



# Texas NAHRO

March 18, 2004

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*The purpose of the Texas Chapter of NAHRO is to serve its membership engaged in providing persons of low and moderate income with the opportunity to live in adequate and safe housing and improving the quality of life for all within a community through development, redevelopment, conservation and rehabilitation activities.*

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## Current Flexible Voucher Proposal Could Cut HA's Appropriations Drastically

The most dramatic and potentially damaging recommendation contained in the FY 2005 Budget is the Flexible Voucher program proposal, NAHRO members and staff explained to 2004 NAHRO Legislative Conference attendees this past week in Washington.

Nearly 100 Texans, representing 25 housing authorities joined more than 1,000 attendees at the conference to hear about the status of the current FY 2005 budget proposal and other Congressional and Housing and Urban Development (HUD) actions that could impact the industry.

### Flexible Voucher Issues

Compared with estimated funding needs in FY 2005, NAHRO estimates that nationwide housing authorities will lose \$1.8 billion in direct appropriations as a result of the Flexible Voucher proposal. In Texas the funding cuts are estimated to be more than \$90 million. The Flexible Voucher proposal could also lead to an estimated \$125 million nationwide cut in administrative fees for local housing agencies (nearly \$25 million in Texas). NAHRO provided members with its analysis of each HA's projected cuts in HAP and administrative fees under the FV proposal (See page 3).

During a lengthy Monday morning point-counterpoint discussion on the proposal, NAHRO members debated the proposal with Jerry Benoit, senior policy advisor on Housing Vouchers for HUD. NAHRO members voiced concerns that instead of streamlining the Housing Choice Voucher (HCV) program, the proposal simply cuts the administration's and Congress' commitment to affordable housing.

Benoit explained that the proposal was designed to stem an estimated 23 percent rise in the HCV program's cost. The proposal seeks to have HUD change from reviewing a housing authority's processes to evaluating

program outcomes. He said the proposal also converts the program from unit-based to dollar-based funding and aims to provide new flexibility and greater local control to housing agencies administering the program.

While housing authority directors said they would welcome flexibility in running their programs, the cuts in the voucher program funding would be devastating to their agencies. They recommended continued funding at present levels for 2005 with the proposed flexibility, negotiating cuts in future years.

Benoit said that cuts in administrative fees could 'be put on the table' and become part of the negotiations. He suggested NAHRO present a list of concerns and compromise



Texas NAHRO Members from Harlingen (upper left), Edinburg (above), and Austin and Laredo (left) visit during NAHRO's Washington reception.

suggestions in response to the proposal. During an afternoon session, NAHRO members discussed the proposal's impact on their agencies. NAHRO will draft a position paper on the proposal.

*(continued on page 2)*

## Texas NAHRO Annual Conference Sessions to Cover Issues Impacting HAs

Texas NAHRO's Annual Conference, scheduled for April 19-21 in Austin, Texas, will cover several issues currently impacting housing authorities.

Officials from the Fort Worth Housing and Urban Development Office will present a session on what authorities need to do to prepare for RIM reviews, discuss common violations discovered and present recommendations for preparing for RIM reviews.

NAHRO staff will review the Flexible Voucher Proposal and its potential financial impact on Texas housing authorities.

While small housing authorities have

received flexibility in HUD reporting requirements, there are numerous issues that HUD officials indicate these housing authorities need to understand. A HUD official will present a session on the future directions of small housing authorities.

**A list of all the conference breakout sessions appears on page 4.**

Members are encouraged to attend the PHA Director Survival Skills Pre-Conference Workshop on Saturday preceding the conference. The session is free for conference attendees and new Texas NAHRO members.

The conference will be held at the Austin Renaissance Hotel. For additional information, go to [www.txnahro.org/conference](http://www.txnahro.org/conference) or call 800/617-2900.



# Texas NAHRO

## Message from President Jim Hargrove



I was proud to be a Texan this week in Washington. Texas showed a strong presence at the NAHRO Legislative Conference. We had more than 100 attendees representing 25 authorities--more than any other state. We do it big and right in Texas.

NAHRO's Legislative Conference reinforced one thing for Texas housing authorities in attendance--The road ahead will not be easy.

My time in Washington also told me that our theme for the year and the conference is totally appropriate--we must lay the foundation for the future. Business cannot stay status quo.

HUD and Congress will continue to cut our funding. We can choose to do nothing, or we can work together to protect our industry and move forward.

As NAHRO pointed out during the conference, we cannot afford to be silent. We must work with our Congressional representatives--the individuals we elect--to ensure that we have the proper funding to support our programs. We must tell them the good work we are accomplishing in our community. And, we must provide a voice for our residents who have no organized voice.

The Texas housing authorities in attendance at NAHRO spoke to our representatives. We told them how the current Flexible Voucher program can impact our authorities (see page 3). I encourage all of you to do that as well. If you don't know your representative, contact Deb Swift, our service officer. She can help you with your letter or phone call.

My Washington trip also confirmed to me that we cannot continue to rely on subsidies to support our programs. We must become more innovative and entrepreneurial in funding our future.

We must continue to share ideas and educate each other to increase our chances of survival.

I encourage you to attend our upcoming conference to learn about the pending federal issues that will impact your authority, as well as become educated on ways to improve your operations.

**Together we can make a difference!**

## Current Flexible Voucher...(Continued from page 1)

### Other Budget Issues

Among the more pressing issues and concerns contained in the proposed FY 2005 budget request are the following:

**Community Development Block Grant Program.** Over the last 30 years, CDBG funding has stimulated necessary community revitalization projects, which have encouraged economic growth. NAHRO and Texas NAHRO have serious questions regarding any process changing the program's flexibility or its formula.

**Programs Targeted for Elimination.** The budget proposes for a second straight year to eliminate HUD's economic development portfolio of programs including:

- Section 108,
- Brownfields,
- Empowerment Zones and Empowerment Communities, and
- Rural Housing and Economic Development.

Congress restored funding for each of these programs in 2004. These programs have been successful and the resources they provide help states and local governments with limited funding to accomplish vitally important community redevelopment activities. At a minimum, these programs should be restored to FY 2004 appropriated funding levels.

**HOPE VI Program.** The budget proposal again suggests eliminating funding for the HOPE VI Program. Although the administration raised many of the same concerns and objections last year about HOPE VI, Congress agreed to ongoing funding for this valuable program as part of the FY 2004 omnibus appropriation bill.

**Capital Fund.** This area has remained flat since 2002, with no change for FY 2005. As proposed at \$2.674 billion, the fund incorporates \$189 million in set-asides. These set-asides would effectively drop the amount available for the formula to \$2.485 billion pending HUD adjustments, which is insufficient to cover annually accruing capital needs and does not address backlogged needs.

NAHRO and Texas NAHRO believe that reducing the amount of funds available to HAs under the formula is counterproductive and will undermine efforts to improve and preserve the existing inventory as costs continue to rise. Some larger housing agencies have employed the program's provision to use capital funds for

debt service, but this does not make up for inadequate funding.

**Public Housing Operating Fund.** The fund contains a new \$15 million set-aside for a "voluntary graduation program." Housing agencies would receive a bonus for helping move families off of federal housing subsidy by providing supportive services and economic opportunities. However, there is no funding for these special programs, and agencies must operate within the confines of the program to achieve the goal.

**Moving to Work Demonstration Program.** This program permits up to 32 HAs to pursue innovative housing programs. Last year, the Senate directed HUD to extend expiring Moving to Work Demonstration contracts in local communities and conduct further study of the program. The administration should institute a more rigorous evaluation of the programs and share best practices with all agencies to foster innovation throughout the program. HUD should extend current demonstrations and expand the total number of participants to 100 agencies.

### Have Your Voice Heard

For a copy of NAHRO's Legislative Program for 2004 or information on contacting your Congressman regarding the impact of the budget proposals on your housing authority, please contact Deb Swift at 800/617-2900.

### Texas Housing Authorities Represented at NAHRO Legislative Conference

- Abilene Housing Authority
- Anthony Housing Authority
- Housing Authority of the City of Austin
- Central Tx Council of Governments
- Cameron County Housing Authority
- Brownsville Housing Authority
- Housing Authority of the City of Corpus Christi
- Crystal City Housing Authority
- Dallas Housing Authority
- Edinburg Housing Authority
- Housing Authority of the City of El Paso
- El Paso County Housing Authority
- Fort Worth Housing Authority
- Housing Authority of the City of Galveston
- Harlingen Housing Authority
- Hidalgo County Housing Authority
- Laredo Housing Authority
- McKinney Housing Authority
- Odessa Housing Authority
- Pharr Housing Authority
- Plano Housing Authority
- San Antonio Housing Authority
- Bexar County Housing Authority
- Victoria Housing Authority
- Waco Housing Authority



# Texas NAHRO

## Texas HAs Face HAP and Administrative Cuts Under Flexible Voucher Program

NAHRO has computed the potential impact to Texas NAHRO members under the Administration's proposed Flexible Voucher Program. NAHRO estimates that the Flexible Voucher proposal cuts renewal funding approximately \$1.8 billion in direct appropriations. In Texas the funding cuts are estimated to be more than \$90 million. The Flexible Voucher proposal could also lead to an estimated \$125 million nationwide cut in administrative fees for local housing agencies (nearly \$25 million in Texas).

	HAP Cuts	Admin Cuts		HAP Cuts	Admin Cuts		HAP Cuts	Admin Cuts
Abilene HA	\$ 632,063	\$ 75,447	Elsa HA	\$ 57,447	\$ 35,989	Orange County HA	\$ 455,562	
Alice HA	\$ 49,061	\$ 45,815	Falfurrias HA	\$ 43,963	\$ 46,048	Orange HA		\$ 136,237
Anthony HA	\$ 270,720	\$ 122,089	Floresville HA	\$ 16,244	\$ 7,542	Palacios HA	\$ 8,312	\$ 17,159
Aransas Pass HA	\$ 91,557	\$ 47,093	Fort Stockton HA	\$ 42,139	\$ 26,679	Panhandle Com. Serv.	\$ 948,356	\$ 381,252
Arlington HA	\$ 3,079,863	\$ 426,036	Fort Worth HA	\$ 4,036,726	\$ 856,592	Pasadena HA	\$ 717,561	\$ 253,622
Asherton HA	\$ 8,089	\$ 12,278	Gainesville HA	\$ 415,160		Pharr HA	\$ 276,965	\$ 185,339
Austin HA	\$ 4,713,401	\$ 406,373	Galveston HA	\$ 548,065	\$ 406,643	Plano HA	\$ 747,462	\$ 126,890
Baird HA	\$ 39,179	\$ 23,061	Garland HA	\$ 1,412,586	\$ 273,273	Port Arthur HA	\$ 1,008,684	\$ 317,009
Balch Springs HA	\$ 30,399	\$ 10,881	Georgetown HA	\$ 85,981	\$ 7,732	Port Isabel HA	\$ 2,324	\$ 5,433
Bay City HA	\$ 125,820	\$ 48,433	Grand Prairie	\$ 2,457,668	\$ 250,926	Port Lavaca HA	\$ 15,154	\$ 27,664
Baytown HA	\$ 659,539	\$ 103,764	Grapevine HA	\$ 71,206	\$ 15,382	Poth HA	\$ 44	\$ 3,638
Beeville HA	\$ 76,164	\$ 73,521	Grayson County HA	\$ 134,632	\$ 104,545	Quanah HA	\$ 31,789	\$ 40,199
Big Sandy HA	\$ 256,968		Greenville HA	\$ 312,507	\$ 174,305	Ralls HA	\$ 10,101	\$ 13,729
Brady HA	\$ 32,109	\$ 22,317	Hallettsville HA	\$ 2,450	\$ 2,650	Robstown HA	\$ 88,807	\$ 61,921
Brazos Valley COG	\$ 1,405,128	\$ 504,907	Harlingen HA	\$ 203,765	\$ 124,777	Rockwall HA	\$ 16,904	\$ 6,447
Breckenridge HA	\$ 39,938	\$ 28,366	Haskell HA	\$ 8,086	\$ 13,235	Roma HA	\$ 34,446	\$ 33,908
Brownsville HA	\$ 900,014	\$ 333,258	Hidalgo County HA	\$ 331,948	\$ 175,901	Rosenberg HA	\$ 254,951	\$ 77,063
Burnet HA	\$ 29,393	\$ 14,204	Houston HA	\$ 12,285,922	\$ 1,805,522	Round Rock HA	\$ 130,079	
Cameron County HA	\$ 575,575	\$ 196,906	Jim Hogg County HA	\$ 15,878	\$ 13,641	San Antonio HA	\$ 8,120,251	\$ 2,128,258
Cameron HA	\$ 58,222		Kenedy HA	\$ 14,495	\$ 9,433	San Benito HA	\$ 66,723	\$ 63,248
Carrizo Springs HA	\$ 49,858	\$ 47,588	Killeen HA	\$ 36,205	\$ 23,109	San Marcos HA	\$ 99,582	\$ 88,419
Cleburne HA	\$ 175,808	\$ 139,542	Kingsville HA	\$ 198,363	\$ 132,415	Schertz HA	\$ 48,580	\$ 63,121
Commerce HA	\$ 110,225	\$ 46,842	Kyle HA	\$ 5,968	\$ 3,618	Sinton HA	\$ 26,865	\$ 23,245
Corpus Christi HA	\$ 605,378	\$ 176,344	La Joya HA	\$ 82,571	\$ 18,513	Slaton HA	\$ 21,729	\$ 19,583
Corsicana HA	\$ 46,961	\$ 15,835	Lamesa HA	\$ 35,989	\$ 28,959	Smithville HA	\$ 37,941	
Cotulla HA	\$ 13,236	\$ 9,564	Lancaster HA	\$ 810,930	\$ 245,364	South Plains Reg. HA	\$ 170,734	\$ 80,198
Crystal City HA	\$ 49,245	\$ 36,897	Laredo HA	\$ 580,265	\$ 289,896	Starr County HA	\$ 65,665	\$ 53,548
Dallas County HA	\$ 3,703,552	\$ 459,275	Liberty County HA	\$ 153,832	\$ 79,382	Tarrant County HA	\$ 1,625,697	\$ 405,934
Deep East Tx COG	\$ 835,743	\$ 298,871	Livingston HA	\$ 16,372	\$ 13,740	Tatum HA	\$ 41,093	\$ 5,154
DeKalb HA	\$ 13,364	\$ 17,854	Los Fresnos HA	\$ 62,607	\$ 18,427	Taylor HA	\$ 40,679	\$ 31,967
Del Rio HA	\$ 179,254	\$ 134,317	Lubbock HA	\$ 458,700	\$ 141,909	Texarkana HA	\$ 206,196	\$ 94,951
Denton HA	\$ 494,618	\$ 562,853	Marble Falls HA	\$ 65,424	\$ 15,921	Texas City HA	\$ 52,568	\$ 133,483
Devine HA	\$ 4,372	\$ 15,228	Marshall HA	\$ 389,955	\$ 125,850	Texoma COG	\$ 217,960	\$ 120,021
Dilley HA	\$ 33,267	\$ 547	Mathis HA	\$ 53,299	\$ 28,553	Travis County HA	\$ 376,505	\$ 136,791
Donna HA	\$ 96,741	\$ 88,019	McKinney HA	\$ 280,443	\$ 26,845	Tulia HA	\$ 16,327	\$ 12,462
Eagle Pass HA	\$ 167,259	\$ 163,459	Mercedes HA	\$ 100,957	\$ 74,763	Waco HA	\$ 968,927	\$ 189,422
Edcouch HA	\$ 24,909	\$ 15,422	Merkel HA	\$ 9,463	\$ 5,344	Weslaco HA	\$ 158,362	\$ 88,297
Edgewood HA	\$ 9,810	\$ 4,227	Mesquite HA	\$ 1,007,006		Wichita Falls HA	\$ 412,562	\$ 165,383
Edinburg HA	\$ 247,795	\$ 178,614	Navasota HA	\$ 37,676	\$ 6,712	Willacy County HA	\$ 26,091	\$ 15,937
El Paso HA	\$ 1,743,449	\$ 901,790	Odem HA	\$ 24,382	\$ 16,250	Yoakum HA	\$ 4,592	\$ 3,477
Electra HA	\$ 1,764	\$ 4,777	Odessa HA	\$ 677,304	\$ 331,815	Zapata County HA	\$ 48,763	\$ 32,577

# Texas NAHRO Annual Conference Schedule

## Featured Speakers

### Opening Session:

A. Cynthia Leon, HUD Southwest



Regional Director  
A. Cynthia Leon,  
from San Antonio,  
Texas, was named  
regional director for  
the five states in

HUD's Southwest  
Region, based in Fort Worth in 2001.  
In this position, Leon serves as  
HUD's liaison to mayors, city  
managers, elected representatives,  
state and local officials,  
Congressional delegations,  
stakeholders, and customers in  
Texas, Oklahoma, New Mexico,  
Arkansas, and Louisiana.

Edwina Carrington, Texas  
Department of Housing and  
Community Affairs Executive  
Director



As executive director  
of the Texas  
Department of  
Housing and  
Community Affairs,  
Edwina Carrington  
oversees the

operations of a state agency that  
administers over \$400 million  
annually toward the creation or  
retention of affordable housing and a  
host of community service programs.  
Carrington has extensive experience  
in the arena of housing finance,  
including years spent in leadership  
positions at the Texas Housing  
Finance Corporation, the Austin  
Housing Finance Corporation, and  
the Texas Housing Agency.

### Tuesday Breakfast: Relationship Management and Customer Service

Dr. John Will



Dr. John Will will explain how  
relationship management  
distinguishes itself from ordinary  
management practices by focusing  
on your relationship with your  
employees rather than on their

performance. The skills you would like to see your  
employees practice with your residents will only be  
partially effective and sporadically practiced until you  
create a Relationship-Enhanced Environment™.

### Tuesday Scholarship and Awards Lunch

Dr. Shirley Neeley



Dr. Shirley Neeley, Texas' new  
commissioner of education, will  
speak at Texas NAHRO's  
Scholarship Lunch. Dr. Neeley, the  
former superintendent of Galena  
Park schools, has been a teaching  
professional since 1971. Under

Neeley's leadership, Galena Park ISD was rated an  
exemplary district for the past two years. The district's  
student population is 66 percent economically  
disadvantaged and 88 percent minority. The number  
of students taking the SAT or ACT doubled under her  
tenure while Galena Park's dropout rate became one  
of the lowest in the state.

### Wednesday Closing Brunch: NAHRO Perspective on the Future

Saul Ramirez, NAHRO Executive Director



Before becoming executive director  
of NAHRO, Saul N. Ramirez, Jr.,  
worked for Greystone and Co., a  
company that provides debt and  
equity financing for the development,  
rehabilitation, acquisition and  
refinancing of projects. Ramirez also

served as HUD's deputy secretary from 1998 to  
January 2001. He also served as HUD's assistant  
secretary of Community Planning and Development in  
1997-1998. Prior to his tenure at HUD, Ramirez was  
mayor of Laredo from 1990-1997. He used housing  
and community development programs to encourage  
growth and development of Laredo.

Monday, April 19, 2004							
8:30 – 10 a.m.	Opening General Session Guest Speakers: Edwina Carrington, Texas Department of Housing and Community Affairs Executive Director and A. Cynthia Leon, Housing and Urban Development Regional Director						
10 – 10:15 a.m.	Break with Exhibitors						
	Professional Development	Commissioners	Resident Issues	Financial	Public Policy	Regulatory Issues	Maintenance
10:15 – 11:45 a.m.	Staying on Course: Ethics Review Panel	Building Effective Boards: Clarifying Roles and Defining Expectations Barry Silverberg	Consumer Choice & Community Integration United Cerebral Palsy			Future Directions for Small Housing Authorities Soila Nethery	Maintenance Dollars and Sense: Determining When to Repair or Replace
Noon – 1:30 p.m.	Lunch with Exhibitors						Travel Offsite - Barbecue Lunch
1:30 – 2:30 p.m.	Holding Great Meetings, Meetings That Make A Difference! Barry Silverberg		Work Force Development Panel	Grants 101: The Fundamentals of Winning (and Keeping) Grants Melissa Quackenbush	How to Combat Negative News and What to Say (or Not Say) To the Media Jeff Crilley	What's New in the TAA REDBOOK David Mintz	Diagnosis, Testing and Repair of GE Top Mount Refrigerators Billy Towle
2:30 – 3 p.m.	Break with Exhibitors						
3 – 4 p.m.	Get Things Done: Ten Secrets for Creating and Leading Exceptional Teams Brad Fregger		Community Service Requirement: Helping Yourself While Helping Others Barbara Cassel	Save Money Through Purchasing Cooperatives Maya Ingram	Flexible Voucher Program: Financial Implications for Housing Authorities	What PHA's Need to Know About HIPPA Insurers of Texas	
5 – 6:30 p.m.	Reception with Exhibitors						
7 – 10 p.m.	Hospitality Suite Open						
Tuesday, April 20, 2004							
8 – 9 a.m.	Continental Breakfast with Guest Speaker: Dr. Jim Will--Relationship Management and Customer Service						
9 – 10 a.m.			A Creative Approach to Battling Criminal and Drug Activity Wenceslao Santiago	Save Money Through Purchasing Cooperatives (Repeated Session) Maya Ingram	Developing Successful Coalitions Panel	Housing Tax Credits: The Texas HTC Program Brooke Boston	Back Injury Prevention Texas Municipal League
10:15 – 10:45 a.m.	Break with Exhibitors						
10:45 – 11:45 a.m.	Recruiting and Hiring-- Finding and Keeping the Best Rick Hodges		Tenant Fraud - An Action Plan Michael Kepler	Trends and Issues Affecting Housing Authority Losses Texas Municipal League		How To Correctly File Vouchers Victoria Moreno	UPCS Part 1 (Overview, Health and Safety Issues)
Noon to 1:15 p.m.	Scholarship Lunch Guest Speaker: Shirley Neeley, Texas Commissioner of Education						
1:15 – 2:45 p.m.		Strategic and Financial Planning for Commissioners Cora Hilliard	How to Set Up A Drop Out Prevention Program Don Loving and Linelle Clark	Accelerating Modernization Investment in Public Housing Panel		Preparing for RIM Reviews Becky Kruse	UPCS Part 2 (Getting Resident and Staff Participation In Improving Inspection Results)
3:15 – 4:45 p.m.	You've Got email--Now What: How to Use Technology To Increase Productivity Virginia Viles		Evicting Problem Tenants without Running Afoul of HUD Regulations Gregory Hitt		How Public Housing Authorities Can Impact State and Federal Legislation Panel		UPCS Part 3 (Walking Through an Unit Inspection)
6 – 10 p.m.	Sunset at the Oasis with The Chevelles						
Wednesday, April 21, 2004							
8:30 – 10:30 a.m.	Texas NAHRO Awards Brunch Guest Speaker: Saul Ramirez, NAHRO Executive Director						