June West
6 Apartments. Is there any public comment?

7 Hearing none, all in favor, please say, aye.

8 (A chorus of ayes.)

9 MR. DIETZ: Any opposed?

10 (No response.)

11 MR. DIETZ: It's approved.

12 Tab Item 4 is the presentation, discussion, and
13 possible approval of a resolution authorizing a Texas
14 Housing Impact Fund revolving line of credit construction
15 loan to Legacy Community Development Corporation in an
16 amount not to exceed \$600,000.

17 MS. RAMIREZ: This is Cassandra Ramirez again.

18 I'm speaking on this tab item just to mention -- but to
19 add to David's presentation, this is a renewal of a line
20 of credit that we already had with Legacy CDC.

21 They've been an active borrower and local
22 partner under TSAHC's Affordable Communities of Texas
23 Program and the Texas Housing Impact Fund since 2013, and
24 they have three properties that they're ready to
25 immediately add to their current line of credit. However,

1 they've missed the six-month cut off to add new property,
2 based on the current loan terms.

3 So, we went ahead and they requested a full
4 renewal of their line of credit. I can also add that
5 right now, they have a current principal balance of \$0,
6 and they do not have any properties collateralized on
7 their line of credit.

8 So, Loan Committee met yesterday, and made the
9 following approvals with the following conditions on this
10 loan -- and to reinforce again, this is a revolving line
11 of credit not to exceed \$600,000 -- and the conditions are
12 as follows: there is an interest rate of 3 percent for a
13 24-month term, no new homes may be added to the line of
14 credit after month 18, the majority of homes will be
15 reserved for households earning 80 percent or less of the
16 area median family income, a commitment of \$4,750 will be
17 charged at the time of closing, and an origination fee of
18 \$250 for each home is charged when they add to their line
19 of credit.

20 All homes must adhere to TSAHC's building
21 standards. The total amount of funds drawn for a property
22 under an approved budget shall not exceed 90 percent of
23 the as-built appraised value of such property.

24 Interest on the outstanding principal balance
25 of the loan will be paid monthly, and funding of the loan

1 is conditioned on the satisfactory financial review of the
2 borrower's annual audits by TSAHC, and that's underway.
3 I'm just looking through the audits and their statements
4 now.

5 MR. DIETZ: So, I understand -- so, this is a
6 line of credit -- they had an existing line of credit, but
7 were past the 18-month --

8 MS. RAMIREZ: Yeah. They --

9 MR. DIETZ: -- time frame.

10 MS. RAMIREZ: -- can't add properties.

11 MR. DIETZ: And so --

12 MS. RAMIREZ: Their -- it matures in February.
13 So, they're at a point where we can just renew it, since
14 they have a zero balance right now, and no properties
15 collateralized.

16 MR. DIETZ: Okay. Okay. And so, rather than
17 doing something to the old line of credit, like renewing
18 it, that's just gone. We're issuing a brand-new line of
19 credit to make it easier to -- okay.

20 MS. RAMIREZ: Uh-huh.

21 MS. JOHNSON ROSE: Was the previous amount
22 \$600,000?

23 MS. RAMIREZ: The previous amount was \$500,000.

24 MS. JOHNSON ROSE: So, we're raising it?

25 MS. RAMIREZ: Uh-huh. They're experiencing

1 higher construction costs in the Jefferson County --

2 MS. JOHNSON ROSE: Okay. I see.

3 MS. RAMIREZ: -- Beaumont, Port Arthur area.

4 MR. DIETZ: Any other questions or comments?

5 MR. L. WILLIAMS: Chair, one -- Lemuel
6 Williams. A question.

7 So, I'm looking here under Market Conditions,
8 second paragraph. The region was hit hard by Hurricane
9 Harvey in 2017 and more recent storms. With, I guess, the
10 climate the way it is today, do they foresee any issues on
11 build construction of what's going on today that could
12 possibly impact any future builds with this loan?

13 MS. RAMIREZ: I mean, it's hard to say exactly.

14 MR. L. WILLIAMS: Yeah.

15 MS. RAMIREZ: But they are pricing some
16 projects for us as part of our ACT Program, and I know
17 they are experiencing material delays --

18 MR. L. WILLIAMS: Uh-huh.

19 MS. RAMIREZ: -- and construction costs have
20 gone up for their area. But it's still -- you know, we
21 could still make it work with their other sources that
22 they're coming in with, including down payment assistance.

23 MR. L. WILLIAMS: Okay.

24 MR. DIETZ: Okay. Any other questions?

25 MR. L. WILLIAMS: Thank you, Chair.

1 MR. DIETZ: All right. Is there a motion?

2 MR. A. WILLIAMS: I motion to approve.

3 MR. DIETZ: Is there a second?

4 MS. CARDENAS: Second.

5 MR. DIETZ: Okay. Great. It's been moved and
6 seconded that we approve the resolution authorizing a
7 Texas Housing Impact Fund revolving line of credit
8 construction loan to Legacy Community Development
9 Corporation in an amount not to exceed \$600,000.

10 Is there any public comment?

11 (No response.)

12 MR. DIETZ: Hearing none, all in favor, please
13 say, aye.

14 (A chorus of ayes.)

15 MR. DIETZ: Any opposed?

16 (No response.)

17 MR. DIETZ: It's approved.

18 MS. RAMIREZ: Thank you all.

19 MR. DIETZ: Thank you. Thank you for all your
20 presentations this morning.

21 Tab Item 5 is the presentation, discussion, and
22 possible approval of the publication for public comment of
23 the guidelines, scoring criteria, and targeted housing
24 needs for the allocation of qualified residential rental
25 project tax exempt bond funds under the Multifamily

1 Housing Private Activity and program request for
2 proposals, and the 501(c)(3) bond program policies for
3 calendar year 2022.

4 That's a mouthful.

5 MR. DANENFELZER: Good morning. David
6 Danenfelzer, Senior Director of Development Finance.

7 First of all, thanks for having me up here,
8 yeah. But actually, I want to take just a sidestep and
9 commend Cassandra for the work she did on those last
10 three. It is a great joy to have her with our team, and
11 for me not to have to present everything at Board meeting.
12 So, I really do appreciate it.

13 With that side note behind us, this is a
14 practice we do every year here at TSAHC that we are
15 required to by statute. Both our 501(c)(3) bond policies
16 and our private activity bond RFP are statutory powers
17 that the corporation has. And in that statute, it does
18 require the Board to go ahead and review those policies
19 and the RFP, and vote on a new policy each and every year.

20 What we've done through the years is try to
21 look at honing the policies and RFP to make them better,
22 and to adjust to market needs and other changes in housing
23 as the years go on. This past two years in particular,
24 we've seen an enormous increase in the volume of
25 applications to the private activity bond program, and the

1 demand for multifamily housing has sort of shown us some
2 of the weak points, when we're in a situation like this,
3 to our policy.

4 So, probably more than almost any year that
5 I've been here -- and that's 15 years now -- we have some
6 significant changes to the policies that we're proposing.

7 But they are really just to make the program work better,
8 and to ensure sort of the expedient flow of projects
9 through our pipeline.

10 I'll just touch on a few of the highlights here
11 in the presentation portion, but Section 5, the
12 application review, has been rewritten in its entirety.
13 This sets new timelines and sort of new steps, providing a
14 little bit more detail of how we actually manage
15 applications to the applicants and to the outside world,
16 so that we can be very clear when it comes to the steps of
17 moving something from inducement to a reservation, and
18 through the public hearing process -- that we can clearly
19 state that and point to our policies.

20 Threshold criteria are all for the program
21 contained in Section 6, and we are looking at changes to
22 compliance threshold to make sure that we're getting a
23 little bit better information from the Texas Department of
24 Housing and Community Affairs as it relates to tax credit
25 compliance from applicants. Also, the resident thresholds

1 are being amended.

2 Something that our asset oversight compliance
3 team have pointed out is that as technology evolves, so do
4 the services provided to residents. And the list that
5 we've always included in the past has things on there that
6 nobody offers, and doesn't have a lot things that can be
7 offered now because of technology.

8 So, we're going to take that out of the policy
9 as a hard line item issue, and allow our AOC team to look
10 at individual resident services and determine the benefit
11 at the time that the applicants bring it to us. We think
12 that's a better process and allows us to adjust in the
13 next couple of years to those rapidly changing resident
14 services that are available now.

15 Other things like environmental review,
16 readiness to proceed have been updated. Scoring items
17 related to income range for residents has been updated,
18 really because we've had a lot of confusion in that one-
19 line item. And so, hopefully, we'll kind of -- we've
20 really just repositioned the words. Rather than "up to,"
21 it's now "at least." And so, it changes it around, and it
22 should make it a lot easier for folks to understand.

23 And finally, although it's not completely a new
24 section, we have adopted and merged an older section on
25 compliance with our previous RFPs with a new section on ex

1 parte communications. Ex parte communications is really
2 something -- within the housing tax credit requirement,
3 this has actually been a standard since 2013 that the
4 Texas Department of Housing and Community Affairs -- it's
5 something that the State Legislature added to their
6 statute.

7 We're simply adopting that to make sure that
8 we're complying, also, with the way applicants communicate
9 with staff and Board members through the process, so that
10 we don't end up with any conflicts between how our
11 policies work, and with the Department of Housing's
12 policies.

13 With that, I'll leave it to any questions you
14 may have about other changes. There are some small
15 changes that legal counsel has decided a word needed to be
16 different, or add a new phrase like, "similar
17 obligations," which is right there at the very top.

18 Obviously, our legal counsel does a great job
19 reviewing these each year. And they kind of amend them
20 and make small changes to make sure we're kind of
21 modernized.

22 MR. DIETZ: So, it sounds like there are some
23 changes that are designed to inject some additional
24 flexibility, like the resident services.

25 MR. DANENFELZER: Right.

1 MR. DIETZ: There are a couple changes that are
2 not -- that are making it more stringent. Is that
3 correct?

4 MR. DANENFELZER: Well, I think that -- I hate
5 to say more stringent, but rather, to better define the
6 process that the applicants are under. Like how we manage
7 applications, we've always had a multi-step process. But
8 the old section was sort of like, submit the application.
9 We'll do an inducement. Then we'll get to the Board,
10 finally.

11 So, we've kind of drawn out -- like, there are
12 multiple steps that we're going to do. We're going to
13 review it for this, that. We're going to do these -- all
14 these steps before we bring it to the Board.

15 And we want to be clear, because -- and you all
16 know, we've had a number of -- a lot of deals that have
17 come through, a number of them having delays because of
18 market conditions or other reasons. And so, we want to
19 make sure that everyone's very clear on how the
20 Corporation manages its pipeline of applications, rather
21 than having to kind of say, well, this is how we've always
22 done it. Let's put that in the policy.

23 MR. DIETZ: Any questions?

24 MS. CARDENAS: So, not being so vague. Just
25 defining it more.

1 MR. DANENFELZER: Defining it more.
2 Particularly that Section 5 on the application review.
3 Some of the other sections like the ex parte
4 communications is something that it's a standard for
5 housing tax credits. All of our transactions need to meet
6 the housing tax credit requirements.

7 So, we're just adopting that in our policies to
8 make sure there's no difference in how the tax credit and
9 the bond applications are managed between the two
10 agencies.

11 MS. JOHNSON ROSE: I did have a question about
12 that. So, the number (f) that was added, saying that the
13 Corporation may have a developer withdraw that application
14 to make sure that it's in line with the Low Housing Income
15 Tax Credits -- that's just a match to policy?

16 MR. DANENFELZER: Correct. And in fact, on
17 that section in particular, one of the things we've had
18 twice in the last two years -- and last year's --
19 applicants who did not submit their tax credit application
20 immediately after getting the bond reservation, the bond
21 reservation has a 180-day clock on it.

22 The tax credit application takes at least 90
23 days to get through the process. We've had two applicants
24 who did not receive their tax credit award until less than
25 30 days from the closing date, and that means that staff,

1 bond counsel, everyone has to compress all of their time
2 lines down to 30 days.

3 And in both of those cases, we actually had to
4 withdraw that reservation and resubmit. We had that
5 luxury because of additional volume cap. But it also
6 caused us to push other applicants who were ready and
7 eligible for applications back in the line, and to wait
8 for volume cap, and we don't want to have to do that if an
9 applicant is not ready to proceed.

10 So, that's a clarification in how we would like
11 to make sure we manage it from now on. Because we didn't
12 have it in the policy, when we said, well, this is how we
13 do it, they said, Well, you don't have that in your
14 policy.

15 MS. JOHNSON ROSE: Correct.

16 MR. DANENFELZER: And so, we had to acquiesce
17 to their demands, and we were able to because of the
18 volume cap. But moving forward, I won't be able to
19 because the demand is so high. There is no excess volume
20 cap available in the state of Texas at this time.

21 MS. JOHNSON ROSE: On Number 7 for the income
22 range for residents, this just seems like a significant
23 change in terms of it originally was 80 percent of housing
24 units will be reserved for persons earning 60 percent or
25 less, and we've changed that to only 20 percent.

1 Could you expand upon that one?

2 MR. DANENFELZER: Yeah. This was actually --
3 so, this is the one I was noting where it -- and I've had
4 trouble with this, as well. Because the initial intent is
5 that no more than 80 percent of the units would be
6 reserved for 60 percent below households. That's how it
7 was worded.

8 MS. JOHNSON ROSE: Okay.

9 MR. DANENFELZER: Our legal counsel -- and as
10 we've gone through this and writing that into compliance
11 agreements -- realized that almost all the other language
12 we use is, at least --

13 MS. JOHNSON ROSE: Okay.

14 MR. DANENFELZER: -- at least 50 percent or 40
15 percent at a certain affordability. And so, this kind of
16 reverses the wording so that at least 20 percent have to
17 be available for persons earning more than 60 percent.
18 Whereas before it was 80 percent couldn't earn more than
19 60 -- or couldn't be restricted to 60 percent.

20 MS. JOHNSON ROSE: 20 percent.

21 MR. DANENFELZER: It's a little bit of a
22 reversal. But I've had a hard time doing it. But
23 I've been told by counsel that this is the better way of
24 saying it.

25 MS. JOHNSON ROSE: Uh-huh.

1 MR. DANENFELZER: And so, we're kind of moving
2 it. So, we're kind of flipping the 80 and 20, and the
3 position of where the 60 percent limit is.

4 MS. JOHNSON ROSE: And then, it goes on to say,
5 "At least 15 percent of the total numbers will be reserved
6 for persons between 80 and 120." So, is the 15 added to
7 the 20?

8 MR. DANENFELZER: No. So, that's actually --
9 it's an either/or proposition. So, either you have the 20
10 percent that are reserved for folks that don't have income
11 restrictions, basically, or you're reserving just 15
12 percent of the total deal for that middle market income,
13 which is 80 to 120.

14 MS. JOHNSON ROSE: Uh-huh.

15 MR. DANENFELZER: So, that part one would allow
16 you to do 60 percent rents and then 20 percent of your
17 units at market. Part two, actually, is a little more
18 restricted, because they're not market units, but it
19 allows you to do a portion of your units that are 80 to
20 120, just the 15 percent.

21 You can do the rest at 60 and below. You can
22 do 50 and below. You could also have a smaller number.
23 But we're trying to just incentivize getting that middle
24 market 80 to 120 percent AMI which, for many years, has
25 been a really tough market to meet.

1 There's sort of the high-end market. There's
2 affordable market. But that middle income market is
3 really missing in the marketplace. Sorry for saying the
4 market so many times.

5 MR. DIETZ: Any other questions or comments?

6 (No response.)

7 MR. DIETZ: Okay. Is there a motion?

8 MS. CARDENAS: Motion to approve.

9 MR. DIETZ: A second, by chance?

10 MR. L. WILLIAMS: Chair, this is Lemuel
11 Williams. I'll second.

12 MR. DIETZ: Okay. It's been moved and seconded
13 that we approve the resolution authorizing the issuance of
14 Texas State Affordable --

15 MR. DANENFELZER: No.

16 MR. DIETZ: No. I'm sorry. I'm on the wrong
17 tab.

18 Approved and seconded -- moved and seconded
19 that we approve the publication for public comment of the
20 guidelines, scoring criteria, and targeted housing needs
21 for the allocation of qualified residential rental project
22 tax exempt bond funds under the Multifamily Housing
23 Private Activity Bond program request for proposals and
24 the 501(c)(3) bond program policies for calendar year
25 2022.

1 Is there any public comment?

2 (No response.)

3 MR. DIETZ: Hearing none, all in favor, please
4 say, aye.

5 (A chorus of ayes.)

6 MR. DIETZ: Any opposed?

7 (No response.)

8 MR. DIETZ: It is approved. And that will come
9 back to us after public comment, right?

10 MR. DANENFELZER: Correct. Typically, we'll
11 come back in December. We try to at least have 30 days of
12 public comment, but we can't usually get that to the
13 November meeting.

14 So, we'll be back in December with the final
15 version.

16 MR. DIETZ: Final approval.

17 MR. DANENFELZER: And then, we'll present both
18 the black line and the final version to you.

19 MS. JOHNSON ROSE: Final. Great.

20 MR. DIETZ: Great. Thank you. I'm glad you
21 got to give at least one presentation today.

22 MR. DANENFELZER: I got a second one.

23 MR. DIETZ: Oh, you've got another one?

24 Tab Item 6 is the presentation, discussion, and
25 possible approval of a resolution authorizing the issuance

1 of Texas State Affordable Housing Corporation Multifamily
2 Mortgage Housing revenue notes of the Sandpiper Cove
3 Apartments, series 2020 -- excuse me -- 2021 A-1, and 2021
4 A-2 of funding loan agreement, a borrower project loan
5 agreement, and asset oversight, compliance and security
6 agreement, and a regulatory agreement authorizing the
7 executing of documents and instruments necessary or
8 convenient to carry out the issuance of the notes and
9 other provisions in connection therewith.

10 MR. DANENFELZER: Good morning again. David
11 Danenfelzer, Senior Director of Development Finance. I
12 won't go into too much detail about the project. This is
13 a project that we've discussed many times over the last
14 several months.

15 I will say that this is an acquisition rehab
16 development. They are requesting \$37.5 million in private
17 activity bond authority to rehabilitate 192 existing units
18 in Galveston, Texas.

19 Staff has updated their presentation just
20 slightly from the last time we looked at this to highlight
21 those. We did hold a second public hearing on September
22 30th of this year. This was at the advice of bond
23 counsel. The previous public hearing was held December
24 1st of 2020.

25 We do want to make sure that those are not --

1 the bond term is "tired." But generally, they don't --
2 they're not too long or too old, and they'll provide
3 additional comments to come around.

4 The Texas Attorney General actually does review
5 our TEFRA's and approves them officially for IRS purposes,
6 and that is kind of a standard they have is the one-year
7 period. So, we want to make sure we didn't have that as a
8 hurdle getting closer to closing and prior to getting your
9 approval today.

10 Notes for the hearing are included. Not much
11 has changed about market conditions or anything else in
12 staff's review. The financial summary has not been
13 updated since July.

14 We do know numbers are moving around, and they
15 are finalizing the final costs, which is very typical for
16 all of the transactions, and staff will continue to
17 monitor that up until closing. So, if anything
18 drastically changes, we will have the authority to not
19 move forward if the deal becomes unfeasible. We don't
20 suspect that to be a problem at this point in time,
21 though.

22 That's pretty much it. Other than those two
23 things, I didn't have any other additional comments or
24 additions to the write up. And so, I'm here to answer any
25 questions you may have.

1 MR. DIETZ: And this is simply -- so, we
2 approved this transaction, basically, two or three months
3 ago, and this is the actual bond?

4 MR. DANENFELZER: This is the final bond
5 resolution. So, today, if approved, I will go ahead and,
6 in the next day or two, submit what's called a Notice of
7 Intent to Issue Bonds to the Texas Bond Review Board.

8 They are sort of the final say of all State
9 debt in Texas. I will have to go before them, as well.
10 They -- for this transaction, they have a six-day review
11 period, and they can call us to a meeting, if they so
12 choose.

13 But we'll simply submit all the required
14 information for their application. I conduct all that
15 activity. I've been collecting it for the last couple of
16 weeks from the developer and financing partners.

17 If approved, I'll go ahead and have the
18 signature on the resolution today. Then, I can finalize
19 my application. I'll submit that and go through the BRBs
20 process.

21 Closing will likely happen early December -- is
22 what we're targeting at this point. Hopefully, before the
23 end of the year, the investors would like to do that. But
24 this transaction does, technically, have until February
25 5th to close on its bond reservation.

1 So, if there's any hurdles that may delay us,
2 we have some cushion in it. But we are trying to get it
3 through the process as quickly as possible so that they
4 can move forward with construction activity.

5 MR. DIETZ: And the reason we've had a little
6 time expire between the last time and this time is just
7 because of the previous kind of delays. We got to a point
8 where you kind of had to do this at a later date. Is that
9 correct?

10 MR. DANENFELZER: Correct. The last action the
11 Board took gave authority to staff and the Corporation to
12 get a new reservation to move forward again with the
13 application process.

14 At that time, counsel was taking a hiatus from
15 drafting all the bond documents until we knew what the
16 Board wanted.

17 MR. DIETZ: Yeah.

18 MR. DANENFELZER: So, in July, when you gave us
19 that authority -- since then, we've been moving forward
20 rapidly with getting all that documentation together, and
21 we're now ready with this -- the bond resolution. And all
22 the financing partners have drafted all their base
23 documents.

24 There's always lots of more things to do behind
25 the scenes, but I'll continue to monitor that. And we're

1 just -- we have the base document and the bond agreement
2 in place.

3 MR. DIETZ: Yeah. Any other questions for Mr.
4 Danenfelzer?

5 (No response.)

6 MR. DIETZ: Not hearing -- if there are no
7 questions or comments, is there a motion?

8 MS. CARDENAS: Motion to approve.

9 MR. DIETZ: Is there a second?

10 MS. JOHNSON ROSE: Second.

11 MR. DIETZ: It's been moved and seconded that
12 we approve the resolution authorizing issuance of Texas
13 State Affordable Housing Corporation Multifamily Mortgage
14 Housing revenue notes, the Sandpiper Cove Apartments,
15 Series 2021 A-1 and 2021 A-2, a funding loan agreement, a
16 borrower project loan agreement, an asset oversight
17 compliance and security agreement, and a regulatory
18 agreement authorizing the execution of documents and
19 instruments necessary and convenient to carry out the
20 issuance of the notes and other provisions in connection
21 therewith.

22 I do know that we have some public comment.
23 And so, I'll call the people that I have listed here for
24 public comment first. And then, if there are any
25 additional public comments, we can move forward with them.

1 The first one on my list here is Mr. Simonians,
2 right, with ITEX.

3 MR. SIMONIANS: I was hoping to be last, but
4 first is okay, too. So, Chairman, Members of the Board,
5 my name is Bobken Simonians. I'm with ITEX, and I
6 represent the developer.

7 We have been here four times, I think. It's
8 the fourth meeting. We have had two public hearings, and
9 I do know that there are a lot of discussions going around
10 this project, some against, some for. And it can create
11 some confusion, and it does create some concern.

12 I'd like to point out a few things. We are
13 spending \$50 million to fix up this project. Less than
14 \$20 million in acquisition, and \$30 plus million is the
15 construction and costs associated with the construction.

16 The project receives about \$10 million of these
17 sort of tax credits. Now, there were discussions,
18 suggestions, why don't you just demolish and build anew?
19 Perfect, increases about \$20 million to the cost.

20 There's discussion, why don't you just raze the
21 buildings? Yes, that's another \$10 million to the cost.
22 But increase for the new construction, increase the
23 levels, also loses the \$7 million -- \$10 million tax
24 credits, assorted tax credit.

25 We explored all the alternatives. The choices

1 are this, either we rehab the building with the sources
2 that we have had. Stars have lined up. We have been able
3 to get the money lined up to do this.

4 Either we get this done and improve the lives
5 of the people that live in there, or they stay there the
6 way they are. There's an issue of, well, there's a
7 concentration of this, and concentration of that. We have
8 to disperse -- there's no concentration.

9 We looked all over the island of Galveston.
10 Tried to find places to at least accommodate some of the
11 concerns to move some people away so there is less
12 concentration. Close to 80-90 units are three, four, and
13 five bedrooms. We could not find a property on island of
14 Galveston that has more than one- and two-bedroom units
15 for purchase.

16 We were trying to accommodate some of the
17 concerns. We couldn't find that. So, the way to do it is
18 to make sure the security issues are addressed by having
19 cameras, having gates that function properly, and try
20 to -- if there is an opportunity to find a property with
21 three- and four- and five-bedrooms, to try to disperse
22 some of the tenants to accommodate that.

23 The issue has been raised that the tenants
24 should receive the vouchers to go wherever they are.
25 Well, we try to find places for them. We couldn't find it

1 in island.

2 So, by giving them vouchers, that is equal to
3 asking them to leave the island and go somewhere else --
4 Houston, or some other places. People have established
5 their residence in that island. They have their schools
6 there. They have the public there. They have their
7 friends there. So, we are disturbing their lives.

8 We have the City of Galveston's support, the
9 mayor, city manager. We have the elected officials'
10 support. We have the school's support. We have the
11 housing authority's support.

12 Most people who are involved are in support of
13 the project. So, you will hear all these concerns. I
14 just want for you to know that we have tried to address
15 all these concerns, and this is the best way.

16 Flooding -- since Harvey, there has been no
17 flooding in there. There is some seepage into the
18 buildings, but that's because of the windows, and that's a
19 construction issue that we are trying to address.

20 I know my time is up. If you have any
21 questions, I'll be happy to explore further the details of
22 the construction. But thank you for your consideration
23 and hoping that we'll have your support.

24 MR. DIETZ: Any questions?

25 MS. CARDENAS: Nuh-uh.

1 MR. DIETZ: Okay. Thank you very much and
2 thank you -- I forgot to point out that I'd like to have
3 everybody limited to that three minutes. You already knew
4 that from previous --

5 MR. SIMONIANS: Yeah, I noticed you getting
6 nervous. So --

7 MR. DIETZ: Yeah. So, thank you.

8 MR. SIMONIANS: Thanks.

9 MR. DIETZ: The next person I have on my list
10 for public comment is Ms. Wilkerson. Three minutes for
11 your public comments. Thank you.

12 MS. WILKERSON: Yes, sir. Good morning. Thank
13 you, Mr. Chairman, honorable members.

14 My name is Loia Wilkerson. I'm Director of
15 Supportive Services for ITEX. Our ITEX supportive team
16 takes a holistic approach to create programs for our
17 properties and our residents.

18 We take a look at the specific needs of the
19 residents and tailor the programs to suit those needs. We
20 focus on nutrition, safety -- which is a big issue for us
21 at Sandpiper, education, health, social, employment
22 resources, after-school programming, teen mentoring, and
23 financial planning.

24 We make strategic partnerships within the
25 property's communities to meet those needs. We've already

1 begun making partnerships for Sandpiper. We're currently
2 partnering with the Wright Cuney Community Center, which
3 is located at the far west side of the property across the
4 street.

5 We'll have those -- access to that property, as
6 well. We'll be able to utilize not only their actual
7 teachers, but we plan to incorporate their teachers into
8 our mentoring program that we are creating right now.

9 We are also partnering with GUM, which is
10 Galveston Urban Ministries. They have a successful teen
11 mentoring program that we will also be utilizing to bring
12 over to Sandpiper.

13 We have the support of Councilwoman Lewis. She
14 is one of the newer members of the city council. She is a
15 longtime resident of that community and a retired
16 educator, and she has also agreed to get behind all of our
17 efforts to make strong partnerships in that community and
18 make them last.

19 We look forward to bringing forward-thinking
20 programs. We don't want to just hand out a cupcake to a
21 child and say, Thank you very much. We want to make a
22 difference. We want to start at the grassroots level.

23 So, to start, we're going to have a fall
24 festival October 28th, and we're just going to have a big
25 block community party, and we're just going to have a

1 blast.

2 We are looking forward to providing space for a
3 police substation on the property, as studies have shown
4 us -- and on our other properties -- that community
5 policing does decrease the crime rate in our communities.

6 So, we look forward to having that.

7 And finally, not only does ITEX have the
8 dedication and the integrity to complete the rehab, we
9 have the heart and the wherewithal to improve the
10 residents' lives. So, I humbly ask that you give us that
11 opportunity.

12 Thank you, and I'll be glad to take your
13 questions.

14 MS. JOHNSON ROSE: Mr. Chairman, I have a
15 question.

16 MR. DIETZ: Yes?

17 MS. JOHNSON ROSE: So, the services that were
18 mentioned, these are services that are happening now as
19 the property manager? Or services that will only happen
20 after the project --

21 MS. WILKERSON: They will -- yes, ma'am. They
22 will go into effect November the 1st. That's why we've
23 been working all summer. We sent out questionnaires to
24 the residents to see --

25 MS. JOHNSON ROSE: Okay.

1 MS. WILKERSON: -- what kind of activities they
2 wanted, and we're pushing forward and making those
3 partnerships that will begin November the 1st. Well,
4 their calendars go out -- the flyers will go out.

5 We're going to be -- we have a grant from the
6 National Institute of Aging --

7 MS. JOHNSON ROSE: Uh-huh.

8 MS. WILKERSON: -- and we're going to be hiring
9 seniors to run the day-to-day facilitation of the
10 programs, and I'm going to be officing there at least one
11 day a week to make sure that it gets done.

12 MS. JOHNSON ROSE: So, this will happen
13 November 1, 2021?

14 MS. WILKERSON: Next month.

15 MS. JOHNSON ROSE: Good. Okay.

16 MS. WILKERSON: Yes, ma'am.

17 MS. JOHNSON ROSE: All right. Thank you.

18 MS. WILKERSON: Thank you.

19 MR. L. WILLIAMS: Chair, I have a question. To
20 continue on with Director Rose's question, I guess -- you
21 mentioned there were questionnaires that were sent out to
22 the residents regarding the programs.

23 MS. WILKERSON: Yes.

24 MR. L. WILLIAMS: I guess, what were the
25 programs that the residents want to see?

1 MS. WILKERSON: The biggest thing was safety.
2 We only got -- we sent out 192 questionnaires. We only
3 got eight back.

4 MR. L. WILLIAMS: Wow.

5 MS. WILKERSON: The most consistent things that
6 we saw on the questionnaires were, in fact, safety. They
7 wanted some kind of accountability for people to be on the
8 properties, because they feel like the people causing the
9 issues do not reside at the property. So, they want
10 safety. It was the number one thing.

11 Nutrition for our children, and all of our ITEX
12 properties have nutrition programs. In the summer, the
13 second ice cream truck -- they play the ice cream music,
14 kids come out. They get the food. They go back.

15 So, we will be instituting the nutrition
16 program. They were looking for after-school programs and
17 tutoring programs, as well. And they wanted access to a
18 computer lab. You know, just basic computers that I take
19 for granted, and they need. Most of us do. Things that
20 ITEX has on our properties.

21 MR. DIETZ: Any other questions or comments
22 from the Board?

23 MR. A. WILLIAMS: I have a question. With the
24 building being heavily concentrated with low to moderate-
25 income residents, I would have expected there would be

1 some financial literacy in those rep services --

2 MS. WILKERSON: Yes.

3 MR. A. WILLIAMS: -- concentrating on that
4 population. And we've heard witnesses -- some of the
5 residents have been there for 30 years. So, it should be
6 expected that there should be some financial literacy and
7 some migration opportunities, so that the building cycles
8 residents, versus allows them to stay in there.

9 MS. WILKERSON: Thank you for saying -- for
10 asking that question. And I forgot to mention -- it was
11 in my notes.

12 MR. A. WILLIAMS: Okay.

13 MS. WILKERSON: We're creating a homebuyers'
14 program.

15 MR. A. WILLIAMS: Okay.

16 MS. WILKERSON: And I'm searching for a credit
17 union on the island who will maybe adjust their fees for
18 them if they apply for their mortgage through them.

19 It's going to be a four-week program.

20 We're going to have basic understanding of
21 their credit, how to save for their down payment, how to
22 understand variable rates. It's going to be -- when they
23 finish that four-week program, they're going to understand
24 the responsibility of owning a home, and that they can own
25 that home. Because a lot of people don't think that they

1 can own their own home.

2 But they have that ability. So --

3 MR. A. WILLIAMS: Yeah.

4 MS. WILKERSON: -- I'm excited for that
5 program. Thank you for asking.

6 MR. A. WILLIAMS: Okay.

7 MR. DIETZ: Other questions or comments?

8 MR. L. WILLIAMS: Chair, this is Lemuel. I
9 have another one. Actually, I have like 50 of them, but
10 I'll stick to one.

11 I guess I'm just -- I'm puzzled where I'm just
12 trying to comprehend that there were 192, I guess,
13 questionnaires, or questions that went out, and you only
14 received eight.

15 MS. WILKERSON: Yes.

16 MR. L. WILLIAMS: I guess I'm just going to ask
17 you -- I guess, what's been the repeated or continued
18 effort to get more responses? Even at least 10?

19 MS. WILKERSON: Right. They just went out last
20 week. So, they just went out last week --

21 MR. L. WILLIAMS: Okay.

22 MS. WILKERSON: -- because we didn't solidify
23 partnerships until most recently.

24 MR. L. WILLIAMS: Okay.

25 MS. WILKERSON: So, we were able to -- we put

1 out the questionnaire the week before last week. And
2 then, it's going out again tomorrow, along with the flyer
3 for the fall festival.

4 And then, I've been walking the property. I've
5 been meeting with the residents. Ms. Kelly has been on
6 that property for 17 years. And I met with Mr. Mason. He
7 was a new resident from New Orleans. And so, he's been
8 here about two or three years.

9 So, we're working on getting those numbers, and
10 a lot of the apathy -- and we don't own the property yet.

11 MR. L. WILLIAMS: Uh-huh.

12 MS. WILKERSON: But a lot of the apathy is, in
13 previous years, they've had people come in and want to do
14 for them, and they've not followed through. That's where
15 the problem comes in, and that's why we reached out to
16 GUM, because they have a strong relationship with the
17 residents of this community.

18 So, that's why we know we can't do it on our
19 own.

20 MR. L. WILLIAMS: Yeah. Thank you, ma'am.

21 MS. WILKERSON: Thank you.

22 MS. JOHNSON ROSE: So, just to clarify -- so,
23 you all manage the property, but you do not own it yet?

24 MS. WILKERSON: We don't manage it, either.

25 MS. JOHNSON ROSE: Okay. But an affiliate

1 company, J. Allen --

2 MS. WILKERSON: Yes, ma'am.

3 MS. JOHNSON ROSE: -- Management, that's also a
4 partner --

5 MS. WILKERSON: I'm not sure.

6 MR. SIMONIANS: May I --

7 MS. JOHNSON ROSE: Yeah, what's the
8 relationship there?

9 MR. SIMONIANS: When the issue came up, we were
10 sort of approached by HUD because the current --

11 MS. JOHNSON ROSE: You were approached by --

12 MR. SIMONIANS: By HUD.

13 MS. JOHNSON ROSE: By HUD? Okay.

14 MR. SIMONIANS: The current owner was not
15 abiding to HUD requirements. They had ended up with all
16 these deferred maintenance and the problems that tenants
17 were having. So, HUD wanted to do something.

18 So, they gave us the green light to move
19 forward, and as condition of them letting the property
20 wait until we take over, they force them to change the
21 management a few months ago. They brought in J. Allen,
22 which is affiliated with us in several projects, and one
23 of the employees of J. Allen Management is also a co-
24 partner with us.

25 But their involvement with the proposed

1 transaction has nothing to do with the current
2 relationship as the manager of the property. The current
3 owners were forced to hire J. Allen Management because J.
4 Allen Management had flood experience and section 8
5 projects for our projects.

6 MS. JOHNSON ROSE: And how long ago was that?

7 MR. SIMONIANS: I believe --

8 MS. WILKERSON: June or July.

9 MR. SIMONIANS: June or July, maybe. More or
10 less a year, roughly about a year. And we have been
11 trying to close the deal to take over the property, but we
12 haven't been able to, because of the problems that you are
13 aware of.

14 So, once we acquire the property, either with
15 J. Allen Management and our management, we'll have more
16 control over the property to implement all the programs
17 that we've sought to fix.

18 Currently, there is no money to fix things.
19 The rents do not generate enough money to fix things.
20 There are, like, 20 units -- or 27 units, I believe, last
21 I heard -- are offline because there is no money to fix
22 them and rent yet to bring money in. That's caused some
23 of the problems that we are having.

24 So, the management issue will continue on with
25 J. Allen. And then, ITEX will be added to it. But ITEX

1 will have control over it, because we're part of the
2 ownership.

3 Right now, we are nothing. We are just beating
4 our drum. We are not able to impact anything on the site.

5 What we have been doing, however -- we spent
6 about -- again, roughly \$300,000 to fund some of the life
7 safety issues on the property so that it doesn't get
8 worse. There were some issues about lead in water that we
9 heard. Nobody wants to have led in the water. We don't
10 want the tenants to be subject to it.

11 So, before even we own the property, we have
12 put in filters. We have contacted EPA. We have contacted
13 others how we can mitigate this issue --

14 MS. JOHNSON ROSE: Uh-huh.

15 MR. SIMONIANS: -- even though we don't own it,
16 we are spending money to address it. So, life and safety
17 issues will be addressed first without waiting for the
18 bond closing in December.

19 As we take over the property with the bridge
20 loan financing that we are getting, we'll deal with the
21 health and safety issues immediately. And then, the major
22 rehab will happen in December where they issue the bond
23 and bring the tax credits and the things that are on the
24 table.

25 MS. JOHNSON ROSE: Okay.

1 MR. SIMONIANS: I hope that answers your
2 question.

3 MS. JOHNSON ROSE: Yeah. Thanks.

4 MR. DIETZ: Any other questions?

5 MR. L. WILLIAMS: Thank you, Chair.

6 MS. WILKERSON: Thank you, all.

7 MR. DIETZ: Great. Thank you very much. Okay.
8 I have some additional public comment requests here. Ms.
9 Richardson.

10 Gladys Richardson?

11 MR. SIMONIANS: Mr. Richardson couldn't make
12 it.

13 MR. DIETZ: Okay.

14 MR. SIMONIANS: Raynold Richardson?

15 MR. DIETZ: No. Gladys Richardson is --

16 MR. SIMONIANS: Oh, I'm sorry.

17 MR. DIETZ: Oh, she's here.

18 MS. RICHARDSON: Yes. Good morning, everyone.

19 MS. JOHNSON ROSE: Good morning.

20 MR. DIETZ: If you could just state your name
21 and --

22 MS. RICHARDSON: My name is -- hello. My name
23 is Gladys Richardson --

24 MR. DIETZ: Great. Thank you.

25 MS. RICHARDSON: -- and I live in Sandpiper

1 Cove. I've been there for, like, four years.

2 And I've been dealing with mold, chipped paint.

3 I have to take a bath in all this. I have to bathe my
4 grandkids in all this, and this is just not acceptable,
5 okay?

6 I've been told that I had to put bleach on the
7 mold. But when I spray bleach, it will go away for, like,
8 maybe two -- maybe three weeks. And then it's back again.

9 Okay. I have my grandkids, and I have to bathe
10 them in a bucket. That's, like, unacceptable, you know?

11 And all I want is really a tub, a tub that I
12 can bathe in -- my family, and I've been asking for a tub
13 for four years, and they keep denying me a tub. I don't
14 know why.

15 But, you know, we just need better management
16 in the apartments. Because it's just unacceptable
17 stuff -- unacceptable. We're all getting sick. I'm like
18 sick right now. I have to go to the hospital and find out
19 what's going on with my body because of the apartments.

20 That's all.

21 MR. DIETZ: Okay. Thank you for your comments.

22 MS. JOHNSON ROSE: Thank you.

23 MR. DIETZ: Are there any questions from the
24 Board?

25 MR. A. WILLIAMS: Yeah. I have a question.

1 Were you -- did you respond to the outreach?

2 MS. RICHARDSON: Yes, sir.

3 MR. A. WILLIAMS: Okay. Do you know why the
4 other residents did not respond?

5 MS. RICHARDSON: Excuse me?

6 MR. A. WILLIAMS: Why the other residents did
7 not respond?

8 MS. RICHARDSON: They probably did. I just --
9 I don't know about their issues. I just know about mine.

10 MR. A. WILLIAMS: Uh-huh. Okay.

11 MS. JOHNSON ROSE: I do have a question.

12 Ma'am, have you been able to contact the new management
13 company, J. Allen?

14 MS. RICHARDSON: They won't give us the number.

15 MS. JOHNSON ROSE: Okay. So, you all don't
16 have access to the new management?

17 MS. RICHARDSON: No, ma'am.

18 MS. JOHNSON ROSE: Okay.

19 MS. RICHARDSON: And I just want a voucher to
20 get out so me and my family can have somewhere decent and
21 better to stay.

22 MS. JOHNSON ROSE: Yes, ma'am.

23 MS. RICHARDSON: You know? If you all was in
24 my shoes, you all would be upset like I am, you know?

25 MS. JOHNSON ROSE: Yes, ma'am.

1 MS. RICHARDSON: It's just unacceptable. I go
2 in the office and ask them, Can I come and bathe at your
3 house? You know?

4 MS. JOHNSON ROSE: Yeah.

5 MS. RICHARDSON: It's --

6 MS. JOHNSON ROSE: Is there anybody at the
7 office when you go to the office?

8 MS. RICHARDSON: I'm sorry. Repeat that.

9 MS. JOHNSON ROSE: Do they have staff at the
10 management office when you go to the leasing office?

11 MS. RICHARDSON: Just one person. Every time
12 we get a new manager, they stay for six months. And then,
13 they're gone.

14 MS. JOHNSON ROSE: They're gone.

15 MS. RICHARDSON: And then, they take our work
16 orders and tear them up. For what? I have no idea.

17 MS. JOHNSON ROSE: I understand. Thank you for
18 coming.

19 MS. RICHARDSON: Yes, ma'am.

20 MR. DIETZ: Thank you.

21 MR. L. WILLIAMS: Excuse me, Chair. I have a
22 question.

23 MR. DIETZ: Oh, sure. Ms. Richardson, one more
24 question.

25 MR. L. WILLIAMS: Yeah.

1 MR. DIETZ: Sorry about that.

2 MS. RICHARDSON: Yes, sir?

3 MR. L. WILLIAMS: Thank you, Chair.

4 I'll give you a second. Ms. Richardson, thank
5 you for coming up here. The question I'm about to ask is
6 more -- I want to say nutritional related. So, with the
7 current living conditions that you mentioned --

8 MS. RICHARDSON: Uh-huh.

9 MR. L. WILLIAMS: -- and just trying to bathe,
10 trying to get a tub and what not -- regarding nutritional,
11 like food, where --

12 MS. RICHARDSON: Yeah. I didn't have a
13 refrigerator for, like, four weeks.

14 MR. L. WILLIAMS: Okay. Okay.

15 MS. RICHARDSON: And when they did want to give
16 me a refrigerator, they wanted to give me another used
17 refrigerator, and I wasn't accepting that.

18 MR. L. WILLIAMS: Okay. Okay.

19 MS. RICHARDSON: So, I was like, are you all
20 going to help me replace my food? And they were like,
21 Well, if you had insurance that everything was replaced.
22 Since I don't have insurance --

23 MR. L. WILLIAMS: Yeah.

24 MS. RICHARDSON: -- I have to replace all that
25 myself.

1 MR. L. WILLIAMS: Got you. Got you. Thank
2 you, Chair. Thank you, ma'am.

3 MS. RICHARDSON: Yes, sir.

4 MR. L. WILLIAMS: Thank you.

5 MR. DIETZ: Thank you.

6 Jessica Blanks? If you could just, please
7 state your name, and three minutes for your public
8 comments.

9 MS. BLANKS: My name is Jessica Blanks. I've
10 been living at Sandpiper Cove since 2017.

11 Since I've lived there, I've had to deal with
12 mold in my house. No matter how much I clean it up, it
13 comes right back. And they tell me that they're going to
14 come treat it, and they haven't.

15 I have faulty wiring. If I cut on my porch
16 light, my living room light goes off. Or if I cut my
17 living room light on, my porch light will come on. I've
18 had a lot of electronics blown out because of the loose
19 sockets that spark when you plug in and take things out.
20 In result of that, I've lost two PlayStation 4s, three
21 TVs.

22 My youngest child is 30 months now, but ever
23 since she's 6 months, I've been dealing with her elevated
24 blood lead levels. Every three months, I have to go
25 get -- take her in to get her blood drawn to get her lead

1 levels tested, and it's not going down.

2 I have to deal with an infestation of rats and
3 roaches. In result of the rats alone, I've had to throw
4 away all my dresses because they've eaten through them.
5 I've gone through three couches within the last 18 months.

6 I can't sleep at night because I can't tell if somebody's
7 coming in my house, or if it's the rats running around.

8 My husband had tried to get rid of them
9 himself. And so, he had got one of the 18-gallon clothes
10 bins and lined it with peanut butter and set it up to
11 where they could get in, but couldn't come out. In the
12 first day, I caught 35 rats. Within three days, I had
13 caught 125 rats, and I still have them running around my
14 house.

15 They came in to fill the holes Friday. The
16 next -- by Saturday, I had new holes in other places on my
17 house, you know. I have to shake out my bags and stuff
18 before -- or my daughter's car seat or stroller before I
19 go anywhere because of the roaches.

20 I have to go through her toy bin twice a week,
21 because the rats will climb in there and start making
22 their nest, you know? It's become so hard. I basically
23 have to take medication for my anxiety and to be able to
24 sleep at night, because it got the point where I was
25 really only sleeping two hours a night.

1 I have seizures, and the less sleep I have, the
2 more prone I am to having seizures. I still breast-feed
3 my child. And like I told them; I am afraid of having a
4 seizure alone holding my baby.

5 And that would be worse for me to just clench
6 down on my baby and get to shaking or something, because
7 I -- no matter how hard I try, I cannot get my house to
8 suitable standards for my kids.

9 MR. DIETZ: That is about three minutes, but if
10 you have any closing -- I mean, addition --

11 MS. BLANKS: (No audible response.)

12 MR. DIETZ: Okay. Are there any questions?

13 MS. CARDENAS: I just have one. So, are you in
14 favor --

15 MS. BLANKS: I'm not.

16 MS. CARDENAS: -- of the rehabilitation? Or --

17 MS. BLANKS: I'm not. Because like I told
18 somebody else, they have plenty of vacant apartments to
19 begin with they could have moved the current residents
20 into while they fixed up their apartment.

21 Instead, they fixed them up and moved in new
22 residents, instead of taking care of the residents that
23 were already there.

24 MS. CARDENAS: The prior owners?

25 MS. BLANKS: No, the current owners.

1 MR. WILLIAMS: The current?

2 MR. DIETZ: The current owner?

3 MS. CARDENAS: Oh, the current owners? Yeah.

4 MS. BLANKS: Yeah.

5 MS. CARDENAS: So, I guess I'm asking are you
6 in favor of the new owners going in and rehabilitating the
7 entire project?

8 MS. BLANKS: That's what I'm saying. I'm not
9 in favor of them.

10 MS. CARDENAS: Okay.

11 MS. BLANKS: Because if they were serious about
12 helping us, they would have done it already. Because as
13 they came in, they started renovating the vacant
14 apartments.

15 And instead of moving the residents that are
16 there now into them while they fix up their apartment,
17 they moved in new residents. And the current residents
18 are still suffering with everything that we've been
19 complaining about from the time it began.

20 MS. CARDENAS: I guess I'm confused. But I
21 guess we can ask Mr. --

22 MS. BLANKS: Like, the current residents sit
23 here and watch them fix up all the vacant apartments, and
24 new people are moving in, and they're comfortable or
25 whatever. And we're still having to deal with these

1 current conditions, when they could have moved us, fixed
2 our apartments. And then, switch around from there, you
3 know?

4 MR. A. WILLIAMS: Yeah.

5 MS. BLANKS: Instead of us having to watch new
6 people, and we're still suffering.

7 MR. A. WILLIAMS: What were the --

8 MR. DIETZ: And to the Board real quick, if I
9 can just -- if you have some questions as a result of
10 anything that you hear that we want to re-hear from
11 somebody with ITEX, then we can call them back up and we
12 can hear from them again. So, because they may be the
13 right party to address some questions resulting from some
14 of the commentary.

15 But go ahead --

16 MR. A. WILLIAMS: Yeah.

17 MR. DIETZ: -- if you had a question for --

18 MR. A. WILLIAMS: What were the dates of the
19 repairs?

20 MS. BLANKS: Of my house?

21 MR. WILLIAMS: No. The repairs that you
22 witnessed.

23 MS. BLANKS: With this -- been within the last
24 18 months.

25 MR. A. WILLIAMS: Yeah. Okay.

1 MS. BLANKS: Like, my next-door neighbors -- I
2 watched them completely renovate that, and they moved in
3 in the four months.

4 MS. JOHNSON ROSE: Four months?

5 MR. L. WILLIAMS: Mr. Chair?

6 MR. DIETZ: Yes?

7 MR. L. WILLIAMS: I want to ask the question
8 last that Director Andy Williams asked. Did you respond
9 to the -- I guess -- the questionnaire --?

10 MS. BLANKS: Uh-huh.

11 MR. L. WILLIAMS: -- that was sent to
12 residents?

13 MS. BLANKS: Yes, I did.

14 MR. L. WILLIAMS: You did? Okay. All right.
15 Thank you, ma'am.

16 MR. DIETZ: Okay --

17 MS. BLANKS: They sent them out at 5:00, and
18 you had to respond by the next day. So, that's probably
19 why a lot of people didn't get them in.

20 MR. L. WILLIAMS: Okay. Thank you for your
21 comments, ma'am.

22 MR. DIETZ: Any other questions? Thank you
23 very much for your commentary.

24 MS. JOHNSON ROSE: Thank you for coming and
25 your comments.

1 MR. A. WILLIAMS: Chair, I have a question --

2 MR. DIETZ: Yes?

3 MR. A. WILLIAMS: -- for David Long. David
4 Long, around 18 months ago -- just remind me -- did this
5 building receive a tax credit for repairs? About 18
6 months ago, wasn't there a tax credit from TDHCA.

7 MR. LONG: For the Sandpiper Cove transaction?

8 MR. A. WILLIAMS: Yeah. Was there --

9 MR. LONG: No, they did not.

10 MR. A. WILLIAMS: So -- okay. So, when's the
11 last time this building received any tax credits, awards,
12 or any repairs, or any funding from the State?

13 MR. LONG: I'm not sure that there has been
14 any.

15 MR. DANENFELZER: This is David Danenfelzer.
16 At this point, it's well over 10 years since any last
17 major investment was made in the structure.

18 MR. A. WILLIAMS: Okay.

19 MR. DANENFELZER: As far as tax credits, I'm
20 not aware of any existing LURAs related tax credits,
21 though the property has received financing in the past.

22 MR. A. WILLIAMS: Okay.

23 MR. DANENFELZER: I just --

24 MR. A. WILLIAMS: But no repairs for --

25 MR. DANENFELZER: No significant repairs from

1 tax credits or other financings, at least in the last 10
2 years.

3 MR. A. WILLIAMS: And then, went out of
4 compliance, though. Is that correct?

5 MR. DANENFELZER: But -- yes. We do know that,
6 at least, over the last five years, HUD has called it out
7 of compliance for a number of reasons --

8 MR. A. WILLIAMS: Uh-huh.

9 MR. DANENFELZER: -- with their standards, and
10 they have filed defaults against the current owner.

11 MR. A. WILLIAMS: Okay.

12 MR. DIETZ: Mr. Danenfelzer, I have a question
13 for you. The previous person that made public comments
14 referenced that there were some units being rehabilitated
15 for new residents. Is that in any way related to ITEX, or
16 the current owner? Or would that all be --

17 MR. JOHNSON ROSE: Or J. Allen Management?

18 MR. DANENFELZER: Right. I do know that J.
19 Allen Management, which I believe took control of the
20 property from a management standpoint in April of 2020 --
21 or at least, that was the date that their contract was to
22 begin.

23 They have done repairs. We were invited out
24 this spring to go and visit and see some of the units that
25 had been repaired, which myself, David Long, and Celina

1 Stubbs with TSAHC all attended and walked the property.

2 However, I do not know whether or not those
3 units were given only to new tenants, or if they were
4 allowed -- the existing tenants were allowed to move
5 around. That's not information I have.

6 MR. DIETZ: Got it. So, that complaint could
7 be properly -- potentially levied at the management
8 company level, but not at the ITEX, which is the --

9 MR. DANENFELZER: Correct. ITEX does not have
10 any ownership control --

11 MR. DIETZ: Yep.

12 MR. DANENFELZER: -- over the property at this
13 time. While HUD does discuss a lot of stuff with them --
14 and I know HUD is very interested in having them take over
15 the property -- I don't believe they have any real control
16 over the property and its management at this time.

17 MR. DIETZ: Yeah. Great. Thank you. Let's
18 finish up with our public comments, and we can have some
19 additional conversation, if necessary.

20 Clarence Graham?

21 FEMALE VOICE: He stepped out.

22 MR. DIETZ: Okay. David Wheaton with Texas
23 Housers? And if you could state your name, and three
24 minutes.

25 MR. WHEATON: Yeah. Definitely. Good morning,

1 everyone. My name is David Wheaton. I'm an attorney and
2 Advocacy Director with Texas Housers.

3 As you've heard, and as you're going to
4 continue to hear, the conditions of Sandpiper Cove are
5 horrendous and inhumane. We think that all parties
6 involved want the best for tenants. We just disagree on
7 the proper solution.

8 We think that tenants deserve vouchers now.
9 These tenants do not deserve to live in squalor a day
10 more. And the quickest way to do this and to get tenants
11 vouchers is for the bonds to be denied for this
12 redevelopment, and put the onus back on HUD, so that
13 tenants can have the relief they deserve.

14 As I'm sure you were given in your Board
15 package, you saw the amended complaint that was filed by
16 residents. There are immediate risk exposures to
17 residents that they are dealing with right now, including
18 lead-based paint, asbestos, contaminated soil, and high
19 risk of being victimized by crime.

20 With the contaminated soil, specifically, it
21 will take a three-year completion period for final
22 clearance by TCEQ. This, again, means that exposure for
23 tenants will be for years to come. This is not fair for
24 the residents, who have had to deal with inhumane
25 conditions for years.

1 We are asking residents to wait 15 months for
2 relief. They've been promised relief before, and they
3 have resulted in conditions that they are living in now.

4 Millennia, the current owner, had a reputation
5 for noncompliance when they purchased Sandpiper, and
6 unfortunately, ITEX, as well, has had compliance issues in
7 the past. Just in 2020, ITEX was denied participation in
8 9-percent tax credit program by TDHCA due to noncompliance
9 issues.

10 This is a quote from the Director of Compliance
11 for TDHCA in 2020, "ITEX has a long history of
12 noncompliance, going back to at least 2014. They have
13 conditions put on their organization requiring staff to
14 obtain professional designation, having third-party review
15 of their files, and attending national trainings on an
16 annual basis. With this type of robust action, one would
17 expect ITEX to be a premier operator, but unfortunately,
18 this is not the case at all."

19 Tenants deserve a premier operator. These
20 tenants that you're going to continue to hear from today,
21 they deserve better. They deserve vouchers now, and the
22 quickest way to get that done is by voting against the
23 bond allocation and putting the onus again back on HUD to
24 get these tenants tenant protection vouchers.

25 Thank you. If you have any questions --

1 MR. A. WILLIAMS: I just have one question,
2 Chair.

3 MR. DIETZ: Yeah.

4 MR. A. WILLIAMS: So, you're not in favor of
5 the rehab, but you feel that if the vouchers were
6 available -- the relocation plan for the tenants, you guys
7 have in place?

8 MR. WHEATON: We have done this another time
9 with another redevelopment in Houston. So, we have the
10 resources in place to help definitely get tenants housed,
11 either on the island or out of the island, and we do have
12 those resources. Yes.

13 MR. A. WILLIAMS: And then, the other question
14 is, has your organization worked with any of the residents
15 on the homeownership program that HUD has for Section 8
16 vouchers?

17 MR. WHEATON: We have not currently worked with
18 them on the homeownership program. No.

19 MR. A. WILLIAMS: Okay. Are you familiar with
20 that program --?

21 MR. WHEATON: Yes.

22 MR. A. WILLIAMS: -- where tenants can use
23 Section 8 vouchers to actually purchase --

24 MS. JOHNSON ROSE: To buy.

25 MR. A. WILLIAMS: -- homes, and come back to

1 TSAHC and actually use it for down payment assistance to
2 actually stabilize them and have homeownership, as opposed
3 to using the voucher for 15 years? Are you familiar with
4 that program?

5 MR. WHEATON: I am familiar with that program.

6 MR. A. WILLIAMS: Okay.

7 MR. WHEATON: Unfortunately, we have not been
8 able to have set that type of relationship up. But I
9 think we definitely will, especially if the bonds are
10 denied. And then, the tenants have to have somewhere to
11 go.

12 MR. A. WILLIAMS: Okay. That's my last
13 question.

14 MS. JOHNSON ROSE: I have a question. So, my
15 concern is around feasibility of placing residents in a
16 better environment. So, this is 350 units. I think 174
17 or 175 are on the voucher program.

18 MR. WHEATON: Uh-huh.

19 MS. JOHNSON ROSE: So, that means that in order
20 not to place people outside of where their children go to
21 school, where they go to work at, et cetera --
22 transportation routes -- you would have to have 175 units
23 available in better condition.

24 My concern is, is that available with the
25 affordable housing shortage that is in the Galveston

1 market? My concern is it sets people up. They have a
2 voucher, but there's nowhere to go with the voucher.

3 So, any ideas around availability and
4 inventory?

5 MR. WHEATON: So, currently we've been working
6 with a person by the name of Buzz, and he's testified
7 before that --

8 MS. JOHNSON ROSE: Okay.

9 MR. WHEATON: -- he's worked with other
10 apartment owners in Galveston, and they have 120 units
11 available for people to go. If they got vouchers today,
12 he has those units available, and he has apartment owners
13 willing to take those people on site in the island.

14 We also know by talking with residents that
15 there are some residents who may want to leave the island
16 and go to places like Houston and other places. And so,
17 we think we have the available units in the island for the
18 people who want to stay on the island. And we think we
19 also will be able to set people up if they do want to go
20 to other areas that will accept, whether that be Houston
21 or Bay City or other areas, as well.

22 MS. JOHNSON ROSE: A follow-up question --
23 thank you for that answer -- is, this seems like two
24 different issues. So, one issue is with HUD --

25 MR. WHEATON: Yep.

1 MS. JOHNSON ROSE: -- and allowing the
2 residents to actually move.

3 MR. WHEATON: Yep.

4 MS. JOHNSON ROSE: The second thing is the new
5 ownership and acquisition of the building and the rehab --

6 MR. WHEATON: Uh-huh.

7 MS. JOHNSON ROSE: -- which needs to happen,
8 obviously --

9 MR. WHEATON: Uh-huh.

10 MS. JOHNSON ROSE: -- for this building.

11 MR. WHEATON: Yeah.

12 MS. JOHNSON ROSE: So, I'm trying to see how
13 they are connected. It sounds like you all feel like if
14 the project is not approved, it forces HUD.

15 MR. WHEATON: Yes.

16 MS. JOHNSON ROSE: But what if the projects not
17 approved, and HUD still doesn't take --

18 MS. CARDENAS: Uh-huh.

19 MR. DIETZ: Uh-huh.

20 MS. JOHNSON ROSE: -- any action? Why are you
21 all connecting these two things?

22 MR. WHEATON: Yes. I think that's a great
23 question. So, we know that HUD is monitoring this as we
24 speak -- and monitoring this. We know that HUD -- but I
25 think it is our position, and I think it's the tenants'

1 position that they want vouchers now. They don't want to
2 wait.

3 They've been told again by the current owner,
4 Millennia, that they were going to come in and do the same
5 kind of thing that ITEX is saying that they've done. And
6 now, they specifically don't want to wait. And I guess
7 the connection of the two is that we -- and I can't say,
8 of course, for certain because I'm not HUD. And I
9 don't --

10 MS. JOHNSON ROSE: Yes. For sure.

11 MR. WHEATON: -- administer those protection
12 vouchers.

13 But they would be in severe, severe
14 noncompliance if this deal is not -- if this bond
15 allocation is not approved. And they do nothing.

16 I mean, again, there's already a lawsuit
17 against HUD right now. And again, we had the amended
18 complaint. They would be in severe noncompliance. We
19 would, again, immediately ask for a REAC score, another
20 REAC score to be placed on the property.

21 We think that will give a score below 50. That
22 will put them in the needs to get tenant protections
23 again. And so, we're real confident that -- but again, I
24 don't -- it's not 100 percent.

25 So, there is a risk involved, yes. But I think

1 there's a risk involved the other way, as well, if you let
2 the bond allocation go, and this turns out to be another
3 Millennia. And then, tenants not only will be living in
4 squalor for the next 15 months or so. They're also going
5 to be living further -- with further poor living
6 conditions.

7 Because HUD said similar things about Millennia
8 when they took this project over that they're, again,
9 saying about ITEX. And again, ITEX does have some
10 compliance issues that they've had in the past.

11 MR. DIETZ: Any other questions?

12 MR. L. WILLIAMS: Chair?

13 MR. DIETZ: Yes?

14 MR. L. WILLIAMS: Lemuel Williams. I have one
15 question.

16 So, Director Rose mentioned about those units
17 in which -- I guess you also commented about the units
18 that are either on the island or somewhere else. With
19 those units, I guess, will it increase or decrease
20 accessibility to a way of life for the tenants?

21 Meaning today, let's just say, for instance, as
22 an example, they would only have to go -- even if it's
23 still far -- like, a mile in either direction for
24 transportation, for food, for wellness. But then, you're
25 talking about transporting them to another unit.

1 Would it increase that time? Or would it
2 decrease it for them?

3 MR. WHEATON: I -- just again, this is going to
4 be different for every tenant. I think that when you look
5 at access to grocery stores, which there are no real close
6 grocery stores for fresh fruits and vegetables that are
7 close to Sandpiper Cove -- you know, I think it would
8 increase if we moved into -- or moved tenants to different
9 areas.

10 I think educationally, it may have an impact.
11 But I also think socially, as far as access to services
12 and to other things, I think moving it would actually
13 decrease, and especially highlighting Sandpiper Cove sits
14 in a food desert. So, the access to fresh, nutritional
15 foods is not found right now.

16 And so, they have to walk and go further than a
17 normal person would to access those. There's not a
18 grocery store close.

19 And so, if we move those units, hopefully --
20 and I can't say with fact right now, but I would hope that
21 those would decrease their mobility and make sure that
22 they have better mobility, get to the grocery store and
23 things like that to access fresh foods and fresh
24 nutrition, and things like that.

25 MR. L. WILLIAMS: Okay. Thank you. Thank you,

1 Chair.

2 MR. DIETZ: Thanks. Any other questions?

3 MS. JOHNSON ROSE: One last question. If the
4 bonds are approved, would Texas Housers still apply to HUD
5 for the tenant protection vouchers --

6 MR. WHEATON: We were --

7 MS. JOHNSON ROSE: -- no matter what?

8 MR. WHEATON: -- the tenants are -- yeah. The
9 tenants are set to have a meeting with a congressman soon
10 to talk about their needs, and --

11 MS. JOHNSON ROSE: And the --

12 MR. WHEATON: -- trying to get a meeting with
13 the congressman and HUD to still talk about these tenant
14 protection vouchers. Yes. But we're not going to stop
15 fighting for it.

16 MS. JOHNSON ROSE: Regardless of whether --

17 MR. WHEATON: But -- regardless of what
18 happens. But we do think that if that if this bond is
19 approved, that HUD will come back and say that no, that
20 it's going to take 15 months. But, you know, they'll be
21 living in better conditions.

22 And so, that's kind of where we are.

23 MS. JOHNSON ROSE: Uh-huh. Thank you.

24 MR. DIETZ: Ericka Bowman? Also, with Texas
25 Housers.

1 Ms. Bowman, if you could state your name and
2 three minutes.

3 MS. BOWMAN: Yes. Hi. My name is Ericka
4 Bowman. I am Community Navigator, a community organizer
5 with Texas Housers.

6 I've been working with tenants in these
7 conditions for a long time now -- four to five years. And
8 I can honestly tell you that for even a fall festival to
9 be brought to the table just kind of shows the disconnect
10 between those that are in a position of opportunities, and
11 those that are in need of help.

12 We spoke multiple times to you guys about the
13 conditions in Sandpiper Cove and what these tenants are
14 facing at this moment. The mold, which we feel will not
15 be completely repaired or fixed because of the depth of
16 which it goes, that going to the studs is necessary
17 because of the multiple flooding that's taken place.

18 Also, the structural damage and the rise in
19 crime that continues to rise. I'm hoping to take this
20 opportunity to ask you guys here at the Board to listen
21 and please continue to question, and please be willing to
22 act in the interest of these tenants that are affected by
23 the choice that you make here today.

24 We hope that you look at the new information
25 that's been provided to the Board. The soil

1 contamination, the air that they're breathing threatens
2 their lives daily. Putting a large sum of money into a
3 property that sits on top of contaminated soil and isn't
4 getting to the root of the issues, to me, is wasting
5 valuable money.

6 The redevelopment plan must be looked at again
7 to understand not only the new findings of the soil
8 contamination, but also, asbestos. And this concerns us
9 because we know that even though it hasn't been written
10 out completely about how they're planning on moving these
11 tenants from different places as redevelopment takes
12 place, that even just the process of refurbishing these
13 projects will create even a bigger problem when it comes
14 to asbestos removal, because it will be in the air.

15 So, also -- let's see here. Tenants say that
16 they've been told by management that they would get --
17 they're unsure exactly how this redevelopment plan is
18 going to take place. So, they don't even know if they'll
19 have to move off the property or if stay within the units.

20 HUD has -- I wanted to also speak on as far as
21 I know that there is a concern as far as, where would
22 these tenants go if we decide to stop the redevelopment
23 plan from taking place. HUD has already deemed this
24 property hazardous, which means that by them doing their
25 job, they should have already have made an attempt to get

1 these tenants out of these conditions that they're facing
2 at this particular moment.

3 But yet, instead, they kind of lean on the
4 redevelopment plan that's been put before them. And we're
5 knowing that this redevelopment plan is going to extend
6 way past immediately, which is what these tenants are
7 needing relief from at this moment. They need to be
8 relieved of what's taking place that's creating sicknesses
9 and illnesses within the community.

10 So, we did recently have a conversation with
11 Representative Randy Weber, and they are understanding of
12 the immediate need, and have decided that they wanted
13 to -- they're going to reach out to Secretary Fudge over
14 HUD and ask that she moves immediately to try to get these
15 tenants vouchers to relocate.

16 So, I wanted to make sure that I also put that
17 on the record, as well.

18 MR. DIETZ: And that is three minutes --

19 MS. BOWMAN: That's three minutes?

20 MR. DIETZ: -- if you have anything --

21 MS. BOWMAN: Okay. I'll sit down. I'm
22 thinking it feels over time.

23 MR. DIETZ: Any questions? Okay. Thank you
24 very much for your comments.

25 MS. BOWMAN: You're welcome.

1 MS. JOHNSON ROSE: Thank you, Ms. Bowman.

2 MR. DIETZ: And I had skipped over Mr.
3 Graham -- Clarence Graham. Is he back?

4 Mr. Graham, if you could just state your name,
5 and you have three minutes.

6 MR. GRAHAM: Hello. My name is Clarence
7 Graham, and I have been living in Sandpiper Cove for four
8 years with my mom. And I've experienced gun violence, and
9 it's very outrageous.

10 I mean, I've had to quit my last job because I
11 was coming home late from work, and there are a whole
12 bunch of people sitting outside, and its late night. So,
13 I didn't know if anything could pop off at you at any
14 moment.

15 So, I quit my last job. I had to go get a new
16 job, and I just don't feel safe living at Sandpiper Cove.

17 I don't feel happy. I feel very depressed, just like
18 coming into the presence, because it's not the people that
19 live there, but it's the people that trespass, and it's
20 the people that come and visit, also.

21 And it's, like, they have gatherings outside
22 and stuff where they have little parties outside. And
23 next thing you know, there are shootings. And it's just
24 something that I don't want to have to continue to live
25 through, and I'm only 18 years old.

1 So, I've lost a whole bunch of friends due to
2 it. And I just -- I don't want to end up in the situation
3 that they were in, because I don't want to have my mom
4 stressing because she's putting her son in a grave. And
5 it's not something that I want to have to go through.

6 That's all I have.

7 MR. DIETZ: Thank you. Any questions?

8 MS. JOHNSON ROSE: Thank you for coming.

9 MR. L. WILLIAMS: Chair, this is Lemuel
10 Williams.

11 MR. DIETZ: Yes?

12 MR. L. WILLIAMS: Mr. Graham, thank you for
13 your time. I'm going to ask a repeated question here.
14 Either you, your mother, or both -- did you respond to the
15 questionnaire that was sent to you guys about the fall
16 festival or just needs for residents?

17 MR. GRAHAM: Yes. Yes, me and my mom did. And
18 I actually started to my mom that I feel like that the
19 fall festival wouldn't be something good, because they
20 have people that come on to the property that say that
21 they live there.

22 And the police -- they come around, and they
23 walk around and ask certain questions, but they only ask
24 about people that they're looking for. And there's not
25 enough security around to protect the children that are

1 staying out there.

2 There are little kids out there whenever all
3 the shootings are going on. So, I just don't feel like
4 that the fall festival will be something to put out right
5 now with all that going on.

6 MR. L. WILLIAMS: Thank you, Mr. Graham. Thank
7 you.

8 MR. DIETZ: Any other questions?

9 MS. CARDENAS: Nuh-uh.

10 MR. DIETZ: Thank you very much for your
11 comments.

12 That is all the people I have on my list for
13 public comments. Is there any additional public comment?

14 MS. JOHNSON: Excuse me. I was also wanting to
15 speak.

16 MR. DIETZ: Sure. Of course. Come on up, and
17 please, if you could state your name, and you have three
18 minutes.

19 MS. JOHNSON: Okey doke. Thank you. Hello,
20 there.

21 My name is Carlike Johnson. I am a resident in
22 Sandpiper Cove for almost three and a half years. So, I
23 do have a couple of notes that I wrote down because I'm
24 not that good at speaking.

25 Ever since I moved into these apartments, the

1 conditions have gotten worse and worse. We make
2 complaints to the office. It takes them four to three
3 months to even come out to look at the conditions in the
4 apartments.

5 I've made statements at newspapers, Lone Star
6 Legal Aid. And I, myself, I have sewage, actually, coming
7 out of my sink, which was very disgusting. And that's
8 what actually made a lot of people wonder about health
9 issues around here.

10 Living at these apartments has just made me and
11 my family's life miserable. I'm not going to go into
12 that. It just me and my family's life miserable to a tee.
13 Our health is going downhill.

14 My kids -- I have three little babies under the
15 age of 5, and all their health is going down due to the
16 mold and the chemicals that I have to use in the house to
17 cover it up. And then, the mold keeps coming back over
18 and over again.

19 The crime rate is just -- it keeps rising.
20 It's not going to go down anymore, and I just don't want
21 to move forward with this redevelopment program at all. I
22 vote not to.

23 I really think that we deserve to get the
24 vouchers to live a better life than what we are doing.
25 Because we've been in poverty for -- going on five years

1 now.

2 So, that's all I have to say. That's it.

3 MR. DIETZ: Okay. Thank you. Any questions?

4 Mr. Williams?

5 MR. L. WILLIAMS: Ms. Johnson, I'm going to ask
6 you, and we're going to keep it going here. Did you
7 and/or your family members respond to the questionnaire
8 that --

9 MS. JOHNSON: I never received a
10 questionnaire --

11 MR. L. WILLIAMS: Okay.

12 MS. JOHNSON: -- or any papers about a fall
13 festival, or nothing like that. And they said that they
14 put them on your doors, which I don't think is okay,
15 because people always come by. Kids run around outside
16 all the time. Grown people -- they'll just take anything
17 off your porch.

18 So, I would -- I thought they'd put it in a
19 mailbox. It would be a lot better. But I never received
20 none of those.

21 MR. L. WILLIAMS: Okay. Okay. Thank you,
22 ma'am.

23 Thank you, Chair.

24 MR. DIETZ: Any other questions?

25 MR. L. WILLIAMS: Thank you.

1 MS. JOHNSON: Thank you.

2 MR. DIETZ: Thank you very much for your
3 comments.

4 MR. L. WILLIAMS: Thank you, ma'am.

5 MR. DIETZ: Is there any additional public
6 comment?

7 MALE VOICE: Raise your hand.

8 MR. DIETZ: Yes, sir? Or -- and if you could
9 state your name, and three minutes.

10 MR. BABALOLA: Thank you, Mr. Chairman,
11 Directors. Samson Babalola, newest Development Director
12 with ITEX Group.

13 So, I have the pleasure of being the project
14 manager for this project. I actually have a unique
15 history of knowing about this project. I actually worked
16 for the Galveston Housing Authority from 2010 to 2014 --
17 excuse me -- and these same issues that the residents are
18 bringing up were brought up then. So, that's roughly
19 about 10 years ago.

20 I will say knowing ITEX and working for ITEX
21 now, I assure you that they plan on repositioning this
22 property into a place where living conditions are
23 improved, and residents will have a more enjoyable
24 experience while living there.

25 Some of the items that we plan on undertaking

1 during this rehab -- we plan on gutting the apartments all
2 the way down to the studs, removing all hazardous
3 substances, i.e., the mold, i.e., asbestos.

4 I heard something about soil contamination.
5 Keep in mind, Directors, that this is a property that
6 essentially we're seeking tax credits for. And so, that
7 means we have to get an investor. We have to get a
8 lender -- Citibank and AHP Partners. And as part of their
9 funding requirements, these items must be remediated
10 before they even provide us with any form of funding.

11 In addition to gutting the apartments down to
12 the studs and rebuilding up accordingly, replacing all
13 appliances with Energy Star appliances. The electrical,
14 plumbing -- as far the lead contamination, we've developed
15 a solution through water filters that will be added to all
16 faucets in the units.

17 Building exterior -- plan on replacing all
18 sidewalks, installing new ADA ramps, paving, striping.
19 Security cameras will be installed as part of this rehab
20 process. We're working on partnerships with the Galveston
21 County Sheriff's Office, along with the City of
22 Galveston's Police Department.

23 As far as rehab timeline, we're looking at an
24 18-month time line. But as far as the buildings, each
25 building -- we're looking at a 45- to 75-day turnaround.

1 So, the smallest building, I believe, has
2 roughly about 12 units. So, it would be 45 days. The
3 largest building -- I forget how many units it has, but
4 that would roughly be about 75 days. We do have
5 relocation within our budget to relocate residents
6 temporarily. We're working with local groups in the area
7 to identify units to relocate tenants temporarily while
8 the rehab is ongoing.

9 Again, I can't speak for what Millennia may
10 have done in the past, but I can speak for ITEX. And I
11 can assure you that while going through the funding
12 process that we're going through now -- pursuing tax
13 credits, pursuing bond funding, getting Citibank, AHP
14 Partners -- and then, also, ITEX has guarantees. Putting
15 all of that in place, I can assure you that ITEX is going
16 to take the necessary precautions to put everything in
17 place to make sure that the residents have a more livable
18 and suitable condition -- living environment at Sandpiper
19 Cove.

20 MR. DIETZ: Thank you. And that is three
21 minutes. But are there any questions --

22 MS. JOHNSON ROSE: I have a question.

23 MR. DIETZ: -- from the Board?

24 MS. JOHNSON ROSE: How did you all plan to
25 prioritize the buildings? Meaning, is the plan just to go

1 in numerical order? Or is there a strategy to look at the
2 buildings that are in the worst condition, and get those
3 renovated?

4 MR. BABALOLA: So, I'll speak to the -- and
5 Director Rose, I'll speak to the first question -- I mean,
6 the comment that was brought up about the down units.

7 MS. JOHNSON ROSE: Uh-huh.

8 MR. BABALOLA: And so, currently, we do not own
9 the property. We're going through the acquisition
10 closing. Fingers crossed, by this Friday, it's becoming
11 part owners.

12 Even that lender has required us to set aside
13 funding to bring the down units up to date. So, we've set
14 aside a reserve to bring all the units that are down up to
15 date.

16 As relates to the process of identifying which
17 buildings have a priority, I think right now, we're just
18 doing it by more of a numerical order. But we will take
19 into suggestion of if there's buildings that are in more
20 worse conditions than others, we'll definitely make those
21 a priority.

22 MS. JOHNSON ROSE: Uh-huh.

23 MR. BABALOLA: So, we'll definitely look at
24 that as part of our construction schedule.

25 MR. DIETZ: Mr. Williams?

1 MR. L. WILLIAMS: Mr. Babalola, I have a
2 question for you here. A part of the acquisition, like
3 you mentioned, requires -- it's going to be a part of tax
4 credits. You need some investors, lenders, financial
5 institutions. Do you have current leads already in the
6 pipeline?

7 Do you have interest from investors that are
8 saying, Hey, you get this? We're already here? Do you
9 have commitments already in place?

10 MR. BABALOLA: Yes. So, we have a current
11 commitment from Citibank --

12 MR. L. WILLIAMS: Okay.

13 MR. BABALOLA: -- as the lender for this
14 project. And we have a commitment from AHP Partners as
15 the investor. We're also pursuing historic tax credits,
16 as well. So, we have an investor for historic -- for
17 state and federal historic tax credits, as well.

18 So, we do have those commitments in place.
19 We're actually conducting closing calls at this time, and
20 we're trying to close and start the rehab process by the
21 end of this year.

22 MR. DIETZ: Additional questions?

23 MR. L. WILLIAMS: Thank you.

24 MR. DIETZ: All right. Thank you --

25 MR. BABALOLA: Thank you, Directors.

1 MR. DIETZ: -- for your comments. First, is
2 there any additional public comment?

3 (No response.)

4 MR. DIETZ: Does the Board have any additional
5 questions for anybody?

6 MS. CARDENAS: No.

7 MR. DIETZ: I'll just say it angers me that the
8 residents have had to deal with these problems for as long
9 as they have. My understanding is that we're -- and our
10 choice is to either do something proactively to make it
11 better, or to just not do anything in the hopes that other
12 events outside of our control will make it better.

13 So, that's my comment. But any other comments
14 or discussion from the Board?

15 MS. JOHNSON ROSE: I would concur with your
16 comments, Mr. Chair, that we can control the renovation
17 and rehab --

18 MR. DIETZ: Yeah.

19 MR. JOHNSON ROSE: -- but we cannot control HUD
20 and the temporary vouchers.

21 MR. DIETZ: Yeah. Is there a motion? Or any
22 other comment by the Board, or questions for anybody?

23 MR. LONG: You already have a motion on the --

24 MR. DIETZ: That's right. We have a motion on
25 the table. So --

1 MR. LONG: And second.

2 MS. CARDENAS: And second.

3 MR. DIETZ: -- and we already have a second.

4 I'm sorry. So, are we ready for a vote?

5 MS. CARDENAS: Uh-huh.

6 MR. DIETZ: Okay. All in favor of -- let me
7 restate the motion -- of approving the resolution
8 authorizing the issuance of Texas State Affordable Housing
9 Corporation Multifamily Mortgage Housing revenue notes,
10 Sandpiper Cove Apartments, the Series 2021 A-1 and A-2, a
11 funding loan agreement, a borrower project agreement,
12 asset oversight compliance and security agreement, and a
13 regulatory agreement authorizing the execution of
14 documents and instruments necessary and convenient to
15 carry out the issuance of notes and other provisions in
16 connection and therewith.

17 All in favor, please say, Aye.

18 (A chorus of ayes.)

19 MR. DIETZ: Any opposed, same sign.

20 (A chorus of ayes.)

21 MR. DIETZ: So, for the record, please note
22 that the vote was 3 to 2 in favor of the approval of the
23 resolution. So, it is approved.

24 I hope -- and I said this before -- it angers
25 me that these residents have had -- the citizens of Texas

1 have had to deal with these problems in the past, and I
2 think we are all, as Mr. Wheaton said, we're all striving
3 to do the right thing here. And we're putting a lot of
4 faith that ITEX will follow through, unlike some previous
5 ownership groups have.

6 And so, I intend to follow up personally and
7 make sure that I understand what's transpiring at
8 Sandpiper Cove. And I really hope that maybe the Texas
9 State Affordable Housing Corporation can find other ways
10 to assist the residents, maybe through the transition to
11 homeownership program that was discussed earlier.

12 So, I know Ms. Cardenas has to leave. So,
13 we're finished with that vote. Feel free to leave any
14 time you need to. But is there any reason to go into
15 closed meeting today?

16 MR. LONG: No reason to go in closed meeting
17 today, Chairman.

18 MR. A. WILLIAMS: See you.

19 MR. CARDENAS: Bye, Mr. Williams.

20 MR. DIETZ: Great. I think you've got to catch
21 a plane. Any announcements or closed comments?

22 MR. LONG: Again, I'd like to thank all the
23 people that came and spoke. I appreciate their public
24 testimony.

25 I'd like to thank the Board for its

1 consideration on the agenda today, specifically, Tab Item
2 6, because I know that's been something that has been in
3 the forefront of our discussions for several months now,
4 and we thank you for your time and effort and
5 consideration on that.

6 Next scheduled Board meeting is Wednesday, the
7 17th of November, and we'll keep you informed as that
8 progresses.

9 MR. DIETZ: Great.

10 MR. LONG: With that, I have no more.

11 MR. DIETZ: Thank you. Okay. With that, it is
12 12:22, and we are adjourned.

13 (Whereupon, at 12:22 p.m., the meeting was
14 adjourned.)

C E R T I F I C A T E

MEETING OF: TSAHC Board

LOCATION: Austin, Texas

DATE: October 13, 2021

I do hereby certify that the foregoing pages,
numbers 1 through 9595, inclusive, are the true, accurate,
and complete transcript prepared from the verbal recording
made by electronic recording by Elizabeth Stoddard before
the Texas State Affordable Housing Corporation.

DATE: October 19, 2021

(Transcriber)

On the Record Reporting
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