

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

HOUSING AND HEALTH SERVICES  
COORDINATION COUNCIL MEETING

Room 1410  
Brown Heatly Building  
4900 N. Lamar Boulevard  
Austin, Texas

April 15, 2013  
10:07 a.m.

COUNCIL MEMBERS PRESENT:

TIMOTHY IRVINE, Chair  
PAULA MARGESON, Vice Chair  
FELIX BRIONES  
MARC GOLD  
MIKE GOODWIN  
DONI GREEN  
JIM HANOPHY  
JAMES HILL  
JEAN LANGENDORF  
JONAS SCHWARTZ

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P R O C E E D I N G S

MR. IRVINE: Hi, everybody. I'm Tim Irvine, and we're going to convene our meeting of the Housing and Health Services Coordination Council.

As always, first order of business is roll call to determine if we have a quorum. Becky Dempsey?

(No response.)

MR. IRVINE: Megan Cody?

(No response.)

MR. IRVINE: David Danenfelzer?

(No response.)

MR. IRVINE: Not looking good, folks.

Jonas Schwartz?

MR. SCHWARTZ: Here.

MR. IRVINE: Jim Hanophy?

MR. HANOPHY: Here

MR. IRVINE: Marc Gold?

(No response.)

MR. IRVINE: I know Marc will be here, I'm going to count him as here.

Laura Vanoni?

(No response.)

MR. IRVINE: Doni Green?

MS. GREEN: Here.

MR. IRVINE: Michael Goodwin?

MR. GOODWIN: Here.

MR. IRVINE: Amy Granberry is not attending. Paula is here.  
Felix Briones.

MR. BRIONES: Here.

MR. IRVINE: Ken Darden?

(No response.)

MR. IRVINE: Jean Langendorf.

FEMALE SPEAKER: She stepped out for a minute.

MR. IRVINE: Okay. James Hill?

MR. HILL: Here.

MR. IRVINE: Okay. We've got a quorum.

As I recall, when I went through that list, Megan did not say she was here, so we can't introduce her yet.

Let's see, is there anybody here from the public who is going to want to testify on any of the issues?

(No response.)

MR. IRVINE: Okay. We don't need to talk about that.

The first item of business is the January 7 minutes. Have you all had a chance to look them over? Comments, edits, corrections?

MS. SCHWEICKART: With Jean stepped out, can we vote?

MR. IRVINE: We need to wait for Jean to get back, so we'll hold off. Technically, we can't conduct any business without a quorum.

(Pause; general talking and laughter.)

MS. SCHWEICKART: Megan is here.

MR. IRVINE: All right. So that means I've got to go back a page so we can introduce Megan. Megan is Megan Cody from the State Office of Rural Health within the Texas Department of Agriculture. Is that correct?

MS. CODY: Yes, that's correct.

MR. IRVINE: Welcome aboard.

MS. CODY: Thank you.

MR. IRVINE: We now have a quorum, so we would entertain a motion to adopt the minutes of the last meeting.

MR. HILL: So moved.

MS. LANGENDORF: Second.

MR. IRVINE: Motion and second. Anyone who is for it say aye.

(A chorus of ayes.)

MR. IRVINE: Any opposed the same sign.

(No response.)

MR. IRVINE: The motion is carried unanimously.

All right. Now to the presentation about the Comprehensive Analysis of Service-Enriched Housing Financing Practices. And let's see, who have we got here?

MS. SCHWEICKART: We've got Kevin Martone and Jim Yates.

MR. IRVINE: Both here. All the way from Boston?

MR. MARTONE: Yes.

MR. YATES: Yes.

MR. IRVINE: My hometown. And they're here to present their findings and their recommendations, and hopefully generate some lively and thoughtful discussion. As you are going through the presentation, I hope everybody around the room will making copious notes, taking note of anything that you want to get fleshed out, because we are on kind of a crunched time frame. We would like to be getting our feedback to finalize all this back to the agency by April 26.

MS. SCHWEICKART: Yes. That's' not this Friday but next Friday if you have any edits that you want to make. Since I provided the document electronically, you can make them intra-changes or comment boxes, or if you just want to put them into the body of an email, you can do that, however you'd like to provide feedback. We are hoping to get it by close of business by next Friday, the 26th.

MR. IRVINE: So with that, take it away.

MR. MARTONE: Good morning, everybody. My name is Kevin Martone, the executive director from Technical Assistance Collaborative in Boston. Jim Yates is our housing expert here who is on this and is going to do a lot of the talking today. But we wanted to come her today and present to you, for about 45 minutes or so, an overview of the recommendations from the project that we've been working on for quite a while now. As you know, the council retained us last year to do an analysis of six states across the country to really look at the types of housing practices, best practices that were out

there for service-enriched housing, as it's known here in Texas, and to take those findings and put those into some recommendations for the council for you guys all to think through how you may want to go about advocating for service-enriched housing going forward.

So basically, the agenda that we're going to follow is I'm going to talk a few minutes, just generally about service-enriched housing policy and how we took a look at it through TAC's eyes. Then Jim is going to talk a little bit about our assessment of the housing resources in the state, I'll talk a little bit about the services resources in the state, then we'll get into some of the recommendations that are in the report, and we'll finish out and hopefully have some good discussion with you after that.

From our perspective when we were trying to write this report -- well, let me go back one step. You know, when we went to look at the six states, you're looking at six states trying to see what are the similarities and differences with the State of Texas, which is hard. I mean, Texas, very big geography, a lot of people, some urban areas, some very rural areas, and it's hard to find an exact state. But what we did was, one, try to find states that we know have some best practices out there, and also some states that have some similarities to Texas so we could try to make some recommendations that we thought would be helpful for you.

And then at the same time, the other challenge with that was trying to look cross-disabilities approach and the types of housing that may work for folks, and that's really hard when you're looking at several disabilities across several states with a lot of different issues at hand.

But what we tried to do, first and foremost, is through everything that we did in the recommendations was look at everything through an ADA, Americans with Disabilities Act, and Olmstead Act lens. We really needed to make sure -- and that's going to sort of drive the theme for everything that we have in the report -- to really put that out there for you guys to consider going forward. It's one of the recommendations at the end but I want to put it out here now because I think it's so important, that everything that you're doing, housing-wise and services-wise, really should be done through that lens of the Americans with Disabilities Act and Olmstead, and we're going to talk a little bit about that.

And what that means is, obviously, there's a history there from when the Americans with Disabilities act was passed as it was interpreted by the Supreme Court in 1999, and then what's gone on, I think maybe even more importantly, between 1999 and today and how that's influencing service-enriched housing out there.

Texas, to its credit, early on in the process, after the initial Supreme Court decision, came out with Promoting Independence, so in some degree, Texas is really at the forefront of talking about Olmstead and developing plans to make sure that everything that's done is done through that lens. There's some challenges there too and we'll talk about those. But between 1999 and 2006 or so, 2007 or so, there really wasn't a lot going on as it related to Olmstead.

Somewhere after 2007-2008 and 2009, you started to see a lot of enforcement activity around Olmstead from state protection and advocacy



groups and also through the United States Department of Justice which is sort of the enforcement arm of the federal government when it comes to things like this. And in the past several years the DOJ particularly has really gone after, opened up investigations and gone after states basically asserting that states aren't doing a good enough job meeting their requirements under the ADA and Olmstead in terms of trying to make sure that people are living in the most integrated and least restrictive settings.

And that's really served to move states along, but it's also created a lot of inherent tension in states as states are trying to create service-enriched housing for disability populations, while also struggling with the realities of finances and resources and housing stock and all of those issues. And so I'm not going to spend a lot of time on it but I just really want to reinforce this issue for you all here in Texas, that that is the lens that you should really be working through.

And what I want to end on, it's worked into the paper, but I want to touch on how the U.S. Department of Justice defines integrated housing, and I think it will strike a chord with you here because if you start to think about how that applies to the service-enriched housing opportunities you're creating in Texas, it will probably raise questions for you right away, and it doesn't necessarily mean that what you're doing is right or wrong, but I think what it does is suggest that you have to really take a look at Olmstead and the things that you're doing, not only from what you're trying to do is the right thing, but also from how others, particularly from the enforcement area, might interpret the types of housing that you're doing.

MR. HANOPHY: A quick question about that. I've seen a lot more written lately about the types of restrictions that are placed upon people in the environments in which they live than I have about where they live. Do you still see it as being equal?

MR. MARTONE: I still see it as apparent equal weight. And we're seeing from our perspective in the work that we're doing in states and some of the work in federal government, there is still a lot of that push about the types of settings that people are going into. And I don't want to get into too much of a debate on it in terms of well, it's single site, scattered site, how many people in shared living, because if you listen to the DOJ definition, you're going to say: Whoa, everything we're doing is wrong. And we're not trying to convey that to you.

What we're trying to convey to you is, I think the point is this in a nutshell, when you're developing housing going forward, you're going to want to try to follow those principles of integration and supportive housing and things like that, but I think in reality states are confronted with having to provide continuum of housing options. And I think you guys have said that all along, you want to try to have a good balance of housing options. And in states like Texas and other states, there are going to be some shared living models that are developed and maybe some single site permanent supportive housing or service-enriched housing models are being developed, and then there's going to be some scattered site models that are developed. And I think all can work in a state.

I think where states get into trouble is when they don't pay

attention to that balance and they invest too much of their time and resources in one particular model, and so if you have one particular model, several housing opportunities of one particular model and you're saying that you're providing choice, you're providing choice of one of those seven different housing models under the same model, and I think from DOJ perspective, they can look at it and that's not really a choice of housing options.

MR. GOLD: Do you mind if I ask a question? Do you know where CMS is? The first NPRM was established in 2009, and it keeps on modifying, they keep on, I don't want to say, weakening their position, but I think they're starting to understand we can't have one size fits all sort of definition. So do you have any idea where they are with that definition?

MR. MARTONE: The last I heard -- and I don't now if it's great information -- is that they still may try to put something out by the end of this calendar year. I would bet it's still going to be watered down.

MS. SCHWEICKART: And I'm sorry. Are we talking about the qualified residents definition?

MR. GOLD: Yes. It's the notice of public rulemaking. That's CMS Medicaid language versus your language. And the first one that came out in 2009 was very stringent, we wrote comments as a state, and then they put out some additional language with the Community First Choice rule, and that was definitely more appropriate to what they were trying to do and we just kept on waiting.

MR. MARTONE: The first one was specific numbers of people that could live together.

MR. GOLD: Oh, exactly. It was very stringent.

MR. MARTONE: They heard a lot of criticisms on that. I think what they're trying to balance now is how can we ensure that the services that are being made available are made available to people and not necessarily to programs. And so I think they're going to have to try to do something around what integrated setting means, but I think part of the debate right now is more so about is Medicaid going to be funding individual service to individual people or is it going to be funding programs, and that's sort of a debate right now.

MS. GREEN: I like the definition of integration that you have used because I think we've struggled in some of our discussions at the local level with some percentages, and I think this just lays out the characteristics of integrated housing in terms of choice and scheduling access to services.

MR. MARTONE: Right. And again, it's a caution. You read that definition in here and then it talks about what a segregated setting is, and I don't want to trigger the debate today, this is something that you all have to think through as you're going forward, what's that lens, because, you know, if you have a group home or a single site model, everybody there has a mental illness. From a DOJ language, DOJ may look at it and say that's a non-integrated setting that we may have a problem with. And so I think the message there is not necessarily Texas can't do those things anymore, but I think the message is Texas has to really look through that lens and see what's the proper balance of services, and if it is a type of facility or housing, a building or part of a building or something that has several people with disabilities living in it, how are you then ensuring that the services are

voluntary, the housing is permanent, there's choice in the matter, and all of those things.

So Jim is going to pick up the housing resources.

MR. YATES: Just wanted to first touch upon some of the key findings of the best practices report because along the discussion around the housing, as well as the services, we really tried to utilize as much as we could in terms of learning from the best practice that has emerged, not just from the six states that we looked at but from across the country, but really focusing on those six states.

Some of the development strategies from creating service-enriched housing, we're really focused a lot of attention on the integrated model where you have percentage of between, most of the time, 5 and 20 percent of units in a building would be set aside or targeted for service-enriched housing or persons with disabilities. We saw a number of states integrate or adopt incentives within their Low Income Housing Tax Credit Program in order to encourage some type of integrated service-enriched housing, specifically, Illinois, New Mexico and Louisiana.

Louisiana first started out with a requirement, after the disaster relief funding was kind of exhausted, they moved to more of an incentive model. Pennsylvania, on the other hand, adopted an extremely low income requirement, all tax credit developments are required to set aside 10 percent of their in a project for extremely low income households or individuals which is at 30 percent of the area median income. They also encouraged within policy and collaboration with the Department of Public Welfare some

encouragement but not part of the requirement to encourage a portion of those units to be set aside for serving folks with disabilities, but it was more of a soft encouragement policy-wise, as opposed to a part of the requirement.

And finally, probably the longest kind of running model that's been out there, and I know that the folks from North Carolina and the HFA there came out a few years ago, Mark Shelburne, and visited with you. The North Carolina targeting program that requires all tax credit projects to set aside 10 percent of the units for persons with disabilities or homeless.

So those are the development strategies that we saw and touched upon, and for the most part, generally, they have been very successful. Some are more developed and refined models, like North Carolina that's been in place for over ten years; others are more of a work in progress that have been in place for a few years but are certainly off the ground and are producing a steady pipeline of units.

MR. GOLD: Are you going to talk about later on those states that have been willing to put up state general revenue dollars versus just being dependent on federal dollars?

MR. YATES: Yes. And actually, Marc, that's a great transition to the next kind of piece in the findings is achieving deep affordability, and the states tackle that challenge in different manners. And what I mean by deep affordability is getting the rents down low enough to a level that folks with disabilities, folks that are on SSI typically can afford the rents.

What we saw was several states actually looked at kind of a rent-based model, getting the rents down to 20 percent of AMI which is pretty

close to the SSI level, or 30 percent, not perfect but it's still fairly affordable. One state actually did provide service-enriched housing for 50 percent of AMI units. Not optimal, I wouldn't necessarily recommend it, but they did kind of work on strategies to try to identify folks with disabilities with a little bit more income, like veterans with VA disability, to kind of make that link so you didn't have folks that were rent-burdened.

And then the other kind of option that states have pursued was really leveraging of linking rental assistance, specifically Section 8 project-based vouchers, or continuum care homeless dollars into the developments. Some states also, anticipating the Section 811 PRA, a project-based rental assistance program, incorporated Section 811 provisions within their QAP to say if the state receives Section 811 funding, you know, you'll get this one point in the QAP if you agree to accept them if they actually come. That actually helped kind of jumpstart some of the discussions because a lot of folks did check that block and received that incentive.

That allows the HFA to actually go back and say: Let's have a conversation, we were awarded PRA, lets have a conversation about moving forward with that, rather than kind of a soft marketing approach that other HFAs have to explore if they get Section 811.

And then the last is looking at either a dedicated project-based rental stream of funding. In North Carolina it's a state-funded program, the Key Program, it's been in place for a number of years, probably around eight years. It was funded and it was brought to the legislature probably two or three years after the targeting program started, when developers were having

challenges with the accessing Section 8 and project-based with their housing authorities, so there was a movement within the state to actually get this dedicated funding in the Key Program.

And what we saw with the Key Program, it was fairly affordable for North Carolina because it did writes the rent down from the 50 percent AMI level and 40 percent and 60 percent at the tax credit down to a person's income, as opposed to the Section 8 program typically writes it down from FMR or 110 percent of FMR down to the person's income, so your average Section 8 voucher, depending on your markets, are around \$700 to \$800, \$900 per subsidy, fairly rich subsidy that HUD sees within that program. With the Key Program it was around \$280, \$250 level, so the way they structured it was a fairly efficient funding program for the state.

The regulatory compliance monitoring infrastructure, all states that had adopted some type of integrated program incorporated a regulatory structure within their closing of the loan documents, including within them land use regulatory agreement, the set-aside or targeting requirements were vetted within that. It was also incorporated within the compliance monitoring that was done.

What we saw as a best practice, and we would encourage you to consider it if you did move forward with a type of model, was to really look at strategies on linking your compliance monitoring to some proactive technical assistance or follow up to address problems, to be responsive to owners and developers, to link them back with the service providers if those connections are frayed. Having that kind of loop back and that



responsiveness really helps in terms of buy-in with owners and property managers.

In terms of the referral waiting list and service coordination, what we saw is really all the states really looked at a systematic approach to accomplishing these tasks, to making timely referrals to owners, to establishing a waiting list, whether it's at the state level -- we saw some states that did state-managed waiting lists at the state level -- at the regional level, and then at the local level. So there's different models out there in terms of how the waiting list is structured and managed.

And then the service coordination system, what we saw on the strength side is really looking at the state service infrastructure and the locally based service providers taking responsibility for that piece, and it's not actually a responsibility of the owner or the property manager. Really, from a simplicity perspective, the owner is responsible for the provision of the housing at an affordable rate for a reasonable marketing window, made available for a person with disabilities, and that really kind of builds their strength, and not actually asking them to do things that really are outside of their kind of skill set.

MR. HANOPHY: And the states that you looked at that were successful, when you looked at that piece, did you find that there was kind of a hub of coordination that existed at the location? I know different states or more or less fragmented than us -- and I don't mean that in a negative sense, it's that we all have sort of firewalls and eligibility criteria, and braiding that even at the local level can be challenging because they're all up through a

funding stream. So did you find that there tended to be at least coordination at the housing level to pull those together?

MR. YATES: For the integrated model, we really saw the service providers -- and it could be a number of service providers providing services to, say, four or five households or families, it wouldn't necessarily be one service provider, and it wasn't a site-based model in terms of services provided on the property.

MR. HANOPHY: So you've got three or four large settings and you've got, say, 15 percent in a given community and you've got mental health services, developmental disability services, physical disability services and they're all there. I mean, did they all just keep doing what they were doing, or was there some sort of centralized assistance, some model of braiding those things from the service coordination level?

MR. MARTONE: I think that's sort of like the million dollar question is how can you do that best, and I think states are trying to do it. So like if you looked at Louisiana, for instance, they were setting up -- they're in a process now of having really their managed care company serve as somewhat of a coordinating function for the referrals and everything, and then once a person is identified in their housing and they're linked up with the services, then the service provider will provide the services.

In New Mexico, similar where the services were sort of authorized and coordinated out the mental health managed care company, even for developmental disabilities and physical disabilities, but then the service providers did that. Pennsylvania did a better job on the mental health

side because they had a much stronger presence with a managed mental health care component, and so the services were pretty tight through the county, and in fact, that's a very locally driven, county-based system, it's pretty tight. But then with developmental disabilities it really wasn't coordinated well.

I mean, people are trying to do it. Frankly, one of the things that we thought -- and we'll get into it a little bit -- was the 811 framework that you guys had suggested in your application we thought was pretty strong, and one of the things that we suggest in here -- and this is sort of uncharted territory -- but because you have the balancing incentives program and things like that, you might be able to push a little further and go so far as having the ADRCs be sort of that coordinating function locally and then have that administered by the direct service providers.

MR. GOLD: And the truth of the matter is we're almost there. I mean, we have legislation right now that's pretty much our managed care system, Star Plus, will be statewide as of September 1, 2014, and that's going to include nursing facilities, the hospital settings, home health agencies, all the services for the physically disabled. We're starting a very slow dive with intellectual and developmental disabilities. With the BIP, we're actually making the BIP -- I'm calling it BIP ADRC 2.0. And Texas, again, was pretty advanced in terms of our embracement of the ADRC structure and we used MFE demonstration dollars to help spread those along. With the BIP now we'll be statewide. It will be more than here's some nice information and referral, it's going to be coordinated by T structure and the ADRC system.

And actually, he was sick today but we're having a meeting in a

week or so with the director of our managed care system -- his name is Gary Jesse -- to look at this we have this outside thing called Star Plus Four Unit and how does that get fit into the ADRC structure so that all will be very much coordinated. And of course, managed care then provides, depending on how people feel about the service coordination piece, we're trying to strengthen that, that really is going to be then sort of linkage. And then to MFE we have housing navigators and relocation contractors to help make that additional linkage as people are leaving institutional type settings.

I'm not saying it's going to be a perfect system, but it's certainly, what you were talking about, getting closer to that sort of coordination.

MR. MARTONE: And I thought, just from looking around, I mean, there's several resources that we'll talk about, but I think from a framework perspective and being able to maybe coordinate services locally having it streamlined up through the state level, that the model that you guys have sort of envisioned was fairly good.

MR. GOLD: I can't imagine my friends in the Commonwealth of Pennsylvania or California or even Wisconsin who have these county-based systems. We have a hard enough time having consistency in our 254 counties and it's a state-controlled, Austin system.

MR. MARTONE: Well, just quickly, in Pennsylvania what they're sort of experiencing, if the county systems are tight and there's a good vision coming out of the state with some good directive coming out at the state level, the county systems will tell you it can work. The nice thing about

Pennsylvania is they've got a lot of money from Medicaid reinvestment. But at the same time, if you're not tight with all those county systems, they go all over the place, and we're actually seeing some problems really starting to bubble up with that. They can be reeled in but we're seeing some problems right now from an Olmstead perspective that they really have to address.

MR. YATES: As part of the service coordination piece, the model that was in a number of states and it was the local lead agency model that was adopted, some states actually provided some mechanism to fund that service, kind of knitting or braiding of services piece, and tenant liaison. Others, it was voluntarily with the incentive being you would have kind of a front door to the housing resources. So that's a big challenge is kind of how do you support that function.

And also, Pennsylvania is really spending a lot of time post Section 811, they're really having their DPW look at these LLAs are standing up, they've all volunteered, they've all said they're going to do it, now going out to them: A) working on some training model to actually make sure that they're trained to do it, and B) from a monitoring side of the service coordination piece, really having kind of a check block that DPW can go back and say these 20 LLAs are certified or validated or some type of mechanism. Especially in a system where they're not receiving funding, how do you do that is a real challenge.

Some key barriers within Texas that we took a look at and identified, both as part of the best practice as well as taking one here is to date Texas has really focused from the Low Income Housing Tax Credit

Program on incentives to do single purpose supportive housing and has encouraged that model within a few incentives within the QAP and it has encouraged some development throughout the state, primarily in the four largest cities. So currently there aren't any incentives to encourage this integrated model that we talked about, as well as policies and procedures, although there's been a good deal of work this past summer with the state around their interagency partnership agreement as part of the application for the Section 811 program.

Because of our work in other states, we've seen a number of interagency partnership agreements, and Texas's is by far one of the more detailed, thoughtful documents, very, very detail-oriented, and that's going to serve you well moving forward. You did a lot of good work with it. Some states were very hard pressed for time, they didn't start early, they also had to get signed off by a number of agencies, and they really glossed through some of the real critical pieces of it. To your credit, you didn't, you really did put some time into the document and to the model.

And then really taking a look at leveraging Section 8 project-based vouchers and any other rental assistance dollars to the extent that you can. Georgia, we saw some good work; Illinois really did some work at the state level and the governance level, reaching down to the local housing authorities to get them involved as part of a partnership in a statewide policy initiative.

As you know, your financial barriers, the Housing Trust Fund funding has seen a pretty significant dip in funding over the past year or two.

HOME program and CDBG, for that matter, have received reductions over the past several years.

What we're seeing for sequestration challenges is in the 2013 upcoming Continuum of Care round, HUD has put up guidance that we should expect around a 5 percent cut, a reduction. That's across HUD's board, across the whole program, but that's going to trickle down to the 2013 notice of funding availability, as well as I know there's been some push-back and some work around the Section 8 Choice Voucher Program and the impact there on sequestration and trying to find a middle ground so they can deal with it through attrition.

So why can this integrated housing model work in Texas? And as Kevin said, there's really no state exactly like Texas, but there are some similarities in other states, specifically, North Carolina, New Mexico and Louisiana. They have developed a low income housing developer community or partners, primarily private entities, private developers, for profit ventures, and over time they have really bought into that targeted or integrated model, working closely with the HFAs.

Actually, in our conversations a few developers -- I can share them with you later on -- but there are some developers actually working Texas, as well as North Carolina and Louisiana. That may be a good mechanism to engage folks early on about their experiences in those other states if you kind of work on the implementation piece.

And then as Kevin touched upon, the success of the MFP program, one of the more successful programs nationally, as well as the

Section 811 PRA structure and platform that you put in place or are working to put in place, that really provides some opportunity.

MR. MARTONE: So I'm not going to spend too much time on this because I do want to get into the recommendations, when I took a look at the availability of services that are out there, and again, from the Medicaid perspective, different waivers and state plan services that are out there, I think they're generally constructed fairly well. I think probably the biggest problems, and I think you guys know this in many respects, is the availability of resources to meet the needs of people with disabilities out there. And that's something that is just going to continue to come up, I think, in this conversation for you.

Actually, I want to go back to one point just to your question earlier, Marc, about the housing resources, if you look at the states who have the major Olmstead settlement agreements right now, Georgia, North Carolina, Illinois, the three big ones right now, when those states entered into settlement agreements, it created tremendous turmoil in the state legislatures because the state legislatures then were forced to act, and the two things that they generally had to act upon were: one, they had to provide some form of state rental assistance out there which either went into the form of tenant-based rental assistance or some project-based rental assistance, and two was additional resources for services that were generally worked into Medicaid plans.

So if you know that providing house, obviously, is a solution for many folks, you need the resources to do it, but if you look at those two things



in any one of those states that have been sued, it's been some form of rental assistance that's been a big pot of money that's gone into those states.

In New Jersey under the mental health commissioner, we had a state funded rental assistance program but then when we had a Olmstead lawsuit which was driven by the state protection advocacy group and we entered a settlement agreement, significant additional resources fo state rental assistance funds. So that is very important.

And at some point when you think about the Olmstead plans that you have on paper, you know, Olmstead plans early on in the Olmstead process, and every year the Olmstead plans, Promoting Independence plan, the biennial plan that comes out of this group that talks about the need for resources, and if you want to have an effectively working Olmstead plan, you have to have the resources to support it. And that's where a group like this, it gets challenging because many of you are state employees but some of you are advocates too, it becomes a challenge, but groups like this can really try to drive home that point to the legislature, because at the end of the day there is some risk, even in a state like Texas who has had an Olmstead plan for a long time because if it's a plan on paper, it's a plan to plan, but over time the resources aren't there to support it, you're going to lose an Olmstead if it ever comes here.

MR. GOLD: It's coming.

MR. MARTONE: It's coming, it's here.

MS. LANGENDORF: But there is money coming for vouchers.

MR. MARTONE: In this session?

MS. LANGENDORF: This session. Not housing, it's under State Health Services.

MR. MARTONE: For the mental health population.

MS. LANGENDORF: Right, for a particular population, but it is a start and both houses went for it, surprise, surprise, but I think everybody realizes -- well, this session they had money as opposed to last session. And two is, to be very frank, after New Town, we will talk mental health responses. We will not talk gun responses, but we will talk mental health responses here in Texas. So timing-wise, that's a great thing, but we've got a bit of a foot in the door which is a lot more encouraging than we were last year.

MR. GOLD: Yes. I mean, there was a butt-load of money put into our mental health services and substance abuse services this time, I think, without question, in direct response to the New Town.

MS. LANGENDORF: They're very honest about it.

MR. GOLD: And that's a foot in the door but it was isolated for that population.

MS. LANGENDORF: But they'll understand vouchers -- well, at least some of them will. But I mean, thank God that State Health Services did that.

MR. MARTONE: It's a start, right. And if you think about the need, it's overwhelming, so you've got to start somewhere, and then you've got to build upon the successes. And one of the challenges, when you get confronted with an Olmstead lawsuit, the good news is that a lot of times it pumps resources into your system, the bad news is it sometimes then forces

the overall state to focus on a particular population. Sometimes it's very well deserved.

MR. GOLD: And that's what we're talking about.

MR. MARTONE: And it happened in New Jersey. If you look at like Illinois right now or North Carolina, the focus is whatever the settlement population is. Go ahead.

MS. LANGENDORF: I was just going to ask, as an action item from this group, if we could have at then next meeting, if we could have whoever is in charge of State Health Services or our representative from State Health Services come talk about how it's going to be implemented. Because if they don't have access to some of your recommendations, I really want them to do well and not fail.

MR. GOLD: I think you can ask Promoting Independence, there's a committee this week, Tina Stoner is going to be there, she's very familiar with that exceptional item. It's an exceptional item that State Health Services put out and it was funded, so there are going to be people to talk about how that happened.

MS. LANGENDORF: Okay. If we're doing all this recommendation and research and all this about Texas and they're part of this group, I want them to know how important this is.

MS. SCHWEICKART: Absolutely.

MR. MARTONE: One of the things in terms of matching service to need, one of the things that I heard, just reading through some documents and doing some of the interviews that we did, was when you're

talking about someone going into service-enriched housing, you obviously want them to succeed and you want to make sure that there's a right level of services that's available to them to match their need, and I got a sense from some of the conversations that I was having that there was a little bit of a disconnect.

You know, you want to make sure, and I think this is something that you can kind of flesh out in the recommendations a little bit, that if a person is going in there into some service-enriched housing environment, you know that your programs and your financing structure are able to provide those services when they need them. And what does that mean? That means on Saturday night at eleven o'clock, if somebody is living out in an apartment or something like that, that the services are able to respond. Or that means that if someone is doing well and maybe they're just needing one or two hours of services a month because they're doing very well, that if all of a sudden they start decompensate or they're not doing so well, that those services can ramp up right away in order to keep that person successfully living in the community.

Or if you think about the service models that are out there, if people are predominantly going to a place for services, going to a day program, going to some sort of supportive employment, going to see a psychiatrist or their nurse or support worker, sometimes that doesn't always work for folks, and that folks really would prefer or it may be better if the services are provided in home where they live. And so you want to make sure there's the right type of services available to people where they're at.

And I think the other thing that really popped up in our assessment was really the workforce and training challenges, just about anywhere in the country, but it was particularly striking here. You definitely have some shortages in your direct care workforce, nurses and social workers and psychologists, you don't have the people to deliver the services. And then when you do have the people to deliver the services, there are some training issues, I think, that you'll want to pay attention to.

Basically, I think, in a nutshell, making sure that you're really trying to support people in independent living environments, that they have the right training and competencies to deliver those type of services. If people are trained in basic 101 mental health or trained in vocational workshops, that skill set is not necessarily transferable out to people who are living in independent settings. That workforce that's out there trying to support people in their housing needs to know what it takes to succeed in housing, what housing is about, what working with landlords is about and those types of things, and I think that's an area where you need to talk about a little further and the recommendations.

Generally, on the services, I'm not going to beat a dead horse with this, we thought that the framework in the 811 program that you set up is pretty good. I think a key message here is to continually reinforce that point that you have to make sure that the housing and the service component are aligned and really working so that the person can succeed.

And how the policies can work in Texas, I think, in a nutshell, again, talking about everything through an Olmstead lens, supporting people

in those integrated settings, I think it's things that you guys are all talking about and I think those are generally policies that are well received by this group, and I think probably a lot of others, that you're just going to want to continue to move ahead.

So when we get into the recommendations, we generally put them out into housing recommendations and services recommendations, but we also thought it was important to really lead with three overarching recommendations which we've pretty much hit on. Obviously, doing everything through an Olmstead and ADA lens, can't stress that enough. Two, leadership, this takes leadership. Right? In any of the states that is doing good work on this stuff, there is leadership, there's strong leadership. Now, frankly, some of it came after the Olmstead lawsuit was filed, but there's strong leadership to make these things work.

And it's not necessarily, well, that leadership is A, B and C, it's not necessarily defined, but you're going to want in Texas to try to figure out who that leadership is, how do we make sure that that leadership buys into all of this stuff that we're doing, and that we don't see service-enriched housing as sort of an add-on, boutique program type service, that you're actually looking at it, that the leadership is looking at it as a critical intervention to support people in the community, deliver good outcomes, and actually be in the best financial interests of the state and the taxpayers. Can't stress that enough.

I think you have strong leadership around this table from your state agencies and your advocacy community, but you also need to push that

leadership beyond. The biggest thing to me that strikes out is that leadership has to really blossom in your legislature. Who can become champions in the legislature to support this stuff so that when you need resources for housing, need resources for services, it can get pushed through, who can be in leadership. Frankly, at a time after New Town when you want to try to take advantage of -- you don't want it to become, well, it's not about gun control, you can make it about mental health -- but it's timing is important, and timing is important when it comes to bringing resources to the table, in many of these instances it's because of a lawsuit, because of a tragic killing or things like that, that that leadership becomes critical and who in the legislature can you make that champion.

MS. MARGESON: But looking at everything through an ADA and Olmstead lens and talking about leadership, this is a state that declared sovereign immunity in claims regarding the ADA, in particular, and so a mechanism has already been used to say we'll shut you down if you try to bring a suit against the state. So we've got to try to change a mindset.

MR. MARTONE: You know, when you look at these big settlement cases, in North Carolina it was all about adult care homes, and the adult care home operators had a very big coordinated advocacy movement with the legislature, and at the end of the day the legislature was really just trying to financially support the adult care homes, and what happened was in the last budget year they entered into a settlement agreement that put \$10 million worth of services through the settlement agreement for year one. Which was good, they could leverage that with Medicaid dollars and maximize

it. But they put like \$30 million to the adult care home operators to keep them from going out of business. Frankly, a lot of those units will be vacant because people with disabilities will be moving out of the homes.

So you're not going to change the culture overnight, and sometimes you may never change the culture, but sometimes when you don't get yourself into a settlement situation if you don't have to, you'd like to be more proactive, but if you do get yourself in situations like that, the legislature's hands often are tied and often will come around to some settlement agreement. That's been my experience.

And the last point on the overarching stuff is the resources, so if you've got your frameworks in place, you've some strong Medicaid frameworks for service delivery in place, bottom line when it comes to a lot of this stuff is just resources. So if you can use that Olmstead lens, if you can try to generate that leadership, try to capitalize on some bad situations actually, but bring additional resources into the system, that's going to go a long if you stay true to those foundations that you build into the system.

MR. YATES: I'm going to spend a little bit of time on the housing recommendations, and our last conversation a couple of months ago when we talked about the six state approach and also had the Housing Committee and Services Committee, we talked about trying to come up with some short-term and long-term recommendations, and the short-term, based on existing kind of program structures and resources, what can Texas do now to kick start and develop an integrated model also in line with working with the 811 implementation.



So the first four recommendations really kind of go together. After that, some of the others are more complementary resources, some at the end are more longer term, looking out over the next couple of biennial sessions.

But the first is, like a lot of the states that we talked about, adopting a series or a package of incentives within the Tax Credit Program to encourage and develop a small manageable pipeline of integrated service-enriched housing, and the recommendation really looks at your QAP as currently structured, and looking at specifically the incentive around the extremely low income household incentive that looks at 10 percent of the units being affordable for households at 30 percent of area median income.

What we've looked at and recommended was taking half of those units created, or 5 percent of the total units, and looking at them being set aside for persons with disabilities. That would create approximately around 250 units a year based on taking a look at the last three, development pipelines of the last three QAP years or tax credit years, approximately.

In addition, in conversations with TDHCA, really trying to look at strategies for those 5 percent set-aside units to really try to look at ways to get that unit to be set at 20 percent of AMI as opposed to 30 percent of AMI so it's closer to the SSI income level. We suggest taking a look at your broader range of rent structures and maybe adjusting some of the 50 or 60 percent of units a little bit to make up for any income lost by lowering those units from the 30 percent to the 20 percent.

The second incentive was really try to affirmatively leverage

and get developers to have local conversations with their local housing authorities, with their continuums of care, also potentially putting in some type of, for any future 811 resources that you may be able to access, that they would accept those, but really have an incentive that encourages developers to go out and get commitments of Section 8 project-based vouchers or other rental assistance that gets those rents down to an affordable level.

And then finally, the capitalized rent subsidy reserve incentive, it was modeled based on a program in Pennsylvania that took a lot of developers to request an additional developer fee that would actually capitalize rent subsidy syncing reserve that would drawn on over a 15-year period to write down the rents to an affordable level.

That model has also been used very successfully in the state of California. They have a mental health tax -- I think it was on millionaires, but basically create a pool of dollars for mental health resources and a significant amount of that was used on the housing side, and the mechanism they used in California to use those funds was a capitalized rent subsidy reserve.

The second recommendation was really taking a look at your bond programs and also incorporating, to the extent you can, some incentives for a 5 percent set-aside, understanding that you're not going to get as many units developed out of those programs, but have some type of incentives. For the multifamily bond program with TDHCA there is a current incentive now, a model that encourages some 30 percent units, so it would overlay a service-enriched set-aside piece on that may be able to generate some units.

And then really getting into the policy and procedures, the

regulatory infrastructure to support this systematic approach, to support the provision of referrals on a timely basis, the waiting list structure. Kevin is going to talk a little bit about the service coordination piece and the tenant liaison piece, but utilizing the waiting list structure envisioned by Section 811 PRA. We took a look at understanding that your Section 811 proposal was targeted at the top seven MSAs, metropolitan service areas, top largest city metropolitan areas in the state. Approximately 50 percent of the units, looking historically at where your production has been created over the last three years in the Tax Credit Program, about 50 percent of the units are in those seven MSAs, so really with the ADRC expansion, trying to look at how to expand that waiting list infrastructure statewide to support that other 50 percent that's going to be produced is going to be a big challenge.

And we talk a little bit in the report about I think one of the big challenges from an implementation perspective has always been the staffing support and infrastructure along the way. North Carolina, over a 12-year period, really has had some kind of bumps in the road on that. As they grew, they had certain kind of places in time where they actually had to build a little bit more infrastructure to support that growth. So really taking a look initially on being able to support a year or two of growth development, but at some point looking at both from the waiting list management perspective as well as on the services side, how do you do the service coordination piece and that troubleshooting TA piece which is pretty important. We saw in a lot of states where it wasn't in place, the model kind of tended to get a little bit not as tight and responsive to owners.

On the next recommendation, pursue coordination to maximize federal resources, recognizing there's a lot of pressure with sequestration in the federal budget, there is some opportunity. The Section 811 program has bipartisan support in the Congress, it has support from the administration, so we expect to see some level of new production and new units made available over the next year. In the current budget I believe it was budgeted not at the level where a lot of advocates hoped it would be, it's set at a \$20 million level for new units in the president's FY '14 budget. Hopefully, it will get at the minimum that amount of funding, maybe more.

There's also some opportunity which we touch upon in the report around some of the federal initiatives that continue to gain some resources, both the federal plans around ending homelessness, specifically the plan around ending homelessness among veterans has created a pretty significant amount of resources through the VA supportive housing program, to continue that advocacy internally. It's not a specific RFP that the State of Texas or the VA medical centers apply for, they really look at your data, they look at the number of homeless veterans around the state and really push resources down to support that.

If you look at your homeless veteran numbers, they're pretty high in comparison to other states, your rural numbers are really high. I was struck by the last annual homeless report, approximately a thousand veterans are homeless on the streets in the rural areas of the state, so you'll expect to get additional resources. VA resources, just so folks know, were protected by sequestration so they are going to receive FY '13 funding of new vouchers, so

once the budget is approved, you should be getting announcements. I think they've already made tentative decisions about where the vouchers are going nationally, so your VA medical centers know what they're getting.

The next incentive was our recommendation was really focusing on TDHCA has done a really good job trying to balance a lot of different competing demands within the QAP, and this year there was some concern that supportive housing projects were not going to be able to compete because of those competing demands. I think there was a really very thoughtful, striking a thoughtful balance in creating enough incentives that supportive housing projects were able to compete on their merits, and we've talked with folks at TDHCA, there were three projects that came in in this funding, they're all competitive for funding based on their self-score.

And I think the encouragement really is to just continue to maintain that scrutiny as the tax credit environment changes and evolves over time and as the QAP changes to make sure that there aren't any unintended consequences that create a unfair disadvantage for supportive housing and create some types of incentives to allow them to compete and to encourage that model going forward to some degree. I think the program, as a statewide goal, of looking at one to three tax credit supportive housing projects supported each year through the QAP is kind of a general goal, understanding that you may have some dips in the road depending on just development capacity.

Next recommendation was really what we saw, and it's been touched upon in a number of reports as well, is from a development capacity

of supportive housing that there is a pretty significant amount of work being done in the top four cities, and then you have a little bit of a drop-off from a capacity perspective in the mid-size cities as well as the rural areas. You've done some work on creating some strategies around spurring development in the rural areas. We'd recommend that you build on those approaches and potentially pool some resources to do some more development, both in those second tier cities in Texas as well as the rural areas.

MS. LANGENDORF: This is number 7, I think you've given more detail, and obviously, I'm just not familiar, you have that they should also explore engaging the Texas Housing Commission. Who is that?

MS. SCHWEICKART: I thought that that might have been a typo.

MR. YATES: That's Texas Veterans Commission. That's probably a typo.

MS. LANGENDORF: Oh, okay.

MR. YATES: Yes, that is a typo. Thank you, Jean.

MS. LANGENDORF: Yes. I was like I didn't know we had a Texas Housing Commission.

MR. YATES: You don't.

MS. LANGENDORF: Veterans Commission, yes. And they, by statute, will be on this.

MS. SCHWEICKART: The bill is now in the set-aside.

MS. LANGENDORF: Okay.

MR. YATES: But what we saw from the best practice approach

in states, a number of states had complementary to complement their integrated production model, really looking at a smaller scale supportive housing, focusing on areas of the state that may not have a lot of tax credit development, to create some level of service-enriched housing and supportive housing. North Carolina has a program, Pennsylvania has a program, really kind of layers and knits a lot of different funding sources from a variety of agencies, so it really is kind of a cross-agency. Some states have actually pooled resources together in a joint RFP that actually provides some type of one-stop shop for developers and owners.

MR. HANOPHY: I was going to say one thing that plays well in Texas is cost, and back in the '90s we did supportive housing, and the reason we were able to sell it was because in the long haul, and this is only five years worth of data, the costs were significantly reduced and you were available when people need you instead of 24-7. Do you have any longitudinal data that shows cost comparison between models, service-enriched/supportive housing models versus those?

MR. YATES: I haven't seen anything comparatively between the models. What I've seen, there's been a number of cost studies in communities, mostly in the homelessness side, in terms of cost savings to the state that we can provide to you.

MR. HANOPHY: Because I think that would be important.

MR. YATES: And we did actually did highlight some of that later on in terms of an opportunity.

MR. HANOPHY: Because it fits in line with a lot what I hear

and see, the self-determination that when people select their services, they tend to spend less, and so I think the same holds true for the supportive housing/service-enriched housing model.

MS. LANGENDORF: And also, on page 30 you all make the recommendation to utilize appropriation for supportive housing, provide specialized training. Can you talk a little bit more about that?

MR. YATES: On the capacity building?

MS. LANGENDORF: Uh-huh.

MR. YATES: And a number of states have done this, really kind of look at capacity building, specifically in CSH states that had academies that they've actually developed. I know that there was some talk to start one up again in Texas. I'm not sure where that is at. But they actually take owners, typically smaller nonprofits, and bring them along, that may have a development concept and actually working with them over a series of trainings to get them developed, build their capacity in a way that they actually can submit and do a deal, as well as working on the back end of property management training to provide the connections on property management to be able to manage the property over the long term.

MS. LANGENDORF: My concern, and they wouldn't be surprised to hear me say this, I would not recommend the Corporation for Supportive Housing. Unless I'm missing something, theirs are so segregated, their model is so segregated. We are fighting at the Austin level. When I saw this, was like: Wow, first we talk about integrated and then we say Corporation for Supportive Housing. Transitional, maybe.



MR. MARTONE: A couple of things. You can hire us or you can hire somebody else to do it too. We also wanted to recognize that, you know, if CSH is a resource in state, that is a group that could be used. We've had a lot of conversations with CSH about models, and I think they've supported a lot of sites, single purpose models, but I think in direct conversations I've had with their executive director, they're very open to scattered site models too.

MS. LANGENDORF: But their expertise is in single purpose.

MR. MARTONE: Their expertise is more in single purpose, yes. So I think maybe it's the point about capacity building is the take-away, and if the council feels like we should refine that recommendation, we can take a look at that.

MS. LANGENDORF: It's probably just me, but I have too much history there.

MR. MARTONE: And if you look to CSH, too, you may want to look beyond -- you may want to even try to talk to their central office about figuring out what types of capacity building they can help with, if you feel like you're having problems with the local office.

MS. LANGENDORF: I mean, in Austin there's a big push for permanent supportive housing and we have different models in the disability community. It's really a fight between what works or what they feel works for people who are homeless, and what we're saying is too restrictive, blah-blah-blah. So I just don't know. And many in the disability community, this would not sit well.

MR. MARTONE: Why don't you finish up and I'll do a couple of services and then you can get into the pipeline.

MR. YATES: We talked about the local authorities and the engagement there. We really talked about a leadership role around that from a state perspective, reaching down to the local housing authorities, taking a look at some opportunities where, say, the leadership may have changed, where there might be a new executive director coming in that may create an opportunity for an engagement, but looking at that to complement -- having those leadership discussions to complement some incentives within the QAP.

MR. GOLD: I just want to mention Steve Ashman, and I'm not quite sure if this is exactly the same thing, but we've done sort of an historical thing with the regional HUD office, the regional CMS office and DADS getting together and approaching each public housing authority. And what do we have, about 100 voucher commitment at this point, Steve? And we're continuing to talk about it. What's been stunning about this, it probably hasn't happened probably anywhere in the United States, is even though HUD from the beginning of Olmstead has been sending letters saying: Thou shalt work with your Medicaid office, work with your Medicaid office. And those letters usually get filed away, never to be seen again.

This regional HUD office -- and what's his name, Steve? Mark Ruzina. He has taken this and because he's from HUD, and we have 475 public housing authorities in Texas.

MR. YATES: Is he from Public and Indian Housing?

MR. GOLD: Pardon?

MR. YATES: Is he from Public and Indian Housing, the division of HUD?

MR. ASHMAN: (Speaking from audience.) He's the regional coordinator.

MR. YATES: Oh, he's the regional coordinator.

MR. GOLD: Yes, regional coordinator. And because of this partnership, every Friday at ten o'clock we're talking to another large public housing authority, and we've gotten about 100 commitments, even with sequestration and all these other issues. And the whole point is we're starting really small, saying give us five, give us ten, give us what you can, so we can show success, and we're getting it. I mean, I don't think anyplace in the United States is doing what we're doing.

MR. YATES: That might be a mechanism for engagement as you kind of move along, and if you do adopt some type of incentives within the QAP to encourage that piece too, that might be a potential for housing authorities to be involved as well.

MR. GOLD: But it goes back to your slide before about leadership and here's a man that's finally stepping up to the plate and doing his own little bit of nice arm-twisting because he is the head of the regional office and that's where all these people get their money from, and then reminding them you've had the letter since 2001, but it's working.

MR. YATES: What we did see in other states is the state can't do it all, the state's resources aren't limitless and there are a lot of resources down at the local level and how do you create those kind of conversations,

whether it's federal, state and local, to try to encourage more leveraging.

MR. GOLD: And again, it took a champion within that regional head office to finally be willing to commit, knowing it's time, because every Friday at ten o'clock we all get together, no matter what's going on, and making it happen.

MR. YATES: And the final recommendation was a longer term recommendation looking at the adoption or advocacy within the legislature of a state funded rental assistance program. It sounds like there's some legs in this biennium that we weren't aware of that we can integrate and knit into the recommendation, but as a building block, we do have some detail around that recommendation, and a mix of project-based and tenant-based rental assistance that gives you a mix of different housing options so you provide some choice. The project-based could be used within the integrated model to help spur and provide a more of an underpinning to that to complement the 811 resources.

And then also the Key Program which we talked about is a very efficient subsidy of it's fairly efficient on a cost-per-unit basis. But there's some recommendations over the long term to develop over a two biennium time frame a core state rental assistance program.

MR. MARTONE: All right. So I'm going to go through these in two minutes and that will leave two minutes for you to do the pipeline.

MR. YATES: All right.

MR. MARTONE: I'm going to gloss over the recommendations on the framework a little bit because we talked about that a little bit earlier. I

think one of the key take-aways in there, though, is on service coordination. One of the things in the 811 process is the development of the MOUs between service providers and everybody, and I think what it gets at is making sure there's a level of accountability with the service provider community out there as well. Partly because we always hear from landlords and property managers about a tenant who is out there who is struggling and I can't track down the service provider, I don't know how the service provider is, et cetera, et cetera, and so those MOUs are really an effort at assigning that accountability across the board, including to the service providers. And I think that's particularly important, so definitely want to keep that in mind.

One thing I wrote about a little bit earlier in the service assessment process but didn't talk about was when it comes to your need out there, I think this is something for you guys to consider and take a look at. Maybe a little bit beyond the scope, but maybe not, and I also had a little bit of a hard time trying to dig into the issue and find out how much of a problem it is. But it's about boarding homes, and they're all labeled different things in different states, but boarding homes are a particular issue in many, many states, and it may not be highly on the radar right now, but all of a sudden one day it could become the front page issue of the day because -- and this is my experience, I'll make a generalization here -- in many of these places the quality of care is poor, they're not great environments, people are really subject to abuse and they're just really victimized.

And if you look at the numbers, you'd probably be startled at the number of people who live in boarding home type facilities. Now, I know a

couple of years ago, the legislature passed a law that local municipalities can regulate boarding homes, and I think that you're all over that with your regulation, I saw it upon the web page of DADS.

MR. GOLD: Well, what happened was a couple of years ago actually -- I don't want to get myself in trouble -- they eliminated a certain type of licensure that was meant for the individuals with mental illness, it was called a Type B license, for some reason they got rid of that. For the boarding home, if you have four or more unrelated individuals and providing assistance with daily living, you have to be licensed as an assisted living in the State of Texas. If you're less than four, that's where the boarding room sort of thing comes into play, and if you just provide, theoretically, just room and board.

And so that ordinance was passed, I think it was two sessions ago now, and it is, it's voluntary for communities and municipalities to come up if they want to. I think at this point in time only San Antonio has done it.

MS. GREEN: Dallas and El Paso.

MR. GOLD: So I mean, it's been slow for the take-up, and again, I don't know myself what those requirements actually look like. And more importantly, how are they really being monitored other than they're registered, and when you have just a registry, you don't necessarily have then ongoing inspections and surveying. Boarding homes, part of the reason why we corrected that Type B license back in the '90s that unfortunately was removed, was a lot of individuals with mental health were being placed into those type of facilities and there were a lot of horrible things happening, people smoking and fires, that sort of thing.

MR. MARTONE: It's something to watch because it can bug you really quickly.

One of the recommendations was just in terms of we thought that the housing coordinator type position over all the subsidies for services could be beneficial. Even so far as at the national level, the National Association of State Mental Health Program Directors, the mental health coordinators for each of the states are identified and participate in a pretty active workgroup process where they talk about best practices for mental health populations, and things like that.

MR. GOLD: Well, actually, again, the Money Follows the Person demonstration, we were about to submit something and then sequestration happened, and we're still trying to figure out the impact of sequestration on the demonstration, not the demonstration we have but that 100 percent admin funded. So Steve and I are saying, well, whatever, we're going to submit it anyway, and specifically to offer a relocation contractor sort of concept for people leaving the state hospital system.

MR. MARTONE: The delivery system in terms of the payment pool that's out there in the states, we wanted to encourage the council or the state, whoever, to really encourage local service-enriched housing projects. I know there was one example that I saw for a transitional residential program that is out there, but to the extent that you can maybe take advantage of that as an opportunity to see local efforts for service-enriched housing would be great.

And I'm not going to go over the next two, but I'm just going to

end on the training and workforce. You know, if you want to improve the skill set of your direct care workforce who is delivering services to people who are living in service-enriched housing environments, and there's workforce shortage issues and things like that, but one way you might want to get at it is for people who are billing Medicaid services, really trying to ensure that there is specific training going towards this type of skill set in order to become certified to be a Medicaid provider. So if staff are going through some sort of basic training curriculum in order to bill Medicaid services, to the extent that you can create a module or some specific training requirements around permanent supportive housing and service-enriched housing, I think it will be that much better for folks.

You know, if you look back, SAMHSA has a toolkit out for permanent supportive housing that you could really use and apply fidelity standards to different models that you're working on, almost a checklist, so that the type of supportive housing is good quality stuff, service-enriched housing, good quality stuff they're trying to put up, but then also has a workforce that knows the type of skills to provide in those settings.

You're not going to actually take a person who is working in a 24-hour supervised residence and at some point they go and work in a service-enriched housing model that's a very independent, scattered site, and assume that that skill set is transferable. You want to make sure that that person has had training in order to deliver that service well. What's it like to deal with landlords, what's it like to help a consumer get set up and live in the apartment and follow the rules and pay rent on time, and all those things are



very different than take your meds, it's eight o'clock.

And Jim, I'll turn it over to you for the pipeline and then we'll finish up.

MR. YATES: I just want to touch upon one of the partnership opportunities that we talk about in the report. Within the university partnerships and research and assessment, we talked a little bit about the importance of that and then also to help inform the legislature and the Governor's Office about the importance of the model and also some of the cost savings of the model. The 811 program does require the state to actually assess and evaluate and participate with HUD in an evaluation, the Section 811 model. Maybe using that requirement is an opportunity to possibly engage with a university.

The State of Georgia is doing a similar type of engagement with one of their university systems around a collaboration around assessing the cost effectiveness of the model, the outcomes of the integrated model. That gives you a little bit of transparency, as well as some professionalism to bring to bear on the data to help support further development.

So the bottom line, we took a look at kind of all these strategies and looked at conservatively, based on some assessments, what they could produce over a five-year period of time. And looking at the set-asides within the tax credit Program and the mortgage bonds, but primarily through the tax Credit Program in that 5 percent piece, with some modest success with attracting Section 8 project-based vouchers and other vouchers, around 1,400 to 1,500 units over that five-year period.

Then looking at your supportive housing projects, the one to three range per year, with an average project size of around 50, creating those additional units. And then a small cities/rural housing initiative, looking at 60 to 120 over a five-year period. And then the future federal housing opportunities we added in addition, and that includes a recommendation to continue to apply for Section 811 program funding each year, expecting --

MS. LANGENDORF: Do you think it's only going to be the PRA or is it going to be traditional?

MR. YATES: I think we're looking at it moving just to traditional -- I mean just to PRA. It's not going to go back.

MS. LANGENDORF: On their assessment, are they going to do comparisons?

MR. MARTONE: Well, there's discussion right now at HHS and HUD about conducting an evaluation of the program, and so it's early in the planning process but I think there's going to be some evaluative component that will help inform the future of the 811 program.

MS. LANGENDORF: I'm just curious. In Texas, if we were to look at traditional, the very traditional, stand-alone buildings, as opposed to this PRA.

MR. MARTONE: And just quickly on the numbers, the old 811 program was funding about 900 units a year, and this new 811 program, they're anticipating about 3,500 units, so a sizable jump in the new model.

MR. YATES: So some of the federal opportunities, it talks about Section 811, Continuum of Care, some modest continued production of

supportive housing within the Continuum of Care homeless dollars, as well as VASH. In the next two years you should be anticipating additional new VASH vouchers, given the VA's five-year plan to end homelessness among veterans. And I think those are the key federal programs that we touched upon.

MR. MARTONE: So that's the quick and dirty, highlighted recommendations, and so if you want to have any conversation.

MS. SCHWEICKART: I know people have been asking questions and making comments throughout the presentation, but if there's anything additionally now, if you have any broader comments about this draft, because it is a draft and so we're going to be collecting that feedback, anything broader, though, to provide to Jim and Kevin would be great.

MR. MARTONE: One comment I would make is, you know, when we talk about putting the numbers out there about a pipeline based upon the resources, and then when you talk about leadership, to the extent that Texas can strive for some target -- it's a hard thing to do, right, because a lot of it is beyond your control and resources and things like that -- but to the point that you can strive for a target, get buy-in from all the key players, make the case that this is the direction that you need to move in, you'll probably surprise yourself with how much progress you can make.

A lot of this, we do talk about the need for additional resources for services in the state, we do think there is a significant need for additional resources in the state, but at the same time, we think that if you put together, continue to put together and frame out an organized effort, you can make

more progress than you think you would.

MR. GOLD: As long as it's evidence-based targets. I mean, not just putting targets out there for target's sake.

MR. MARTONE: Sure, absolutely. And that's why you have to really keep that Olmstead lens and put those principles out there, and that's a great point.

MR. GOLD: And to approach it conservatively. I mean, not just because it's Texas, but our relationship with the Texas Department of Housing and Community Affairs, how do we approach the project access vouchers -- and I'm looking at Kate Moore -- and we start off at 35, and part of the push-back in 2005 when we were sort of trying to design this is we need a wait list, we need the wait list, and we've got to get the word out we have this wait list. Because it's so much easier to go to your board and ask for a few more slots every year since 2005 which the TDHCA Board has very graciously been giving us, but it's based on success, and you never want to ask for -- because I remember when I came in in 2005, taking over this part, there was like \$4- or \$5 million given to TBRA that the money was just laying there.

And so I think having evidence-based targets, actually shoot a little under, and show that success. I mean, nothing can give you more commitments to a legislature or to a board if you have got success.

MR. YATES: And that goes to some of the recommendations around the housing, and I think conversations here really looked at what was a good level in terms of recommending that was modest in its approach, that could be supported, that could get some good buy-in from both the

department as well as the development community and really looking at that 5 percent level just to get into the door, create a steady, fairly modest level of production over time -- modest as compared to the tax credit pipeline in general, and to build upon that.

MR. GOLD: And something that Jean brought up, too, is that's why it's going to be so important that we all show success with State Health Services and those being that this really is the first foray into that conversation. So all of our efforts from the state, here, from the Promoting Independence Advisory Committee, we've got to really put out great marketing and really support State Health Services so they can show success back to the legislature.

MR. MARTONE: A lot of this work that we did and the conversation is about housing and putting up numbers and things like that, but there is a lot of pressure on the service provider community going forward, particularly in the 811 program with the lease-up and being responsive to landlords, all that stuff that's going to be ultimately the success or failure of the people who are living there. And so the 811 program is sort of going to be a good testing ground for that, and that's something that there's a lot of pressure on everyone to do that.

And I also think that will also be part of the success that you can sell ultimately, too, in that when you're ultimately able to show -- which I think you will be able to do -- the cost savings of moving in this direction, that those cost savings are from the housing perspective as well as the service provision perspective.

MR. GOLD: Yes. Steve Ashman, who had a lot of years of experience in housing, he taught me about lease-up and how important that is. And again, as we were talking to all the public housing authorities across the state, that was one of their big concerns, not leaving anything on the table because then HUD comes back and that's part of the criteria you get judged on.

MR. MARTONE: And what we found in states, states are setting up the programs, a lot of target populations where people are coming out of institutions, whether it's state psychiatric hospitals or nursing homes or ICFs, that it takes longer for those folks than it does for someone who may be coming off the street, and that's a training set for the service providers.

MR. GOLD: And that's one of the biggest concerns -- well, there were a number of things -- give us a time frame, one month, two months. And I said, We can't. Doni knows better than anybody that it can be two days, it can be six months. Something acute happens that delays the process, getting everyone. Doni is the expert on that topic.

MR. MARTONE: It's hard. I know when I was working over my state's psychiatric hospitals, I'd literally go have yelling matches with my social work teams, my psychiatrists, trying to make sure that people were ready for discharge and ready to go, and it is hard.

MS. SCHWEICKART: All right. Sorry to cut off this conversation. Even though they're quick items, we do have more items on the agenda we've got to get to. So I'd like to thank you Kevin and Jim for coming and presenting

(Applause.)

MR. IRVINE: Okay. Moving to the next of those quick items, how a report on Section 811.

MS. SCHWEICKART: Sure. Kate, go ahead.

MS. MOORE: Good morning, everybody. It's really nice to hear 811 being talked about so much and said nice things, so that was great.

I haven't been here since we were awarded Section 811, so we're all excited and I want to thank everybody in this room for all the hard work. Many of you put in many hours on our interagency agreement, went to many meetings, helped us think long and hard about how to create a program that would make sense for the State of Texas. And so that is a testament to the hard work of a lot of people in this room and outside of this room, so thank you. That is not just TDHCA's success, it's not just HHSC's success, it's everyone's success in this room and outside. So thank you very much.

We're thrilled we were awarded. We have a big challenge ahead of us as we start to think about implementation steps, but I wanted to come, and for those of you not thinking about 811 every day like I am, I wanted to remind you what we applied for and to tell you a little bit about next steps. And I'll go through that pretty briefly because I know you guys are running out of time.

So we said that we would apply, we thought we would serve about 385 folks, be able to do about 385 units with the \$12 million. We were awarded the full \$12 million which we applied for. We were told in February we were one of 13 states that were awarded the Section 811 funds, so we're

pleased with that. There were over 36 states, I believe, that applied, so that's not bad.

We submitted our application back this summer, so we did a lot of work over June and July and through the spring. We were really set up for success partially because we received as a state the Real Choice Systems Grant which we partnered with DADS and the HHSC agencies on, so that really helped us get a jumpstart on the interagency agreement and all those partnership ideas that we put in place.

So DADS is taking a lead, just to remind everybody, for the interagency agreement for the service partners. So the way our program is set up is that we are going to be releasing a competitive NOFA for our properties, so our existing multifamily properties and possibly our pipeline properties, what we proposed in our application, to have some of our 811 units in their properties. And so they have to follow our integrated housing rule, so our integrated housing rule was actually more strict than what's in the 811 program. 811 says that you can't have more than 25 percent of your units set aside for persons with disabilities, and our program in the integrated housing rule says no more than 18 percent. So we'll see how that competitive NOFA process goes. We're in the process of starting to make initial drafts of that and we would have that, we think, theoretically this summer.

And then the health and human service agencies, we have outlined a strict process in the interagency agreement of how -- not necessarily strict but detailed process in the interagency agreement of how those referrals would happen to those units. So to remind everybody, the



three target groups that we set for our Section 811 program are: people with disabilities living in institutions, so that's people exiting nursing facilities and people exiting ICFIDs; people with serious mental illness, so those are people working primarily with the local mental health authorities; and then youth with disabilities aging out of foster care. So those are the three target populations that were identified in our application.

As they touched on, we have seven primary locations for those and those are mainly the large metropolitan areas and their metropolitan statistical areas.

I wanted to tell you a little bit about next steps and what we know now, and TAC probably knows more than we do in some ways. TAC has been hired also by HUD to be the technical assistance provider, and it's not these folks here that we've heard from so far, so Lisa Sloane. So we found out in February that we were awarded, we've been contacted by the technical assistance providers by HUD and we had a technical assistance call.

We've been told that we will get a draft of our cooperative agreement soon, so we haven't seen our cooperative agreement yet, but we understand our next steps is that we would negotiate a cooperative agreement with HUD because this is a demonstration program and a lot of the rules and restrictions around that program are going to be in the cooperative agreement.

As opposed to a lot of our programs from HUD, for instance, they have a lot of federal regulations and rules that are already written, that hasn't been created yet by HUD. So they put a lot of rules in the NOFA, the notice of funding release that they put out, but our understanding is that a lot of that will

be clarified in the cooperative agreement.

We've also heard that each state will have a different cooperative agreement, so they're all supposed to be unique, kind of depending on what's going on. So we've heard that we should get that this month and that we should have it signed by the end of May, but I haven't seen it yet.

MS. LANGENDORF: Is this federal HUD you're working with?

MS. MOORE: Yes.

MS. LANGENDORF: Good.

MS. MOORE: But what we're doing, we're starting to work on what documents we can, we're starting outreach with the health and human service agencies to try and identify training that we need to start implementing and creating a plan for that, we're assessing training needs. We're looking at available technical assistance from HUD, so for instance, HUD is offering us a webinar on one of the systems we're going to have to use called TRACS, and so we'll be doing that tomorrow.

(General talking and laughter.)

MS. MOORE: So I get to learn all about that tomorrow. So we're taking advantage of, hopefully, every opportunity that we can to get TA around this process, but we're still in the very initial stages so we don't know a lot until we have a draft of the cooperative agreement, but we do know that TAC -- and we're pleased -- is going to be a TA provider, has been hired by HUD -- well, I guess you've been hired by another TA provider. Right.

MR. MARTONE: Yes. They were just sort of like the

coordinating entity and they asked us to do all the subject matter.

MS. MOORE: That's great.

So just about me, I'm going to be transitioning to be the Section 811 manager for this program, so I'm really excited and pleased to be able to do that to be able to shepherd this project, hopefully, into success. And I'll be reporting directly to at some point starting probably this summer to Brooke Boston; it's going to be under her. So currently I work under the Housing Resource Center as a policy advisor, so it's going to be a transition for me.

So that's Section 811, what's going on with that.

MR. IRVINE: Before you dump the Section 811, you've also got Spencer Duran there helping you. And Brooke Boston, for those of you who don't know her, is our deputy executive director for community based programs, and she is going to provide the appropriately aggressively supportive atmosphere to make sure this is 110 percent successful.

MS. MOORE: That's great. Thank you for reminding me of that. So we're excited that Spencer is coming along with us and we're excited to be working under Brooke.

So Real Choice is next. We've got three activities., I'll kind of touch on them briefly. I talked to you on and off since we were awarded about what's been going on with that, but I know some of you are new, to kind of give you an update.

So one of the main activities that we do in our Real Choice Grant -- which is a grant that we received from Centers of Medicare and Medicaid Services -- is to apply for Section 811 funds. So yay, check that one

off, we did it and we received it.

The next big activity that we said we're in the middle of really getting logistics nailed down for is Housing and Services Partnership Academy. And actually, it's interesting, it ties into some of the training and technical assistance needs that you guys identified in your report. We had in the State of Texas, through the Transformation Working Groups Grant which was a SAMHSA grant, we did a similar type of academy where we asked local communities to put together a team and that team has to have a housing provider/developer/funder, a service provider for Medicaid recipients, and a consumer or consumer representative.

And we're asking local communities to create teams if they're interested in receiving technical assistance, so it's essentially wanting to participate in training about how to create affordable, community-based, integrated and accessible housing for people with disabilities. And we have set the date for the first academy, it's May 13 and 14 in Dallas, and so we're excited.

What we decided to do, we had a first round of applications, we didn't receive enough to fill up the 20 slots, so we anticipate being able to educate 20 communities, and so we're opening it up again. So if you know of anybody that you think might be interested, the deadline is Friday, so if you think of anybody that might be interested in participating from your community or other communities, we would appreciate you passing that word along.

But we're pleased with the applications that we've received in the first round and are excited about that first academy. So thanks to

everybody, there are some people I'm seeing around this room that put a lot of work into helping us put together the academies and working on getting it on the ground and helping us review applications and those kind of things. There's just a lot of moving pieces to fit in together for a big event like that, so appreciate all the help.

The third activity I wanted to update you on is a housing and services for people with disabilities online clearinghouse, so that was the third activity that we said we would do with the Real Choice Systems Grant. So we are partnering with 2-1-1 Texas on that grant and they are actually putting on their website a tab that's going to be community based affordable housing and services for people with disabilities.

MS. MARGESON; There will be nothing there.

MS. MOORE: I hope that's not true.

It's based on geography so somebody could find resources in their community. So one of the things that actually -- and that came out as a recommendation of the first biennial plan from this council was that there was a need for an online resource that would put both service information and housing information for people with disabilities in one place. We're really excited that we're getting to partner with 2-1-1 Texas because they are the keeper of so many resources in the state and they have such a large database that we're going to be able to tap into for this online clearinghouse.

For the Real Choice Systems Grant we have an advisory team -- some of you sit on that team -- called the 811 Team, and we hope that probably tomorrow or the next day it's going to go out in draft form to that 811

Team so they get to play with it a little bit first. Then it's going to go out for a 30-day public comment period, essentially, because we really want to make sure that it works and it's a usable resource. We want it to be a usable resource not only for people with disabilities but also service providers or perhaps other folks that are looking for resources.

So we want everybody to think about it from a different lens and to get it out for as many different people as possible, and we've created an online survey tool that we're going to hopefully help us get feedback and be able to go back to 2-1-1 Texas, let them tweak it a little bit, and have it finalized either in August or September.

MS. MARGESON: What state agency is the administrator for 2-1-1?

MS. MOORE: That is HHSC, Health and Human Services Commission.

MS. MARGESON: I just want to make sure that it's screen-reader friendly, the database.

MS. MOORE: Yes. And I'd appreciate your perspective if you get a chance to look at it, Paula. It's supposed to be. That's been part of our discussion, definitely, is the accessibility of what is put on the website, so that's definitely something we would love feedback on is if there's parts of it that do not have that accessibility, we want to know and fix that.

MS. MARGESON: And you know if they're scanning in entries, then they become kind of like PDF or graphic-based documents, and that doesn't work well with a lot of screen-reading software, so that's why I'm

concerned.

MS. SCHWEICKART: Well, and currently the information that at least that we've been able to look at at Texas Department of Housing, it's not any attachment or anything that's been scanned in from a Word document that was in paper form. Everything that's created is electronic so it's created electronically, nothing is added that was not originally electronic, nothing is scanned in and attached to the clearinghouse.

MS. MOORE: Not that I know of; I can't think of anything that would be scanned in.

MS. SCHWEICKART: I can't think of anything that would be done in that way.

MS. MOORE: but there might be some sort of other accessibility issue that we haven't thought of.

MS. SCHWEICKART: Right.

MS. MARGESON: Okay.

MS. MOORE: So Ashley, did I miss anything?

MS. SCHWEICKART: No. That was it. Any questions for Kate?

(No response.)

MR. IRVINE: Well, I think Ashley will now give us a quick update/request regarding the council's budget which must be obligated by the end of our fiscal year which, believe it or not, is coming really fast, the end of August.

MS. SCHWEICKART: Yes.

MS. MARGESON: Can we go to the beach?

MR. IRVINE: Do I hear a second?

(General laughter.)

MS. SCHWEICKART: So as you'll remember, it was about this same time last year that we had a similar conversation about the fact that this council does provide guidance to the Texas Department of Housing and Community Affairs on the utilization of the general revenue funding that is appropriated to support staff in fulfilling the statutory obligations associated with this council. So as Tim said, we would like to be able to make that recommendation so to move forward with the utilization of state fiscal year 2013 funding.

So staff is recommending that funding be utilized to provide the necessary supplemental activities to ensure the successful implementation of the Section 811 program, so as Kate just mentioned to you, there are a lot of steps to ramp up this program and right now we're in the initial stages of doing that. And staff feels that the Section 811 PRA program fulfills the mission of the council in terms of providing service-enriched housing to extremely low income persons with disabilities across the state, and that these activities that are necessary to ensure the success of the program will also fulfill the council's statutory obligations.

So let me go into that a little bit more. So the 811 program does need pretty extensive education, training, technical assistance and information dissemination to our relevant state players that are talked about in our interagency partnership agreement, but as well, the local players that are



mentioned in that agreement, particularly those local players, so we're talking about those who are going to be referral agents for the program, service coordinators for the program, as well as on the housing side, those who are going to be our eligible multifamily properties and property managers and owners. So we have a lot of stakeholders that are going to need a lot of education and training on how to fulfill their responsibilities for this program.

So in terms of the types of things, creating training manuals, creating webinars for each of these parties is something that on the front-end will create that ramp-up and ensure that when we do get to the point of making referrals to the waiting list, getting people from the waiting list to a unit, that that will be successful.

And so the way in which I think that these supplemental activities mirror the council's statutory obligations are that the support staff have a list of things within statute that we're required to do. That includes providing training materials that assist in service-enriched housing development, providing information regarding effective methods for collaboration between government entities, service-providers and financial institutions, facilitating communication between state agencies, and training local and state organizations about federal funding sources. So those are various staff support obligations in statute that I think very clearly fit into what we're trying to do with the Section 811 program.

So that's basically just my short presentation as to why we think that state fiscal year 2013 funding that has been appropriated to support council staff activities to provide service-enriched housing can go towards

those supplemental 811 activities. Does anyone have any questions or comments?

MS. MARGESON: How much money are we talking about?

MS. SCHWEICKART: Well, I can't say for absolute certain. I can say that we suspect, our financial administration folks suspect about \$95,000 would be the maximum that would go towards these activities.

MS. MARGESON: Over two years?

MS. SCHWEICKART: It has to be obligated by this August 31 but can be expended for the next fiscal year forward.

MR. IRVINE: So basically expended between now and August of 2014.

MS. SCHWEICKART: Correct, yes.

MR. GOODWIN: Does this also go back to supporting what TDHCA may need to get the unit side in scope too?

MS. SCHWEICKART: What do you mean by that?

MR. GOODWIN: Well, all the programs don't do any good if you don't have people buying in.

MS. SCHWEICKART: Absolutely.

MR. GOODWIN: Are we also supporting what TDHCA needs supported to get that to happen as well? Is there any other money out there that's needed to work on developing anything for your side to get people like me to come knock on the door?

MR. IRVINE: I think that side is adequately funded and will take care of itself as we develop the QAP and continue to understand and

help this program development. I think this more goes straight to the issue of administering the Section 811 program which, frankly, just didn't come with enough admin dollars to do all the things that need to be done.

MS. LANGENDORF: How much admin does it come with?

MS. SCHWEICKART: It's 5 percent, but the way that that works is that we expect that the total implementation period will take about seven years, and so it's 5 percent over seven years.

MR. DORSEY: (Speaking from audience.) \$600,000 over seven years.

MS. SCHWEICKART: And obviously, as Kate mentioned, as being the new 811 manager and having Spencer Duran also working with her, I think that they're focusing on all aspects of the program. Obviously, being internal TDHCA staff, they can focus on making sure that the properties are aware, selling the program through marketing and outreach efforts. I think that it does get a little more complicated when we're talking about local providers that are connected to one of our state agency partners and making sure that that larger network is trained and ready to go.

Any other questions? Any guidance for that?

MS. MARGESON: What percentage of our overall budget for this council does that reflect, does that represent?

MS. SCHWEICKART: Gosh, I'd have to get out a calculator.

MS. MARGESON: Just ballpark it.

MS. SCHWEICKART: I would say a quarter, maybe less than that, for a fiscal year, for one fiscal year.

MS. LANGENDORF: Was that in the LAR or anything of that nature? We have no legislative intent? I'm nervous about this.

MR. SCHWARTZ: Not for '13 because, see, '13 is the biennium that we're in now.

MS. LANGENDORF: Yes.

MS. MARGESON: So basically then -- pardon my ignorance but I have to understand -- is this money left over from our current allotment we're talking about?

MS. SCHWEICKART: This is part of the 2012-2013 biennium allocation provided by the state legislature.

MS. YEVICH: (Speaking from audience.) And so last year's funding was for TAC, so we're talking for 2012, and so we're talking about -- and this is Elizabeth Yevich -- we're talking about the 2013. So it was approximately, give or take, \$100,000 because there is, of course, also salaries and council's travel and everything else that comes out of that. So we have approximately -- and the reason we're saying approximately is we're not quite sure of travel and other things -- until August 31. So does that help explain?

MS. SCHWEICKART: And the thing is, is that this funding that would be roughly \$95,000 maximum is already in our legislative appropriations request for this biennium under professional services, and so we already provided the line item professional services to be utilized to support all of the things that are in statute as obligations for council staff. So this is not something that would be going outside of the bounds of what has been

approved by the legislature and the Legislative Budget Board.

MS. MARGESON: So then that being said, are you going to contract with other entities?

MS. SCHWEICKART: That's the intention.

MS. MARGESON: Like who? Trainers, I guess. Right?

MS. SCHWEICKART: People who have expertise in providing this type of technical assistance and education.

MS. LANGENDORF: On 811.

MS. SCHWEICKART: On 811 specifically, yes.

MR. GOODWIN: Public affairs would say as a result of astute budget management on the part of our staff, we have some extra money and you can use this to develop the capacity to meet one of Jean's big things is let's get some ability to get units online as quickly as possible, and that's what we're going to do. We've done everything we can to have units but there's a lot of work at the local level and outside that needs to get the infrastructure trained to identify and tag into the units with services and referrals and waiting lists, and I think that's what this is going to do.

MS. LANGENDORF: Are we talking maybe somebody to help Kate go through TRACS, to understand? No offense. We've been doing it and we had to go out and get a consultants. It is not intuitive work.

MS. SCHWEICKART: And that's one of the many things that we've already bulleted out as being something we need.

MS. LANGENDORF: I can tell you that. I don't do it.

MR. GOODWIN: TRACS is not a mystery, TRACS has been

around for 15 years and there's a gazillion people you there who can do TRACS for you very easily or teach you TRACS at a fairly cheap price.

MS. YEVICH: (Speaking from audience.) That's part of the training and assistance.

MS. LANGENDORF: I mean, I guess that's what I need to understand a little bit more.

MS. MOORE: (Speaking from audience.) It's training for the health and human service agencies so we have a huge number of referral agents and service coordinators that we identified in the interagency agreement, and so what we've been talking through HHSC, this is just an example of something that it could be is that we've got to get all of them onboard on this process of how to refer somebody to TDHCA, how to screen a tenant for Section 811 criteria, how to (indiscernible) for property managers if they need it. So it's both sides of things that we know and we're starting to identify and trying to specify as much as we can and get it going quickly, it's all the training and technical assistance, not only at our end at TDHCA but also needing at Health and Human Services.

MS. LANGENDORF: And Fair Housing.

MS. SCHWEICKART: Absolutely.

MR. IRVINE: And what it is is taking advantage of this availability of funds for a very limited period to do some front-end loading on getting the 811 program up and running. If you're not comfortable with it, the alternative would be -- there would be two alternatives: one would be we could hold another meeting very, very soon and come up with some other idea

that we might go out and procure such as the TAC engagement, because these funds have to be committed by fiscal year-end; or we could give it back to the general fund.

MS. MARGESON: No, never.

MS. SCHWEICKART: I guess I hope that I didn't blur over it too much in my presentation. I think that as TAC has said in their presentation, the biggest challenge is to make sure that you have timely, efficient referrals from the service side of those individuals who are needing this particular type of housing and connection to service to those properties that are holding a unit open and available to them. And so the success of the Section 811 PRA demonstration is made or broken by that particular issue, and so if you can make sure that everybody within those hand-offs and within the steps A through Z of ensuring that timely referral of eligible individuals into properties, that would be, I think, a major step, and if the council can support that major step to ensuring the success of the program.

MR. SCHWARTZ: You know, I'm comfortable with doing this, it certainly fits right within the mission of what the council has been established to do, and we certainly have overcome some huge barriers in terms of getting funded through the Section 811 program and the Real Choice Systems Grant. I guess what I would ask as a council member that as you go forward be very transparent with us about what you're using the \$95,000 for so that we know what activities you're using in terms of providing technical assistance or building the infrastructure that we need to be able to launch the 811 program. Some of us in this room have worked very hard to get this program to this

point with 811, so you know, it stands to reason that you need some additional dollars to support those efforts.

I guess what would make me more comfortable is having kind of a list of here's what this \$95,000 is going to be used for, not that you have to say: Jonas, we're going to do this, we're going to spend these dollar amounts on these categories. But I would like to have some idea, other than the broad category of technical assistance, what this money is going to be used for.

MS. SCHWEICKART: Absolutely, and obviously we can provide that to the council. And I think that with the whole procurement rules and regulations, providing something in a public setting that had the entire scope of work may not be beneficial to us being able to get the best provider for doing these activities, but we can provide to the council members directly all those items. Like I said, we've done a lot of background to bullet point out every manual that's needed, every webinar that's needed, who it's needed for, why it's needed, so we have that information to give you, Jonas, we have it already.

MR. SCHWARTZ: Okay. Well, I mean, having been as involved in this process as I've been from the HHSC side, I understand what many of these activities are, but it would be helpful to have a little more detail.

MS. GREEN: Move approval.

MS. LANGENDORF: No approval. Please don't ask me to approve something I haven't seen. It's just a discussion.

MR. SCHWARTZ: This is an information item.



MS. SCHWEICKART: Yes. This is not something that you would vote on as a council.

MS. MARGESON: Are independent living centers on that training list?

MS. MOORE: If they were identified in the interagency agreement. So often, SIL is our relocation contractors for DADS, so relocation contractors are identified as referral agents.

MS. MARGESON: And they're also cross-disability so they see the other populations, not so much the youth coming out, sadly -- I wish -- but definitely people with mental illness as a growing client population.

MS. MOORE: I have to put a caveat on everything, we haven't seen a cooperative agreement so all I can tell you is what we've applied for, but in our application we have the three target populations. And so my understanding is that unless something changes along the way that we can only take referrals from referral agents that work with those specific target populations, and that is identified in our interagency agreement. So if a SIL fits in that category of referral agent, they could do a direct referral.

However outreach is a whole other component so outreach can be very broad, and so we're hoping that our partners around this table and our health and human service world will help us spread the word about Section 811 is here in your community, you may fit within one of these target populations, here is how to get in connection with somebody that could be your referral agent. So that's something I think that even if a SIL is not specifically a referral agent, that a SIL could be a vital partner for Section 811,

regardless of that.

MS. GREEN: Those are also part of the ADRC.

MS. MARGESON: Right, that's true too. Well, we'll be spreading the word alright, because we get the calls all day long.

MS. LANGENDORF: I have to leave and I know there's an action item.

MR. IRVINE: We have got one quick action item.

MS. SCHWEICKART: And actually according to our bylaws, it's not an action item, so the next item is the bylaws amendment, and as it says at the very bottom of the third page: Article 7, Bylaw Amendments, Amendments presented at a general council meeting shall be considered for voting at a subsequent meeting. So I have to provide them to you so you can see those changes now, and then you can vote on them at the next meeting.

(General talking and laughter.)

MR. IRVINE: We have one more item before we break. Terri Richard will be joining you as the agency's chief person supporting this council, and Ashley will be going to another state.

MR. GOODWIN: You didn't answer my email.

MS. SCHWEICKART: It was supposed to be everyone hearing it at the same time, although the cat's out of the bag already.

MS. MARGESON: Where are you going?

MS. SCHWEICKART: I'm moving to Seattle, Washington.

(General talking and laughter.)

MS. YEVICH: As you all know, Ashley has done a tremendous

job and I know we'll all miss her, but I know many of you here, including Marc Gold, Jonas, Jean, already now Terri Richard and she will also continue on the wonderful work Ashley has done.

(Applause.)

MR. IRVINE: It's 12:15. Do we have a motion to adjourn?

MR. GOODWIN: So moved.

MR. HILL: Second.

MS. MARGESON: When do we meet again?

MR. IRVINE: The next meeting is July 15.

MR. SCHWARTZ: I have a request. Could that meeting be devoted to having a council discussion about how to lay the framework and develop a plan based on these two reports that TAC has provided us so that we can then develop a plan for implementing some of this, whether it be long-range or short-range. They gave us a lot of information and I think a lot of it is useful, so as a council it's our responsibility now to do something with it.

MS. SCHWEICKART: I agree with you, Jonas, I think that's a great idea, and we'll make that the central agenda item.

MR. IRVINE: Now we're adjourned.

(Whereupon, at 12:15 p.m., the meeting was concluded.)

CERTIFICATE

MEETING OF: Health & Human Services Coordination  
Council

LOCATION: Austin, Texas

DATE: April 15, 2013

I do hereby certify that the foregoing pages, numbers 1 through 76, inclusive, are the true, accurate, and complete transcript prepared from the verbal recording made by electronic recording by Nancy H. King before the Health & Human Services Coordination Council.

04/20/2013  
(Transcriber) (Date)

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