

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
RECOVERY AND REINVESTMENT ACT

PUBLIC HEARING

Weatherization Assistance Program
Homelessness Prevention and Rapid Re-Housing
Community Services Block Grant

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PROCEEDINGS

MS. HULL: If we can get started. My name is Brenda Hull. I am with the Texas Department of Housing and Community Affairs. Before we get started, I would like to go ahead and introduce some other staff from the Agency.

To my left, this is Amy Oehlers. She is the Director of Community Affairs. And then Michael DeYoung, he is the program manager for the Energy Assistance Division. And Rita Gonzales-Garza is a project manager for the Community Services Division.

Welcome to the TDHCA public input session for the American Recovery and Reinvestment Act of 2009. Today, we are going to talk about three programs, the Weatherization Assistance Program, the Homelessness Prevention and Rapid Re-Housing Program and the Community Services Block Grant.

A little bit of background about the Recovery Act. It was signed into law on February 17, 2009, and it includes measures to modernize our nation's infrastructure, enhance our energy independence, expand educational opportunities, preserve and improve affordable health care, provide tax relief and protect those in greatest need. There are several Recovery Act programs that may be administered through the TDHCA.

Today, we are just going to talk about these three programs that I mentioned. If you would like more information about the other programs, please visit our website, which is www.tdhca.state.tx.us/recovery. This public input session is an opportunity for the Department to hear from you as we

develop our plans of funding allocations for these three programs.

So if you came here hoping to hear from the Department staff for two hours, you will be sorely disappointed because we are just going to give brief overviews of each of the programs, and then we are going to open up the floor to public input. The formal plans for the Weatherization and the Homelessness Prevention programs will be submitted to their federal funding agencies in May. And this is following consideration by our board of directors on April 23.

The draft of the formal plans will be available for review on the TDHCA website before the Board meeting. We are going to address each one of the topics in the order that it is published and there are program handouts on the table in front. And then there is also a sign-in sheet. And on the sign-in sheet, you can indicate if you wish to speak on a topic.

What we are going to do is we are going to go over each program, give an overview. And then I am going to call the names of the people that have indicated that they want to speak. You will come up to the microphone. We are recording this session. We are transcribing the session so that we can accurately record the information that you provide for us. And I ask that you when you come to the front, state your name. State who you represent, and then go ahead and give your input.

Before we get started, I would like to ask if there are any elected officials in the room that would like to come up and speak before anybody else?

MS. HULL: No. Okay. First, we will have Amy Oehler, the

Director of Community Affairs discuss the Weatherization Assistance Program.

MS. OEHLER: Thank you, Brenda. Again, my name is Amy Oehler, and I am the Director of the Community Affairs Division at the Texas Department of Housing and Community Affairs. And we are pleased that you joined us today. The purpose of this input session, along with the other that we have hosted -- we've held two in Austin, one yesterday in Houston, today, obviously, in Dallas and tomorrow we will be in El Paso.

And the Department feels very strongly about soliciting input from stakeholder communities as well as just the general public as we develop any plans for the programs that the Department administers. I want to start by introducing Mr. Rob DeSoto. He is here from the U.S. Department of Energy.

(Applause.)

MS. OEHLER: And we are pleased that he is here with us today. He is going to be going back to Austin to basically review some of the plans that we have in place, related to the RF funding. I want to start by first just going over a little bit of a timeline for the weatherization funding. On March 12, the Department of Energy released grant guidance as well as the allocation amounts for each state.

Since that time, as I mentioned, we have held a couple of public input sessions. And our plan is to take a proposed plan to our Board April 23. And prior to each one of our Board meetings, there is a public input session. And so if when the proposed plan is released seven days before the Board meeting, if there is something that you would like to comment on, we

certainly welcome you to come to the Board meeting.

There will also be a public hearing specifically on the Weatherization Program, or the Weatherization Plan, the day before the Board meeting. And that is in Austin. And all of that information is on our website. I also wanted to invite you to, if you are not already a part of our listserv for the Texas Department of Housing and Community Affairs, you can go to our home page. And there is a link where you can click to become part of our email list.

And that way, any time that there is a notice of funding availability released, you will be made aware of that, as well as any other public meetings. We have a Comprehensive State Plan that is due to the Department of Energy on May 12. After that time, DOE will review our plan. And after it has been approved, we will receive 50 percent of the funding.

And as we have noted here, although I want to make a correction, Texas will receive \$326.9 million for the weatherization program. Just to put this in a little bit of context for you, we typically receive \$6 million each year for the Department of Energy weatherization program in Texas. So this is quite a significant increase, and we are very excited, because we see this as a unique opportunity to serve more low-income households throughout the state.

The weatherization program has been in existence since 1976. And we have weatherized many homes over the years in Texas, and certainly, nationwide. And we are excited that really for the first time ever, this program is getting public attention. And as you can imagine, we have more

interest, more phone calls, more emails. And we are very pleased.

I think it is nice to have the general public interested in energy efficiency and serving more households, which is certainly the purpose of the program. The way that the structure exists currently, we have 34 nonprofits in units of local government. And they are existing network weatherization subrecipients. And we have, those relationships were established back in the 1970s.

And we value our relationship with this network. They have done very hard work over the years and have made all of us very proud and have certainly made a huge impact at the local level for the client. Because of the inordinate amount of money that Texas will receive, we have considered several different service delivery models, because of the amount of funds that were available.

You know, it is incumbent upon TDHCA and the State to make sure that the funds are spent in an expeditious manner. And so because of that, we have had to consider sort of alternate service delivery models. And so what we are proposing today, there is a handout at the front that is a two page proposal on how we would like to -- how the Department is proposing to proceed with the funding.

But certainly, the reason that we have these public input sessions is to get your feedback on our plan. What we are proposing is to allocate 140 million to the existing subrecipient network. We are also proposing to allocate \$140 million to cities in Texas with a population of more than 75,000. And we are also proposing 7.5 million that will be awarded to

units of local government and nonprofits throughout the State, who are in cities less, or in areas where there is population less than 75,000.

And on the back page of this handout, it kind of details what that would look like. And just to give you an idea too, there in an administrative amount that is allowed by the grant, 5 percent for the State, and 5 percent for the local agencies. We have decided as a Department we are proposing to keep 2 percent of the five and to pass along the additional 3 percent to the total allocation of funds, so that we can serve more households.

There is also 17 percent that can be used for training and technical assistance, but we are proposing to just keep 10 percent and again, to pass on more to the local areas. For the cities that are over 75,000 and for the balance of state, those funds will be competitively awarded. We will go through a notice of funding availability process, and that will be made, that information will be made public.

And certainly any eligible applicants that fall into those categories are more than welcome to apply. We don't have an exact date yet when we will make the NOFA available. We have had some internal discussions, but a lot of that will depend on when the funding is made available from the Department of Energy. Certainly, we will start the process before that, so that when the funds come to Texas, we will be ready to start with the competitive process.

There are a few changes with ARRA weatherization funds compared to the current program. One of them is currently, you can spend up to \$3,055 per unit to weatherize a home with the Department of Energy funds.

There will be an increase to \$6,500, which certainly, that makes a huge impact. Because once you weatherize a home, well, the goal is that you weatherize the home once, and that you do a very effective job, so that you don't need to go back.

Certainly in some instances, you can go back to homes that were weatherized prior to September 30, 1994 and as you can imagine, the technology at that time was different. And so some of those homes could certainly benefit from reweatherization. But for the most part, the goal is really to weatherize a home once, to make sure that we make the greatest impact.

At the moment, the Department uses an eligibility criteria of 125 percent of federal poverty guidelines. The ARRA allows states to go up to 200 percent of federal poverty, and that is certainly something that we would like to hear from you. We would like your comments on whether it should stay at 125. We can move it up to 150 or 200. Again, we have had internal discussions, but really it is important to hear from the people who actually serve clients at the local level.

I just mentioned the reweatherization dates. That has reset to September 30, 1994. We are also at the moment working through potentially using a priority list to determine the work that will go into a home. Right now, we have what is called an easy audit. It is a computerized energy audit, which after a whole house assessment is conducted, you take that data and put it into a computer which helps generate a savings to investment ratio.

And basically, the point of that is to make sure that whatever investment you are making into a home, that you reap those savings. And so

this helps us determine the work that is most effective for that particular home.

And certainly, our approach in Texas has always been to treat each home individually, and to not make assumptions about all houses. We have tried to do a whole house assessment on each home.

But as you can imagine, with this amount of funding, there is some, when you are considering efficiency, we are looking at maybe using a priority list. Certainly, we would still be required to use the energy audit on a certain percentage of homes. But we were considering using a priority list, and so we will keep the public informed about that.

Another change that is, I guess a potential change is that weatherization has never needed to go through the system where you use the prevailing wage rates, or the Davis Bacon Act, that has never applied to weatherization. And at the moment, I think at the federal level, they are still having discussions. Is that right, Rob? They are still having discussions. And so we don't know if that is something that will be required or not.

What we believe is that most contractors in Texas already pay at least the Davis Bacon rates if not higher. So that is not as big a concern for us. What we are really concerned about is, the amount of money that it would take to monitor this activity. And certainly, that would be a state requirement, as well as a requirement at the local level.

And so that is the piece that we are most worried about, that if in fact, Davis Bacon does apply, that that will mean more sort of administrative type activities which will cut into the amount of money that will go into the low-income homes. And so that is what we are concerned about. I believe that all

states, all the states that we have talked to, I think, have the same concern, and so we will keep you posted on that.

But as we mentioned earlier, the purpose of this session is to hear from you. So at this time, we would like to invite you. Brenda, I think, has a list up here. We are going to go down the list and ask you to come up and provide your comments. And we take all of your comments very seriously.

Certainly, this money does not belong to TDHCA. It certainly doesn't belong to anyone in this room. It is taxpayer money that is intended to low-income households. And so we take that very seriously. So again, Thank you for coming. We are pleased to have such a large crowd.

For those of us that have been working in weatherization for years, it is really amazing to see this many people. I mean, we have held public hearings for years where maybe two people came to the hearing. So it is exciting for those of us who have been doing this work for quite a while. So again, thank you. And we look forward to hearing your comments.

MS. HULL: Thank you, Amy. The first speaker will be Stella Rodriguez, and then after that, Art Kampschafer. And if you didn't get a chance to sign in, you will have the opportunity to speak after I have gone through the whole list, so don't worry.

MS. RODRIGUEZ: Good morning. My name is Stella Rodriguez, and I am the Executive Director of the Texas Association of Community Action Agencies. With me today are representatives from the TACAA network, including Phyllis Cook here from Amarillo, Brad Manning in

back from Weatherford, Bobby Deike from Waco, Art Kampschafer from Corsicana and then there are others as well.

For the record, I will read comments regarding the Weatherization Assistance and the Community Services Block Grant programs. With respect to the Weatherization Assistance Program, WAP, TACAA supports the increase in income guidelines to 150 percent of federal poverty guidelines, consistent with other TDHCA programs operated by subrecipients.

We support the use of a priority list of weatherization measures in place of the easy audit assessment. This will streamline and simplify the process. We also support the increase in the per unit spending cap of \$6,500. With respect to TDHCA's proposed distribution of \$140 million of the American Recovery and Reinvestment Act, ARRA to new entities not currently administering the federally funded weatherization program, we offer these comments.

With over 30 years of experience in administering multi-million dollar programs, including weatherization, existing subrecipients should have the opportunity to show their capacity to spend the ARRA funds. Weatherizing homes before opening up the program to other entities.

TACAA supports giving the funds to the existing subrecipients first, using benchmarks to evaluate the ability of the subrecipients to meet this new and welcome challenge before opening up the program to predictable and unforeseen issues. TACAA opposes TDHCA's proposal to give over 50 percent of the ARRA funds to entities not currently operating the federal

Weatherization Assistance Program.

The State has gone to great lengths to develop an equitable formula for dividing the weatherization funding. And since consideration was already being given to modifying the formula to increase the rural share by increasing the inverse density population factor to account for the ever increasing costs of travel in the rural areas, it seems counterproductive to suddenly increase the urban share, especially given that urban areas have more existing resources available such as a Community Development Block Grant, HUD money, HOME, disaster, other ARRA funds, et cetera.

Based on the February 26, 2009 weatherization round table discussion held in Austin, TDHCA furnished funding information and strongly encouraged existing subrecipients to quickly increase production capabilities. Most current subrecipients have plans in place for increasing staff, ordering equipment and selecting subcontractors based on bids covering the entire service area, including rural and urban.

If larger cities issue separate subcontractor bids just for their area, contractors are likely to cancel contracts with existing subrecipients to take the more lucrative city contracts which do not require the higher rural travel costs. Existing subrecipients will then be required to advertise for new bids which will almost always be higher. The result is program delay, higher costs for measure, fewer measures, units weatherized, all of which is very bad for the clients desperately needing assistance right this minute.

The potential for duplication and re-weatherization becomes an issue with new entities working in areas covered by existing subrecipients.

Because existing subrecipients are prohibited by law for divulging previous client information, new entities will be unable to determine if rules regarding re-weatherization are being violated. You see, clients have poor memories, and when asked if or when their units were previously weatherized, they don't remember.

Existing subrecipients cannot be expected to use their funds to cover the costs of screening other entities applicants. Clients will apply to both existing subrecipients and new entities. Duplication of efforts will occur. And time and money will be wasted.

Based on the initial meeting TDHCA held regarding the new weatherization funding, agencies ramped up in anticipation and at the urging of TDHCA. There will be a delay with the new entities learning the technical, administrative and operational guidelines of the federal program and ramping up. There is a concern that new entities will not get the job done, and existing subrecipients will be pressured to spend the additional money in a short time frame.

On March 12, 2009, the U.S. Department of Energy released a guidance to the states regarding the ARRA funds. Section 5.21(A) found on page 32 specifically states that if the grantee, the state, in selecting a subgrantee should give preference to any community action agency or other public or nonprofit entity which has or is currently administering effective weatherization or community action programs. Part B of the same section states that additional subgrantees shall be selected at a hearing in accordance with 10 CFR Part 440.14 and 15. And upon the basis of the criteria in

paragraph eight of the Section 5.21 of the DOE guidelines, all of which to our knowledge has not occurred.

TACAA is concerned over TDHCA's capacity to handle additional subrecipients. Current subrecipients experience contract delays, problems with the TDHCA reporting system, monitoring inconsistencies, and monitoring report delays. Additional subrecipients will require even more state staff to monitor and train. The Department has been slow in replacing staff. How quickly will TDHCA be able to ramp up? There have been ongoing problems with the Easy Three audit system from the beginning.

If TDHCA continues using this system and adds more users to the system, the delay to input assessment data will increase even more. In the past, TDHCA has relied heavily on existing weatherization subrecipients to train staff at other agencies. With the increase in workload brought on by new funding, existing subrecipients will not have time to train other agency staff. How will TDHCA be able to meet the need, given that they have one weatherization trainer for the entire state?

In reference to the Community Services Block Grant, TACAA supports full implementation of the program in accordance with federal law. Should TDHCA consider making changes to the current CSBG program operations? This network offers its wealth of experience and knowledge, representatives to assist in developing a plan benefitting vulnerable Texans. TACAA requests TDHCA to address the aforementioned concerns, and the applicable state plans to the federal funding agencies.

On behalf of our entire statewide network, thank you for the

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opportunity to offer these comments. And we are available for questions.

Thank you.

MS. HULL: Thank you. Art Kampschafer is next, and after that, Brent Yeldel.

MR. KAMPSCHAFER: Good morning. My name is Art Kampschafer. I am the contract manager for Community Services Incorporated in Corsicana. We operated a 15-county weatherization program and have been doing so successfully for a number of years. First, I want to say that I support everything that was in Stella's presentation. But I have a few more things that I would like to emphasize.

I believe TDHCA acted hastily and improperly by diverting over 50 percent of the federal stimulus funds available for weatherizing units to entities other than existing weatherization subrecipients, based on a presumption that no existing subrecipient could effectively use more than 48 percent of their allocation as proscribed in the TDHCA tack. Each subrecipient should have had the opportunity to establish their own capability and TDHCA should have requested and evaluated each subrecipients' plan to accomplish their established goal, and present documented evidence to prove an individual subrecipient could not perform adequately and effectively before allocating funds to new subrecipients in the affected area.

TDHCA should not have made a decision impacting all individual subrecipients based on an assumption of collective inability to produce satisfactory results. This could have been avoided without delaying program implementation by making an initial release of 50 percent of the funds

using a normal allocation method without assigning any to other entities or funds to other entities. I would also like to -- two things that I noted on the handouts.

First, I want to emphasize, we really do feel that the 150 percent is an important factor because of the limitation of DHS LIHEAP funding being limited to 150 percent. We don't really want to be working weatherization in two different eligibility with the same program. Okay.

The other thing is, that I question the CSI allocation on the handout. It was obviously based on the same percentage as existing allocation, but the existing allocation used a 350,000 maximum cap for DOE funds. And that skewed the normal allocation.

We were assured by TDHCA that that cap would not exist under the stimulus funding. If the cap did not exist, our allocation should have been closer to 9 ½ percent, instead of 5.3. And should have been closer to 13 million instead of 7 million. Thank you.

MS. HULL: Mr. Brent Yeldel. After that is Carolyn Heritage.

MR. YELDEL: Good morning. My name is Brent Yeldel, and I am speaking on behalf of Managed Interview Services. And I would like to address the new and cutting edge technologies that exist in the industry that have a proven track record, that I would like to propose that be adopted and installed for the customer's benefit.

There are with the \$6,500 allowance per unit or household a package of the state of the art products when installed could yield a 50 percent return -- I am sorry. A 50 percent reduction in the kilowatt hours and the gas

consumption. And so with these technologies, there is obviously an advantageous motivation to try to have some of these materials adopted.

And would refer to the CFR Title 10, Part 440.21(B) where the DOE may approve an unlisted material upon application from any state. And so I encourage the state to be trailblazers per se, to work to receive, make analysis of, and try to include some of these updated technologies that have come and that haven't quite made their way to the listed items that can be installed in the weatherization program.

There are also opportunities to benefit the clients and the education as well, with awareness and findings that have come in the education aspect of this, which can also be modified and incorporated with some of the latest technologies that exist. Many of these have come from the work that has been done through NASA, everything from the silicone to velcro, to all of these modern-day products that we have.

There are also some wonderful benefits and products that they have developed for their space program that can easily be applied or are now being applied in the residential and commercial markets. And so we will continue our efforts to approach, present and appeal for approval to yield the benefits to the populace through this program.

So we applaud the Department in their energy efforts, and I am glad you are happy to have a large crowd this morning. It is encouraging. And we will continue to be in contact with the Department and to present these products, and make our case that they be accepted for the benefit of the population. Thank you.

MS. HULL: Thank you. Next is Mr. Chad Shuford. After that, Daniel Ariza.

MR. SHUFORD: [inaudible].

MS. HULL: You don't want to speak? Is that Chad? Mr. Daniel Ariza?

MR. ARIZA: My name is Daniel Ariza. I am the program monitor for Dallas County Health and Human Services. We currently are the subrecipient for the Dallas County area. And we believe also a lot with the position that TACAA takes.

We also believe that the subrecipients should be able to put a plan forward to show that the experiences that we hold and we have the abilities to perform and serve our clients in the best possible way with the funding that we have. Dallas County also supports the increase up to 200 percent for the weatherization program, citing that the cost of living in a metropolitan area is somewhat greater.

And we feel like that a lot of our elderly people are somehow sometimes left out and just over that income guideline. I would just like to put those comments in the record. Thank you.

MS. HULL: Thank you. Next is Mr. Horace Tabo, and after that, Chuck Sempe.

MR. SEMPE: Sempe.

MS. HULL: Okay. Mr. Sempe. Do you wish to make any comments?

MR. SEMPE: You call me up?

MS. HULL: Yes. Are you ready?

MR. SEMPE: Yes. How are you today? Good? Good, I hope.

MS. HULL: Yes.

MR. SEMPE: My name is Chuck Sempe. I am a former construction worker. Actually, due to 9/11, there was some problems in that industry. I wanted to personally thank Representative Oberstar. He is a Democrat from Minnesota who passed this American Recovery and Reinvestment Act. I think you all owe a debt to him right now and probably should acknowledge it.

I am really disappointed in this Board right here. Texas Department of Housing and Community Affairs, the Governor, and probably the City of Dallas Department of Housing, and lots behavior, the former Dallas Housing Authority Director is a disgrace. An embezzlement over \$100 million. No comment from Texas Department of Housing and Community Affairs, no audit, no oversight, no anything. Mum's the word. I really would like to get this looked into and to find out.

As of now, Dallas Housing Authority has very little credibility, very little. I also wanted to make some comments about Texas Department of Housing and Community Affairs and their internet system. On many occasions, I have checked. I have tried to check with the Housing Trust Fund. Not only was it on a government web site, it was blanked out. You could not access it. There is a little transparency in there.

You could not access the address, its Board members. Really, who funds it. It almost exists as an entity in and of itself. It lacks any -- it

violates Sunshine Act provisions. And it violates FOIA provisions. Now I wanted some input on this. That does need to be corrected. You are technically in violation of the Electronic FOIA Act. And that needs to be looked into.

A city this size is pretty large. This metro area is over 6.5 million people. That is a lot of people, and it is growing faster every day. You would think that the amount of single occupancies, SROs, there would be many. Prince of Wales SRO and Lightning [phonetic] SRO is just simply not enough. Two SROs in an area is not enough. Now you have one in consideration called the Plaza. A fool can see that this is just not enough.

Now I would like to ask the Board, this representative amount right here, is this, was this by design and plan to purposely not build these places? I am waiting for a comment.

MS. HULL: Sir, I believe you are speaking about the allocation of the multifamily development --

MR. SEMPE: Single room occupancies, SROs.

MS. HULL: SROs? They do go through a competitive process. We all get our funds for the tax credits and the HOME and the Housing Trust Fund through a regional allocation, and there is a competitive process within the region. After that, we have very little control about who the applicants are and which applicants ultimately get funded. It is a very fair and transparent and open process.

MR. SEMPE: Another comment I wanted to make on there was that Texas Department of Housing and Community Affairs asset

management and disposition division, what you would call the REO Section the real estate owning section, there is none.

I don't know if this pride on the part of Texas Department of Housing and Community Affairs, but obviously, everything you touch is not going to be 100 percent successful. I want to know how those assets are disposed of or liquidated of in the marketplace. Your website didn't mention that either. Another FOIA violation.

MS. HULL: Thank you very much, Mr. Sempe, is it?

MR. SEMPE: Okay.

MS. HULL: I do welcome the opportunity to speak with you more in detail. However, I think what the audience is here to talk about is the Weatherization Assistance program and the Homelessness Prevention Program.

MR. SEMPE: Okay.

MS. HULL: But I am very interested to hear more about some of the concerns that you raise. Thank you for your comment. Is there anybody else at this time that would like to speak about the Weatherization Assistance Program? Please come to the microphone.

MS. REINING: I am Elizabeth Reining. I am with the City of North Richland Hills. I signed in but not to speak. We ask that you look at the population limits, or consider new subrecipients in your formula. Simply, we have noted that there are some cities that are both subrecipients as well as meet the population criteria, so they will be receiving double funds. And that leaves some areas left out.

There are cities in Tarrant County outside of Fort Worth and Arlington that currently are not under a subrecipient. Tarrant County Community Development who handles, administers most of our HUD funding, including CDBG and HOME funds, they are currently not a subrecipient. And so that shows that Tarrant County, all cities within Tarrant County would be left out.

There is need for weatherization funds, including our community, North Richland Hills, Haltom City, Richland Hills, Hearst, Bedford, Eulton [phonetic]. That is just in the northeast Tarrant County. And I am sure that is throughout the county as well. So we just ask that you reconsider that. Thank you.

MS. HULL: Thank you. Is there anybody else who would like to speak on the Weatherization Assistance Program? Please come forward.

MS. JUWANEE: Hi. My name is Malika Juwanee [phonetic] and I am the senior Community Development program specialist for the City of Carrollton, Texas. My coworker, Alena Sukan [phonetic] is also here with me. The City of Carrollton wishes to express support for the proposed program generally, and for several specific aspects for it.

The City of Carrollton is very interested in the program proposed, primarily because it can serve a population of the state that for reasons of limited funding has lacked meaningful access to weatherization assistance and for the economic benefit it accrues. The environmental benefits of the weatherization are an important consideration and are also well documented, injecting over \$326 million into this sector of the State economy

cannot help but have beneficial results in job creation and retention as well as a ripple effect as those dollars circulate the State.

We also hold that the proposal speaks very directly to one of the explicit ARRA goals of stabilizing local governments as we stabilize local economies. Partnering with the cities for temporary contracts would provide an essential avenue for meeting another ARRA goal, seeing that funds are expended promptly. Because we perform neighborhood and housing inspections, collaborating strongly with the local service agencies, and are deeply involved in the community at many levels, cities are uniquely positioned to identify and prioritize needs.

Because of its longstanding participation in the Community Development Block Grant program, we believe Carrollton is another, as other CDBG cities are, well positioned to participate effectively in this program. Our familiarity with the federal reporting and the accounting requirements and procedures speaks to another ARRA goal, that of transparency and accountability. Our CDBG experience has also brought us expertise in implementing Davis Bacon wage requirements ranging from field interviews to peer reviews to reporting.

Should the Department of Energy choose to impose this heightened centered on Weatherization Assistance Program, we bring a strong history of compliance and are prepared to meet it. Carrollton specifically supports the Department of Energy allowing us to serve individuals at 200 percent of the federal poverty guideline. This will expand the eligible population significantly from the existing 125 percent level.

We also support the maximization of \$6,500 as an increase from current levels as this will enable both existing Weatherization Assistance Program providers and cities to complete a significantly greater level of weatherization. The proposed division of funding among the state existing providers and the cities over 75,000 population appears to be the most effective means to accomplishing the multiple program goals on schedule. Criticism that some rural areas may be underfunded must also be balanced against existing structures that serve significant rural areas and existing programs that can realistically facilitate timely program implementation.

A chief concern is expending these funds within the required two year time frame. Given the obstacles of limited contractors and time consuming program administration, this will require significant cooperation between existing providers and cities coming into this program as temporary contractors. Taking advantage of opportunities for enhanced partnership with TDHCA and regional organizations such as Council of Governments, through steps as diverse as strategy formulation to specialized regional training for contractors within cities will be a key to timely implementation.

Expending significant administrative effort in these directions would serve all program participants and most specially, those needy households in this program truly exist for. Thank you for allowing us to comment.

MS. HULL: Thank you for your comment. Is there anybody else who would like to speak on the Weatherization Assistance Program?

(No response.)

MS. HULL: If not, we will go ahead and move to the next program, which is --

SPEAKER: Thank you.

MS. HULL: The Homelessness Prevention and Rapid Re-Housing Program. This is a new program by HUD, the U.S. Department of Housing and Urban Development. While the allocation of the funds was run through the emergency shelter grants formula, which is another homelessness program administered by HUD, HUD has emphasized that this is a brand new program.

It is emphasizing the two factors of the program include homelessness prevention and rapid rehousing. The current -- yes, sir.

SPEAKER: It is hard to hear you in the back.

MS. HULL: Better?

SPEAKER: Thank you.

MS. HULL: The current ESG program, under the current ESG program you can use the funds for several different purposes, including rehabilitation, essential services, homelessness prevention is one of the activities, and maintenance and operations. Again, this new program is specifically for homelessness prevention and rapid rehousing. I wanted to go over some of the important dates and milestones in this program.

First of all, the guidance from HUD was published on March 19. And I don't know if most subrecipients do tend to read the guidance, the federal guidance that is published, but in this case, I would definitely emphasize that. HUD was very detailed in describing the eligible activities for

the funds, as well as the eligible applicants.

And I would emphasize, I would stress that people might be interested in reading the guide in itself. On April 23, we staff at TDHCA planned to submit the substantial amendment to consolidated plan to our Board for consideration and possible approval. At that time, we will also submit the draft notice of funding availability for this program to our Board. It is possible that we may release the NOFA as early as late April, or it may be as late as late May.

The substantial amendment to the consolidate plan, basically, the plan for the program is due to HUD on May 18. And then in June is when the applications will be due back to TDHCA. In July, HUD will approve, hopefully approve the State Plan.

And in September 2, HUD will execute all the grantee agreements with subgrantees, that means TDHCA. On September 3, staff will take program awards to the TDHCA Board for their approval. And then the end of September is the deadline for all obligation of funds by TDHCA.

Some other milestones to note is that 60 percent of the funds must be expended within two years, and 100 percent must be expended within three years. And the timeline will begin when HUD signs their grant agreement, which is expected to be no later than September, 2009. Some highlights of the program.

Again, this is a new program and this assistance is not intended to provide long term support or address all of the needs of a homeless household. It will not provide any funding for new construction or rehabilitation

of homeless beds for example. Grantees must target those who are most in need of temporary homelessness prevention and rapid rehousing. And in this program, households must be at or below 50 percent of area median family income.

The eligible activities under this program include financial assistance which is things like short term rental assistance, medium term rental assistance, security and utility deposits and utility payments. Moving cost assistance, and motel and hotel vouchers. Housing relocation and stabilization services, another eligible activity under this program, and that includes case management, and case management relating to housing, outreach and engagement, housing search and placement, and legal services and credit repair. Data collection and evaluation is another eligible expenses as well as administrative costs.

One thing to emphasize about this program is that HUD is allowing 5 percent of costs for administrative purposes and that is for both the state and the subgrantees to share. The eligible households, populations that can be served under this program include those that are at risk of homelessness, those that are currently in housing, but are at risk of becoming homeless and they need temporary rent or utility assistance, and a second population to be served are those that are actually homeless as following the HUD definition of homelessness; those residing in emergency or transitional shelters or on the street, and need temporary assistance in order to obtain or retain housing.

There is a list of ineligible activities that HUD has spelled out for

all subrecipients. It includes mortgage payments, construction rehabilitation, credit card bills, car repair, transportation costs, et cetera.

On the second page of the handout, you will see a table that is entitled, the Draft TDHCA Allocation Formula. What staff is proposing is to allocate the funds regionally. There are 13 state service regions. And then within each region, we there will be a competitive process. The entities that are eligible to apply include local units of government and then nonprofits who have the support of their local units of government.

In this draft formula, we are proposing to use 50 percent poverty as one weight and then 50 percent unemployment figures at the other factor in the formula. And this draft formula also assumes a 3 percent for data collection, evaluation and again this approximation of how much staff assumes will be needed for this data collection and evaluation which would be costs that are incurred by the subgrantees, for their HMIS, Homeless Management Information Systems.

So at this point, we will go ahead and open it up for comment. Let's see. The first person on the list is Mamie Lewis. And then we have Sam Prince after that.

SPEAKER: [inaudible].

MS. HULL: Sam Prince? Did you want to go together?

SPEAKER: Ask questions.

MS. HULL: You can ask a question. This is really an opportunity for us to hear from you as we are developing our plans. We may be able to respond to the question. And we may still be thinking through some

of the ideas. So if it is a straightforward questions, we can certainly answer it for you.

SPEAKER: Question, People are going to find would be nonprofits who have the support of the local government.

MS. HULL: Right.

SPEAKER: What exactly does that mean, to have the support of the local government?

MS. HULL: And that is information that is included in HUD's guidance. They do have to have local government support. We haven't exactly decided what that would look like, implementation wise. It could be something as easy as a letter from the local government. I don't think we would require a resolution or anything that formal. But we haven't decided. That hasn't been decided yet.

SPEAKER: Possibly something similar to the ESG form that we get signed off on by the city?

MS. HULL: Possibly. Did you want to make a comment or is that a straightforward question, sir.

SPEAKER: I just want to make a comment.

MS. HULL: Okay. Well, let's go through the list, and then after that, we will open it up for more comment. Yes, sir.

(Pause.)

MS. HULL: Okay. If you would like to ask a question, we ask that you come to the microphone. Let me go ahead and allow this gentleman to make his comment, and then we will open it up.

MR. PRINCE: My name is Sam Prince. I am the development director for Legal Aid of Northwest Texas. I am not officially authorized to speak on behalf of Legal Aid of Northwest Texas. I just wanted to point out a couple of things about this particular program.

Up until this program came out, to my knowledge, there were no government programs where we could use the funds to hire lawyers to do landlord tenant work specifically. And I realize this program does not allow us to do anything with mortgage foreclosure. If TDHCA at some point can point us in the direction of where mortgage foreclosure money is, we would certainly appreciate it.

I realize that despite the fact that the HPRP program is 2-1/2 to 3-1/2 times per year for three years of what the average ESG grant has been for the last half a dozen years or so, it is not enough. It is a lot of money, but it is not enough. And in our particular case, we have 14 branch offices. We cover a third of the state. Most of that territory is rural.

And I would just ask TDHCA when it comes to determining minimum and maximum grant applications per organization that you take that into consideration. An organization like ours, at least under the ESG grant guidelines that have been out for the last several years. We could submit one grant application for each of our 14 branch offices. We would still be short attorneys. 15 months ago, we had 122.5 full time equivalent staff attorneys. We now have 87.

A program that is spending this kind of money is going to generate a lot of interest in applicants from the low-income community. And

quite frankly, if we can't figure out a way to find more money to hire more lawyers, we don't know how it is that we are going to be able to serve that particular need. So if there was some way to take a look at issue areas, at least like ours, throughout the state, there are two other programs like us that each cover a third of the state.

And between the three of us, although we employ a lot of lawyers, it is not nearly enough. There is one lawyer for every 25,000 people living at or below 125 percent of poverty. So again, if you could just give some consideration to how these funds will be allocated to that particular issue, I know we would appreciate it.

MS. HULL: Thank you for your comment. Mr. Kenyon Altaffer? I apologize. Is that close?

MR. ALTAFFER: Yes. I am Kervyn Altaffer, and I am with Mr. Prince. I am a managing attorney for Legal Aid of Northwest Texas. And I want to speak from the other side of the same thing that Mr. Prince was talking about, and that is, the real need for attorneys to represent people who are being evicted, in landlord-tenant situations.

I don't know if any of you have ever been to a Justice of the Peace court. When they have their eviction hearings. But in Dallas County, it is pretty much, if you don't have a lawyer, you have very little chance of prevailing, no matter how right you are, simply because most people have no idea of what to say or how to introduce evidence. And there is a real need for more attorneys to represent people who are being evicted for reasons which they should not be evicted.

And the Texas landlord tenant law is very landlord oriented. We had an intern from Germany in our office two summers ago. And he was in the German Navy, a lawyer. And he could not believe how landlord oriented Texas law is. And that tenants who are facing eviction and don't have representation have almost no chance of winning, even when they shouldn't be evicted.

So I would just want to urge the TDHCA to as Mr. Prince did, consider how much funding can go for legal representation in the landlord tenant side. And as Mr. Prince said, we have suffered losses in our funding. And HUD has specific grants to represent people who are homeless. We have one through our local Continuum of Care. However, those people have to already be homeless. Not being evicted.

We also have an essential services grant through the City of Dallas. And again, the funding for the legal services in that is also for people who are already homeless. We have a grant from the IRS to represent people only in income tax cases. We have grants to represent people in domestic violence cases. But it is really needed; more funding to represent people in evictions, and landlord tenant cases. Thank you.

MS. HULL: Thank you for your comment. Next, we have Mr. Otis Thornton. After that, Scott Holder.

MR. THORNTON: Good morning. I am Otis Thornton. I am the Homelessness Coordinator for the City of Fort Worth, Texas. And I would like to join my colleagues in thanking you for coming to North Texas for this input session. I have two kind of general comments.

The first is that last year in Washington, in the previous Congress, the Hearth Bill was introduced and made good progress towards re-authorizing the federal McKinney-Vento Homelessness Assistance Program. That Act, the language in that act, that describes the revisions to the emergency shelter grant program, which renames it the emergency solutions grant, that language was picked up and put in the stimulus bill. It is almost verbatim. I think this is instructive for us.

And the thing that I would like to encourage the state to do is to buy us program design in such a way that we are funding those programs that are capturing data that will help us spend future federal funds in the most cost effective way. For example, if a Legal Aid program, my colleague Mr. Prince was talking about, landlord tenant programs to be funded, I would prefer that we fund one that includes a followup component. Was the eviction, not only was it forestalled at the moment that they were at the JP hearing, but what was the followup three or six months later.

In other words, how efficiently can we spend those future federal funds, not coming through the Stimulus Bill but based on the data that we capture in program design through stimulus funding. Is that making sense, kind of?

MS. HULL: Uh-huh.

MR. THORNTON: Okay. The second thing that I would encourage the Department to do, I think that the State is uniquely and specifically well-positioned to collaborate with the Texas Department of Criminal Justice to work with the probation system. They do not currently

have legislative authority to work on short term housing interventions such as would be eligible under the ARRA provisions.

Therefore, I think that working with TDCJ and the workforce boards I think we should pay close attention to how local communities can use funding to link folks matriculating out of the correction system into the community in ways that can link them with employment, and housing to reduce recidivism. Thank you.

MS. HULL: Thank you.

MS. HULL: Thank you. Mr. Scott Holder?

(No audible response.)

MS. HULL: Okay. Mr. Ross Taylor?

(No audible response.)

MS. HULL: Let's see. Is there anybody else that would like to speak on the Homelessness Prevention Program? Mr. Sims? Oh, I am sorry. Sir?

MR. LAURANTZ: Yes. Hello. My name is Kit Laurantz. I am with the Metro Dallas Homeless Alliance, here in Dallas. And we are the regional authority covering Dallas and Collin Counties on issues affecting homelessness. And so I just wanted to speak a bit about some of the priorities that we have set as a community, and hope that they might be mirrored a bit in the TDHCA related proposals.

We had a meeting yesterday with several stakeholders in the community, and talked about some of the sub-populations that we want to make sure are included. They are, those who are parts of families with

children. Families who are experiencing unemployment or underemployment. So it was good to hear that unemployment is going to be part of the allocation process. Those who are youth aging out of foster care. And then single parents under 25 years of age. Also, refugees and those who are in sort of in perhaps a little less of an area of legal status.

We want to make sure that we are serving the folks who might not necessarily be served elsewhere or otherwise. The other thing that I want to do is to mirror a little bit what Mr. Thornton has just indicated. Right now, there is kind of a one-way mandate between Continuums of Care and the agencies that work as part of Continuums of Care to work with state agencies in terms of discharge, and several other areas that need to be worked on, on a statewide level.

So I think this provides an opportune time for us to kind of work together and create some statewide planning for discharge, and how we can keep those folks who are being discharged from state institutions like mental health facilities and correctional institutions, into homelessness. And we can prevent that if we work together to do that. I think this is an opportune time to do so.

The other thing that I do want to mention as well, is with that 3 percent that you are allocating towards folks who are, for the data collection, you might really want to look at the possibility of only allocating funds then to those who are already part of that system. Otherwise, it is going to be a lot more expensive, and it is going to take that much more time to get those people entered into that system. It is also going to create quite a bit of a

burden on the local level in terms of making sure that those folks are participating.

So I just wanted to share that information with you. Thank you very much for the opportunity.

MS. HULL: Thank you.

MR. AGUILERA: Good morning My name is Jesse Aguilera with the Metro Care Services, the largest mental health service provider in Dallas County. I did want to talk about the allocations of the funds, where we look at financial assistance, or the housing relocation stabilization services. I would like to speak -- well, first off, this is good that we have this.

I want to be sure that we are providing adequate case management services, and of course legal services, Sam. That the outreach and engagement become are effective as well. I want to speak about the case management services that we will be needing for people living with a mental illness, or people with developmental disabilities, as well as for veterans.

Talk about a very vulnerable populations, just paying the rents is not going to be enough. We have got to be sure that we have some services related to the housing, to be sure that there is actual, real stabilization. Thank you.

MS. HULL: Thank you.

SPEAKER: Do I have to come up to the mike?

MS. HULL: Please. If you would like to have it recorded.

MR. SEMPE: I wanted to -- I just wanted to make a comment

to the Honorable Board of Texas Department of Housing and Community Affairs on some of the past problems with Housing and Urban Development's housing. One of the reasons there is so much of it on the market was in fact due to shoddy construction and workmanship in there. So I am going to ask the Texas Department of Housing and Community Affairs throughout the program, throughout its housing development, I would like them to take, and in that clause where it says, I have done construction work before.

I am not a basically a rookie at this. The fact is, it was in Collin and Denton Counties which in some of the most wealthiest homes that this City will probably ever see. But I would like the clause, done in a workmanlike manner striked out, and in its place, I would like in its place, replaced, done properly to Code.

As I commented earlier before, Representative Jim Oberstar who happens to be a very -- he is a member of the Blue Dog Commission. He is a -- for those that have seen his website, I am sure this man is no stranger to anyone here. He is a fair trader. In the old days, we used to call these trade hawks. He don't play too much.

I had wanted this Board to honor, not only the American Steel First Act, the U.S. Worker Protection Act, Davis Bacon Amendment, the Buy America Act, which we call the Berry Amendment. And in general, I would like to make this truly an American Recovery and Reinvestment Act.

MS. HULL: Thank you.

MR. SEMPE: I would like 100 percent American made products used in Texas Department of Housing and Community Affairs

projects with no waivers attached.

MS. HULL: Thank you. Thank you for your comment. Would anybody else like to speak on the Homelessness Prevention Program?

(No response.)

MS. HULL: The third program we are going to discuss this morning is the Community Services Block Grant Program.

SPEAKER: [inaudible].

MS. HULL: On Homelessness Prevention?

(No audible response.)

MS. HULL: Do you mind coming to the microphone and speaking?

MR. FORWARD: My name is Coultto Forward [phonetic], and I am with State Representative Kerry Hodge. My question is, how does one apply for weatherization or what is the qualification for weatherization? What does their income have to be to get their house weatherized?

MS. HULL: Certainly. Did you hear that? The income for the weatherization. Household income for the weatherization.

(No audible response.)

MR. FORWARD: You need me to repeat my question?

MS. HULL: The question was about what is the household eligibility required for the weatherization program currently.

MS. OEHLER: And it is currently 125 percent of the federal poverty guidelines.

MR. FORWARD: My question is -- I understand that but how

would one apply? How would one know that they are eligible to receive weatherization? Because there are a lot of elders that probably meet that criteria, but don't know how to go about getting their house weatherized.

MS. HULL: Okay. All right. Part of the requirement for the subrecipients is to conduct outreach, and to make sure that all of the communities in their service territory are aware of the Weatherization Assistance Program. So that is something that we require of the local subrecipients, to make sure that they are working with other nonprofits. If there is a United Way in their area. In some instances, even advertising.

But just to kind of again, to put this in perspective for you, the Department of Energy weatherization program has typically received \$6 million a year, and there is a statewide waiting list of over 15,000 clients. And so, we certainly wanted to get the word out.

But in the past, there has never been an issue with trying to find enough clients. It was the reverse problem, that there has never been enough funding to address the need. But certainly, it is something that we require, that each of the subrecipients conduct outreach at the local level. Yes, ma'am.

MS. HUEY: Before we move on, I have a question about the weatherization program.

MS. HULL: Would you like to come up to the microphone and ask your question?

MS. HUEY: My name is Nell Huey. I am with the AARP Senior Community Service Employment Program. And my question is, how can

existing training programs connect with the recipients of the technical and training assistance activities that are under the weatherization program. We have candidates for training, and want to connect with those recipients. So how would that be --

MS. OEHLER: Okay. Part of the training and technical assistance funds, part of those will be retained in Austin by TDHCA. And then a certain percentage of those will be passed on to the subrecipients. And in both instances, we go through a procurement process.

So whenever TDHCA is procuring training that often times will do regional training or cluster training, where we will hire a third party trainer to go to a certain area of the state and maybe train six or eight subrecipients. But in both instances, we go through a procurement process to make sure that we are finding you know, the best training for the dollars that are available.

MS. HUEY: Okay. Now this is training for the recipients, rather than having training for people to do weatherization? That is what I was --

MS. OEHLER: Okay. And there was a change in the grant guidance that we received from the Department of Energy compared to the current program. Historically, training and technical assistance could only be used to train the staff of TDHCA and the staff of the subrecipients. There is a change in the guidance where you can actually use the funding to train subcontractors of the subrecipients as well.

MS. HUEY: Okay.

MS. OEHLER: So the contractors who are actually blowing the insulation, doing the HVAC work, now DOE has taken it a step further so that

the funding can go deeper into the contractor network.

MS. HUEY: Okay. So one would need a list of the subrecipients, and then to contact them and their contractors, is that --

MS. OEHLER: Yes. And there is a list on our website.

MS. HUEY: Okay.

MS. OEHLER: If you go to the home page, there is three red tabs at the top. One is programs. And if you go to energy assistance, and over to weatherization and click on it, there is a description of the weatherization program.

And in addition to that, there is a subrecipient link. If you click on that, you can look at the list of 34, either by agency or by county. And each of the 34 go through their own procurement process to determine who their subcontractors will be. And most of them are in that process right now.

When we met with them in February, what we asked them to do was just to take a look at their procurement package, to get it ready to go, and then if they were ready, to go ahead and start procuring subcontractors, so that when the money comes to Texas, you have a network of approved providers. But all of that information -- well, not the list of the subcontractors, but the subrecipients, that is on our website.

MS. HUEY: Okay.

MS. OEHLER: And just to give you an idea, TDHCA's role is really to monitor the procurement process. We don't insert ourselves into that process.

MS. HUEY: Okay. Thank you very much.

MS. HULL: Yes, ma'am.

SPEAKER: [inaudible].

MS. HULL: Would you mind coming to the microphone, so we can get your question transcribed? Thank you.

MS. MITCHELL: my name is Ruthie Mitchell, and I am on the team for the Homelessness Prevention and Rapid Re-Housing Program for the City of Dallas. And I have a question about the distributing of the funds. Could you please tell us if you have a cost reimbursement, or could you give us an idea of how you plan to distribute the funds.

MS. GARZA: You mean if you are a contractor? If you are a subcontractor?

MS. MITCHELL: If we are grantees.

MS. GARZA: Right. If you get awarded the funds, you will have to submit a monthly financial and performance report. And then we will reimburse you. And the grant does allow for a 30-day advance, also.

MS. HULL: For the first payment. Overall.

MS. MITCHELL: Excuse me.

SPEAKER: [inaudible].

MS. HULL: I am sorry. If you have a question, we ask that you come up to the microphone, please.

SPEAKER: [inaudible].

MS. GARZA: We will do a 30-day advance.

SPEAKER: You will do a 30-day advance?

MS. GARZA: Yes. This does allow advances, unlike, ESGP

only allows a one time advance, but this grant allows you to continue to have a 30-day advance.

MS. MITCHELL: Okay. And that will be the only time?

MS. GARZA: No. Throughout the -- this one, you can do it throughout the contract.

MS. MITCHELL: But I am saying, are you guys going to be doing advancements continually, or will it just be when they first start up?

MS. GARZA: No. We will continue to do it. But it is only for 30-days need.

MS. MITCHELL: Okay. All right. That was our questions.
Thank you.

MS. HULL: And also, that is something that I did not mention about the Homelessness Prevention and Rapid Re-Housing Program. That many large entitlement areas also received a direct allocation from HUD. The State received, TDHCA received \$41 million. And then other entities in the state received \$61 million approximately. So that includes Dallas City and County, I assume.

Next we will move to the Community Services Block Grant program. Very quickly, the CSBG program, it funds eligible entities for the delivery of services to very low-income Texas residents in all 254 counties. CSBG funding is not competitive. These entities are designated by the Governor, and they provide a broad range of services.

We actually do not have very much information about the CSBG funds through the Recovery Act. We are still awaiting guidance. We

don't even know the total amount of funds that will be allocated to TDHCA. So we don't have a draft plan. We just wanted to open it up and see if anybody has any public comment about it. And I would like to introduce Brooke Boston from TDHCA.

MS. BOSTON: I am Brooke Boston and I am with the executive office. And I just wanted to make sure while everyone is still in the room to address some comments that were made earlier. I have been sitting there, concerned about it, that everyone had heard some incorrect information. And I would like to rectify that.

Earlier someone made a comment that they had concerns about embezzlement, that our website doesn't adhere to the Freedom of Information Act, that our trust fund isn't transparent. That we aren't following Sunset and Sunshine. And that is just patently untrue.

If you would like to talk to us in any greater detail about that, we would be happy to do that, but we feel very confident. We are audited all the time.

SPEAKER: Why wasn't it publicly posted?

MS. BOSTON: What publicly posted?

SPEAKER: On your website?

MS. BOSTON: What specifically? I mean, for those of you that have visited our website, we have a very extensive, transparent website, and I would be happy to talk with you separately to answer any questions.

SPEAKER: Okay.

MS. BOSTON: But I just want to make clear publicly that we

meet and exceed all of the standards that have been going on. And I just wanted to make sure that we addressed that. Thank you.

MS. HULL: Thank you, Brooke. There were a couple of people that indicated they wanted to speak on the CSBG program. Shirley Walker, if you would still like to speak. Scott Holder, and Horace Tabeaux. And Sam Prince as well, signed up. So if anybody would like to speak on the CSBG program, now is the opportunity.

MR. PRINCE: I really just had one questions, and that is, if you are not a designated agency, but you perform a specialized service like we do, which would be appropriate under the program, is there some kind of a subgrant system? And if so, would we be approaching the individual agencies, or would we be talking to you?

MS. OEHLER: You could approach the individual agencies in your service territory. As Brenda mentioned, these funds are federally mandated to go through a network that are primarily community action agencies. And so as far as the original allocation, they go to 48 subrecipients throughout the state that serve all 254 counties.

And again, that information is also on our website, and you would be welcome to contact them directly to see if, when they submit a community action plan to us each year, as well as a budget to let us know what they are planning to do with their funds over the next year. And we will certainly require that whenever the ARRA, CSBG funds are made available. We will ask them for their plan and a budget. And so, it would be a good idea for anyone who is interested in some allowable activities to contact the

subrecipient in your area.

MR. PRINCE: Okay. Thank you very much.

MS. OEHLER: And I also wanted to mention the current CSBG allocation allows 90 percent to go to the existing network, 5 percent for state admin, and 5 percent for discretionary funding. And those funds are awarded through a competitive process. And any nonprofit is eligible to apply for the discretionary funds.

We don't know yet if this allocation that will come from HHS, part of what we are waiting on is for them to tell us if, we have heard two different scenarios. We have heard that they will follow the same formula, which is 90 percent to the subs, 5 percent to the state, five for discretionary. We have also heard that they might require that 99 percent go to the eligible entities and only 1 percent for admin.

And so as soon as we have more information, we will let you know. But certainly, a nonprofit would be eligible to apply for the discretionary funds, if they are available.

MR. PRINCE: Okay. Thank you very much. And by the way, thank you for coming up and opening the door to anyone to talk into the microphone.

MS. OEHLER: Thank you. We appreciate it.

MS. HULL: Did you have a specific question about one of the programs, sir?

SPEAKER: Yes. I did.

MS. HULL: Okay.

SPEAKER: Right here, I have -- I was very fortunate to see two [inaudible] farm bills that have come in contact with the U.S. Department of Agriculture and the Texas Department of Agriculture --

MS. OEHLER: Can we meet with you separately?

SPEAKER: Okay.

MS. OEHLER: Thank you. We will be happy to meet with you right after this.

SPEAKER: Okay.

MS. HULL: Is there anybody else that would like to say anything else about any of the programs? Yes, sir.

MR. TAYLOR: Good morning. My name is Mark Taylor. I am with Gary Traylor and Associates. We are a consulting firm out of Tyler. We work with cities and counties throughout the state, have for the past 35 years. And grant applications and grant administrations. I would like to real quickly speak about the funding allocation, and the small box up here that is the \$7.7 million. That roughly represents 15 applications throughout the state.

I just want to let you all know we have had several cities contact us expressing an interest in this program. So the money is going to be kind of thin there, so keep the smaller cities in mind, if you would please. Thank you.

MS. HULL: Thank you. Anybody have any other comments on any of the programs that are under discussion today?

(No response.)

MS. HULL: If not, then I will go ahead and close the meeting.

Thank you very much for coming.

(Whereupon, at 11:25 a.m., the meeting was concluded.)

CERTIFICATE

IN RE: TDHCA Recovery and Reinvestment Act
Public Hearing
LOCATION: Dallas, Texas
DATE: April 7, 2009

I do hereby certify that the foregoing pages, numbers 1 through 50, inclusive, are the true, accurate, and complete transcript prepared from the verbal recording made by electronic recording by Peggy Brown before the Texas Department of Housing and Community Affairs.

4/13/2009
(Transcriber) (Date)

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