



MEMORANDUM

TO: Rosie Truelove, Director, Neighborhood Housing and Planning Department

FROM: Jamey May, Acting Housing and Community Development Officer

DATE: December 13, 2021

SUBJECT: Housing Investment Review Committee

Background:

The Austin City Council adopted RESOLUTION NO. 20070308-010 on March 8, 2007 which established a Housing Bond Review Committee composed of two representatives of the Community Development Commission and three representatives from the community who have demonstrated experience in housing development and finance. This Committee was tasked with the quarterly review of project applications recommended for funding. In 2018, The Housing Bond Review Committee was retitled as the Housing Investment Review Committee (HIRC) and reviews Rental Housing Development Assistance (RHDA), Ownership Housing Development Assistance (OHDA) applications, irrespective of the source of funding that may be dedicated at the end of the review process.

Current Composition of the HIRC:

- Joe Deshotel (CDC Appointee) - Vice President at VoteMAP and Datum Tech
- Fisayo Fadelu (CDC Appointee) - General Counsel and CFO, CPA, CIPP/US, CIPM
- Frances Ferguson - Executive Director, Mueller Foundation
- Sherri Greenberg - Professor at LBJ School of Public Affairs, University of Texas at Austin
- Elizabeth Mueller (retired) - Associate Professor of Community and Regional Planning and Social Work, University of Texas
- Dave Sullivan - Active Citizen, Data Scientist, Air Quality Researcher, Project Manager

Interpretation of RESOLUTION NO. 20070308-010:

The Resolution calls for the establishment of

“a housing bond review committee composed of two representatives of the Community Development Commission and three representatives from the community who have demonstrated experience in housing development and finance to quarterly review project applications recommended for funding.”

This resolution limits the housing bond review committee (HIRC) membership to two appointees by the CDC and three appointees by the Director of the Housing and Planning Department. There is a canon of statutory interpretation, known as the Series Qualifier Canon, that states the phrase “who have demonstrated experience in housing development and finance” applies equally to the representatives from the CDC *and* the 3 representatives from the community. There is also a canon of statutory interpretation, known as the Last Antecedent Canon, that states the phrase “who have demonstrated experience in housing development and finance” applies only to the 3 representatives from the community. As this question applies to the CDC representatives, HPD staff recommends the CDC appoint representatives with experience in housing development and finance, but takes no position on whether this is a requirement.

Issues:

The current committee has been reviewing applications for the past three years, with several members having been on the committee for over five years. These dedicated public servants have seen multiple changes to the RHDA and OHDA programs over that time; their input and suggestions have been invaluable to the success of these programs. Several members have expressed an intention to retire from the HIRC. Unfortunately, no clear process has been identified for appointment to or removal from the HIRC.

Additionally, members have identified the need to have a diverse group of individuals with various areas of expertise review applications for funding. Internal discussions have identified the following areas of representation for the committee:

- Development Community – For-profit developer; non-profit developer; Real Estate attorney, consultant, commercial or residential construction expert
- Finance Community – CRA officer; Community Development Financial Institutions (CDFI) representative; Credit Union lending officer
- Service Provider – Dedicated service provider, in-house service provider for vertically integrated housing provider, homelessness service provider
- Property Management – affordable housing property manager
- Related agencies – Austin Public Health, Austin Economic Development Corporation, Austin Independent School District, Equity Action Team

Also, multiple stakeholders have expressed the desire to hear from members of the community that have lived the experience of housing instability. All the above-mentioned areas represent critical stakeholders in the affordable housing development process. These voices provide important context to achieve the goal of investing in quality affordable housing that positions residents for long-term success; however, the voice of the resident has largely been absent from this conversation.

Finally, the only foundational documentation that staff can find is the above referenced resolution. No bylaws exist for this committee. This flexibility has allowed the committee to define its own needs and processes while remaining constrained by the limited authority granted by the resolution. However, this lack of structure has led to our current question.

Proposal:

1. The HIRC, as it is currently composed, is dissolved after the December 22, 2021 meeting. The service that the current members have provided cannot be overstated. Dissolution will afford staff the opportunity to assess all applications equally and identify a committee composition that will have the

greatest impact on application review. Current members will be notified immediately and invited to apply.

2. The application will be posted on the HPD webpage with a press release. The application period will be open until December 31, 2021. Staff has begun collecting names of potential members that provide one of the necessary perspectives listed above. Staff will reach out to these individuals to invite them to apply.
3. The application for membership to the newly reconstituted Housing Investment Review Committee should be simple enough for staff to review quickly while providing adequate information to ensure members are competent to review and interrogate applications for financing. A proposed application form is attached to this memorandum.
4. Staff will review the applications and make recommendations no later than February 1, 2022. Staff will work with the CDC to ensure a diversity of views are represented through both sets of appointees and serve as a resource for the CDC throughout. It is expected that the CDC will appoint representatives in time for the March 30, 2022 meeting.
5. Staff will prioritize applicants for community representatives that can provide multiple perspectives, particularly those who have experienced housing instability. However, due to the limitations of the resolution, staff is restricted to only recommending three individuals with demonstrated experience in housing and finance.¹
6. Membership on the HIRC will be for a defined term with a clear start and end. As the RHDA and OHDA funding process has been defined by the fiscal year, membership on the HIRC should also be based on the fiscal year. With only 4 meetings per year, appointments to the HIRC will be for a two-year term. This will minimize disruption and ensure continuity. It is recommended that appointments be made on an alternating basis, with two appointments ending September 30, 2023 and three appointments ending September 30, 2024.
7. Staff will work with the Law Department to help the HIRC draft bylaws that provide the necessary guidance for future iterations of this committee. Issues that must be addressed in bylaws will include:
 - a. Term limits
 - b. Rules for Recusal and Disclosure

Immediate Action Items:

1. Approval of Proposal – Executive Team
2. Application and Press Release – Housing Development Assistance; Communications

¹ Staff recognizes the difficulty that the proscribed structure of the HIRC presents. Staff recommends amending the resolution to expand the number of community representatives from three to five. This will provide greater representation for all stakeholders. If the Director's office chose to pursue a new resolution, staff recommends other revisions including an increase to the maximum for Open Applications from \$100,000 to \$300,000 and pegging this program to the Director's signature authority.

Application for Membership to the Housing Investment Review Committee

The Housing Investment Review Committee (HIRC) is tasked with reviewing applications that have been recommended for funding. The HIRC meets quarterly to review applications and garner more information from applicants. **The HIRC does not recommend applications for financing**, but rather, plays an important role in the application review process, identifying areas of concern and working with staff to improve applications. If you are interested in being a part of this important review process, please send this application and a current resume to:

Housing Development Assistance
Housing and Planning Department
City of Austin
1000 E. 11th Street
Austin, TX 78702

1. Name
2. Contact Address (blank address field)
3. Contact Phone Number (phone number)
4. Email Address
5. Council District (drop down and link to tool where you can find out your council district with address)
6. Spoken Languages: (open field)
7. Are you a native of Austin? (yes/no)
8. Number of years of residence in Austin (blank number)
9. Number of years of work experience/expertise in housing (blank number)
10. Educational Background (open text field)
11. Are you now or have you ever lived in subsidized housing or experienced homelessness? (Y/N)
12. Select the category that best describes your area of expertise – Choose multiple if applicable.
 - a. For Profit Development
 - b. Non-Profit Development
 - c. Development Consultant
 - d. Construction Professional
 - e. Financial Professional
 - f. Legal Professional
 - g. Service Provider
 - h. Property Manager
 - i. Other (please specify)
13. Provide more information on your area of expertise addressing the questions below:
 - a. Why are you interested in being a member of the Housing Investment Review Committee (HIRC)? (open text)
 - b. How will your expertise impact proposals and add value to the underwriting and review process followed by the City? (open text)
 - c. Provide examples of your involvement in creation/review/oversight of applications for funding, if any. (open text)
14. Have you ever been part of a development team (in your current/previous roles) that applied for funding to AHFC? (Yes/No)
 - a. If yes - Indicate year of application, name of project and if the funding application was successful. (open text)
15. Have you been a part of any of City of Austin's boards and commissions? (yes/no)
 - a. If yes, please indicate the names of the Boards/Commissions and year(s) of involvement.
16. Have you ever worked for the City of Austin? (yes/no)

- a. If yes, please indicate years of employment, role and Department.
17. Do you foresee any conflict of interest in being a member of the HIRC? (for example, you or a close relative might be involved in a development team that may apply for funding soon or you may own a construction contracting business)
 18. Would you be willing and able to participate in the HIRC meetings held (currently online but subject to change) once every quarter, usually from 5:30pm to 7:30pm? (yes/no)
 19. Would you be willing and able to record your feedback on the applications and submit it to City staff for compilation and use the feedback as required? (yes/no)
 20. Do you have any other questions, concerns or feedback for city staff related to this application?
 21. Please attach a detailed resume and provide us a photograph with an 8-10 sentence biography. (attachment)

Please note that you permit us to use the photograph and biography in the City of Austin Housing and Planning Department webpage to provide details of the HIRC.