

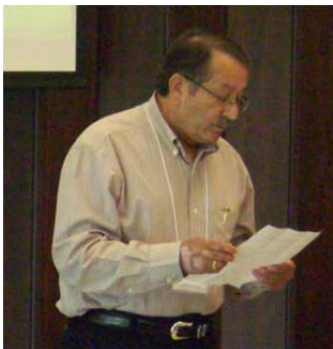


**Lower Rio Grande Valley Regional Farmworker Housing Summit Report
Thursday March 24 1:00 PM to 5:00 PM & Friday March 25 8:00 AM to Noon
Hidalgo County Housing Authority, 1800 North Texas Blvd, Weslaco TX**

Thursday, March 24

WELCOME AND INTRODUCTIONS

Enrique Montalvo, who chairs Motivation Education & Training, Inc.'s Board of Directors, welcomed Summit participants to the Hidalgo County Housing Authority for the Lower Rio Grande Valley Regional Farmworker Housing Summit. He gave a special welcome to representatives of elected officials in attendance: Cynthia Pacheco from Representative Sergio Munoz's District Office, Cynthia Rios from Representative Armando Martinez's District Office, Blanca Villalpando from Senator Eddie Lucio's District Office, and Blanca Juarez from the Secretary of State's Office. Introducing the Summit, Montalvo emphasized the importance of coordination to ensure farmworkers are included when achieving all types of housing goals.



Kathy Tyler, MET's Housing Assistance Director, added her welcome to the Summit, including a thank you to Hidalgo County Housing Authority which hosted the meeting in its new conference room. MET has held five statewide summits, with the first in 2004. Four regional summits were held in 2006, and this is the second of three regional summits to be held in 2010-2011. Summits draw a diverse group of representatives and have led to impressive work through dedicated individuals continuing with work groups to achieve goals identified during the summits. The summits help MET identify its technical assistance and advocacy goals each year. Tyler presented a slide show introduced as one she has used to talk about the housing needs of farmworkers. She asked participants, as experts on farmworker needs, to let her know if any issues did not ring true. She noted a handout "Texas Farmworker Housing Analysis, October 2010," an analysis MET periodically updates, that covers many of the same facts.

Texas has the second largest farmworker population in the nation with 361,411 farmworkers and household members. The majority of farmworkers reside in the Lower Rio Grande Valley (LRGV). Texas ranks second behind California with an agricultural Gross Domestic Output of \$9.8 billion, generating \$80 billion for the state's economy. Yet Texas farmworkers do not have the housing opportunities that California, Washington, Oregon, Florida, and New York offer. The best resource for rental housing for farmworkers is a USDA program called Section 514/516. Section 514 is a loan program and Section 516 is a grant program. Texas has 1,402 units in 19 facilities. Washington, with 100,000 fewer

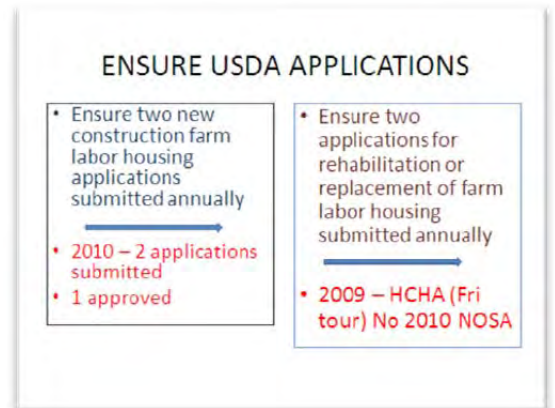
HOUSING GAP	
TEXAS POPULATION	<i>people</i>
Texas farmworkers and family members	360,000
COMPARED TO HOUSING INVENTORY	<i>units</i>
USDA farm labor housing apartments	1,400
Other TDHCA migrant licensed housing facilities (producer-provided)	200



farmworkers, has the same number of units. Washington's units are newer than those in Texas. A huge challenge in Texas is the age of facilities. Texas has among the oldest units in USDA's inventory. Also disheartening is the loss of over 100 units in recent years, in spite of new additions to the stock.

Texas Department of Housing & Community Affairs (TDHCA) maintains a list of licensed migrant housing which includes many of the USDA-financed units that serve migrants. Others are offered by employers or agriculture operators. Not including the USDA units (already cited in the 1,402-unit inventory) another 200 units are available for farmworkers. Compare this to the 361,411 farmworkers and household members, and it is obvious that there is not a sufficient supply for farmworkers.

In 2008, Congress expanded the definition of farmworkers qualifying to live in Section 514/516 to include processing and packaging workers. MET recommends that at least two new facilities compete in the national competition for 514/516 new construction each year, and that another two applications be submitted to preserve existing 514/516 facilities. Without this, Texas will continue to lose ground in housing farmworkers. Other states have programs dedicated to farmworker housing, specifically created to compete for federal funds during these national competitions, and making it more difficult for Texas to win competitions. Thus we also need some state or other local resources dedicated to farmworker housing. Slides of some of the best and worst of the 514/516 inventory were shown, with a few photos of 514/516 facilities in California, Washington, and Florida.



Tyler briefed attendees of recommendations that MET and other agencies proposed to TDHCA during the agency's Rural Housing Workgroup meetings. These recommendations include:

1. Develop a strategy to ensure farmworker housing goals; Review other states' examples.
2. Prioritize scoring for Low Income Housing Tax Credits.
3. Use TDHCA programs to leverage federal farm labor housing. Provide:
 - a. Early funding commitments to win federal competition. Synchronize timing with 514/516.
 - b. Rehabilitation for preservation.
 - c. Predevelopment funding.

TDHCA staff set up a variety of meetings with several divisions within the agency to explore these possibilities.

Tyler also announced that TDHCA recently sent out a Request for Proposals, which were due May 16 and resulted in four proposals that the Department is currently evaluating, to complete a Comprehensive Analysis of Rural and Farmworker Housing in Texas. TDHCA will evaluate the responses, negotiate a contract, then allow approximately six months for the chosen firm to complete the study.

A discussion ensued about the purposes of the Rural and Farmworker Housing study and how it will be put to use. Also discussed was the occupancy rates in existing 514/516 facilities. The Northside Apartments, on site where the summit is held, has no waiting list for eligible farmworkers. Applicants can get a home immediately because farmworkers have first priority and not every unit is occupied with eligible farmworkers. Mike Lopez, director of the Hidalgo County Housing Authority, commented that a different way of marketing, including the use of Spanish-language TV and radio, resulted in moving occupancy upwards 12%. Sylvia Murphy, who works for MET in Cameron County, commented that Cameron County farmworkers do not want to move to Hidalgo County from Cameron County, and there are no Section 514/516 units located in Cameron County.

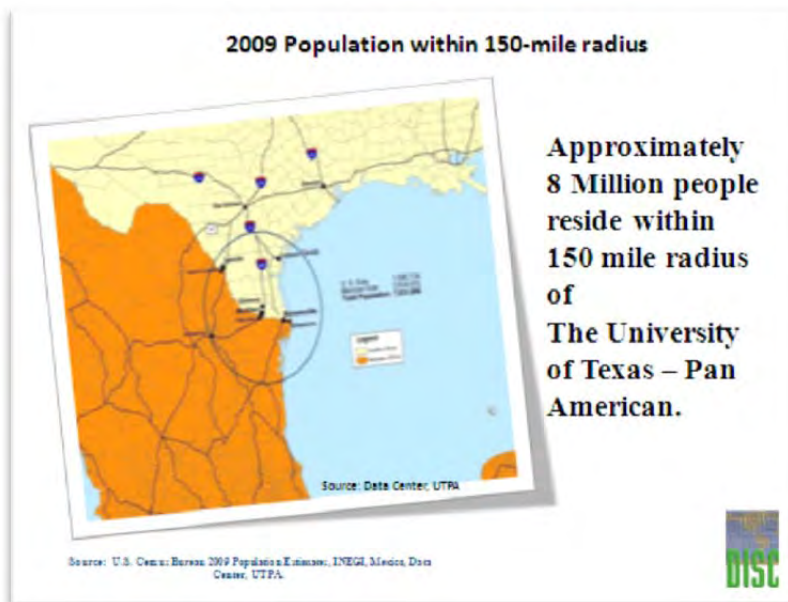
Also discussed was the availability of the 514/516 units for undocumented agricultural workers. USDA regulations allow occupancy only to citizens and permanent US residents. Occupancy is not allowed for H2A workers, although growers have been lobbying Congress to make them eligible. Juanita Valdez-Cox mentioned that there are large numbers of undocumented farmworkers that are not registered and therefore not being taken into account.

KEYNOTE PRESENTATIONS:

Lower Rio Grande Valley: Demographics, Agricultural Economy, Changes, Expectations

A keynote presentation was delivered by Saigiridhar (Sai) Mullapudi from the Data and Information Systems Center at the University of Texas Pan American. Sai began by stating that there is a lack of agricultural data. Although demographics and new census data is readily available, it is more difficult to pull together a good analysis of agriculture.

Approximately eight million people reside within 150 mile radius of The University of Texas-Pan American (an area that includes Mexico). This is a larger population than that of six states. The 2010 population of the Rio Grande Valley is 1,264,091 persons, an 80.1% population growth since 1990. Growth is expected to continue into the future. The population is young – 48% of the region’s population is below the age 25 – more than the state (40%) and the nation (35%). The unemployment rate, 13.4% is also high in the region. The percentage of the population that is foreign born increased substantially in each of the four Rio Grande Valley counties from 1990 to 2000, and again from 2000 to 2007.



Housing occupancy rates have tightened in the region over the decade. Retail sales and trade have expanded, with gross sales reaching \$22 billion in 2008. Agriculture is also on the increase, or at least stable. Land dedicated to farms is not increasing, but acreage in agriculture is fairly stable. It decreased only slightly between 2000 and 2009. Employed agricultural workers between 2008 and 2018 is projected to increase from 8,700 to 9,230, a 6.0 % demand. USDA’s Economic Research Service states the national net farm income (a key indicator of U.S. farm well-being) was expected to rise to a record \$92.3 billion in 2008, over 4% above the previous year’s record on the strength of higher commodity prices. Consequently, the outlook for the U.S. farm economy as a whole is for another year of record profitability, with agricultural cash receipts of \$313.2 billion (up 10%, a \$28 billion increase). This will more than offset record high production expenses of \$279.2 billion.



Responses, Industry Outlook: Bret Erickson from the Texas Vegetable Association projected that from a grower’s point of view, the growers’ base in the LRGV was shrinking due to cost increases, regulatory pressures, land development, and a variety of other factors. Prices are rising – including chemicals, fuel, land, and equipment. He predicts that the trend will be that large growers will fare better than smaller growers as prices rise, simply based on the fact they may be in a stronger financial position.

The RGV currently has 27,000 acres of commercial citrus land, significantly less than that the valley has had historically, if you look at the trend over the last 50 years, acres have declined significantly. Erickson also predicts marginal decreases in the demand for farmworkers and farmworker housing simply due to reduced overall agricultural production and improved technology which reduces need for labor. There are many contributing factors, as mentioned, but labor availability continues to get more and more difficult to obtain, which in turn also makes farming more of a difficult proposition. Labor shortages will continue to be an issue without question, but the degree of the severity of the shortages will see a reduction.

The decline of availability of agricultural workers is seen here and across the country. E-verify and H2A regulations are getting tougher, and the programs are less than perfect, to say the least, so there is a steady decline of agricultural labor available. Land development, such as colonias development, spurs competition for land, and often growers will find it more economically feasible to sell their land for commercial or residential development, than it is to deal with pesticide regulations, costs, and encroaching development.



Other Responses: In response to Sai's presentation, Ann Williams Cass suggested that the agricultural changes would have been more dramatic if a longer stretch of time had been included. The freeze of 1983 had a huge impact on the Valley's agricultural acreage. After the freeze, much of the citrus farm land went up for sale and became RV parks or developed for other uses, and 50,000 acres were removed from citrus production. The United Farm Workers estimated in 1983 that the LRGV was home to 500,000 farmworkers.

News and Spotlight on USDA Programs

USDA Funding Prospects for Section 502 and Self Help Alonzo Perez and Roel Gomez were present to represent USDA-Rural Development (RD) Edinburg. Since no one was able to be present from the State or National Offices, George Irvin and Michael Feinberg, both from the National Office joined the meeting by telephone specifically to answer questions about the status of the FY11 and FY12 federal budget relating to single family housing. Perez reported that funding has been allocated for an approved 25 loans, and 95 loans are pending FY11 funding, waiting on Continuing Resolution (CR) legislation. Nick Mitchell-Bennett commented that CDC of Brownsville had packaged 57 of the 95 loans pending. People are still coming in and being placed on a waiting list while waiting on the release of current funding.

Irvin and Feinberg reported good news. USDA had just authorized spending, equal to one-half of prior fiscal year's funding allocation, be released for approved 502 applications. Hopefully that will accommodate the 95 pending loans in the LRGV. The final amount is pending a final FY11 budget or another CR. The funding was expected to be out to all states the following week.¹

Regarding the Section 523 (self-help) grants, \$8 million is left in the pot, so no difficulties are apparent for the rest of FY11. USDA representatives were not able to comment on issues related to the FY12 budget, about which Congress has made no decisions.



¹ Subsequent to the Summit, Congress passed a full year funding bill which provided funding for the Section 502 Direct program and the Section 523 Mutual Self Help grants at funding levels similar to FY 2010. All States have been provided with their full year allocation of Section 502 Direct funds for FY2011.

HOUSING ROUNDTABLE

Cesar Chavez Foundation: Proposed Farmworker Housing Development in Edcouch

Sunny Giarritta, property manager with the Cesar Chavez Foundation (CCF, formerly the National Farmworker Service Center), was the first to begin the Housing Roundtable by sharing the proposed Messina Farm Worker Housing in Edcouch TX. The Cesar Chavez Foundation was founded by Cesar Chavez and Dolores Huerta in 1966, with its mission to enrich and improve the lives of farm worker and Latino families by meeting their essential human, cultural, and community needs. It seeks efficient solutions to community problems that can be self-sustaining and economically viable in the long term to allow for continuity and expansion of services in the future. The group offers working families several programs and services, including affordable housing, communications through Radio Campesina, and education through the Cesar Chavez Education Institute and Si Se Puede Learning Centers.



The CCF’s portfolio includes over 4,300 units of new and rehabilitated units in four states , California, Arizona, New Mexico, and Texas. The property management division allows CCF to make a lasting improvement in, and changing the character of, the neighborhoods in which it develops homes

Developments in the LRGV include

1. Jardines De La Fuente, Pharr – 200 units built in 2005. 160 affordable units financed primarily with LIHTC
2. Casa Saldana, Mercedes – 196 units built in 2006. 156 affordable units financed primarily with LIHTC
3. Casa Messina, Edcouch – 76 units built in 2008. 72 affordable units financed primarily with LIHTC

The proposed farmworker housing development in Edcouch will have 36 units and will be adjacent to existing Casa Messina. It has approved financing from USDA Rural Housing Service Section 514/516 program funds for off-farm housing and will target domestic farm laborers, disabled farm laborers, and retired farm laborers.

Source	Amount
USDA Section 514 Grant	\$1,800,000
USDA Section 516 Loan	\$1,200,000
Housing Trust Fund – TDHCA	\$125,000
HOME funds – Hidalgo County Urban County Program	\$400,000
Federal Home Loan Bank of Dallas - Affordable Housing Program Grant	\$500,000
CCF Deferred Fee	\$193,146
UMOS pass-through predevelopment funds	\$5,000

The total development costs are projected to be \$4,223,146, (sources listed in the slide), for the following uses:

Land Costs	\$30,000
Predevelopment Costs	\$15,770
Architectural Fees	\$170,000
Direct Construction	\$2,963,000
Developer Fee	\$400,000
Soft Costs	\$195,489
Financing and Reserves	\$448,887

The facility will be green construction according to national standards. Tenants will pay 30% of their income for rent. To comply with Housing Trust Fund (HTF) requirements, it must also serve populations at or below 60%, 50%, or 30% Area Median Family

Income (AMI for Hidalgo County is \$33,200). Most area farm workers make less than \$15,000 per year, making them eligible for the housing with rates averaging \$375 per month in rent.

MET: Eco-Block Construction Tour and Description

Prior to traveling to the construction site to see an eco-block home under construction, Beatriz Farias gave an introduction to the construction type. Farias described that the group would see a 1300 square foot home being constructed by students of a class offered by South Texas College green building trades class, in partnership with South Texas Economic Development Corporation. Farias introduced Elias Hernandez from the College who developed the course with Farias’ help. Students are farmworkers enrolled in the class and participants in MET’s training program. The construction is approvable for 502 loans.

Farias help up an “eco-block” which is fitted into the structure’s framing. Concrete is poured into the form once they are in place. The result is an affordable home that can sustain hurricanes and high winds. It is extremely energy-efficient to lower the cost of energy consumption and will be sustainable and affordable throughout the life of the home.



The group traveled to the site at 4004 Manzanillo

Drive in Weslaco where the eco-block construction is underway, for refreshments, hands-on observations, and conversations with the South Texas College instructor, Eddie Garza, and building trainees, Jaime Salinas, Jesus Zuniga, Jose Luis Karr, and Adrian Cantu.



Farias explains the eco-block construction during the tour (above) and participants wait in the shade for others to arrive at the site (below).



Friday, March 25

WELCOME BACK & FARM LABOR HOUSING TOUR

The summit resumed with an introduction to the farm labor housing tour of Northside Apartments. Mike Lopez, director of the Hidalgo County Housing Authority introduced the Housing Authority staff and described the agency. Lopez began by thanking MET for planning the summit, collaborating in efforts to help migrant and seasonal farmworkers, and for MET's leadership in the industry, which had a big impact nationally. He also thanked and acknowledged USDA RD staff Perez and Gomez for their help in bringing funds to the Northside Apartments.



The summit meeting was held in a new building that was constructed with a grant from USDA. Carla Cazares, manager of the Housing Authority said the grant also allowed for the redevelopment of the interiors of the Northside units using Multifamily Preservation and Rehabilitation (MPR) grants. The grant was awarded in two parts. The next grant will be used for the buildings' exteriors.

Lopez showed slides of the migrant labor camp that existed on the site in 1948 during the Bracero Program. The current facility followed with USDA Section 514/516 funding in the late 1970s. Since 1990, HCHA has acquired several grants – up to \$11 million at this point. \$7 million was used for interiors and the remaining will be used next year for exterior improvements.

The units visited by the summit participants had been re-configured to accommodate wheelchair access. Because of the cinder-block walls, the challenges of reconfiguration were obvious. New countertops, appliances, washer/dryer connections, and the addition of central air and heat will make a big improvement in residents' lives.





TEXAS LEGISLATIVE INITIATIVES

Senator Eddie Lucio Jr. joined the Summit and spoke of the importance of housing and infrastructure in the LRGV and in colonias. He said he comes from a family of 10 and lived in the housing provided by the Brownsville Housing Authority, so knows the importance of family and a place to live. He commended MET for its reports on the housing conditions of migrant and seasonal farmworkers, and the important support and services provided. He also recognized the important work of organizations attending, CDC of Brownsville, Hidalgo County Housing Authority, Proyecto Azteca, LUPE, and TxLIHIS. He said he has admired and supported the work of each organization attending.

Senator Lucio described the difficulties encountered by migrant and seasonal farmworkers in Texas and the LRGV. He explained the tenets of legislation he proposed in Senate Bill 825, which includes an Agricultural Worker Housing Initiative and other initiatives. The bill would help

to identify agricultural housing needs and determine issues and how the needs of migrant and seasonal agricultural workers are addressed. He encouraged the group to make its voice heard about the importance of Senate Bill 825, which needs to pass. It will be considered soon by the International Relations and Trade Committee, which Senator Lucio chairs. Senator Lucio said he is unconditionally committed to help the 360,000 agricultural workers in Texas. They do not earn enough to rent or buy a safe, decent home. Senator Lucio also spoke of the \$175 million that was provided by the state over many years for infrastructure in the colonias, where many farmworkers live, and his commitment to direct disaster relief funding to replace devastated housing and infrastructure. All of this must be done in the context of reduced federal funding. Given the state’s structural deficit, funding cuts will be certain. Senator Lucio introduced his local staffperson, Blanca Villalpando, who offices in Weslaco and provides important services.

**HOUSING ROUNDTABLE CONTINUED:
Community Development Corporation of Brownsville**

CDC of Brownsville’s first mission in 1974 was to eliminate 1800 outhouses. Thirty-eight years later, Nick Mitchell- Bennett said the group is still doing that same thing. The organization has expanded and last year served 657 families. The organization is charged to match the customer’s need through counseling to determine what the best suited housing solutions are. Almost all (96%) program beneficiaries are low income with median incomes of 53% of the area median family income (averaging \$17,120 in 2009-2010). Over the past 18 months, more than 25 migrant and seasonal farmworkers have been working with CDCB staff to benefit from its programs. The organization provides seven different programs including:

- Development of affordable housing

- Development of housing subdivisions
- Mutual self help housing production
- Colonias redevelopment
- Lending – CDCB has originated \$5 million in 2009-2010 in loans using USDA, TDHCA, and other sources
- YouthBuild – operated since 1993
- Healthy home construction – producing 100% energy star and LEED certified homes



At its production height, CDCB produced 326 homes in 2001. Given funding and production changes, the organization will probably not want or be able to produce that many homes in one year any time in the near future. In 2009-2010, ten different funding sources were needed to provide a client an average loan of \$16,714. So the organization has made peace with a 10-year production chart that shows a downward slide in the number of produced annually.

Rather than production goals, CDCB is concentrating on its goal to build wealth for the families by assisting them with homeownership. A CDCB review of colonias households assisted with housing saw an increase of \$15,000 in the appraised value of each home. This value creates wealth for the new homeowners that would be difficult to obtain elsewhere.

Mitchell- Bennett noted that “good things came out of last year’s farmworker housing summit” and he thanked MET for the work that resulted in a revised process for USDA’s Section 502 program, training, and a THDCA-funded initiative for nonprofit groups that help homebuyers secure a Section 502 direct loan.

CDCB is planning its first multi-family venture, and is also investigating the possibility of a multi-family initiative for fishing industry and processing workers, who are now eligible to reside in USDA’s Section 514/516 housing. Cameron County has a prominent, and perhaps under-housed, population of these workers.

Proyecto Azteca

Ann Williams Cass described that Proyecto Azteca, since its founding in 1991, has built homes for 600 first-time ownership families in 120 colonias, 10% of whom were farmworkers. Between 35 and 60 homes are built each year, working closely with LUPE (La Union del Pueblo Entero). The organization offers no-interest loans for persons building their homes, and conducts





classes in budget management and financial literacy. The building occurs on a group of homes located on the organization’s construction yard. Once complete, homes are moved to colonias sites on land owned by the family, and placed on a permanent foundation. Family members, under supervision of a trainer, provide the sweat equity equating to most of the labor needed to complete a home’s construction. Also offered are classes in master gardening, which contribute to sustainability. Funding sources include USDA Rural Development, HUD, TDHCA, Hidalgo Urban County Program, Hidalgo County Colonias Initiative Program, the City of Pharr, and a myriad of corporations and private capital.

A new development will occur in Lynchberg Estates, a new approach and venture for the Proyecto Azteca. A charrette was conducted last month to get input from a variety of stakeholders. The new plans will include insulated concrete forms (ICF) construction, solar panels, and rainwater collection to promote a new level of sustainability. It will be the organization’s first mixed income project, serving households from 30 to 50% of median family income and up to 80% MFI.

Cass described the circumstances for founding the Equal Voice Housing Coalition. After the Marguerite Casey Foundation sponsored the National Campaign for Equal Voices for America's Families, ratified by 30,000 delegates, two years ago, working groups were established in the Rio Grande Valley. Cass started the Equal Voice Housing Coalition which now has over 45 members. They are currently working on the Community Development Block Grant Disaster Recovery Money for Hurricane Dolly, addressing both housing and drainage projects. Cass encouraged other organizations attending to join the Coalition, which meets once a month.

Texas Low Income Housing & Information Service: Disaster Relief

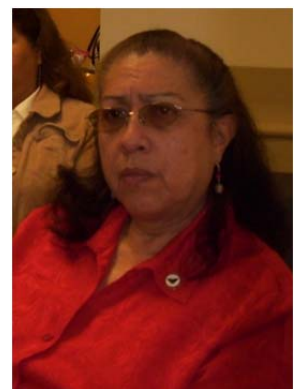


Karen Paup provided information on the status of disaster recovery funding as a result of Dolly and other hurricanes that impacted the LRGV and farmworker communities. She described a disaster relief plan that was sent by the state to HUD. After HUD reviewed a fair housing complaint sent to them by TxLIHIS and Texas Appleseed, HUD did not approve the state’s plan. A new plan had to be drafted, and a conciliation agreement was reached. The conciliation agreement requires 55% of the disaster relief funding to benefit people below 80% of the median family income and 55% to be spent on housing impacted by the disasters, an increase to the amount originally set aside for housing recovery. The remainder can be spent to improve infrastructure, and engineers are currently reviewing poor drainage systems and low lying areas. The source of the disaster relief funding is federal CDBG (Community Development Block Grant) funds from HUD.

The two organizations originating the complaint, TxLIHIS and Texas Appleseed, are working with the Equal Voice Housing Coalition to ensure that disaster relief funds change the flooding situation in Valley colonias. Hurricane Dolly particularly affected Cameron, Willacy, and Hidalgo Counties. Much of the disaster relief funding should be directed to colonias because many colonias were built in low-lying or flood plain areas and colonias suffered some of the worst storm damage.

A total of \$107 billion is committed to the recovery process, much of which will address drainage issues. LUPE and ARISE are two organizations that are taking the lead in organizing colonias residents and other low income people about the need to stay on top of the developments, how funding is proposed to be used, and who is targeted to benefit. No funds were awarded in Willacy County. The Hidalgo Urban County is administering funds for Hidalgo County.

Valdez-Cox, director of LUPE, stressed the importance of getting people from all four LRGV counties (Hidalgo, Starr, Willacy, and Cameron) to attend hearings and voice their concerns. The Housing Coalition is attempting to get people to meetings which are occurring at every stage. Those who attend and speak up may be able to have a positive



effect on the outcomes of decisions being made at the meetings.

Families have to prove their homes were damaged by Hurricane Dolly to qualify for assistance. Mitchell- Bennett, also a member of the Equal Voices Housing Coalition that Cass described, spoke of the difficulty to do this. Having dated photos and other documentation helps to show that the home was actually damaged by Hurricane Dolly, but it may be impossible to find the documentation in many instances.

Paup talked about HUD's Section 3 requirements which should be met with the large infusion of HUD funds in the region. Section 3 requires that where new hires are needed when using HUD funds, these jobs should go to neighborhood residents or low income persons from the areas where funding is targeted to be spent. Because of the size of disaster relief funding, this could have a significant ripple effect on the entire LRGV.

Paup explained the concept of the TxLIHIS-initiated "grow home," an alternative to the FEMA trailer. It came about with a statewide architectural design contest. It includes a small starter "core module," which is permanent structure with plumbing and electricity. The idea is that the remainder of the home can be added to it in sections as time and resources allow, but the core is put into place immediately following a disaster to prevent temporary relocation or bringing in trailers which will need to be disposed of later.

NEWS & SPOTLIGHT ON PROGRAMS: TDHCA, USDA

2011 USDA Rural Development Section 514/516 NOFA Expectations

As was the case Thursday, since no one from the State or National Offices was able to be present on Friday, representatives from the Multi-Family Division of the National Office joined the meeting by telephone. Attending by telephone were Sue Harris Green, Multi-Housing Division Deputy Director, and Mirna Reyes-Bible, Farm Labor Housing Specialist. Reyes-Bible noted that the NOFA (Notice of Funding Availability) for the FY11 Section 514/516 new construction program had been drafted and was going through the review process. Green construction will still be given additional points but the section was clarified as a result of confusion over last year's NOFA. Also new in this NOFA is the ability to apply electronically. On-farm Section 514 loans are also being marketed to farmers, who can apply at any time (not just through the NOFA process). Farmer applicants are served on a first-come, first-served basis and can serve farmworkers in single family units.



There is no word on when the NOFA will be released; it depends on the Continuing Resolution for FY11 funding, on the NOFA completing the governmental clearance process, and other factors.

Regarding the Multifamily Preservation and Rehabilitation (MPR) program use for rehabilitation of Section 514/516 facilities or retrofitting for handicap accessible units, there is no funding available currently, so no NOFA is under development.

Tyler reminded everyone that United Migrant Opportunity Services (UMOS) is funded by USDA to provide technical assistance to groups who want to know more about Section 514/516 and who might be interested in applying. She gave Rebecca Mathis' contact information to the group.



News and Spotlight on TDHCA Programs

Raul Gonzales reported on several topics of interest from TDHCA. The increase in Housing Trust Funds (HTF) in the last biennium resulted in several new programs, including the Match Program and the Rural Housing Expansion Program.

- TDHCA Housing Trust Funds Match Program

Receiving notice of HTF Match awards were both the National Farmworker Housing Service Center (now Cesar Chavez Foundation) and MET. The Match Program provides grants to help in applications of other funding for affordable housing funding that, without the required direct match, may otherwise not be accessed.

- TDHCA Housing Trust Funds USDA Section 502 Direct Loan Application Assistance

The Rural Housing Expansion Program includes the “USDA Section 502 Direct Loan Application Assistance” which set aside \$450,000 in grants to organizations packaging and submitting Section 502 Rural Housing Direct Loan Applications through the USDA. To date, CDC Brownsville and Brazos Valley CDC have been awarded the ability to access these packaging grants. Not all funds are committed yet. During discussion, it was reported that it is not known how the state may handle uncommitted funds. The state is currently scrutinizing any uncommitted funds for other uses.

Also questioned was TDHCA’s response to incomplete 502 applications. Gonzales said that the reservation system is used. A nonprofit user of these funds may have up to 110 days to turn in complete applications.

- TDHCA Housing Trust Funds Colonias Initiative & Bootstrap Program

The HTF also provides much of the funding for the Colonias Initiative programs, including Bootstrap, a self-help program. \$6.5 million is still available, and Gonzales encouraged those present to take advantage of these programs. The Program was converted to use a reservation system several years ago, which is working well. No one knows how many farmworkers are served by this program, but it is suspected that farmworkers take advantage of this program where it is offered across the border.

Bootstrap loans are often combined with Section 502 loans for a very affordable mortgage that helps very low income households.

- TDHCA Housing Trust Funds Rural Housing Expansion Program – Capacity Building and Production

Three organizations, including MET, were awarded funds from the inaugural RHEP production funds. Brazos Valley CDC and Willacy County were awarded funds for new projects. The program was delayed while a Request for Proposals was issued for a technical assistance agency to provide support to the nonprofit organizations. When no RFP respondent was able to commit to all requirements, TDHCA decided to provide the technical support in-house.

- TDHCA Housing Trust Funds Veterans Rental Assistance Program

The State-generated funding provides rental assistance to veterans. This program is on a reservation system. Qualifying veterans are able to apply now for rental assistance from organizations providing this assistance.

- TDHCA HOME-funded Homeowner Assistance Program

Gonzales also reported that TDHCA administers several programs funded federally through HUD’s HOME program. One HOME program that might benefit farmworkers is the Homeowner Assistance Program which provides downpayment assistance for new homeownership. The assistance is administered on a reservation system through a network of nonprofit providers.

Finally Gonzales had been asked to comment on the TDHCA-Commissioned Comprehensive Analysis of Rural and Farmworker Housing in Texas. He reported that a Request for Proposals was issued last month and proposals were due March 16. Four responses were received and three are eligible to be considered. It will take 4 to 6 weeks to analyze and score the responses. Once a winning respondent is chosen and enters into a contract, it will have 6 months to complete the study.



HOME programs include a special needs category which includes migrant farmworkers, people with disabilities, and the elderly. At least 10% of HOME funds must benefit persons with these special needs. In its annual report to HUD, TDHCA reports how many in these special categories were served. Although the Department always serves at least the required 10% of HOME funds on these populations, migrant farmworkers are rarely included – ranging from 0 to 6 migrant farmworkers served in any year during the past six years. Summit participants discussed ways to know how many farmworkers actually benefit (often farmworkers do not self-identify or are not asked to identify themselves as farmworkers) and ways to market the programs so farmworkers take more advantage.

MET wishes to thank the following for making the RGV Regional Farmworker Housing Summit possible:

- DOL NFJP for funding to conduct the Summit
- The Housing Authority of the County of Hidalgo
- University of Texas – Pan American
- All Speakers and Resource Providers
- The Honorable Senator Eddie Lucio Jr.
- USDA National and Edinburg Offices
- MET's Weslaco and Crystal City staff
- LRGV Attendees and Participants



CONCLUSIONS: Next Steps and Action Plans

Throughout the two days, issues were identified for further follow up work, and are as follows:

Concerns, Issues, & Idea Identified	Responses & Ideas
1. Difficulty to identify the farmworker market	<ul style="list-style-type: none"> – Look at other agency counts: health, ISD, Workforce, – Share MET surveys that cite housing needs – Upcoming TDHCA study (+/- 8 months) – Collaborate with organizers (LUPE, Project ARISE)
2. # of farmworker units available in the LRGV Apartments in the RGV funded with USDA Section 514/516: Proposed:	<ul style="list-style-type: none"> – Review #1 other agency counts: health, ISD, Workforce, MET surveys, TDHCA, & organizers – Collaborate with organizers – USDA-funded 514/516s in LRGV = <i>Hidalgo County Housing Authority</i> Memorial Apartments – McAllen (246 units) Northside Apartments – Weslaco (289 units) <i>San Juan Housing Authority</i> San Juan Farm Labor Housing – San Juan (32 units) <i>Willacy County Housing Authority</i> Willacy Co Labor Housing – Raymondville (59 units) <i>Cesar Chavez Foundation</i> Edcouch (36 units proposed)
3. Farmworker do not self-identify as farmworkers	<ul style="list-style-type: none"> – Market eligible 514/516; Promote eligibility if children are citizens – Organizational program research using eligibility information – TDHCA Rural & FW Housing Study; Promote programs, market to FWs – Ask IRS to research
4. Cuts in USDA Rural Development Federal Funding (Sections 502, 504, 523, self-help, Section 514/516, and other rural housing programs)	<ul style="list-style-type: none"> – Voice support to Congressional representatives regarding importance of rural housing programs in the FY 2011 and 2012 budgets – Rep Costa is circulating sign-on re 2011 budget – Rep Hinojosa is circulating sign-on re 2012 budget
5. State (SB 825) & Future of HTF	<ul style="list-style-type: none"> – Voice support for SB 825 (Sen Lucio) – Voice support to maintain funding for increased levels of HTF during the Legislative session
6. Disaster Relief	<ul style="list-style-type: none"> – Send names and information to Eco Voice Housing Coalition which is preparing a database of needs to be identified
7. Migrant Charrettes	<ul style="list-style-type: none"> – Interview and involve migrants around housing issues using charrettes
8. Modifications to TDHCA programs to better serve farmworkers. 9. Allow HOME & HTF to serve farmworkers in urban areas Example: Propose:	<ul style="list-style-type: none"> – Continue working on list of recommendations to TDHCA – Request that TDHCA programs serve farmworkers in all parts of the state, not just in rural areas Currently “95% of HOME Funds are to go to non-participating jurisdiction areas of the state and that the remaining 5% is reserved for people with disabilities to be used anywhere in the state.” – Change to something like: (confirm determine best percentage to use) “94% of HOME Funds go to non-participating jurisdiction areas of the state. 5% is reserved for people with disabilities to be used anywhere in the state and 1% is reserved for farmworkers to be used anywhere in the state.”
10. HUD Section 3 Requirements	<ul style="list-style-type: none"> – With disaster and other HUD funding coming to the Valley, important to bring jobs & economic benefits to farmworkers and other low income through Section 3 initiatives. See: http://www.hud.gov/offices/fheo/section3/section3.cfm

Attended Rio Grande Valley Farmworker Housing Summit ** March 24-25 2011 ** Weslaco TX

Name	Organization			
1 Adela	Arellano	Texas A&M Univ, High School Equivalency	Weslaco	TX
2 Cesar	Barrera	Brownsville Housing Authority	Brownsville	TX
3 Leo	Barrera	CDC of Brownsville	Brownsville	TX
4 Linley	Boone Almaguer	Texas RioGrande Legal Aid	Weslaco	TX
5 Mirasol	Bravo	Migrant Health Promotion	Weslaco	TX
6 Roland	Briseno	MET Inc.	Weslaco	TX
8 Rick	Camarillo	MET Inc.	Crystal City	TX
9 Ann Williams	Cass	Proyecto Azteca	San Juan	TX
10 Meliza	Castillo	MET Inc.	Weslaco	TX
11 Carla	Cazares	Hidalgo County Housing Authority	Weslaco	TX
12 Marlene	Chavez	Texas RioGrande Legal Aid	Mercedes	TX
13 David	Danenfelzer	Texas State Affordable Housing Corp	Austin	TX
15 Aidee	De La Fuente	Affordable Homes of South Texas, Inc.	McAllen	TX
16 Steven	de la Garza	County of Hidalgo Urban Co Program	Pharr	TX
17 Bret	Erickson	Texas Citrus Mutal	Mission	TX
19 Luis	Esparza	MET Inc.	New Caney	TX
20 Beatriz	Farias	MET Inc.	Weslaco	TX
21 Ruben	Femat	MET Inc.	Weslaco	TX
22 Hector	Galindo, Jr	Edcouch Housing Authority	Edcouch	TX
23 Mario	Galvan	Workforce Solutions	Weslaco	TX
24 Karla	Garcia	Affordable Homes of South Texas, Inc.	McAllen	TX
26 Eddie	Garza	South Texas College	Weslaco	TX
27 Sunny	Giarritta	Cesar Chavez Foundation	San Antonio	TX
29 Roel	Gomez	USDA Rural Development	Edinburg	TX
30 Raul	Gonzales	TX Department of Housing & CA	Austin	TX
31 Monica	Guerra	County of Hidalgo Urban Co Program	Pharr	TX
32 Aurelio	Guerra	Willacy County Housing Authority	Raymondville	TX
33 Mary	Gutierrez	CWCCP	Lyford	TX
34 David O.	Gutierrez	Workforce Solutions	Weslaco	TX
35 Elias	Hernandez	South Texas College	McAllen	TX
36 Dianna	Herrera	Edcouch Housing Authority	Edcouch	TX
37 D'Ann	Johnson	Texas RioGrande Legal Aid, Inc.	Austin	TX
38 Blanca	Juarez	Secretary of State	Rio Grande City	TX
39 Mike	Lopez	Hidalgo County Housing Authority	Weslaco	TX
40 Senator Eddie	Lucio	Texas Senate	Weslaco	TX
43 Eva	Martinez	MET Inc.	Weslaco	TX
44 Nick	Mitchell-Bennett	CDC of Brownsville	Brownsville	TX
45 Enrique	Montalvo	MET Inc. Board of Directors	New Caney	TX
46 Raul	Mora	Proyecto Azteca	San Juan	TX
47 Zeniff	Moreno	Texas A&M Univ - HEP Program	Weslaco	TX
48 Sai	Mullapudi	Univ of Texas-Pan American	Edinburg	TX
49 Noemi	Ochoa	Children in the Fields Campaign; AFOP	Weslaco	TX
50 Dominga	Ortiz	MET Inc.	Weslaco	TX
51 Cynthia	Pacheco	Office of Rep Sergio Munoz Jr.	Mission	TX
52 Karen	Paup	Texas Low Income Housing & Info Servi	Austin	TX
53 Ramon	Perez	Hidalgo County Housing Authority	Weslaco	TX
55 Alonzo	Perez	USDA Rural Development	Edinburg	TX
56 Alan	Pogue	photographer	Austin	TX
57 Daisy	Ramirez	Texas RioGrande Legal Aid	Edinburg	TX
58 Cynthia	Rios	Texas Representative A Martinez	Weslaco	TX
59 Sylvia	Salazar Murphy	MET Inc.	Brownsville	TX
61 Carmen	Salinas	MET Inc.	Weslaco	TX
62 Jaime	Salinas	MET participant		
64 Orlando	Salinas	TX Rep Aaron Pena's Office	Edinburg	TX
65 Alcario	Samudio	Texas RioGrande Legal Aid, Inc.	Weslaco	TX
66 Fralain	Sendejo	MET Inc.	Crystal City	TX

Attended Rio Grande Valley Farmworker Housing Summit ** March 24-25 2011 ** Weslaco TX

Name		Organization		
67 Ramona	Solis	MET Inc.	Weslaco	TX
68 Kathy	Tyler	MET Inc.	Austin	TX
69 Juanita	Valdez-Cox	La Union del Pueblo Entero (LUPE)	San Juan	TX
71 Agnes	Vasquez	MET Inc.	Weslaco	TX
72 Blanca	Villalpando	TX Senator Lucio's Office	Weslaco	TX
73 Amada (Aide)	Villarreal	CRG (Community Resource Group)	Rio Grande City	TX
74 Ana	Zamarron	Proyecto Azteca	San Juan	TX
75 Jesus	Zuniga	MET participant		

By Telephone during specific times:

76 Sue	Harris Green	USDA Rural Development Natl Office	Washington DC	
77 Mirna	Reyes-Bible	USDA Rural Development Natl Office	Washington DC	
78 Michael	Feinstein	USDA Rural Development Natl Office	Washington DC	
79 George	Irvin	USDA Rural Development Natl Office	Washington DC	

More Summit Photos



March 25, 2011

Dear Honorable Congressman:

Please consider signing on to the attached letter being circulated to Representatives in Representative House District and help from voting support for the rural housing program that the Congressional Appropriations Act, 2011, in particular the provisions related to the event and gift card funding.

These housing provisions make a huge difference in the lives of Texas rural poor especially throughout entire communities in the Lower Rio Grande Valley.

We are fortunate enough to work with the persons who directly benefit from and will be glad to share our experiences and knowledge of how the programs have an immense impact on significant neighborhoods throughout the community, from the supply and construction, to household furnishings, and increased household discipline resulting from savings on housing costs.

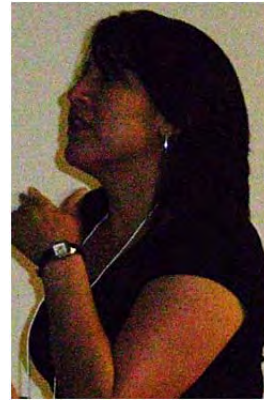
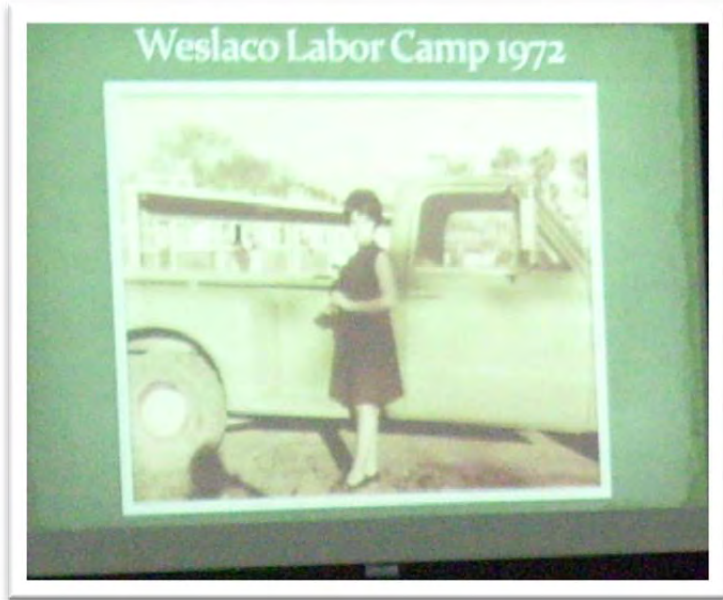
Again, thank you for your consideration.

Sincerely,

Agustina - Walter Tico
Adela Salas - Walter Tico
Juan Saiz
Maria Salas
Eva Martinez - McAllen, TX
Justita Salas Lopez - La Union del Pueblo
Lupe Salas
Spring Day
Blanca Villalpando, Edinburg
Francis Salas
Robert Salas
Anna Reyes

03/25/2011













Texas Farmworker Housing
 September 2010
Motivation Education & Training, Inc.

Without radical intervention, Texas farmworkers will continue to lack decent housing conditions. A range of housing options and programs need to be available for farmworkers: temporary, rental, transitional toward ownership, self-help alternatives, homebuyer assistance, rehabilitation, and overall asset-building strategies.

MET and a consortium of stakeholders proposes to work in partnership with national, state, and local resources and leadership to find solutions for this underserved rural population.

Farmworker Population

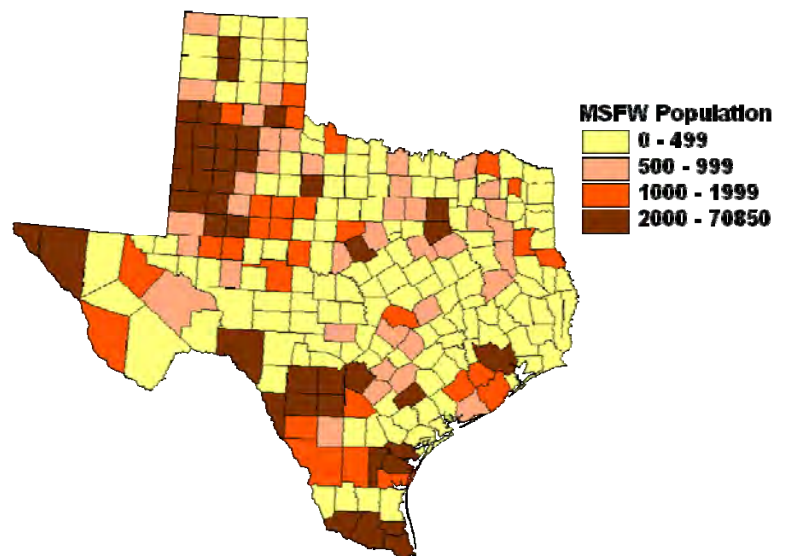
Farmworker wages are not sufficient to secure decent rental or ownership homes. Nationally farmworkers household incomes are between \$7,500 and \$10,000.ⁱ MET clients (averaging 4-person households) earned an average annual wage of \$8,035,ⁱⁱ which is 36% of the poverty rate.ⁱⁱⁱ 60 percent of all US farmworkers live below the poverty level and the poverty rate for these workers exceeds that of all other general occupation categories.^{iv} Median weekly earnings of full-time farmworkers are 59% of those for all wage and salary workers, although work-weeks usually are upwards of 50 hours a week.^v

Texas' publicly funded rental units serve only a fraction of the population. Agricultural employers rarely provide housing for workers.

Many farmworkers own typical colonias-type housing in substandard and crowded conditions. Migrant farmworkers must pay for temporary housing in the migrant stream while still maintaining permanent residences in the homebase.

Map below was prepared by National Center for Farmworker Health Using HHS findings, Dr. Alice Larson study.

Texas has the second largest farmworker population in the nation. Researchers estimate that 361,411 seasonal and migrant farmworkers (and household members) live and work in Texas.^{vi} Texas is unique in being (1) a migrant worker supplier to other states, (2) a homebase for local farm laborers, and (3) a supplier to other areas of Texas. Most Texas farmworkers live in the Rio Grande Valley and the Winter Garden region, with large populations also in El Paso (ie all border regions), and a large population in the South Plains/Panhandle region (where farmworkers live permanently, may travel to other states, or may travel up from South Texas to work in the area).



State	Adjusted MSFW Farmworker Estimate	Migrant Farmworkers	Seasonal Farmworkers	Non-Farmworkers in Migrant Households	Non-Farmworkers in Seasonal Households	MSFW Farmworkers & household members	% of Total MSFW & household members
California	731,745	338,798	392,947	124,508	445,897	1,302,150	53%
Texas	196,704	131,638	65,066	77,844	86,863	361,411	15%
Washington	185,088	64,411	120,677	16,531	84,696	286,315	12%
Florida	194,817	120,430	74,387	44,556	43,914	283,287	11%
N. Carolina	100,316	62,697	37,618	24,724	30,851	155,891	6%
Arkansas	16,061	10,696	5,364	7,908	2,727	26,695	1%
Mississippi	10,368	2,848	7,520	959	4,727	16,054	1%
Oklahoma	8,111	3,391	4,721	1,524	4,412	14,047	1%
Louisiana	7,636	2,069	5,566	345	3,229	11,210	0.5%
Maryland	7,934	7,030	905	981	606	9,522	0.4%
10 state total:	1,458,780	744,008	714,771	299,880	707,922	2,466,582	100.0%

source: *Migrant Health Program, Bureau of Primary Health Care, Health Resources and Services Administration, Alice C. Larson, PhD, Larson Assistance Services, September 2000.*

The figures above show the estimated number of farmworkers and household members for the 10 states with the largest farmworker populations. The next to the last column includes the number of Migrant and Seasonal Farmworkers, plus the number of non-farmworkers who live in the farmworker household (i.e. non-farmworker spouses, children, and extended household members).

Texas Lacks Farmworker Housing

Texas does not have its fair share of units given the number of farmworkers living in the state. Other states with fewer numbers of farmworkers have done a better job of bringing new Section 514/516 housing to their areas than Texas. In 2004, the state of Washington, which has almost 100,000 fewer farmworkers, had more than 1,400 units – slightly more than Texas. All of Washington State’s units were built after 1980, so units have better, more modern designs and are well-managed. Growers are very involved in temporary housing solutions for migrants, aware of their economic stake, and have promoted innovative demonstration projects.

Texas has 1,402 publicly funded multi-family units reserved for farmworkers that were financed by US Department of Agriculture under the Rural Development Section 514 loan and Section 516 grant programs. Texas’ inventory includes some of the oldest and heaviest used facilities in the nation and this inventory needs an infusion of improvements to be viable for the future. Losses in the inventory are occurring more rapidly than improvements and additions. Within the 1,402-unit inventory, about half are more than 20 years old and will need renovation attention in the immediate future. A plan for inventory repair or replacement is needed. Without action, Texas will continue to lose more farmworker housing units than it gains.

While publicly funded farmworker housing has 1,402 units, private employers also sometimes provide housing for temporary employees. Housing for migrant workers living in a unit temporarily must be licensed by Texas Department of Housing and Community Affairs’ (TDHCA) Manufactured Housing Division, which maintains a list of licensed facilities. TDHCA’s list shows private employers provided 633 units with capacity to house 3,245 workers. Of these, 410 units are USDA-financed (Section 514/516 units are among licensed facilities when units are rented to migrants). When these 410 units are removed from the count, private employers provide 206 units with a capacity to house 1,450 persons.

Current USDA Inventory List

Texas Farm Labor Housing - Section 514/516 Inventory

<u>Region</u>	<u>Name of Project</u>	<u>Location</u>	<u>County</u>	<u># of Units in 2009</u>
Panhandle/Plains	1 Amistad Housing	Hereford	Deaf Smith	50
	2 Azteca Economic Apartments	Dimmitt	Castro	80
	3 Muleshoe Labor Housing	Muleshoe	Bailey	73
	4 Windmill Village	Littlefield	Lamb	21
	5 Housing Authority of Plainview Court	Plainview	Hale	160
	6 Paducah Housing Authority	Paducah	Cottle	16
	7 Morton Meadows	Morton	Cochran	21
	8 Plains East Apartments	Anton	Hockley	14
	9 Lorenzo Farm Labor Housing	Lorenzo	Crosby	40
TransTexas	10 Herbert Tio Cooper Apartments	El Paso	El Paso	50
	11 Del Rio Housing Authority	Del Rio	Val Verde	42
	12 Crystal City Farm Labor Housing	Crystal City	Zavala	26
	13 Enrique Montalvo Riverside Manor	Eagle Pass	Maverick	60
	14 Aldo Tatangelo Housing	Laredo	Webb	48
Rio Grande Valley	15 Colonia Remigo Valdesm Jr.	San Antonio	Bexar	75
	16 Memorial Apartments	McAllen	Hidalgo	246
	17 Northside Apartments	Weslaco	Hidalgo	289
	18 San Jaun Farm Labor Housing	San Juan	Hidalgo	32
	19 Willacy Housing Authority	Raymondville	Willacy	59
<u>Total Facilities</u>				19
<u>Total Units</u>				1402
<u>Net Unit Loss since 2004</u>				(148)

Thus, in total, Texas has a stock of 1,402 publicly funded units and an additional 206 temporary farmworker housing units, totaling 1,608 units for farmworkers in the state, with capacity to house 7,058 persons. So Texas' current stock can accommodate about 2% of the farmworker population.

Obviously the shortage is severe – a gap of 88,588 units. Adding to the severity is the age and disrepair of the publicly-financed stock, and the diminishing practice of growers willing to provide housing to their workers.

TX farmworker housing inventory	
USDA-financed farm labor housing apartments in TX	1,400
TDHCA migrant licensed housing facilities	200
TX farmworkers and family members	360,000

The July 2008 farm bill expanded the definition of who qualifies to live in units financed by USDA. The definition now includes processing and packaging workers in addition to field workers. Thus the demand for farmworker housing, with new definitions applied, is much more extensive than it was in prior years. The huge gap in units needed compared to current capacity is now much greater than in the past.

Charge for the Future

MET has proposed the following action plan to bring in new units while preserving existing units.

- Ensure 2 new construction farm labor housing applications are submitted annually to USDA
 - Two applications for new construction were accepted in the 2009 application round and are moving toward loan closing and construction in Dalhart and San Elisario
 - Two new construction applications were submitted also in 2010, and results of the national competition are not yet released.

- Ensure 2 applications for rehabilitation or replacement of farm labor housing submitted annually to USDA (Multifamily Rehabilitation and Preservation Program)
 - One rehabilitation application was submitted in 2009 resulting in funding.
 - No funding notice has yet been issued for 2010.

USDA funding has been approved for two new facilities which are moving toward construction. Both facilities were approved in USDA's 2009 514/516 funding round. Guadalupe Economic Services plans to develop 28 units in Dalhart. Thirty-six units are to be developed by Housing & Economic Resources and Tierra del Sol in San Elisario. Replacement of some of Texas' oldest units in Dimmit was funded in the 2008 round of USDA funding for Azteca Economic Development Corporation.

What is needed? Additional units need to be constructed to serve farmworkers. Preservation is needed – including both rehabilitation efforts and replacing severely substandard housing. Temporary housing accommodations for migrant farmworkers should be created. Early funding commitments are needed in national funding competitions to bring Texas' fair share to the table. Predevelopment funding will also help finance projects in early speculative stages. Farmworker homeowners often need assistance to remove health and safety hazards and improve their permanent housing.

ⁱ US Department of Labor, *National Agricultural Workers Survey*,
<http://www.doleta.gov/agworker/news.cfm>

ⁱⁱ MET 2009 client records

ⁱⁱⁱ US Department of Health and Human Services, <http://aspe.hhs.gov/POVERTY/10poverty.shtml>

^{iv} US Department of Labor, *National Agricultural Workers Survey*,
<http://www.doleta.gov/agworker/news.cfm>

^v US Department of Agriculture *Profile of Hired Farmworkers, A 2008 Update*
<http://www.ers.usda.gov/Publications/ERR60/>

^{vi} Larson, Alice C., US Department of Health and Human Services, Migrant Health Branch, *MSFW Enumeration Profiles – Texas (09/2000) and Louisiana (09/2000)*