

TEXAS STATE AFFORDABLE HOUSING CORPORATION

BOARD MEETING

Texas State Affordable Housing Corporation  
6701 Shirley Avenue  
Austin, Texas 78752

Tuesday,  
May 16, 2023  
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

(10:34 a.m.)

MR. DIETZ: It is 10:33, and the Texas State Affordable Housing Corporation Board meeting for the month of May is called to order. We will do the roll call.

William Dietz, I am here.

Valerie Cardenas.

MS. CARDENAS: Present.

MR. DIETZ: Courtney Johnson-Rose?

MS. JOHNSON-ROSE: Present.

MR. DIETZ: Lemuel Williams is absent right now.

Andy Williams.

MR. A. WILLIAMS: Present.

MR. DIETZ: Great. So, we do indeed have a quorum.

Before we begin, let's stand and pledge allegiance to the United States flag.

(Whereupon, the Pledge of Allegiance was recited.)

MR. DIETZ: And to the Texas flag.

(Whereupon, a pledge to the Texas flag was recited.)

MR. DIETZ: Great. I will note that Lemuel Williams is present.

1           Lem, I was going to do a little test here to  
2 see if we can just finish the agenda before you even got  
3 here. It's such a short agenda.

4           (General laughter.)

5           All right. Is there any public comment before  
6 we begin?

7           (No response.)

8           MR. DIETZ: Hearing none, Mr. Long, would you  
9 like to give us the President's Report?

10          MR. LONG: Thank you, Mr. Chairman. Members.  
11 Good morning.

12          As always, each of you should have your Board  
13 book for the day. We have the financial and program  
14 reports under Tabs A through C. If there aren't any  
15 questions on that, I will move to some area updates.

16          The Loan Committee did not meet this month. We  
17 didn't have any items that required our consideration or  
18 approval to the Board, so we forgo -- we went without a  
19 Committee meeting this month.

20          We are looking at doing some staff trainings.  
21 We are always looking at ways to improve how we provide  
22 our staff opportunities to know what is going on. Just  
23 this morning, I hate to say that they are all having to do  
24 it, but we actually looked into training regarding  
25 violence in the workforce, with the gun activity that is

1 going around.

2 So, Janie and I are looking into a training  
3 that Rebecca brought to our attention, where we could do  
4 some training on something where, if you had a violence  
5 act in the office, we could figure out what to do with  
6 that. So, we're doing that.

7 As well as, we are doing some identity and  
8 cyber prevention training that we are going to be looking  
9 at doing with our insurance provider, Frost Insurance.  
10 And so, they will be able to do that with us as well. So  
11 just trying to keep the staff up to speed on what is going  
12 on and giving the training opportunities.

13 A lot of this is done remotely or online. So,  
14 we'll have the ability to have everybody in the office, or  
15 do it when we are at home. So, that is going on.

16 The Single Family area continues to be active.

17 We are constantly looking at bringing on new lenders.  
18 Making sure that we are training and providing class work  
19 to our realtors and our lender partners. The information  
20 that we offer is both physically available online, as well  
21 as I know we have done some trainings out in the field  
22 again.

23 I want to thank Sarah and Frank and Joniel for  
24 the team on working on that. They are making sure that  
25 that stuff is updated, and I know Katie works directly

1 with them in putting together webinars. And we continue  
2 to do our podcasts and stuff.

3 So, thank you to the team for making sure that  
4 we have lenders, enough to where we had nine new lenders  
5 join us last month. So, I think Frank Duplechain told me  
6 that that was a milestone, that that was like our 300th  
7 lender to join since beginning.

8 Is that right, Frank? Is he in here?

9 VOICE: 400th.

10 MR. LONG: 400th. Sorry. I was way off;  
11 400 -- 400th lender. Not to shy away from the true number  
12 there.

13 But again, continue to show a lot of activity  
14 in the area. Rates continue to be volatile. And  
15 therefore, we are continuing to see a lot of reduction  
16 from what we had in the last two years. But in the  
17 meantime, we are continuing to see ways that we can  
18 continue to offer our borrowers the best possible  
19 products, including our mortgage credit certificate  
20 program.

21 Under the marketing area, June is National  
22 Homeownership Month. And the marketing and homeownership  
23 teams are planning a campaign to spread the word about  
24 TSAHC's home buyer programs.

25 This year, we are focusing on increasing

1 awareness of our programs to Spanish speaking customers,  
2 which will include translating our flyers and videos to  
3 Spanish, releasing a podcast in Spanish, and conducting a  
4 training for lenders and realtors focusing on  
5 homeownership barriers and opportunities for Spanish  
6 speaking homeowners.

7 We will also continue our sponsoring and  
8 participating in several homeownership fairs in June to  
9 further spread the word about our programs. The ones that  
10 we have scheduled that we are either participating and/or  
11 sponsoring are in McAllen with AHSTI from the Valley --  
12 Valerie's cohorts; Northwest Laredo; Avenue CDC in  
13 Houston; and the City of Arlington. Those homeownership  
14 fairs are things that we have been actively involved in,  
15 and/or sponsored over the years. And we continue to  
16 appreciate the partnership that we have with those  
17 organizations.

18 Fundraising, the Corporation has been  
19 fundraising for our permanent supportive housing  
20 symposium. This is instead of doing the actual -- where  
21 we have done the trainings in the past and put together  
22 our curriculum for that. We are talking about doing a --  
23 I would call it a mini-conference, which will take place  
24 in the upcoming fall.

25 We received initial sponsorship commitments

1 from J.P. Morgan Chase, Texas Capitol Bank, and Texas  
2 Homeless Network. And we're looking forward to sharing  
3 more details with you as that symposium becomes closer to  
4 us and we get a little bit more firmed up on the details.

5  
6 Under the Foundations Fund, we released our  
7 2023 Texas Foundations Fund application on April 21st.  
8 Michael Wilt and Anna hosted a webinar for potential  
9 applicants on the 28th. Applications are due on Friday,  
10 May 26th. And we look forward to presenting award  
11 recommendations to the Board in July.

12 And if you remember last year, we had the  
13 record number of applicants. We also had more money ever  
14 than we had ever given out in one year. Last year, we  
15 gave away \$1.2 million in grants to a record number of  
16 applicants.

17 And from what I understand, we have a pretty  
18 strong applicant base already, in a very short period of  
19 time. So, I think Michael and Anna are doing a really  
20 good job making sure that that information is made  
21 available, but also identifying which applicants we are  
22 going to be able to fund.

23 Under Housing Connection, the Corporation is  
24 beginning planning for our 2023 Housing Connection  
25 trainings for our housing counselors. A big part of our



1 program is allowing our counselors to be available to our  
2 homebuyers when they are going through the process.

3 We require that our homebuyers have training  
4 certified as a completion within their file before they  
5 are closing on their loans. So, this year's training will  
6 take place at our office in late September. We are  
7 conducting a survey right now with our home buying council  
8 organization as to which Neighborworks courses we will  
9 offer. And if you recall, Neighborworks is the curriculum  
10 that we use when we provide the trainings.

11 An event that we held on May 9th, it was a co-  
12 hosted round table with Federal Reserve Bank of Dallas.  
13 It was hosted at their Houston Branch. This is an event  
14 where we work on focusing and providing training to  
15 basically non-profits and financial institutions regarding  
16 alternative lending products for home buyers.

17 We had invited Ms. Johnson-Rose to help us.  
18 She obviously is a little busy, and she had not been able  
19 to join us. But we had a lot of staff there. And I want  
20 to thank Katie, and Michael, and Frank, and Janie for  
21 their participation in that.

22 I think the opportunity to work with the  
23 Federal Reserve Bank has always been something that I look  
24 forward to having as a continued partnership. They are  
25 very strong. Anytime you put Federal Reserve Bank on what

1 you are doing, the partnership seems to draw a really good  
2 crowd.

3 I was unable to attend, but we had a strong  
4 staff there. And I think the attendance was well  
5 received. And we were able to coordinate and discuss a  
6 lot of ideas about alternative lending products, rather  
7 than the traditional mortgages.

8 So, we are trying to find a way to reach those  
9 individuals who don't normally qualify. So, I want to  
10 thank the staff for that and their participation, as well  
11 as the coordination with the Federal Reserve Bank on that.

12 We have some new staff that I would like to  
13 have Delia Davila come up and introduce. Some of them  
14 literally, today is their first day. So, I figured why  
15 not embarrass them as soon as we could in front of the  
16 Board.

17 And so, I am going to let Delia just kind of  
18 let you know. They may wave at you from the back. We are  
19 not going to make them come up and sing a song or  
20 anything. But we will have them at least wave, so you can  
21 recognize who they are.

22 But we are very pleased to have them on board.

23 And Delia's area continues to grow with demand. And so,  
24 we are trying to make sure that she has the right staff  
25 and the right number of people to make sure that she is

1 able to do everything they need her to do.

2 Delia.

3 MS. DAVILA: Good morning, Board members. My  
4 name is Delia Davila. I am the Senior Manager for the  
5 Single Family Compliance Department. Over the past few  
6 months, we have hired four new people.

7 In December of 2022, Barbara Shelton Handy  
8 joined us to work with our down payment assistance  
9 programs. In June, she will be working full-time in our  
10 MCC Department, headed by Donnetta McGrew. So,  
11 congratulations to Barbara. Yes.

12 On April 3rd, we hired two people. We hired  
13 Eboni Wilson and Lisa Errisuriz. They are both working in  
14 our down payment assistance program at the moment, but  
15 they will also be cross trained in our MCC Department.

16 And yesterday was officially Esther Hernandez'  
17 first day. She is actually in training right now. And  
18 she will also be cross training both departments, for the  
19 down payment assistance program and the MCC program.

20 I would also like to congratulate Kayla  
21 Gillaspy and Heather Whittier. Kayla started out as a  
22 single compliance specialist, reviewing down payment  
23 assistance files. She was later promoted as to our  
24 Compliance Coordinator.

25 And then, she is now taking her skills as

1 Coordinator over to our Homeownership Department, headed  
2 by Sarah Ellinor. And she will be their new Homeownership  
3 Coordinator. So, congratulations to Kayla.

4 Heather Whittier, who has been a Single family  
5 compliance specialist for two years is now going to take  
6 over Kayla's duties. And she is now our new single family  
7 Compliance Coordinator. So, congratulations to Heather.

8 We are very, very excited about all of these  
9 new changes, and our new hires. And we hope that these  
10 changes will provide better service to all those in need  
11 of housing across the state. So, thank you for your time.

12 MR. LONG: As you can see, we continue to grow.

13 MR. DIETZ: Congratulations to everybody.

14 (Simultaneous discussion.)

15 MR. LONG: Anyway, so with that, Mr. Chairman,  
16 the next scheduled Board meeting is tentatively set for  
17 June 20th. It's a Tuesday at 10:30. I know we will have  
18 items for that meeting already, so I know we will need to  
19 have that meeting.

20 If we need to reschedule it, or we need to  
21 coordinate, Rebecca will work with the Board members to  
22 make sure that we have a quorum for that meeting date.

23 And with that, Mr. Chairman, I will conclude my  
24 remarks, unless there is any further questions.

25 MR. DIETZ: Any questions for Mr. Long on the

1 President's Report?

2 (No response.)

3 MR. DIETZ: Okay. Then we will move into Tab  
4 Item 1, which is the presentation, discussion and possible  
5 approval of the minutes of the Board meeting that was held  
6 on April 11th. Is there any discussion or correction, or  
7 questions about the minutes?

8 (No response.)

9 MS. JOHNSON-ROSE: Mr. Chairman, motion to  
10 approve.

11 MR. L. WILLIAMS: Chairman, this is Lem. I  
12 will second that.

13 MR. DIETZ: Okay. It has been moved and  
14 seconded.

15 Is there any public comment?

16 (No response.)

17 MR. DIETZ: Hearing no public comment, all in  
18 favor, please say aye.

19 (A chorus of ayes.)

20 MR. DIETZ: Okay. Any opposed?

21 (No response.)

22 MR. DIETZ: Okay. The minutes are approved as  
23 submitted.

24 And then, Tab Item 2, the presentation,  
25 discussion and possible approval of a resolution

1 authorizing and approving an amendment to the regulatory  
2 agreement relating to the Texas State Affordable Housing  
3 Corporation Multifamily Housing Revenue Bonds for Rainbow  
4 Apartment Projects, Series 2007, authorizing and approving  
5 a supplemental agreement to the Asset Oversight Agreement  
6 and Compliance and Security Agreement relating to such  
7 bonds, authorizing the execution of documents and  
8 instruments necessary or convenient in connection  
9 therewith, and other matters incident and related thereto.

10 MR. LONG: We wanted to make sure that was long  
11 enough, since it is the only real agenda item. We wanted  
12 you to take as much time as necessary.

13 Anyway, I am going to let Celina and Blake give  
14 the presentation on that. And if you have any questions,  
15 they are the experts.

16 MS. STUBBS: Good morning Board Chair, and  
17 Board members. I am Celina Stubbs, Senior Manager for  
18 Asset Oversight and Compliance Department. Joined by  
19 Blake Roberts, our -- TSAHC's financial advisor.

20 I'd like to briefly discuss this agenda item.  
21 So, back in 2007, TSAHC issued tax exempt bonds for the  
22 acquisition and rehabilitation of Rainbow Apartments  
23 project. It was a pooled transaction of 13 affordable  
24 communities.

25 In November of 2022, the owner contacted us --

1 their intent to sell the development. And with that came  
2 the new action item that I am going to present in detail  
3 today.

4 So, the current time for the sale transaction  
5 is currently scheduled for July of 2023. Their intent was  
6 to transfer the ownership, release the bonds, and make  
7 some changes to our agreement that we have with the  
8 project.

9 The owner intended to sell the project. The  
10 new buyer will assume all bond agreements and be  
11 responsible for maintaining program compliance and for  
12 paying compliance fees.

13 Their intent was also to redeem the bonds at  
14 this time. Unfortunately, they are not callable at that  
15 time. So, that triggered our next action, which is to  
16 defease the bonds.

17 Because of this, the buyer will enter into a  
18 defeasance. This is when the buyer deposits funds to  
19 sufficiently cover the repayment of the bonds, plus  
20 ongoing interest and other costs at the time of closing.  
21 The bonds will be redeemable, and bondholders paid in  
22 full, in April 2024.

23 In April 2024, when the bonds are redeemed and  
24 there is no longer bonds outstanding on this project, the  
25 original indenture, the Asset Oversight and Compliance

1 Agreement will terminate. However, the Regulatory  
2 Agreement on the properties will continue through the  
3 qualified project period.

4 And this is due to the fact that every single  
5 one of those properties has a Section 8 project-based  
6 contract on the property. So, they won't lose their  
7 affordability, but the regulatory agreement remains on  
8 that property through the period of that contract with  
9 Section 8.

10 Because of this, the regulatory is being  
11 amended to state that the new owner will provide TSAHC and  
12 not the Trustees, since there is no longer bonds on the  
13 property, with annual compliance reporting. For these  
14 actions, the new buyer will pay TSAHC a lump sum totaling  
15 over \$105,000, to be paid at closing.

16 Today, we are asking the Board to approve these  
17 actions, which is amending the regulatory agreement and  
18 authorizing the execution of such documents for this  
19 transaction. That concludes my presentation. And I am  
20 open to answer any of your questions.

21 MR. DIETZ: From a bondholder perspective, it  
22 is exactly -- nothing changes. It's just that the --

23 MS. STUBBS: Right. So, we definitely have had  
24 transfer of ownerships before. We have had properties  
25 that have defeased their bonds before.



1           The reason we are coming to the Board is this  
2 property specifically is land with a Section 8 contract.  
3 And because of that, the regulatory agreement does not  
4 terminate.

5           So, we have to amend that agreement to state  
6 that instead of the owner providing these annual reports  
7 saying that they are still complying in offering  
8 affordable housing throughout the entire 13 projects to  
9 the Trustee, it will now come to us. And we will just  
10 maintain that until such time when the Section 8 contract  
11 terminates.

12           MR. ROBERTS: Yes. From the bondholder  
13 perspective actually, you are happy because -- I am sorry.

14           MS. STUBBS: No. Please.

15           MR. ROBERTS: Blake Roberts of PFM. Once the  
16 fees escrow is funded, the bonds are secured by cash. The  
17 intent is to use that cash to post funding of the escrow  
18 to purchase securities, Treasury securities, which will  
19 earn interest. And then that interest earnings will go  
20 back to the developer or the seller.

21           But as a bondholder, you are secured by U.S.  
22 Treasury cash and U.S. Treasuries securities. So, it is a  
23 very safe proposition for the bondholder.

24           MR. DIETZ: Any other questions?

25           MR. L. WILLIAMS: I was almost kind of just

1 waiting for like, baggage.

2 MS. STUBBS: Good news. Right. The properties  
3 are -- yeah. The properties are secured with that Section  
4 8 contract with affordable housing.

5 In fact, because it is a Section 8 project,  
6 they are typically serving not only very low -- low  
7 income, but very low, and extremely low-income households.  
8 Nothing changes that.

9 MR. DIETZ: So ostensibly there is no bond  
10 anymore, well, I guess, depending on --

11 MS. STUBBS: Until April. Right.

12 MR. DIETZ: Yes. We still are involved for how  
13 long?

14 MS. STUBBS: That is exactly correct. We are  
15 involved. And the new buyer will assume all  
16 responsibilities until those bonds are redeemed.

17 If for whatever reason they are not redeemed in  
18 April of 2024, the contracts remain in place. Nothing  
19 changes. Any other questions?

20 MR. DIETZ: I don't think so.

21 MS. STUBBS: Okay. Thank you.

22 MR. DIETZ: Thank you very much.

23 MS. STUBBS: Thank you. Thank you for your  
24 time.

25 MR. DIETZ: Is there any further conversation?

1 Or if not, is there a motion?

2

3 MS. CARDENAS: Motion to approve as presented.

4 MR. L. WILLIAMS: Chair, this is Lemuel. I  
5 will second that.

6 MR. DIETZ: Okay. It has been moved and  
7 seconded that we approve the amendment of the regulatory  
8 agreement as stated. Is there any public comment?

9 (No response.)

10 MR. DIETZ: Hearing none. All in favor, please  
11 say aye.

12 (A chorus of ayes.)

13 MR. DIETZ: Any opposed.

14 (No response.)

15 MR. DIETZ: Okay. It is approved as presented.

16 MR. LONG: Thank you very much. I know that  
17 was a lot of information. But as Celina and Blake pointed  
18 out, we are not changing anything in the affordability,  
19 which is really the focus of what we want to maintain and  
20 afford to the citizens of Texas.

21 So, I think it is important for us to have your  
22 acknowledgment of that, so that you understand we are not  
23 doing anything, as Mr. Williams pointed out. There is not  
24 bad news. This is just a change that we have to go  
25 through and that requires the Board approval.

1 MR. DIETZ: Right.

2 MS. CARDENAS: And I think thank you to the  
3 team for doing all of the due diligence and really just  
4 making sure that we were compliant. You know, you learn  
5 something new every day.

6 I got caught at defeasance. I was like, well,  
7 what is that. So, you know, but I think the way they  
8 explained it, and I think that is really what David's  
9 reassurance is, that we are complying accordingly and  
10 pretty much, you know, everything is as it should be.

11 MR. LONG: Well, if you have other questions,  
12 or you think of something afterwards, don't hesitate to  
13 ask. But we appreciate the approval to move forward.

14 MR. DIETZ: All right. Thank you. Okay.

15 Then, Tab Item 3, which does not require any  
16 action, is an 88th Texas Legislative Session update.

17 MR. WILT: Good morning, Chairman. Board. I  
18 am Michael Wilt, Senior Manager of External Relations.

19 I am giving you the penultimate, actually,  
20 probably the ultimate update on the 88th Legislative  
21 Session. We'll probably have another one next month, just  
22 to recap what happened.

23 We are getting into that point of the session  
24 where deadlines are starting to hit. Bills are starting  
25 to die. The most notable one was in the House last week.

1  
2           A House Bill that originated in the House  
3 didn't get out of that chamber by second reading on  
4 Thursday. Then it was dead, midnight on Thursday, when  
5 bills are taken up. Whatever was left was taken up on  
6 third reading the following day. So that takes a whole  
7 lot of bills outside the purview of the legislative work.  
8

9           And we are now hitting multiple deadlines. The  
10 most notable one coming up on Saturday May 20th, that if  
11 you have a House Bill that has made it over to the Senate,  
12 it has to get out of the Senate Committee by Saturday.  
13 Otherwise, it is dead.

14           So now, we are at this point where it is just a  
15 series of deadlines. And then with that, it becomes a  
16 series of bills that die. And all the members play "Taps"  
17 for those bills respectively, and turn to the next session  
18 to see if they will be introduced.

19           I will only provide an update on -- well, I  
20 will provide an update on bills that impact us directly,  
21 and then a couple of other housing bills that are of  
22 interest to the housing community.

23           You may remember that HB 11 -- probably not the  
24 number, but HB 1168 by Representative Cole would set up a  
25 housing voucher program, a rental housing voucher program

1 for EMS officials in Travis County. That bill never got  
2 set for a hearing. So consequently, it is not moving.

3 HB 1248 by Yan expanded, will expand our Homes  
4 for Texas Heroes program to include social workers. This  
5 bill made it out of the House pretty quickly. It got sent  
6 over to the Senate on April 19th. And it has been  
7 referred to a Senate Committee but has not received a  
8 hearing.

9 The last time I checked in with the advocate  
10 for that bill, and also Deanne's office, they said that  
11 Senator Zaffirini would be picking it up. And I haven't  
12 heard anything since then. The last update was about a  
13 week ago.

14 And that is one of those bills that needs to  
15 get out of that Committee by the weekend. It is a pretty  
16 easy, simple bill. So, just surprised that it hasn't  
17 gained any traction.

18 HB 1620 -- actually, let me go to its  
19 companion, which is Senate Bill 1659. These are the two  
20 Sunset Bills. We monitor them because our Sunset date has  
21 gotten moved. And it looks like it will continue to get  
22 moved.

23 After last session, it got moved to September 1  
24 of 2027 under the Sunset Bill. Under this bill, it gets  
25 moved back two more years, to September 1, 2029.

1           That bill is on the House Calendar for today.  
2       So, they may get around to taking it up today. If not,  
3       probably tomorrow or the next day.

4           As it is, the Omnibus Sunset Bill, that is one  
5       of those bills that has to pass. They always have a  
6       Safety Bill in the event that it doesn't pass. But this  
7       one is poised to get through.

8           It has not been modified -- it has been  
9       modified slightly with a couple of floor amendments on the  
10      Senate. But it has not been substantially modified since  
11      its original filing. And in its original filing, it had  
12      contemplated having us at that Sunset date, and it hasn't  
13      changed since then. So, at every step of the way, it has  
14      maintained that 2029 Sunset date for us.

15          The HB 2476 is another bill that has moved,  
16      much to my surprise, because it was filed by a freshman.  
17      And she was able to get it out of the House. It is the  
18      Veteran's Land Bank bill.

19          It would basically, not necessarily  
20      reincarnate -- but we have done our Veteran's Land Bank  
21      program on a smaller scale in certain communities, through  
22      our Affordable Communities of Texas program, where we  
23      acquired foreclosed lots and developed those into  
24      affordable homes that were sold to veterans at a discount.  
25      And in some cases -- actually, ten cases -- we were able

1 to donate them, mortgage free.

2 This would essentially create that same sort of  
3 program statewide, and it would allow us to accept lots  
4 that were, or properties that have been -- that have tax  
5 liens on them. And we would accept them from whoever had  
6 that lien on them, and then convert them into either  
7 homeownership opportunities for veterans, or rental  
8 opportunities for veterans, by working with local  
9 developers, either non-profit or for profit. It doesn't  
10 really matter.

11 That bill was stuck in committee on the House  
12 side for quite a while. We worked on the substitute with  
13 the bill author, Representative Garcia. Made some changes  
14 that were acceptable to the Committee and to the Chair.  
15 And it got out of Committee on a 6-2 vote.

16 And that was pretty late in the session. And  
17 then, her office was able to get that on the House  
18 Calendar last week. And quite frankly, I was surprised by  
19 that. Not only get it on the House Calendar, but they got  
20 it out of the House right before the deadline.

21 It has moved over to the Senate. And luckily,  
22 it is in Senate Veteran's Affairs. Senator Blanco out of  
23 El Paso will be carrying it. He sits on that committee.

24 So does Senator Gutierrez, who sponsored this  
25 exact same bill when he was a House Member. So, it is a



1 favorable committee, in terms of getting that bill out of  
2 Senate Committee. It is a much more favorable committee  
3 than the alternatives.

4 That is where legislation stands that impacts  
5 us directly. There is another bill, HB 1766, which has  
6 been tagged the Bond Efficiency Bill. It is being  
7 advocated for by a developer that we work with.

8 And it would enable some participants in the  
9 private activity bond program to do more deals and it may  
10 limit others from doing deals. That bill, again, sailed  
11 through the House and then made it over to the Senate. It  
12 was referred to Senate Local Government last week.

13 And the last time I talked to an advocate, he  
14 does not like the odds of that bill advancing. It would  
15 change the way we do our program.

16 So, we don't take positions on bills. We just  
17 would evaluate how that would impact the program and  
18 adjust our program accordingly. That said, it doesn't  
19 seem like that bill will get out of the Senate Committee.

20 And it is not initially because it is a good bill or a  
21 bad bill.

22 It is because there is a political backdrop to  
23 everything happening in Senate Local Government. And it  
24 is because of the big elephant in the room, with public  
25 facilities corporations. And there are differing opinions

1 on the future of that program, and what it would look  
2 like.

3 And Chairman Bettencourt is the Chair of Senate  
4 Local Government -- has something that he would like to  
5 see. And then, some other people are trying to make other  
6 changes to the program, and they can't come to an  
7 agreement.

8 So as a result, the Chair, I have been told, is  
9 holding up a lot of legislation until the PFC issue gets  
10 resolved to his satisfaction. And it hasn't been, to  
11 date. And as a result, you have collateral damage of  
12 bills that are going to end up dying until that PFC issue  
13 gets ironed out.

14 The other last bill I will mention is the  
15 housing tax credit bill. It keeps on getting reintroduced  
16 by Representative Goldman. This is the third session.

17 Basically, it would create a state housing tax  
18 credit to enhance the federal housing tax credit for  
19 participants in the low-income housing tax credit program.

20 That has been a very popular bill across the board with  
21 housing advocates. It has a ton of sponsors.

22 It, once again, got through the House  
23 relatively easily and then made it over to the Senate.  
24 And it is pending in Senate Finance still. So, I am  
25 curious to see what happens with that bill.

1 MS. JOHNSON-ROSE: What is the number of that?

2 MR. WILT: HB 1058. And the big PFC bill, I  
3 will go ahead and mention that one, just because everybody  
4 in the housing world is talking about it, is HB 2071, by  
5 Jetton. Bettencourt has a companion to that.

6 But Bettencourt also has another PFC bill that  
7 eliminates the program entirely. He is getting a lot of  
8 pressure from where he represents, Harris County, with a  
9 lot of people that are frustrated that so many properties  
10 in Harris County are getting taken off the tax rolls  
11 because of the PFCs. And so, that is what he's been  
12 responsive to.

13 MR. DIETZ: Is that it?

14 MR. WILT: Yes. That is it. I will take  
15 questions, if there are any.

16 MR. DIETZ: Questions or comments?

17 MR. L. WILLIAMS: So, I guess besides the  
18 Sunset, it really sounds like there are two, possibly  
19 three, bills of importance for us that look good?

20 MR. WILT: Yes. Pretty much. Yes. I mean, if  
21 the Sunset Bill gets through like it is, and we get some  
22 expansion to the Homes for Texas Heroes program and the  
23 Veterans Land Bank bill, I would say that is a very  
24 successful session.

25 MR. L. WILLIAMS: Okay.

1           MR. LONG: For me, being under the radar is  
2 always successful. I think when we have bills that impact  
3 us, Michael has done a really good job both this session,  
4 and in previous.

5           He stays on top of what is going on. He is in  
6 contact with the advocates. We are in contact with the  
7 offices.

8           Michael might do a little bit of a round robin  
9 to the offices early on in the session. And then, Michael  
10 does a really good job of staying in communication with  
11 those offices on bills that affect us.

12           The Sunset legislation is a very positive thing  
13 for us, if it passes, which we are hopeful it does. It  
14 just gives us another two years before we have to go  
15 through the Sunset Review process. That is just a long,  
16 lengthy review.

17           Don't have any concerns about it. It is just  
18 something that we would rather spend our resources doing  
19 something else. And I think it is very positive that they  
20 considered it be -- see us as capable of taking on another  
21 two years without having to go through that process. And  
22 so, we are very thankful for that.

23           MR. WILT: Just out -- and sometimes we get  
24 questions about our Sunset date, and why it keeps on  
25 moving. And you know, we just monitor this. That is all

1 we do.

2 The answer is that COVID impacted the review  
3 schedule for some larger agencies. And because of the  
4 backlog now and getting through the reviews of these big  
5 agencies, they have to make adjustments for small people  
6 like us. So, they just keep on kicking us down the road,  
7 while they get the bigger agencies reviewed.

8 MR. LONG: So, we will take that extra time.

9 MS. JOHNSON-ROSE: Thank you.

10 MR. DIETZ: Great. Any other questions or  
11 comments?

12 (No response.)

13 MR. DIETZ: Thank you very much, Mr. Wilt, for  
14 your update.

15 MR. WILT: Thank you.

16 MR. DIETZ: Is there any reason to go into a  
17 closed meeting?

18 MR. LONG: There is not.

19 MR. DIETZ: Okay. Any announcements or closing  
20 comments?

21 MR. LONG: I don't have any, other than to  
22 remind the Board of the June 20th tentative date for the  
23 next Board meeting. We will get with the Board members,  
24 as I said before, and make sure that we have agenda items  
25 that we need to be doing for your consideration, as well

1 as making sure who can attend.

2 And with that, I appreciate your attendance to  
3 such a short meeting, but it was very important for us to  
4 get the Rainbow transaction reviewed and approved by the  
5 Board for further consideration. So, thank you.

6 MR. DIETZ: Great. Thanks. Any other comments  
7 from Board members?

8 (No response.)

9 MR. DIETZ: If not, then in record time, at  
10 11:07, the meeting is adjourned.

11 (Whereupon, at 11:07 a.m., the meeting was  
12 concluded.)

C E R T I F I C A T E

MEETING OF: TSAHC Board  
LOCATION: Austin, Texas  
DATE: May 16, 2023

I do hereby certify that the foregoing pages,  
numbers 1 through 3131, 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: May 22, 2023

\_\_\_\_\_  
(Transcriber)

On the Record Reporting  
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