

**BOARD BOOK OF
December 10, 2020**



Leslie Bingham, Vice-Chair

Paul Braden, Member

Sharon Thomason, Member

Leo Vasquez III, Member

Texas Department of Housing and Community Affairs

PROGRAMMATIC IMPACT

Fiscal Year 2019 (September 1, 2018, through August 31, 2019)

Owner Financing and Down Payment	
<ul style="list-style-type: none"> 30-year, fixed interest rate mortgage loans Mortgage credit certificates Down payment, closing cost assistance Homebuyer education 	
Programs:	
<ul style="list-style-type: none"> Homebuyer Assistance Program (HBA)* Single Family Homeownership 	
Expended Funds:	\$1,693,834,604
Total Households Served:	9,605

Energy Related Assistance	
<ul style="list-style-type: none"> Utility bill payment assistance Energy consumption education Weatherization for energy efficiency 	
Programs:	
<ul style="list-style-type: none"> Comprehensive Energy Assistance Program (CEAP) Weatherization Assistance Program (WAP) 	
Expended Funds:	\$147,270,662
Total Households Served:	162,668

Multifamily New Construction	
<ul style="list-style-type: none"> Affordable rental units financed and developed 	
Programs:	
<ul style="list-style-type: none"> 9% Housing Tax Credits (HTC) 4% Housing Tax Credits (HTC) Multifamily Bonds Multifamily Direct Loan Program* 	
Expended Funds:	\$108,945,178
Total Households Served:	7,062

Homelessness Services	
<ul style="list-style-type: none"> Shelter building rehabilitation, conversion, operations Essential services e.g., health services, transportation, job training, employment services 	
Programs:	
<ul style="list-style-type: none"> Emergency Solutions Grant Program (ESG) Homeless Housing and Services Program (HHSP) 	
Expended Funds:	\$12,162,959
Total Individuals Served:	71,350

Multifamily Rehab Construction	
<ul style="list-style-type: none"> Affordable rental units financed and rehabilitated 	
Programs:	
<ul style="list-style-type: none"> 9% Housing Tax Credits (HTC) 4% Housing Tax Credits (HTC) Multifamily Bonds 	
Expended Funds:	\$56,792,063
Total Households Served:	2,503

Supportive Services	
Provides administrative support for essential services for low income individuals through Community Action Agencies	
Program:	
<ul style="list-style-type: none"> Community Services Block Grant Program (CSBG) 	
Expended Funds:	\$31,103,729
Total Individuals Served:	561,906

Owner Rehabilitation Assistance	
<ul style="list-style-type: none"> Home rehabilitation, reconstruction Manufactured housing unit replacement Accessibility modifications e.g., ramp, grab bar installation 	
Programs:	
<ul style="list-style-type: none"> Homeowner Rehabilitation Assistance Program (HRA)* Amy Young Barrier Removal Program 	
Expended Funds:	\$11,384,025
Total Households Served:	251

Rental Assistance	
<ul style="list-style-type: none"> Short, long term rent payment help Assistance linked with services Transitional assistance Security, utility deposits 	
Programs:	
<ul style="list-style-type: none"> Tenant-Based Rental Assistance (TBRA)* Section 8 Housing Choice Vouchers Section 811 	
Expended Funds:	\$11,021,909
Total Households Served:	1,932

Single Family Development	
<ul style="list-style-type: none"> Single family development, reconstruction, rehabilitation Do-it-yourself, "sweat equity" construction, rehabilitation Contract for Deed refinance 	
Programs:	
<ul style="list-style-type: none"> Single Family Development Program (SFD)* Contract for Deed (CFD) 	
Expended Funds:	\$3,769,888
Total Households Served:	85

Total Expended Funds:	\$2,076,285,016
Total Households Served:	817,362
All FY2019 data as reported in TDHCA's 2020 State Low Income Housing Plan and Annual Report (SLIHP).	
Note: Some households may have been served by more than one TDHCA program.	

* Administered through the federally funded HOME Investment Partnerships Program

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
GOVERNING BOARD MEETING

A G E N D A
9:00 AM
December 10, 2020

Meeting Location: In light of the March 13, 2020, disaster declaration by the Office of the Governor, and the subsequent waivers of portions of Tex. Gov't Code, Ch. 551*, this meeting of the TDHCA Governing Board will be accessible to the public via the telephone and web link information, below. In order to engage in two-way communication during the meeting, persons must first register (at no cost) to attend the webinar via the link provided. Anyone who calls into the meeting without registering online will not be able to ask questions or provide comments, but the meeting will still be audible. A recording of the meeting will be made available to the public as soon as possible following the meeting.

Governing Board Webinar registration:

<https://attendee.gotowebinar.com/register/2236441146685562379>

Dial-in number: +1 415-655-0060, access code 311-803-933 (persons who use the dial-in number and access code without registering online will only be able to hear the Board meeting and will not be able to ask questions or provide comments). Note, this meeting will be proceeding as a videoconference under Tex. Gov't Code §551.127, as modified by waiver.

If the GoToWebinar terminates prior to adjournment of the meeting (i.e. if the webinar session "crashes") the meeting will be recessed. A new link to the meeting will be posted immediately on the TDHCA Board meetings web page (<https://www.tdhca.state.tx.us/board/meetings.htm>) along with the time the meeting will resume. The time indicated to resume the meeting will be within six hours of the interruption of the webinar. Please note that in this contingency, the original meeting link will no longer function, and only the new link (posted on the TDHCA Board meetings web page) will work to return to the meeting.

CALL TO ORDER

ROLL CALL

CERTIFICATION OF QUORUM

Leo Vasquez, Chair

Pledge of Allegiance - I pledge allegiance to the flag of the United States of America, and to the republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

Texas Allegiance - Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.

* The list of Open Meeting laws subject to temporary suspension effective March 16, 2020, is available at: <https://www.texasattorneygeneral.gov/sites/default/files/images/admin/2020/Press/Open%20Meeting%20Laws%20Subject%20to%20Temporary%20Suspension.pdf>

CONSENT AGENDA

Items on the Consent Agenda may be removed at the request of any Board member and considered at another appropriate time on this agenda. Placement on the Consent Agenda does not limit the possibility of any presentation, discussion or approval at this meeting. Under no circumstances does the Consent Agenda alter any requirements under Chapter 551 of the Tex. Gov't Code, Texas Open Meetings Act. Action may be taken on any item on this agenda, regardless of how designated.

ITEM 1: APPROVAL OF THE FOLLOWING ITEMS PRESENTED IN THE BOARD MATERIALS:

EXECUTIVE

- a) Presentation, discussion, and possible action on Board meeting minutes summary for October 8, 2020

Beau Eccles
General Counsel

ASSET MANAGEMENT

- b) Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application

Rosalio Banuelos
Director of Asset
Management

17376 The Bristol San Antonio

- c) Presentation, discussion, and possible action regarding a Waiver and a Material Amendment to the Housing Tax Credit Application

19277 Cielo Place Fort Worth

- d) Presentation, discussion, and possible action regarding approval of a Material Amendment to the Land Use Restriction Agreement

531001 Cedar Ridge II Leander

- e) Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Land Use Restriction Agreements

99004	Highland Village Apartments	Longview
99126	Villages at West Lake aka Sunset Arbor Townhomes	Abilene
00038	Ryan's Crossing (Pemberton Place)	Marshall
02029	North Grand Villas	Amarillo
03004	Rosemont at Lakewest	Dallas
03028	Mill Creek Village Apartments	Longview
03053	Millpoint Townhomes	Henderson
04246/07058	Wildwood Trails Apartments	Brownwood
04250	Knollwood Heights Apartments	Big Spring
05184	Palestine Hampton Chase Apartments	Palestine
05185	Market Place Apartments	Brownwood
05187	Valley Creek Apartment	Fort Stockton
060125	Country Club Apartments	Pecos
060128	Jacksonville Pines Apartments	Jacksonville
07115	Heights Apartments	Big Spring
07117	Deer Creek Apartments	Levelland
07118	Lakeside Apartments	Mount Pleasant
08207/150900-09927	Carpenters Point Senior Living	Dallas
08299/150900-09942	Southern View Apartments	Fort Stockton
09006/150900-09946	Avalon Park dba Cedar Street Apartments	Brownfield
09260/150900-09967	Mill Creek Terrace dba Millie Street Apartments	Longview
10103	Gateway Plaza Apartments	Midland
10107	Tenth Street Apts dba Adobe Ranch Apartments	Borger
10236	Stone Canyon	Amarillo
12221	Riverstone Trails	Sunnyvale

12243	Dunes Apartments	Seminole
13128	Winchester Arms Apartments	Comanche
13129	Rose Meadows	Levelland
14122	Riverside Park	Early

MULTIFAMILY FINANCE

- f) Presentation, discussion, and possible action to adopt the 2021 Multifamily Programs Application Procedures Manual
- g) Presentation, discussion, and possible action regarding a Material Amendment of the Housing Tax Credit Application for La Grange Springs (HTC #20273)

Marni Holloway
Director of
Multifamily Finance

RULES

- h) Presentation, discussion, and possible action on an order proposing an amendment to 10 TAC §1.15, Integrated Housing Rule, and directing publication for public comment in the *Texas Register*
- i) Presentation, discussion, and possible action on repeal of and proposed new 10 TAC Chapter 2 Enforcement, Subchapter B, Enforcement for Noncompliance with Program Requirements of Chapters 6 and 7, §2.201, Cost Reimbursement, and §2.202, Sanctions and Contract Closeout, to be published in the *Texas Register* for public comment

Brooke Boston
Deputy Director
of Programs

CONSENT AGENDA REPORT ITEMS

ITEM 2: THE BOARD ACCEPTS THE FOLLOWING REPORTS:

- a) Outreach and Activities Report (November-December)
- b) Report on Activities Related to the Department’s Response to COVID-19 Pandemic
- c) Report on the Draft Computation of Housing Finance Division Total and Unencumbered Fund Balances and Transfers to the State of Texas Housing Trust Fund
- d) Housing Finance Activity Report
- e) Report on the allocation of Program Year 2021 Community Services Block Grant awards

Michael Lyttle
Director of
External Affairs

Brooke Boston
Deputy Director
of Programs

Joe Guevara
Director of Financial
Administration

Cathy Gutierrez
Director of
Texas Homeownership

Michael De Young
Director of
Community Affairs

ACTION ITEMS

ITEM 3: BOND FINANCE

Presentation, discussion, and possible action regarding the Issuance of a Multifamily Note (Legacy Riverside Senior Living Community) Series 2020 Resolution No. 21-007, and a Determination Notice of Housing Tax Credits

Teresa Morales
Director of
Multifamily Bonds

ITEM 4: MULTIFAMILY FINANCE

- a) Presentation, discussion, and possible action regarding the issuance of Determination Notices for 4% Housing Tax Credit Applications

Teresa Morales
Director of
Multifamily Bonds

20491	Ridgecrest Terrace	Dallas
20498	Gala at Waxahachie	Waxahachie
20495	Fawn Ridge Apartments	The Woodlands
20494	La Cima	Austin
20496	Marshall Apartments	Austin

- b) Presentation, discussion, and possible action regarding a waiver of 10 TAC §11.101(b)(1)(A)(ii) of the Qualified Allocation Plan (QAP) and the issuance of a Determination Notice for 4% Housing Tax Credits for Wildhorse Flats (#20488)
- c) Presentation, discussion, and possible action on a Determination Notice for 4% Housing Tax Credits and an Award of Direct Loan Funds (#20464, Pine Terrace, Mount Pleasant)
- d) Presentation, discussion and possible action regarding an Award of Direct Loan Funds from the 2020-1 Multifamily Direct Loan Notice of Funding Availability

20329	Fishpond at Huntsville	Huntsville
20501	Samano	Brownsville
20504	Burnet Place	Austin
- e) Presentation, discussion, and possible action regarding the approval for publication in the *Texas Register* of the 2021-1 Multifamily Direct Loan Notice of Funding Availability
- f) Presentation, discussion and possible action on a request for return and reallocation of tax credits under 10 TAC §11.6(5) related to Credit Returns Resulting from Force Majeure Events for Application 19315, Hammack Creek

Marni Holloway
Director of
Multifamily Finance

ITEM 5: AUDIT

- a) Report on the meeting of the Internal Audit and Finance Committee
- b) Presentation, discussion, and possible approval of the Annual Internal Audit Plan for Fiscal Year 2021

Sharon Thomason
Chair of Audit & Finance
Committee
Mark Scott
Director of Internal Audit

ITEM 6: RULES

Presentation, discussion, and possible action on the draft 2021 State of Texas Low Income Housing Plan and Annual Report; proposed repeal of 10 TAC Chapter 1, Subchapter A, General Policies and Procedures, §1.23 concerning State of Texas Low Income Housing Plan and Annual Report; proposed new 10 TAC Chapter 1, Subchapter A, General Policies and Procedures, §1.23 concerning State of Texas Low Income Housing Plan and Annual Report; and directing their publication for public comment in the *Texas Register*

Elizabeth Yevich
Director of Housing
Resource Center

ITEM 7: TEXAS HOMEOWNERSHIP

Presentation, discussion, and possible action on the Participating Lender List for the Single Family Mortgage Loan and Mortgage Credit Certificate Programs

Cathy Gutierrez
Director of
Texas Homeownership

ITEM 8: COMMUNITY AFFAIRS

- a) Presentation, discussion, and possible action regarding authorization to release a Notice of Funding Availability for 2021 Community Services Block Grant Discretionary funds for education and employment initiatives for Native American and migrant seasonal farm worker populations
- b) Presentation, discussion, and possible action regarding termination of Galveston County Community Action Council, Inc.'s Low Income Home Energy Assistance Program Comprehensive Energy Assistance Program contracts and future funding; award of 24.99% of the 2020 Comprehensive Energy Assistance Program awards for the service area covered by Galveston County Community Action Council, Inc., to alternate provider(s); and the authorization of staff to identify a provider(s), through release and subsequent award of a Request for Application or through a direct designation, to temporarily and permanently administer the Comprehensive Energy Assistance Program in Brazoria, Fort Bend, Galveston, and Wharton counties (the areas served by Galveston County Community Action Council, Inc.)

Michael De Young
Director of
Community Affairs

- c) Presentation, discussion, and possible action on initiation of proceedings to remove the eligible entity status of Galveston County Community Action Council, Inc. and terminate Community Services Block Grant contracts and future funding

PUBLIC COMMENT ON MATTERS OTHER THAN ITEMS FOR WHICH THERE WERE POSTED AGENDA ITEMS

EXECUTIVE SESSION

The Board may go into Executive Session (close its meeting to the public):

Leo Vasquez
Chair

The Board may go into Executive Session Pursuant to Tex. Gov't Code §551.074 for the purposes of discussing personnel matters including to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee;

Pursuant to Tex. Gov't Code §551.071(1) to seek the advice of its attorney about pending or contemplated litigation or a settlement offer;

Pursuant to Tex. Gov't Code §551.071(2) for the purpose of seeking the advice of its attorney about a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Tex. Gov't Code Chapter 551; including seeking legal advice in connection with a posted agenda item;

Pursuant to Tex. Gov't Code §551.072 to deliberate the possible purchase, sale, exchange, or lease of real estate because it would have a material detrimental effect on the Department's ability to negotiate with a third person; and/or

Pursuant to Tex. Gov't Code §2306.039(c) the Department's internal auditor, fraud prevention coordinator or ethics advisor may meet in an executive session of the Board to discuss issues related to fraud, waste or abuse.

OPEN SESSION

If there is an Executive Session, the Board will reconvene in Open Session. Except as specifically authorized by applicable law, the Board may not take any actions in Executive Session.

ADJOURN

To access this agenda and details on each agenda item in the board book, please visit our website at www.tdhca.state.tx.us or contact Michael Lyttle, 512-475-4542, TDHCA, 221 East 11th Street, Austin, Texas 78701, and request the information. If you would like to follow actions taken by the Governing Board during this meeting, please follow TDHCA account (@tdhca) on Twitter.

Individuals who require auxiliary aids, services or sign language interpreters for this meeting should contact Nancy Dennis, at 512-475-3959 or Relay Texas at 1-800-735-2989, at least five days before the meeting so that appropriate arrangements can be made. Non-English speaking individuals who require interpreters for this meeting should contact Elena Peinado, 512-475-3814, at least five days before the meeting so that appropriate arrangements can be made.

Personas que hablan español y requieren un intérprete, favor de llamar a Elena Peinado, al siguiente número 512-475-3814 por lo menos cinco días antes de la junta para hacer los preparativos apropiados.

CONSENT AGENDA

1a

BOARD ACTION REQUEST

BOARD SECRETARY

DECEMBER 10, 2020

Presentation, discussion, and possible action on Board meeting minutes summary for October 8, 2020

RECOMMENDED ACTION

Approve the Board meeting minutes summary for October 8, 2020

RESOLVED, that the Board meeting minutes summary for October 8, 2020, is hereby approved as presented.

**Texas Department of Housing and Community Affairs Governing Board
Board Meeting Minutes Summary
October 8, 2020**

On Thursday, the eighth of October 2020, at 9:06 a.m., the regular meeting of the Governing Board (Board) of the Texas Department of Housing and Community Affairs (TDHCA or the Department) was held online via telephone and web link.

The following members, constituting a quorum, were present and voting:

- Leslie Bingham, Vice Chair
- Paul A. Braden
- Sharon Thomason
- Leo Vasquez

Leslie Bingham served as Chair, and James “Beau” Eccles, TDHCA General Counsel, served as secretary.

1) The Board unanimously approved the Consent Agenda as presented.

2) Action Item 3 – Presentation, discussion and possible action on a substantial amendment to the 2019 State of Texas Consolidated Plan: One-Year Action Plan; approval of programming for ESG CARES II and CDBG CARES funding; and authority to make awards to identified non-competitive subrecipients – was presented by Brooke Boston, TDHCA Director of Programs, with additional information from Bobby Wilkinson, TDHCA Executive Director. The Board unanimously approved staff recommendation to submit the plan amendment to HUD, program the funding as outlined in Board book materials, and provide authority to staff for additional awards to identified non-competitive subrecipients.

3) Action Item 4 – Presentation, discussion, and possible action on Program Year 2020 Emergency Solutions Grants Program Awards – was presented by Abigail Versyp, TDHCA Director of Single Family and Homeless Programs. The Board unanimously approved staff recommendation to make the awards.

4) Action Item 5 – Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application for 16373 Avondale Farms Seniors, Haslet – was presented by Rosalio Banuelos, TDHCA Director of Asset Management, with additional information from Mr. Wilkinson. Following public comment (listed below), the Board unanimously approved staff recommendation to approve the amendment.

- Sam Hagerty, Locke Lord attorney representing the 16373 applicant, provided information on the item

5) Action Item 6(a) – Presentation, discussion and possible action regarding eligibility under 10 TAC §11.101(a)(3)(B)(ii) related to Neighborhood Risk Factors for W. Leo Daniels (#20482) in Houston – was presented by Teresa Morales, TDHCA Director of Multifamily Bonds. Following public comment (listed below), the Board unanimously denied staff recommendation to find the application ineligible and, by its action, ruled the application to be considered eligible.

- Raynold Richardson, part of the development team for applicant 20482, testified in opposition to staff recommendation
- Ryan Bibbs, Houston Housing and Community Development, provided information on the item
- Josh Allen, J. Allen Management Company and part of the development team for applicant 20482, testified in opposition to staff recommendation
- Tamea Dula, Coats Rose attorney representing the applicant, provided information on the item
- Commander James Dale, Houston Police Department, provided information on the item
- Audrey Martin, Purple Martin Real Estate and a consultant to the development team for the applicant, provided information on the item

6) Action Item 6(b) – Presentation, discussion, and possible action on a timely filed appeal for HTC Application 20344, Merritt Sunset under the Department’s Multifamily Program Rules – was presented by Marni Holloway, TDHCA Director of Multifamily Finance. Following public comment (listed below), the Board granted the appeal and, by its action, denied staff recommendation to deny the appeal.

- Michael Lyttle, TDHCA Director of External Affairs, read a letter into the record from the Honorable Tom Craddick, Texas State Representative, House District 82, in support of the appellant
- Colby Denison, the applicant, testified in opposition to staff recommendation
- Cynthia Bast, Locke Lord attorney representing the applicant, testified in opposition to staff recommendation
- Zachary Krochtengel, developer with Armory Square Development, testified in support of staff recommendation

7) During the Public Comment portion of the meeting the follow persons provided comment:

- Mike Nichols, Coalition for the Homeless, provided comments about the draft 2021 QAP
- Donna Rickenbacker, Marque Consultants, provided comments about the draft 2021 QAP
- Elizabeth Roehm, Texas Housers, provided comments about the draft 2021 QAP

Except as noted otherwise, all materials presented to and reports made to the Board were approved, adopted, and accepted. These minutes constitute a summary of actions taken. The full transcript of the meeting, reflecting who made motions, offered seconds, etc., questions

and responses, and details of comments, is retained by TDHCA as an official record of the meeting.

There being no further business to come before the Board, the meeting adjourned at 10:58 a.m. The next meeting is set for Thursday, November 5, 2020.

Secretary

Approved:

Chair

1b

BOARD ACTION REQUEST
ASSET MANAGEMENT DIVISION
DECEMBER 10, 2020

Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application for The Bristol (HTC #17376)

RECOMMENDED ACTION

WHEREAS, The Bristol (the Development) received an award of 9% Housing Tax Credits (HTCs) in 2017 for the new construction of 96 multifamily units for the General population in San Antonio, Bexar County;

WHEREAS, SA The Bristol, LP (the Development Owner or Owner) requests approval for a reduction in the Common Area from 3,877 to 2,813 square feet, representing a reduction of 27.44% or 1,064 square feet from the original design represented at Application;

WHEREAS, Board approval is required for a reduction of three percent or more in the square footage of the common areas as directed in Tex. Gov't Code §2306.6712(d)(4) and 10 TAC §10.405(a)(4)(D), and the Owner has complied with the amendment requirements therein;

WHEREAS, the amendment request also identifies minor changes, such as an increase of 1.07% in the Net Rentable Area (NRA) from 80,000 to 80,856 square feet and a reduction in the number of parking spaces from 192 to 146 spaces, which are deemed Notification Items under 10 TAC §10.405(a)(2)(B) and (C); and

WHEREAS, the requested changes do not negatively affect the Development, impact the viability of the transaction, impact the scoring of the Application, or affect the amount of the tax credits awarded;

NOW, therefore, it is hereby

RESOLVED, that the requested amendment for The Bristol is approved as presented at this meeting, and the Executive Director and his designees are each hereby authorized, directed, and empowered to take all necessary action to effectuate the foregoing.

BACKGROUND

The Bristol received an award of 9% Housing Tax Credits in 2017 for the new construction of 96 multifamily units for the General population in San Antonio, Bexar County. Construction of the Development has been completed, and the cost certification documentation is currently under review by the Department. In a letter dated November 6, 2020, Howard D. Cohen, a principal for the Owner, requested approval for a reduction in the Common Area from 3,877 to 2,813 square feet, representing a reduction of 27.44% or 1,064 square feet from the original design represented at Application.

The request also identifies minor changes, such as an increase of 1.07% in the Net Rentable Area (NRA) from 80,000 to 80,856 square feet, and a reduction in the number of parking spaces from 192 to 146 spaces. These are Notification Items under 10 TAC §10.405(a)(2)(B) and (C). The Owner stated that the parking meets the needs of the existing residents and exceeds TDHCA and City of San Antonio code requirements. These changes are not considered material, but are included as part of the amendment request.

According to the Owner, the amendment is the result of newly discovered flood zone, drainage, and building setback requirements, which led to refinements in the site layout. This resulted in a reduced buildable site area and therefore impacted the area originally planned for parking, reduced the number of parking spaces, and reduced the size of the common areas.

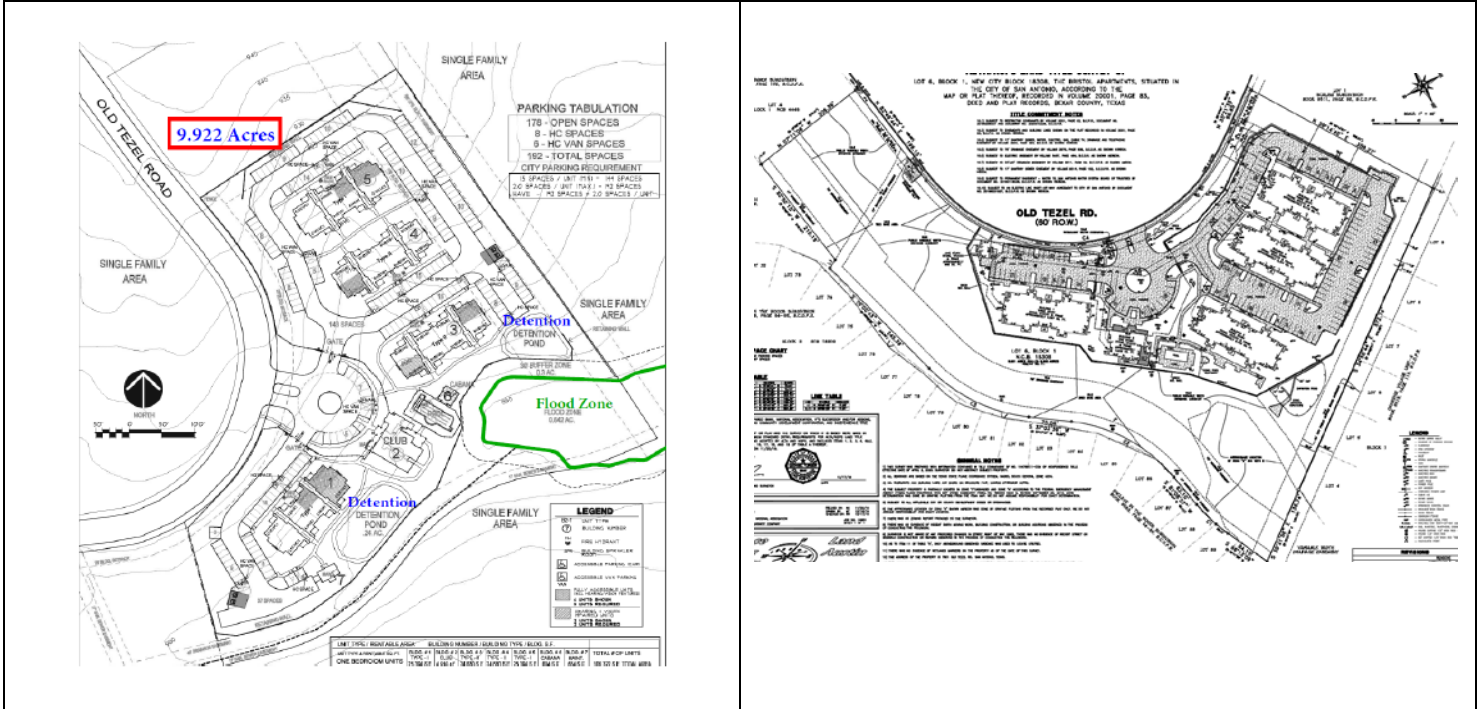
More specifically, the existing 40' drainage easement along the backside of the property had to be increased from 40' to 75' and additional open space drainage area had to be provided beyond the 75' behind the back retaining walls. As a result of this change, the depth of the site that was buildable was greatly reduced. This resulted in the pool and clubhouse needing to be reoriented to have less depth, which reduced their size and the amount of square footage in the common areas. Additionally, the maintenance building had to be moved to the front of the site in order to meet the 20' minimum building setback, which also had an impact on the number of parking spaces provided.

The Owner noted that they also added additional retaining walls, relocated dumpster enclosures, and had to re-layout and grade the parking areas, which added to the reduction of the buildable area and site topography. This further impacted the amount of parking spaces and common area square footage. However, there were no changes to amenities, and the reconfigured parking resulted in a parking count that exceeds requirements.

The table below is a comparison between the original and revised Common Areas and design plans.

Material Alterations as defined in Tex. Gov't Code §2306.6712(d)(4) and 10 TAC §10.405(a)(4)(D)	
Application	Amendment
<u>Common Area:</u> 3,877 square feet	<u>Common Area:</u> 2,813 square feet, representing a reduction of 27.44% or 1,064 square feet

Material Alterations as defined in Tex. Gov't Code §2306.6712(d)(4) and 10 TAC §10.405(a)(4)(D)



The reduction to the Common Area is a material amendment under Tex. Gov't Code §2306.6712(d)(4) and 10 TAC §10.405(a)(4)(D).

The changes do not materially alter the Development in a negative manner, and were not reasonably foreseeable or preventable by the Development Owner at the time of Application. The Development Owner has complied with the amendment requirements under 10 TAC §10.405(a). The final recommended tax credit amount will be determined upon finalization of the cost certification review.

Staff recommends approval of the amendment request as presented herein.

SA The Bristol, LP



November 6, 2020

Texas Department of Housing and Community Affairs
Multifamily Division
221 East 11th Street
Austin, Texas 78701
Attention: Dee Patience

RE: SA The Bristol, LP – Common Area Square Footage Amendment for TDHCA #17376

Dear Ms. Patience,

Please accept this letter as our formal request to amend the site plan for The Bristol (TDHCA #17376). During the course of finalizing the Bristol's pre-construction planning, newly discovered flood zone, drainage, and building setback requirements led to refinements in the site layout which resulted in a reduced buildable site area and therefore impacted the area in which we had planned for parking and reduced the number of parking spaces and reduced the size of the common areas. The two main drivers of these changes are listed below:

- The existing 40' drainage easement along the backside of the property had to be increased from 40' to 75' and additional open space drainage area had to be provide beyond the 75' behind the back retaining walls. As a result of this change, the depth of the site that was buildable was greatly reduced. This resulted in the pool and clubhouse needing to be reoriented to have less depth which reduced their size and the amount of square footage in the common areas. In addition, with less buildable area the number of parking spaces were required to be reduced.
- The maintenance building had to be moved to the front of the site in order to meet the 20' minimum building setback – While this did not impact the size of the common areas, relocating the maintenance building caused a reduction in the number of parking spaces we could have otherwise provided on the southwest corner of the site.

While these were the main drivers in the reduction of parking and common area square footage, we also were required to add additional retaining walls, relocate dumpster enclosures, and re-layout and grade the parking areas due to the reduced buildable area and site topography. This further impacted the amount of parking spaces and common area square footage.

Although the layout for the common area space was reconfigured, we were able to maintain adequate space for all resident and community functions/amenities committed to in The Bristol's application for tax credit financing. The reconfigured parking area also allowed the development to accommodate the revised site considerations while still maintaining a parking count that exceeds TDHCA and the City of San Antonio requirements.

SA The Bristol, LP

We have attached the application site plan and clubhouse layout along with the final as-built site plan and common area layout with markups to help point out the main drivers in the changes noted above. These post application revisions to The Bristol's common area facilities provide amenities that exceed the minimum TDHCA requirements and comparable developments in the market area.

In summary, the parking meets the needs of the existing residents and exceeds TDHCA and City of San Antonio code requirements. For these reasons we believe the changes made since submittal of the 9% HTC application do not adversely affect the quality of affordable housing we are providing to our residents or the City of San Antonio.

We respectfully request TDHCA's Board approval of the amendment to the common area square footage for The Bristol. Should you have any questions or require additional information, please do not hesitate to contact Scott Kriebel at 305-357-4700.

Sincerely,



Howard D. Cohen
Principal of SA The Bristol, LP.
161 NW 6th Street, Suite 1020
Miami, Florida 33136
(305) 357- 4725 Phone
hcohen@apcommunities.com

UNIT TYPE / RENTABLE AREA		BUILDING NUMBER / BUILDING TYPE / BLDG. S.F.							TOTAL # OF UNITS
UNIT TYPE & RENTABLE SQ. FT.	BLDG. #1 TYPE - I	BLDG. #2 CLUB	BLDG. #3 TYPE - II	BLDG. #4 TYPE - II	BLDG. #5 TYPE - I	BLDG. #6 CABANA	BLDG. #7 MAINT.		
ONE BEDROOM UNITS	20,748 S.F.	4,916 s.f.	19,660 S.F.	19,660 S.F.	20,748 S.F.	604 S.F.	654 S.F.	86,990 S.F. TOTAL AREA	
A1	654 S.F.	11			11			22	
A1h	654 S.F.	1			1			2	
A3	670 S.F.		4	4				8	
								32 - 1 BEDROOMS = 33%	
2 BEDROOM / 2 BATH			19	19				38	
B1	850 S.F.								
B1h	850 S.F.		1	1				2	
								40 - 2 BEDROOMS = 41%	
3 BEDROOM / 2 BATH					11			22	
C1	1,075 S.F.	11							
C1h	1,075 S.F.	1			1			2	
								24 - 3 BEDROOMS = 26%	
GRAND TOTALS	24		24	24	24			96 TOTAL UNITS	

POOL AREA DESIGN INFORMATION

FOR POOL DESIGN, SHAPE SIZE AND POOL DECK SEE ARCHITECTS POOL LAYOUT OR POOL CONSULTANT DRAWINGS.

FOR POOL FENCE DETAILS SEE SHEET - AS-2

POOL CONTRACTOR TO PROVIDE SHOP DRAWINGS OF POOL & DECK DESIGN FOR OWNER & CITY APPROVAL.

SIDEWALK NOTES:

- FOLLOW CIVIL ENGINEER DRAWINGS FOR ALL SITE GRADING FOR PARKING, SIDEWALKS AND CURB CUT/RAMPS FOR ACCESSIBLE/ADAPTABLE PARKING & PATH OF TRAVEL TO ALL BUILDINGS, SITE AMENITIES AND TO PUBLIC STREET.
- LOCATION OF ALL INTERIOR (BETWEEN BUILDING) SIDEWALKS ARE TO BE STAKED AND APPROVED BY OWNERS / ARCHITECTS REP. BEFORE CONSTRUCTION.
- SIDEWALK WIDTH ARE AS FOLLOWS:
4' WIDE - ALL MAIN WALKS BETWEEN BUILDINGS BY OWNERS / ARCHITECTS REP. BEFORE CONSTRUCTION.
6' WIDE - FROM MAIN WALK INTO BLDG. / STAIR ENTRY.
5' MIN. - BEHIND CURB IF PARALLEL & ADJACENT TO PARKING/CURB AREA.
FOR WALKS ADJACENT TO CURB ALONG PUBLIC STREETS SEE CIVIL PLANS.
- SIDEWALK CONSTRUCTION SHALL MEET CITY CODE REQUIREMENTS & ADA / TEXAS ACCESSIBILITY STANDARDS.
- SIDEWALKS SHALL NOT EXCEED A SLOPE OF 4.8% IN DIRECTION OF TRAVEL OR 1.8% CROSS SLOPE.
- RAMPS HAVE A MAX. SLOPE OF 8.0% FOR A MAX. DISTANCE OF 30 FEET (1 PER 12.5') WITH HANDRAILS ON BOTH SIDES. EXCEPTION SLOPE CAN BE A MAX OF 8.3% FOR 8 FEET WITHOUT HANDRAILS WITH A 5 FT. LANDING AT BOTH ENDS WITH MAX. SLOPE & CROSS SLOPE OF 2%. WHEN STEPS ARE REQUIRED, TWO OR MORE STEPS REQUIRE METAL HANDRAILS ON BOTH SIDES. STEPS ARE NOT ALLOWED ON ACCESSIBLE ROUTES.

CONSTRUCTION OF SIDEWALKS, CURB CUTS, PAVING AND DRAINAGE

THE CIVIL ENGINEER IS RESPONSIBLE FOR THE SITE GRADING AND THE SIDEWALK LAYOUT, GRADING AND SLOPE, INCLUDING THE ACCESSIBLE PATH OF TRAVEL.

THE PATH OF TRAVEL MUST MEET THE DIRECTION SLOPE (LESS THAN 5%) AND CROSS SLOPE (LESS THAN 2%) REQUIREMENTS AS STATED IN THE CODE.

PROJECTS ACCESSIBILITY STANDARDS:
2010 ADA STANDARDS WITH HUD EXCEPTIONS SHALL BE FOLLOWED FOR ALL SITE IMPROVEMENTS.

THE PATH OF TRAVEL IS FROM ALL FAIR HOUSING & ADA-HANDICAP UNITS TO AN ACCESSIBLE / ADAPTABLE PARKING SPACES AND TO ALL SITE AMENITIES SUCH AS CLUB/POOL, PLAYGROUNDS, MAIL STATION, LAUNDRY ROOMS, PICNIC AREAS, TRASH DUMPSTERS AND ETC.

Revised As Built Site Plan

PARKING TABULATION

- 135 - OPEN SPACES
 - 5 - HC SPACES
 - 6 - HC VAN SPACES
 - 146 - TOTAL SPACES
- CITY PARKING REQUIREMENT**
- 1.5 SPACES / UNIT (MIN.) = 144 SPACES
 - 2.0 SPACES / UNIT (MAX.) = 192 SPACES
 - HAVE - 146 SPACES = 1.52 SPACES / UNIT
- BICYCLE PARKING REQUIREMENT**
- (10% OF MIN. PARKING REQUIREMENT)
 - 10% OF 144 SPACES = 15 BIKE SPACES
 - HAVE 18 BIKE SPACES

CITY PARKLAND REQUIREMENT
MF 33 - 1 ACRE PER 114 UNITS
96 UNITS = 0.85 ACRES

CLUB BUILDING = 0.425
3,500 S.F.

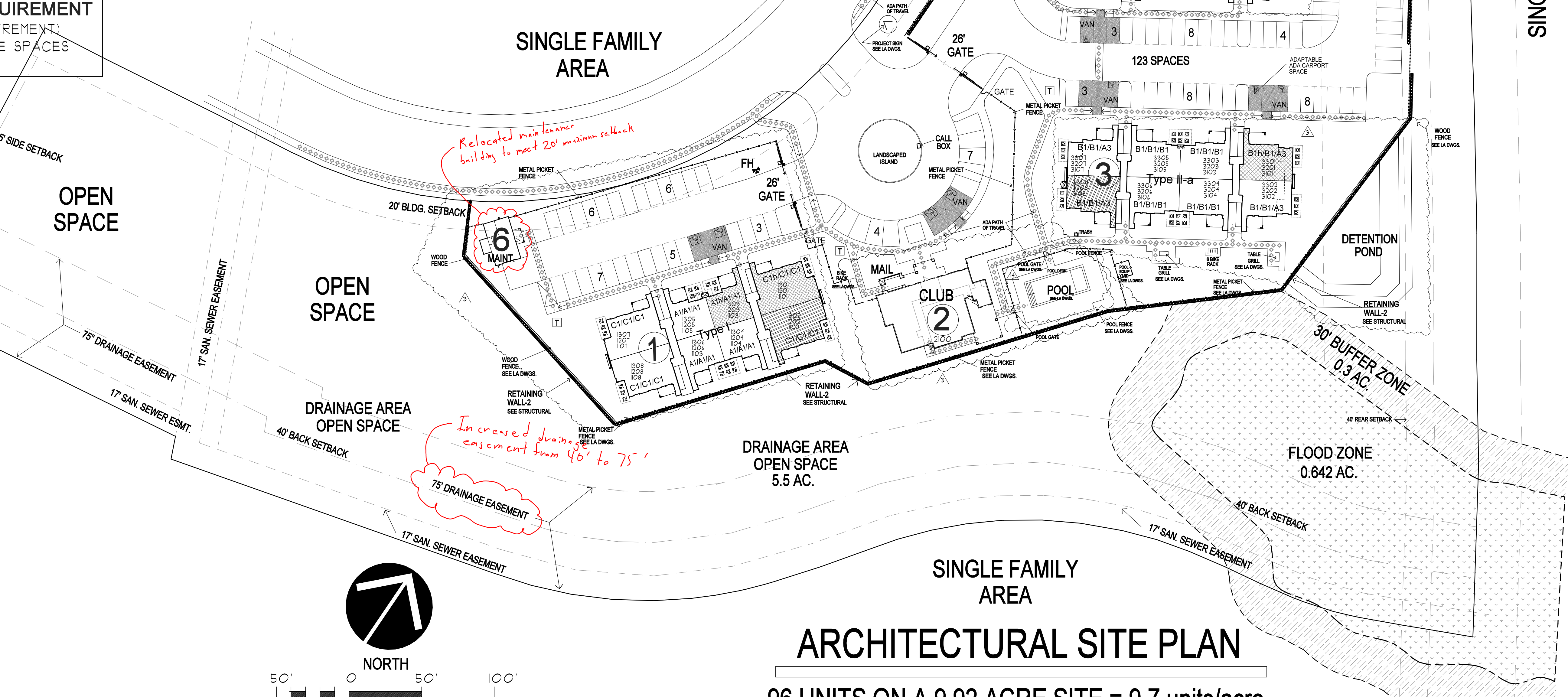
POOL AREA
700 S.F. POOL = 0.3

PICNIC AREA = 0.25

TOTAL AREA = 0.975

LEGEND

	ACCESSIBLE PATH OF TRAVEL
	UNIT NUMBER
	UNIT TYPE
	BUILDING NUMBER
	ADAPTABLE HC PARKING SPACES WITHOUT HC SIGN 1.8% SLOPE MAX. ALL DIRECTIONS. NO ADA SIGN OR SYMBOL.
	ACCESSIBLE PARKING SPACES WITH HC SIGN 1.8% SLOPE MAX. ALL DIRECTIONS.
	ACCESSIBLE PARKING (CAR)
	ACCESSIBLE VAN PARKING
	FIRE HYDRANT
	BUILDING SPRINKLER ROOM
	FIRE DEPT. CONNECTION
	PET WASTE STATION (4 TOTAL)
	FULLY ACCESSIBLE UNITS (INCL HEARING/VISION FEATURES) 4 UNITS SHOWN 5 UNITS REQUIRED
	HEARING & VISION IMPAIRED UNITS 2 UNITS SHOWN 2 UNITS REQUIRED



ARCHITECTURAL SITE PLAN

96 UNITS ON A 9.92 ACRE SITE = 9.7 units/acre

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5/24/18

G&B inc.
Gonzalez
Newell
Bender

URBAN PLANNING
ARCHITECTURE

1630 LOCKHILL SELMA ROAD
San Antonio, Texas 78213
(210) 692-0331 - Fax (210) 692-3579

The Bristol

A GARDEN APARTMENT COMMUNITY

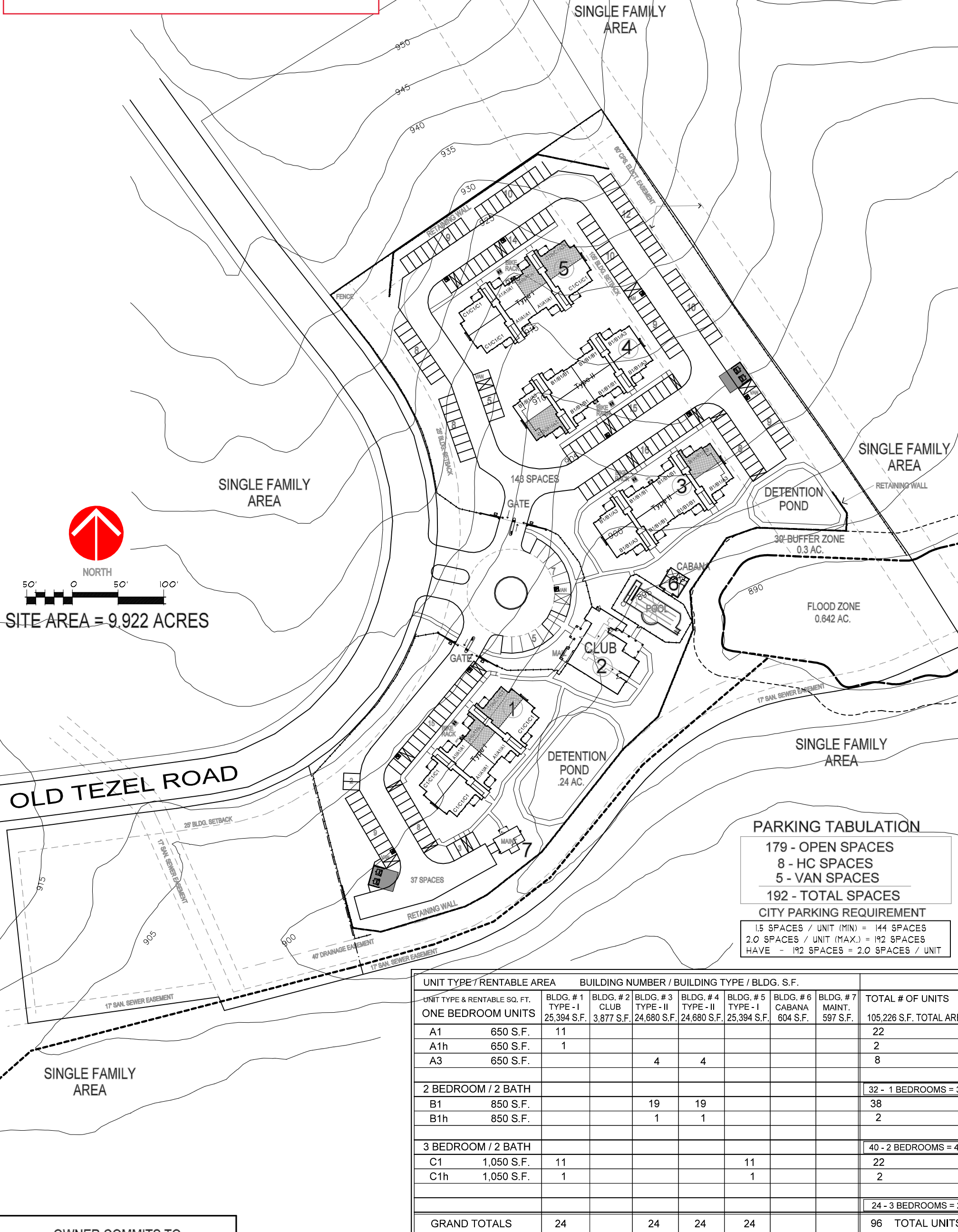
7810 Old Tezel Rd. San Antonio, TX 78250

ISSUE:

No.	Date	Description
1	03/06/17	PERMIT SET
2	03/06/17	CITY COMMENTS
3	03/07/18	OWNER MODIFICATIONS
4	03/07/18	CONSTRUCTION SET
5	03/07/18	RFI to Club/Office/Window/Curtain
6	08/02/18	RFI to 10 & RFI to 15 Door Schedule
7	09/17/18	MEP LOW VOLT. SHTS ADDED
8	10/01/18	RFI - 51 MAINTENANCE VE FP
9	03/21/19	RFI - 38 SOB-UNIT-21-H-FP
10	03/27/19	AS1 - 1 AC-5 SHEET UPDATE
11	03/29/19	AS1 - 2 AC-1 & LV MEP Plans
12	03/29/19	RFI - 43 ADA UNITS / RFI - 44 BRCK UNITS
13	03/29/19	RFI - 48 RETAINING WALL/POOL CONFLICT

CONTRACT DATE: 01/24/2017
PROJECT NO: 126-0322
DRAWN BY:
SHEET TITLE: ARCHITECTURAL SITE PLAN
SHEET NUMBER: AS-1

Original Site Plan



PARKING TABULATION

179 - OPEN SPACES
 8 - HC SPACES
 5 - VAN SPACES
 192 - TOTAL SPACES

CITY PARKING REQUIREMENT

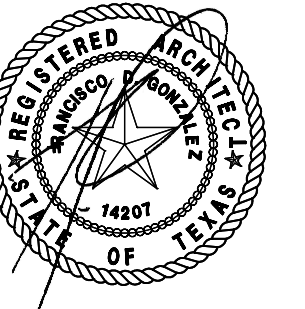
1.5 SPACES / UNIT (MIN.) = 144 SPACES
 2.0 SPACES / UNIT (MAX.) = 192 SPACES
 HAVE - 192 SPACES = 2.0 SPACES / UNIT

UNIT TYPE / RENTABLE AREA	BUILDING NUMBER / BUILDING TYPE / BLDG. S.F.							TOTAL # OF UNITS
UNIT TYPE & RENTABLE SQ. FT.	BLDG. # 1 TYPE - I 25,394 S.F.	BLDG. # 2 CLUB 3,877 S.F.	BLDG. # 3 TYPE - II 24,680 S.F.	BLDG. # 4 TYPE - II 24,680 S.F.	BLDG. # 5 TYPE - I 25,394 S.F.	BLDG. # 6 CABANA 604 S.F.	BLDG. # 7 MAINT. 597 S.F.	TOTAL # OF UNITS
ONE BEDROOM UNITS								105,226 S.F. TOTAL AREA
A1	650 S.F.	11						22
A1h	650 S.F.	1						2
A3	650 S.F.		4	4				8
2 BEDROOM / 2 BATH								32 - 1 BEDROOMS = 33%
B1	850 S.F.		19	19				38
B1h	850 S.F.		1	1				2
3 BEDROOM / 2 BATH								40 - 2 BEDROOMS = 41%
C1	1,050 S.F.	11			11			22
C1h	1,050 S.F.	1			1			2
								24 - 3 BEDROOMS = 26%
GRAND TOTALS	24		24	24	24			96 TOTAL UNITS

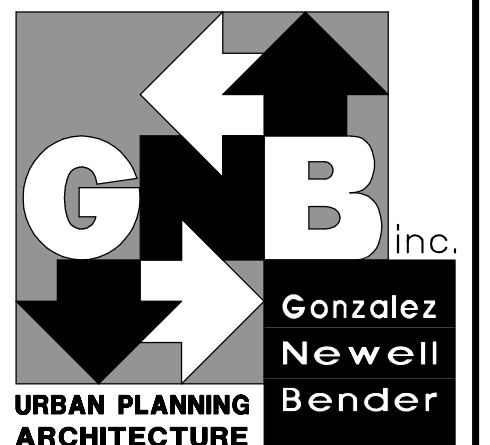
OWNER COMMITS TO PROVIDING SITE AMENITIES TO SATISFY THE REQUIREMENTS OF THE QAP

CONCEPTUAL SITE PLAN

96 UNITS ON A 9.922 ACRE SITE



5/24/18



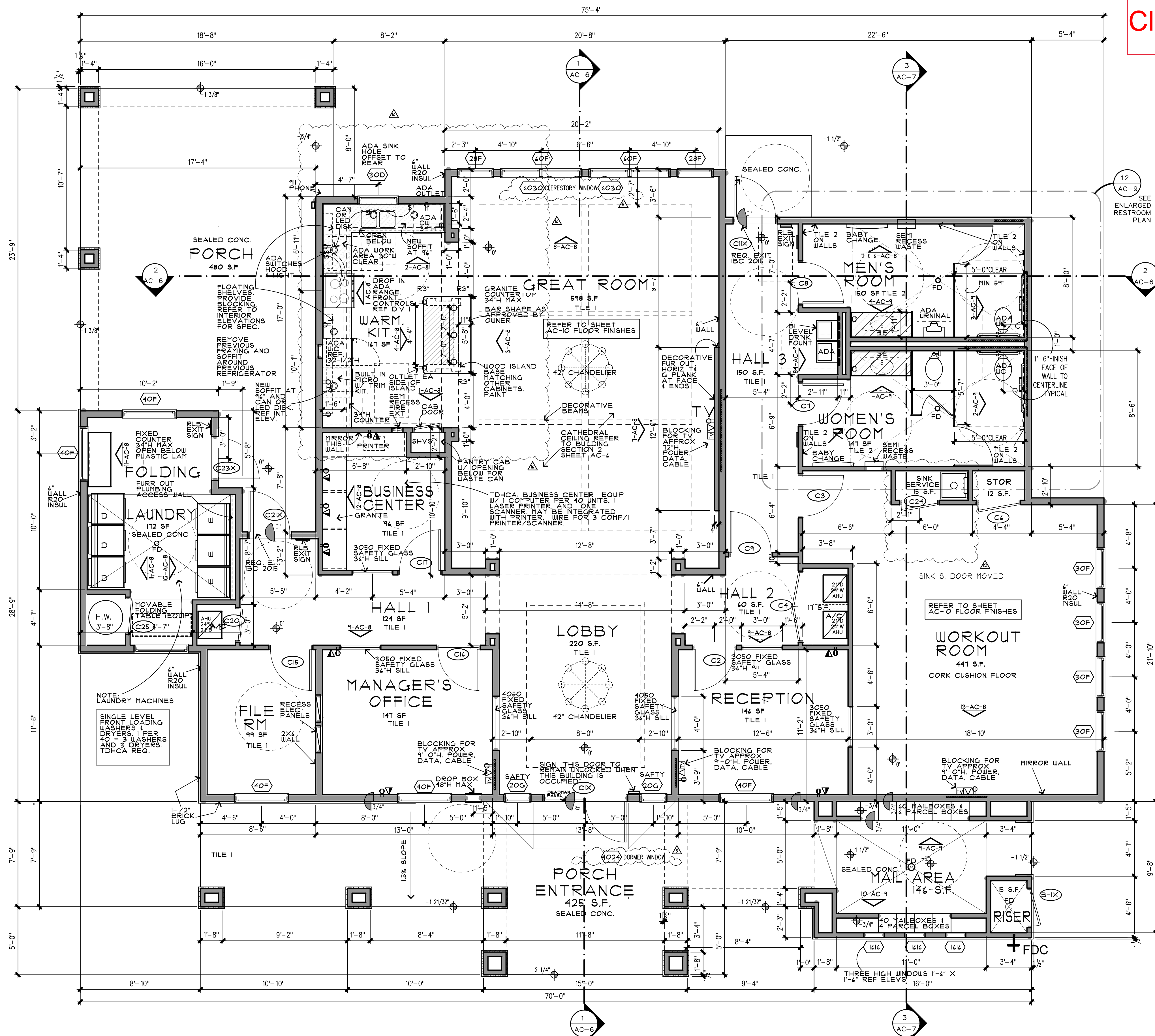
1630 LOCKHILL SELMA ROAD
San Antonio, Texas 78213

(210) 692-0331 - Fax (210) 692 3579

The Bristol

A GARDEN APARTMENT COMMUNITY
7810 Old Tezel Rd. San Antonio, TX 78250

Revised As Built Clubhouse Floorplan



OCCUPANT LOAD TABLE

NAME	FUCTION	AREA	LOAD FACTOR	LOAD
LOBBY	A2	220 SF	1:15	15
GREAT ROOM	A2	598 SF	1:15	40
WARMING KITCHEN	B	167 SF	1:100	2
BUSINESS CENTER	B	96 SF	1:100	2
FITNESS ROOM	A2	447 SF	1:50	3
LAUNDRY ROOM	A2	172 SF	1:15	11
MANAGER OFFICE	B	147 SF	1:100	2
RECEPTION OFFICE	B	146 SF	1:100	2
HALL 1	B	124 SF	1:100	2
HALL 2	B	60 SF	1:100	1
HALL 3	B	150 SF	1:100	2
RESTROOMS	B	297 SF	1:300	2
FILE ROOM	B	99 SF	1:100	1
TOTAL				85

4 EMERG. EXITS = 21 PER EXIT.

NOTE: PROVIDE RAISED LETTER BRAILLE EXIT SIGNS AT LATCH SIDE OF EACH EXIT DOOR. MOUNTING HEIGHT 48" AFF. FROM FINISH FLOOR TO BOTTOM OF LETTERS.

CLUB / OFFICE FLOOR PLAN

SCALE: 1/4" = 1'-0"

MARKET AREA	2,813 S.F.
PORCH AREA	944 S.F.
MAIL AREA	145 S.F.
RISER ROOM	15 S.F.
TOTAL SLAB AREA	3,917 S.F.

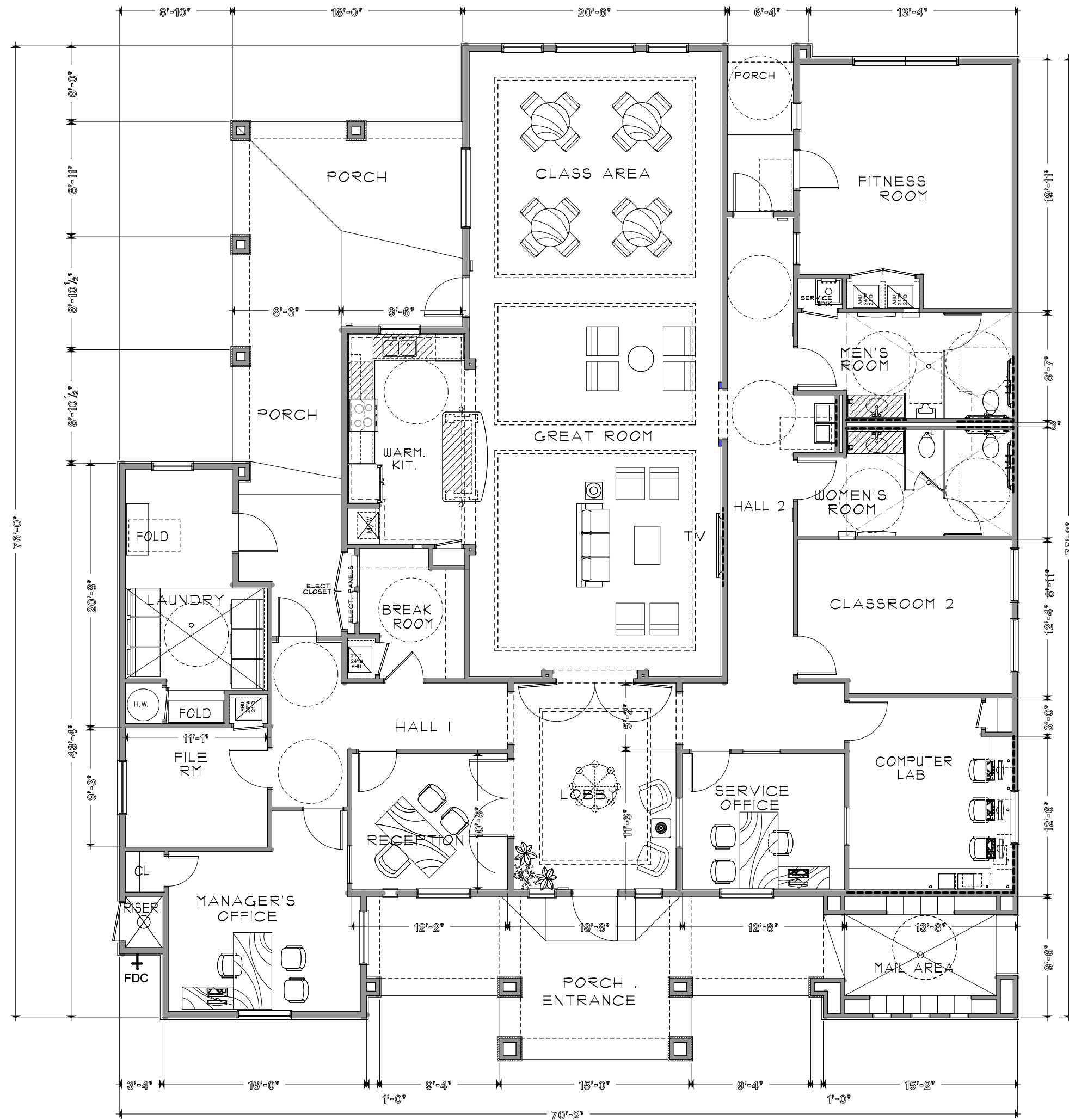
ISSUE:

No.	Date	Description
1	10/10/17	PERMIT SET
2	12/05/17	CITY COMMENTS
3	01/03/18	OWNER MODIFICATIONS
4	02/09/18	PERMIT SET 2
5	05/29/18	CONSTRUCTION SET
6	07/26/18	RFP#8-Club/OfficeWindowCallOut
7	05/06/18	RFP#10 & RFP#11DoorSchedule
8	03/27/18	MEP LOW VOLT. SHITS ADDED
9	10/05/16	RFP# 31 MAINTENANCE VE FP
10	03/29/18	RFP# 36 508-UNIT-BH-FP
11	02/27/18	ARI = 1 AC-8 SHEET UPDATE
12	03/06/18	ARI = 2 AC-1 & LV MEP Plans
13	03/19/18	ARI = 43 ADA UNITS/ RFI = 44 BRICK LUM
14	03/24/18	RFI = 26 RETAINING WALL/POOL COMPLCT
15	01/04/18	RFI = 66 SECT. WALLS CLUB
16	01/05/18	RFI = 68 CLUB KITCHEN LAYOUT

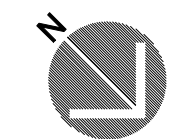
CONTRACT DATE: 01/24/2017
PROJECT NO.: 126-0322
SHEET TITLE: CLUBHOUSE FLOOR PLAN

SHEET NUMBER: AC-1

Original Clubhouse Floor Plan

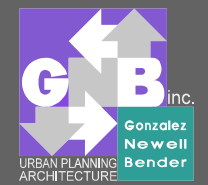


Clubhouse Conditioned	
Open to Tenants	Sq Ft
Great Room/Class Area	960
Warming Kitchen	160
Laundry	175
Manager's Office	213
Reception	130
Service Office	135
Computer Lab	190
Classroom 2	195
Restrooms	259
Fitness Room	289
Lobby	205
Hallways	412
Total	3323
Restricted to Employees	Sq Ft
Break Room	74
File Room	103
Maint/Utility Closets	49
Total	226
Unconditioned	
Open to Tenants	Sq Ft
Mail Room	144
Porch Entrance	351
Porch	476
Total	971
Restricted to Employees	Sq Ft
Riser Room	11
Total	11



CLUB / OFFICE FLOOR PLAN

MARKET AREA	3,877 S.F.
PORCH AREA	890 S.F.
MAIL AREA	144 S.F.
TOTAL SLAB AREA	4,911 S.F.



1c

BOARD ACTION REQUEST
ASSET MANAGEMENT DIVISION
DECEMBER 10, 2020

Presentation, discussion, and possible action regarding a Waiver and a Material Amendment to the Housing Tax Credit Application for Cielo Place (HTC #19277)

RECOMMENDED ACTION

WHEREAS, Cielo Place (the Development) received an award of 9% Housing Tax Credits (HTCs) in 2019 for an Adaptive Reuse of a historical building that will be converted to 91 units of general population, multifamily housing in Fort Worth, Tarrant County;

WHEREAS, Cielo Place, LLC (the Development Owner or Owner) seeks a waiver, as allowed under 10 TAC §11.207, because the type of windows specified for the project by the Texas Historic Commission (THC) do not meet the mandatory amenity requirement in 10 TAC §11.101(b)(4)(M), which specifies that replaced windows must be Energy-Star or equivalently rated;

WHEREAS, the Owner also requests an amendment under Tex. Gov't Code §2306.6712(d)(2) and 10 TAC §10.405(a)(4)(B) for a revision to the unit mix to change the two market rate three-bedroom/two-bathroom units to one-bedroom/one-bathroom market rate units, as required by the National Park Service (NPS), without changing the total number of units or the number of affordable units;

WHEREAS, to accommodate the design changes required by the THC and NPS, and to maintain as much of the original Net Rentable Area (NRA), the unit design plans have been revised, resulting in an overall 647 square feet, or 1.015%, reduction to the total NRA, from 63,744 to 63,097 square feet, and these design changes are considered Notification Items under 10 TAC §10.405(a)(2)(C);

WHEREAS, Board approval is required to waive the mandatory requirement in 10 TAC §11.101(b)(4)(M) and for a modification of the bedroom mix of units as directed in Tex. Gov't Code §2306.6712(d)(2) and 10 TAC §10.405(a)(4)(B), and the Owner has complied with the amendment requirements therein; and

WHEREAS, the requested change does not materially alter the Development in a negative manner, was not reasonably foreseeable or preventable by the Owner at the time of Application, and would not have adversely affected the selection of the Application in the Application Round;

NOW, therefore, it is hereby

RESOLVED, that the requested waiver of 10 TAC §11.101(b)(4)(M) and the material amendment to the Application for Cielo Place is approved as presented at this meeting, and the Executive Director and his designees are each authorized, directed, and empowered to take all necessary action to effectuate the Board's determination.

BACKGROUND

Cielo Place received an award of 9% Housing Tax Credits in 2019 for the Adaptive Reuse of a historical building that will be converted to 91 units of general population, multifamily housing in Fort Worth, Tarrant County. In a letter dated October 12, 2020, Lisa Stephens, the representative for the Development Owner, Cielo Place, LLC, submitted a request for a waiver and a material amendment to the Application due to design requirements specified by the Texas Historic Commission (THC) and the National Park Service (NPS). The Owner states that windows cannot be found that will meet both the specifications required for the project identified in a letter from the THC dated July 20, 2020, and the Energy-Star or equivalent rating requirement in 10 TAC §11.101(b)(4)(M). The Owner has provided a letter from their contractor and a window supply company that explains there is currently not a window designed that can meet both the THC's glass clarity requirement and the Energy-Star or equivalent rating. In their letter, the window supplier states that they provide a product that will meet the THC requirement specifications but that the Solar Heat Gain Coefficient will be 0.32 (no grids) or 0.26 (with grids), which is short of the 0.25 Solar Heat Gain Coefficient required to meet the Energy-Star rating. Therefore, the Owner is seeking approval to waive the mandatory amenity requirement in 10 TAC §11.101(b)(4)(M), which specifies that replaced windows must be Energy Star or equivalently rated.

The Owner is also seeking approval for design changes needed to meet the requirements identified by THC and NPS after their review of the plans. In the original design, two units located in the Sanctuary balcony were designed to be three-bedroom/two-bathroom units, each 1,164 square feet. However, the NPS required the units to be reduced in square footage in order to diminish their visual impact. To address the issue, the square footage of the two units was reduced to 873 square feet each, and the unit type was changed to one-bedroom/one-bathroom. The reduction of these two units and other minor changes to the unit sizes identified by the Owner did not change the number of units but does result in an overall 647 square feet, or 1.015%, reduction in the total Net Rentable Area (NRA), from 63,744 to 63,097 square feet. Another design change required by NPS is for the new construction on the building's West elevation to be entirely brick in order to incorporate it into the street view of the property. The NPS also required minor modifications to the design of the common area that did not result in a change to the original square footage or amenities represented in the original design. These minor design changes considered Notification Items under 10 TAC

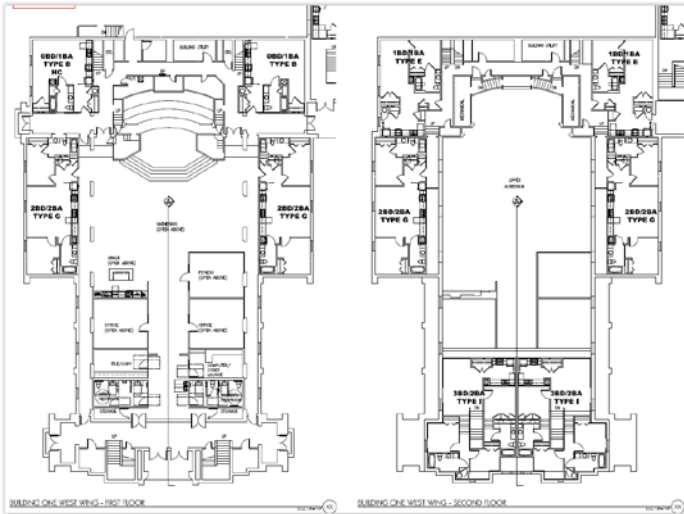
§10.405(a)(2) (C). However, the change to the original bedroom mix represented at Application is a material amendment under Tex. Gov't Code §2306.6712(d)(2) and 10 TAC §10.405(a)(4)(B). The Owner states that the need for the waiver and the design changes were unforeseeable at the time the Application was submitted because they were not discovered until the design plans were reviewed by THC and NPS.

The following table identifies the changes to the bedroom type and the Net Rentable Area:

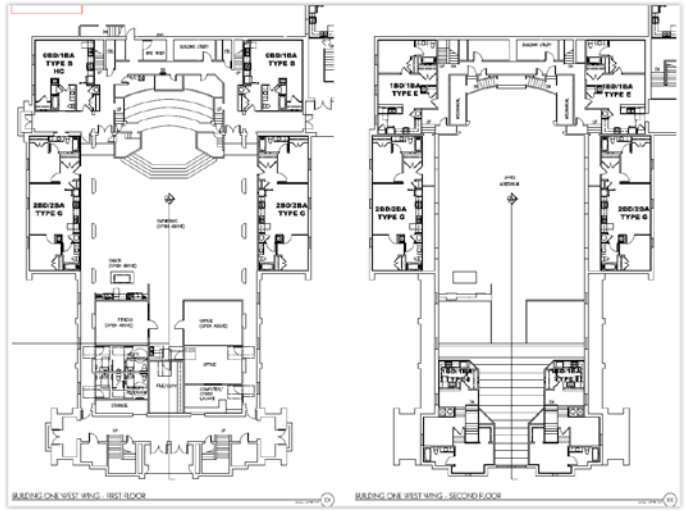
Material Alterations as defined in Tex. Gov't Code §2306.6712(d)(2) and 10 TAC §10.405(a)(4)(B)							
Application				Amendment			
<u>Modification to Bedroom Mix</u>				<u>Modification to Bedroom Mix</u>			
# of Units	Beds	Baths	Sq. Ft.	# of Units	Beds	Baths	Sq. Ft.
48	0	1	551	2	0	1	544
2	0	1	566	4	0	1	550
2	1	1	654	26	0	1	551
2	1	1	656	2	0	1	552
7	1	1	714	14	0	1	554
6	2	2	872	2	0	1	562
12	2	2	873	2	1	1	651
10	3	2	1,051	2	1	1	691
2	3	2	1,164	6	1	1	701
				1	1	1	752
				2	1	1	873
				4	2	2	850
				1	2	2	857
				1	2	2	868
				12	2	2	873
				10	3	2	1,051
# of Units	Beds	Baths		# of Units	Beds	Baths	
50	0	1		50	0	1	
11	1	1		13	1	1	
18	2	2		18	2	2	
12	3	2		10	3	2	
Total Number of Units: 91				Total Number of Units: 91			
Total Net Rentable Area: 63,744 square feet				Total Net Rentable Area: 63,097 square feet			
				Difference: 647 square feet or 1.015% reduction			

Material Alterations as defined in Tex. Gov't Code §2306.6712(d)(2) and 10 TAC §10.405(a)(4)(B)

Common Area design:



Common Area design:



The Owner provided updated financial information that has been analyzed staff. The results indicate that there is a \$395,540, or 3.39% increase in the construction costs from the previous underwriting, but that the total development costs have decreased from \$22,084,100 to \$21,439,133, a reduction of \$644,967 or 2.92%. There were also changes to the financing including a \$100,000 reduction in the first lien from \$3,600,000 to \$3,500,000, a reduction in the interest rate from 6.50% to 4.40%, and a \$206,582 increase in the syndication proceeds. The analysis of the changes to the costs and financing structure indicates that the Development is feasible, and that there is no change to the previous recommended credit allocation.

Staff has determined that the changes noted above would not have impacted the scoring of the Application.

Staff recommends approval of the request for the waiver and the material amendment to the Application.



October 12, 2020

Mr. Bobby Wilkinson
 Texas Department of Housing and Community Affairs
 221 East 11th Street
 Austin, TX 78701

Re: 19277 Cielo Place

Historic required amendments

Mr. Wilkinson:

Cielo Place, TDHCA #19277, is hereby requesting to modify the unit mix, West elevation of Building 3, and a waiver on the Energy Star Window requirement

Unit Mix:

We are requesting at this time a change in the unit mix: changing two three bedrooms to one bedroom units. The changes in unit mix have all been made to the market rate units without any impact on the affordable units. These changes were unforeseen at the time of application because these requirements came up in subsequent plan reviews with the Texas Historic Commission (THC) and the National Park Service (NPS) to maintain certain historic features of the building. The NPS mandated the two units located in the Sanctuary balcony, originally proposed to be three bedroom units, must be reduced in square footage to diminish their visual impact, resulting in the units becoming one bedroom units. The unit mix revisions requested are shown below:

	Efficiency	One Bedroom	Two Bedroom	Three Bedroom
Total at Application	50	11	18	12
Total at Amendment	50	13	18	10

	Efficiency	One Bedroom	Two Bedroom	Three Bedroom
Affordable Units at Application	45	9	16	10
Affordable Units at Amendment	45	9	16	10

	Efficiency	One Bedroom	Two Bedroom	Three Bedroom
Market Units at Application	5	2	2	2
Market Units at Amendment	5	4	2	0

We have attempted to maintain as much original square footage of the units by converting old bathrooms, proposed to become maintenance closets, into usable square footage for each unit. Square footage was originally proposed to be 1,164 for each of the three-bedroom units and will now be 873 square feet each, which is only 291 less square feet, or 0.009% reduction in Net Rentable Area for the development. Minor modifications to the common spaces were also required by NPS; however, no reduction in square footage resulted from this change; this can be seen on the attached plans.

A revised development cost schedule, rent schedule, operating expenses and proforma are also included in this package.

West Elevation of Building 3

NPS required the new construction building's West elevation to be entirely brick, and has approved the brick type, to better incorporate this new construction building into the street view of the property, see attached THC letter and the revised elevation.

Energy Star Window Requirement

Additionally, the NPS and THC provided specifications for the windows that now do not allow for the Energy Star rating to be met, see attached THC letter. We are requesting a waiver of Section 11.101(b)(4)(M) All windows must be Energy-Star rated windows, including rehabilitation Developments planning to replace as part of the scope of work. Per Section 11.207, An Applicant may request a waiver subsequent to an award for historic properties. See attached letter from the General Contractor stating the extent they have gone to find a window to meet both historic and TDHCA requirements, as well as a letter from the Subcontractor stating the window specifications that meet NPS requirements, but fall minimally short of the Energy Star equivalent.

Please find enclosed the required amendment fees and documentation. If you need any additional information on the above requests you may reach me at 352-213-8700.

Sincerely,



Lisa M. Stephens
President

CIELO PLACE
19277
AMENDMENT
ARCHITECT'S SUMMARY



Inc.
AA26000913

October 16, 2020

Ms Lee Ann Chance
Asset Manager
Texas Dept. of Housing and Community Affairs
221 East 11th Street, Austin, Texas 78701-3941
email address: info@tdhca.state.tx.us

RE: Cielo Place – Fort Worth, Texas

Dear Ms. Chance:

Our client, Saigebrook Development, has asked me to provide this letter describing why our current design for this project has been altered to reduce the bedroom size of two market rate units, window specifications do not allow for meeting the Energy Star requirement, and elevations for Building 3 were required to be changed to better maintain the historic style of the property.

After the Texas Historic Commission (THC) reviewed our completed plans with the National Park Service (NPS), the NPS mandated the two units located in the Sanctuary balcony, originally proposed to be three bedroom units, must be reduced in square footage to diminish their visual impact, resulting in the units becoming one bedroom units. See attached NPS letter. This resulting reduction of useable area on the 2nd floor required the design team to redesign the dwelling units, and with their required (individual) unit areas, we had no other choice but to reduce the bedroom sizes. Saigebrook Development has attempted to maintain as much original square footage of the units by converting old bathrooms, proposed to become maintenance closets, into usable square footage for each unit. Square footage was originally proposed to be 1,164 for each of the three-bedroom units and will now be 873 square feet each, which is only 291 less square feet, or 0.009% reduction in Net Rentable Area for the development. Minor modifications to the common spaces were also required by NPS; however, no reduction in square footage resulted from this change; this can be seen on the attached plans.

Additionally, the NPS and THC provided specifications for the windows that now do not allow for the Energy Star rating to be met, see attached THC letter. Lastly, NPS required the new construction building's West elevation to be entirely brick, and has approved the brick type, to better incorporate this new construction building into the street view of the property, see attached THC letter.

Please let me know if you need any further information regarding this project's requirements from the state and federal historical tax credit programs.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Paul Miller
Miller-Slayton Architects



United States Department of the Interior

NATIONAL PARK SERVICE
1849 C Street, N.W.
Washington, D.C. 20240

3/25/2020

Lisa Stephens
Saigebrook Development, LLC
5501-A Balcones Drive, #302
Austin, TX 78737

PROPERTY: Riverside Baptist Church, 3111 Race Street, Fort Worth, TX
PROJECT NUMBER: 40550
APPLICATION: Part 2
DECISION: Review on hold

Dear Ms. Stephens:

The National Park Service (NPS) has received your Historic Preservation Certification Application Part 2 for this property. After reviewing the submission, we have determined that additional information is needed and that some of the proposed work does not meet the Secretary of the Interior's Standards for Rehabilitation. As a result, the review has been placed on hold in order to give you the opportunity to respond to the following and bring the project into conformance with the Standards.

1. In order to fully assess the proposed subdivision of the main sanctuary, additional drawings must be provided to illustrate the impact it will have on the character of this primary space. Section drawings running north-to-south through the balcony units and between the balcony units, and an east-to-west section showing the interior elevation of the balcony units facing the sanctuary floor must be provided. The design of the new residential units must be simple and not detract from historic elements of the sanctuary space. We note NPS preliminary review also expressed concern with the amenity spaces on the main sanctuary floor. Requested section drawings must include these amenity spaces as well. While the balcony units may be acceptable in concept, the new spaces on the sanctuary floor may not alter the overall open character of the space. The cumulative effect of alterations within the sanctuary might not meet the Standards pending additional details and drawings.
2. Primary spaces must be preserved throughout the complex, including not only the sanctuary, but lobbies and corridors in other buildings. This includes the layout, width, and configuration of the spaces, as well as historic fabric such as wood trim and doors. Historic door patterns, even if random, should be retained. This applies to rooms and corridors adjacent to the sanctuary (there does not appear to be an appropriate reason to demolish the walls between the sanctuary and Rooms A107 and A109), the early education wing, the main education wing, and the small lobby area in the Sunday school building. These spaces are historic even though their finishes are simple. Circulation spaces such as corridors and lobbies are considered character-defining and primary spaces, and must be retained. Demolition and alteration of historic corridors does not meet the Standards. Revised plans and narrative description committing to the preservation of finishes and spatial configurations throughout the complex must be provided for review.
3. There appears to be a discrepancy between the narrative and the architectural drawings regarding the proposed scope of work for windows. Existing historic windows must be retained and repaired throughout the complex. Please clarify the intended scope and provide additional information as to when the Sunday school building windows were infilled. If this change occurred during the period of significance, windows on the front of the building may not be reopened.

4. Schematic details of the proposed floor, wall, and ceiling finishes for the existing buildings must be provided for review. A comprehensive finish schedule may be submitted at a later date.
5. In order to determine if the demolition of the 1973 family center and new construction meets the Standards, additional drawings are needed to assess its impact on the historic buildings and site. Elevation drawings showing the new addition in full context of the historic buildings – including the full length of both buildings in a drawing – must be provided. Drawings must also indicate materials of the new construction and building heights for both buildings.
6. Please describe what the historic roof material was on each building during the period of significance.

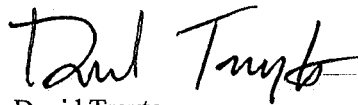
As determined during the preliminary review process, we note that the NPS intends to exercise considerable flexibility with this project regarding the subdivision of multiple primary spaces, including the complete loss of the fellowship hall and auditorium. It is expected that the remaining scope of work will substantially preserve historic spaces and finishes throughout the complex in order for the overall project to meet the Standards. All work will be reviewed in context of the treatments discussed during the preliminary review process.

Please provide the requested information **directly** to this office at Tax Incentives Program, Technical Preservation Services, National Park Service, 1849 C Street NW, Mail Stop 7243, Washington, D.C. 20240, with a copy to the State Historic Preservation Office (SHPO), **within 45 days** of the date of this letter. If the information is not received in that time, the file will be closed and work undertaken on the structure will not qualify as a "certified rehabilitation" for purposes of the Tax Reform Act of 1986.

Requests for extensions of the hold period must be made in writing. Upon receipt of the requested information, a new 30-day review period will begin.

Thank you for your attention to this request. If you have any questions, please call me at 202-354-2016.

Sincerely,



David Trayte
Technical Preservation Services

cc: TX SHPO
Roger Brevoort, 102 E. Buchanan St., Phoenix, AZ 85004



P.O. Box 12276
Austin, Texas 78711-2276
512-463-6100
thc.texas.gov

July 6, 2020

Lisa Stephens
Saigebrook Development, LLC
obo Cielo Place, LLC
5501-A Balcones Drive, #302
Austin, TX 78731

PROPERTY: Riverside Baptist Church, Fort Worth, Tarrant County
PROJECT NUMBER: THPTC-0508-19-084
APPLICATION: Part B
DECISION: Approved with Conditions

Dear Ms. Stephens,

The Texas Historical Commission has reviewed your Texas Historic Preservation Tax Credit Application, Part B: Description of Rehabilitation and subsequent materials, for the above-named property. This letter represents the official determination of the Executive Director of the Texas Historical Commission. The rehabilitation project, as described in the Part 2, corresponds with the Federal Rehabilitation Tax Credit project #40550. THC received notification of the National Park Service's review of your related federal Part 2 application on May 29, 2020, and, as such, has determined that the proposed rehabilitation appears to meet the Secretary of the Interior's Standards for Rehabilitation if the following conditions are met:

1. **Masonry:** As plans for repair of cast stone masonry are developed, details must be submitted to document that masonry that needs to be re-anchored. Specifications detailing how this work will be accomplished must be submitted for review and approval. Test samples for all masonry cleaning, repair, and repointing must be submitted for review before the work is undertaken across the building.
2. **Windows:** This approval does not extend to the proposed Pella Impervia windows. New windows must be aluminum with a simple configuration to be compatible with the 1950's fenestration throughout the complex. Fiberglass will not be an acceptable product given the inappropriate material and limitations in matching traditional window details. New aluminum windows must have a finish compatible with the historic windows of each specific building (painted, clear anodized, etc). In order to ensure the proposed windows meet the Standards, detailed drawings showing them in relationship to the wall assembly must be submitted for review and approval. Glazing in all windows (except stained glass windows) must be clear in tint and color, with a Visible Light Transmittal of now less than 69% and a Visible Light Reflectance of no more than 12%. Glazing specifications must be provided with final window details.
3. **Roofing:** Replacement roofing materials must be compatible with the historic character of the buildings. This approval does not extend to the proposed Tamko Heritage Series architectural shingle product, which has the dimensions and characteristics evocative of a wood shingle, rather than slate. Although

wood shingles may have existed on the Auditorium Building in the 1930s, there does not appear to be any documentation that wood shingles were extant anywhere in the complex during the 1950s period of significance. Alternative shingle projects with slate-like proportions and three- to five-tab configuration may be appropriate options depending on building/location. Revised details for all buildings must be submitted for review and approval.

4. **New Construction:** The size, massing, and location of the residential building is acceptable, however, in order to achieve greater compatibility with the historic church complex, the following design revisions must be made:
 - a. The west elevation must be clad entirely in brick.
 - b. There appears to be a discrepancy in the window configuration: the amendment narrative describes 6/6 windows but the revised elevation drawings (sheet A2.14, submitted via email 5/21/2020) appear to illustrate a casement style with horizontal divisions. These are more consistent with the style of windows found in the 1950s church buildings and should be utilized. Divided light windows reminiscent of a stained-glass configuration are not appropriate; new windows must be compatible with the historic fenestration found throughout the complex.
 - c. The open circulation/breezeways above each entry portal must be revised to read more as large window openings rather than wall opening that span the width of the stair/corridor. This will allow the circulation spaces to remain open-air while maintaining a traditional character in-keeping with the historic complex.
 - d. Tamko Heritage Series architectural shingles are not a compatible roof material (see Condition #3 above). A simplified asphalt shingle or architectural shingle of better dimension should be used instead.

Revised drawings and details must be submitted via amendment for review and approval.

5. **Balcony units:** The ceiling structures of the two units in the Sanctuary balcony must be revised to simplify the complicated geometric massing as proposed. The ceilings should be kept as low as possible, squared off and stepped as necessary to work around existing architectural features. Revised designs should be explored in consultation with our office and must be submitted for review and approval prior to construction.
6. **Interior finishes:** New interior finishes must be in-keeping with the specific portion of the complex in which they are located. A full finish schedule or finish plans for the historic buildings must be submitted for review and approval. Be aware that wood-look vinyl flooring may not be considered an appropriate finish for new units within the historic buildings.
7. **Education Building:** Shifting the corridor on the first floor is minimally acceptable in concept, however, there appears to be a discrepancy between the structural drawings and the proposed floor plan in showing where columns are located. The character of the corridor must not be altered by exposing structure.; additional details must be provided for review approval prior to demolition and construction.

These are the same conditions as those applied to your federal application. We also echo the NPS's concerns regarding the extent to which compromises related to treatment of historically significant spaces in

this complex have been allowed. The review of future THPTC applications for this project will follow the review of corresponding federal applications.

Please note that any plans for substantive change in the work as described in the Part B application must be submitted as an amendment for review by the THC to ensure that the proposed project continues to meet the Standards for Rehabilitation.

When your rehabilitation project is complete, you may submit Part C: Request for Certification of Completed Work.

Thank you for your interest in the cultural heritage of Texas. **If you have any questions concerning our review or if we can be of further assistance, please contact Caroline Wright by email at caroline.wright@thc.texas.gov, or by phone at 512-463-7687.**

Sincerely,

A handwritten signature in black ink, appearing to read "Bess Althaus Graham". The signature is fluid and cursive, with a large, stylized initial "B".

Bess Althaus Graham, AIA, LEED AP BD+C
Director, Deputy SHPO, Division of Architecture
Texas Historical Commission

cc: Roger Brevoort, Brevoort Preservation Strategies; Kate Singleton, *via email*

Applicant Agreement

I hereby swear or affirm, under penalty of perjury, that the information which has been provided in this application is, to the best of my knowledge, true, correct, and complete. I further swear or affirm that I am the owner or have the authority to act on behalf of the owner(s) of the above-described property (within the meaning of *owner* set forth in Title 13, section 13.1 of the Texas Administrative Code). If I am not the owner of this property, the owner(s) is/are aware of the action I am taking relative to this application, has no objection, and has signed below to affirm the same.

Release of Project Financial Information

I understand that the information I have provided in this Texas Historic Preservation Tax Credit application may be subject to release to the public under the Texas Public Information Act, Texas Government Code Chapter 552 (the "Act"). I also understand that under Subchapter C of the Act, certain information, including project costs, may be exempted from required disclosure if I timely demonstrate to the Office of the Attorney General of Texas that an exception to mandatory disclosure applies. By checking the appropriate box below, I hereby waive my right to assert that an exception applies to information I have provided in the Project Information section of the application and grant THC permission to release this information in response to a records request submitted to THC under the Act without notifying me. I further authorize THC to use application information I provide in the Project Information section in THC publications or on THC's website to publicize and promote the Texas Historic Preservation Tax Credit and projects certified through the program. Applicant responses below do not affect approval or disapproval of this application.

Yes, I authorize THC to release information provided in the Project Information section as described above.


No, I do not authorize release of information provided in this Application.

	<u>Lisa Stephens</u>	<u>7/1/20</u>
Applicant Signature	Applicant Name	Date
Owner Signature	Owner Name	Date

THC Official Use Only

Application fee received on 7/3/2020

The Texas Historical Commission has reviewed the Historic Preservation Tax Credit Application – Part B for the above-named property and has determined that:

 The proposed rehabilitation described herein is consistent with the character of the property and, where applicable, with the district in which it is located and that the project meets the Secretary of the Interior's *Standards for Rehabilitation*. This letter is a preliminary determination only, since a formal certification of rehabilitation can be issued to the owner(s) of a certified historic structure only after rehabilitation work is complete and found to conform to the description provided in this application.

The proposed rehabilitation will meet the Secretary of the Interior's *Standards for Rehabilitation* if the attached conditions are met.

The proposed rehabilitation is not consistent with the historic character of the property or the district in which it is located, and that the project does not meet the Secretary of the Interior's *Standards for Rehabilitation*.

There is not enough information to determine whether the proposed rehabilitation will meet the Secretary of the Interior's *Standards for Rehabilitation*.

The project (or portions thereof) does not appear to meet the program's eligibility requirements.

	<u>7.6.2020</u>
Texas Historical Commission Authorized Signature	Date



The Ram Windows S1100 Single Hung units will meet your Historical Requirement as they are aluminum material with a Mill finish. With a combination of Cardinal 272 and i89 coating we are able to meet the specifications regarding Visible Light Transmittance of no less than 69%, Visible Light Reflectance of no more than 12% and U-factor of 0.30, but fall short on Energy Star rating in regard to the Solar Heat Gain Coefficient of 0.25. The specifications on the glass are as follows:

- Center of Glass Value (IG Unit Only)
 - Visible Light Transmittance – 70%
 - External Reflectance – 11%
 - Internal Reflectance – 11%
 - Solar Heat Gain Coefficient – 0.41
 - U-Factor (Argon Fill) – 0.20
- NFRC Simulated Values in Unit (Option 42 in Simulation Draft)
 - Solar Heat Gain Coefficient – 0.32 (no grids) & 0.26 (with grids)
 - U-Factor (Argon Fill) – 0.30

Jeffrey Ashcraft 8/25/2020

Engineering & Process Manager

Ram Windows

134 Oak Lawn Ave

Dallas TX, 75207



Mr. Bobby Wilkinson
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

Mr. Wilkinson,

My name is Kevin Worrell and I am the Project Manager for Fort Construction for the Cielo Place project at 3111 Race St. Fort Worth TX, 76111. I am writing this letter to confirm that as the general contractor, we have attempted to meet all the historic tax credit and housing tax credit requirements for the windows for this project. Through multiple attempts at various window suppliers, we were unsuccessful in meeting both the glass clarity and the Energy-Star requirements.

Due to the high clarity, more energy is allowed to enter into the living space. According to these suppliers, a window that can meet both the Energy-Star, or equivalent, requirements as well as exhibit high clarity simply does not exist at this time. Fortunately, the window that is being submitted is very close to meeting the Energy-Star requirements while fully meeting the historic requirements. We are confident that these windows will provide the look and feel of a historic window while providing years of energy efficiency to the tenants and the property.

Best Regards,

Kevin Worrell

Kevin Worrell

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BOARD ACTION REQUEST

ASSET MANAGEMENT DIVISION

DECEMBER 10, 2020

Presentation, discussion, and possible action regarding approval of a Material Amendment to the Land Use Restriction Agreement for Cedar Ridge II (HOME #531001)

RECOMMENDED ACTION

WHEREAS, Cedar Ridge II (Development) received a HOME award in 2001 for the new construction of 72 units in Leander, Williamson County;

WHEREAS, the Land Use Restriction Agreement (LURA) for the Development specifies that the Development Owner must be a Community Housing Development Organization (CHDO);

WHEREAS, the original Development Owner, Williamson-Burnet County Opportunities, Inc., is an entity certified as a CHDO;

WHEREAS, On April 7, 2020, the Development Owner entered into a Purchase and Sale Agreement with Related Affordable, LLC, an entity that does not meet the requirements of the U.S. Department of Housing and Urban Development to be certified as a CHDO and is not a subsidiary of a CHDO;

WHEREAS, the Development Owner has requested approval for an amendment to the LURA to remove the CHDO requirements in order to facilitate the disposition, development and rehabilitation of the Development;

WHEREAS, Board approval is required for a LURA amendment deemed material by the Executive Director as specified in 10 TAC §10.405(b)(2)(G), and the Owner has complied with the amendment and notification requirements as directed in 10 TAC §10.405(b) to place this request before the Board, including holding a public hearing; and

WHEREAS, the requested change does not negatively affect the Development or impact the viability of the transaction;

NOW, therefore, it is hereby

RESOLVED, that the material LURA amendment for Cedar Ridge II is approved as presented to this meeting, and the Executive Director and his designees are hereby, authorized, empowered, and directed to take all necessary action to effectuate the foregoing.

BACKGROUND

Cedar Ridge II received a HOME award in 2001 for the new construction of 72 units in Leander, Williamson County. The LURA for the Development, effective June 24, 2003, has a 30-year term and specifies that the Development Owner must be a Community Housing Development Organization (CHDO).

On October 15, 2020, Marco Cruz, the Executive Director of Williamson-Burnet County Opportunities, Inc., the Development Owner, submitted a letter requesting approval for a material amendment to the LURA to remove the requirement for the Development Owner to be a CHDO in order to facilitate the disposition, development and rehabilitation of the Development.

On April 7, 2020, the Development Owner entered into a Purchase and Sale Agreement with Related Affordable, LLC. Related Affordable, LLC is a for-profit entity, and therefore, the new proposed owner does not meet the requirements to qualify to be certified as a CHDO. Furthermore, the entity is not a CHDO subsidiary.

A Bond Pre-Application was submitted to the Department in June 2020 with the intent of obtaining bond and housing tax credits funding for the acquisition and rehabilitation of the Development. The new owner stated these renovations are necessary for immediate needs of the residents and the long-term viability of the property.

The requested change to the LURA does not negatively affect the Development or impact the viability of the transaction. Although the funds were awarded out of the CHDO set-aside, since the written agreement was executed before 2013, it is not a federal requirement for the CHDO to remain in the ownership structure during the federal affordability period.

The residents at the Development were notified of the LURA amendment request, and a public hearing was conducted via a teleconference on November 6, 2020. No comments were received regarding the requested amendment.

Staff recommends approval of the requested material LURA amendment as presented herein.



October 15, 2020

VIA ELECTRONIC DELIVERY

Mr. Mark Fugina
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701-2410

Re: Cedar Ridge Apartments Phase II (the "**Property**")

Dear Mr. Fugina:

The undersigned, being the current owner of the Property (the "**Existing Owner**"), is submitting this letter to request a material LURA amendment in order to remove the community housing development organization ("**CHDO**") requirements therein.

Request to Remove CHDO Requirement

The Property is a 72-unit multifamily affordable housing development located in Leander, Texas. The Property was developed and constructed in 2003 utilizing HOME funds from the Department. In connection with the HOME funds from the Department, the Existing Owner entered into a Land Use Restriction Agreement dated June 24, 2003 and recorded in the Real Property Records of Williamson County, Texas as Document No. 2003061673 (the "**HOME LURA**"). Section 5.1(l) of the HOME LURA requires, among other things, that the owner of the Property be a CHDO (collectively, the "**CHDO Requirements**").

The Existing Owner and Related Affordable, LLC ("**Related**") entered into that Real Estate Purchase and Sale Agreement dated April 7, 2020 for the purchase and sale of the Property. In partnership with the Texas Housing Foundation, Related proposes to develop and rehabilitate the Property and, to that end, a 2019 Multifamily Uniform Application was submitted to the Department for tax-exempt bonds and related tax credits (the "**Application**"). In order to facilitate the disposition, development and rehabilitation of the Project contemplated in the Application, the Existing Owner now desires to remove the CHDO Requirements.



Opportunities

for Williamson & Burnet Counties

HOME LURA Amendment

In accordance with Section 10.405(b) of the Rules, the Existing Owner commits to hold a public hearing, as required by the Rules, and to notify all residents. The Existing Owner will proceed to set a date and time for the public hearing and will provide TDHCA with evidence that the notice has been delivered and the hearing has been conducted. With that, the Existing Owner requests staff recommendation in support of this request to be considered at the next available TDHCA Board meeting.

Thank you very much for your assistance. Please do not hesitate to contact us if you require any additional information.

Sincerely,

WILLIAMSON-BURNET COUNTY OPPORTUNITIES, INC.,

a Texas non-profit corporation

By: Marco Cruz

Marco Cruz, Executive Director



1e

BOARD ACTION REQUEST
ASSET MANAGEMENT DIVISION
DECEMBER 10, 2020

Presentation, discussion, and possible action regarding Material Amendments to the Housing Tax Credit Land Use Restriction Agreements for:

99004	Highland Village Apartments
99126	Villages at West Lake aka Sunset Arbor Townhomes
00038	Ryan's Crossing (Pemberton Place)
02029	North Grand Villas
03004	Rosemont at Lakewest
03028	Mill Creek Village Apartments
03053	Millpoint Townhomes
04246/07058	Wildwood Trails Apartments
04250	Knollwood Heights Apartments
05184	Palestine Hampton Chase Apartments
05185	Market Place Apartments
05187	Valley Creek Apartment
060125	Country Club Apartments
060128	Jacksonville Pines Apartments
07115	Heights Apartments
07117	Deer Creek Apartments
07118	Lakeside Apartments
08207/150900-09927	Carpenters Point Senior Living
08299/150900-09942	Southern View Apartments
09006/150900-09946	Avalon Park dba Cedar Street Apartments
09260/150900-09967	Mill Creek Terrace dba Millie Street Apartments
10103	Gateway Plaza Apartments
10107	Tenth Street Apts dba Adobe Ranch Apartments
10236	Stone Canyon
12221	Riverstone Trails
12243	Dunes Apartments
13128	Winchester Arms Apartments
13129	Rose Meadows
14122	Riverside Park

RECOMMENDED ACTION

WHEREAS, the above Developments received 9% Housing Tax Credit (HTC) or Exchange awards between 1999 and 2014 to construct 2,433 multifamily units throughout Texas;

WHEREAS, the HTC applications for the Developments received points for agreeing to provide a Right of First Refusal (ROFR) to purchase the Development over a two-year ROFR period, and this provision is reflected in the Land Use Restriction Agreements (LURAs) for the Developments;

WHEREAS, in 2015, the 84th Texas Legislature, Regular Session, amended Tex. Gov't Code §2306.6725 and §2306.6726 to allow, among other things, for a 180-day ROFR period and to permit a Qualified Entity to purchase a property under ROFR, and defined a Qualified Entity to mean an entity described by, or as amended, an entity controlled by an entity described by, 26 U.S.C. §42(i)(7)(A), Internal Revenue Code of 1986;

WHEREAS, the Development Owners or Owners request to amend the LURAs for the Developments to incorporate changes made to Tex. Gov't Code §2306.6725 and §2306.6726 in 2015; and

WHEREAS, amendments to the ROFR period in the LURAs is a material change requiring Board approval under 10 TAC §10.405(b)(2)(E), and the Development Owner has complied with the procedural amendment requirements in 10 TAC §10.405(b) to place this request before the Board, including holding a public hearing;

NOW, therefore, it is hereby

RESOLVED, that the material LURA amendments for these Developments are approved as presented to this meeting, and the Executive Director and his designees are hereby authorized, empowered, and directed to take all necessary action to effectuate the foregoing.

BACKGROUND

The properties outlined in the table below all received 9% HTC or Exchange awards to construct a total of 2,433 multifamily units in multiple service regions as shown in the table. In a letter dated October 16, 2020, Vaughn C. Zimmerman, representative of the Development Owners, requested approval to amend the HTC LURAs for the Developments related to the ROFR provision.

In 2004 and prior, the Housing Tax Credit application allotted five points to the Development Owner in exchange for a two-year ROFR period. In 2005 and later, the application allotted one point in exchange for a two-year ROFR period. Upon completion of the Developments, the Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits for each property.

The additional use restrictions in the current HTC LURAs would require, among other things, a two-year ROFR to sell the Development based on a set order of priority to a community housing development organization (as defined for purposes of the federal HOME Investment Partnerships Program at 24 CFR Part 92), to a qualified nonprofit organization (as defined in Internal Revenue Code §42(h)(5)(C)), a tenant organization or to the Department, if at any time after the 15th year of the Compliance Period the Owner decides to sell the property. However, the Owners desire to exercise their rights under Tex. Gov't Code §2306.6726 to amend the LURA to allow for a 180-day ROFR period.

In 2015, the 84th Texas Legislature, Regular Session, passed HB 3576, which amended Tex. Gov't Code §2306.6725 to allow for a 180-day ROFR period, and Tex. Gov't Code §2306.6726 to allow for a Qualified Entity to purchase a development under a ROFR provision of the LURA and satisfy the ROFR requirement. Additionally, Tex. Gov't Code §2306.6726, as amended by HB 3576, defines Qualified Entity to mean an entity described by, or an entity controlled by an entity described by, §42(i)(7)(A) of the Internal Revenue Code of 1986. The Department's Uniform Multifamily Rules, Subchapter E, include administrative procedures to allow a Development Owner to conform to the new ROFR provisions described in the amended statute.

The Development Owners have complied with the amendment and notification requirements under 10 TAC §10.405(b). The Development Owners held various telephonic public hearings on the matter between October 26 and October 30, 2020. No public comment was received regarding the requested amendment at most hearings with the exception of Knollwood Heights Apartments. The three residents in attendance at that hearing requested a 12-month ROFR period with a lease term to be aligned with any potential ROFR, in particular for residents who move in during an active ROFR period. However, it must be noted that a 12-month ROFR period is inconsistent with the ROFR period in statute, and therefore, the ROFR period requested by these tenants is not being recommended by staff.

Staff recommends approval of the material LURA amendment as presented herein.

TDHCA #:	HTC: 99004
Development Name:	Highland Village Apartments
Development Owner:	WMRA, Ltd.
City:	Longview
County:	Gregg
Total # Units:	144
Year of Allocation:	1999
Points Awarded per QAP:	5 points
Compliance Period Ends:	2015
	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Gregg County on December 28, 2000, later amended and recorded on November 8, 2004.</p> <p>The additional use restrictions in the current HTC LURA requires longer Compliance and Extended Use periods The</p>

	Development is currently in the 20 th year of the 40-year Extended Use Period specified in the LURA.
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TDHCA #:	HTC: 99126
Development Name:	Villages at West Lake aka Sunset Arbor Townhomes
Development Owner:	Townhomes at Sunset Arbor, LP
City:	Abilene
County:	Taylor
Total # Units:	220
Year of Allocation:	1999
Points Awarded per QAP:	5 points
Compliance Period Ends:	2016
	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Taylor County on December 18, 2001, later amended and recorded on February 15, 2018.</p> <p>The additional use restrictions in the current HTC LURA requires longer Compliance and Extended Use periods The Development is currently in the 19th year of the 40-year Extended Use Period specified in the LURA.</p>

TDHCA #:	HTC: 00038
Development Name:	Ryans Crossing (Pemberton Place)
Development Owner:	Tatum Oak Ridge Apartments, Ltd.
City:	Marshall
County:	Harrison
Total # Units:	112
Year of Allocation:	2000
Points Awarded per QAP:	5 points
Compliance Period Ends:	2016
	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Harrison County on December 30, 2002, later amended and recorded on October 17, 2006, and again on January 14, 2019.</p> <p>The Development is currently in the 19th year of the 30-year Extended Use Period specified in the LURA.</p>

TDHCA #:	HTC: 02029
Development Name:	North Grand Villas
Development Owner:	North Grand Villas Investors, LLC
City:	Amarillo

County:	Potter
Total # Units:	144
Year of Allocation:	2002
Points Awarded per QAP:	5 points
Compliance Period Ends:	2019
	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Potter County on October 5, 2006, later amended and recorded on October 17, 2006, and September 17, 2008.</p> <p>The additional use restrictions in the current HTC LURA requires longer Compliance and Extended Use Periods. The Development is currently in the 16th year of the 55-year Extended Use Period specified in the LURA.</p>

TDHCA #:	HTC: 03004
Development Name:	Rosemont at Lakewest
Development Owner:	Rosemont at Lakewest Investors, LLC
City:	Dallas
County:	Dallas
Total # Units:	151
Year of Allocation:	2003
Points Awarded per QAP:	5 points
Compliance Period Ends:	2020
	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Dallas County on November 7, 2005, later amended and recorded on February 19, 2020.</p> <p>The additional use restrictions in the current HTC LURA requires longer Compliance and Extended Use Periods. The Development is currently in the 15th year of the 25-year Compliance Period, and the 55-year Extended Use Period specified in the LURA.</p>

TDHCA #:	HTC: 03028
Development Name:	Mill Creek Village Apartments
Development Owner:	Mill Creek Village, LP
City:	Longview
County:	Gregg
Total # Units:	80
Year of Allocation:	2003
Points Awarded per QAP:	5 points
Compliance Period Ends:	2019

	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Gregg County on August 26, 2005, later amended and recorded on February 20, 2018.</p> <p>The additional use restrictions in the current HTC LURA requires a longer Extended Use Period. The Development is currently in the 16th year of the 40-year Extended Use Period specified in the LURA.</p>
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TDHCA #:	HTC: 03053
Development Name:	Millpoint Townhomes
Development Owner:	Millpoint Investors, LLC
City:	Henderson
County:	Rusk
Total # Units:	76
Year of Allocation:	2003
Points Awarded per QAP:	5 points
Compliance Period Ends:	2019
	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Rusk County on January 25, 2006.</p> <p>The additional use restrictions in the current HTC LURA requires a longer Extended Use Period. The Development is currently in the 16th year of the 40-year Extended Use Period specified in the LURA.</p>

TDHCA #:	HTC: 04246
Development Name:	Wildwood Trails Apartments
Development Owner:	Wildwood Trails Apartments, LP
City:	Brownwood
County:	Brown
Total # Units:	76
Year of Allocation:	2004
Points Awarded per QAP:	5 points
Compliance Period Ends:	2020
	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Brown County on December 14, 2006, later amended and recorded on April 19, 2007, and again on February 20, 2018</p>

	The additional use restrictions in the current HTC LURA requires a longer Extended Use Period. The Development is currently in the 15 th year of the 40-year Extended Use Period specified in the LURA.
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TDHCA #:	HTC: 04250
Development Name:	Knollwood Heights Apartments
Development Owner:	Knollwood Heights Apartments, LP
City:	Big Spring
County:	Howard
Total # Units:	64
Year of Allocation:	2004
Points Awarded per QAP:	5 points
Compliance Period Ends:	2020
	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Howard County on December 14, 2006, later amended and recorded on March 27, 2018.</p> <p>The additional use restrictions in the current HTC LURA requires a longer Extended Use Period. The Development is currently in the 15th year of the Compliance Period, and of the 40-year Extended Use Period specified in the LURA.</p>

TDHCA #:	HTC: 05184
Development Name:	Palestine Hampton Chase Apartments
Development Owner:	Palestine Hampton Chase Apartments, LP
City:	Palestine
County:	Anderson
Total # Units:	76
Year of Allocation:	2005
Points Awarded per QAP:	1 point
Compliance Period Ends:	2021
	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Anderson County on September 19, 2007, later amended and recorded on March 24, 2008, and again on February 20, 2018.</p> <p>The additional use restrictions in the current HTC LURA requires a longer Extended Use Period. The Development is currently in the 14th year of the 40-year Extended Use Period specified in the LURA.</p>

TDHCA #:	HTC: 05185
Development Name:	Market Place Apartments
Development Owner:	Market Place Apartments, LP
City:	Brownwood
County:	Brown
Total # Units:	60
Year of Allocation:	2005
Points Awarded per QAP:	1 point
Compliance Period Ends:	2021
	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Brown County on September 17, 2007, later amended and recorded on February 20, 2018.</p> <p>The additional use restrictions in the current HTC LURA requires a longer Extended Use Period. The Development is currently in the 14th year of the Compliance Period.</p>

TDHCA #:	HTC: 05187
Development Name:	Valley Creek Apartments
Development Owner:	Zimmerman Valley View Apartments, LP
City:	Fort Stockton
County:	Pecos
Total # Units:	48
Year of Allocation:	2005
Points Awarded per QAP:	1 point
Compliance Period Ends:	2021
	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Pecos County on September 18, 2007.</p> <p>The additional use restrictions in the current HTC LURA requires a longer Extended Use Period. The Development is currently in the 14th year of the Compliance Period.</p>

TDHCA #:	HTC: 060125
Development Name:	Country Club Apartments
Development Owner:	Pecos Country Club Apartments, LP
City:	Pecos
County:	Reeves
Total # Units:	44
Year of Allocation:	2006
Points Awarded per QAP:	1 point

Compliance Period Ends:	2022
	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Reeves County on September 19, 2007, later amended and recorded on January 2, 2008, and again on February 20, 2018.</p> <p>The additional use restrictions in the current HTC LURA requires a longer Extended Use Period. The Development is currently in the 13th year of the Compliance Period.</p>

TDHCA #:	HTC: 060128
Development Name:	Jacksonville Pines Apartments
Development Owner:	Jacksonville Pines Apartments, LP
City:	Jacksonville
County:	Cherokee
Total # Units:	68
Year of Allocation:	2006
Points Awarded per QAP:	1 point
Compliance Period Ends:	2022
	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Cherokee County on December 19, 2008, later amended and recorded on May 12, 2009.</p> <p>The additional use restrictions in the current HTC LURA requires a longer Extended Use Period. The Development is currently in the 13th year of the Compliance Period.</p>

TDHCA #:	HTC: 07115
Development Name:	Heights Apartments
Development Owner:	Big Spring Heights Apartments, LP
City:	Big Spring
County:	Howard
Total # Units:	48
Year of Allocation:	2007
Points Awarded per QAP:	1 point
Compliance Period Ends:	2023
	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Howard County on December 19, 2008, later amended and recorded on May 12, 2009.</p>

	The additional use restrictions in the current HTC LURA requires a longer Extended Use Period. The Development is currently in the 12 th year of the Compliance Period.
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TDHCA #:	HTC: 07117
Development Name:	Deer Creek Apartments
Development Owner:	Levelland Deer Creek Apartments, L.P.
City:	Levelland
County:	Hockley
Total # Units:	64
Year of Allocation:	2007
Points Awarded per QAP:	1 point
Compliance Period Ends:	2023
	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Hockley County on December 18, 2008, later amended and recorded on May 11, 2009.</p> <p>The additional use restrictions in the current HTC LURA requires a longer Extended Use Period. The Development is currently in the 12th year of the Compliance Period.</p>

TDHCA #:	HTC: 07118
Development Name:	Lakeside Apartments
Development Owner:	Mt. Pleasant Lakeside Apartments, LP
City:	Mount Pleasant
County:	Titus
Total # Units:	64
Year of Allocation:	2007
Points Awarded per QAP:	1 point
Compliance Period Ends:	2023
	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Titus County on October 14, 2009.</p> <p>The additional use restrictions in the current HTC LURA requires a longer Extended Use Period. The Development is currently in the 12th year of the Compliance Period.</p>

TDHCA #:	HTC: 08207 / Exchange: 150900-09927
Development Name:	Carpenters Pointe Senior Living
Development Owner:	Carpenter's Point, LP
City:	Dallas
County:	Dallas

Total # Units:	150
Year of Allocation:	2008 HTC with 2009 HTC Exchange
Points Awarded per QAP:	1 point
Compliance Period Ends:	2025
	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Dallas County on March 27, 2010, later amended and recorded on October 27, 2011, and again on June 20, 2018.</p> <p>The additional use restrictions in the current HTC LURA requires a longer Extended Use Period. The Development is currently in the 10th year of the Compliance Period.</p>

TDHCA #:	HTC: 08299 / Exchange: 150900-09942
Development Name:	Southern View Apartments
Development Owner:	Fort Stockton TX Investors, LLC
City:	Fort Stockton
County:	Pecos
Total # Units:	48
Year of Allocation:	2008 HTC with 2009 HTC Exchange
Points Awarded per QAP:	1 point
Compliance Period Ends:	2024
	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Pecos County on February 10, 2010, later amended and recorded on September 19, 2011.</p> <p>The additional use restrictions in the current HTC LURA requires a longer Extended Use Period. The Development is currently in the 11th year of the Compliance Period.</p>

TDHCA #:	HTC: 09006 / Exchange: 150900-09946
Development Name:	Avalon Park dba Cedar Street Apartments
Development Owner:	Brownfield Cedar Street Apartments, LP
City:	Brownfield
County:	Terry
Total # Units:	48
Year of Allocation:	2009 HTC with 2009 HTC Exchange
Points Awarded per QAP:	1 point
Compliance Period Ends:	2025
	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Terry County</p>

	<p>on May 11, 2010, later amended and recorded November 17, 2011, and March 8, 2012.</p> <p>The additional use restrictions in the current HTC LURA requires a longer Extended Use Period. The Development is currently in the 10th year of the Compliance Period.</p>
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TDHCA #:	HTC: 09260 / Exchange: 150900-09967
Development Name:	Mill Creek Terrace dba Millie Street Apartments
Development Owner:	Longview Millie Street Apartments, LP
City:	Longview
County:	Gregg
Total # Units:	60
Year of Allocation:	2009 HTC with 2009 HTC Exchange
Points Awarded per QAP:	1 point
Compliance Period Ends:	2025
	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Gregg County on May 7, 2010, later amended and recorded on December 28, 2011.</p> <p>The additional use restrictions in the current HTC LURA requires a longer Extended Use Period. The Development is currently in the 10th year of the Compliance Period.</p>

TDHCA #:	HTC: 10103
Development Name:	Gateway Plaza Apartments
Development Owner:	Midland GW Plaza Apartments, LP
City:	Midland
County:	Midland
Total # Units:	96
Year of Allocation:	2010
Points Awarded per QAP:	1 point
Compliance Period Ends:	2026
	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Midland County on August 20, 2012, later amended and recorded on May 24, 2013.</p> <p>The additional use restrictions in the current HTC LURA requires a longer Extended Use Period. The Development is currently in the 9th year of the Compliance Period.</p>

TDHCA #:	HTC: 10107
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Development Name:	Tenth Street Apts dba Adobe Ranch Apartments
Development Owner:	Borger Tenth Street Apartments, LP
City:	Borger
County:	Hutchinson
Total # Units:	48
Year of Allocation:	2010
Points Awarded per QAP:	1 point
Compliance Period Ends:	2027
	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Hutchinson County on September 4, 2012.</p> <p>The additional use restrictions in the current HTC LURA requires a longer Extended Use Period. The Development is currently in the 8th year of the Compliance Period.</p>

TDHCA #:	HTC: 10236
Development Name:	Stone Canyon
Development Owner:	Amarillo Viking Road Apartments, LP
City:	Amarillo
County:	Randall
Total # Units:	132
Year of Allocation:	2010
Points Awarded per QAP:	1 point
Compliance Period Ends:	2026
	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Randall County on August 20, 2012, later amended and recorded on February 21, 2013.</p> <p>The additional use restrictions in the current HTC LURA requires a longer Extended Use Period. The Development is currently in the 9th year of the Compliance Period.</p>

TDHCA #:	HTC: 12221
Development Name:	Riverstone Trails
Development Owner:	Sunnyvale Riverstone Trails Apartments, LP
City:	Sunnyvale
County:	Dallas
Total # Units:	96
Year of Allocation:	2012
Points Awarded per QAP:	1 point
Compliance Period Ends:	2028

	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Dallas County on December 12, 2014, later amended and recorded on June 30, 2015, and again on February 15, 2018.</p> <p>The additional use restrictions in the current HTC LURA requires a longer Extended Use Period. The Development is currently in the 7th year of the Compliance Period.</p>
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TDHCA #:	HTC: 12243
Development Name:	Dunes Apartments
Development Owner:	Seminole Dunes Apartments, LP
City:	Seminole
County:	Gaines
Total # Units:	60
Year of Allocation:	2012
Points Awarded per QAP:	1 point
Compliance Period Ends:	2028

	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Gaines County on December 27, 2013, later amended and recorded on February 20, 2018.</p> <p>The additional use restrictions in the current HTC LURA requires a longer Extended Use Period. The Development is currently in the 7th year of the Compliance Period.</p>
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TDHCA #:	HTC: 13128
Development Name:	Winchester Arms Apartments
Development Owner:	Winchester Arms Apartments, LP
City:	Comanche
County:	Comanche
Total # Units:	48
Year of Allocation:	2013
Points Awarded per QAP:	1 point
Compliance Period Ends:	2029

	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Comanche County on November 25, 2014, later amended and recorded on November 2, 2015, and again on February 21, 2018.</p>
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	The additional use restrictions in the current HTC LURA requires a longer Extended Use Period. The Development is currently in the 6 th year of the Compliance Period.
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TDHCA #:	HTC: 13129
Development Name:	Rose Meadows
Development Owner:	Levelland ZP Rose Meadows Apartments, LP
City:	Levelland
County:	Hockley
Total # Units:	48
Year of Allocation:	2013
Points Awarded per QAP:	1 point
Compliance Period Ends:	2030

	<p>The Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Hockley County on October 15, 2015, later amended and recorded on April 26, 2016, and again on February 20, 2018.</p> <p>The additional use restrictions in the current HTC LURA requires a longer Extended Use Period. The Development is currently in the 5th year of the Compliance Period.</p>
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TDHCA #:	HTC: 14122 / HOME: 1002198
Development Name:	Riverside Park
Development Owner:	Early Riverside Park Apartments, LP
City:	Early
County:	Brown
Total # Units:	60
Year of Allocation:	2014
Points Awarded per QAP:	1 point
Compliance Period Ends:	2031

	<p>The Owner entered into a HTC Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits recorded in Brown County on August 2, 2016, later amended and recorded on February 20, 2018.</p> <p>The additional use restrictions in the current HTC LURA requires a longer Extended Use Period. The Development is currently in the 4th year of the Compliance Period.</p>
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ZIMMERMAN PROPERTIES, LLC

**1329 E. Lark St.
Springfield, Missouri 65804**

October 16, 2020

VIA EMAIL AND FEDERAL EXPRESS

Ms. Karen Treadwell
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701-2410

Re: ROFR LURA Amendments

Dear Karen:

The undersigned, Zimmerman Properties, LLC, a Missouri limited liability company (“**Zimmerman**”), an authorized representative of each of the properties (the “**Properties**”) and property owners (the “**Partnerships**”) listed on Exhibit A, attached hereto and incorporated herein, by this letter requests material LURA amendments for each of the Properties in order to modify the two-year Right of First Refusal (“**ROFR**”) periods.

Request to Amend ROFR Periods

In 2015, Texas Government Code Section 2306.6726 was amended to allow for a 180-day ROFR period. Currently, the LURAs for these Properties require two-year ROFR periods. Section 10.405(b)(2)(E) of the Rules allows for a LURA amendment in order to conform a ROFR to the provisions in Section 2306.6726. Therefore, Zimmerman, acting on behalf of the Partnerships, requests LURA amendments to eliminate the two-year ROFR periods and replace them with the 180-day ROFR periods for each of the Properties.

LURA Amendments

In accordance with Section 10.405(b) of the Rules, Zimmerman is delivering a fee in the amount of \$2500.00 for each of the Properties. In addition, the Partnerships commit to hold public hearings, as required by the Rules, and to notify all residents, investors, lenders, and appropriate elected officials as to these proposed amendments. The Partnerships will proceed to set a date and time for each of the public hearings and will provide TDHCA with evidence that the notices have been delivered and the hearings have been conducted. With that, the Partnerships request staff recommendation in support of this request to be considered at the next available TDHCA Board meeting.

Thank you very much for your assistance. Please do not hesitate to contact us if you require any additional information.

Sincerely,

ZIMMERMAN PROPERTIES, LLC,
a Missouri limited liability company

By: Zimmerman Investments, L.L.C.,
a Missouri limited liability
its managing member

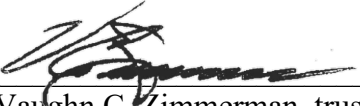
By: 
Vaughn C. Zimmerman, trustee of the Vaughn
C. Zimmerman Revocable Trust U/A dated
December 5, 2011, managing member

Exhibit A**Properties****Region 1:**

Property Owner	Property	TDHCA File No.
Borger Tenth Street Apartments, LP	Tenth St. Apartments dba Adobe Ranch Apartments	10107
Brownfield Cedar Street Apartments, LP	Cedar Street Apartments dba Avalon Park	09946
Levelland Deer Creek Apartments, LP	Deer Creek Apartments	07117
Levelland ZP Rose Meadows Apartments, LP	Rose Meadows Apartments	13129
Amarillo Viking Road Apartments, LP	Stone Canyon Apartments	10236
North Grand Villas Investors, LLC & KJ Hotel Properties, L.L.C. (Tenants-in-Common)	North Grand Villas	02029

Region 2:

Property Owner	Property	TDHCA File No.
Market Place Apartments, LP	Marketplace Apartments	05185
Early Riverside Park Apartments, LP	Riverside Park Apartments	14122
Winchester Arms Apartments, LP	Winchester Arms Apartments	13128
Wildwood Trails Apartments, LP	Wildwood Trails Apartments	04246/07058
Townhomes at Sunset Arbor, LP	Sunset Arbor Townhomes	99126

Region 3:

Property Owner	Property	TDHCA File No.
Carpenter's Point, LP	Carpenter's Point	08207/150900-09927
Sunnyvale Riverstone Trails Apartments, LP	Riverstone Trails Apartments	12221
Rosemont at Lakewest Investors, LLC	Rosemont at Lakewest	03004

Region 4:

Property Owner	Property	TDHCA File No.
Jacksonville Pines Apartments, LP	Jacksonville Pines Apartments	060128
Mt. Pleasant Lakeside Apartments, LP	Lakeside Apartments	07118

WMRA, Ltd.	Highland Village Apartments	99004
Mill Creek Village, LP	Mill Creek Village Apartments	03028
Millpoint Investors, LLC	Millpoint Townhomes	03053
Longview Millie Street Apartments, LP	Mill Creek Terrace dba Millie Street Apartments	09260/15 0900- 09967
Apple Court North Limited Liability Company	Ryan's Crossing Townhomes	00038
Palestine Hampton Chase Apartments, LP	Hampton Chase Apartments	05184

Region 12:

Property Owner	Property	TDHCA File No.
Pecos Country Club Apartments, LP	Country Club Apartments	060125
Seminole Dunes Apartments, LP	The Dunes Apartments	12243
Midland GW Plaza Apartments, LP	Gateway Plaza Apartments	10103
Big Spring Heights Apartments, LP	The Heights Apartments	07115
Knollwood Heights Apartments, LP	Knollwood Heights Apartments	04250
Zimmerman Valley View Apartments, LP	Valley Creek Apartments	05187
Fort Stockton TX Investors, LLC	Southern View Apartments	08299/150900 -09942

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**TO BE POSTED
NOT LATER THAN
THE THIRD DAY
BEFORE THE
DATE OF THE
MEETING**

1g

BOARD ACTION REQUEST
ASSET MANAGEMENT DIVISION
DECEMBER 10, 2020

Presentation, discussion, and possible action regarding a Material Amendment of the Housing Tax Credit Application for La Grange Springs (HTC #20273)

RECOMMENDED ACTION

WHEREAS, La Grange Springs (the Development) was approved by the Board for a 9% Housing Tax Credit (HTC) award in 2020 to construct 72 multifamily units in La Grange, Fayette County;

WHEREAS, La Grange Springs 2020, LP (the Development Owner or Owner) requests approval for a reduction in the Common Area from 3,433 to 2,697 square feet, a reduction of 21% or 736 square feet from the original design represented at Application;

WHEREAS, Board approval is required for a reduction of three percent or more in the Common Area as directed in Tex. Gov't Code §2306.6712(d)(4) and 10 TAC §10.405(a)(4)(D), and the Owner has complied with the amendment requirements therein;

WHEREAS, the requested change does not negatively affect the Development, impact the viability of the transaction, impact the scoring of the Application, or affect the amount of the tax credits awarded; and

WHEREAS, the Development is still required to meet accessibility requirements in the 2020 Qualified Allocation Plan and 10 TAC Chapter 1, Subchapter B;

NOW, therefore, it is hereby

RESOLVED, that the requested material amendment of the Application for La Grange Springs is approved as presented to this meeting, and the Executive Director and his designees are each authorized, directed, and empowered to take all necessary action to effectuate the foregoing.

BACKGROUND

La Grange Springs received a 9% HTC award in 2020 for the new construction of 72 multifamily units, including 64 are HTC units and eight market rate units, in La Grange, Fayette County. On September 17, 2020, Robbye Meyer, the Owner’s representative, submitted a request for approval of a material amendment of the Application. The request is for approval of a 21% reduction of the clubhouse common area from 3,433 to 2,697 square feet, a reduction of 736 square feet. The Owner provided a letter stating that the proposed reduction arises from value engineering done after review with the city and county. The letter states that the reason for the change was not reasonably foreseeable until additional discovery work was performed after the award. The letter states that the reduction will not diminish the quality of the amenities or services that the Application proposed for the tenants.

The following table identifies the changes to the Application:

Material Alterations as defined in Tex. Gov’t Code §2306.6712(d)(4) and 10 TAC §10.405(a)(4)(D)	
Application	Amendment
<p>Common Area: 3,433 s.f.</p>	<p>Common Area: 2,697 s.f., a 736 s.f. or 21% reduction</p>

The amendment does not materially alter the Development in a negative manner and was not reasonably foreseeable or preventable by the Development Owner at the time of Application. The Development Owner has complied with the amendment requirements under 10 TAC §10.405(a).

Staff recommends approval of the amendment request as presented herein.



Asset Management Division

Amendment Request Form

Completed forms and supporting materials can be emailed to asset.management@tdhca.state.tx.us

TYPE OF AMENDMENT REQUESTED

Date Submitted: 9/16/2020

Amendment Requested: *Material Application Amendment,*

Has the change been implemented? *No*

Award Stage: *Commitment (Prior to Carryover)*

NOTE: Material Application or LURA Amendment requests must be received 45 days before the Board Meeting.

[Contact](#) your Asset Manager if you are unsure what type of Amendment to request. Amendment submission requirements and Board dates pertaining to Material Amendments are located on the [Post Award Activities Manual page](#).

DEVELOPMENT INFORMATION

Dev. Name: La Grange Springs

File No. / CMTS No.: 20273 /

CONTACT INFORMATION

Request Submitted By: Robbye Meyer

Phone #/Email: (512) 963-2555 /

SECTION 1: COVER LETTER

A cover letter ***MUST*** be submitted with your request. Review your cover letter to ensure it includes:

- The change(s) requested The reason the change is necessary The good cause for the change
 An explanation of whether the change was reasonably foreseeable or preventable at the time of Application

SECTION 2: REQUIRED DOCUMENTATION

The following is attached:

- Revised Application Exhibits/Documents Reflecting and Verifying All Requested Changes
 Revised Development Financing Exhibits or a Signed Statement of No Financial Impact – (*Only financial information has changed or if it is reasonable to assume that the amendment will have a financial impact on the Development*)
 Amendment fee of \$2,500 for first amendments, \$3,000 for second amendments, increase of \$500 for each successive amendment (Applicable only to Material Amendments and Non-Material Amendments if changes have already been implemented) – *N/A for Developments only funded by a Direct Loan program (HOME, NSP, HTF, NHTF)*

SECTION 3A: MATERIAL APPLICATION AMENDMENT ITEMS

Check all items that have been modified from the original application (see ***Post Award Rules, §10.405(a)(4)***):

- | | | |
|---|--|---|
| <input type="checkbox"/> Site plan | <input type="checkbox"/> Scope of tenant services | <input type="checkbox"/> Req. to implement a revised set aside election |
| <input type="checkbox"/> Number of units* | <input type="checkbox"/> Reduction of 3%+ in unit sq ft | <input type="checkbox"/> Residential density (5%+ change) |
| <input type="checkbox"/> Bedroom mix | <input checked="" type="checkbox"/> Reduction of 3%+ common area | <input type="checkbox"/> Architectural design |

Other

If “Number of units” is selected above and the total LI units or LI units at any rent or income level will be reduced, also:

Written confirmation from the lender *and* syndicator that the development is infeasible without the adjustment in units

Evidence supporting the need for the adjustment in units

If “Request to implement a revised set aside” is selected above, also:

Revised financial exhibits to the Application

Written acknowledgement from all lenders and the syndicator that they are aware of the changes being requested and confirm any changes in terms as a result of the new election

NOTE: *An approval of the amendment may carry a penalty in accordance with §10.405(a)(7)(B).

SECTION 3B: MATERIAL LURA AMENDMENT ITEMS

Check all items that require a material LURA amendment (see Subchapter E, §10.405(b)(2)):

Reductions to the number of LI units Changes to Target Population Affecting Rights of Tenant/3rd Parties

Changes to income or rent restrictions Removal of Non-profit Other

Change in ROFR period/provisions

The following additional items are attached for consideration or will be forthcoming:

Draft Notice of Public Hearing* Evidence of public hearing*

NOTE: *Draft Notices of Public Hearing must be provided with the Amendment materials 45 days prior to the Board meeting. *The Public Hearing must be held at least 15 business days prior to the Board meeting and evidence in the form of attendance sheets and a summary of comments made must be submitted to TDHCA within 3 days of the hearing.

SECTION 4A: NON-MATERIAL APPLICATION AMENDMENT SUMMARY

Check or explain items that require a non-material Application amendment (Contact your Asset Manager if you are unsure of whether your request is non-material):

Amendment is requesting a change in Developer(s) or Guarantor(s) and pre and post change org charts, agreements to the change, and Previous Participation forms are attached.

Changes in natural person(s) used to meet the experience requirement.

Representations made in the Application that exceed the scope of a notification item: Describe items needed

Exchange Developments only: Requests to change elections on line 8(b) of Form 8609 to group buildings into one or more multiple building projects (can be made only once during the Compliance Period).

SECTION 4B: NON-MATERIAL LURA AMENDMENT SUMMARY

Check or explain items that require a non-material LURA amendment (Contact your Asset Manager if you are unsure of whether your request is non-material):

HUB participation removal (request includes documentation showing that a) the HUB is requesting removal of its own volition or is being removed as a result of default, b) the participation has been substantive or meaningful, and c) where the HUB will be replaced as a GP or SLP that is not a HUB and will sell its ownership interest, an ownership transfer request has also been submitted). HUB removal requests will only be considered after the issuance of 8609s.

A change resulting from a Department work out arrangement as recommended by TDHCA.

- A correction of error (Amendments to Applicable Fractions, BIN lists, Accessible Units, etc.)
- Changes in amenities or supportive services that are referenced in the LURA (Requests to change amenities should address whether an amenity will be replaced by an item of equal benefit or point value).
- Other Representations made in the LURA not identified above: Describe items needed

SECTION 4C: NOTIFICATION ITEM SUMMARY

Check or explain items that require a notification to the Department:

- Change to the Development Site acreage required by the City or other local governmental authority, or changes resulting from survey discrepancies (less than 5% change in density)
- Minor modifications to the site plan that will not significantly impact costs (relocation or rearrangement of buildings, changes in ingress/egress, etc.)
- Increases in net rentable square footage or common areas or decreases in NRA or common areas that are less than 3% change
- Changes in amenities not requiring a change to the LURA or negatively impacting scoring, including changes to outdated amenities
- Changes in Developers or Guarantors with no new Principals
- Other: Describe items needed



Arx Housing Initiatives, LLC

Robbye G. Meyer
1305 Dusky Thrush Trail
Austin, Texas 78746
(512) 963-2555
robbye@arxadvantage.net

September 16, 2020

Mark Fugina
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, Texas 78701

Dear Mr. Fugina,

We are representing the La Grange Spring, LP (the "Owner") with the attached amendment request for the La Grange Springs development (Application #20273).

The Owner submitted an application for 2020 Housing Tax Credits and received an award in July 2020 for the proposed development. After more thorough review with the city and county and investigation of the site some value engineering was considered through the engineering and architectural designs. The clubhouse was redesign for a better use of space in the building and on the site.

The Owner is requesting a reduction in the size of the clubhouse from 3,433 SF to 2,697 SF, a reduction of 736 SF.

The change is necessary for the reasons mentioned above. It was not reasonably foreseeable until the Owner completed the additional discovery work after the award. With the reduction in the clubhouse, the Owner can still deliver the same quality and unit amenities for the tenants. The reduction in the clubhouse will not affect the services rendered to the tenants.

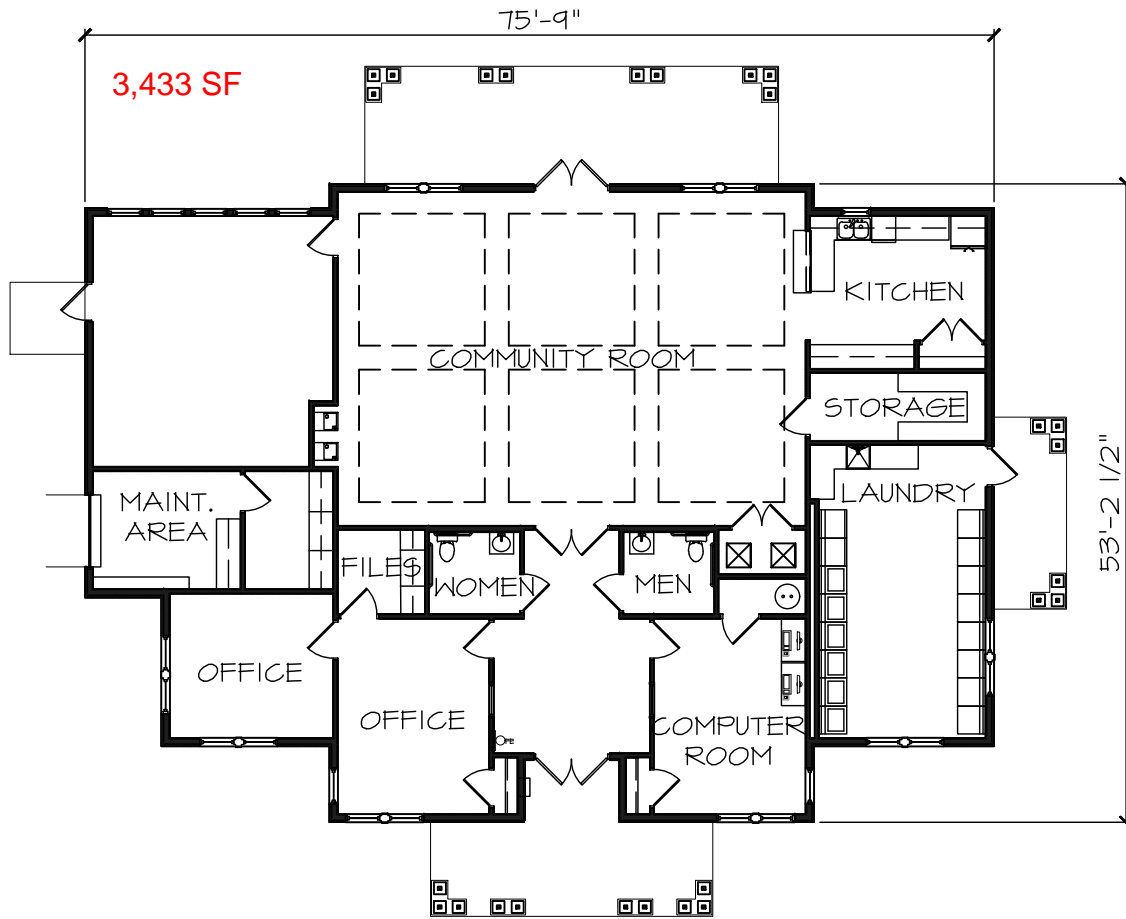
Attached with this request is an original clubhouse floorplan and a revised floorplan. There is No Financial Impact with this amendment request. The changes have not been implemented at this time.

This development is a Readiness to Proceed development, as such it is required to close all financing on or before November 30, 2020. The Owner is on schedule to close mid-November at this time.

Should you have any questions or you need additional information, please feel free to contact me.

Sincerely,

Robbye G. Meyer
Arx Housing Initiatives, Managing Member



COMMUNITY BUILDING FLOOR PLAN

SCALE: 1/16" = 1'-0"

FEBRUARY 2020

LAGRANGE SPRINGS

LaGrange, Texas

Wallace
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FINISH SCHEDULE

Name	Floor Finish	Base Finish	Wall Finish	Ceiling Finish
CLOSET	VINYL PLANK	5 1/4" PRIMED & PAINTED WHITE PINE BASE	PAINTED KNOCKDOWN FINISH ON GYP. BD.	PAINTED KNOCKDOWN FINISH ON GYP. BD.
COMMUNITY ROOM	VINYL PLANK	5 1/4" PRIMED & PAINTED WHITE PINE BASE	PAINTED KNOCKDOWN FINISH ON GYP. BD.	PAINTED KNOCKDOWN FINISH ON GYP. BD.
FITNESS ROOM	RUBBERIZED FLOOR	4" COVE	PAINTED KNOCKDOWN FINISH ON GYP. BD.	PAINTED KNOCKDOWN FINISH ON GYP. BD.
FRONT PATIO	SEALED CONCRETE	NO ADDITIONAL FINISH	NO ADDITIONAL FINISH	NO ADDITIONAL FINISH
KITCHEN	VINYL PLANK	5 1/4" PRIMED & PAINTED WHITE PINE BASE	PAINTED KNOCKDOWN FINISH ON GYP. BD.	PAINTED KNOCKDOWN FINISH ON GYP. BD.
LAUNDRY	CERAMIC TILE	4" COVE	PAINTED KNOCKDOWN FINISH ON GYP. BD.	PAINTED KNOCKDOWN FINISH ON GYP. BD.
LEASING OFFICE	VINYL PLANK	5 1/4" PRIMED & PAINTED WHITE PINE BASE	PAINTED KNOCKDOWN FINISH ON GYP. BD.	PAINTED KNOCKDOWN FINISH ON GYP. BD.
MAINTENANCE	SEALED CONCRETE	NO ADDITIONAL FINISH	PAINTED KNOCKDOWN FINISH ON GYP. BD.	PAINTED GYP. BD.
MECH	SEALED CONCRETE	NO ADDITIONAL FINISH	PAINTED KNOCKDOWN FINISH ON GYP. BD.	PAINTED GYP. BD.
MEN	VINYL PLANK	5 1/4" PRIMED & PAINTED WHITE PINE BASE	PAINTED KNOCKDOWN FINISH ON GYP. BD.	PAINTED KNOCKDOWN FINISH ON GYP. BD.
OFFICE	VINYL PLANK	5 1/4" PRIMED & PAINTED WHITE PINE BASE	PAINTED KNOCKDOWN FINISH ON GYP. BD.	PAINTED KNOCKDOWN FINISH ON GYP. BD.
PANTRY	VINYL PLANK	5 1/4" PRIMED & PAINTED WHITE PINE BASE	PAINTED KNOCKDOWN FINISH ON GYP. BD.	PAINTED KNOCKDOWN FINISH ON GYP. BD.
REAR PATIO	SEALED CONCRETE	NO ADDITIONAL FINISH	NO ADDITIONAL FINISH	NO ADDITIONAL FINISH
WOMEN	VINYL PLANK	5 1/4" PRIMED & PAINTED WHITE PINE BASE	PAINTED KNOCKDOWN FINISH ON GYP. BD.	PAINTED KNOCKDOWN FINISH ON GYP. BD.

ACCESSIBLE KITCHEN NOTES

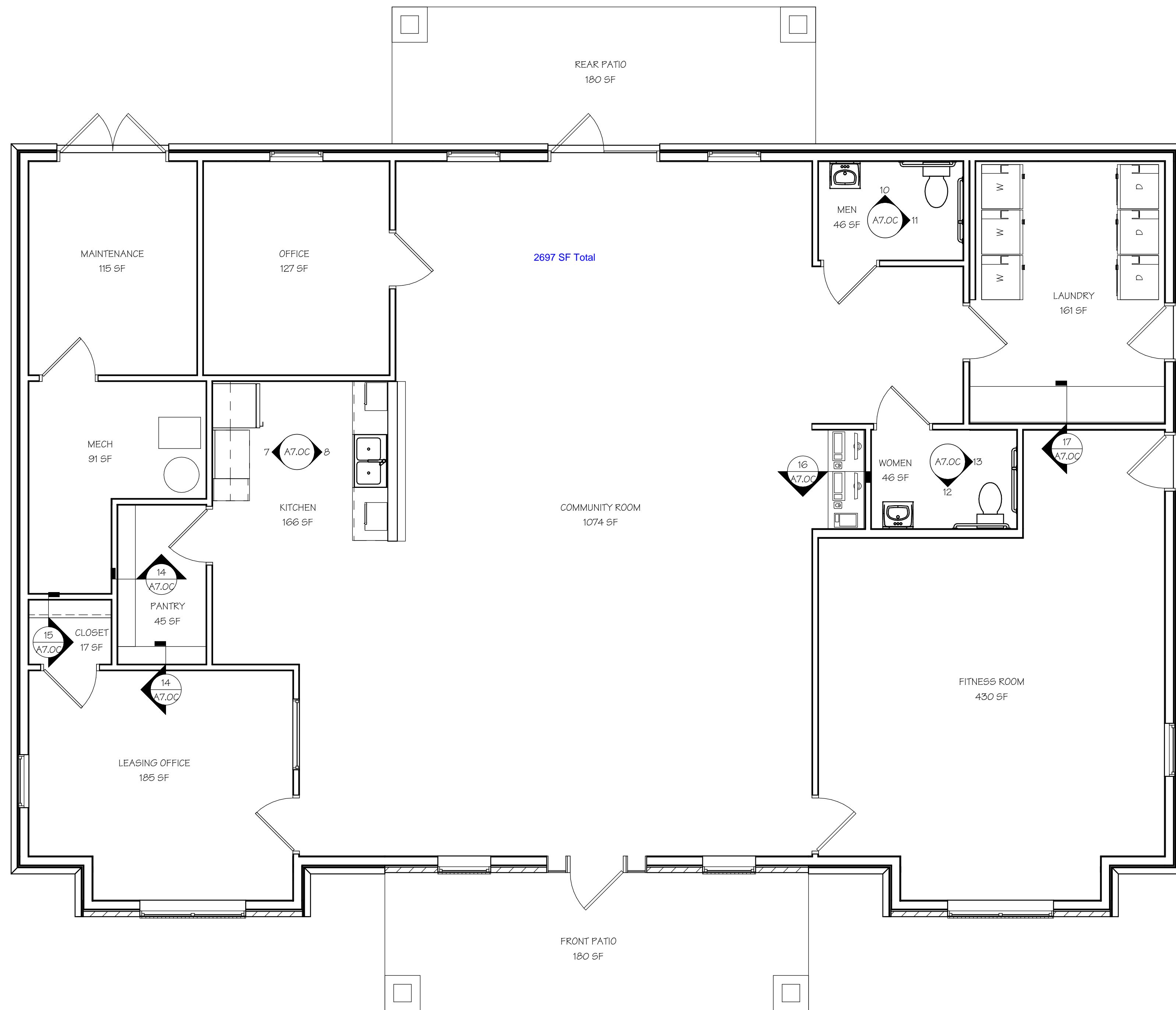
- COUNTER HEIGHT SHALL BE 34" A.F.F. TO TOP OF SINK.
- EXTEND VINYL FLOORING BENEATH SINK SPACE AND THE 30" WORKSPACE.
- TOE KICK SPACE @ BOTTOM OF BASE CABINETS SHALL REMAIN 4" MIN. (STANDARD)
- ADD SWITCH FOR CONTROL OF GARBAGE DISPOSAL.
- TOP OF WALL TELEPHONE OUTLET TO BE 48" MAX. A.F.F.
- SWITCHES & OUTLETS IN KITCHEN ABOVE BASE CABINETS SHALL BE 39" A.F.F. TO BOTTOM OF SWITCH PLATE, SO AS NOT INTERFERE WITH WALL CABINET.
- INSULATED EXPOSED PIPING BELOW KITCHEN SINK W/ "TRAP WRAP" BY BROCAR PRODUCTS, INC. OR EQUAL.

ACCESSIBLE BATH NOTES

- INSTALL GRAB BARS WITH ROUND HEAD SCREWS.
- PROVIDE & INSTALL (1) 36" HORIZONTAL GRAB BAR BEHIND & (1) 42" HORIZONTAL GRAB BAR BESIDE WATER CLOSET ON WALL @ 34" A.F.F. & (1) 18" VERTICAL GRAB BAR BESIDE WATER CLOSET ON WALL @ 40" FROM REAR WALL. (SEE BATH ELEVATIONS SHEET A7.0C)
- BOTTOM OF MIRROR TO REST ON BACK OF LAVATORY
- LAVATORY SINK FAUCET TO BE LEVER TYPE, PIPES & TRAP TO BE WRAPPED W/ "TRAP WRAP" BY BROCAR PRODUCTS, INC. OR EQUAL.
- EXTEND VINYL FLOORING BENEATH LAV. SPACE.

GENERAL FINISH NOTES

- CONTRACTOR SHALL FURNISH & INSTALL 4" BUILDING NUMBERS FOR EACH UNIT AS REQUIRED BY CITY OR LOCAL POSTMASTER.
- CONTRACTOR SHALL FURNISH ONE MAILBOX PER UNIT, PER OWNER SELECTION (SEE SPECS).
- CERTIFICATION OF R-39 CEILING INSULATION MUST BE POSTED IN ATTIC.
- CLOSETS SHALL HAVE EPOXY-COATED WIRE SHELVING.
- PRIME & PAINT WALLS BEHIND MILLWORK.
- STAIN & SEAL MILLWORK AS SPECIFIED.
- APPLY SILICONE CAULK BETWEEN CONCRETE AND BOTTOM OF THE DRYWALL.
- SEAL CONCRETE FLOOR TO REDUCE MOISTURE PENETRATION.
- APPROPRIATELY SIZED BLINDS SHALL BE PROVIDED AND INSTALLED FOR EACH GLAZED OPENING, INCLUDING PAIRED WINDOWS (PROVIDED WITH TWO SETS) AND DOOR GLAZING WHERE HALF LITE OR LARGER.



COMMUNITY BUILDING FINISH PLAN

1
A6.0C SCALE: 1/4" = 1'-0"

FINISH PLAN
ISSUE SET

10 SEP 2020
ARCHITECT LICENSE

LA GRANGE SPRINGS
LA GRANGE, FAYETTE COUNTY, TEXAS

Wallace
ARCHITECTS, L.L.C.
Columbia, MO
P 573-256-7200

WALLACE ARCHITECTS, LLC
TEXAS STATE CERTIFICATE
OF AUTHORITY: BR 159
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1ST ISSUE
10 SEP 2020

ISSUE/REVISIONS
10 SEP 2020 ISSUE SET

SHEET NO. A6.0C

JOB NO.
4144

Original Architect Cert

Engineer/Architect Certification

I (We) certify that the Development will be designed and built to meet the accessibility requirements of the Federal Fair Housing Act as implemented by HUD at 24 CFR Part 100 and the Fair Housing Act Design Manual, Titles II and III of the Americans with Disabilities Act (42 U.S.C. Sections 12131-12189) as implemented by the Department of Justice regulations at 28 CFR Parts 35 and 36, and the Department's Accessibility rules in 10 TAC Chapter 1, Subchapter B, in effect at the time of certification.

I (we) certify that all materials submitted to the Department by the Architect or Applicant constitute records of the Department subject to Chapter 552, Tex. Gov't Code, and the Texas Public Information Act.

I (We) certify that in accordance with Section 504 of the Rehabilitation Act of 1973 and implemented at 24 CFR. Part 8, if the Development includes the New Construction or substantial rehabilitation of multifamily units (4 or more units), at least five percent (5%) of all dwelling units will be designed and built to be accessible for persons with mobility impairments. A unit that is on an accessible route and is adaptable and otherwise compliant with the 2010 ADA Standards with the exceptions listed in "Nondiscrimination on the Basis of Disability in Federally Assisted Programs and Activities" (Federal Register 79 FR 29671) meets this requirement. In addition, at least two percent (2%) of all dwelling units will be designed and built to be accessible for persons with hearing or vision impairments.

I (We) certify that the requirements of Section 504 of the Rehabilitation Act of 1973 and implemented at 24 CFR. Part 8 and Tex. Gov't Code §§2306.6722 and 2306.6730, will be met as described in 10 TAC Chapter 1, Subchapter B, including the accessibility requirements relating to Unit Type distribution.

I (We) certify that I (We) have reviewed and understand the Department's fair housing educational materials posted on the Department's website as of the beginning of the Application Acceptance Period.

I (We) acknowledge that the Department may publish the full Development Plan on the Department's website, release the Development Plan in response to a request for public information and make other use of the Development Plan as authorized by law.

I (We) certify that if the Development includes the New Construction or Rehabilitation of single family units (1 to 3 units per building), every unit will be designed and built to meet the accessibility requirements of Tex. Gov't Code §2306.514, as it may be amended from time to time.

I (We) have attached a statement describing how, regardless of building type, all Units accessed by the ground floor or by elevator ("affected units") meet the requirements at 10 TAC

§11.101(b)(8)(B), or the Applicant has requested a waiver of specific provisions of 10 TAC §11.101(b)(8)(B) as necessary for Rehabilitation Developments.

I(We) certify that all accessible Units under 10 TAC Chapter 1, Subchapter B will be dispersed throughout the Development.

If the Applicant is applying for Multifamily Direct Loan funds, I (We) further certify that the Development meets the Property Standards in 24 CFR §92.251 or 24 CFR §93.301 and as further outlined in 10 TAC Chapters 11 and 13, as applicable.

If the Applicant is applying for Housing Tax Credits, Tex. Gov't Code §2306.6712(d)(4) requires that the board by vote approve or reject an amendment that would result in a reduction of 3% or more in the square footage of the units or common areas. I(We) certify that the net rentable square footage of the Development is 79,128 square feet, and the common area square footage (to include all enclosed space for resident use such as interior corridors, property management offices, resident services offices, 24 hour front desk offices, clubrooms, lounges, community kitchens, community restrooms, exercise rooms, laundry rooms, mailbox areas, food pantries, meeting rooms, libraries, computer labs, classrooms, maintenance areas, break rooms, and flex space for resident use) is 3,433 square feet. This certification will be applied for square footage comparison at Cost Certification, unless the application is amended prior to Cost Certification.

This certification meets the requirement that the Applicant provide a certification from the Development engineer or an accredited architect after careful review of the Department's accessibility requirements, including Tex. Gov't Code §§2306.6722 and 2306.6730.

By: M. Randall Porter
Signature

2/28/2020
Date

M. Randall Porter
Printed Name

24739 - Texas
License Number and State

Wallace Architects, LLC
Firm Name (If applicable)

1h

BOARD ACTION REQUEST

EXECUTIVE DIVISION

DECEMBER 10, 2020

Presentation, discussion, and possible action on an order proposing an amendment to 10 TAC §1.15, Integrated Housing Rule, and directing publication for public comment in the Texas Register

RECOMMENDED ACTION

WHEREAS, pursuant to Tex. Gov't Code §2306.053, the Texas Department of Housing and Community Affairs (the Department) is authorized to adopt rules governing the administration of the Department and its programs;

WHEREAS, the provision of integrated housing through the Department's programs is authorized by Tex. Gov't Code §2306.111(g), which directs that the Department's funding priorities should provide that funds are awarded, when feasible, based on a project's ability to provide integrated affordable housing;

WHEREAS, the rule regarding this statutory provision (10 TAC §1.15; the Integrated Housing Rule) has a reference within it that warrants clarification and reflection of other Department rule changes; and

WHEREAS, upon Board approval, the proposed rule will be submitted to the Texas Register to be released for public comment, which will be accepted from December 28, 2020, through January 29, 2021;

NOW, therefore, it is hereby

RESOLVED, that the proposed amendment to 10 TAC §1.15, Integrated Housing Rule, is hereby approved; and

FURTHER RESOLVED, that the Acting Director and his designees, be and each of them hereby are authorized, empowered, and directed, for and on behalf of the Department to cause the amendment to 10 TAC §1.15, Integrated Housing Rule, in the form presented to this meeting, to be published in the Texas Register and in connection therewith, make such non-substantive technical corrections as they may deem necessary to effectuate the foregoing, including the preparation of the subchapter specific preambles and any requested revisions to the preambles.

BACKGROUND

Tex. Gov't Code §2306.111(g) directs that the Department's funding priorities should provide that funds be awarded, when feasible, based on a project's ability to provide integrated affordable housing. The related rule at 10 TAC §1.15 ensures that housing developments that are subject to the rule do not restrict occupancy solely to households with disabilities, with a maximum integration limit dependent on the size of the housing development. Based on changes made to 10 TAC Chapter 23, one reference within this rule is now in need of revision. Additionally, the Department wishes to incorporate the homelessness programs to this rule (as

applicable). The Department has not had any recent subrecipients request to use state funds in this manner and no activity currently allowed by the federal rules would trigger this rule. A clarification to the definition of Unit is also proposed as a result of adding the additional funding sources. No other changes are being proposed.

Behind the preamble for the proposed amendment the rule is shown reflecting the proposed amendment.

Attachment 1: Preamble, including required analysis, for proposed amendment to 10 TAC §1.15, Integrated Housing Rule

The Texas Department of Housing and Community Affairs (the Department) proposes an amendment to 10 TAC §1.15, Integrated Housing Rule. The purpose of the revision is to correct an incorrect citation to a regulation.

Tex. Gov't Code §2001.0045(b) does apply to the rule being adopted and no exceptions are applicable. However, the rule already exists and the correction is only administrative in nature. There are no costs associated with this rule action, therefore no costs or impacts warrant a need to be offset.

The Department has analyzed this rulemaking and the analysis is described below for each category of analysis performed.

a. GOVERNMENT GROWTH IMPACT STATEMENT REQUIRED BY TEX GOV'T CODE §2001.0221.

Mr. Bobby Wilkinson, Executive Director, has determined that, for the first five years the amendment will be in effect:

1. The amended rule does not create or eliminate a government program, but relates to the activity of the Department to ensure that Developments voluntarily participating in programs funded by the Department offer an integrated housing opportunity for Households with Disabilities.
2. The amended rule does not require a change in work that will require the creation of new employee positions, nor is the amendment significant enough to reduce work load to a degree that any existing employee positions are eliminated.
3. The amended rule does not require additional future legislative appropriations.
4. The amended rule does not result in an increase in fees paid to the Department or in a decrease in fees paid to the Department
5. The amendment is creating a new regulation, which is being created to ensure that rental housing developed with state funding is subject to integrated housing requirements.
6. The amended rule will not limit or repeal an existing regulation, but can be considered to "expand" the existing regulations related to development of rental housing with state funds; however, this addition to the rule is necessary to conform to the requirements of Tex. Gov't Code §2306.111(g).
7. The amended rule will increase the number of individuals subject to the rule's applicability as described in item 6 above.
8. The amended rule will not negatively or positively affect this state's economy.

b. ADVERSE ECONOMIC IMPACT ON SMALL OR MICRO-BUSINESSES OR RURAL COMMUNITIES AND REGULATORY FLEXIBILITY REQUIRED BY TEX GOV'T CODE §2006.002. The Department, in drafting this rule, has

attempted to reduce any adverse economic effect on small or micro-business or rural communities while remaining consistent with the statutory requirements of Tex. Gov't Code §2306.111(g).

1. The Department has evaluated this proposed action and determined that none of the adverse effect strategies outlined in Tex. Gov't Code §2006.002(b) are applicable.

2. This rule relates to the Department ensuring that Developments voluntarily participating in programs funded by the Department offer an integrated housing opportunity for Households with Disabilities. Other than in the case of a small or micro-business that is voluntarily participating in one of the Department's multifamily programs, no small or micro-businesses are subject to the rule. However, if a small or micro-business is pursuing a multifamily activity with the Department, this rule action merely clarifies a citation.

3. The Department has determined that because the proposed amendment merely corrects a citation, there will be no economic effect on small or micro-businesses or rural communities.

c. TAKINGS IMPACT ASSESSMENT REQUIRED BY TEX GOV'T CODE §2007.043. The amended rule does not contemplate or authorize a taking by the Department; therefore no Takings Impact Assessment is required.

d. LOCAL EMPLOYMENT IMPACT STATEMENTS REQUIRED BY TEX GOV'T CODE §2001.024(a)(6).

The Department has evaluated the rule as to its possible effects on local economies and has determined that for the first five years the rule will be in effect the amended rule has no economic effect on local employment because the rule relates only to a correction to an incorrect citation.

Texas Gov't Code §2001.022(a) states that this "impact statement must describe in detail the probable effect of the rule on employment in each geographic region affected by this rule..." Considering that this rule merely provides a minor technical change, there are no "probable" effects of the new rule on particular geographic regions.

e. PUBLIC BENEFIT/COST NOTE REQUIRED BY TEX GOV'T CODE §2001.024(a)(5). Mr. Wilkinson has determined that, for each year of the first five years the amended section is in effect, the public benefit anticipated as a result of the amended section will be a rule with correct references. There will not be any economic cost to any individuals subject to the amended rule as the processes described by the rule have already been in existence.

f. FISCAL NOTE REQUIRED BY TEX GOV'T CODE §2001.024(a)(4). Mr. Wilkinson also has determined that for each year of the first five years the amended section is in effect, enforcing or administering the new section does not have any foreseeable implications related to costs or revenues of the state or local governments.

g. REQUEST FOR PUBLIC COMMENT. The public comment period will be held December 28, 2020, through January 29, 2021, to receive input on the proposed amended section. Written comments may be submitted to the Texas Department of Housing and Community Affairs, Attn: Brooke Boston, Rule Comments, P.O. Box 13941, Austin, Texas 78711-3941 or email brooke.boston@tdhca.state.tx.us. ALL COMMENTS MUST BE RECEIVED BY 5:00 P.M. Austin local time January 29, 2021.

STATUTORY AUTHORITY. The amendment is proposed pursuant to Tex. Gov't Code §2306.053, which authorizes the Department to adopt rules. Except as described herein the amended section affects no other code, article, or statute.

§1.15 Integrated Housing Rule

(a) Purpose. It is the purpose of this section to provide a standard by which Developments funded by the Department offer an integrated housing opportunity for Households with Disabilities. This rule is authorized by Tex. Gov't Code, §2306.111(g) that promotes projects that provide integrated affordable housing.

(b) Definitions. The following words and terms, when used in this section, shall have the following meanings, unless the context clearly indicates otherwise.

(1) Capitalized words used herein have the meaning assigned in the specific Chapters and Rules of this Part that govern the program associated with the funded or awarded Development, or assigned by federal or state law.

(2) Integrated Housing--Living arrangements typical of the general population. Integration is achieved when Households with Disabilities have the option to choose housing units that are located among units that are not reserved or set aside for Households with Disabilities. Integrated Housing is distinctly different from assisted living facilities/arrangements.

(3) Households with Disabilities--A Household composed of one or more persons, at least one of whom is an individual who is determined to have a physical or mental impairment that substantially limits one or more major life activities; or having a record of such an impairment; or being regarded as having such an impairment. Included in this meaning is the term handicap as defined in the Fair Housing Act or disability as defined by other applicable federal or state law.

(4) Unit--has the meaning in Chapter 11 of this title, or of Single Family Dwelling Unit in Chapter 20 of this title, or Dwelling Unit in Chapter 7 of this title, as determined by the applicable funding source.

(c) Applicability. This rule applies to:

(1) All Multifamily Developments subject to Chapter 11 of this title (relating to Qualified Allocation Plan (QAP)), Chapter 12 of this title (relating to Multifamily Housing Revenue Bond Rules), and Chapter 13 of this title (relating to Multifamily Direct Loan Rule), with the exclusion of Transitional Housing Developments;

(2) Single Family Developments subject to Chapter 23, Subchapter ~~GF~~, of this title, relating to HOME Program Single Family Developments, §7.3 of this title relating to Construction Activities, or done with Neighborhood Stabilization Program funds, with the exclusion of Shelters, Transitional Housing, and Scattered-site developments, meaning one to four family dwellings located on sites that are on non-adjacent lots, with no more than four units on any one site; and

(3) Only the restrictions or set asides placed on Units through a Contract, LURA, or financing source that limits occupancy to Persons with Disabilities. This rule does not prohibit a Development from having a higher percentage of actual occupants who are Persons with Disabilities.

(4) Previously awarded Multifamily Developments that would no longer be compliant with this rule are not considered to be in violation of the percentages described in subsection (d)(2) or subsection (d)(3) of this section if the award is made prior to September 1, 2018, and the restrictions or set asides were already on the Development or proposed in the Application for the Development.

(d) Integrated Housing Standard. Units exclusively set aside or containing a preference for Households with Disabilities must be dispersed throughout a Development.

(1) A Development may not market or restrict occupancy solely to Households with Disabilities unless required by a federal funding source.

(2) Developments with 50 or more Units shall not exclusively set aside more than 25% of the total Units in the Development for Households with Disabilities.

(3) Developments with fewer than 50 Units shall not exclusively set aside more than 36% of the Units in the Development for Households with Disabilities.

(e) Board Waiver. The Board may waive the requirements of this rule if the Board can affirm that the waiver of the rule is necessary to serve a population or subpopulation that would not be adequately served without the waiver, and that the Development, even with the waiver, does not substantially deviate from the principle of Integrated Housing.

1i

BOARD ACTION REQUEST

EXECUTIVE DIVISION

DECEMBER 10, 2020

Presentation, discussion, and possible action on repeal of and proposed new 10 TAC Chapter 2 Enforcement, Subchapter B, Enforcement for Noncompliance with Program Requirements of Chapters 6 and 7, §2.201, Cost Reimbursement, and §2.202, Sanctions and Contract Closeout, to be published in the Texas Register for public comment

RECOMMENDED ACTION

WHEREAS, pursuant to Tex. Gov't Code §2306.053, the Texas Department of Housing and Community Affairs (the Department) is authorized to adopt rules governing the administration of the Department and its programs;

WHEREAS, 10 TAC Chapter 2, Subchapter B deals specifically with Enforcement for Noncompliance with Program Requirements of Chapters 6 and 7, which are the Community Affairs and Homelessness Programs;

WHEREAS, 10 TAC §§2.201 and 2.202 relating to Cost Reimbursement and Sanctions and Contract Closeout, respectively, have not been updated in the prior four years and Department staff has recognized the need for revisions to be consistent with changes to Program Rules and 10 TAC Chapter 1 Subchapter D; and

WHEREAS, such proposed rulemaking will be published in the Texas Register for public comment and subsequently returned to the Board for final adoption;

NOW, therefore, it is hereby

RESOLVED, that the Executive Director and his designees be and each of them are hereby authorized, empowered and directed, for and on behalf of the Department, to publish for public comment in the Texas Register the repeal and proposed new 10 TAC Chapter 2 Enforcement, Subchapter B, Enforcement for Noncompliance with Program Requirements of Chapters 6 and 7, §2.201, Cost Reimbursement, and §2.202, Sanctions and Contract Closeout, and in connection therewith, make such non-substantive technical corrections as they may deem necessary to effectuate the foregoing.

BACKGROUND

10 TAC Chapter 2, Subchapter B deals specifically with Enforcement for Noncompliance with Program Requirements for the Community Affairs and Homelessness Programs. 10 TAC §§2.201 and 2.202 relating to Cost Reimbursement and Sanctions and Contract Closeout, respectively, have not been updated in the prior four years and Department staff has recognized the need for revisions to be consistent with changes to Program Rules and Chapter 1 Subchapter 6. The rule is shown in black line so that changes are readily apparent.

The changes relate to removing an example and adding clarification relating to how voluntarily relinquishment relates to contract termination steps.

Attachment 1: Preamble, including required analysis, for proposed repeal of 10 TAC Chapter 2 Enforcement, Subchapter B, Enforcement for Noncompliance with Program Requirements of Chapters 6 and 7, §2.201, Cost Reimbursement, and §2.202, Sanctions and Contract Closeout

The Texas Department of Housing and Community Affairs (the Department) proposes the repeal of 10 TAC Chapter 2 Enforcement, Subchapter B, Enforcement for Noncompliance with Program Requirements of Chapters 6 and 7, §2.201, Cost Reimbursement, and §2.202, Sanctions and Contract Closeout. The purpose of the proposed repeal is to clarify requirements for participants of the Department's program.

Tex. Gov't Code §2001.0045(b) does not apply to the rule proposed for action because it was determined that no costs are associated with this action, and therefore no costs warrant being offset.

The Department has analyzed this proposed rulemaking and the analysis is described below for each category of analysis performed.

a. GOVERNMENT GROWTH IMPACT STATEMENT REQUIRED BY TEX. GOV'T CODE §2001.0221.

Mr. Bobby Wilkinson, Executive Director of the Department, has determined that, for the first five years the proposed repeal would be in effect:

1. The proposed repeal does not create or eliminate a government program but relates to changes to existing guidance for program subrecipients.
2. The proposed repeal does not require a change in work that would require the creation of new employee positions, nor are the rule changes significant enough to reduce work load to a degree that eliminates any existing employee positions.
3. The proposed repeal does not require additional future legislative appropriations.
4. The proposed repeal will not result in an increase in fees paid to the Department, nor in a decrease in fees paid to the Department.
5. The proposed repeal is not creating a new regulation, except that it is being replaced by a new rule simultaneously to provide for revisions.
6. The proposed repeal will not expand, limit, or repeal an existing regulation.
7. The proposed repeal will not increase or decrease the number of individuals subject to the rule's applicability.
8. The proposed repeal will not negatively or positively affect the state's economy.

b. ADVERSE ECONOMIC IMPACT ON SMALL OR MICRO-BUSINESSES OR RURAL COMMUNITIES AND REGULATORY FLEXIBILITY REQUIRED BY TEX. GOV'T CODE §2006.002.

The Department has evaluated the proposed repeal and determined that the proposed repeal will not create an economic effect on small or micro-businesses or rural communities.

c. TAKINGS IMPACT ASSESSMENT REQUIRED BY TEX. GOV'T CODE §2007.043. The proposed repeal does not contemplate nor authorize a taking by the Department; therefore, no Takings Impact Assessment is required.

d. LOCAL EMPLOYMENT IMPACT STATEMENTS REQUIRED BY TEX. GOV'T CODE §2001.024(a)(6).

The Department has evaluated the proposed repeal as to its possible effects on local economies and has determined that for the first five years the proposed repeal would be in effect there would be no economic effect on local employment; therefore, no local employment impact statement is required to be prepared for the rule.

e. PUBLIC BENEFIT/COST NOTE REQUIRED BY TEX. GOV'T CODE §2001.024(a)(5). Mr. Wilkinson has determined that, for each year of the first five years the proposed repeal is in effect, the public benefit anticipated as a result of the changed sections would be an updated and more germane rule. There will not be economic costs to individuals required to comply with the repealed section.

f. FISCAL NOTE REQUIRED BY TEX. GOV'T CODE §2001.024(a)(4). Mr. Wilkinson also has determined that for each year of the first five years the proposed repeal is in effect, enforcing or administering the repeal does not have any foreseeable implications related to costs or revenues of the state or local governments.

REQUEST FOR PUBLIC COMMENT. The public comment period will be held December 28, 2020, through January 29, 2021, to receive input on the proposed action. Written comments may be submitted to the Texas Department of Housing and Community Affairs, Attn: Brooke Boston, Rule Comments, P.O. Box 13941, Austin, Texas 78711-3941 or email brooke.boston@tdhca.state.tx.us. ALL COMMENTS MUST BE RECEIVED BY 5:00 P.M. Austin local time January 29, 2021.

STATUTORY AUTHORITY. The proposed repeal is made pursuant to Tex. Gov't Code §2306.053, which authorizes the Department to adopt rules. Except as described herein the proposed amended sections affect no other code, article, or statute.

§2.201, Cost Reimbursement

§2.202, Sanctions and Contract Closeout

Attachment 2: Preamble for proposed new 10 TAC Chapter 2 Enforcement, Subchapter B, Enforcement for Noncompliance with Program Requirements of Chapters 6 and 7, §2.201, Cost Reimbursement, and §2.202, Sanctions and Contract Closeout

The Texas Department of Housing and Community Affairs (the Department) proposes new 10 TAC Chapter 2 Enforcement, Subchapter B, Enforcement for Noncompliance with Program Requirements of Chapters 6 and 7, §2.201, Cost Reimbursement, and §2.202, Sanctions and Contract Closeout. The purpose of the proposed new sections is to provide clarity in these sections.

Tex. Gov't Code §2001.0045(b) does not apply to the rule proposed for action because it was determined that no costs are associated with this action, and therefore no costs warrant being offset.

The Department has analyzed this proposed rulemaking and the analysis is described below for each category of analysis performed.

a. GOVERNMENT GROWTH IMPACT STATEMENT REQUIRED BY TEX. GOV'T CODE §2001.0221.

Mr. Bobby Wilkinson, Executive Director of the Department, has determined that, for the first five years the proposed new rule would be in effect:

1. The proposed rule does not create or eliminate a government program.
2. The proposed new rule does not require a change in work that would require the creation of new employee positions, nor are the rule changes significant enough to reduce work load to a degree that eliminates any existing employee positions.
3. The proposed rule changes do not require additional future legislative appropriations.
4. The proposed rule changes will not result in an increase in fees paid to the Department, nor in a decrease in fees paid to the Department.
5. The proposed rule is not creating a new regulation, except that it is replacing a rule being repealed simultaneously to provide for revisions.
6. The proposed rule will not expand, limit, or repeal an existing regulation.
7. The proposed rule will not increase or decrease the number of individuals subject to the rule's applicability; and
8. The proposed rule will not negatively or positively affect the state's economy.

b. ADVERSE ECONOMIC IMPACT ON SMALL OR MICRO-BUSINESSES OR RURAL COMMUNITIES AND REGULATORY FLEXIBILITY REQUIRED BY TEX. GOV'T CODE §2006.002. The Department, in drafting this proposed rule, has attempted to reduce any adverse economic effect on small or micro-business or rural communities while remaining consistent with the statutory requirements of Tex. Gov't Code §2306.041 and §2306.0504.

1. The Department has evaluated this rule and determined that none of the adverse effect strategies outlined in Tex. Gov't Code §2006.002(b) are applicable.
2. Other than in the case of a small or micro-business that participates in the Department's programs covered by this rule, no small or microbusinesses are subject to the rule. If a small or micro-business does participate in the program, the rule provides a clear set of regulations for doing so.
3. The Department has determined that there will be no economic effect on small or micro-businesses or rural communities.

c. TAKINGS IMPACT ASSESSMENT REQUIRED BY TEX. GOV'T CODE §2007.043. The proposed rule does not contemplate nor authorize a taking by the Department; therefore, no Takings Impact Assessment is required.

d. LOCAL EMPLOYMENT IMPACT STATEMENTS REQUIRED BY TEX. GOV'T CODE §2001.024(a)(6).

The Department has evaluated the rule as to its possible effects on local economies and has determined that for the first five years the rule will be in effect the proposed rule has no economic effect on local employment therefore, no local employment impact statement is required to be prepared for the rule. Tex. Gov't Code §2001.022(a) states that this "impact statement must describe in detail the probable effect of the rule on employment in each geographic region affected by this rule..." Considering that the proposed rule has no economic impact on local employment there are no "probable" effects of the new rule on particular geographic regions.

e. PUBLIC BENEFIT/COST NOTE REQUIRED BY TEX. GOV'T CODE §2001.024(a)(5). Mr. Wilkinson has determined that, for each year of the first five years the new sections are in effect, the public benefit anticipated as a result of the new sections will be an updated and more germane rule. There will not be any economic cost, other than that described above, to any individuals required to comply with the new section. because the processes described by the rule have already been in place through the rule found at this section being repealed.

f. FISCAL NOTE REQUIRED BY TEX. GOV'T CODE §2001.024(a)(4). Mr. Wilkinson also has determined that for each year of the first five years the new section is in effect, enforcing or administering the new section does not have any foreseeable implications related to costs or revenues of the state or local governments.

REQUEST FOR PUBLIC COMMENT. The public comment period will be held December 28, 2020, through January 29, 2021, to receive input on the proposed action. Written comments may be submitted to the Texas Department of Housing and Community Affairs, Attn: Brooke Boston, Rule Comments, P.O. Box 13941, Austin, Texas 78711-3941 or email brooke.boston@tdhca.state.tx.us. ALL COMMENTS MUST BE RECEIVED BY 5:00 P.M. Austin local time January 29, 2021.

STATUTORY AUTHORITY. The new sections are proposed pursuant to Tex. Gov't Code §2306.053, which authorizes the Department to adopt rules. Except as described herein the proposed new sections affect no other code, article, or statute.

10 TAC Subchapter B, Enforcement for Noncompliance with Program Requirements of Chapters 6 and 7, §2.201, Cost Reimbursement

§2.201 Cost Reimbursement

(a) The Department may place on Cost Reimbursement any contract, other than non-Discretionary CSBG. Cost reimbursement requires Subrecipients to submit supporting documentation and back up for Expenditures or Obligations prior to the Department releasing funds. The Department staff shall establish appropriate review protocols for each party placed on cost reimbursement status, indicating whether all expenses will be reviewed or a sample, and the nature of any additional documentation that will be required in connection therewith. Approving the release of funds in a cost review situation does not constitute final approval of the expenditure. Funds so advanced remain subject to future reviews, monitorings, and audits and in no way serve to constrain or limit them. ~~By way of example and not by way of limitation, a cost reimbursement might appear facially compliant and appropriate but if it related to a matter that required procurement and a future review, monitoring, or audit identified noncompliance with the procurement, the funds could be subject to disallowance and requiring repayment from unrestricted non-federal funds.~~

(b) In addition to the reporting requirements outlined in ~~Chapter 6, §6.7~~ of this Part-Title (relating to Subrecipient Reporting Requirements) an entity on Cost Reimbursement must submit, at a minimum, their expanded general ledger, chart of accounts, cost allocation plan, and bank reconciliations for the previous three months. Upon review of those items the Department will request submission of back up for some or all of the reported Expenditures.

(c) The budget caps for each budget category will be enforced each month the entity is on Cost Reimbursement.

(d) An entity will be removed from Cost Reimbursement when the Department determines that identified risks or concerns have been sufficiently mitigated.

(e) An entity on Cost Reimbursement remains subject to monitoring.

(f) The Department reserves the right to outsource some or all of its work associated with the Cost Reimbursement process to a third party.

§2.202 Sanctions and Contract Closeout

(a) Subrecipients that enter into a Contract with the Department to administer programs are required to follow all Legal Requirements governing these programs.

(b) If a Subrecipient fails to comply with program and Contract requirements, rules, or regulations and in the event monitoring or other reliable sources reveal material Deficiencies or Findings in performance, or if the Subrecipient fails to correct any Deficiency or Finding within the time allowed by federal or state law, the Department, in order to protect state or federal funds, may take reasonable and appropriate actions, including but not limited to one or more of the items described in paragraphs (1) - (6) of this subsection. In so doing, the Department will not take any action that exceeds what it is permitted to do under applicable state and federal law. The Department, as appropriate, may provide written notice of its actions and the rights of a Subrecipient to appeal.

(1) Place it on Cost Reimbursement.

(2) With the exception of non-Discretionary CSBG, withhold all payments from the Subrecipient (both reimbursements and advances) until acceptable confirmation of compliance with the rules and regulations are received by the Department;

(3) Reduce the allocation of funds to Subrecipients as described in §2.203 of this subchapter (relating to Termination and Reduction of Funding for CSBG Eligible Entities) and as limited for LIHEAP funds as outlined in Tex. Gov't Code, Chapter 2105;

(4) With the exception of non-Discretionary CSBG, suspend performance of the Contract or reduce funds until proof of compliance with the rules and regulations are received by the Department or a decision is made by the Department to initiate proceedings for Contract termination;

(5) If permitted by applicable state and federal statute and regulations, elect not to provide future grant funds to the Subrecipient, either prospectively in general or until appropriate actions are taken to ensure compliance; or

(6) Terminate the Contract. Adhering to the requirements governing each specific program administered by the Department, as needed, the Department may determine to proceed with the termination of a Contract, in whole or in part, at any time the Department establishes there is good cause for termination. Such cause may include, but is not limited to: fraud; waste; abuse; fiscal mismanagement; not providing services to clients, or failing to expend Contract funds to serve clients, as contemplated under the Contract; or other serious Findings in the Subrecipient's performance. For CSBG contract termination procedures, refer to §2.203 of this subchapter.

(c) Contract Closeout. When a Contract is terminated, or voluntarily relinquished, the procedures described in paragraphs (1) - (12) of this subsection will be implemented. The terminology of a "terminated" Subrecipient below is intended to include a Subrecipient that is voluntarily terminating the Contract.

(1) The Department will issue a termination letter to the Subrecipient no less than 30 days prior to terminating the Contract; in the case of a Subrecipient that has notified the Department in writing of voluntarily relinquishment, the Department will acknowledge that termination in writing. If the entity is an Eligible Entity the Department, following the CSBG Act, will simultaneously initiate proceedings to terminate the Eligible Entity status and the effectiveness of the contractual termination will be stayed automatically pending the outcome of those proceedings. The Department may determine to take one of the following actions: suspend funds immediately or allow a temporary transfer to another provider; require Cost Reimbursement for closeout proceedings, or provide instructions to the Subrecipient to prepare a proposed budget and written plan of action that supports the closeout of the Contract. The plan must identify the name and current job titles of staff that will perform the closeout and an estimated dollar amount to be incurred. The plan must identify the CPA or firm which will perform the Single Audit. The Department will issue an official termination date to allow all parties to calculate deadlines which are based on such date.

(2) If the Department determines that Cost Reimbursement is appropriate to accomplish closeout, the Subrecipient will submit backup documentation for all current Expenditures associated with the closeout. The required documentation will include, but not be limited to, the chart of accounts, detailed general ledger, revenue and expenditure statements, time sheets, payment vouchers and/or receipts, and bank reconciliations.

(3) No later than 30 calendar days after the Contract is terminated, the Subrecipient will take a physical inventory of client files, including case management files.

(4) The terminated Subrecipient will have 30 calendar days from the date of the physical inventory to make available all current client files, which must be boxed by county of origin. Current and active case management files also must be inventoried, and boxed by county of origin.

(5) Within 60 calendar days following the Subrecipient due date for preparing and boxing client files, Department staff will retrieve the client files.

(6) The terminated Subrecipient will prepare and submit no later than 30 calendar days from the date the Department retrieves the client files, a final report containing a full accounting of all funds expended under the contract.

(7) A final monthly expenditure report and a final monthly performance report for all remaining expenditures incurred during the closeout period must be received by the Department no later than 45

calendar days from the date the Department determines that the closeout of the program and the period of transition are complete.

(8) The Subrecipient will submit to the Department no later than 45 calendar days after the termination of the Contract, an inventory of the non-expendable personal property acquired in whole or in part with funds received under the Contract.

(9) The Department may require transfer of title to Equipment to the Department or to any other entity receiving funds under the program in question. The Department will make arrangements to remove Equipment covered by this paragraph within 90 calendar days following termination of the Contract.

(10) Upon selection of a new service provider, the Department will transfer to the new provider client files and, as appropriate, Equipment.

(11) A current year Single Audit must be performed for all entities that have exceeded the federal expenditure threshold under 2 CFR Part 200, Subpart F or the State expenditure threshold under UGMS, as applicable. The Department will allow a proportionate share of program funds to pay for accrued audit costs, when an audit is required, for a Single Audit that covers the date up to the closeout of the contract. The terminated Subrecipient must have a binding contract with a CPA firm on or before the termination date of the contract. The actual costs of the Single Audit and accrued audit costs including support documentation must be submitted to the Department no later than 45 calendar days from the date the Department determines the closeout is complete.

(12) Subrecipients shall submit within 45 calendar days after the date of the closeout process all financial, performance, and other applicable reports to the Department. The Department may approve extensions when requested by the Subrecipient. However, unless the Department authorizes an extension, the Subrecipient must abide by the 45 calendar day requirement of submitting all referenced reports and documentation to the Department.

REPORT ITEMS

2a

TDHCA Outreach Activities, November-December

A compilation of outreach and educational activities designed to enhance the awareness of TDHCA programs and services among key stakeholder groups and the general public.

Activity	Event	Date	Location	Division
Webinar	Preparing to Apply for ESG Program Webinar	Oct. 22	N/A	Homelessness
Virtual Training	Housing Tax Credit Training	Oct. 29	N/A	Compliance
Virtual Training	Income Determination Training	Nov. 10	N/A	Compliance
Webinar	Previous Participation Review Webinar	Nov. 12	N/A	Compliance
Webinar	Fair Housing Overview Webinar	Nov. 12	N/A	Fair Housing
Webinar	Assistance Animals Training	Nov. 13	N/A	Fair Housing
Webinar	Reasonable Accommodations and Modifications Webinar	Nov. 17	N/A	Fair Housing
Virtual Training	Housing Tax Credit Training	Nov. 18	N/A	Compliance
Virtual Roundtable	Cost Certification Virtual Roundtable	Nov. 18	N/A	Asset Management
Virtual Public Hearing	Public Hearing for Murdeaux Villas	Nov. 30	N/A	Multifamily Finance
Virtual Public Hearing	Public Hearing for Osa Bay	Dec. 3	N/A	Multifamily Finance
Virtual Public Hearing	Public Hearing for Montage	Dec. 8	N/A	Multifamily Finance

Internet Postings of Note

The list of new or noteworthy postings to the Department's website.

Asset Management

- Posted recording of Cost Certification Roundtable and PowerPoint presentation

- Posted presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application (#17376, The Bristol)
- Posted presentation, discussion, and possible action regarding a Waiver and a Material Amendment to the Housing Tax Credit Application (#19277, Cielo Place)
- Posted presentation, discussion, and possible action regarding approval of a Material Amendment to the Land Use Restriction Agreement (#531001, Cedar Ridge II)
- Posted Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Land Use Restriction Agreement (#99004, Highland Village Apartments; #99126, Villages at West Lake aka Sunset Arbor Townhomes; #00038, Ryan's Crossing (Pemberton Place); #02029, North Grand Villas; #03004, Rosemont at Lakewest; #03028, Mill Creek Village Apartments; #03053, Millpoint Townhomes; #04246/#07058, Wildwood Trails Apartments; #04250, Knollwood Heights Apartments; #05184, Palestine Hampton Chase Apartments; #05185, Market Place Apartments; #05187, Valley Creek Apartment; #060125, Country Club Apartments; #060128, Jacksonville Pines Apartments; #07115, Heights Apartments; #07117, Deer Creek Apartments; #07118, Lakeside Apartments; #08207/#150900-#09927, Carpenters Point Senior Living; #08299/#150900-#09942, Southern View Apartments; #09006/#150900-#09946, Avalon Park dba Cedar Street Apartments; #09260/#150900-#09967, Mill Creek Terrace dba Millie Street Apartments; #10103, Gateway Plaza Apartments; #10107, Tenth Street Apts dba Adobe Ranch Apartments; #10236, Stone Canyon; #12221, Riverstone Trails; #12243, Dunes Apartments; #13128, Winchester Arms Apartments; #13129, Rose Meadows; #14122, Riverside Park)

Bootstrap Loan Program

- Updated program description
- Posted Exhibit 9 Closing Compliance Checklist Part B
- Posted updated Nonprofit-Owner Builder Housing Provider Certification Application

Community Development Block Grant CARES

- Posted CDBG-CV Funds graphic
- Posted FY19 Action Plan Amendment with Proposed CDBG-CV uses
- Posted Policy Guidance for CDBG-CV Notice
- Posted Texas Emergency Rental Assistance Program (TERAP) documentation
- Posted Program Guidelines

Communications:

- Posted Legislative Appropriations Request FY 2022-23 LAR
- Posted homepage article, TDHCA delivers state, federal funding to assist Texans affected by COVID-19
- Posted updated TDHCA Governing Board member information (Leo Vasquez, Chair; Ajay Thomas, board member)

Community Affairs

- Added Digital Outreach Webinar, handouts, and Subrecipient Digital Showcase
- Posted revised Client Signature Flexibility Form and Citizenship Self Certification Form
- Posted CEAP Reset Webinar slides and Q&A document

Compliance

- Posted Previous Participation Review recorded webinar and accompanying materials
- Posted 2020 CMTS Filing Agreement

Fair Housing

- Posted November 2020 Fair Housing 101 webinar slides and handouts
- Posted Fair Housing Overview presentation
- Posted November 2020 Fair Housing Reasonable Accommodation Webinar video and handouts
- Posted Department's Language Access Plan

HOME and Homeless:

- Posted updated ESG CARES 2 Certifications form
- Posted ESG CARES Second Allocation amounts and subrecipient list
- Added Preparing to Apply for ESG webinar and handout materials
- Updated ESG CARES Act allocation 2 contact information (Amarillo added)
- Posted HOME General (HRA and TBRA) and HANC Set-aside Funding Release Schedule
- Posted updates to HOME Household Income Certification form and worksheet
- Added Single Family Repayable Loan Tool to Homebuyer Assistance with New Construction (HANC) Program Forms Library
- Added HOME Single Family Mortgage Underwriting Guidebook to Single Family Development Forms Library
- Posted ESG CARES Budget Amendment Form

Housing Resource Center

- Posted Sixth Substantial Amendment to the 2015-2019 State of Texas Consolidated Plan (Adding ESG-CV II)
- Posted Seventh Substantial Amendment to the 2015-2019 State of Texas Consolidated Plan (Adding CDBG-CV)
- Posted updated TICH council bylaws (as of Oct. 20)
- Posted new HHSCC board member information
- Posted updated TICH Council Members, Advisory Members and Staff Support (as of October 2020)
- Posted TICH 2019 Annual Report
- Added First Minor Amendment to 2020-2024 Consolidated Plan (HOME allocation adjustment), and Second Minor Amendment to 2020-2024 Consolidated Plan (CDBG allocation adjustment)

Migrant Labor Housing

- Posted updated list of licensed migrant labor housing facilities

Multifamily:

- Posted updated 2020 4% HTC Bond Status Log (as of Nov. 9)
- Posted 2021 Multifamily Bond Pre-Application Submission Timeline
- Posted updated 2020 9% HTC Award and Waiting List (as of Nov. 4)
- Posted updated HTC Award Limits and Estimated Regional Allocation 2020 (as of Nov. 4)
- Added Electronic Filing Agreement and Electronic Document Upload User Guide (2021 Multifamily Uniform Application Supporting Information)
- Posted updated DRAFT Site Demographic Characteristics Report 2021 (as of Oct. 23)
- Posted 2021 Application Submission Dates calendar
- Posted updated List of Declared Disaster Areas
- Posted Site Demographic Characteristics Report 2021 (as of Nov. 5)
- Posted 2021 Multifamily Uniform Application Forms (Draft Uniform Application 2021, Request for Rural Designation, Payment Receipt, Experience Certificate Request)

Neighborhood Stabilization Program

- Added NSP1 Performance Report 2020 Quarter 3

Program Services

- Posted clarifications to Summary of Section 3 Obligations
- Posted updated Pre-Construction Conference Guide (November 2020)

Public Comment

- Public comment period open for Draft 2020 State of Texas Consolidated Plan Annual Performance Report - Reporting On Program Year 2019
- Public comment period open for Environmental Review for 19385 Cobb Avenue (reconstruction of a single family home for a qualified low income household)
- Public comment period open for Proposed Enforcement Rules for Public Comments Posting

Section 811 PRA Program

- Posted updated Property Options Form by County (Tarrant)
- Added Reasonable Accommodation Request to Tenant Selection Criteria, How to Make a Reasonable Modification Request, Request for Reasonable Accommodation After Denial for Criminal History, Request Form, and Reasonable Accommodation and Reasonable Modification Infographic
- Added Spanish language documents (Reasonable Accommodation Request to Tenant Selection Criteria, How to Make a Reasonable Modification Request, Request for Reasonable Accommodation After Denial for Criminal History, Request Form)
- Posted updated wait list information/counties affected

Self Help Centers

- Posted updated contract timeline and contact information
- Posted TAC Title 10, Part 1, Chapter 20, Chapter 21, and Chapter 25 Program Rules

Texas Eviction Diversion Program

- Posted revised Monthly Performance Reporting Form
- Posted updated Tenant Application information
- Posted updated FAQs document

Frequently Used Acronyms

AMFI	Area Median Family Income	LURA	Land Use Restriction Agreement
AYBR	Amy Young Barrier Removal Program	MF	Multifamily
CEAP	Comprehensive Energy Assistance Program	MFTH	My First Texas Home Program
CFD	Contract for Deed Program	MRB	Mortgage Revenue Bond Program
CFDC	Contract for Deed Conversion Assistance Grants	NHTF	National Housing Trust Fund
CHDO	Community Housing Development Organization	NOFA	Notice of Funding Availability
CMTS	Compliance Monitoring and Tracking System	NSP	Neighborhood Stabilization Program
CSBG	Community Services Block Grant Program	OIG	Office of Inspector General
ESG	Emergency Solutions Grants Program	QAP	Qualified Allocation Plan
EHF	Ending Homelessness Fund	QCP	Quantifiable Community Participation
FAQ	Frequently Asked Questions	REA	Real Estate Analysis
		RFA	Request for Applications
		RFO	Request for Offer
		RFP	Request for Proposals
		RFQ	Request for Qualifications
		ROFR	Right of First Refusal

HBA	Homebuyer Assistance Program	SLIHP	State of Texas Low Income Housing Plan
HHSCC	Housing and Health Services Coordination Council	TA	Technical Assistance
HHSP	Homeless Housing and Services Program	TBRA	Tenant Based Rental Assistance Program
HRA	Homeowner Rehabilitation Assistance Program	TICH	Texas Interagency Council for the Homeless
HRC	Housing Resource Center	TSHEP	Texas Statewide Homebuyer Education Program
HTC	Housing Tax Credit	TXMCC	Texas Mortgage Credit Certificate
HTF	Housing Trust Fund	VAWA	Violence Against Women Act
HUD	U.S. Department of Housing and Urban Development	WAP	Weatherization Assistance Program
IFB	Invitation for Bid		

2b



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

Update on TDHCA Programs in Response to COVID-19 and CARES Act
As of December 1, 2020

This report provides an update on the programs TDHCA has targeted to assist with Texas' response to COVID-19 through reprogramming of existing funds and through the administration of CARES Act funds.

Program	Timelines / Contract Periods	Planned Activities	Waivers and Initial Approvals Needed	Program Status	Staffing Admin Funds	Served to Date	Total Program Funding Obligated (%) Drawn (%)	Other Notes
HOME Program Tenant Based Rental Assistance (TBRA) for COVID-19 DR	NA: Reservation Agreements	3-6 months of rental assistance made available through existing or new HOME subrecipients. Geography: Available where subrecipients apply. Income Eligibility: Households at or below 80% AMFI based on current circumstances.	All necessary waivers for this activity were authorized by the OOG and HUD via HUD's mega-waiver of April 10, 2020. The HUD waivers expire December 31, unless extended.	23 contracted administrators representing 120 counties. Recently notified by HUD that arrears is also allowable, administrators were notified, and we are now getting a handful of arrears requests.	No added TDHCA staffing. No added admin funds.	754* Includes active, pending PCR, and closed activities	Up to \$11,290,076 \$4,016,889* 35.58% \$1,145,811 28.52%	1,570 (households) activities submitted. Includes total served. * Amount Reserved
Reprogram 2019 and 2020 CSBG Discretionary and Admin. Funds	<ul style="list-style-type: none"> Board approval March 2020. Recipients contracts effective: 3/26/20 Expenditure Deadline: 8/31/20 	Uses the existing network of Community Action Agencies to provide direct client assistance to low income households economically impacted by COVID-19. Geography: Available statewide (excluding CWCCP and CSI ¹) Income Eligibility: 200% poverty (normally is 125%)	None	Program completed 8/31/20. Final close out reports from 4 subrecipients are still outstanding.	No added TDHCA staffing. No added admin funds.	9,381 persons	\$1,477,993 1,477,993 100% \$1,430,527 97%	38 CAA subs

¹ CWCCP and CSI were omitted from this specific type of award because they have outstanding balances owed to the Department. The counties these two entities cover include: Anderson, Cameron, Collin, Denton, Ellis, Henderson, Hunt, Kaufman, Navarro, Rockwall, Van Zandt, and Willacy. It should be noted those counties will receive CSBG services under the CSBG CARES funds.

Program	Timelines / Contract Periods	Planned Activities	Waivers and Initial Approvals Needed	Program Status	Staffing Admin Funds	Served to Date	Total Program Funding Obligated (%) Expended (%)	Other Notes
Recaptured 2018/2019 HHSP	<ul style="list-style-type: none"> Board approval March 2020. Spend by 8/31/20 for 2018 HHSP funds, and extensions on some 2019 HHSP funds through 12/31/20. 	<p>To allow subrecipients to perform HHSP eligible activities in addressing homelessness and those at risk of homelessness.</p> <p>Geography: Available 9 largest metro areas. Income Eligibility: Generally 30% AMFI if applicable</p>	Approval from Comptroller granted.	<p>9 of the 9 contracts have been executed by subs.</p> <p>100% of \$88,547 in 2018 funds expended, and 63% of 2019 HHSP funds expended.</p>	<p>No added TDHCA staffing.</p> <p>No added admin funds.</p>	456 persons	<p>\$239,884</p> <p>\$239,884 100%</p> <p>\$183,831.05 77%</p>	9 subs
CSBG CARES	<ul style="list-style-type: none"> Board approved April 2020. On 9/3/20 Board programmed 7% in reserve for eviction diversion pilot. Expend 90% by 8/31/22* 45 day closeout 	<p>90% to CAAs using regular formula for households affected by COVID-19; 2% (\$949,120) to Texas Homeless Network²; 7% for an eviction diversion pilot program; and 1% for state admin.</p> <p>Geography: Available statewide Income Eligibility: 200% of poverty (normally is 125%)</p>	<p>The flexibilities allowed by USHHS have been accepted. 40 out of 40 contracts have been executed. THN and 8 Eviction Diversion contracts have been executed.</p>	The CSBG CARES Plan was submitted on 9/18/20.	<p>1 Art. IX FTE for CSBG reporting</p> <p>1% admin (\$474,560)</p>	37,002 persons	<p>\$48,102,282</p> <p>\$48,102,282 100%</p> <p>\$16,426,507 34%</p>	<p>40 CAA subs</p> <p>* CSBG-CV Discretionary has various deadlines.</p>
LIHEAP CARES	<ul style="list-style-type: none"> Board approved April 2020 By 11/30/20 need to decide on the 9% reserve (Note: action underway to allocate) Expend by 8/30/21 45 day closeout 	<p>90% to CEAP subs using regular formula for households affected by COVID-19; 9% to be held in reserve for future emergency use or for subs; and 1% for state admin.</p> <p>Geography: Available statewide Income Eligibility: 150% of poverty</p>	<p>The flexibilities allowed by USHHS have been accepted. Told HHS no WAP w/ CARES. Sent waiver request 5/13/20 to HHS about performance measures for billing history. As of 12/1, no response. No 10% Carry Forward applies.</p>	37 out of 37 contracts have been executed.	<p>1 Art. IX FTE for CEAP TA/capacity (Filled)</p> <p>1% admin (\$892,670)</p>	29,313 persons	<p>\$94,023,896</p> <p>\$85,561,744 91%</p> <p>\$12,410,888 15%</p>	37 subs. No subs declined funds.

² The award to THN is to: 1) address homelessness and at-risk of homelessness in the Balance of State Continuum of Care and to provide capacity building assistance to subrecipients of Emergency Solutions Grant CARES Act and 2020 and 2021 Emergency Solutions Grant funds as a result of COVID-19.

Program	Timelines / Contract Periods	Planned Activities	Waivers and Initial Approvals Needed	Program Status	Staffing Admin Funds	Served to Date	Total Program Funding Obligated (%) Expended (%)	Other Notes
CDBG CARES – Phases I, II and III	<p>Board approved general use of the funds for CDBG Phase I in April 2020 and Plan Amendment in October 2020.</p> <p>80% of funds must be expended within 3 years of the grant agreement date; remaining 20% by 6 years from the grant agreement date.</p> <p>90-day closeout</p>	<p>Recommended Usage in Plan Amendment: rental assistance including an eviction diversion program, FEMA match for food distribution activities, broadband planning, legal services, and assistance for providers of persons with disability.</p> <p>Geography: \$40,000,886 to be allocated to Units of General Local Government in non-entitlement areas. All remaining rental assistance funds to be regionally allocated to cover the state.</p> <p>Income Eligibility: For households at or below 80% of AMI for rental assistance.</p>	<p>Federal Register guidance was released by HUD on August 10, 2020. Plan Amendment reflecting use of these funds was submitted to HUD on October 21, 2020. Received HUD approval on October 27, 2020 and grant agreements have been executed.</p>	<p>Rental assistance guidelines and submission forms have been released to entitlement communities. Other program roll-out efforts underway.</p>	<p>CDBG Director position filled. 6 positions filled.</p> <p>All FTES are Art. IX</p> <p>Up to 7% admin and TA budget (\$9,929,238)</p>	0	<p>1st allocation: \$40,000,886 2nd Allocation: \$63,546,200 3rd Allocation: \$38,299,172</p> <p>Total: \$141,846,258</p> <p>\$0 0%</p> <p>\$0 0%</p>	<p>All CDBG CARES funds nationally have now been allocated. Office of the Governor designated TDHCA as the state agency recipient for all CDBG CARES on June 15, 2020.</p>
ESG CARES – Phase I	<ul style="list-style-type: none"> Board approved programming plan on April 2020, and conditional awards on July 23, 2020. Expend by 9/30/22 90 day closeout 	<p>Four streams:</p> <ul style="list-style-type: none"> Existing subs were offered 100% to 200% of current contract amount (~\$12.5M) ESG Coordinators decided via local process for their CoC, and awards made in three areas without ESG Coordinators by offering funds to CoC awardees (~\$17.2M) Legal/HMIS (\$1.9M) <p>Geography: Locations of all funded grantees Income Eligibility: 50% AMI for homeless prevention.</p>	<ul style="list-style-type: none"> HUD mega-waivers accepted. ESG Guidance issued by HUD on 9/1/20. An updated waiver request to HUD was submitted on August 31, 2020. One-Year Plan/ Con Plan amendment to HUD on May 8. Signed HUD grant agreement sent to HUD 5/15/20. Funds live in HUD system 5/22/20. 	<ul style="list-style-type: none"> 49 contracts signed for existing ESG subs 36 out of 43 contracts generated for new ESG subs 3 legal service providers awarded. 	<p>3 Art. IX FTE (for all phases of ESG as well)</p> <p>5% admin (\$1,662,734)</p>	9,929 persons	<p>\$33,254,679</p> <p>\$27,706,703 83%</p> <p>\$2,714,034.29 8%</p>	<p>This is the first \$1B of national ESG.</p> <p>HMIS/Coordination funds totaling \$365,826 will go to the 8 ESG Coordinators.</p>

Program	Timelines / Contract Periods	Planned Activities	Waivers and Initial Approvals Needed	Program Status	Staffing Admin Funds	Served to Date	Total Program Funding Obligated (%) Expended (%)	Other Notes
ESG CARES – Phase II	Federal award amounts announced 6/9/2020.	Two streams: <ul style="list-style-type: none"> • \$61,031,041 for Homelessness Prevention and Rapid Rehousing. • \$280,000 for ESG CARES and HMIS Coordination through each Continuum of Care. 	ESG Guidance issued by HUD on 9/1/20. Plan Amendment submitted to HUD 10/21/20. HUD signed grant agreement on 10/27/2020.	Application process is underway. Nine out of eleven Continuum of Care lead agencies will recommend subrecipients. TDHCA will reach out to Continuum of Care awardees in remaining regions.	FTEs noted under ESG CARES Phase I will be utilized for both phases. 5% admin (\$3,226,896)	0	\$64,537,937 \$0 0% \$0 0%	This is the state's share of the second (final) allocation of \$2.96 billion.
Housing Choice Voucher Program Admin	HUD has clarified that expenditure must occur by 12/31/20. (PIH 2020-08) 1 st Award: \$117,268 2 nd Award: \$140,871 (8/10/2020)	<ul style="list-style-type: none"> • Software upgrades with Housing Pro to allow more efficient remote interface. • Landlord incentive payments. • Possible damage assistance, PPE expenses, tablets • October 2020 Board approved use of funds for retention payments to existing owners to ensure their ongoing participation in the program. 	Received HUD interpretation that using funds for software upgrades are acceptable. \$11,260 obligated for the system purchase. \$46,000 offered to 55 households for landlord incentives. \$10,500 offered to 21 households for landlord retention payments.	Purchases of Housing Pro upgrades complete. Training underway. Materials for landlord incentives completed.	No added TDHCA staffing.	0	\$258,139 \$38,012 32.4% \$0 0%	\$380M nationally
Housing Choice Voucher Program MVP	12 months of assistance, start date begins whenever we designate with HUD. Orig. Alloc: \$105,034 Supp. Alloc.: \$5,268	15 additional MVP vouchers consistent with our award of MVP, which for us is for the Project Access List. A quarterly supplemental allocation from HUD in the amount of \$5,268 was received on 8/10/2020 to support the 15 vouchers.	None needed.	Received award from HUD. Issued the 15 vouchers on 5/22/20.	No added TDHCA staffing. No added admin funds.	3 families leased	\$110,302 \$0 0% \$0 0%	\$1,275 obligated to Mainstream families. There are 12 households searching for units

Note that Section 811 was initially reflected on this report. However, the funds in CARES have been clarified by HUD to be for traditional 811 Project Rental Assistance Contracts, not 811 PRA programs.

2c

BOARD REPORT ITEM
FINANCIAL ADMINISTRATION DIVISION
DECEMBER 10, 2020

Report on the Draft Computation of Housing Finance Division Total and Unencumbered Fund Balances and Transfers to the State of Texas Housing Trust Fund.

WHEREAS, Tex. Gov't Code §2306.204 requires an independent audit of the Department's Housing Trust Fund to determine the amount of unencumbered fund balances that are greater than the amount required for the reserve fund and the report to be submitted to the board by December 31st of each year;

WHEREAS, Housing Finance Division unencumbered funds are the funds associated with any and all of the Department's housing finance activity that are not subject to any restriction precluding their immediate transfer to the housing trust fund. Such restrictions include: being subject to a state or federal law or other applicable legal requirement such as the General Appropriations Act, being held in trust subject to the terms of a bond indenture, or having been designated by the Department's Governing Board for a specific use or contingency;

WHEREAS, Tex. Gov't Code §2306.205 provides a formula for determining the amount of unencumbered fund balances and the amounts, if any, to transfer to the Housing Trust Fund before January 10th; and

WHEREAS, Staff has drafted a process for determining the three year-end values total and non highest rated bond indebtedness, the amount of unencumbered fund balances and the amounts, if any, to transfer to the State of Texas Housing Trust Fund;

NOW, therefore, it is hereby

RESOLVED, that the Draft Computation of Unencumbered Fund Balances Report as of August 31, 2020, is presented to this meeting and the Board and the Executive Director accepts this report in satisfaction of the requirements of Tex. Gov't Code §§2306.204 and 2306.205 with its final approval determined by the year-end audit performed by the State Auditor's Office.

BACKGROUND

Pursuant to Tex. Gov't Code §§2306.204 and 2306.205, the Department is required to transfer to the State of Texas Housing Trust Fund annually a portion of the unencumbered funds, if any, meeting certain threshold and criteria. This statute also requires the Department to undergo an annual audit of its

unencumbered fund balances and to transfer excess funds to the State of Texas Housing Trust Fund based on a calculation set forth in the statute. Using the methodology outlined in the statute, Department staff developed a Standard Operating Procedure (#1210.05) to calculate statutorily required transfers to the State of Texas Housing Trust Fund.

The Draft Computation of Unencumbered Fund Balances Report as of August 31 (Exhibit A) reflects funds held by the Department deemed to be unencumbered of \$146,821; the Calculation of Bonded Indebtedness Report (Exhibit B) only includes bonds and notes outstanding not rated in the highest long-term debt rating category to calculate the 2% threshold of \$14,531,040; and the List of Bond Ratings (Exhibit C) from rating agencies. Since the unencumbered balance is less than the 2% threshold it does not meet the first threshold in Tex. Gov't Code §2306.205(a) for any transfer to the State of Texas Housing Trust Fund.

In conclusion, the Draft Computation of Unencumbered Fund Balances Report as of August 31, 2020, yielded a zero transfer to the State of Texas Housing Trust Fund. Again, this report is included for review in the year-end financial audit performed by the State Auditor's Office and is, therefore, subject to revision based on such audit.

EXHIBIT B

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
 Calculation of Bonded Indebtedness as of August 31, 2020
 Pursuant to Texas Government Code Section 2306.205

	Highest Bond Rating	Bonds/Notes Outstanding (Par)	Bonded Indebtedness Not Rated in the Highest Category
Single-family	Aaa	\$ 738,432,032	\$ 12,000,000
RMRB	Aaa	246,075,000	10,000,000
Multifamily	Various	1,043,686,376	704,551,981
		<u>\$ 2,028,193,408</u>	<u>\$ 726,551,981</u>

Section 2306.205(a)		
2% of bonded indebtedness		\$ 14,531,040
Unencumbered Fund Balance (UFB) per Calculation		\$ 147,000
Does UFB exceed 2% of bonded indebtedness?		No
If UFB exceeds 2% of bonded indebtedness:		
What amount exceeds 2% of bonded indebtedness?		\$ -
Half of UFB in excess of 2% of bonded indebtedness (Transfer to HTF)		\$ -

Section 2306.205(c)		
4% of bonded indebtedness		\$ 29,062,079
Unencumbered Fund Balance (UFB) per Calculation		\$ 147,000
Does UFB exceed 4% of bonded indebtedness?		No
If UFB exceeds 4% of bonded indebtedness:		
What amount exceeds 4% of bonded indebtedness?		\$ -
All of UFB in excess of 4% of bonded indebtedness (Transfer to HTF)		\$ -

EXHIBIT C

Single Family Indenture					Rating Agencies			
					8/31/2020	Moody's	Standard & Poor's	Fitch
Series	CUSIP	Maturity Date	Interest Rate	Ending Bonds Outstanding	rtg moody	rtg sp	rtg fitch	
2004B	88275FNN5	9/1/2034	VAR	\$ 16,655,000.00	Aaa/VMIG1	AA+/A-1+	#N/A N/A	
2004D	88275FNP0	3/1/2035	VAR	\$ 11,645,000.00	Aaa/VMIG1	AA+/A-1+	#N/A N/A	
2005A	88275FNQ8	9/1/2036	VAR	\$ 16,285,000.00	Aaa/VMIG1	AA+/A-1+	#N/A N/A	
2007A	88275FMF3	9/1/2038	VAR	\$ 15,835,000.00	Aaa/VMIG1	AA+/A-1+	#N/A N/A	
2013A	88275FNT2	3/1/2036	2.800%	\$ -	Aaa	AA+	#N/A N/A	
2015A	88275FNU9	9/1/2039	3.200%	\$ 16,385,000.00	Aaa	AA+	#N/A N/A	
2015B	88275FNV7	3/1/2046	3.125%	\$ 11,150,000.00	Aaa	AA+	#N/A N/A	
2016A	88275FNW5	3/1/2046	3.000%	\$ 18,680,000.00	Aaa	AA+	#N/A N/A	
2016B	88275FNX3	3/1/2039	3.180%	\$ 25,925,000.00	Aaa	AA+	#N/A N/A	
2017A	88275FNY1	9/1/2047	2.835%	\$ 51,123,267.00	Aaa	AA+	#N/A N/A	
2017B	88275FNZ8	9/1/2038	2.750%	\$ 17,502,128.00	Aaa	AA+	#N/A N/A	
2017C	88275FPA1	9/1/2047	3.100%	\$ 36,127,262.00	Aaa	AA+	#N/A N/A	
2018A	88275FPD5	9/1/2020	1.900%	\$ 920,000.00	Aaa	AA+	#N/A N/A	
	88275FPE3	3/1/2021	1.950%	\$ 930,000.00	Aaa	AA+	#N/A N/A	
	88275FPF0	9/1/2021	2.000%	\$ 940,000.00	Aaa	AA+	#N/A N/A	
	88275FPG8	3/1/2022	2.100%	\$ 955,000.00	Aaa	AA+	#N/A N/A	
	88275FPH6	9/1/2022	2.200%	\$ 965,000.00	Aaa	AA+	#N/A N/A	
	88275FPJ2	3/1/2023	2.250%	\$ 985,000.00	Aaa	AA+	#N/A N/A	
	88275FPK9	9/1/2023	2.300%	\$ 1,005,000.00	Aaa	AA+	#N/A N/A	
	88275FPL7	3/1/2024	2.450%	\$ 1,015,000.00	Aaa	AA+	#N/A N/A	
	88275FPM5	9/1/2024	2.500%	\$ 1,030,000.00	Aaa	AA+	#N/A N/A	
	88275FPN3	3/1/2025	2.600%	\$ 1,035,000.00	Aaa	AA+	#N/A N/A	
	88275FPP8	9/1/2025	2.650%	\$ 1,055,000.00	Aaa	AA+	#N/A N/A	
	88275FPQ6	3/1/2026	2.800%	\$ 1,070,000.00	Aaa	AA+	#N/A N/A	
	88275FPR4	9/1/2026	2.850%	\$ 1,095,000.00	Aaa	AA+	#N/A N/A	
	88275FPS2	3/1/2027	2.950%	\$ 1,115,000.00	Aaa	AA+	#N/A N/A	
	88275FPT0	9/1/2027	3.000%	\$ 1,130,000.00	Aaa	AA+	#N/A N/A	
	88275FPU7	3/1/2028	3.050%	\$ 1,150,000.00	Aaa	AA+	#N/A N/A	
	88275FPV5	9/1/2028	3.100%	\$ 1,175,000.00	Aaa	AA+	#N/A N/A	
	88275FPW3	3/1/2029	3.150%	\$ 1,190,000.00	Aaa	AA+	#N/A N/A	
	88275FPX1	9/1/2029	3.200%	\$ 1,210,000.00	Aaa	AA+	#N/A N/A	
	88275FPY9	9/1/2033	3.350%	\$ 9,395,000.00	Aaa	AA+	#N/A N/A	
	88275FPZ6	9/1/2038	4.125%	\$ 16,090,000.00	Aaa	AA+	#N/A N/A	
	88275FOA0	9/1/2043	4.250%	\$ 20,110,000.00	Aaa	AA+	#N/A N/A	
	88275FQB8	9/1/2048	4.250%	\$ 25,345,000.00	Aaa	AA+	#N/A N/A	
	88275FQC6	3/1/2049	4.750%	\$ 46,785,000.00	Aaa	AA+	#N/A N/A	
2019A	88275FQD4	9/1/2020	1.250%	\$ 1,000,000.00	Aaa	AA+	#N/A N/A	
	88275FQF9	3/1/2022	1.450%	\$ 975,000.00	Aaa	AA+	#N/A N/A	
	88275FQG7	9/1/2022	1.500%	\$ 985,000.00	Aaa	AA+	#N/A N/A	
	88275FQH5	3/1/2023	1.550%	\$ 995,000.00	Aaa	AA+	#N/A N/A	
	88275FQJ1	9/1/2023	1.600%	\$ 1,005,000.00	Aaa	AA+	#N/A N/A	
	88275FQK8	3/1/2024	1.600%	\$ 1,015,000.00	Aaa	AA+	#N/A N/A	
	88275FQL6	9/1/2024	1.650%	\$ 1,025,000.00	Aaa	AA+	#N/A N/A	
	88275FQM4	3/1/2025	1.700%	\$ 1,040,000.00	Aaa	AA+	#N/A N/A	
	88275FQN2	9/1/2025	1.750%	\$ 1,055,000.00	Aaa	AA+	#N/A N/A	
	88275FQP7	3/1/2026	1.850%	\$ 1,065,000.00	Aaa	AA+	#N/A N/A	
	88275FQQ5	9/1/2026	1.950%	\$ 1,070,000.00	Aaa	AA+	#N/A N/A	
	88275FQR3	3/1/2027	2.000%	\$ 1,080,000.00	Aaa	AA+	#N/A N/A	
	88275FQS1	9/1/2027	2.050%	\$ 1,085,000.00	Aaa	AA+	#N/A N/A	
	88275FQT9	3/1/2028	2.150%	\$ 1,095,000.00	Aaa	AA+	#N/A N/A	
	88275FQU6	9/1/2028	2.200%	\$ 1,115,000.00	Aaa	AA+	#N/A N/A	

	88275FQV4	3/1/2029	2.250%	\$	1,135,000.00	Aaa	AA+	#N/A N/A
	88275FQW2	9/1/2029	2.300%	\$	1,150,000.00	Aaa	AA+	#N/A N/A
	88275FQX0	3/1/2030	2.350%	\$	1,170,000.00	Aaa	AA+	#N/A N/A
	88275FQY8	9/1/2030	2.400%	\$	1,185,000.00	Aaa	AA+	#N/A N/A
	88275FQE2	9/1/2021	1.400%	\$	1,795,000.00	Aaa	AA+	#N/A N/A
	88275FQZ5	9/1/2034	2.700%	\$	10,200,000.00	Aaa	AA+	#N/A N/A
	88275FRA9	9/1/2039	3.375%	\$	15,165,000.00	Aaa	AA+	#N/A N/A
	88275FRB7	9/1/2044	3.625%	\$	18,570,000.00	Aaa	AA+	#N/A N/A
	88275FRC5	9/1/2049	3.750%	\$	26,530,000.00	Aaa	AA+	#N/A N/A
	88275FRD3	3/1/2050	4.000%	\$	72,440,000.00	Aaa	AA+	#N/A N/A
2020A	88275FRE1	3/1/2021	0.350%	\$	230,000.00	Aaa	AA+	#N/A N/A
	88275FRF8	9/1/2021	0.400%	\$	1,210,000.00	Aaa	AA+	#N/A N/A
	88275FRG6	3/1/2022	0.550%	\$	1,225,000.00	Aaa	AA+	#N/A N/A
	88275FH4	9/1/2022	0.600%	\$	1,235,000.00	Aaa	AA+	#N/A N/A
	88275FRJ0	3/1/2023	0.750%	\$	1,240,000.00	Aaa	AA+	#N/A N/A
	88275FRK7	9/1/2023	0.800%	\$	1,250,000.00	Aaa	AA+	#N/A N/A
	88275FRL5	3/1/2024	0.900%	\$	1,260,000.00	Aaa	AA+	#N/A N/A
	88275FRM3	9/1/2024	0.950%	\$	1,270,000.00	Aaa	AA+	#N/A N/A
	88275FRN1	3/1/2025	1.250%	\$	1,280,000.00	Aaa	AA+	#N/A N/A
	88275FRP6	9/1/2025	1.250%	\$	1,290,000.00	Aaa	AA+	#N/A N/A
	88275FRQ4	3/1/2026	4.000%	\$	1,290,000.00	Aaa	AA+	#N/A N/A
	88275FRR2	9/1/2026	4.000%	\$	1,300,000.00	Aaa	AA+	#N/A N/A
	88275FRS0	3/1/2027	5.000%	\$	1,315,000.00	Aaa	AA+	#N/A N/A
	88275FRT8	9/1/2027	5.000%	\$	1,325,000.00	Aaa	AA+	#N/A N/A
	88275FRU5	3/1/2028	5.000%	\$	1,335,000.00	Aaa	AA+	#N/A N/A
	88275FRV3	9/1/2028	5.000%	\$	1,340,000.00	Aaa	AA+	#N/A N/A
	88275FRW1	3/1/2029	1.900%	\$	1,365,000.00	Aaa	AA+	#N/A N/A
	88275FRX9	9/1/2029	1.950%	\$	1,370,000.00	Aaa	AA+	#N/A N/A
	88275FRY7	3/1/2030	2.000%	\$	1,380,000.00	Aaa	AA+	#N/A N/A
	88275FRZ4	9/1/2030	2.050%	\$	1,395,000.00	Aaa	AA+	#N/A N/A
	88275FSA8	3/1/2031	2.100%	\$	1,410,000.00	Aaa	AA+	#N/A N/A
	88275FSB6	9/1/2031	2.150%	\$	1,425,000.00	Aaa	AA+	#N/A N/A
	88275FSC4	9/1/2035	2.150%	\$	12,075,000.00	Aaa	AA+	#N/A N/A
	88275FSD2	9/1/2040	2.500%	\$	17,120,000.00	Aaa	AA+	#N/A N/A
	88275FSE0	9/1/2045	3.000%	\$	20,005,000.00	Aaa	AA+	#N/A N/A
	88275FSF7	3/1/2050	3.000%	\$	21,035,000.00	Aaa	AA+	#N/A N/A
	88275FSG5	3/1/2051	3.500%	\$	76,275,000.00	Aaa	AA+	#N/A N/A
2020B	88275FSH3	3/1/2036	2.000%	\$	12,229,375.00	Aaa	AA+	#N/A N/A
		Total Bonds Outstanding		\$	726,432,032.00			
2018 Issuer Note	N/A	8/8/2025	3.500%	\$	12,000,000.00			
		Bonds/Notes Rated in the Highest Category (Aaa OR AAA)		\$	726,432,032.00			
		Bonds/Notes NOT Rated in the Highest Category (Aaa OR AAA)		\$	12,000,000.00			

EXHIBIT C

RMRB Indenture				Rating Agencies			
				8/31/2020	Moody's	Standard & Poor's	Fitch
Series	CUSIP	Maturity Date	Interest Rate	Ending Bonds Outstanding	rtg moody	rtg sp	rtg fitch
2009C-1	882750NE8	7/1/2041	2.875%	\$ 25,490,000.00	Aaa	AA+	#N/A N/A
2011A	882750LU4	1/1/2021	4.375%	\$ 630,000.00	Aaa	AA+	#N/A N/A
	882750LV2	7/1/2021	4.375%	\$ 630,000.00	Aaa	AA+	#N/A N/A
	882750LW0	1/1/2022	4.550%	\$ 640,000.00	Aaa	AA+	#N/A N/A
	882750LX8	7/1/2022	4.550%	\$ 640,000.00	Aaa	AA+	#N/A N/A
	882750LY6	7/1/2026	5.050%	\$ 5,855,000.00	Aaa	AA+	#N/A N/A
	882750LZ3	7/1/2029	5.000%	\$ 950,000.00	Aaa	AA+	#N/A N/A
				\$ 9,345,000.00			
2009C-2	882750NB4	7/1/2041	2.480%	\$ 19,480,000.00	Aaa	AA+	#N/A N/A
2011B	882750MU3	1/1/2021	3.300%	\$ 735,000.00	Aaa	AA+	#N/A N/A
	882750MV1	7/1/2021	3.300%	\$ 740,000.00	Aaa	AA+	#N/A N/A
	882750MW9	1/1/2022	3.500%	\$ 765,000.00	Aaa	AA+	#N/A N/A
	882750MX7	7/1/2022	3.500%	\$ 775,000.00	Aaa	AA+	#N/A N/A
	882750MY5	1/1/2026	4.050%	\$ 7,030,000.00	Aaa	AA+	#N/A N/A
	882750MZ2	1/1/2030	4.450%	\$ 6,565,000.00	Aaa	AA+	#N/A N/A
	882750NA6	1/1/2034	4.250%	\$ 2,250,000.00	Aaa	AA+	#N/A N/A
				\$ 18,860,000.00			
2019A	882750NW8	1/1/2021	1.850%	\$ 885,000.00	Aaa	AA+	#N/A N/A
	882750NG3	7/1/2021	5.000%	\$ 900,000.00	Aaa	AA+	#N/A N/A
	882750NX6	1/1/2022	1.950%	\$ 920,000.00	Aaa	AA+	#N/A N/A
	882750NH1	7/1/2022	5.000%	\$ 935,000.00	Aaa	AA+	#N/A N/A
	882750NY4	1/1/2023	2.050%	\$ 960,000.00	Aaa	AA+	#N/A N/A
	882750NJ7	7/1/2023	5.000%	\$ 975,000.00	Aaa	AA+	#N/A N/A
	882750NZ1	1/1/2024	2.200%	\$ 1,000,000.00	Aaa	AA+	#N/A N/A
	882750NK4	7/1/2024	5.000%	\$ 1,015,000.00	Aaa	AA+	#N/A N/A
	882750PA4	1/1/2025	2.350%	\$ 1,045,000.00	Aaa	AA+	#N/A N/A
	882750NL2	7/1/2025	5.000%	\$ 1,060,000.00	Aaa	AA+	#N/A N/A
	882750PB2	1/1/2026	2.500%	\$ 1,095,000.00	Aaa	AA+	#N/A N/A
	882750NM0	7/1/2026	5.000%	\$ 1,105,000.00	Aaa	AA+	#N/A N/A
	882750PC0	1/1/2027	2.650%	\$ 1,140,000.00	Aaa	AA+	#N/A N/A
	882750NN8	7/1/2027	5.000%	\$ 1,155,000.00	Aaa	AA+	#N/A N/A
	882750PD8	1/1/2028	2.750%	\$ 1,185,000.00	Aaa	AA+	#N/A N/A
	882750NP3	7/1/2028	5.000%	\$ 1,210,000.00	Aaa	AA+	#N/A N/A
	882750PE6	1/1/2029	2.900%	\$ 1,240,000.00	Aaa	AA+	#N/A N/A
	882750NQ1	7/1/2029	5.000%	\$ 1,270,000.00	Aaa	AA+	#N/A N/A
	882750PF3	1/1/2030	3.000%	\$ 1,305,000.00	Aaa	AA+	#N/A N/A
	882750NR9	7/1/2030	5.000%	\$ 1,330,000.00	Aaa	AA+	#N/A N/A
	882750NS7	1/1/2031	5.000%	\$ 1,370,000.00	Aaa	AA+	#N/A N/A
	882750NT5	7/1/2031	5.000%	\$ 1,405,000.00	Aaa	AA+	#N/A N/A
	882750NU2	1/1/2032	5.000%	\$ 1,440,000.00	Aaa	AA+	#N/A N/A
	882750NV0	7/1/2032	5.000%	\$ 1,480,000.00	Aaa	AA+	#N/A N/A
	882750PG1	7/1/2034	3.500%	\$ 6,325,000.00	Aaa	AA+	#N/A N/A
	882750PH9	7/1/2039	3.800%	\$ 18,695,000.00	Aaa	AA+	#N/A N/A
	882750PJ5	7/1/2044	3.900%	\$ 23,265,000.00	Aaa	AA+	#N/A N/A
	882750PK2	1/1/2049	4.750%	\$ 55,015,000.00	Aaa	AA+	#N/A N/A
	882750PLO	1/1/2050	3.950%	\$ 32,175,000.00	Aaa	AA+	#N/A N/A
				\$ 162,900,000.00			
			Total Bonds Outstanding	\$ 236,075,000.00			
2016 Issuer Note	N/A	9/28/2026	1.000%	\$ 10,000,000.00			
			Bonds/Notes Rated in the Highest Category (Aaa OR AAA)	\$ 236,075,000.00			
			Bonds/Notes NOT Rated in the Highest Category (Aaa OR AAA)	\$ 10,000,000.00			

EXHIBIT C

Multifamily				Rating Agencies			
MF Bond Issue	CUSIP	MF Program#	Private or Public	8/31/2020	Moody's	Standard & Poor's	Fitch
				Ending Bonds Outstanding	rtg moody	rtg sp	rtg fitch
1996 A MF Refunding (Brighton's Mark Development)	88275BBK3	0065	Private Place	\$ 8,075,000.00	#N/A N/A	NR	#N/A N/A
1998 A MF (Residence at the Oaks Project)	88275BDA3	0090	Private Place	\$ 2,688,000.00	#N/A N/A	NR	#N/A N/A
1998 B MF (Residence at the Oaks Project)	88275BDB1	0090	Private Place	\$ 1,435,000.00	#N/A N/A	NR	#N/A N/A
1998 C MF (Residence at the Oaks Project)	88275BDB1	0090	Private Place	\$ 47,000.00	#N/A N/A	NR	#N/A N/A
2000 A MF (Highland Meadow Village Apartments)	88275BEV4	0101	Private Place	\$ 6,018,000.00	#N/A N/A	#N/A N/A	#N/A N/A
2000 A MF (Collingham Park Apartments)	88275BEZ7	0103	Private Place	\$ 7,313,000.00	#N/A Invalid Security	#N/A Invalid Security	#N/A Invalid Security
2000 B MF (Collingham Park Apartments)	88275BFA1	0103	Private Place	\$ 1,644,000.00	#N/A Invalid Security	#N/A Invalid Security	#N/A Invalid Security
2001 A MF (Skyway Villas Apartments)	88275BFN3	0108	Public Offer	\$ 4,305,000.00	WR	NR	WD
2001 B MF (Skyway Villas Apartments)	88275BFO6	0108	Private Place	\$ 1,105,000.00	WR	#N/A N/A	#N/A N/A
2001 A-1 MF (Meridian Apartments)	88275ACG3	0111	Public Offer	\$ 7,002,000.00	#N/A N/A	#N/A N/A	#N/A N/A
2001 B MF (Meridian Apartments)	88275ACH1	0111	Private Place	\$ 391,000.00	#N/A N/A	#N/A N/A	#N/A N/A
2001 A-1 MF (Wildwood Apartments)	88275ACJ7	0112	Public Offer	\$ 5,683,000.00	#N/A N/A	#N/A N/A	#N/A N/A
2003 A MF Refunding (Reading Road)	88275BJJ8	0125	Public Offer	\$ 7,450,000.00	#N/A N/A	AA+/A-1+	#N/A N/A
2003 B MF Refunding (Reading Road)	88275BJK5	0125	Private Place	\$ 1,480,000.00	#N/A N/A	#N/A N/A	#N/A N/A
2003 A MF (West Virginia Apartments)	88275BHT8	0127	Public Offer	\$ 5,450,000.00	WR	NR	WD
2003 A MF (West Virginia Apartments)	88275BHU5	0127	Public Offer	\$ 1,365,000.00	WR	NR	WD
2003 A MF (Primrose Houston School Apartments)	88275BJB5	0129	Private Place	\$ 14,808,864.00	#N/A N/A	#N/A N/A	#N/A N/A
2003 A MF (Ash Creek Apartments)	88275BJS8	0131	Private Place	\$ 14,527,849.00	#N/A N/A	#N/A N/A	#N/A N/A
2003 A MF (Peninsula Apartments)	88275BJU3	0132	Public Offer	\$ 9,080,000.00	#N/A N/A	AA-	#N/A N/A
2003 A MF (Arlington Villas Apartments)	88275BJX7	0134	Public Offer	\$ 15,000,000.00	WR/WR	#N/A N/A	#N/A N/A
2003 B MF (Arlington Villas Apartments)	88275BJY5	0134	Public Offer	\$ 419,471.00	WR/WR	#N/A N/A	#N/A N/A
2004 A MF (Timber Ridge II Apartments)	88275BJZ2	0137	Private Place	\$ 5,970,611.00	#N/A N/A	#N/A N/A	#N/A N/A
2004 MF (Providence at Rush Creek II)	88275BKHO	0141	Private Place	\$ 7,841,100.16	#N/A N/A	NR/NR	#N/A N/A
2004 MF (Humble Parkway Townhomes)	88275BKJ6	0142	Public Offer	\$ 9,650,000.00	#N/A N/A	#N/A N/A	#N/A N/A
2004 MF (Chisholm Trail Apartments)	88275BKR8	0143	Public Offer	\$ 9,200,000.00	Aaa/VMIG1	#N/A N/A	#N/A N/A
2004 MF (Evergreen at Plano Parkway)	88275BKX5	0144	Private Place	\$ 13,158,863.97	#N/A N/A	#N/A N/A	#N/A N/A
2004 MF (Bristol Apartments)	88275BKT4	0146	Public Offer	\$ 10,600,000.00	Aaa/VMIG1	#N/A N/A	#N/A N/A
2004 MF (Pinnacle Apartments)	88275BKV9	0147	Public Offer	\$ 12,265,000.00	Aaa/VMIG1	#N/A N/A	#N/A N/A
2005 MF (Atascocita Pines Apartments)	88275BLV8	0157	Public Offer	\$ 9,990,000.00	Aaa/VMIG1	#N/A N/A	#N/A N/A
2005 MF (Tower Ridge Apartments)	88275BLX4	0158	Public Offer	\$ 15,000,000.00	#N/A N/A	AA+/A-1+	#N/A N/A
2005 MF (St. Augustine Estate Apartments)	88275BME5	0162	Public Offer	\$ 5,280,000.00	Aaa/VMIG1	#N/A N/A	#N/A N/A
2005 MF (Providence Mockingbird Apartments)	None	0164	Private Place	\$ 10,234,591.14	Charter Mac Equity Issuer Trust		
2005 MF (Plaza at Chase Oaks Apartments)	None	0165	Private Place	\$ 10,545,709.22	Washington Mutual Bank		
2005 MF (Coral Hills Apartments)	88275BMP0	0167	Public Offer	\$ 3,920,000.00	#N/A N/A	AA+	#N/A N/A
2006 MF (Village Park Apartments)	88275BNC8	0170	Public Offer	\$ 8,485,000.00	#N/A N/A	AA+	#N/A N/A
2006 MF (Oakmoor Apartments)	88275BNA2	0171	Private Place	\$ 12,995,059.17	#N/A N/A	#N/A N/A	#N/A N/A
2006 MF (The Residences at Sunset Pointe)	88275AA8	0172	Public Offer	\$ 15,000,000.00	#N/A N/A	AA+/A-1+	#N/A N/A
2006 MF (Hillcrest Apartments)	88275AA0	0173	Public Offer	\$ 9,120,000.00	#N/A N/A	NR	#N/A N/A
2006 MF (Meadowlands Apartments)	88275AAH3	0180	Private Place	\$ 11,236,891.80	#N/A N/A	#N/A N/A	#N/A N/A
2006 MF (East Tex Pines)	88275AAP5	0181	Private Place	\$ 12,315,000.00	#N/A N/A	#N/A N/A	#N/A N/A
2006 MF (Aspen Park)	88275AAR1	0183	Public Place	\$ 8,405,000.00	#N/A N/A	AA+	#N/A N/A
2006 MF (Idlewild)	88275AAY6	0184	Public Offer	\$ 12,390,000.00	Aaa/VMIG1	#N/A N/A	#N/A N/A
2007 MF (Lancaster)	88275ABA79	0185	Public Offer	\$ 12,380,000.00	Aaa/VMIG1	#N/A N/A	#N/A N/A
2007 MF (Park Place at Loyola)	88275ABB5	0186	Private Place	\$ 13,248,448.34	#N/A N/A	#N/A N/A	#N/A N/A
2007 MF (Terraces at Cibolo)	88275ABC3	0187	Public Place	\$ 4,495,000.00	#N/A N/A	A-/A-1	#N/A N/A
2007 MF (Santora Villas)	88275ABD1	0188	Private Place	\$ 11,220,534.57	#N/A N/A	#N/A N/A	#N/A N/A
2007 MF (Costa Rialto)	None	0191	Private Place	\$ 9,770,509.21	Centerline Equity Issuer Trust		
2007 MF (Windshire)	88275ABN9	0192	Public Offer	\$ 12,400,000.00	Aaa/VMIG1	#N/A N/A	#N/A N/A
2007 MF (Residences @ Onion Creek)	88275ABX7	0193	Public Offer	\$ 15,000,000.00	#N/A N/A	AA+/A-1+	#N/A N/A
2008 MF (West Oaks Apartments)	88275ABY5	0194	Public Offer	\$ 11,275,000.00	Aaa/VMIG1	#N/A N/A	#N/A N/A
2008 MF (Costa Ibiza Apartments)	88275ACD0	0195	Public Offer	\$ 12,220,000.00	Aaa/VMIG1	#N/A N/A	#N/A N/A
2008 MF (Alta Cullen Refunding)	88275ACF5	0197	Public Offer	\$ 11,100,000.00	#N/A N/A	AA+/A-1+	#N/A N/A
2009 MF (Costa Mariposa)	88275ACK4	0198	Public Offer	\$ 12,335,000.00	Aaa/VMIG1	#N/A N/A	#N/A N/A
2009 MF (Woodmont)	88275ACL2	0199	Public Offer	\$ 13,545,000.00	WR/WR	#N/A N/A	#N/A N/A
2014 MF (Decatur Angle)	88275ACN8	0201	Private Place	\$ 22,333,605.82	#N/A N/A	#N/A N/A	#N/A N/A
2016 MF (Williamsburg Apts)	88275ACW8	0205	Public Offer	\$ 22,136,542.11	Aaa	#N/A N/A	#N/A N/A
2016 MF (Skyline Place Apartments)	88275ADC1	0211	Public Offer	\$ 19,965,869.30	Aaa	#N/A N/A	#N/A N/A
2017 MF (Casa Inc Apartments)	88275ADD9	0212	Public Offer	\$ 23,144,898.21	Aaa	#N/A N/A	#N/A N/A
2017 MF (Casa Brendan Apartments)	88275ADF4	0213	Public Offer	\$ 4,821,853.85	Aaa	#N/A N/A	#N/A N/A
2017 MF (Nuestro Hogar)	88275ADE7	0214	Public Offer	\$ 5,496,913.31	Aaa	#N/A N/A	#N/A N/A
2018 MF (Vista on Gessner)	88275ADH0	0216	Public Offer	\$ 49,768,467.22	Aaa	#N/A N/A	#N/A N/A
2018 MF (Springs Apartments)	88275ADJ6	0218	Public Offer	\$ 20,000,000.00	#N/A N/A	NR	#N/A N/A
2018 MF (Crosby Plaza Apartments)	88275ADK3	0219	Public Offer	\$ 7,000,000.00	#N/A N/A	AA+	#N/A N/A
2018 MF (Oaks on Lamar)	88275ADN7	0220	Public Offer	\$ 16,436,466.73	#N/A N/A	AA+	#N/A N/A
2018 MF (Riverside Townhomes)	88275ADM9	0221	Public Offer	\$ 18,773,358.82	#N/A N/A	AA+	#N/A N/A
2018 A MF (Forestwood)	88275ADP2	0222	Public Offer	\$ 20,000,000.00	#N/A Invalid Security	#N/A Invalid Security	#N/A Invalid Security
2018 B MF (Forestwood)	88275ADQ0	0222	Public Offer	\$ 3,000,000.00	#N/A Invalid Security	#N/A Invalid Security	#N/A Invalid Security
2019 MF A (Park Yellowstone)	88275LAA4	0224	Public Offer	\$ 12,500,000.00	#N/A N/A	AA+	#N/A N/A
2019 MF B (Park Yellowstone)	88275ADS6	0224	Public Offer	\$ 2,880,000.00	#N/A N/A	AA+	#N/A N/A
2019 MF Series A (Lago de Plata)	88275ADT4	0225	Private Place	\$ 13,875,000.00	#N/A N/A	#N/A N/A	#N/A N/A
2019 MF Series A (McMullen Square)	88275ADT4	0226	Private Place	\$ 10,000,000.00	#N/A Invalid Security	#N/A Invalid Security	#N/A Invalid Security
2019 MF Series A (Northgate Village)	88275ADC9	0227	Public Offer	\$ 18,733,670.58	Aaa	#N/A N/A	#N/A N/A
2020 MF (Oaks on Clark)	88275LAB2	0229	Public Offer	\$ 9,974,967.00	#N/A N/A	#N/A N/A	#N/A N/A
2020 MF (Pines)	88275LAD8	0230	Public Offer	\$ 21,974,251.06	Aaa	#N/A N/A	#N/A N/A
2020 MF (3333 Holly)	88275LAC0	0232	Public Offer	\$ 36,756,929.03	Aaa	#N/A N/A	#N/A N/A
2020 MF (Scott Street Lofts)	88275ADX5	0234	Public Offer	\$ 18,000,000.00	Aaa/VMIG1	#N/A N/A	#N/A N/A
2020 MF (The Walzem)	0235	Private Place	\$ 20,000,000.00	#N/A Invalid Security	#N/A Invalid Security	#N/A Invalid Security	#N/A Invalid Security
2020 MF (Pecan Grove)	88275ADY3	0239	Public Offer	\$ 26,000,000.00	#N/A Invalid Security	#N/A Invalid Security	#N/A Invalid Security

Total Bonds Outstanding \$ 889,452,295.61

MULTI-FAMILY HOUSING NOTES PAYABLE

2016 (Garden City Apartments)	\$ 15,767,525.59
2016 (Gateway at Hutchins Apartments)	\$ 27,123,500.00
2016 (Mercantile Apts)	\$ 29,243,054.87
2018 (Preserve at Hunters Crossing)	\$ 13,000,000.00
2019 (Ventura at Hickory Tree)	\$ 28,100,000.00
2020 (Reserves at San Marcos)	\$ 41,000,000.00

Total Notes Outstanding \$ 154,234,080.46

Bonds/Notes Rated in the Highest Category (Aaa OR AAA) \$ 339,134,394.67

Bonds/Notes NOT Rated in the Highest Category (Aaa OR AAA) \$ 704,551,981.41

2d

BOARD REPORT ITEM
TEXAS HOMEOWNERSHIP DIVISION
DECEMBER 10, 2020

Housing Finance Activity Report

BACKGROUND

The Texas Homeownership Division is primarily responsible for the creation, oversight, and administration of the Department's homeownership programs, which are designed to provide affordable financing options for low-to-moderate income homebuyers. This is accomplished through the issuance of tax-exempt and taxable single family mortgage revenue bonds, and through the Department's Taxable Mortgage Program (TMP).

Currently, the Department offers the following statewide options to homebuyers. Please note that conventional loans had been temporarily suspended (reinstated on December 1, 2020) due to potential fees imposed by Fannie Mae with respect to loans that enter forbearance as a result of COVID-19.

- **My First Texas Home Program.** Offers expanded mortgage loan opportunities to qualifying first-time homebuyers, including government and conventional 30-year fixed rate mortgage loan options. All loans originated through the program are tax-exempt eligible, meeting Internal Revenue Service (IRS) requirements for inclusion in a tax-exempt bond issue or for receipt of a Mortgage Credit Certificate (MCC). As such, borrowers using this option must be first-time homebuyers (cannot have had an ownership interest in a primary residence within the last three years or must qualify for a veteran or targeted area exception), and borrower income and the purchase price of the home must be within IRS designated limits. Continuous funding for this program is provided through the issuance of tax-exempt single family mortgage revenue bonds (SFMRBs) and through TMP. The Department's SFMRBs typically offer borrowers multiple options, with at least one option providing down payment and closing cost assistance provided by the Department. Down payment and closing cost assistance is secured by a 30-year, non-amortizing, 0% interest second loan that is due upon sale of the property or refinance of the first loan. Loans funded with TMP include loans accompanied by an MCC (the IRS does not permit these loans to be included in SFMRBs) and tax-exempt eligible loans that are not used as collateral for SFMRBs.
- **My Choice Texas Home Program.** Offers mortgage loan opportunities to qualifying first-time and non-first-time homebuyers, including government and conventional 30-year fixed rate mortgage loan options. Down payment and closing cost assistance is provided with each loan. While the same income and purchase price limits applicable to the My First Texas Home Program apply, income eligibility is based on the standard credit

qualifying (1003) income instead of IRS methodology. Because all loans are funded through TMP, no IRS recapture provisions apply.

- Texas Mortgage Credit Certificate (MCC) Program.** Makes homeownership more affordable by providing first-time homebuyers a federal income tax credit, reducing the homebuyer’s potential federal income tax liability. By having an MCC, the homebuyer has the ability to convert a portion of their annual mortgage interest into a direct income tax credit on their U.S. individual income tax return. The credit may be applied for the life of the loan, as long as the home remains the borrower’s primary residence. The Texas MCC option is offered in combination with a My First Texas Home mortgage loan (TBA funding only), referred to as Combo loans for discussion and reporting purposes; or as a stand-alone option combined with any FHA, VA, USDA, or conventional fixed rate mortgage loan. The Department’s MCC Program offers MCC Credit Rates of 30% (for loan amounts up to \$175,000 and subject to the \$2,000 annual maximum credit) and 20% (for loan amounts greater than \$175,000, which has no annual maximum credit amount).

Income and Purchase Price Limits for All Loan Options. The Maximum income for all loan options is 100% of Area Median Family Income (AMFI) for households of one or two persons, and 115% of AMFI for households of three persons or more. The maximum purchase price is 90% of the average area purchase price. The Income and Purchase Price Limits Table is available on the Department’s website at <https://www.tdhca.state.tx.us/homeownership/fthb/docs/limits.pdf>, and an example, reflecting the limits with respect to loans originated in the Austin, Round Rock MSA is provided below.

Example	Income Limits		Maximum Purchase Price
	Households of 1-2 persons (100% AMFI)	Households of 3 persons or more (115% AMFI)	90% of Average Area Purchase Price
Austin, Round Rock MSA	\$ 97,600	\$ 112,240	\$ 359,460

Higher income and purchase price limits apply with respect to homes purchased in targeted areas, which are areas of severe economic distress.

IRS Recapture. Loans that are financed through SFMRBs and loans that receive an MCC are subject to IRS recapture provisions. Under certain circumstances, a borrower may owe a recapture tax to the IRS. To owe any recapture tax at all, the borrower must (1) sell the MCC- or MRB-financed home **at a gain** within nine years of purchase, **AND** (2) earn significantly more income than when the home was purchased (generally more than 5% increase in income per year). Both of these criteria must be met before a borrower has a recapture liability. In addition, the recapture liability cannot exceed the amount of the borrower’s gain on the sale of the home.

Current Mortgage Rates and Terms. The following table details the Department’s loan options and mortgage rates as of December 1, 2020. Down payment and closing cost assistance (DPA) is provided as a 30-year, non-amortizing, 0% interest second mortgage loan that is due on sale or refinance.



Rate Notice and Available Options 12/01/2020	Loans with Down Payment Assistance						Unassisted Loans								
	Government Loans (FHA, USDA, VA)				Fannie Mae Preferred Available only with My Choice Texas Home Taxable Loans <i>At or Below 80% AMFI</i>		Government Loans (FHA, USDA, VA)								
Amount of DPA Provided	2 Points DPA	3 Points DPA	4 Points DPA	5 Points DPA	3 Points DPA	5 Points DPA	No DPA								
My First Texas Home Program	First-Time Homebuyer requirement; considers the income of all person(s) who will sign the Deed of Trust (including Non-Purchasing Spouse).														
My FIRST Texas Home Bond Eligible Loans, No MCC	2.250%	2.500%	2.750%	3.375%	N/A		Unassisted Funds available with Bond Program only								
My FIRST Texas Home Combo Loans with MCC	2.500%	2.750%	2.875%	3.625%	N/A										
My Choice Texas Home Program	No First-Time Homebuyer requirement; considers the standard lender income calculation (1003/credit qualifying income).														
My CHOICE Texas Home Taxable Loans, No MCC	2.500%	2.750%	2.875%	3.625%	3.000%	3.500%	N/A								
Mortgage Credit Certificate (MCC) Program															
My FIRST Texas Home Combo Loans and Stand-Alone MCCs	MCC Credit Rate is Based on Loan Amount Loans at or below \$175,000 - 30% MCC Credit Rate with a \$2,000 annual maximum tax credit Loans above \$175,000 - 20% MCC Credit Rate with no annual maximum tax credit														
APPLICABLE TO ALL LOANS ORIGINATED THROUGH THE ABOVE TBA AND BOND OPTIONS															
Minimum FICO Score	620			Loans must be purchased within 60 days of the date reserved. Extensions are available at the following cost: <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td>7-Day</td> <td>0.0625%</td> </tr> <tr> <td>15-Day</td> <td>0.1250%</td> </tr> <tr> <td>22-Day</td> <td>0.1875%</td> </tr> <tr> <td>30-Day</td> <td>0.2500%</td> </tr> </table>				7-Day	0.0625%	15-Day	0.1250%	22-Day	0.1875%	30-Day	0.2500%
7-Day	0.0625%														
15-Day	0.1250%														
22-Day	0.1875%														
30-Day	0.2500%														
Max DTI	50%														
Origination Points	0%														
SRP to Lender	2.75%														
Program Compliance Fee	\$275														
Tax Service Fee	\$85														
MCC Issuance Fee	\$400	All MCCs, Combo and Stand-Alone													
Loan Review and Acquisition Fee	\$150														
APPLICABLE TO FNMA LOANS															
Reservations will not be accepted for FNMA loans greater than 80% of AMFI. See Program Income Table for guidelines. All FNMA loans at or below 80% of AMFI must be registered as MY CHOICE Texas Home Taxable Loans, No MCC.															
https://www.tdhca.state.tx.us/homeownership/fthb/docs/limits.pdf															

The attached Housing Finance Activity Report reflects activity for each available homeownership option for calendar year 2020 – Quarter 3 (July 1, 2020 – September 30, 2020), aggregate loan activity over a 12-month period, and a map that reflects Texas counties served.

TDHCA Housing Finance Activity Quarter 3-2020



Borrowers Served

3,737

(Financed and/or MCC Issued)
Increase of 50% from
Quarter 3-2019

Homes Financed

3,350

Increase of 37% from
Quarter 3-2019

First Mortgages

\$643.3 Million

Increase of 47% from
Quarter 3-2019

MCCs Issued

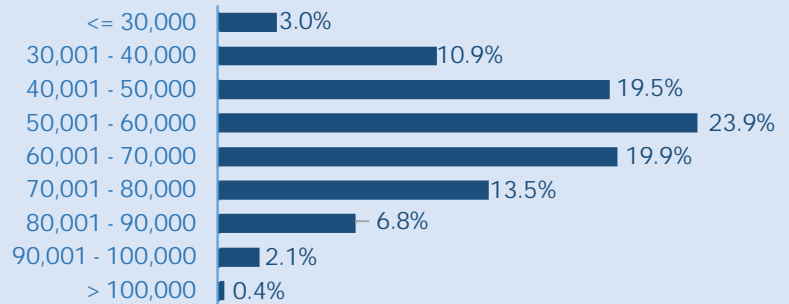
886

Increase of 74% from
Quarter 3-2019

499 MCC and First Mortgage
387 Stand-alone MCC

Income Distribution

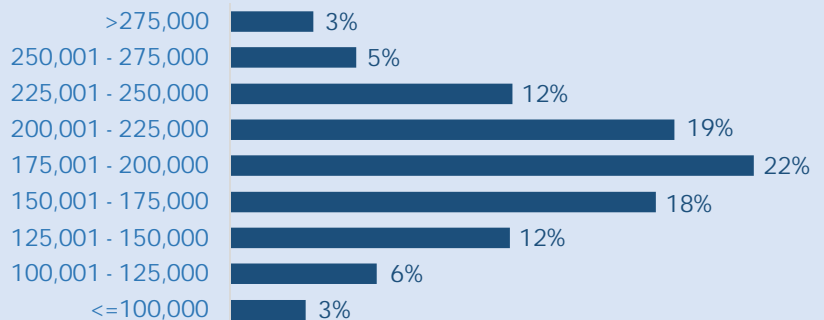
October 1, 2019 to September 30, 2020



Average Income \$57,690
73% of Borrowers at or Below 80% AMFI

Loan Amount Distribution

October 1, 2019 to September 30, 2020



Average Loan Amount \$187,398

2019 Statewide Economic Impact

Based on 38% New Construction Loans

\$1 Billion Wages Generated

\$144.5 Million Tax Revenue

12,422 Jobs Created

Estimates based on formulas published by the National Home Builders Association- The Economic Impact of Home Building in Typical Local Area, Provided by National Council of State Housing Agencies (NCSHA)

TDHCA Aggregate Loan Originations

October 1, 2019 to September 30, 2020

Loan Volume by COUNTY (Top 20)			
Top Originating Counties	Total Originated	# of Loans	% of Loans
Harris	\$ 380,117,188	2048	15.9%
Bexar	\$ 282,623,277	1540	11.8%
Tarrant	\$ 226,666,364	1117	9.5%
Dallas	\$ 185,827,581	965	7.8%
El Paso	\$ 130,480,297	933	5.4%
Williamson	\$ 124,783,182	560	5.2%
Travis	\$ 115,779,995	507	4.8%
Denton	\$ 70,917,686	294	3.0%
Fort Bend	\$ 68,460,163	334	2.9%
Collin	\$ 64,252,599	277	2.7%
Montgomery	\$ 53,833,609	281	2.2%
Kaufman	\$ 50,720,799	235	2.1%
Hays	\$ 50,358,145	222	2.1%
Brazoria	\$ 43,387,549	213	1.8%
Webb	\$ 36,397,836	219	1.5%
Johnson	\$ 35,813,673	186	1.5%
Ellis	\$ 32,366,678	145	1.3%
Nueces	\$ 27,281,024	174	1.1%
Galveston	\$ 24,871,015	128	1.0%
Comal	\$ 23,753,245	105	1.0%

New Construction vs Existing Dwelling			
New Construction / Existing	Orig Loan Amount	# of Loans	% of Loans
New	\$ 942,827,650	4473	35.0%
Existing	\$ 1,454,727,993	8321	65.0%

Property Type			
Property Type	Orig Loan Amount	# of Loans	% of Loans
1 Unit Single Family Detached	\$ 2,310,711,121	12272	95.9%
Condominium	\$ 34,386,053	184	1.4%
Manufactured	\$ 31,686,087	216	1.7%
Townhouse	\$ 14,625,546	89	0.7%
Rowhouse	\$ 3,334,957	17	0.1%
Duplex	\$ 2,811,879	16	0.1%

Borrower Gender			
Gender	Orig Loan Amount	# of Loans	% of Loans
Male	\$ 1,353,088,537	7194	56.4%
Female	\$ 1,043,524,174	5595	43.5%
Declined to Answer	\$ 942,932	5	0.0%

First Time Home Buyer			
FTHB Status	Orig Loan Amount	# of Loans	% of Loans
Yes	\$ 2,363,620,364	12618	98.6%
No	\$ 33,935,279	176	1.4%

Household Size			
Household Size	Orig Loan Amount	# of Loans	% of Loans
1	\$ 699,103,712	3836	30.0%
2	\$ 586,772,947	3156	24.7%
3	\$ 480,024,983	2529	19.8%
4	\$ 369,183,955	1923	15.0%
5	\$ 181,312,115	944	7.4%
6	\$ 59,897,409	302	2.4%
7	\$ 14,511,571	71	0.6%
8+	\$ 6,748,951	33	0.3%

Max: 8 \ Min: 1 \ WAvg: 2.6

FICO Score Distribution			
FICO Score	Orig Loan Amount	# of Loans	% of Loans
<= 640	\$ 622,127,601	3311	25.9%
641 to 660	\$ 535,119,064	2870	22.4%
661 to 680	\$ 389,470,121	2080	16.3%
681 to 700	\$ 258,317,471	1384	10.8%
701 to 720	\$ 181,962,914	980	7.7%
721 to 740	\$ 151,940,798	812	6.3%
741 to 760	\$ 117,884,497	631	4.9%
761 to 780	\$ 74,188,589	382	3.0%
780 to 800	\$ 47,381,235	246	1.9%
> 800	\$ 19,163,353	98	0.8%

Max: 816 \ Min: 555 \ WAvg: 674

Household Income Distribution			
Household Income (\$)	Orig Loan Amount	# of Loans	% of Loans
<= 20,000	\$ 6,764,495	46	0.4%
20,001 - 30,000	\$ 40,614,276	335	2.6%
30,001 - 40,000	\$ 202,916,009	1399	10.9%
40,001 - 50,000	\$ 422,276,986	2496	19.5%
50,001 - 60,000	\$ 578,183,957	3054	23.9%
60,001 - 70,000	\$ 508,983,340	2550	19.9%
70,001 - 80,000	\$ 363,193,936	1730	13.5%
80,001 - 90,000	\$ 198,513,878	870	6.8%
90,001 - 100,000	\$ 64,826,814	268	2.1%
> 100,000	\$ 11,281,952	46	0.4%

Max: \$152,604 \ Min: \$11,148 \ WAvg: \$57,690

AMFI Distribution			
AMFI	Orig Loan Amount	# of Loans	% of Loans
<= 30%	\$ 18,657,986	139	1.1%
30.1% to 60%	\$ 730,009,194	4390	34.3%
60.1% to 80%	\$ 934,611,499	4826	37.7%
80.1% to 100%	\$ 712,846,693	3432	26.8%
100.1% to 115%	\$ 1,101,581	5	0.0%
> 115.1%	\$ 328,690	2	0.0%

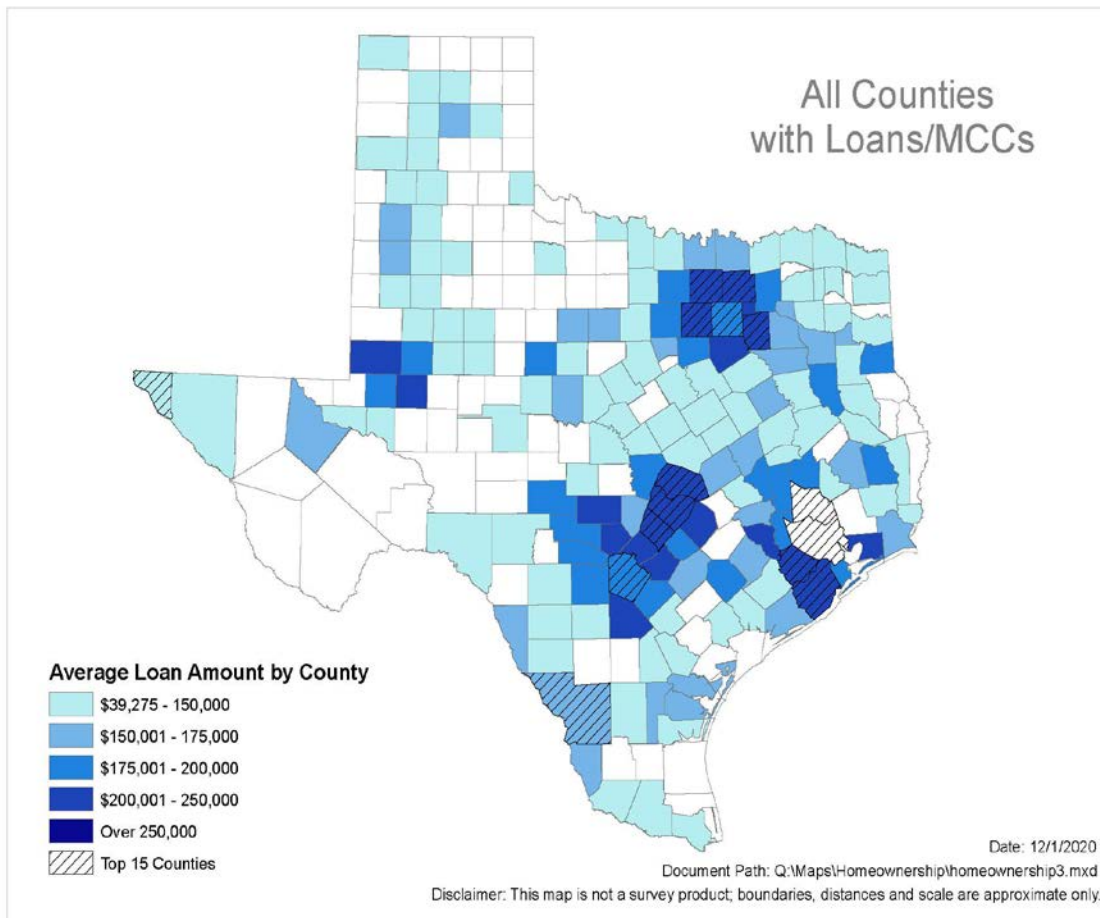
Max: 103% \ Min: 14% \ WAvg: 68%

Age Distribution			
Age	Orig Loan Amount	# of Loans	% of Loans
<= 20	\$ 95,651,130	567	4.4%
21 to 25	\$ 249,758,644	1381	10.8%
26 to 30	\$ 559,248,253	3006	23.5%
31 to 35	\$ 462,587,294	2428	19.0%
36 to 40	\$ 350,973,666	1806	14.1%
41 to 45	\$ 237,022,625	1236	9.7%
46 to 50	\$ 182,045,158	947	7.4%
51 to 55	\$ 118,247,778	622	4.9%
56 to 60	\$ 74,362,138	415	3.2%
>61	\$ 67,658,957	386	3.0%

Max: 96 \ Min: 18 \ WAvg: 36

Loan Type			
Loan Type	Orig Loan Amount	# of Loans	% of Loans
FHA	\$ 2,183,884,914	11718	91.6%
HFA Preferred	\$ 117,999,239	622	4.9%
USDA-RHS	\$ 51,354,718	248	1.9%
VA	\$ 44,316,772	206	1.6%

Aggregate Single Family Loans and/or MCCs Over Past 12 Months Geographic Distribution



Loan Volume by COUNTY (Top 20)			
Top Originating Counties	# of Loans	% of Loans	Total Originated
Harris	2048	15.9%	\$ 380,117,188
Bexar	1540	11.8%	\$ 282,623,277
Tarrant	1117	9.5%	\$ 226,666,364
Dallas	965	7.8%	\$ 185,827,581
El Paso	933	5.4%	\$ 130,480,297
Williamson	560	5.2%	\$ 124,783,182
Travis	507	4.8%	\$ 115,779,995
Denton	294	3.0%	\$ 70,917,686
Fort Bend	334	2.9%	\$ 68,460,163
Collin	277	2.7%	\$ 64,252,599
Montgomery	281	2.2%	\$ 53,833,609
Kaufman	235	2.1%	\$ 50,720,799
Hays	222	2.1%	\$ 50,358,145
Brazoria	213	1.8%	\$ 43,387,549
Webb	219	1.5%	\$ 36,397,836
Johnson	186	1.5%	\$ 35,813,673
Ellis	145	1.3%	\$ 32,366,678
Nueces	174	1.1%	\$ 27,281,024
Galveston	128	1.0%	\$ 24,871,015
Comal	105	1.0%	\$ 23,753,245

2e

**TO BE POSTED
NOT LATER THAN
THE THIRD DAY
BEFORE THE
DATE OF THE
MEETING**

ACTION ITEMS

3

BOARD ACTION REQUEST
BOND FINANCE DIVISION
DECEMBER 10, 2020

Presentation, discussion, and possible action regarding the Issuance of a Multifamily Note (Legacy Riverside Senior Living Community) Series 2020 Resolution No. 21-007, and a Determination Notice of Housing Tax Credits

RECOMMENDED ACTION

WHEREAS, the Board adopted an inducement resolution for Legacy Riverside Senior Living Community at the Board meeting of May 21, 2020;

WHEREAS, an application for Legacy Riverside Senior Living Community requesting 4% Housing Tax Credits, sponsored by TX Riverside Seniors GP, LLC, which includes Melissa Fisher, James R. Fisher III, Dewey Stevens, and Legacy Multifamily Development, LLC, as principals was submitted to the Department on August 5, 2020;

WHEREAS, a Certification of Reservation was issued in the amount of \$40,000,000 on August 25, 2020, with a bond delivery deadline of February 21, 2020;

WHEREAS, in accordance with 10 TAC §1.301(d)(1), the compliance history is designated as a Category 3 and recommended to be approved with conditions by the Executive Award and Review Advisory Committee (EARAC) as stated herein; and

WHEREAS, EARAC recommends approval of the issuance of a Multifamily Note (Series 2020) for Legacy Riverside Senior Living Community and the issuance of a Determination Notice;

NOW, therefore, it is hereby

RESOLVED, that the issuance of an unrated Multifamily Note (Legacy Riverside Senior Living Community) Series 2020 in the amount of \$40,000,000, Resolution No. 21-007, is hereby approved in the form presented to this meeting;

FURTHER RESOLVED, the issuance of a Determination Notice of \$1,913,049 in 4% Housing Tax Credits for Legacy Riverside Senior Living Community, subject to underwriting conditions that may be applicable as found in the Real Estate Analysis report posted to the Department's website and the following compliance conditions, is hereby approved in the form presented to this meeting; and

1. RISE Residential Management is required to prepare or update its internal procedures to improve compliance outcomes and to provide copies of such new or updated procedures to the Department upon request.
2. Owner is required to designate a person or persons to receive Compliance correspondence and ensure that this person or persons will provide timely responses to the Department for and on behalf of the proposed Development and all other Developments subject to TDHCA LURAs over which the Owner has the power to exercise Control.
3. Rise Residential Management agrees to establish an email distribution group in CMTS, to be kept in place until no later than December 31, 2021, and include agreed upon employee positions and/or designated Applicant members.

FURTHER RESOLVED, that if approved, staff is authorized, empowered, and directed, for and on behalf of the Department to execute such documents, instruments and writings and perform such acts and deeds as may be necessary to effectuate the foregoing.

BACKGROUND

General Information: The Bonds will be issued in accordance with Tex. Gov't Code §2306.353 *et seq.*, which authorizes the Department to issue revenue bonds for its public purposes, as defined therein. Tex. Gov't Code §2306.472 provides that the Department's revenue bonds are solely obligations of the Department, and do not create an obligation, debt or liability of the State of Texas or a pledge or loan of faith, credit or taxing power of the State of Texas.

Development Information: Legacy Riverside Senior living Community is to be located at 8101 North Riverside Drive in Fort Worth, Tarrant County, and proposes the new construction of 264 units that will serve the elderly population. The Certificate of Reservation from the Bond Review Board was issued under the Priority 2 designation, which requires that 80% of the units within the development have rents restricted to 60% of Area Median Family Income (AMFI). While only 80% of the units must be rent restricted according to the priority designation, the application reflects all 264 of the units will be rent and income restricted at 60% AMFI.

Organizational Structure and Previous Participation: The Borrower is TX Riverside Seniors, LP and includes the entities and principals as illustrated in Exhibit A. The applicant's portfolio is considered a Category 3 and the previous participation was approved with conditions, as previously stated, by EARAC.

Tax Equity and Fiscal Responsibility Act (TEFRA) Public Hearing/Public Comment: In light of COVID-19 and the inability for an in-person TEFRA hearing to be held, staff conducted a telephonic hearing, in accordance with IRS guidance, for the proposed development on October 14, 2020. Given that it was via telephone and would ordinarily be difficult to discern exactly how many individuals participated in the hearing, there is an option on the call line to obtain a participant count. For this hearing there were

four attendees, which represented staff conducting the hearing and representatives from the applicant. A copy of the hearing transcript is included herein. The Department has received one letter of support from the Summerfields Neighborhood Association, which encompasses the area in which the development is proposed. A copy of this letter is also included herein. The Department has received no letters of opposition for the proposed development.

Summary of Financial Structure

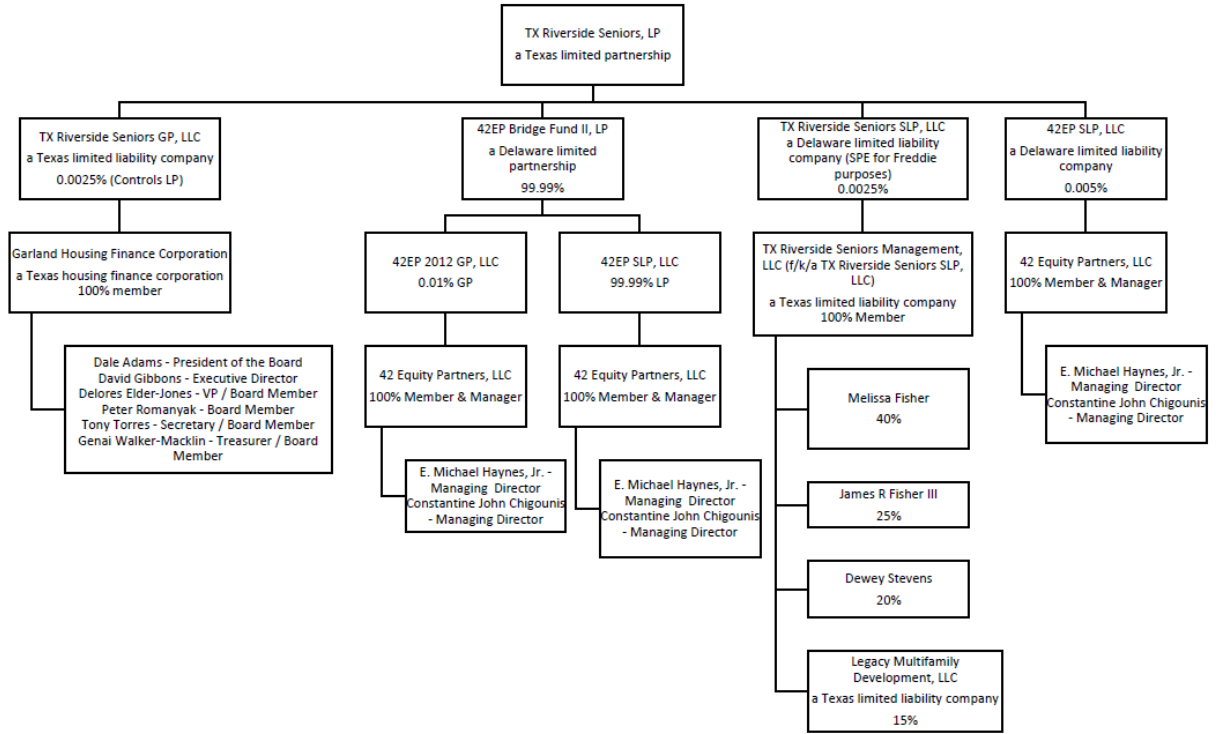
Under the proposed structure, the Department will issue an unrated tax-exempt fixed rate note in the amount of \$40,000,000 that will be initially purchased by IBC Bank, who will be serving as construction lender. IBC Bank will acquire the loan and the Department's related multifamily note at closing which will be used to fund a tax-exempt, interim construction loan of up to \$40,000,000 that will carry an approximate interest rate of 4.75%.

Once the conditions to conversion to the permanent loan have been met, Bellwether Enterprise Real Estate Capital, LLC will purchase the loan from IBC Bank under Freddie Mac's Delegated Underwriting for Targeted Affordable Housing program. In accordance with Freddie Mac's underwriting, it is anticipated that the Bellwether permanent loan will be downsized from the original note principal amount of \$40,000,000 to approximately \$29,500,000 to ensure feasibility. Shortly thereafter, Freddie Mac will acquire the loan and the note from Bellwether, where it is expected to be securitized with other loans. Bellwether will remain as the servicer of the loan for Freddie Mac, who will be the permanent lender and noteholder. The multifamily note will carry an interest rate of approximately 3.83% (as more appropriately described in the note resolution attached hereto), which will be fixed prior to closing. The term of the note will be 17 years with a 40 year amortization, and a final maturity date of July 1, 2040.

A copy of the Exhibits recommended to be approved by the Board as referenced in Resolution No. 21-007 can be found online at TDHCA's Board Meeting Information Center website at <http://www.tdhca.state.tx.us/board/meetings.htm>.

EXHIBIT A

RIVERSIDE SENIORS OWNER/BORROWER ORGANIZATIONAL CHART



RESOLUTION NO. 21-007

RESOLUTION AUTHORIZING AND APPROVING THE ISSUANCE, SALE AND DELIVERY OF TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS MULTIFAMILY NOTE (LEGACY RIVERSIDE SENIOR LIVING COMMUNITY), SERIES 2020; APPROVING THE FORM AND SUBSTANCE AND AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS AND INSTRUMENTS PERTAINING THERETO; AUTHORIZING AND RATIFYING OTHER ACTIONS AND DOCUMENTS; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT

WHEREAS, the Texas Department of Housing and Community Affairs (the "Department") has been duly created and organized pursuant to and in accordance with the provisions of Chapter 2306, Texas Government Code, as amended (the "Act"), for the purpose, among others, of providing a means of financing the costs of residential ownership, development, construction and rehabilitation that will provide decent, safe, and affordable living environments for individuals and families of low, very low and extremely low income (as defined in the Act) and families of moderate income (as described in the Act and determined by the Governing Board of the Department (the "Board") from time to time); and

WHEREAS, the Act authorizes the Department: (a) to make mortgage loans to housing sponsors to provide financing for multifamily residential rental housing in the State of Texas (the "State") intended to be occupied by individuals and families of low, very low and extremely low income and families of moderate income, as determined by the Department; (b) to issue its revenue bonds (including notes), for the purpose, among others, of obtaining funds to make such loans and provide financing, to establish necessary reserve funds and to pay administrative and other costs incurred in connection with the issuance of such bonds; and (c) to pledge all or any part of the revenues, receipts or resources of the Department, including the revenues and receipts to be received by the Department from such multifamily residential rental development loans, and to mortgage, pledge or grant security interests in such loans or other property of the Department in order to secure the payment of the principal or redemption price of and interest on such bonds; and

WHEREAS, the Board has determined to authorize the issuance of its Multifamily Note designated Texas Department of Housing and Community Affairs Multifamily Note (Legacy Riverside Senior Living Community), Series 2020 (the "Governmental Note") pursuant to and in accordance with the terms of a Funding Loan Agreement (the "Funding Loan Agreement") among the Department, Wilmington Trust, National Association, as fiscal agent (the "Fiscal Agent"), and International Bank of Commerce, a Texas state banking corporation, as initial funding lender (the "Initial Funding Lender"), for the purpose of providing funds in connection with the financing of the Development (defined below), all under and in accordance with the Constitution and laws of the State; and

WHEREAS, the Department desires to use the proceeds of the Governmental Note to fund a mortgage loan to TX Riverside Seniors, LP, a Texas limited partnership (the "Borrower"),

in connection with the cost of acquisition, construction and equipping of a qualified residential rental development for seniors described in Exhibit A attached hereto (the "Development") located within the State and required by the Act to be occupied by individuals and families of low and very low income and families of moderate income, as determined by the Department; and

WHEREAS, the Board, by resolution adopted on May 21, 2020, declared its intent to issue its revenue bonds (or notes) to provide financing for the Development; and

WHEREAS, the Borrower has requested and received a reservation of private activity bond allocation from the State of Texas; and;

WHEREAS, it is anticipated that the Department, the Borrower and the Fiscal Agent will execute and deliver a Project Loan Agreement (the "Project Loan Agreement") pursuant to which (i) the Department will agree to make a mortgage loan funded with the proceeds of the Governmental Note (the "Project Loan") to the Borrower to enable the Borrower to finance the acquisition, construction and equipping of the Development and related costs, and (ii) the Borrower will execute and deliver to the Department a project note (the "Project Note") in an original principal amount equal to the original aggregate principal amount of the Governmental Note, and providing for payment of interest on such principal amount equal to the interest on the Governmental Note and to pay other costs described in the Project Loan Agreement; and

WHEREAS, it is anticipated that the Project Note will be secured by a Leasehold Multifamily Deed of Trust, Assignment of Rents, Security Agreement, and Fixture Filing (the "Security Instrument") from the Borrower for the benefit of the Department and assigned to the Fiscal Agent; and

WHEREAS, the Department's rights (except for certain unassigned rights) under the Project Loan Agreement, the Project Note and the Security Instrument will be assigned to the Fiscal Agent pursuant to an Assignment of Security Instrument (the "Assignment") from the Department to the Fiscal Agent; and

WHEREAS, in order to assure compliance with Section 103 and 141 through 150 of the Code, the Board has determined that the Department, the Fiscal Agent and the Borrower will execute a Tax Exemption Certificate and Agreement (the "Tax Exemption Agreement"), in connection with the Governmental Note, pursuant to which the Department and the Borrower will make certifications, representations and covenants relating to the treatment of the interest on the Governmental Note as exempt from gross income for federal income tax purposes; and

WHEREAS, the Board has determined that the Department, the Fiscal Agent, Garland Housing Finance Corporation, a Texas housing finance corporation, as fee owner (the "Fee Owner"), and the Borrower will execute a Regulatory and Land Use Restriction Agreement (the "Regulatory Agreement") with respect to the Development, which will be filed of record in the real property records of Tarrant County, Texas; and

WHEREAS, the Board has further determined that the Initial Funding Lender will purchase the Governmental Note from the Department; and

WHEREAS, upon completion of certain conditions it is expected that the Federal Home Loan Mortgage Corporation (“Freddie Mac”) and its seller/servicer will facilitate the financing of the Development in the permanent phase by acquiring the Governmental Note and in connection with the conversion to the permanent phase the Borrower will execute and deliver the Amended and Restated Project Note (the “Amended Project Note”); and

WHEREAS, the Board has examined proposed forms of (a) the Funding Loan Agreement, the Project Loan Agreement, the Regulatory Agreement, the Assignment and the Tax Exemption Agreement (collectively, the “Issuer Documents”), all of which are attached to and comprise a part of this Resolution and (b) the Security Instrument, the Project Note, and the Amended Project Note; has found the form and substance of such documents to be satisfactory and proper and the recitals contained therein to be true, correct and complete; and has determined, subject to the conditions set forth in Article 1, to authorize the issuance of the Governmental Note, the execution and delivery of the Issuer Documents, the acceptance of the Security Instrument and the Project Note and the taking of such other actions as may be necessary or convenient in connection therewith;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS:

ARTICLE 1

ISSUANCE OF GOVERNMENTAL NOTE; APPROVAL OF DOCUMENTS

Section 1.1 Issuance, Execution and Delivery of the Governmental Note. That the issuance of the Governmental Note is hereby authorized pursuant to the Act, including particularly Section 2306.353 thereof, all under and in accordance with the conditions set forth herein and in the Funding Loan Agreement, and that, upon execution and delivery of the Funding Loan Agreement, the Authorized Representatives of the Department named in this Resolution are each hereby authorized to execute, attest and affix the Department’s seal to the Governmental Note and to deliver the Governmental Note to the Attorney General of the State (the “Attorney General”) for approval, the Comptroller of Public Accounts of the State for registration and the Fiscal Agent for authentication (to the extent required in the Funding Loan Agreement), and thereafter to deliver the Governmental Note to or upon the order of the Initial Funding Lender.

Section 1.2 Interest Rate, Principal Amount, Maturity and Price. That (i) the Governmental Note shall bear interest during the Construction Phase at the Construction Phase Interest Rate (each term as defined in the Funding Loan Agreement) and during the Permanent Phase at a Permanent Phase Interest Rate (each term as defined in the Funding Loan Agreement) of a fixed rate per annum, which rate shall be determined at least six (6) business days prior to the delivery of the Governmental Note, and shall be equal to the sum of (i) 2.90%

and (ii) the greater of (a) the 10-year US Treasury Security on the date of determination, or (b) 0.57%, subject to adjustment as provided in the Funding Loan Agreement; provided that, in no event shall the interest rate (including any default rate) on the Governmental Note exceed the maximum interest rate permitted by applicable law; (ii) the aggregate principal amount of the Governmental Note shall be \$40,000,000; (iii) the final maturity of the Governmental Note shall occur on July 1, 2040; and (d) the price at which the Governmental Note is sold to the Purchaser shall be the principal amount thereof.

Section 1.3 Approval, Execution and Delivery of the Funding Loan Agreement. That the form and substance of the Funding Loan Agreement are hereby approved, and that the Authorized Representatives are each hereby authorized to execute the Funding Loan Agreement, and to deliver the Funding Loan Agreement to the Fiscal Agent and the Initial Funding Lender.

Section 1.4 Approval, Execution and Delivery of the Project Loan Agreement. That the form and substance of the Project Loan Agreement are hereby approved, and that the Authorized Representatives each are hereby authorized to execute the Project Loan Agreement, and to deliver the Project Loan Agreement to the Borrower and the Fiscal Agent.

Section 1.5 Approval, Execution and Delivery of the Tax Exemption Agreement. That the form and substance of the Tax Exemption Agreement are hereby approved and that the Authorized Representatives are each hereby authorized to execute the Tax Exemption Agreement and to deliver the Tax Exemption Agreement to the Borrower and the Fiscal Agent.

Section 1.6 Approval, Execution and Delivery of the Regulatory Agreement. That the form and substance of the Regulatory Agreement are hereby approved, and that the Authorized Representatives each are hereby authorized to execute, attest and affix the Department's seal to the Regulatory Agreement, and to deliver the Regulatory Agreement to the Borrower, the Fee Owner and the Fiscal Agent and to cause the Regulatory Agreement to be filed of record in the real property records of Tarrant County, Texas.

Section 1.7 [Reserved].

Section 1.8 Sale of the Governmental Note. That the sale of the Governmental Note to the Initial Funding Lender is hereby authorized and approved.

Section 1.9 Acceptance of the Project Note, the Amended Project Note, and the Security Instrument. That the form and substance of the Project Note, the Amended Project Note, and the Security Instrument are hereby accepted by the Department and that the Authorized Representatives each are hereby authorized to endorse and deliver the Project Note to the order of the Fiscal Agent without recourse.

Section 1.10 Approval, Execution and Delivery of the Assignment. That the form and substance of the Assignment are hereby approved, and that the Authorized Representatives

each are hereby authorized to execute the Assignment, and to deliver the Assignment to the Fiscal Agent.

Section 1.11 Taking of Any Action; Execution and Delivery of Other Documents. That the Authorized Representatives are each hereby authorized to take any actions and to execute, attest and affix the Department's seal to, and to deliver to the appropriate parties, all such other agreements, commitments, assignments, bonds, certificates, contracts, documents, instruments, releases, financing statements, letters of instruction, notices of acceptance, written requests and other papers, whether or not mentioned herein, as they or any of them consider to be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution.

Section 1.12 Power to Revise Form of Documents. That, notwithstanding any other provision of this Resolution, the Authorized Representatives are each hereby authorized to make or approve such revisions in the form of the documents attached hereto as exhibits as, in the judgment of such Authorized Representative, and in the opinion of Bracewell LLP, Bond Counsel to the Department ("Bond Counsel"), may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution, such approval to be evidenced by the execution of such documents by the Authorized Representatives.

Section 1.13 Exhibits Incorporated Herein. That all of the terms and provisions of each of the documents listed below as an exhibit shall be and are hereby incorporated into and made a part of this Resolution for all purposes:

- Exhibit B - Funding Loan Agreement
- Exhibit C - Project Loan Agreement
- Exhibit D - Regulatory Agreement
- Exhibit E - Project Note
- Exhibit F - Security Instrument
- Exhibit G - Amended Project Note
- Exhibit H - Assignment
- Exhibit I - Tax Exemption Agreement

Section 1.14 Authorized Representatives. That the following persons are each hereby named as authorized representatives of the Department for purposes of executing, attesting, affixing the Department's seal to, and delivering the documents and instruments and taking the other actions referred to in this Article 1: the Chair or Vice Chair of the Board, the Executive Director of the Department, the Director of Administration of the Department, the Director of Financial Administration of the Department, the Director of Bond Finance and Chief Investment Officer of the Department, the Director of Multifamily Bonds of the Department, the Director of Texas Homeownership of the Department, and the Secretary or any Assistant Secretary to the Board. Such persons are referred to herein collectively as the "Authorized Representatives." Any one of the Authorized Representatives is authorized to act individually as set forth in this Resolution.

ARTICLE 2

APPROVAL AND RATIFICATION OF CERTAIN ACTIONS

Section 2.1 Approval and Ratification of Application to Texas Bond Review Board. That the Board hereby ratifies and approves the submission of the application for approval of state bonds to the Texas Bond Review Board on behalf of the Department in connection with the issuance of the Governmental Note in accordance with Chapter 1231, Texas Government Code.

Section 2.2 Approval of Submission to the Attorney General. That the Board hereby authorizes, and approves the submission by Bond Counsel to the Attorney General, for his approval, of a transcript of legal proceedings relating to the issuance, sale and delivery of the Governmental Note.

Section 2.3 Certification of the Minutes and Records. That the Secretary or Assistant Secretary to the Board hereby is authorized to certify and authenticate minutes and other records on behalf of the Department for the Governmental Note and all other Department activities.

Section 2.4 Authority to Invest Proceeds. That the Department is authorized to invest and reinvest the proceeds of the Governmental Note and the fees and revenues to be received in connection with the financing of the Development in accordance with the Funding Loan Agreement and to enter into any agreements relating thereto only to the extent permitted by the Funding Loan Agreement.

Section 2.5 Engagement of Other Professionals. That the Executive Director of the Department or any successor is authorized to engage auditors to perform such functions, audits, yield calculations and subsequent investigations as necessary or appropriate to comply with the requirements of Bond Counsel, provided such engagement is done in accordance with applicable law of the State.

Section 2.6 Ratifying Other Actions. That all other actions taken by the Executive Director of the Department and the Department staff in connection with the issuance of the Governmental Note and the financing of the Development are hereby ratified and confirmed.

ARTICLE 3

CERTAIN FINDINGS AND DETERMINATIONS

Section 3.1 Findings of the Board. That in accordance with Section 2306.223 of the Act and after the Department's consideration of the information with respect to the Development and the information with respect to the proposed financing of the Development by the Department, including but not limited to the information submitted by the Borrower,

independent studies commissioned by the Department, recommendations of the Department staff and such other information as it deems relevant, the Board hereby finds:

(a) Need for Housing Development.

(i) that the Development is necessary to provide needed decent, safe, and sanitary housing at rentals or prices that individuals or families of low and very low income or families of moderate income can afford,

(ii) that the financing of the Development is a public purpose and will provide a public benefit, and

(iii) that the Development will be undertaken within the authority granted by the Act to the housing finance division and the Borrower.

(b) Findings with Respect to the Borrower.

(i) that the Borrower, by operating the Development in accordance with the requirements of the Project Loan Agreement, the Regulatory Agreement and the Tax Exemption Agreement, will supply well-planned and well-designed housing for individuals or families of low and very low income or families of moderate income,

(ii) that the Borrower is financially responsible, and

(iii) that the Borrower is not, and will not enter into a contract for the Development with, a housing developer that (A) is on the Department's debarred list, including any parts of that list that are derived from the debarred list of the United States Department of Housing and Urban Development; (B) breached a contract with a public agency; or (C) misrepresented to a subcontractor the extent to which the developer has benefited from contracts or financial assistance that has been awarded by a public agency, including the scope of the developer's participation in contracts with the agency and the amount of financial assistance awarded to the developer by the Department.

(c) Public Purpose and Benefits.

(i) that the Borrower has agreed to operate the Development in accordance with the Project Loan Agreement, the Regulatory Agreement and the Tax Exemption Agreement, which require, among other things, that the Development be occupied by individuals and families of low and very low income and families of moderate income, and

(ii) that the issuance of the Governmental Note to finance the Development is undertaken within the authority conferred by the Act and will accomplish a valid public purpose and will provide a public benefit by assisting individuals and families of low and very low income and families of moderate income in the State to obtain decent,

safe, and sanitary housing by financing the costs of the Development, thereby helping to maintain a fully adequate supply of sanitary and safe dwelling accommodations at rents that such individuals and families can afford.

Section 3.2 Determination of Eligible Tenants. That the Board has determined, to the extent permitted by law and after consideration of such evidence and factors as it deems relevant, the findings of the staff of the Department, the laws applicable to the Department and the provisions of the Act, that eligible tenants for the Development shall be (1) individuals and families of low and very low income, (2) persons with special needs, and (3) families of moderate income, with the income limits as set forth in the Tax Exemption Agreement and the Regulatory Agreement.

Section 3.3 Sufficiency of Loan Interest Rate. That, in accordance with Section 2306.226 of the Act, the Board hereby finds and determines that the interest rate on the Project Loan established pursuant to the Project Loan Agreement will produce the amounts required, together with other available funds, to pay for the Department's costs of operation with respect to the Governmental Note and the Development and enable the Department to meet its covenants with and responsibilities to the holders of the Governmental Note.

Section 3.4 No Gain Allowed. That, in accordance with Section 2306.498 of the Act, no member of the Board or employee of the Department may purchase the Governmental Note in the secondary open market for municipal securities.

ARTICLE 4

GENERAL PROVISIONS

Section 4.1 Limited Obligations. That the Governmental Note and the interest thereon shall be special limited obligations of the Department payable solely from the trust estate created under the Funding Loan Agreement, including the revenues and funds of the Department pledged under the Funding Loan Agreement to secure payment of the Governmental Note, and under no circumstances shall the Governmental Note be payable from any other revenues, funds, assets or income of the Department.

Section 4.2 Non-Governmental Obligations. That the Governmental Note shall not be and does not create or constitute in any way an obligation, a debt or a liability of the State or create or constitute a pledge, giving or lending of the faith or credit or taxing power of the State. The Governmental Note shall contain on its face a statement to the effect that the State is not obligated to pay the principal thereof or interest thereon and that neither the faith or credit nor the taxing power of the State is pledged, given or loaned to such payment.

Section 4.3 Effective Date. That this Resolution shall be in full force and effect from and upon its adoption.

Section 4.4 Notice of Meeting. This Resolution was considered and adopted at a meeting of the Governing Board that was noticed, convened, and conducted in full compliance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, and with §2306.032 of the Texas Government Code, and the March 16, 2020 action by the Governor of the State of Texas under Section 418.016, Texas Government Code, suspending certain provisions of the Texas Open Meetings Act, regarding meetings of the Governing Board.

PASSED AND APPROVED this 10th day of December, 2020.

EXHIBIT A

Description of Development

Borrower: TX Riverside Seniors, LP, a Texas limited partnership

Development: The Development is a 264-unit affordable multifamily community for seniors to be known as Legacy Riverside Senior Living Community, to be located at 8101 North Riverside Drive, Fort Worth, Tarrant County, Texas 76137. It consists of seven (7) residential apartment buildings and one (1) clubhouse building with approximately 191,928 net rentable square feet. The unit mix will consist of:

66	efficiency units
156	one-bedroom/one-bath units
42	two-bedroom/two-bath units
<hr/>	
264	Total Units

Unit sizes will range from approximately 580 square feet to approximately 984 square feet.

20613 Legacy Riverside Senior Living Community - Application Sumr

REAL ESTATE ANALYSIS DIVISION
December 3, 2020

PROPERTY IDENTIFICATION		RECOMMENDATION						KEY PRINCIPALS / SPONSOR		
Application #	20613	TDHCA Program		Request	Recommended		Melissa Fisher Bill Fisher Sonoma Housing Advisors Rise Residential			
Development	Legacy Riverside Senior Living Communi	LIHTC (4% Credit)		\$1,913,049	\$1,913,049	\$7,246/Unit				\$0.88
City / County	Fort Worth / Tarrant									
Region/Area	3 / Urban									
Population	Elderly Limitation									
Set-Aside	General									
Activity	New Construction	Private Activity Bonds	\$40,000,000	3.83%	40	17	1	Related Parties	Contractor - Yes	Seller - No

TYPICAL BUILDING ELEVATION/PHOTO

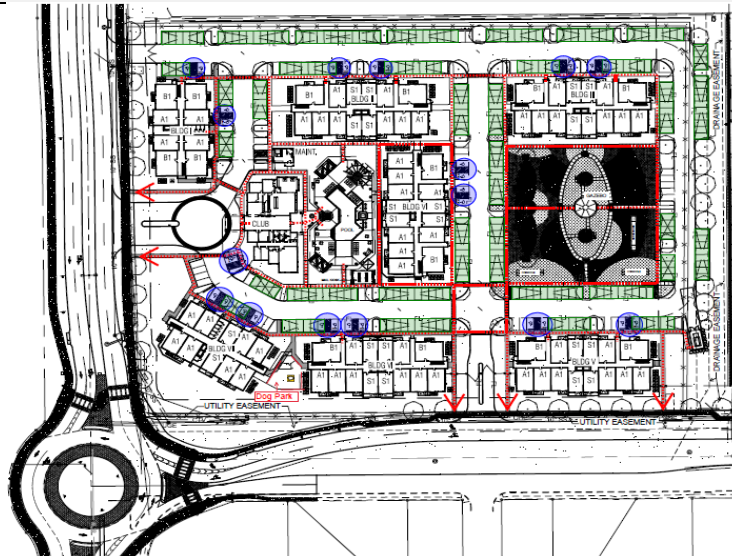


UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	66	25%	20%	-	0%
1	156	59%	30%	-	0%
2	42	16%	40%	-	0%
3	-	0%	50%	-	0%
4	-	0%	60%	264	100%
			70%	-	0%
			80%	-	0%
			MR	-	✓
TOTAL	264	100%	TOTAL	264	100%

PRO FORMA FEASIBILITY INDICATORS

Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.15	Expense Ratio	38.9%
Breakeven Occ.	85.1%	Breakeven Rent	\$801
Average Rent	\$873	B/E Rent Margin	\$72
Property Taxes	Exempt	Exemption/PILOT	100%
Total Expense	\$3,900/unit	Controllable	\$2,886/unit

SITE PLAN



MARKET FEASIBILITY INDICATORS

Gross Capture Rate (10% Maximum)	6.8%
Highest Unit Capture Rate	22% (0 BR/60%) 66
Dominant Unit Cap. Rate	20% (1 BR/60%) 156
Premiums (↑60% Rents)	N/A
Rent Assisted Units	N/A

DEVELOPMENT COST SUMMARY

Costs Underwritten		Applicant's Costs	
Avg. Unit Size	727 SF	Density	26.9/acre
Acquisition	\$11K/unit		\$3,030K
Building Cost	\$123.15/SF	\$90K/unit	\$23,635K
Hard Cost		\$109K/unit	\$28,757K
Total Cost		\$190K/unit	\$50,225K
Developer Fee	\$5,884K	(89% Deferred)	Paid Year: 15
Contractor Fee	\$4,004K	30% Boost	Yes

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES			
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount		
Bellwether Ent. - Freddie Mac TEL	17/40	3.83%	\$29,500,000	1.10						42 Equity	\$16,833,000		
Adjustment to Debt Per §11.302(c)(2)	17/40	3.83%	(\$1,350,000)	1.15						Riverside Seniors Development, LLC	\$5,241,601		
TOTAL DEBT (Must Pay)			\$28,150,000		CASH FLOW DEBT / GRANTS				\$0		TOTAL EQUITY SOURCES	\$22,074,601	
											TOTAL DEBT SOURCES	\$28,150,000	
											TOTAL CAPITALIZATION		\$50,224,601

CONDITIONS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER

Issuer	TDHCA
Expiration Date	2/21/2021
Bond Amount	\$40,000,000
BRB Priority	Priority 2
Bond Structure	Freddie Mac TEL
% Financed with Tax-Exempt Bonds	94.3%

RISK PROFILE

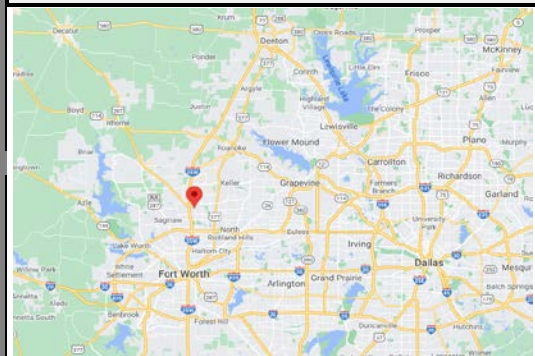
STRENGTHS/MITIGATING FACTORS

- Developer experience

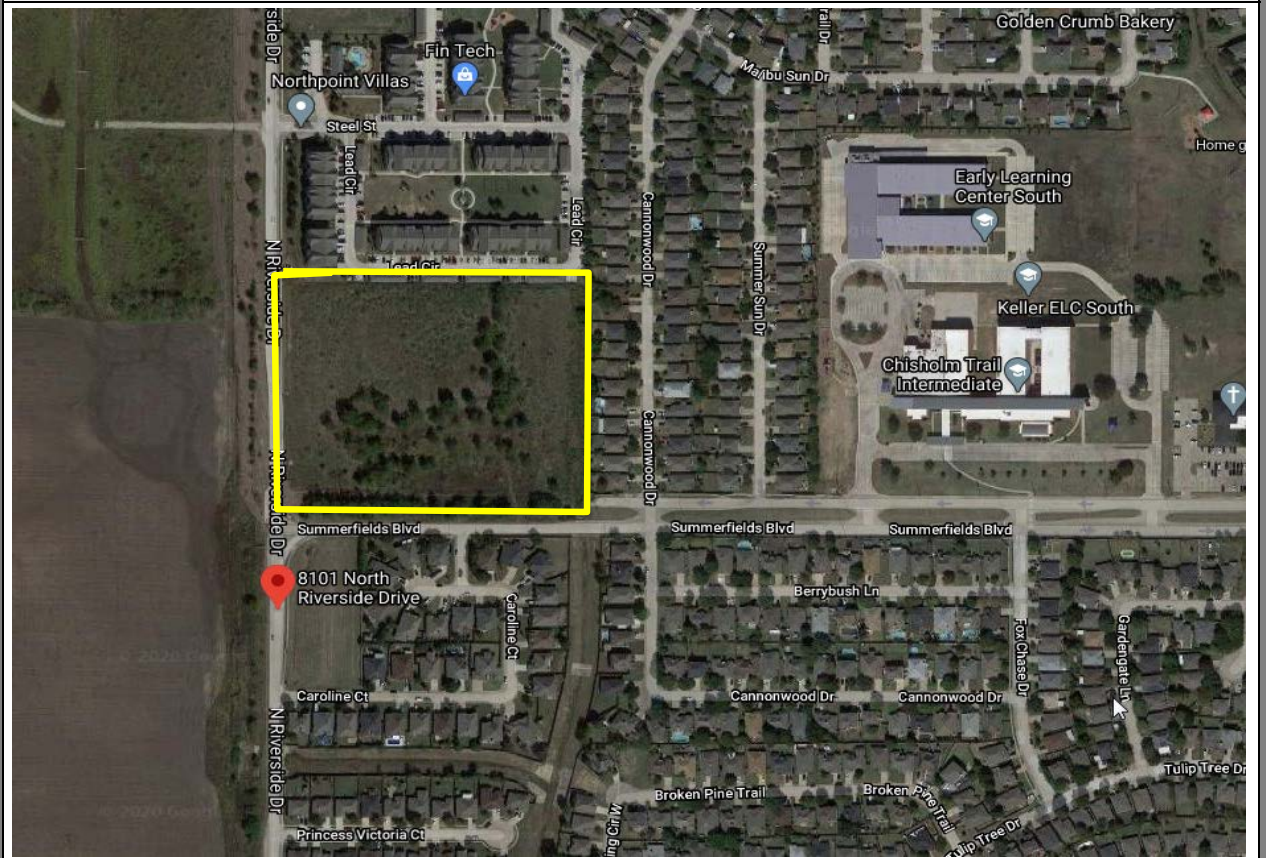
WEAKNESSES/RISKS

- Debt coverage at 1.15 times
- feasibility dependent on tax exemption

AREA MAP



AERIAL PHOTOGRAPH(S)





DEVELOPMENT IDENTIFICATION

TDHCA Application #: 20613 Program(s): TDHCA Bonds/4% HTC

Legacy Riverside Senior Living Community

Address/Location: 8101 North Riverside Drive

City: Fort Worth County: Tarrant Zip: 76137

Population: Elderly Limitation Program Set-Aside: General Area: Urban

Activity: New Construction Building Type: Elevator Served Region: 3

Analysis Purpose: New Application - Initial Underwriting

ALLOCATION

TDHCA Program	REQUEST				RECOMMENDATION				
	Amount	Interest Rate	Amort	Term	Amount	Interest Rate	Amort	Term	Lien
Private Activity Bonds	\$40,000,000	3.46%	40	17	\$40,000,000	3.83%	40	17	1
LIHTC (4% Credit)	\$1,913,049				\$1,913,049				

CONDITIONS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

SET-ASIDES

TDHCA SET-ASIDES for HTC LURA		
Income Limit	Rent Limit	Number of Units
60% of AMI	60% of AMI	264

DEVELOPMENT SUMMARY

New construction of 264 elderly units in seven 3-story elevator-served buildings. The unit mix is 25% efficiency units, 59% one-bedroom and 16% two-bedrooms. The Legacy Riverside Senior Living Community will be an age restricted (55+) community to serve the unmet need for senior affordable housing in north Fort Worth. The property will change its current zoning to a Planned Development and LURA will be placed on the property to age-restrict the property. The property is in a path of growth, in an established area, meaning there are two capital improvement projects schedule around this project. One project will expand the roadway running along the west side of the property and the other project will expand the roadway running along the south side of the project. There is expected to be increased visibility for this project's success. In addition, the residents of the community will have convenient access to medical facilities, national grocery and pharmacies, local retail, parks, multiple learning facilities and religious facilities, all within an approximate 1.2 mile radius, Consideration has been given to the neighboring community to integrate within the fabric of the community and this consideration has been well-received and supported by the Homeowners Association encompassing this development.

RISK PROFILE

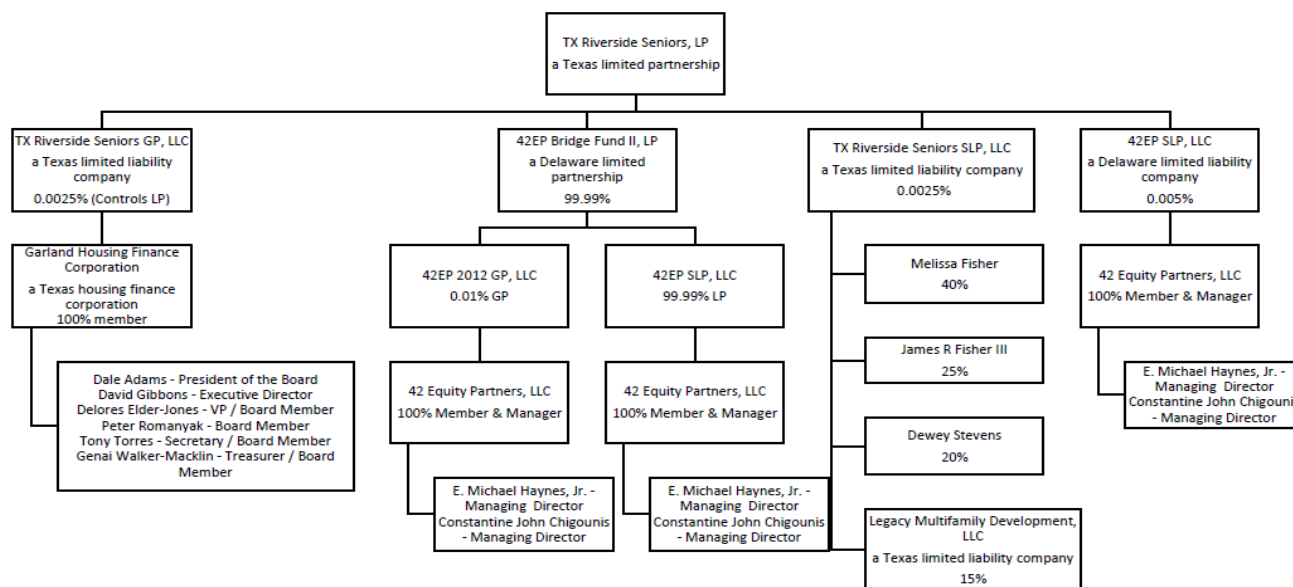
STRENGTHS/MITIGATING FACTORS	WEAKNESSES/RISKS
<ul style="list-style-type: none"> ▫ Developer experience 	<ul style="list-style-type: none"> ▫ Debt coverage at 1.15 times
<ul style="list-style-type: none"> ▫ 	<ul style="list-style-type: none"> ▫ feasibility dependent on tax exemption

DEVELOPMENT TEAM

PRIMARY CONTACTS

<p>Name: <u>Melissa Fisher</u></p> <p>Phone: <u>(972) 701-5558</u></p> <p>Relationship: <u>Developer</u></p>	<p>Name: <u>Bill Fisher</u></p> <p>Phone: <u>(214) 608-7201</u></p> <p>Relationship: <u>Consultant</u></p>
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OWNERSHIP STRUCTURE

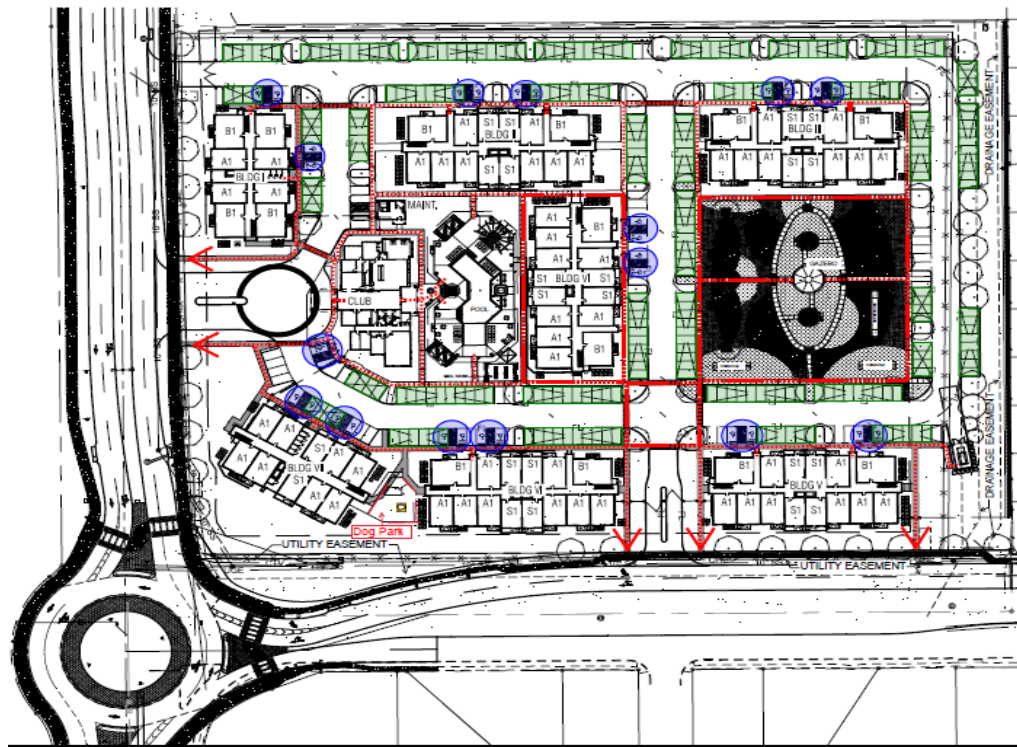
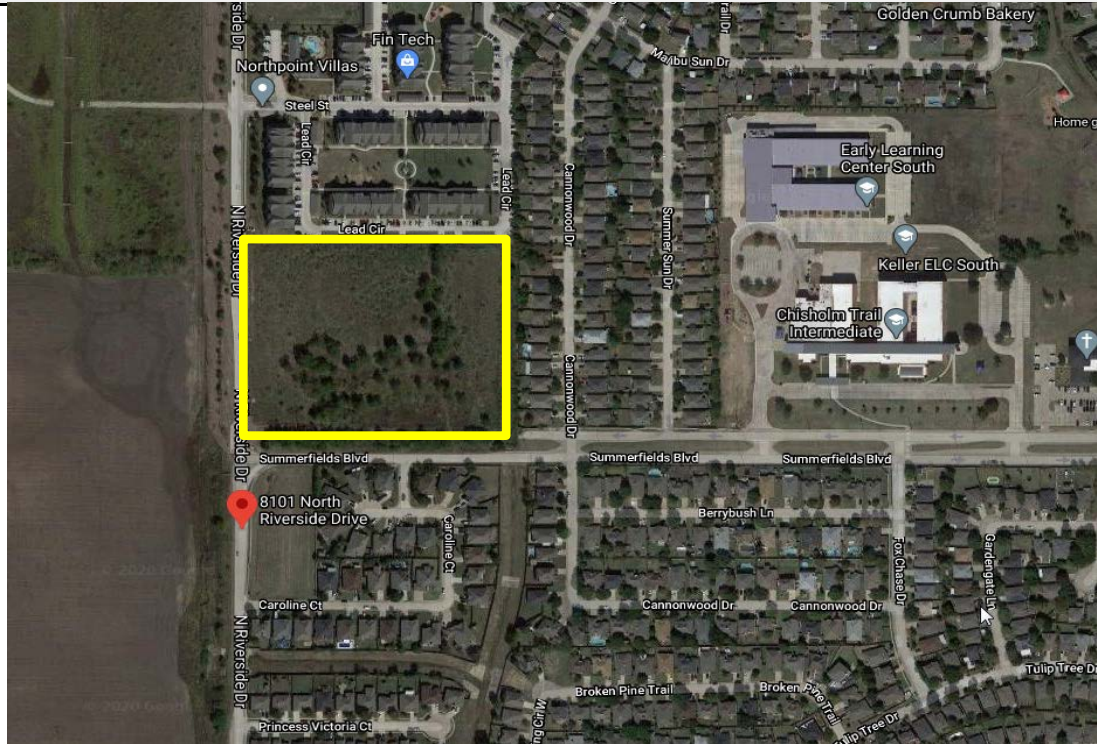


- The Applicant, Developer, and General Contractor, are related entities. The Developer, Rise Residential has experience with the LIHTC program and has had 12 other tax credit awards in the last 8 years.

The Garland HFC will own 100% of the general partner. With the HFC's ownership, the development qualifies for a 100% property tax-exemption. While it is unusual for an HFC to participate in developments outside of its jurisdiction, the Garland HFC has served as general partner for other developments outside of its jurisdiction.

DEVELOPMENT SUMMARY

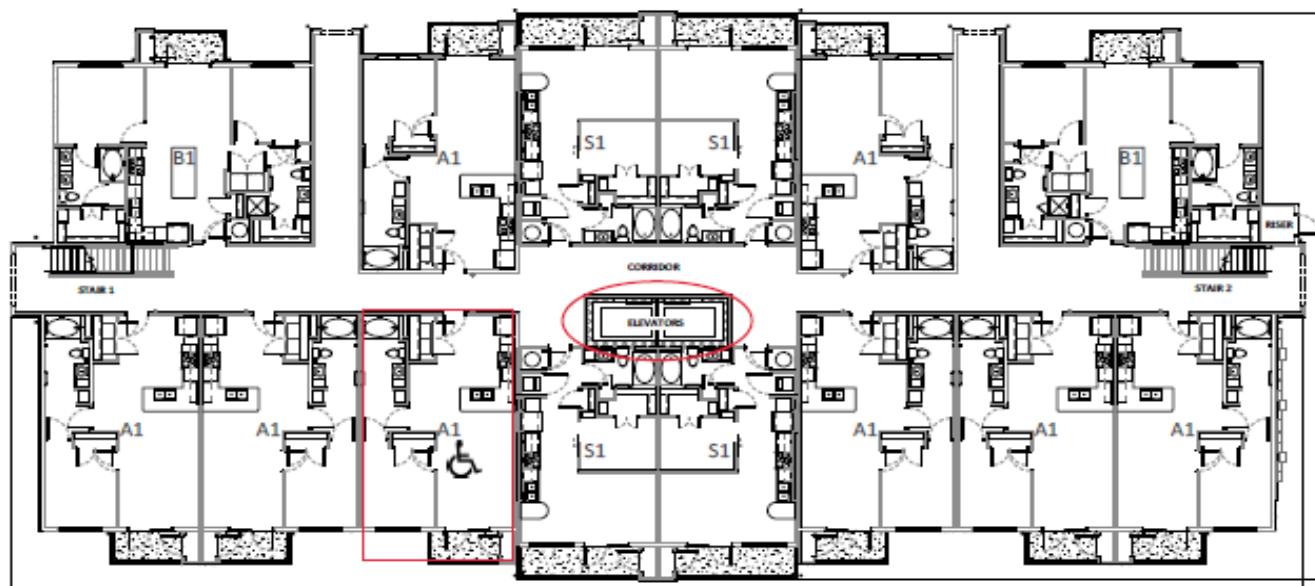
SITE PLAN



Comments:

The site currently does not have any operating driveways on either Riverside Drive or Summerfields Boulevard. Three new driveways are proposed for site access. One driveway access will connect to Summerfields Boulevard. Two driveways will connect to Riverside Drive.

BUILDING PLAN (Typical)



Parking	No Fee		Tenant-Paid		Total	
Open Surface	70	0.3/unit	0	--	70	0.3/unit
Carport	264	1.0/unit	0	--	264	1.0/unit
Garage	0	--	0	--	0	--
Total Parking	334	1.3/unit	0	--	334	1.3/unit

Comments:

334 parking spaces required, 334 provided (264 are carports). All spaces, including the carports are required per rule to be free to tenants.

BUILDING ELEVATION



Comments:

Seven 3-story elevator-served buildings with average stone exteriors and 4/12 roof pitches.

BUILDING CONFIGURATION

Building Type	1	2	3																				Total Buildings	
Floors/Stories	3	3	3	1																				
Number of Bldgs	1	5	1																					7
Units per Bldg	24	42	30																					
Total Units	24	210	30																					264
Avg. Unit Size (SF)		727 sf		Total NRA (SF)		191,928		Common Area (SF)*		63,819														

*Common Area Square Footage as specified on Architect Certification

SITE CONTROL INFO

Site Acreage: Development Site: 9.82 acres Density: 26.9 units/acre
Site Control: 10.83 **Site Plan:** 10.83 **Appraisal:** N/A **ESA:** 10.8

Control Type: Purchase and Sale Agreement Contract Expiration: 11/30/2020

Total Acquisition: 10.83 acres Cost: \$2,900,000
 Development Site: 9.82 acres Cost: \$2,900,000 \$10,985 per unit

Seller: C. Stephen Tobin, as Receiver in Custody Legis
 Buyer: Legacy Multifamily Development, LLC

Related-Party Seller/Identity of Interest: No

Comments:
 The site is currently identified as 10.833 acres; however, the new Owners, TX Riverside Seniors, LP, will be dedicating a Right of Way to the City of Fort Worth along the southern boundary for a roadway extension of Summerfield Blvd to Riverside Blvd. The net acreage to be developed is 9.82 acres, which is how the civil and architectural renderings have been prepared and consistent with the plat filing for the property.

SITE INFORMATION

Flood Zone: X Scattered Site? No
 Zoning: E - Zoning Change in process - PD Within 100-yr floodplain? No
 Re-Zoning Required? yes Utilities at Site? Yes
 Year Constructed: N/A Title Issues? No

Current Uses of Subject Site:
 vacant land

Surrounding Uses:
North: The Bella Vista Apartments (8100 N. Riverside Drive)
South: Summerfields Boulevard followed by a single-family residential
East: A single-family residential subdivision
West: N. Riverside Drive aka Old Denton Road followed by vacant land and cropland

HIGHLIGHTS of ENVIRONMENTAL REPORTS

Provider: MAS-D Environmental Date: 3/20/2020

Recognized Environmental Conditions (RECs) and Other Concerns:

- None

MARKET ANALYSIS

Provider: Affordable Housing Analysts Date: 5/23/2020

Primary Market Area (PMA): 20 sq. miles 3 mile equivalent radius

ELIGIBLE HOUSEHOLDS BY INCOME								
Tarrant County Income Limits								
HH Size		1	2	3	4	5	6	7+
60% AMGI	Min	\$20,544	\$22,008	\$26,424	\$26,424	---	---	---
	Max	\$34,260	\$39,120	\$44,040	\$48,900	---	---	---

AFFORDABLE HOUSING INVENTORY							
Competitive Supply (Proposed, Under Construction, and Unstabilized)							
File #	Development	In PMA?	Type	Target Population	Comp Units	Total Units	
	None						
Other Affordable Developments in PMA since 2015							
	None						
Stabilized Affordable Developments in PMA						Total Units	702
						Total Developments	3

OVERALL DEMAND ANALYSIS				
	Market Analyst			
	HTC	Assisted		
Total Households in the Primary Market Area	38,305			
Senior Households in the Primary Market Area	14,517			
Potential Demand from the Primary Market Area	3,509			
10% External Demand	351			
Potential Demand from Other Sources	0			
GROSS DEMAND	3,860			
Subject Affordable Units	264			
Unstabilized Competitive Units	0			
RELEVANT SUPPLY	264			
Relevant Supply ÷ Gross Demand = GROSS CAPTURE RATE	6.8%			

Population:	Elderly Limitation	Market Area:	Urban	Maximum Gross Capture Rate:	10%
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Demand Analysis:

Minimum eligible income is calculated at 50% rent to income for Elderly developments. Gross demand includes all household sizes and both renter and owner households. Elderly is assumed age 55 and up. All capture rates are below the maximum thresholds.

UNDERWRITING ANALYSIS of PMA DEMAND by UNIT TYPE					
Unit Type	Market Analyst				
	Demand	10% Ext	Subject Units	Comp Units	Unit Capture Rate
0 BR/60%	273	27	66	0	22%
1 BR/60%	726	73	156	0	20%
2 BR/60%	1,176	118	42	0	3%

Market Analyst Comments:

±26.06% of the households living in the primary market area earn less than \$50,000 per year, with ±13.75% earning less than \$35,000 per year, and ±7.46% earning less than \$25,000 per year. Approximately 3.80% of the primary market area households earn less than \$15,000 per year. (p. 48)

There is one existing Elderly HTC projects within the subject's primary market area with an occupancy of 100.00% and a waiting list...the average occupancy within the PMA was 94.41%. (p. 90)

Revisions to Market Study:	0
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OPERATING PRO FORMA

SUMMARY- AS UNDERWRITTEN (Applicant's Pro Forma)					
NOI:	\$1,615,951	Avg. Rent:	\$873	Expense Ratio:	38.9%
Debt Service:	\$1,404,442	B/E Rent:	\$801	Controllable Expenses:	\$2,886
Net Cash Flow:	\$211,509	UW Occupancy:	92.5%	Property Taxes/Unit:	\$0
Aggregate DCR:	1.15	B/E Occupancy:	85.1%	Program Rent Year:	2020

Underwritten at maximum HTC rents on all units.

Underwriter assumes \$30/unit in secondary income.

Average underwritten rents are \$72 above breakeven.

Underwritten occupancy assumes 19 vacant units (7.5%) while break-even is at 39 units (14.9% vacant).

Average rent with 1-month concession on 60% units is \$1 below breakeven: however, concessions are unlikely in the near term with maximum rents being substantially below market.

Controllable expenses are generally in-line with other similar product types in general, and are consistent with the other comps in the area.

Subject will receive a 100% property tax exemption afforded by the Garland HFC serving as Owner of the general partner. DCR decreases to 0.80 and deal becomes infeasible without the tax exemption.

Expense ratio of 38.9% is low due to the tax exemption. Ratio increases to 57.7% with full taxes.

Controllable expenses conservatively underwritten (above \$2,800/unit).

Overall feasibility indicators showing moderate operating risk.

Related-Party Property Management Company: Yes

Revisions to Rent Schedule:	0
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Revisions to Annual Operating Expenses:	0
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DEVELOPMENT COST EVALUATION

SUMMARY- AS UNDERWRITTEN (Applicant's Costs)					
Acquisition	\$295,316/ac	\$11,477/unit	\$3,030,000	Contractor Fee	\$4,004,434
Off-site + Site Work		\$12,274/unit	\$3,240,257	Soft Cost + Financing	\$7,914,886
Building Cost	\$123.15/sf	\$89,528/unit	\$23,635,401	Developer Fee	\$5,884,327
Contingency	7.54%	\$7,126/unit	\$1,881,296	Reserves	\$634,000
Total Development Cost	\$190,245/unit		\$50,224,601	Rehabilitation Cost	N/A
Qualified for 30% Basis Boost?		Located in a Small Area Difficult Development Area (SADDA)			

Site Work:

Total site work is \$6,920/unit and includes costs for onsite retaining wall and underground storm drain system. Site amenities are \$5,354/unit and include landscaping the pool area, dog park & gazebo and fencing.

Building Cost:

The quality and design of the Subject is above average when comparing it to other developments offering low income units. As mentioned previously, development plans depict seven 3-story, elevator-served buildings with 4/12 roof pitch and some differentiating features.

As a result of these factors, Applicant's building cost of \$123.15/s.f. is comparable to Marshall & Swift's ("M&S") Good Quality costing model rather than the traditionally used Average Quality costing model.

Contingency:

Contingency overstated at 7.54%. \$1.4M of repayable developer fee is available for deferral as additional contingency for any cost overruns.

Developer Fee:

Eligible developer fee overstated by ~\$22K due to overstated contingency.

Credit Allocation Supported by Costs:

Total Development Cost	Adjusted Eligible Cost	Credit Allocation Supported by Eligible Basis
\$50,224,601	\$45,113,176	\$1,947,085

Related-Party Contractor: Yes

Related-Party Cost Estimator: Yes

Revisions to Development Cost Schedule:	0
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UNDERWRITTEN CAPITALIZATION

BOND RESERVATION			
Issuer	Amount	Reservation Date	Priority
TDHCA	\$40,000,000	8/25/2020	Priority 2
Closing Deadline		Bond Structure	
2/21/2021		Freddie Mac TEL	

Percent of Cost Financed by Tax-Exempt Bonds	94.3%
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INTERIM SOURCES				
Funding Source	Description	Amount	Rate	LTC
IBC	Tax Ex Bonds-Other Issuer	\$40,000,000	5.00%	79%
42 Equity	HTC	\$5,891,603	\$0.88	12%
Riverside Seniors Development, LLC	DDF	\$4,503,560	0.00%	9%
		\$50,395,163	Total Sources	

Comments:

On this transaction and during the construction phase, the Funding Loan is made by IBC Bank and administered essentially as a construction loan.

PERMANENT SOURCES

Debt Source	PROPOSED				UNDERWRITTEN				
	Amount	Interest Rate	Amort	Term	Amount	Interest Rate	Amort	Term	LTC
Bellwether Ent. - Freddie Mac TEL	\$29,500,000	3.46%	40	17	\$29,500,000	3.83%	40	17	59%
Adjustment to Debt Per §11.302(c)(2)					(\$1,350,000)	3.83%	40	17	-3%
Total	\$29,500,000				\$28,150,000				

Comments:

Permanent financing through the Freddie Mac Direct Purchase of Tax Exempt Loans (TEL) program. Bellwether (BWE) will be the Seller/Servicer of the Freddie Mac loan. It is anticipated that Freddie will provide a commitment prior to closing.

The Underwriter concludes a permanent mortgage amount of \$28.150M based on the underwritten pro forma and anticipated interest rate. The final loan amount up to \$29.5M will be determined at stabilization. BWE currently estimates a final permanent loan amount at \$29.1M.

Equity & Deferred Fees	PROPOSED			UNDERWRITTEN			
	Amount	Rate	% Def	Amount	Rate	% TC	% Def
42 Equity	\$16,833,150	\$0.88		\$16,833,000	\$0.88	34%	
Riverside Seniors Development, LLC	\$4,562,013		78%	\$5,241,601		10%	93%
Total	\$21,395,163			\$22,074,601			
				\$50,224,601	Total Sources		

Credit Price Sensitivity based on current capital structure	
\$1.154	Maximum Credit Price before the Development is oversourced and allocation is limited
\$0.856	Minimum Credit Price below which the Development would be characterized as infeasible

Revisions to Sources Schedule: 0

CONCLUSIONS

Recommended Financing Structure:

The underwriting analysis assumes a \$1.35M adjustment to debt per §11.302(c)(2) to achieve the minimum 1.15 debt coverage ratio.

Gap Analysis:	
Total Development Cost	\$50,224,601
Permanent Sources (debt + non-HTC equity)	\$28,150,000
Gap in Permanent Financing	\$22,074,601

Possible Tax Credit Allocations:	Equity Proceeds	Annual Credits
Determined by Eligible Basis	\$17,132,482	\$1,947,085
Needed to Balance Sources & Uses	\$22,074,601	\$2,508,750
Requested by Applicant	\$16,833,000	\$1,913,049

	RECOMMENDATION	
	Equity Proceeds	Annual Credits
Tax Credit Allocation	\$16,833,000	\$1,913,049

	Amount	Interest Rate	Amort	Term	Lien
TDHCA-Issued Bonds	\$40,000,000	3.83%	40	17	1

Deferred Developer Fee	\$5,241,601	(93% deferred)
Repayable in	15 years	

Comments:

Allocation limited to \$1,913,049 based on the Applicant's request.

Underwriter: Diamond Unique Thompson

Manager of Real Estate Analysis: Thomas Cavanagh

Director of Real Estate Analysis: Brent Stewart

UNIT MIX/RENT SCHEDULE
Legacy Riverside Senior Living Community, Fort Worth, TDHCA Bonds/4% HTC #20613

LOCATION DATA	
CITY:	Fort Worth
COUNTY:	Tarrant
Area Median Income	\$81,500
PROGRAM REGION:	3
PROGRAM RENT YEAR:	2020

UNIT DISTRIBUTION				
# Beds	# Units	% Total	Assisted	MDL
Eff	66	25.0%	0	0
1	156	59.1%	0	0
2	42	15.9%	0	0
3	-	0.0%	0	0
4	-	0.0%	0	0
5	-	0.0%	0	0
TOTAL	264	100.0%	-	-

60%	Average Income	
Income	# Units	% Total
20%	-	0.0%
30%	-	0.0%
40%	-	0.0%
50%	-	0.0%
60%	264	100.0%
70%	-	0.0%
80%	-	0.0%
MR	-	0.0%
TOTAL	264	100.0%

Pro Forma ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	100%
APP % Acquisition	3.32%
APP % Construction	3.32%
Average Unit Size	727 sf

UNIT MIX / MONTHLY RENT SCHEDULE																			
HTC		UNIT MIX				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS				TDHCA PRO FORMA RENTS				MARKET RENTS		
Type	Gross Rent	# Units	# Beds	# Baths	NRA	Gross Rent	Utility Allow	Max Net Program Rent	Delta to Max	Rent psf	Net Rent per Unit	Total Monthly Rent	Total Monthly Rent	Rent per Unit	Rent psf	Delta to Max	Underwritten		Mrkt Analyst
TC 60%	\$856	66	0	1	580	\$856	\$49	\$807	\$0	\$1.39	\$807	\$53,262	\$53,262	\$807	\$1.39	\$0	\$1,035	\$1.78	\$1,035
TC 60%	\$917	156	1	1	720	\$917	\$59	\$858	\$0	\$1.19	\$858	\$133,848	\$133,848	\$858	\$1.19	\$0	\$1,240	\$1.72	\$1,240
TC 60%	\$1,101	42	2	2	984	\$1,101	\$70	\$1,031	\$0	\$1.05	\$1,031	\$43,302	\$43,302	\$1,031	\$1.05	\$0	\$1,490	\$1.51	\$1,490
TOTALS/AVERAGES:		264			191,928				\$0	\$1.20	\$873	\$230,412	\$230,412	\$873	\$1.20	\$0	\$1,229	\$1.69	\$1,229

ANNUAL POTENTIAL GROSS RENT:	\$2,764,944	\$2,764,944
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STABILIZED PRO FORMA

Legacy Riverside Senior Living Community, Fort Worth, TDHCA Bonds/4% HTC #20613

STABILIZED FIRST YEAR PRO FORMA												
COMPARABLES			APPLICANT				TDHCA				VARIANCE	
Database	Tarrant Cty Comps		% EGI	Per SF	Per Unit	Amount	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT				\$1.20	\$873	\$2,764,944	\$2,764,944	\$873	\$1.20		0.0%	\$0
Application fees, late fees, pet fees, terminat					\$30.00	\$95,040						
0					\$0.00							
Total Secondary Income					\$30.00		\$95,040	\$30.00			0.0%	\$0
POTENTIAL GROSS INCOME						\$2,859,984	\$2,859,984				0.0%	\$0
Vacancy & Collection Loss					7.5% PGI	(214,499)	(214,499)	7.5% PGI			0.0%	-
Rental Concessions						-	-				0.0%	-
EFFECTIVE GROSS INCOME						\$2,645,485	\$2,645,485				0.0%	\$0

General & Administrative	\$103,438	\$392/Unit	\$144,790	\$548	3.59%	\$0.50	\$360	\$95,040	\$103,438	\$392	\$0.54	3.91%	-8.1%	(8,398)
Management	\$102,901	4.2% EGI	\$126,240	\$478	3.46%	\$0.48	\$347	\$91,566	\$132,274	\$501	\$0.69	5.00%	-30.8%	(40,708)
Payroll & Payroll Tax	\$340,517	\$1,290/Unit	\$366,913	\$1,390	11.99%	\$1.65	\$1,201	\$317,188	\$317,188	\$1,201	\$1.65	11.99%	0.0%	-
Repairs & Maintenance	\$191,445	\$725/Unit	\$328,728	\$1,245	5.50%	\$0.76	\$551	\$145,580	\$158,400	\$600	\$0.83	5.99%	-8.1%	(12,820)
Electric/Gas	\$58,580	\$222/Unit	\$67,293	\$255	1.13%	\$0.16	\$114	\$30,000	\$58,580	\$222	\$0.31	2.21%	-48.8%	(28,580)
Water, Sewer, & Trash	\$194,474	\$737/Unit	\$140,372	\$532	6.58%	\$0.91	\$659	\$174,000	\$140,372	\$532	\$0.73	5.31%	24.0%	33,628
Property Insurance	\$82,003	\$0.43 /sf	\$89,379	\$339	3.23%	\$0.45	\$324	\$85,500	\$82,003	\$311	\$0.43	3.10%	4.3%	3,497
Property Tax (@ 0%) 2.7731	\$209,380	\$793/Unit	\$314,194	\$1,190	0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	-
Reserve for Replacements				\$0	2.49%	\$0.34	\$250	\$66,000	\$66,000	\$250	\$0.34	2.49%	0.0%	-
Supportive Services				\$0	0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)				\$0	0.40%	\$0.06	\$40	\$10,560	\$10,560	\$40	\$0.06	0.40%	0.0%	-
TDHCA Bond Compliance Fee				\$0	0.25%	\$0.03	\$25	\$6,600	\$6,600	\$25	\$0.03	0.25%	0.0%	-
Bond Trustee Fees				\$0	0.28%	\$0.04	\$28	\$7,500	\$7,500	\$28	\$0.04	0.28%	0.0%	-
TOTAL EXPENSES					38.92%	\$5.36	\$3,900	\$1,029,534	\$1,082,915	\$4,102	\$5.64	40.93%	-4.9%	\$ (53,381)
NET OPERATING INCOME ("NOI")					61.08%	\$8.42	\$6,121	\$1,615,951	\$1,562,570	\$5,919	\$8.14	59.07%	3.4%	\$ 53,381

CONTROLLABLE EXPENSES	\$2,886/Unit		\$2,947/Unit
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS
Legacy Riverside Senior Living Community, Fort Worth, TDHCA Bonds/4% HTC #20613

DEBT / GRANT SOURCES																
		APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE							AS UNDERWRITTEN DEBT/GRANT STRUCTURE							
DEBT (Must Pay)	Fee	Cumulative DCR		Pmt	Rate	Amort	Term	Principal	Principal	Term	Amort	Rate	Pmt	Cumulative		
		UW	App											DCR	LTC	
Bellwether Ent. - Freddie Mac TEL	0.10%	1.13	1.17	1,377,621	3.46%	40	17	\$29,500,000	\$29,500,000	17	40	3.83%	\$1,471,796	1.10	58.7%	
Adjustment to Debt Per §11.302(c)(2)	0.10%								(\$1,350,000)	17	40	3.83%	(\$67,353)	1.15	-2.7%	
				\$1,377,621	TOTAL DEBT / GRANT SOURCES			\$29,500,000	\$28,150,000	TOTAL DEBT SERVICE			\$1,404,442	1.15	56.0%	

NET CASH FLOW	\$184,949	\$238,330	APPLICANT	NET OPERATING INCOME	\$1,615,951	\$211,509	NET CASH FLOW
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EQUITY SOURCES											
APPLICANT'S PROPOSED EQUITY STRUCTURE						AS UNDERWRITTEN EQUITY STRUCTURE					
EQUITY / DEFERRED FEES	DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method
Riverside Seniors Development, LLC	Deferred Developer Fees	9.1%	(77% Deferred)		\$4,562,013	\$5,241,601	(89% Deferred)		10.4%	Total Developer Fee: \$5,884,327	
Additional (Excess) Funds Req'd		0.0%			\$0				0.0%		
TOTAL EQUITY SOURCES		42.6%			\$21,395,163	\$22,074,601			44.0%		

TOTAL CAPITALIZATION			\$50,895,163	\$50,224,601		15-Yr Cash Flow after Deferred Fee:	\$452,314
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DEVELOPMENT COST / ITEMIZED BASIS													
APPLICANT COST / BASIS ITEMS						TDHCA COST / BASIS ITEMS						COST VARIANCE	
	Eligible Basis		Total Costs			Eligible Basis		Total Costs			%	\$	
	Acquisition	New Const. Rehab				New Const. Rehab	Acquisition						
Land Acquisition			\$10,985 / Unit	\$2,900,000	\$2,900,000	\$10,985 / Unit					0.0%	\$0	
Building Acquisition	\$0		\$ / Unit	\$0	\$0	\$ / Unit			\$0		0.0%	\$0	
Closing costs & acq. legal fees, Brokerage commissions Buye				\$130,000	\$130,000							\$0	
Off-Sites			\$ / Unit	\$0	\$0	\$ / Unit					0.0%	\$0	
Site Work		\$1,826,927	\$6,920 / Unit	\$1,826,927	\$1,826,927	\$6,920 / Unit	\$1,826,927				0.0%	\$0	
Site Amenities		\$1,413,330	\$5,354 / Unit	\$1,413,330	\$1,413,330	\$5,354 / Unit	\$1,413,330				0.0%	\$0	
Building Cost		\$23,635,401	\$123.15 /sf	\$89,528/Unit	\$23,635,401	\$22,098,287	\$83,706/Unit	\$115.14 /sf	\$22,098,287		7.0%	\$1,537,114	
Contingency		\$2,027,437	7.54%	7.54%	\$2,027,437	\$1,773,698	7.00%	7.00%	\$1,773,698		14.3%	\$253,739	
Contractor Fees		\$4,004,434	13.85%	13.85%	\$4,004,434	\$3,795,714	14.00%	14.00%	\$3,795,714		5.5%	\$208,720	
Soft Costs	0	\$2,355,961		\$9,398 / Unit	\$2,480,961	\$2,480,961	\$9,398 / Unit		\$2,355,961	\$0	0.0%	\$0	
Financing	0	\$4,111,500		\$20,583 / Unit	\$5,433,925	\$5,433,925	\$20,583 / Unit		\$4,111,500	\$0	0.0%	\$0	
Developer Fee	\$0	\$5,906,248	15.00%	15.00%	\$5,906,248	\$5,606,313	15.00%	15.00%	\$5,606,313	\$0	5.3%	\$299,935	
Reserves				3 Months	\$634,000	\$634,000	3 Months				0.0%	\$0	
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)	\$0	\$45,281,238		\$190.881 / Unit	\$50,392,663	\$48,093,155	\$182.171 / Unit		\$42,981,730	\$0	4.8%	\$2,299,508	
Acquisition Cost	\$0				\$0								
Contingency		(\$146,141)			(\$146,141)								
Contractor's Fee		\$0			\$0								
Financing Cost		\$0											
Developer Fee	\$0	(\$21,921)			(\$21,921)								
Reserves					\$0								
ADJUSTED BASIS / COST	\$0	\$45,113,176		\$190.245/unit	\$50,224,601	\$48,093,155	\$182.171/unit		\$42,981,730	\$0	4.4%	\$2,131,446	
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):					\$50,224,601								

CAPITALIZATION / DEVELOPMENT COST BUDGET / ITEMIZED BASIS ITEMS

Legacy Riverside Senior Living Community, Fort Worth, TDHCA Bonds/4% HTC #20613

CREDIT CALCULATION ON QUALIFIED BASIS				
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction Rehabilitation
ADJUSTED BASIS	\$0	\$45,113,176	\$0	\$42,981,730
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$45,113,176	\$0	\$42,981,730
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$58,647,129	\$0	\$55,876,249
Applicable Fraction	100.00%	100.00%	100.00%	100.00%
TOTAL QUALIFIED BASIS	\$0	\$58,647,129	\$0	\$55,876,249
Applicable Percentage	3.32%	3.32%	3.32%	3.32%
ANNUAL CREDIT ON BASIS	\$0	\$1,947,085	\$0	\$1,855,091
CREDITS ON QUALIFIED BASIS	\$1,947,085		\$1,855,091	

Method	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
	Annual Credits	Proceeds	Credit Price \$0.8799	Variance to Request	
			Credit Allocation	Credits	Proceeds
Eligible Basis	\$1,947,085	\$17,132,482	----	----	----
Needed to Fill Gap	\$2,508,750	\$22,074,601	----	----	----
Applicant Request	\$1,913,049	\$16,833,000	\$1,913,049	\$0	\$0

50% Test for Bond Financing for 4% Tax Credits					
Tax-Exempt Bond Amount	\$40,000,000		Percent Financed by Tax-Exempt Bonds	Applicant	TDHCA
	Applicant	TDHCA			
Land Cost	\$2,900,000	\$2,900,000			
Depreciable Bldg Cost	\$39,499,990	\$37,500,417			
Aggregate Basis for 50% Test	\$42,399,990	\$40,400,417			
			amount aggregate basis can increase before 50% test fails	\$37,600,010 88.7%	\$39,599,583 98.0%

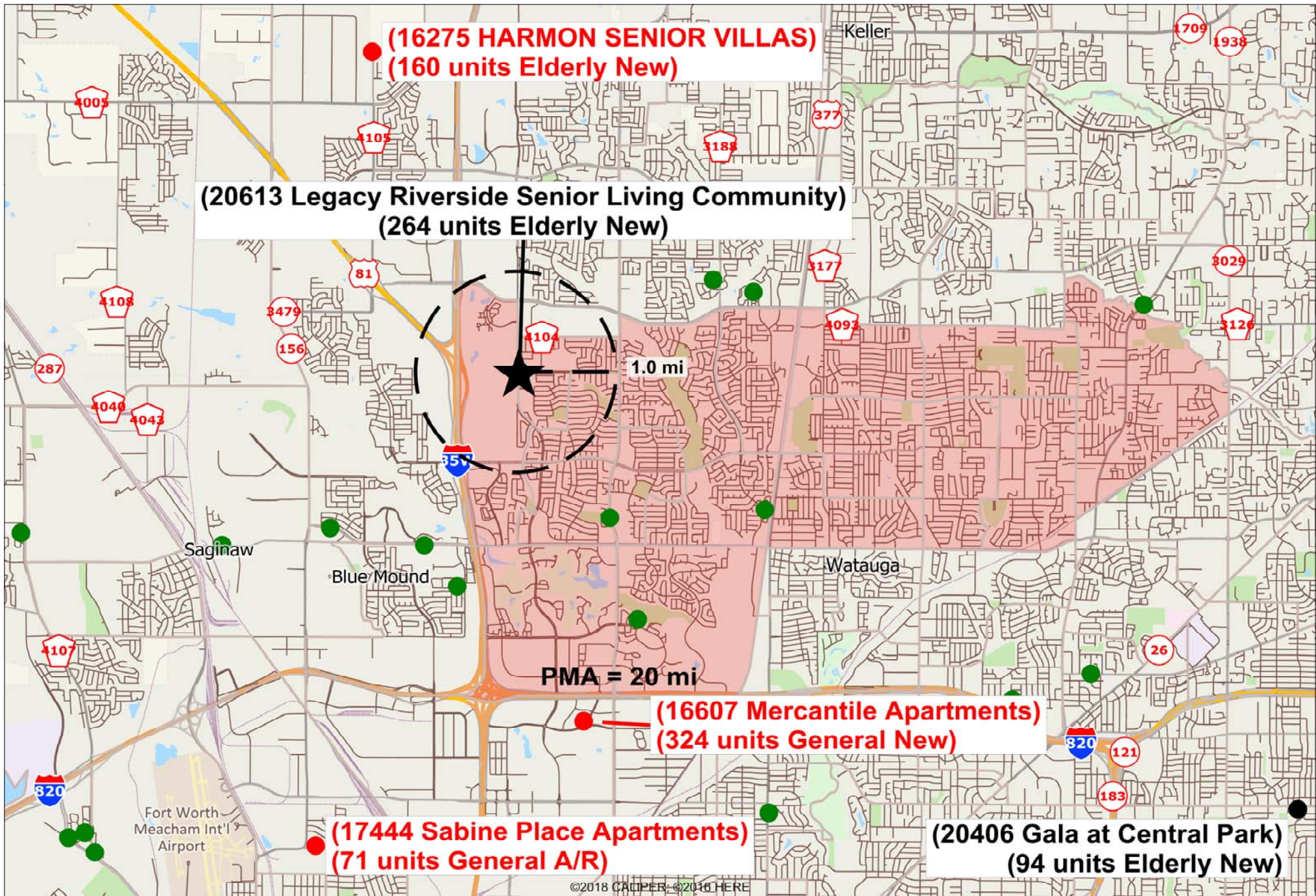
BUILDING COST ESTIMATE					
CATEGORY	FACTOR	UNITS/SF	PER SF		
Base Cost:	Elevator Served	191,928 SF	\$96.81	18,579,946	
Adjustments					
Exterior Wall Finish	2.24%		2.17	\$416,191	
Elderly	3.00%		2.90	557,398	
9-Ft. Ceilings	3.28%		3.18	609,422	
Roof Adjustment(s)			(0.25)	(47,982)	
Subfloor			(0.16)	(30,708)	
Floor Cover			2.56	491,336	
Breezeways	\$30.22	100,848	15.88	3,047,963	
Balconies	\$29.94	17,318	2.70	518,430	
Plumbing Fixtures	\$1,080	126	0.71	136,080	
Rough-ins	\$530	528	1.46	279,840	
Built-In Appliances	\$1,830	264	2.52	483,120	
Exterior Stairs	\$2,460	28	0.36	68,880	
Heating/Cooling			2.34	449,112	
Storage Space	\$30.22	0	0.00	0	
Carports	\$12.25	52,800	3.37	646,800	
Garages		0	0.00	0	
Common/Support Area	\$81.76	6,403	2.73	523,541	
Elevators	\$93,900	14	6.85	1,314,600	
Other:			0.00	0	
Fire Sprinklers	\$2.59	299,179	4.04	774,874	
SUBTOTAL			150.15	28,818,841	
Current Cost Multiplier	1.00		0.00	0	
Local Multiplier	0.90		(15.02)	(2,881,884)	
Reserved				0	
TOTAL BUILDING COSTS			135.14	\$25,936,957	
Plans, specs, survey, bldg permits	3.30%		(4.46)	(\$855,920)	
Contractor's OH & Profit	11.50%		(15.54)	(2,982,750)	
NET BUILDING COSTS		\$83,706/unit	\$115.14/sf	\$22,098,287	

Long-Term Pro Forma

Legacy Riverside Senior Living Community, Fort Worth, TDHCA Bonds/4% HTC #20613

	Growth Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	Year 35	Year 40
EFFECTIVE GROSS INCOME	2.00%	\$2,645,485	\$2,698,395	\$2,752,363	\$2,807,410	\$2,863,558	\$3,161,600	\$3,490,662	\$3,853,972	\$4,255,097	\$4,697,971	\$5,186,939	\$5,726,800
TOTAL EXPENSES	3.00%	\$1,029,534	\$1,059,504	\$1,090,356	\$1,122,114	\$1,154,805	\$1,333,265	\$1,539,580	\$1,778,127	\$2,053,974	\$2,372,990	\$2,741,971	\$3,168,787
NET OPERATING INCOME ("NOI")		\$1,615,951	\$1,638,891	\$1,662,007	\$1,685,297	\$1,708,753	\$1,828,334	\$1,951,081	\$2,075,845	\$2,201,123	\$2,324,981	\$2,444,968	\$2,558,013
EXPENSE/INCOME RATIO		38.9%	39.3%	39.6%	40.0%	40.3%	42.2%	44.1%	46.1%	48.3%	50.5%	52.9%	55.3%
MUST -PAY DEBT SERVICE													
TOTAL DEBT SERVICE		\$1,404,442	\$1,404,124	\$1,403,794	\$1,403,451	\$1,403,094	\$1,401,091	\$1,398,666	\$1,395,731	\$1,392,176	\$1,387,873	\$1,382,663	\$1,376,355
DEBT COVERAGE RATIO		1.15	1.17	1.18	1.20	1.22	1.30	1.39	1.49	1.58	1.68	1.77	1.86
ANNUAL CASH FLOW		\$211,509	\$234,766	\$258,213	\$281,846	\$305,659	\$427,243	\$552,415	\$680,115	\$808,947	\$937,108	\$1,062,305	\$1,181,658
Deferred Developer Fee Balance		\$5,030,093	\$4,795,327	\$4,537,113	\$4,255,268	\$3,949,609	\$2,058,172	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$0	\$0	\$452,314	\$3,596,729	\$7,383,675	\$11,813,579	\$16,876,426	\$22,549,010

20613 Legacy Riverside Senior Living Community PMA Map



Disclaimer: This map is not a survey. Boundaries, distance and scale are approximate only.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

**Moderator: Teresa Morales
October 14, 2020
10:00 am CT**

Man 1: Texas Department of Housing and Community Affairs. Host is Teresa Morales. Conference ID Number is PMJ1628.

Operator: This conference is being recorded.

Teresa Morales: Good morning. This is Teresa Morales with the Texas Department of Housing and Community Affairs. And the purpose of this conference call if you will is for a public hearing for the proposed Legacy Riverside Senior Multifamily Development.

To allow folks a little more time to call in, we'll get started in another minute or so.

Okay. So we will go ahead and get started. For those that are on the call just by way of background or process of how this will go, there is a brief speech that I need to read for purposes of meeting the Internal Revenue Code.

And then at the conclusion of that speech there will be an opportunity for anyone who has any public comment that they would like to make. I will

unmute the line and that will be an opportunity to express any public comment that you have with respect to this proposed multifamily development. So I will go ahead and get started with that speech.

Good morning. My name is Teresa Morales and I would like to proceed with a public hearing.

Let the record show that it is 10:03 a.m. Wednesday, October 14, 2020, and we are conducting a public hearing on behalf of the Texas Department of Housing and Community Affairs with respect to an issue of tax-exempt multifamily revenue bonds for a residential rental community.

This hearing is required by the Internal Revenue Code. The sole purpose of this hearing is to provide a reasonable opportunity for interested individuals to express their views regarding the development and the proposed bond issue.

No decisions regarding the development will be made at this hearing. The Department's Board is scheduled to meet to consider the transaction on November 5, 2020.

In addition to providing your comments at this hearing, the public is also invited to provide comment directly to the Board at any of their meetings.

The bonds will be issued as tax-exempt multifamily revenue bonds in the aggregate principal amount not to exceed \$40 million and taxable bonds, if necessary, in an amount to be determined and issued in one or more series by the Texas Department of Housing and Community Affairs, the Issuer.

The proceeds of the bond will be loaned to TX Riverside Seniors, LP, or a related person or affiliate entity thereof to finance a portion of the costs of

acquiring, constructing and equipping a multifamily rental housing community described as follows.

A 264 unit multifamily residential rental development to be located on approximately 10.833 acres of land located at 8101 North Riverside Drive, Fort Worth, Tarrant County, Texas 76137.

The proposed multifamily rental housing community will be initially owned and operated by the borrower or a related person or affiliate thereof.

I would now like to open the floor for public comment and will go ahead and unmute the lines so that any public comment can be made.

Operator: This conference is now in question and answer mode. To alert the speaker that you have a question, press 1 then 0. Each question will be asked in the order it was received.

All participants are now in interactive talk mode.

Teresa Morales: The line has been opened and it is unmuted. If there are any individuals who would like to provide public comment, I would ask that they be one at a time. Is there anyone out there who would like to express public comment with respect to this particular property?

With there being silence, let the record show that there are no individuals on the line that have expressed an interest to provide public comment at this particular hearing. Therefore, the meeting is now adjourned and the time is 10:06 a.m. Thank you.

Operator: We're sorry. Your conference is ending now. Please hang up.

END



The Summerfields Neighborhood Association
P. O. Box 161964
Fort Worth, Texas 76161-1964
(817) 808-4604
www.summerfieldsna.org

May 7, 2020

To: Multifamily Finance Division
P.O. Box 13941
Austin, TX 78711-3491

Reference: Development Number 20613, Legacy Riverside Senior Living Community

The Summerfield Neighborhood Association, in whose area this development is planned, supports this development. Our Board has twice met with the developer and we have mutually agreed that a senior housing development (residents must be 55+ years of age) would be the most viable option for our area. The following are the reasons we strongly support this project:

1. The proposed development site is undeveloped land that is currently zoned commercial. This land is surrounded by residential development on three sides with more residential development planned on the vacant land to the west. The site is located near three schools, one elementary, one intermediate, and one middle school. Any commercial development would exacerbate our traffic issues and increase the noise level to the surrounding residences.
2. Our neighborhood has a growing percentage of elderly residents who have lived in this area for a long time. The area is woefully short of services for our aging population. As they grow older, they often cannot stay in their homes and are forced to move to facilities such as the one proposed. This development would provide them the option to stay in the area where they have lived for many years and not have to leave familiar surroundings.
3. The rapid growth in North Fort Worth has seen our traffic infrastructure sorely lag development. We therefore look at the traffic impact of every new development affecting our area. With their planned shuttle service for residents and no young drivers, we believe this development would have the least traffic impact of any other potential development on this site.
4. The development is near two major shopping centers, two hospitals and supporting medical specialists' offices. This would be a huge benefit to the aging residents residing at this proposed facility.
5. This development would add to the Keller Independent School District's tax base without adding students into the school system.

The only concern our Board had was the impact on the single-family homes on the east side of this development. They would have a multi-story building overlooking their back yards. This situation already exists for the homes on the northern part of that street. A three-story standard apartment complex exists just north of this development site. The developer acknowledged this concern and plans to minimize the privacy impact by addressing it with their site plan design and landscape screening.

In summary, our Association believes a senior housing complex is the best available option for this site and strongly endorses this project.

Sincerely,

Lance Griggs, President

4a

BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
DECEMBER 10, 2020

Presentation, discussion, and possible action regarding the issuance of Determination Notices for 4% Housing Tax Credit Applications

RECOMMENDED ACTION

WHEREAS, five applications as further detailed below were submitted to the Department for consideration of a Determination Notice of 4% Housing Tax Credits;

WHEREAS, the Executive Award and Review Advisory Committee (EARAC) considered the program requirements, underwriting requirements and compliance history associated with each application listed herein; and

WHEREAS, EARAC recommends each of the five applications for an award of 4% Housing Tax Credits, in the specific amounts noted herein, and subject to any underwriting conditions as noted in the Real Estate Analysis Report and any compliance conditions as reflected in Exhibit A, as applicable;

NOW, therefore, it is hereby

RESOLVED, that the issuance of Determination Notices in the respective amounts for each of the applications listed herein, subject to underwriting conditions as found in the Real Estate Analysis report posted to the Department's website, and subject to any EARAC conditions as reflected in Exhibit A, is hereby approved in the form presented at this meeting.

BACKGROUND

The 4% Housing Tax Credit (HTC) program is considered a non-competitive program in that there is not a specific ceiling amount of HTCs that can be issued each year. Rather, the ceiling amount of HTCs that can possibly be issued is limited by the amount of Private Activity Bond volume cap available. The Texas Bond Review Board (BRB) administers the Private Activity Bond program for the State of Texas, and for the 2020 calendar year, the state received approximately \$3 billion in Private Activity Bond authority, of which approximately \$800 million is reserved for multifamily housing until August 15th of each year. After such date, there may be more Private Activity Bond volume cap that goes towards multifamily housing. The collapse occurred on August 17, 2020 (given that the 15th was a weekend), and there was approximately \$1.5 billion in applications requesting volume cap, with approximately \$1.3 billion of those requests being for multifamily. There was approximately \$370 million in unreserved volume cap that collapsed, leaving approximately \$900 million unreserved and waiting for volume cap to be released

through currently reserved applications that were withdrawn. The last day to issue a reservation for the 2020 program year was November 15th and there was approximately \$135M in multifamily requests that were not reserved.

Individual projects receive a Certification of Reservation (Reservation) from the BRB that allows for a statutory 180-day closing timeline. For those projects seeking 4% HTCs (as the majority of them do), they must complete the Department's review process, the bond issuer's process, and the Attorney General's process in order to close within the prescribed timeframe. The Department accepts applications on a monthly basis throughout the year. The year from which the Reservation is issued is what determines the Qualified Allocation Plan (QAP) to which the application must adhere. Included in this Board presentation as Exhibit B is a list of the 4% HTC applications staff has processed thus far for 2020. The list reflects all applications received and includes a column that denotes the applications' status, specifically, those that have already closed, have been approved by the Board, are active and currently under review, and those that are pre-applications that will utilize the Department as the bond issuer and an HTC application will be forthcoming.

The Reservations from the BRB for the developments described herein were issued under the Priority 3 designation unless noted otherwise, which does not have a prescribed restriction on the percentage of Area Median Family Income (AMFI) that must be served (beyond the federal requirement). The AMFI levels proposed to be served for each of the projects are indicated below in their respective summaries.

20491 Ridgcrest Terrace

The Ridgcrest Terrace project proposes the acquisition and rehabilitation of 250 units located at 526 South Walton Walker Boulevard in Dallas, Dallas County. The development was originally built in 1969 and the general population will continue to be served. Four of the units that were previously employee-occupied will be converted into LIHTC units. There is a project-based Section 8 rental assistance contract that is expected to continue for 246 of the units. Approximately 90% of the units (225) will be rent and income restricted at 60% of AMFI and the remaining 25 units will be rent and income restricted at 30% of AMFI. The City of Dallas Housing Finance Corporation will serve as the bond issuer.

Undesirable Site Feature: The applicant disclosed, out of an abundance of caution, that the development site is located within 100 feet of high voltage transmission lines. According to the applicant, the Texas Utilities Electric Company operates power lines located north of the subject property. The applicant believes these are local service electric lines that would not satisfy the definition of high voltage transmission lines. Pursuant to 10 TAC §11.101(a)(2) of the 2020 QAP, an exemption may be granted for a rehabilitation development with ongoing and existing federal assistance from HUD, USDA, or Veterans Affairs. Evidence that the existing property is supported by rental assistance from HUD has been provided. Moreover, the QAP states that the limitation does not apply to local service electric lines and poles. Staff recommends the exemption be granted.

Neighborhood Risk Factor - School: The underperformance of the elementary school was disclosed. The site is within the attendance zone of the Nancy J. Cochran Elementary, which received a rating of "F" for 2019 from the TEA, and thus would typically require a Neighborhood Risk Factor report, pursuant to 10

TAC §11.101(a)(3) of the QAP. However, in response to the COVID-19 pandemic, at the Board meeting of April 23, 2020, the Board granted a waiver regarding the requirement for mitigation relating to school performance under Neighborhood Risk Factors for the remainder of the 2020 program year. This waiver is applicable to those 4% HTC applications submitted under the 2020 QAP that receive a Reservation from the Bond Review Board in the 2020 calendar year.

Recommended HTC Amount: \$1,790,582

20498 Gala at Waxahachie

The development proposes the new construction of 185 units to serve the elderly population located at the southeast quadrant East Main Street and Parks Schoolhouse Road in Waxahachie, Ellis County. The income averaging minimum set-aside has been elected and the application reflects that 12 units will be rent and income restricted at 30% of AMFI, 137 units will be rent and income restricted at 60% of AMFI, and 36 units will be rent and income restricted at 70% of AMFI. The North Central Texas Housing Finance Corporation is serving as the bond issuer.

Recommended HTC Amount: \$1,098,763

20495 Fawn Ridge Apartments

Acquisition and rehabilitation is proposed for the multifamily apartments located at 12420 Sawmill Road in the extraterritorial jurisdiction of The Woodlands, Montgomery County. The development was originally built in 1979 and contained 120 units. The final project will serve the general population and will contain 119 units, with 118 being LIHTC units, as one of the units has been converted into a community room, and another will be utilized as an employee-occupied unit to be made available for a police officer. All of the LIHTC units will be rent and income restricted at 60% of AMFI. The project-based Section 8 rental assistance is expected to continue for 97 of the units and 21 units will receive Section 236 rental assistance. The Texas State Affordable Housing Corporation will serve as the bond issuer.

Recommended HTC Amount: \$733,463

20494 La Cima

La Cima proposes the new construction of 260 units to serve the general population located at 3200 Montopolis Drive in Austin, Travis County. The application reflects that 26 units will be restricted at 40% of AMFI, and 234 units will be rent and income restricted at 60% of AMFI. The Travis County Housing Finance Corporation is serving as the bond issuer.

Neighborhood Risk Factor - School: The applicant disclosed the underperformance of the middle school. The site is within the attendance zone of the John P. Ojeda Middle School, which received a rating of “D” for 2019 from the TEA, and thus would typically require a Neighborhood Risk Factor report, pursuant to

10 TAC §11.101(a)(3) of the QAP. However, in response to the COVID-19 pandemic, at the Board meeting of April 23, 2020, the Board granted a waiver regarding the requirement for mitigation of this Neighborhood Risk Factor relating to school performance for the remainder of the 2020 program year. This waiver is applicable to those 4% HTC applications submitted under the 2020 QAP that receive a Reservation from the Bond Review Board in the 2020 calendar year.

Recommended HTC Amount: \$1,772,256

20496 Marshall Apartments

The Marshall Apartments project involves the acquisition and rehabilitation of two scattered sites containing 100 total units in Austin, Travis County. The development was constructed in 1968 with 35 units located at 1401 East 12th Street and the remaining 65 units located at 1157 Salina Street. The property was renovated in 2010 utilizing funding from the City of Austin. A 4% HTC application was submitted to the Department in 2011; however, the application was subsequently withdrawn. All of the units will be rent and income restricted at 50% of AMFI, which according to the applicant is consistent with the Regulatory Agreement with the City of Austin. There is a Section 8 project-based contract for all of the units that is expected to continue. The Texas State Affordable Housing Corporation will serve as the bond issuer.

Recommended HTC Amount: \$556,883

EXHIBIT A
Previous Participation Results

Application Number	Development Name	Category	PPR Conditions
20491	Ridgecrest Terrace	2	N/A
20498	Gala at Waxahachie	1	N/A
20495	Fawn Ridge	3	Compliance history of a previously approved applicant will be deemed acceptable without further review of discussion and recommended as approved when no new events have occurred since the last PPR.
20494	La Cima	1	N/A
20496	Marshall Apartments	3	Compliance history of a previously approved applicant will be deemed acceptable without further review of discussion and recommended as approved when no new events have occurred since the last PPR.



4% (Non-Competitive) Housing Tax Credit Program 2020 Application Status Log

TDHCA #	Previous TDHCA #	Development Name	Development City	Board Meeting Date (MM/DD/YYYY)	Application Status	Total Units	Total Low-Income Units	Bond Reservation Amount	Requested HTC Amount	Recommend HTC Amount
20451	19440	Ventura at Parmer Lane	Austin ETJ	10/10/2019	Closed	216	216	\$ 34,000,000	\$ 2,189,841	\$ 2,189,841
20600		Oaks on Clark	San Antonio	4/23/2020	Closed	80	80	\$ 12,000,000	\$ 607,290	\$ 597,284
20605	19608	Reserve at San Marcos	San Marcos	3/26/2020	Closed	376	320	\$ 41,000,000	\$ 1,857,733	\$ 1,857,733
20448	18458; 19431	Scharbauer Flats	Midland	2/20/2020	Closed	300	300	\$ 40,000,000	\$ 2,895,615	\$ 2,895,615
20410		Traders Flats	San Antonio	5/21/2020	Closed	324	324	\$ 38,000,000	\$ 1,863,629	\$ 1,863,629
20465	19428	Riverstone	San Marcos	11/7/2019	Closed	336	336	\$ 50,000,000	\$ 2,349,942	\$ 2,349,942
20414		The Arbor at Wayforest	Houston	3/26/2020	Closed	192	192	\$ 20,000,000	\$ 1,262,807	\$ 1,262,807
20420		Pan American	San Antonio	4/23/2020	Closed	100	100	\$ 15,000,000	\$ 674,355	\$ 674,355
20429	19452	Las Palmas	La Feria	1/16/2020	Closed	36	35	\$39,120,000 (portfolio)	\$ 87,983	\$ 87,983
20422	19445	Brush Country Cottages	Dilley	1/16/2020	Closed	28	28	-	\$ 89,069	\$ 89,069
20423	19446	Chula Vista	San Diego	1/16/2020	Closed	44	44	-	\$ 149,982	\$ 149,982
20424	19447	Cielo Lindo	Edcouch	1/16/2020	Closed	34	34	-	\$ 101,022	\$ 101,022
20425	19448	La Estancia	Sebastian	1/16/2020	Closed	32	32	-	\$ 101,210	\$ 101,210
20426	19449	La Posada I & II	Ela	1/16/2020	Closed	74	74	-	\$ 208,076	\$ 208,076
20427	19450	La Reina	La Villa	1/16/2020	Closed	30	30	-	\$ 65,586	\$ 65,586
20428	19451	La Sombra	Donna	1/16/2020	Closed	50	50	-	\$ 118,354	\$ 118,354
20430	19453	Leuty Avenue	Justin	1/16/2020	Closed	24	24	-	\$ 80,261	\$ 80,261
20432	19455	Los Naranjos	Alton	1/16/2020	Closed	30	30	-	\$ 67,810	\$ 67,810
20433	19456	Oak Haven	Donna	1/16/2020	Closed	24	24	-	\$ 63,090	\$ 63,090
20434	19457	Raintree	Alamo	1/16/2020	Closed	32	32	-	\$ 82,925	\$ 82,925
20435	19458	Seagraves Gardens	Seagraves	1/16/2020	Closed	32	32	-	\$ 91,709	\$ 91,709
20436	19459	Silver Trail	Menard	1/16/2020	Closed	24	24	-	\$ 67,091	\$ 67,091
20437	19460	The Village	Tomball	1/16/2020	Closed	64	64	-	\$ 172,768	\$ 172,768
20438	19461	Valley View	Valley View	1/16/2020	Closed	24	24	-	\$ 78,834	\$ 78,834
20439	19462	Villa Vallarta	Rio Grande City	1/16/2020	Closed	40	40	-	\$ 122,529	\$ 122,529
20440	19463	Vista Verde	Cotulla	1/16/2020	Closed	24	24	-	\$ 82,514	\$ 82,514
20441	19464	Willowick	Gainesville	1/16/2020	Closed	60	60	-	\$ 171,018	\$ 171,018
20442	19465	Windmill	Giddings	1/16/2020	Closed	28	28	-	\$ 77,926	\$ 77,926
20443	19466	Windwood I & II	Kingsland	1/16/2020	Closed	68	68	-	\$ 151,618	\$ 151,618
20407		New Hope Housing Avenue J	Houston	2/20/2020	Closed	100	100	\$ 23,000,000	\$ 1,290,647	\$ 1,290,467
20401		Palladium Port Aransas	Port Aransas	4/23/2020	Closed	183	165	\$ 19,000,000	\$ 1,155,074	\$ 1,155,074
20408		Vi Collina	Austin	4/23/2020	Closed	170	170	\$ 24,000,000	\$ 1,340,220	\$ 1,340,220
20611	20402	333 Holly	The Woodlands	5/21/2020	Closed	332	332	\$ 36,800,000	\$ 2,484,301	\$ 2,484,301
20612	20403	The Pines	The Woodlands	5/21/2020	Closed	152	152	\$ 22,000,000	\$ 1,469,273	\$ 1,469,273
20604	19468	The Walzem	San Antonio	5/21/2020	Closed	200	200	\$ 20,000,000	\$ 1,326,147	\$ 1,280,892
20603	19612	Scott Street Lofts	Houston	5/21/2020	Closed	123	98	\$ 18,000,000	\$ 741,693	\$ 711,964
20416		The Estates at Owen Tech	Austin	5/21/2020	Closed	174	174	\$ 20,000,000	\$ 1,213,610	\$ 1,213,610
20409		McKinney Flats	McKinney	3/26/2020	Closed	205	205	\$ 32,000,000	\$ 1,393,849	\$ 1,393,849
20404		Tampico Apartments	San Antonio	3/26/2020	Closed	200	136	\$ 23,000,000	\$ 739,670	\$ 739,670
20418		Park at 38 Thirty	San Antonio	3/26/2020	Closed	196	196	\$ 25,000,000	\$ 1,027,837	\$ 1,027,837
20412		1604 Lofts Apartments	San Antonio	5/21/2020	Closed	324	324	\$ 38,000,000	\$ 1,895,702	\$ 1,895,702
20452		Enclave at Lake Pointe	Houston	6/25/2020	Closed	132	132	\$ 14,200,000	\$ 723,725	\$ 723,725
20458		Kinwood Apartments	McKinney	6/25/2020	Closed	200	200	\$ 30,000,000	\$ 1,245,289	\$ 1,240,383
20405		Gala at Fate	Fate	5/21/2020	Closed	185	185	\$ 25,000,000	\$ 1,166,285	\$ 1,166,285
20421	19442	Richcrest Apartments	Houston	3/26/2020	Closed	288	286	\$ 30,000,000	\$ 1,974,441	\$ 1,974,441
20456		The Hollows	Channelview CDP	7/23/2020	Closed	192	192	\$ 20,000,000	\$ 1,043,287	\$ 1,043,287
20461		Cascade at Onion Creek	Austin	6/25/2020	Closed	264	264	\$ 35,000,000	\$ 1,431,091	\$ 1,422,168
20609		Pecan Grove	Seguin	7/23/2020	Closed	198	198	\$ 26,000,000	\$ 1,353,160	\$ 1,353,160
20447	19472	Franklin Park	Austin	5/21/2020	Closed	163	163	\$ 15,000,000	\$ 737,361	\$ 737,361
20450		Mira Vista	San Antonio	5/21/2020	Closed	312	312	\$ 28,000,000	\$ 1,783,385	\$ 1,783,385
20419		Woodway Village	Austin	6/25/2020	Closed	160	160	\$ 30,000,000	\$ 1,196,513	\$ 1,168,103
20457		Pinewood Apartments	Houston	6/25/2020	Closed	240	240	\$ 30,000,000	\$ 1,174,359	\$ 1,106,302
20459		Spring Villas	Austin	6/25/2020	Closed	304	302	\$ 45,000,000	\$ 2,295,642	\$ 2,295,524
20602	03438	The Vermillion	Houston	7/23/2020	Closed	260	260	\$ 29,000,000	\$ 1,372,549	\$ 1,375,437
20467		Greenline North	San Antonio	7/23/2020	Closed	292	292	\$ 50,000,000	\$ 1,930,015	\$ 1,930,015
20466		Blue Water Gardens	Hereford	9/3/2020	Closed	132	132	\$ 16,750,000	\$ 738,553	\$ 738,553
TBD	19438	Legacy Senior	Round Rock	11/7/2019	Closed	157	157	\$ 20,000,000	\$ 732,029	\$ 732,029
TBD	18456; 19470	Jackie Robinson Apartments	El Paso	12/12/2019	Closed	186	186	\$ 30,000,000	\$ 1,290,195	\$ 1,290,195
20601	19611	Granada Terrace Apartments	Houston	4/23/2020	Closed	156	156	\$ 12,000,000	\$ 882,061	\$ 882,061
20415		Avenue on 34th Apartments	Houston	9/3/2020	Closed	70	56	\$ 12,000,000	\$ 333,845	\$ 333,845
20478		Vera at Odessa	Odessa	9/3/2020	Closed	288	288	\$ 35,000,000	\$ 1,389,149	\$ 1,389,149
20606	19610	Fish Pond at Corpus Christi	Corpus Christi	9/3/2020	Closed	112	111	\$ 10,000,000	\$ 682,849	\$ 682,849
20471		Northwood	Houston ETJ	7/23/2020	Closed	288	288	\$ 40,000,000	\$ 2,378,498	\$ 2,378,498
20411		Kitty Hawk Flats Apartments	San Antonio	9/3/2020	Closed	239	239	\$ 28,000,000	\$ 1,359,994	\$ 1,359,994
20454		South Terrace	Waco	9/3/2020	Closed	250	250	\$ 25,000,000	\$ 1,452,219	\$ 1,445,826
20475		Northview Apartments	San Antonio	9/3/2020	Closed	156	156	\$ 25,000,000	\$ 1,270,215	\$ 1,270,215
20483	02412	Shady Oaks	Fort Worth	9/3/2020	Closed	138	138	\$ 15,000,000	\$ 654,862	\$ 654,862
20480		Bridge at Turtle Creek	Austin	10/8/2020	Closed	307	307	\$ 44,000,000	\$ 2,332,344	\$ 2,332,344
20449	19469	EMLI at Pecan Creek	Aubrey	4/23/2020	Closed	254	254	\$ 30,000,000	\$ 1,484,333	\$ 1,413,138
20460	18423; 19400	Villas del San Xavier	San Marcos	12/12/2019	Approved	156	156	\$ 25,000,000	\$ 1,059,750	\$ 1,059,750
20400		Palladium West Francis	Midland	5/21/2020	Approved	240	188	\$ 25,000,000	\$ 1,596,885	\$ 1,596,885
20406		Gala at Central Park Apartments	Hurst	6/25/2020	Approved	94	94	\$ 15,000,000	\$ 486,783	\$ 486,783
20455		Redwood	San Marcos	10/8/2020	Approved	296	296	\$ 50,000,000	\$ 2,145,888	\$ 2,145,888

20474		Canyon Pass	San Antonio	10/8/2020	Approved	264	264	\$	35,000,000	\$	2,003,601	\$	2,003,601
20476		Grand Station Apartments	Austin	10/8/2020	Approved	216	216	\$	35,000,000	\$	1,380,252	\$	1,347,471
20462		Sunland County Apartments	Harlingen	11/5/2020	Approved	166	166	\$	20,000,000	\$	941,981	\$	941,981
20486		Old Manor Senior	Austin	11/5/2020	Approved	207	207	\$	30,000,000	\$	1,632,397	\$	1,632,397
20463		Trinity Oaks	Sulpher Springs	11/5/2020	Approved	48	48	\$	2,129,000	\$	159,653	\$	155,956
20489		Horizon Pointe	San Antonio	11/5/2020	Approved	312	312	\$	35,000,000	\$	2,045,672	\$	2,045,672
20464		Pine Terrace	Mount Pleasant	12/10/2020	Approved	76	76	\$	3,371,000	\$	193,440	\$	192,962
20613		Riverside Senior	Fort Worth	12/10/2020	Approved	264	264	\$	40,000,000	\$	1,913,049	\$	1,913,049
20488		Wildhorse Flats	Austin	12/10/2020	Approved	310	310	\$	50,000,000	\$	2,786,158	\$	2,781,346
20495		Fawn Ridge Apartments	The Woodlands	12/10/2020	Approved	119	118	\$	16,500,000	\$	733,463	\$	733,463
20491		Ridgecrest Terrace	Dallas	12/10/2020	Approved	250	250	\$	40,000,000	\$	1,790,582	\$	1,790,582
20494		La Cima	Austin	12/10/2020	Approved	260	260	\$	39,000,000	\$	1,772,256	\$	1,772,256
20498		Gala at Waxahachie	Waxahachie	12/10/2020	Approved	185	185	\$	25,000,000	\$	1,098,763	\$	1,098,763
20496		Marshall Apartments	Austin	12/10/2020	Approved	100	100	\$	16,500,000	\$	556,883	\$	556,883
						14,571	14,335	\$	1,803,250,000	\$	92,716,314	\$	92,404,262
20493		The Ridge at Lancaster	Dallas	1/14/2021	Active	300	300	\$	50,000,000	\$	2,305,102	\$	-
20497		The Oleanders at Broadway	Galveston	1/14/2021	Active	348	261	\$	51,757,648	\$	2,190,531	\$	-
20617	02469	Murdeux Villas	Dallas	1/14/2021	Active	302	280	\$	35,000,000	\$	17,294,118	\$	-
20620		Oso Bay Apartments	Corpus Christi	1/14/2021	Active	104	104	\$	14,000,000	\$	701,367	\$	-
20615		The Montage	San Antonio ETJ	1/14/2021	Active	216	216	\$	35,000,000	\$	1,454,238	\$	-
20702		Cypress Creek Apartment Homes	Rowlett	1/14/2021	Active	234	187	\$	35,000,000	\$	1,224,185	\$	-
20703		Cove in Odessa	Odessa	1/14/2021	Active	200	200	\$	30,000,000	\$	1,320,816	\$	-
21601	05044	Ridgewood fka Copperwood	The Woodlands	2/11/2021	Active	300	300	\$	60,000,000	\$	2,563,139	\$	-
21602	04108	Pineview fka Tamarac Pines	The Woodlands	2/11/2021	Active	300	300	\$	60,000,000	\$	2,360,422	\$	-
20623	04101	Bella Vista fka Pleasant Hill	Austin	2/11/2021	Active	100	100	\$	20,000,000	\$	874,194	\$	-
20624	534284	Crystal Falls fka Cedar Ridge	Leander	2/11/2021	Active	152	152	\$	18,000,000	\$	567,459	\$	-
20625	04147	Shiloh Village	Dallas	2/11/2021	Active	168	168	\$	25,000,000	\$	1,234,715	\$	-
20610		Terrace at Southern Oaks	Dallas	3/11/2021	Active	300	300	\$	45,000,000	\$	2,000,114	\$	-
20701		City Heights	Austin	2/11/2021	Active	179	179	\$	22,000,000	\$	1,351,046	\$	-
20707		Kallison Ranch	San Antonio	2/11/2021	Active	384	384	\$	50,000,000	\$	2,198,029	\$	-
20499		Legacy Senior Residences	Round Rock	2/11/2021	Active	199	199	\$	30,000,000	\$	954,815	\$	-
20704		Applewood Apartments	San Antonio	2/11/2021	Active	317	317	\$	35,000,000	\$	1,931,356	\$	-
20705		Sandpiper Cove	Galveston	2/11/2021	Active	192	192	\$	37,500,000	\$	1,326,832	\$	-
20709		Watson Road	San Antonio	3/11/2021	Active	348	348	\$	38,000,000	\$	2,017,186	\$	-
20708		Copernicus	San Antonio	3/11/2021	Active	318	318	\$	38,000,000	\$	1,832,870	\$	-
						4,961	4,805	\$	729,257,648	\$	47,702,534	\$	-
20619		The Citadel	Houston	7/23/2020	Pre-Application	74	67	\$	15,000,000	\$	914,051	\$	-
20626		Palladium Mountain Creek	Dallas	9/3/2020	Pre-Application	152	152	\$	14,750,000	\$	1,044,403	\$	-
20627		Palladium Simpson Stuart	Dallas	9/3/2020	Pre-Application	270	270	\$	25,750,000	\$	1,864,956	\$	-
20630		Caroline Lofts	Houston	10/8/2020	Pre-Application	119	80	\$	20,000,000	\$	570,279	\$	-
21600	94063	Corona Del Valle	El Paso	10/8/2020	Pre-Application	101	101	\$	8,500,000	\$	524,995	\$	-
						716	670	\$	84,000,000	\$	4,918,684	\$	-
20417		St. Joe Apartments	Houston	3/19/2020	Withdrawn	307	307	\$	51,757,648	\$	4,596,000	\$	-
20468		Preserve at the Port	San Antonio	7/23/2020	Withdrawn	384	384	\$	37,000,000	\$	1,654,968	\$	-
20431	19454	Los Laureles	Edcouch	1/16/2020	Withdrawn	23	23	\$	-	\$	88,153	\$	88,153
20481		Echo East	San Antonio	9/3/2020	Withdrawn	192	192	\$	20,000,000	\$	1,306,258	\$	-
20413		Residences at Merritt Hill	Rowlett	5/21/2020	Withdrawn	260	260	\$	33,000,000	\$	1,888,671	\$	1,888,671
20473		Agave East	Austin ETJ	9/3/2020	Withdrawn	240	240	\$	35,000,000	\$	1,355,697	\$	1,355,697
20477		Sphinx at Throckmorton Villas	McKinney	10/8/2020	Withdrawn	220	216	\$	28,000,000	\$	1,670,582	\$	-
20444		Plano Kathryn Senior Living	Plano	6/25/2020	Withdrawn	252	252	\$	30,000,000	\$	1,774,750	\$	1,774,750
20479		The Oaks	Dallas	11/5/2020	Withdrawn	260	243	\$	35,000,000	\$	1,488,978	\$	-
20484		The Lantana	San Marcos	11/5/2020	Withdrawn	216	216	\$	26,000,000	\$	1,750,669	\$	-
20628		Mayhill Road	Denton	9/3/2020	Withdrawn	360	360	\$	30,000,000	\$	2,247,493	\$	-
20629		Residences at Merritt Hill	Rowlett	9/3/2020	Withdrawn	260	260	\$	50,000,000	\$	2,206,067	\$	-
20446	19432	St. Johns Square	San Antonio	3/26/2020	Withdrawn	252	54	\$	50,000,000	\$	473,449	\$	449,524
20482		W. Leo Daniels Towers	Houston	11/5/2020	Withdrawn	100	100	\$	15,000,000	\$	833,142	\$	-
20487		Springdale Manor Apartments	Austin	12/10/2020	Withdrawn	186	186	\$	20,000,000	\$	1,182,803	\$	-
20490		2100 Memorial	Houston	1/14/2021	Withdrawn	197	159	\$	35,000,000	\$	1,640,803	\$	-
						3,709	3,452	\$	495,757,648	\$	26,158,483	\$	5,556,795
TOTAL*						20,248	19,810	\$	2,616,507,648	\$	145,337,532	\$	92,404,262

*Totals include Closed, Approved, Active and Pre-Application Status

20491 Ridgcrest Terrace Apartments - Application Summary

REAL ESTATE ANALYSIS DIVISION
December 3, 2020

PROPERTY IDENTIFICATION	
Application #	20491
Development	Ridgcrest Terrace Apartments
City / County	Dallas / Dallas
Region/Area	3 / Urban
Population	General
Set-Aside	General
Activity	Acquisition/Rehab (Built in 1969)

RECOMMENDATION				
TDHCA Program	Request	Recommended		
LIHTC (4% Credit)	\$1,790,582	\$1,790,582	\$7,162/Unit	\$0.96

KEY PRINCIPALS / SPONSOR		
Steele Properties, LLC: LP, Co-Developer		
Dallas Housing Finance Corp.: GP, Co-Developer		
Related Parties	Contractor - No	Seller - No

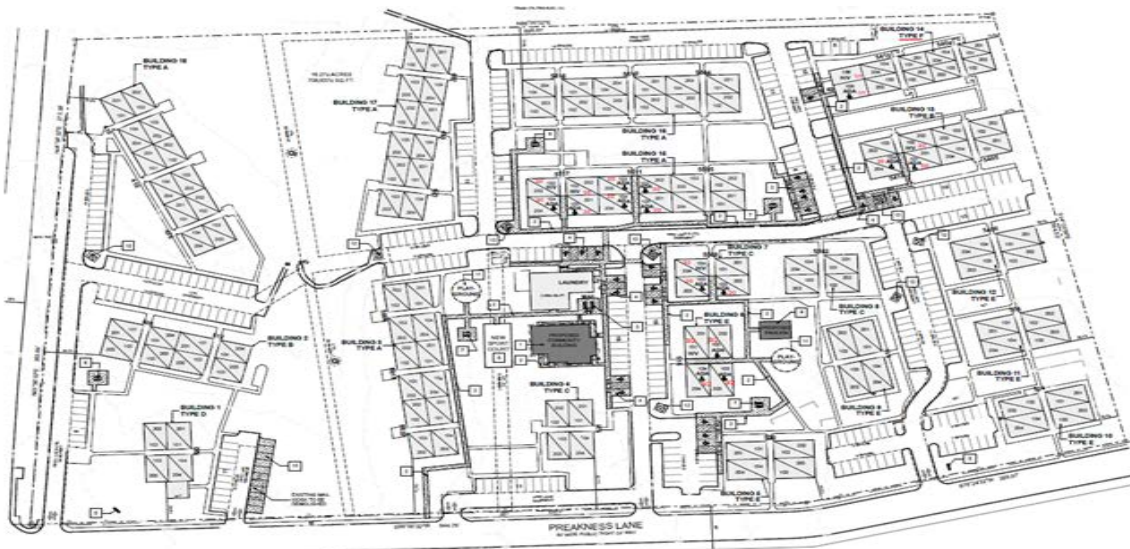
TYPICAL BUILDING ELEVATION/PHOTO



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	25	10%
1	18	7%	40%	-	0%
2	184	74%	50%	-	0%
3	48	19%	60%	225	90%
4	-	0%	MR	-	0%
TOTAL	250	100%	TOTAL	250	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	✘ 1.15	Expense Ratio	✔ 45.5%
Breakeven Occ.	⚠ 88.3%	Breakeven Rent	\$1,229
Average Rent	\$1,324	B/E Rent Margin	⚠ \$95
Property Taxes	Exempt	Exemption/PILOT	100%
Total Expense	\$6,939/unit	Controllable	\$4,326/unit

SITE PLAN



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (10% Maximum)	#DIV/0!		
Highest Unit Capture Rate	#DIV/0!	#DIV/0!	###
Dominant Unit Cap. Rate	#DIV/0!	2 BR/60%	169
Premiums (↑60% Rents)	#DIV/0!	#DIV/0!	
Rent Assisted Units	246	98% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten	TDHCA's Costs - Based on PCA		
Avg. Unit Size	931 SF	Density	15.4/acre
Acquisition	\$90K/unit	\$22,500K	
Building Cost	\$54.77/SF	\$51K/unit	\$12,748K
Hard Cost	\$65K/unit \$16,268K		
Total Cost	\$232K/unit \$57,937K		
Developer Fee	\$6,557K	(16% Deferred)	Paid Year: 4
Contractor Fee	\$2,241K	30% Boost	Yes

REHABILITATION COSTS / UNIT				
Site Work	\$5K	7%	Finishes/Fixtures	\$15K 23%
Building Shell	\$28K	43%	Amenities	\$4K 5%
HVAC	\$6K	9%	Total Exterior	\$36K 61%
Appliances	\$2K	3%	Total Interior	\$23K 39%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Key Bank	17/40	3.50%	\$38,000,000	1.15						CREA	\$17,186,146
0	0	x	\$0	0.00	0	0	x	\$0	0.00	CREA SLP, LLC Equity	\$100
										Steele Properties III LLC	\$1,065,418
										Operating Income During Construction	\$1,684,937
										TOTAL EQUITY SOURCES	\$19,936,601
										TOTAL DEBT SOURCES	\$38,000,000
TOTAL DEBT (Must Pay)			\$38,000,000		CASH FLOW DEBT / GRANTS			\$0		TOTAL CAPITALIZATION	\$57,936,601

CONDITIONS

- 1 Receipt and acceptance before Determination Notice:
 - Revision to the Scope and Cost Review addressing §11.306(d)(4-6).
- 2 Receipt and acceptance by Cost Certification:
 - a: Executed ground lease with The City of Dallas Housing Finance Corporation clearly specifying all terms and conditions, including who will retain ownership of land and improvements at the end of the lease.
 - b: Certification that any appropriate abatement procedures were implemented; and that any remaining asbestos-containing materials and lead-based paint are being managed in accordance with an acceptable Operations and Maintenance (O&M) program.
 - c: Architect certification that all noise assessment recommendations were implemented and the Development is compliant with HUD noise guidelines.
 - d: Certification of comprehensive testing for mold, and that any appropriate abatement procedures were implemented by a qualified abatement company.

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER	
Issuer	City of Dallas Housing Finance Corporation
Expiration Date	2/14/2021
Bond Amount	\$40,000,000
BRB Priority	Priority 3
Bond Structure	Private Placement
% Financed with Tax-Exempt Bonds	80.9%
RISK PROFILE	
STRENGTHS/MITIGATING FACTORS	
<ul style="list-style-type: none"> ▫ 98% Section 8 HAP Assisted ▫ Low Gross Capture Rate ▫ Developer's Experience 	
WEAKNESSES/RISKS	
<ul style="list-style-type: none"> ▫ High Controllable Expenses 	
AREA MAP	



20498 Gala at Waxahachie - Application Summary

REAL ESTATE ANALYSIS DIVISION
December 2, 2020

PROPERTY IDENTIFICATION	
Application #	20498
Development	Gala at Waxahachie
City / County	Waxahachie / Ellis
Region/Area	3 / Urban
Population	Elderly Limitation
Set-Aside	General
Activity	New Construction

RECOMMENDATION					
TDHCA Program	Request	Recommended			
LIHTC (4% Credit)	\$1,098,763	\$1,098,763	\$5,939/Unit	\$0.91	

KEY PRINCIPALS / SPONSOR		
Michael Gardner, President Garner Capital, Inc.		
Ryan Combs, President Prudentia Development, LLC		
Judge Wayne Gent, President North Central Texas Housing Finance Corp.		
Related Parties	Contractor - Yes	Seller - 0

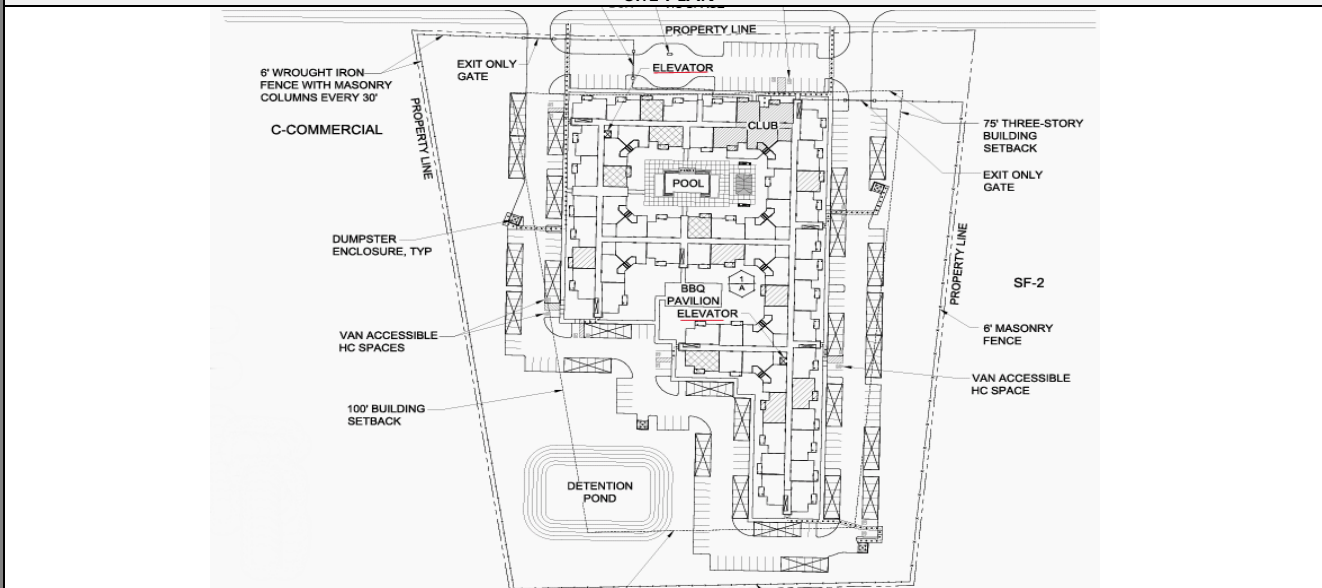
TYPICAL BUILDING ELEVATION/PHOTO



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	12	6%
1	93	50%	40%	-	0%
2	92	50%	50%	-	0%
3	-	0%	60%	137	74%
4	-	0%	70%	36	19%
TOTAL	185	100%	TOTAL	185	100%

PRO FORMA FEASIBILITY INDICATORS					
Pro Forma Underwritten			TDHCA's Pro Forma		
Debt Coverage	✓ 1.24	Expense Ratio	✓ 38.2%		
Breakeven Occ.	✓ 81.4%	Breakeven Rent	\$888		
Average Rent	\$1,011	B/E Rent Margin	✓ \$123		
Property Taxes	Exempt	Exemption/PILOT	100%		
Total Expense	\$4,375/unit	Controllable	\$3,183/unit		

SITE PLAN



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (10% Maximum)	✓ 3.8%		
Highest Unit Capture Rate	⚠ 13%	1 BR/60%	69
Dominant Unit Cap. Rate	⚠ 13%	1 BR/60%	69
Premiums (↑60% Rents)	N/A	N/A	
Rent Assisted Units	N/A	N/A	

DEVELOPMENT COST SUMMARY			
Costs Underwritten		Applicant's Costs	
Avg. Unit Size	799 SF	Density	20.6/acre
Acquisition		\$05K/unit	\$1,015K
Building Cost	\$95.59/SF	\$76K/unit	\$14,138K
Hard Cost		\$98K/unit	\$18,054K
Total Cost		\$173K/unit	\$31,915K
Developer Fee	\$3,587K	(11% Deferred)	Paid Year: 2
Contractor Fee	\$2,528K	30% Boost	Yes

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Red Stone Tax Exempt Funding II	17/40	3.85%	\$21,518,698	1.24						NDC	\$9,997,745
										Gala at Waxahachie Developer, LLC	\$398,946
TOTAL DEBT (Must Pay)			\$21,518,698		CASH FLOW DEBT / GRANTS			\$0		TOTAL EQUITY SOURCES	\$10,396,691
										TOTAL DEBT SOURCES	\$21,518,698
										TOTAL CAPITALIZATION	\$31,915,389

CONDITIONS

- 1 Receipt and acceptance by Cost Certification:
a: Certification from Appraisal District that the property qualifies for property tax exemption.

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER

Issuer	North Central Texas Housing Finance Corp
Expiration Date	2/14/2021
Bond Amount	\$25,000,000
BRB Priority	Priority 3
Bond Structure	Private Activity Bonds
% Financed with Tax-Exempt Bonds	100.2%

RISK PROFILE

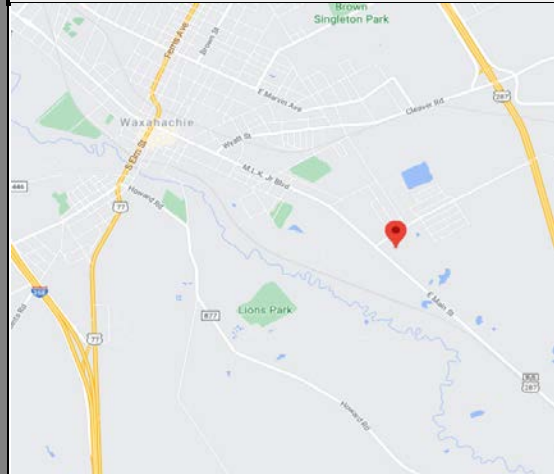
STRENGTHS/MITIGATING FACTORS

- Overall Feasibility Indicators
- Low gross capture rate
- Developer experience

WEAKNESSES/RISKS

- Low visibility
- Feasibility reliant on Property Tax Exemption

AREA MAP



AERIAL PHOTOGRAPH(S)



20495 Fawn Ridge - Application Summary

REAL ESTATE ANALYSIS DIVISION
December 3, 2020

PROPERTY IDENTIFICATION	
Application #	20495
Development	Fawn Ridge
City / County	The Woodlands / Montgomery
Region/Area	6 / Urban
Population	General
Set-Aside	General
Activity	Acquisition/Rehab (Built in 1979)

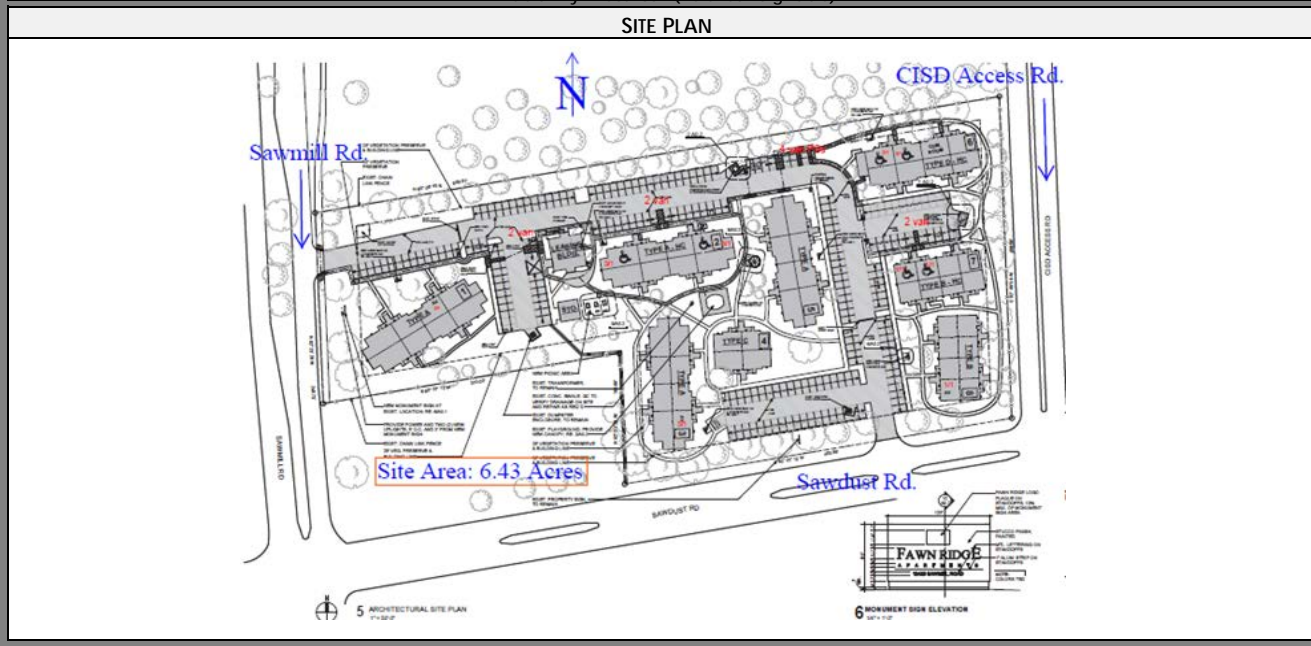
RECOMMENDATION				
TDHCA Program	Request	Recommended		
LIHTC (4% Credit)	\$733,463	\$733,463	\$6,164/Unit	\$0.86

KEY PRINCIPALS / SPONSOR		
<ul style="list-style-type: none"> W. Daniel Hughes, Jr. / Envolve, LLC 		
Related Parties	Contractor - No	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	32	27%	40%	-	0%
2	55	46%	50%	-	0%
3	32	27%	60%	118	100%
4	-	0%	MR	-	0%
TOTAL	119	100%	TOTAL	118	99%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.22	Expense Ratio	45.1%
Breakeven Occ.	85.5%	Breakeven Rent	\$1,006
Average Rent	\$1,115	B/E Rent Margin	\$109
Property Taxes	\$1,418/unit	Exemption/PILOT	0%
Total Expense	\$5,740/unit	Controllable	\$3,051/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (10% Maximum)	7.6%		
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	N/A	N/A
Premiums (↑60% Rents)	N/A	N/A	
Rent Assisted Units	118	99% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten	TDHCA's Costs - Based on SCR		
Avg. Unit Size	844 SF	Density	18.5/acre
Acquisition		\$137K/unit	\$16,300K
Building Cost	\$35.11/SF	\$30K/unit	\$3,526K
Hard Cost		\$35K/unit	\$4,129K
Total Cost		\$219K/unit	\$26,053K
Developer Fee	\$1,606K	(15% Deferred)	Paid Year: 2
Contractor Fee	\$578K	30% Boost	Yes

REHABILITATION COSTS / UNIT			
Site Work	\$1K	4%	Finishes/Fixture \$13K 37%
Building Shell	\$10K	30%	Amenities \$1K 2%
HVAC	\$4K	12%	Total Exterior \$12K 39%
Appliances	\$2K	6%	Total Interior \$19K 61%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
JLL - FHLMC Immediate TEL	17/40	3.15%	\$15,200,000	1.22	Seller Note - Fawn Ridge Apts., LLC	17/0	2.00%	\$4,300,000	1.22	First Horizon	\$6,307,151
										Involve Communities, LLC	\$246,295
TOTAL DEBT (Must Pay)			\$15,200,000		CASH FLOW DEBT / GRANTS			\$4,300,000		TOTAL EQUITY SOURCES	\$6,553,446
										TOTAL DEBT SOURCES	\$19,500,000
										TOTAL CAPITALIZATION	\$26,053,446

CONDITIONS

- 1 Receipt and acceptance before Determination Notice:
 - a: Confirmation of HUD assignment and issuance of a new 20-year Mark-Up-to-Market (MUTM) HAP contract with a post-renovation rent increase or documentation from the third party administrator evidencing their approval of the proposed replacement HAP contract with rents increased to the current market rents presented in this application.
 - b: A revised Scope and Cost Review ("SCR") that is fully compliant with Program Rules.
 - 2 Receipt and acceptance by Cost Certification:
 - a: Certification of comprehensive testing for asbestos; that any appropriate abatement procedures were implemented; and that any remaining asbestos-containing materials are being managed in accordance with an acceptable Operations and Maintenance (O&M) program.
 - b: Architect certification that buildings were tested for the presence of radon and any recommended mitigation measures were implemented.
- Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER

Issuer	Texas State Affordable Housing Corporation
Expiration Date	2/13/2021
Bond Amount	\$16,500,000
BRB Priority	Priority 3
Bond Structure	Freddie Mac Tax Exempt Loan (TEL)
% Financed with Tax-Exempt Bonds	69.0%

RISK PROFILE

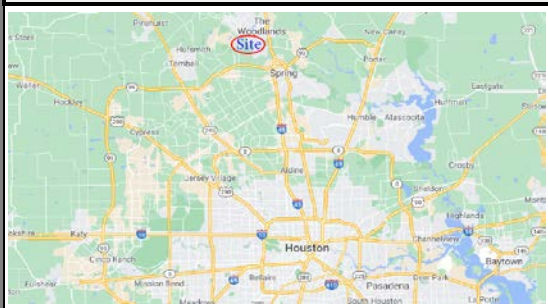
STRENGTHS/MITIGATING FACTORS

- All units are covered by project-based rental assistance
- Existing development is 100% occupied and renovation should help maintain occupancy
- Full 10% contingency was budgeted with likely built-in contingency in contractor's scope of work
- Sponsor's construction and management experience with Texas HTC projects

WEAKNESSES/RISKS

- 41 year old property may have less appeal
- Interest rate sensitivity
- Potential unforeseen deferred maintenance

AREA MAP



AERIAL PHOTOGRAPH(S)



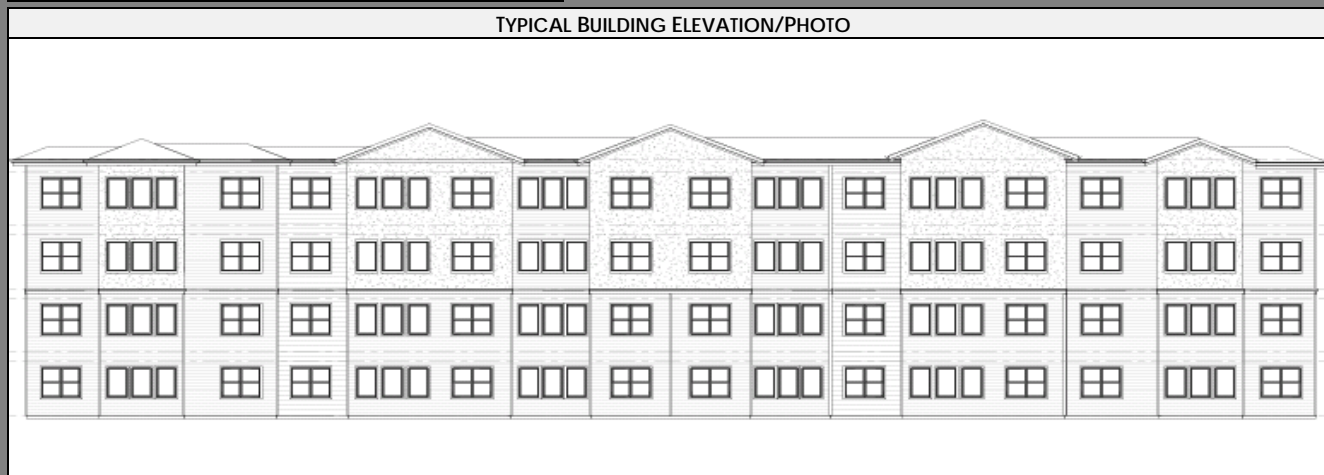
20494 La Cima - Application Summary

REAL ESTATE ANALYSIS DIVISION
December 3, 2020

PROPERTY IDENTIFICATION	
Application #	20494
Development	La Cima
City / County	Austin / Travis
Region/Area	7 / Urban
Population	General
Set-Aside	General
Activity	New Construction

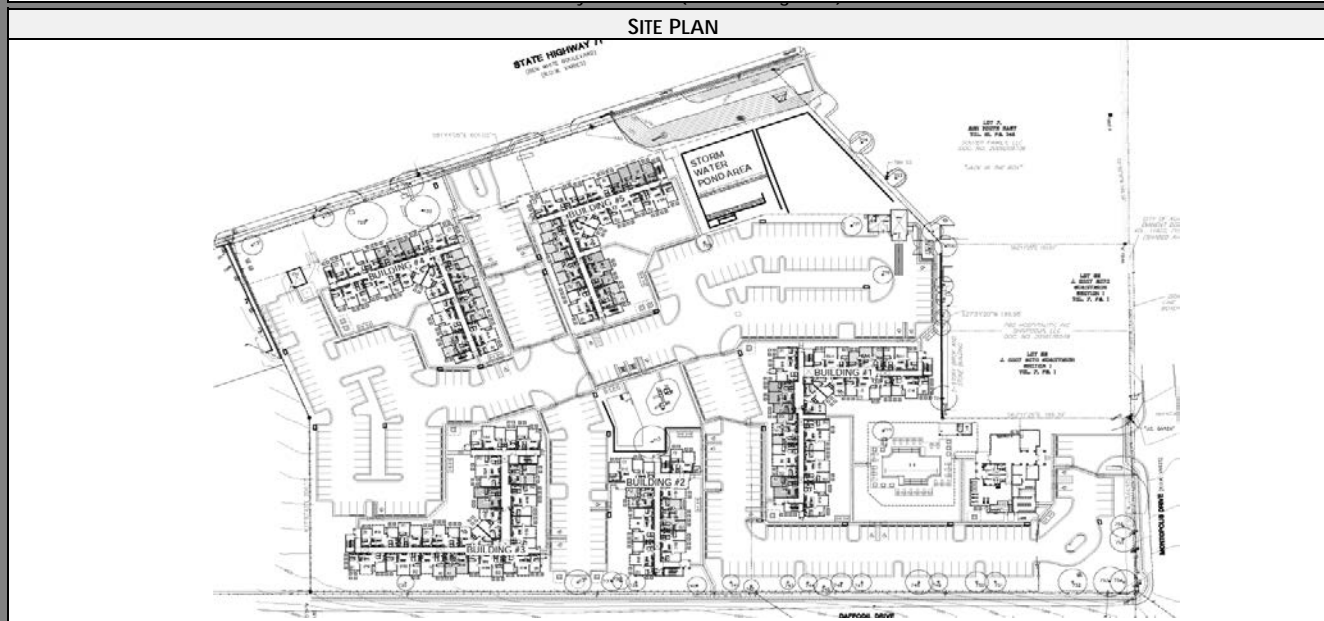
RECOMMENDATION				
TDHCA Program	Request	Recommended		
LIHTC (4% Credit)	\$1,772,256	\$1,772,256	\$6,816/Unit	\$0.96

KEY PRINCIPALS / SPONSOR		
Richard Paul Richman / Richman Capital & Will Cureton / Richman Southwest		
and TCC Hill Country Development Corp		
Related Parties	Contractor - No	Seller - No



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	80	31%	40%	26	10%
2	144	55%	50%	-	0%
3	36	14%	60%	234	90%
4	-	0%	MR	-	0%
TOTAL	260	100%	TOTAL	260	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		TDHCA's Pro Forma	
Debt Coverage	1.30	Expense Ratio	38.2%
Breakeven Occ.	79.2%	Breakeven Rent	\$997
Average Rent	\$1,168	B/E Rent Margin	\$171
Property Taxes	Exempt	Exemption/PILOT	100%
Total Expense	\$5,033/unit	Controllable	\$3,424/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (10% Maximum)	3.0%		
Highest Unit Capture Rate	17%	2 BR/60%	0
Dominant Unit Cap. Rate		0 BR/30%	0
Premiums (↑60% Rents)		#DIV/0!	
Rent Assisted Units	N/A		

DEVELOPMENT COST SUMMARY			
Costs Underwritten		Applicant's Costs	
Avg. Unit Size	876 SF	Density	29.5/acre
Acquisition		\$25K/unit	\$6,510K
Building Cost	\$93.37/SF	\$82K/unit	\$21,267K
Hard Cost		\$108K/unit	\$28,038K
Total Cost		\$200K/unit	\$51,985K
Developer Fee	\$5,522K	(16% Deferred)	Paid Year: 2
Contractor Fee	\$2,757K	30% Boost	Yes

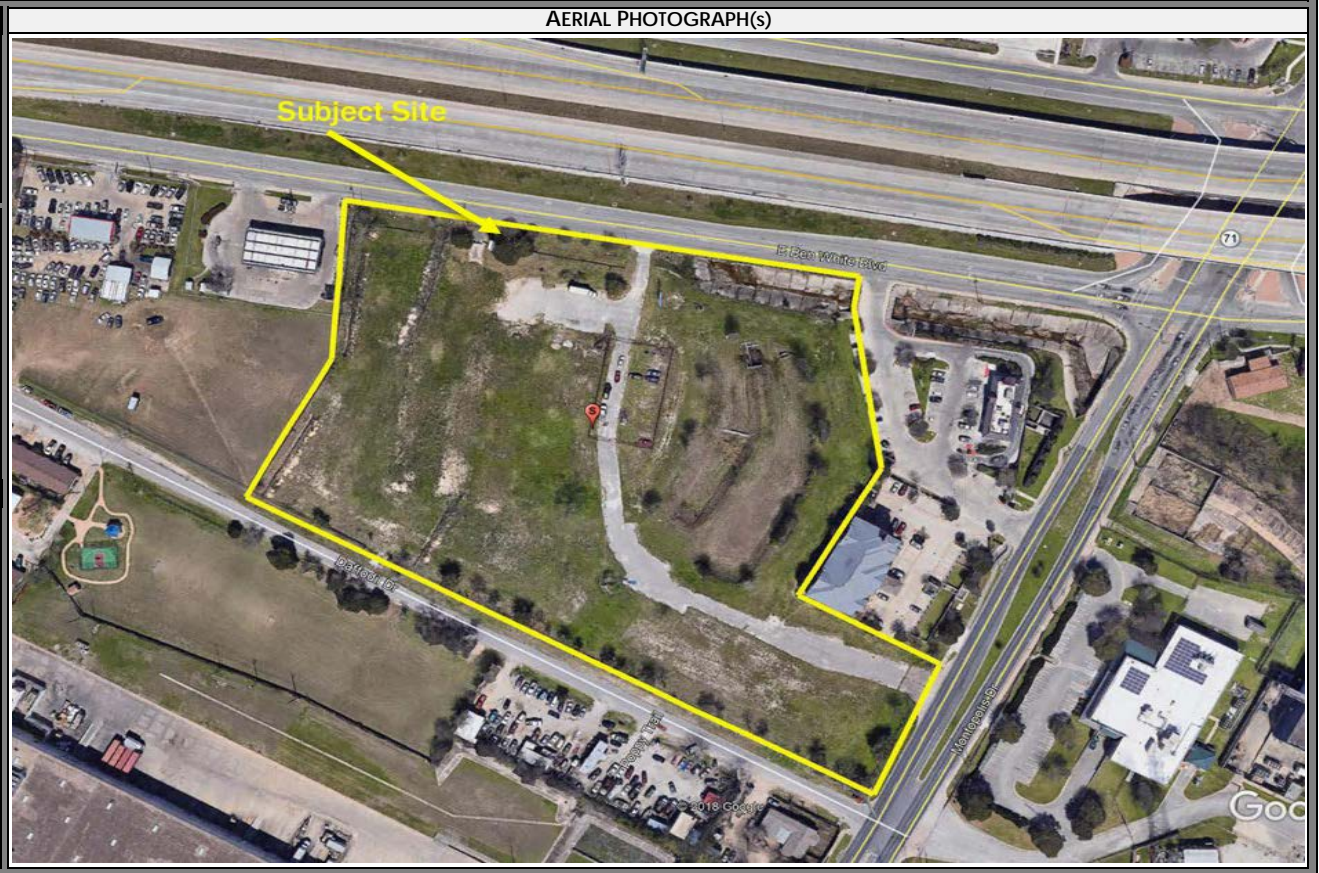
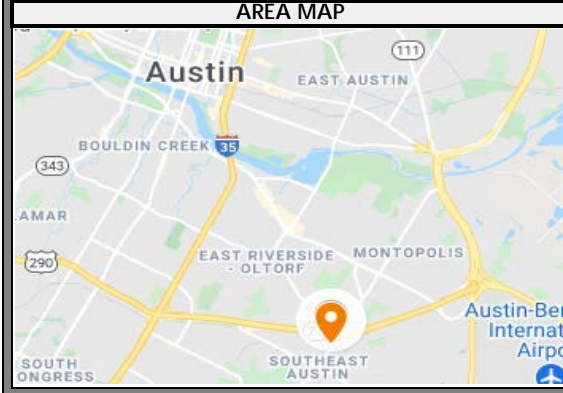
DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Wells Fargo	18/40	3.53%	\$34,107,075	1.30						Wells Fargo	\$17,011,956
										Richman/TCHFC	\$865,521
TOTAL DEBT (Must Pay)			\$34,107,075		CASH FLOW DEBT / GRANTS			\$0		TOTAL EQUITY SOURCES	\$17,877,477
										TOTAL DEBT SOURCES	\$34,107,075
										TOTAL CAPITALIZATION	\$51,984,552

CONDITIONS

- 1 Receipt and acceptance before Determination Notice:
 - a: A definitive statement from the ESA provider as to whether further investigation is recommended regarding Vapor Encroachment.
 - 2 Receipt and acceptance by Cost Certification:
 - a: Architect certification that all noise assessment recommendations were implemented and the Development is compliant with HUD noise guidelines.
 - 3 Documentation at Cost Certification clearing environmental issues identified in the ESA report, specifically:
 - a: Certification that any recommended mitigation measures regarding Vapor Encroachment were fully implemented.
- Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER	
Issuer	Travis County HFC
Expiration Date	2/21/2021
Bond Amount	\$39,000,000
BRB Priority	3
Bond Structure	Freddie Mac Tax Exempt Loan
% Financed with Tax-Exempt Bonds	89.8%

RISK PROFILE	
STRENGTHS/MITIGATING FACTORS	
▫	Low gross capture rate
▫	Overall Feasibility Indicators
▫	Proximity to employment opportunities
▫	Highly visible location
▫	Applicant's construction and management of market rate properties nationwide.
WEAKNESSES/RISKS	
▫	High Capture Rates on 60% Units



20496 Marshall Apartments - Application Summary

REAL ESTATE ANALYSIS DIVISION
December 3, 2020

PROPERTY IDENTIFICATION	
Application #	20496
Development	Marshall Apartments
City / County	Austin / Travis
Region/Area	7 / Urban
Population	General
Set-Aside	General
Activity	Acquisition/Rehab (Built in 1968)

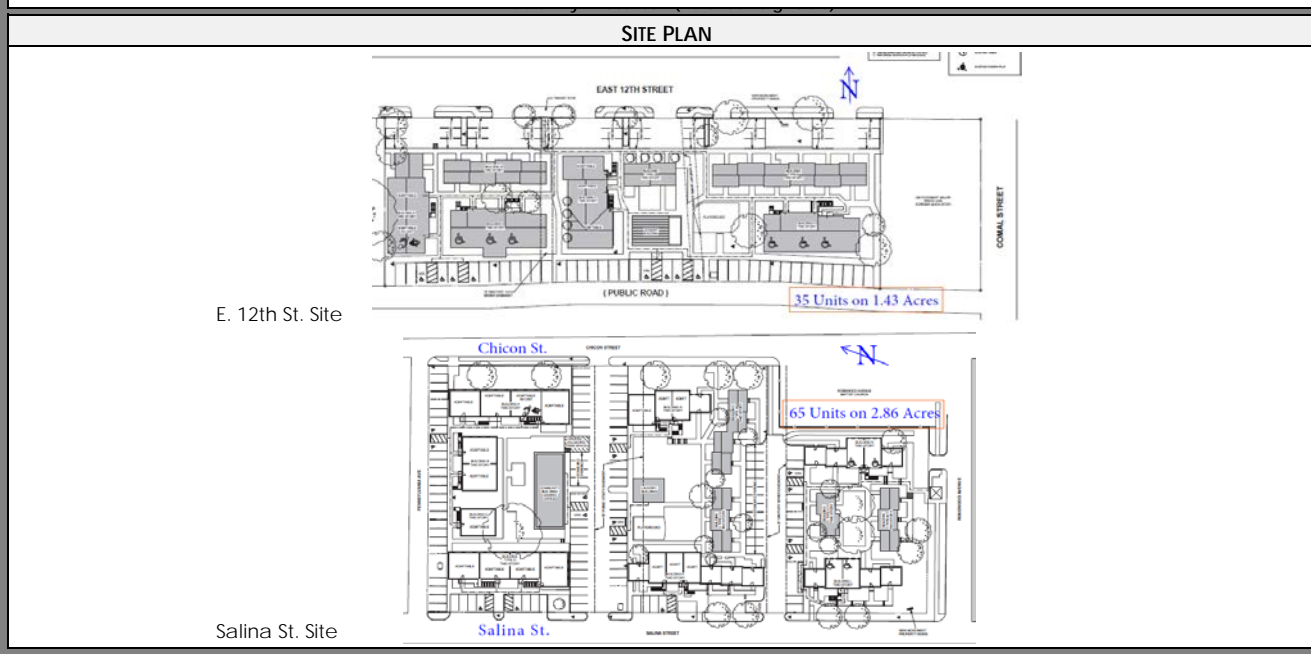
RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (4% Credit)	\$556,883	\$556,883	\$5,569/Unit \$0.85

KEY PRINCIPALS / SPONSOR		
<ul style="list-style-type: none"> W. Daniel Hughes, Jr. / Envolve, LLC 		
Related Parties	Contractor - No	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	23	23%	40%	-	0%
2	37	37%	50%	100	100%
3	24	24%	60%	-	0%
4	16	16%	MR	-	0%
TOTAL	100	100%	TOTAL	100	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.20	Expense Ratio	55.1%
Breakeven Occ.	87.8%	Breakeven Rent	\$1,483
Average Rent	\$1,605	B/E Rent Margin	\$122
Property Taxes	\$2,155/unit	Exemption/PILOT	0%
Total Expense	\$10,133/unit	Controllable	\$6,014/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (10% Maximum)	1.5%		
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	N/A	N/A
Premiums (↑60% Rents)	N/A		N/A
Rent Assisted Units	100	100% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten	TDHCA's Costs - Based on PCA		
Avg. Unit Size	797 SF	Density	23.3/acre
Acquisition		\$120K/unit	\$12,000K
Building Cost	\$35.91/SF	\$29K/unit	\$2,864K
Hard Cost		\$37K/unit	\$3,732K
Total Cost		\$210K/unit	\$21,020K
Developer Fee	\$1,341K	(34% Deferred)	Paid Year: 4
Contractor Fee	\$522K	30% Boost	Yes

REHABILITATION COSTS / UNIT			
Site Work	\$5K	13%	Finishes/Fixture \$11K 29%
Building Shell	\$11K	29%	Amenities \$1K 1%
HVAC	\$5K	13%	Total Exterior \$16K 48%
Appliances	\$2K	6%	Total Interior \$18K 52%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES		
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount	
JLL - FHLMC Immediate TEL	17/40	3.13%	\$15,300,000	1.20	NOI During Construction	0/0	0.00%	\$527,088	1.20	Affordable Equity Partners	\$4,733,032	
										Involve Communities, LLC	\$459,546	
										TOTAL EQUITY SOURCES	\$5,192,578	
										TOTAL DEBT SOURCES	\$15,827,088	
TOTAL DEBT (Must Pay)			\$15,300,000		CASH FLOW DEBT / GRANTS			\$527,088		TOTAL CAPITALIZATION		\$21,019,666

CONDITIONS

- 1 Receipt and acceptance before Determination Notice:
 - a: Confirmation of HUD assignment and issuance of a new 20-year Mark-Up-to-Market (MUTM) HAP contract with a post-renovation rent increase or documentation from the third party administrator evidencing their approval of the proposed replacement HAP contract with rents increased to the current market rents presented in this application.
 - b: A revised Scope and Cost Review ("SCR") that is fully compliant with Program Rules.
- 2 Receipt and acceptance by Cost Certification:
 - a: Certification of comprehensive testing for asbestos ; that any appropriate abatement procedures were implemented; and that any remaining asbestos-containing materials are being managed in accordance with an acceptable Operations and Maintenance (O&M) program.
 - b: Certification of comprehensive testing for lead-based paint; that any appropriate abatement procedures were implemented; and that any remaining lead-based paint is being managed in accordance with an acceptable Operations and Maintenance (O&M) program.
 - c: Certification of comprehensive testing for mold; that any appropriate abatement procedures were implemented by a qualified abatement company; and that Mold, Moisture & Minimization Plan has been implemented.
 - d: Architect certification that buildings were tested for the presence of radon and any recommended mitigation measures were implemented.
 - e: Architect certification that a noise assessment was completed, and that all recommendations were implemented and the Development is compliant with HUD noise guidelines.

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER

Issuer	Texas State Affordable Housing Corporation
Expiration Date	2/13/2021
Bond Amount	\$16,500,000
BRB Priority	Priority 3
Bond Structure	Freddie Mac Tax Exempt Loan (TEL)
% Financed with Tax-Exempt Bonds	87.8%

RISK PROFILE

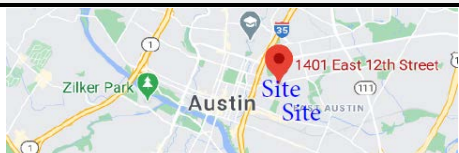
STRENGTHS/MITIGATING FACTORS

- All units are covered by project-based rental assistance
- Existing development is 97% occupied and renovation should help maintain occupancy
- Full 10% contingency was budgeted with likely built-in contingency in contractor's scope of work
- Sponsor's construction and management experience with Texas HTC projects

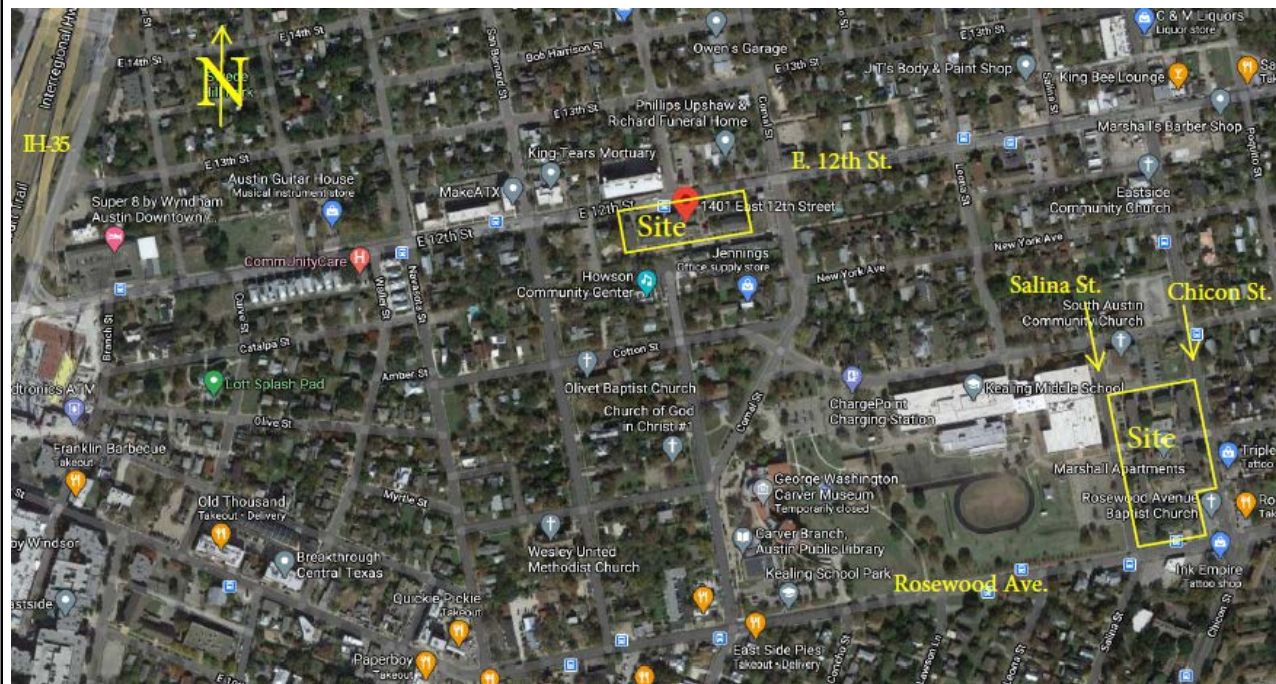
WEAKNESSES/RISKS

- Interest rate sensitivity
- 41 year old development may have less appeal
- Potential unforeseen deferred maintenance
- 2-story units do not have bathrooms on the 1st floor and 3 & 4 BR units only have 1 bathroom

AREA MAP



AERIAL PHOTOGRAPH(S)



4b

BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
DECEMBER 10, 2020

Presentation, discussion, and possible action regarding a waiver of 10 TAC §11.101(b)(1)(A)(ii) of the Qualified Allocation Plan (QAP) and the issuance of a Determination Notice for 4% Housing Tax Credits for Wildhorse Flats (#20488)

RECOMMENDED ACTION

WHEREAS, a 4% Housing Tax Credit application for Wildhorse Flats, sponsored by the SHFC Wildhorse GP LLC and the Strategic Housing Finance Corporation of Travis County was submitted to the Department on August 4, 2020;

WHEREAS, the Certification of Reservation from the Texas Bond Review Board was issued on August 18, 2020, and will expire on February 14, 2021;

WHEREAS, the proposed issuer of the bonds is the Strategic Housing Finance Corporation of Travis County;

WHEREAS, the application requires a waiver regarding 10 TAC §11.101(b)(1)(A)(ii), relating to any development with any building(s) with four or more stories that does not include an elevator; and

WHEREAS, the Department finds that there is good cause for the Board to grant a waiver based on the topography of the site and the split level foundations that require no household to walk more than two flights of stairs to reach their unit; however, the Department is not waiving any accessibility requirements under 10 TAC Chapter 1, Subchapter B or the QAP;

NOW, therefore, it is hereby

RESOLVED, a waiver of §11.101(b)(1)(A)(ii) is hereby granted; and

FURTHER RESOLVED, that the issuance of a Determination Notice of \$2,781,346 in 4% Housing Tax Credits, subject to underwriting conditions that may be applicable as found in the Real Estate Analysis report posted to the Department's website for Wildhorse Flats, is hereby approved as presented to this meeting.

BACKGROUND

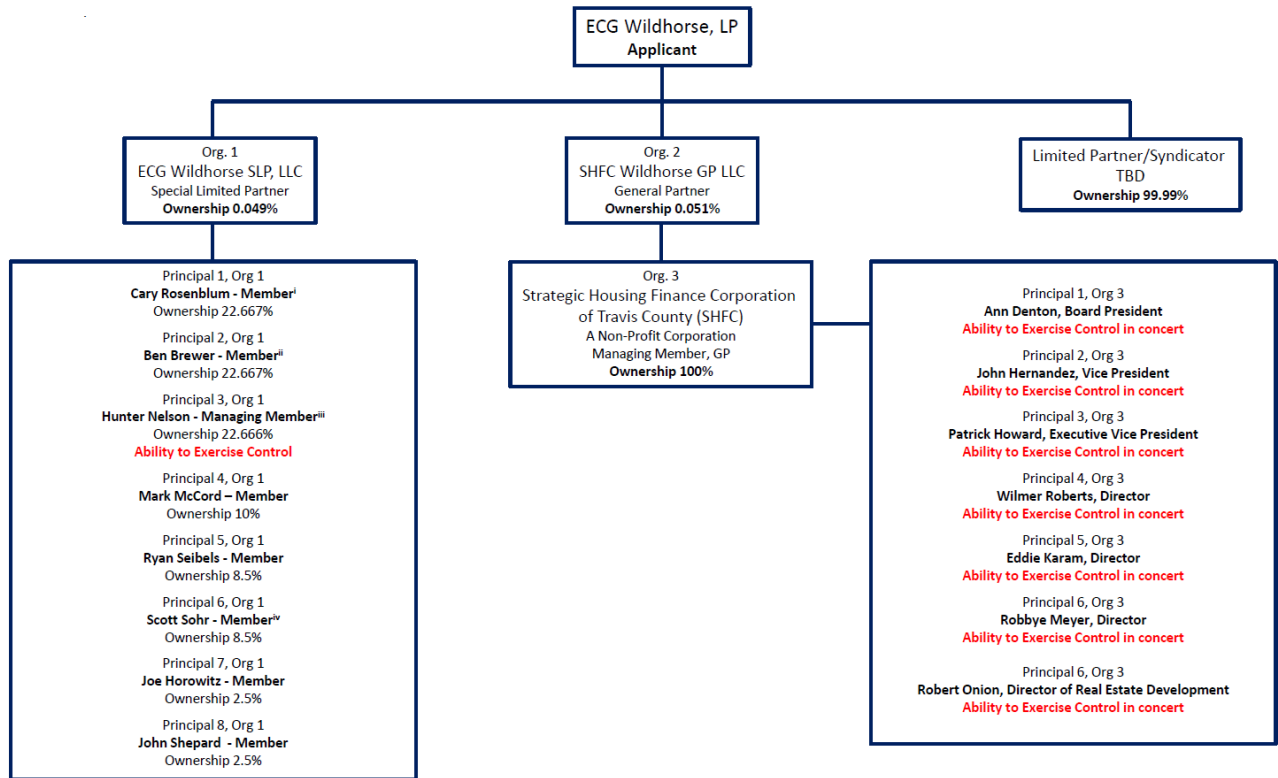
General Information: The development entails the new construction of 310 units to be located at Wildhorse Ranch Trail, southeast of Highway 290 and Highway 130 in Austin, Travis County. The general population will be served, and all of the units will be rent and income restricted at 60% of AMFI.

Waiver: A waiver of one of the general ineligibility criteria is necessary based on the site and design of buildings. Specifically, any development with any building(s) with four or more stories that does not include an elevator is considered ineligible, pursuant to 10 TAC §11.101(b)(1)(A)(ii) of the QAP. According to the architect for Wildhorse Flats, 11 residential buildings are proposed to be constructed as three-stories with basement splits due to the topography of the development site. The general building design for the project will be substantially built in accordance with the 2015 International Building Code (IBC), which includes definitions of a basement, story, grade plane and story above grade plane. A brief description of the grade plane from the IBC definition is that it is “a reference plane representing the average of finished ground level adjoining the building at exterior walls.” The 2015 IBC defines a basement as “a story that is not a story above grade plane.” The architect has indicated that the split-levels, or lowest levels of the buildings, do not satisfy the IBC definition of a story above grade plane and; therefore, must be considered basements. Similar to the non-split foundation building types, residents will ascend no more than two flights of stairs to access any unit, with the exception being that a resident living on the basement level will descend one flight of stairs to access their unit. Accessible paths will be provided from the parking lot to the first floor and all accessibility requirements described in 10 TAC Chapter 1, Subchapter B and the QAP will be followed. While staff does not believe that the IBC definitions control the interpretation of the QAP, staff believes that there is good cause to grant the waiver due to the topography of the site and because no household will walk more than two flights of stairs to their unit.

Organizational Structure: The Borrower is ECG Wildhorse, LP and includes the entities and principals as indicated in the organization chart in Exhibit A. The applicant’s portfolio is considered a Category 1.

Public Comment: There were no letters of support or opposition received by the Department.

EXHIBIT A



20488 Wildhorse Flats - Application Summary

PROPERTY IDENTIFICATION	
Application #	20488
Development	Wildhorse Flats
City / County	Austin / Travis
Region/Area	7 / Urban
Population	General
Set-Aside	General
Activity	New Construction

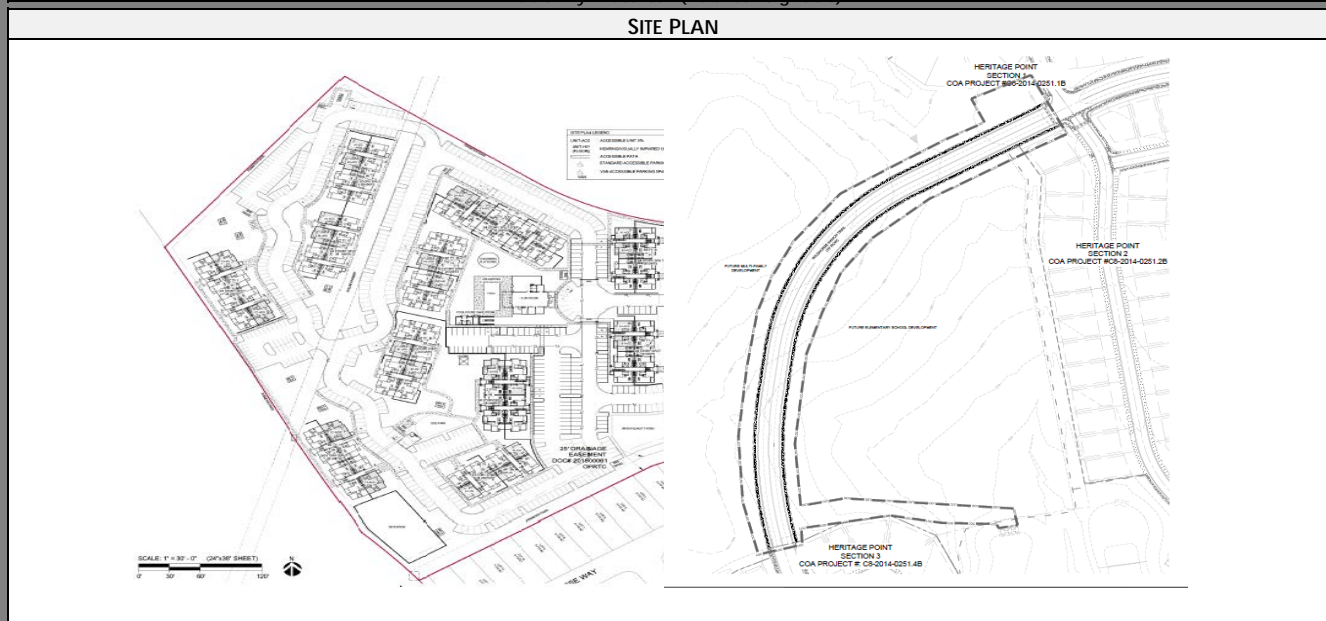
RECOMMENDATION				
TDHCA Program	Request	Recommended		
LIHTC (4% Credit)	\$2,786,158	\$2,781,346	\$8,972/Unit	\$0.91

KEY PRINCIPALS / SPONSOR		
SHFC of Travis County: GP, 35% Co-Developer		
ECG Wildhorse SLP, LLC: SLP, 65% Co-Developer		
Related Parties	Contractor - No	Seller - No



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	110	35%	40%	-	0%
2	120	39%	50%	-	0%
3	52	17%	60%	310	100%
4	28	9%	MR	-	✓
TOTAL	310	100%	TOTAL	310	100%

PRO FORMA FEASIBILITY INDICATORS					
Pro Forma Underwritten			Applicant's Pro Forma		
Debt Coverage	✓ 1.22	Expense Ratio	✓ 31.8%		
Breakeven Occ.	✓ 81.1%	Breakeven Rent	\$1,082		
Average Rent	\$1,237	B/E Rent Margin	✓ \$155		
Property Taxes	Exempt	Exemption/PILOT	100%		
Total Expense	\$4,443/unit	Controllable	\$3,200/unit		



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (15% Maximum)	13.8%		
Highest Unit Capture Rate	41%	2 BR/60%	120
Dominant Unit Cap. Rate	41%	2 BR/60%	120
Premiums (↑60% Rents)	#DIV/0!	#DIV/0!	
Rent Assisted Units	N/A		

DEVELOPMENT COST SUMMARY			
Costs Underwritten		Applicant's Costs	
Avg. Unit Size	1,006 SF	Density	23.2/acre
Acquisition		\$10K/unit	\$3,197K
Building Cost	\$107.28/SF	\$108K/unit	\$33,464K
Hard Cost		\$137K/unit	\$42,433K
Total Cost		\$246K/unit	\$76,341K
Developer Fee	\$8,655K	(42% Deferred)	Paid Year: 6
Contractor Fee	\$5,892K	30% Boost	Yes

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES		
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount	
Citibank Tax Exempt - Tranche A	30/35	3.55%	\$47,411,061	1.22						US Bank	\$25,307,722	
										Deferred Developer Fee	\$3,622,473	
TOTAL DEBT (Must Pay)			\$47,411,061		CASH FLOW DEBT / GRANTS				\$0		TOTAL EQUITY SOURCES	\$28,930,195
											TOTAL DEBT SOURCES	\$47,411,061
											TOTAL CAPITALIZATION	\$76,341,256

CONDITIONS

- Receipt and acceptance by Cost Certification:
 - a: Architect certification that all noise assessment recommendations were implemented and the Development is compliant with HUD noise guidelines.
 - b: Executed ground lease with Travis County Housing Finance Corp. clearly specifying all terms and conditions, including who will retain ownership of land and improvements at the end of the lease.

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER	
Issuer	c Housing Finance Corporation of Travis County
Expiration Date	2/14/2021
Bond Amount	\$50,000,000
BRB Priority	3
Bond Structure Private Placement	
% Financed with Tax-Exempt Bonds	80.7%
RISK PROFILE	
STRENGTHS/MITIGATING FACTORS	
<ul style="list-style-type: none"> ▫ Low expense ratio ▫ Strong cash-flow potential ▫ Location within master-planned community 	
WEAKNESSES/RISKS	
<ul style="list-style-type: none"> ▫ Developer's lack of LIHTC experience ▫ Feasibility reliant on tax exemption 	
AREA MAP	

AERIAL PHOTOGRAPH(S)	

4c

**TO BE POSTED
NOT LATER THAN
THE THIRD DAY
BEFORE THE
DATE OF THE
MEETING**

4d

**TO BE POSTED
NOT LATER THAN
THE THIRD DAY
BEFORE THE
DATE OF THE
MEETING**

4e

**TO BE POSTED
NOT LATER THAN
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DATE OF THE
MEETING**

4f

BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
DECEMBER 10, 2020

Presentation, discussion and possible action on a request for return and reallocation of tax credits under 10 TAC §11.6(5) related to Credit Returns Resulting from Force Majeure Events for Application 19315, Hammack Creek Apartments in Kennedale, Texas

RECOMMENDED ACTION

WHEREAS, an award of Competitive (9%) Housing Tax Credits in the amount of \$1,500,000 to 19315 Hammack Creek Apartments (the Development) was approved by the Board in July 2019;

WHEREAS, staff executed a Carryover Allocation Agreement with the Development Owner on December 13, 2019, that included a certification from the Development Owner that each building for which the allocation was made would be placed in service by December 31, 2020;

WHEREAS, on April 28, 2020, the Department received a request to extend the placement in service deadline without request to extend the 10% Test deadline;

WHEREAS, on June 25, 2020, the Department approved a requested extension of the placement in service deadline to June 30, 2022, whereby the 10% Test deadline remained December 31, 2020;

WHEREAS, on December 1, 2020, the Department received from counsel for the Development Owner a request to extend the 10% test deadline to March 1, 2021; or alternatively to extend the placement in service deadline (including 10% test) under the requirements of 10 TAC §11.6(5) related to Credits Returns Resulting from Force Majeure Events, with a request that it appear on the December Board Agenda;

WHEREAS, other than in situations covered by force majeure, the Department lacks authority to extend federal deadlines for placement in service (including 10% test); and

WHEREAS, the precipitating events described in the request meet the requirements for force majeure events described in 10 TAC §11.6(5);

NOW, therefore, it is hereby

RESOLVED, the request for treatment of Hammack Creek Apartments under an application of the force majeure rule is approved, with the 2019 Qualified Allocation Plan and Uniform Multifamily Rules, and the 2020 Program Calendar applicable to the Development;

FURTHER RESOLVED, that the Department may issue a 2020 Carryover Agreement extending the 10% test deadline until March 1, 2021, with the extended placement in service deadline on June 30, 2022, to remain the same; and

FURTHER RESOLVED, that staff is authorized, empowered, and directed, for and on behalf of the Department to execute such documents, instruments and writings and perform such acts and deeds as may be necessary to effectuate the foregoing.

BACKGROUND

An award of \$1,500,000 in Competitive (9%) Housing Tax Credits to the Development was approved by the Board in July 2019. The Development proposed the New Construction of 112 Units for a general, mixed income population in Kennedale. Staff executed a Carryover Allocation Agreement with the Development Owner on December 13, 2019, that included a certification from the Development Owner that, in order to satisfy the requirements of §42 of the Internal Revenue Code, each building for which the allocation was made would be placed in service by December 31, 2021.

On November 3, 2020, the Department approved a request from the Development Owner to extend the placement in service deadline from December 31, 2021, to June 30, 2022.

On December 1, 2020, the Department received a request from the Development Owner to extend the 10% Test deadline to March 1, 2021. Alternatively, the Development Owner requested treatment under the provisions of 10 TAC §11.6(5) related to Credits Returns Resulting from Force Majeure Events, and requested to appear before the Board at this December 2020 meeting.

10 TAC §11.6(5) of the Qualified Allocation Plan (QAP), related to Credits Returns Resulting from Force Majeure Events, allows a Development Owner to return issued credits within three years of award, and have those credits re-allocated to the Development outside of the usual regional allocation system if all of the requirements of the subsection are met. Pursuant to 10 TAC §11.6(5), the Department's Governing Board may approve the execution of a current program year Carryover Allocation Agreement regarding the returned credits with the Development Owner that returned such credits only if:

(A) The credits were returned as a result of "Force Majeure" events that occurred before issuance of Forms 8609. **Force Majeure events are the following sudden and unforeseen circumstances outside the control of the Development Owner:** acts of God such as fire, tornado, flooding, significant and unusual rainfall or subfreezing temperatures, or loss of access to necessary water or utilities as a direct result of significant weather events; explosion; vandalism; orders or acts of military authority; unrelated party litigation; changes in law, rules, or regulations; national emergency or insurrection; riot; acts of terrorism; supplier failures; or materials or labor shortages. If a Force Majeure event is also a presidentially declared disaster, the Department may treat the matter under the applicable federal provisions. Force Majeure events must make construction activity impossible or materially impede its progress; (emphasis added).

Of the circumstances listed in the rule, the request indicates that force majeure might be triggered by a presidentially declared disaster, particularly the COVID-19 Pandemic, which is a Major Disaster declared

by the President. Per the request, Hammack Creek Apartments is located in a Major Disaster Area, defined as any city, county, or other local jurisdiction for which a Major Disaster has been declared by the President and which has been designated by the Federal Emergency Management Agency (FEMA) as eligible for Individual Assistance, Public Assistance, or both.

Presidentially Declared Major Disaster

Per the request:

- The Development Owner requested an Amendment to its Site Plan on April 28, 2020, due to COVID-related delays attributed to shutdowns. The Department approved the Development Owner's request to amend the Site Plan on June 20, 2020.
- A firm loan application was submitted to HUD on August 18, 2020. The submission was delayed due to Project Civil Engineer having to quarantine himself for 30 days.
- The typical processing time for HUD is approximately 60 days. The Development Owner and its financing partners expected HUD to complete processing on October 23, 2020.
- Due to delays on the part of HUD, the Syndicator applied for an extension of the placement-in-service (PIS) deadline on October 20, 2020. At that time, the Development Owner still expected to close on its HUD financing before the end of the year and thus did not request an extension to the 10% Test Deadline (i.e. if the closing were to occur as expected, Development Owner would meet its 10% Test Deadline).
- On November 3, 2020, the Department approved the Development Owner's request to extend the placement in service deadline from December 31, 2021, to June 30, 2020, due to the Development Owner's explanations regarding delays related to the Major Disaster.
- Due to very high-volume applications for interest rate reductions put into effect by the federal government to address the economic impact of the pandemic, the Development Owner's date of actual receipt of the HUD Firm Commitment Notice did not occur until November 23, 2020. This Firm Commitment was accompanied with a Closing Date of January 18, 2021.
- On November 30, 2020, the Development Owner received confirmation that its initially projected closing with HUD prior to the holidays (i.e. December 18, 2020) would not likely occur.
- Syndicator's Investment Committee Approval received on November 24, 2020.
- The Project Rate was locked on December 1, 2020. Anticipated submission of Final Closing Package to HUD is December 5, 2020. The projected closing date in January 2021 provided by HUD will prevent Owner from meeting its 10 % Test obligations under its current 2019 Carryover Agreement.

The request includes a timeline of relevant events and letters from the lender and investor expressing support for the request. The request consistently indicates that unless the deadline to meet the 10% test is extended, the parties will be unable to move forward with the project. TDHCA is not able to extend the 10% Test deadline to accommodate this later closing date, therefore treatment as an event of force majeure is the only option available to allow the proposed Development to move forward.

Staff has determined that the Development Owner has provided sufficient evidence of “sudden and unforeseen circumstances outside the control of the Development Owner” as described in 10 TAC §11.6(5). If the Board grants the request to consider this a force majeure event, the Development Owner’s return of \$1,500,000 in credits and execution of a 2020 Carryover Allocation Agreement, will result in the new date for the Development to meet its 10% test by March 1, 2021, for which the placed in service deadline will remain as previously extended to June 20, 2022, with the 2019 Qualified Allocation Plan and Uniform Multifamily Rules applicable to the Development.

If the Board denies the request regarding this force majeure event, the date by which the Development must be placed in service will remain as extended to June 30, 2022. However, the 10% Test deadline will not be extended and remain as December 31, 2020. Because the Development Owner anticipates not meeting the 10% Test deadline on December 31, 2020, the credits are expected to be returned. If the Development Owner returns the credits, the credits would first be made available in the subregion from which they were originally awarded, pursuant to 10 TAC §11.6(2), related to returned credits; in this case Region 3, Urban. There are pending Applications on the waiting list from that subregion. The next Application requests \$1,500,000, which equals the amount of credits that would be returned.

Staff recommends the Board approve the request for treatment of Hammack Creek Apartments under an application of the force majeure rule.

19315
Hammack Creek
Apartments
Force Majeure Request



600 Congress, Suite 2200
Austin, TX 78701
Telephone: 512-305-4700
Fax: 512-305-4800
www.lockelord.com

Cynthia L. Bast Direct
Telephone: 512-305-4707 Direct
Fax: 512-391-4707
cbast@lockelord.com

December 1, 2020

Via Email

Marni Holloway
Rosario Banuelos
Lee Ann Chance
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701

Re: Hammack Creek Apartments in Kennedale, Texas
(the "**Development**")
TDHCA No. 19315

Dear Marni, Rosario, and Lee Ann:

Our firm represents KD Hammack Creek Housing, LP ("**Owner**"), which received an allocation of low-income housing tax credits ("**Tax Credits**") from the Texas Department of Housing and Community Affairs ("**TDHCA**") for the construction of the Development, and this letter is sent on Owner's behalf. Owner previously received an extension of the placement in service deadline to June 30, 2022 (*see Exhibit 1* for a copy of the PIS extension approval), and pursuant to Section 42(h)(1)(E) of the Internal Revenue Code and IRS Notice 2020-53, Owner is required to meet the 10% Test by December 31, 2020 (the "**10% Test Deadline**").

Background

We expect that TDHCA is well aware of the unexpected turns that this Development has faced, as evidenced by the previous amendment request (the "**Prior Amendment Request**") that was submitted on April 28, 2020 and approved on June 25, 2020 and the prior extension of the placement in service deadline (the "**PIS Extension**"). As you might also know, Owner's debt financing will be a HUD-insured 221(d)(4) loan, and the HUD processing requirements are subject to their own timing considerations. At the time that the PIS extension request was submitted, extension of the 10% Test deadline was not anticipated because Owner was expending great efforts to receive – and had reasonable expectations that it would be able to receive – a closing date from HUD by end of this year.

However, Owner has experienced delays both in being able to submit its application to HUD and also in HUD processing times once the application was submitted. The HUD submission itself was slowed by various factors outside of Owner's control, such as delays in having final drawings to submit to HUD because the Development's civil engineer contracted COVID-19 and was not able to complete the drawings until he had recovered and was out of quarantine. And this was after the drawings were already delayed due to the site reconfigurations required by TxDOT and the City of Kennedale as described in the Prior Amendment Request. The impact of the delayed submission to HUD was compounded further by unforeseen delays within HUD. Owner has been advised that HUD is processing a very high volume of refinancing transactions resulting from a rate reduction plan that the federal government has implemented to address the economic impact of the pandemic. This has impeded HUD's ability to process Owner's application within the typical timeframe. The application to HUD was submitted on August 18, 2020 and in normal circumstances, HUD would have issued the Firm Commitment by October 23, 2020 and would have set a closing date within 45-60 days thereafter (which would have been by year end). However, in this case, for the reasons noted, the Firm Commitment was just received on November 23, 2020 along with a projected closing date of January 18, 2021. Achievement of the 10% Test is dependent on closing the financing; consequently, a closing in January 2021 means that the 10% Test will not be met by the current year-end 10% Test Deadline.

As of today's date, Owner has advised that it has received its HUD Firm Commitment, has locked the rate on the debt financing, and has obtained committee approval from its tax credit syndicator. Owner has also negotiated all of its financing with its investor and lender so that it will be ready to close as soon as a closing date is provided. The only significant item pending at this point is a closing date from HUD. Attached as Exhibit 2 are support letters from the lender and tax credit syndicator, confirming the current state of the financing process and the readiness to close. Throughout this process, Owner has been as diligent as possible and has done the best it could under these very testing circumstances of COVID-19 and HUD delays. A sequence of events prepared by Owner is attached for your reference as Exhibit 3.

Request for Relief

Owner submits this request for two alternative options for relief.

Option 1: First, Owner requests an extension of the 10% Test deadline. We understand that Owner has had discussions with TDHCA on the possibility of extending the 10% Test deadline and that TDHCA is seeking guidance from the IRS on whether the 10% Test deadline can be extended beyond December 31, 2020. We note also that IRS Notice 2014-49, which was the basis for the PIS Extension, also includes authority to extend the 10% Test deadline up to six months from what the deadline would otherwise be under Section 42(h)(1)(E)(ii). If IRS Notice 2014-49 and TDHCA's discussions with the IRS confirm that the 10% Test can be extended past the end of this year, we would respectfully request a new deadline of **March 1, 2021**. Because the delays necessitating this extension were outside Owner's control as explained above, we request that TDHCA, pursuant to Section 11.9(f) of the QAP, waive any penalties that may otherwise be imposed as a result of this extension request. Additionally, in light of the circumstances set forth

in this letter, we respectfully request a waiver of any extension fees. However, if it is determined that payment of an extension fee is required, a check can be provided upon TDHCA's request.

Option 2: Alternatively, if TDHCA determines that it lacks authority to further extend the 10% Test deadline, Owner requests approval to return the Tax Credits and receive a reallocation of Tax Credits in the current year pursuant to the "Force Majeure" provisions in Section 11.6(5) of the 2020 Qualified Allocation Plan (the "QAP"). We believe Owner and the Development meet all the requirements of Section 11.6(5), in that:

1. The Development has experienced delays since the site changes that were needed to comply with TxDOT and City of Kennedale requirements, as outlined in the Prior Amendment Request, and these have since been compounded by COVID-19 and HUD delays as described above.
2. The delays were not caused by willful negligence or acts of Owner, any Affiliate, or any other Related Party.
3. Owner took all steps available to mitigate the delays; however, consequences of the pandemic and actions of governmental staff, including HUD, are not within its control.
4. Owner substantially fulfilled all its obligations that were not impeded by the impacts of COVID and HUD processing delays. Owner has kept TDHCA informed, through the Prior Amendment Request and the request for the PIS Extension. Throughout Owner's efforts to overcome the challenges up to this point, it has remained optimistic that it would be able to obtain a closing date with HUD by the end of this year. The lender's notification of a January 2021 closing date was just received within the last week.
5. The inability to close until January 2021 will prevent Owner from meeting the 10% Test requirements of the original allocation.
6. The requested current year Carryover Agreement would allocate the same amount of Tax Credits as those that would be returned.
7. The Development continues to be financially viable. As noted, financing negotiations with the lender and investor are near final and the development budget remains in good order and has not been impacted by the closing delay described above.

Please feel free to contact me with any questions. We sincerely appreciate your assistance with this matter.

Respectfully submitted,



Cynthia L. Bast

cc: Deepak Sulakhe

December 1, 2020

Page 4

Exhibit 1 - PIS Extension

Exhibit 2 - Letters from Lender and Investor

Exhibit 3 - Sequence of Events

Exhibit 1
PIS Extension



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

www.tdhca.state.tx.us

Greg Abbott
GOVERNOR

BOARD MEMBERS
Vacant, *Chair*
Leslie Bingham, *Vice Chair*
Paul A. Braden, *Member*
Sharon Thomason, *Member*
Leo Vasquez, *Member*

November 3, 2020

Writer's direct dial: 512.475.3296
Email: bobby.wilkinson@tdhca.state.tx.us

Steven A. Napolitano
Boston Financial Investment Management
101 Arch Street
Boston, MA 02110
Email: steven.napolitano@bfim.com

RE: HAMMACK PLACE (THE DEVELOPMENT)
HTC #19315, CMTS ID 5533
EXTENSION OF PLACED IN SERVICE (PIS) DEADLINE

Dear Mr. Napolitano:

The Texas Department of Housing and Community Affairs (the Department) received your letter dated October 28, 2020, requesting an extension of the December 31, 2021, PIS deadline required in accordance with IRC §42(h)(1) and the Development's Carryover Allocation Agreement. You state that the COVID-19 pandemic has affected the project's timeline. You anticipate closing in the next 45 days. However, based on the current construction schedule, the project is anticipated to be completed in February 2022, and therefore, the Development cannot meet the PIS deadline. Also, you state there will be an issue in closing with the investor if there is not a three-month cushion between a project's completion and its PIS deadline. Therefore, you request a six-month extension of the PIS deadline for the Development.

Revenue Procedure 2014-49, issued by the Internal Revenue Service (IRS), provides latitude to the allocating agency to approve relief to the placed in service requirements for those projects located in a Major Disaster Area, defined as any city, county, or other local jurisdiction for which a Major Disaster has been declared by the President and which has been designated by the Federal Emergency Management Agency (FEMA) as eligible for Individual Assistance, Public Assistance, or both. On March 25, 2020, under FEMA DR-4485-TX, notice was given of a Major Disaster declaration resulting from the COVID-19 pandemic that includes all of Texas counties as eligible to receive individual and public assistance. Therefore, based on the Department's authority under IRS Revenue Procedure 2014-49, the



HAMMACK CREEK (THE DEVELOPMENT)
HTC #19315, CMTS ID 5533
EXTENSION OF PLACED IN SERVICE (PIS) DEADLINE
NOVEMBER 3, 2020
PAGE 2

six-month extension of the PIS deadline from December 31, 2021, to **June 30, 2022**, is approved for the Development.

If you have any questions, please contact the Asset Manager for the Development, Lee Ann Chance, at leeann.chance@tdhca.state.tx.us or (512) 936-7835.

Sincerely,

A handwritten signature in black ink, appearing to read "Bobby Wilkinson" with a stylized flourish at the end.

Bobby Wilkinson
Executive Director

BW/lac

Exhibit 2

Letters from Lender and Investor



Boston Financial
Investment Management, LP
a Limited Partnership

101 Arch Street
Boston, Massachusetts 02110
T: 617.439.3911
F: 617.439.9978
www.bfim.com

December 1, 2020

KD Hammack Creek Housing, LP
Mr. Deepak P. Sulakhe
President / CEO, OM Housing
5033 Brookview Drive
Dallas, Texas 75220

**Re: Hammack Creek Apartments
Kennedale, Texas**

Dear Deepak,

I am writing regarding our investment in Hammack Creek Apartments. We have finalized our due diligence and are looking forward to closing a tax credit deal in Kennedale. At this point, we have obtained Screening Committee approval, are going to Investment Committee on Monday (12/8) where I expect to get final approval, and have turned in 2 rounds of the draft partnership agreement and ancillary docs and expect to finalize these very soon.

The development has just secured a HUD Firm Commitment as of November 23, 2020 and is expected to rate lock on December 1st, 2020. However, we have since learned that due to very high volume of applications HUD has given a closing date of January 18, 2021, which is beyond the deadline date of the development's 10% Test deadline. Provided we have the 10% extension, we will be ready to close when HUD is.

Under these circumstances, we would not be able to make an investment in this transaction unless we could be assured that some sort of extension of the 10% Test was possible. Some states, like North Carolina, have extension procedures within their actual QAPs. I'm not certain as to how Texas handles situations like this, but we've found most states to be amenable to agreeing to extensions if the conditions giving rise to them are out of the developer's control. We believe that this would certainly be one of those cases.

As a result, we are formally asking that you pursue an extension. If we're going to be able to proceed to a closing on Hammack Creek, we'll need to know that we'll have an extension in hand in order to get concerns about the 10% Test risk off the table. If you have any questions, please call me directly at 617-488-3524.

Sincerely,

A handwritten signature in black ink, appearing to read "SAN", with a horizontal line underneath.

Steven A. Napolitano
Senior Vice President



December 1, 2020

KD Hammack Creek Housing, LP
Mr. Deepak P. Sulakhe
President & CEO
OM Housing, LLC
5033 Brookview Drive
Dallas, TX 75220

Re: Extension of the 10% Test for Hammack Creek Apartments in Kennedale, TX

Dear Mr. Sulakhe,

Colliers Mortgage, LLC has underwritten the Hammack Creek Apartments project – the proposed 112 unit mixed income family apartment project in Kennedale, Texas.

Hammack Creek Apartments received the HUD Firm Commitment on November 23, 2020. However, due to a very high volume of applications, HUD has given us a target closing date of January 18, 2021 which is beyond the date of the 10% Test Deadline. We anticipate submitting the Final Closing Package to HUD by December 8, 2020, but do not expect HUD to give us a closing date before or by the end of this year.

Colliers has been working closely with the sponsor, Deepak Sulakhe and OM Housing on underwriting and closing the project. This project reportedly received a six (6) month extension on the Placed In Service date. However, reportedly the 10% Test cannot be met without closing of the financing. As stated, Colliers does not anticipate HUD allowing a closing until after the end of 2020.

Colliers is in support of the 10% Test date being extended. Additionally, Colliers is confident this project will make an impact in the community and provide much needed affordable housing.

Sincerely,

A handwritten signature in blue ink that reads "Jeffrey L. Rogers". The signature is written in a cursive style and is positioned above a horizontal line.

Jeffery L. Rogers, MAI, CCIM
Senior Vice President

Exhibit 3
Sequence of Events

- 1) Submission of Site Plan Amendment to TDHCA on April 28th, 2020. Submission delayed due to Covid shutdowns.
- 2) TDHCA approval of Site Plan Amendment on June 20th, 2020.
- 3) Firm Application submitted to HUD on August 18th, 2020. Submission delayed due to Project Civil Engineer having to quarantine himself for several weeks
- 4) HUD's typical processing time is 60 days, which was to be October 23rd, 2020.
- 5) Since HUD was delayed, Syndicator applied for an extension of the placement in service (PIS) deadline on October 20th, 2020. At this time, it was still expected to close before end of the year and meet the 10% Test Deadline.
- 6) TDHCA approval to extend PIS from December 31st, 2021 to June 30th, 2020 was granted on November 3rd, 2020.
- 7) Due to very high-volume applications for interest rate reductions put into effect by the federal government to address the economic impact of the pandemic, date of actual receipt of HUD Firm Commitment was November 23rd 2020. This Firm Commitment was accompanied with a Closing Date of January 18, 2021.
- 8) On November 30th, 2020 it was confirmed that chances of closing this project with HUD prior to the holidays (ie. December 18th, 2020) was very slim to nil.
- 9) Syndicator's Investment Committee Approval – November 24th, 2020.
- 10) Project Rate Locked – December 1st, 2020.
- 11) Anticipated submission of Final Closing Package to HUD December 5th, 2020.
- 12) Project ready to close upon given a closing date by HUD.



December 2, 2020

Ms. Marnie Holloway
Multifamily Finance Director
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701

via email

Re: Extension of the 10% Test for Hammack Creek Apartments, Kennedale, Texas

Ms. Holloway:

Barron-Stark Engineers, LP is the civil engineering & surveying consultant for Hammack Creek Apartments – the proposed 112 unit mixed income family apartment project in Kennedale, Texas. It is my understanding the project is running up against a timing issue with closing originally anticipated by the end of 2020. Some of the key milestones that have been that have been achieved to date are:

- Project submittal of the Site Plan Amendment to TDHCA on April 28, 2020 which was delayed due to COVID-19 shutdown
- TDHCA approval of Site Plan Amendment was on June 20th, 2020
- Firm application was submitted to HUD on August 18, 2020; however submission was delayed due to the fact I had to quarantine myself for several weeks due to having the COVID-19 virus.

Unfortunately, I was forced to be away from the office for approximately 30 days due to both my wife and myself contracting the virus. Even though I attempted to work remotely, it proved to be very difficult due to the nature of what we do. In a home setting it is not possible to print large engineering documents or allocate workspace to work on 24" x 36" sheets of paper. Since returning to the office, it has been an ongoing challenge to push the projects forward from that 30 day delay and I know the reviewing entities have also experienced the same challenges.

Barron-Stark Engineers are in support of the 10% Test date extension and feel strongly this project will have a very positive effect for the Kennedale community.

Sincerely,

Barron-Stark Engineers, LP

Charles Stark, PE, RPLS
Managing Principal

6221 Southwest Boulevard, Suite 100, Fort Worth, Texas 76132
817-231-8100 * 817-231-8144 (fax)
Texas Engineering Firm F-10998 * Texas Surveying Firm #10158800

From: Jeff.Rogers@colliers.com
To: dsulakhe@omhousing.com
Cc: jbrasic@omhousing.com
Subject: Hammack Creek Response from HUD - NOT GOOD on closing this year
Attachments: [image002.png](#)

Deepak,

Michelle Snedden had e-mailed HUD that we would have the package in this week and we need to close this year. HUD's closing coordinator response is below in **yellow**. I just sent you the letter for the 10% test extension support so we need you to get approval for the 10% test extension.

From: Richardson, Alma L [\[mailto:Alma.L.Richardson@hud.gov\]](mailto:Alma.L.Richardson@hud.gov)
Sent: Tuesday, December 1, 2020 10:41 AM
To: Michelle Snedden; Lisa Hermann; Terry Skartsiaris
Cc: Kinnear, Christopher S; Lloyd, Beatrice H; Grego, Edward C; Cofield, Brandon R
Subject: RE: Hammack Creek Apartments / FHA #113-35888 / Kennedale, TX / 221(d)(4) -- Hello/Target Closing Date Email

EXTERNAL EMAIL

Michelle,

The closing will not be scheduled this year.

Lisa Richardson

Senior Closing Coordinator

U.S. Department of Housing and Urban Development
Multifamily Southwest Region
Fort Worth Regional Center-6AHMLAP
307 W. 7th Street, Ste 1000
Fort Worth, Texas 76102
(817) 978-5793
lisa.richardson@hud.gov

Jeff Rogers, MAI, CCIM

Senior Vice President
Colliers Mortgage
214-207-7030
jeff.rogers@colliers.com

-
Colliers International
16775 Addison Road, Suite 470
Addison, Texas 75001| United States
www.colliers.com



From: [Richardson, Christine](#)
To: [Marni Holloway](#); [Rosalio Banuelos](#); [Lee Ann Chance](#); [Alena Morgan](#); [Matthew Griego](#)
Cc: [Deepak P. Sulakhe](#); [Jeannie Brasic](#); [Bast, Cynthia L.](#)
Subject: RE: Hammack Creek (No. 19315) - 10% test relief
Date: Wednesday, December 02, 2020 12:26:01 PM
Attachments: [TDHCA Letter 12-02-2020.pdf](#)
[Hammack Creek Response from HUD - NOT GOOD on closing this year.msg](#)
[FW Hammack Creek 10% Test Extension Letter HUD delay support.msg](#)

Please see attached, as follows:

- Letter from the project engineer detailing the delays with the plans.
- E-mail chain containing the HUD closing coordinator's statement that the Hammack closing will not be scheduled this year.
- E-mail from lender with a list of 45 deals that are ahead of Hammack for processing with HUD as of November 20. The list shows that some of these deals are not even scheduled to be assigned for closing until the end of the year, so Hammack would be even later in line to be assigned.

Christine ("Chris") R. Richardson
[Locke Lord LLP](#)
512-305-4754 (Phone) • 512-391-4754 (Fax)
crichardson@lockelord.com

From: Marni Holloway <marni.holloway@tdhca.state.tx.us>
Sent: Wednesday, December 2, 2020 7:34 AM
To: Richardson, Christine <CRichardson@lockelord.com>; Rosalio Banuelos <rosalio.banuelos@tdhca.state.tx.us>; Lee Ann Chance <leeann.chance@tdhca.state.tx.us>; Alena Morgan <alena.morgan@tdhca.state.tx.us>; Matthew Griego <matthew.griego@tdhca.state.tx.us>
Cc: Deepak P. Sulakhe <dsulakhe@omhousing.com>; Jeannie Brasic <jbrasic@omhousing.com>; Bast, Cynthia L. <CBast@lockelord.com>
Subject: RE: Hammack Creek (No. 19315) - 10% test relief

**** External email ****

Good morning Christine –

We are planning to put this on the Agenda as a force majeure request at the 12/10 Board meeting. The Agenda will post today.

Is there any correspondence with correspondence with HUD available that discusses the delays you've described in the letter, or with the civil engineer describing those delays?

Thanks,
Marni

Marni Holloway

Multifamily Finance Director
Texas Department of Housing and Community Affairs
221 E. 11th Street | Austin, TX 78701
(512) 475-1676

Reminder for Direct Loan Borrowers: TDHCA will not close earlier than 30 days after receipt of complete due diligence documents. We will not honor closings scheduled without our confirmation.

Any person receiving guidance from TDHCA staff should be mindful that, as set forth in 10 TAC Section 11.1(b) there are important limitations and caveats.

About TDHCA

The Texas Department of Housing and Community Affairs administers a number of state and federal programs through for-profit, nonprofit, and local government partnerships to strengthen communities through affordable housing development, home ownership opportunities, weatherization, and community-based services for Texans in need. For more information, including current funding opportunities and information on local providers, please visit www.tdhca.state.tx.us

From: Richardson, Christine <CRichardson@lockelord.com>
Sent: Tuesday, December 01, 2020 5:11 PM
To: Marni Holloway <marni.holloway@tdhca.state.tx.us>; Rosalio Banuelos <rosalio.banuelos@tdhca.state.tx.us>; Lee Ann Chance <leeann.chance@tdhca.state.tx.us>
Cc: Deepak P. Sulakhe <dsulakhe@omhousing.com>; Jeannie Brasic <jbrasic@omhousing.com>; Bast, Cynthia L. <CBast@lockelord.com>
Subject: RE: Hammack Creek (No. 19315) - 10% test relief

There was an incorrect exhibit that was attached to the prior letter. Please use the attached instead. I apologize for any confusion.

Thanks.

Christine ("Chris") R. Richardson
Locke Lord LLP
512-305-4754 (Phone) • 512-391-4754 (Fax)
crichardson@lockelord.com

From: Richardson, Christine
Sent: Tuesday, December 1, 2020 4:48 PM
To: Marni Holloway <marni.holloway@tdhca.state.tx.us>; 'rosalio.banuelos@tdhca.state.tx.us' <rosalio.banuelos@tdhca.state.tx.us>; 'Lee Ann Chance' <leeann.chance@tdhca.state.tx.us>
Cc: Deepak P. Sulakhe <dsulakhe@omhousing.com>; 'Jeannie Brasic' <jbrasic@omhousing.com>; Bast, Cynthia L. <CBast@lockelord.com>
Subject: Hammack Creek (No. 19315) - 10% test relief

Attached is a letter requesting 10% test relief for the referenced project. This is a follow up to discussions that the developer has been having with the Department on this topic. Please let us

know if any additional information will be required.

Thank you.

Christine ("Chris") R. Richardson
Locke Lord LLP
600 Congress Avenue, Suite 2200
Austin, Texas 78701
512-305-4754 Direct
512-391-4754 Fax
crichardson@lockelord.com
www.lockelord.com

[Redacted Signature]

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5a

BOARD REPORT ITEM
INTERNAL AUDIT DIVISION
December 10, 2020

Report on the Meeting of the Audit and Finance Committee and Action on recommendations of that committee

Verbal Report

5b

BOARD ACTION REQUEST
INTERNAL AUDIT DIVISION
December 10, 2020

Presentation, Discussion and Possible Action on approval of the Fiscal Year 2021 Internal Audit Work Plan.

RECOMMENDED ACTION

WHEREAS, the Tex. Gov't Code §2306.073 (b), the Internal Auditing Act and audit standards require the Department's Governing Board to approve an annual audit work plan that outlines the internal audit projects planned for the fiscal year; and

WHEREAS, the Audit and Finance Committee of the Board recommends approval of the work plan;

NOW, therefore, it is hereby

RESOLVED, the internal audit work plan for Fiscal Year 2021 is approved as presented.

BACKGROUND

The annual internal audit work plan is required by the Tex. Gov't Code §2306.073 (b), the Texas Internal Auditing Act (Tex. Gov't Code Chapter 2102) and by the International Standards for the Professional Practice of Internal Auditing (Standards). The plan is prepared by the internal auditor based on an agency-wide risk assessment as well as input from the Department's Governing Board and executive management. The plan identifies the individual audits to be conducted during Fiscal Year 2020. The plan also outlines other planned activities that will be performed by the Internal Audit Division.

6

BOARD ACTION REQUEST
HOUSING RESOURCE CENTER
DECEMBER 10, 2020

Presentation, discussion, and possible action on the draft 2021 State of Texas Low Income Housing Plan and Annual Report; proposed repeal of 10 TAC Chapter 1, Subchapter A, General Policies and Procedures, §1.23 concerning State of Texas Low Income Housing Plan and Annual Report; proposed new 10 TAC Chapter 1, Subchapter A, General Policies and Procedures, §1.23 concerning State of Texas Low Income Housing Plan and Annual Report; and directing their publication for public comment in the *Texas Register*

RECOMMENDED ACTION

WHEREAS, Tex. Gov't Code §2306.0721 requires that the Department produce a state low income housing plan, and Tex. Gov't Code §2306.0722 requires that the Department produce an annual low income housing report;

WHEREAS, Tex. Gov't Code §2306.0723 requires that the Department consider the annual low income housing report to be a rule;

WHEREAS, the draft 2021 State of Texas Low Income Housing Plan and Annual Report (SLIHP) has been developed as a proposed rule, by reference, and must be published for public comment;

WHEREAS, 10 TAC §1.23, which adopts the SLIHP by reference, is required to be repealed and replaced to reflect the updated SLIHP; and

WHEREAS, upon authorization of this item, the proposed rule action will be published in the *Texas Register* for public comment from December 21, 2020, through January 11, 2021;

NOW, therefore, it is hereby

RESOLVED, that staff is hereby directed to cause the draft 2021 State of Texas Low Income Housing Plan and Annual Report, in the form presented to this meeting, together with such grammatical and non-substantive technical corrections as they may deem necessary or advisable, to be published online for public comment, a notice of which will be published in the *Texas Register*, and in connection therewith, to make such non-substantive grammatical and technical changes as they deem necessary or advisable; and

FURTHER RESOLVED, that the Executive Director and his designees be and each of them are hereby authorized, empowered, and directed, for and on behalf of the Department, to cause the proposed repeal and proposed new 10 TAC §1.23, State of Texas Low Income Housing Plan and Annual Report, in the form presented to this meeting to be published in the *Texas Register* for review and public comment, and in connection therewith, to make such non-substantive technical corrections as they may deem necessary to effectuate the foregoing including any changes required to the preambles.

BACKGROUND

Overview

The Texas Department of Housing and Community Affairs (TDHCA or the Department) is required to prepare and submit to the Board not later than March 18 of each year an annual report of the Department's housing activities for the preceding year. This State of Texas Low Income Housing Plan and Annual Report (SLIHP) must be submitted annually to the Governor, Lieutenant Governor, Speaker of the House, and legislative oversight committee members not later than 30 days after the Board receives and approves the final SLIHP. The document offers a comprehensive reference on statewide housing needs, housing resources, and strategies for funding allocations. It reviews TDHCA's housing programs, current and future policies, resource allocation plans to meet state housing needs, and reports on performance during the preceding state fiscal year (September 1, 2019, through August 31, 2020).

Proposed Rule and Public Comment

Tex. Gov't Code §2306.0723 requires that the Department consider the SLIHP to be a rule and in developing the SLIHP, the Department is required to follow rulemaking procedures required by Texas Government Code, Chapter 2001. Attachments A and B provided under this item propose the repeal and new replacement of 10 TAC §1.23, State of Texas Low Income Housing Plan and Annual Report, which adopts the SLIHP by reference, and directs their publication for public comment in the *Texas Register*. The proposed repeal and proposed new rule will be made available for 22 days of public comment from Monday, December 21, 2020, through Monday, January 11, 2021. Note that the Proposed Rulemaking actions and the draft 2021 SLIHP have different public comment period dates for accepting public comment due to the *Texas Register* posting schedule. Both comment periods start on the same day, but the rule comment period ends earlier as the required comment period is shorter.

Draft 2021 SLIHP and Public Comment

The draft 2021 SLIHP will be made available for 30 days of public comment from Monday, December 21, 2020, through Tuesday, January 19, 2021, at 5:00 pm Austin local time. Written comments may be submitted to the Texas Department of Housing and Community Affairs, Elizabeth Yevich, SLIHP Comments, P.O. Box 13941, Austin, Texas 78711-3941, by email to the following address: info@tdhca.state.tx.us, or by fax to (512) 475-0070. A public hearing for the draft 2021 SLIHP will be held at 2:00 p.m. Austin local time on Wednesday, January 6, 2021, over the GoToWebinar service, utilizing the link <https://attendee.gotowebinar.com/register/8476235604948078349>. Participants can also call into the public hearing using the phone number +1 (631) 992-3221 with the access code 567-267-210.

The full text of the draft 2021 SLIHP may be viewed at the Department's website at either of the following two locations: TDHCA Public Comment Center: <http://www.tdhca.state.tx.us/public-comment.htm> or TDHCA Board Meeting Information Center: <https://www.tdhca.state.tx.us/board/meetings.htm>. The public may also receive a copy of the draft 2021 SLIHP by contacting the Department's Housing Resource Center at (512) 475-3976.

It is expected that the 2021 SLIHP and the final rule action will be presented to the Board for approval at the board meeting on Thursday, February 11, 2021. The approved 2021 SLIHP will then be distributed to the Governor, Lieutenant Governor, Speaker of the House, and legislative oversight committee members.

Summary of changes in the draft 2021 SLIHP

- Section 1: Introduction
 - Added information about TDHCA's Community Development Block Grant (CDBG) CARES Division under Institutional Structure and Administrative Structure headings
 - Updated Administrative Structure section to reflect merger of Home and Homelessness Programs Division and the OCI, HTF, and NSP Division into the Single Family and Homeless Programs Division.
- Section 2: Housing Analysis
 - Updated statewide and regional housing analysis.
 - Edited Data Sources and Limitations section to explain data limitations in tracking the effects of the COVID-19 pandemic.
 - Simplified racial and poverty demographic analysis to more adequately explain the importance of in-group poverty rates.
 - Updated Urban-Rural Regions Map to reflect that Aransas County is now rural and Harrison County is now urban.
 - Updated special populations sections to be consistent with the most recent data available for each special population.
 - Added COVID-19 information to special populations, including elderly persons, migrant farmworkers, persons experiencing homelessness, persons with substance abuse disorders, persons with disabilities, and persons in poverty.
 - Updated housing needs section data to align with most recent CHAS data from HUD.
 - Edited foreclosure data narrative to reference decreases in foreclosures due to COVID-19
 - Updated Subsidized Housing Inventory and Public Assistance Requests Sections.
- Section 3: Annual Report
 - Updated to reflect FY 2020 program performance by households/individuals and income group.
- Section 4: Action Plan
 - Added CDBG CARES Division to Program Descriptions section.
 - Updated for program descriptions, including for the Single Family and Homeless Programs Division
 - Updated RAF examples for SFY 2021.
 - Addition of CARES Act information for ESG CARES, CSBG, and Section 8.
- Section 5: Public Participation
 - Updated descriptions for workgroup activities.
 - Added reference to virtual meeting use during the COVID-19 pandemic.
 - Updated time and date of SLIHP public hearing.
- Section 6: Colonia Action Plan
 - Updated to reflect the 2021-2022 biennium which includes data updates.
- Section 8: Appendices
 - Updated bibliography to reflect changes in references
 - Updated regional breakouts for demographic and special populations data

Attachment A: Preamble, including required analysis, for proposed repeal of 10 TAC §1.23 State of Texas Low Income Housing Plan and Annual Report (SLIHP)

The Texas Department of Housing and Community Affairs (the Department) proposes the repeal of 10 TAC Chapter 1, Subchapter A, General Policies and Procedures, §1.23, State of Texas Low Income Housing Plan and Annual Report (SLIHP). The purpose of the proposed repeal is to eliminate an outdated rule while adopting a new updated rule under separate action, in order to adopt by reference the 2021 SLIHP.

The Department has analyzed this proposed rulemaking and the analysis is described below for each category of analysis performed.

a. GOVERNMENT GROWTH IMPACT STATEMENT REQUIRED BY TEX. GOV'T CODE §2001.0221.

1. Mr. Bobby Wilkinson, Executive Director, has determined that, for the first five years the proposed repeal would be in effect, the proposed repeal does not create or eliminate a government program, but relates to the repeal, and simultaneous adoption by reference the 2021 SLIHP, as required by Tex. Gov't Code §2306.0723.

2. The proposed repeal does not require a change in work that would require the creation of new employee positions, nor is the proposed repeal significant enough to reduce work load to a degree that any existing employee positions are eliminated.

3. The proposed repeal does not require additional future legislative appropriations.

4. The proposed repeal does not result in an increase in fees paid to the Department nor in a decrease in fees paid to the Department.

5. The proposed repeal is not creating a new regulation, except that it is being replaced by a new rule simultaneously to provide for revisions.

6. The proposed action will repeal an existing regulation, but is associated with a simultaneous re-adoption in order to adopt by reference the 2021 SLIHP.

7. The proposed repeal will not increase nor decrease the number of individuals subject to the rule's applicability.

8. The proposed repeal will not negatively nor positively affect this state's economy.

b. ADVERSE ECONOMIC IMPACT ON SMALL OR MICRO-BUSINESSES OR RURAL COMMUNITIES AND REGULATORY FLEXIBILITY REQUIRED BY TEX. GOV'T CODE §2006.002.

The Department has evaluated this proposed repeal and determined that the proposed repeal will not create an economic effect on small or micro-businesses or rural communities.

c. TAKINGS IMPACT ASSESSMENT REQUIRED BY TEX. GOV'T CODE §2007.043. The proposed repeal does not contemplate or authorize a taking by the Department; therefore, no Takings Impact Assessment is required.

d. LOCAL EMPLOYMENT IMPACT STATEMENTS REQUIRED BY TEX. GOV'T CODE §2001.024(a)(6).

The Department has evaluated the proposed repeal as to its possible effects on local economies and has determined that for the first five years the proposed repeal would be in effect there would be no

economic effect on local employment; therefore, no local employment impact statement is required to be prepared for the rule.

e. PUBLIC BENEFIT/COST NOTE REQUIRED BY TEX. GOV'T CODE §2001.024(a)(5). Mr. Wilkinson has determined that, for each year of the first five years the proposed repeal is in effect, the public benefit anticipated as a result of the repealed section would be an updated more germane rule that will adopt by reference the 2021 SLIHP. There will not be economic costs to individuals required to comply with the repealed section.

f. FISCAL NOTE REQUIRED BY TEX. GOV'T CODE §2001.024(a)(4). Mr. Wilkinson also has determined that for each year of the first five years the proposed repeal is in effect, enforcing or administering the repeal does not have any foreseeable implications related to costs or revenues of the state or local governments.

REQUEST FOR PUBLIC COMMENT. The 22 day public comment period for the rule will be held Monday, December 21, 2020, to Monday, January 11, 2021, to receive input on the proposed repealed section. Written comments may be submitted to the Texas Department of Housing and Community Affairs, Attn: Elizabeth Yevich, Rule Comments, P.O. Box 13941, Austin, Texas 78711-3941, by fax to (512) 475-0070, or email info@tdhca.state.tx.us. ALL COMMENTS MUST BE RECEIVED BY 5:00 p.m., Austin local time, MONDAY, JANUARY 11, 2021.

STATUTORY AUTHORITY. The proposed repeal is made pursuant to Tex. Gov't Code §2306.053, which authorizes the Department to adopt rules. Except as described herein the proposed repealed section affects no other code, article, or statute.

10 TAC §1.23 State of Texas Low Income Housing Plan and Annual Report (SLIHP)

Attachment B: Preamble for proposed new 10 TAC §1.23 State of Texas Low Income Housing Plan and Annual Report (SLIHP)

The Texas Department of Housing and Community Affairs (the Department) proposes new 10 TAC Chapter 1, Subchapter A, General Policies and Procedures, §1.23 State of Texas Low Income Housing Plan and Annual Report (SLIHP). The purpose of the proposed new section is to provide compliance with Tex. Gov't Code §2306.0723 and to adopt by reference the 2021 SLIHP, which offers a comprehensive reference on statewide housing needs, housing resources, and strategies for funding allocations. The 2021 SLIHP reviews TDHCA's housing programs, current and future policies, resource allocation plans to meet state housing needs, and reports on performance during the preceding state fiscal year (September 1, 2019, through August 31, 2020).

Tex. Gov't Code §2001.0045(b) does not apply to the rule proposed for action because it is exempt under item (c)(9) because it is necessary to implement legislation. Tex. Gov't Code §2306.0721 requires that the Department produce a state low income housing plan, and Tex. Gov't Code §2306.0722 requires that the Department produce an annual low income housing report. Tex. Gov't Code §2306.0723 requires that the Department consider the annual low income housing report to be a rule. This rule provides for adherence to that statutory requirement. Further no costs are associated with this action, and therefore no costs warrant being offset.

The Department has analyzed this proposed rulemaking and the analysis is described below for each category of analysis performed.

a. GOVERNMENT GROWTH IMPACT STATEMENT REQUIRED BY TEX. GOV'T CODE §2001.0221.

Mr. Bobby Wilkinson, Executive Director, has determined that, for the first five years the proposed new rule would be in effect:

1. The proposed new rule does not create or eliminate a government program, but relates to the adoption, by reference, of the 2021 SLIHP, as required by Tex. Gov't Code §2306.0723.
2. The proposed new rule does not require a change in work that would require the creation of new employee positions, nor are the rule changes significant enough to reduce work load to a degree that eliminates any existing employee positions.
3. The proposed new rule changes do not require additional future legislative appropriations.
4. The proposed new rule changes will not result in an increase in fees paid to the Department, nor in a decrease in fees paid to the Department.
5. The proposed new rule is not creating a new regulation, except that it is replacing a rule being repealed simultaneously to provide for revisions.
6. The proposed new rule will not expand, limit, or repeal an existing regulation.
7. The proposed new rule will not increase or decrease the number of individuals subject to the rule's applicability.
8. The proposed new rule will not negatively or positively affect the state's economy.

b. ADVERSE ECONOMIC IMPACT ON SMALL OR MICRO-BUSINESSES OR RURAL COMMUNITIES AND REGULATORY FLEXIBILITY REQUIRED BY TEX. GOV'T CODE §2006.002. The Department, in drafting this proposed rule, has attempted to reduce any adverse economic effect on small or micro-business or rural communities while remaining consistent with the statutory requirements of Tex. Gov't Code §2306.0723.

1. The Department has evaluated this rule and determined that none of the adverse effect strategies outlined in Tex. Gov't Code §2006.002(b) are applicable.

2. There are no small or micro-businesses subject to the proposed rule for which the economic impact of the rule is projected to be null. There are no rural communities subject to the proposed rule for which the economic impact of the rule is projected to be null.

3. The Department has determined that because the proposed rule will adopt by reference the 2021 SLIHP, there will be no economic effect on small or micro-businesses or rural communities.

c. TAKINGS IMPACT ASSESSMENT REQUIRED BY TEX. GOV'T CODE §2007.043. The proposed rule does not contemplate nor authorize a taking by the Department; therefore, no Takings Impact Assessment is required.

d. LOCAL EMPLOYMENT IMPACT STATEMENTS REQUIRED BY TEX. GOV'T CODE §2001.024(a)(6).

The Department has evaluated the rule as to its possible effects on local economies and has determined that for the first five years the rule will be in effect the proposed rule has no economic effect on local employment because the proposed rule will adopt by reference the 2021 SLIHP; therefore, no local employment impact statement is required to be prepared for the rule.

Tex. Gov't Code §2001.022(a) states that this "impact statement must describe in detail the probable effect of the rule on employment in each geographic region affected by this rule..." Considering that the proposed rule will adopt by reference the 2021 SLIHP there are no "probable" effects of the new rule on particular geographic regions.

e. PUBLIC BENEFIT/COST NOTE REQUIRED BY TEX. GOV'T CODE §2001.024(a)(5). Mr. Wilkinson has determined that, for each year of the first five years the new section is in effect, the public benefit anticipated as a result of the new section will be an updated and more germane rule that will adopt by reference the 2021 SLIHP, as required by Tex. Gov't Code §2306.0723. There will not be any economic cost to any individuals required to comply with the new section because the adoption by reference of prior year SLIHP documents has already been in place through the rule found at this section being repealed.

f. FISCAL NOTE REQUIRED BY TEX. GOV'T CODE §2001.024(a)(4). Mr. Wilkinson also has determined that for each year of the first five years the new section is in effect, enforcing or administering the new section does not have any foreseeable implications related to costs or revenues of the state or local governments because the new rule will adopt by reference the 2021 SLIHP.

REQUEST FOR PUBLIC COMMENT. The 22 day public comment period for the rule will be held Monday, December 21, 2020, to Monday, January 11, 2021, to receive input on the new proposed section. Written comments may be submitted to the Texas Department of Housing and Community Affairs, Attn: Elizabeth Yevich, Rule Comments, P.O. Box 13941, Austin, Texas 78711-3941, by fax to (512) 475-0070,

or email info@tdhca.state.tx.us. ALL COMMENTS MUST BE RECEIVED BY 5:00 p.m., Austin local time, MONDAY, JANUARY 11, 2021.

STATUTORY AUTHORITY. The new section is proposed pursuant to Tex. Gov't Code §2306.053, which authorizes the Department to adopt rules. Except as described herein the proposed new section affects no other code, article, or statute.

§1.23 State of Texas Low Income Housing Plan and Annual Report (SLIHP)

The Texas Department of Housing and Community Affairs (TDHCA or the Department) adopts by reference the ~~2021~~2020 State of Texas Low Income Housing Plan and Annual Report (SLIHP). The full text of the ~~2021~~2020 SLIHP may be viewed at the Department's website: www.tdhca.state.tx.us. The public may also receive a copy of the ~~2021~~2020 SLIHP by contacting the Department's Housing Resource Center at (512) 475-3976.

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BOARD ACTION REQUEST
TEXAS HOMEOWNERSHIP DIVISION
DECEMBER 10, 2020

Presentation, discussion, and possible action on the Participating Lender List for the Single Family Mortgage Loan and Mortgage Credit Certificate Programs.

RECOMMENDED ACTION

WHEREAS, pursuant to Tex. Gov't Code §2306.149, the Board has the specific duty and power to compile a list of approved mortgage lenders; and

WHEREAS, the Department has compiled a Participating Lender List for the Single Family Mortgage Loan and Mortgage Credit Certificate Programs;

NOW, therefore, it is hereby

RESOLVED, that the attached Participating Lender List is approved for use in conjunction with the Single Family Mortgage Loan and MCC Programs.

BACKGROUND

Attached is the current Participating Lender List for both the Single Family Mortgage Loan and Mortgage Credit Certificate Programs. The process to request to become a Participating Lender is open, ongoing, and non-competitive. The Single Family Mortgage Loan lender approval process is a shared process between TDHCA and the Master Servicer (currently Idaho Housing and Finance Association). As a condition precedent to participation in a Program, the proposed Mortgage Lender must first have been approved by the Servicer and shall have executed and delivered an Application to Participate, the Master Mortgage Origination Agreement, and/or the Master Mortgage Credit Certificate Participation Agreement, as well as an Opinion of Counsel and Board Resolution related to participation in the program. Proposed Mortgage Lenders can submit documentation for consideration at any time. To keep participating lenders advised of current policies and maintain current written agreements, all lenders are required to execute the Annual Acknowledgement of Program Participation in the TDHCA Single Family Mortgage Loan and/or Mortgage Credit Certificate programs. Additionally, a three-year lender recertification, including execution of all program documents, is required. On an annual basis, the Master Servicer conducts a review of the financial statements and quality control systems of participating lenders. To date, 235 lending institutions providing mortgage options throughout the state been approved to participate in one or both of the Department's single family programs. Of the list below, 11 are new participants to the program(s) that were added this year.

In an effort to maintain a well-trained and knowledgeable lender network, online lender trainings are available year round, on demand, through our program administrator. These trainings are available for any existing or new participating lender. Additionally, Department staff conducts webinars or on-site lender trainings upon request.

In accordance with Tex. Gov't Code §2306.149, staff is requesting that the Board approve the attached list of mortgage lenders for use in conjunction with the Single Family Mortgage Loan and Mortgage Credit Certificate Program(s).

Approved Lenders

1st Alliance Mortgage, LLC
5 Home Plate Group, LLC dba Home Plate Mortgage
Academy Mortgage Corporation
Affiliated Bank Mortgage
Affiliated Mortgage Company
Alliance Mortgage Group, LLC
Alterra Group, LLC
Amarillo National Bank
AMCAP Mortgage LLC
AMEC (American Mortgage & Equity Consultants, Inc.)
American Financial Network, Inc.
American Neighborhood Mortgage Acceptance Company, LLC
American Pacific Mortgage Corporation
American Pine Mortgage, LLC
American Southwest Mortgage Corp
America's Choice Home Loans
AmeriFirst Financial, Inc.
AmeriPro Funding, Inc.
AmRes Corporation dba American Residential Living
ARK-LA-TEX Financial Services, LLC – dba Benchmark Mortgage
Aspire Financial, Inc.
Associated Mortgage Corporation
Austin Capital Bank/Home Advantage Mtg.
Axia Financial LLC
BancorpSouth Bank
Bank of America
Bank of Oklahoma dba Bank of Texas
Barton Creek Lending Group, LLC
Bay Equity LLC
BBMC Mortgage, a division of Bridgeview Bank Group
BlueSky Lending, LLC
Bluewater Mortgage, LLC dba Upward Home Loans
Bridgeview Mortgage, LLC
Broker Solutions Inc., dba New American Funding
Cadence Lending
CalAtlantic Mortgage, Inc.
CalCon Mutual Mortgage, LLC dba OneTrust Home Loans
Caliber Home Loans, Inc
Caltex Funding, LP
Canopy Mortgage, LLC*
Capstar Lending, LLC
Cardinal Financial Company, LP
Castle & Cooke Mortgage, LLC.
Cendera Funding, Inc.
Certainty Home Loans

Champions Lending, LLC dba Champions Mortgage
Cherry Creek Mortgage Co., Inc.
Citizens Bank of Las Cruces
City Bank Mortgage
City First Mortgage Services, LLC
City Lending, Inc.*
Citywide Home Loans
CLM Mortgage, LLC
ClosingMark Home Loans, Inc.
CMG Mortgage, INC DBA CMG Financial
Colonial National Mortgage , a Division of Colonial Savings, F.A.
Columbus Capital Lending
Commerce Home Mortgage, Inc.
Commonwealth Mortgage of Texas, LP
Compass Mortgage, Inc.
Cornerstone First Mortgage, Inc.*
Cornerstone Home Lending, Inc.
Corridor Mortgage Group, Inc.
Counselors Mortgage Corp
Crestmark Mortgage Company, Ltd. (Cornerstone is the General Partner)
CrossCountry Mortgage, Inc.
DAS Acquisition Company, LLC
Data Mortgage, Inc. dba Essex Mortgage, Inc.
DHA Financial, LLC*
DHI Mortgage Co., Ltd.
Diamond Residential Mortgage Corp.
Directions Equity, LLC
Draper and Kramer Mortgage Corp dba 1st Advantage Mortgage
Eagle Home Mortgage, LLC
eCU Mortgage, LLC
Efinity Mortgage DBA Efinity Mortgage*
Elite Financing Group, LLC.
Encompass Lending Group, LP
Envoy Mortgage, Ltd
Eustis Mortgage Corporation dba Finance Home America
Everett Financial, Inc., dba Supreme Lending
Fairway Independent Mortgage Corp
FBC Mortgage, LLC
Financial Concepts Mortgage, LLC.
First American Mortgage
First California Mortgage DBA FirstCal
First Centennial Mortgage Corporation
First Choice Loan Services, Inc.
First Community Bank
First Continental Mortgage, LTD.
First National Bank of Trenton

FirstTrust Home Loans, Inc.
FNBT dba First Community Mortgage
Freedom Mortgage Corporation
Gardner Financial Services, Ltd. dba Legacy Mutual Mortgage
Gateway Mortgage Group, LLC
GenEquity Mortgage, Inc.
Geneva Financial, LLC
Gershman Investment Corporation
Global Home Finance, Inc.
Gold Standard Mortgage
Gold Star Mortgage Financial Group
Great Plains National Bank
Guaranteed Rate Affinity
Guaranteed Rate, Inc.
Guild Mortgage Company
Hallmark Home Mortgage, LLC.
Hamilton Group Funding, Inc.
Hancock Mortgage
Hancock Whitney Bank
Harvest Residential Mortgage Services*
Highlands Residential Mortgage
HomeBridge Financial Services, Inc,
Homespire Mortgage Corporation
Hometown Lenders, LLC
Hometruster Mortgage Company
Homeway Mortgage
Homewood Mortgage, LLC
IberiaBank Mortgage Company
IHS Mortgage, LLC
Impact Capital Mortgage
Independent Bank
Infinity Mortgage Holdings, LLC
Inspire Home Loans, Inc.
Integrity First Financial Group, Inc.
InterLinc Mortgage Services, LLC
International City Mortgage, Inc.
Jefferson Bank*
JMJ Financial Group
JNC Mortgage Company
JP Morgan Chase
JSB Mortgage Corporation
KBHS Home Loans, LLC
Keller Mortgage LLC (dba's Primero Home Loans, Smarter Mortgages)
Land Home Financial Services, Inc.
LeaderOne Financial Corp.
LHM Financial Corp dba CNN Mortgage

Liberty Bank and Trust Co.
Liberty Mortgage (Wendeburg Interests)
Loan Simple Inc.
LoanDepot LLC dba iMortgage
LoanPeople, LLC*
LoanStar Home Loans, LLC dba LoanStar Home Lending
M/I Financial, LLC
Mann Mortgage*
Mid America Mortgage, Inc.
Midwest Equity Mortgage
Mission Mortgage of Texas, Inc.
MLD Mortgage, Inc. DBA The Money Store
Moria Development, Inc. dba Peoples Mortgage Company
Mortgage Financial Services, LLC
Mortgage Pros, Inc
Mortgage Services, Inc.
Mountain West Financial Services, LLC
Movement Mortgage, LLC
Nations Reliable Lending, LLC
Network Funding, L.P.
New ERA Mortgage Services, Inc.
New Penn Financial, LLC
NFM Lending
NFM, Inc. DBA NFM Lending
Northpointe Bank
Norwich Commerical Group, Inc. dba Norcom Mortgage
NOVA Financial & Investment Corporation
Oak Mortgage Group
On Q Financial, Inc.
Open Mortgage, LLC
Origin Bank
Pacific Union Financial, LLC.
Paramount Residential Mortgage Group (PRMG)
Patriot Bank Mortgage, Inc.
Peoples Home Equity Mortgage Lending
Perl Mortgage, Inc.
Pilgrim Mortgage, LLC
Planet Home Lending, LLC
PNC Mortgage
Precious Realty & Mortgage, LLC
Premier Nationwide Lending (NTFN, Inc.)
Primary Residential Mortgage
PrimeLending, a Plains Capital Company
PrimeWest Mortgage Corp.
Princess Palace, LLC dba Impact Mortgage
Prodigy, Inc.

Prompt Mortgage, LLC
Prospect Mortgage
Prosperity Home Mortgage, LLC
Pulte Mortgage LLC
RANLife, Inc.
Regions Bank
Reliance First Capital, LLC
Republic State Mortgage Company
Residential Bancorp
Residential Wholesale Mortgage, Inc.
Right Start Mortgage, Inc.
RMC Mortgage Corporation
Rocky Mountain Mortgage Company
Secure Financial Services, Inc. dba Secure Mortgage Company
Security American Mortgage
Security National Mortgage Company
Sente Mortgage
Sequoia Mortgage, LLC
SFMC, LP dba Service First Mortgage Co
Southwest Funding, LP
Starboard Financial Management LLC dba Starboard Financial
Stearns Lending, Inc.
Success Mortgage Partners, Inc.
Summit Funding*
Sun West Mortgage Company, Inc.
SWBC Mortgage Corporation
Synergy One Lending, Inc.
Texana Bank
Texas Bank Financial dba Texas Bank Mortgage Co.
The Home Lending Group dba Modern Mortgage
The Lending Partners, LLC
Top One Mortgage LLC
Town Square Mortgage & Investments, Inc. dba Town Square Financial
Tri-State Mortgage Company
TXL Mortgage Corporation
Union Home Mortgage Corporation
United Fidelity Funding Corp.*
US Bank Home Mortgage
V.I.P. Mortgage, Inc.
VanDyk Mortgage Corporation*
Veterans United Home Loans
Victorian Finance, LLC
VIP Mortgage
W.J. Bradley Mortgage Capital
Wallick & Volk, Inc.
Waterstone Mortgage Company

Wells Fargo Home Mortgage
WestStar Bank
Weststar Mortgage Corporation
Willow Bend Mortgage
Wolfe Financial, Inc. dba Integrity Mortgage Group
Woodside Mortgage Corporation
Total - 235

*- Recent Participation Approvals

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BOARD ACTION REQUEST
COMMUNITY AFFAIRS DIVISION
DECEMBER 10, 2020

Presentation, discussion, and possible action regarding authorization to release a Notice of Funding Availability for 2021 Community Services Block Grant Discretionary funds for education and employment initiatives for Native American and migrant seasonal farm worker populations

RECOMMENDED ACTION

WHEREAS, Community Services Block Grant (CSBG) funds are awarded annually to the Texas Department of Housing and Community Affairs (the Department) by the U.S. Department of Health and Human Services (USHHS);

WHEREAS, the Department reserves 90% of the allotment for CSBG eligible entities to provide services/assistance to the low-income population in all 254 counties; up to 5% for state administration expenses; and the remaining amount for state discretionary use;

WHEREAS, at the Board meeting of July 25, 2019, the Department established a set aside of \$1,700,000 for 2021 CSBG Discretionary (CSBG-D) activities in the 2020-2021 CSBG State Plan, including \$300,000 for Native American and migrant seasonal farm worker population education and employment initiatives; and

WHEREAS, CSBG-D funds for Native American and migrant seasonal farm worker population education and employment initiatives will be made available to eligible applicants to carry out the purpose of the CSBG pursuant to 42 U.S. Code Chapter 106;

NOW, therefore, it is hereby

RESOLVED, that the Executive Director be granted the authority to release a Notice of Funding Availability (NOFA) for 2021 CSBG-D funds for Native American and migrant seasonal farm worker population education and employment initiatives;

FURTHER RESOLVED, that to the extent that subsequent revisions to the NOFA are required in order to facilitate the use of the funds by the applicants, the Board also authorizes staff to make such revisions in accordance with, and to the extent limited by the CSBG federal and state regulations;

FURTHER RESOLVED, that the budget for USHHS has not yet been passed by Congress and the Department reserves the right to cancel this NOFA at its sole discretion if insufficient 2021 CSBG funding is received; and

FURTHER RESOLVED, that staff is authorized, empowered, and directed, for and on behalf of the Department to execute such documents, instruments and writings and perform such other acts as may be necessary to effectuate the foregoing.

BACKGROUND

Each year the Department sets aside 5% (approximately \$1,700,000) of its annual CSBG allocation for state discretionary use. Each year funds from CSBG-D are used for specific identified activities that the Department supports and other ongoing initiatives such as employment and education programs for Native American and migrant seasonal farm workers. This year, \$300,000 has been targeted for Native American and migrant seasonal farm worker populations for employment and education programs for which the Department is issuing this NOFA. This amount is substantively unchanged from the amounts programmed for this activity last year. The Department will release funds competitively. The budget for USHHS has not yet been passed by Congress, and the Department reserves the right to cancel this NOFA at its sole discretion if insufficient 2021 CSBG funding is received.

In the event that the Department does not have sufficient eligible applications to fund in this activity, the Department may, at the discretion of the Executive Director, reprogram the funds from this activity into another eligible discretionary activity specified in the 2020-2021 CSBG State Plan.

The Department's anticipated contract period for Program Year 2021 CSBG-D Native American and migrant seasonal farm worker education and employment initiatives is March 1, 2021, through February 28, 2022.

The NOFA and Scoring Attachment B are attached for review and approval as part of this item. The other attachments referenced in the NOFA, Attachments A and Attachments C through H, are submission forms of required information or certifications, and are not included within this Board Action Request.



Notice of Funding Availability (NOFA) for 2021 Community Services Block Grant (CSBG) Discretionary Funds for Education and Employment Services to Native American and Migrant Seasonal Farm Worker (MSFW) Populations

The Texas Department of Housing and Community Affairs (the Department) is pleased to announce a NOFA for 2021 CSBG Discretionary funds for education and employment services to Native American and MSFW populations. The Department is seeking organizations interested in administering projects focused on employment and education in Native American and MSFW populations.

Interested applicants must meet the requirements set forth in the application and must submit a complete application through the established system described in the NOFA by **Friday, January 8, 2021, 5:00 p.m. Austin local time.**

The application forms contained in this packet and submission instructions are available on the Department's web site at <http://www.tdhca.state.tx.us/nofa.htm>. The Department looks forward to receiving your completed application. Should you have any related questions, please contact Rita Gonzales-Garza at (512) 475-3905 or rita.garza@tdhca.state.tx.us.

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I. Application Instructions

A. Application Deadline:

All applications must be submitted before **Friday, January 8, 2021, 5:00 p.m. Austin local time.**

B. Electronic Submission:

All applications must be submitted electronically to be considered eligible applications. Applications are to be submitted through the Wufoo system using the following link:

<https://tdhca.wufoo.com/forms/native-americansmigrant-seasonal-farm-worker-nofa/>

C. Application Questions

Application questions may be submitted via electronic mail to rita.garza@tdhca.state.tx.us. Answers will be provided in the order in which they are received. Please do not submit the same question twice as you await a response.

The deadline to submit questions related to the content of the NOFA and Application is Wednesday January 6, 2021, by 5:00 p.m. CST (Austin local time). Questions related to the content of the NOFA submitted after this deadline may not be answered.

II. Proposed Timeline for NOFA and Application

Date	Action
December 11, 2020	The application will be available through the TDHCA Website: http://www.tdhca.state.tx.us/nofa.htm
January 6, 2021 5:00 p.m. (Austin local)	Deadline to submit questions regarding the NOFA and application prior to application submission
January 8, 2021 5:00 p.m. (Austin local/CST)	Deadline for Applicants to submit applications in response to this NOFA
February 11, 2021	Anticipated date for the Department to present funding recommendations to Board of Directors
March 1, 2021	Anticipated Contract Start Date*
February 28, 2022	Anticipated Contract End Date*

*Any Appeal may delay the Contract Start and End Date

III. General Information

A. Background

The Department has been designated as the state agency to administer the CSBG Program. On an annual basis, the Department receives CSBG funds from the U.S. Department of Health and Human Services (USHHS) to ameliorate the causes of poverty within communities.

The Department is permitted to reserve up to 5% of CSBG funds for state discretionary use for which the Department's Board has determined specific uses. This NOFA releases the portion of these 2021 CSBG Discretionary (CSBG-D) funds aimed at education and employment services for Native Americans and MSFWs.

Capitalized words in this NOFA, unless otherwise defined herein, have the meaning outlined in Chapter 2306 of the Texas Government Code or in Title 10 Texas Administrative Code (TAC), Chapters 1,2 or 6, as applicable.

B. CSBG-D Subrecipient Performance Requirements:

This NOFA is for services to Native American and MSFW populations. The NOFA will provide funding to organizations to provide new or existing projects that provide education and/or employment assistance and services focusing on the direct needs of individuals and families within the MSFW population or the Native American population. The successful applicant must ensure that participants receive case management along with employment and/or education assistance and services.

This activity must be completed throughout the 12-month contract period. The contract period is anticipated to be March 1, 2021, through February 28, 2022.

Subrecipient must complete activities that have the following results:

- For employment projects, an increase in employment skills or increase in persons assisted in obtaining jobs; and/or
- For education projects, an increase in education and or skills that are expected to lead to an increase in income.

Persons eligible for direct assistance must have an annual income at or below 125% of the Federal Poverty Income Guidelines issued annually by HHS.

C. Funds Available and Award Amounts

In this NOFA, the Department makes available \$300,000 of 2021 non-formula CSBG funds to be utilized for the following discretionary projects:

Category 1: Migrant Seasonal Farm Worker Employment Assistance and Services Projects (Two projects at \$100,000 each)	\$200,000
Category 2: Native American Education Employment Assistance and Services Projects	\$100,000

An applicant must apply for \$100,000 per application and an applicant (or Affiliate as defined in 10 TAC §6.2(b)(1)) is limited to receiving an award in only one category (unless no other eligible applications under either Category are recommended). If applying in both categories, the applicant must indicate in the application on Attachment A which award it will accept if the score results in a recommendation for both.

If sufficient eligible applications are received that meet threshold criteria it is anticipated that three awards of \$100,000 each will be made by the Department’s Board of Directors (Board). The Department intends to fund the two highest scoring applications for assistance to the MSFW population, and the one highest scoring application for assistance to the Native American population. However, if sufficient eligible applications are not received to accomplish that, then the next highest scoring application meeting threshold and scoring criteria in either category will be recommended. If no other applications in either category remain except from an applicant (or affiliate) that has already been recommended for an award, the Department may recommend a second award to the next highest scoring application. In the event that the Department does not receive sufficient eligible applications in response to this NOFA to exhaust available funding, the Department reserves the right to reprogram the funds.

The availability of 2021 CSBG-D funds to subrecipient organizations is dependent on the Department's receipt and availability of funds from USHHS. Access to funds may be limited to the amount of 2021 CSBG-D funds available to the Department from USHHS, and is subject to Board decisions regarding its use.

D. Eligible Applicant Organizations

Organizations eligible to apply for CSBG-D NOFA funds are: Private Nonprofit Organizations with 501(c) status, Public Housing Authorities, Local Mental Health Authorities, Units of General Local Government, and Regional Councils of Governments who are proposing an educational and/or employment project targeted to either MSFW populations or Native Americans.

E. Ineligible Applicant Organizations

Organizations ineligible to apply for the competitive FFY 2021 CSBG-D funds are:

- Private Nonprofit Organizations that do not have a Certificate of Formation (or Articles of Incorporation);
- Private Nonprofit Organizations that the Texas Secretary of State's Office website states are not authorized to do business in Texas;
- Organizations for which persons on the organization's governing body or employees are debarred or suspended by the Department or another governmental agency; and
- Organizations for which persons on the organization's governing body or employees are on the suspended or debarred listed for the System for Award Management in accordance with 2 CFR Part 180.

F. Private Nonprofit Organizations.

The Department is not requiring that an organization submit a Certificate of Formation or proof of eligible status. However, it is the applicant's responsibility to ensure that its information including its Certificate of Formation (formally known as Articles of Incorporation) with the Texas Secretary of State's Office is correct and complete at the time of application. The Department will confirm proof of active status directly with the Texas Secretary of State. No administrative deficiencies will be issued for failure to have the appropriate status and governing documents reflected on the Secretary of State's Office when confirmed by the Department. Failure to have this information will cause the application to be terminated without further review as further described in Section VI, A of the NOFA.

G. Registration Requirements

Prior to contract execution, the successful applicant must provide the Department with the organization's Data Universal Numbering System (DUNS) and proof of registration with the Central Contractor Registration (CCR). If the organization is not registered, go to <https://www.sam.gov> to renew, update, or create a new registration.

IV. State and Federal Requirements

Subrecipient shall comply with all provisions of the Federal and State laws and regulations including but not limited to:

Public Law 105-285, Title II - Community Services Block Grant Program, Subtitle B Community Services Block Grant Program of the Community Services Block Grant Act, Chapter 106 of the Community Services Block Grant Act (42 U.S.C. §9901 *et seq.*), as amended by the "Community Services Block Grant

Amendments of 1994" (P.L. 103-252) and the Coats Human Services Reauthorization Act of 1998 (P.L. 105-285);

Chapter 2306 of the Texas Government Code:

- A. Title 10 Texas Administrative Code, Part 1, Chapters 1 and 2;
- B. Title 10 Texas Administrative Code, Part 1, Chapter 6, Subchapters A and B;
- C. 2 CFR Part 200, as applicable; and
- D. Texas Uniform Grant Management Standards.

Subrecipient shall also comply with the Drug-Free Workplace Act of 1988, the Pro-Children Act of 1994, Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794), the Americans with Disabilities Act of 1990 (ADA), as amended (42 U.S.C. 12101 et seq.) and Executive Order 13166 of August 11, 2000 related to Limited English Proficiency.

Subrecipient shall practice non-discrimination and provide equal opportunity in compliance with federal law in keeping with the President's Executive Order 11246 of September 24, 1965, and ensure that a person shall not be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in the administration of or in connection with any program or activity funded in whole or in part with funds made available under this contract, on the grounds of race, color, religion, sex, national origin, age, disability, political affiliation or belief.

Subrecipient shall comply with political activity prohibitions and shall not utilize CSBG funds to influence the outcome of any election, or the passage or defeat of any legislative measure or to directly or indirectly hire employees or in any other way fund or support candidates for the legislative, executive, or judicial branches of government of subrecipients, the State of Texas, or the government of the United States. Subrecipient shall comply with 45 CFR. §87.2 and ensure that CSBG funds are not to be used for sectarian or inherently religious activities such as worship, religious instruction or proselytization, and must be for the benefit of persons regardless of religious affiliation.

Subrecipient shall comply with Chapter 2264 of the Texas Government Code and will not knowingly employ an undocumented worker, where "undocumented worker" means an individual who, at the time of employment, is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in that manner in the United States.

Subrecipient is not permitted to award any funds provided by this contract to any party that is debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549. The Subrecipient will be required to agree that prior to entering into any agreement with a potential subcontractor that the verification process to comply with this requirement will be accomplished by checking <https://www.sam.gov/SAM/pages/public/searchRecords/search.jsf>

V. Application Content

Attachments A-H are Threshold Documents. Each page of the application, excluding the Single Audit, must be numbered. Each Application must contain the items listed below in the following order:

- Table of Contents – must include page numbers.
- Attachment A – Applicant Information Form – Form must be placed on the top of the application.
- Attachment B – Application Questions Parts 1-4 – Complete the NOFA Application Questions document. Applications that do not include a completed document with responses to NOFA questions will be deemed ineligible. Please use the following format to provide any information

which is requested in response to questions if the space provided in the Excel worksheet is insufficient:

- ✓ 11 font
- ✓ Standard 8½ " x 11" paper with 1" margins
- ✓ Provide brief descriptions of requested information.
- Attachment C – Audit Information – All applications must include the following documents relating to fiscal accountability, even if this information has been previously submitted to the Department.
 - A. An application must include a completed Audit Certification Form, found on the Department's website at <http://www.tdhca.state.tx.us/pmcomp/forms.htm>.
 - B. An organization that is subject to the Federal Single Audit Act requirements must certify that the Single Audit for the latest fiscal year is available at the Federal Audit Clearinghouse. An Organization that is subject only to the State Single Audit Act must submit one copy of the organization's most recent Single Audit report.
 - C. An organization not subject to either the Federal or the State Single Audit requirements must submit one copy of a third-party audit of financial statements prepared by a Certified Public Accountant, including any notes to the audit.
- Attachment D – Uniform Previous Participation Form for Single Family and Community Affairs.
- Attachment E – Certifications Regarding Legal Actions, Debarment & Compliance with Laws.
- Attachment F – Private Nonprofit Organization's Tax-Exempt Status Documentation. Existing Internal Revenue Service (IRS) ruling – All private nonprofit organizations must provide documentation of their status as a tax-exempt entity under Section 501(c) of the Internal Revenue Code. The ruling should be on IRS letterhead which is legible and signed by the IRS District Director. Expired advanced rulings from the IRS are not acceptable. If an organization is a subsidiary of a parent organization, documentation of the parent organization's IRS ruling and a copy of the page listing the affiliate organization in the documents filed with the IRS by the parent organization.
- Attachment G – Applicant Certifications

The certification must be signed by the organization's Executive Director or equivalent title, with contractual signatory authority. If such cannot be attested, then attach a document explaining why.
- Attachment H – CSBG Budget Worksheets
 - A. The proposed budget for CSBG is to be submitted utilizing the Attachment H form. There are several tabs within the spreadsheet to complete. Complete the budget based on the estimated funds available noted in Section III. C (i.e., \$100,000).
 - B. This NOFA does not have limitations on the amount of funds utilized for the provision of direct services or for the costs of staff assigned to provide the direct services, as long as the costs meet federal and state requirements.

VI. Application Review Process

A. Eligibility Prescreening Review

The Department will review applications to determine if they meet the following eligibility prescreening criteria. If the Department determines that any of these criteria have not been satisfied, the application will not be reviewed and the applicant will be sent a notice of the elimination of their application from consideration, and notified of their opportunity to appeal. The prescreening criteria are:

- All application threshold documents A through H must be submitted by the application deadline.
- Application documents must be submitted electronically to be considered eligible applications. Applications are to be submitted through the Wufoo using the following link: <https://tdhca.wufoo.com/forms/native-americansmigrant-seasonal-farm-worker-nofa/>
- An Applicant must meet all requirements as set forth in III. General Information, D. Eligible Applicant Organizations; and
- An Applicant must not be an ineligible applicant organization as set forth in III. General Information, E. Ineligible Applicant Organizations.

Any applicant not meeting these threshold criteria will be terminated. A notice of termination will be sent, and an applicant will have an opportunity to appeal the decision in accordance with 10 TAC §1.7, Staff Appeals Process.

B. Deficiency Notices

After the application receipt deadline, the Department will not consider any unsolicited information that an applicant may want to provide. If the Department identifies deficiencies within the Attachments it will issue a deficiency notice to request the deficiency be resolved. *Applicants will have three (3) business days from the date of issuance of the deficiency notice to provide the requested information.* Deficiency notices will be e-mailed to the applicant's chief executive and the person specified as the "person to contact with application questions" in the applicant information form (Attachment A). If the applicant does not provide the requested information within the 3 business day time period, the applicant will be sent a notice indicating termination of the application.

C. Scoring of Applications

Applications received from eligible organizations with no threshold deficiencies will be reviewed and scored by the Department. The Department will utilize a standard scoring instrument to evaluate, score, and rank each application. The scoring instrument will award points based on the applicant's response to the requested information in Attachment B. **Applications with a score below 50% of the maximum eligible points available will not be considered for funding, except as described in the next paragraph.**

If all applicants score below the minimum point threshold, the Department reserves the right to review the top overall scoring entity and if, in the Department's judgment, they can appropriately administer the CSBG-D funds, may recommend an award to its Governing Board.

Upon completion of scoring each application, applicants will be provided a scoring notice with an opportunity to appeal.

The Department will consider and evaluate prior monitoring and/or audit issues during its application scoring. Additionally, other factors to be considered in the scoring of each application will include, but not be limited to:

- Capacity to effectively administer federal funds and to ensure compliance with regulations;

- Ability to demonstrate staff and organizational capacity to deliver the proposed services; and,
- Ability to demonstrate positive past performance with Department or other federally funded programs, including the results of Department monitoring reviews, timeliness of submission of reports, and other information deemed relevant to performance.

D. Awards

Applicants whose applications score competitively will be reviewed by the Department’s Executive Award Review Advisory Committee in accordance with 10 TAC Chapter 1, Subchapter C, and subsequently brought to the Department’s Governing Board for consideration of an award.

E. Appeals Process

An appeal of a staff determination must be submitted in writing and in accordance with the Texas Administrative Rule Title 10, Part 1, Chapter 1, Subchapter A, §1.7 which can be found at the Secretary of State’s website at:

[http://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac_view=5&ti=10&pt=1&ch=1&sch=A&rl=Y](http://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=5&ti=10&pt=1&ch=1&sch=A&rl=Y).

VII. Appendices

Federal and State Resources:

CSBG Act, COATES Human Services Reauthorization Act of 1998, available at

<https://www.acf.hhs.gov/ocs/resource/community-services-block-grant-statute>

Texas Administrative Code - 10 TAC Chapter 1, Administration, available at

[http://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac_view=4&ti=10&pt=1&ch=1](http://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=4&ti=10&pt=1&ch=1)

Texas Administrative Code - 10 TAC Chapter 2, Enforcement, available at

[http://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac_view=4&ti=10&pt=1&ch=2](http://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=4&ti=10&pt=1&ch=2)

Texas Administrative Code - 10 TAC Chapter 6, Subchapter A, General Provisions, available at

[http://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac_view=5&ti=10&pt=1&ch=6&sch=A&rl=Y](http://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=5&ti=10&pt=1&ch=6&sch=A&rl=Y)

Texas Administrative Code - 10 TAC Chapter 6, Subchapter B, Community Services Block Grant, available at

[http://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac_view=5&ti=10&pt=1&ch=6&sch=B&rl=Y](http://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=5&ti=10&pt=1&ch=6&sch=B&rl=Y)

VIII. List of Attachments

Attachments are posted separately on the TDHCA website as fillable MS Excel documents at

<http://www.tdhca.state.tx.us/nofa.htm>

- Attachment A-G:
 - Attachment A: Applicant Information Form
 - Attachment B: Application Questions Parts 1-4
 - Attachment C: Audit Information
 - Attachment D: Uniform Previous Participation Information
 - Attachment E: Certifications Regarding Legal Actions, Debarment & Compliance with Laws
 - Attachment F: Private Nonprofit Organization’s Tax-Exempt Status Documentation
 - Attachment G: Applicant Certifications
- Attachment H: CSBG Budget Worksheets

**NOFA for 2021 CSBG Discretionary Funds for Native American and MSFW Populations
Attachment B: Part 1 - Experience**

Applicant Name:

0

Instructions:

When responding to the questions in Attachment B - Part 1 - 4:

- 1. Attachments:** Applicant must complete all areas highlighted in **pink** and upload attachments according to the instructions found on the Wufoo submission page.
- 2. Responses:** If the response is provided in a separate document, please ensure that the response is uploaded as the appropriate entry in the Wufoo submission. If the Department is unable to clearly determine which question the response pertains to, the applicant may not receive points for their response.
- 3. Years of Experience:** When responding to years of experience, if the experience is 6 months or greater, round your response up to one year. If it is less than six months, do not. For example: 1 year 5 months would be 1 year and 1 year 6 months would be 2 years.
- 4.** All applicants must complete all parts of the application questions.

Attachment B: Part 1 - Experience

Section	Question	Scoring Mechanism	Maximum Points	Self-Score	Reviewer 1 (TDHCA use only)	Reviewer 2 (TDHCA use only)
1.1	The applicant's experience administering other state or federally funded programs subject to 2 CFR Part 200 or UGMS (currently administered directly by applicant) during the past 10 years. Funds from the Texas Department of Housing and Community Affairs (TDHCA) must be included. If applicant received the grant for more than one fiscal year, list each year it was received.	State or federally funded grant programs administered: Note: A maximum of 50 points will be awarded. • 5 points for each year award was received	50			
	Table 1.1 In the table below, list all current state or federally funded grant programs administered directly by the applicant and the number of years administering the grant (indicate each grant source only once), including TDHCA funds. Add additional pages as necessary.					
		Grant Name	Funding Entity Providing Award	Purpose of Award	# Years of Award	Federal or State Funds (Y/N)
Section	Question	Scoring Mechanism	Maximum Points	Self-Score	Reviewer 1 (TDHCA use only)	Reviewer 2 (TDHCA use only)

1.2	<p>Provide the following information on the experience in delivering employment skills or employment related assistance for the population for which applicant is applying (i.e., either Native American or migrant seasonal farm worker). For example, if the applicant indicated they are applying for funds to assist Native American populations, they will only receive points for this question only if the experience relates to assisting Native Americans. No points will be given if you do not specify whether the experience or persons served were MSFW or Native American.</p>	<p>In assigning points, reviewer will consider the depth to which the nature of the experience in delivering employment skills or employment related assistance is described:</p> <p>a. A maximum of 30 points will be awarded, based on the population served includes the population for which the applicant is applying (i.e., either Native American or migrant seasonal farm worker), and the depth of relevant employment skills or employment related assistance experience with either Native Americans or migrant seasonal farm workers (as applicable). Number of points awarded will be dependent on the specificity of description and experience related to direct employment skills or employment related assistance with the targeted population.</p> <p>b. A maximum of 10 points may be awarded, with 4 points for 2 years of experience, 8 points for 3-4 years, 10 points for 5+ years of providing direct employment skills or employment related assistance to the targeted population.</p> <p>c. Provide points for the number of unduplicated persons served with employment skills or employment related assistance in the previous 12 months that were either Native American or migrant seasonal farm worker: 5-15 persons award 5 points; 16-29 persons award 10 points; 30-45 persons award 20 points 46-55 persons award 30 points 56+ persons award 40 points</p>	80			
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a. In the space below, provide a detailed description of relevant experience (include particular years) providing direct assistance to assist the population for which the applicant is applying (i.e., either Native Americans or migrant seasonal farm workers) to gain employment skills or employment related assistance to improve their employability or increase wages (types of services, etc.). Make sure to indicate whether experience was aimed at providing services to either Native American or MSFW, or no points will be given.

b. In the space below, provide information on the number of years (and include particular years) of relevant experience providing direct employment skills or employment related assistance to the population for which the applicant is applying (i.e., either Native Americans or migrant seasonal farm workers).

c. In the space below, provide information on either the number of unduplicated Native Americans or the number of unduplicated migrant seasonal farm workers that were served by the applicant for the most recently completed TDHCA CSBG Discretionary contract with employment skills or employment related assistance. Specify the time period of the contract and the number of persons served by each targeted population.

Section	Question	Scoring Mechanism	Maximum Points	Self-Score	Reviewer 1 (TDHCA use only)	Reviewer 2 (TDHCA use only)
1.3	Provide the following information on the experience in delivering education related assistance for the population for which applicant is applying (i.e., either Native American or migrant seasonal farm worker). For example, if the applicant indicated they are applying for funds to assist Native American populations, they will only receive points for this question only if the experience relates to assisting Native Americans. No points will be given if you do not specify whether the experience or persons served were MSFW or Native American.	In assigning points, reviewer will consider the depth to which the nature of the experience in delivering education related assistance is described: a. A maximum of 30 points will be awarded, based on the population served includes the population for which the applicant is applying (i.e., either Native American or migrant seasonal farm worker), and the depth of relevant experience in providing direct education related assistance experience with either Native Americans or migrant seasonal farm workers (as applicable). Number of points awarded will be dependent on the specificity of description and experience related to direct education related	80			

assistance with the targeted population.

b. A maximum of 10 points may be awarded, with 4 points for 2 years of experience, 8 points for 3-4 years, 10 points for 5+ years of providing direct education related assistance to the targeted population.

c. Provide points for the number of unduplicated persons served with education related assistance in the previous 12 months that were either Native American or migrant seasonal farm workers:

- 5-15 persons award 5 points;
- 16-29 persons award 10 points;
- 30-45 persons award 20 points
- 46-55 persons award 30 points
- 56+ persons award 40 points

a. In the space below, provide a description of relevant experience (include particular years) providing direct assistance to to assist the population for which the applicant is applying (i.e., either Native Americans or migrant seasonal farm workers) to increase their education aimed at improving their employability or increasing their wages (types of services, etc.). Make sure to indicate whether experience was aimed at providing services to either Native Americans or MSFW, or no points will be given.

b. In the space below, provide information on the number of years (and include particular years) of relevant experience providing direct education related assistance to the population for which the applicant is applying (i.e., either Native Americans or migrant seasonal farm workers).

c. In the space below, provide information on either the number of unduplicated Native Americans or the number of unduplicated migrant seasonal farm workers that were served by the applicant for the most recently completed TDHCA CSBG Discretionary contract with direct education related assistance. Specify the time period of the contract and the number of persons served by each targeted population.

NOFA for 2021 CSBG Discretionary Funds for Native American and MSFW Populations

Attachment B: Part 2 - Prior Performance

Applicant Name:

0

Attachment B: Part 2 - Prior Performance

Section	Question	Scoring Mechanism	Maximum Points	Self-Score	Reviewer 1 (TDHCA use only)	Reviewer 2 (TDHCA use only)
2.1	<p>In the table below, list all funded programs administered and monitored in the past 3 years.</p> <p>Provide copies of the most recent monitoring reports for each of the programs listed in response to question 1.1. If the grant has not been monitored, provide information on the name of agency providing funds, contact name, email and phone number and an explanation as to why it hasn't been monitored.</p> <p>Provide follow-up responses from funding agency and your organization to demonstrate resolution of monitoring findings/deficiencies. If follow-up response has not been released, explain.</p> <p>For ease of review, please number the pages of the documents, even if the numbering is handwritten.</p> <p>Deficiencies are those which identify issues related to fraud, waste, abuse, or financial irregularity, or <u>significant</u> non-compliance with either federal rules, state regulations/rules including, but not limited to 2 CFR Part 200 or Uniform Grant Management Standards.</p>	<p>Number of monitoring findings/deficiencies and disallowed costs identified in monitoring reviews of funded programs.</p> <p>For each of the most recent monitoring reports for each program, determine:</p> <p>(1) Monitoring report had findings/deficiencies: Deduct -10 points per finding/deficiency.</p> <p>(2) Applicant shows history of not cooperating with or not submitting TDHCA requested monitoring documentation: Deduct -20 points per fund source of non-cooperation.</p> <p>(3) Monitoring report had disallowed costs in excess of \$1,000 amount based on other than minor administrative errors): Deduct -10 points per grant program in addition to (1)-(3) point deductions above.</p> <p>Note: If monitoring report is not attached and/or explanatory information is not provided: Deduct -10 points per grant.</p>	(points to be deducted based on review)			

Table 2.1 (Instruction: Please provide copies of the most recent monitoring reports for each funding source. If the grant has not been monitored in the past 36 months, provide a document from the funding source to that effect. Scan all monitoring reports into one document and include a cover page labeled as “Documents in response to Question #2.1” and number each page consecutively. The numbering can be hand written at the bottom of each page.)

Funding Source	Name of Most Recent Monitoring Report	Page #	# of Findings/Deficiencies	Copy of Report attached (Y/N)	Amount of Disallowed Costs	
			# of Deficiencies	Date of Last Monitoring (MM/DD/YY)		
Section	Question and Response	Scoring Mechanism	Maximum Points	Self-Score	Reviewer 1 (TDHCA use only)	Reviewer 2 (TDHCA use only)
2.2	In the most recently funded CSBG-D contract, did the applicant not submit their monthly performance or monthly expenditure reports or final performance or final expenditure reports to the Department by the due date?	If Departmental records show late submissions of performance or expenditure reports during the last funded year of CSBG-D funding: Deduct -5 points per late submission No late submissions = 0 points	(points to be deducted based on review)			

	<p>Response: If Yes, list which documents/submissions below in highlighted area:</p>					
2.3	<p>Has the applicant been placed on a modified cost reimbursement basis of payment for TDHCA Community Affairs funded programs during the past 3 years (a contract sanction whereby reimbursement of costs incurred by a Subrecipient is made only after the Department has reviewed and approved backup documentation provided by the Subrecipient to support such costs)?</p> <p>Response: Select Yes or No in the drop down menu of the cell below:</p>	<p>Applicant's history of being on a modified cost reimbursement method of payment for TDHCA Community Affairs Division funded programs.</p> <ul style="list-style-type: none"> • Yes, during the past 3 years: Deduct -20 points • Yes, currently on modified cost reimbursement: Deduct -50 points • No, not during the past 3 years: 0 point deduction 	(points to be deducted based on review)			
	<p>Is the applicant currently on a modified cost reimbursement method of payment for TDHCA funded programs?</p> <p>Response: Select Yes or No in the drop down menu of the cell below:</p>					
2.4	<p>Provide the following information related to your organization's expenditures of CSBG Discretionary funds for the most recently completed TDHCA CSBG Discretionary contract. If no funding was received, leave blank.</p>	<p>Prior Performance - Expenditures: For each percentage point not spent per year, one point will be deducted. (i.e., 81.4% = 19 points deducted, 81.5% = 18 points deducted)</p> <p>Note: The Department will verify expenditures from our records.</p>	(points to be deducted based on review)			
Year	Contract Period	CSBG Discretionary Award Amount	Final Expenditure Amount		% of Funds Expended	
Section	Question	Scoring Mechanism	Maximum Points	Self-Score	Reviewer 1 (TDHCA use only)	Reviewer 2 (TDHCA use only)
2.5	Complete the table below. Provide the	Prior Performance Persons Served	(points to be			

NOFA for 2021 CSBG Discretionary Funds for Native American and MSFW Populations

Attachment B: Part 3 - Efficiency

Applicant Name:

0

Attachment B: Part 3 - Efficiency

Section	Question	Scoring Mechanism	Maximum Points	Self-Score	Reviewer 1 (TDHCA use only)	Reviewer 2 (TDHCA use only)
3.1	<p>In the table below, provide information on the costs that are proposed to be charged to the CSBG-D grant. Administrative costs include those expenses related to management staff such as the executive director, accounting staff, human resource staff, administrative personnel, and overhead costs related to same staff. The Department recommends limiting administrative costs (admin staff and their overhead costs) to no more than 20% of the funds requested.</p> <p>Programmatic costs relate to costs for staff who provide direct client services and carry out duties such as intake, client interview, casework, case management, referrals, and follow-up. It also includes the overhead costs related to these direct client program staff.</p> <p>Direct client assistance costs relate to costs for direct assistance to clients such as education or employment related assistance (tuition, uniforms, books, etc.).</p> <p>In the table below, break out the part of the Overhead Costs that are administrative and programmatic.</p>	<p>Percentage of CSBG costs budgeted for programmatic costs (staff, fringe, and overhead related to programmatic staff) excluding direct client assistance costs:</p> <p>80-100%: 50 points 60-79%: 40 points 40-59%: 30 points 20-39%: 20 points Less than 20%: 0 points</p> <p>NOTE: If calculation for Programmatic Costs is found to be incorrect, -5 points will be deducted.</p>	50			

Section 3.1 – Table

Proposed CSBG Budget		Format	Answer
a. Administrative salaries and fringe related to administrative staff (for example Ex Dir, CFO, admin staff)		Dollar figure	
b. Programmatic salaries and fringe of program staff (for example program directors, case workers, homeless service liaison)		Dollar figure	
c. Direct Client Assistance costs (e.g. rent, food, education assistance, tuition) NOTE: From Budget Support Sheet B6.		Dollar figure	
d. Costs that are budgeted related to Travel, Supplies, Equipment, Contractual, and Other categories excluding indirect costs in category e.		Dollar figure	
e. Indirect costs (for applicants with a federally approved Indirect Cost Rate Plan or for entities claiming the de minimus rate)		Dollar figure	
f. Total CSBG-D funds requested in budget		Dollar figure a+b+c+d+e	\$ -
g. Percentage of total CSBG funds budgeted for programmatic salaries and fringe of program staff		Percentage b/f	#DIV/0!

Section	Question	Scoring Mechanism	Maximum Points	Self-Score	(TDHCA use only)	(TDHCA use only)
3.2	<p>Provide information on the amount and percentage of the CSBG-D grant request that will be utilized for Direct Client Assistance, excluding any funds that will be used for salaries and overhead costs of Programmatic staff.</p> <p>Figures for Section 3.1c above will be utilized for this question and should match Budget Sheet B6.</p> <p>☐</p>	<p>Percentage of CSBG costs budgeted for direct client assistance costs:</p> <p>80-100%: 110 points 60-79%: 90 points 40-59%: 70 points 20-39%: 50 points 10-19%: 30 points Less than 10%: 0 points</p> <p>NOTE: If calculation is found to be incorrect, 5 points will be deducted.</p>	110			

160	0	0	0
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**NOFA for 2021 CSBG Discretionary Funds for Native American and MSFW Populations
Attachment B: Part 4 - Proposed Employment and Education Services/Activities**

Applicant Name: 0

Attachment B: Part 4 - Proposed Employment and Education Services/Activities

Section	Question	Scoring Mechanism	Maximum Points	Self-Score	Reviewer 1 (TDHCA use only)
4.1	In the table below, briefly describe the initiatives and how your organization will implement the proposed initiatives and evaluate progress on accomplishing what is proposed. Break down the distinct tasks for the education initiative and the employment initiative separately. Make sure to relate the task to either education or employment initiatives.	<p>Evaluation of Initiative: Review plan to evaluate proposed initiative and award points as follows: Evaluation plan should include, but not be limited to, identification of the tasks, steps to accomplish tasks, evaluation, frequency of evaluation, and a completion time.</p> <ul style="list-style-type: none"> • Award up to 30 points if the tasks clearly set forth activities that will lead to accomplish what is proposed in the application. • Award up to 20 points if the steps to be taken to achieve the tasks are clearly delineated. • Award up to 20 points if the process used to evaluate the initiative is comprehensive. • Award up to 5 points if frequency for when evaluation will occur is reasonable for the tasks. • Award up to 5 points for the completion time. If completion time allotted to achieve results is insufficient, award 0 points. <p>NOTE: If a task does not clearly relate to either education or employment initiatives, no points will be received for that initiative.</p>	80		

Section 4.1 – Table

Evaluation Process - Itemize each task (chronologically if possible), enter name of task, describe the task, identify the steps to accomplish the task, briefly describe process the task, describe frequency of evaluation, and a completion date for task. Enter one row per task. *Note:* Applicants may attach a separate document with additional detail the processes to be utilized to evaluate the task; however, identify the question # and task #.

Task #	Task Description to Carry-Out Activity/Service	Steps to Accomplish Task	Brief Description of Evaluation Processes Used to Assess Accomplishment of Task	Frequency for evaluation to occur
Description Proposed Activity/ Service for Initiative				
# 1 (example) Provide training curricula on computer skills and basic job skills (example)	Evaluate types of training curricula. Develop curricula for six week long sessions on: 1) Basic computer skills (including basic skills of Microsoft platforms 2) Basic job skills Provide training on basic computer skills and job skills.	Gather information on the type of curriculum available to teach computer skills and basic job skills to ensure that the most up to date information is provided. - Purchase curricula and create curricula based on the most up to date information. - Hire staff and provide training.	The Program Coordinator (PC) will consult with field experts to ensure the accuracy of the content, cultural appropriateness and relevance of skill formation. The Program Coordinator (PC) will assess the progress at successful implementation of the curriculum and the success of enrollees.	During the first three months of the program and every 3 months for the duration of the program, evaluate relevancy of job skills being taught and the success of the training at meeting student and employment market needs.

EMPLOYMENT INITIATIVE: Identify tasks below.(add rows as necessary)

EDUCATION INITIATIVE: Identify tasks below. (add rows as necessary)					
Section	Question	Scoring Mechanism	Maximum Points	Self-Score	Reviewer 1 (TDHCA use only)
4.2	Employment Initiative: Provide targets for the number of unduplicated	Award points as follows:	160		

	<p>persons that you anticipate will achieve the stated goal or receive the stated service as a result of assistance provided through the proposed initiative. An individual can be counted as an unduplicated person receiving a service only once in each activity during the contract term (ONLY COUNT THE PRIMARY RECIPIENT, SUCH AS THE HEAD OF HOUSEHOLD, DO NOT COUNT THE ENTIRE HOUSEHOLD).</p> <p>NOTE: The Department will utilize these proposed targets in the contract and applicant will be evaluated in a future application cycle on their performance (i.e., points deducted for not meeting proposed targets from prior application).</p>	<p>3 points awarded for each person for a.- b. with a MAXIMUM of 60 points for a. and 60 points for b.</p> <p>1 point for each person for c.-d. with a MAXIMUM of 20 points for c. and 20 points for d.</p> <p>NOTE: Do not overestimate your target numbers because in the subsequent application for funds, you will be penalized for not meeting targets proposed in your application in Attachment B Part 2 Question 2.5.</p>			
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Table 4.2 - Employment Initiative

a. Number of persons that will obtain employment.					
b. Number of persons that will obtain an increase in income and or benefits or increased hours.					
c. Number of persons that will obtain work skills or experience (not related to job search, but actual work skills) to obtain employment or to obtain an increase in employment (a better job, better wages, etc.) through job/vocational training and apprenticeships.					
d. Number of persons to be provided job search and readiness assistance (such as coaching, resume writing, interview skills training, pre-employment physicals, background checks, career counseling & workshops, etc.).					
Section	Question	Scoring Mechanism	Maximum Points	Self-Score	Reviewer 1 (TDHCA use only)
4.3	Education Initiative:	Award points as follows:	120		

	<p>Provide targets for the number of unduplicated persons that you anticipate will achieve the stated goal or receive the stated service as a result of assistance provided through the proposed initiative. An individual can be counted as an unduplicated person receiving a service only once in each activity during the contract term (ONLY COUNT THE PRIMARY RECIPIENT, SUCH AS THE HEAD OF HOUSEHOLD, DO NOT COUNT THE ENTIRE HOUSEHOLD).</p> <p>NOTE: The Department will utilize these proposed targets in the contract and applicant will be evaluated in a future application cycle on their performance (i.e., points deducted for not meeting proposed targets).</p>	<p>1 point awarded for each person to achieve stated goal or will receive stated service in a. through f., with a MAXIMUM of 20 points per each category a.-f.</p> <p>NOTE: Do not overestimate your target numbers because in the subsequent application for funds, you will be penalized for not meeting targets proposed in your application in Attachment B Part 2 Question 2.5.</p>			
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Table 4.3 - Education Initiative

	Number of persons that will enroll and work towards obtaining a recognized credential, certificate, or degree related to the achievement of educational or vocational skills (a trade school or community college).
	Number of persons that will demonstrate improved basic education or receive adult literacy classes, ESL, basic education, or applied technology classes (excluding high school and GED).
	Number of persons that will enroll in programs to gain competencies required for employment by obtaining a high school diploma or GED.
	Number of persons that will enroll and work towards obtaining an Associate’s degree.
	Number of persons that will enroll and work towards obtaining a Bachelor’s degree.
	Number of persons that will obtain a degree (associate’s or bachelor’s degree) within contract year.

Section	Question	Scoring Mechanism	Maximum Points	Self-Score	Reviewer 1 (TDHCA use only)
4.4	Unduplicated Persons:	Award points as follows:	160		

	<p>Provide targets for the number of unduplicated persons that you anticipate will receive the following types of assistance through the proposed <u>education and employment</u> initiative. An individual can be counted as an unduplicated person receiving a service only once in each activity during the contract term (ONLY COUNT THE PRIMARY RECIPIENT, SUCH AS THE HEAD OF HOUSEHOLD, DO NOT COUNT THE ENTIRE HOUSEHOLD).</p>	<p>1 point awarded for each person to achieve stated goal or will receive stated service in b. through e with a MAXIMUM of 40 points per each initiative (b.-e.). No points for a.</p> <p>NOTE: Do not overestimate your target numbers because in the subsequent application for funds, you will be penalized for not meeting targets proposed in your application in Attachment B Part 2 Question 2.5.</p>			
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Table 4.4 - Unduplicated Persons

<p>Number of persons to receive case management (a process where a case worker meets with client on an on-going basis to identify, develop, and a. implement a plan to meet short and long-term goals). No points awarded for a.</p>
<p>Number of persons enrolled in the education or employment program who will receive assistance, either funded with the grant or other funding source, b. for rent, food, utilities, child care, or transportation.</p>
<p>Number of persons to receive assistance with tools, uniforms, clothes, equipment, tuition aid, books, and supplies which enable them to obtain or retain a c. job or complete their education goals.</p>
<p>Number of persons to receive education in computer skills or job skills. d.</p>
<p>Number of persons to receive Financial Literacy Education or Counseling in order to achieve or maintain capacity to meet basic needs or reported e. improved financial well being.</p>

Section	Question	Scoring Mechanism	Maximum Points	Self-Score	Reviewer 1 (TDHCA use only)
4.5	<p>Provide the following information in the yellow-highlighted area below: Describe the coordination and outreach efforts that will be conducted and how your organization will coordinate with other service providers in the service area to meet the varied client needs of clients to enable them to further their education or obtain employment or increased wages.</p>	<p>In assigning points, reviewer will consider the depth to which items are described: Applicant provided information that demonstrates:</p> <p>a. Clear coordination and outreach efforts: 10 point maximum</p> <p>b. Variety of client needs addressed through coordination efforts: 10 point maximum</p> <p>c. Coordination efforts were not sufficiently demonstrated: -5 points</p>	20		

4.5 Response

[Large empty yellow rectangular area for response]

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**NOFA for 2021 CSBG Discretionary Funds for Native American and MSFW Populations
Attachment B: Scoring Summary**

Applicant Name:		0		
Checklist of Application Questions Requesting Attachments				
Question		Attachment Item Requested		
	2.1	Most recent monitoring report for each grant listed in 1.1 in the last 3 years		
Application Question Sections				
Scoring Section	Maximum Points	Points Received	Reviewer 1	Reviewer 2
Part 1: Experience	210	0	0	0
Part 2: Prior Performance	Deductions To Be Determined	0	0	0
Part 3: Efficiency	160	0	0	0
Part 4: Proposed Employment and Education Services/Activities	540	0	0	0
Maximum Points=810				
Final Score (Minimum Score = 405**)		0	0	0

** The Self-Score column on Attachment B Parts 1-4 are to be completed by the Applicant; however, the Department does not base its scoring of the application on the Applicant's self-score. **

***TDHCA reserves the right to reject funding for applications that do not exceed 50% of the possible point. Applications with a score below 50% of the maximum eligible points available will not be considered for funding, except as described in the NOFA.*

****TDHCA reserves the right to request further information related to the application for clarification purposes during the scoring review period.****

8b

**TO BE POSTED
NOT LATER THAN
THE THIRD DAY
BEFORE THE
DATE OF THE
MEETING**

8c

**TO BE POSTED
NOT LATER THAN
THE THIRD DAY
BEFORE THE
DATE OF THE
MEETING**