

**BOARD BOOK
OF
June 16, 2022**



**Leo Vasquez III, Chair
Ajay Thomas, Member
Brandon Batch, Member
Kenny Marchant, Member
Anna Maria Farias, Member**

Texas Department of Housing and Community Affairs

PROGRAMMATIC IMPACT

Fiscal Year 2022 Reporting Period (9/1/2021 – 2/28/2022)

Owner Financing and Down Payment

- 30-year, fixed interest rate mortgage loans
- Mortgage credit certificates
- Down payment, closing cost assistance
- Homebuyer education

Programs:

- Single Family Homeownership

Expended Funds: \$886,230,750
Total Households Served: 4,121

Energy Related Assistance

- Utility bill payment assistance
- Energy consumption education
- Weatherization for energy efficiency

Programs:

- Comprehensive Energy Assistance Program (CEAP)
- Weatherization Assistance Program (WAP)

Expended CEAP Funds: \$83,890,558
Total Households Served: 88,986

Multifamily New Construction

- Affordable rental units financed and developed

Programs:

- 9% Housing Tax Credits (HTC)
- 4% Housing Tax Credits (HTC)
- Multifamily Bonds
- Multifamily Direct Loan Program*

Expended Funds: \$47,704,669
Total Households Served: 4,626

Homelessness Services

- Shelter building rehabilitation, conversion, operations
- Essential services e.g., health services, transportation, job training, employment services

Programs:

- Emergency Solutions Grant Program (ESG)
- Homeless Housing and Services Program (HHSP)

Expended Funds: \$19,481,276
Total Individuals Served: 22,446

Multifamily Rehab Construction

- Affordable rental units financed and rehabilitated

Programs:

- 9% Housing Tax Credits (HTC)
- 4% Housing Tax Credits (HTC)
- Multifamily Bonds

Expended Funds: \$10,573,878
Total Households Served: 1,903

Supportive Services

Provides administrative support for essential services for low income individuals through Community Action Agencies

Program:

- Community Services Block Grant Program (CSBG)

Expended Funds: \$17,752,129
Total Individuals Served: 181,458

Owner Rehabilitation Assistance

- Home rehabilitation, reconstruction
- Manufactured housing unit replacement
- Accessibility modifications e.g., ramp, grab bar installation

Programs:

- Homeowner Reconstruction Assistance Program (HRA)*
- Amy Young Barrier Removal Program

Expended Funds: \$3,815,870
Total Households Served: 56

Rental Assistance

- Short, long term rent payment help
- Assistance linked with services, Transitional assistance
- Security, utility deposits

Programs:

- Tenant-Based Rental Assistance (TBRA)*
- Section 8 Housing Choice Vouchers
- Section 811

Expended Funds: \$5,245,935
Total Households Served: 3,977

Single Family Development

- Single family development, reconstruction, rehabilitation
- NSP, Do-it-yourself, "sweat equity" construction (bootstrap), rehabilitation, Contract for Deed refinance

Programs:

- Single Family Development Program (SFD)*
- Contract for Deed (CFD)

Expended Funds: \$841,500
Total Households Served: 17

Total Expended Funds: \$1,084,528,836
Total Households Served: 308,756

All FY2022 data as reported in TDHCA's 2022 performance measures.

Note: Some households may have been served by more than one TDHCA program. For some programs, allocation is used as a proxy for expenditures. Because of timing of funds request, the funds expended for the quarter may be readjusted substantially by year end.

* Administered through the federally funded HOME Investment Partnerships Program

**TBRA Funds are reported on an annual basis and are not included in the rental assistance total

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
GOVERNING BOARD MEETING**

**A G E N D A
10:00 AM
June 16, 2022**

**John H. Reagan Building, JHR 140
1400 Congress Ave
Austin, Texas 78701**

CALL TO ORDER

ROLL CALL

Leo Vasquez, Chair

CERTIFICATION OF QUORUM

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.

Resolution Recognizing June as Homeownership Month

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 May 12, 2022

Beau Eccles
Board
Secretary

ASSET MANAGEMENT

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

Rosalio Banuelos
Director of Asset
Management

21289	Snowden Apartments	San Antonio
19409	Grim Hotel Apartments	Texarkana

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

20167	Laurel Flats	Tyler
93057/95081	Parks at Wynnewood	Dallas

- d) Presentation, discussion, and possible action on a return and reallocation of funds to New Hope Housing

This will be an open, public meeting conducted under Tex. Gov't Code, chapter 551, without COVID-19 emergency waivers. There will not be a remote online or telephone option for public participation. The meeting, however, will be streamed online for public viewing. Masks will be available for members of the public who wish to attend this public meeting.

HOUSING RESOURCE CENTER

- e) Presentation, discussion, and possible action on the draft 2023 Regional Allocation Formula Methodology

Elizabeth Yevich
Director of
Housing Resource
Center

SINGLE FAMILY & HOMELESS PROGRAMS

- f) Presentation, discussion and possible action on the appointment of Colonia Resident Advisory Committee members for Nueces County
- g) Presentation, discussion, and possible action to authorize the issuance of the 2022 Emergency Solutions Grants Program Notice of Funding Availability and publication in the Texas Register

Abigail Versyp
Director of Single Family
& Homeless Programs

RULES

- h) Presentation, discussion, and possible action on an order adopting an emergency amendment to 10 TAC Chapter 1, Subchapter D, Uniform Guidance for Recipients of Federal and State Funds, §1.407 Inventory Report directing its publication in the Texas Register; and an order proposing an amendment to 10 TAC Chapter 1, Subchapter D, Uniform Guidance for Recipients of Federal and State Funds, §1.407 Inventory Report directing its publication for public comment in the Texas Register
- i) Presentation, discussion, and possible action on the statutory four-year rule review and order of readoption for 10 TAC Chapter 1, Administration, Subchapter A, General Policies and Procedures, §1.16, Ethics and Disclosure Requirements for Outside Financial Advisors and Service Providers, and directing its publication for adoption in the Texas Register
- j) Presentation, discussion, and possible action on an order adopting the repeal and new rule, for 10 TAC §7.1, §7.2, §7.3, §7.7, and §7.12; 10 TAC Chapter 7, Subchapter C, Emergency Solutions Grants; and 10 TAC Chapter 7, Subchapter D, Ending Homelessness Fund, and an order directing their publication in the Texas Register

Brooke Boston
Deputy Director
of Programs

Abigail Versyp
Director of Single Family
& Homeless Programs

MULTIFAMILY BOND FINANCE

- k) Presentation, discussion, and possible action regarding the Issuance of a Multifamily Housing Governmental Note (Champions Crossing) Series 2022 Resolution No. 22-025, and a Determination Notice of Housing Tax Credits
- l) Presentation, discussion, and possible action regarding the Issuance of a Multifamily Housing Governmental Note (Marine Park) Series 2022 Resolution No. 22-026, and a Determination Notice of Housing Tax Credits
- m) Presentation, discussion, and possible action regarding the Issuance of Multifamily Housing Revenue Bonds (Palladium East Berry Street) Series 2022 Resolution No. 22-027, an award of Direct Loan funds, and a Determination Notice of Housing Tax Credits

Teresa Morales
Director of
Multifamily Bond

MULTIFAMILY FINANCE

- n) 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 Applications awarded in the 2021 competitive 9% tax credit round

Cody Campbell
Director of Multifamily
Programs

CONSENT AGENDA REPORT ITEMS

ITEM 2: THE BOARD ACCEPTS THE FOLLOWING REPORTS:

- a) Media Analysis and Outreach Report (April 2022)

Michael Lyttle
Director of
External Affairs

- b) Report on TDHCA One-Time or Temporary Allocations – Pandemic Response and Other Initiatives
- c) 2023 QAP Development Plan Update to Board for June 16, 2022
- d) Update and Report on the Homeowner Assistance Fund (HAF) Subrecipient Activities

Brooke Boston
Deputy Director
of Programs

ACTION ITEMS

Executive Session: the Chair may call an Executive Session at this point in the agenda in accordance with the below-cited provisions¹

Leo Vasquez
Chair

ITEM 3: EXECUTIVE

- a) Presentation, discussion, and possible action on the election of an assistant presiding officer (or "Vice Chair") to fill a vacancy, pursuant to Tex. Gov't Code §2306.030
- b) Executive Director’s Report

Leo Vasquez
Board Chair, TDHCA

Bobby Wilkinson
Executive Director, TDHCA

ITEM 4: INTERNAL AUDIT

Report on the meeting of the Internal Audit and Finance Committee

Ajay Thomas,
Chair, Audit and Finance
Committee

ITEM 5: FINANCIAL ADMINISTRATION

- a) Approval of the Department ‘s Operating Budget for Fiscal Year 2023
- b) Approval of the Housing Finance Division Budget for Fiscal Year 2023

Joe Guevara
Director of Financial
Administration

ITEM 6: ASSET MANAGEMENT

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

Rosalio Banuelos
Director of Asset
Management

21003 Tomball Senior Village Tomball

ITEM 7: MULTIFAMILY BOND FINANCE

Quarterly report relating to staff-issued Determination Notices for 2021 and 2022 Non-competitive 4% Housing Tax Credit applications

Teresa Morales
Director of
Multifamily Bond

ITEM 8: MULTIFAMILY FINANCE

- a) Presentation, discussion, and possible action on timely filed appeal of the underwriting report published under the Department’s Multifamily Program Rules for Clear Lake Crossing (#22089)
- b) Presentation, discussion, and possible action on timely filed appeal of termination under the Department’s Multifamily Program Rules for Celebration Paris (#22219)
- c) Presentation, discussion, and possible action on timely filed scoring appeal under the Department’s Multifamily Program Rules for Landmark 301 (#22254)
- d) Presentation, discussion, and possible action on timely filed scoring appeal under the Department’s Multifamily Program Rules for Butler Park Apartments (#22288)
- e) Report of Third Party Request for Administrative Deficiency under 10 TAC §11.10 of the 2022 Qualified Allocation Plan
- f) Presentation, discussion, and possible action to issue a list of approved Applications for 2022 Housing Tax Credits (HTC) in accordance with Tex. Gov’t Code §2306.6724(e)

Cody Campbell
Director of Multifamily
Programs

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

¹ Note: the Chair is not restricted by this item, and may call for an Executive Session at any time during the posted meeting.

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 Kathleen Vale Castillo, 512-475-4144, 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 Kathleen Vale Castillo, al siguiente número 512-475-4144 por lo menos cinco días antes de la junta para hacer los preparativos apropiados.

Texas Department of Housing and Community Affairs

RESOLUTION

WHEREAS, June 2022 is Homeownership Month in Texas;

WHEREAS, the goal of the Texas Department of Housing and Community Affairs (Department) is that all Texans have access to safe and decent affordable housing;

WHEREAS, it is the policy of the Department to support equal housing opportunities in the administration of its homebuyer and homeownership programs and services;

WHEREAS, since 1981, the Department has served as the State’s housing finance agency, providing a choice of mortgage products and services to meet the needs of low, very low, and moderate income homebuyers throughout the State;

WHEREAS, the Department offers a free online homebuyer education tool, Texas Homebuyer U, and administers funds to support the Texas Statewide Homebuyer Education Program to inform and prepare buyers for successful homeownership;

WHEREAS, the Department applauds all those who work to achieve and maintain affordable, responsible homeownership and recognizes those who provide services and resources to all homebuyers regardless of race, color, national origin, religion, sex, disability, or familial status; and

WHEREAS, the Department encourages Texans to explore the numerous affordable home buyer resources available during Homeownership Month and throughout the year;

NOW, therefore, it is hereby

RESOLVED, that in the pursuit of the goal of affordable homeownership opportunities for all, the Governing Board of the Texas Department of Housing and Community Affairs, does hereby celebrate June 2022 as Homeownership Month in Texas and encourages all Texas individuals and organizations, public and private, to join and work together in this observance of Homeownership Month.

Signed this Sixteenth Day of June 2022.



Leo Vasquez, Chair

Brandon Batch, Member

Kenny Marchant, Member

Anna Maria Farias, Member

Ajay Thomas, Member

Bobby Wilkinson, Executive Director

CONSENT AGENDA

1a

BOARD ACTION REQUEST

BOARD SECRETARY

JUNE 16, 2022

Presentation, discussion, and possible action on the Board meeting minutes summary for May 12, 2022

RECOMMENDED ACTION

Approve the Board meeting minutes summary for May 12, 2022

RESOLVED, that the Board meeting minutes summary for May 12, 2022, is hereby approved as presented.

**Texas Department of Housing and Community Affairs Governing Board
Board Meeting Minutes Summary
May 12, 2022**

On Thursday, the twelfth day of May 2022, at 10:03 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 in Room JHR 140 of the John H. Reagan Building, 1400 Congress Avenue, Austin, Texas.

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

- Leo Vasquez, III, Chair
- Brandon Batch
- Anna Maria Farias
- Kenny Marchant
- Ajay Thomas

Mr. Vasquez served as Chair, and James “Beau” Eccles, TDHCA General Counsel, served as Secretary.

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

2) The Board went into Executive Session at 10:07 a.m. and reconvened in open session at 10:40 a.m. During the executive session, the Board did not adopt any policy, position, resolution, rule, regulation, take any formal action, or vote on any item.

3) Action Item 3 – Executive Director’s Report – was presented by Bobby Wilkinson, TDHCA Executive Director. The Board heard the report and took no further action.

4) Action Item 4(a) – Presentation, discussion, and possible action on a recommendation to the Governor to select Eligible Entities to administer the Community Services Block Grant in Brazoria, Fort Bend, Galveston, and Wharton counties (the service area previously served by Galveston County Community Action Council, Inc.) – was presented by Michael De Young, TDHCA Director of Community Affairs. Following public comment (listed below), the Board unanimously approved staff recommendation granting authority to staff to request the Governor designate the expansion of the CSBG eligible entity status of the Gulf Coast Community Services Association and Combined Community Action, to include henceforth, serving Brazoria, Fort Bend, Galveston, and Wharton counties; and to award the remaining 2022 CSBG for the respective counties to these entities, all as described in the Board item.

- Kelly Franke, Combined Community Action, testified in support of staff recommendation

5) Action Item 4(b) – Presentation, discussion and possible action on the programming of Department of Energy weatherization funds available to Texas through the Bipartisan Infrastructure Law including the authorization to take the necessary steps to develop and submit the Department of Energy – Bipartisan Infrastructure Law State Plan and award such funds – was presented by Mr. De Young. Following public comment (listed below), the Board unanimously approved staff recommending granting the executive director and his designees the authority to effectuate plans, amendments, guidance and utilize flexibilities to make and manage the awards referenced in the item.

- Cyrus Reed, Lone Star Sierra Club, testified in support of staff recommendation

6) Action Item 5(a) – Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application 20190 Nuestra Senora in El Paso – was presented by Rosalio Banuelos, TDHCA Director of Asset Management. Following public comment (listed below), the Board unanimously adopted staff recommendation to approve the material amendment to 20190 Nuestra Senora in El Paso.

- Ryan Wilson, Franklin Companies and the developer of Nuestra Senor, testified in support of staff recommendation
- Gerry Cichon, Housing Authority of the City of El Paso, testified in support of staff recommendation
- Barry Palmer, Coats Rose attorney representing the applicant, testified in support of staff recommendation
- Michael Lyttle, TDHCA Director of External Affairs, read letters into the record from the Honorable César J. Blanco, State Senator, Senate District 29; and the Honorable Lina Ortega, State Representative, House District 77, both in support of staff recommendation

7) Action Item 5(b) – Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application and Land Use Restriction Agreement for 98008 Reed Parque Townhomes in Houston – was presented by Mr. Banuelos. The Board unanimously adopted staff recommendation to approve the material amendment to 98008 Reed Parque Townhomes in Houston.

8) Action Item 5(c) – Presentation, discussion, and possible action regarding an increase to the Housing Tax Credit amount for 16414 Father Carlos Pinto Memorial Apartments in El Paso – was presented by Mr. Banuelos with additional information from Mr. Wilkinson. The Board unanimously adopted staff recommendation to approve the increase in 4% tax credits for 16141 Father Carlos Pinto Memorial Apartments in El Paso.

9) Action Item 6(a) – Presentation, discussion, and possible action regarding the Issuance of Multifamily Housing Mortgage Revenue Bonds (Torrington Arcadia Trails Project) Series 2022 Resolution No. 22-023, and a Determination Notice of Housing Tax Credits – was presented by Teresa Morales, TDHCA Director of Multifamily Bonds. The Board unanimously adopted staff

recommendation to approve the issuance of Multifamily Housing Revenue Bonds Series 2022 by approving Resolution No. 22-023, and approving a determination notice for 4% Housing Tax Credits for Torrington Arcadia Trails.

10) Action Item 6(b) – Presentation, discussion, and possible action regarding the Issuance of Multifamily Housing Mortgage Revenue Bonds (Union Acres Project) Series 2022 Resolution No. 22-024, and a Determination Notice of Housing Tax Credits – was presented by Ms. Morales. The Board unanimously adopted staff recommendation to approve the issuance of Multifamily Housing Mortgage Revenue Bonds Series 2022 by approving Resolution No. 15 22-024, and approving a determination notice for 4% Housing Tax Credits for Union Acres Project.

11) Action Item 6(c) – Presentation, discussion and possible action regarding eligibility under 10 TAC §11.101(a)(3)(B)(ii) related to Undesirable Neighborhood Characteristics for Sunset Gardens (#22445) – was presented by Ms. Morales with additional information from Mr. Wilkinson. Following public comment (listed below), the Board by a 4-1 vote (Member Farias voting nay) did not adopt staff recommendation and, instead, found the site to be eligible.

- Mr. Lyttle read a letter into the record from Kim Ogg, Harris County District Attorney, which provided information on the item
- Sarah Andre, consultant for Sunset Gardens, testified in opposition to staff recommendation
- Jacob Levy, representing the developer, testified in opposition to staff recommendation
- Terren Fontenot, property manager for Sunset Gardens, testified in opposition to staff recommendation
- James Crowder, representing the developer, read a letter into the record from Dr. Carolyn Evans-Shabazz, Houston City Councilmember, who was in opposition to staff recommendation
- Marcin Dzido, representing the developer, read a letter into the record from Mr. Keith Bynum, Houston Housing and Community Development department, in opposition to staff recommendation
- David Burkley, Rainbow Housing, testified in opposition to staff recommendation

12) Action Item 7(a) – Presentation, discussion, and possible action regarding a waiver of 10 TAC §13.2(14) and awards from the Multifamily Direct Loan (MFDL) 2021 Notices of Funding Availability (NOFA) – was presented by Cody Campbell, TDHCA Director of Multifamily Finance. The Board unanimously approved staff recommendation to provide a limited rule waiver and MFDL awards to 21513 Balcones Terrace and 21514 Parker Apartments.

13) Action Item 7(b) – Presentation, discussion, and possible action on permitting the Executive Director to make necessary amendments to the 2022-1 Multifamily Direct Loan Notice of Funding Availability – was presented by Mr. Campbell. Following public comment (listed below), the Board unanimously adopted staff recommendation to grant the executive director

the identified additional authority and flexibility to efficiently administer the 2022-1 MFDL NOFA, as outlined in the Board item.

- Bill Fisher, Sonoma Housing, provided information on the item

14) Action Item 7(c) – Presentation, discussion, and possible action on timely appeal of termination of HTC application 22062, Country Villa, under the Department’s Multifamily Program Rules – was presented by Mr. Campbell. The Board unanimously approved staff recommendation to deny the appeal.

15) The Board did not hear Action Item 7(d) – Presentation, discussion, and possible action on timely filed scoring appeal under the Department’s Multifamily Program Rules for Application Country Villa (22062) – as its action on Action Item 7(c) rendered consideration of this item to be a moot point.

16) Action Item 7(e) – Presentation, discussion, and possible action on timely appeal of termination of MFDL application 22500, Freedom’s Path at Waco, under the Department’s Multifamily Program Rules – was presented by Mr. Campbell with additional information from Mr. Wilkinson, Mr. Eccles, and Megan Sylvester, TDHCA Federal Compliance Counsel. Following public comment (listed below), the Board adopted staff recommendation to deny the appeal but also directed staff to take whatever actions necessary to allow projects in the COVID set-aside that at the time of the application acceptance date have completed the Part 2 review process.

- Robbye Meyer, Arx Advantage and a consultant for the applicant, testified in opposition to staff recommendation
- Craig Taylor, Solutions for Veterans, provided information on the item
- Stan Parker, representing the developer, testified in opposition to staff recommendation

17) Action Item 7(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 Boulevard 61 (#21131) in Houston – was presented by Mr. Campbell. The Board unanimously adopted staff recommendation to approve the request for treatment of Boulevard 61 under the force majeure rule, including the return and reissuance of tax credits, subject to the conditions expressed in the Board item and proposed resolution.

18) Action Item 7(g) – 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 Longview Square (#21220) in Longview – was presented by Mr. Campbell with additional information from Mr. Wilkinson. The Board unanimously adopted staff recommendation to conditionally approve the request for treatment of Longview Square under the force majeure rule, including the return and reissuance of tax credits, subject to the particular conditions as expressed in the Board item and proposed resolution.

19) Action Item 7(h) – 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 Providence on Park (#21221) in Lumberton – was presented by Mr. Campbell. The Board unanimously adopted staff recommendation to conditionally approve the request for treatment of Providence on Park under the force majeure rule, including the return and reissuance of tax credits, subject to the particular conditions as expressed in the Board item and proposed resolution.

Prior to consideration of Action Item 7(i), Member Farias recused herself from the dais.

20) Action Item 7(i) – 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 3300 Caroline Street (#20114) in Houston – was presented by Mr. Campbell. The Board unanimously adopted staff recommendation to conditionally approve the request for treatment of 3300 Caroline Street under the force majeure rule, including the return and reissuance of tax credits, subject to the particular conditions as expressed in the Board item and proposed resolution.

Board Member Farias returned to the dais following the Board’s vote on Action Item 7(i).

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 2:03 p.m. The next meeting is set for Thursday, June 16, 2022.

Secretary

Approved:

Chair

1b

BOARD ACTION REQUEST
ASSET MANAGEMENT DIVISION
JUNE 16, 2022

Presentation, discussion, and possible action regarding a material amendment to the Housing Tax Credit Application for Snowden Apartments (HTC #21289)

RECOMMENDED ACTION

WHEREAS, Snowden Apartments (the Development) received an award of 9% Housing Tax Credits (HTCs) in 2021 for the construction of 135 units of elderly housing in San Antonio, Bexar County;

WHEREAS, Snowden Apartments, LP (the Development Owner or Owner) is now requesting approval for a change in the unit mix, reducing the number of two-bedroom units from 67 to 43 units and increasing the number of one-bedroom units from 68 to 92 units while maintaining the total number of units at 135;

WHEREAS, the requested change is the result of increased demand for one-bedroom units that was identified after the re-opening of the San Antonio Housing Authority's waiting list in late 2021;

WHEREAS, Board approval is required 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 material amendment to the Application for Snowden Apartments 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

Snowden Apartments received an award of 9% Housing Tax Credits in 2021 to construct 135 units of elderly housing in San Antonio, Bexar County. The Development is owned by Snowden Apartments, LP, with Snowden Apartments GP LLC as its General Partner being owned by San Antonio Housing Facility Corporation, a nonprofit instrumentality of the San Antonio Housing Authority (SAHA).

In a letter dated March 31, 2022, Tim Alcott, the Owner's representative, requested approval for a change in the bedroom mix for 24 units in the Development. Specifically, the Owner is requesting approval to reduce the number of two-bedroom units and increase the number of one-bedroom units to better meet market demand. As a result of the change to the unit mix, the square footage for each one-bedroom will increase from 650 to 668, and the square footage of the two-bedroom units will increase from 871 to 897, which will result in a reduction of 2.47% to the total Net Rentable Area (NRA), going from 102,557 to 100,027 square feet. This change falls below the 3% reduction threshold requiring board approval. However, the modification of the bedroom mix of units requires approval by the Board under Tex. Gov't Code §2306.6712(d)(2) and 10 TAC §10.405(a)(4)(B).

The change in unit mix is a result of the re-opening of SAHA's waiting list, which supports an increased demand for one-bedroom units. The Owner explained that, on July 7, 2017, SAHA closed their waiting list to the public and re-opened it on September 1, 2021. At the time of Application, 2017 waiting list information was used to determine the demand for one- and two-bedroom units. Upon reopening of the waiting list, it was determined that demand for one-bedroom units increased from the previous 2017 demand; according to the Owner, the updated data shows a demand ratio for one-bedroom units to two-bedroom units of 15 to one. Based on this need, SAHA has determined that it is prudent to reduce the number of two-bedroom units and increase the number of one-bedroom units to meet the needs of the updated applicant pool. The proposed change was not foreseeable or preventable by the Owner.

Staff has conducted an analysis of the updated operating pro forma, which includes updated rents, and has determined that the Development remains feasible and continues to support the tax credit allocation previously awarded. Additionally, staff has determined that the proposed change would not have affected the Development in a negative manner and would not have impacted the scoring of the Application or the HTC award. Also, the revised plans continue to meet the accessibility requirements.

Staff recommends approval of the requested material amendment to the Application.



March 31, 2022

Texas Department of Housing and Community Affairs
Attn: Rosalio Banelos, Asset Management Director
221 E. 11th Street
Austin, Texas 78701

Re: Material Amendment to Application #20189 – Snowden Apartments in San Antonio, Texas

Dear Mr. Banelos,

In accordance with §10.405(e)(4) of the Asset Management rules, the Applicant is writing to request a material amendment to the above-mentioned application. We have also included a Material Amendment Fee in the amount of \$2,500.

The Applicant is requesting a change to the number of one-bedroom units and two-bedroom units and adding washers and dryers to each unit as well as a centralized laundry facility on the first floor. This modification will result in a change to the unit mix, the square footage of the Net Rentable Area, and square footage of the Common Area. In addition, we have reviewed the points awarded to the Application and there is no change in the number of points awarded.

The Applicant received an award in 2021 for Snowden Apartments in San Antonio, Texas. The development will serve the elderly population and will consist of 135 units. All 135 units will be restricted. The application was approved for the development to have 67 two-bedroom units and 68 one-bedroom units. The Applicant would like to reduce the number of two-bedroom units to 43 and increase the number of one-bedroom units to 92. It is important to note that the total number of units will not be reduced. The Applicant is fully committed to build 135 total units. The application included in-unit laundry facilities for each resident and will now also include a common laundry area for use by residents as an amenity.

The reason for the change in unit types by the Applicant, the San Antonio Housing Authority (SAHA), is due to the re-opening of their waiting list and increased demand for one-bedroom units. On July 7, 2017, the SAHA closed their waiting list to the public and re-opened it on September 1, 2021. At the time of Application, 2017 waiting list information was used to determine the demand for one- and two-bedroom units. Upon reopening, re-confirming and



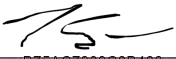
purging the no-longer-accurate 2017 waiting list information, it was determined that demand for one-bedroom units increased from the previous 2017 demand. The updated data shows a demand ratio for one-bedroom units to two-bedroom units of 15/1. Based on this need, SAHA has determined that it is prudent to reduce the number of two-bedroom units and increase the number of one-bedroom units to meet the needs of the updated applicant pool.

The change in the unit mix results in a change in Net Rentable Area from 102,557 square feet to 100,027. This is a total reduction of 2.5%, which does not trigger the Material Amendment for change in square footage. The change in the unit layout resulted in an increase in Common Area of 4,095 square feet, increasing the Common Area square footage from 48,761 square feet to 52,856 square feet which increases by 8.3% and also does not trigger the Material Amendment rule.

As mentioned previously, the unforeseeable change to the unit mix occurred after re-opening the Housing Authority's waiting list in late 2021 and determining that one-bedroom demand increased versus prior known information.

We appreciate your consideration for this request, are happy to answer any questions, and look forward to a favorable determination.

Sincerely,

DocuSigned by:

4/1/2022
B75AC7309C8B466...
Tim Alcott,
Chief Legal and Real Estate Officer

BOARD ACTION REQUEST
ASSET MANAGEMENT DIVISION
JUNE 16, 2022

Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application for Grim Hotel Apartments (HTC #19409)

RECOMMENDED ACTION

WHEREAS, Grim Hotel Apartments (the Development) received an award of 4% Housing Tax Credits (HTCs) in 2019 and a Multifamily Direct Loan (MFDL) funded out of the Neighborhood Stabilization Program 1-Program Income (NSP) for the adaptive reuse of 93 units of multifamily housing in Texarkana, Bowie County;

WHEREAS, Texarkana Grim Housing Partners, LP (the Development Owner or Owner) requests approval to change the rent and income restrictions for the Development by replacing 15% of the 60% AMI units with 30% AMI units as a result of a supplemental bond allocation from the Texas Bond Review Board;

WHEREAS, the revised election proposed by the Owner changes the Bond/LIHTC set-asides for the 93 units to 14 units at 30% Area Median Income (AMI) and 79 units at 60% AMI;

WHEREAS, staff considered this a material modification requiring approval from the Board, and the Owner has complied with the amendment requirements under 10 TAC §10.405(a);

WHEREAS, Real Estate Analysis has considered this amendment request and added a condition to the underwriting report stating that the Development must meet a maximum DCR of 1.50 at cost certification without the option of using a special reserve account to meet the 1.50; and

WHEREAS, the requested change does not negatively affect the Development, impact the viability of the transaction, or impact the selection of the application for an award;

NOW, therefore, it is hereby

RESOLVED, that the requested material amendment for Grim Hotel Apartments 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 foregoing.

BACKGROUND

Grim Hotel Apartments was approved for a 4% HTC award in 2019 for the adaptive reuse construction of 93 units of multifamily housing in Texarkana, Bowie County. The Development was originally underwritten and approved based on 93 Bond/LIHTC units at 60% AMI, layered with 7 NSP units and 18 NSP units at 60% AMI.

In a letter dated January 28, 2022, Jon Atlas, Managing Director for Cohen-Esrey Development Group, LLC and representative for the Owner, requested approval for a material amendment to the Application. The request is to revise the set-asides of 15% of the units to those earning up to 30% AMI. The Owner states that due to unforeseen conditions of the nearly 100-year old building, as well as the pandemic, construction is still ongoing at the property. Additionally, through the course of construction, the Owner discovered underlying structural issues that led to significant overage in both costs required to properly restore the structure of the building in addition to timing delays resulting in additional interest expense, negative tax credit adjusters, and pandemic-related materials increases. These increased costs led the Owner to seek a supplemental bond allocation in order to meet the 50% bond test requirement and fund the overruns. The Owner is in the process of obtaining an additional bond allocation, which is now requiring 15% or 14 units to be targeted to those earning up to 30% AMI.

In addition, as a result of the passage of the Consolidated Appropriations Act of 2020, the Development is expected to be eligible for the fixed 4% tax credit rate upon issuance of a supplemental bond allocation from the Texas Bond Review Board.

In accordance with 10 TAC §10.405(a)(7)(A)(ii), the Owner has provided a letter from Citi Community Capital, the lender for the Development, and a letter from Affordable Housing Partners, Inc., the equity provider, stating that they will remain committed to the project and support the supplemental bond and equity funds derived from this amendment. With the revised election, the proposed changes the set-asides for the 93 Bond/LIHTC units are to designate 14 Bond/LIHTC units at 30% AMI and 79 Bond/LIHTC units at 60% AMI. This results in changing 14 Bond/LIHTC units previously designated as 60% AMI to 30% AMI units.

The Development was re-underwritten based on the proposed set-asides and revised financials submitted. The results of the analysis indicate that the Development remains feasible, but total development cost increased \$4.1M. Building costs have increased \$1M, and financing costs increased by \$1.7M. All sources of funds have closed with the exception of the \$1.5M additional construction loan from Citibank to back the supplemental bond allocation. Total bond allocation will be \$15M, generating an acceptable 50% bond test.

With these changes, the current analysis supports a recommended credit award of \$1,353,963, which is an approximate increase of 34.56% from the original credit award of \$1,006,241. The final recommended credit amount will be determined at Cost Certification, and at that time, the Owner will be required to pay the associated Tax-Exempt Bond Credit Increase Request Fee.

Staff recommends approval of the requested material amendment.



Addendum to Underwriting Report

TDHCA Application #: **19409** Program(s): **4% HTC/MDL**

Grim Hotel Apartments

City: Texarkana County: Bowie Zip: 75501

APPLICATION HISTORY	
Report Date	PURPOSE
05/20/22	Bond Amendment
06/08/20	Direct Loan Closing and Amendment Acknowledgment
07/31/19	Revision to TDHCA Direct Loan Terms
05/16/19	Original Underwriting

ALLOCATION

TDHCA Program	Previous Allocation				RECOMMENDATION				
	Amount	Rate	Amort	Term	Amount	Rate	Amort	Term	Lien
Multifamily Direct Loan (Repayable)	\$4,000,000	2.00%	30	30	\$4,000,000	2.00%	40	40	1
LIHTC (4% Credit)	\$1,006,241				\$1,353,963				

* Multifamily Direct Loan Terms:

* Lien position after conversion to permanent. The Department's lien position during construction may vary.

CONDITIONS

- 1 Receipt and acceptance before Direct Loan Closing
 - a: Substantially final construction contract with Schedule of Values as approved by LIHTC Equity Partner.
Status: Satisfied. SOV provided for contract with Construction Technologies, LLC dated 11/14/2019.
 - b: Updated term sheets with substantially final terms from all lenders
Status: Satisfied. Final loan documents provided for all sources.
 - c: Substantially final draft of Limited Partnership Agreement.
Status: Satisfied.
 - d: Substantially final draft of Master Tenant Agreement.
Status: Satisfied.
 - e: Documentation identifying any required matching funds, and confirming that the source is eligible to be counted as matching funds under HUD and TDHCA requirements.
Status: Satisfied.
 - f: Documentation that the HUD 108 loan term has provisions to be extended up to 10 years beyond the stated 20-year maturity.
Status: Satisfied. Loan document reflects a 30-year term.
 - g: Documentation of environmental studies and identified remediation costs as approved by LIHTC Equity Partner.
Status: Satisfied.

2 Receipt and acceptance by Cost Certification:

- a: Certification of comprehensive testing for asbestos and lead-based paint; that any necessary abatement measures were properly 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.
- b: Certification that any necessary abatement measures for hazardous mold were properly implemented.
- c: Certification of comprehensive testing of potable water in the building to identify possible lead contamination from any pre-existing plumbing, and that any necessary abatement measures were implemented.
- d: Certification that a GPR (ground penetrating radar) Survey of the northern portion of the property was completed to identify the possible existence of underground storage tanks, and that any necessary abatement measures were implemented.
- e: **The Development must meet a maximum DCR of 1.50 at cost certification without the option of using a special reserve account to meet the 1.50.**

DISCUSSION

The Development received a 4% HTC allocation in 2019 and closed an MDL Loan in 2020. Per Applicant, once construction started on the 100-year-old building, they found the structural condition to be much worse than anticipated. These increased costs, coupled with raising construction costs and time delays due to Covid, led the development to seek a supplemental bond allocation in order to meet the 50% bond test requirement and fund the overruns.

Applicant is eligible for the fixed 4% tax credit rate upon issuance of a supplemental bond allocation from the Texas Bond Review Board. Texas Bond Review Board is requiring 15% of units targeted to those earning up to 30% AMI. Fourteen 60% AMI units are now restricted to 30% AMI to qualify for the increased bonds. PBV's are layered on these units.

ANALYSIS

Operating Pro Forma

Rents have been updated to 2022 limits for the HTC program and 2021 for Direct Loan program (the 2022 rents are not yet available for the MDL units), increasing income \$59k. Expenses have increased \$26k since original underwriting.

Development Cost

Total development costs have increased \$4.1M; building costs have increased \$1M and financing costs increased \$1.78M. Building costs are based on a signed construction contract.

Eligible financing costs overstated by \$897k, thereby overstating eligible developer fee by \$63k.

Sources of Funds

All sources of funds have closed with the exception of the \$1.5M additional construction loan from Citibank to back the supplemental bond allocation. Total bond allocation will be \$15M, generating an acceptable 50% bond test.

CONCLUSIONS

The Direct Loan was awarded in the amount of \$4,000,000 at 2.00% interest fully amortized over 40 years.

The current analysis supports a recommended credit award of \$1,353,963 based on eligible basis.

Final determination of the credit allocation will be made at Cost Certification.

Director of Real Estate Analysis: Jeanna Adams

UNIT MIX/RENT SCHEDULE
Grim Hotel Apartments, Texarkana, 4% HTC/MDL #19409

LOCATION DATA	
CITY:	Texarkana
COUNTY:	Bowie
Area Median Income	\$71,300
PROGRAM REGION:	4

UNIT DISTRIBUTION							
# Beds	# Units	% Total	Assisted	MDL	Income	# Units	% Total
Eff	23	24.7%	0	7	30%	14	15.1%
1	47	50.5%	11	12	40%	-	0.0%
2	23	24.7%	11	6	50%	-	0.0%
3	-	0.0%	0	0	60%	79	84.9%
4	-	0.0%	0	0	MR	-	0.0%
TOTAL	93	100.0%	22	25	TOTAL	93	100.0%

Pro Forma ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	100%
APP % Acquisition	4.00%
APP % Construction	4.00%
Average Unit Size	655 sf

UNIT MIX / MONTHLY RENT SCHEDULE																							
HTC		TDHCA Direct Loan Program		RENT ASSISTED UNIT		UNIT MIX				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS				TDHCA PRO FORMA RENTS				MARKET RENTS		
Type	Gross Rent	Type	Gross Rent	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%	\$715	HH/60%	\$647	0		2	0	1	500	\$647	\$74	\$573	\$0	\$1.15	\$573	\$1,146	\$1,146	\$573	\$1.15	\$0	\$671	\$1.34	\$671
TC 60%	\$715			0		3	0	1	500	\$715	\$74	\$641	\$0	\$1.28	\$641	\$1,923	\$1,923	\$641	\$1.28	\$0	\$671	\$1.34	\$671
TC 60%	\$715			0		5	0	1	510	\$715	\$74	\$641	\$0	\$1.26	\$641	\$3,205	\$3,205	\$641	\$1.26	\$0	\$671	\$1.32	\$671
TC 60%	\$715	LH/50%	\$555	0		1	0	1	515	\$555	\$74	\$481	\$0	\$0.93	\$481	\$481	\$481	\$481	\$0.93	\$0	\$671	\$1.30	\$671
TC 60%	\$715	HH/60%	\$647	0		2	0	1	515	\$647	\$74	\$573	\$0	\$1.11	\$573	\$1,146	\$1,146	\$573	\$1.11	\$0	\$671	\$1.30	\$671
TC 60%	\$715	LH/50%	\$555	0		1	0	1	525	\$555	\$74	\$481	\$0	\$0.92	\$481	\$481	\$481	\$481	\$0.92	\$0	\$671	\$1.28	\$671
TC 60%	\$715			0		4	0	1	540	\$715	\$74	\$641	\$0	\$1.19	\$641	\$2,564	\$2,564	\$641	\$1.19	\$0	\$671	\$1.24	\$671
TC 60%	\$715			0		4	0	1	545	\$715	\$74	\$641	\$0	\$1.18	\$641	\$2,564	\$2,564	\$641	\$1.18	\$0	\$672	\$1.23	\$672
TC 60%	\$715	HH/60%	\$647	0		1	0	1	610	\$647	\$74	\$573	\$0	\$0.94	\$573	\$573	\$573	\$573	\$0.94	\$0	\$783	\$1.28	\$783
TC 30%	\$383			PBV	\$737	5	1	1	600	\$737	\$90	\$647	\$0	\$1.08	\$647	\$3,235	\$3,235	\$647	\$1.08	\$0	\$783	\$1.31	\$783
TC 30%	\$383			PBV	\$737	4	1	1	605	\$737	\$90	\$647	\$0	\$1.07	\$647	\$2,588	\$2,588	\$647	\$1.07	\$0	\$783	\$1.29	\$783
TC 60%	\$766			0		14	1	1	605	\$766	\$90	\$676	\$0	\$1.12	\$676	\$9,464	\$9,464	\$676	\$1.12	\$0	\$783	\$1.29	\$783
TC 60%	\$766	LH/50%	\$594	0		1	1	1	625	\$594	\$90	\$504	\$0	\$0.81	\$504	\$504	\$504	\$504	\$0.81	\$0	\$783	\$1.25	\$783
TC 60%	\$766	HH/60%	\$658	0		3	1	1	625	\$658	\$90	\$568	\$0	\$0.91	\$568	\$1,704	\$1,704	\$568	\$0.91	\$0	\$783	\$1.25	\$783
TC 60%	\$766			0		1	1	1	625	\$766	\$90	\$676	\$0	\$1.08	\$676	\$676	\$676	\$676	\$1.08	\$0	\$783	\$1.25	\$783
TC 60%	\$766			0		1	1	1	630	\$766	\$90	\$676	\$0	\$1.07	\$676	\$676	\$676	\$676	\$1.07	\$0	\$783	\$1.24	\$783
TC 60%	\$766			0		1	1	1	635	\$766	\$90	\$676	\$0	\$1.06	\$676	\$676	\$676	\$676	\$1.06	\$0	\$783	\$1.23	\$783
TC 60%	\$766			0		3	1	1	640	\$766	\$90	\$676	\$0	\$1.06	\$676	\$2,028	\$2,028	\$676	\$1.06	\$0	\$783	\$1.22	\$783
TC 60%	\$766			0		4	1	1	645	\$766	\$90	\$676	\$0	\$1.05	\$676	\$2,704	\$2,704	\$676	\$1.05	\$0	\$783	\$1.21	\$783
TC 60%	\$766	LH/50%	\$594	0		1	1	1	665	\$594	\$90	\$504	\$0	\$0.76	\$504	\$504	\$504	\$504	\$0.76	\$0	\$783	\$1.18	\$783
TC 60%	\$766			PBV	\$737	1	1	1	680	\$737	\$90	\$647	\$0	\$0.95	\$647	\$647	\$647	\$647	\$0.95	\$0	\$783	\$1.15	\$783
TC 60%	\$766	LH/50%	\$594	0		1	1	1	685	\$594	\$90	\$504	\$0	\$0.74	\$504	\$504	\$504	\$504	\$0.74	\$0	\$783	\$1.14	\$783
TC 60%	\$766	HH/60%	\$658	0		5	1	1	690	\$658	\$90	\$568	\$0	\$0.82	\$568	\$2,840	\$2,840	\$568	\$0.82	\$0	\$784	\$1.14	\$784
TC 60%	\$766	LH/50%	\$594	0		1	1	1	715	\$594	\$90	\$504	\$0	\$0.70	\$504	\$504	\$504	\$504	\$0.70	\$0	\$785	\$1.10	\$785
TC 60%	\$766			PBV	\$737	1	1	1	735	\$737	\$90	\$647	\$0	\$0.88	\$647	\$647	\$647	\$647	\$0.88	\$0	\$951	\$1.29	\$951
TC 60%	\$919			0		5	2	2	800	\$919	\$109	\$810	\$0	\$1.01	\$810	\$4,050	\$4,050	\$810	\$1.01	\$0	\$875	\$1.09	\$875
TC 60%	\$919			PBV	\$921	5	2	2	805	\$921	\$109	\$812	\$0	\$1.01	\$812	\$4,060	\$4,060	\$812	\$1.01	\$0	\$875	\$1.09	\$875
TC 60%	\$919	HH/60%	\$826	0		1	2	2	820	\$826	\$109	\$717	\$0	\$0.87	\$717	\$717	\$717	\$717	\$0.87	\$0	\$875	\$1.07	\$875
TC 60%	\$919	LH/50%	\$712	0		1	2	2	830	\$712	\$109	\$603	\$0	\$0.73	\$603	\$603	\$603	\$603	\$0.73	\$0	\$875	\$1.05	\$875
TC 30%	\$459			PBV	\$921	5	2	2	835	\$921	\$109	\$812	\$0	\$0.97	\$812	\$4,060	\$4,060	\$812	\$0.97	\$0	\$875	\$1.05	\$875
TC 60%	\$919	HH/60%	\$826	0		1	2	2	850	\$826	\$109	\$717	\$0	\$0.84	\$717	\$717	\$717	\$717	\$0.84	\$0	\$875	\$1.03	\$875
TC 60%	\$919	HH/60%	\$826	0		1	2	2	850	\$826	\$109	\$717	\$0	\$0.84	\$717	\$717	\$717	\$717	\$0.84	\$0	\$875	\$1.03	\$875
TC 60%	\$919	HH/60%	\$826	0		1	2	2	885	\$826	\$109	\$717	\$0	\$0.81	\$717	\$717	\$717	\$717	\$0.81	\$0	\$875	\$0.99	\$875
TC 60%	\$919			0		1	2	2	885	\$919	\$109	\$810	\$0	\$0.92	\$810	\$810	\$810	\$810	\$0.92	\$0	\$875	\$0.99	\$875
TC 60%	\$919			PBV	\$921	1	2	2	890	\$921	\$109	\$812	\$0	\$0.91	\$812	\$812	\$812	\$812	\$0.91	\$0	\$875	\$0.98	\$875
TC 60%	\$919	HH/60%	\$826	0		1	2	2	960	\$826	\$109	\$717	\$0	\$0.75	\$717	\$717	\$717	\$717	\$0.75	\$0	\$875	\$0.91	\$875
TOTAL/AVERAGES:						93			60,950				\$0	\$1.02	\$666	\$61,964	\$61,964	\$666	\$1.02	\$0	\$781	\$1.19	\$781

ANNUAL POTENTIAL GROSS RENT:	\$743,568	\$743,568
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STABILIZED PRO FORMA

Grim Hotel Apartments, Texarkana, 4% HTC/MDL #19409

STABILIZED FIRST YEAR PRO FORMA

	COMPARABLES		APPLICANT				MDL Closing	Original UW		MDL Closing	TDHCA				VARIANCE			
	Database	Local Comps	% EGI	Per SF	Per Unit	Amount		5-31-19 Applicant	5-31-19 TDHCA		Amount	Per Unit	Per SF	% EGI	%	\$		
POTENTIAL GROSS RENT				\$1.02	\$666	\$743,568	\$701,136	\$675,456	\$675,456	\$701,592	\$743,568	\$666	\$1.02		0.0%	\$0		
vending, late fee, laundry					\$15.00	\$16,740	\$16,740	16,740										
Total Secondary Income					\$15.00				16,740	16,740	\$16,740	\$15.00			0.0%	\$0		
POTENTIAL GROSS INCOME						\$760,308	\$717,876	\$692,196	\$692,196	\$718,332	\$760,308				0.0%	\$0		
Vacancy & Collection Loss				7.5% PGI		(57,023)	(53,841)	(47,821)	(47,821)	(53,875)	(57,023)	7.5% PGI			0.0%	-		
EFFECTIVE GROSS INCOME						\$703,285	\$664,035	\$644,375	\$644,375	\$664,457	\$703,285				0.0%	\$0		
General & Administrative	\$29,949	\$322/Unit	\$45,517	\$489	4.83%	\$0.56	\$366	\$34,000	\$33,950	\$28,950	\$29,961	\$29,729	\$29,949	\$322	\$0.49	4.26%	13.5%	4,051
Management	\$29,518	5.3% EGI	\$38,423	\$413	3.76%	\$0.43	\$284	\$26,434	\$31,883	\$36,000	\$32,219	\$33,223	\$28,131	\$302	\$0.46	4.00%	-6.0%	(1,697)
Payroll & Payroll Tax	\$121,847	\$1,310/Unit	\$124,802	\$1,342	14.93%	\$1.72	\$1,129	\$105,000	\$99,625	\$99,625	\$124,802	\$124,802	\$124,802	\$1,342	\$2.05	17.75%	-15.9%	(19,802)
Repairs & Maintenance	\$70,371	\$757/Unit	\$61,625	\$663	9.24%	\$1.07	\$699	\$65,000	\$64,005	\$69,005	\$60,450	\$60,450	\$60,450	\$650	\$0.99	8.60%	7.5%	4,550
Electric/Gas	\$14,887	\$160/Unit	\$13,719	\$148	2.84%	\$0.33	\$215	\$20,000	\$25,000	\$25,000	\$14,893	\$14,777	\$14,777	\$159	\$0.24	2.10%	35.3%	5,223
Water, Sewer, & Trash	\$47,409	\$510/Unit	\$57,050	\$613	7.82%	\$0.90	\$591	\$55,000	\$47,000	\$47,000	\$47,409	\$47,409	\$57,050	\$613	\$0.94	8.11%	-3.6%	(2,050)
Property Insurance	\$24,980	\$0.41 /sf	\$27,892	\$300	7.93%	\$0.92	\$600	\$55,800	\$28,365	\$28,365	\$28,365	\$28,365	\$55,800	\$600	\$0.92	7.93%	0.0%	-
Property Tax (@ 100%)	\$33,905	\$365/Unit	\$0	\$0	0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	0.0%	-
Reserve for Replacements	\$28,818	\$310/Unit	\$32,552	\$350	3.31%	\$0.38	\$250	\$23,250	\$23,250	\$23,250	\$27,900	\$27,900	\$23,250	\$250	\$0.38	3.31%	0.0%	-
Supportive Services			-	\$0	2.13%	\$0.25	\$161	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$161	\$0.25	2.13%	0.0%	-
TDHCA LIHTC/HOME Compliance Fees			-	\$0	0.53%	\$0.06	\$40	\$3,720	\$4,570	\$4,570	\$4,570	\$4,570	\$3,720	\$40	\$0.06	0.53%	0.0%	-
CEC Compliance Fee			-	\$0	1.42%	\$0.16	\$108	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$108	\$0.16	1.42%	0.0%	-
TOTAL EXPENSES					58.75%	\$6.78	\$4,443	\$ 413,204	\$ 382,648	\$386,765	\$395,569	\$396,226	\$422,930	\$4,548	\$6.94	60.14%	-2.3%	\$ (9,726)
NET OPERATING INCOME ("NOI")					41.25%	\$4.76	\$3,119	\$290,081	\$281,387	\$257,610	\$248,806	\$268,231	\$280,355	\$3,015	\$4.60	39.86%	3.5%	\$ 9,726
CONTROLLABLE EXPENSES								\$3,000/Unit					\$3,086/Unit					

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Grim Hotel Apartments, Texarkana, 4% HTC/MDL #19409

DEBT / GRANT SOURCES

DEBT	Fee	APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE																PRIOR UNDERWRITING						AS UNDERWRITTEN DEBT/GRANT STRUCTURE					
		Cumulative DCR		Pmt	Rate	Amort	Term	Principal	MDL Closing	Original UW			MDL Closing	Principal	Term	Amort	Rate	Pmt	Cumulative										
		UW	App							Applicant	TDHCA	TDHCA							DCR	LTC									
TDHCA		1.92	1.98	146,223	2.00%	40	40	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	40	40	2.00%	\$145,356	2.00	13.8%									
EPA Brownfield Loan		1.92	1.98		2.87%	0	30	\$650,000	\$650,000	\$650,000	\$650,000	\$650,000	\$650,000	30	0	2.87%		2.00	2.2%										
City Affordable Housing Fund		1.92	1.98		1.70%	0	30	\$260,000	\$260,000	\$260,000	\$260,000	\$260,000	\$260,000	30	0	1.50%		2.00	0.9%										
HUD 108 Loan		1.92	1.98		2.55%	0	30	\$1,429,000	\$1,429,000	\$1,429,000	\$1,429,000	\$1,429,000	\$1,429,000	30	0	2.55%		2.00	4.9%										
Preserving US, Inc. Loan		1.92	1.98		0.50%	0	20	\$5,333,011	\$5,442,632	\$4,993,803	\$4,993,803	\$5,442,632	\$5,333,011	20	0	0.50%		2.00	18.4%										
Cedar Rapids Bank & Trust		1.32	1.37	\$65,608	5.95%	40	16	\$1,000,000	\$1,000,000	\$0	\$0	\$1,000,000	\$1,000,000	16	40	5.95%	\$65,608	1.38	3.5%										
				\$211,831	TOTAL DEBT / GRANT SOURCES			\$12,672,011	\$12,781,632	\$11,982,803	\$11,982,803	\$12,929,370	\$12,672,011	TOTAL DEBT SERVICE			\$210,964	1.38	43.8%										

NET CASH FLOW	\$68,524	\$78,250											APPLICANT	NET OPERATING INCOME	\$290,081	\$79,117	NET CASH FLOW
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EQUITY SOURCES

EQUITY / DEFERRED FEES	DESCRIPTION	% Cost	APPLICANT'S PROPOSED EQUITY STRUCTURE						AS UNDERWRITTEN EQUITY STRUCTURE							
			Annual Credit	Credit Price	Amount	MDL Closing	Original UW			MDL Closing	Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method
							Applicant	TDHCA	TDHCA							
Affordable Housing Partners, Inc.	LIHTC Equity	42.2%	\$1,403,214	\$0.87	\$12,206,741	\$8,662,371	\$8,854,031	\$8,854,924	\$8,280,966	\$11,779,474	\$0.87	\$1,353,963	40.7%	\$14,559	Eligible Basis	
Master Tenant Capital Contribution	Historic Credits	12.0%		\$0.78	\$3,471,825	\$3,471,825	\$3,240,574	\$3,240,574	\$3,471,825	\$3,471,825	\$0.78		12.0%			
Cohen-Esrey Development Group	Deferred Developer Fees	1.9%	(17% Deferred)		\$562,000	\$533,003	\$865,499	\$701,154		\$989,267	(30% Deferred)		3.4%	Total Developer Fee:	\$3,262,254	
Additional (Excess) Funds Req'd		0.0%						\$0	\$0			0.0%				
TOTAL EQUITY SOURCES		56.2%			\$16,240,566	\$12,667,199	\$12,960,104	\$12,796,652	\$11,752,791	\$16,240,566		56.2%				

TOTAL CAPITALIZATION	\$28,912,577	\$25,448,831	\$24,942,907	\$24,779,455	\$24,682,160	\$28,912,577									15-Yr Cash Flow after Deferred Fee:	\$357,834
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DEVELOPMENT COST / ITEMIZED BASIS

	APPLICANT COST / BASIS ITEMS														TDHCA COST / BASIS ITEMS						COST VARIANCE	
	Eligible Basis		Total Costs	MDL Closing	Original UW			MDL Closing	Total Costs	Eligible Basis		%	\$									
	Acquisition	New Const. Rehab			Applicant	5-16-19 Applicant	5-16-19 TDHCA			TDHCA	New Const. Rehab			Acquisition								
Land Acquisition			\$1,194 / Unit	\$111,000	\$0	\$111,000	\$150,000	\$150,000	\$150,000	\$1,613 / Unit		-26.0%	(\$39,000)									
Building Acquisition	\$444,000		\$4,774 / Unit	\$444,000	\$555,000	\$444,000	\$405,000	\$405,000	\$405,000	\$4,355 / Unit	\$405,000	9.6%	\$39,000									
Off-Sites			\$ / Unit	\$0	\$0	\$0	\$0	\$0	\$ / Unit			0.0%	\$0									
Site Work		\$1,376,291	\$14,799 / Unit	\$1,376,291	\$302,875	\$302,875	\$302,875	\$959,193	\$966,091	\$10,388 / Unit	\$966,091	42.5%	\$410,200									
Site Amenities		\$20,300	\$218 / Unit	\$20,300	\$20,300	\$20,300	\$20,300	\$88,607	\$953 / Unit	\$88,607		-77.1%	(\$68,307)									
Building Cost		\$15,152,911	\$248.61 /sf	\$162,935/Unit	\$15,152,911	\$14,136,721	\$14,136,721	\$13,183,110	\$15,494,804	\$166.611/Unit	\$254.22 /sf	\$15,494,804	-2.2%	(\$341,893)								
Contingency		\$1,422,350	8.59%	8.59%	\$1,422,350	\$1,648,428	\$1,445,990	\$1,445,990	\$1,422,350	8.59%	8.59%	\$1,422,350	0.0%	\$0								
Contractor Fees		\$2,024,386	11.26%	11.26%	\$2,024,386	\$2,024,385	\$2,024,384	\$2,024,385	\$2,024,386	11.26%	11.26%	\$2,024,386	0.0%	\$0								
Soft Costs	0	\$637,355		\$7,606 / Unit	\$707,355	\$670,905	\$707,355	\$670,905	\$707,355	\$7,606 / Unit	\$637,355	\$0	0.0%	\$0								
Financing	0	\$2,747,500		\$44,288 / Unit	\$4,118,768	\$2,342,717	\$2,258,200	\$2,258,200	\$2,342,717	\$44,288 / Unit	\$1,850,800	\$0	0.0%	\$0								
Developer Fee	\$0	\$3,262,254	13.69%	13.69%	\$3,262,254	\$3,250,254	\$3,219,120	\$3,055,669	\$3,055,675	\$3,262,254	14.25%	14.22%	\$3,199,082	\$55,546	0.0%	\$0						
Reserves				5 months	\$272,962	\$387,625	\$272,962	\$387,625	\$272,962	5 months			0.0%	\$0								
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)	\$444,000	\$26,643,347		\$310,888 / Unit	\$28,912,577	\$25,339,210	\$24,942,907	\$24,779,455	\$24,682,160	\$28,912,577	\$310,888 / Unit	\$25,683,475	\$460,546	0.0%	\$0							
Acquisition Cost	(\$39,000)				\$0	\$0	\$0															
Contingency		\$0			\$0	(\$202,438)	(\$0)															
Contractor's Fee		\$0			\$0	\$0	\$0															
Financing Cost		(\$896,700)																				
Developer Fee	\$55,546	(\$63,172)			\$0	(\$133,074)	(\$157,601)															
Reserves		\$0			\$0	\$0	\$0															
ADJUSTED BASIS / COST	\$460,546	\$25,683,475		\$310,888/unit	\$28,912,577	\$25,003,697	\$24,785,305	\$24,779,455	\$24,682,160	\$28,912,577	\$310,888/unit	\$25,683,475	\$460,546	0.0%	\$0							

TOTAL HOUSING DEVELOPMENT COSTS BASED ON 3RD PARTY PCA/CNA															\$28,912,577
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CAPITALIZATION / DEVELOPMENT COST BUDGET / ITEMIZED BASIS ITEMS

Grim Hotel Apartments, Texarkana, 4% HTC/MDL #19409

CREDIT CALCULATION ON QUALIFIED BASIS				
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction Rehabilitation
ADJUSTED BASIS	\$460,546	\$25,683,475	\$460,546	\$25,683,475
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$460,546	\$25,683,475	\$460,546	\$25,683,475
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$460,546	\$33,388,517	\$460,546	\$33,388,517
Applicable Fraction	100.00%	100.00%	100.00%	100.00%
TOTAL QUALIFIED BASIS	\$460,546	\$33,388,517	\$460,546	\$33,388,517
Applicable Percentage	4.00%	4.00%	4.00%	4.00%
ANNUAL CREDIT ON BASIS	\$18,422	\$1,335,541	\$18,422	\$1,335,541
CREDITS ON QUALIFIED BASIS	\$1,353,963		\$1,353,963	

Method	ANNUAL CREDIT CALCULATION BASED ON TDHCA BASIS		FINAL ANNUAL LIHTC ALLOCATION		
	Annual Credits	Proceeds	Credit Price \$0.8700	Variance to Request	
			Credit Allocation	Credits	Proceeds
Eligible Basis	\$1,353,963	\$11,779,474	\$1,353,963	(\$49,251)	(\$428,488)
Needed to Fill Gap	\$1,467,671	\$12,768,741	----	---	----
Applicant Request	\$1,403,214	\$12,207,962	----	---	----

50% Test for Bond Financing for 4% Tax Credits					
Tax-Exempt Bond Amount	\$15,000,000		Percent Financed by Tax-Exempt Bonds	Applicant	TDHCA
Aggregate Basis Limit for 50% Test	\$30,000,000				
	Applicant	TDHCA	amount aggregate basis can increase before 50% test fails		
Land Cost	\$111,000	\$150,000	\$5,993,907	25.0%	\$6,890,607
Depreciable Bldg Cost	\$23,895,093	\$22,959,393			29.8%
Aggregate Basis for 50% Test	\$24,006,093	\$23,109,393			

Long-Term Pro Forma

Grim Hotel Apartments, Texarkana, 4% HTC/MDL #19409

	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%	\$703,285	\$717,351	\$731,698	\$746,332	\$761,258	\$840,491	\$927,969	\$1,024,553	\$1,131,190	\$1,248,925	\$1,378,914	\$1,522,432
TOTAL EXPENSES	3.00%	\$413,204	\$425,336	\$437,826	\$450,686	\$463,926	\$536,238	\$619,903	\$716,713	\$828,741	\$958,392	\$1,110,510	\$1,287,386
NET OPERATING INCOME ("NOI")		\$290,081	\$292,015	\$293,871	\$295,646	\$297,332	\$304,252	\$308,066	\$307,840	\$302,448	\$290,533	\$268,404	\$235,047
EXPENSE/INCOME RATIO		58.8%	59.3%	59.8%	60.4%	60.9%	63.8%	66.8%	70.0%	73.3%	76.7%	80.5%	84.6%
MUST -PAY DEBT SERVICE													
TDHCA		\$145,356	\$145,356	\$145,356	\$145,356	\$145,356	\$145,356	\$145,356	\$145,356	\$145,356	\$145,356	\$145,356	\$145,356
Cedar Rapids Bank & Trust		\$65,608	\$65,608	\$65,608	\$65,608	\$65,608	\$65,608	\$65,608	\$65,608	\$65,608	\$65,608	\$65,608	\$65,608
TOTAL DEBT SERVICE		\$210,964	\$210,964	\$210,964	\$210,964	\$210,964	\$210,964	\$210,964	\$210,964	\$210,964	\$210,964	\$210,964	\$210,964
DEBT COVERAGE RATIO		1.38	1.38	1.39	1.40	1.41	1.44	1.46	1.46	1.43	1.38	1.27	1.11
ANNUAL CASH FLOW		\$79,117	\$81,051	\$82,907	\$84,681	\$86,368	\$93,288	\$97,102	\$96,876	\$91,484	\$79,569	\$57,440	\$24,083
Deferred Developer Fee Balance		\$910,150	\$829,099	\$746,192	\$661,511	\$575,143	\$121,465	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$0	\$0	\$357,834	\$844,492	\$1,315,017	\$1,739,606	\$187,829	\$379,725



Cohen-Esrey Development Group, LLC
8500 Shawnee Mission Parkway, Suite 150
Merriam, KS 66202
Main: 913.671.3300
FAX: 913.671.3301

January 28, 2022

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

To whom it may concern:

This letter is to accompany our amendment to the application for additional credits for the Hotel Grim development in Texarkana. This project was originally underwritten and closed in 2019. However, due to unforeseen conditions of the nearly 100-year-old building as well as the pandemic, construction is still ongoing at the property.

After taking control of the building and removing tons of debris through the course of construction, we discovered that the underlying structural condition of the building was far worse than our engineers had predicted. This has led to significant overage in both costs required to properly restore the structure of the building in addition to timing delays including interest expense, negative tax credit adjusters, and pandemic-related materials increases, leading to the current shortfall as outlined in the documents. Because we didn't own the building prior to construction commencement, we weren't allowed to fully uncover the structural issues of the building until construction started.

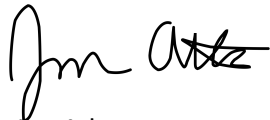
Due to the passage of the Consolidated Appropriations Act of 2020, the Hotel Grim project is eligible for the fixed 4% tax credit rate upon issuance of a supplemental bond allocation from the Texas Bond Review Board. While construction continues, we are making a minor modification to the project to continue the process of obtaining the additional bond allocation.

For the current bond allocation round, the Bond Review Board is requiring 15% of units are targeted to those earning up to 30% AMI. We confirm that our project will comply with this requirement. We have modified the unit target to reflect this. Because the project was underwritten with 23 voucher units at 60% AMI, we are converting 14 of these units to 30% AMI. This will widen the income targeting availability to comply with the Bond Review Board, but it will not impact the financial condition of the property.

We look forward to completing this project and delivering needed affordable units for the residents of Texarkana while restoring an historic jewel of downtown. We know this is an unusual circumstance, and we look forward to working with TDHCA and the Bond Review Board to ensure all requirements are satisfied under our initial and amended application to qualify for the fixed 4% credit rate.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Jon Atlas". The signature is fluid and cursive, with the first name "Jon" being more prominent than the last name "Atlas".

Jon Atlas
Managing Director
jatlas@cohenesrey.com
913-671-3389

1c

BOARD ACTION REQUEST
ASSET MANAGEMENT DIVISION
JUNE 16, 2022

Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application and Land Use Restriction Agreement for Laurel Flats (HTC #20167)

RECOMMENDED ACTION

WHEREAS, Laurel Flats (the Development) received a 9% Housing Tax Credit (HTC) award in 2020 to acquire and rehabilitate 89 multifamily units in Tyler, Smith County;

WHEREAS, the HTC Application proposed 89 units, and the Land Use Restriction Agreement (LURA) requires that the Development lease 100% of the units to households whose income is 60% or less of the Area Median Gross Income;

WHEREAS, the Development does not have separate facilities for use as a centralized leasing and maintenance office to provide for leasing and other services that are made available to the tenants, and has been using one unit for these purposes since acquisition;

WHEREAS, OPG Laurel Flats Partners, LLC (the Development Owner or Owner) requests an amendment to reduce the number of units from 89 to 88 to preserve space for a leasing and maintenance office; and

WHEREAS, an amendment to reduce the number of units is a material change requiring Board approval under 10 TAC §10.405(a)(4)(B) and §10.405(b)(2)(A), 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 Application and LURA amendment for Laurel Flats 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

Laurel Flats received a 9% HTC award in 2020 to acquire and rehabilitate 89 multifamily units in Tyler, Smith County. In a letter dated May 2, 2022, Matthew Gillam, Managing Partner of Overland Property Group and on behalf of the Development Owner, requested approval to amend the HTC Application and LURA related to the total number of units.

The original Application identified 89 total units, one of which was designated as an employee-occupied unit, and the LURA for the Development was processed identifying 89 units. The LURA states that the Development will contain a total of 89 units, including units occupied by a resident manager or other employee, of which 89 units treated as residential rental units will be low-income units leased to households whose income is 60% or less of the Area Median Gross Income.

The Owner explained that at the time of Application, the developer was counting one unit as a market-rate, non-incoming generating unit to be used for the on-site manager's leasing office. However, this was identified in the Rent Schedule as an employee-occupied (EO) unit. Upon submission of the LURA Origination in late 2021, it was realized by the Owner that the Department had been considering the MR unit an EO unit. No rent for this unit was included in the underwriting analysis.

According to the Development Owner, who acquired the Development in 2020, the unit in question had been used as a model unit with no rent collected prior to taking ownership. There are no ancillary buildings existing on the site that could be used for either a leasing/management office or a maintenance shop, and the Owner does not consider this a foreseeable or preventable change.

The Development Owner has complied with the amendment and notification requirements under 10 TAC §10.405(b). The Development Owner held a public hearing on the matter on May 10, 2022. No tenants attended, and no negative public comment was received regarding the requested amendment.

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



May 2, 2022

Texas Department of Housing & Community Affairs
Asset Management Division
221 East 11th Street
Austin, Texas 78701

To Whom it May Concern,

On behalf of OPG Laurel Flats Partners, LLC, Overland Property Group, LLC (“OPG”) the developer, is requesting a reduction to the number of units via a material amendment.

From the time of application, OPG was counting one unit as a market-rate, non-income generating unit to be used for the on-site manager’s leasing office. This was enforced by TDHCA in the underwriting report on page 1, which reflects the MR. Once we submitted the LURA, it was realized that TDHCA had been considering the MR unit an Employee Occupied (“EO”) unit.

Ultimately, OPG was not clear on the differentiation between an EO unit and a MR unit. Due to conflicting terminology used throughout the application and development process, we don’t consider this a foreseeable or preventable change.

Since it’s necessary for us to have an on-site leasing office and manager, we will need to maintain this unit as market rate, non-income generating.

Please reach out to April Engstrom (aengstrom@overlandpg.com, (785) 212-0810) with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Matthew Gillam', is written over a light blue horizontal line.

Matthew Gillam
Managing Partner, Overland Property Group
5431 W. 151st Terrace
Leawood, KS 66224

BOARD ACTION REQUEST
ASSET MANAGEMENT DIVISION
JUNE 16, 2022

Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application and Land Use Restriction Agreement for Parks at Wynnewood (HTC #93057/95081)

RECOMMENDED ACTION

WHEREAS, Parks at Wynnewood (the Development) originally received 9% Housing Tax Credit (HTC) awards in 1993 and 1995 to rehabilitate 404 multifamily units in Dallas, Dallas County, and the Land Use Restriction Agreement (LURA), as extended, runs through December 31, 2032;

WHEREAS, in 2011, WCH Limited Partnership (the Development Owner or Owner) requested and received approval for a material LURA amendment to allow for the demolition of 108 units for the construction of a new phase serving the elderly population and for a 24-month temporary suspension of the existing LURA, which extended the affordability of the LURA by two years;

WHEREAS, the LURA for the Development was ultimately amended to release the portion of the site dedicated to the new redeveloped Wynnewood Seniors phase as well as to reduce the number of low income units required at the existing Development by 108 units, which is the number of original units demolished on the portion released, and this resulted in a total of 296 remaining units on the existing LURA for the Development;

WHEREAS, in 2013, Wynnewood Family Housing (#13234), which is the second phase of the redevelopment of Parks at Wynnewood, was approved for a 9% HTC allocation, and to allow for the construction of the 161 multifamily units targeted for the general population, the Department approved, in 2014, a partial temporary suspension of the original LURA during the construction and allowed the demolition of 22 units in eight buildings;

WHEREAS, the Owner is now proposing Highpoint at Wynnewood (HTC #22434), a third phase of 220 new units, which will require the demolition of 120 of the original units in the Development, and a partial temporary suspension of the original LURA during the construction, and furthermore, the Owner is requesting approval to demolish all of the buildings remaining from the original Development and release the excess land from the LURA once the new phase is completed; and

WHEREAS, the requested changes require Board approval under 10 TAC §10.405(a)(4)(A), (B), (E), (F) and §10.405(b)(2)(G), and the Development Owner has complied with the procedural amendment requirements in 10 TAC §10.405 to place this request before the Board, including holding a public hearing;

NOW, therefore, it is hereby

RESOLVED, that the amendment request to suspend temporarily the enforcement of the LURA for 120 existing units to be demolished for the construction of the new phase for a period of up to three years, extend the term of the LURA for the development period until the final construction and accessibility inspection of the Phase III is closed, and after Phase III is completed, allow for the demolition of all remaining original buildings and release of the excess land 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

Parks at Wynnewood received 9% HTC awards in 1993 and 1995 for rehabilitation of 404 multifamily units in Dallas, Dallas County. The HTC LURA originally restricted 404 units for low-income households, but due to prior amendments, the number of units at the Development was decreased to 274. The LURA, as previously extended, runs through December 31, 2032. The Development Owner has subsequently requested in two previous instances to amend the original LURA to develop two prior phases, and is currently requesting an amendment for the development of a third phase.

In 2011, the Board approved a forward commitment for Wynnewood Seniors Housing development also known as Highpoint Senior Living (HTC #11003), which was the first phase of a multi-phase redevelopment of the entire Development. The original Development existed on 48.4077 acres. The tax credit application for phase one required that the elderly development be carved out of, and ultimately excluded from, the original existing Development. Construction of the Wynnewood Seniors development required the demolition of 108 units in the original Development, as well as a change in the target population. The LURA for the original Development was ultimately amended to release the portion of the site dedicated to the new redeveloped Wynnewood Seniors phase as well as to reduce the number of low-income units required at the existing Parks at Wynnewood Development. This resulted in a total of 296 remaining units on the existing LURA for the original Development. The new phase resulted in 140 units serving the elderly population.

In 2013, Wynnewood Family Housing also known as HighPoint Family Living (HTC #13234) was approved for a 9% HTC allocation for construction of 161 units targeted for the general population. This was the second phase of the redevelopment of the original Development, and in order for this new phase to be built, the applicant requested a partial temporary suspension of the original LURA during the construction to allow for the demolition of 22 units in eight buildings. The applicant also requested

approval to release from the LURA for the original Development the 3.982 acres used for the new phase. However, the Board did not approve to release of the 3.982-acre portion, and this acreage remains restricted under the existing LURA.¹ After the construction of the second phase, 274 units remained in the original Development.

The Owner has now submitted a 4% HTC application for Highpoint at Wynnewood (HTC #22434), a 220-unit development that will be the third and final phase of the redevelopment, and the Owner is requesting approval to demolish 120 units located on 8.885 acres of the original Development that will be used for the third phase. Furthermore, the Owner is requesting approval to demolish the remaining units of the original Development and to release 27.0879 acres of unused land upon completion of the new phase. Once the third phase is constructed, there will be 521 total units for the three new phases, of which 140 units are restricted for the elderly population and 381 units restricted for the general population.

The Owner has retained Framehouse Outreach Foundation (Framehouse) to relocate the tenants within the original Development, Highpoint Senior, or HighPoint Family Living. If no qualified units are available at the three options, Framehouse will obtain a list of vacant units at neighboring properties that are acceptable to the remaining households yet to be relocated. Upon completion of the relocation of the affected area, a 30 to 36 month process of demolition and reconstruction will be completed. Once construction is completed and certificate of occupancy is obtained, relocated tenants and existing tenants of the original Development will be given first rights to return to the newly developed Phase III at their existing income qualification.

The Owner indicates that the Phase III unit mix will be able to accommodate the current demand within the original Development except for the four-bedroom units, of which there are currently four affected families. Those four appropriately housed families are recipients of a HAP contract. The Owner has opted not to renew the HAP contract, and HUD is working with the Dallas Housing Authority to provide existing HAP residents with Tenant Protection Vouchers (TPVs). The Owner will work with relocating those appropriately housed four-bedroom families, including payment for relocation, utility connections, and moving expenses to find agreeable, suitable housing. Overall, 82 units in the Development target residents at 50% AMI or less, and all 82 units are associated with the HAP contract. Once approved, the TPVs will allow those residents to receive benefits up to 140% AMI, and as a result, these residents will have more flexibility to obtain housing, including returning to the newly developed Phase III. Also, while the original Development shows demand for 105 one-bedroom units, Phase III can accommodate those families within the surplus two-bedroom units. Furthermore, the original LURA requires additional occupancy and rent restrictions of 30 units at 50% AMI, which HighPoint Family Living fulfills by requiring 64 units at 50% AMI.

The Owner has indicated that no tenants will be permanently displaced and that if there are not enough units of a certain unit type available (including an appropriately sized accessible unit), a larger unit will be made available at the smaller unit type rent. The existing tenants will have availability at the new

¹ The IRS has taken the position that the original LURA needs to remain under the extended use agreement for household income to be grandfathered in the reconstructed buildings. See Section 4-27 of the IRS 8823 Guide.

Development. Owner paid relocation to another residence that meets Property Standards requirements in accordance with 10 TAC §10.802(b)(4), will be made available for households appropriately occupying four-bedroom units.

The Owner is proposing that the remaining 27.0879 acres of unused land be released from the LURA to allow for redevelopment upon completion of construction of the third phase. According to the Owner, the redevelopment is a significant focus for the community and local community groups such as Wynnewood North Neighborhood Association, Wynnewood Shopping Center, and the City of Dallas leadership.

The Development Owner held a public hearing regarding this proposed amendment request as required under 10 TAC §10.405(b)(3). The public hearing was held on May 17, 2022. The Owner reported that 22 persons were in attendance. The minutes for the public hearing indicate that several questions were asked regarding the proposed plan and the impact that this change would have on the tenants, but no negative public comment was reported.

Staff recommends approval to suspend monitoring of the LURA for up to three years, with an option for further extension to be approved administratively, to allow for the construction of Phase III. This recommendation for approval is conditioned on the Department receiving support documentation that all impacted households will be appropriately housed.

Additionally, staff recommends to extend the term of the original LURA for 120 units until the Phase III is complete. The amendment to the LURA for the additional extension associated with the Development period and the release of the additional acreage will be done once construction has been completed and the final construction and accessibility inspection of Phase III has been closed.

COATS | ROSE

A PROFESSIONAL CORPORATION

TAMEA A. DULA
OF COUNSEL

tdula@coatsrose.com
Direct Dial
(713) 653-7322
Direct Fax
(713) 890-3918

May 24, 2022

Via Email to rosalio.banuelos@tdhca.state.tx.us

Rosalio Banuelos, Director
Asset Management Division
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701-2410

Re: #95081/93057; Parks at Wynnewood Apartments, Dallas, Dallas County, Texas;
Request for Material LURA Amendment.

Dear Rosalio:

Per your request, this request for a Material LURA Amendment has been revised to update the information and is intended to replace the request previously provided on March 18, 2022.

Parks at Wynnewood Apartments is a 404-Unit 9% Housing Tax Credit Development which is under redevelopment. In order to commence Phase 3 of the redevelopment, the Development Owner is requesting that the existing LURA be amended. Here is the history and proposed path of the redevelopment:

1. Parks at Wynnewood (“Parks”) was a 404-Unit project located on approximately 48.4077 acres (the “Original Site”) for the General population. A Declaration of Land Use Restrictive Covenants was recorded on December 28, 1995 in Vol. 95250, Page 01506 of the Dallas County Real Property Records (the “Original LURA”).

2. Phase 1 of the redevelopment was the demolition of 108 units in Parks to make way for #11003/10044 Wynnewood Seniors Housing (n/k/a HighPoint Seniors), a 140-Unit 9% Housing Tax Credit redevelopment on 8.4528 acres out of the Original Site (the “Seniors Tract”). The Seniors Tract was released from the Original LURA concurrently with the recordation of a new LURA for elderly developments thereon at File #201200274921, Dallas County Real Property Records on September 17, 2012. The Original LURA was amended with a First Amendment recorded at 201300210550 on July 3, 2013 to deduct the original units that were demolished on the Seniors Tract.

9 Greenway Plaza, Suite 1000 Houston, Texas 77046
Phone: 713-651-0111 Fax: 713-651-0220
Web: www.coatsrose.com

3. Phase 2 of the redevelopment was the demolition of 22 units in Parks to make way for #13234 Wynnewood Family Housing (n/k/a HighPoint Family), a 160-Unit (plus one manager's unit) high-rise 9% Housing Tax Credit redevelopment on 3.982 acres out of the Original Site (the "Phase 2 Tract"). A new LURA for the General population development on the Phase 2 Tract was recorded at File #201600352537, Dallas County Real Property Records on December 19, 2017. An amendment to the Original LURA was approved by the TDHCA Board to reduce the number of units required, but has not yet been drafted and recorded. I enclose copies of correspondence with the Asset Management Department from 2017-2019 concerning the proposed amendment.

4. Phase 3 of the redevelopment is a proposed 220-Unit 4% project for the General population to be located on 8.885 acres out of the Original Site (the "Phase 3 Tract"). We anticipate that the TDHCA will place a new LURA on the Phase 3 Tract when the bond transaction closes and at the same time the Original LURA will be further amended (the "Proposed Amendment") to (a) permit demolition of the 120 units to be demolished to make way for Phase 3 and suspend monitoring with respect to such units, and (b) reduce the required number of units under the Original LURA by such 120 units to be demolished. If deemed necessary or appropriate by the TDHCA, the Proposed Amendment can also extend the term of the Original LURA to account for the construction period for Phase 3.

5. After completion of Phase 3, the Development Owner will have provided a total of 520 new construction Units on a tract originally required to provide 404 Units. All 18 accessible units required by the Original LURA will be provided at Phase 3; in addition, 5 units for hearing/vision impaired tenants (which were not required under the Original LURA) will be provided at Phase 3. Because the Phase 3 redevelopment will have progressed with residents remaining in place on the portion of the Parks site not involved with the demolition and reconstruction, there will be 154 units of the original affordable housing still standing when Phase 3 is placed in service. The Development Owner requests that the Proposed Amendment also provide that, upon issuance of a Certificate of Occupancy for Phase 3, the Original LURA is and shall be partially released with respect to the portion of the Original Site that is currently subject to the Original LURA (except the Phase 2 Tract and the Phase 3 Tract which shall continue thereunder) (such partially released portion is referred to herein as the "Parks Residue Tract"). Once such partial release becomes effective, Development Owner will be permitted to demolish the 154 old units and re-purpose the Parks Residue Tract for other development that could include mixed income and/or mixed use facilities designed to further stimulate neighborhood redevelopment. The proposed mixed use redevelopment is particularly desired by the City of Dallas and is seen as a potential catalyst for further revitalization of the Wynnewood community.

6. In requesting the release of the Parks Residue Tract from the Original LURA, the Development Owner recognizes that tenants still residing on the Parks Residue Tract will need to be accommodated elsewhere. Some of these tenants will move to Phase 2 (to the extent of available units) and a large group will move to Phase 3. Elderly tenants may choose to be relocated to Phase 1, to the extent that units are available. Currently, all of the 50% AMGI or less household at Parks reside in HAP units (82 total units). Those households will receive Tenant Protection

Rosalio Banuelos, Director

March 24, 2022

Page 3

Vouchers which may provide the necessary financial assistance to permit them to relocate out of the Parks area, if desired, or to choose to go into single-family housing. The Development Owner has engaged or will engage Frame House Outreach Foundation (www.framehouseoutreachdallas.org) to provide relocation assistance. Because the Phase 3 redevelopment does not contemplate any 4-bedroom units, Frame House Outreach Foundation will meet with the four (4) households who qualify for 4-bedroom units and assist them in finding acceptable alternative housing, which may include single-family housing.

In summary, we are requesting that the Original LURA be modified by entering into a Proposed Amendment that (i) incorporates the reduction in required units as a result of Phase 2 (which was discussed and approved by the TDHCA Board in May 2014, but never executed and recorded); (ii) permits demolition of the 120 units to be demolished for Phase 3 and suspends monitoring with respect thereto, (iii) further reduces the units that must be maintained on the Parks Residue Tract by the 120 old units being demolished in preparation for Phase 3; (iv) if necessary, extends the term of the Original LURA to account for the construction period for the Phase 3 redevelopment, and (v) effective upon the issuance of a Certificate of Occupancy for Phase 3, removes and fully releases the Parks Residue Tract from the Original LURA, such that thereafter the Parks Residue Tract shall not be encumbered by any terms, conditions or restrictions contained in the Original LURA, including any restrictions on the demolition of the 154 old units located thereon and/or any use thereof.

Your offices have acknowledged receipt of a check in the amount of \$2,500 for the amendment fee on or around March 17, 2022. Please let us know whether anything else is needed in order to accomplish this material amendment to the Original LURA.

Additionally, we want to bring to your attention the structure of the proposed S Zang, LP (“S Zang”), the Development Owner for Phase 3. The general partner of WCH Limited Partnership (the owner of Parks) is a wholly owned subsidiary of CitySquare Housing, a Dallas nonprofit corporation (“CitySquare”). In order to structure S Zang to fall within the §11.407(a)(7) exemption from the ROFR, we propose to have CitySquare included in the S Zang structure as a Co-Managing Member of the General Partner, with a 49% membership interest in the General Partner. We believe this will place S Zang squarely within the exemption, while still permitting Phase 3 to qualify for an ad valorem tax exemption due to the involvement of the Dallas Housing Finance Corporation as Co-Managing Member of the General Partner. A copy of the proposed structure is enclosed.

Rosalio Banuelos, Director

March 24, 2022

Page 4

Thank you for your assistance in these matters. If any additional information is needed, please be sure to contact me.

Very truly yours,

A handwritten signature in black ink, reading "Tamea A. Dula". The signature is written in a cursive style with a large, sweeping initial "T".

Tamea A. Dula

Enclosures

cc: Homero Cabello, Deputy Executive Director at homero.cabello@tdhca.state.tx.us
Lucy Weber, Asset Manager at lucy.weber@tdhca.state.tx.us
Brian Heidi, Bank of America
Justin Gregory, MVAH Partners
Darren Smith, Auxano Development

Highpoint at Wynnewood

Phase III – Resident Narrative

As requested, the current owner, management team, and development team analyzed the past three years’ rent rolls by bedroom type to determine occupancy/demand of the existing 274 legacy undeveloped units at the property. To get an accurate picture, the team used a fiscal year from April to April for 2020, 2021, and 2022. This April to April period would allow 36 months of data to analyze. Additionally, we will demonstrate how the proposed Phase III development will relocate residents in the affected area and articulate how the developer will accommodate the existing occupancy at the legacy property. We will provide the requested information regarding how the developer and legacy property will accommodate residents currently designated for 50% AMI units. And lastly, we will provide a draft copy of the Notice of Public Hearing which will be provided to the residents, equity investor, and lender.

Occupancy/Demand

Note – The property does not have the demand to maintain a current waitlist.

The analysis below will show the occupancy/demand by bedroom type and depict which residents were over housed for a particular bedroom type. In addition, vacancy is reported by bedroom type by year.

Items highlighted in yellow show the number of units residents are over-housed for a particular bedroom type.

Over Housed for that particular unit type

4 Bedroom Analysis

	1 Bedroom Appropriate	2 Bedroom Appropriate	3 Bedroom Appropriate	4 Bedroom Appropriate	Vacants	Total
2020	0	7	16	3	0	26
2021	0	9	14	3	0	26
2022	0	9	12	4	1	26

In a review of the 2022 4-bedroom units, there are 26 units out of the 274 existing units. In 2022 4 units are appropriately housed in a 4-bedroom unit.

3 Bedroom Analysis

	1 Bedroom Appropriate	2 Bedroom Appropriate	3 Bedroom Appropriate	4 Bedroom Appropriate	Vacants	Total
2020	7	25	14	0	2	48
2021	7	28	13	0	0	48
2022	6	23	9	0	10	48

In the review of the 2022 3-bedroom units, there are 48 units out of the 274 existing units. In 2022 9 units are appropriately housed in a 3-bedroom unit.

2 Bedroom Analysis

	1 Bedroom Appropriate	2 Bedroom Appropriate	3 Bedroom Appropriate	4 Bedroom Appropriate	Vacants	Total
2020	115	73	1	0	3	192
2021	121	64	1	0	6	192
2022	92	44	1	0	55	192

In a review of the 2022 2-bedroom units, there are 192 units out of the 274 existing units. In 2022 44 units are appropriately housed in a 2-bedroom unit.

1 Bedroom Analysis

	1 Bedroom Appropriate	2 Bedroom Appropriate	3 Bedroom Appropriate	4 Bedroom Appropriate	Vacants	Total
2020	8	0	0	0	0	8
2021	8	0	0	0	0	8
2022	7	0	0	0	1	8

In the review of the 2022 1-bedroom units, there are 8 units out of the 274 existing units. In 2022 7 units are appropriately housed in a 1-bedroom unit.

Below is a 3-year summary of each bedroom type for appropriately housed families.

Total Property Analysis						
	1 Bedroom Appropriate	2 Bedroom Appropriate	3 Bedroom Appropriate	4 Bedroom Appropriate	Vacants	Total
2020	130	105	31	3	5	274
2021	136	101	28	3	6	274
2022	<u>105</u>	<u>76</u>	<u>22</u>	<u>4</u>	<u>67</u>	274

Reducing the 2022 unit count for vacancies, 207 families will ultimately be accommodated through a combination of occupancy at Phase III or an agreed-upon relocation to a suitable alternate unit.

Phase III unit mix below will be able to accommodate the current demand within the legacy property except for the 4-bedrooms. While the legacy property shows demand for 105 1-bedroom units, phase III can accommodate those families within the surplus 2-bedroom units. In 2022 demand for 3-bedroom is 22; phase III will be providing 24 new units.

Unit Mix Phase III					
	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total
	90	106	24	0	220

Regarding the 4-bedroom units, those 4 appropriately housed families are currently recipients of a HAP contract which targets 50% AMI units. The current owner has opted not to renew the HAP contract. HUD working with the Dallas Housing Authority, will provide existing HAP residents with Tennant Protection Vouchers (TPVs), exceeding the current HAP benefits those residents currently receive. The owner will work with relocating those appropriately housed 4-bedroom families, including payment for relocation, utility connections, and moving expenses to find agreeable, suitable housing.

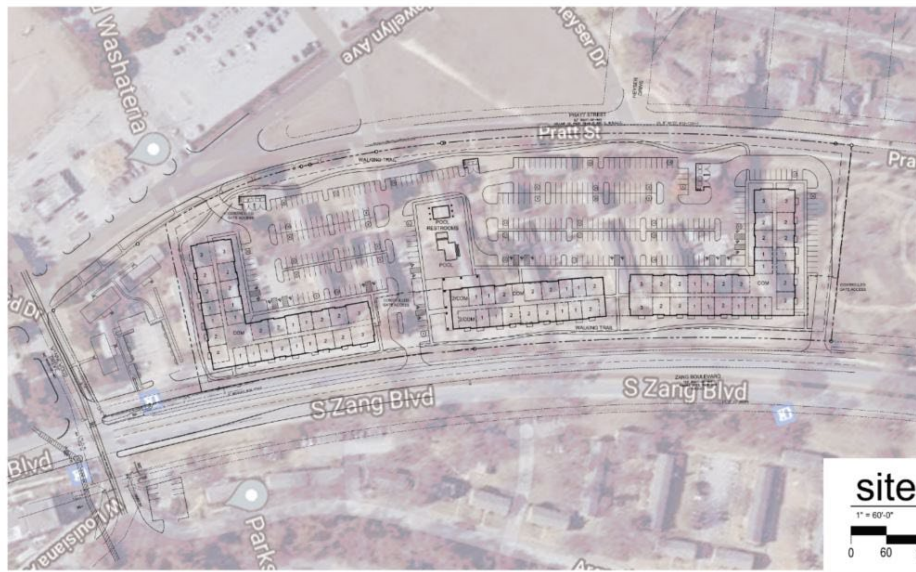
Phase III Development & Relocation



MVAH PARTNERS A/E/C Rendering Concept Only

REL-010

PROPOSED UNIT MIX:	
1 BEDROOM / 1 BATH -	60 UNITS
2 BEDROOM / 2 BATH -	100 UNITS
3 BEDROOM / 2 BATH -	24 UNITS
TOTAL -	220 UNITS
TOTAL	
220 UNITS - (2) 3 STORY GARDEN WALKUP BUILDINGS	
8.84 ACRES	
SITE INFO:	
PARKING -	
- TDHCA REQUIRED -	330 SPACES
- PROVIDED 394 (22 HC SPOTS)	



HIGHPOINT AT WYNNEWOOD
dallas, tx

02.02.2022
site plan | 01
© 2021 WVAH Development LLC

The Phase III area will affect 129 units on approximately 8.85 acres. Of the 129 units, approximately 27 vacant units leave 102 units for relocation. Phase III development will take approximately 30 – 36 months for relocation and development. The development team will obtain the services of Framehouse Outreach Foundation (Exhibit A), the relocation coordinator for Phase I and Phase II. Consistent with the two previous relocations, the developer will pay for all relocation costs, including but not limited to moving, utility connections & disconnects, and deposits. Framehouse will look to place families first within the existing legacy property, second within any vacant units of Highpoint Family, and third, where appropriate, within any vacant unit at Highpoint Senior development. Lastly, consistent with the two previous relocation efforts, if

there are no qualified units at either of the three options, Framehouse will obtain a list of vacant units at neighboring properties that are acceptable to the remaining residents yet to be relocated.

Upon completion of the relocation of the affected area, a 30 – 36 month process of demolition and reconstruction will be completed.

Once complete and a certificate of occupancy is received, relocated residents and existing legacy residents of the Parks will be given first rights to return to the newly completed Phase III development.

Future Phase III

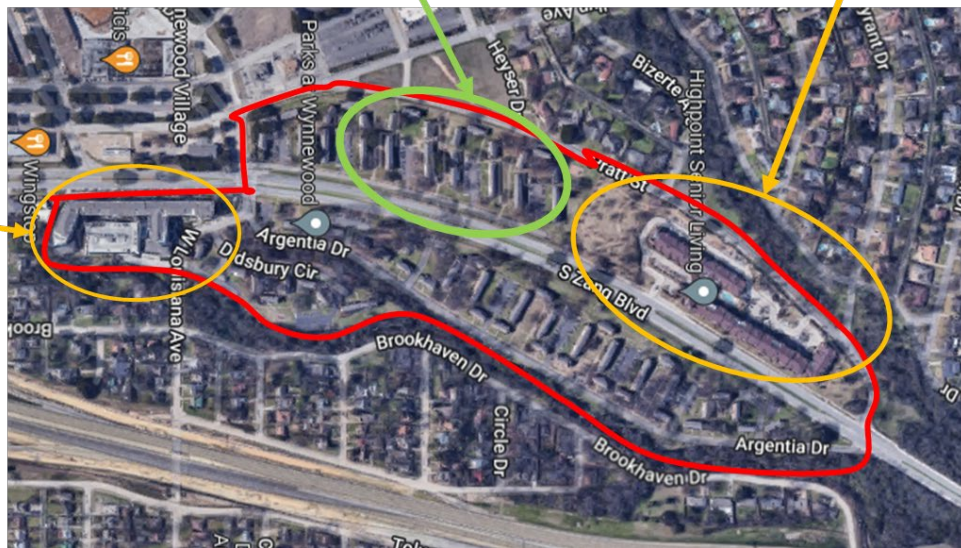
- 220 Family units
- Early July 2022 Closing
- Approx. 8.85 acres

Highpoint Senior

- 140 units
- Built in 2013

Highpoint Family

- 160 units
- Built in 2015



50% AMI Units

Eighty-two units target residents at 50% AMI or less. All 82 units/residents are associated with the HAP contract, which the current owner is terminating. HUD is working with the Dallas Housing Authority to provide TPVs, allowing 82 residents to receive benefits up to 140% AMI. As a result, these residents will have more flexibility to obtain housing, including returning to the newly developed Phase III.

Notice of Public Hearing

Draft notice of public hearing (Exhibit B) is attached for your review and approval. We understand that we must provide notice to tenant/residents, investor(s), and lender(s).

Summary

As this team has completed prior redevelopment phases, we have the experience and operations to respectfully work with the existing resident's relocation with the most negligible impact on the family. The team's goal is that upon completion of Phase III, the remaining acreage is released for redevelopment. This redevelopment is a significant focus for the community, local community groups such as Wynnewood North Neighborhood Association, Wynnewood Shopping Center, and the City of Dallas leadership.

Future Phase III

- 220 Family units
- Early July 2022 Closing
- Approx. 8.85 acres

Highpoint Senior

- 140 units
- Built in 2013

Highpoint Family

- 160 units
- Built in 2015



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BOARD ACTION REQUEST
ASSET MANAGEMENT DIVISION
JUNE 16, 2022

Presentation, discussion, and possible action on a return and reallocation of funds to New Hope Housing

RECOMMENDED ACTION

WHEREAS, in 2016, New Hope Housing (NHH), as the parent sponsor of two limited partnerships acting as development owners, was approved for Housing Tax Credits (HTCs) and Tax Credit Assistance Program Repayment Funding (TCAP RF) multifamily direct loans for two multifamily Developments known as New Hope Housing at Harrisburg (HTC #16405) and New Hope Housing at Reed (HTC #16406);

WHEREAS, because it was believed by Borrower’s Counsel that TCAP-RF retained its federal character, the funds had to be loaned to the limited partnerships rather than granted to avoid tax consequences and avoid a reduction to the eligible basis, which would have impacted the recommended HTC amounts;

WHEREAS, NHH is now requesting approval to return the collective \$1,267,698 in TCAP-RF funding for New Hope Housing at Harrisburg and New Hope Housing at Reed in exchange for a grant to NHH to cover staff provided by NHH to provide supportive services; and

WHEREAS, the requested return and reallocation of funds does not negatively affect the Developments, impact the viability of the transactions, or impact the selection of the application for an award;

NOW, therefore, it is hereby

RESOLVED, that the requested return of TCAP-RF funds for New Hope Housing at Harrisburg and New Hope Housing at Reed and reallocation as a grant to NHH 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 foregoing.

BACKGROUND

New Hope Housing received two TCAP-RF loans in 2016 for New Hope Housing at Harrisburg and New Hope Housing at Reed (collectively, the Developments). Harrisburg's loan was in the amount of \$607,698, and Reed's loan was in the amount of \$660,000. The loans are structured as payable subject

to available surplus cash. When the TCAP-RF funds were made available through a Notice of Funding Availability, it was thought that these funds would be loaned to Supportive Housing Developments in deferred forgivable structures. However, Borrower's Counsel believed that the funds retained their federal character because there is a 15-year federal affordability period. Thus, the funds were loaned to the Developments as cash flow loans, so as not to impact the projects' eligible basis. Given that the Developments are Supportive Housing with a nonprofit sponsor, staff has determined that there is a way to reallocate this funding to allow for a nonprofit operating grant to NHH that could be used for multiple properties, but in order to reallocate the funds, the loans for the Developments will have to be repaid. Once the loans are repaid and returned to the Department, there are no federal requirements remaining on the subsequent use of the funding. The TCAP-RF LURAs will remain on the Developments throughout the affordability period.

Accordingly, NHH proposes to return the collective \$1,267,698 in TCAP funding on or around September 1, 2022, in exchange for a grant to cover supportive services costs provided by NHH. NHH provided a schedule of required TDHCA Resident Services programming at each of their properties under their respective LURAs to insure that these funds are not going towards costs already required to be provided under TDHCA LURAs. NHH has also prepared a budget reflecting annual payroll for additional staffing, including related employment taxes, totaling \$447,710.70 per annum. The funds equaling a total of \$1,267,698, would need to be requested by NHH by August 31, 2025.

Staff recommends approval of the requested return of TCAP-RF funds and reallocation as a nonprofit operating grant to NHH. The grant will be subject to the Texas Grant Management Standards and the applicable rules in 10 TAC Chapters 1 and 2.



May 20, 2022

Ms. Megan Sylvester
Federal Compliance Counsel
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, Texas 78701

[Via Email: megan.sylvester@tdhca.state.tx.us](mailto:megan.sylvester@tdhca.state.tx.us)

Re: TCAP Loans for Supportive Housing – NHH Harrisburg (16405) & NHH Reed (16406)

Dear Megan:

New Hope Housing (“NHH”) received two NHTF TCAP Loans, both of which closed in 2016. Harrisburg’s Loan was \$607,698 and Reed’s Loan was \$660,000. When these loans were negotiated, TDHCA staff was very clear that repayment was not expected by the Department. However, due to staff turnover since the creation of the TCAP loan terms, the intention of the Department to never collect on these loans appears to have been lost.

Accordingly, and as discussed prior, it is NHH’s intention to return the collective \$1,267,698 in TCAP funding on or about September 1, 2022, in exchange for a structured grant to cover Resident Services programming provided by NHH at certain of its properties.

Attached is a NHH schedule of required TDHCA Resident Services programming at each of our properties under their respective LURAs. You will note that prior to Harrisburg, NHH was not required to provide a full time Resident Services Coordinator (“RSC”) at our various properties. Additionally, NHH is only required to provide one full time RSC at Reed. Due to the challenges of serving formerly homeless families, NHH has elected to provide an additional RSC. We have prepared a budget reflecting annual payroll for additional Resident Services staffing, including related employment taxes, totaling \$447,710.70 per annum, which is also attached.

We respectfully request that structured grant funding be created by the Department through a reimbursement schedule that will encompass approximately 2.83 years.

Ms. Megan Sylvester
May 20, 2022
Page 2

It is our understanding that NHH will be required to submit periodic reimbursement requests that support the additional RSC staffing, equaling a total of \$1,267,698 in funding. Please know how grateful we are for the time and careful thought you and Bobby and Homer devoted to this important matter. As a true nonprofit, it is always our desire to assist New Hope's residents - our most important stakeholders - in a robust manner, and for all available funds to be deployed in service of that mission.

Sincerely,

A handwritten signature in blue ink, appearing to read "Karen Briggs Gwin". The signature is fluid and cursive, with a large initial "K" and "G".

Karen Briggs Gwin, CPA, MBA
Treasurer and Chief Financial Officer

cc: Bobby Wilkinson
Homero Cabello
Joy Horak-Brown
Scott Marks

[Via Email: bobby.wilkinson@tdhca.state.tx.us](mailto:bobby.wilkinson@tdhca.state.tx.us)

[Via Email: homero.cabello@tdhca.state.tx.us](mailto:homero.cabello@tdhca.state.tx.us)

[Via Email: joy@newhopehousing.com](mailto:joy@newhopehousing.com)

[Via Email: smarks@coatsrose.com](mailto:smarks@coatsrose.com)

Attachments: New Hope Housing TDHCA Resident Services Programming Schedule
New Hope Housing Resident Services Payroll Budget - Non-TDHCA Required

Payroll Expense	Allocation	2022 Compensation	Grant Allocation
Resident Services			
VP, OnSite Operations	7.5%	\$192,500.00	14,437.50
Director of Resident Services	37.5%	\$82,208.00	30,828.00
Resident Services Assistant	37.5%	\$50,796.00	19,048.50
Case Manager Lead	75%	\$56,123.00	42,092.25
Case Manager	75%	\$49,142.00	36,856.50
Case Manager	75%	\$45,448.00	34,086.00
Case Manager	75%	\$44,180.00	33,135.00
Coordinator - Sakowitz - FT	100.0%	\$34,391.00	34,391.00
Coordinator - Canal - FT	100.0%	\$34,932.00	34,932.00
Coordinator - Perry - FT	100.0%	\$35,057.00	35,057.00
Coordinator - Rittenhouse - FT	100.0%	\$34,745.00	34,745.00
Coordinator - Brays - FT	100.0%	\$34,911.00	34,911.00
Reed Family Engagement Specialist	100.0%	\$31,375.00	31,375.00
Total Resident Services Payroll			<u>\$415,894.75</u>
Resident Services Payroll Taxes			<u>\$31,815.95</u>
Total Resident Services Payroll Expenses			<u><u>\$447,710.70</u></u>

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BOARD ACTION REQUEST
HOUSING RESOURCE CENTER
JUNE 16, 2022

Presentation, discussion, and possible action on the draft 2023 Regional Allocation Formula Methodology, and directing its publication in the Texas Register for public comment

RECOMMENDED ACTION

WHEREAS, Tex. Gov't Code §§2306.1115 and 2306.111(d) require that the Texas Department of Housing and Community Affairs (TDHCA or the Department) use a Regional Allocation Formula (RAF) to allocate its HOME Investment Partnerships (HOME) Program, Housing Tax Credit (HTC) Program, and under certain circumstances, the state Housing Trust Fund (HTF) Program funding; and

WHEREAS, the proposed RAF Methodology utilizes appropriate statistical data to measure affordable housing needs, available housing resources, and other factors determined by the Department to be relevant to the equitable distribution of housing funds in the urban and rural areas of the 13 State Service Regions used for planning purposes;

NOW, therefore, it is hereby

RESOLVED, that the Executive Director and his designees are authorized and empowered to publish the draft 2023 Regional Allocation Formula Methodologies for the HOME, HTC, and, as applicable, HTF programs in the *Texas Register* for public comment and, in connection therewith, to make such non-substantive grammatical and technical changes as they deem necessary or advisable.

BACKGROUND

The Regional Allocation Formula (RAF) utilizes appropriate statistical data to measure the affordable housing need and available resources in the 13 State Service Regions which is used for planning purposes. It also guides the allocation of funding to rural and urban areas within each region. The Department has flexibility in determining variables to be used in the RAF, per Tex. Gov't Code §2306.1115(a)(3), "the department shall develop a formula that...includes other factors determined by the department to be relevant to the equitable distribution of housing funds."

The RAF is revised annually to reflect current data, respond to public comment, and better assess regional housing needs and available resources. In prior RAF cycles the RAF Methodology was updated to refine the use of Metropolitan Statistical Areas (MSAs) by using "MSA counties with urban places" and "Non-MSA counties or counties with only rural places" instead of using just MSA and Non-MSA counties to allocate between urban and rural areas. This accounts for the

fact that even though a county may be a part of an MSA, all the places within that county may meet the definition of rural per Tex. Gov't Code §2306.004(28-a). Based on public comment in previous cycles, factors for lack of kitchen and plumbing facilities were added to the RAF Methodology to measure housing need for Single Family activities as well as an additional factor for Single Family Activities called the Regional Coverage. The Regional Coverage Factor takes into account the smaller populations of rural areas as well as scattered locations of single family projects, instead of relying solely on population as an absolute.

The draft 2023 RAF Methodology explains the use of factors, in keeping with the statutory requirements, which include the need for housing assistance, the availability of housing resources, and other factors relevant to the equitable distribution of housing funds in urban and rural areas of the state.

The Single Family HOME, Multifamily HOME, HTC, and HTF program RAFs each use slightly different formulas because the programs have different eligible activities, households, and geographical service areas. For example, Tex. Gov't Code §2306.111(c) requires that 95% of HOME funding be set aside for non-participating jurisdictions (non-PJs). Therefore, the Single Family and Multifamily HOME RAFs only use need and available resource data for non-PJs.

The following tables show the difference in allocation from 2022 to 2023 using the formulas for each program and example allocations.

Single Family HOME - example

	2023	2023	Difference	2022	2022
1	\$ 831,302.12	5.5%	-0.1%	\$ 839,797.05	5.6%
2	\$ 706,133.17	4.7%	0.1%	\$ 692,123.34	4.6%
3	\$ 2,598,252.81	17.3%	-0.1%	\$ 2,612,097.23	17.4%
4	\$ 1,415,579.94	9.4%	-0.1%	\$ 1,428,761.92	9.5%
5	\$ 931,831.67	6.2%	0.1%	\$ 916,227.11	6.1%
6	\$ 846,982.28	5.6%	0.1%	\$ 838,985.83	5.6%
7	\$ 1,436,728.66	9.6%	0.3%	\$ 1,387,778.73	9.3%
8	\$ 1,035,506.76	6.9%	0.0%	\$ 1,033,497.10	6.9%
9	\$ 735,652.56	4.9%	0.1%	\$ 727,354.03	4.8%
10	\$ 803,808.70	5.4%	-0.2%	\$ 827,440.66	5.5%
11	\$ 1,035,351.86	6.9%	-0.1%	\$ 1,051,495.95	7.0%
12	\$ 861,291.79	5.7%	-0.1%	\$ 871,277.59	5.8%
13	\$ 1,761,577.68	11.7%	-0.1%	\$ 1,773,163.48	11.8%
Total	\$ 15,000,000.00	100.0%	0.0%	\$ 15,000,000.00	100.0%

Multifamily HOME - example

	2023	2023	Difference	2022	2022
1	\$ 514,274.83	4.1%	-0.3%	\$ 546,919.19	4.4%
2	\$ 395,262.47	3.2%	0.3%	\$ 352,636.95	2.8%
3	\$ 2,559,481.79	20.5%	-0.5%	\$ 2,618,858.55	21.0%
4	\$ 1,423,409.71	11.4%	-0.6%	\$ 1,495,438.88	12.0%
5	\$ 882,424.60	7.1%	0.1%	\$ 870,276.36	7.0%
6	\$ 907,904.21	7.3%	0.2%	\$ 882,328.68	7.1%
7	\$ 1,429,730.41	11.4%	0.5%	\$ 1,369,347.04	11.0%
8	\$ 1,035,030.57	8.3%	0.5%	\$ 973,542.91	7.8%
9	\$ 742,395.44	5.9%	0.2%	\$ 721,051.53	5.8%
10	\$ 634,551.63	5.1%	-0.2%	\$ 655,334.34	5.2%
11	\$ 1,086,054.83	8.7%	-0.1%	\$ 1,095,966.35	8.8%
12	\$ 517,824.97	4.1%	-0.1%	\$ 528,645.35	4.2%
13	\$ 371,654.55	3.0%	-0.1%	\$ 389,653.87	3.1%
Total	\$ 12,500,000.00	100.0%	0.0%	\$ 12,500,000.00	100.0%

Housing Tax Credit - example

	2023	2023	Difference	2022	2022
1	\$ 1,891,455.80	2.9%	0.0%	\$ 1,876,742.83	2.9%
2	\$ 1,200,000.00	1.8%	0.0%	\$ 1,200,000.00	1.8%
3	\$ 15,373,775.64	23.7%	-1.1%	\$ 16,120,130.23	24.8%
4	\$ 2,585,149.50	4.0%	0.0%	\$ 2,603,993.84	4.0%
5	\$ 2,029,912.75	3.1%	0.2%	\$ 1,925,762.06	3.0%
6	\$ 14,980,001.85	23.0%	0.1%	\$ 14,886,723.81	22.9%
7	\$ 4,853,657.07	7.5%	0.3%	\$ 4,681,093.00	7.2%
8	\$ 3,030,189.13	4.7%	0.3%	\$ 2,839,021.32	4.4%
9	\$ 6,109,308.48	9.4%	0.5%	\$ 5,787,505.27	8.9%
10	\$ 1,869,088.11	2.9%	-0.1%	\$ 1,960,850.60	3.0%
11	\$ 6,661,260.64	10.2%	-0.2%	\$ 6,785,139.33	10.4%
12	\$ 1,486,149.00	2.3%	0.1%	\$ 1,434,329.69	2.2%
13	\$ 2,930,052.03	4.5%	0.0%	\$ 2,898,708.02	4.5%
Total	\$ 65,000,000.00	100.0%	0.0%	\$ 65,000,000.00	100.0%

Texas Housing Trust Fund - example

	2023	2023	Difference	2022	2022
1	\$ 125,170.19	4.2%	0.0%	\$ 124,577.81	4.2%
2	\$ 88,187.89	2.9%	0.0%	\$ 87,695.44	2.9%
3	\$ 605,795.09	20.2%	-0.3%	\$ 613,459.32	20.4%
4	\$ 112,450.52	3.7%	-0.1%	\$ 114,073.09	3.8%
5	\$ 88,520.49	3.0%	0.1%	\$ 85,788.22	2.9%
6	\$ 577,418.44	19.2%	0.0%	\$ 576,074.57	19.2%
7	\$ 184,202.48	6.1%	0.1%	\$ 181,001.76	6.0%
8	\$ 128,539.77	4.3%	0.0%	\$ 128,684.54	4.3%
9	\$ 227,248.96	7.6%	0.1%	\$ 223,537.34	7.5%
10	\$ 97,206.12	3.2%	0.0%	\$ 98,552.65	3.3%
11	\$ 246,984.09	8.2%	-0.1%	\$ 250,441.53	8.3%
12	\$ 122,969.93	4.1%	0.0%	\$ 122,926.71	4.1%
13	\$ 395,306.02	13.2%	0.1%	\$ 393,187.01	13.1%
Total	\$ 3,000,000.00	100.0%	0.0%	\$ 3,000,000.00	100.0%

The draft 2023 RAF Methodology will be made available for public comment from Monday, June 20, 2022, through Wednesday, July 20, 2022, at 5:00 p.m. Austin local time. The draft RAF Methodology to be approved by the Board for release for public comment can be found online at TDHCA’s Board Meeting Information Center website at <http://www.tdhca.state.tx.us/board/meetings.htm>. Following release it will also be located on the TDHCA Public Comment Center at <https://www.tdhca.state.tx.us/public-comment.htm>. A public hearing for the draft 2023 RAF Methodology will be held at 2:00 p.m. Austin local time on Tuesday, July 5, 2022, in the Stephen F. Austin Building, Rm. 172, 170 Congress Ave., Austin, TX 78701.

The following Attachments are provided:

- A. Draft 2023 RAF Methodology
- B. Draft Example 2023 HOME SF RAF
- C. Draft Example 2023 HTF RAF
- D. Draft Example 2023 HOME MF RAF
- E. Draft Example 2023 HTC RAF

Once approved, the final 2023 RAF Methodology will be published on the Department’s website. **It should be noted with this action that the Board is approving the publication of the proposed methodology for public comment, not specific allocation amounts.**

To the extent funds received/proposed to be used fall below the statutory minimum for any program/activity, or if the proposed activities fall into a statutory exception, the RAF will not be used for the program/activity in question.

Attachment A: 2023 Regional Allocation Formula Methodology

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Introduction

Since 2000, the Texas Department of Housing and Community Affairs (TDHCA or the Department) has used a Regional Allocation Formula (RAF) to allocate funding at the regional and subregional level for multifamily and single-family activities. The RAF is required by Tex. Gov't Code §§2306.111 and 2306.1115. It allocates funding for the following programs:

Multifamily Programs:

Housing Tax Credit (HTC) Program

HOME Investment Partnerships Program (HOME) Multifamily (MF)

Single Family Programs:

Housing Trust Fund (HTF) Program*

HOME Single Family (SF)

* The RAF is not required to be utilized for HTF as authorized by Tex. Gov't Code §2306.111(d-1) unless certain factors are in place. HTF is funded through state general revenue and is not to be confused with the federally funded National Housing Trust Fund (NHTF). The following methodology explains how the RAF meets statutory requirements by accounting for housing need, housing resource availability, and other factors relevant to the equitable distribution of housing funds in urban and rural areas of the state.

The methodology also includes example allocation spreadsheets for each of the four programs subject to the RAF. These spreadsheets demonstrate how the methodology affects each program. The provided spreadsheets utilize the following total allocation amounts:

Program	Example Allocation	Total
HTC		\$65,000,000
HOME Multifamily		\$12,500,000
HTF		\$3,000,000
HOME Single Family		\$15,000,000

These allocation amounts are only examples. After approval of the RAF Methodology by the TDHCA Governing Board, Program area staff calculate the final allocation amounts according to the most recent information on funding availability. Other planning considerations may also alter the final allocations provided by the RAF. For example, certain HOME SF activities may not release funds subregionally using the RAF. In addition, per Tex. Gov't Code §2306.111(d-1)(3), if HTF funds administered by the Department (and not otherwise set aside) do not exceed \$3 million, then HTF funds are not required to be allocated using the RAF.

The draft 2023 RAF Methodology will be presented at the June 16, 2022, TDHCA Board meeting for approval to be released for public comment. A public comment period will be open from Monday, June 20, 2022, through Wednesday, July 20, 2022 at 5:00 pm Austin local time. A public hearing for the draft 2023 RAF Methodology will be held at 2:00 p.m. Austin local time on Tuesday, July 5, 2022.

Statutory Requirement

Tex. Gov't Code §§2306.111 and 2306.1115 require that TDHCA use a formula to allocate funding for the HOME, HTF, and HTC programs.

Tex. Gov't Code §2306.1115 states:

(a) To allocate housing funds under Section 2306.111(d), the department shall develop a formula that:

(1) includes as a factor the need for housing assistance and the availability of housing resources in an urban area or rural area;

(2) provides for allocations that are consistent with applicable federal and state requirements and limitations; and

(3) includes other factors determined by the department to be relevant to the equitable distribution of housing funds under Section 2306.111(d).

(b) The department shall use information contained in its annual state low income housing plan and other appropriate data to develop the formula under this section.

The methodology detailed in this document evaluates both housing need and housing availability in urban and rural areas, as required by statute for the HOME SF, HOME MF, HTF, and HTC programs.

The methodology also includes a regional coverage factor for single family programs. This coverage factor utilizes an inverse population density function to help distribute single family program funding to more rural areas of the state in accordance with the statutory requirements.

Urban and Rural Areas

Tex. Gov't Code §2306.004 states:

(28-a) "Rural area" means an area that is located:

(A) outside the boundaries of a primary metropolitan statistical area or a metropolitan statistical area; or

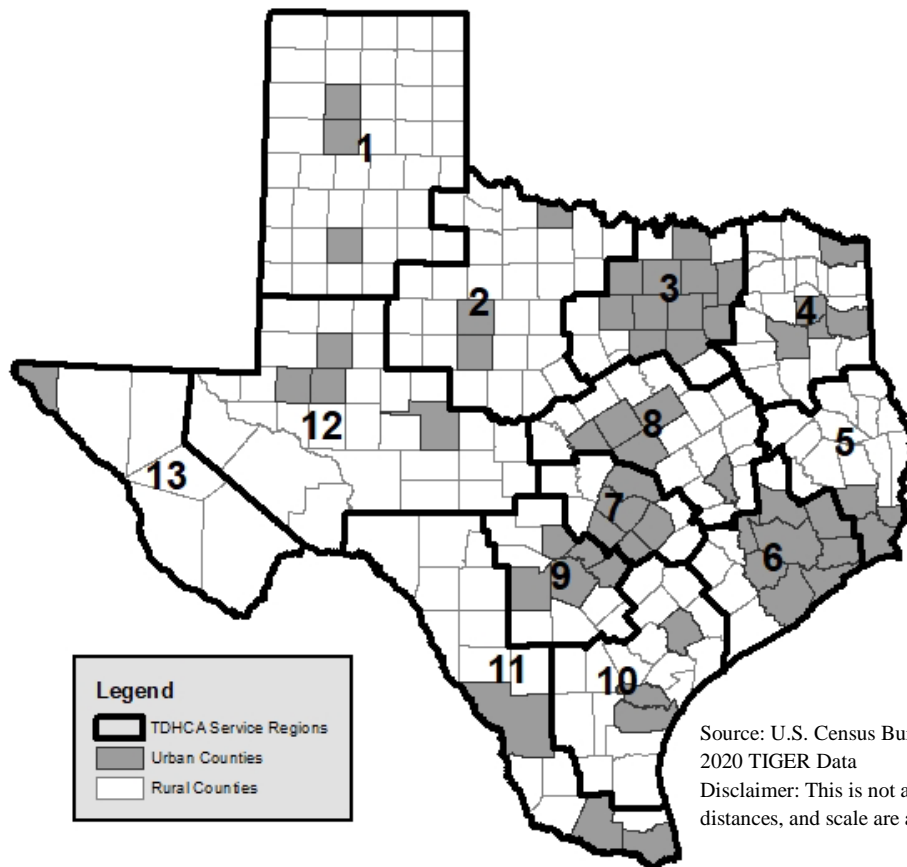
(B) within the boundaries of a primary metropolitan statistical area or a metropolitan statistical area, if the statistical area has a population of 25,000 or less and does not share a boundary with an urban area.

Tex. Gov't Code §2306.004(28-a) is applied to incorporated places and Census Designated Places, as defined by the U.S. Census Bureau, collectively referred to as places. Prior to the development of the RAF each year, the parameters outlined in Tex. Gov't Code are used to determine which of these places are urban and which are rural. Organizations applying for certain site-specific TDHCA-administered funds use the urban and rural place designations to determine which subregional allocation they are eligible to apply for. If the site is located in an urban place, then that organization applies for funds allocated to the urban subregion of their region, while organizations requesting funds for sites in rural places would apply for rural subregional funds. For non-site specific funds, if a place crosses county or regional boundaries, then that place's subregion (urban or rural) is determined by the county that contains the majority area and population of the place.

Additionally, the RAF must account for the statewide need for and availability of housing. If the RAF only analyzed data from places, many unincorporated parts of the state would not be included, which would significantly hinder the RAF’s utility as an equitable allocation tool. For this reason, the RAF uses county-level data to measure statewide housing need and to calculate subregional allocations. This allows for a more complete picture of the state’s demographics in determining allocations.

Even if a county contains a Metropolitan Statistical Area (MSA) per the U.S. Office of Management and Budget (OMB) definitions, it’s possible that all the places within that county meet the definition of a rural area per Tex. Gov’t Code §2306.004(28-a). Therefore, if an MSA county has no places designated as urban, the need and availability of the whole county will be counted toward the rural allocation (*i.e.*, the MSA county had no places with a population over 25,000 or places touching a boundary of a place with a population over 25,000). The allocation process outlined in this document refers to “MSA counties with urban places” as “urban counties” and “Non-MSA counties and counties with only rural places” as “rural counties.” The need and availability of “MSA counties with urban places” directs the allocation toward the urban places, and the need and availability of “Non-MSA counties and counties with only rural places” directs the allocation toward the rural places.

Map of Urban and Rural Counties in Texas by Region



Methodology

For many of the RAF's variables, the Department uses the most recent American Community Survey (ACS) 5-Year Estimates data available. Land area data are not available in the annually released ACS; therefore, decennial census data must be used for the Regional Coverage Factor. The RAF currently uses the 2010 Decennial Census SF1 tables for land area.

Affordable Housing Need

For the purposes of developing an allocation formula, affordable housing need is measured through variables that correspond with the assistance provided by each specific TDHCA program. Despite HTF not currently utilizing the RAF, HTF is included in the RAF methodology description if funding levels or programmatic changes require the RAF to be utilized for this program.

Income

A household's income is the primary measurement of eligibility for housing assistance through TDHCA. HOME, HTC, and HTF serve households that earn less than or equal to 80% Area Median Family Income (AMFI). While eligibility for housing assistance is measured by AMFI, the Comprehensive Housing Affordability Strategy (CHAS) datasets that estimate the number of households in each AMFI category lag behind the poverty data included in the ACS by one year. In order to use the most up-to-date data, the RAF will incorporate ACS data for number of individuals at or below 200% of the poverty level to help calculate affordable housing need. Individuals at or below 200% of the poverty level will qualify for a majority of the housing assistance options offered through TDHCA's HOME, HTC, and HTF programs. The ACS collects income data by individual and housing data by household. Therefore, to ensure that data on *individuals* in poverty can be accurately weighted with data on cost burdened and overcrowded *households* to calculate affordable housing need, the income data must be converted to *households* at or below 200% of poverty. To do this, the number of individuals at or below 200% poverty in each subregion is divided by the average size of a household in Texas. The number of households at or below 200% poverty is included as a variable in all four program RAFs.

Cost Burden and Overcrowding

Renter and owner need for housing assistance is measured through cost burden and overcrowding conditions. The RAF defines a cost-burdened household as one that spends 30% or more of their monthly income on rent or homeowner costs (for homeowners with a mortgage), which is a common measure of unaffordable housing. The RAF considers an overcrowded housing unit to be one that contains more than one person per room, including the kitchen and bathroom. Areas with high cost burden or overcrowding may signify a need for assistance.

Many of TDHCA's programs aim to assist households that are cost-burdened or overcrowded. HTC and HOME MF both offer assistance for reduced-rent apartments. HOME SF offers Tenant-Based Rental Assistance, which pays a portion of a recipient's rent to their landlord. HTF offers the Amy Young Barrier Removal Program, which can serve both renters and homeowners. Therefore,

variables representing renters who need assistance are included in the analysis for all four program RAFs.

HOME SF offers homebuyer assistance, home repair assistance, and single family development programs. For home repair, HOME SF offers grants and no-interest loans to homeowners to rehabilitate or reconstruct their homes. For single family development, typically the homes are built by Community Housing Development Organizations (CHDOs) and purchased by low-income homeowners. HTF offers the Amy Young Barrier Removal Program, which can be used for homeowners (as well as renters), and the Bootstrap Loan Program for potential homeowners who use “sweat equity” and low- to no-interest loans to build and secure ownership of their homes. Therefore, variables representing homeowners who need assistance are included in the HOME SF and HTF RAFs.

Lack of Kitchen and Plumbing Facilities

HOME SF offers homeowner rehabilitation or reconstruction assistance. HTF includes activities for the rehabilitation, such as the Amy Young Barrier Removal Program. Since TDHCA programs fund the rehabilitation of substandard housing, the RAF includes measures for substandard housing. Common definitions of substandard housing include lack of operable indoor plumbing, usable flush toilets, usable bathtub or shower, safe electricity, safe or adequate source of heat, or kitchen facilities. Data regarding total units lacking kitchen facilities or plumbing are the only data available on both an annual basis and at a county level. The count of occupied and unoccupied units lacking kitchen facilities and the count of occupied and unoccupied units lacking plumbing are utilized in the HOME SF and HTF RAFs.

Summary of Affordable Housing Need for Single Family and Multifamily Activities

The extent of Texans needing affordable housing is measured using five variables for single family activities:

- Cost burdened renter and owner households;
- Overcrowded renter and owner households;
- Housing units lacking kitchen facilities;
- Housing units lacking plumbing; and
- Individuals at or below 200% of the poverty rate.

The extent of Texans needing affordable housing is measured using three variables for multifamily activities:

- Cost burdened renter households;
- Overcrowded renter households; and
- Individuals at or below 200% of the poverty rate.

Housing Availability

Housing availability is included to measure where existing housing resources are located. Since this includes both market-rate and subsidized units, the RAF uses vacancies as a common measurement for housing availability. A high number of vacancies may indicate that a market has an adequate or a potentially abundant supply of housing. The HOME SF and HTF RAFs incorporate both units for rent and units for sale only into their housing availability measure, while the HOME MF and HTC RAFs only incorporate units for rent.

Regional Coverage Factor

The RAF uses inverse population density to generate a regional coverage factor. Population density measures the average number of people located in a defined area (i.e. persons per square mile). This is calculated by dividing the number of people in a geographic area by the area of the land in that area. In this way, population density can be used to compare the population size of geographic areas with different dimensions. A high population density means that a geographic area has higher population relative to its available land area. Contrarily, inverse population density measures the amount of land in a geographic area per person in that area (i.e. square miles per person). This is calculated by dividing the land area by the number of people that live in that area. A high inverse population density means that a geographic area has more land area relative to its population size. In this way, high population density generally corresponds to urban regions, while high inverse population generally corresponds to more rural regions.

Inverse population density is included in the HOME SF and HTF RAFs as a Regional Coverage Factor to consider the distance between scattered-site single family activities. This includes accounting for the dispersed population within the predominantly rural areas where HOME SF and HTF administrators provide assistance. TDHCA’s multifamily programs generally focus development on a single site, so the Regional Coverage Factor is not as pertinent to multifamily program allocation. The Regional Coverage Factor assists in redistributing single family program funding from urban areas to more rural parts of the state. This better aligns funding availability with the statutory requirement that 95% of HOME funds be allocated for the benefit of those areas of the state that do not receive HOME funds directly from the U.S. Department of Housing and Urban Development (HUD), primarily smaller cities and rural areas (per Tex. Gov’t Code §2306.111).

Summary of Variables

The following chart shows which need, availability, and other variables are used in the RAF Methodology for each of the four applicable programs.

		Multifamily Programs		Single Family Programs	
		HTC	HOME MF	HTF	HOME SF
Need Variables	<i>Cost Burdened Renter Households</i>	✓	✓	✓	✓

		Multifamily Programs		Single Family Programs	
		HTC	HOME MF	HTF	HOME SF
	<i>Cost Burdened Owner Households</i>			✓	✓
	<i>Overcrowded Renter Households</i>	✓	✓	✓	✓
	<i>Overcrowded Owner Households</i>			✓	✓
	<i>Units Lacking Kitchen Facilities</i>			✓	✓
	<i>Units Lacking Plumbing Facilities</i>			✓	✓
	<i>Individuals at or Below 200% of Poverty</i>	✓	✓	✓	✓
Availability Variables	<i>Vacant Units for Rent</i>	✓	✓	✓	✓
	<i>Vacant Units for Sale</i>			✓	✓
Other	<i>Regional Coverage Factor</i>			✓	✓

Exceptions to the RAF

Per Tex. Gov't Code §2306.111, there are certain instances in which the RAF requirement does not apply to HOME MF, HOME SF, HTC, or HTF funds.

Set-Asides

Specific set-asides will not be subject to the RAF per Tex. Gov't Code §2306.111(d-1), including set-asides for contract-for-deed activities and set-asides mandated by state or federal law, if these set-asides are less than 10% of the total allocation of funds or credits. Set-asides for funds allocated to serve persons with disabilities will not be subject to the RAF. The total amount available through the RAF will not include funds for at-risk developments for the HTC Program or other statutorily created set-asides. Also pursuant to Tex. Gov't Code §2306.111(d-1), programmed activities for HTF that do not exceed \$3 million are not subject to the RAF. It is due to these exceptions that the HTF funds, as currently programmed, do not utilize the RAF.

In addition, per Tex. Gov't Code §2306.111(c)(2), 5% of State HOME funds must be spent on activities that serve persons with disabilities in any area of the State. This portion of HOME is not subject to the RAF because it is set-aside for persons with disabilities.

In Tex. Gov't Code §2306.111(d-2), 5% of HTC funds must be allocated to developments that receive federal assistance through USDA. Any developments that receive federal assistance through USDA and HTC for rehabilitation may compete for funding separately under the "USDA Set-Aside." This funding is taken from the total tax credit ceiling prior to applying the RAF.

Participating Jurisdictions (PJs)

PJs refer to geographic areas that are under the jurisdiction of local government entities that receive HOME funding directly from HUD. In accordance with Tex. Gov't Code §§2306.111(c)(1), 95% of the funds for HOME must be spent outside of PJs. Since 95% of HOME funds cannot be spent within a PJ, the housing need, availability, and coverage variables of PJs are not counted toward the subregional allocations for the HOME SF and HOME MF RAFS.

PJ designations are subject to change annually depending on HUD funding. According to HUD's 2022 HOME allocation, 33 of the PJs are cities and eight of the PJs are counties. Five PJ cities fell completely within PJ counties, resulting in a total of 28 PJ cities and eight PJ counties that will be subtracted from the HOME SF and HOME MF RAFs.

Allocation Adjustments

The HOME SF and HTC RAFs have subregional allocation adjustments under certain conditions. Tex. Gov't Code §2306.111(d-3) requires that at least \$500,000 in housing tax credits be allocated to each urban and rural subregion. In the most current Qualified Allocation Plan (QAP), the Department reflects an increase to the \$500,000 figure establishing a \$600,000 minimum for each region. In a further effort to meet Tex. Gov't Code §§2306.111(c)(1) and (2), the HOME SF RAF has a minimum subregional allocation of \$100,000. Additional detail regarding the processes used to adjust allocations for the HOME SF RAF and the HTC RAF can be found in the single family and multifamily RAF examples.

Single Family RAF Example

Tables 1, 2, and 3 show the need variables, availability variables, and regional coverage factor used in the HOME SF RAF. The HTF RAF is very similar to the HOME SF RAF with the exception that the HTF RAF includes PJs. Example numbers are used for illustrative purposes only. The statewide average household size in the following example is 2.83.

Table 1: Example of Need Variables Used for HOME SF, by Subregion

MSA Counties with Urban Places	Region	Column A: Individuals at or below 200% Poverty without PJs	Column B: Households (HH) at or below 200% Poverty without PJs	Column C: Cost Burdened Owners without PJs	Column D: Cost Burdened Renters without PJs	Column E: Overcrowded Owners without PJs	Column F: Overcrowded Renters without PJs	Column G: Units Lacking Plumbing without PJs	Column H: Units Lacking Kitchen without PJs	Column I: Total Need Variables
	1	150,000	53,191	1,500	15,000	3,000	2,000	4,000	6,000	84,691
	2	100,000	35,461	2,500	16,000	3,500	2,500	3,000	5,000	67,961
	3	150,000	53,191	1,500	15,000	3,000	2,000	4,000	6,000	84,691
	4	100,000	35,461	2,500	16,000	3,500	2,500	3,000	5,000	67,961
	5	150,000	53,191	1,500	15,000	3,000	2,000	4,000	6,000	84,691
	6	100,000	35,461	2,500	16,000	3,500	2,500	3,000	5,000	67,961
	7	150,000	53,191	1,500	15,000	3,000	2,000	4,000	6,000	84,691
	8	100,000	35,461	2,500	16,000	3,500	2,500	3,000	5,000	67,961
	9	150,000	53,191	1,500	15,000	3,000	2,000	4,000	6,000	84,691
	10	100,000	35,461	2,500	16,000	3,500	2,500	3,000	5,000	67,961
	11	150,000	53,191	1,500	15,000	3,000	2,000	4,000	6,000	84,691
	12	100,000	35,461	2,500	16,000	3,500	2,500	3,000	5,000	67,961
13	150,000	53,191	1,500	15,000	3,000	2,000	4,000	6,000	84,691	
Non-MSA counties and counties with only rural places	Region	Column A: Individuals at or below 200% Poverty without PJs	Column B: HH at or below 200% Poverty without PJs	Column C: Cost Burdened Owners without PJs	Column D: Cost Burdened Renters without PJs	Column E: Overcrowded Owners without PJs	Column F: Overcrowded Renters without PJs	Column G: Units Lacking Plumbing without PJs	Column H: Units Lacking Kitchen without PJs	Column I: Total Need Variables
	1	80,000	28,369	6,000	8,000	2,000	2,000	5,000	5,000	56,369
	2	60,000	21,277	9,000	5,000	1,000	1,000	7,000	7,000	51,277
	3	80,000	28,369	6,000	8,000	2,000	2,000	5,000	5,000	56,369
	4	60,000	21,277	9,000	5,000	1,000	1,000	7,000	7,000	51,277
	5	80,000	28,369	6,000	8,000	2,000	2,000	5,000	5,000	56,369
	6	60,000	21,277	9,000	5,000	1,000	1,000	7,000	7,000	51,277
	7	80,000	28,369	6,000	8,000	2,000	2,000	5,000	5,000	56,369
	8	60,000	21,277	9,000	5,000	1,000	1,000	7,000	7,000	51,277
	9	80,000	28,369	6,000	8,000	2,000	2,000	5,000	5,000	56,369
	10	60,000	21,277	9,000	5,000	1,000	1,000	7,000	7,000	51,277
	11	80,000	28,369	6,000	8,000	2,000	2,000	5,000	5,000	56,369
	12	60,000	21,277	9,000	5,000	1,000	1,000	7,000	7,000	51,277
13	80,000	28,369	6,000	8,000	2,000	2,000	5,000	5,000	56,369	
	Col A Total	Col B Total	Col C Total	Col D Total	Col E Total	Col F Total	Col G Total	Col H Total	Col I Total	
State Total	2,570,000	911,348	121,500	287,000	62,000	49,000	123,000	149,000	1,702,848	

Table 2: Example of Availability Variables Used for HOME SF, by Subregion

MSA Counties with urban places	Region	Column J: Vacant Units For Sale without PJs	Column K: Vacant Units For Rent without PJs	Column L: Total Availability Variables
	1	1,500	2,000	3,500
	2	1,000	3,000	4,000
	3	1,500	2,000	3,500
	4	1,000	3,000	4,000
	5	1,500	2,000	3,500
	6	1,000	3,000	4,000
	7	1,500	2,000	3,500
	8	1,000	3,000	4,000
	9	1,500	2,000	3,500
	10	1,000	3,000	4,000
	11	1,500	2,000	3,500
	12	1,000	3,000	4,000
	13	1,500	2,000	3,500

Non-MSA counties and counties with only rural places	Region	Column J: Vacant Units For Sale without PJs	Column K: Vacant Units For Rent without PJs	Column L: Total Availability Variables
	1	1,500	2,000	3,500
	2	2,000	2,500	4,500
	3	1,500	2,000	3,500
	4	2,000	2,500	4,500
	5	1,500	2,000	3,500
	6	2,000	2,500	4,500
	7	1,500	2,000	3,500
	8	2,000	2,500	4,500
	9	1,500	2,000	3,500
	10	2,000	2,500	4,500
	11	1,500	2,000	3,500
	12	2,000	2,500	4,500
	13	1,500	2,000	3,500

	Column J Total	Column K Total	Column L Total
State Total	39,000	61,000	100,000

Table 3: Example of Regional Coverage Factor used for HOME SF, by Subregion

MSA Counties with urban places	Region	Column M: Land area without PJs	Column N: Total Population without PJs	Column O: Regional Coverage Factor
	1	3,000	350,000	0.009
	2	2,000	250,000	0.008
	3	3,000	350,000	0.009
	4	2,000	250,000	0.008
	5	3,000	350,000	0.009
	6	2,000	250,000	0.008
	7	3,000	350,000	0.009
	8	2,000	250,000	0.008
	9	3,000	350,000	0.009
	10	2,000	250,000	0.008
	11	3,000	350,000	0.009
	12	2,000	250,000	0.008
	13	3,000	350,000	0.009

Non-MSA counties and counties with only rural places	Region	Column M: Land area without PJs	Column N: Total Population without PJs	Column O: Regional Coverage Factor
	1	15,000	200,000	0.075
	2	13,000	300,000	0.043
	3	15,000	200,000	0.075
	4	13,000	300,000	0.043
	5	15,000	200,000	0.075
	6	13,000	300,000	0.043
	7	15,000	200,000	0.075
	8	13,000	300,000	0.043
	9	15,000	200,000	0.075
	10	13,000	300,000	0.043
	11	15,000	200,000	0.075
	12	13,000	300,000	0.043
	13	15,000	200,000	0.075

	Column M Total	Column N Total	Column O Total
State Total	216,000	7,150,000	0.893

Compounded Need

To allocate funds, the RAF compares each subregion’s total need to the state’s total need. All of the housing need variables are added together. Then, each subregion’s total need is taken as a percentage of the amount of total need in the state. Table 1, Column I, illustrates how the Total Need Variables are derived: households at 200% of poverty, cost burdened owner and renter households, overcrowded owner and renter households, units lacking kitchen facilities, and units lacking plumbing facilities are added together, thereby compounding the need.

This compounding balances the relative importance of the variables; variables with very high or very small numbers are combined with the overall total of need. This prevents variables from being disproportionately weighted.

Weights

Examples of how the weights operate in the RAF are in Tables 4 and 5. The column header letters (A, B, C, etc.) will build off the previous table. If column letters are not in alphabetical order, the column header letter refers to a previous table.

To apply weights, first the subregional percentage (the subregional share of statewide need), housing availability, and regional allocation factor must be calculated. Table 4 demonstrates how the percentages are derived. Table 4 shows only Urban Region 1 and the statewide total in order to simplify the example.

Table 4: Percentages Taken

Area	Column I: Total Need Variables	Column P: Percent of State's Total Need	Column L: Total Availability Variables	Column Q: Percent of State's Total Availability	Column O: Regional Coverage Factor	Column R: Percent of State's Total Regional Coverage Factor
Urban Region 1	84,691	5.0%	3,500	3.5%	0.009	1.0%
State Total	1,702,848		100,000		0.893	

Note: Column I is from Table 1, Column L is from Table 2, and Column O is from Table 3.

A successful allocation formula will provide more funding for areas with high housing need and reduce funding for areas with an abundance of housing resources. Housing availability variables have a negative weight to reflect that an abundance of available units might reduce the need for assistance. The housing need variables and the regional coverage factor have positive weights to reflect that these factors may increase the need for assistance. Renter and owner components of a single need or availability category are added together, as they represent one variable for the purposes of weighting compounded need. The weight of each variable, whether need, availability, or regional coverage factor, must equal 100%; otherwise, the initial subregion allocation will not add up to the total example allocation. The formulas to determine variable weight for the Single Family RAF are as follows:

$$\text{Total Need Variables} = \text{HH at or below 200\% poverty} + \text{Cost Burden} + \text{Overcrowding} + \text{Units Lacking Plumbing} + \text{Units Lacking Kitchen}$$

$$\text{Total Availability Variables} = \text{Unoccupied Units for Sale or Rent}$$

$$\text{Regional Coverage Factor} = \text{Inverse Population Density}$$

Total Need Variables – Total Availability Variables + Regional Coverage Factor = 100%

To put it simply (with x representing the weight of each variable): $5x-x+x=100\%$

As a result, each variable is weighted at 20% for Single Family programs, giving the appropriate relationship between funding and current availability of resources. The compounded need variables receive 100% weight. Table 5 shows the application of the weights based on a hypothetical statewide availability of \$2,500,000.

Table 5: Weight Application

Area	Column P: Percent of State's Total Need	Column S: Weight of Need Variables	Column T: Need Variable Allocation*	Column Q: Percent of State's Total Availability	Column U: Weight of Availability Variable	Column V: Availability Variable Allocation~	Column R: Percent of State's Total Regional Coverage Factor	Column W: Weight of Regional Coverage Factor	Column X: Regional Coverage Factor Allocation^	Column Y: Total Allocation*
Urban Region 1	5.0%	100%	\$ 124,338	3.5%	-20%	\$ (17,500)	1.0%	20%	\$4,799	\$ 111,637

Note: Column P, Q and R taken from Table 4.

*Column T is calculated as follows: Column P x Column S x statewide availability of funds.

~Column V is calculated as follows: Column Q x Column U x statewide availability of funds.

^ Column X is calculated as follows: Column W x Column R x statewide availability of funds.

*Column Y is calculated as follows: Column T + Column V + Column X.

HOME Subregional Allocation Adjustment

The HOME SF RAF has a subregional floor. This floor ensures sufficient funding to award at least one contract in each subregion. If the RAF results in a subregional funding amount that is less than \$100,000, that subregion’s funding amount is adjusted upward to provide for at least a minimum of \$100,000. The process does not reallocate funds from subregions with initial funding amounts in excess of \$100,000 to those subregions with initial funding amounts that are less than \$100,000. Funds used to enable the floor are not subject to RAF requirements and are added as a final adjustment to the subregional allocation amounts available for award. The final adjustment adds a supplemental allocation to bring all subregions to a minimum of \$100,000. The process is complete when each subregion has at least \$100,000.

Table 6 shows the process of supplementing funds to subregions that have initial funding amounts that are less than \$100,000. This table builds from the previous tables included in this methodology and Urban Regions 1 and 2 are included as examples of this adjustment. The column header letters build off previous tables, so if the letters are not in alphabetical order, the column letter refers to previous tables.

Table 6: Subregion amount under \$100,000

Area	Column Y: Initial Subregion amount	Column Z: Amount needed to reach \$100,000	Column AA: Final Subregion Allocation
Urban Region 1	\$111,637	\$-	\$111,637
Urban Region 2	\$84,255	\$15,745	\$100,000

Note: Column Y is from Table 5.

Since the Urban Region 1 initial Subregion amount exceeds \$100,000, no adjustment is made to this sub-allocation. However, because the Urban Region 2 initial Subregion amount is less than \$100,000, a supplemental allocation amount is added to bring the subregion allocation up to the final allocation amount of \$100,000.

Multifamily RAF Example

Table 7 shows the need and availability variables used in the HTC RAF. The HTC RAF is very similar to the HOME MF RAF with the exception that the HTC RAF includes PJs. Example numbers are used for clarity. The statewide average household size in the following example is 2.83.

Table 7: Example of Need and Availability Variables used for HTC, by Subregion

MSA Counties with urban places	Region	Column BB: Individuals at or below 200% Poverty	Column CC: HH at or below 200% Poverty	Column DD: Cost Burdened Renters	Column EE: Overcrowded Renters	Column FF: Vacant Units for Rent
	1	150,000	53,571	25,000	4,000	6,000
	2	100,000	35,714	20,000	2,000	4,000
	3	150,000	53,571	25,000	4,000	6,000
	4	100,000	35,714	20,000	2,000	4,000
	5	150,000	53,571	25,000	4,000	6,000
	6	100,000	35,714	20,000	2,000	4,000
	7	150,000	53,571	25,000	4,000	6,000
	8	100,000	35,714	20,000	2,000	4,000
	9	150,000	53,571	25,000	4,000	6,000
	10	100,000	35,714	20,000	2,000	4,000
	11	150,000	53,571	25,000	4,000	6,000
	12	100,000	35,714	20,000	2,000	4,000
	13	150,000	53,571	25,000	4,000	6,000

Non-MSA counties and counties with only rural places	Region	Column BB: Individuals at or below 200% Poverty	Column CC: HH at or below 200% Poverty	Column DD: Cost Burdened Renters	Column EE: Overcrowded Renters	Column FF: Vacant Units for Rent
	1	40,000	14,286	7,000	700	700
	2	25,000	8,929	2,000	400	500
	3	40,000	14,286	7,000	700	700
	4	25,000	8,929	2,000	400	500
	5	40,000	14,286	7,000	700	700
	6	25,000	8,929	2,000	400	500
	7	40,000	14,286	7,000	700	700
	8	25,000	8,929	2,000	400	500
	9	40,000	14,286	7,000	700	700
	10	25,000	8,929	2,000	400	500
	11	40,000	14,286	7,000	700	700
	12	25,000	8,929	2,000	400	500
	13	40,000	14,286	7,000	700	700

	Column BB Total	Column CC Total	Column DD Total	Column EE Total	Column FF Total
State Total	2,080,000	742,857	356,000	47,300	73,900

Compounded Need

To allocate funds, the RAF compares each subregion’s total need to the state’s total need. All of the housing need variables are added together. Then, each subregion’s total need is taken as a percentage of the amount of total need in the state. Table 8 illustrates how the Total Need Variables are derived: households at or below 200% of poverty, cost burdened renter households, and overcrowded renter households are added together, thereby compounding the need. Table 8 shows only Urban Region 1 and the statewide total, in order to simplify the example.

Table 8: Total Need Variables

Area	Column CC: HH at or below 200% Poverty	Column DD: Cost Burdened Renters	Column EE: Overcrowded Renters	Column GG: Total Need Variables
Urban Region 1	53,571	25,000	4,000	82,571
State Total	742,857	356,000	47,300	1,146,157

Note: Columns CC, DD and EE are from Table 7.

This compounding balances the relative importance of the variables; variables with very high or very small numbers are combined with the overall total of need. This prevents variables from being disproportionately weighted.

Weights

Examples of how the weights work in the RAF are in Tables 9 and 10. If the letters are not in alphabetical order, the column header letter refers to a previous table.

In order to apply weights, first the subregional percentage availability, and inverse population density must be calculated. Table 9 demonstrates how the percentages are derived.

Table 9: Percentages Taken

Area	Column GG: Total Need Variables	Column HH: Percent of State's Total Need	Column II: Vacant Units for Rent	Column JJ: Percent of State's Total Availability
Urban Region 1	82,571	7.2%	6,000	8.1%
State Total	1,146,157		73,900	

Note: Column GG is from Table 8.

A successful allocation formula will provide more funding for areas with high housing need and reduce funding for areas with an abundance of housing resources. The housing availability variable has negative weight to reflect that an abundance of available units might reduce the need for assistance, while housing need variables have positive weight to reflect that these factors may increase the need for assistance. Renter and owner components of a single need or availability category are added together, as they represent one variable for the purposes of weighting the variables. The weight of each variable, whether need, availability, or regional coverage factor, must equal 100%; otherwise, the initial subregion allocation will not add up to the total example allocation. The formulas to determine variable weight for the Multifamily RAF are as follows:

Total Need Variables = HH at or below 200% poverty + Renter Cost Burden + Renter Overcrowding

Availability Variable = Unoccupied Units for Rent

Total Need Variables – Availability Variable = 100%

Simply stated (with x representing the weight of each variable): $3x-x=100\%$

As a result, each variable is weighted at 50% for multifamily programs, giving the appropriate relationship between funding and current availability of resources. The compounded need variables receive 150% weight. Table 10 shows the application of the weights based on a statewide availability of \$40,000,000.

Table 10: Weight Application

Area	Column HH: Percent of State's Total Need	Column KK: Weight of Need Variables	Column LL: Need Variable Allocation*	Column JJ: Percent of State's Total Availability	Column MM: Weight of Availability Variable	Column NN: Availability Variable Allocation~	Column OO: Total Allocation+
Urban Region 1	7.2%	150%	\$ 4,322,519	8.1%	-50%	\$ (1,623,816)	\$ 2,698,703

Note: Column HH and JJ taken from Table 9.

*Column LL is calculated as follows: Column HH x Column KK x statewide availability of funds.

~Column NN is calculated as follows: Column JJ x Column MM x statewide availability of funds.

+Column OO is calculated as follows: Column LL + Column NN.

HTC Subregional Allocation Adjustment

Tex. Gov't Code §2306.111(d-3) is a requirement regarding funding and the RAF that applies only to HTC. This provision requires that TDHCA allocate at least 20% of housing tax credits to rural areas and that \$500,000 or more be available for each of the 26 subregions. In the most recent QAP the Department reflects an increase to the \$500,000 figure establishing a \$600,000 minimum for each region. The overall state rural allocation of funds is ensured to satisfy the minimum of 20% of the credit ceiling amount in rural areas by making any needed adjustments at the time of award, if needed. Usually, the 20% allocation to rural areas occurs through the competitive process, but, if not, one or more applications from rural areas will be awarded from the statewide collapse of the RAF to ensure the requirement is met.

For the HTC RAF, the subregional funding amount is adjusted to a minimum of \$600,000 if needed. This is a final adjustment to the subregional allocation amounts available for award. The process proportionately takes funds from subregions with initial funding amounts in excess of \$600,000 and reallocates those funds to those subregions with initial funding amounts that are less than \$600,000. The process is complete when each subregion has at least \$600,000.

Tables 11 and 12 show the process of determining the amount to adjust from subregions with more than \$600,000. These tables build from the previous tables included in this methodology and Urban Region 1 and 2 and Rural Region 1 and 2 are included. The column header letters build off previous tables, so if the letters are not in alphabetical order, the column letter refers to previous tables.

These four subregions are examined because the most common movement for funds during the \$600,000 adjustment is from Urban Counties to Rural Counties. The first step in the \$600,000 adjustment process is to determine the amount by which each subregion is over or under \$600,000 for each subregion. This is illustrated in Table 11.

Table 11: Subregional amount over/under \$600,000

Area	Column OO: Initial Subregion amount	Column PP: Amount needed to reach \$600,000	Column QQ: Amount over \$600,000 that can be reallocated
Urban Region 1	\$2,698,703	\$-	\$2,098,703
Urban Region 2	\$1,938,732	\$-	\$1,338,732
Rural Region 1	\$961,482	\$-	\$361,482
Rural Region 2	\$457,720	\$142,280	\$-
State Total	\$40,000,000	\$853,682.36	\$25,253,682.36

Note: Column OO is from Table 10.

Column QQ in Table 11 is the amount in Column OO minus \$600,000 if the amount in Column OO is more than \$600,000. At least \$600,000 is maintained in each subregion before the adjustment process.

The next step in the adjustment process is to determine the percentage to be reallocated. The proportion of the total amount to be reallocated is in Column SS. Finally, Column OO is adjusted by Column SS to equal the final Sub-Amount in Column TT.

Table 12: Proportional adjustment

Area	Column RR: Percent of Total Amount that can be reallocated*	Column SS: Amount to be reallocated~	Column TT: Final Subregion Allocation ⁺
Urban Region 1	8.31%	\$ (70,945)	\$2,627,758
Urban Region 2	5.30%	\$ (45,255)	\$1,893,477
Rural Region 1	1.43%	\$ (12,220)	\$949,262
Rural Region 2	0.00%	\$142,280	\$600,000
State Total	100.00%	\$0	\$40,000,000

*Column RR is calculated as follows: if Column OO is more than \$600,000, then $((\text{Column OO} - \$600,000) / (\text{Statewide total for Column QQ}))$

~Column SS is calculated as followed: if Column RR is a percentage, then $(\text{Column RR} * \$853,682.36)$; if Column RR is "-%", then Column SS equals Column PP.

⁺Column TT is calculated as follows: $\text{Column OO} + \text{Column SS}$.

Attachment B: Texas Department of Housing and Community
Affairs Example 2023 HOME SF Regional Allocation Formula

Table 1 - Raw Data

	Region	Individuals at or Below 200% Poverty	HH at or Below 200% Poverty	Cost-Burdened Owners	Cost-Burdened Renters	Over-crowded Owners	Over-crowded Renters	Total Units Lacking Plumbing	Total Units Lacking Kitchen	Vacant Units For Sale	Vacant Units For Rent	Land Area	Total Population	Inverse Population Density
MSA Counties with Urban Places	1	25,589	9,042	3,286	2,882	524	588	1,347	1,539	240	489	2,494	106,482	0.023
	2	16,929	5,982	1,601	1,662	266	126	1,869	1,871	344	270	2,293	60,201	0.038
	3	465,370	164,442	91,842	90,557	10,612	10,946	10,325	20,494	6,193	13,688	7,665	2,364,737	0.003
	4	124,220	43,894	10,990	13,217	2,189	2,291	9,618	6,775	1,137	2,395	3,453	367,330	0.009
	5	56,262	19,881	4,832	6,321	1,036	963	4,671	6,049	1,033	1,879	1,941	222,242	0.009
	6	125,184	44,235	15,155	18,705	3,366	2,402	4,328	4,840	2,192	2,964	2,606	469,663	0.006
	7	250,945	88,673	49,929	52,275	6,282	6,532	4,159	8,165	3,360	7,230	3,922	1,207,932	0.003
	8	128,060	45,251	13,392	21,206	2,227	2,400	3,823	5,756	1,651	3,007	4,202	445,044	0.009
	9	89,232	31,531	15,396	13,603	1,991	1,674	2,197	3,736	1,542	1,870	3,258	408,311	0.008
	10	70,495	24,910	4,739	8,913	1,279	1,882	3,972	5,381	752	2,418	2,256	194,832	0.012
	11	104,374	36,881	4,791	6,027	3,563	1,924	2,526	2,028	301	1,644	3,991	189,153	0.021
	12	57,904	20,461	6,298	8,807	1,833	3,186	2,156	2,358	664	1,678	4,136	234,487	0.018
	13	75,796	26,783	6,077	3,989	1,805	848	1,499	1,327	635	866	757	157,036	0.005
	Subtotal	1,590,360	561,965	228,328	248,164	36,973	35,762	52,490	70,319	20,044	40,398	42,975	6,427,450	0.164
Non-MSA Counties and Counties with Only Rural Places	1	115,922	40,962	6,010	9,389	2,312	1,927	10,859	13,471	1,306	3,076	36,633	307,374	0.119
	2	90,726	32,059	6,907	7,636	1,879	825	12,031	11,818	1,752	2,258	24,831	260,521	0.095
	3	81,384	28,758	8,663	10,997	1,914	1,453	4,538	6,116	1,392	1,902	5,417	264,950	0.020
	4	217,277	76,776	17,522	20,746	4,543	3,281	12,536	15,438	2,483	4,782	11,856	594,991	0.020
	5	154,845	54,716	9,326	18,315	3,849	2,560	13,076	11,824	1,965	3,054	9,910	383,426	0.026
	6	70,952	25,071	4,854	10,853	1,581	1,340	4,853	4,956	1,019	1,673	4,577	202,007	0.023
	7	36,063	12,743	4,802	3,595	1,019	518	2,595	3,108	620	460	4,217	123,154	0.034
	8	97,826	34,567	7,628	9,304	2,917	1,215	8,762	9,658	1,551	1,853	12,672	289,745	0.044
	9	72,450	25,601	6,425	6,674	2,567	1,843	4,303	4,459	1,378	1,503	6,857	237,497	0.029
	10	102,601	36,255	5,183	9,999	2,606	2,179	10,166	8,975	1,124	2,571	15,155	271,936	0.056
	11	147,673	52,181	4,993	9,708	3,679	3,709	7,711	7,085	844	2,171	18,214	277,656	0.066
	12	64,643	22,842	3,566	5,158	1,544	806	5,434	6,182	742	1,352	35,496	192,408	0.184
	13	12,234	4,323	376	1,377	170	246	1,681	1,536	154	408	20,687	25,154	0.822
	Subtotal	1,264,596	446,854	86,255	123,751	30,580	21,902	98,545	104,626	16,330	27,063	206,522	3,430,819	1.538
	Total	2,854,956	1,008,818	314,583	371,915	67,553	57,664	151,035	174,945	36,374	67,461	249,496	9,858,269	1.703

Variables from Participating Jurisdictions (PJs) are not counted for HOME Program RAFs.

Texas Average HH Size: 2.83

Attachment B: Texas Department of Housing and Community Affairs
Example 2023 HOME SF Regional Allocation Formula

Table 2 - Weights

	Region	Total Need Variables	% of Total Need Variables	Weighted	Total Availability Variables	% of Total Availability Variables	Weighted	Regional Coverage Factor	% of Total Regional Coverage Factor	Weighted	Initial Subregion Allocation	% of Total Award
MSA Counties with Urban Places	1	19,208	0.9%	\$ 134,227	729	0.7%	\$ (21,062)	0.023	1.4%	\$ 41,261	\$ 154,426	1.03%
	2	13,377	0.6%	\$ 93,479	614	0.6%	\$ (17,740)	0.038	2.2%	\$ 67,108	\$ 142,848	0.95%
	3	399,218	18.6%	\$ 2,789,764	19,881	19.1%	\$ (574,402)	0.003	0.2%	\$ 5,711	\$ 2,221,073	14.81%
	4	88,974	4.1%	\$ 621,757	3,532	3.4%	\$ (102,047)	0.009	0.6%	\$ 16,563	\$ 536,274	3.58%
	5	43,753	2.0%	\$ 305,746	2,912	2.8%	\$ (84,133)	0.009	0.5%	\$ 15,387	\$ 237,000	1.58%
	6	93,031	4.3%	\$ 650,105	5,156	5.0%	\$ (148,967)	0.006	0.3%	\$ 9,777	\$ 510,915	3.41%
	7	216,015	10.1%	\$ 1,509,530	10,590	10.2%	\$ (305,966)	0.003	0.2%	\$ 5,721	\$ 1,209,285	8.06%
	8	94,055	4.4%	\$ 657,263	4,658	4.5%	\$ (134,579)	0.009	0.6%	\$ 16,636	\$ 539,320	3.60%
	9	70,128	3.3%	\$ 490,058	3,412	3.3%	\$ (98,579)	0.008	0.5%	\$ 14,060	\$ 405,538	2.70%
	10	51,076	2.4%	\$ 356,922	3,170	3.1%	\$ (91,588)	0.012	0.7%	\$ 20,400	\$ 285,735	1.90%
	11	57,740	2.7%	\$ 403,493	1,945	1.9%	\$ (56,195)	0.021	1.2%	\$ 37,179	\$ 384,477	2.56%
	12	45,099	2.1%	\$ 315,154	2,342	2.3%	\$ (67,665)	0.018	1.0%	\$ 31,078	\$ 278,567	1.86%
	13	42,328	2.0%	\$ 295,792	1,501	1.4%	\$ (43,367)	0.005	0.3%	\$ 8,499	\$ 260,923	1.74%
	Subtotal	1,234,001	57.5%	\$ 8,623,291	60,442	58.2%	\$ (1,746,290)	0.164	9.6%	\$ 289,378	\$ 7,166,380	47.78%
Non-MSA Counties and Counties with Only Rural Places	1	84,930	4.0%	\$ 593,496	4,382	4.2%	\$ (126,605)	0.119	7.0%	\$ 209,985	\$ 676,876	4.51%
	2	73,155	3.4%	\$ 511,210	4,010	3.9%	\$ (115,857)	0.095	5.6%	\$ 167,932	\$ 563,285	3.76%
	3	62,439	2.9%	\$ 436,326	3,294	3.2%	\$ (95,170)	0.020	1.2%	\$ 36,024	\$ 377,180	2.51%
	4	150,842	7.0%	\$ 1,054,098	7,265	7.0%	\$ (209,900)	0.020	1.2%	\$ 35,109	\$ 879,306	5.86%
	5	113,666	5.3%	\$ 794,304	5,019	4.8%	\$ (145,009)	0.026	1.5%	\$ 45,537	\$ 694,832	4.63%
	6	53,508	2.5%	\$ 373,921	2,692	2.6%	\$ (77,777)	0.023	1.3%	\$ 39,924	\$ 336,068	2.24%
	7	28,380	1.3%	\$ 198,322	1,080	1.0%	\$ (31,203)	0.034	2.0%	\$ 60,325	\$ 227,444	1.52%
	8	74,051	3.4%	\$ 517,477	3,404	3.3%	\$ (98,348)	0.044	2.6%	\$ 77,058	\$ 496,187	3.31%
	9	51,872	2.4%	\$ 362,483	2,881	2.8%	\$ (83,238)	0.029	1.7%	\$ 50,869	\$ 330,114	2.20%
	10	75,363	3.5%	\$ 526,641	3,695	3.6%	\$ (106,756)	0.056	3.3%	\$ 98,189	\$ 518,074	3.45%
	11	89,066	4.1%	\$ 622,402	3,015	2.9%	\$ (87,109)	0.066	3.9%	\$ 115,582	\$ 650,875	4.34%
	12	45,532	2.1%	\$ 318,181	2,094	2.0%	\$ (60,500)	0.184	10.8%	\$ 325,043	\$ 582,725	3.88%
	13	9,709	0.5%	\$ 67,847	562	0.5%	\$ (16,237)	0.822	48.3%	\$ 1,449,045	\$ 1,500,654	10.00%
	Subtotal	912,513	42.5%	\$ 6,376,709	43,393	41.8%	\$ (1,253,710)	1.538	90.4%	\$ 2,710,622	\$ 7,833,620	52.22%
Total	2,146,513	100%	\$ 15,000,000	103,835	100%	\$ (3,000,000)	1.703	100.0%	\$ 3,000,000	\$ 15,000,000	100.00%	

Variables from Participating Jurisdictions (PJs) are not counted for HOME Program RAFs.

Total Sample Allocation: \$15,000,000
Weight of Need Variables: 100%
Weight of Availability Variables: -20%
Weight of Regional Coverage Factor: 20%

Attachment B: Texas Department of Housing and Community
Affairs Example 2023 HOME SF Regional Allocation Formula

Table 3 - Supplemental Allocation

	Region	Initial Subregion Amount	Supplemental Amount Needed to Reach Subregion Floor	Final Subregion Allocation	% of Total Award
MSA Counties with Urban Places	1	\$ 154,426.09	\$ -	\$ 154,426.09	1.03%
	2	\$ 142,847.89	\$ -	\$ 142,847.89	0.95%
	3	\$ 2,221,073.07	\$ -	\$ 2,221,073.07	14.81%
	4	\$ 536,273.56	\$ -	\$ 536,273.56	3.58%
	5	\$ 236,999.52	\$ -	\$ 236,999.52	1.58%
	6	\$ 510,914.78	\$ -	\$ 510,914.78	3.41%
	7	\$ 1,209,284.90	\$ -	\$ 1,209,284.90	8.06%
	8	\$ 539,319.69	\$ -	\$ 539,319.69	3.60%
	9	\$ 405,538.32	\$ -	\$ 405,538.32	2.70%
	10	\$ 285,734.69	\$ -	\$ 285,734.69	1.90%
	11	\$ 384,477.09	\$ -	\$ 384,477.09	2.56%
	12	\$ 278,566.84	\$ -	\$ 278,566.84	1.86%
	13	\$ 260,923.23	\$ -	\$ 260,923.23	1.74%
	Subtotal	\$ 7,166,379.66	\$ -	\$ 7,166,379.66	47.78%
Non-MSA Counties and Counties with Only Rural Places	1	\$ 676,876.03	\$ -	\$ 676,876.03	4.51%
	2	\$ 563,285.29	\$ -	\$ 563,285.29	3.76%
	3	\$ 377,179.74	\$ -	\$ 377,179.74	2.51%
	4	\$ 879,306.38	\$ -	\$ 879,306.38	5.86%
	5	\$ 694,832.15	\$ -	\$ 694,832.15	4.63%
	6	\$ 336,067.50	\$ -	\$ 336,067.50	2.24%
	7	\$ 227,443.76	\$ -	\$ 227,443.76	1.52%
	8	\$ 496,187.07	\$ -	\$ 496,187.07	3.31%
	9	\$ 330,114.24	\$ -	\$ 330,114.24	2.20%
	10	\$ 518,074.01	\$ -	\$ 518,074.01	3.45%
	11	\$ 650,874.78	\$ -	\$ 650,874.78	4.34%
	12	\$ 582,724.95	\$ -	\$ 582,724.95	3.88%
	13	\$ 1,500,654.44	\$ -	\$ 1,500,654.44	10.00%
	Subtotal	\$ 7,833,620.34	\$ -	\$ 7,833,620.34	52.22%
Total	\$ 15,000,000.00	\$ -	\$ 15,000,000.00	100.00%	

Variables from Participating Jurisdictions (PJs) are not counted for HOME Program RAFs.

Subregion Allocation Floor: \$100,000.00

Attachment C: Texas Department of Housing and Community Affairs
 Example 2023 HTF Regional Allocation Formula

Table 1 - Raw Data

	Region	Individuals at or Below 200% Poverty	HH at or Below 200% Poverty	Cost-Burdened Owners	Cost-Burdened Renters	Over-crowded Owners	Over-crowded Renters	Total Units Lacking Plumbing	Total Units Lacking Kitchen	Vacant Units For Sale	Vacant Units For Rent	Land Area	Total Population	Inverse Population Density
MSA Counties with Urban Places	1	200,076	70,698	16,530	40,872	2,293	4,822	4,878	7,447	1,718	9,014	2,716	562,720	0.005
	2	96,285	34,023	7,007	17,684	918	1,312	5,238	5,426	1,261	3,995	2,472	289,549	0.009
	3	2,119,825	749,055	264,020	474,536	42,816	76,931	26,722	57,147	17,973	88,922	9,603	7,585,385	0.001
	4	192,974	68,189	15,804	27,450	3,018	3,241	11,103	8,634	1,968	5,972	3,563	555,372	0.006
	5	129,765	45,853	9,626	19,930	1,754	1,906	7,460	9,480	1,557	2,986	2,101	394,268	0.005
	6	2,157,770	762,463	228,432	437,313	41,594	79,317	34,848	56,047	20,603	88,980	7,612	6,949,721	0.001
	7	505,616	178,663	81,821	148,243	9,557	20,320	6,071	12,862	5,336	20,735	4,220	2,173,804	0.002
	8	337,272	119,177	26,941	70,821	4,377	6,998	6,559	9,432	3,222	12,165	4,438	932,843	0.005
	9	786,541	277,930	78,675	139,385	12,465	19,626	12,602	20,543	6,610	24,466	4,498	2,387,137	0.002
	10	185,356	65,497	14,867	31,935	3,541	4,517	6,726	9,763	1,781	6,396	2,414	521,164	0.005
	11	833,753	294,612	43,372	68,571	28,155	24,044	18,331	15,125	4,341	13,719	5,823	1,558,119	0.004
	12	125,499	44,346	12,068	21,956	3,203	4,772	4,712	5,444	1,518	4,219	4,235	457,626	0.009
	13	374,261	132,248	30,720	47,288	6,840	8,937	3,847	6,295	2,850	11,116	1,013	836,915	0.001
	Subtotal	8,044,993	2,842,754	829,883	1,545,984	160,531	256,743	149,097	223,645	70,738	292,685	54,708	25,204,623	0.055
Non-MSA Counties and Counties with Only Rural Places	1	115,922	40,962	6,010	9,389	2,312	1,927	10,859	13,471	1,306	3,076	36,633	307,374	0.119
	2	90,726	32,059	6,907	7,636	1,879	825	12,031	11,818	1,752	2,258	24,831	260,521	0.095
	3	81,384	28,758	8,663	10,997	1,914	1,453	4,538	6,116	1,392	1,902	5,417	264,950	0.020
	4	217,277	76,776	17,522	20,746	4,543	3,281	12,536	15,438	2,483	4,782	11,856	594,991	0.020
	5	154,845	54,716	9,326	18,315	3,849	2,560	13,076	11,824	1,965	3,054	9,910	383,426	0.026
	6	70,952	25,071	4,854	10,853	1,581	1,340	4,853	4,956	1,019	1,673	4,577	202,007	0.023
	7	36,063	12,743	4,802	3,595	1,019	518	2,595	3,108	620	460	4,217	123,154	0.034
	8	97,826	34,567	7,628	9,304	2,917	1,215	8,762	9,658	1,551	1,853	12,672	289,745	0.044
	9	72,450	25,601	6,425	6,674	2,567	1,843	4,303	4,459	1,378	1,503	6,857	237,497	0.029
	10	102,601	36,255	5,183	9,999	2,606	2,179	10,166	8,975	1,124	2,571	15,157	271,936	0.056
	11	147,673	52,181	4,993	9,708	3,679	3,709	7,711	7,085	844	2,171	18,214	277,656	0.066
	12	64,643	22,842	3,566	5,158	1,544	806	5,434	6,182	742	1,352	35,496	192,408	0.184
	13	12,234	4,323	376	1,377	170	246	1,681	1,536	154	408	20,687	25,154	0.822
	Subtotal	1,264,596	446,854	86,255	123,751	30,580	21,902	98,545	104,626	16,330	27,063	206,524	3,430,819	1.538
	Total	9,309,589	3,289,607	916,138	1,669,735	191,111	278,645	247,642	328,271	87,068	319,748	261,232	28,635,442	1.593

Texas Average HH Size: 2.83

Attachment C: Texas Department of Housing and Community Affairs
 Example 2023 HTF Regional Allocation Formula

Table 2 - Weights

	Region	Total Need Variables	% of Total Need Variables	Weighted	Total Availability Variables	% of Total Availability Variables	Weighted	Regional Coverage Factor	% of Total Regional Coverage Factor	Weighted	Final Subregion Allocation	% of Total Award
MSA Counties with Urban Places	1	147,540	2.1%	\$ 63,952	10,732	2.6%	\$ (15,828)	0.005	0.3%	\$ 1,817	\$ 49,941	1.66%
	2	71,608	1.0%	\$ 31,039	5,256	1.3%	\$ (7,752)	0.009	0.5%	\$ 3,215	\$ 26,502	0.88%
	3	1,691,227	24.4%	\$ 733,069	106,895	26.3%	\$ (157,656)	0.001	0.1%	\$ 477	\$ 575,890	19.20%
	4	137,439	2.0%	\$ 59,573	7,940	2.0%	\$ (11,710)	0.006	0.4%	\$ 2,416	\$ 50,279	1.68%
	5	96,009	1.4%	\$ 41,616	4,543	1.1%	\$ (6,700)	0.005	0.3%	\$ 2,006	\$ 36,922	1.23%
	6	1,640,014	23.7%	\$ 710,871	109,583	26.9%	\$ (161,620)	0.001	0.1%	\$ 412	\$ 549,663	18.32%
	7	457,537	6.6%	\$ 198,321	26,071	6.4%	\$ (38,451)	0.002	0.1%	\$ 731	\$ 160,601	5.35%
	8	244,305	3.5%	\$ 105,895	15,387	3.8%	\$ (22,694)	0.005	0.3%	\$ 1,792	\$ 84,993	2.83%
	9	561,226	8.1%	\$ 243,266	31,076	7.6%	\$ (45,833)	0.002	0.1%	\$ 710	\$ 198,142	6.60%
	10	136,846	2.0%	\$ 59,316	8,177	2.0%	\$ (12,060)	0.005	0.3%	\$ 1,744	\$ 49,001	1.63%
	11	492,210	7.1%	\$ 213,351	18,060	4.4%	\$ (26,636)	0.004	0.2%	\$ 1,407	\$ 188,122	6.27%
	12	96,501	1.4%	\$ 41,829	5,737	1.4%	\$ (8,461)	0.009	0.6%	\$ 3,485	\$ 36,852	1.23%
	13	236,175	3.4%	\$ 102,371	13,966	3.4%	\$ (20,598)	0.001	0.1%	\$ 456	\$ 82,229	2.74%
	Subtotal	6,008,637	86.8%	\$ 2,604,468	363,423	89.3%	\$ (536,001)	0.055	3.4%	\$ 20,667	\$ 2,089,134	69.64%
Non-MSA Counties and Counties with Only Rural Places	1	84,930	1.2%	\$ 36,813	4,382	1.1%	\$ (6,463)	0.119	7.5%	\$ 44,879	\$ 75,229	2.51%
	2	73,155	1.1%	\$ 31,709	4,010	1.0%	\$ (5,914)	0.095	6.0%	\$ 35,891	\$ 61,686	2.06%
	3	62,439	0.9%	\$ 27,064	3,294	0.8%	\$ (4,858)	0.020	1.3%	\$ 7,699	\$ 29,905	1.00%
	4	150,842	2.2%	\$ 65,383	7,265	1.8%	\$ (10,715)	0.020	1.3%	\$ 7,504	\$ 62,172	2.07%
	5	113,666	1.6%	\$ 49,269	5,019	1.2%	\$ (7,402)	0.026	1.6%	\$ 9,733	\$ 51,599	1.72%
	6	53,508	0.8%	\$ 23,193	2,692	0.7%	\$ (3,970)	0.023	1.4%	\$ 8,533	\$ 27,756	0.93%
	7	28,380	0.4%	\$ 12,301	1,080	0.3%	\$ (1,593)	0.034	2.1%	\$ 12,893	\$ 23,602	0.79%
	8	74,051	1.1%	\$ 32,098	3,404	0.8%	\$ (5,020)	0.044	2.7%	\$ 16,469	\$ 43,547	1.45%
	9	51,872	0.7%	\$ 22,484	2,881	0.7%	\$ (4,249)	0.029	1.8%	\$ 10,872	\$ 29,107	0.97%
	10	75,363	1.1%	\$ 32,666	3,695	0.9%	\$ (5,450)	0.056	3.5%	\$ 20,989	\$ 48,205	1.61%
	11	89,066	1.3%	\$ 38,606	3,015	0.7%	\$ (4,447)	0.066	4.1%	\$ 24,703	\$ 58,862	1.96%
	12	45,532	0.7%	\$ 19,736	2,094	0.5%	\$ (3,088)	0.184	11.6%	\$ 69,470	\$ 86,118	2.87%
	13	9,709	0.1%	\$ 4,208	562	0.1%	\$ (829)	0.822	51.6%	\$ 309,698	\$ 313,077	10.44%
	Subtotal	912,513	13.2%	\$ 395,532	43,393	10.7%	\$ (63,999)	1.538	96.6%	\$ 579,333	\$ 910,866	30.36%
	Total	6,921,149	100%	\$ 3,000,000	406,816	100%	\$ (600,000)	1.593	100.0%	\$ 600,000	\$ 3,000,000	100.00%

Total Sample Allocation: \$3,000,000

Weight of Need Variables: 100%

Weight of Availability Variables: -20%

Weight of Regional Coverage Factor: 20%

Attachment D: Texas Department of Housing and Community
Affairs Example 2023 HOME MF Regional Allocation Formula

Table 1 – Raw Data

	Region	Individuals at or Below 200% Poverty	HH at or Below 200% Poverty	Cost-Burdened Renters	Overcrowded Renters	Vacant Units For Rent
MSA Counties with Urban Places	1	25,589	9,042	2,882	588	489
	2	16,929	5,982	1,662	126	270
	3	465,370	164,442	90,557	10,946	13,688
	4	124,220	43,894	13,217	2,291	2,395
	5	56,262	19,881	6,321	963	1,879
	6	125,184	44,235	18,705	2,402	2,964
	7	250,945	88,673	52,275	6,532	7,230
	8	128,060	45,251	21,206	2,400	3,007
	9	89,232	31,531	13,603	1,674	1,870
	10	70,495	24,910	8,913	1,882	2,418
	11	104,374	36,881	6,027	1,924	1,644
	12	57,904	20,461	8,807	3,186	1,678
	13	75,796	26,783	3,989	848	866
		Subtotal	1,590,360	561,965	223,697	33,687
Non-MSA Counties and Counties with Only Rural Places	1	115,922	40,962	9,389	1,927	3,076
	2	90,726	32,059	7,636	825	2,258
	3	81,384	28,758	10,997	1,453	1,902
	4	217,277	76,776	20,746	3,281	4,782
	5	154,845	54,716	18,315	2,560	3,054
	6	70,952	25,071	10,853	1,340	1,673
	7	36,063	12,743	3,595	518	460
	8	97,826	34,567	9,304	1,215	1,853
	9	72,450	25,601	6,674	1,843	1,503
	10	102,601	36,255	9,999	2,179	2,571
	11	147,673	52,181	9,708	3,709	2,171
	12	64,643	22,842	5,158	806	1,352
	13	12,234	4,323	1,377	246	408
		Subtotal	1,264,596	446,854	124,284	22,639
	Total	2,854,956	1,008,818	347,981	56,326	69,779

Variables from Participating Jurisdictions (PJs) are not counted for HOME Program RAFs.

Texas Average HH Size: 2.83

Attachment D: Texas Department of Housing and Community
Affairs Example 2023 HOME MF Regional Allocation Formula

Table 2 - Weights

	Region	Total Need Variables	% of Total Need Variables	Weighted	Total Availability Variable	% of Total Availability Variable	Weighted	Final Subregion Allocation	% of Total Award
MSA Counties with Urban Places	1	12,512	0.9%	\$ 163,099	489	0.7%	\$ (45,304)	\$ 117,794.88	0.94%
	2	7,770	0.5%	\$ 101,284	270	0.4%	\$ (25,014)	\$ 76,269.87	0.61%
	3	265,945	18.5%	\$ 3,466,680	13,688	20.3%	\$ (1,268,140)	\$ 2,198,539.64	17.59%
	4	59,402	4.1%	\$ 774,325	2,395	3.6%	\$ (221,887)	\$ 552,437.76	4.42%
	5	27,165	1.9%	\$ 354,099	1,879	2.8%	\$ (174,082)	\$ 180,017.31	1.44%
	6	65,342	4.5%	\$ 851,750	2,964	4.4%	\$ (274,603)	\$ 577,147.30	4.62%
	7	147,480	10.3%	\$ 1,922,454	7,230	10.7%	\$ (669,831)	\$ 1,252,622.49	10.02%
	8	68,857	4.8%	\$ 897,573	3,007	4.5%	\$ (278,587)	\$ 618,986.06	4.95%
	9	46,808	3.3%	\$ 610,155	1,870	2.8%	\$ (173,248)	\$ 436,906.62	3.50%
	10	35,705	2.5%	\$ 465,425	2,418	3.6%	\$ (224,018)	\$ 241,407.14	1.93%
	11	44,832	3.1%	\$ 584,404	1,644	2.4%	\$ (152,310)	\$ 432,093.72	3.46%
	12	32,454	2.3%	\$ 423,046	1,678	2.5%	\$ (155,460)	\$ 267,585.86	2.14%
	13	31,620	2.2%	\$ 412,178	866	1.3%	\$ (80,232)	\$ 331,946.44	2.66%
	Subtotal	845,891	58.8%	\$ 11,026,473	40,398	59.9%	\$ (3,742,718)	\$ 7,283,755.08	58.27%
Non-MSA Counties and Counties with Only Rural Places	1	52,278	3.6%	\$ 681,459	3,076	4.6%	\$ (284,979)	\$ 396,479.96	3.17%
	2	40,520	2.8%	\$ 528,188	2,258	3.3%	\$ (209,195)	\$ 318,992.60	2.55%
	3	41,208	2.9%	\$ 537,155	1,902	2.8%	\$ (176,213)	\$ 360,942.15	2.89%
	4	100,803	7.0%	\$ 1,314,006	4,782	7.1%	\$ (443,034)	\$ 870,971.94	6.97%
	5	75,591	5.3%	\$ 985,349	3,054	4.5%	\$ (282,941)	\$ 702,407.30	5.62%
	6	37,264	2.6%	\$ 485,754	1,673	2.5%	\$ (154,997)	\$ 330,756.91	2.65%
	7	16,856	1.2%	\$ 219,725	460	0.7%	\$ (42,617)	\$ 177,107.92	1.42%
	8	45,086	3.1%	\$ 587,718	1,853	2.7%	\$ (171,673)	\$ 416,044.52	3.33%
	9	34,118	2.4%	\$ 444,736	1,503	2.2%	\$ (139,247)	\$ 305,488.81	2.44%
	10	48,433	3.4%	\$ 631,338	2,571	3.8%	\$ (238,193)	\$ 393,144.49	3.15%
	11	65,598	4.6%	\$ 855,096	2,171	3.2%	\$ (201,135)	\$ 653,961.10	5.23%
	12	28,806	2.0%	\$ 375,497	1,352	2.0%	\$ (125,258)	\$ 250,239.12	2.00%
	13	5,946	0.4%	\$ 77,508	408	0.6%	\$ (37,800)	\$ 39,708.10	0.32%
	Subtotal	592,507	41.2%	\$ 7,723,527	27,063	40.1%	\$ (2,507,282)	\$ 5,216,244.92	41.73%
	Total	1,438,397	100%	\$ 18,750,000	67,461	100%	\$ (6,250,000)	\$ 12,500,000.00	100.00%

Variables from Participating Jurisdictions (PJs) are not counted for HOME Program RAFs.

Total Sample Allocation: \$12,500,000
Weight of Need Variables: 150%
Weight of Availability Variables: -50%

Attachment E: Texas Department of Housing and Community
Affairs Example 2023 HTC Regional Allocation Formula

Table 1 - Raw Data

	Region	Individuals at or Below 200% Poverty	HH at or Below 200% Poverty	Cost-Burdened Renters	Overcrowded Renters	Vacant Units For Rent
MSA Counties with Urban Places	1	200,076	70,698	40,872	4,822	9,014
	2	96,285	34,023	17,684	1,312	3,995
	3	2,119,825	749,055	474,536	76,931	88,922
	4	192,974	68,189	27,450	3,241	5,972
	5	129,765	45,853	19,930	1,906	2,986
	6	2,157,770	762,463	437,313	79,317	88,980
	7	505,616	178,663	148,243	20,320	20,735
	8	337,272	119,177	70,821	6,998	12,165
	9	786,541	277,930	139,385	19,626	24,466
	10	185,356	65,497	31,935	4,517	6,396
	11	833,753	294,612	68,571	24,044	13,719
	12	125,499	44,346	21,956	4,772	4,219
	13	374,261	132,248	47,288	8,937	11,116
		Subtotal	8,044,993	2,842,754	1,545,984	256,743
Non-MSA Counties and Counties with Only Rural Places	1	115,922	40,962	9,389	1,927	3,076
	2	90,726	32,059	7,636	825	2,258
	3	81,384	28,758	10,997	1,453	1,902
	4	217,277	76,776	20,746	3,281	4,782
	5	154,845	54,716	18,315	2,560	3,054
	6	70,952	25,071	10,853	1,340	1,673
	7	36,063	12,743	3,595	518	460
	8	97,826	34,567	9,304	1,215	1,853
	9	72,450	25,601	6,674	1,843	1,503
	10	102,601	36,255	9,999	2,179	2,571
	11	147,673	52,181	9,708	3,709	2,171
	12	64,643	22,842	5,158	806	1,352
	13	12,234	4,323	1,377	246	408
		Subtotal	1,264,596	446,854	123,751	21,902
	Total	9,309,589	3,289,607	1,669,735	278,645	319,748

Texas Average HH Size: 2.83

Attachment E: Texas Department of Housing and Community
Affairs Example 2023 HTC Regional Allocation Formula

Table 2 - Weights

	Region	Total Need Variables	% of Total Need Variables	Weighted	Total Availability Variable	% of Total Availability Variable	Weighted	Initial Subregion Allocation	% of Total Award
MSA Counties with Urban Places	1	116,392	2.2%	\$ 2,166,527	9,014	2.8%	\$ (916,206)	\$ 1,250,321.41	1.92%
	2	53,019	1.0%	\$ 986,896	3,995	1.2%	\$ (406,062)	\$ 580,834.15	0.89%
	3	1,300,522	24.8%	\$ 24,207,938	88,922	27.8%	\$ (9,038,258)	\$ 15,169,679.34	23.34%
	4	98,880	1.9%	\$ 1,840,549	5,972	1.9%	\$ (607,009)	\$ 1,233,539.26	1.90%
	5	67,689	1.3%	\$ 1,259,971	2,986	0.9%	\$ (303,505)	\$ 956,466.37	1.47%
	6	1,279,093	24.4%	\$ 23,809,060	88,980	27.8%	\$ (9,044,154)	\$ 14,764,906.62	22.72%
	7	347,226	6.6%	\$ 6,463,270	20,735	6.5%	\$ (2,107,558)	\$ 4,355,711.49	6.70%
	8	196,996	3.8%	\$ 3,666,895	12,165	3.8%	\$ (1,236,482)	\$ 2,430,413.01	3.74%
	9	436,941	8.3%	\$ 8,133,222	24,466	7.7%	\$ (2,486,786)	\$ 5,646,435.91	8.69%
	10	101,949	1.9%	\$ 1,897,677	6,396	2.0%	\$ (650,106)	\$ 1,247,571.61	1.92%
	11	387,227	7.4%	\$ 7,207,858	13,719	4.3%	\$ (1,394,434)	\$ 5,813,423.72	8.94%
	12	71,074	1.4%	\$ 1,322,972	4,219	1.3%	\$ (428,830)	\$ 894,141.75	1.38%
	13	188,473	3.6%	\$ 3,508,235	11,116	3.5%	\$ (1,129,859)	\$ 2,378,376.06	3.66%
		Subtotal	4,645,481	88.7%	\$ 86,471,069	292,685	91.5%	\$ (29,749,248)	\$ 56,721,820.69
Non-MSA Counties and Counties with Only Rural Places	1	52,278	1.0%	\$ 973,101	3,076	1.0%	\$ (312,652)	\$ 660,448.22	1.02%
	2	40,520	0.8%	\$ 754,234	2,258	0.7%	\$ (229,509)	\$ 524,724.83	0.81%
	3	41,208	0.8%	\$ 767,039	1,902	0.6%	\$ (193,324)	\$ 573,714.90	0.88%
	4	100,803	1.9%	\$ 1,876,355	4,782	1.5%	\$ (486,055)	\$ 1,390,300.42	2.14%
	5	75,591	1.4%	\$ 1,407,044	3,054	1.0%	\$ (310,416)	\$ 1,096,627.60	1.69%
	6	37,264	0.7%	\$ 693,640	1,673	0.5%	\$ (170,048)	\$ 523,591.89	0.81%
	7	16,856	0.3%	\$ 313,760	460	0.1%	\$ (46,756)	\$ 267,004.38	0.41%
	8	45,086	0.9%	\$ 839,241	1,853	0.6%	\$ (188,344)	\$ 650,897.19	1.00%
	9	34,118	0.7%	\$ 635,068	1,503	0.5%	\$ (152,769)	\$ 482,298.92	0.74%
	10	48,433	0.9%	\$ 901,529	2,571	0.8%	\$ (261,323)	\$ 640,205.55	0.98%
	11	65,598	1.3%	\$ 1,221,048	2,171	0.7%	\$ (220,666)	\$ 1,000,381.55	1.54%
	12	28,806	0.5%	\$ 536,196	1,352	0.4%	\$ (137,421)	\$ 398,775.65	0.61%
	13	5,946	0.1%	\$ 110,678	408	0.1%	\$ (41,470)	\$ 69,208.21	0.11%
		Subtotal	592,507	11.3%	\$ 11,028,931	27,063	8.5%	\$ (2,750,752)	\$ 8,278,179.31
	Total	5,237,987	100.0%	\$ 97,500,000	319,748	100%	\$ (32,500,000)	\$ 65,000,000.00	100.00%

Total Sample Allocation: \$65,000,000
Weight of Need Variables: 150%
Weight of Availability Variables: -50%

Attachment E: Texas Department of Housing and Community
Affairs Example 2023 HTC Regional Allocation Formula

Table 3 - Reallocation

	Region	Initial Subregion Amount	Amount Needed to Reach Subregion Floor	Amount that can be Reallocated	% of Total Amount that can be Reallocated	Amount to be Reallocated	Final Subregion Allocation	% of Total Award
MSA Counties with Urban Places	1	\$ 1,250,321.41	\$ -	\$ 650,321.41	1.28%	\$ (17,671.26)	\$ 1,232,650.15	1.90%
	2	\$ 580,834.15	\$ 19,165.85	\$ -	0.00%	\$ 19,165.85	\$ 600,000.00	0.92%
	3	\$ 15,169,679.34	\$ -	\$ 14,569,679.34	28.69%	\$ (395,903.70)	\$ 14,773,775.64	22.73%
	4	\$ 1,233,539.26	\$ -	\$ 633,539.26	1.25%	\$ (17,215.24)	\$ 1,216,324.02	1.87%
	5	\$ 956,466.37	\$ -	\$ 356,466.37	0.70%	\$ (9,686.31)	\$ 946,780.07	1.46%
	6	\$ 14,764,906.62	\$ -	\$ 14,164,906.62	27.89%	\$ (384,904.77)	\$ 14,380,001.85	22.12%
	7	\$ 4,355,711.49	\$ -	\$ 3,755,711.49	7.40%	\$ (102,054.41)	\$ 4,253,657.07	6.54%
	8	\$ 2,430,413.01	\$ -	\$ 1,830,413.01	3.60%	\$ (49,738.04)	\$ 2,380,674.97	3.66%
	9	\$ 5,646,435.91	\$ -	\$ 5,046,435.91	9.94%	\$ (137,127.43)	\$ 5,509,308.48	8.48%
	10	\$ 1,247,571.61	\$ -	\$ 647,571.61	1.28%	\$ (17,596.54)	\$ 1,229,975.07	1.89%
	11	\$ 5,813,423.72	\$ -	\$ 5,213,423.72	10.27%	\$ (141,665.01)	\$ 5,671,758.71	8.73%
	12	\$ 894,141.75	\$ -	\$ 294,141.75	0.58%	\$ (7,992.75)	\$ 886,149.00	1.36%
	13	\$ 2,378,376.06	\$ -	\$ 1,778,376.06	3.50%	\$ (48,324.03)	\$ 2,330,052.03	3.58%
	Subtotal	\$ 56,721,820.69	\$ 19,165.85	\$ 48,940,986.55	96.38%	\$ (1,310,713.65)	\$ 55,411,107.05	85.25%
Non-MSA Counties and Counties with Only Rural Places	1	\$ 660,448.22	\$ -	\$ 60,448.22	0.12%	\$ (1,642.57)	\$ 658,805.66	1.01%
	2	\$ 524,724.83	\$ 75,275.17	\$ -	0.00%	\$ 75,275.17	\$ 600,000.00	0.92%
	3	\$ 573,714.90	\$ 26,285.10	\$ -	0.00%	\$ 26,285.10	\$ 600,000.00	0.92%
	4	\$ 1,390,300.42	\$ -	\$ 790,300.42	1.56%	\$ (21,474.93)	\$ 1,368,825.48	2.11%
	5	\$ 1,096,627.60	\$ -	\$ 496,627.60	0.98%	\$ (13,494.92)	\$ 1,083,132.68	1.67%
	6	\$ 523,591.89	\$ 76,408.11	\$ -	0.00%	\$ 76,408.11	\$ 600,000.00	0.92%
	7	\$ 267,004.38	\$ 332,995.62	\$ -	0.00%	\$ 332,995.62	\$ 600,000.00	0.92%
	8	\$ 650,897.19	\$ -	\$ 50,897.19	0.10%	\$ (1,383.04)	\$ 649,514.16	1.00%
	9	\$ 482,298.92	\$ 117,701.08	\$ -	0.00%	\$ 117,701.08	\$ 600,000.00	0.92%
	10	\$ 640,205.55	\$ -	\$ 40,205.55	0.08%	\$ (1,092.51)	\$ 639,113.04	0.98%
	11	\$ 1,000,381.55	\$ -	\$ 400,381.55	0.79%	\$ (10,879.62)	\$ 989,501.94	1.52%
	12	\$ 398,775.65	\$ 201,224.35	\$ -	0.00%	\$ 201,224.35	\$ 600,000.00	0.92%
	13	\$ 69,208.21	\$ 530,791.79	\$ -	0.00%	\$ 530,791.79	\$ 600,000.00	0.92%
	Subtotal	\$ 8,278,179.31	\$ 1,360,681.23	\$ 1,838,860.54	3.62%	\$ 1,310,713.65	\$ 9,588,892.95	14.75%
Total	\$ 65,000,000.00	\$ 1,379,847.09	\$ 50,779,847.09	100.00%	\$ -	\$ 65,000,000.00	100.00%	

Subregion Allocation Floor: \$600,000.00

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BOARD ACTION REQUEST

SINGLE FAMILY AND HOMELESS PROGRAMS DIVISION

JUNE 16, 2022

Presentation, discussion and possible action on the appointment of the Nueces County Colonia Resident Advisory Committee members

RECOMMENDED ACTION

WHEREAS, pursuant to Tex. Gov't Code §2306.582 as amended to be effective September 1, 2021, the Department is required to establish a Colonia Self-Help Center (CSHC) in Nueces County to address the needs of colonias in this county;

WHEREAS, pursuant to Tex. Gov't Code §2306.585 the Colonia Resident Advisory Committee (C-RAC) is required to advise the Department's Governing Board on the needs of colonia residents and activities to be undertaken through the CSHCs;

WHEREAS, pursuant to Tex. Gov't Code §2306.584 C-RAC members are required to be appointed by the Texas Department of Housing and Community Affairs Governing Board; and

WHEREAS, Nueces County will need a primary and alternate C-RAC member;

NOW, therefore, it is hereby

RESOLVED, that the following Texas colonia residents named herein are hereby appointed to the C-RAC to represent their respective county in the CSHC Program for four-year terms that expire on June 16, 2026.

BACKGROUND

The Department is required to establish CSHCs under Tex. Gov't Code §2306.582 to provide on-site technical assistance to improve the quality of life for colonia residents located in seven counties (Cameron/Willacy, El Paso, Hidalgo, Nueces, Starr, and Webb) though six CSHCs. Additionally, the Department is authorized to establish other CSHCs if it determines it is necessary and appropriate. Two additional CSHCs have been established in Maverick and Val Verde counties, although these counties are not required to be served per statute.

Each county selects five of their colonias to receive concentrated technical assistance in housing rehabilitation, new construction, surveying and platting, construction skills training, tool library access, credit and debt counseling, employment and financial skills development, grant

preparation, infrastructure construction, contract-for-deed conversions, and capital access for mortgages and other improvements.

The Department’s Governing Board is required under Tex. Gov’t Code §2306.584 to appoint at least six persons who are residents of colonias to serve on the C-RAC. These members must reside in a colonia in a county designated to have a CSHC, and may not be a board member, contractor, or employee of, or have any ownership interest in an entity that is awarded a contract under the CSHC Program. Each county recommends individuals to the Department for C-RAC membership with input from local nonprofit organizations.

The C-RAC evaluates the needs of colonia residents; reviews programs and activities that are proposed for or operated through the CSHCs; and advises the Department’s Governing Board in order for the CSHC Program to better serve colonia residents. The C-RAC is required to meet 30 days before any CSHC contract is scheduled to be awarded or amended by the Department’s Governing Board and may meet at other times as needed. The C-RAC is currently composed of two persons from each CSHC Program county. The C-RAC term of service is four years.

Each county, excluding Nueces County, has recommended two colonia residents to serve on the C-RAC starting October 13, 2021, through September 2, 2025, and these appointments were made by the Board on September 2, 2021. Nueces County has now identified the colonias that will be served by their CSHC and recommended the two colonia residents to serve on C-RAC starting June 16, 2022, through June 15, 2026. Approval of the following recommendations will allow the Department to carry out the statutory requirements of the CSHC Program and C-RAC:

COUNTY	NAME	CITY	COLONIA
Nueces	Nora Barrera	Corpus Christi	Bluebonnet
Nueces	Rene Vasquez	Corpus Christi	Bluebonnet

Upon approval, the Colonia Self Help Center Colonia Resident Advisory Committee would be composed of the following members:

COUNTY	NAME	CITY	COLONIA
Cameron	Belinda Vazquez	San Benito	Arroyo Colorado Estates
Cameron	Keila Martinez	Brownsville	Cameron Park
El Paso	Maria Vargas	El Paso	Agua Dulce
El Paso	Elizabeth Flores	El Paso	Horizon Units
Hidalgo	Yolanda Hernandez	Alamo	South Tower Colonia
Hidalgo	Cayetano Lopez	Mission	Linda Vista Estates
Maverick	Hilda Nohemi Chavez	Eagle Pass	Chula Vista
Maverick	Monica D. Avalos	Eagle Pass	Loma Linda
Nueces	Nora Barrera	Corpus Christi	Bluebonnet
Nueces	Rene Vasquez	Corpus Christi	Bluebonnet
Starr	Norma Guzman	Garciasville	Garciasville
Starr	Jose Lino Ruiz, Jr.	Rio Grande City	La Casita
Val Verde	Rita Rodriguez	Del Rio	Cienegas Terrace

Val Verde	Rosa Maria Martinez	Del Rio	Val Verde Park Estates
Webb	Bella Garcia	Laredo	Colonia Los Altos
Webb	Elvira Torres	Laredo	Colonia Los Altos
Willacy	Jessica Garza	Sebastian	Sebastian
Willacy	Emma Gonzales	Sebastian	Sebastian

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BOARD ACTION REQUEST

HOME AND HOMELESSNESS PROGRAMS DIVISION

JUNE 16, 2022

Presentation, discussion, and possible action to authorize the issuance of the 2022 Emergency Solutions Grants Program Notice of Funding Availability and publication in the Texas Register

RECOMMENDED ACTION

WHEREAS, the U.S. Department of Housing and Urban Development has allocated \$9,823,331 in Emergency Solutions Grants (ESG) Program funds to the Texas Department of Housing and Community Affairs (TDHCA or the Department);

WHEREAS, per 24 CFR §576.203(b), states have 24 months in which to expend ESG funds on eligible activities and, which, if not met, could result in the return of funds to the HUD;

WHEREAS, the Board has approved for adoption under a separate action at this meeting repeal and a new 10 TAC §7.1, §7.2, §7.3, §7.7, and §7.12; and 10 TAC Chapter 7, Subchapter C, governing the ESG Program;

WHEREAS, this adopted rule is slated for publication in the *Texas Register* on July 1, 2022, to be effective on July 10, 2022;

WHEREAS, the Department wishes to release a Notice of Funding Availability (NOFA) for the ESG Program totaling \$9,381,281 in accordance with 10 TAC §7.33 concerning Apportionment of ESG Funds, and will retain \$442,050 for administrative purposes;

WHEREAS, the NOFA will be subject to the rule in effect at the close of the ESG Application acceptance period;

WHEREAS, the Department will publish on its website finalized balances available within each CoC Region prior to the start of the Application acceptance period; and

WHEREAS, the Department will evaluate organizations eligible for receipt of a Continuing Award in accordance with the new rule, will make offers of Continuing Awards to eligible entities, and will accept Applications from eligible Applicants under a Competitive Application cycle;

NOW, therefore, it is hereby

RESOLVED, that the Executive Director and his designees be and each of them hereby are authorized, empowered, and directed, for and on behalf of the Department, to post on the Department's website and to publish a notification in the *Texas Register* a 2022 ESG NOFA for the amount of \$9,381,281, and to make any technical corrections or perform such other acts as may be necessary to effectuate the foregoing.

BACKGROUND

The ESG Program is funded by HUD to assist people to regain stability in permanent housing quickly after experiencing a housing crisis and/or homelessness. ESG funds can be used for the administration of the ESG grant, including utilization of a Homeless Management Information System; the payment of certain expenses related to operating emergency shelters; essential services related to emergency shelters and street outreach for persons experiencing homelessness; and homelessness prevention and rapid re-housing assistance.

The Department received notice of an allocation of \$9,823,331 from HUD for its regular allocation of 2022 ESG funds. The Department will retain \$442,050 for administrative purposes. The remaining \$9,381,281 will be made available for awards to Subrecipients through the 2022 ESG NOFA.

Some of the awards made through the NOFA may be as a result an offer for a Continuing Award for eligible Subrecipients, as outlined in the new rule that was adopted under a separate action at this meeting; for funds not offered or accepted through a Continuing Award, Applicants may apply through the Competitive Application cycle. All funds will be allocated regionally based on the Allocation Formula, and final allocated amounts will be posted to the TDHCA website on or before July 5, 2022. Amounts remaining for Competitive Applications after offers of Continuing Awards have been determined will be posted to the TDHCA website on or before July 22, 2022. The amount made available for Competitive Applications may increase, but may not decrease, after this date.

Federal program rules require the Department to commit all funds within 60 days of receipt of an award letter from HUD; the Department anticipates receipt of this letter during the late summer of 2022. The contract period may begin no earlier than the date receipt of funds from the annual ESG allocation, and will be effective for one year for each award.

Applicants may request between \$75,000 and \$400,000 in ESG funds total for awards made under a Continuing Award and a Competitive Application. This limitation includes all award amounts for Program Participant services, HMIS, and Administration, as outlined in the NOFA.

The availability and use of these funds are subject to the Department's rules governing under Title 10, Part 1, Chapter 1, Administration; Chapter 2, Enforcement; and Chapter 7, Homeless Programs, Subchapter A, General Policies and Procedures, and Subchapter C, Emergency Solutions Grants (ESG) of the Texas Administrative Code, which are being adopted as a separate agenda item today. For Units of Local Government, the Texas Grant Management Standards (TxGMS) also govern the availability and use of these funds. Federal laws and regulations that apply to these funds include the Homeless Emergency Assistance and Rapid Transition to Housing Act (42 U.S.C. §11302 *et. seq.*), as amended; the HUD regulations codified in 24 Code of Federal Regulations (CFR) Part 576; 24 CFR Part 58, for environmental requirements; 2 CFR Part 200 for Uniform Administrative Requirements; 24 CFR §135.38 for Section 3 requirements; and 24 CFR Part 5, Subpart A for fair housing.

Details on the award selection process, handling of administrative deficiencies, funding limitations, eligible and ineligible applicants and activities, threshold requirements, award selection criteria, and application submission requirements are codified in 10 TAC Chapter 7, Subchapter C as adopted under a separate action. Notification of the NOFA will be published in the *Texas Register*.

Applications will be accepted beginning July 5, 2022, at 8:00 a.m. Austin local time, until Friday, July 29, 2022, at 5:00 p.m. Austin local time.



**Emergency Solutions Grants (ESG) Program
CFDA# 14.231**

2022 ESG

Notice of Funding Availability (NOFA)

1) Summary.

- a) The Texas Department of Housing and Community Affairs (the Department or TDHCA) announces an annual NOFA of approximately \$9,381,281 in Emergency Solutions Grants (ESG) funds for street outreach, emergency shelter, homeless prevention, rapid re-housing, Homeless Management Information System (HMIS), and Administration.
- b) The Contract Term for funds awarded under this NOFA will be 12 months, and is anticipated to start in the fall of 2022, subject to receipt of adequate funding and any additional terms and conditions from the U.S. Department of Housing and Urban Development (HUD).
- c) Applicants must familiarize themselves with all of the applicable state and federal rules that govern the ESG Program. The availability and use of ESG funds are subject, but not limited to the following:
 - i) State rules under Title 10, Part 1, Chapter 1, Chapter 2, and Chapter 7, Subchapter A; and Subchapter C of the Texas Administrative Code, and for Units of Local Government, the Texas Grant Management Standards (TxGMS) (collectively, the ESG State Rules); and
 - ii) Federal laws and regulations including the Homeless Emergency Assistance and Rapid Transition to Housing Act (42 U.S.C. §11302 *et. seq.*), as amended; the HUD regulations codified in 24 Code of Federal Regulations (CFR) Part 576; 24 CFR Part 58, for environmental requirements; 2 CFR Part 200 for Uniform Administrative Requirements; 24 CFR §135.38 for Section 3 requirements; and 24 CFR Part 5, Subpart A for fair housing (collectively, the Federal Rules and Regulations).

- d) The ESG State Rules in effect at the close of the Application acceptance period will govern this NOFA.
- e) Capitalized terms in this NOFA have the meanings defined herein, or as defined in ESG State Rules or the Federal Rules and Regulations.

2) Allocation of Funds.

- a) The initial amount of funds in this NOFA are made available through the Department’s 2022 annual ESG allocation from HUD. The Department, in its sole discretion, may also release under this NOFA any funds as described in 10 TAC §7.41(h), as allowable and available. The Department, in its sole discretion, also reserves the right to cancel or modify the amount available in this NOFA.
- b) The initial amount made available under this NOFA is subject to an Allocation Formula utilizing the methodology outlined at 10 TAC §7.33 as follows:

CoC Number	CoC Name	Anticipated Allocation Formula Funding
TX500	San Antonio/ Bexar County	\$769,827
TX503	Austin/Travis County	\$696,699
TX600	Dallas City & County/ Irving	\$1,353,299
TX601	Fort Worth/Arlington/ Tarrant County	\$452,305
TX603	El Paso City & County	\$283,559
TX604	Waco/McLennan County	\$137,558
TX607	Texas Balance of State	\$3,859,953
TX611	Amarillo	\$122,895
TX624	Wichita Falls/Wise, Palo Pinto, Wichita, Archer Counties	\$112,950
TX700	City of Houston/Harris County	\$1,401,134
TX701	Bryan/College Station/Brazos Valley	\$191,102
Total:		\$9,381,281.00

Refer to the ESG Allocation Formula tables located on the Department’s website at <https://www.tdhca.state.tx.us/home-division/esgp/applications.htm> for the applicable allocation calculations for each CoC region and for updates prior to submitting an Application.

- c) If the Department adds funds to the NOFA after the start of the Application acceptance period, but before the Application acceptance period closes, the funds will, unless otherwise required by HUD, and except as described in 10 TAC §7.33(a), be distributed

statewide in accordance with 10 TAC §7.33(f), and updated on the Department's website.

3) Eligible Applicants.

- a) Eligible Applicants are Units of Local Government as defined by HUD in CPD Notice 17-10 or Private Nonprofit Organizations. Public Housing Authorities, and Local Redevelopment Agencies are not federally eligible Applicants.
- b) Applicants are required to familiarize themselves with the Department's certification and debarment policies prior to Application submission.

4) Use of funds. The Applicant may not Subgrant funds, but may Subcontract for the provision of services. Such Subcontracts are subject to applicable procurement requirements. The program components below are eligible uses of ESG funds under this NOFA. The Program Participant service components are street outreach, emergency shelter, homelessness prevention, and rapid re-housing.

- a) **Street outreach.** The street outreach component includes engagement, case management, emergency health services, emergency mental health services, and transportation (excluding the purchase or lease of vehicles). Specific program guidelines can be found at 10 TAC §7.32(e), and 24 CFR §576.101(a).
- b) **Emergency shelter.** The emergency shelter component program participant services include case management to coordinate individualized services, child care, education services, employment assistance and job training services, outpatient health services, legal services, life skills, outpatient mental health services, outpatient substance abuse treatment services up to 30 days, excluding inpatient treatment, transportation (excluding the purchase or lease of vehicles). Emergency shelter eligible costs also certain costs for operations of emergency shelters, and assistance required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. More specific program guidelines can be found at 10 TAC §7.32(f), and 24 CFR §576.102.
- c) **Homelessness prevention.** The homelessness prevention component includes housing relocation and stabilization for financial assistance, housing relocation and stabilization services, and non-duplicative rental assistance provided to persons at-risk of homelessness. More specific program guidelines can be found at 10 TAC §7.32(g), and 24 CFR §576.103.
- d) **Rapid re-housing.** The rapid re-housing component includes housing relocation and stabilization for financial assistance, housing relocation and stabilization services, and non-duplicative rental assistance to persons experiencing homelessness. More specific program guidelines can be found at 10 TAC §7.32(g), and 24 CFR §576.104.

- e) **HMIS.** The HMIS component includes hardware, software, equipment, office space, utility costs; Salary and staff costs for operation of HMIS, including technical support; HMIS training and overhead costs, including travel to HUD sponsored and approved HMIS training programs and travel costs for staff to conduct intake; HMIS participation fees charged by the HMIS lead agency; HMIS-comparable databases for victim services providers or legal services providers. More specific program guidelines can be found at 10 TAC §7.32(h), and 24 CFR §576.107.
- f) **Administration.** Administration includes general management and oversight of the ESG award, excluding the cost to purchase office space; provision of ESG training and costs to attend HUD-sponsored ESG training; and costs to carry out required environmental reviews. More specific program guidelines can be found at 10 TAC §7.32(i), and 24 CFR §576.108.
- g) **Prohibited Activities.** Prohibited activities include, but are not limited to, lease and/or purchase of vehicles, renovation/rehabilitation/conversion of buildings for use as emergency shelter, acquisition of real property; new construction; legal services for immigration and citizenship matters, and issues relating to mortgages; inpatient detoxification and other inpatient drug or alcohol treatment; payment of temporary storage fees in arrears; payment or modification of a debt; rehabilitation of structures to the extent that those structures are used for inherently religious activities; mortgage payments, and any activity not specifically performed as allowed under Federal Rules and Regulations and ESG State Rules.

5) Limitation on Funds. Applications for ESG awards must comply with the limitations set forth in 10 TAC §7.36(a)(2) and §7.33(d) as follows:

- a) The maximum amount requested under each ESG Application, including all Program Participant Services, funds for HMIS, and Administrative funds may not exceed the amount of funding available in the CoC region under which the Application is submitted;
- b) An Applicant may apply for less than minimum award only when funds for the CoC region under which the Application is made are insufficient to fully fund the Application.
- c) For Applications under the Competitive Application cycle, the minimum amount requested under each ESG Application for all Program Participant Services \$75,000, and may not exceed \$400,000;
- d) Additional funds requested for HMIS are limited to 12% of the amount of funds requested for each Program Participant service, for a maximum of \$48,000 per award; and

- e) Additional funds requested for Administrative activities are limited to three percent of the amount of funds requested for each Program Participant service, for a maximum of \$12,000 per award.

6) Continuing Award Process.

- a) The Department will initially set aside 70% of funds allocated under 10 TAC §7.33 for offers of Continuing Awards to eligible Subrecipients.
- b) All materials to submit an abbreviated Application under this NOFA for a Continuing Award, including program guidelines, and Federal Rules and Regulations, and ESG State Rules, are available on the Department's website at <https://www.tdhca.state.tx.us/home-division/esgp/applications.htm>.
- c) Continuing Awards will be offered to eligible prior Subrecipients, and the amount offered will be based on the original most recent award amount. This amount will be increased by 4.41% if the most recent eligible prior year award was made from the 2021 ESG Allocation, and will be increased by 1.83% if the most recent prior year award was made from the 2020 ESG Allocation.
- d) Continuing Award offers may be increased by up to 115% of the prior original award as adjusted for changes to the allocation as described above, when less than 70% of funds in a CoC region have been offered for Continuing Awards. Continuing Award offers within a CoC region may be proportionally decreased if the amount of funds that may be offered for Continuing Awards exceeds 70% of funding allocated to a CoC region.
- e) Funds remaining in the Continuing Awards set-aside after all offers of a Continuing Award have been accepted will be made available in the CoC region from which they were allocated for the Competitive Application cycle.
- f) Subrecipients that accept a Continuing Award for a Program Participant service may not apply in the Competitive Application cycle for funding for the same Program Participant service for which they accepted a Continuing Award.
- g) Subrecipients that accept a Continuing Award must submit the required abbreviated Application for funding within 21 days of the request from the Department or applicant will be withdrawn from the Continuing Award request.

7) Competitive Application Review Process.

- a) Each Program Participant service component reflected in an Application will be treated as a separate Application, assigned a separate Application number per service type, and will be scored and ranked separately for each service type selected. Applications may be awarded funds under any or all applied for Program Participant service components.

- b) All materials to submit a Competitive Application for under this NOFA, including program guidelines, and Federal Rules and Regulations, and ESG State Rules, are available on the Department's website at <https://www.tdhca.state.tx.us/home-division/esgp/applications.htm>.
- c) Applications must adhere to the Federal Rules and Regulations, and ESG State Rules in effect at the time of the close of the Application acceptance period. Applications must be on forms provided by the Department, cannot be altered or modified, and must be in final form before submitting them to the Department.
- d) Administrative deficiencies noted during the review of an Application shall be subject to the administrative deficiency process outlined in 10 TAC §7.37.
- e) Applicants will be required to submit a self-score within the Application for each Program Participant service for which funds are requested. In no event will the points awarded to the Applicant exceed the point value of the self-score in any selection criterion.
- f) All Applicants will be subject to a Previous Participation Review by the Department, as outlined in 10 TAC §1.302.
- g) Audit Requirements. All Applicants are subject to the requirements of 10 TAC §1.403, concerning Single Audits.
- h) Pursuant to Tex. Gov't Code §2306.1112 and 10 TAC §1.303, the Executive Award and Review Advisory Committee will make recommendations to the Board regarding funding decisions.

8) Application Submission.

- a) Abbreviated Applications for Continuing Awards may be submitted after the date of the offer of the Continuing Award, and must be submitted within 21 days of the offer in order to be considered. This deadline, including the final date and time of receipt, will be included on the offer letter generated by the Department.
- b) The Application acceptance period for Competitive Applications starts on July 5, 2022, at 8:00 a.m. Austin local time, and ends on the Application Deadline of **Friday, July 29, 2022, at 5:00 p.m. Austin local time. Applications received after the Application submission deadline will not be considered for an award.**
- c) The NOFA will expire the earlier of the date the Department's Governing Board of Directors awards all of the funds under the NOFA, or the deadline described in 24 CFR §576.203(a)(1)--subject to any extensions granted by HUD.

- d) An Applicant must submit a completed Application, required documentation, and associated application materials, as described in this NOFA and as detailed in the 2022 ESG Application Submission Procedures Manual (ASPM). All scanned copies must be scanned in accordance with the guidance provided in the ASPM.
- e) All Application materials including this NOFA, program guidelines, and Federal Rules and Regulations and ESG State Rules are available on the Department's website at <https://www.tdhca.state.tx.us/home-division/esgp/applications.htm>. Applications will be required to adhere to the threshold requirements in effect at the close of the Application acceptance period. The Application must be on Application forms published online at the above reference site provided by the Department which cannot be altered or modified, and must be in final form before they are submitted to the Department.
- f) This NOFA does not include text of the various applicable regulatory provisions that may be important to the ESG Program. For proper completion of the Application, the Department strongly encourages potential Applicants to review the Federal Rules and Regulations and the ESG State Rules. Please contact the Single Family and Homeless Programs Division for guidance and assistance.

9) Competitive Application Award Selection Process.

- a) Applications submitted directly to the Department for consideration in the Competitive Application will receive points based on experience, program design, budget, previous performance, collaboration, and performance as more fully provided for in 10 TAC §§7.39-7.40. Applications will be scored and ranked for award recommendation, in accordance with the provisions of 10 TAC §7.38.
- b) Application review priority will be determined based on Applicant self-score and CoC region funding availability. Applications with the highest self-scores for which total funding requested is less than or equal the amount of funding available within the CoC region under which the Application is submitted will be reviewed as priority Applications.
- c) An Application for which the self-score precludes the likelihood of award will not be reviewed, unless an Application with a higher self-score is determined to be ineligible or incorrectly self-scored. An application log, which includes, at a minimum, the Applicant name, CoC region, self-score of the Application, and the review priority, will be published on the Department's website at <https://www.tdhca.state.tx.us/home-division/esgp/applications.htm>.
- d) The Department may decline to consider any Application if the proposed activities would not, in the Department's sole determination, represent a prudent use of the Department's funds. The Department is not obligated to proceed with any action

pertaining to any Applications that are received, and may decide it is in the Department's best interest to refrain from pursuing any selection process or making awards. The Department reserves the right to request clarification on individual elements of any Application.

- e) Funding recommendations of Awards will be presented to the Department's Governing Board of Directors based on eligibility and score, with the Executive Award Review Advisory Council's recommendation. Recommendations are limited by the total amount of funds available under this NOFA, and the maximum award amount limitations for each component and award type.
- f) In accordance with Tex. Gov't Code §2306.082 and 10 TAC §1.17, it is the Department's policy to encourage the use of appropriate alternative dispute resolution procedures (ADR) under the Governmental Dispute Resolution Act, Tex. Gov't Code Chapter 2009, to assist in resolving disputes under the Department's jurisdiction.
- g) An Applicant may appeal decisions made by staff in accordance with 10 TAC §1.7.

For questions regarding this NOFA, please contact Rosy Falcon, Homeless Programs Manager, at 512-475-3975, or esg@tdhca.state.tx.us.

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BOARD ACTION REQUEST

PROGRAMS DIVISION

JUNE 16, 2022

Presentation, discussion, and possible action on an order adopting an emergency amendment to 10 TAC Chapter 1, Subchapter D, Uniform Guidance for Recipients of Federal and State Funds, §1.407 Inventory Report directing its publication in the *Texas Register*; and an order proposing an amendment to 10 TAC Chapter 1, Subchapter D, Uniform Guidance for Recipients of Federal and State Funds, §1.407 Inventory Report directing its publication for public comment in the *Texas Register*

RECOMMENDED ACTION

WHEREAS, the current rule relating to the handling of inventory for the purposes of subrecipient's administering federal funds is in need of emergency revisions to ensure that limited federal pandemic-response funds can be promptly released, specifically for the Community Development Block Grant CARES (CDBG-CV) Community Resiliency Program (CRP) and to ensure timely contracting of funds prior to federal deadlines;

WHEREAS, such emergency rulemaking is authorized by Texas Government Code §2001.034, which provides that the Department may adopt an emergency rule without prior notice or hearing if it finds that an imminent peril to the public health, safety, or welfare requires adoption on fewer than 30 days' notice;

WHEREAS, such emergency rule is adopted for 120 days from the date of the rule's publication in the *Texas Register*;

WHEREAS, simultaneous with the adoption of the emergency rule, the same rule amendment is also proposed on a non-emergency basis; and

WHEREAS, such proposed non-emergency rulemaking will be published in the *Texas Register* for public comment from July 1, 2022, through July 22, 2022, 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 hereby are authorized, empowered, and directed, for and on behalf of the Department, to cause the proposed actions herein 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 any requested revisions to the preamble.

BACKGROUND

Staff has identified 10 TAC §1.407 Inventory Report, as needing revisions to address changes to facilitate how this rule will be applied for CDBG-CV grants within the CRP. Because the CDBG-CV funding is temporary and is set to expire in 2026, the Department is seeking to follow the real property record-keeping standards when doing certain public facilities activities. For these activities, the U.S. Department of Housing and Urban Development considers real property as all property purchased above the \$250,000 threshold, and must be used for its original purpose for five years after the contract expires with the subrecipient. For these CDBG-CV activities, using the HUD interpretation of real property recordkeeping will apply as opposed to the equipment recordkeeping per 10 TAC §1.407. This will align the Department's program with that of the Texas Department of Agriculture, the regular recipient of Community Development Block Grant funding.

Because this definition is different than the definition of Equipment found in the Texas Grant Management Standards, the Department will send a copy of this proposed rulemaking to the Texas Comptroller's Office in accordance with Tex. Gov't Code §783.007.

Attachment 1: Preamble for adoption of emergency amendment to 10 TAC Chapter 1, Subchapter D, Uniform Guidance for Recipients of Federal and State Funds, §1.407 Inventory Report

The Executive Director of the Texas Department of Housing and Community Affairs (the Department) adopts on an emergency basis, an amendment to 10 TAC Chapter 1, Subchapter D, Uniform Guidance for Recipients of Federal and State Funds, §1.407 Inventory Report. As authorized by Texas Government Code §2001.034, the Department may adopt an emergency rule without prior notice or hearing if it finds that an imminent peril to the public health, safety, or welfare requires adoption on fewer than 30 days' notice. Emergency rules adopted under Texas Government Code §2001.034 may be effective for not longer than 120 days and may be renewed for not longer than 60 days.

a. BACKGROUND AND PURPOSE

The purpose of the emergency rulemaking is to support the Governor's March 13, 2020, proclamation certifying that the COVID-19 virus poses an imminent threat of disaster in the state and declaring a state of disaster for all counties in Texas. In this proclamation, the Governor authorized the use of all available resources of state government and of political subdivisions that are reasonably necessary to cope with this disaster and directed that government entities and businesses would continue providing essential services. Failure to make this amendment could result in a portion of these funds being returned to HUD for failure to meet a CDBG-CV interim obligation deadline. The Department accordingly finds that an imminent peril to the public health, safety, or welfare requires immediate adoption of this emergency amendment to ensure access to limited temporary CDBG-CV funding.

b. STATUTORY AUTHORITY

The emergency rulemaking is adopted under Texas Government Code §2001.034 which authorizes the adoption of emergency rules without prior notice and hearing, if an agency finds that an imminent peril to the public health, safety, or welfare requires adoption of a rule on fewer than 30 days' notice.

§1.407 Inventory Report

(a) The Department requires the submission of an inventory report for all Contracts to be submitted to the Department, no later than 45 days after the end of the Contract Term, or a more frequent period as reflected in the Contract. Real Property and Equipment must be inventoried and reported on the Department's required form. The form and instructions are found on the Department's website.

(b) Real property and Equipment purchased with funds under a Contract with the Department must be inventoried and reported to the Department during the Contract Term.

(c) Aggregate Supplies of over \$5,000 must be reported to the Department at the end of the Contract Term using federal form SF-428, which is a standard form to collect information related to tangible personal property or other form required by the federal fund source.

(d) For certain public facility activities funded by the Community Development Block Grant, inventory requirements will be those required by HUD for real property, as further identified in the Contract.

The agency certifies that legal counsel has reviewed the emergency adopted rule and found it to be within the state agency's legal authority to adopt.

Attachment 2: Preamble, including required analysis, for proposed amendment to 10 TAC Chapter 1, Subchapter D, Uniform Guidance for Recipients of Federal and State Funds, §1.407 Inventory Report

The Texas Department of Housing and Community Affairs (the Department) proposes an amendment to 10 TAC Chapter 1, Subchapter D, Uniform Guidance for Recipients of Federal and State Funds, §1.407 Inventory Report.

The purpose of the proposed amended section is to clarify requirements for participants of the Department's program relating to inventory to facilitate how this rule will be applied for the Community Resiliency 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, has determined that, for the first five years the proposed amended section would be in effect:

1. The amended section does not create or eliminate a government program but relates to changes to existing regulations applicable to Department subrecipients.
2. The amended section 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 amended section does not require additional future legislative appropriations.
4. The amended section will not result in an increase in fees paid to the Department, nor in a decrease in fees paid to the Department.
5. The amended section is not creating a new regulation.
6. The amended section will not expand, limit, or repeal an existing regulation.
7. The amended section will not increase or decrease the number of individuals subject to the rule's applicability.
8. The amended section 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 amended section and determined that the proposed action will not create an economic effect on small or micro-businesses or rural communities. The Department has evaluated the rules and determined that none of the adverse effect strategies outlined in Tex. Gov't Code §2006.002(b) are applicable.

c. TAKINGS IMPACT ASSESSMENT REQUIRED BY TEX. GOV'T CODE §2007.043. The proposed amended section 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 amended sections as to their possible effects on local economies and has determined that for the first five years the proposed amended sections 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. 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 rules pertain to all Subrecipients throughout the state, regardless of location, there are no "probable" effects of the amended 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 would be an updated and more germane rule. There will not be economic costs to individuals required to comply with the amended sections.

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 sections are in effect, enforcing or administering the amendment 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 July 1, 2022, to July 22, 2022, 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 bboston@tdhca.state.tx.us. ALL COMMENTS MUST BE RECEIVED BY 5:00 p.m., Austin local time, July 22, 2022.

STATUTORY AUTHORITY. The proposed amended section is made pursuant to Tex. Gov't Code §2306.053, which authorizes the Department to adopt rules, and adopted on an emergency basis under Tex. Gov't Code §2306.034. Except as described herein the proposed amendment affect no other code, article, or statute.

§1.407 Inventory Report

(a) The Department requires the submission of an inventory report for all Contracts to be submitted to the Department, no later than 45 days after the end of the Contract Term, or a more frequent period as reflected in the Contract. Real Property and Equipment must be inventoried and reported on the Department's required form. The form and instructions are found on the Department's website.

(b) Real property and Equipment purchased with funds under a Contract with the Department must be inventoried and reported to the Department during the Contract Term.

(c) Aggregate Supplies of over \$5,000 must be reported to the Department at the end of the Contract Term using federal form SF-428, which is a standard form to collect information related to tangible personal property or other form required by the federal fund source.

(d) For certain public facility activities funded by the Community Development Block Grant, inventory requirements will be those required by HUD for real property, as further identified in the Contract.

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BOARD ACTION REQUEST

PROGRAMS DIVISION

JUNE 16, 2022

Presentation, discussion, and possible action on the statutory four-year rule review and order of readoption for 10 TAC Chapter 1, Administration, Subchapter A, General Policies and Procedures, §1.16, Ethics and Disclosure Requirements for Outside Financial Advisors and Service Providers, and directing its publication for adoption 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, Tex. Gov't Code §2001.039 requires state agencies to review a rule every four years to assess whether the reasons for initially adopting the rule continue to exist;

WHEREAS, staff assessed 10 TAC §1.16, Ethics and Disclosure Requirements for Outside Financial Advisors and Service Providers, and has confirmed that the reasons for the initial adoption of this rule continue to exist, which is to comply with Tex. Gov't Code Chapters 2263, 2270, and 2252 as it relates to the conduct applicable to financial advisors or service providers;

WHEREAS, staff has evaluated the rule and recommends that no changes to the rule as currently in effect are necessary, and as such staff submitted the proposed readoption of the rule as required by Tex. Gov't Code, §2001.039 for a public comment period as part of the four-year rule review process; and

WHEREAS, such proposed comment period occurred from March 25, 2022, through April 25, 2022, and no comment was received;

NOW, therefore, it is hereby

RESOLVED, that the Executive 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 proposed action herein in the form presented to this meeting, to be published in the *Texas Register* for adoption, and in connection therewith, make such non-substantive technical corrections as they may deem necessary to effectuate the foregoing including any requested revisions to the preambles.

BACKGROUND

The Department last amended 10 TAC §1.16, Ethics and Disclosure Requirements for Outside Financial Advisors and Service Providers, in September 2018. Therefore, under Tex. Gov't Code §2001.039, which requires that state agencies review a rule every four years to assess whether the reasons for initially adopting the rule continue to exist, the rule is due to be evaluated in 2022. Staff has determined that there is a continuing need for this rule to exist and that no revisions are currently warranted. The Secretary of State requires that even when no revisions are proposed, the rule be released for a public comment period. The rule was made available for public comment from March 25, 2022, through April 25, 2022, and no comment was received.

Note that while the submission to the *Texas Register* does not require the text of the rule be included in the submission or publication, staff has included the text of the rule for the Board's convenience.

Attachment 1: Notice of Adoption of Rule Review for 10 TAC Chapter 1, Administration, Subchapter A, General Policies and Procedures, §1.16, Ethics and Disclosure Requirements for Outside Financial Advisors and Service Providers

The Texas Department of Housing and Community Affairs (the Department) adopts the rule review for 10 TAC Chapter 1, Administration, Subchapter A, General Policies and Procedures, 10 TAC §1.16, Ethics and Disclosure Requirements for Outside Financial Advisors and Service Providers, in accordance with Tex. Gov't Code §2001.039, which requires a state agency to review its rules every four years.

The Department determined that there continues to be a need for this rule, which is to comply with Tex. Gov't Code Chapters 2263, 2270, and 2252 as it relates to the conduct applicable to financial advisors or service providers. The Department has also determined that no changes to this rule as currently in effect are necessary. This rule was proposed for readoption and was noted in the Texas Register's Review of Agency Rules section without publication of the text.

PUBLIC COMMENT. Comments on the rule review were accepted from March 25, 2022, through April 25, 2022. No comments were received.

Attachment 2: Text of Rule as Currently in Effect for 10 TAC §1.16, Ethics and Disclosure Requirements for Outside Financial Advisors and Service Providers

(a) Purpose. The purpose of this section is to establish standards of conduct applicable to financial advisors or service providers in accordance with Tex. Gov't Code Chapters 2263, 2270, and 2252.

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

(1) Department--The Texas Department of Housing and Community Affairs, (the "Department").

(2) Board--The Governing Board of the Department.

(3) Financial advisor or service provider--A person or business entity who acts as a financial advisor, financial consultant, money or investment manager, or broker who:

(A) may reasonably be expected to receive, directly or indirectly, more than \$10,000 in compensation from the Department during a fiscal year; or

(B) renders important investment or funds management advice to the Department or a member of the Board.

(c) Anti-Boycott Verification. Financial advisors and service providers are required to comply with the requirements of Tex. Gov't Code Chapter 2270, which requires a representation by each financial advisor or service provider that their firm (including any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate):

(1) does not boycott Israel; and

(2) will not boycott Israel during the term for which they provide services to the Department.

(d) Iran, Sudan and Foreign Terrorist Organizations. Financial advisors and service providers are required to comply with the requirements of Tex. Gov't Code Chapter 2252, which requires a representation by each financial advisor or service provider that their firm (including any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate) is not an entity listed by the Texas Comptroller of Public Accounts under Tex. Gov't Code §2252.153 or §2270.0201.

(e) Exemption from Disclosure of Interested Parties. Financial advisors and service providers are required to comply with the requirements of Tex. Gov't Code Chapter 2252. Financial advisors and service providers that make a representation that their firm (including any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate) is a publicly traded business entity are exempt from Tex. Gov't Code §2252.908.

(f) Disclosures and Statement.

(1) A financial advisor or service provider shall disclose in writing to the Executive Director of the Department and to the state auditor:

(A) any relationship the financial advisor or service provider has with any party to a transaction with the Department, other than a relationship necessary to the investment or funds management services that the financial advisor or service provider performs for the Department, if a reasonable person could expect the relationship to diminish the financial advisor's or service provider's independence of judgment in the performance of the person's responsibilities to the Department; and

(B) all direct or indirect pecuniary interests the financial advisor or service provider has in any party to a transaction with the Department, if the transaction is connected with any financial advice or

service the financial advisor or service provider provides to the Department or to a member of the Board in connection with the management or investment of state funds.

(2) The financial advisor or service provider shall disclose a relationship described by this subsection without regard to whether the relationship is a direct, indirect, personal, private, commercial, or business relationship.

(3) A financial advisor or service provider shall file annually a statement with the Executive Director of the Department and with the state auditor. The statement must disclose each relationship and pecuniary interest described by this subsection, or if no relationship or pecuniary interest described by that subsection existed during the disclosure period, the statement must affirmatively state that fact.

(4) The annual statement must be filed not later than April 15 in the following form. The statement must cover the reporting period of the previous calendar year.

[Attached Graphic]

(5) The financial advisor or service provider shall promptly file a new or amended statement with the Executive Director of the Department and with the state auditor whenever there is new information to report under this subsection.

(6) A contract under which a financial advisor or service provider renders financial services or advice to the Department or a member of the Board is voidable by the Department if the financial advisor or service provider violates a standard of conduct adopted under this section.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

ANNUAL DISCLOSURE STATEMENT FOR FINANCIAL ADVISORS AND SERVICE PROVIDERS
DUE NO LATER THAN APRIL 15

INSTRUCTIONS:

- 1) THE REPORTING PERIOD COVERED BY THIS STATEMENT CONSISTS OF THE PRECEDING CALENDAR YEAR.
2) A NEW OR AMENDED STATEMENT MUST BE PROMPTLY FILED WITH THE PARTIES LISTED IN STEP 4 WHENEVER THERE IS NEW INFORMATION TO REPORT UNDER TEXAS GOVERNMENT CODE, SECTION 2263.005(a).
3) THIS STATEMENT MUST BE SUBMITTED EVEN IF YOU ANSWER "NO" TO QUESTIONS 1 AND 2 IN PART 2.
4) SUBMIT A COPY OF THIS STATEMENT TO THE FOLLOWING (FOR EACH GOVERNMENTAL ENTITY TO WHICH YOU PROVIDE SERVICES):
a. ADMINISTRATIVE HEAD OF THE STATE GOVERNMENTAL ENTITY
b. THE STATE AUDITOR (mail to P.O. Box 12067, Austin, TX, 78711-2067)
5) PROMPT FILING REQUIRES A POSTMARK DATE NO LATER THAN APRIL 15 IF THE COMPLETED FORM IS RECEIVED AT THE CORRECT ADDRESS.

PART 1: GENERAL INFORMATION

FILING TYPE (Check one) [] ANNUAL DISCLOSURE FOR YEAR ENDING DECEMBER 31, 20__ [] UPDATED DISCLOSURE

NAME OF INDIVIDUAL _____ JOB TITLE _____

NAME OF BUSINESS ENTITY _____ TYPE OF SERVICE PROVIDED _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____ PHONE _____

NAME OF STATE GOVERNMENTAL ENTITY AND/OR GOVERNING BOARD MEMBER TO WHICH YOU ARE PROVIDING SERVICES _____

PART 2: DISCLOSURES

DEFINITION: (Texas Government Code, Section 2263.002)

Financial advisor or service provider includes a person or business entity who acts as a financial advisor, financial consultant, money or investment manager, or broker.

DISCLOSURE REQUIREMENTS FOR OUTSIDE FINANCIAL ADVISOR OR SERVICE PROVIDER (Texas Government Code, Section 2263.005)

Financial advisors and service providers (see definition) must disclose information regarding certain relationships with, and direct or indirect pecuniary interests in, any party to a transaction with the state governmental entity, without regard to whether the relationships are direct, indirect, personal, private, commercial, or business relationships.

- 1) Do you or does your business entity have any relationship with any party to a transaction with the state governmental entity (other than a relationship necessary to the investment or funds management services that you or your business entity performs for the state governmental entity) for which a reasonable person could expect the relationship to diminish your or your business entity's independence of judgment in the performance of your responsibilities to the state entity?
Yes _____ No _____

If yes, please explain in detail. (Attach additional sheets as needed.)

- 2) Do you or does your business entity have any direct or indirect pecuniary interests in any party to a transaction with the state governmental entity if the transaction is connected with any financial advice or service that you or your business entity provides to the state governmental entity or to a member of the governing body in connection with the management or investment of state funds?
Yes _____ No _____

If yes, please explain in detail. (Attach additional sheets as needed.)

PART 3: SIGNATURE AND DATE

I hereby attest that all information provided above is complete and accurate. I acknowledge my or my firm's responsibility to submit promptly a new or amended disclosure statement to the parties listed in step 4 of the instructions if any of the above information changes.

Signature _____ Date _____

1j

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

1k

BOARD ACTION REQUEST
MULTIFAMILY BOND DIVISION
JUNE 16, 2022

Presentation, discussion, and possible action regarding the Issuance of a Multifamily Housing Governmental Note (Champions Crossing) Series 2022 Resolution No. 22-025, and a Determination Notice of Housing Tax Credits

RECOMMENDED ACTION

WHEREAS, the Board adopted an inducement resolution for Champions Crossing at the Board meeting of July 22, 2021;

WHEREAS, an application for Champions Crossing requesting 4% Housing Tax Credits, sponsored by Envolve Communities, LLC was submitted to the Department on December 31, 2021;

WHEREAS, a Certificate of Reservation was issued in the amount of \$20,000,000 on January 12, 2022, with a bond delivery deadline of July 11, 2022; and

WHEREAS, EARAC recommends approval of the issuance of a Multifamily Housing Governmental Note (Series 2022) for Champions Crossing, and the issuance of a Determination Notice;

NOW, therefore, it is hereby

RESOLVED, that the issuance of a tax-exempt Multifamily Housing Governmental Note (Champions Crossing) Series 2022 with the terms as identified in Section 1.2 of Resolution No. 22-025, is hereby approved in the form presented to this meeting;

FURTHER RESOLVED, the issuance of a Determination Notice of \$1,117,969 in 4% Housing Tax Credits for Champions Crossing, subject to underwriting conditions that may be applicable as found in the Real Estate Analysis report posted to the Department's website, is hereby approved in the form presented to this meeting; and

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: Champions Crossing is located at 345 Champions Boulevard in San Marcos, Hays County, and proposes the acquisition and rehabilitation of 156 units that will continue to serve the general population. The property was originally built in 2001 using Private Activity Bonds issued by the Capital Area Housing Finance Corporation. In 2006, the development was refinanced using Refunding Bonds issued by the Department. The Certificate of Reservation from the Bond Review Board was issued under the Priority 1A designation, which requires that 50% of the units within the Development have rents restricted to 50% of Area Median Family Income (AMFI), and 50% of the units have rents restricted to 60% of AMFI. The application submitted to the Department indicates that 78 of the units will be rent and income restricted at 50% of AMFI, while the remaining 78 units will be rent and income restricted at 60% of AMFI. Rehabilitation cost, which includes building costs and site work, is approximately \$33k per unit. The existing Bond LURA, which is in effect until at least 2036, restricts all units at 50% AMFI rents.

The applicant has disclosed a Neighborhood Risk Factor (NRF) relating to the poverty rate of the census tract containing the existing development. More specifically, the development is located within a census tract that has a poverty rate above 40% for individuals. As mitigation for the NRF, and in accordance with 10 TAC §11.101(a)(3), a resolution from the appropriate Governing Body acknowledging the high poverty rate, and authorizing the development to move forward, was submitted to the Department prior to the applicable deadline.

Organizational Structure and Previous Participation: The Borrower is EC Champions Crossing, LLC, and includes the entities and principals as illustrated in Exhibit A. The applicant's portfolio is considered a Category 1 and was deemed acceptable, without further review or discussion, 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 March 11, 2022. Representatives from the Department and the Developer were present, and no public comment was made. A copy of the hearing transcript is included herein. The Department has received no letters of support or opposition for the development.

Summary of Financial Structure

Under the proposed structure, the Department will issue an unrated, fixed rate tax-exempt governmental note in an amount that corresponds to the applicable interest rate as reflected on

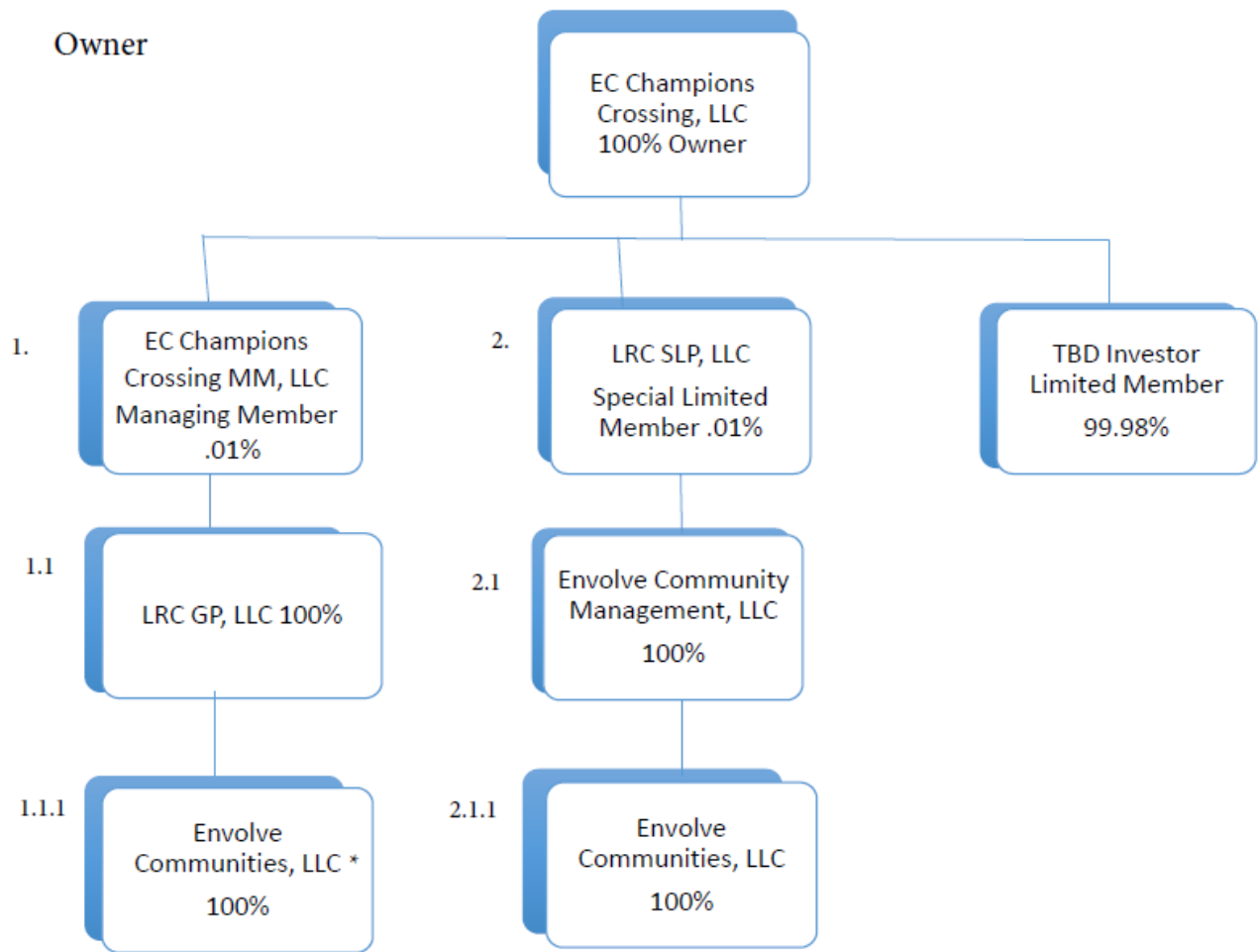
Exhibit B to the bond resolution included herein. The governmental note will be initially purchased by Bellwether Enterprise and shortly after closing the loan will be purchased by Freddie Mac under their Targeting Affordable Housing Program. Bellwether will remain as servicer of the loan for Freddie Mac. The interest rate will be fixed prior to closing, and will be equal to 150 basis points (1.50%) over the 10-year U.S. Treasury Index at the time of rate lock (with a floor of 1.70%), as more appropriately described in the bond resolution attached hereto. Recognizing that the interest rate is still fluid, for purposes of underwriting, the Department used a rate of 3.30%, as reflected in the term sheet from Bellwether. The loan will have a 15-year term, 40-year amortization period, and a final maturity date of August 1, 2037.

Additionally, Sterling Bank will provide a construction bridge loan in an amount up to \$5,400,000 that will have a term of 24 months. The interest rate on the bridge loan will be fixed at 5.50%. Payments throughout the term will be interest-only, with the balance of the loan being paid at maturity.

Finally, there will be a Seller Note in place, provided by San Marcos AH-104, Ltd., in an amount up to \$2,800,000. The Seller Note will be in the form of a surplus cash flow, non-amortizing loan that will carry an interest rate equal to the Applicable Federal Rate on the date of closing. The loan will have a term of 17 years.

A copy of the Exhibits recommended to be approved by the Board as referenced in Resolution No. 22-025 can be found online at TDHCA's Board Meeting Information Center website at <http://www.tdhca.state.tx.us/board/meetings.htm>.

EXHIBIT A



RESOLUTION NO. 22-025

RESOLUTION AUTHORIZING AND APPROVING THE ISSUANCE, SALE AND DELIVERY OF TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS MULTIFAMILY HOUSING GOVERNMENTAL NOTE (CHAMPIONS CROSSING), SERIES 2022; 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 as Texas Department of Housing and Community Affairs Multifamily Housing Governmental Note (Champions Crossing), Series 2022 (the "Governmental Note") pursuant to and in accordance with the terms of a Funding Loan Agreement (the "Funding Loan Agreement") among the Department, BOKF, NA, as fiscal agent (the "Fiscal Agent"), and Bellwether Enterprise Real Estate Capital, LLC 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 EC Champions Crossing, LLC, a Texas limited liability company (the

“Borrower”), in connection with the cost of acquisition, rehabilitation and equipping of a qualified residential rental development 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 July 22, 2021, 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, rehabilitation 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 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 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 Hays County, Texas; and

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

WHEREAS, the Department has previously issued its Variable Rate Demand Multifamily Housing Mortgage Revenue Refunding Bonds (Champions Crossing Apartments) Series 2006 (the "Prior Bonds") pursuant to that certain Trust Indenture dated as of September 1, 2006, between the Department and Wells Fargo Bank, National Association, as trustee (the "Prior Trustee"); and

WHEREAS, in connection with the issuance of the Prior Bonds, the Department, San Marcos AH-104, Ltd., a Texas limited partnership, as owner (the "Prior Owner") and the Prior Trustee entered into that certain Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants dated as of September 1, 2006, relating to the Development and recorded in the Official Public Records of Real Property of Hays County, Texas (the "Prior LURA"); and

WHEREAS, the Prior Bonds have previously been paid in full and are no longer outstanding; and

WHEREAS, pursuant to Section 11 of the Prior LURA, the Borrower's acquisition of the Development requires the prior written consent of the Department; and

WHEREAS, the Department has determined to execute an Assignment, Assumption, Consent and Modification Agreement (the "Assumption Agreement") with the Prior Owner and the Borrower, pursuant to which, subject to the Borrower's agreement to assume and perform the obligations of the Prior Owner under the Prior LURA, the Department will consent to the Borrower's acquisition of the Development; 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 and the Assumption Agreement (collectively, the "Governmental Lender Documents"), all of which are attached to and comprise a part of this Resolution and (b) the Security Instrument, and the 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 Governmental Lender 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 (a) the Governmental Note shall bear interest at the Interest Rate (as defined in the Funding Loan Agreement), which shall be 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) 1.50% and (ii) the greater of (A) the 10-year US Treasury Security on the date of determination, or (B) 1.70%, 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; (b) the aggregate principal amount of the Governmental Note shall be the "Freddie Mac TEL Loan Amount" specified on Exhibit B hereto that corresponds to the applicable "Governmental Note Interest Rate" for the Governmental Note as determined in accordance with subsection (a) above; (c) the final maturity of the Governmental Note shall occur on August 1, 2037; 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 the Regulatory Agreement, to deliver the Regulatory Agreement to the Borrower and the Fiscal Agent, and to cause the Regulatory Agreement to be filed of record in the real property records of Hays County, Texas.

Section 1.7 Approval, Execution and Delivery of the Assumption Agreement. That the form and substance of the Assumption Agreement are hereby approved, and that the Authorized Representatives each are hereby authorized to execute the Assumption Agreement, and to deliver the Assumption Agreement to the Borrower and the Prior Owner and to cause the Assumption Agreement to be filed of record in the real property records of Hays County, Texas.

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 and the Security Instrument. That the form and substance of the 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, to deliver the Assignment to the Fiscal Agent, and to cause the Assignment to be filed of record in the real property records of Hays County, Texas.

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 C - Funding Loan Agreement
- Exhibit D - Project Loan Agreement
- Exhibit E - Regulatory Agreement
- Exhibit F - Project Note
- Exhibit G - Security Instrument
- Exhibit H - Assignment
- Exhibit I - Tax Exemption Agreement
- Exhibit J - Assumption 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 Interim Director of Bond Finance 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, the Assumption 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, the Assumption 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, the Regulatory Agreement and the Assumption 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, regarding meetings of the Governing Board.

PASSED AND APPROVED this 16th day of June, 2022.

EXHIBIT A

Description of Development

Borrower: EC Champions Crossing, LLC, a Texas limited liability company

Development: The Development is a 156-unit affordable multifamily housing development known as Champions Crossing, to be located at 345 Champions Boulevard, San Marcos, Hays County, Texas 78666. It consists of thirteen (13) residential apartment buildings with approximately 161,616 net rentable square feet. The unit mix will consist of:

60	two-bedroom/two-bath units
72	three-bedroom/two-bath units
24	four-bedroom/two-bath units
<hr/>	
156	Total Units

Unit sizes will range from approximately 900 square feet to approximately 1,238 square feet.

EXHIBIT B

10-Year US Treasury Rate		Spread		Governmental Note Interest Rate	Freddie Mac TEL Loan Amount
2.55%	+	1.50%	=	4.05%	\$15,428,000
2.56%	+	1.50%	=	4.06%	\$15,406,000
2.57%	+	1.50%	=	4.07%	\$15,384,000
2.58%	+	1.50%	=	4.08%	\$15,361,000
2.59%	+	1.50%	=	4.09%	\$15,339,000
2.60%	+	1.50%	=	4.10%	\$15,317,000
2.61%	+	1.50%	=	4.11%	\$15,295,000
2.62%	+	1.50%	=	4.12%	\$15,273,000
2.63%	+	1.50%	=	4.13%	\$15,251,000
2.64%	+	1.50%	=	4.14%	\$15,229,000
2.65%	+	1.50%	=	4.15%	\$15,207,000
2.66%	+	1.50%	=	4.16%	\$15,186,000
2.67%	+	1.50%	=	4.17%	\$15,164,000
2.68%	+	1.50%	=	4.18%	\$15,142,000
2.69%	+	1.50%	=	4.19%	\$15,121,000
2.70%	+	1.50%	=	4.20%	\$15,099,000
2.71%	+	1.50%	=	4.21%	\$15,077,000
2.72%	+	1.50%	=	4.22%	\$15,056,000
2.73%	+	1.50%	=	4.23%	\$15,034,000
2.74%	+	1.50%	=	4.24%	\$15,013,000
2.75%	+	1.50%	=	4.25%	\$14,992,000
2.76%	+	1.50%	=	4.26%	\$14,970,000
2.77%	+	1.50%	=	4.27%	\$14,949,000
2.78%	+	1.50%	=	4.28%	\$14,928,000
2.79%	+	1.50%	=	4.29%	\$14,907,000
2.80%	+	1.50%	=	4.30%	\$14,886,000
2.81%	+	1.50%	=	4.31%	\$14,865,000
2.82%	+	1.50%	=	4.32%	\$14,843,000
2.83%	+	1.50%	=	4.33%	\$14,823,000
2.84%	+	1.50%	=	4.34%	\$14,802,000
2.85%	+	1.50%	=	4.35%	\$14,781,000
2.86%	+	1.50%	=	4.36%	\$14,760,000
2.87%	+	1.50%	=	4.37%	\$14,739,000
2.88%	+	1.50%	=	4.38%	\$14,718,000
2.89%	+	1.50%	=	4.39%	\$14,698,000
2.90%	+	1.50%	=	4.40%	\$14,677,000
2.91%	+	1.50%	=	4.41%	\$14,656,000
2.92%	+	1.50%	=	4.42%	\$14,636,000
2.93%	+	1.50%	=	4.43%	\$14,615,000
2.94%	+	1.50%	=	4.44%	\$14,595,000
2.95%	+	1.50%	=	4.45%	\$14,574,000
2.96%	+	1.50%	=	4.46%	\$14,554,000

10-Year US Treasury Rate		Spread		Governmental Note Interest Rate	Freddie Mac TEL Loan Amount
2.97%	+	1.50%	=	4.47%	\$14,553,000
2.98%	+	1.50%	=	4.48%	\$14,513,000
2.99%	+	1.50%	=	4.49%	\$14,493,000
3.00%	+	1.50%	=	4.50%	\$14,473,000
3.01%	+	1.50%	=	4.51%	\$14,452,000
3.02%	+	1.50%	=	4.52%	\$14,432,000
3.03%	+	1.50%	=	4.53%	\$14,412,000
3.04%	+	1.50%	=	4.54%	\$14,392,000
3.05%	+	1.50%	=	4.55%	\$14,372,000
3.06%	+	1.50%	=	4.56%	\$14,352,000
3.07%	+	1.50%	=	4.57%	\$14,332,000
3.08%	+	1.50%	=	4.58%	\$14,312,000
3.09%	+	1.50%	=	4.59%	\$14,292,000
3.10%	+	1.50%	=	4.60%	\$14,273,000
3.11%	+	1.50%	=	4.61%	\$14,253,000
3.12%	+	1.50%	=	4.62%	\$14,233,000
3.13%	+	1.50%	=	4.63%	\$14,214,000
3.14%	+	1.50%	=	4.64%	\$14,194,000
3.15%	+	1.50%	=	4.65%	\$14,174,000
3.16%	+	1.50%	=	4.66%	\$14,155,000
3.17%	+	1.50%	=	4.67%	\$14,135,000
3.18%	+	1.50%	=	4.68%	\$14,116,000
3.19%	+	1.50%	=	4.69%	\$14,096,000
3.20%	+	1.50%	=	4.70%	\$14,077,000
3.21%	+	1.50%	=	4.71%	\$14,058,000
3.22%	+	1.50%	=	4.72%	\$14,038,000
3.23%	+	1.50%	=	4.73%	\$14,019,000
3.24%	+	1.50%	=	4.74%	\$14,000,000
3.25%	+	1.50%	=	4.75%	\$13,981,000
3.26%	+	1.50%	=	4.76%	\$13,962,000
3.27%	+	1.50%	=	4.77%	\$13,943,000
3.28%	+	1.50%	=	4.78%	\$13,924,000
3.29%	+	1.50%	=	4.79%	\$13,905,000
3.30%	+	1.50%	=	4.80%	\$13,886,000
3.31%	+	1.50%	=	4.81%	\$13,867,000
3.32%	+	1.50%	=	4.82%	\$13,848,000
3.33%	+	1.50%	=	4.83%	\$13,829,000
3.34%	+	1.50%	=	4.84%	\$13,810,000
3.35%	+	1.50%	=	4.85%	\$13,791,000

22608 Champions Crossing - Application Summary

REAL ESTATE ANALYSIS DIVISION
June 3, 2022

PROPERTY IDENTIFICATION	
Application #	22608
Development	Champions Crossing
City / County	San Marcos / Hays
Region/Area	7 / Urban
Population	General
Set-Aside	General
Activity	Acquisition/Rehab (Built in 2001)

RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (4% Credit)	\$1,117,969	\$1,117,969	\$7,166/Unit \$0.85

KEY PRINCIPALS / SPONSOR		
Involve Communities (Owner, Developer, Guarantor)		
<ul style="list-style-type: none"> Hunt ELP Ltd (32%) BSR Unit Holdings, John Bailey (49.16%) Millcreek Investors (9.42%) Goodwyn Realty Company (9.42%) 		
Related Parties	Contractor - No	Seller - Yes

TYPICAL BUILDING ELEVATION/PHOTO



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	20%	-	0%
1	-	0%	30%	-	0%
2	60	38%	40%	-	0%
3	72	46%	50%	78	50%
4	24	15%	60%	78	50%
			70%	-	0%
			80%	-	0%
			MR	-	0%
TOTAL	156	100%	TOTAL	156	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	✓ 1.21	Expense Ratio	✓ 54.1%
Breakeven Occ.	✓ 85.1%	Breakeven Rent	\$971
Average Rent	\$1,058	B/E Rent Margin	⚠ \$86
Property Taxes	\$1,351/unit	Exemption/PILOT	0%
Total Expense	\$6,536/unit	Controllable	\$3,657/unit

SITE PLAN



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (15% Maximum)			⚠ 13.8%
Highest Unit Capture Rate	⚠ 60%	4 BR/60%	12
Dominant Unit Cap. Rate	✓ 12%	N/A	N/A
Premiums (↑60% Rents)	N/A		N/A
Rent Assisted Units	N/A		N/A

DEVELOPMENT COST SUMMARY			
Costs Underwritten		TDHCA's Costs - Based on SCR	
Avg. Unit Size	1,036 SF	Density	11.5/acre
Acquisition		\$102K/unit	\$15,840K
Building Cost	\$30.33/SF	\$31K/unit	\$4,901K
Hard Cost		\$37K/unit	\$5,702K
Total Cost		\$189K/unit	\$29,413K
Developer Fee	\$3,374K	(29% Deferred)	Paid Year: 6
Contractor Fee	\$798K	30% Boost	Yes

REHABILITATION COSTS / UNIT					
Site Work	\$1K	4%	Finishes/Fixture	\$10K	31%
Building Shell	\$12K	36%	Amenities	\$1K	2%
HVAC	\$7K	20%	Total Exterior	\$14K	41%
Appliances	\$3K	8%	Total Interior	\$20K	59%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
BWE-Freddie Mac TEL	15/40	3.30%	\$15,500,000	1.21	Seller Note	40/0	3.00%	\$2,800,000	1.21	Affordable Equity Partners	\$9,501,787
					NOI During Development	0/0	N/A	\$626,084	1.21	Involve Communities, LLC	\$985,439
TOTAL DEBT (Must Pay)			\$15,500,000		CASH FLOW DEBT / GRANTS			\$3,426,084		TOTAL EQUITY SOURCES	\$10,487,226
										TOTAL DEBT SOURCES	\$18,926,084
										TOTAL CAPITALIZATION	\$29,413,310

CONDITIONS

- 1 Receipt and acceptance by Cost Certification:
- a: Architect certification that a noise assessment was completed, and that all recommendations were implemented and the Development is compliant with HUD noise guidelines.
 - 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	TDHCA
Expiration Date	7/11/2022
Bond Amount	\$20,000,000
BRB Priority	1A
Bond Structure	
% Financed with Tax-Exempt Bonds	57.7%

RISK PROFILE

STRENGTHS/MITIGATING FACTORS

- 98% occupancy pre-Rehab with a waiting list
- Overall feasibility indicators
- Generally good condition with no critical needs

WEAKNESSES/RISKS

- Interest Rate Risk
- Building Costs account for only 17% of Total

AREA MAP



AERIAL PHOTOGRAPH(S)





DEVELOPMENT IDENTIFICATION

TDHCA Application #: 22608 Program(s): TDHCA Bonds/4% HTC

Champions Crossing

Address/Location: 345 Champions Boulevard

City: San Marcos County: Hays Zip: 78666

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

Activity: Acquisition/Rehab Building Type: Garden (Up to 4-story) Region: 7

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	\$15,500,000				\$15,500,000				
LIHTC (4% Credit)	\$1,117,969				\$1,117,969				

CONDITIONS

- 1 Receipt and acceptance by Cost Certification:
 - a: Architect certification that a noise assessment was completed, and that all recommendations were implemented and the Development is compliant with HUD noise guidelines.
 - 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.

SET-ASIDES

TDHCA SET-ASIDES for HTC LURA		
Income Limit	Rent Limit	Number of Units
50% of AMI	50% of AMI	78
60% of AMI	60% of AMI	78

PROJECT SUMMARY

Champions Crossing is an Acquisition Rehabilitation Project of an affordable development built in 2001 in San Marcos, TX. The existing Regulatory Agreement that expires in 2036 requires that all 156 units are limited to 50% AMI levels. The property has 60 two bedroom units, 72 three bedroom units, and 24 four bedroom units that can be evenly split between 50% and 60% AMI limits after the Regulatory Agreement expires. Proposed improvements include new kitchens, baths, doors, windows, and HVACs. In addition 8 existing units will be converted to accessible and auditory impaired units.

RISK PROFILE

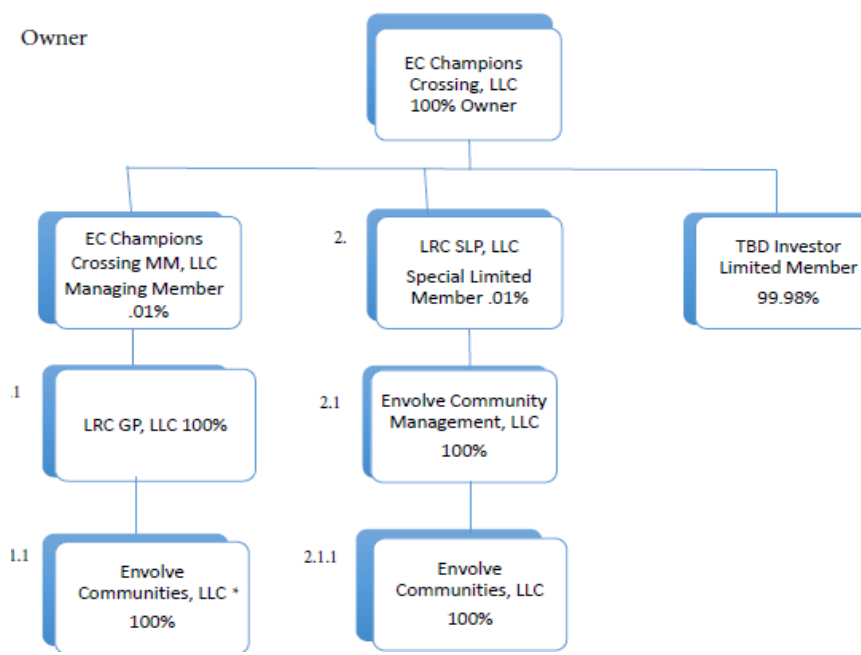
STRENGTHS/MITIGATING FACTORS	WEAKNESSES/RISKS
▫ 98% occupancy pre-Rehab with a waiting list	▫ Interest Rate Risk
▫ Overall feasibility indicators	▫ Building Costs account for only 17% of Total Development Costs
▫ Generally good condition with no critical needs	▫ Potential for increased materials cost
▫ Developer experience	▫

DEVELOPMENT TEAM

PRIMARY CONTACTS

Name: <u>Forrest Yarbrough</u> Phone: <u>(334) 954-4458</u> Relationship: <u>Owner</u>	Name: <u>Janna Cormier</u> Phone: <u>(512) 773-8169</u> Relationship: <u>Consultant</u>
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OWNERSHIP STRUCTURE



Envolve Communities LLC, is jointly owned by BSR Unit Holdings (49.16%), Hunt LRC (32%), and Mill Creek (18.84%). Envolve Communities has built and placed in service 17 LIHTC developments in Texas since 1998. <https://www.envolvecommunities.com/>



Comments:

The site is at pavement grade and will have ingress and egress on Champions Boulevard. The site is nearly level and there will have no water detention on site. There are no adverse soil conditions that are known. With under 12 dwelling units per acre, property has lots of open space and with a site coverage ratio of 14.3% does not have a "cramped" feel.

Parking	No Fee		Tenant-Paid		Total	
	Count	Rate	Count	Rate	Count	Rate
Open Surface	295	1.9/unit	0	--	295	1.9/unit
Carport	75	0.5/unit	0	--	75	0.5/unit
Total Parking	370	2.4/unit	0	--	370	2.4/unit

Comments:

Combined surface and carport parking spaces meet all applicable codes and requirements.

SITE CONTROL INFO

Site Acreage: Development Site: 13.52 acres Density: 11.5 units/acre

Site Control: NA **Site Plan:** 13.52 **Appraisal:** 13.52 **ESA:** 13.52

Feasibility Report Survey: na **Feasibility Report Engineer's Plan:** na

Control Type: Purchase and Sale Agreement

Development Site: 13.52 acres Cost: \$15,840,000 \$101,538 per unit

Seller: San Marcos AH-104, Ltd.

Buyer: EC Champions Crossing, LLC

Related-Party Seller/Identity of Interest: Yes

Comments:
Seller and Buyer are related parties. Therefore, a third party appraisal was performed and reviewed.

APPRAISED VALUE

Appraiser: Gill Group Date: 12/7/2021

Land as Vacant: 13.52 acres	<u>\$995,000</u>	Per Unit:	<u>\$6,378</u>
Existing Buildings: (as-is)	<u>\$15,565,000</u>	Per Unit:	<u>\$99,776</u>
Land + Buildings: (as-is)	<u>\$16,560,000</u>	Per Unit:	<u>\$106,154</u>
Total Development: (as-is)	<u>\$16,560,000</u>	Per Unit:	<u>\$106,154</u>

Comments:
The Archstone Group reviewed the appraisal report and found that the work file generally complied with USPAP and TDHCA rules.

SITE INFORMATION

Flood Zone: <u>x</u>	Scattered Site? <u>No</u>
Zoning: <u>MF-18 Multifamily</u>	Within 100-yr floodplain? <u>No</u>
Re-Zoning Required? <u>No</u>	Utilities at Site? <u>Yes</u>
Year Constructed: <u>2001</u>	Title Issues? <u>No</u>

Current Uses of Subject Site:
Existing Apartment Complex.

Surrounding Uses:
Transformer substation, residential uses, and undeveloped land.

Other Observations:
Area around property is primarily single family residences.

TENANT RELOCATION PLAN

The proposed rehabilitation does not require the displacement of residents during the construction period since the rehabilitation will be performed while the unit is occupied. The developer has experience completing rehabilitations of occupied units. The Relocation Budget of \$35K includes 1.5 nights of lodging and meals (\$32K).

HIGHLIGHTS of ENVIRONMENTAL REPORTS

Provider: Gill Group Date: 3/5/2021

Recognized Environmental Conditions (RECs) and Other Concerns:

- The noise sources is estimated at 78dB. This exceeds the acceptable level threshold.
- There is a potential for Radon in concentrations greater than 4.0 pCi/L in untested units.

Comments:

The property is located within 1,000 ft. of IH-35 and 3,000 ft. of a railroad, with estimated noise levels calculated at approximately 78 decibels. The noise level exceeds HUD's threshold of 65 decibels, thereby indicating that noise attenuation measures may need to be implemented in conjunction with the renovation.

A survey for Radon was not conducted for this report. However, in January of 2018, one ground floor unit in each building (minus a down building) was sampled (12 total) to determine concentrations of Radon. One sample was identified to have concentrations at the EPA action level of 4.0 pCi/L. Subsequent to that sampling, it was reported that the unit identified was mitigated and retested. An O&M plan was developed and implemented in November of 2018. As part of the O&M plan, it is recommended that routine inspections be conducted and that retesting should occur every two (2) years. However, based on conversations with the property manager at the time of this ESA report, no further testing has been conducted.

Since Radon levels can vary from building to building and unit to unit, the potential for concentrations that exceed EPA action levels in untested units exists. Therefore, it is recommended that all ground floor units be sampled in accordance with the Protocol for Conducting Measurements of Radon and Radon Decay products in Multifamily Housing (MAMF - 2017) as recommended by the HUD Multifamily Accelerated Processing (MAP) Guide, and that any recommended mitigation measures be implemented.

MARKET ANALYSIS

Provider: Gill Group Date: 12/13/2021
 Contact: Samuel Gill Phone: (573) 624-6614

Primary Market Area (PMA): 35.7 sq. miles 3 mile equivalent radius

ELIGIBLE HOUSEHOLDS BY INCOME								
Hays County Income Limits								
HH Size		1	2	3	4	5	6	7+
50% AMGI	Min	\$33,390	\$33,390	\$33,390	\$33,390	\$38,580	\$38,580	\$43,050
	Max	\$34,650	\$39,600	\$44,550	\$49,450	\$53,450	\$57,400	\$65,300
60% AMGI	Min	\$33,390	\$33,390	\$33,390	\$33,390	\$38,580	\$38,580	\$43,050
	Max	\$41,580	\$47,520	\$53,460	\$59,340	\$64,140	\$68,880	\$78,360

AFFORDABLE HOUSING INVENTORY						
Competitive Supply (Proposed, Under Construction, and Unstabilized)						
File #	Development	In PMA?	Type	Target Population	Comp Units	Total Units
20465	Riverstone Apartments	Yes	new const	General	300	336
20605	Reserves at San Marcos	Yes	new const	General	215	320
20455	Redwood	Yes	new const	General	246	296
Other Affordable Developments in PMA since 2017						
19408	Mission Trails at Camino Real		New	General	282	352
Stabilized Affordable Developments in PMA					Total Units	352
					Total Developments	1
					Average Occupancy	98%

Proposed, Under Construction, and Unstabilized Competitive Supply:

There is no lease-up risk since subject is already 98% occupied.

OVERALL DEMAND ANALYSIS				
	Market Analyst			
	HTC	Assisted		
Total Households in the Primary Market Area	23,966			
Potential Demand from the Primary Market Area	6,062			
10% External Demand	606			
Potential Demand from Other Sources	0			
GROSS DEMAND	6,668			
Subject Affordable Units	156			
Unstabilized Competitive Units	761			
RELEVANT SUPPLY	917			
Relevant Supply ÷ Gross Demand = GROSS CAPTURE RATE	13.75%			

Population:	General	Market Area:	Urban	Maximum Gross Capture Rate:	15%
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Demand Analysis:

Market Analyst calculates a Gross Capture Rate of 13.1%, which is below the 15% maximum. Underwriter reviewed the market study for compliance. Capture rate limits do not apply to existing affordable housing that is at least 50% occupied and that provides a leasing preference to existing tenants. Subject is currently 98% occupied.

OPERATING PRO FORMA

SUMMARY- AS UNDERWRITTEN (Applicant's Pro Forma)					
NOI:	\$863,611	Avg. Rent:	\$1,058	Expense Ratio:	54.1%
Debt Service:	\$713,908	B/E Rent:	\$971	Controllable Expenses:	\$3,657
Net Cash Flow:	\$149,703	UW Occupancy:	92.5%	Property Taxes/Unit:	\$1,351
Aggregate DCR:	1.21	B/E Occupancy:	85.1%	Program Rent Year:	2021

All units are restricted at 50% AMI through 2036 under the current LURA in place and therefore are underwritten at 2021 maximum 50% AMI net program rents. The new Bond LURA will reflect 50% of the units income restricted at 50% AMI and 50% of the units income restricted at 60% AMI, and will run for a minimum of 30 years from 2022. Once the existing LURA expires in 2036, the owner can raise the 60% AMI units to 60% rents.

Breakeven occupancy occurs with 23 units vacant (underwritten at 12).

As part of the rehabilitation, the property will be sub metered and residents will be responsible for paying for water usage. The utility allowance reflects this change and overall per unit expenses have been lowered by \$783/unit or \$122k annually. Applicant's budgeted repairs and maintenance expense was adjusted from \$526/unit to \$650/unit to reflect typical maintenance costs on an existing property.

Pro Forma exhibits long-term feasibility for 40 years at the permanent loan rate of 3.30% fixed. Interest rate can increase to 4.3% by reducing the senior debt by \$1.55M while still allowing the increased deferred fee to pay off within the required 15 years.

As underwritten, the long-term Pro Forma exhibits a 15 year residual cash flow of \$2M after repayment of deferred developer fee in year 6.

DEVELOPMENT COST EVALUATION

SUMMARY- AS UNDERWRITTEN (TDHCA's Costs- Based on SCR)					
Acquisition	\$73,595/ac	\$101,538/unit	\$15,840,000	Contractor Fee	\$798,348
Off-site + Site Work		\$1,812/unit	\$282,689	Soft Cost + Financing	\$2,769,463
Building Cost	\$30.33/sf	\$31,419/unit	\$4,901,387	Developer Fee	\$3,374,047
Contingency	10.00%	\$3,323/unit	\$518,408	Reserves	\$928,968
Total Development Cost	\$188,547/unit	\$29,413,310		Rehabilitation Cost	\$33,231/unit
Qualified for 30% Basis Boost?	Located in OCT with < 20% HTC units/HH				

Acquisition:

There will be a Seller's Note of \$3.2M to cover the shortfall in sources for the \$15.8M acquisition price.

Site Work:

Site work improvements of \$193K are comprised of \$129K in concrete (sidewalks & curbs/ ADA compliant) and \$64K in paving (parking lot).

Amenities:

Amenity improvements of \$90K are comprised of \$12K in landscaping, \$2K for a new ADA compliant gate at the pool, \$33K to replace the automatic gate operators, \$9K for bike racks, \$31K for a canopy shade over the playground and \$3K for BBQ grills.

Building Cost:

Pursuant to §11.302(e) of the QAP, TDHCA's underwritten costs are based on the estimates provided in the Scope and Cost Review (SCR) for the proposed renovation scope of work as supplemented by the 3/16/2022 updated scope of work provided by Whitestone Construction Group, LLC, the third party general contractor.

Applicant's budgeted costs are also consistent with the costs determined by the SCR provider as updated by the general contractor's scope of work.

Fifty-nine percent (59%) of total hard costs budgeted are for interior improvements with direct impact to residents.

REHABILITATION COSTS / UNIT / % HARD COST							
Site Work	\$193,080	\$1,238/unit	4%	Finishes/Fixtures	\$1,628,534	\$10,439/unit	31%
Building Shell	\$1,848,252	\$11,848/unit	36%	HVAC	\$1,014,774	\$6,505/unit	20%
Amenities	\$89,609	\$574/unit	2%	Appliances	\$409,828	\$2,627/unit	8%
Total Exterior	\$2,130,941	\$13,660/unit	41%	Total Interior	\$3,053,135	\$19,571/unit	59%

SCOPE & COST REVIEW

Provider: Gill Group Date: 12/8/2021

Scope of Work:

Site

- Remove & repair/replace existing damaged concrete sidewalks and sidewalks that may require replacement along accessible route that exceed maximum slope allowance. Remove damaged curbing and replace with like profile. Install 2324 SF of new sidewalks to connect all the buildings and install 53 new wheel stops. Includes new sidewalks per walk.
- Repair damaged and failing parking lot areas and prep parking lot for asphalt Seal coat at existing asphalt locations. Seal coat asphalt at all driveways and parking lots. Restripe parking lots complete including ADA parking spaces. Includes replacing one (1) damaged dumpster fence post near Building 2.
- Demo curb and sidewalk and install Seven (7ea) double ADA ramp (starts at parking lot level and ramps up to sidewalk height in two directions). Includes new curbing. Demo existing ramp at Leasing Office (1ea) and install new ADA ramp to meet code.
- Landscaping and tree trimming.
- Install new iron ADA gate at handicap pool entry.
- Replace automatic gate operators at entry and exit gates. Includes 2 Commercial slide gate operators, 2 safety eyes, 2 reversing safety edges, 1 Liftmaster telephone entry controller, Install wire mesh on both gates and adjacent fence panels to comply with ASTM F2200 standards for automated slide gates.

Building Exteriors

- Exterior Painting - Pressure wash, prep and paint all previously painted exterior surfaces. Includes all siding, soffits, trims, fascia's, doors, disconnect boxes, vents, breezeways, stairwells and railings. Repair wood fascia's, soffits and trims. Includes perimeter fence.
- Replace all windows with new single hung vinyl framed LOW-E double pane glass windows. Replace all sliding glass doors with new vinyl framed LOW-E double pane glass doors. Includes to remove and replace associated trim.
- Replace all existing exterior lights to LED light fixtures. Includes entry and porch/balcony lights. Add 3 Wall-packs at Building 11.
- Replace missing or damaged lamp post light fixtures (20 ea.).
- Replace missing or damaged carport trim.

Unit Interiors

- Replace apartment entry door units including door hardware, viewer with knocker(6-panel metal door w/wood jamb).
- Replace exterior storage closet door units.
- Replace refrigerators w/ Energy Star 18 CF refrigerator with ice maker.
- Replace electric ranges.
- Replace recirculating Range Vent Hood.
- Install new energy star dishwasher.
- Install Range Queens.
- Remove and Replace all kitchen & bathroom cabinets including laminated counter tops in kitchens & bathrooms at 94 units.
- Remove and Replace all kitchen countertops at all first floor units to move the centerline of all sinks 24" from the corner of the adjacent cabinet to meet visit ability requirements. Cabinets to remain.
- Replace double bowl stainless steel kitchen sink with strainer, faucet, new P-trap, garbage disposal, angle stops, hot and cold water supply lines.
- Replace fiberglass tub & surround combo. Replace tub valve, trim and shower head.
- Replace tub trim and shower head.
- Replace all commodes with water efficient .8 gpf with seats.
- Replace all Bath accessories.
- Replace bath lavatories & faucet with new P-traps, supply lines and angle stops in bathrooms.
- Apartment units (14 SEER) - Install new Air Handler with evaporator coils, condenser, **Aquatherm Heat** - Reuse existing line sets and reinsulate. Reuse all existing ductwork. Install new registers and return air grill. Install new programmable thermostat.
- Install new 30Amp breaker and wire to service new electric heat strip for split system.
- Install Energy-Star rated bathroom exhaust fan (reuse existing venting).
- Replace existing water heater with new 50 gallon gas water heater. Includes new overflow drain pan, gas valve and flex pipe, water valves (2ea), stainless steel supply lines (2ea). Reuse existing vent piping. (does not includes expansion tank). Replace all water heaters older than five years.
- Paint unit complete. Tenants to move all belongings and contents necessary to perform work.
- Replace all existing light fixtures with new energy star rated light fixtures. Install ceiling fans in all Living Rooms and Bedrooms.
- Replace all switch, outlet, phone and cable wall plates. Replace all existing smoke detectors.
- Replace interior door units (2 doors per unit).
- Install interior door hardware.
- Sheetrock repair - Minor repairs as needed.
- Replace apartment unit blinds with new horizontal 1" pvc mini-blinds and 4" vertical blinds at patio doors.
- Flooring Replacement - 1st Floor - replace all units listed in matrix with carpet in bedrooms and closets and vinyl plank in all other rooms. In 2nd floor units replace flooring listed in matrix with carpet in all rooms and vinyl in unit entry, kitchens, laundries and bathrooms only. Tenants responsible to move all electronics and contents necessary to install flooring. WS to provide assistance with furniture moving in order to install flooring.
- Convert unit to ADA unit. Reconfigure walls, plumbing and electrical necessary for conversion.
- Convert unit to visual and hearing impaired unit.

Common Areas

- Leasing Office & Laundry Room Renovation.
- Install four each eight capacity bike racks on new 11'x7' concrete pad.
- Install steel framed, fabric canopy shade over existing playground. Remove all existing non code compliant playground border and install new 12" plastic border. Remove existing mulch and install 12" layer of kiddie cushion mulch.
- Install three (3) charcoal BBQ grills, one (1) 6' long thermoplastic ADA picnic table and two (2) 6' long thermoplastic standard picnic tables.

Reserves:

There will be 6 months of operating expenses and debt service held as reserve.

Credit Allocation Supported by Costs:

Total Development Cost	Adjusted Eligible Cost	Credit Allocation Supported by Eligible Basis
\$29,413,310	\$25,867,693	\$1,140,259

UNDERWRITTEN CAPITALIZATION

BOND RESERVATION			
Issuer	Amount	Reservation Date	Priority
TDHCA	\$20,000,000	1/12/2022	1A
Closing Deadline			
7/11/2022			

Percent of Cost Financed by Tax-Exempt Bonds	57.7%
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Comments:

It is anticipated that Applicant will take out \$15.5M in bonds at Construction.

INTERIM SOURCES				
Funding Source	Description	Amount	Rate	LTC
BWE-Freddie Mac TEL	Construction/Permanent Loan	\$15,500,000	3.30%	55%
Sterling Bank	Equity Bridge Loan	\$5,400,000	5.50%	19%
Affordable Equity Partners	HTC	\$2,850,536	\$0.85	10%
Seller Note	Cash Flow Loan	\$2,800,000	3.00%	10%
Envolve Communities, LLC	Deferred Fee	\$985,483	0.00%	3%
NOI During Development	Cash Flow	\$626,084	0.00%	2%
		\$28,162,103	Total Sources	

PERMANENT SOURCES									
Debt Source	PROPOSED				UNDERWRITTEN				
	Amount	Interest Rate	Amort	Term	Amount	Interest Rate	Amort	Term	LTC
BWE-Freddie Mac TEL	\$15,500,000	3.30%	40	15	\$15,500,000	3.30%	40	15	53%
Seller Note	\$2,800,000	3.00%	0	40	\$2,800,000	3.00%	0	40	10%
NOI During Development	\$626,084	0.00%	0	0	\$626,084	0.00%	0	0	2%
Total	\$18,926,084				\$18,926,084				

Comments:

Related party Seller Note is a subordinate cash flow loan with a 40 year term.

Equity & Deferred Fees	PROPOSED			UNDERWRITTEN			
	Amount	Rate	% Def	Amount	Rate	% TC	% Def
Affordable Equity Partners	\$9,501,787	\$0.85		\$9,501,787	\$0.85	32%	
Envolve Communities, LLC	\$985,438		29%	\$985,439		3%	29%
Total	\$10,487,225			\$10,487,226			
				\$29,413,310	Total Sources		

Credit Price Sensitivity based on current capital structure	
\$0.938	Maximum Credit Price before the Development is oversourced and allocation is limited
\$0.668	Minimum Credit Price below which the Development would be characterized as infeasible

CONCLUSIONS

Gap Analysis:	
Total Development Cost	\$29,413,310
Permanent Sources (debt + non-HTC equity)	\$18,926,084
Gap in Permanent Financing	\$10,487,226

Possible Tax Credit Allocations:	Equity Proceeds	Annual Credits
Determined by Eligible Basis	\$9,691,233	\$1,140,259
Needed to Balance Sources & Uses	\$10,487,226	\$1,233,915
Requested by Applicant	\$9,501,787	\$1,117,969

	RECOMMENDATION	
	Equity Proceeds	Annual Credits
Tax Credit Allocation	\$9,501,787	\$1,117,969

	Amount
TDHCA-Issued Bonds	\$15,500,000

Deferred Developer Fee	\$985,439	(29% deferred)
Repayable in	6 years	

Comments:

Underwriter recommends Applicant request for \$15.5M in TDHCA bonds and \$1,117,969 in annual 4% HTC.

Underwriter: Eric Weiner

Manager of Real Estate Analysis: Gregg Kazak

Director of Real Estate Analysis: Jeanna Adams

UNIT MIX/RENT SCHEDULE

Champions Crossing, San Marcos, TDHCA Bonds/4% HTC #22608

LOCATION DATA	
CITY:	San Marcos
COUNTY:	Hays
Area Median Income	\$98,900
PROGRAM REGION:	7
PROGRAM RENT YEAR:	2021

UNIT DISTRIBUTION				
# Beds	# Units	% Total	Assisted	MDL
Eff	-	0.0%	0	0
1	-	0.0%	0	0
2	60	38.5%	0	0
3	72	46.2%	0	0
4	24	15.4%	0	0
5	-	0.0%	0	0
TOTAL				
	156	100.0%	-	-

Pro Forma ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	100.00%
APP % Acquisition	4.00%
APP % Construction	4.00%
Average Unit Size	1,036 sf

55%	Income	20%	30%	40%	50%	60%	70%	80%	EO / MR	TOTAL
Average	# Units	-	-	-	78	78	-	-	-	156
Income	% Total	0.0%	0.0%	0.0%	50.0%	50.0%	0.0%	0.0%	0.0%	100.0%

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 50%	\$1,113	30	2	2	900	\$1,113	\$165	\$948	\$0	\$1.05	\$948	\$28,440	\$28,440	\$948	\$1	\$0	\$1,336	\$1.48	\$1,490
TC 60%	\$1,336	30	2	2	900	\$1,113	\$165	\$948	\$0	\$1.05	\$948	\$28,440	\$28,440	\$948	\$1	\$0	\$1,336	\$1.48	\$1,490
TC 50%	\$1,286	36	3	2	1,082	\$1,286	\$190	\$1,096	\$0	\$1.01	\$1,096	\$39,456	\$39,456	\$1,096	\$1	\$0	\$1,543	\$1.43	\$1,690
TC 60%	\$1,543	36	3	2	1,082	\$1,286	\$190	\$1,096	\$0	\$1.01	\$1,096	\$39,456	\$39,456	\$1,096	\$1	\$0	\$1,543	\$1.43	\$1,690
TC 50%	\$1,435	12	4	2	1,238	\$1,435	\$217	\$1,218	\$0	\$0.98	\$1,218	\$14,616	\$14,616	\$1,218	\$1	\$0	\$1,722	\$1.39	\$1,940
TC 60%	\$1,722	12	4	2	1,238	\$1,435	\$217	\$1,218	\$0	\$0.98	\$1,218	\$14,616	\$14,616	\$1,218	\$1	\$0	\$1,722	\$1.39	\$1,940
TOTALS/AVERAGES:		156			161,616				\$0	\$1.02	\$1,058	\$165,024	\$165,024	\$1,058	\$1.02	\$0	\$1,491	\$1.44	\$1,652

ANNUAL POTENTIAL GROSS RENT:	\$1,980,288	\$1,980,288
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STABILIZED PRO FORMA

Champions Crossing, San Marcos, TDHCA Bonds/4% HTC #22608

STABILIZED FIRST YEAR PRO FORMA												
COMPARABLES			APPLICANT				TDHCA				VARIANCE	
Database	Historical		% EGI	Per SF	Per Unit	Amount	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT	\$1,764,123			\$1.02	\$1,058	\$1,980,288	\$1,980,288	\$1,058	\$1.02		0.0%	\$0
Laundry/vending, Late fees, forfeit deposits	\$62				\$29.71	\$55,620						
Total Secondary Income	\$185,699				\$29.71		\$55,620	\$29.71			0.0%	\$0
POTENTIAL GROSS INCOME						\$2,035,908	\$2,035,908				0.0%	\$0
Vacancy & Collection Loss	(\$70,456)				7.5% PGI	(152,693)	(152,693)	7.5% PGI			0.0%	-
Rental Concessions	(\$15,345)					-	-				0.0%	-
EFFECTIVE GROSS INCOME						\$1,883,215	\$1,883,215				0.0%	\$0

General & Administrative	\$85,379	\$547/Unit	\$96,027	\$616	2.67%	\$0.31	\$322	\$50,274	\$50,274	\$322	\$0.31	2.67%	0.0%	-
Management	\$81,613	3.6% EGI	\$47,956	\$307	4.00%	\$0.47	\$483	\$75,328	\$75,329	\$483	\$0.47	4.00%	0.0%	(1)
Payroll & Payroll Tax	\$212,766	\$1,364/Unit	\$168,108	\$1,078	12.01%	\$1.40	\$1,450	\$226,198	\$226,198	\$1,450	\$1.40	12.01%	0.0%	-
Repairs & Maintenance	\$112,158	\$719/Unit	\$112,763	\$723	4.36%	\$0.51	\$526	\$82,103	\$101,400	\$650	\$0.63	5.38%	-19.0%	(19,297)
Electric/Gas	\$56,550	\$362/Unit	\$26,573	\$170	1.50%	\$0.17	\$181	\$28,175	\$28,175	\$181	\$0.17	1.50%	0.0%	-
Water, Sewer, & Trash	\$114,074	\$731/Unit	\$305,804	\$1,960	9.75%	\$1.14	\$1,178	\$183,703	\$183,703	\$1,178	\$1.14	9.75%	0.0%	-
Property Insurance	\$55,968	\$0.35 /sf	\$85,488	\$548	5.26%	\$0.61	\$636	\$99,150	\$99,000	\$635	\$0.61	5.26%	0.2%	150
Property Tax (@ 100%) 2.4542	\$137,540	\$882/Unit	\$149,391	\$958	11.19%	\$1.30	\$1,351	\$210,733	\$226,088	\$1,449	\$1.40	12.01%	-6.8%	(15,355)
Reserve for Replacements					2.49%	\$0.29	\$300	\$46,800	\$46,800	\$300	\$0.29	2.49%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)					0.33%	\$0.04	\$40	\$6,240	\$6,240	\$40	\$0.04	0.33%	0.0%	-
TDHCA Bond Compliance Fee					0.21%	\$0.02	\$25	\$3,900	\$3,900	\$25	\$0.02	0.21%	0.0%	-
Bond Trustee Fees					0.37%	\$0.04	\$45	\$7,000	\$7,000	\$45	\$0.04	0.37%	0.0%	-
TOTAL EXPENSES					54.14%	\$6.31	\$6,536	\$1,019,604	\$1,054,107	\$6,757	\$6.52	55.97%	-3.3%	\$ (34,503)
NET OPERATING INCOME ("NOI")					45.86%	\$5.34	\$5,536	\$863,611	\$829,108	\$5,315	\$5.13	44.03%	4.2%	\$ 34,503

CONTROLLABLE EXPENSES	\$3,657/Unit	\$3,780/Unit
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Champions Crossing, San Marcos, TDHCA Bonds/4% HTC #22608

DEBT / GRANT SOURCES

		APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE						AS UNDERWRITTEN DEBT/GRANT STRUCTURE							
		Cumulative DCR		Pmt	Rate	Amort	Term	Principal	Principal	Term	Amort	Rate	Pmt	Cumulative	
DEBT (Must Pay)	Fee	UW	App											DCR	LTC
BWE-Freddie Mac TEL	0.10%	1.19	1.24	698,408	3.30%	40	15	\$15,500,000	\$15,500,000	15	40	3.30%	\$713,908	1.21	52.7%
CASH FLOW DEBT / GRANTS															
Seller Note		1.19	1.24		3.00%	0	40	\$2,800,000	\$2,800,000	40	0	3.00%		1.21	9.5%
NOI During Development		1.19	1.24		0.00%	0	0	\$626,084	\$626,084	0	0	0.00%		1.21	2.1%
				\$698,408	TOTAL DEBT / GRANT SOURCES			\$18,926,084	\$18,926,084	TOTAL DEBT SERVICE			\$713,908	1.21	64.3%

NET CASH FLOW	\$130,700	\$165,203	APPLICANT NET OPERATING INCOME		\$863,611	\$149,703	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
Envolve Communities, LLC	Deferred Developer Fees	3.4%	(29% Deferred)		\$985,438	\$985,439	(29% Deferred)		3.4%	Total Developer Fee: \$3,374,047	
Additional (Excess) Funds Req'd		0.0%			\$0				0.0%		
TOTAL EQUITY SOURCES		35.7%			\$10,487,225	\$10,487,226			35.7%		

TOTAL CAPITALIZATION	\$29,413,309	\$29,413,310			15-Yr Cash Flow after Deferred Fee:	\$2,031,111
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DEVELOPMENT COST / ITEMIZED BASIS

	APPLICANT COST / BASIS ITEMS										TDHCA COST / BASIS ITEMS				COST VARIANCE	
	Eligible Basis		Total Costs	Total Costs	Eligible Basis		%	\$	%	\$						
	Acquisition	New Const. Rehab			New Const. Rehab	Acquisition										
	Acquisition	New Const. Rehab	Total Costs	Total Costs	New Const. Rehab	Acquisition	%	\$	%	\$						
Land Acquisition			\$6,378 / Unit	\$995,000	\$995,000	\$6,378 / Unit			0.0%	\$0						
Building Acquisition	\$14,845,000		\$95,160 / Unit	\$14,845,000	\$14,845,000	\$95,160 / Unit	\$14,845,000		0.0%	\$0						
Off-Sites		\$0	\$ / Unit	\$0	\$0	\$ / Unit			0.0%	\$0						
Site Work		\$193,080	\$1,238 / Unit	\$193,080	\$193,080	\$1,238 / Unit	\$193,080		0.0%	\$0						
Site Amenities		\$89,610	\$574 / Unit	\$89,610	\$89,609	\$574 / Unit	\$89,610		0.0%	\$1						
Building Cost		\$4,901,386	\$30.33 /sf	\$31,419/Unit	\$4,901,386	\$4,901,387	\$31,419/Unit	\$30.33 /sf	\$4,901,386	0.0%	(\$1)					
Contingency		\$518,408	10.00%	10.00%	\$518,408	\$518,408	10.00%	10.00%	\$518,408	0.0%	\$0					
Contractor Fees		\$798,348	14.00%	14.00%	\$798,348	\$798,348	14.00%	14.00%	\$798,348	0.0%	\$0					
Soft Costs	\$0	\$794,283	\$6,021 / Unit	\$939,283	\$939,283	\$6,021 / Unit	\$794,283	\$0	0.0%	\$0						
Financing	\$0	\$353,532	\$11,732 / Unit	\$1,830,180	\$1,830,180	\$11,732 / Unit	\$353,532	\$0	0.0%	\$0						
Developer Fee	15.00%	\$2,226,750	15.00%	15.00%	\$3,374,047	\$3,374,047	15.00%	15.00%	\$1,147,297	\$2,226,750	0.0%	\$0				
Reserves			6 Months	\$928,968	\$928,968	6 Months			0.0%	\$0						
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)		\$17,071,750	\$8,795,944	\$188,547 / Unit	\$29,413,310	\$29,413,310	\$188,547 / Unit	\$8,795,943	\$17,071,750	0.0%	\$0					
Acquisition Cost		\$0		\$0												
Contingency			(\$0)	(\$0)												
Contractor's Fee			(\$0)	(\$0)												
Financing Cost		\$0														
Developer Fee	0.00%	\$0	(\$0)	15.00%	15.00%	(\$0)										
Reserves							\$0									
ADJUSTED BASIS / COST		\$17,071,750	\$8,795,943	\$188,547/unit	\$29,413,309	\$29,413,310	\$188,547/unit	\$8,795,943	\$17,071,750	0.0%	(\$0)					
TOTAL HOUSING DEVELOPMENT COSTS BASED ON 3RD PARTY SCR/CNA					\$29,413,310											

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Champions Crossing, San Marcos, TDHCA Bonds/4% HTC #22608

CREDIT CALCULATION ON QUALIFIED BASIS				
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction
ADJUSTED BASIS	\$17,071,750	\$8,795,943	\$17,071,750	\$8,795,943
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$17,071,750	\$8,795,943	\$17,071,750	\$8,795,943
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$17,071,750	\$11,434,726	\$17,071,750	\$11,434,726
Applicable Fraction	100.00%	100.00%	100%	100%
TOTAL QUALIFIED BASIS	\$17,071,750	\$11,434,726	\$17,071,750	\$11,434,726
Applicable Percentage	4.00%	4.00%	4.00%	4.00%
ANNUAL CREDIT ON BASIS	682870	\$457,389	\$682,870	\$457,389
CREDITS ON QUALIFIED BASIS	\$1,140,259		\$1,140,259	

Method	ANNUAL CREDIT CALCULATION BASED ON TDHCA BASIS		FINAL ANNUAL LIHTC ALLOCATION		
	Annual Credits	Proceeds	Credit Price \$0.8499	Variance to Request	
			Credit Allocation	Credits	Proceeds
Eligible Basis	\$1,140,259	\$9,691,233	----	----	----
Needed to Fill Gap	\$1,233,915	\$10,487,226	----	----	----
Applicant Request	\$1,117,969	\$9,501,787	\$1,117,969	\$0	\$0

50% Test for Bond Financing for 4% Tax Credits			
TDHCA Tax-Exempt Bond Amount	\$		
		Applicant	TDHCA
Land Cost	\$ 995,000	\$995,000	\$995,000
Depreciable Bldg Cost **	\$ 25,867,694	\$25,867,694	\$25,867,694
Aggregate Basis for 50% Test	\$ 26,862,694	\$26,862,694	\$26,862,694
Percent Financed by Tax-Exempt Bond	57.70%	57.70%	57.70%

**Depreciable building cost includes: Total construction contract, total building acquisition, total developer fee, plus eligible financing and soft costs.

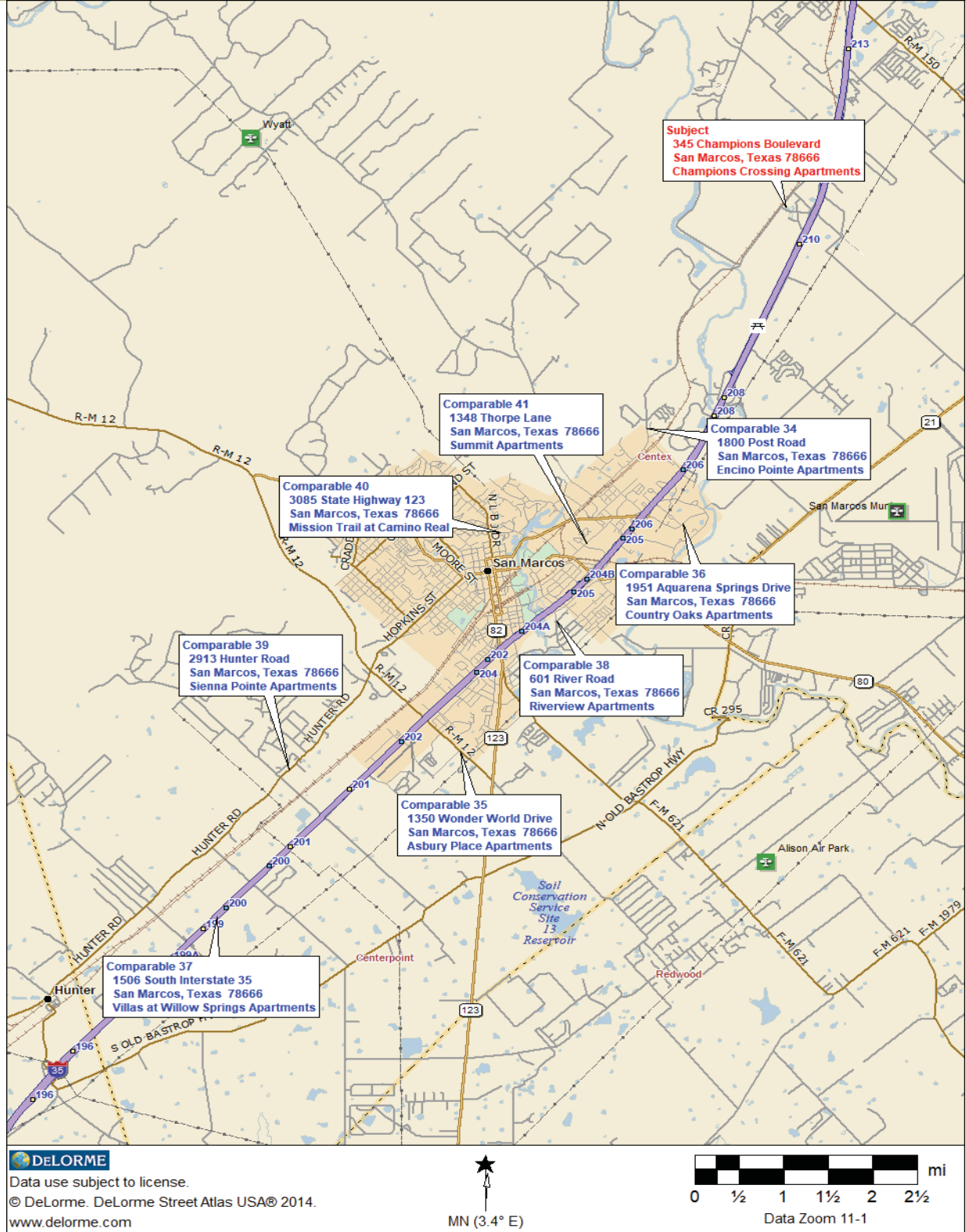
Long-Term Pro Forma

Champions Crossing, San Marcos, TDHCA Bonds/4% HTC #22608

	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%	\$1,883,215	\$1,920,879	\$1,959,297	\$1,998,483	\$2,038,452	\$2,250,616	\$2,484,862	\$2,743,489	\$3,029,033	\$3,344,297	\$3,692,374	\$4,076,680
TOTAL EXPENSES	3.00%	\$1,019,604	\$1,049,439	\$1,080,154	\$1,111,775	\$1,144,328	\$1,322,090	\$1,527,696	\$1,765,532	\$2,040,679	\$2,359,019	\$2,727,366	\$3,153,613
NET OPERATING INCOME ("NOI")		\$863,611	\$871,440	\$879,143	\$886,708	\$894,124	\$928,526	\$957,166	\$977,956	\$988,354	\$985,278	\$965,008	\$923,066
EXPENSE/INCOME RATIO		54.1%	54.6%	55.1%	55.6%	56.1%	58.7%	61.5%	64.4%	67.4%	70.5%	73.9%	77.4%
MUST -PAY DEBT SERVICE													
TOTAL DEBT SERVICE		\$713,908	\$713,718	\$713,522	\$713,319	\$713,110	\$711,952	\$710,587	\$708,978	\$707,080	\$704,843	\$702,205	\$699,094
DEBT COVERAGE RATIO		1.21	1.22	1.23	1.24	1.25	1.30	1.35	1.38	1.40	1.40	1.37	1.32
ANNUAL CASH FLOW		\$149,703	\$157,722	\$165,621	\$173,389	\$181,014	\$216,574	\$246,579	\$268,978	\$281,274	\$280,435	\$262,803	\$223,972
Deferred Developer Fee Balance		\$835,736	\$678,013	\$512,392	\$339,003	\$157,988	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$0	\$855,625	\$2,031,111	\$3,334,710	\$4,721,092	\$6,130,880	\$7,487,699	\$8,694,690



Comparable Developments Map





Final Transcript

**TEXAS DEPARTMENT OF HOUSING & COMMUNITY AFFAIRS: Bond
Public Hearing**

March 11, 2022/11:00 a.m. CST

SPEAKERS

Teresa Morales – Director of Multifamily Bonds

PRESENTATION

Teresa Good morning. This is Teresa Morales with the Texas Department of Housing and Community Affairs. The purpose of this call is to conduct a public hearing with respect to the proposed development, Champions Crossing. To give folks a little bit more time to dial in, we'll get started in just about another minute or so.

All right, good morning. This is Teresa Morales with the Texas Department of Housing and Community Affairs. The purpose of this call is to conduct a public hearing with respect to the proposed Champions Crossing development. To give folks an idea as to how we're going to

TEXAS DEPARTMENT OF HOUSING & COMMUNITY AFFAIRS

Host: Teresa Morales

March 11, 2022/11:00 a.m. CST

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proceed, there is a brief speech that I have to read for purposes of meeting the requirements of the Internal Revenue Code. And then it will be at the conclusion of that speech where I will unmute the lines, and if there are any individuals on the call who would like to make public comment, that would be your opportunity to do so. So that being said, I'll go ahead and get started and just start with the brief speech.

Good morning. My name is Teresa Morales, and I would like to proceed with the public hearing. Let the record show that it is 11:03 a.m. on Friday, March 11, 2022, 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 May 12, 2022. 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.

TEXAS DEPARTMENT OF HOUSING & COMMUNITY AFFAIRS

Host: Teresa Morales

March 11, 2022/11:00 a.m. CST

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The bonds will be issued as tax exempt multifamily revenue bonds in the aggregate principal amount not to exceed \$20 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 bonds will be loaned to EC Champions Crossing LLC, or a related person or affiliate entity thereof to finance a portion of the costs of acquiring, rehabbing and equipping a multifamily rental housing development described as follows: a 156-unit multifamily residential rental development to be located on approximately 13.52 acres of land located at or near 345 Champions Boulevard, San Marcos, Hays County, Texas 78666. The proposed multifamily rental housing community will be initially owned and operated by the borrower, or a related person or affiliate thereof.

Alright, that's the conclusion of the speech. And I'd like to now open up the floor, if you will, for public comment. All of the lines have been unmuted, and so if there are any individuals on the call who would like to make public comment, this would be your opportunity to do so.

Again, all of the lines are unmuted and so if there are any individuals who would like to make public comment, you may do so at this time.

TEXAS DEPARTMENT OF HOUSING & COMMUNITY AFFAIRS

Host: Teresa Morales

March 11, 2022/11:00 a.m. CST

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All right, let the record show that there are no individuals on the line who have expressed an interest in providing public comment, and therefore the meeting is now adjourned. The time is now 11:06 a.m. Thank you.

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BOARD ACTION REQUEST
MULTIFAMILY BOND DIVISION
JUNE 16, 2022

Presentation, discussion, and possible action regarding the Issuance of a Multifamily Housing Governmental Note (Marine Park) Series 2022 Resolution No. 22-026, and a Determination Notice of Housing Tax Credits

RECOMMENDED ACTION

WHEREAS, the Board adopted an inducement resolution for Marine Park at the Board meeting of October 14, 2021;

WHEREAS, an application for Marine Park requesting 4% Housing Tax Credits, sponsored by Marine Park 34 MM, LLC, was submitted to the Department on December 6, 2021;

WHEREAS, a Certificate of Reservation was issued in the amount of \$15,800,000 on January 14, 2022, with a bond delivery deadline of July 13, 2022;

WHEREAS, a waiver regarding eligibility under 10 TAC §11.101(b)(1)(C) related to the Ineligibility of Developments within Certain School Attendance Zones was granted to Marine Park at the Board meeting of September 2, 2021 for the underperformance of Marilyn Miller Elementary School;

WHEREAS, in granting the waiver, the Board imposed conditions and are repeated herein for reference;

WHEREAS, in accordance with 10 TAC §1.301(f), the compliance history of the applicant was previously approved and, as a result, was deemed acceptable without further review or discussion by the Executive Award and Review Advisory Committee (EARAC) as stated herein; and

WHEREAS, EARAC recommends approval of the issuance of a Multifamily Housing Governmental Note (Series 2022) for Marine Park and the issuance of a Determination Notice;

NOW, therefore, it is hereby

RESOLVED, that the issuance of a tax-exempt Multifamily Housing Governmental Note (Marine Park) Series 2022 with the terms as identified in Section 1.2 of Resolution No. 22-026, is hereby approved in the form presented to this meeting;

FURTHER RESOLVED, the issuance of a Determination Notice of \$1,350,490 in 4% Housing Tax Credits for Marine Park, subject to underwriting conditions that may be applicable as found in the Real Estate Analysis report posted to the Department's website, and the prior conditions approved by the Board is hereby approved in the form presented to this meeting; and

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: Marine Park is located at 3144 NW 33rd Street in Fort Worth, Tarrant County, and proposes the acquisition and rehabilitation of 124 existing units that will continue to serve the general population. The property was originally built in 1977. There is an existing Section 8 project-based Housing Assistance Payment (HAP) contract covering 82 of the units that is expected to be renewed at closing for an additional 20-year term. The Certificate of Reservation from the Bond Review Board was issued under the Priority 1A designation, which requires that 50% of the units within the development have rents restricted to 50% of Area Median Family Income (AMFI), and 50% of the units have rents restricted to 60% of AMFI. The application submitted to the Department indicates that 13 of the units will be rent and income restricted at 30% of AMFI, 49 of the units will be rent and income restricted at 50% of AMFI, while the remaining 62 units will be rent and income restricted at 60% of AMFI. Rehabilitation cost, which includes building costs and site work, is approximately \$79k per unit.

Waiver Previously Granted: pursuant to 10 TAC §11.101(b)(1)(C) of the 2022 Qualified Allocation Plan (QAP) any development that falls within the attendance zone of a school that has a Texas Education Agency (TEA) Accountability Rating of F for the most recent year available prior to Application and an Improvement Required Rating for the most recent year preceding is ineligible with no opportunity for mitigation. A request for a waiver of 10 TAC §11.101(b)(1)(C) was submitted for Marine Park Apartments, due to the fact that the elementary school serving the development, Marilyn Miller Elementary School, received a 2019 TEA Rating of F and 2018 Rating of Improvement Required. As part of the waiver request, the applicant submitted information to justify and support the waiver, which included a list of proposed actions the applicant could take to mitigate the underperformance of Marilyn Miller Elementary. The motion made by the Board at the meeting of September 2, 2021, was to grant the waiver with the condition that the Land Use Restriction Agreement (LURA) would require an after-school program and an onsite community learning center.

As it relates to the after-school program, the QAP requires the following *“Twelve hours of weekly, organized, on-site services provided to K-12 children by a dedicated service coordinator or third-party entity. Services include after-school and summer care and tutoring, recreational activities, character building programs, mentee opportunities, test preparation, and similar activities that promote the betterment and growth of children and young adults.”* While the list of possible supportive services is typically included in the LURA and the owner is allowed to select from the list the supportive services to be provided, this specific service will be required for the duration of the affordability period.

Regarding the onsite community learning center, the application does reflect the construction of an on-site community space. Based on the motion made by the Board, this space will be for use by the Lake Worth ISD or other local community agencies to provide children’s learning classes. Worth noting is that although the QAP includes specific requirements for providing such a space in order to receive points associated with the option that would go towards the minimum threshold of points required for common amenities, the applicant has confirmed that the space will not meet those requirements. As a result, the community learning space will not be used for points and the applicant has confirmed with staff that they can provide other amenities to meet the threshold requirement. Regardless, the onsite community learning center will be identified in the LURA and will be the services will be free to residents.

Organizational Structure and Previous Participation: The Borrower is Marine Park 34, LLC, and includes the entities and principals as illustrated in Exhibit A. The applicant’s compliance history was previously approved and was deemed acceptable, without further review or discussion, 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 February 11, 2022. Representatives from the Department and the Developer were present, and no public comment was made. A copy of the hearing transcript is included herein. The Department has received no letters of support or opposition for the proposed development.

Summary of Financial Structure

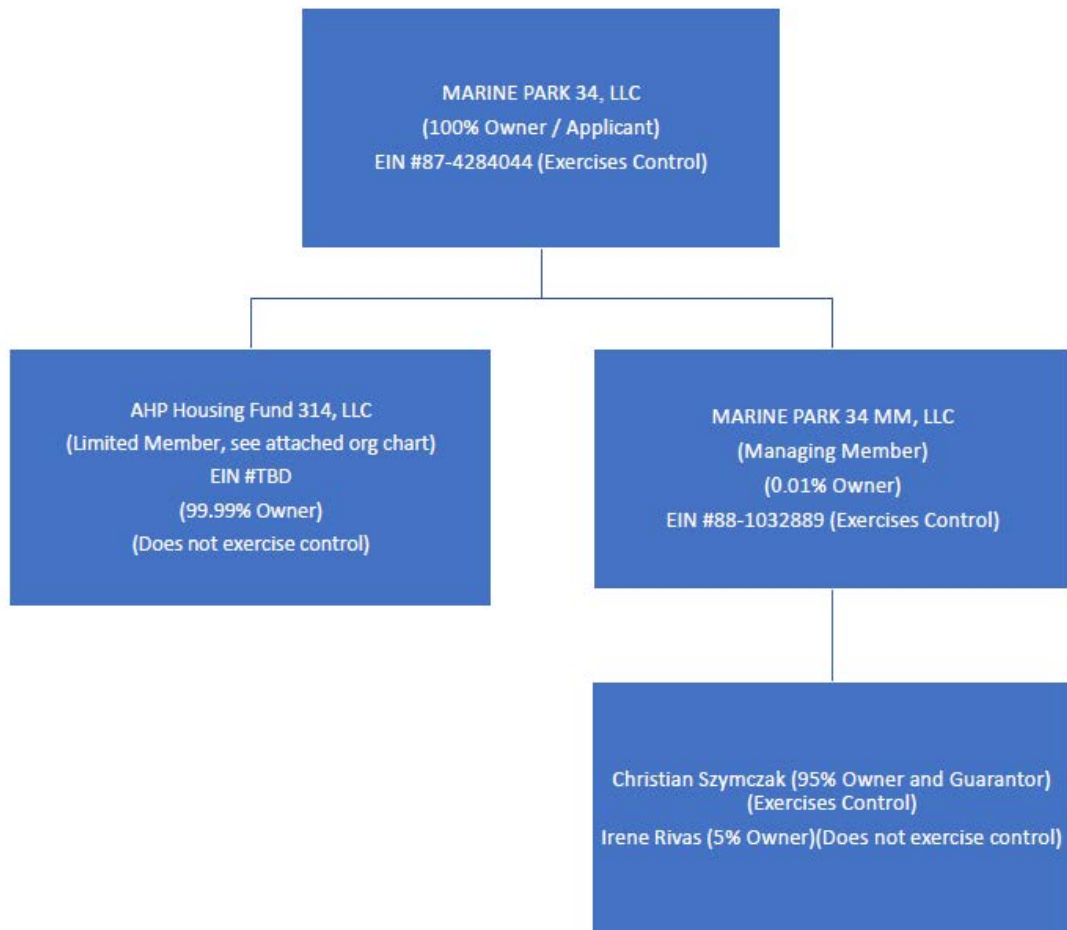
Under the proposed structure, the Department will issue an unrated tax-exempt, fixed rate multifamily note in an amount that corresponds to the applicable interest rate as reflected on Exhibit B to the bond resolution included herein. The multifamily note will be initially purchased by ORIX Real Estate Capital, LLC (dba Lument Capital), who will be serving as the initial funding lender. Lument will acquire the loan and the Department’s related multifamily note at closing, which will be used to fund an interim construction loan that will carry an approximate interest rate of 4.40%, as more appropriately described in the bond resolution attached hereto. Lument will also be providing a supplemental, taxable loan of approximately \$2,387,976 that will carry an interest rate equal to the US Treasury Securities Index (with a floor of 1.64%) plus 2.16%, which is currently estimated at 4.85%.

Once the conditions to conversion to the permanent phase have been met, Freddie Mac will acquire the loan and the Department's related multifamily note from Lument, where it is expected to be securitized with other loans. Lument will remain as the servicer of the loan for Freddie Mac, who will be the permanent lender and bondholder. The multifamily note will have an interest rate equal to the sum of the 10-yr Treasury (with a floor of 1.64%) and 1.60%, as more appropriately described in the bond resolution attached hereto, with a 17-year term, 40-year amortization period, and final maturity date of August 1, 2039.

A copy of the Exhibits recommended to be approved by the Board as referenced in Resolution No. 22-026 can be found online at TDHCA's Board Meeting Information Center website at <http://www.tdhca.state.tx.us/board/meetings.htm>.

EXHIBIT A

Marine Park – Tax Credit Organizational Chart



RESOLUTION NO. 22-026

RESOLUTION AUTHORIZING AND APPROVING THE ISSUANCE, SALE AND DELIVERY OF TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS MULTIFAMILY HOUSING GOVERNMENTAL NOTE (MARINE PARK), SERIES 2022; 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 as Texas Department of Housing and Community Affairs Multifamily Housing Governmental Note (Marine Park), Series 2022 (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 ORIX Real Estate Capital, LLC, doing business as Lument Capital, a Delaware limited liability company, 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 Marine Park 34, LLC, a Texas limited liability company (the

“Borrower”), in connection with the cost of acquisition, rehabilitation and equipping of a qualified residential rental development 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 October 14, 2021, 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, rehabilitation 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 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 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, 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 "Governmental Lender Documents"), all of which are attached to and comprise a part of this Resolution and (b) the Security Instrument, and the 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 Governmental Lender 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 (a) the Governmental Note shall bear interest at the Interest Rate (as defined in the Funding Loan Agreement), which shall be 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) 1.60% and (ii) the greater of (A) the 10-year US Treasury Security on the date of determination, or (B) 1.64%, 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; (b) the aggregate principal amount of the Governmental Note shall be the "Freddie Mac TEL Loan Amount" specified on Exhibit B hereto that corresponds to the applicable "Governmental Note Interest Rate" for the Governmental Note as determined in accordance with subsection (a) above; (c) the final maturity of the Governmental Note shall occur on August 1, 2039; 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 the Regulatory Agreement, to deliver the Regulatory Agreement to the Borrower 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 Sale of the Governmental Note. That the sale of the Governmental Note to the Initial Funding Lender is hereby authorized and approved.

Section 1.8 Acceptance of the Project Note and the Security Instrument. That the form and substance of the 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 1.9 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, to deliver the Assignment to the Fiscal Agent, and to cause the Assignment to be filed of record in the real property records of Tarrant County, Texas.

Section 1.10 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 1.11 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 1.12 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 C - Funding Loan Agreement
- Exhibit D - Project Loan Agreement
- Exhibit E - Regulatory Agreement
- Exhibit F - Project Note
- Exhibit G - Security Instrument
- Exhibit H - Assignment
- Exhibit I - Tax Exemption Agreement

Section 1.13 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 Interim Director of Bond Finance 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, regarding meetings of the Governing Board.

PASSED AND APPROVED this 16th day of June, 2022.

EXHIBIT A

Description of Development

Borrower: Marine Park 34, LLC, a Texas limited liability company

Development: The Development is a 124-unit affordable multifamily housing development known as Marine Park, to be located at 3144 NW 33rd St., Fort Worth, Tarrant County, Texas 76106. It consists of twenty-two (22) residential apartment buildings with approximately 97,870 net rentable square feet. The unit mix will consist of:

36	one-bedroom/one-bath units
52	two-bedroom/one-bath units
36	three-bedroom/one-and-one-half-bath units
<hr/>	
124	Total Units

Unit sizes will range from approximately 568 square feet to approximately 1,019 square feet.

EXHIBIT B

10-Year US Treasury Rate		Spread		Governmental Note Interest Rate	Freddie Mac TEL Loan Amount
2.55%	+	1.60%	=	4.15%	\$15,800,000
2.56%	+	1.60%	=	4.16%	\$15,800,000
2.57%	+	1.60%	=	4.17%	\$15,800,000
2.58%	+	1.60%	=	4.18%	\$15,800,000
2.59%	+	1.60%	=	4.19%	\$15,800,000
2.60%	+	1.60%	=	4.20%	\$15,800,000
2.61%	+	1.60%	=	4.21%	\$15,800,000
2.62%	+	1.60%	=	4.22%	\$15,800,000
2.63%	+	1.60%	=	4.23%	\$15,800,000
2.64%	+	1.60%	=	4.24%	\$15,800,000
2.65%	+	1.60%	=	4.25%	\$15,800,000
2.66%	+	1.60%	=	4.26%	\$15,800,000
2.67%	+	1.60%	=	4.27%	\$15,800,000
2.68%	+	1.60%	=	4.28%	\$15,800,000
2.69%	+	1.60%	=	4.29%	\$15,800,000
2.70%	+	1.60%	=	4.30%	\$15,800,000
2.71%	+	1.60%	=	4.31%	\$15,800,000
2.72%	+	1.60%	=	4.32%	\$15,800,000
2.73%	+	1.60%	=	4.33%	\$15,800,000
2.74%	+	1.60%	=	4.34%	\$15,800,000
2.75%	+	1.60%	=	4.35%	\$15,800,000
2.76%	+	1.60%	=	4.36%	\$15,800,000
2.77%	+	1.60%	=	4.37%	\$15,800,000
2.78%	+	1.60%	=	4.38%	\$15,800,000
2.79%	+	1.60%	=	4.39%	\$15,800,000
2.80%	+	1.60%	=	4.40%	\$15,800,000
2.81%	+	1.60%	=	4.41%	\$15,800,000
2.82%	+	1.60%	=	4.42%	\$15,800,000
2.83%	+	1.60%	=	4.43%	\$15,800,000
2.84%	+	1.60%	=	4.44%	\$15,800,000
2.85%	+	1.60%	=	4.45%	\$15,800,000
2.86%	+	1.60%	=	4.46%	\$15,800,000
2.87%	+	1.60%	=	4.47%	\$15,800,000
2.88%	+	1.60%	=	4.48%	\$15,800,000
2.89%	+	1.60%	=	4.49%	\$15,800,000
2.90%	+	1.60%	=	4.50%	\$15,800,000
2.91%	+	1.60%	=	4.51%	\$15,800,000
2.92%	+	1.60%	=	4.52%	\$15,800,000

10-Year US Treasury Rate		Spread		Governmental Note Interest Rate	Freddie Mac TEL Loan Amount
2.93%	+	1.60%	=	4.53%	\$15,800,000
2.94%	+	1.60%	=	4.54%	\$15,800,000
2.95%	+	1.60%	=	4.55%	\$15,800,000
2.96%	+	1.60%	=	4.56%	\$15,800,000
2.97%	+	1.60%	=	4.57%	\$15,800,000
2.98%	+	1.60%	=	4.58%	\$15,800,000
2.99%	+	1.60%	=	4.59%	\$15,800,000
3.00%	+	1.60%	=	4.60%	\$15,800,000
3.01%	+	1.60%	=	4.61%	\$15,800,000
3.02%	+	1.60%	=	4.62%	\$15,800,000
3.03%	+	1.60%	=	4.63%	\$15,800,000
3.04%	+	1.60%	=	4.64%	\$15,800,000
3.05%	+	1.60%	=	4.65%	\$15,800,000
3.06%	+	1.60%	=	4.66%	\$15,800,000
3.07%	+	1.60%	=	4.67%	\$15,800,000
3.08%	+	1.60%	=	4.68%	\$15,800,000
3.09%	+	1.60%	=	4.69%	\$15,800,000
3.10%	+	1.60%	=	4.70%	\$15,780,000
3.11%	+	1.60%	=	4.71%	\$15,758,000
3.12%	+	1.60%	=	4.72%	\$15,736,000
3.13%	+	1.60%	=	4.73%	\$15,715,000
3.14%	+	1.60%	=	4.74%	\$15,693,000
3.15%	+	1.60%	=	4.75%	\$15,671,000
3.16%	+	1.60%	=	4.76%	\$15,649,000
3.17%	+	1.60%	=	4.77%	\$15,627,000
3.18%	+	1.60%	=	4.78%	\$15,606,000
3.19%	+	1.60%	=	4.79%	\$15,584,000
3.20%	+	1.60%	=	4.80%	\$15,563,000
3.21%	+	1.60%	=	4.81%	\$15,541,000
3.22%	+	1.60%	=	4.82%	\$15,520,000
3.23%	+	1.60%	=	4.83%	\$15,498,000
3.24%	+	1.60%	=	4.84%	\$15,477,000
3.25%	+	1.60%	=	4.85%	\$15,456,000
3.26%	+	1.60%	=	4.86%	\$15,434,000
3.27%	+	1.60%	=	4.87%	\$15,413,000
3.28%	+	1.60%	=	4.88%	\$15,392,000
3.29%	+	1.60%	=	4.89%	\$15,371,000
3.30%	+	1.60%	=	4.90%	\$15,350,000
3.31%	+	1.60%	=	4.91%	\$15,329,000
3.32%	+	1.60%	=	4.92%	\$15,308,000

10-Year US Treasury Rate		Spread		Governmental Note Interest Rate	Freddie Mac TEL Loan Amount
3.33%	+	1.60%	=	4.93%	\$15,287,000
3.34%	+	1.60%	=	4.94%	\$15,266,000
3.35%	+	1.60%	=	4.95%	\$15,245,000

22603 Marine Park - Application Summary

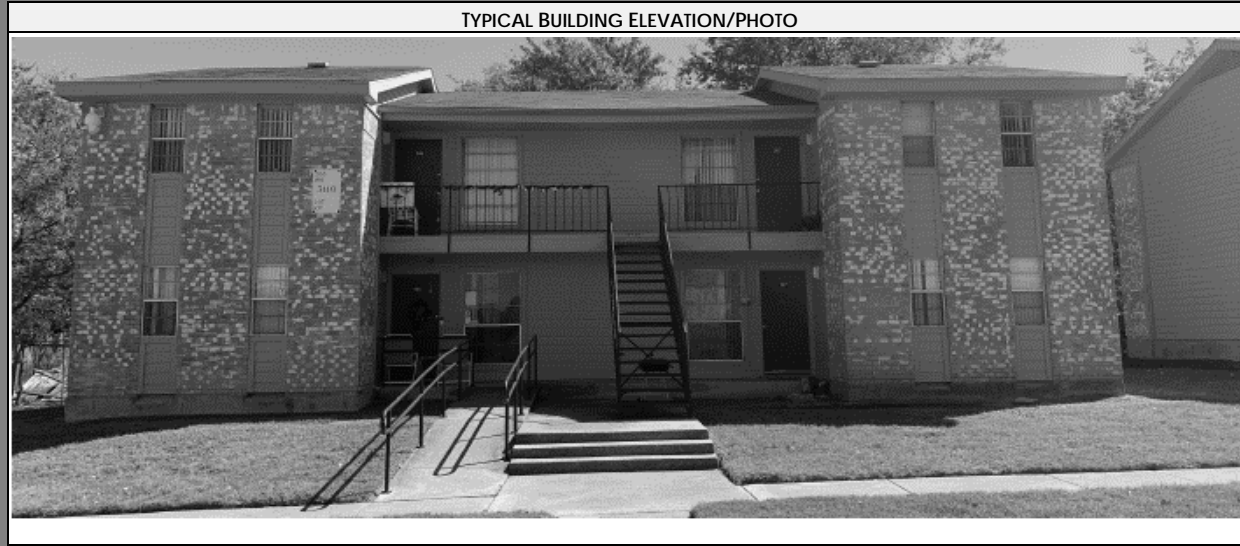
REAL ESTATE ANALYSIS DIVISION

June 8, 2022

PROPERTY IDENTIFICATION	
Application #	22603
Development	Marine Park
City / County	Fort Worth / Tarrant
Region/Area	3 / Urban
Population	General
Set-Aside	General
Activity	Acquisition/Rehab (Built in 1977)

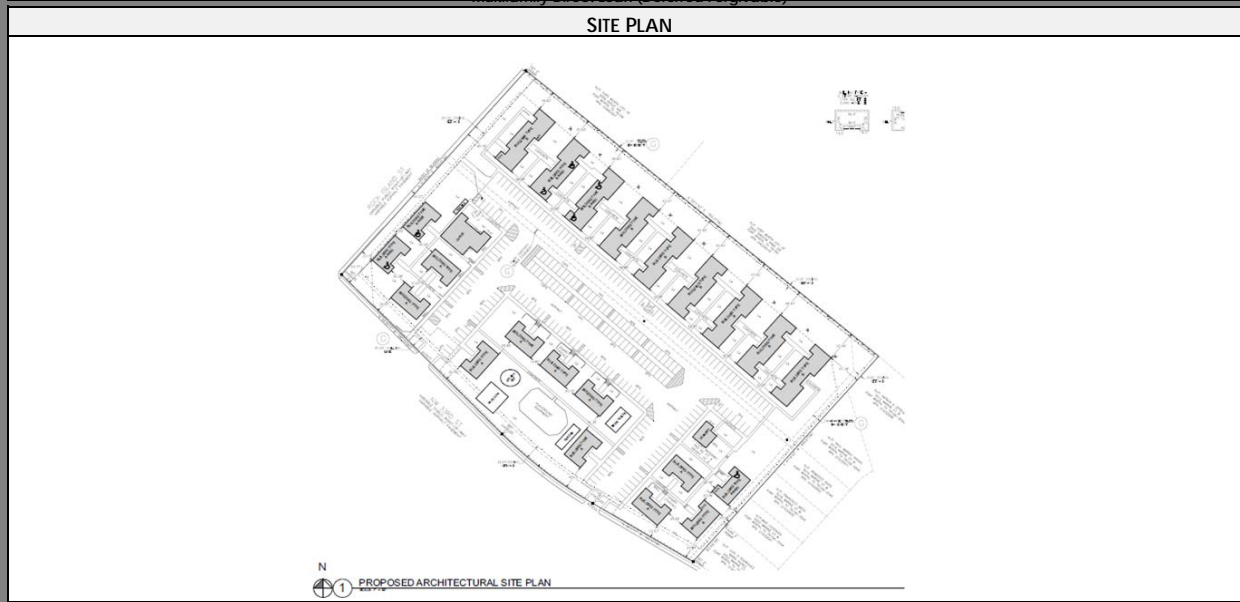
RECOMMENDATION					
TDHCA Program	Request	Recommended			
LIHTC (4% Credit)	\$1,357,873	\$1,350,490	\$10,891/Unit	\$0.86	

KEY PRINCIPALS / SPONSOR			
Think Housing Development, LP Christian Szymczak			
Related Parties	Contractor -	No	Seller -
		No	No



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	20%	-	0%
1	36	29%	30%	13	10%
2	52	42%	40%	-	0%
3	36	29%	50%	49	40%
4	-	0%	60%	62	50%
			70%	-	0%
			80%	-	0%
			MR	-	0%
TOTAL	124	100%	TOTAL	124	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		TDHCA's Pro Forma	
Debt Coverage	1.15	Expense Ratio	45.8%
Breakeven Occ.	86.0%	Breakeven Rent	\$1,369
Average Rent	\$1,475	B/E Rent Margin	\$106
Property Taxes	\$2,593/unit	Exemption/PILOT	0%
Total Expense	\$7,655/unit	Controllable	\$3,636/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (10% Maximum)			1.0%
Highest Unit Capture Rate	4%	2 BR/60%	20
Dominant Unit Cap. Rate	4%	2 BR/60%	20
Premiums (≥60% Rents)		N/A	N/A
Rent Assisted Units	82	66% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten		TDHCA's Costs - Based on SCR	
Avg. Unit Size	789 SF	Density	14.6/acre
Acquisition	\$107K/unit		\$13,250K
Building Cost	\$86.71/SF	\$68K/unit	\$8,487K
Hard Cost		\$90K/unit	\$11,154K
Total Cost		\$256K/unit	\$31,744K
Developer Fee	\$2,148K	(52% Deferred)	Paid Year: 7
Contractor Fee	\$1,420K	30% Boost	Yes

REHABILITATION COSTS / UNIT				
Site Work	\$4K	4%	Finishes/Fixture	\$19K 21%
Building Shell	\$37K	41%	Amenities	\$8K 9%
HVAC	\$2K	2%	Total Exterior	\$49K 70%
Appliances	\$0K	0%	Total Interior	\$21K 30%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Lument Capital	17/40	4.40%	#####	1.31	Marine Park 34 NOI	0/0	0.00%	\$1,115,672	1.15	Affordable Housing Partners, Inc.	\$11,613,053
Lument Capital	17/40	4.85%	\$2,387,976	1.15						Think Housing Development LP	\$1,107,755
TOTAL DEBT (Must Pay)			\$18,187,976		CASH FLOW DEBT / GRANTS			\$1,115,672		TOTAL EQUITY SOURCES	\$12,720,807
										TOTAL DEBT SOURCES	\$19,303,648
										TOTAL CAPITALIZATION	\$32,024,455

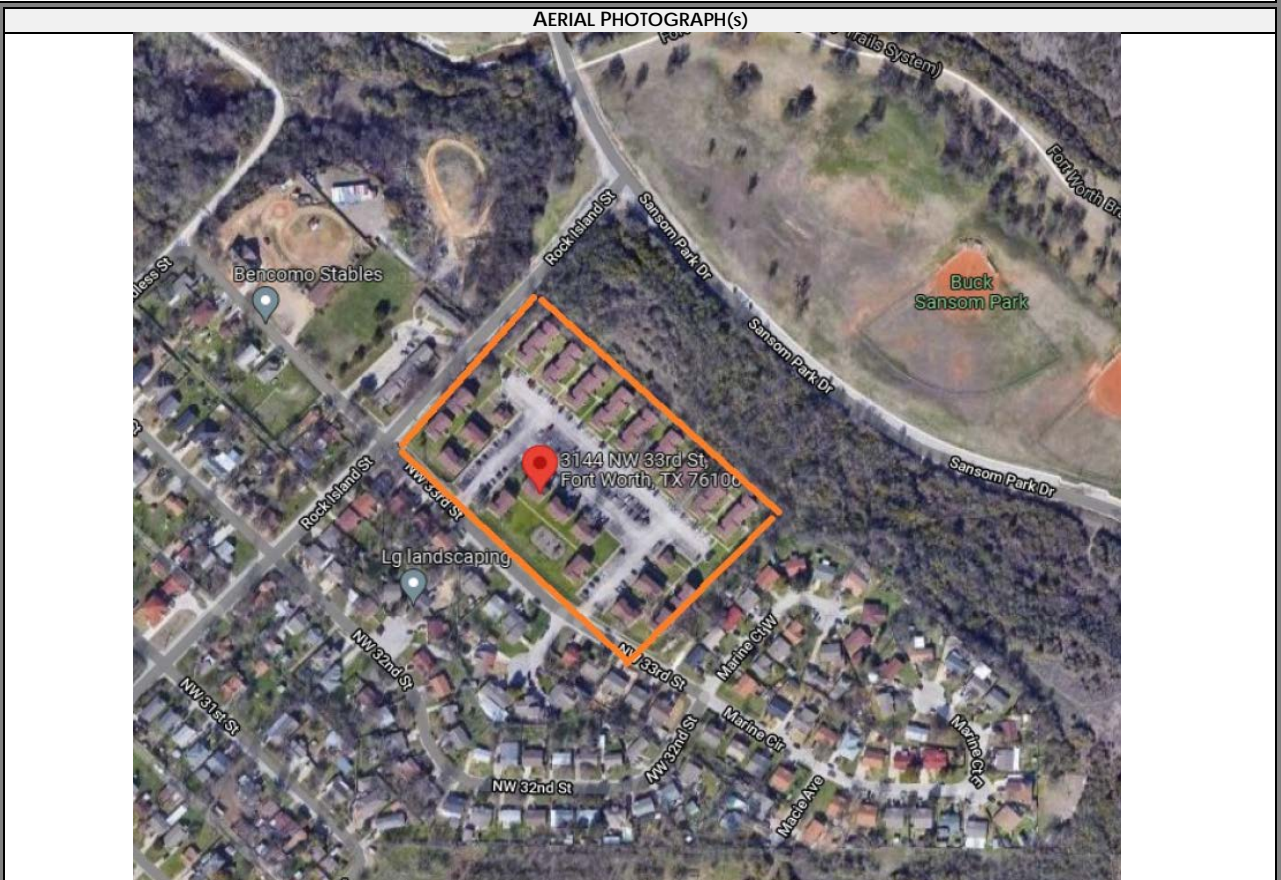
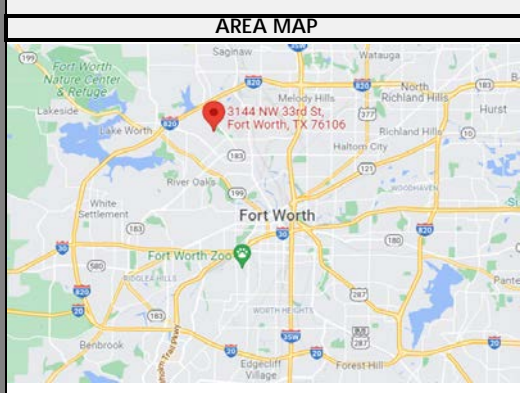
CONDITIONS

- Receipt and acceptance before Determination Notice:
 - Documentation of approval of proposed HAP Rent increase.
- Receipt and acceptance by Cost Certification:
 - Certification of comprehensive testing for asbestos and lead-based paint; 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.

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	7/13/2022
Bond Amount	\$15,800,000
BRB Priority	1a
Bond Structure	
% Financed with Tax-Exempt Bonds	53.6%

RISK PROFILE	
STRENGTHS/MITIGATING FACTORS	
▫	66% of units supported by HAP Rental Assistance
▫	Developer Experience
WEAKNESSES/RISKS	
▫	Potential Abatement Costs
▫	8% developer fee





DEVELOPMENT IDENTIFICATION

TDHCA Application #: **22603** Program(s): **TDHCA Bonds/4% HTC**

Marine Park

Address/Location: 3144 NW 33rd St.

City: Fort Worth County: Tarrant Zip: 76106

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

Activity: Acquisition/Rehab Building Type: Garden (Up to 4-story) 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	\$15,800,000				\$15,800,000				
LIHTC (4% Credit)	\$1,357,873				\$1,350,490				

CONDITIONS

- Receipt and acceptance before Determination Notice:
 - Documentation of approval of proposed HAP Rent increase.
 - Receipt and acceptance by Cost Certification:
 - Certification of comprehensive testing for asbestos and lead-based paint; 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.
- 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
30% of AMI	30% of AMI	13
50% of AMI	50% of AMI	49
60% of AMI	60% of AMI	62

DEVELOPMENT SUMMARY

Marine Park is a 124 unit, existing apartment and 82 of the 124 units are covered by a project based section 8 HAP contract. The HAP Contract that expires in 3 years and the Development Owner will execute a 20 year HAP contract effective 4/30/2022 which contains 2 separate rent levels for pre and post rehab rents. Upon rehab completion, HUD will reflect the post-rehab rent levels of the new 20 year HAP contract.

RISK PROFILE

STRENGTHS/MITIGATING FACTORS		WEAKNESSES/RISKS	
▫	66% of units supported by HAP Rental Assistance	▫	Potential Abatement Costs
▫	Developer Experience	▫	8% developer fee

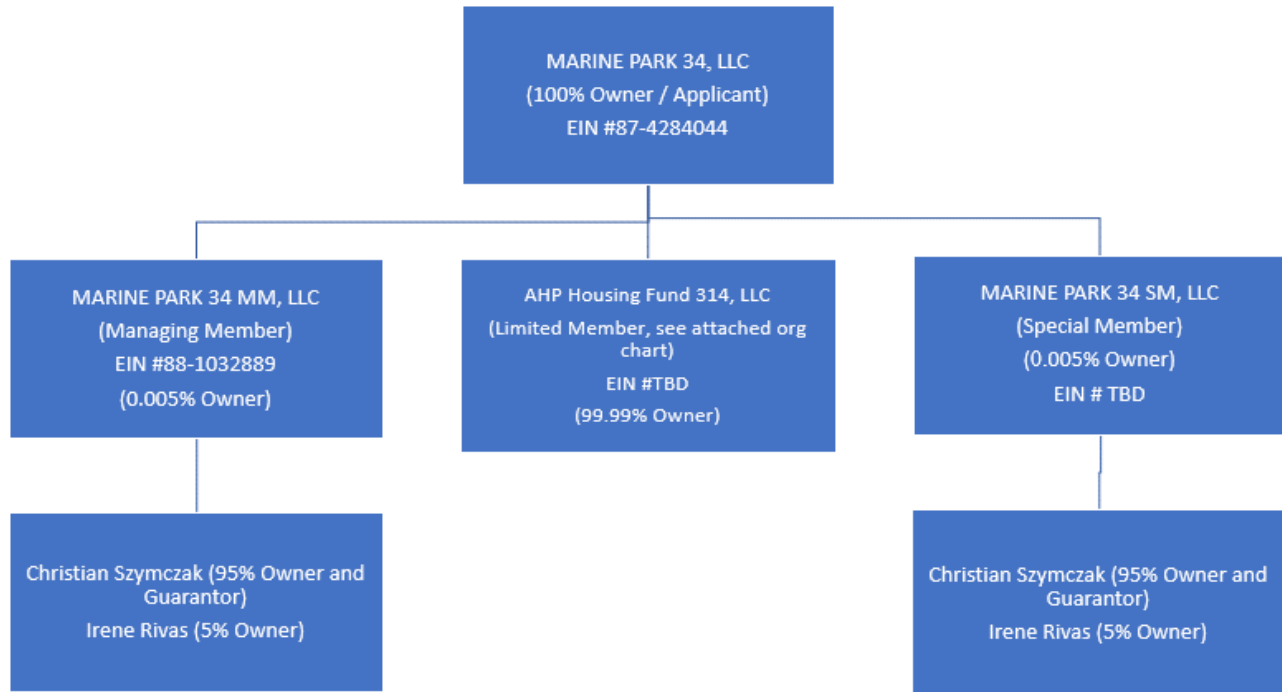
DEVELOPMENT TEAM

PRIMARY CONTACTS

Name: Christian Szymczak
Phone: 510-931-9684
Relationship: Developer

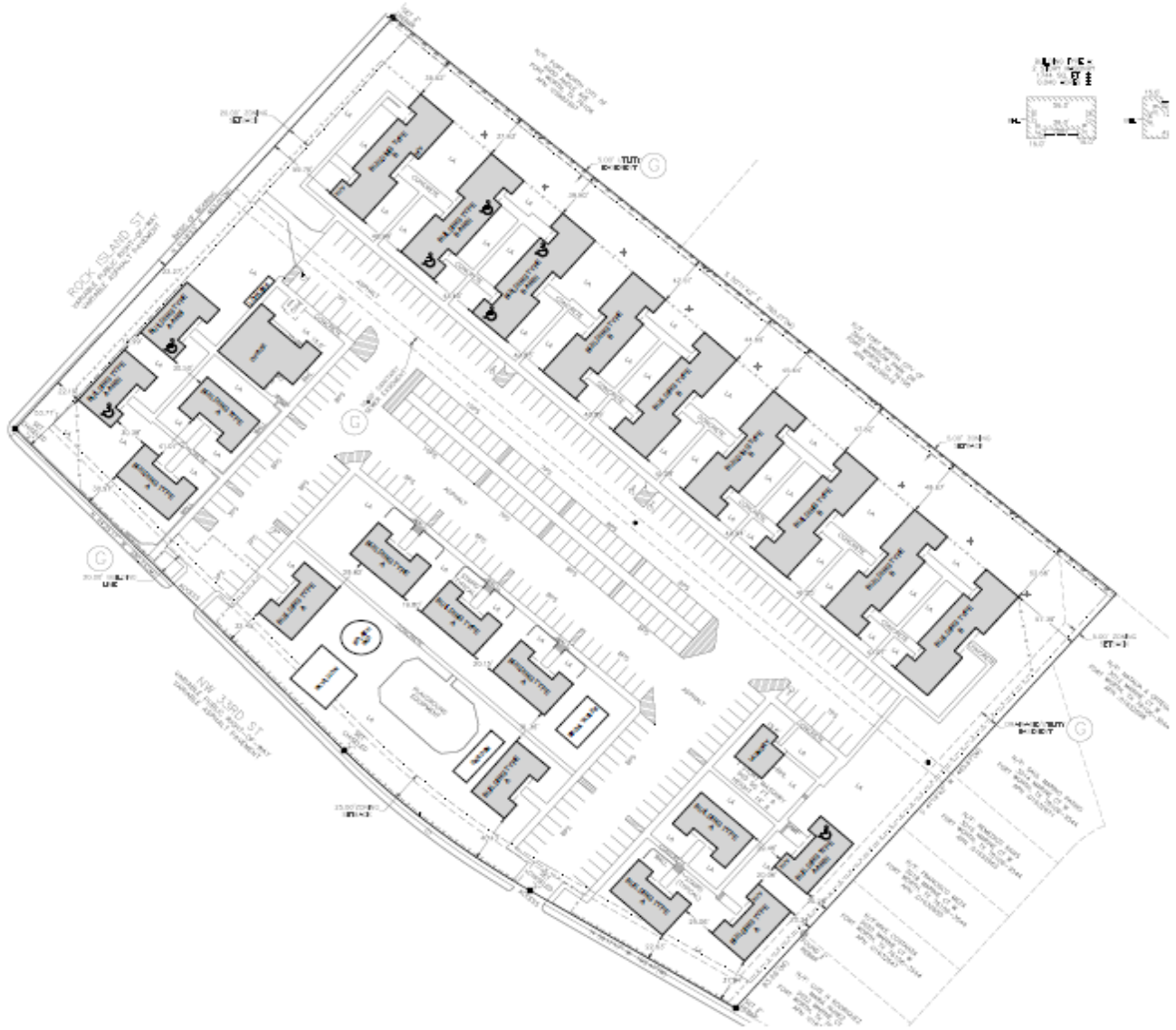
Name: Irene Rivas
Phone: 310-938-6844
Relationship: Developer

OWNERSHIP STRUCTURE



DEVELOPMENT SUMMARY

SITE PLAN



N



1 PROPOSED ARCHITECTURAL SITE PLAN



Comments:

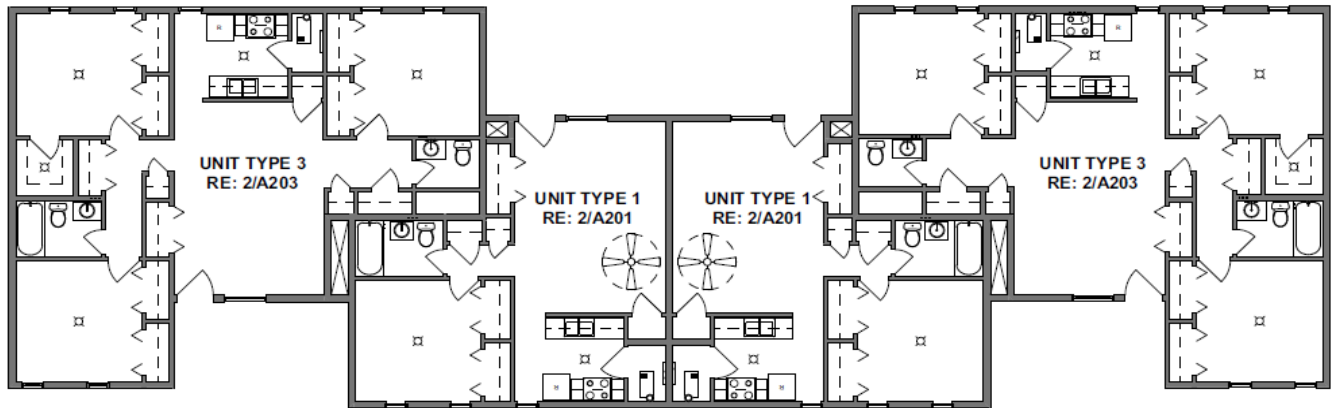
Site amenities that will be added to the property include: playground, splash pad, package lockers, expanding the community center to include a learning center, fitness room, and community room with a kitchen.

Parking	No Fee		Tenant-Paid		Total	
	Count	Cost/unit	Count	Cost/unit	Count	Cost/unit
Open Surface	123	1.0/unit	0	--	123	1.0/unit
Carport	131	1.1/unit	0	--	131	1.1/unit
Garage	0	--	0	--	0	--
Total Parking	254	2.0/unit	0	--	254	2.0/unit

Comments:

There are currently 243 open surface spaces. Per application there will be 123 open surface parking spaces and 131 carport spaces (254 spaces total with 16 accessible spaces included) provided which will be free to tenants. Under the current city's ordinance there is a parking requirement of 260 spaces, but property is legally non-conforming from the current ordinance since the initial site was constructed under prior parking regulations and no additional units are proposed as part of the renovation.

BUILDING PLAN (Typical)



Comments:

Renovated units will have new kitchen cabinets and quartz countertops with new appliances with an energy star-rated refrigerator and over-the-range microwave. New bathroom hardware and vinyl plank flooring will be installed in all units amongst other upgrades.

BUILDING ELEVATION



Comments:

The exterior facade is 85% masonry with primarily brick exterior and lap siding at the windows, doors and gables. The roof pitch remains unchanged at 4:12.

SITE INFORMATION

Flood Zone: <u> X </u>	Scattered Site? <u> No </u>
Zoning: <u> C - Multifamily Residential </u>	Within 100-yr floodplain? <u> Yes </u>
Re-Zoning Required? <u> No </u>	Utilities at Site? <u> Yes </u>
Year Constructed: <u> 1977 </u>	Title Issues? <u> No </u>

Current Uses of Subject Site:

Existing apartment complex

Surrounding Uses:

- Northeast: Undeveloped land
- Southeast: Single-family residential property
- Southwest: Single-family residential property
- Northwest: Multi-family residential property and vacant improved land

TENANT RELOCATION PLAN

The rehabilitation activities for this project will necessitate the temporary relocation of all on-site tenants for a period not to exceed 30 days. The temporary relocation will be scheduled in phases as designated by the rehabilitation plan. Upon completion, all residents will be allowed to reoccupy their original units.

The Developer has budgeted \$300,000 (\$2,419 per unit) for relocation.

Marine Park Construction Mobilization Budget

TEMPORARY RELOCATION

	# of Nights	Price Per Night	# of Units		Total
Hotel Budget w/ kitchenette	12	\$ 75.00	124		\$ 111,600.00
		Cost per Unit	# of Units		
Moving Costs (Moving Company, boxes, supplies etc.)		\$ 1,100.00	124		\$ 136,400.00
Consultant		\$ 217.74	124		\$ 27,000.00
Contingency					\$ 25,000.00
Total Temporary Relocation Cost					\$ 300,000.00

HIGHLIGHTS of ENVIRONMENTAL REPORTS

Provider: Phase Engineering, Inc.

Date: 11/22/2021

Recognized Environmental Conditions (RECs) and Other Concerns:

- A visual asbestos inspection was conducted by Phase Engineering, Inc. Potential asbestos containing building materials (ACBMs) in the form of wall material, ceiling material and miscellaneous building materials in good non-friable condition were observed at the subject property. No potential suspect damaged friable ACBMs were observed at the subject property. No asbestos sampling was performed as part of this ESA. An existing ACBM Operations and Maintenance (O&M) Plan dated July 1, 2020 was provided to Phase Engineering, Inc. for review. Procedures noted in the O&M Plan shall continue to be followed by property management. In the event of renovation and / or demolition, sampling may be required of suspect asbestos containing materials prior to these activities to satisfy the Environmental Protection Agency (EPA), Occupational Safety and Health Administration (OSHA) and the Texas Department of State Health Services (TDSHS) rules.
- In the event of renovation, further sampling of lead-based paint may be required prior to these activities to satisfy the Environmental Protection Agency (EPA), Occupational Safety and Health Administration (OSHA) and Texas Department of Health (TDH) rules and regulations.
- Testing for lead in the drinking water is recommended if any of the existing plumbing systems are planned for use in future development of the subject property.

MARKET ANALYSIS

Demand Analysis:

Market Analyst calculated a Gross Capture Rate (GCR) of 1%, which is well below the 10% maximum threshold. The GCR calculation is based only on the 42 HTC units since the other 82 units are covered by project based vouchers (PBV). In any event, Capture rate limits do not apply to existing affordable housing that is at least 50% occupied and that provides a leasing preference to existing tenants.

As of 9/24/21, subject was 99% occupied.

OPERATING PRO FORMA

SUMMARY- AS UNDERWRITTEN (TDHCA Pro Forma)

NOI:	\$1,122,707	Avg. Rent:	\$1,475	Expense Ratio:	45.8%
Debt Service:	\$976,194	B/E Rent:	\$1,369	Controllable Expenses:	\$3,636
Net Cash Flow:	\$146,512	UW Occupancy:	92.5%	Property Taxes/Unit:	\$2,593
Aggregate DCR:	1.15	B/E Occupancy:	86.0%	Program Rent Year:	2022

Eighty-two units (out of 124 total) are supported by Section 8 HAP Rental Assistance. Owner has submitted the request for new HAP contract with increased rents to the HUD Contract administrator. HUD will formally approve the new contract prior to closing.

Proposed HAP Contract Rents are determined by a rental comparability study completed by the project appraiser. Proposed rents represent increases of 47% to 52% over currently approved rents. This rent determination will be set by HUD in a new 20-year HAP contract effective on the day of sale closing.

Unit Type	Current Net HAP Rent	Variance	Increase	Proposed Net HAP Rent
1BR	\$935	52%	\$490	\$1,425
2BR	\$1,065	50%	\$535	\$1,600
3BR	\$1,223	47%	\$577	\$1,800

Eleven 1-bedroom units, twenty 2-bedroom units and eleven 3-bedroom units are not supported by the HAP, and are underwritten at the maximum HTC 60% AML rent.

Underwriter's total expenses are 10% less than Applicant's mainly due to the property tax and property insurance assumptions. Underwriter utilized local comps for these expenses. TDHCA's pro forma is used for analysis.

As presented, breakeven occupancy occurs with 17 units vacant (underwritten at 9).

Average rent is \$106 above break-even.

The 15 year residual cash flow is \$2.53M after deferred developer fee is paid off in year 7.

The project is feasible as underwritten. However, Applicant has indicated that they may seek a partnership with a non-profit in order to obtain a property tax exemption, which will improve the overall feasibility of the transaction.

DEVELOPMENT COST EVALUATION

SUMMARY- AS UNDERWRITTEN (TDHCA's Costs- Based on SCR)

Acquisition	\$68,824/ac	\$106,855/unit	\$13,250,000	Contractor Fee	\$1,419,640
Off-site + Site Work		\$13,336/unit	\$1,653,701	Soft Cost + Financing	\$2,872,189
Building Cost	\$86.71/sf	\$68,440/unit	\$8,486,583	Developer Fee	\$2,147,503
Contingency	10.00%	\$8,178/unit	\$1,014,028	Reserves	\$900,811
Total Development Cost	\$256,004/unit	\$31,744,455		Rehabilitation Cost	\$81,776/unit
Qualified for 30% Basis Boost?	Located in QCT with < 20% HTC units/HH				

Site Work:

Site work scope of work includes: Seal coat and re-stripe parking lot, new splash pad and fencing, new gazebo at splash pad, new community garden area with gate and fencing, BBQ grills in common areas, new bike rack for 21 bicycles, new benches and picnic tables at common area, landscape upgrades including the addition of 100 new trees, new concrete trash enclosures, accessibility upgrades with new ramps, sidewalks and stairs, new carport structures to provide 1 covered parking space for each living unit and new mailboxes.

Building Cost:

Rehabilitation scope of work includes: Construction of a 2000sf square foot addition to the existing community center to include all new learning center, new offices, community space, business center, exercise room and package delivery room. It also entails modifying 7 existing living units for accessibility requirements and modifying 3 existing units for A/V.

REHABILITATION COSTS / UNIT / % HARD COST

Site Work	\$462,742	\$3,732/unit	4%	Finishes/Fixtures	\$2,385,794	\$19,240/unit	21%
Building Shell	\$4,590,325	\$37,019/unit	41%	HVAC	\$230,045	\$1,855/unit	2%
Amenities	\$1,011,096	\$8,154/unit	9%	Appliances	\$0	\$/unit	0%
Total Exterior	\$6,064,163	\$48,905/unit	70%	Total Interior	\$2,615,839	\$21,095/unit	30%

SCOPE & COST REVIEW

Provider: Phase Engineering, Inc

Date: 12/6/2021

Scope of Work:

UNIT INTERIOR:

- New solid wood cabinets in kitchens and bathrooms
- New quartz countertops in kitchens and bathrooms
- New luxury vinyl plank flooring in entire unit; upstairs and downstairs
- New sinks in kitchens and bathrooms
- All new bathroom fixtures including faucets, mirrors, towel rods and shower rods
- New bathtubs and acrylic tub surrounds
- New Kohler toilets
- All new appliances including refrigerator, range, over-range microwave, and range hood
- New garbage disposal
- All new light and electrical fixtures throughout units
- New smart thermostats, hard wired smoke and CO2 alarms
- Full interior paint

BUILDING EXTERIORS

- New Hardie to replace existing
- Replacement of all HVAC systems
- New light fixtures at all building exterior locations
- All new dual-pane windows, screens, and window blinds
- All new exterior doors
- Full exterior paint

Contingency:

Contingency is limited to 10% of Hard Cost. Applicant overstated contingency by \$142k, generating a decrease of \$142k in eligible basis.

Ineligible Costs:

\$300,000 budgeted for relocation is excluded from eligible basis.

Developer Fee:

Applicant held developer fee to 8% to make the project feasible. 15% developer fee is allowed. Per Applicant, they may seek a partnership with a nonprofit in order to obtain a property tax exemption which will improve the overall feasibility of the transaction.

Applicant overstated developer fee on the new construction basis. Eligible developer fee was adjusted for this and the overstated eligible contingency.

Reserves:

Capitalized reserves equal six months operating expenses and debt service.

Credit Allocation Supported by Costs:

Total Development Cost	Adjusted Eligible Cost	Credit Allocation Supported by Eligible Basis
\$31,744,455	\$28,893,657	\$1,350,490

UNDERWRITTEN CAPITALIZATION

BOND RESERVATION			
Issuer	Amount	Reservation Date	Priority
TDHCA	\$15,800,000	1/14/2022	1a
Closing Deadline			
7/13/2022			

Percent of Cost Financed by Tax-Exempt Bonds	53.6%
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Comments:

TDHCA has a reservation of \$15,800,000 and will issue \$15,800,000 in tax exempt bonds. The project currently meets the 51% bond test as required by Tex. Gov't Code §1372.0321(b) for Priority 1 reservations

INTERIM SOURCES				
Funding Source	Description	Amount	Rate	LTC
Lument Capital	Freddie Tax Exempt Loan	\$15,800,000	4.40%	50%
Lument Capital	Conventional Loan	\$2,387,976	4.85%	7%
Affordable Housing Partners, Inc.	HTC	\$10,435,272	\$0.86	33%
Think Housing Development LP	Deferred Fee	\$2,147,503	0.00%	7%
Marine Park 34 NOI	Net Operating Income	\$1,115,672	0.00%	3%
		\$31,886,423	Total Sources	

PERMANENT SOURCES									
Debt Source	PROPOSED				UNDERWRITTEN				
	Amount	Interest Rate	Amort	Term	Amount	Interest Rate	Amort	Term	LTC
Lument Capital	\$15,800,000	4.40%	40	17	\$15,800,000	4.40%	40	17	50%
Adjustment to Debt Per §11.302(c)(2)	\$0	0.00%	0	0	(\$280,000)	4.40%	40	17	-1%
Lument Capital	\$2,387,976	4.85%	40	17	\$2,387,976	4.85%	40	17	8%
Marine Park 34 NOI	\$1,115,672	0.00%	0	0	\$1,115,672	0.00%	0	0	4%
Total	\$19,303,648				\$19,023,648				

Comments:

Lument will provide a \$15,800,000 tax exempt loan under the Freddie Mac platform with 40-year amortization and term at 4.40% interest and a \$2,387,976 taxable loan with 40-year amortization and term at 4.85% interest.

Underwriter assumes a \$280k decrease in the permanent debt to meet the 1.15 minimum DCR, this is offset by an increase in deferred developer fee.

Equity & Deferred Fees	PROPOSED			UNDERWRITTEN			
	Amount	Rate	% Def	Amount	Rate	% TC	% Def
Affordable Housing Partners, Inc.	\$11,676,530	\$0.86		\$11,613,053	\$0.86	37%	
Think Housing Development LP	\$906,245		42%	\$1,107,755		3%	52%
Total	\$12,582,775			\$12,720,807			
				\$31,744,455	Total Sources		

Credit Price Sensitivity based on current capital structure

\$0.937	Maximum Credit Price before the Development is oversourced and allocation is limited
\$0.779	Minimum Credit Price below which the Development would be characterized as infeasible

CONCLUSIONS

Gap Analysis:	
Total Development Cost	\$31,744,455
Permanent Sources (debt + non-HTC equity)	\$19,023,648
Gap in Permanent Financing	\$12,720,807

Possible Tax Credit Allocations:	Equity Proceeds	Annual Credits
Determined by Eligible Basis	\$11,613,053	\$1,350,490
Needed to Balance Sources & Uses	\$12,720,807	\$1,479,312
Requested by Applicant	\$11,676,538	\$1,357,873

	RECOMMENDATION	
	Equity Proceeds	Annual Credits
Tax Credit Allocation	\$11,613,053	\$1,350,490

	Amount
TDHCA-Issued Bonds	\$15,800,000
Lument Capital	\$2,387,976

Deferred Developer Fee	\$1,107,755	(52% deferred)
Repayable in	7 years	

Comments:

Underwriter recommends an annual tax credit allocation of \$1,350,490 as determined by eligible basis. This is a decrease in total equity proceeds of \$63,486 from Applicant's request.

Underwriter:	<u>Deborah Willson</u>
Manager of Real Estate Analysis:	<u>Gregg Kazak</u>
Director of Real Estate Analysis:	<u>Jeanna Adams</u>

UNIT MIX/RENT SCHEDULE

Marine Park, Fort Worth, TDHCA Bonds/4% HTC #22603

LOCATION DATA	
CITY:	Fort Worth
COUNTY:	Tarrant
Area Median Income	\$92,300
PROGRAM REGION:	3
PROGRAM RENT YEAR:	2022

UNIT DISTRIBUTION				
# Beds	# Units	% Total	Assisted	MDL
Eff	-	0.0%	0	0
1	36	29.0%	25	0
2	52	41.9%	32	0
3	36	29.0%	25	0
4	-	0.0%	0	0
5	-	0.0%	0	0
TOTAL				
	124	100.0%	82	-

Pro Forma ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	100.00%
APP % Acquisition	4.00%
APP % Construction	4.00%
Average Unit Size	789 sf

53%	Income	20%	30%	40%	50%	60%	70%	80%	EO / MR	TOTAL
Average	# Units	-	13	-	49	62	-	-	-	124
Income	% Total	0.0%	10.5%	0.0%	39.5%	50.0%	0.0%	0.0%	0.0%	100.0%

UNIT MIX / MONTHLY RENT SCHEDULE

HTC		RENT ASSISTED UNIT		UNIT MIX				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS				TDHCA PRO FORMA RENTS				MARKET RENTS			
Type	Gross Rent	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%	\$1,017	Section 8	\$1,425	6	1	1	568	\$1,425	\$0	\$1,425	\$0	\$2.51	\$1,425	\$8,550	\$8,550	\$1,425	\$3	\$0	\$1,425	\$2.51		
TC 60%	\$1,221	Section 8	\$1,600	8	2	1	783	\$1,600	\$0	\$1,600	\$0	\$2.04	\$1,600	\$12,800	\$12,800	\$1,600	\$2	\$0	\$1,600	\$2.04		
TC 60%	\$1,410	Section 8	\$1,800	6	3	1.5	1,019	\$1,800	\$0	\$1,800	\$0	\$1.77	\$1,800	\$10,800	\$10,800	\$1,800	\$2	\$0	\$1,800	\$1.77		
TC 50%	\$848	Section 8	\$1,425	14	1	1	568	\$1,425	\$0	\$1,425	\$0	\$2.51	\$1,425	\$19,950	\$19,950	\$1,425	\$3	\$0	\$1,425	\$2.51		
TC 50%	\$1,017	Section 8	\$1,600	20	2	1	783	\$1,600	\$0	\$1,600	\$0	\$2.04	\$1,600	\$32,000	\$32,000	\$1,600	\$2	\$0	\$1,600	\$2.04		
TC 50%	\$1,175	Section 8	\$1,800	15	3	1.5	1,019	\$1,800	\$0	\$1,800	\$0	\$1.77	\$1,800	\$27,000	\$27,000	\$1,800	\$2	\$0	\$1,800	\$1.77		
TC 60%	\$1,017			11	1	1	568	\$1,017	\$0	\$1,017	\$0	\$1.79	\$1,017	\$11,187	\$11,187	\$1,017	\$2	\$0	\$1,395	\$2.45		
TC 60%	\$1,221			20	2	1	783	\$1,221	\$0	\$1,221	\$0	\$1.56	\$1,221	\$24,420	\$24,420	\$1,221	\$2	\$0	\$1,535	\$1.96		
TC 60%	\$1,410			11	3	1.5	1,019	\$1,410	\$0	\$1,410	\$0	\$1.38	\$1,410	\$15,510	\$15,510	\$1,410	\$1	\$0	\$1,760	\$1.73		
TC 30%	\$508	Section 8	\$1,425	5	1	1	568	\$1,425	\$0	\$1,425	\$0	\$2.51	\$1,425	\$7,125	\$7,125	\$1,425	\$3	\$0	\$1,425	\$2.51		
TC 30%	\$610	Section 8	\$1,600	4	2	1	783	\$1,600	\$0	\$1,600	\$0	\$2.04	\$1,600	\$6,400	\$6,400	\$1,600	\$2	\$0	\$1,600	\$2.04		
TC 30%	\$705	Section 8	\$1,800	4	3	1.5	1,019	\$1,800	\$0	\$1,800	\$0	\$1.77	\$1,800	\$7,200	\$7,200	\$1,800	\$2	\$0	\$1,800	\$1.77		
TOTALS/AVERAGES:				124				97,868				\$0	\$1.87	\$1,475	\$182,942	\$182,942	\$1,475	\$1.87	\$0	\$1,591	\$2.02	\$527

ANNUAL POTENTIAL GROSS RENT:		\$2,195,304	\$2,195,304
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STABILIZED PRO FORMA

Marine Park, Fort Worth, TDHCA Bonds/4% HTC #22603

STABILIZED FIRST YEAR PRO FORMA

	COMPARABLES		Rolling 12 Mos. 10/31/20 to 9/30/21	APPLICANT				TDHCA				VARIANCE				
	Database	Expense Comps		% EGI	Per SF	Per Unit	Amount	Amount	Per Unit	Per SF	% EGI	%	\$			
POTENTIAL GROSS RENT																
Late Fees, Damages						\$1.87	\$1,475	\$2,195,304	\$2,195,304	\$1,475	\$1.87			0.0%	\$0	
Total Secondary Income							\$27.65	\$41,136								
POTENTIAL GROSS INCOME							\$30.00	\$44,640	\$44,640	\$30.00				0.0%	\$0	
Vacancy & Collection Loss							7.5% PGI	(167,996)	(167,996)	7.5% PGI				0.0%	-	
EFFECTIVE GROSS INCOME								\$2,071,948	\$2,071,948					0.0%	\$0	

General & Administrative	\$65,677	\$530/Unit	\$49,909	\$402	\$41,628	\$336	1.74%	\$0.37	\$290	\$36,000	\$36,000	\$290	\$0.37	1.74%	0.0%	-
Management	\$56,069	3.6% EGI	\$53,881	\$435	\$59,376	\$479	3.23%	\$0.68	\$540	\$66,960	\$66,924	\$540	\$0.68	3.23%	0.1%	36
Payroll & Payroll Tax	\$167,294	\$1,349/Unit	\$169,188	\$1,364	\$152,498	\$1,230	7.47%	\$1.58	\$1,248	\$154,800	\$154,800	\$1,248	\$1.58	7.47%	0.0%	-
Repairs & Maintenance	\$86,860	\$700/Unit	\$89,733	\$724	\$37,599	\$303	2.90%	\$0.61	\$485	\$60,140	\$80,600	\$650	\$0.82	3.89%	-25.4%	(20,460)
Electric/Gas	\$29,822	\$240/Unit	\$15,981	\$129	\$154,604	\$1,247	3.17%	\$0.67	\$530	\$65,720	\$65,720	\$530	\$0.67	3.17%	0.0%	-
Water, Sewer, & Trash	\$90,148	\$727/Unit	\$113,792	\$918	\$122,715	\$990	4.07%	\$0.86	\$680	\$84,320	\$113,792	\$918	\$1.16	5.49%	-25.9%	(29,472)
Property Insurance	\$45,125	\$0.46 /sf	\$60,614	\$489	\$40,884	\$330	5.82%	\$1.23	\$973	\$120,664	\$60,614	\$489	\$0.62	2.93%	99.1%	60,050
Property Tax (@ 100%) 2.8639	\$135,912	\$1,096/Unit	\$118,993	\$960	\$117,803	\$950	19.77%	\$4.18	\$3,303	\$409,538	\$321,532	\$2,593	\$3.29	15.52%	27.4%	88,006
Reserve for Replacements							1.80%	\$0.38	\$300	\$37,200	\$37,200	\$300	\$0.38	1.80%	0.0%	-
Supportive Services							0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)							0.24%	\$0.05	\$40	\$4,960	\$4,960	\$40	\$0.05	0.24%	0.0%	-
TDHCA Bond Compliance Fee							0.15%	\$0.03	\$25	\$3,100	\$3,100	\$25	\$0.03	0.15%	0.0%	-
Bond Trustee Fees							0.19%	\$0.04	\$32	\$4,000	\$4,000	\$32	\$0.04	0.19%	0.0%	-
TOTAL EXPENSES							50.55%	\$10.70	\$8,447	\$1,047,402	\$949,242	\$7,655	\$9.70	45.81%	10.3%	\$ 98,160
NET OPERATING INCOME ("NOI")							49.45%	\$10.47	\$8,262	\$1,024,546	\$1,122,707	\$9,054	\$11.47	54.19%	-8.7%	\$ (98,160)

CONTROLLABLE EXPENSES									\$3,234/Unit				\$3,636/Unit			
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Marine Park, Fort Worth, TDHCA Bonds/4% HTC #22603

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
Lument Capital	0.10%	1.29	1.17	873,402	4.40%	40	17	\$15,800,000	\$15,800,000	17	40	4.40%	\$856,022	1.31	49.8%
Adjustment to Debt Per §11.302(c)(2)	0.10%								(\$280,000)	17	40	4.40%	(\$15,170)	1.34	-0.9%
Lument Capital		1.12	1.02	\$132,435	4.85%	40	17	\$2,387,976	\$2,387,976	17	40	4.85%	\$135,342	1.15	7.5%
CASH FLOW DEBT / GRANTS															
Marine Park 34 NOI		1.12	1.02		0.00%	0	0	\$1,115,672	\$1,115,672	0	0	0.00%		1.15	3.5%
				\$1,005,837				\$19,303,648	\$19,023,648				\$976,194	1.15	59.9%
NET CASH FLOW		\$116,870	\$18,709							TDHCA	NET OPERATING INCOME	\$1,122,707	\$146,512	NET CASH FLOW	

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	
Affordable Housing Partners, Inc.	LIHTC Equity	36.8%	\$1,357,873	\$0.86	\$11,676,530	\$11,613,053	\$0.86	\$1,350,490	36.6%	\$10,891	Eligible Basis	
Think Housing Development LP	Deferred Developer Fees	2.9%	(42% Deferred)		\$906,245	\$1,107,755	(52% Deferred)		3.5%	Total Developer Fee: \$2,147,503		
Additional (Excess) Funds Req'd		0.0%			\$0				0.0%			
TOTAL EQUITY SOURCES		39.6%			\$12,582,775	\$12,720,807			40.1%			
TOTAL CAPITALIZATION					\$31,886,423	\$31,744,455				15-Yr Cash Flow after Deferred Fee:		\$2,531,913

DEVELOPMENT COST / ITEMIZED BASIS												
		APPLICANT COST / BASIS ITEMS				TDHCA COST / BASIS ITEMS				COST VARIANCE		
		Eligible Basis		Total Costs	Total Costs	Eligible Basis		Total Costs	Total Costs	%	\$	
		Acquisition	New Const. Rehab			New Const. Rehab	Acquisition					
Land Acquisition				\$4,718 / Unit	\$585,000	\$585,000	\$4,718 / Unit			0.0%	\$0	
Building Acquisition		\$12,665,000		\$102,137 / Unit	\$12,665,000	\$12,665,000	\$102,137 / Unit		\$12,665,000	0.0%	\$0	
Off-Sites			\$0	\$ / Unit	\$0	\$0	\$ / Unit			0.0%	\$0	
Site Work			\$472,503	\$3,811 / Unit	\$472,503	\$472,503	\$3,811 / Unit	\$472,503		0.0%	\$0	
Site Amenities			\$1,181,198	\$9,526 / Unit	\$1,181,198	\$1,181,198	\$9,526 / Unit	\$1,181,198		0.0%	\$0	
Building Cost			\$8,486,583	\$86.71 /sf	\$68,440/Unit	\$8,486,583	\$68,440/Unit	\$86.71 /sf	\$8,486,583	0.0%	\$0	
Contingency			\$1,155,993	11.40%	11.40%	\$1,155,993	\$1,014,028	10.00%	10.00%	14.0%	\$141,965	
Contractor Fees			\$1,419,640	12.57%	12.57%	\$1,419,640	\$1,419,640	12.73%	12.73%	0.0%	\$0	
Soft Costs		\$0	\$822,299	\$9,051 / Unit	\$1,122,299	\$1,122,299	\$9,051 / Unit	\$822,299	\$0	0.0%	\$0	
Financing		\$0	\$684,903	\$14,112 / Unit	\$1,749,890	\$1,749,890	\$14,112 / Unit	\$684,903	\$0	0.0%	\$0	
Developer Fee		\$0	\$2,147,503	15.10%	7.99%	\$2,147,503	\$2,147,503	8.03%	15.25%	\$0	\$0	
Reserves				5 Months	\$900,811	\$900,811	6 Months			0.0%	\$0	
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)		\$12,665,000	\$16,370,622		\$257,149 / Unit	\$31,886,420	\$31,744,455	\$256,004 / Unit	\$16,228,657	\$12,665,000	0.4%	\$141,965
Acquisition Cost		\$0				\$0						
Contingency			(\$141,965)			(\$141,965)						
Contractor's Fee			\$0			\$0						
Financing Cost			\$0			\$0						
Developer Fee	0.00%	\$0	(\$35,330)	15.00%		\$0						
Reserves						\$0						
ADJUSTED BASIS / COST		\$12,665,000	\$16,193,328		\$256,004/unit	\$31,744,455	\$31,744,455	\$256,004/unit	\$16,228,657	\$12,665,000	0.0%	\$0
TOTAL HOUSING DEVELOPMENT COSTS BASED ON 3RD PARTY SCR/CNA						\$31,744,455						

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Marine Park, Fort Worth, TDHCA Bonds/4% HTC #22603

CREDIT CALCULATION ON QUALIFIED BASIS				
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction
ADJUSTED BASIS	\$12,665,000	\$16,193,328	\$12,665,000	\$16,228,657
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$12,665,000	\$16,193,328	\$12,665,000	\$16,228,657
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$12,665,000	\$21,051,326	\$12,665,000	\$21,097,255
Applicable Fraction	100.00%	100.00%	100%	100%
TOTAL QUALIFIED BASIS	\$12,665,000	\$21,051,326	\$12,665,000	\$21,097,255
Applicable Percentage	4.00%	4.00%	4.00%	4.00%
ANNUAL CREDIT ON BASIS	\$506,600	\$842,053	\$506,600	\$843,890
CREDITS ON QUALIFIED BASIS	\$1,348,653		\$1,350,490	

	ANNUAL CREDIT CALCULATION BASED ON TDHCA BASIS		FINAL ANNUAL LIHTC ALLOCATION		
	Annual Credits	Proceeds	Credit Price \$0.8599	Variance to Request	
Method			Credit Allocation	Credits	Proceeds
Eligible Basis	\$1,350,490	\$11,613,053	\$1,350,490	(\$7,383)	(\$63,486)
Needed to Fill Gap	\$1,479,312	\$12,720,807	----	----	----
Applicant Request	\$1,357,873	\$11,676,538	----	----	----

50% Test for Bond Financing for 4% Tax Credits					
Tax-Exempt Bond Amount	\$15,800,000		Percent Financed by Tax-Exempt Bonds	Applicant	TDHCA
	Applicant	TDHCA		53.3%	53.6%
Land Cost	\$585,000	\$585,000			
Depreciable Bldg Cost	\$29,035,622	\$28,893,657			
Aggregate Basis for 50% Test	\$29,620,622	\$29,478,657			
			amount aggregate basis can increase before 50% test fails	\$1,979,378 6.7%	\$2,121,343 7.2%

**Depreciable building cost includes: Total construction contract, total building acquisition, total developer fee, plus eligible financing and soft costs.

Long-Term Pro Forma

Marine Park, Fort Worth, TDHCA Bonds/4% HTC #22603

	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%	\$2,071,948	\$2,113,387	\$2,155,655	\$2,198,768	\$2,242,743	\$2,476,170	\$2,733,892	\$3,018,437	\$3,332,599	\$3,679,458	\$4,062,419	\$4,485,239
TOTAL EXPENSES	3.00%	\$949,242	\$977,050	\$1,005,679	\$1,035,153	\$1,065,497	\$1,231,205	\$1,422,889	\$1,644,645	\$1,901,213	\$2,198,086	\$2,541,625	\$2,939,197
NET OPERATING INCOME ("NOI")		\$1,122,707	\$1,136,337	\$1,149,976	\$1,163,615	\$1,177,246	\$1,244,965	\$1,311,002	\$1,373,792	\$1,431,385	\$1,481,372	\$1,520,794	\$1,546,042
EXPENSE/INCOME RATIO		45.8%	46.2%	46.7%	47.1%	47.5%	49.7%	52.0%	54.5%	57.0%	59.7%	62.6%	65.5%
MUST -PAY DEBT SERVICE													
Lument Capital		\$856,022	\$855,874	\$855,719	\$855,558	\$855,389	\$854,424	\$853,222	\$851,725	\$849,861	\$847,538	\$844,646	\$841,042
Adjustment to Debt Per §11.302(c)(2)		(\$15,170)	(\$15,170)	(\$15,170)	(\$15,170)	(\$15,170)	(\$15,170)	(\$15,170)	(\$15,170)	(\$15,170)	(\$15,170)	(\$15,170)	(\$15,170)
Lument Capital		\$135,342	\$135,342	\$135,342	\$135,342	\$135,342	\$135,342	\$135,342	\$135,342	\$135,342	\$135,342	\$135,342	\$135,342
TOTAL DEBT SERVICE		\$976,194	\$976,046	\$975,892	\$975,730	\$975,561	\$974,596	\$973,394	\$971,898	\$970,033	\$967,711	\$964,818	\$961,215
DEBT COVERAGE RATIO		1.15	1.16	1.18	1.19	1.21	1.28	1.35	1.41	1.48	1.53	1.58	1.61
ANNUAL CASH FLOW													
		\$146,512	\$160,291	\$174,085	\$187,885	\$201,685	\$270,369	\$337,608	\$401,895	\$461,352	\$513,662	\$555,977	\$584,827
Deferred Developer Fee Balance		\$961,242	\$800,951	\$626,866	\$438,981	\$237,296	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$0	\$977,498	\$2,531,913	\$4,414,339	\$6,604,546	\$9,071,622	\$11,771,516	\$14,644,120



Final Transcript

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS:
Public Hearing on Proposed Marine Park Apartments**

February 11, 2022/1:30 p.m. CST

SPEAKERS

Teresa Morales

PRESENTATION

Teresa Good afternoon. This is Teresa Morales with the Texas Department of Housing and Community Affairs. And the purpose of this call is to conduct a public hearing with respect to the proposed Marine Park Apartments. And to give folks a little bit more time to dial in we'll get started in just another minute or so.

Good afternoon. This is Teresa Morales with the Texas Department of Housing and Community Affairs. And the purpose of this call is to conduct a public hearing with respect to the proposed Marine Park Apartments. To give us an idea as to how we're going to proceed, there is a brief speech that I have to read for purposes of meeting the requirements

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

Host: Teresa Morales

February 11, 2022/1:30 p.m. CST

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of the federal code with respect to the public hearing. And then at the conclusion of that speech is when I will go ahead and unmute the lines. And if there are any individuals who would like to make public comment or express any comments, that would be your opportunity to do so. So that being said, I'll go ahead and get started with the brief speech.

Good afternoon. My name is Teresa Morales, and I would like to proceed with a public hearing. Let the record show that it is 1:33 p.m. on Friday, February 11, 2022, 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 April 14, 2022. 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.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

Host: Teresa Morales

February 11, 2022/1:30 p.m. CST

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The bonds will be issued as tax exempt multifamily revenue bonds in the aggregate principal amount not to exceed 15.8 million in taxable bonds if necessary, and 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 bonds will be loaned to Marine Park 34 LLC, or a related person or affiliate entity thereof to finance a portion of the cost of acquiring, rehabbing and equipping a multifamily rental housing community described as follows: a 124-unit multifamily residential rental development to be located on approximately 8.496 acres of land located at or near 3144 Northwest 33rd Street, Fort Worth, Tarrant County, Texas 76106. 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. I believe all of the lines are unmuted. If there's any individual who would like to make public comment or express any comments with respect to Marine Park, this would be your opportunity to do so.

Again, all of the lines are unmuted. So if there are any individuals on the call who would like to make public comment, you may do so at this time.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

Host: Teresa Morales

February 11, 2022/1:30 p.m. CST

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All right, let the record show that there are no individuals on the call who have expressed a desire to make public comment and therefore, the meeting is now adjourned. The time is 1:36 p.m. Thank you.

M Thank you.

W Thank you.

1m

BOARD ACTION REQUEST
MULTIFAMILY BOND DIVISION
JUNE 16, 2022

Presentation, discussion, and possible action regarding the Issuance of Multifamily Housing Revenue Bonds (Palladium East Berry Street) Series 2022 Resolution No. 22-027, an award of Direct Loan funds, and a Determination Notice of Housing Tax Credits

RECOMMENDED ACTION

WHEREAS, the Board adopted an inducement resolution for Palladium East Berry Street at the Board meeting of September 2, 2021;

WHEREAS, an application for Palladium East Berry Street requesting 4% Housing Tax Credits, sponsored by Palladium East Berry GP, LLC, and Columbia Housing SLP Corporation, was submitted to the Department on December 6, 2021;

WHEREAS, subsequent to the submission of the application for 4% Housing Tax Credits, a request for NHTF Direct Loan funds under the General/Soft Repayment Set-Aside of the 2022-1 Multifamily Direct Loan Notice of Funding Availability (2022-1 NOFA) was submitted to the Department on February 4, 2022;

WHEREAS, a Certificate of Reservation was issued in the amount of \$26,100,000 on January 27, 2022, with a bond delivery deadline of July 26, 2022; and

WHEREAS, EARAC recommends approval of the issuance of Multifamily Housing Revenue Bonds (Series 2022) for Palladium East Berry Street, \$3,000,000 in NHTF Direct Loan funds, and the issuance of a Determination Notice;

NOW, therefore, it is hereby

RESOLVED, that the issuance of tax-exempt Multifamily Housing Revenue Bonds (Palladium East Berry Street) Series 2022 in the amount of \$26,092,000, Resolution No. 22-027, is hereby approved in the form presented to this meeting;

FURTHER RESOLVED, the issuance of a Determination Notice of \$2,575,221 in 4% Housing Tax Credits, and \$3,000,000 in NHTF Direct Loan funds for Palladium East Berry Street, subject to underwriting conditions that may be applicable as found in the Real Estate Analysis report posted to the Department's website, is hereby approved in the form presented to this meeting; and

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: Palladium East Berry Street is to be located at 2350 E. Berry Street in Fort Worth, Tarrant County, and proposes the new construction of 240 units that will serve the general 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). This application proposes to implement the Income Averaging set-aside where 27 of the units will be rent and income restricted at 30% of AMFI, 170 of the units will be rent and income restricted at 60% of AMFI, and 43 of the units will be rent and income restricted at 70% AMFI. Additionally, the Development will have 20 NHTF units and two HOME Match units..

Organizational Structure and Previous Participation: The Borrower is Palladium East Berry, LTD., and includes the entities and principals as illustrated in Exhibit A. The applicant's portfolio is considered a Category 1 and was deemed acceptable, without further review or discussion, 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 February 14, 2022. Representatives from the Department and the Developer were present, and no public comment was made. A copy of the hearing transcript is included herein. The Department has received letters of support for the proposed development from the following officials and organizations: State Representative for District 90, the Honorable Ramon Romero, Jr.; Mayor of the City of Fort Worth, Mattie Parker; Fort Worth City Councilmember for District 8, Chris Nettles; Tarrant County Commissioner for Precinct 1, Roy Charles Brooks; Tarrant County Judge, Glen Whitley; Superintendent of the Fort Worth Independent School District, Kent P. Scribner; President of the Fort Worth ISD Board of Trustees, Tobi Jackson; and Stacy E. Marshall, President of Southeast Fort Worth, Inc. All of the aforementioned support letters are included herein. The Department has received no letters of opposition for the development.

Summary of Financial Structure

Under the proposed structure, the Department will issue unrated, fixed rate tax-exempt bonds in the amount of \$26,092,000 that will be initially purchased by Specialty Finance Group, who will be serving as the construction and permanent lender. The interest rate will be fixed prior to closing by a Swap

Agreement, will be equal to the sum of the SOFR Rate (as defined in the Trust Indenture) plus 1.70%, and is currently estimated to be 4.96%. The Department is not a party to the Swap Agreement. The loan will have an 18-year term, 40-year amortization period, and a final maturity date of July 20, 2040. For the first three years of the term, payments on the loan will be interest only.

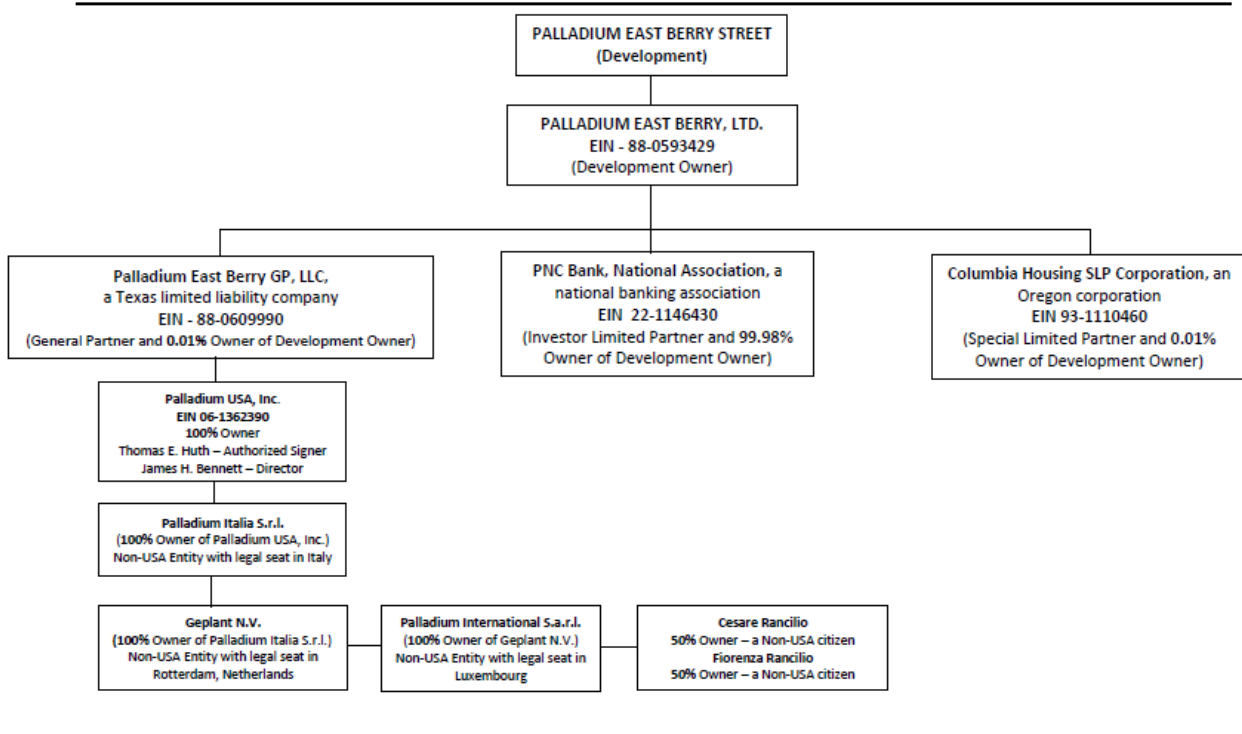
Additionally, PNC will provide a construction bridge loan in the amount of \$17,635,210 that will have a term of 60 months with one six-month extension option. The interest rate on the bridge loan will be equal to the Daily BSBY rate plus 2.25%, and is currently estimated to be 2.44%.

Finally, the applicant has applied for NHTF Multifamily Direct Loan funds under the General/Soft Repayment Set-Aside of the 2022-1 NOFA. Applicant has requested \$3,000,000 in MFDL funds that will carry a 0% interest rate, 18-year term, and 40-year amortization period.

A copy of the Exhibits recommended to be approved by the Board as referenced in Resolution No. 22-027 can be found online at TDHCA's Board Meeting Information Center website at <http://www.tdhca.state.tx.us/board/meetings.htm>.

EXHIBIT A

PALLADIUM EAST BERRY STREET 4% Tax Credit – 2022 Program OWNERSHIP STRUCTURE



RESOLUTION NO. 22-027

RESOLUTION AUTHORIZING AND APPROVING THE ISSUANCE, SALE AND DELIVERY OF TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS MULTIFAMILY HOUSING REVENUE BONDS (PALLADIUM EAST BERRY STREET) SERIES 2022; 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, 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 Housing Revenue Bonds (Palladium East Berry Street) Series 2022 (the "Bonds") pursuant to and in accordance with the terms of a Trust Indenture (the "Indenture") between the Department and Wilmington Trust, National Association, as trustee (the "Trustee"), 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 Bonds to fund a mortgage loan to Palladium East Berry, Ltd., a Texas limited partnership (the "Borrower"), in connection with the acquisition, construction and equipping of a qualified residential rental development 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 September 2, 2021, 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, Cedar Rapids Bank and Trust Company, an Iowa state-chartered banking corporation, as purchaser (the "Purchaser"), and the Borrower will execute and deliver a Loan Agreement (the "Loan Agreement") pursuant to which (i) the Department will agree to make a mortgage loan funded with the proceeds of the Bonds (the "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 promissory note (the "Borrower Note") in an original principal amount equal to the original aggregate principal amount of the Bonds, and providing for payment of interest on such principal amount equal to the interest on the Bonds and to pay other costs described in the Loan Agreement; and

WHEREAS, it is anticipated that the obligations of the Borrower under the Loan Agreement will be secured by a Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing (the "Bond Mortgage") from the Borrower for the benefit of the Department and assigned to the Trustee; and

WHEREAS, the Department's rights (except for certain unassigned rights) under the Indenture, the Loan Agreement, the Borrower Note and the Bond Mortgage will be assigned to the Trustee pursuant to an Assignment of Deed of Trust Documents (the "Assignment") from the Department to the Trustee; and

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

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the Indenture; and

WHEREAS, the Board has examined proposed forms of (a) the Indenture, the 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 Bond Mortgage and the Borrower 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 Bonds, the execution and delivery of the Issuer Documents, the acceptance of the Bond Mortgage and the Borrower 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 BONDS; APPROVAL OF DOCUMENTS

Section 1.1 Issuance, Execution and Delivery of the Bonds. That the issuance of the Bonds 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 Indenture, and that, upon execution and delivery of the Indenture, 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 Bonds and to deliver the Bonds to the Attorney General of the State (the "Attorney General") for approval, the Comptroller of Public Accounts of the State for registration and the Trustee for authentication (to the extent required in the Indenture), and thereafter to deliver the Bonds to or upon the order of the Purchaser.

Section 1.2 Interest Rate, Principal Amount, Maturity and Price. That (i) the Bonds shall bear interest at the Index Interest Rate, as defined in the Indenture and subject to adjustment as described in the Indenture; provided that in no event shall the interest rate (including any default rate) exceed the maximum interest rate permitted by applicable law; (ii) the aggregate principal amount of the Bonds shall be \$26,092,000; (iii) the final maturity of the Bonds shall occur on July 20, 2040; and (iv) the price at which the Bonds are sold to the Purchaser shall be the principal amount thereof.

Section 1.3 Approval, Execution and Delivery of the Indenture. That the form and substance of the Indenture are hereby approved, and that the Authorized Representatives are each hereby authorized to execute the Indenture, and to deliver the Indenture to the Trustee.

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

Section 1.5 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 the Regulatory Agreement, and to deliver the Regulatory Agreement to the Borrower and the Trustee and to cause the Regulatory Agreement to be filed of record in the real property records of Tarrant County, Texas.

Section 1.6 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 each are hereby authorized to execute the Tax Exemption Agreement, and to deliver the Tax Exemption Agreement to the Borrower and the Trustee.

Section 1.7 Reserved.

Section 1.8 Reserved.

Section 1.9 Reserved.

Section 1.10 Acceptance of the Borrower Note and the Bond Mortgage. That the form and substance of the Borrower Note and the Bond Mortgage are hereby accepted by the Department and that the Authorized Representatives each are hereby authorized to endorse and deliver the Borrower Note to the order of the Trustee without recourse.

Section 1.11 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 Trustee.

Section 1.12 Reserved.

Section 1.13 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 1.14 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 1.15 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 - Indenture
- Exhibit C - Loan Agreement
- Exhibit D - Regulatory Agreement
- Exhibit E - Borrower Note
- Exhibit F - Bond Mortgage
- Exhibit G - Assignment
- Exhibit H - Tax Exemption Agreement

Section 1.16 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 Interim Director of Bond Finance 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 Bonds 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 Bonds.

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 Bonds and all other Department activities.

Section 2.4 Reserved.

Section 2.5 Authority to Invest Proceeds. That the Department is authorized to invest and reinvest the proceeds of the Bonds and the fees and revenues to be received in connection with the financing of the Development in accordance with the Indenture and the Tax Exemption Agreement and to enter into any agreements relating thereto only to the extent permitted by the Indenture and the Tax Exemption Agreement.

Section 2.6 Reserved.

Section 2.7 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 2.8 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 Bonds 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 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 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 Bonds in connection with the financing of 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 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 Loan

established pursuant to the 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 Bonds and the Development and enable the Department to meet its covenants with and responsibilities to the holders of the Bonds.

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 Bonds in the secondary open market for municipal securities.

ARTICLE 4

GENERAL PROVISIONS

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

Section 4.2 Non-Governmental Obligations. That the Bonds shall not be and do 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. Each Bond 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 Section 2306.032 of the Texas Government Code, regarding meetings of the Governing Board.

PASSED AND APPROVED this 16th day of June, 2022.

EXHIBIT A

Description of Development

Borrower: Palladium East Berry, Ltd., a Texas limited partnership

Development: The Development is a 240-unit affordable, multifamily housing development known as Palladium East Berry Street, located at 2350 East Berry Street, Fort Worth, Tarrant County, Texas 76105. It consists of eight (8) residential apartment buildings with approximately 234,357 net rentable square feet. The unit mix will consist of:

57	one-bedroom/one-bath units
117	two-bedroom/two-bath units
66	three-bedroom/two-bath units
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240	Total Units

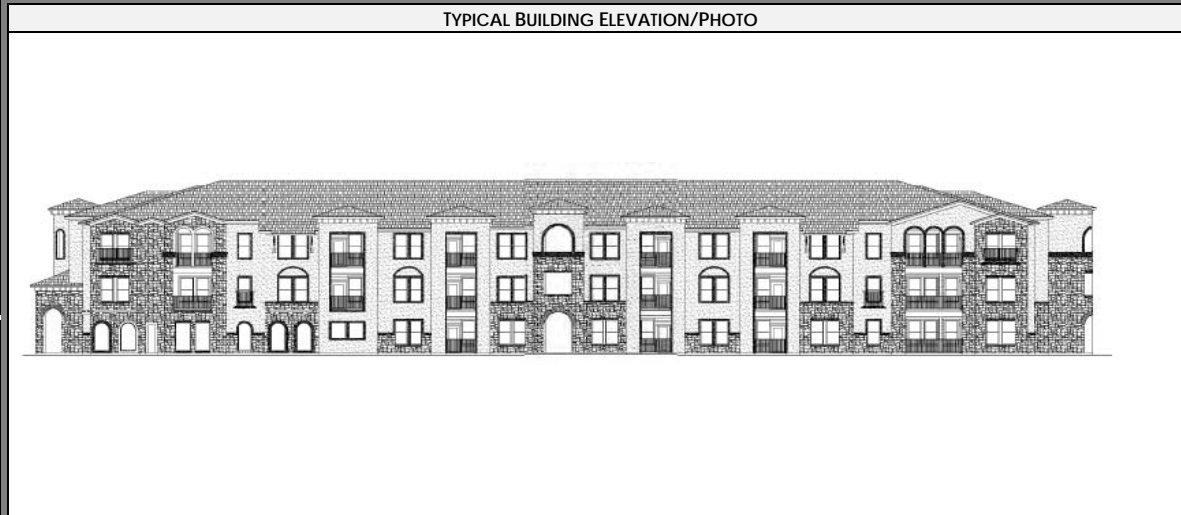
Unit sizes will range from approximately 751 square feet to approximately 1,165 square feet.

22610 Palladium East Berry Street - Application Summary

REAL ESTATE ANALYSIS DIVISION
June 8, 2022

PROPERTY IDENTIFICATION		RECOMMENDATION					
Application #	22610	TDHCA Program		Request			
Development	Palladium East Berry Street	LIHTC (4% Credit)		\$2,575,221	\$2,575,221	\$10,730/Unit	\$0.88
City / County	Fort Worth / Tarrant			Amount	Rate	Amort	Term
Region/Area	3 / Urban	Multifamily Direct Loan (Soft Repayable)		\$3,000,000		18	2
Population	General						
Set-Aside	General						
Activity	New Construction	Private Activity Bonds	\$26,092,000				

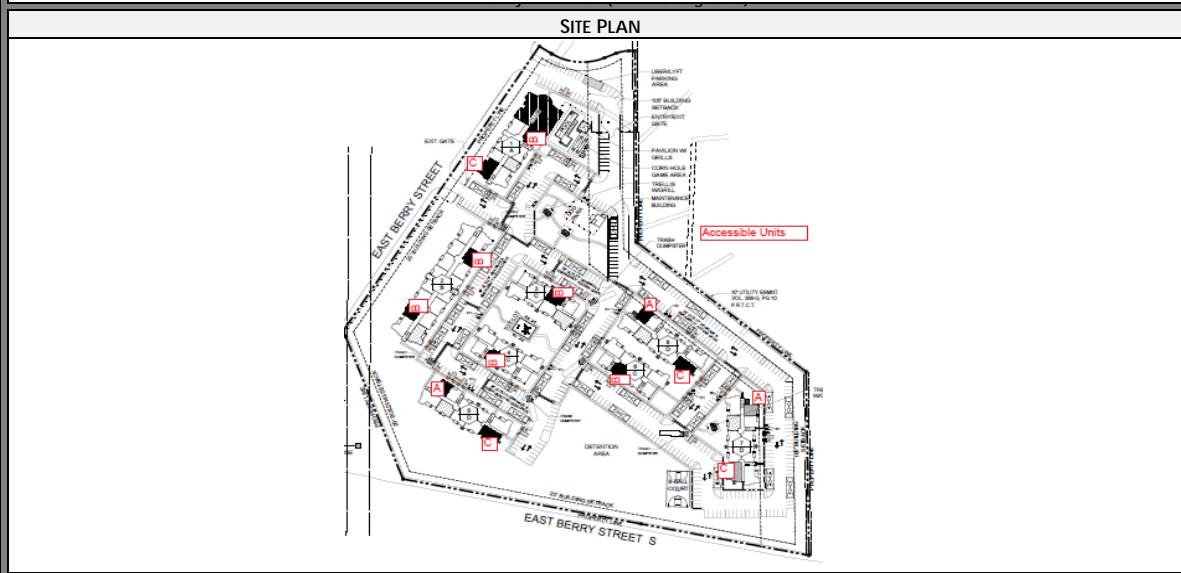
KEY PRINCIPALS / SPONSOR			
Thomas E. Huth Palladium East Berry Street (Developer)			
Sarah Reidy (Consultant)			
Related Parties	Contractor -	No	Seller -
		No	No



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	20%	-	0%
1	57	24%	30%	27	11%
2	117	49%	40%	-	0%
3	66	28%	50%	-	0%
4	-	0%	60%	170	71%
			70%	43	18%
			80%	-	0%
			MR	-	0%
TOTAL	240	100%	TOTAL	240	100%

PRO FORMA FEASIBILITY INDICATORS

Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.15	Expense Ratio	42.8%
Breakeven Occ.	85.6%	Breakeven Rent	\$1,043
Average Rent	\$1,129	B/E Rent Margin	\$86
Property Taxes	\$1,350/unit	Exemption/PILOT	0%
Total Expense	\$5,479/unit	Controllable	\$2,885/unit



MARKET FEASIBILITY INDICATORS

Gross Capture Rate (15% Maximum)	8.1%
Highest Unit Capture Rate	41% 2 BR/60% 98
Dominant Unit Cap. Rate	41% 2 BR/60% 98
Premiums (↑60% Rents)	N/A N/A
Rent Assisted Units	N/A

DEVELOPMENT COST SUMMARY

Costs Underwritten		Applicant's Costs	
Avg. Unit Size	976 SF	Density	14.4/acre
Acquisition	\$07K/unit		\$1,600K
Building Cost	\$118.81/SF	\$116K/unit	\$27,844K
Hard Cost	\$146K/unit		\$35,066K
Total Cost	\$228K/unit		\$54,802K
Developer Fee	\$5,306K (55% Deferred)		Paid Year: ?
Contractor Fee	\$4,628K	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
Cedar Rapids Bank and Trust	18/40	4.96%	\$26,092,000	1.15						PNC	\$22,659,679
TDHCA MDL Soft Repayable	18/0	0.00%	\$3,000,000	1.15						General Partner Equity	\$100
					Undispersed Bond Fund Reinvestment	0/0	0.00%	\$136,768	1.15	Palladium	\$2,913,823
TOTAL DEBT (Must Pay)			\$29,092,000		CASH FLOW DEBT / GRANTS			\$136,768		TOTAL EQUITY SOURCES	\$25,573,602
										TOTAL DEBT SOURCES	\$29,228,768
										TOTAL CAPITALIZATION	\$54,802,370

CONDITIONS

- Receipt and acceptance before Direct Loan Closing
 - a: Updated application exhibits: Rent Schedule, Utility Allowance, Operating Expenses, Long-Term Pro Forma, Development Cost Schedule, Schedule of Sources; and documentation necessary to support any changes from previous underwriting.
 - b: Substantially final construction contract with Schedule of Values.
 - c: Updated term sheets with substantially final terms from all lenders.
 - d: Substantially final draft of limited partnership agreement.
 - e: Senior loan documents and partnership documents must contain a provision(s) that any stabilization resizing on the senior debt includes the debt service on the TDHCA MDL at a minimum 1.15 DCR.
 - f: Certification from the Architect that all recommendations from the noise study are incorporated into the development plans.

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	7/26/2022
Bond Amount	\$26,100,000
BRB Priority	Priority 2
% Financed with Tax-Exempt Bonds	51.04%

RISK PROFILE

STRENGTHS/MITIGATING FACTORS

- Attractive new construction in high visibility area
- Developer Experience

WEAKNESSES/RISKS

- Debt coverage at 1.15x
- 50% Test for Bonds

AREA MAP



AERIAL PHOTOGRAPH(S)





DEVELOPMENT IDENTIFICATION

TDHCA Application #: **22610** Program(s): **4% HTC/MDL**

Palladium East Berry Street

Address/Location: 2350 East Berry Street

City: Fort Worth County: Tarrant Zip: 76105

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

Activity: New Construction Building Type: Garden (Up to 4-story) Region: 3

Analysis Purpose: New Application - Initial Underwriting

ALLOCATION

TDHCA Program	REQUEST				RECOMMENDATION				
	Amount	Interest Rate	Amort	Term	Amount	Interest Rate	Amort	Term	Lien
Multifamily Direct Loan (Soft Repayable)	\$3,000,000	0.00%		18	\$3,000,000	0.00%		18	2
Private Activity Bonds	\$26,092,000				\$26,092,000				
LIHTC (4% Credit)	\$2,575,221				\$2,575,221				

- * Multifamily Direct Loan Terms:
- * The term of a Multifamily Direct Loan should match the term of any superior loan (within 6 months).
- * Lien position after conversion to permanent. The Department's lien position during construction may vary.

CONDITIONS

- Receipt and acceptance before Direct Loan Closing
 - a: Updated application exhibits: Rent Schedule, Utility Allowance, Operating Expenses, Long-Term Pro Forma, Development Cost Schedule, Schedule of Sources; and documentation necessary to support any changes from previous underwriting.
 - b: Substantially final construction contract with Schedule of Values.
 - c: Updated term sheets with substantially final terms from all lenders.
 - d: Substantially final draft of limited partnership agreement.
 - e: Senior loan documents and partnership documents must contain a provision(s) that any stabilization resizing on the senior debt includes the debt service on the TDHCA MDL at a minimum 1.15 DCR.
 - f: Certification from the Architect that all recommendations from the noise study are incorporated into the development plans.

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
30% of AMI	30% of AMI	27
60% of AMI	60% of AMI	170
70% of AMI	70% of AMI	43

TDHCA SET-ASIDES for DIRECT LOAN LURA		
Income Limit	Rent Limit	Number of Units
30% of AMFI	30% of AMFI	20

DEVELOPMENT SUMMARY

Palladium East Berry is a proposed new construction development targeting the general population. Palladium East Berry will have 240 units available in one, two, and three bedroom units. The community building will have a fitness room, business center, children's playroom, conference, and a kitchen.

RISK PROFILE

STRENGTHS/MITIGATING FACTORS	
▫	Attractive new construction in high visibility area
▫	Developer Experience

WEAKNESSES/RISKS	
▫	Debt coverage at 1.15x
▫	50% Test for Bonds

DEVELOPMENT TEAM

PRIMARY CONTACTS

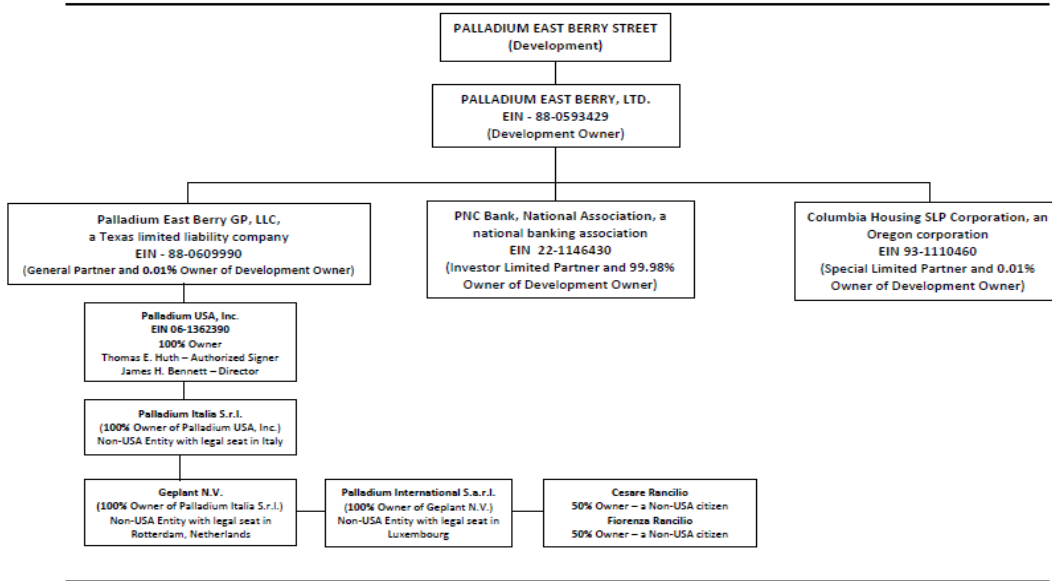
Name: Tom Huth
Phone: (972) 774-4400
Relationship: Applicant / Developer

Name: Sara Reidy
Phone: (214) 941-0089
Relationship: Consultant

OWNERSHIP STRUCTURE

Thomas E. Huth - Ability to Exercise Control

PALLADIUM EAST BERRY STREET
4% Tax Credit – 2022 Program
OWNERSHIP STRUCTURE

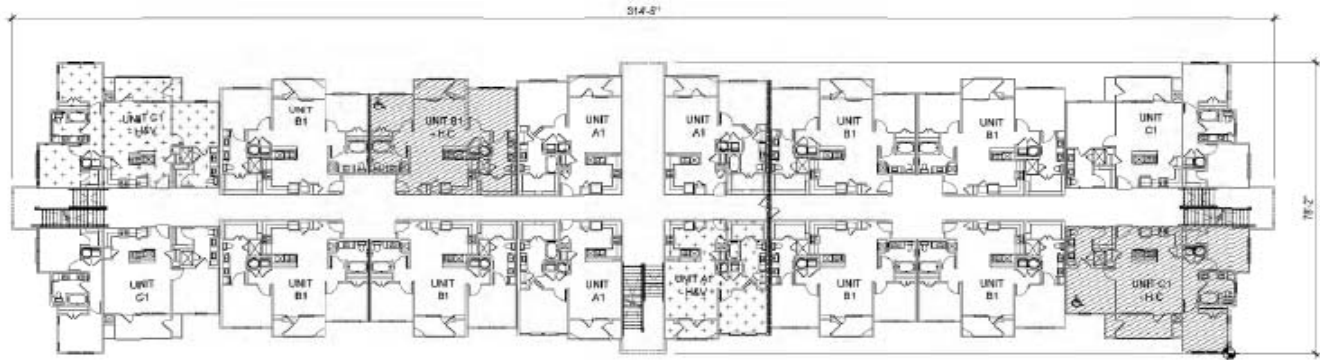


Parking	No Fee		Tenant-Paid		Total	
Open Surface	313	1.3/unit	0	--	313	1.3/unit
Carport	285	1.2/unit	0	--	285	1.2/unit
Garage	0	--	0	--	0	--
Total Parking	598	2.5/unit	0	--	598	2.5/unit

Comments:

Total required parking is 542 spaces. Site plan shows 598 parking spaces will be available to the tenants free of charge. The applicant is meeting the parking requirement.

BUILDING PLAN (Typical)



Comments:

All units have 9-ft. ceilings. Two and three bedroom units have a double vanity in at least one bedroom and a walk-in closet in at least one bedroom. Overall floor plan requires multiple plumbing runs throughout.

BUILDING ELEVATION



Comments:

Modern design with 4/12 roof pitch. The building's appearance is primarily a combination of stucco and stone.

HIGHLIGHTS of ENVIRONMENTAL REPORTS

Provider: Phase Engineering, INC. Date: 1/7/2022

Recognized Environmental Conditions (RECs) and Other Concerns:

- Phase Engineering, INC. found the calculated noise values exceeded the HUD Guidelines Acceptable standard of 65 dB in the North Corner of the site. The greatest contributor of noise is coming from East Berry Street. Phase Engineering, INC. included noise mitigation suggestions: modifying the building configuration, moving the buildings farther away from the noise source, and incorporating noise attenuation in the building materials.

Comments:

Plugged environmental soil boring wells are located at the subject property. The wells were reported to be owned by YMCA of Metropolitan Fort Worth and drilled and plugged in November 2006. No reported releases were found in connection with the subject property during records review for this assessment.

There are no indications that the subject property has been impacted from the wells based on lack of reported releases and lack of indications of nearby environmentally sensitive features or activities from historical documentation.

MARKET ANALYSIS

Provider: Affordable Housing Analysts Date: 12/4/2021
 Contact: Bob Coe Phone: 281-387-7552

Primary Market Area (PMA): 27.806 sq. miles 3 mile equivalent radius

ELIGIBLE HOUSEHOLDS BY INCOME								
Tarrant County Income Limits								
HH Size		1	2	3	4	5	6	7+
30% AMGI	Min	\$13,650	\$13,650	\$16,470	\$16,470	\$21,150	\$21,150	---
	Max	\$18,990	\$21,720	\$24,420	\$27,120	\$29,310	\$31,470	---
60% AMGI	Min	\$30,510	\$30,510	\$36,630	\$36,630	\$42,300	\$42,300	---
	Max	\$37,980	\$43,440	\$48,840	\$54,240	\$58,620	\$62,940	---
70% AMGI	Min	\$42,720	\$42,720	\$42,720	\$42,720	\$49,350	\$49,350	---
	Max	\$44,310	\$50,680	\$56,980	\$63,280	\$68,390	\$73,430	---

AFFORDABLE HOUSING INVENTORY						
Competitive Supply (Proposed, Under Construction, and Unstabilized)						
File #	Development	In PMA?	Type	Target Population	Comp Units	Total Units
20115	Avenue at Sycamore Park	Yes	New	General	54	108
21061	Magnolia Lofts	Yes	New	General	36	67
21017	Hughes House	No	Reconst	General	41	210
22414	Tobias Place	No	New	General	288	288
Other Affordable Developments in PMA since 2017						
21401	Cowan Place		New	Elderly Preference	n/a	174
19276	Sunset at Fash Place		New	Elderly	n/a	66
18414	Prince Hall Gardens Apartments		New	General	n/a	76
18407	Sphinx at Sierra Vista Senior Villas		New	Elderly Limitation	n/a	272
18018	Columbia Renaissance Square II Senior		New	Elderly Preference	n/a	120
Stabilized Affordable Developments in PMA					Total Units	12
					Total Developments	1,574
					Average Occupancy	97.5%

Proposed, Under Construction, and Unstabilized Competitive Supply:

Tobias Place is a complete bond deal that is located within a 2.1 mile radius of Palladium East Berry and is bordering the Subject PMA. Underwriter included the 288 competitive units as a worst case scenario.

OVERALL DEMAND ANALYSIS				
	Market Analyst		Underwriter	
	HTC	Assisted	HTC	
Total Households in the Primary Market Area	32,270		32,270	
Potential Demand from the Primary Market Area	7,358		7,358	
10% External Demand	736		736	
Potential Demand from Other Sources	0		0	
GROSS DEMAND	8,094		8,094	
Subject Affordable Units	240		240	
Unstabilized Competitive Units	162		419	
RELEVANT SUPPLY	402		659	
Relevant Supply ÷ Gross Demand = GROSS CAPTURE RATE	5.0%		8.1%	

Population:	General	Market Area:	Urban	Maximum Gross Capture Rate:	15%
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UNDERWRITING ANALYSIS of PMA DEMAND by AMGI BAND										
AMGI Band	Market Analyst					Underwriter				
	Demand	10% Ext	Subject Units	Comp Units	AMGI Band Capture Rate	Demand	10% Ext	Subject Units	Comp Units	AMGI Band Capture Rate
30% AMGI	2,566	257	12	17	1%	2,566	257	27	61	3%
60% AMGI	3,653	365	203	145	9%	3,653	365	170	358	13.1%
70% AMGI	602	60	15	0	2%	602	60	43	0	6%
80% AMGI	535	54	10	0	2%	535	54	0	0	0%

Demand Analysis:

Per TDHCA rules, as the Subject is a 4% general population bond development in a large MSA with high physical occupancy, the Gross Capture Rate is limited at 15%, not 10%.

New rent schedule provided does not include 80% units. Underwriter's analysis includes the current unit mix per AMGI and the capture rates are within the maximum 15%.

UNDERWRITING ANALYSIS of PMA DEMAND by UNIT TYPE										
Unit Type	Market Analyst					Underwriter				
	Demand	10% Ext	Subject Units	Comp Units	Unit Capture Rate	Demand	10% Ext	Subject Units	Comp Units	Unit Capture Rate
1 BR/30%	541	54	7	5	2%	541	54	12	24	6%
1 BR/60%	463	46	47	49	19%	463	46	45	150	38%
1 BR/70%	210	21	2	0	1%	210	21	0	0	0%
1 BR/80%	170	17	1	0	1%	170	17	0	0	0%
2 BR/30%	353	35	3	10	3%	353	35	10	31	11%
2 BR/60%	601	60	106	83	29%	601	60	98	172	41%
2 BR/70%	187	19	5	0	2%	187	19	9	0	4%
2 BR/80%	154	15	3	0	2%	154	15	0	0	0%
3 BR/30%	835	84	2	2	0%	835	84	5	6	1%
3 BR/60%	835	84	50	13	7%	835	84	27	36	7%
3 BR/70%	297	30	8	0	2%	297	30	34	0	10%
3 BR/80%	263	26	6	0	2%	263	26	0	0	0%

Market Analyst Comments:

The reported rents are considered very competitive for a newly constructed project in this market. Occupancies of the affordable housing projects are high, with some maintaining waiting lists. The subject property need only achieve moderate penetration to be feasible. [pg. 14 of Market Study]

According to the Dallas Fed, Job growth picked up pace in September, rising an annualized 8.1 percent, up from 3.6 percent in August. September gains of 24,900 jobs pushed DFW employment past its pre-recession level. [pg. 31 of Market Study]

OPERATING PRO FORMA

SUMMARY- AS UNDERWRITTEN (Applicant's Pro Forma)

NOI:	\$1,756,864	Avg. Rent:	\$1,129	Expense Ratio:	42.8%
Debt Service:	\$1,527,584	B/E Rent:	\$1,043	Controllable Expenses:	\$2,885
Net Cash Flow:	\$229,279	UW Occupancy:	92.5%	Property Taxes/Unit:	\$1,350
Aggregate DCR:	1.15	B/E Occupancy:	85.6%	Program Rent Year:	2022

Project is 100% restricted with 20 units being NHTF restricted and 2 match units. Applicant has elected to use income averaging.

Breakeven occupancy occurs at 35 units (underwritten at 18).

The Deferred Developer Fee projected to be paid off in 9 years.

Cash Flow after 15 years projected to be \$3M.

DEVELOPMENT COST EVALUATION

SUMMARY- AS UNDERWRITTEN (Applicant's Costs)

Acquisition	\$96,316/ac	\$6,667/unit	\$1,600,000	Contractor Fee	\$4,627,999
Off-site + Site Work		\$21,720/unit	\$5,212,860	Soft Cost + Financing	\$6,780,598
Building Cost	\$118.81/sf	\$116,018/unit	\$27,844,272	Developer Fee	\$5,306,087
Contingency	6.08%	\$8,372/unit	\$2,009,256	Reserves	\$1,421,298
Total Development Cost	\$228,343/unit	\$54,802,370	Rehabilitation Cost	N/A	

Qualified for 30% Basis Boost?

Located in QCT with < 20% HTC units/HH

Site Work:

Applicant submitted site work costs [\$12,570/ Unit] grading and concrete \$1.70M, electrical \$274k, and on-site utilities \$973k. A certified letter from CPA is not required if site work costs are under \$15k / unit.

Site amenities is comprised of \$2.19M (\$9,150 / Unit). Costs include landscaping \$1.14M , pool and decking \$205k, athletic court and playground \$197k, fencing \$649k.

Building Cost:

Applicant costed at \$27.8M [\$119/sf]. Underwriter utilized Marshall & Swift's "good quality" base cost adjusted for increased Covid construction costs which generates a building cost estimate of \$29.67M [\$127/sf].

Given the current multi-family construction cost market, it is possible Applicant's \$119/sf is lower than it will actually cost to build this development. TDHCA has discussed this concern with the applicant.

Contingency:

Contingency costs of \$2M are at 6% within the maximum allotted 7% percentage.

Soft Costs:

Soft Costs are \$8,342 / unit. A&E costs are \$2.4k / unit. Costs are in the middle of the range per unit.

Developer Fee:

Applicant limited their developer fee to 12% to meet the 51% bond test (Texas Statute § 1372.0321 (b)).

Reserves:

Total capital reserves represent approximately 6 months of operating expenses and debt service.

Comments:

The recommended capital structure is being determined by Applicant's cost schedule.

Credit Allocation Supported by Costs:

Total Development Cost	Adjusted Eligible Cost	Credit Allocation Supported by Eligible Basis
\$54,802,370	\$49,523,482	\$2,575,222

UNDERWRITTEN CAPITALIZATION

BOND RESERVATION			
Issuer	Amount	Reservation Date	Priority
TDHCA	\$26,100,000	1/27/2022	Priority 2
Closing Deadline			
7/26/2022			

Percent of Cost Financed by Tax-Exempt Bonds	51.04%
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Comments:

Bonds issued by TDHCA require an ongoing Bond Administration Fee of 10 basis points of the outstanding bond amount and must be paid as long as the bond is outstanding. The 10 basis points have been included in the debt service calculation.

Applicant's pro forma generates a bond test pf 51.04% which meets the Texas Statute § 1372.0321(b) requirement of a minimum of 51% for a priority 2 bond reservation. However, a slight increase of \$56k in building costs would reduce the bond test below the requirement. TDHCA calculations show the bond test at 49.27%.

TDHCA has expressed serious concern that the \$119 building cost/sf is quite low given the current construction market.

INTERIM SOURCES				
Funding Source	Description	Amount	Rate	LTC
Cedar Rapids Bank and Trust	Private Placement	\$26,092,000	4.96%	48%
PNC	Bridge Loan	\$17,635,210	2.44%	32%
TDHCA MDL Soft Repayable	Multifamily Soft Repayable	\$3,000,000	0.00%	5%
PNC	HTC	\$2,265,968	\$0.88	4%
General Partner Equity	General Equity Contribution	\$100	\$0.00	0%
Palladium	Deferred Developer Fee	\$4,109,525	0.00%	7%
Undispersed Bond Fund Reinvestment		\$136,768	0.00%	0%
Post Construction Expense		\$1,562,799	0.00%	3%
		\$54,802,370	Total Sources	

Comments:

Applicant has applied for a \$3M partially amortizing MDL NHTF loan from the 2022-1 NOFA.

MDL match of \$225k provided by below market interest rate on Cedar Rapids Bank and Trust Loan.

PERMANENT SOURCES

Debt Source	PROPOSED				UNDERWRITTEN				
	Amount	Interest Rate	Amort	Term	Amount	Interest Rate	Amort	Term	LTC
Cedar Rapids Bank and Trust	\$26,092,000	4.96%	40	18	\$26,092,000	4.96%	40	18	48%
TDHCA MDL Soft Repayable	\$3,000,000	0.00%	0	18	\$3,000,000	0.00%	0	18	5%
Undispersed Bond Fund Reinvestment	\$136,768	0.00%	0	0	\$136,768	0.00%	0	0	0%
Total	\$29,228,768				\$29,228,768				

Comments:

Perm loan is interest only payments for the first 3 years, followed by 15 years of principal and interest payments. For underwriting purposes, the loan has been fully amortized over the 18 year term.

With raising interest rates, as underwritten, the interest rate could increase to 5.65% before the project is infeasible.

Equity & Deferred Fees	PROPOSED			UNDERWRITTEN			
	Amount	Rate	% Def	Amount	Rate	% TC	% Def
PNC	\$22,659,679	\$0.88		\$22,659,679	\$0.88	41%	
Palladium	\$2,913,823		55%	\$2,913,823		5%	55%
Total	\$25,573,602			\$25,573,602			
				\$54,802,370		Total Sources	

Credit Price Sensitivity based on current capital structure

\$0.993	Maximum Credit Price before the Development is oversourced and allocation is limited
\$0.787	Minimum Credit Price below which the Development would be characterized as infeasible

CONCLUSIONS

Recommended Financing Structure:

Permanent loan of \$26,092,000 achieves a 1.15x debt coverage ratio.

Gap Analysis:	
Total Development Cost	\$54,802,370
Permanent Sources (debt + non-HTC equity)	\$29,228,868
Gap in Permanent Financing	\$25,573,502

Possible Tax Credit Allocations:	Equity Proceeds	Annual Credits
Determined by Eligible Basis	\$22,659,688	\$2,575,222
Needed to Balance Sources & Uses	\$25,573,502	\$2,906,370
Requested by Applicant	\$22,659,679	\$2,575,221

	RECOMMENDATION	
	Equity Proceeds	Annual Credits
Tax Credit Allocation	\$22,659,679	\$2,575,221

	Amount
TDHCA-Issued Bonds	\$26,092,000
TDHCA MDL Soft Repayable	\$3,000,000

Deferred Developer Fee	\$2,913,823	(55% deferred)
Repayable in	9 years	

Comments:

Underwriter recommends \$2,575,221 in annual tax credits as requested by the applicant.

Underwriter recommends award of \$3,000,000 in Multifamily Direct Loan Funds as a second lien partially amortizing loan at 0% interest with an 18-year term to match senior debt.

If the Direct Loan funds are not awarded, the deal is infeasible due to the increase in the deferred developer fee (DDF). The DDF is not repayable within the first 15 years without additional non-amortizing debt sources.

Underwriter:	<i>Robert Castillo</i>	
Manager of Real Estate Analysis:	<i>Diamond Unique Thompson</i>	
Manager of Real Estate Analysis:	<i>Gregg Kazak</i>	
Director of Real Estate Analysis:	<i>Jeanna Adams</i>	

STABILIZED PRO FORMA

Palladium East Berry Street, Fort Worth, 4% HTC/MDL #22610

STABILIZED FIRST YEAR PRO FORMA

	COMPARABLES		APPLICANT				TDHCA				VARIANCE	
	Database	Other	% EGI	Per SF	Per Unit	Amount	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT				\$1.16	\$1,129	\$3,250,332	\$3,250,332	\$1,129	\$1.16		0.0%	\$0
Application, Pet, Late and NSF Fees					\$24.50	\$70,560						
Total Secondary Income					\$24.50		\$70,560	\$24.50			0.0%	\$0
POTENTIAL GROSS INCOME						\$3,320,892	\$3,320,892				0.0%	\$0
Vacancy & Collection Loss					7.5% PGI	(249,067)	(249,067)	7.5% PGI			0.0%	-
EFFECTIVE GROSS INCOME						\$3,071,825	\$3,071,825				0.0%	\$0

General & Administrative	\$122,171	\$509/Unit	\$88,842	\$370	3.29%	\$0.43	\$421	\$101,055	\$101,055	\$421	\$0.43	3.29%	0.0%	-
Management	\$114,309	3.7% EGI	\$91,447	\$381	4.00%	\$0.52	\$512	\$122,873	\$122,873	\$512	\$0.52	4.00%	0.0%	0
Payroll & Payroll Tax	\$321,396	\$1,339/Unit	\$328,967	\$1,371	9.57%	\$1.25	\$1,225	\$294,040	\$294,040	\$1,225	\$1.25	9.57%	0.0%	-
Repairs & Maintenance	\$173,445	\$723/Unit	\$158,505	\$660	3.24%	\$0.42	\$414	\$99,413	\$156,000	\$650	\$0.67	5.08%	-36.3%	(56,587)
Electric/Gas	\$61,196	\$255/Unit	\$29,107	\$121	0.99%	\$0.13	\$127	\$30,461	\$29,107	\$121	\$0.12	0.95%	4.7%	1,354
Water, Sewer, & Trash	\$187,004	\$779/Unit	\$164,267	\$684	5.45%	\$0.71	\$698	\$167,519	\$164,267	\$684	\$0.70	5.35%	2.0%	3,252
Property Insurance	\$109,034	\$0.47 /sf	\$77,078	\$321	3.13%	\$0.41	\$400	\$96,000	\$109,034	\$454	\$0.47	3.55%	-12.0%	(13,034)
Property Tax (@ 100%) 2.69	\$262,369	\$1,093/Unit	\$130,017	\$542	10.55%	\$1.38	\$1,350	\$324,000	\$262,369	\$1,093	\$1.12	8.54%	23.5%	61,631
Reserve for Replacements					1.95%	\$0.26	\$250	\$60,000	\$60,000	\$250	\$0.26	1.95%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)					0.31%	\$0.04	\$40	\$9,600	\$9,600	\$40	\$0.04	0.31%	0.0%	-
TDHCA Bond Compliance Fee					0.20%	\$0.03	\$25	\$6,000	\$6,000	\$25	\$0.03	0.20%	0.0%	-
Bond Trustee Fees					0.13%	\$0.02	\$17	\$4,000	\$4,000	\$17	\$0.02	0.13%	0.0%	-
TOTAL EXPENSES					42.81%	\$5.61	\$5,479	\$1,314,961	\$1,318,345	\$5,493	\$5.63	42.92%	-0.3%	\$ (3,384)
NET OPERATING INCOME ("NOI")					57.19%	\$7.50	\$7,320	\$1,756,864	\$1,753,480	\$7,306	\$7.48	57.08%	0.2%	\$ 3,384

CONTROLLABLE EXPENSES							\$2,885/Unit							\$3,102/Unit
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Palladium East Berry Street, Fort Worth, 4% HTC/MDL #22610

		DEBT / GRANT SOURCES														
		APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE							AS UNDERWRITTEN DEBT/GRANT STRUCTURE							
		Cumulative DCR		Pmt	Rate	Amort	Term	Principal	Principal	Term	Amort	Rate	Pmt	Cumulative		
DEBT (Must Pay)	Fee	UW	App											DCR	LTC	
Cedar Rapids Bank and Trust	0.10%	1.15	1.15	1,527,634	4.96%	40	18	\$26,092,000	\$26,092,000	18	40	4.96%	\$1,527,583	1.15	47.6%	
TDHCA MDL Soft Repayable		1.15	1.15		0.00%	0	18	\$3,000,000	\$3,000,000	18	0	0.00%	\$1	1.15	5.5%	
CASH FLOW DEBT / GRANTS																
Undispersed Bond Fund Reinvestment		1.15	1.15		0.00%	0	0	\$136,768	\$136,768	0	0	0.00%		1.15	0.2%	
				\$1,527,634	TOTAL DEBT / GRANT SOURCES			\$29,228,768	\$29,228,768	TOTAL DEBT SERVICE			\$1,527,584	1.15	53.3%	

NET CASH FLOW	\$225,846	\$229,230	APPLICANT NET OPERATING INCOME		\$1,756,864	\$229,279	NET CASH FLOW
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		EQUITY SOURCES											
		APPLICANT'S PROPOSED EQUITY STRUCTURE					AS UNDERWRITTEN EQUITY STRUCTURE						
		DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method	
EQUITY / DEFERRED FEES													PNC
General Partner Equity				0.0%		\$100	\$100			0.0%			
Palladium		Deferred Developer Fees		5.3%	(55% Deferred)	\$2,913,823	\$2,913,823	(55% Deferred)		5.3%		Total Developer Fee: \$5,306,087	
Additional (Excess) Funds Req'd				0.0%		\$0	\$0			0.0%			
TOTAL EQUITY SOURCES				46.7%		\$25,573,602	\$25,573,602			46.7%			

TOTAL CAPITALIZATION	\$54,802,370	\$54,802,370	15-Yr Cash Flow after Deferred Fee:		\$3,026,324
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		DEVELOPMENT COST / ITEMIZED BASIS											
		APPLICANT COST / BASIS ITEMS				TDHCA COST / BASIS ITEMS				COST VARIANCE			
		Eligible Basis		Total Costs	Total Costs	Eligible Basis		%	\$				
		Acquisition	New Const. Rehab			New Const. Rehab	Acquisition						
Land Acquisition				\$6,667 / Unit	\$1,600,000	\$1,600,000	\$6,667 / Unit		0.0%	\$0			
Building Acquisition	\$0			\$ / Unit	\$0	\$0	\$ / Unit	\$0	0.0%	\$0			
Site Work			\$3,016,980	\$12,571 / Unit	\$3,016,980	\$3,016,980	\$12,571 / Unit	\$3,016,980	0.0%	\$0			
Site Amenities			\$2,195,880	\$9,150 / Unit	\$2,195,880	\$2,195,880	\$9,150 / Unit	\$2,195,880	0.0%	\$0			
Building Cost			\$27,844,272	\$118.81 /sf	\$116,018/Unit	\$27,844,272	\$29,674,774	\$123,645/Unit	\$126.62 /sf	\$27,844,272	-6.2%	(\$1,830,502)	
Contingency			\$2,009,256	6.08%	6.08%	\$2,009,256	\$2,009,256	5.76%	6.08%	\$2,009,256	0.0%	\$0	
Contractor Fees			\$4,627,999	13.20%	13.20%	\$4,627,999	\$4,627,999	12.54%	13.20%	\$4,627,999	0.0%	\$0	
Soft Costs	\$0		\$1,798,413	\$8,342 / Unit	\$2,002,163	\$2,002,163	\$8,342 / Unit	\$1,798,413	\$0	0.0%	\$0		
Financing	\$0		\$2,724,595	\$19,910 / Unit	\$4,778,435	\$4,778,435	\$19,910 / Unit	\$2,724,595	\$0	0.0%	\$0		
Developer Fee	\$0		\$5,306,087	12.00%	12.00%	\$5,306,087	\$5,306,087	11.52%	12.00%	\$5,306,087	\$0	0.0%	\$0
Reserves				6 Months	\$1,421,298	\$1,421,298	6 Months			\$0	0.0%	\$0	
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)		\$0	\$49,523,482		\$228,343 / Unit	\$54,802,370	\$56,632,872	\$235,970 / Unit	\$49,523,482	\$0	-3.23%	(\$1,830,502)	
Acquisition Cost	\$0				\$0								
Contingency			\$0		\$0								
Contractor's Fee			\$0		\$0								
Financing Cost			\$0		\$0								
Developer Fee	\$0		\$0		\$0								
Reserves					\$0								
ADJUSTED BASIS / COST		\$0	\$49,523,482		\$228,343/unit	\$54,802,370	\$56,632,872	\$235,970/unit	\$49,523,482	\$0	-3.23%	(\$1,830,502)	
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):						\$54,802,370							

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Palladium East Berry Street, Fort Worth, 4% HTC/MDL #22610

	CREDIT CALCULATION ON QUALIFIED BASIS			
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction
ADJUSTED BASIS	\$0	\$49,523,482	\$0	\$49,523,482
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$49,523,482	\$0	\$49,523,482
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$64,380,527	\$0	\$64,380,527
Applicable Fraction	100.00%	100.00%	100%	100%
TOTAL QUALIFIED BASIS	\$0	\$64,380,527	\$0	\$64,380,527
Applicable Percentage	4.00%	4.00%	4.00%	4.00%
ANNUAL CREDIT ON BASIS	\$0	\$2,575,221	\$0	\$2,575,221
CREDITS ON QUALIFIED BASIS	\$2,575,221		\$2,575,221	

Method	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
	Annual Credits	Proceeds	Credit Price	Variance to Request	
			Credit Allocation	Credits	Proceeds
Eligible Basis	\$2,575,222	\$22,659,688	----	----	----
Needed to Fill Gap	\$2,906,370	\$25,573,502	----	----	----
Applicant Request	\$2,575,221	\$22,659,679	\$2,575,221	\$0	\$0

50% Test for Bond Financing for 4% Tax Credits			
Tax-Exempt Bond Amount		Applicant	TDHCA
\$	26,092,000		
Land Cost	\$ 1,600,000	\$1,600,000	\$1,600,000
Depreciable Bldg Cost **	\$ 49,523,482	\$49,523,482	\$51,353,984
Aggregate Basis for 50% Test	\$ 51,123,482	\$51,123,482	\$52,953,984
Percent Financed by Tax-Exempt Bonds	51.04%	51.04%	49.27%

**Depreciable building cost includes: Total construction contract, total building acquisition, total developer fee, plus eligible financing and soft costs.

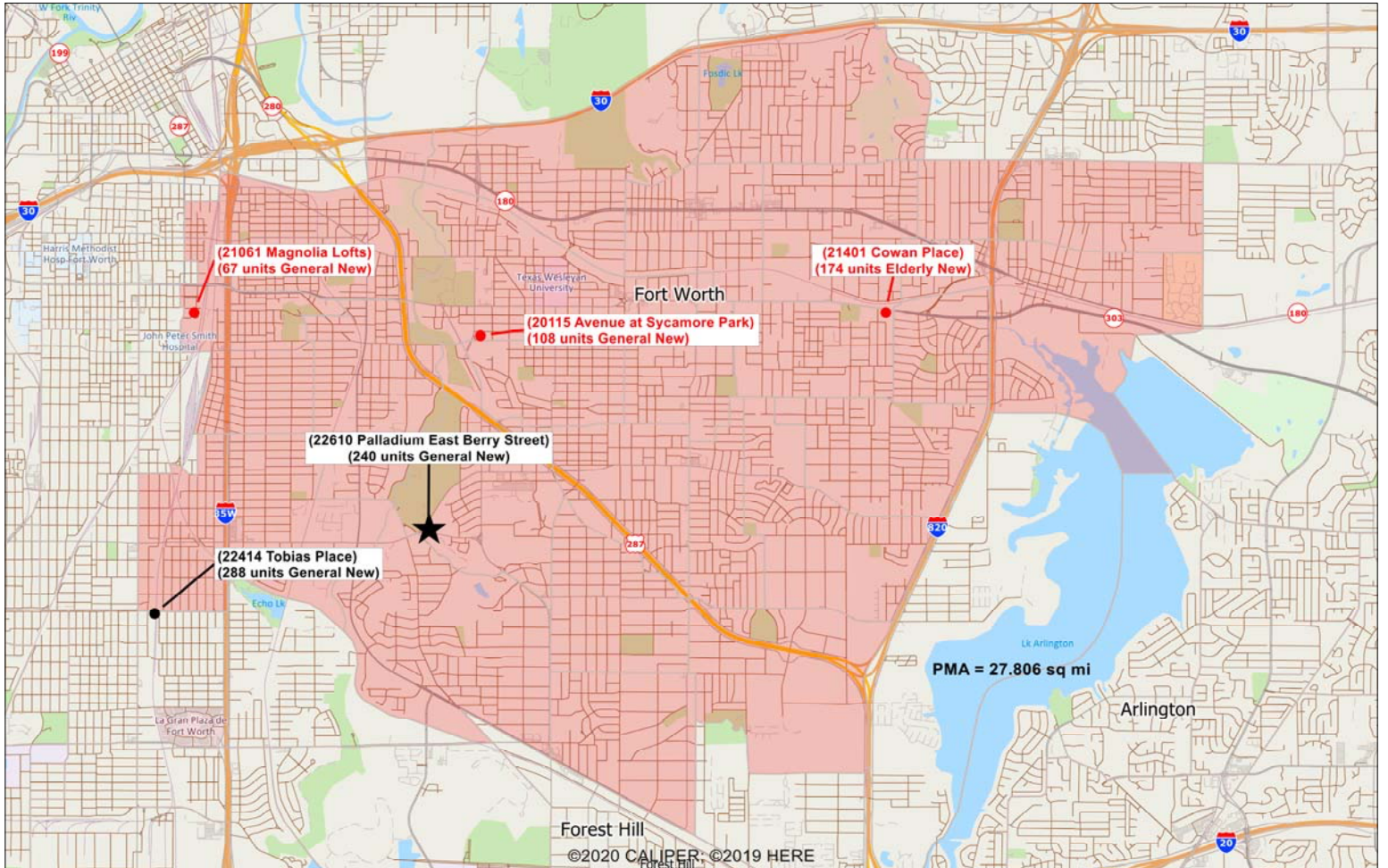
BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Garden (Up to 4-story)	234,357 SF	\$110.08	25,797,211
Adjustments				
Exterior Wall Finish	8.00%		8.81	\$2,063,777
Elderly	0.00%		0.00	0
9-Ft. Ceilings	4.00%		4.40	1,031,888
Roof Adjustment(s)			(0.25)	(58,589)
Subfloor			(0.16)	(37,497)
Floor Cover			2.56	599,954
Breezeways	\$30.09	33,052	4.24	994,445
Balconies	\$30.26	14,730	1.90	445,768
Plumbing Fixtures	\$1,080	732	3.37	790,560
Rough-ins	\$530	480	1.09	254,400
Built-In Appliances	\$1,830	240	1.87	439,200
Exterior Stairs	\$2,460	42	0.44	103,320
Heating/Cooling			2.34	548,395
Storage Space	\$30.09	0	0.00	0
Carports	\$12.25	50,862	2.66	623,054
Garages		0	0.00	0
Common/Support Area	\$95.39	4,717	1.92	449,938
Elevators		0	0.00	0
Other:			0.00	0
Fire Sprinklers	\$2.88	272,126	3.34	783,723
SUBTOTAL			148.62	\$34,829,547
Current Cost Multiplier	1.00		0.00	0
Local Multiplier	1.00		0.00	0
Reserved				0
TOTAL BUILDING COSTS			148.62	\$34,829,547
Plans, specs, survey, bldg permits	3.30%		(4.90)	(\$1,149,375)
Contractor's OH & Profit	11.50%		(17.09)	(4,005,398)
NET BUILDING COSTS		\$123.645/unit	\$126.62/sf	\$29,674,774

Long-Term Pro Forma

Palladium East Berry Street, Fort Worth, 4% HTC/MDL #22610

	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%	\$3,071,825	\$3,133,262	\$3,195,927	\$3,259,845	\$3,325,042	\$3,671,115	\$4,053,208	\$4,475,069	\$4,940,838	\$5,455,084	\$6,022,854	\$6,649,717
TOTAL EXPENSES	3.00%	\$1,314,961	\$1,353,182	\$1,392,524	\$1,433,021	\$1,474,708	\$1,702,250	\$1,965,269	\$2,269,337	\$2,620,904	\$3,027,438	\$3,497,587	\$4,041,365
NET OPERATING INCOME ("NOI")		\$1,756,864	\$1,780,080	\$1,803,403	\$1,826,824	\$1,850,335	\$1,968,866	\$2,087,939	\$2,205,732	\$2,319,934	\$2,427,647	\$2,525,267	\$2,608,353
EXPENSE/INCOME RATIO		42.8%	43.2%	43.6%	44.0%	44.4%	46.4%	48.5%	50.7%	53.0%	55.5%	58.1%	60.8%
MUST -PAY DEBT SERVICE													
Cedar Rapids Bank and Trust		\$1,527,583	\$1,527,371	\$1,527,148	\$1,526,914	\$1,526,668	\$1,525,237	\$1,523,405	\$1,521,058	\$1,518,052	\$1,514,201	\$1,509,270	\$1,502,953
Adjustment to Debt Per §11.302(c)(2)													
TOTAL DEBT SERVICE		\$1,527,583	\$1,527,371	\$1,527,148	\$1,526,914	\$1,526,668	\$1,525,237	\$1,523,405	\$1,521,058	\$1,518,052	\$1,514,201	\$1,509,270	\$1,502,953
DEBT COVERAGE RATIO		1.15	1.17	1.18	1.20	1.21	1.29	1.37	1.45	1.53	1.60	1.67	1.74
ANNUAL CASH FLOW		\$229,280	\$252,709	\$276,255	\$299,910	\$323,666	\$443,628	\$564,534	\$684,674	\$801,883	\$913,445	\$1,015,998	\$1,105,399
Deferred Developer Fee Balance		\$2,684,543	\$2,431,834	\$2,155,579	\$1,855,669	\$1,532,003	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$0	\$445,546	\$3,026,339	\$6,210,133	\$9,986,801	\$14,333,781	\$19,213,035	\$24,567,427

22610 Palladium East Berry PMA Map





Final Transcript

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS:
Bond Public Hearing**

February 14, 2022/2:00 p.m. CST

SPEAKERS

Teresa Morales

PRESENTATION

Teresa Good afternoon. This is Teresa Morales with the Texas Department of Housing and Community Affairs. And the purpose of this call is to conduct a public hearing for the proposed Palladium East Berry Street Apartments. To give folks a little bit more time to dial in, we'll get started in just another minute or so.

Avis Hi, Teresa. This is Avis Chaisson [ph] representing Palladium USA.

Teresa Hi, Avis.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

Host: Teresa Morales

February 14, 2022/2:00 p.m. CST

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Good afternoon. This is Teresa Morales with the Texas Department of Housing and Community Affairs. And the purpose of this call is to conduct a public hearing for the proposed Palladium East Berry Street. This hearing is required by the Internal Revenue Code. And to give folks an idea as to how we're going to proceed, there is a brief speech that I need to read for purposes of meeting the requirements of the Internal Revenue Code. And then it will be at the conclusion of that speech where I will unmute the lines and if there are any individuals on the call who would like to make public comment that would be your opportunity to do so.

So with that being said, I will go ahead and read the brief speech. Good afternoon. My name is Teresa Morales and I would like to proceed with the public hearing. Let the record show that it is 2:02 p.m. on Monday, February 14, 2022. 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

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

Host: Teresa Morales

February 14, 2022/2:00 p.m. CST

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consider the transaction on April 14, 2022. 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 \$26,100,000 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 bonds will be loaned to Palladium East Berry Ltd, or a related person or affiliate entity thereof to finance a portion of the cost of acquiring and equipping a multifamily rental housing community described as follows: a 240-unit multifamily residential rental development to be located on approximately 16.612 acres of land located at or near 2350 East Berry Street, Fort Worth, Tarrant County, Texas 76105. The proposed multifamily rental housing community will be initially owned and operated by the borrower or a related person or affiliate thereof.

I am now going to unmute all of the lines. And so if there are any individuals on the call who would like to make public comment, this would be your opportunity to do so.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

Host: Teresa Morales

February 14, 2022/2:00 p.m. CST

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Again, all of the lines have been unmuted. If there are any individuals who would like to make public comment, you may do so at this time.

All right, let the record show that there are no individuals on the call who have expressed an interest in making public comment, and therefore, the meeting is now adjourned. The time is 2:06 p.m. Thank you.



September 20, 2021

Ms. Teresa Morales
Director of Multifamily Bonds and Administrator of 4% Housing Tax Credits
Texas Department of Housing and Community Affairs (TDHCA)
P.O. Box 13941
Austin, Texas 78711-3941

RE: Support for the Palladium East Berry Street Development

Director Morales,

Please accept this letter expressing my support for the Palladium East Berry Street development (“Development”) to be located at 2350 East Berry Street, Fort Worth, Texas 76105, to enable the Development to receive 3 points under Section §12.6(9) of the Multifamily Housing Revenue Bond Rules 2021.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ramon Romero, Jr.', written in a cursive style.

Ramon Romero, Jr.
State Representative, District 90



September 17, 2021

Ms. Teresa Morales
Director of Multifamily Bonds and Administrator of 4% Housing Tax Credits
Texas Department of Housing and Community Affairs (TDHCA)
P.O. Box 13941
Austin, Texas 78711-3941

RE: Palladium East Berry Street Development

Director Morales,

Please accept this letter expressing my support for the Palladium East Berry Street development to be located at 2350 East Berry Street, Fort Worth, Texas 76105, to enable the Development to receive 3 points under Section §12.6(9) of the Multifamily Housing Revenue Bond Rules 2021. Official action by the Fort Worth City Council on the Development's zoning application will be determined by a vote of the majority of the City Council after a public hearing, and this letter does not constitute any assurance of a specific outcome by City Council.

Sincerely,

Mattie Parker, Mayor
City of Fort Worth

Cc: Avis Chaisson, Director of Real Estate Development, Palladium USA –
Achaisson@Palladiumusa.com

MATTIE PARKER, MAYOR

CITY OF FORT WORTH ★ 200 TEXAS STREET ★ FORT WORTH, TEXAS 76102
(817) 392-6118 ★ FAX (817) 392-2409



Friday, September 17, 2021

Ms. Teresa Morales
Director of Multifamily Bonds and Administrator of 4% Housing Tax Credits
Texas Department of Housing and Community Affairs (TDHCA)
P.O. Box 13941
Austin, Texas 78711-3941

RE: Palladium East Berry Street Development

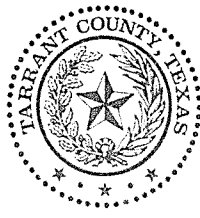
Director Morales,

Please accept this letter expressing my support for the Palladium East Berry Street development (“Development”) to be located at 2350 East Berry Street, Fort Worth, Texas 76105, to enable the Development to receive 3 points under Section §12.6(9) of the Multifamily Housing Revenue Bond Rules 2021. Official action by the Fort Worth City Council on the Development’s zoning application will be determined by a vote of the majority of the City Council after a public hearing, and this letter does not constitute any assurance of a specific outcome by City Council.

Sincerely,

Chris Nettles
Fort Worth Councilmember, Council District 8

Cc: Avis Chaisson, Director of Real Estate Development, Palladium USA –
Achaisson@Palladiumusa.com



ROY CHARLES BROOKS

County Commissioner

Precinct No. 1

Tuesday, September 21, 2021

Ms. Teresa Morales
Director of Multifamily Bonds and Administrator of 4% Housing Tax Credits
Texas Department of Housing and Community Affairs (TDHCA)
P.O. Box 13941
Austin, Texas 78711-3941

RE: Palladium East Berry Street Development

Director Morales,

Please accept this letter expressing my support for the Palladium East Berry Street development to be located at 2350 East Berry Street, Fort Worth, Texas 76105, to enable the Development to receive 3 points under Section §12.6(9) of the Multifamily Housing Revenue Bond Rules 2021.

Sincerely,

Roy Charles Brooks, County Commissioner
Tarrant County, Precinct 1

Cc: Avis Chaisson, Director of Real Estate Development, Palladium USA –
Achaisson@Palladiumusa.com



B. GLEN WHITLEY
COUNTY JUDGE
of
TARRANT COUNTY

September 22, 2021

Ms. Teresa Morales
Director of Multifamily Bonds and Administrator of 4% Housing Tax Credits
Texas Department of Housing and Community Affairs (TDHCA)
P.O. Box 13941
Austin, Texas 78711-3941

RE: Support for the Palladium East Berry Street Development, 2350 E. Berry St., Fort Worth,
TX 76105

Director Morales,

Please accept this letter expressing my support for the Palladium East Berry Street
Development to receive three (3) points under Section §12.6(9) of the Multifamily Housing
Revenue Bond Rules 2021.

Sincerely,

B. Glen Whitley, County Judge
Tarrant County

Cc: Avis Chaisson, Director of Real Estate Development, Palladium USA

Kent Paredes Scribner, Ph.D.
Superintendent of Schools
Fort Worth Independent School District
100 N. University Dr., Ste. SW 207, Fort Worth, Texas 76107
OFFICE 817.814.1900 FAX 817.814.1905
www.fwisd.org



September 22, 2021

Ms. Teresa Morales
Director of Multifamily Bonds and Administrator of 4% Housing Tax Credits
Texas Department of Housing and Community Affairs (TDHCA)
P.O. Box 13941
Austin, Texas 78711-3941

RE: Support for the Palladium East Berry Street Development

Director Morales,

Please accept this letter expressing my support for the Palladium East Berry Street development ("Development") to be located at 2350 East Berry Street, Fort Worth, Texas 76105, to enable the Development to receive 3 points under Section §12.6(9) of the Multifamily Housing Revenue Bond Rules 2021.

Should you need to contact me, I can be reached at (817) 814-1900.

Sincerely,

A handwritten signature in black ink, appearing to read "K. Scribner", is written over a horizontal line.

Kent P. Scribner, Ph.D.

Tobi Jackson, M.S.
President
FWISD Board of Trustees
100 N. University Dr., Ste. 150 Fort Worth, Texas 76107
817.296.7721 cell



Thursday, September 16, 2021

Ms. Teresa Morales
Director of Multifamily Bonds and Administrator of 4% Housing Tax Credits
Texas Department of Housing and Community Affairs (TDHCA)
P.O. Box 13941
Austin, Texas 78711-3941

RE: Palladium East Berry Street Development

Director Morales,

Please accept this letter expressing my support for the Palladium East Berry Street development to be located at 2350 East Berry Street, Fort Worth, Texas 76105, to enable the Development to receive 3 points under Section §12.6(9) of the Multifamily Housing Revenue Bond Rules 2021.

Please let me know if you wish to discuss this letter of reference or should you have further questions. I'm always available at 817-296-7721, just text or email me at tobi.jackson@fortworthsparc.org

Sincerely,

A handwritten signature in blue ink, appearing to be "Tobi Jackson". The signature is stylized and fluid, with a long horizontal stroke at the end.

Tobi Jackson, M.S.



2021 Board of Directors

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Potere Construction LLC

Randle Howard, *Vice Chairperson*
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Martha Obermiller, *Ex-Officio*
City of Fort Worth, Texas

Stacy E. Marshall, *President*
Southeast Fort Worth, Inc.
1150 S. Freeway, Suite 148
Fort Worth, Texas 76104
v: 817.871.6542 | f: 817.332.6465
e: stacy@southeastfw.com
www.SoutheastFW.com

A 501(c)(3) Development Corporation

**OUR VISION IS THAT
SOUTHEAST FORT WORTH WILL
BE A GREAT PLACE TO LIVE,
LEARN, WORK, PLAY, INVEST,
DO BUSINESS AND SHOP.**

Residents of the area know that many of these lifestyle characteristics exist today. There are beautiful and affordable neighborhoods with quality educational opportunities and open space amenities. City and community leaders see strategic opportunities for business, workforce and retail development. This Blueprint is designed to draw focused attention to specific planning initiatives to increase "Quality of Life" options for area residents and as an attraction to regional visitors.

Tuesday, August 3, 2021

Tom Huth, President and CEO
Palladium USA International, Inc.
13455 Noel Road, Suite 400
Dallas, Texas 75240

RE: Support for the Palladium East Berry Street Development and Texas Department of Housing and Community Affairs (TDHCA) Application Number 21621

Mr. Huth,

I am writing this letter to demonstrate support to Palladium USA International, Inc. (Palladium USA) for Palladium East Berry Street, a luxury living development to be located on vacant land at 2350 East Berry Street, Fort Worth, Texas 76105 (Development) and TDHCA Application number 21621. I very much appreciated meeting with you and your team on July 16, 2021, to discuss not only the Development but the premium product Palladium USA provides.

As discussed, the proposed Development will bring much needed luxury housing for seniors, families, and working professionals in southeast Fort Worth. Especially, essential workers that work in the Medical District and who; unfortunately, are unable to afford a home close to work due to housing costs. Additionally, the Development will assist with attracting retail and supporting the existing retail at the Shoppes of Renaissance Square. The Development will be located on the site of the former William McDonald YMCA which is an excellent location due to its proximity to transit, jobs, medical care, and access to downtown.

The team shared photos of actual apartment homes that Palladium USA constructed and currently owns. Additionally, I toured the Palladium RedBird apartment, I am incredibly impressed by what Palladium USA brings to the table in terms of construction, amenities, and finish-out. Moreover, it is reassuring to know that Palladium USA are long-term owners and manages their assets. One of the pillars of our organization is providing affordable housing and Palladium USA delivers on providing apartment homes and building communities for residents that are of high quality and of the luxury they tout. I look forward to seeing Palladium East Berry Street being a part of and an asset to the community!

Regards,
SOUTHEAST FORT WORTH, INC.

Stacy E. Marshall
President
Southeast Fort Worth, Inc.

1n

BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
JUNE 16, 2022

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 Applications awarded in the 2021 competitive 9% tax credit round

21017	Hughes House
21027	New Hope Housing Ennis
21032	Royal Gardens Lufkin
21033	Beaumont Pioneer Crossing
21035	Manson Place
21039	Uvalde Villas
21054	Reserve at Palestine
21070	Saison North
21075	June West
21081	Kiva East
21118	The Heights at MacArthur
21136	Oaklawn Place
21235	Inn Town Lofts
21245	The Rushmore
21264	Acadia Terrace
21292	Campanile on Minimax
22189	Snowden Apartments

RECOMMENDED ACTION

WHEREAS, the above listed developments were awarded 9% housing tax credits during the 2021 competitive Application round;

WHEREAS, staff executed Carryover Allocation Agreements with the Development Owners, which included certifications from the Development Owners that each building for which the allocations were made would be placed in service by December 31, 2023;

WHEREAS, the Department received requests from the Development Owners to extend the placement in service deadline under the provisions of 10 TAC §11.6(5) related to Credit Returns Resulting from Force Majeure Events;

WHEREAS, other than in situations covered by force majeure, the Department lacks authority to extend federal deadlines for placement in service; and

WHEREAS, the Development Owners have presented evidence that relief under force majeure is appropriate;

NOW, therefore, it is hereby

RESOLVED, the requests for treatment under an application of the force majeure rule are approved, with the 2021 Qualified Allocation Plan and Uniform Multifamily Rules, and the 2022 Program Calendar applicable to the Developments.

BACKGROUND

Awards of Competitive (9%) Housing Tax Credits were approved by the Board for the above-listed developments in 2021. Staff executed Carryover Allocation Agreements with the Development Owners which included a certification from the Development Owners that documentation for the 10% Test would be submitted by a set date, and, in order to satisfy the requirements of §42 of the Internal Revenue Code, each building for which the allocations were made would be placed in service by December 31, 2023. The Department received requests from the Development Owners to extend the placement in service deadline under the provisions of 10 TAC §11.6(5) related to Credits Returns Resulting from Force Majeure Events. Staff determined that an extension of the 10% Test deadline was appropriate under these circumstances.

Per 10 TAC §11.6(5) of the Qualified Allocation Plan (QAP), related to Credits Returns Resulting from Force Majeure Events, a Development Owner is allowed 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. Per 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.

The Development Owners have communicated to staff that rising construction costs, labor shortages, supply chain issues, inflation and interest rate increases have impacted the construction timelines.

Staff has determined there is sufficient evidence of “sudden and unforeseen circumstances outside the control of the Development Owner . . . [regarding] supplier failures; or materials or labor shortages,” as described in 10 TAC §11.6(5), for the Department to treat the Developments under an application of the force majeure rule. If the Board approves the request to consider these force majeure events, the Development Owners will return the awarded credits and execution of a 2022 Carryover Allocation Agreement will result in a new award and a new placed in service deadline of December 31, 2024, for the Developments, with a new 10% Test deadline of July 1, 2023. The 2021 Qualified Allocation Plan and Uniform Multifamily Rules will be applicable to the Developments for the purposes of the force majeure event.

If the Board denies the requests regarding the force majeure events, the date by which the denied Developments must be placed in service will remain as previously agreed. Because the Development Owners have anticipated not meeting the placed in service deadline, the credits are expected to be returned. If the Development Owners returns the credits, the credits would first be made available in the subregions from which they were originally awarded, pursuant to 10 TAC §11.6(2), related to returned credits. If there are pending Applications on the 2022 or 2023 (depending on when the credits are returned) waiting list from the relevant subregions, the next Application would be awarded, assuming there are enough credits to make the award. If there are not enough credits in the subregion to make an award, the credits will go into the statewide collapse and contribute the next award.

Staff recommends the Board approve the requests for treatment under an application of the force majeure rule for the Developments. Approval of this request does not change any federal or state deadlines for MFDL.

21017

-

Hughes House

-

Force Majeure Request

Fort Worth Affordability, Inc.

May 11, 2022

Bobby Wilkinson
Director of Multifamily Programs
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701
Email: Cody.Campbell@tdhca.state.tx.us

**Re: Request for Extension of Placement In Service Deadline Pursuant to Force Majeure
Hughes House, TDHCA #21017**

Dear Mr. Wilkinson:

In September 2021, FW Hughes House, LP (the “Owner”) received a Commitment Notice from the Texas Department of Housing and Community Affairs (“TDHCA”) for 2021 9% tax credits (Tax Credits) for Hughes House in Fort Worth (the “Development”). Due to the current state of the construction industry, specifically industry-wide shortages of materials and labor, the anticipated construction schedule for the Development will result in construction completion after the deadline for Placement in Service required by the Commitment Notice, which is December 31, 2023.

Requested Relief

Because of materials and labor shortages that are outside the Owner’s control, the Owner is requesting TDHCA approval to utilize the Force Majeure provisions under Section 11.6(5) of the Qualified Allocation Plan (“QAP”) to return the allocation of 2021 9% housing tax credits and request a re-issuance of 2022 9% housing tax credits, resulting in a new Placement in Service deadline of December 31, 2024. Note also that the investor limited partner, Enterprise, is requiring the Owner to seek this relief in order to close the transaction (see attached **Exhibit A**).

Development Summary and Description of Delays

Hughes House is a 210-unit new construction development, and consists of 1-, 2-, 3-, and 4-bedroom units on three adjacent blocks in Fort Worth’s Stop Six neighborhood. Hughes House is a collaboration between Fort Worth Housing Solutions and McCormack Baron Salazar, and is the second of six phases of redevelopment of the former Cavile Place public housing development in Fort Worth. The development team received a \$35M Choice Neighborhood Implementation grant from the US Department of Housing and Urban Development (“HUD”) for the six-phase redevelopment of Cavile Place, which includes the Hughes House development. Additionally, Hughes House is being completed using an FHA-insured 221(d)(4) mortgage through HUD, and is utilizing a number of gap sources of financing, including City of Fort Worth (“COFW”) CDBG funds, COFW HOME funds, COFW Urban Development Action Grant funds, and Fort Worth Housing Finance Corporation PSH funds.

The original timeline for Hughes House contemplated a closing by June 1, 2022 and an 18-month construction schedule. The Owner also anticipated that preliminary site preparation work would be able to start in March 2022, in advance of closing, resulting in an expected substantial completion by September 2023. However, supply chain disruptions causing materials shortages, as well as labor shortages within the construction industry have delayed the timeline for receiving construction bids, and have resulted in a significant extension of the originally-anticipated construction schedule from 18 months to 23 months. Furthermore, a delay in the required HUD approvals has prevented the start of site preparation activities prior to closing. These factors will result in a construction completion after the current December 31, 2023 Placement in Service deadline.

- Delays in Receipt of Subcontractor Bids – Initial due date for bids was March 8, 2022, which provided bidders six (6) weeks to respond. This represents a typical response timeframe. However, subcontractors were unwilling to make assumptions related to a construction bid set of plans that were typical in a pre-COVID era. As a result, subcontractors required more architect clarifications than typical, resulting in extensions to the bid due date that added six weeks to the timeline.

- Delay in Closing – After accounting for the delay in receiving bids, and allowing for the completion of HUD’s processing of the 221(d)(4) first lien mortgage, closing is not expected to occur until August 2022.
- Extension of Construction Schedule – The contractor’s recently received construction schedule (**Exhibit B**) estimates 23 months for completion of the 210 units, compared to the initial estimate of 18 months. This significant extension of the construction schedule is due to labor shortages and supply chain challenges / materials shortages. See attached letter from the general contractor explaining the factors causing the delay in the construction schedule (**Exhibit C**). In the absence of any other delays to the Development, the extension of the construction schedule alone would have caused the Owner to miss the current December 31, 2023 Placement in Service deadline. Additionally, any efforts by the Owner to seek bids from a new contractor at this point would likely take so much time that any savings in the overall construction schedule would be offset.

Force Majeure Considerations

In accordance with Section 11.6(5) of the QAP, the Owner meets TDHCA’s requirements for the relief requested under Force Majeure as follows:

- The delays experienced as a result of materials and labor shortages are Force Majeure events that significantly impeded the Owner’s ability to engage in construction activities on a timeline that complies with the Placement in Service deadline applicable to the Development.
- The delays were unforeseen circumstances outside of the Owner’s control. The initial construction schedule would have allowed the Placement in Service deadline to be met. However, the unprecedented extension of the construction schedule to 23 months will make it impossible to meet the current Placement in Service deadline.
- The Owner endeavored to mitigate the situation by beginning the application process for a site work permit early, and by preparing to begin site preparation activities as early as March 2022.
- The Owner and the contractor continue to seek all potential solutions, within the team’s control, to reduce the time to construction completion. The contractor will continue to work with qualified and available subcontractors to determine ways to reduce timelines and costs, and to seek additional subcontractor proposals. It is also possible that with more time, supply chain constraints will improve.
- The Development continues to be financially feasible.

We believe the Owner has met the QAP requirements for a re-allocation of 9% housing tax credits as described in Section 11.6(5), and we request a consideration of the issue during the June 16, 2022 board meeting. We are hopeful that staff will recommend approval of this Force Majeure request. Please contact me at (817) 333-3401 or mmlemons@fwhs.org with any questions.

Sincerely,



Mary-Margaret Lemons, Secretary Treasurer
Fort Worth Affordability, Inc., sole member of
FW Hughes House GP, LLC, general partner of
On behalf of FW HUGHES HOUSE, LP, a Texas limited partnership

CC: Audrey Martin



Exhibit A

May 4, 2022
Texas Department of Housing & Community Affairs
Attn: Mr. Bobby Wilkinson
Executive Director
221 East 11th Street
Austin, TX 78701

Dear Mr. Wilkinson:

On December 1, 2021, Enterprise issued an equity term sheet expressing interest in purchasing a 99.99% interest in FW Hughes House, LP which was subsequently accepted. To close on an investment, Enterprise requires no less than 90 days of cushion between the expected completion date and the required placed in service date listed on the Carryover Allocation. The current construction schedule does not provide for a 90-day cushion, therefore for Enterprise to make the investment, the developer will need to receive an extension or exchange of 9% credits from the State Tax Credit Allocating Agency prior to closing.

Sincerely,
ENTERPRISE HOUSING CREDIT
INVESTMENTS

A handwritten signature in blue ink that reads "Mike Rossi".

Michael Rossi, Senior Director

May 4, 2022

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

RE: HUGHES HOUSE - Labor and Material Shortages

Dear Mr. Wilkinson,

Block has been working with McCormack Baron Salazar, Inc., and Fort Worth Housing Solutions (Project Team) on the Hughes House development since September 2021. Since beginning work, there have been several disruptions to the U.S. and overall global economy that are creating significant project delays. Over the last several months, inflation has reached a 40-year high and is not showing signs of slowing. Labor is also in short supply. In my 32 years of experience in the construction industry, I have never seen anything close to the disruptions being experienced and their effect on construction projects.

Hughes House went out to bid to sub-contractors on January 26, 2022, and held several pre-bid meetings in early February 2022 to answer questions and to also generate bidding interest. Bids were originally due on March 8, 2022; however, the bid due date was extended three (3) times until April 21, 2022. Subcontractors had twelve (12) weeks to prepare a bid response, which is double the typical six-week response time frame given. Even with the multiple bid extensions given and exhaustive process to provide Subcontractors with as much information as possible, bid responses were dismal and specific trades had double-digit percentage increases in overall project costs as well as much longer overall construction times.

The bid outcome is a direct result of labor and material shortages occurring on both a global and national level. Subcontractors cannot hold their pricing as the manufacturers are stretched and cannot guarantee delivery times. Many subcontractors are not locking prices until the moment the product ships. A good example of material shortages is aluminum. This material, which has typically been procured from Russia and China has longer lead times than previously seen. The longer lead times is causing less supply and increasing demand.

Additionally, the War in Ukraine is also affecting the construction industry. Higher fuel costs are increasing the cost of transporting materials to project site as well as delaying receipt of material. Higher fuel costs are also increasing the cost to operate on-site equipment needed to complete grading and trenching for building foundations. The industry also continues to see labor shortages, especially in long-haul shipping and in local delivery.

These challenges are not only increasing material costs but also construction durations. The unavailability coupled with the untimely delivery of the materials is causing subcontractors to start and stop their work, which directly affects construction durations. Hughes House is directly impacted. A typical construction duration schedule for a project of this size would



have been closer to 18 months. Currently, we anticipate the duration to complete Hughes House at approximately 23 months.

Enclosed with this letter are a few of the notices and letters we receive daily. These notices only continue to add to the uncertainty. Please note that even with such conditions, Block and the Project Team are striving to push forward Hughes House.

Thank you,

JKeller

Jason Keller
Managing Member





ELLIOTT ELECTRIC SUPPLY

April 18, 2022

To Whom It May Concern,

Our aluminum wire pricing has continued to escalate from our manufacturers over the past year, with costs going up 70 – 75% during that time period. The manufacturers are stating raw material shortages and increased transportation costs for driving factors. Most wire vendors are now quoting firm pricing for 24 hours for most project bids because of the unstable market.

Sincerely,

Brian Combs

Elliott Electric Supply
7929 N Sam Houston Pkwy W
Houston, TX 77064
Office (281) 345-1143

CONSOLIDATED ELECTRICAL DISTRIBUTORS

850 Greens Pkwy., Suite 200
Houston, Texas 77067

As many of you are aware, aluminum wire prices have risen dramatically since the beginning of the year. Finished goods continue to be held up at the ports and raw aluminum prices continue to remain around all time highs. These problems are only exacerbated by the sanctions on Russia and production still not having caught up after the slowdowns from Covid. I would anticipate these prices to remain high all throughout the remainder of the year and possibly into next year as well. With any luck we will not see material shortages stateside that affect factories and distributors.

Caleb Gunter
Commodities Manager
CED Houston



Consolidated Electrical Distribution
850 Greens Pkwy. #200
Houston, TX 77067-4454
USA

PHONE (281) 873-4233
FAX (281) 873-4236
E-MAIL @CEDHouston.com
WEB SITE <http://www.cedhouston.com>

PRICE NOTIFICATION, JANUARY 2022 (COMMERCIAL SUPPLIERS)

September 6, 2021

Price Increase Announcement: Suppliers of Commercial Roofing Products

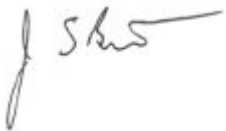
To Our Valued Customers:

Suppliers of Commercial Roofing Products have announced another wave of price increases. As a result, Beacon will be implementing a price increase to reflect the date and amount of the market announcements. Furthermore, many of the increases are monthly and will only be priced once the material is made, allocated to an order, and confirmed for shipment (as the manufacturers refer to as “priced at time of shipment”).

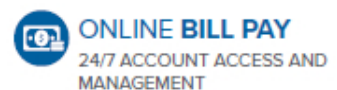
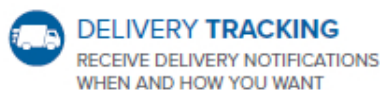
When delivery is scheduled, please reach out to your local Branch Manager and/or Sales Representative to confirm shipment date and current pricing.

As always, we strive to actively manage costs and to minimize price inflation to our customers. Thank you for your partnership and continued support of Beacon Building Products.

Sincerely,
Jonathan Bennett



Chief Commercial Officer



Visit our [Commercial Customer Resources Center](#) For More Information and Helpful Videos



Schindler Elevator Corporation

March 30th, 2022

Block Companies
4545 POST OAK PLACE DR.,
SUITE 150
HOUSTON, TX 77027

RE: Notice of Price Increase

Project: 2100 Memorial
Project No: 918595
Contract No.: 918595

Dear Paul:

As you are aware, Schindler Elevator Corporation (“Schindler”) is a contractor to you on the above-referenced Project. We greatly value our relationship and are pleased to have the opportunity to work with you on the Project. As we expect you are also experiencing, these are unprecedented times with many challenges that we must partner together to overcome. It is in this spirit that we are reaching out to you with this communication.

The challenges we are facing now unfortunately include pervasive material shortages with associated price increases and rapidly accelerating inflation, compounded by the recent outbreak of war in Europe. Indeed, the rate of inflation is currently at its highest point in the last 40 years. This confluence of outside events has, and continues to, cause significant financial impacts for many businesses, Schindler included.

The material and component costs associated with the above-referenced Project have skyrocketed due to the current extraordinary economic and supply chain situation. While to date we have managed to shield our customers from much of these additional costs (as well as increasing labor costs), absorbing these ever-increasing costs often in excess of 100%, or even 200%, of our original pricing is no longer commercially viable. The table below shows some key market material and component cost escalation data.

Example Spot Prices		Before Inflation	Current Market	Change
Hot Rolled Steel Sheet	\$ / metric ton	\$551	\$1,279	+132%
Cold Rolled Steel Sheet	\$ / metric ton	\$753	\$1,798	+139%
Galvanized Steel Sheet	\$ / metric ton	\$850	\$1,963	+131%
Copper (COMEX)	\$ / kg	\$5.36	\$9.77	+82%
Iron Ore	\$ / dmtu	\$94	\$127	+35%
Timber / Lumber	\$ / linear ft	\$450	\$1,462	+225%
Crude Oil (WTI)	\$ / bbl	\$27.80	\$110.59	+298%
Ocean Freight	ave 2020 / FCL	\$4,795	\$18,120	+278%

data from S&P Global (IHS Markit) (Feb 2022 NA Commodity Price Monthly) and others



Schindler

Schindler Elevator Corporation

As a result, at this time, we are forced to pass on some of these cost increases to our customers to mitigate the impact of this unprecedented economic situation. We have made every effort with our supply and manufacturing chains to control these costs and keep this increase to a minimum. That being said, Schindler is not able to shoulder all of these costs alone.

Accordingly, please accept this Change Notice at a cost of \$20,050.00, which only reflects a portion of our overall cost increases. This increase will allow us to continue our partnership and helps ensure our commitment to providing the best products and services to you. Please sign and return a copy of this letter. Should you have any questions, please feel free to contact Aris Sharp at 713-818-0970.

We appreciate your partnership in working through this difficult situation.

Very truly yours,

Jürgen Kästle
Senior Vice President, Supply Chain North America

Customer Approval of Change Order:

Signature Approval

Name

Date

Title



Ukraine and Russia:
What you need to know right now



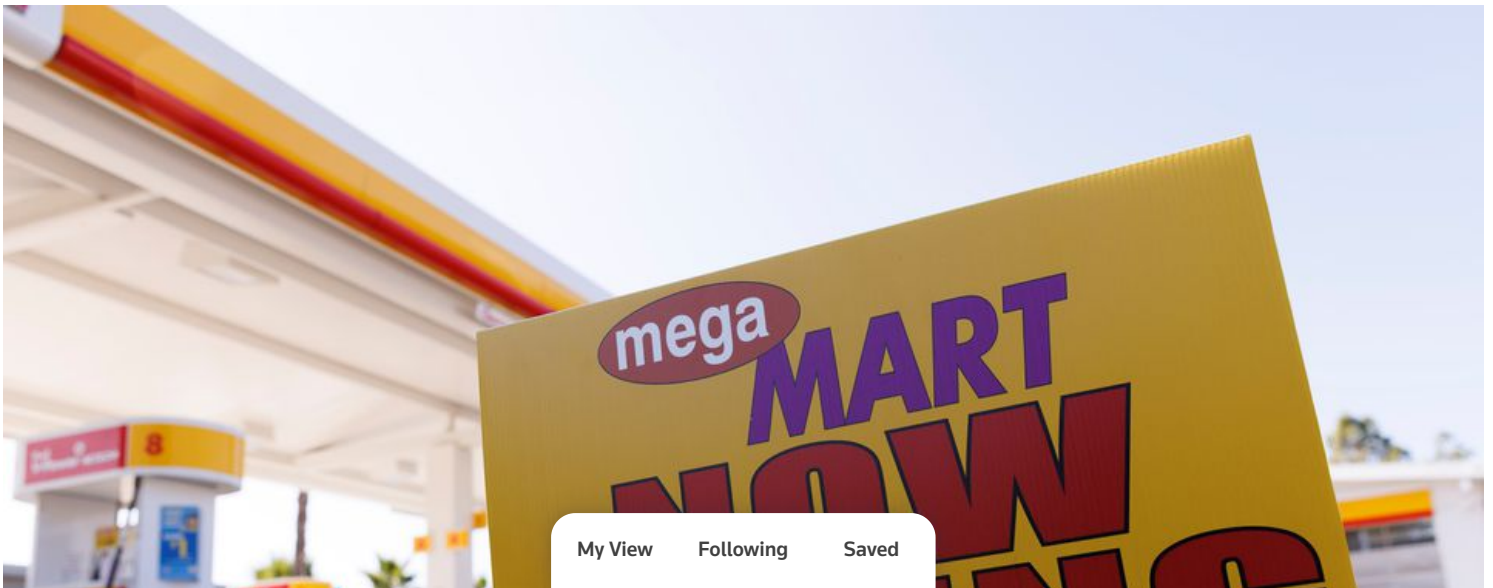
May 4, 2022 · 1:59 PM CDT
Last Updated 2 hours ago

United States

Worker shortages hamper U.S. private payrolls, services sector in April

By Lucia Mutikani

5 minute read





A job posting looking for workers is shown at a gas station in San Diego, California, U.S. November, 9, 2021.
REUTERS/Mike Blake

< **Summary** >

- Private payrolls increase 247,000 in April
- Trade deficit jumps 22.3% to \$109.8 billion in March
- Imports surge 10.3%; exports rise 5.6%

WASHINGTON, May 4 (Reuters) - U.S. private employers hired the fewest workers in two years in April amid chronic labor shortages and rising costs, which are hitting small businesses the hardest, raising the possibility that overall job growth slowed considerably last month.

That was reinforced by a separate survey from the Institute for Supply Management (ISM) on Wednesday showing a measure of services sector employment contracted in April for the second time this year. Services businesses in the ISM survey described demand for workers as remaining "hypercompetitive," noting that "there is just not enough qualified personnel available."

Government data on Tuesday showed there were a record 11.5 million job openings on the last day of March, which pushed up the jobs-workers gap to a record 3.4% of the labor force from 3.1% in February. [read more](#)

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"The softer trend is consistent with a slowing in job growth that we expect to start in April," said Veronica Clark, an economist at Citigroup in New York. "Softer monthly job gains would likely be due to labor shortages."

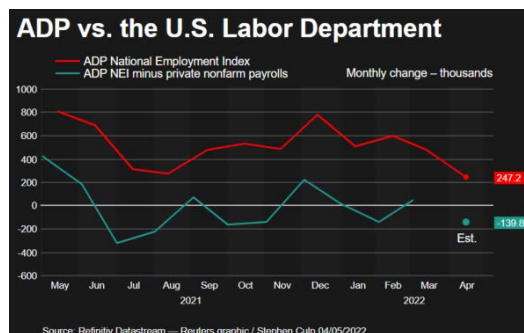
Private payrolls rose by 247,000 jobs last month, the smallest gain since April 2020, after increasing 479,000 in March. The slowdown in hiring was across the board, with leisure and hospitality industry payrolls rising by 77,000 jobs, the fewest since late 2020. Manufacturing employment increased by 25,000 jobs, while construction added 16,000 positions.

All the employment gains last month were in medium and large companies. Businesses with less than 50 employees reported a decline in payrolls. Economists polled by Reuters had forecast private payrolls would increase by 395,000 jobs.

The government reported last week that compensation for American workers notched its largest increase in more than three decades in the first quarter. [read more](#)

Soaring wages because of tightening labor market conditions are helping to fuel inflation, prompting an aggressive response from the Federal Reserve. The U.S. central bank on Wednesday raised its policy interest rate by half a percentage point, the biggest hike in 22 years, and said it would begin trimming its bond holdings next month as it fights inflation. [read more](#)

Stocks on Wall Street were trading higher. The dollar dipped against a basket of currencies. U.S. Treasury prices were mixed.



ADP

EXCESS DEMAND ENVIRONMENT

The ADP report is jointly developed with Moody's Analytics and was published ahead of the release on Friday of the Labor Department's more comprehensive and closely watched employment report for April. It has, however, a poor record predicting the private payrolls count in the department's Bureau of Labor Statistics employment report because of methodology differences.

My View Following Saved

Still, there is no doubt that the dearth of workers is hampering hiring. The ISM survey showed its services industry employment gauge fell to 49.5 last month after rebounding to 54.0 in March. The contraction, together with supply bottlenecks and a slowdown in orders, restrained services sector growth.

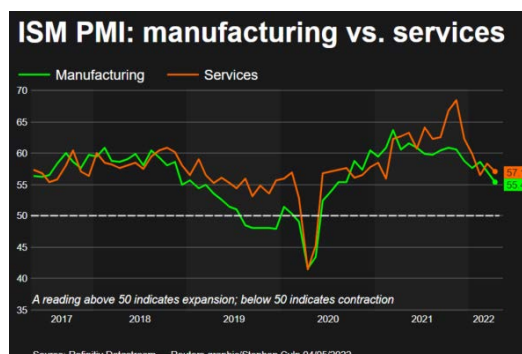
Services businesses are also being hindered by inflation, with the survey's measure of prices paid for inputs climbing to an all-time high in April. [read more](#)

The ISM reported earlier this week that manufacturing employment pulled back considerably in April. The raft of relatively soft employment measures could temper expectations for strong job gains in April. According to a Reuters survey of economists, nonfarm payrolls likely increased by 391,000 jobs last month after rising 431,000 in March.

"Difficulty finding workers is holding back services firms from increasing employment, which may cause a downside surprise to this Friday's April payrolls report," said Will Compernelle, a senior economist at FHN Financial in New York.

Last month's softening in the services sector, coming on the heels of news from the ISM on Monday that manufacturing grew at its slowest pace in more than 1-1/2 years in April, suggests supply constraints are becoming more binding again, thanks to Russia's war against Ukraine and new COVID-19 lockdown in China.

The ISM's non-manufacturing activity index fell to a reading of 57.1 from 58.3 in March. A reading above 50 indicates expansion in the services sector, which accounts for more than two-thirds of U.S. economic activity.



ISM services PMI

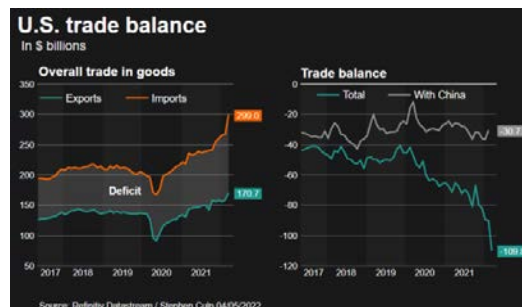
"We remain in an environment of excess demand, constrained supply and surging prices," said Conrad DeQuadros, senior economic advisor

My View Following Saved

Indeed, a third report from the Commerce Department on Wednesday showed the trade deficit accelerated 22.3% to a record \$109.8 billion in March, with imports also setting an all-time high. Imports of goods and services jumped 10.3% to \$351.5 billion, outpacing a 5.6% rise in exports to \$241.7 billion.

Businesses imported a range of goods including petroleum, motor vehicles and parts, apparel, household items, footwear, as well as toys, games and sporting goods. Imports of services also increased, lifted by transport and travel, but charges for the use of intellectual property decreased \$1.2 billion.

The nation exported more crude oil and natural gas liquids as well as motor vehicle and parts. Exports of services increased, boosted by transport, travel, financial services and other business services.



Trade balance

"What the huge demand for imported goods does show is that America may have more of a demand problem than a supply problem," said Christopher Rupkey, chief economist at FWDBONDS in New York. "As long as import demand keeps setting records, it shows the Fed has to keep pushing interest rates up and up because American consumers and businesses are not done buying yet and strong demand keeps the inflation fires burning."

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Reporting by Lucia Mutikani Editing by Chizu Nomiya, Paul Simao and Andrea Ricci

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More from Reuters

My View Following Saved

21027

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New Hope Housing Ennis

-

Force Majeure Request



June 1, 2022

Cody Campbell, Director of Multifamily Programs
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

Re: Return of 2021 credits and request for 2022 allocation of credits pursuant to Section 11.6(5) Force Majeure for New Hope Housing Ennis (#21027)

Dear Cody,

Pursuant to §11.6(5) of the 2021 Qualified Allocation Plan, New Hope Housing (“NHH”) and its CHDO affiliate, Houston Area Community Development Corporation (“HACDC”), respectfully request an allocation of 2022 credits in exchange for the return of our 2021 credits for the New Hope Housing Ennis development. This is not a request for additional tax credits.

Since application submission in 2021, the construction industry has experienced extraordinary volatility due to the pandemic, and this has created a significant financial impact to the NHH Ennis development. Labor shortages, material delays, inflation and interest rate increases mean that project costs are increasing. The project remains financially feasible, but New Hope Housing has had to raise additional soft sources to bridge this financial gap.

New Hope Housing Ennis received its commitment notice in December 2021. At application, NHH/HACDC conservatively projected a 20-month build schedule due to construction delays of prior projects experienced in 2020. Closing in the second half of 2022 makes PIS for 112 units by the existing deadline of December 31, 2023, infeasible, even by aggressive construction standards. Given the unpredictability of the market, our longstanding General Contractor, Camden Builders, is unwilling to execute a contract in good faith that delivers the project by the 2023 deadline. Finally, our syndicator, National Equity Fund, has expressed an unwillingness to close on the project unless it receives a so-called “credit refresh,” allowing the construction timeline flexibility to deliver the project by the middle of 2024 at the latest.

Given this confluence of unforeseeable external forces, the project necessitates a credit refresh to remain viable. A 2022 tax credit allocation would give the project the appropriate time needed to place in service in 2024. And as you know all too well, the need for affordable housing of



the highest quality is greater now than it ever has been. NHH is a long-standing partner to the TDHCA that delivers on this need.

Section 11.6(5) states, “Force Majeure events are the following sudden and unforeseen circumstances outside the control of the Development Owner: ... national emergency ... supplier failures; or materials or labor shortages.” The Covid-19 pandemic, a declared a national emergency has caused extreme material shortages, supply chain issues, and labor shortages. The pandemic’s continued impact to the construction market over the last 2 years was entirely unforeseeable, as many anticipated the cost of construction to eventually level off or even decline in the wake of an economic shutdown. Today, the construction market remains just as volatile since the start of the pandemic. No one could have predicted the amount of volatility recently experienced by developers. NHH is working diligently to absorb this impact and to continue serving its mission of housing Texans experiencing the greatest need.

New Hope Housing delivers on its promises, and with TDHCA’s partnership and support, we can continue to do so. We respectfully request that TDHCA look favorably upon New Hope Housing Ennis and award this development 2022 tax credits, in exchange for the return of its 2021 credits. We remain grateful to you, and I hope you will reach out directly if you have any additional questions.

With appreciation,

A handwritten signature in blue ink, appearing to read "Ron Lastimoso", with a stylized flourish at the end.

Ron Lastimoso
Director, Real Estate Development
832.878.1624
ron@newhopehousing.com

May 31, 2022

NHH Ennis, LLC
Ms. Joy Horak-Brown, CEO
Houston Area Community Development Corp. (“HACDC”)
3315 Harrisburg Blvd, Suite 400
Houston, TX 77003

Re: – New Hope Housing Ennis (TDHCA #21027) – PIS Extension Request

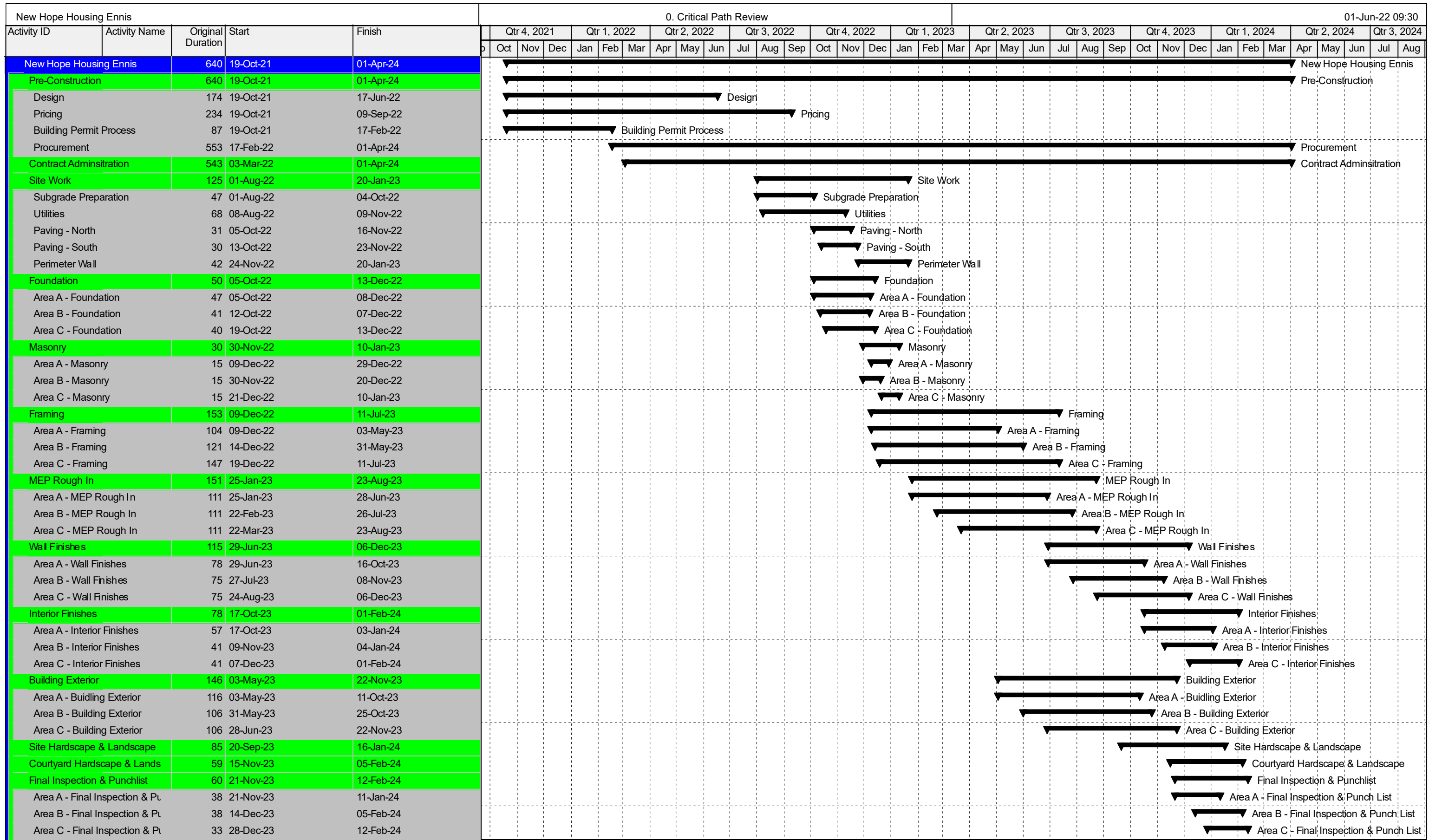
Dear Ms. Horak-Brown:

National Equity Fund, Inc. (NEF) proposes to participate in the above referenced project as the Limited Partner. As a standard underwriting guideline, NEF (and our investors) require at least a 90 day cushion from the end of the construction schedule to the Placed in Service expiration date (PIS). The 2021 9% credits result in a PIS of December 30, 2023. Given the involvement of permitting timelines and current construction environment, NEF will require a PIS extension prior to previewing the project to potential investors. NEF remains fully committed to New Hope Housing Ennis and looks forward to partnering with you to bring this much needed project to fruition.

Sincerely,



Jason Aldridge
Vice President
National Equity Fund



█ Remaining Level of Effort
 █ Actual Work
 Summary
█ Actual Level of Effort
 ◆ Milestone

21032

-

Royal Gardens Lufkin

-

Force Majeure Request



June 1, 2022

Mr. Cody Campbell
Director of Multifamily Finance
Texas Department of Housing and Community Affairs
211 E 11th Street
Austin, Texas 78701

Via Email: cody.campbell@tdhca.state.tx.us

Re: TDHCA HTC Application #21032 – Royal Gardens Lufkin, Lufkin, TX

Dear Mr. Campbell,

Royal Gardens Lufkin, LLC (the “Owner”) received an allocation of Housing Tax Credits from the Texas Department of Housing and Community Affairs (“TDHCA”) for the construction of Royal Gardens Lufkin (the “Development”). The Owner is required to meet the 10% test by December 31, 2022 and place the Development in service by December 31, 2023. Unfortunately, the Owner faces the possibility of not being able to meet these deadlines as required by §42(h)(1)(E)(i) & §42(h)(1)(E)(ii) of the Internal Revenue Code. The need for requesting an extension to meet the required 10% test and placed in service deadlines is the result of events that we believe should fall under the provisions of §11.6(5) of the 2022 Qualified Allocation Plan (“QAP”) relating to Force Majeure.

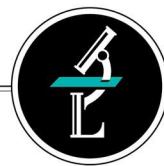
Background Information

The Development is located in Lufkin, Texas, in Angelina County. The City of Lufkin, and quite frankly the entire State of Texas, has experienced significant cost increases, supply chain issues, and labor shortages that as a whole have impacted and delayed the start of construction of the Development, which has had an adverse effect on the initial construction schedule and anticipated placed-in-service timelines. These issues are the direct result of not one, but several events that together have put extreme upward pricing pressure, interest rate increases, and timing constraints on the construction industry across the entire State of Texas. The events affecting our development are: Winter Storm Uri, the Russian/Ukrainian war, and the COVID-19 Pandemic.

Winter Storm Uri

Winter Storm Uri occurred between February 13-17, 2021, and the lasting effects of the damage have sent a shockwave throughout the State of Texas that is still being felt by many residences and businesses. The damages from the blackouts and harsh freezes are estimated to be at least \$195 billion, making it the costliest natural disaster in Texas and the United States as a whole.¹ This devastation has continued to put supply chain pressure on plumbing parts

¹ Ivanova, Irina (February 25, 2021). "Texas winter storm costs could top \$200 billion — more than hurricanes Harvey and Ike". CBS News. Retrieved March 5, 2021



and services, drywall, appliances and flooring materials as repairs are still being made to many homes and businesses months after the event took place. These increased needs have negatively impacted the original construction budgets that were presented in the 2021 tax credit application, which was compiled immediately prior to the disaster taking place and before the effects of the damage were fully known to Texans.

Russia/Ukraine War

The uncertainty caused by the Russia-Ukraine war has sent already stressed global markets deeper into a downward spiral. US consumer prices rose in March by the most since late 1981, evidence of a painfully high cost of living and reinforcing pressure on the Federal Reserve to raise interest rates even more aggressively. In particular, gasoline costs drove half of the monthly increase, which were up on account of the Russia-Ukraine war.² These fuel price hikes resulting from the decreased supply of crude oil created by the Russia-Ukraine war have created a ripple effect on the pricing from transportation of construction materials, to the cost of performing site work, and even the underlying cost of the materials themselves. In April 2022, the Association of General Contractors of America (“ACG”) issued the sixth update to the initial construction inflation alert was issued in March 2021. In this update, the ACG cited information obtained by the Bureau of Labor Statistics (“BLS”) which posts producer price indexes (“PPIs”). In particular, BLS change in PPIs from April 2020 to February 2022 was 237% for diesel fuel. During that same period lumber and plywood increased by 101%, plastic construction products increased by 45%, copper and brass mill shapes increased by 70%, aluminum mill shapes increased by 52%, and gypsum products increased by 29%.³ To compound the issue, the Federal Reserve has been forced to hike interest rates to offset inflation. The most recent rate hike was the largest single rate increase in over two decades, at half a percentage point. This move comes as no surprise, given inflation is at a 40-year high.⁴

COVID-19 Pandemic

Globally, the COVID-19 Pandemic is an event that will forever change our lives as a world population. On March 11, 2020, the World Health Organization (WHO) declared COVID-19 a pandemic.⁵ Two days later, March 13, 2020, Texas shuts down because of Gov. Abbott’s State disaster declaration spanning all counties in the State of Texas⁶. For Texans, that was when the COVID-19 Pandemic became real, and our lives were forever changed. More than two years later, the global pandemic has affected and continues to affect various global economies in a multitude of ways, but one thing can be said for all economies, supply chain and logistical challenges are here to stay for the unforeseeable future. The shutdowns have affected global

² https://www.business-standard.com/article/international/russia-ukraine-war-impact-us-inflation-rises-to-new-40-year-high-122041201337_1.html

³ https://www.agc.org/sites/default/files/users/user21902/Construction%20Inflation%20Alert%20Cover_Apr2022_0.pdf

⁴ <https://www.cnbc.com/2022/05/04/fed-raises-rates-by-half-a-percentage-point-the-biggest-hike-in-two-decades-to-fight-inflation.html>

⁵ <https://www.yalemedicine.org/news/covid-timeline>

⁶ <https://www.kxan.com/news/coronavirus/365-days-of-covid-how-the-coronavirus-in-texas-unfolded-one-year-after-the-first-case/>



supply chains, which is still problematic in the US, given the fact that as of May 12, 2022, the US has nearly two million shipping containers headed inbound.⁷ Associated Builders and Contractors Chief Economist Anirban Basu noted the discrepancy in access to vaccines across many countries that do not have the same vaccine coverage as the US. There will continue to be a lag in production of materials due to COVID-19. He opined, “Even if COVID went away tomorrow and the Russia-Ukraine war ended, these supply chain troubles last into 2023 and in some cases 2024. It takes a long time to build capacity.”⁸

Impact and Request

The result of these force majeure events is the Development has seen a 51.8% increase (\$4,670,998) in the original projected construction hard costs submitted in the 2021 tax credit application (see Appendix A). A letter from the general contractor affirming the financial impacts on the Development is also attached to this request (see Appendix B). The Development is currently negotiating more favorable equity terms to help offset some of these cost increases, but even if a higher equity price is achieved, the net results of that benefit has eroded due to the rise in interest rates decreasing the borrowing power available to the Development. Furthermore, the Owner plans to apply for funds from the 2022-1 NOFA which, if awarded, we believe will alleviate the cost increase constraints that have resulted from the devastating events listed above and should make the Development feasible once again. However, due to the inability to close on construction financing because of the significant gap that remains, we have now run into a time constraint that puts meeting the 10% Test and Placement in Service timelines in jeopardy. We request that the Owner be permitted to return the Tax Credits and that TDHCA reallocate the Tax Credits to the Owner in the current year in accordance with §11.6(5) of the 2022 QAP relating to Force Majeure. We believe the Owner and Development meet all the requirements in Section 11.6(5), in that:

1. The events that caused the delay occurred before issuance of 8609s and were sudden, unforeseen circumstances outside the control of the Development Owner.
2. The delays were not caused by willful negligence or acts of Owner, any Affiliate, or any other Related Party.
3. The Owner has provided evidence and a timeline of the events that was the direct result of the delays, see referenced footnotes 1, 2, 3, 4, 5, 6, 7 & 8.
4. Though there was little that could be done to mitigate the effects of Winter Storm Uri, the Russia-Ukraine war, and the COVID-19 Pandemic, once a viable option was made available by TDHCA to assist with the cost increases resulting from these two disasters (2022-1 NOFA), the Owner immediately contacted the proposed financial partners of the Development and began working out a viable financing option that we believe will assist in making the Development feasible once again.

⁷ <https://www.quickdrawfundcontrol.com/2022-the-second-half-will-construction-costs-continue-to-rise/>

⁸ <https://www.quickdrawfundcontrol.com/2022-the-second-half-will-construction-costs-continue-to-rise/>



The result of those discussions is that an application will be submitted for funds under the 2022-1 NOFA (once that NOFA opens back up for new applications). Additionally, the Development was and remains properly insured, and TDHCA was notified of the Force Majeure events.

5. The Force Majeure threatens to prevent the Owner from meeting the 10% Test and Place in Service 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. If granted an award under the 2022-1 NOFA, the Development continues to be financially feasible, as these MFDL funds would assist in offsetting the cost increases experienced by the Development resulting from Winter Storm Uri, the Russia-Ukraine war, and the COVID-19 Pandemic. Additionally, there have not been any insurance proceeds received related to the Force Majeure event.

If you have any questions or would like to discuss these items further, please do not hesitate to contact me directly at (512) 785-3710 or via email at lora@betcohousinglab.com.

Sincerely,

Lora Myrick, Principal
BETCO Consulting, LLC

APPENDIX A

Royal Gardens Lufkin

Cost Comparison

Development Costs	Original UW 6/7/2021	MFDL Application TBD	Difference from last UW
Land	630,192	630,192	-
Off-Sites	-	-	-
Site Work	1,107,000	1,005,140	(101,860)
Site Amenities	175,000	446,558	271,558
Building Cost	6,110,000	10,578,459	4,468,459
Contingency	517,440		(517,440)
Contractor Fees	1,107,322	1,657,603	550,281
Soft Costs	827,084	827,084	-
Financing	880,762	915,662	34,900
Developer Fee	1,560,000	1,560,000	-
Reserves	272,441	313,727	41,286
Total HDC	13,187,241	17,934,425	4,747,184
 Cost/Unit	 164,841	 224,180	
 <i>% HC Increase from Original</i>		 <i>51.80%</i>	
<i>Total HC Increase from Original</i>		<i>4,670,998</i>	

Lufkin Royal Gardens
Lufkin, Texas

\$ 13,687,760 \$ 161.02 \$ 166,924

DATE: 05/11/22
REV. DATE:

Program:

Number of Apartments	82
Number of Apartment Buildings	1
Total Slab Square Footage	42,013
Net Rental Square Footage	85,009
Apartment Average NRSF	1,037
Amenity/ Office Slab Square Footage	2,980
Amenity / Office Heated Square Footage	
Number of Attached Garages	
Number of Detached Carports	
Number of Apartment Baths	128
Detached Garage Slab Square Footage	
Construction Duration - Months	13.00
Construction Duration - Weeks	56
Gross Building SF	99,031

COST CODE	PHASE CODE DESCRIPTION	QUANTITY	UOM	UNIT COST	TOTAL	\$/NRSF	\$/UNIT	% of Total
DIVISION 1 A	CONTRACTOR OVERHEAD				\$ 257,000	\$ 3.02	\$ 3,134	1.88%
	Contractor Overhead				\$ 257,000	\$ 3.02	\$ 3,134.15	100.00%
	Field Superintendent	14.00	MO	9,000.00	126,000	1.48	1,536.59	
	Assistant Superintendent	9.00	MO	6,000.00	54,000	0.64	658.54	
	Construction Clerk	14.00	MO	3,000.00	42,000	0.49	512.20	
	Construction Administrator	1.00	LS	35,000.00	35,000	0.41	426.83	
	Other		MO			-	-	
DIVISION 1 B	GENERAL REQUIREMENTS				\$ 461,845	\$ 5.43	\$ 5,632	3.37%
	Project Management Expense				\$ 139,400	\$ 1.64	\$ 1,700.00	54.24%
	Travel Expense	56.00	WK	700.00	39,200	0.46	478.05	
	Fuel & Maintenance	13.00	MO	300.00	3,900	0.05	47.56	
	Temporary Housing	14.00	MO	2,500.00	35,000	0.41	426.83	
	Production Incentives - Units	82.00	UN	150.00	12,300	0.14	150.00	
	Production Incentives - Club	1.00	UN	1,000.00	1,000	0.01	12.20	
	Project Manager	1.00	LS	48,000.00	48,000	0.56	585.37	
	Other					-	-	
	Payroll Taxes				\$ 77,100	\$ 0.91	\$ 940.24	30.00%
	Burden	257,000.00	LS	30.00%	77,100	0.91	940.24	
	Construction Progress Documentation				\$ 4,510	\$ 0.05	\$ 55.00	1.75%
	Progress Aerial Photos		MO			-	-	
	Reproduction Cost	82.00	UN	55.00	4,510	0.05	55.00	
	Other					-	-	
	Temporary Utilities & Services				\$ 138,085	\$ 1.62	\$ 1,683.96	53.73%
	Temporary Electric - Builds	82.00	UN	300.00	24,600	0.29	300.00	
	Temporary Electric - Site	11.00	MO	550.00	6,050	0.07	73.78	
	Temporary Water- Buildings	3.00	BL	5,000.00	15,000	0.18	182.93	
	Temporary Toilets	13.00	MO	600.00	7,800	0.09	95.12	
	Temporary Fencing	1,540.00	LF	2.75	4,235	0.05	51.65	
	Security	38.00	WK	2,050.00	77,900	0.92	950.00	
	Temporary Road - Const. & Repair	1.00	LS	2,500.00	2,500	0.03	30.49	
	Other					-	-	
	Small Tools & Equipment				\$ 61,875	\$ 0.73	\$ 754.57	24.08%
	Equipment- Rental	11.00	MO	4,000.00	44,000	0.52	536.59	
	Small Tools - Generator Rental		MO			-	-	
	Small Tools - Purchase	11.00	MO	1,500.00	16,500	0.19	201.22	
	Safety Equipment	11.00	MO	125.00	1,375	0.02	16.77	
	Other		UN			-	-	
	Project Identification & Signs				\$ 1,200	\$ 0.01	\$ 14.63	0.47%

COST CODE	PHASE CODE DESCRIPTION	QUANTITY	UOM	UNIT COST	TOTAL	\$/NRSF	\$/UNIT	% of Total
	Temp. Construction Signs	1.00	LS	500.00	500	0.01	6.10	
	Safety & SWPP Signs	1.00	LS	700.00	700	0.01	8.54	
	Other		EA			-	-	
	Construction Facilities				\$ 39,675	\$ 0.47	\$ 483.84	15.44%
	Field Office Trailer	13.00	MO	750.00	9,750	0.11	118.90	
	Storage Trailer & Shed	10.00	MO	1,200.00	12,000	0.14	146.34	
	Office Equipment	1.00	LS	2,800.00	2,800	0.03	34.15	
	Field Office Expense	11.00	MO	300.00	3,300	0.04	40.24	
	Office Supplies	11.00	MO	200.00	2,200	0.03	26.83	
	Postage & Courier	11.00	MO	100.00	1,100	0.01	13.41	
	Water- Bottled	11.00	MO	75.00	825	0.01	10.06	
	Internet and Fax Service	11.00	MO	150.00	1,650	0.02	20.12	
	Mobile Phone Service	11.00	MO	550.00	6,050	0.07	73.78	
	Other		MO			-	-	

COST CODE	PHASE CODE DESCRIPTION	QUANTITY	UOM	UNIT COST	TOTAL	\$/NRSF	\$/UNIT	% of Total
DIVISION 2	SITEWORK				\$ 1,451,698	\$ 17.08	\$ 17,704	10.61%
	Earthwork / Mass Grading				\$ 528,540	\$ 6.22	\$ 6,445.61	36.41%
	Earthwork / Mass Grading		LS			-	-	
	Building/Fire Demolition	1.00	LS	368,000.00	368,000	4.33	4,487.80	
	Remove 8' Iron Fence		LF			-	-	
	Remove Existing Paving		LS			-	-	
	Remove Existing Sidewalks		LS			-	-	
			SF			-	-	
	Cut to Fill and Import Common Fill		LS			-	-	
	Import of 1' Select Fill		LS			-	-	
	Retaining Walls	5,790.00	SF	26.00	150,540	1.77	1,835.85	
	Fine Grade Pads & Paving		LS			-	-	
	Regrade Prior to Paving Incl		SY			-	-	
	Backfill Curbs & Buildings		LS			-	-	
	Fine Grading	1.00	LS	10,000.00	10,000	0.12	121.95	
	Lime and Moisture Stabilization		LS			-	-	
	Erosion Control				\$ 19,600	\$ 0.23	\$ 239.02	1.35%
	Construction Entrance	1.00	EA	1,200.00	1,200	0.01	14.63	
	Erosion Control/Silt Fence Perimeter	1.00	LS	6,400.00	6,400	0.08	78.05	
	Testing, Monitoring & Maintenance	38.00	WK	250.00	9,500	0.11	115.85	
	Street Cleaning		WK	100.00		-	-	
	SWPPP Application	1.00	LS	2,500.00	2,500	0.03	30.49	
	Hydro Seed Pond		LS			-	-	
	Water Distribution				\$ 178,000	\$ 2.09	\$ 2,170.73	12.26%
	Water System - Labor & Mat	1.00	LS	158,000.00	158,000	1.86	1,926.83	
	Street Bores	1.00	EA	20,000.00	20,000	0.24	243.90	
	Fire Line Turn-ups incl	1.00	LS			-	-	
	Offsite Waste Disposal incl	1.00	LS			-	-	
	Gas Distribution				\$ -	\$ -	\$ -	
	Gas to Club and Pool		Centerpoint Installs	LS		-	-	

COST CODE	PHASE CODE DESCRIPTION	QUANTITY	UOM	UNIT COST	TOTAL	\$/NRSF	\$/UNIT	% of Total
Sanitary Sewer					\$ 135,000	\$ 1.59	\$ 1,646.34	9.30%
	Sanitary Sewer System - Labor & Mat	1.00	LS	115,000.00	115,000	1.35	1,402.44	
	Street Repair	1.00	LS	20,000.00	20,000	0.24	243.90	
Storm Sewer					\$ 85,000	\$ 1.00	\$ 1,036.59	5.86%
	Storm Sewer System - Trnky	1.00	LS	85,000.00	85,000	1.00	1,036.59	
	Storm Sewer System - Materials	1.00	LS			-	-	
	Roof Drain Mains Excluded		LS			-	-	
	Demolition Existing	1.00	LS			-	-	
Power Distribution Owner					\$ 30,000	\$ 0.35	\$ 365.85	2.07%
	Trench & Conduit - Labor Primary & Other	1.00	LS	30,000.00	30,000	0.35	365.85	
						-	-	
Site Lighting					\$ 8,000	\$ 0.09	\$ 97.56	0.55%
	Site Lighting - Street Lighting Trench	1.00	LS	8,000.00	8,000	0.09	97.56	
	Other					-	-	
Communications Distribution					\$ 21,000	\$ 0.25	\$ 256.10	1.45%
	Phone Trench & Conduit	1.00	LS	12,000.00	12,000	0.14	146.34	
	Trench & Conduit - Fire Al Include Be	1.00	LS	9,000.00	9,000	0.11	109.76	
	Pull Boxes		LF			-	-	
Fences & Gates					\$ 168,058	\$ 1.98	\$ 2,049.49	11.58%
	Metal Perimeter Fence	275.00	LF	72.00	19,800	0.23	241.46	
	Simplex Unican, expanded metal & cl	2.00	EA	600.00	1,200	0.01	14.63	
	Dog Park Fence and Gates	1.00	LS	16,000.00	16,000	0.19	195.12	
	Trash Dumpster Gates and Bollards	1.00	LS	14,000.00	14,000	0.16	170.73	
	Vehicular Access Gates Included A	2.00	EA	12,000.00	24,000	0.28	292.68	
	Chainlink Fence	1,733.00	LF	26.00	45,058	0.53	549.49	
	Motor Enclosure Fence		LS			-	-	
	Vehicular Access Control	1.00	LS	48,000.00	48,000	0.56	585.37	
	Remote Push Button Cont Included		EA			-	-	
Recreational Amenities					\$ 48,900	\$ 0.58	\$ 596.34	3.37%
	Playgrounds - Materials	1.00	LS	42,000.00	42,000	0.49	512.20	
	Bicycle Racks		EA			-	-	
	Removable Canvas Patio Structures	1.00	LS			-	-	
	Flag Pole		LS			-	-	
	Gas Grills	1.00	EA	3,300.00	3,300	0.04	40.24	
	Outdoor Grill		EA			-	-	
	Outdoor Benchs & Picnic Tables	3.00	EA	1,200.00	3,600	0.04	43.90	
	Other					-	-	

COST CODE	PHASE CODE DESCRIPTION	QUANTITY	UOM	UNIT COST	TOTAL	\$/NRSF	\$/UNIT	% of Total
Landscaping & Irrigation					\$ 229,600	\$ 2.70	\$ 2,800.00	1.68%
	Landscape & Irrigation	82.00	EA	2,800.00	229,600	2.70	2,800.00	
	Landscape & Irrigation 180 Day Maintenance		MO			-	-	
DIVISION 3	CONCRETE				\$ 1,362,562	\$ 16.03	\$ 16,617	9.95%
Foundations					\$ 504,156	\$ 5.93	\$ 6,148.24	
	Building Foundations/Piers - L&M	42,013.00	SF	12.00	504,156	5.93	6,148.24	
	Assuming Slab not useable		LS			-	-	
			EA			-	-	
Soil Treatment					\$ 14,705	\$ 0.17	\$ 179.33	1.01%
	Termite Treatment	42,013.00	LS	0.35	14,705	0.17	179.33	
Flatwork					\$ 105,619	\$ 1.24	\$ 1,288.04	7.28%
	Public Walks		SF			-	-	
	Onsite Sidewalks	9,516.00	SF	6.50	61,854	0.73	754.32	
	HC Ramps		EA			-	-	
	HC Ramps Included		EA			-	-	
	A/C Pads	840.00	SF	7.00	5,880	0.07	71.71	
	Concrete Storm Throughs	4,290.00	SF	6.50	27,885	0.33	340.06	
	Gate Throughs	4.00	EA	2,500.00	10,000	0.12	121.95	
	Trench & Conduit - Concrct Primary &		LS			-	-	
Paving Concrete / Asphalt					\$ 470,163	\$ 5.53	\$ 5,733.70	32.39%
	Concrete/Asphalt Paving	64,850.00	SF	7.25	470,163	5.53	5,733.70	
	Lime Stabilization		LS			-	-	
Striping					\$ 8,000	\$ 0.09	\$ 97.56	0.55%
	Pavement Markings - Striping	1.00	LS	6,500.00	6,500	0.08	79.27	
	Precast Wheel Stops		EA			-	-	
	HC Spaces		EA			-	-	
	Fire Line Striping	1.00	LS	1,500.00	1,500	0.02	18.29	
Lightweight Concrete & Gyp-crete					\$ 259,919	\$ 3.06	\$ 3,169.74	
	Lt Wt Concrete for Balc. & Breezeways		LS			-	-	
	Waterproofing		LS			-	-	
	Waterproofing Included		LS			-	-	
	Gyp-crete	79,975.00	SF	3.25	259,919	3.06	3,169.74	
	Gyp-crete & Lt. Wt. Labor		LS			-	-	
	Sound Reduction Mat		SF			-	-	
	Sound Reduction Mat Included		SF			-	-	
	Other		LS			-	-	
Site Improvements					\$ -	\$ -	\$ -	
	Entry Monument		LS			-	-	
DIVISION 4	MASONRY				\$ 504,163	\$ 5.93	\$ 6,148	3.68%
Stucco & Stone					\$ 504,163	\$ 5.93	\$ 6,148.33	
	Stone	1.00	LS	489,663.00	489,663	5.76	5,971.50	
	Brick		LS			-	-	
	CMU	1.00	LS	14,500.00	14,500	0.17	176.83	
	Masonry Fence Cols.- Lab Included		EA			-	-	
	Masonry Fence Cols.- Mat Included		EA			-	-	
DIVISION 5	METALS				\$ 141,100	\$ 1.66	\$ 1,721	1.03%
Stairs, Rails & Struct. Steel					\$ 141,100	\$ 1.66	\$ 1,720.73	
	Stairs & Rails	1.00	LS	132,340.00	132,340	1.56	1,613.90	
	Awning Frames		LS			-	-	
	Pipie Bollards	1.00	LS	8,760.00	8,760	0.10	106.83	
	Canopies		LS			-	-	
	Carports		EA			-	-	
	Pool Fencing		LS			-	-	
DIVISION 6	WOOD				\$ 2,806,018	\$ 33.01	\$ 34,220	20.50%
Rough Carpentry- Labor					\$ 643,819	\$ 7.57	\$ 7,851.45	
	Lump Sum Rough Carpentry Labor	79,975.00	LS	7.25	579,819	6.82	7,070.96	
	Club & Ancillary Buildings Included		SF			-	-	
	Corrugated Wall Panels	1.00	LS			-	-	

COST CODE	PHASE CODE DESCRIPTION	QUANTITY	UOM	UNIT COST	TOTAL	\$/NRSF	\$/UNIT	% of Total
	General Labor	32.00	WK	2,000.00	64,000	0.75	780.49	
	Other					-	-	
	Rough Carpentry - Materials				\$ 1,079,000	\$ 12.69	\$ 13,158.54	
	Lump Sum Materials	82.00	UN	12,000.000	984,000	11.58	12,000.00	
	Decorative Shutters		LS			-	-	
	Other- Siding Etc	1.00	LS	95,000.000	95,000	1.12	1,158.54	
	Hardware				\$ 65,000	\$ 0.76	\$ 792.68	
	Structural Hardware	1.00	LS	65,000.00	65,000	0.76	792.68	
	Other		SF			-	-	
	Trusses				\$ 854,000	\$ 10.05	\$ 10,414.63	
	Roof Trusses	1.00	LS	854,000.00	854,000	10.05	10,414.63	
	Floor Trusses Incl Above	1.00	LS			-	-	
	Paralams / Manufactured Beams	1.00	LS			-	-	
	Hangers					-	-	
	Finish Carpentry- Labor		LS		\$ 99,969	\$ 1.18	\$ 1,219.13	
	Lump Sum Finish Carpentry Labor an	79,975.00	SF	1.25	99,969	1.18	1,219.13	
	Other		LS			-	-	
	Interior Trim Material				\$ 64,230	\$ 0.76	\$ 783.29	
	Lump Sum Interior Trim Material	82.00	UN	515.00	42,230	0.50	515.00	
	Leasing & Common Area Trim	1.00	LS	22,000.00	22,000	0.26	268.29	
			LS					
DIVISION 7	THERMAL & MOISTURE PROTECTION				\$ 579,931	\$ 6.82	\$ 7,072	4.24%
	Insulation				\$ 186,960	\$ 2.20	\$ 2,280.00	
	Lump Sum Insulation Turnkey	82.00	UN	2,280.00	186,960	2.20	2,280.00	
	Club		LS			-	-	
	Blow Floor Cavity Full Incl		SF			-	-	
	Other Excluded		LS			-	-	
	Joint Sealers/Caulk				\$ 12,000	\$ 0.14	\$ 146.34	
	Sealers/Caulking	1.00	LS	12,000.00	12,000	0.14	146.34	
	Acoustical Caulking		SF			-	-	
	Other		LS			-	-	
	Roofing				\$ 235,000	\$ 2.76	\$ 2,865.85	
	Shingle Roofing	1.00	LS	235,000.00	235,000	2.76	2,865.85	
	Metal Awning Roofs		LS			-	-	
	Other		EA			-	-	
	Flashing				\$ 15,000	\$ 0.18	\$ 182.93	
	Lump Sum Sheetmetal Flashing	1.00	LS	15,000.00	15,000	0.18	182.93	
	Other		EA			-	-	
	Vapor Barrier				\$ 91,971	\$ 1.08	\$ 1,121.60	
	Tyvek and Siding	79,975.00	SF	1.15	91,971	1.08	1,121.60	
	Other					-	-	
	Gutters & Downspouts				\$ 39,000	\$ 0.46	\$ 475.61	
	Apartment Buildings - L&M	1.00	LS	39,000.00	39,000	0.46	475.61	
			LS			-	-	
DIVISION 8	DOORS & WINDOWS				\$ 559,105	\$ 6.58	\$ 6,818	4.08%
	Doors/Frames				\$ 353,205	\$ 4.15	\$ 4,307.38	
	Exterior Doors - Club/Common				\$ 3,800	0.04	46.34	
	Lump Sum Club	1.00	LS	3,800.00	3,800	0.04	46.34	
	Storefront		LS			-	-	
	Common Area Doors	1.00	LS	3,000.00	3,000	0.04	36.59	
	Interior Doors - Club/Common				\$ 8,133	0.10	99.18	
	Lump Sum	1.00	LS	6,933.00	6,933	0.08	84.55	

COST CODE	PHASE CODE DESCRIPTION	QUANTITY	UOM	UNIT COST	TOTAL	\$/NRSF	\$/UNIT	% of Total
	Common Area Doors	1.00	LS	1,200.00	1,200	0.01	14.63	
	Exterior Doors - Apartments				\$ 138,252	1.63	1,686.00	
	Exterior Doors	82.00	UN	1,686.00	138,252	1.63	1,686.00	
	Fire Doors - 2 hr. Dbl.					-	-	
	Other		EA			-	-	
	Interior Doors - Apartments				\$ 193,520	2.28	2,360.00	
	Lump Sum	82.00	UN	2,360.00	193,520	2.28	2,360.00	
	Other		EA			-	-	
	Special Doors				\$ 6,500	0.08	79.27	
	Attic Access Panels	1.00	LS	6,500.00	6,500	0.08	79.27	
	Garage Doors/Openers		LS			-	-	
	Other					-	-	
	Windows & Patio Sliders				\$ 169,100	\$ 1.99	\$ 2,062.20	
	Window Repair		EA		\$ 2,500	0.03	30.49	
	Reglaze	25.00	EA	100.00	2,500	0.03	30.49	
	Other					-	-	
	Apartments		EA		\$ 166,600	1.96	2,031.71	
	Windows - Standard STC Low E	82.00	UN	1,300.00	106,600	1.25	1,300.00	Per Plans
	Storefront Windows and Doors	1.00	LS	60,000.00	60,000	0.71		
	Door Hardware				\$ 36,800	0.43	448.78	
	Unit Hardware	82.00	UN	400.00	32,800	0.39	400.00	
	Club/Common	1.00	LS	4,000.00	4,000	0.05	48.78	
			UN			-	-	
DIVISION 9	FINISHES				\$ 1,350,956	\$ 15.89	\$ 16,475	9.87%
	Drywall - Units				\$ 688,800	\$ 8.10	\$ 8,400.00	
	Drywall - Turnkey	82.00	UN	8,400.00	688,800	8.10	8,400.00	
			LS			-	-	
	Tile - Bath Surrounds		EA		\$ -	\$ -	\$ -	
	Ceramic Tub Shower Surround		LS			-	-	
	Ceramic Floors Leasing		LS			-	-	
	Tile Surround @ Fireplace Included Below		EA			-	-	
	Other		SF			-	-	

COST CODE	PHASE CODE DESCRIPTION	QUANTITY	UOM	UNIT COST	TOTAL	\$/NRSF	\$/UNIT	% of Total
Vinyl Flooring - Apartments					\$ 107,966	\$ 1.27	\$ 1,316.66	
	Vinyl Plank - Turnkey Units	79,975.00	SF	1.35	107,966	1.27	1,316.66	
			LS			-	-	
Carpet - Units					\$ 70,000	\$ 0.82	\$ 853.66	
	Carpet - Units Turnkey	1.00	LS	70,000.00	70,000	0.82	853.66	
	Carpet - Common Area & Units		LS			-	-	
Club Flooring					\$ 32,000	\$ 0.38	\$ 390.24	
	Club Flooring Carpet Turnkey	1.00	LS	32,000.00	32,000	0.38	390.24	
	Club Flooring Ceramic Incl Above		LS	-		-	-	
	Corridor Flooring		SF			-	-	
	Vinyl Plank		LS			-	-	
			LS			-	-	
Painting - Apartments					\$ 246,000	\$ 2.89	\$ 3,000.00	
	Lump Sum Painting - Materials	82.00	UN	3,000.00	246,000	2.89	3,000.00	
	Lump Sum Painting - Labor		LS			-	-	
Painting - Club & Ancillary Buildings					\$ -	\$ -	\$ -	
	Lump Sum Painting Exteri Incl					-	-	
	Other					-	-	
Cleaning					\$ 206,190	\$ 2.43	\$ 2,514.51	80.23%
	Final Cleaning	79,975.00	SF	0.42	33,590	0.40	409.63	
	Final Cleaning - Reclean		UN			-	-	
	Carpet Cleaning		UN			-	-	
	Rubbish Containers & Disposal	122.00	EA	800.00	97,600	1.15	1,190.24	
	Punch Labor	1.00	LS	75,000.00	75,000	0.88	914.63	
	Other					-	-	
DIVISION 10	SPECIALTIES				\$ 190,385	\$ 2.24	\$ 2,322	1.39%
Toilet & Bath Accessories					\$ -	\$ 0.45	\$ 463.88	
Toilet/Bath Accessories - Apartments					\$ 38,038	0.45	463.88	
	Bath Accessories	82.00	EA	160.00	13,120	0.15	160.00	
	Club Bath Accessories Incl	1.00	LS	4,212.00	4,212	0.05	51.37	
	Shower Doors		LS		20,706	0.26	272.45	
Mirrors					\$ 24,520	\$ 0.29	\$ 299.02	
Mirrors - Apartments					\$ 24,520	0.29	299.02	
	Mirrors	128.00	EA	165.00	21,120	0.25	257.56	
	Fitness Room	1.00	LS	3,400.00	3,400	0.04	41.46	
			LS			-	-	
Wire Shelving					\$ 68,188	\$ 0.80	\$ 831.56	
	Wood Shelving - Lump Sum	82.00	EA	750.00	61,500	0.72	750.00	
	Wire Linen Shelves	1.00	LS	6,688.00	6,688	0.08	81.56	
Other Specialties					\$ 59,639	\$ 0.70	\$ 727.30	
	Misc Hardware	1.00	LS	1,279.00	1,279	0.02	15.60	
	Mailboxes	86.00	EA	130.00	11,180	0.13	136.34	
	Rent Drop	1.00	EA	485.00	485	0.01	5.91	
	Fire Extinguisher	21.00	EA	285.00	5,985	0.07	72.99	
	Fire Extinguisher - Per Unit with Hang	82.00	EA	61.00	5,002	0.06	61.00	
	Medicine Cabinets	128.00	BA	36.00	4,608	0.05	56.20	
	Knox Box	2.00	EA	550.00	1,100	0.01	13.41	
	Automatic Parcel Lockers	1.00	EA	30,000.00	30,000	0.35	365.85	
	Other		EA			-	-	
Signage					82 AL \$ -	\$ -	\$ -	
	Signage - All - Allowance		LS			-	-	
	Signage - Amenity, Leasing, & Momument		LS			-	-	
DIVISION 11	APPLIANCES				\$ 180,750	\$ 2.13	\$ 2,204	1.32%
Apartments					\$ 180,750	2.13	2,204.27	
	Appliance Package-Units	82.00	LS	2,175.00	178,350	2.10	2,175.00	
	Washer/Dryer Units Included		UN			-	-	

COST CODE	PHASE CODE DESCRIPTION	QUANTITY	UOM	UNIT COST	TOTAL	\$/NRSF	\$/UNIT	% of Total
	Leasing Center	1.00	LS	2,400.00	2,400	0.03	29.27	
DIVISION 12	CABINETS & WINDOW TREATMENTS				\$ 445,120	\$ 5.24	\$ 5,428	3.25%
	Cabinetry				\$ 415,600	4.89	5,068.29	
	Apartments				\$ 415,600	4.89	5,068.29	
	Cabinets - Kitchen & B Raised Pa	82.00	UN	2,350.00	192,700	2.27	2,350.00	
	Cabinet Installation Included	82.00	UN	500.00	41,000	0.48	500.00	
	Quartz Tops Installation Included	82.00	LS	450.00	36,900	0.43	450.00	
	Quartz Tops Material	1.00	LS	145,000.00	145,000	1.71	1,768.29	
	Leasing Center included		LS			-	-	
	Window Treatments				\$ 29,520	0.35	360.00	
	Apartments				\$ 29,520	0.35	360.00	
	Blinds (2" Faux Wood,)	82.00	LS	360.00	29,520	0.35	360.00	
	Clubhouse Blinds (2" Faux Wood)		LS			-	-	
DIVISION 13	SPECIAL CONSTRUCTION				\$ -	\$ -	\$ -	
	Pool, Fountain & Deck NA				\$ -	\$ -	\$ -	
	Swimming Pool, Deck & Fence (Main)		LS			-	-	
	Other Allowance		LS			-	-	
			LS			-	-	
DIVISION 14	CONVEYING SYSTEMS Excluded				\$ -	\$ -	\$ -	
	Elevator		EA		\$ -	\$ -	\$ -	
	Trash Chutes		EA		\$ -	\$ -	\$ -	

COST CODE	PHASE CODE DESCRIPTION	QUANTITY	UOM	UNIT COST	TOTAL	\$/NRSF	\$/UNIT	% of Total
DIVISION 15	MECHANICAL				\$ 1,590,869	\$ 18.71	\$ 19,401	11.62%
	Plumbing				\$ 731,604	\$ 8.61	\$ 8,922.00	
	Apartments				\$ 729,800	8.58	8,900.00	
	Plumbing - Turnkey	82.00	UN	8,900.00	729,800	8.58	8,900.00	
			LS			-	-	
			LS			-	-	
	Club				\$ -			
	Club - Rough-In					-	-	
			Incl			-	-	
			LS			-	-	
	Water Submetering				\$ 1,804	0.02	22.00	
	Sub Meter Jumpers	82.00	UN	22.00	1,804	0.02	22.00	
	Other					-	-	
	Fire Protection				\$ 220,731	\$ 2.60	\$ 2,691.84	
	Fire Protection - Club Hou: Included		LS			-	-	
	Fire Protection - Lump Sur Excludes /	79,975.00	SF	2.76	220,731	2.60	2,691.84	
	Excludes Attics		LS			-	-	
	HVAC				\$ 638,534	\$ 7.51	\$ 7,787.00	
	HVAC Turnkey	82.00	UN	7,725.00	633,450	7.45	7,725.00	
	Condenser Pads	82.00	EA	62.00	5,084	0.06	62.00	
			LS			-	-	
	Club House		Incl w/Apartment HVAC			-	-	
	Permits		Incl w/Apartment HVAC			-	-	
	Dryer Venting		Incl w/Apartment HVAC			-	-	
	Bath Venting		Incl w/Apartment HVAC			-	-	
	Other		EA			-	-	
DIVISION 16	ELECTRICAL				\$ 867,500	\$ 10.20	\$ 10,579	6.34%
	Electrical				\$ 639,600	\$ 7.52	\$ 7,800.00	
	Electrical - Turnkey	82.00	UN	7,800.00	639,600	7.52	7,800.00	
	Garage		Incl.			-	-	
	Club - Rough-in		Incl.			-	-	
			LS			-	-	
	Lighting				\$ 142,900	\$ 1.68	\$ 1,742.68	
	Apartments				\$ 99,900	1.18	1,218.29	
	Light Fixtures - Allowance	82.00	UN	1,200.00	98,400	1.16	1,200.00	
	Breakage/Loss Allowance	1.00	LS	1,500.00	1,500	0.02	18.29	
			LS			-	-	
	Miscellaneous & Other			360.00	\$ 43,000	0.51	524.39	
	Site Lighting	1.00	LS	25,000.00	25,000	0.29	304.88	
	Common Area & Leasing	1.00	LS	18,000.00	18,000	0.21	219.51	
			LS			-	-	
	Fire Alarm				\$ 55,000	\$ 0.65	\$ 670.73	
	Lump Sum Fire Alarm - Turnkey	1.00	LS	55,000.00	55,000	0.65	670.73	
			LS			-	-	
						-	-	

COST CODE	PHASE CODE DESCRIPTION	QUANTITY	UOM	UNIT COST	TOTAL	\$/NRSF	\$/UNIT	% of Total
CATV					\$ 15,000	\$ 0.18	\$ 182.93	
	Apartments - Labor Incl in Electrical	1.00	LS	15,000.00	15,000	0.18	182.93	
	Apartments - Materials		EA			-	-	
Telephone					\$ 15,000	\$ 0.18	\$ 182.93	
	Apartments - Incl in Electrical	1.00	LS	15,000.00	15,000	0.18	182.93	
	Apartments - Materials		EA			-	-	
Security & Sound					\$ -	\$ -	\$ -	
	Club Sound System		LS			-	-	
	Amenity/Leasing Security System		LS			-	-	
	Other		LS			-	-	
SUBTOTAL DIVISION 1 THROUGH 16					\$ 12,749,002	\$ 149.97	\$ 155,476	93.14%
Professional Services					\$ 88,000	\$ 1.04	\$ 1,073	0.64%
	Testing	1.00	LS	48,000.00	48,000	0.56	585.37	
	Surveyor / Layout & Field Controls	1.00	LS	40,000.00	40,000	0.47	487.80	
	Other - Expediting Cost		SF			-	-	
Permits/Fees					\$ -			
	Building Permits owner		LS			-	-	
	Sitework Permits		LS			-	-	
	Water meters/Utility Deposits		LS			-	-	

COST CODE	PHASE CODE DESCRIPTION	QUANTITY	UOM	UNIT COST	TOTAL	\$/NRSF	\$/UNIT	% of Total
Insurance Costs					\$ 43,000.00	\$ 0.51	\$ 524.39	16.73%
	Builders Risk		LS			-	-	
	General Liability w/ \$5M Umbrella	1.00	LS	43,000.00	43,000	0.51	524.39	
	Other		LS			-	-	
Contingency					\$ -			
	Hard Cost Contingency		LS			-	-	
	Sitework Contingency		LS			-	-	
	Other							
	GENERAL CONTRACTOR FEE	1.00	LS	700,000.00	\$ 700,000	\$ 8.23	\$ 8,537	5.11%
	Payment/Performance Bond	1.00		107,758	\$ 107,758	\$ 1.27	\$ 1,314	0.79%
PROJECT GRAND TOTAL					\$ 13,687,760	\$ 161.02	\$ 166,924	100.00%

APPENDIX B



Watermark Commercial Contractors, LLC.

2530 West Fitzhugh Road

Dripping Springs, TX. 78620

P: 512-858-0247 F: 512-858-0247

June 01, 2022

Noor Jooma
P.O. Box 113267
Carrollton, Texas 75011

RE: Project Cost Increases in the last 2 years
Regarding Beaumont and Lufkin Pioneer Crossing projects

Dear Noor:

As you are aware, the COVID-19 worldwide pandemic has devastated the supply chain for building materials in our country. Over the last twenty-four months we have seen prices for every component of constructing apartments to increase in cost in excess of 40% across the board. It started initially with lumber and then spread to all building components. For example, in lumber, a 2x4x9 ft stud two years ago could be bought for around \$3.00/piece. Today's prices range from \$5.71 to \$7.15 per piece. Another lumber example is 7/16 OSB plywood which could be bought 2 years ago for \$10-\$11.00 per sheet. Today that same material costs more than double (100+% increase). Another example is roofing material which have increased in cost by almost 70% in this time frame. Two years ago, shingles were \$56.00 per square and today they are \$96-106.00 per square.

With the price increases, suppliers have recently began charging a fuel tax penalty due to the recent run-up in fuel cost from \$2.60 to the current pricing of \$4.19-\$4.29 for gasoline. Diesel costs are even worse. Items that shipped two years ago for \$200, today costs \$400-\$450 to ship. The Federal Government just mandated an efficiency upgrade to all the HVAC manufactures to upgrade all tooling to create more energy efficient air conditioning systems and dictating that no manufacturer can no longer sell a 14 SEER Air Conditioning system after 12/31/2022 along with outlawing any ability to buy the 14 SEER units for future projects by storing them.

These reasons are why costs to build all apartment projects have increased in price by 40% or more from two years ago. With inflation running out of control and our supply chain not getting fixed, I expect costs to continue to rise the rest of this year and well into 2023.

Please let me know if I can answer other questions regarding this matter.

Sincerely,

A handwritten signature in blue ink that reads "John Gambini". The signature is fluid and cursive, with the first name "John" being more prominent.

John Gambini

Watermark Commercial Contractors

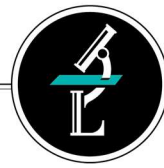
21033

-

Beaumont Pioneer Crossing

-

Force Majeure Request



June 1, 2022

Mr. Cody Campbell
Director of Multifamily Finance
Texas Department of Housing and Community Affairs
211 E 11th Street
Austin, Texas 78701

Via Email: cody.campbell@tdhca.state.tx.us

Re: TDHCA HTC Application #21033 – Beaumont Pioneer Crossing, Beaumont, TX

Dear Mr. Campbell,

Beaumont Pioneer Crossing, LLC (the “Owner”) received an allocation of Housing Tax Credits from the Texas Department of Housing and Community Affairs (“TDHCA”) for the construction of Beaumont Pioneer Crossing (the “Development”). The Owner is required to meet the 10% test by December 31, 2022 and place the Development in service by December 31, 2023. Unfortunately, the Owner faces the possibility of not being able to meet these deadlines as required by §42(h)(1)(E)(i) & §42(h)(1)(E)(ii) of the Internal Revenue Code. The need for requesting an extension to meet the required 10% test and placed in service deadlines is the result of events that we believe should fall under the provisions of §11.6(5) of the 2022 Qualified Allocation Plan (“QAP”) relating to Force Majeure.

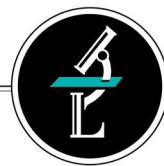
Background Information

The Development is located in Beaumont, Texas, in Jefferson County. The City of Beaumont, and quite frankly the entire State of Texas, has experienced significant cost increases, supply chain issues, and labor shortages that as a whole have impacted and delayed the start of construction of the Development, which has had an adverse effect on the initial construction schedule and anticipated placed-in-service timelines. These issues are the direct result of not one, but several events that together have put extreme upward pricing pressure, interest rate increases, and timing constraints on the construction industry across the entire State of Texas. The events affecting our development are: Winter Storm Uri, the Russian/Ukrainian war, and the COVID-19 Pandemic.

Winter Storm Uri

Winter Storm Uri occurred between February 13-17, 2021, and the lasting effects of the damage have sent a shockwave throughout the State of Texas that is still being felt by many residences and businesses. The damages from the blackouts and harsh freezes are estimated to be at least \$195 billion, making it the costliest natural disaster in Texas and the United States as a whole.¹ This devastation has continued to put supply chain pressure on plumbing parts

¹ Ivanova, Irina (February 25, 2021). "Texas winter storm costs could top \$200 billion — more than hurricanes Harvey and Ike". CBS News. Retrieved March 5, 2021



and services, drywall, appliances and flooring materials as repairs are still being made to many homes and businesses months after the event took place. These increased needs have negatively impacted the original construction budgets that were presented in the 2021 tax credit application, which was compiled immediately prior to the disaster taking place and before the effects of the damage were fully known to Texans.

Russia/Ukraine War

The uncertainty caused by the Russia-Ukraine war has sent already stressed global markets deeper into a downward spiral. US consumer prices rose in March by the most since late 1981, evidence of a painfully high cost of living and reinforcing pressure on the Federal Reserve to raise interest rates even more aggressively. In particular, gasoline costs drove half of the monthly increase, which were up on account of the Russia-Ukraine war.² These fuel price hikes resulting from the decreased supply of crude oil created by the Russia-Ukraine war have created a ripple effect on the pricing from transportation of construction materials, to the cost of performing site work, and even the underlying cost of the materials themselves. In April 2022, the Association of General Contractors of America (“ACG”) issued the sixth update to the initial construction inflation alert was issued in March 2021. In this update, the ACG cited information obtained by the Bureau of Labor Statistics (“BLS”) which posts producer price indexes (“PPIs”). In particular, BLS change in PPIs from April 2020 to February 2022 was 237% for diesel fuel. During that same period lumber and plywood increased by 101%, plastic construction products increased by 45%, copper and brass mill shapes increased by 70%, aluminum mill shapes increased by 52%, and gypsum products increased by 29%.³ To compound the issue, the Federal Reserve has been forced to hike interest rates to offset inflation. The most recent rate hike was the largest single rate increase in over two decades, at half a percentage point. This move comes as no surprise, given inflation is at a 40-year high.⁴

COVID-19 Pandemic

Globally, the COVID-19 Pandemic is an event that will forever change our lives as a world population. On March 11, 2020, the World Health Organization (WHO) declared COVID-19 a pandemic.⁵ Two days later, March 13, 2020, Texas shuts down because of Gov. Abbott’s State disaster declaration spanning all counties in the State of Texas⁶. For Texans, that was when the COVID-19 Pandemic became real, and our lives were forever changed. More than two years later, the global pandemic has affected and continues to affect various global economies in a multitude of ways, but one thing can be said for all economies, supply chain and logistical challenges are here to stay for the unforeseeable future. The shutdowns have affected global

² https://www.business-standard.com/article/international/russia-ukraine-war-impact-us-inflation-rises-to-new-40-year-high-122041201337_1.html

³ https://www.agc.org/sites/default/files/users/user21902/Construction%20Inflation%20Alert%20Cover_Apr2022_0.pdf

⁴ <https://www.cnbc.com/2022/05/04/fed-raises-rates-by-half-a-percentage-point-the-biggest-hike-in-two-decades-to-fight-inflation.html>

⁵ <https://www.yalemedicine.org/news/covid-timeline>

⁶ <https://www.kxan.com/news/coronavirus/365-days-of-covid-how-the-coronavirus-in-texas-unfolded-one-year-after-the-first-case/>



supply chains, which is still problematic in the US, given the fact that as of May 12, 2022, the US has nearly two million shipping containers headed inbound.⁷ Associated Builders and Contractors Chief Economist Anirban Basu noted the discrepancy in access to vaccines across many countries that do not have the same vaccine coverage as the US. There will continue to be a lag in production of materials due to COVID-19. He opined, “Even if COVID went away tomorrow and the Russia-Ukraine war ended, these supply chain troubles last into 2023 and in some cases 2024. It takes a long time to build capacity.”⁸

Impact and Request

The result of these force majeure events is the Development has seen a 45% increase (\$4,252,102) in the original projected construction hard costs submitted in the 2021 tax credit application (see Appendix A). A letter from the general contractor affirming the financial impacts on the Development is also attached to this request (see Appendix B). The Development has currently negotiated more favorable equity terms to help offset some of these cost increases, but some of that benefit has eroded due to the rise in interest rates decreasing the borrowing power available to the Development. Furthermore, the Owner plans to apply for funds from the 2022-1 NOFA which, if awarded, we believe will alleviate the cost increase constraints that have resulted from the devastating events listed above and should make the Development feasible once again. However, due to the inability to close on construction financing because of the significant gap that remains, we have now run into a time constraint that puts meeting the 10% Test and Placement in Service timelines in jeopardy. We request that the Owner be permitted to return the Tax Credits and that TDHCA reallocate the Tax Credits to the Owner in the current year in accordance with §11.6(5) of the 2022 QAP relating to Force Majeure. We believe the Owner and Development meet all the requirements in Section 11.6(5), in that:

1. The events that caused the delay occurred before issuance of 8609s and were sudden, unforeseen circumstances outside the control of the Development Owner.
2. The delays were not caused by willful negligence or acts of Owner, any Affiliate, or any other Related Party.
3. The Owner has provided evidence and a timeline of the events that was the direct result of the delays, see referenced footnotes 1, 2, 3, 4, 5, 6, 7 & 8.
4. Though there was little that could be done to mitigate the effects of Winter Storm Uri, the Russia-Ukraine war, and the COVID-19 Pandemic, once a viable option was made available by TDHCA to assist with the cost increases resulting from these two disasters (2022-1 NOFA), the Owner immediately contacted the proposed financial partners of the Development and began working out a viable financing option that we believe will assist in making the Development feasible once again.

⁷ <https://www.quickdrawfundcontrol.com/2022-the-second-half-will-construction-costs-continue-to-rise/>

⁸ <https://www.quickdrawfundcontrol.com/2022-the-second-half-will-construction-costs-continue-to-rise/>



The result of those discussions is that an application will be submitted for funds under the 2022-1 NOFA (once that NOFA opens back up for new applications). Additionally, the Development was and remains properly insured, and TDHCA was notified of the Force Majeure events.

5. The Force Majeure threatens to prevent the Owner from meeting the 10% Test and Place in Service 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. If granted an award under the 2022-1 NOFA, the Development continues to be financially feasible, as these MFDL funds would assist in offsetting the cost increases experienced by the Development resulting from Winter Storm Uri, the Russia-Ukraine war, and the COVID-19 Pandemic. Additionally, there have not been any insurance proceeds received related to the Force Majeure event.

If you have any questions or would like to discuss these items further, please do not hesitate to contact me directly at (512) 785-3710 or via email at lora@betcohousinglab.com.

Sincerely,



Lora Myrick, Principal
BETCO Consulting, LLC

APPENDIX A

Beaumont Pioneer Crossing

Cost Comparison

Development Costs	Original UW 7/19/2021	MFDL Application TBD	Difference from last UW
Land	780,258	780,258	-
Off-Sites	35,000	-	(35,000)
Site Work	1,277,000	1,332,763	55,763
Site Amenities	175,000	446,558	271,558
Building Cost	6,125,000	10,208,054	4,083,054
Contingency	532,840	-	(532,840)
Contractor Fees	1,140,278	1,549,845	409,567
Soft Costs	777,000	1,376,369	599,369
Financing	947,820	889,820	(58,000)
Developer Fee	1,607,000	1,607,000	-
Reserves	315,435	331,051	15,616
Total HDC	13,712,631	18,521,718	4,809,087
 Cost/Unit	 167,227	 225,875	
 <i>% HC Increase from Original</i>		 45.79%	
<i>Total HC Increase from Original</i>		 4,252,102	

Beaumont Pioneer Crossing
Beaumont, Texas

\$ 13,537,220 \$ 159.24 \$ 165,088

DATE: 04/11/22

REV. DATE:

Program:

Number of Apartments	82
Number of Apartment Buildings	1
Total Slab Square Footage	42,013
Net Rental Square Footage	85,009
Apartment Average NRSF	1,037
Amenity/ Office Slab Square Footage	2,980
Amenity / Office Heated Square Footage	
Number of Attached Garages	
Number of Detached Carports	
Number of Apartment Baths	128
Detached Garage Slab Square Footage	
Construction Duration - Months	13.00
Construction Duration - Weeks	56
Gross Building SF	99,031

COST CODE	PHASE CODE DESCRIPTION	QUANTITY	UOM	UNIT COST	TOTAL	\$/NRSF	\$/UNIT	% of Total
DIVISION 1 A	CONTRACTOR OVERHEAD				\$ 257,000	\$ 3.02	\$ 3,134	1.90%
	Contractor Overhead				\$ 257,000	\$ 3.02	\$ 3,134.15	100.00%
	Field Superintendent	14.00	MO	9,000.00	126,000	1.48	1,536.59	
	Assistant Superintendent	9.00	MO	6,000.00	54,000	0.64	658.54	
	Construction Clerk	14.00	MO	3,000.00	42,000	0.49	512.20	
	Construction Administrator	1.00	LS	35,000.00	35,000	0.41	426.83	
	Other		MO			-	-	
DIVISION 1 B	GENERAL REQUIREMENTS				\$ 461,845	\$ 5.43	\$ 5,632	3.41%
	Project Management Expense				\$ 139,400	\$ 1.64	\$ 1,700.00	54.24%
	Travel Expense	56.00	WK	700.00	39,200	0.46	478.05	
	Fuel & Maintenance	13.00	MO	300.00	3,900	0.05	47.56	
	Temporary Housing	14.00	MO	2,500.00	35,000	0.41	426.83	
	Production Incentives - Units	82.00	UN	150.00	12,300	0.14	150.00	
	Production Incentives - Club	1.00	UN	1,000.00	1,000	0.01	12.20	
	Project Manager	1.00	LS	48,000.00	48,000	0.56	585.37	
	Other					-	-	
	Payroll Taxes				\$ 77,100	\$ 0.91	\$ 940.24	30.00%
	Burden	257,000.00	LS	30.00%	77,100	0.91	940.24	
	Construction Progress Documentation				\$ 4,510	\$ 0.05	\$ 55.00	1.75%
	Progress Aerial Photos		MO			-	-	
	Reproduction Cost	82.00	UN	55.00	4,510	0.05	55.00	
	Other					-	-	
	Temporary Utilities & Services				\$ 138,085	\$ 1.62	\$ 1,683.96	53.73%
	Temporary Electric - Builds	82.00	UN	300.00	24,600	0.29	300.00	
	Temporary Electric - Site	11.00	MO	550.00	6,050	0.07	73.78	
	Temporary Water- Buildings	3.00	BL	5,000.00	15,000	0.18	182.93	
	Temporary Toilets	13.00	MO	600.00	7,800	0.09	95.12	
	Temporary Fencing	1,540.00	LF	2.75	4,235	0.05	51.65	
	Security	38.00	WK	2,050.00	77,900	0.92	950.00	
	Temporary Road - Const. & Repair	1.00	LS	2,500.00	2,500	0.03	30.49	
	Other					-	-	
	Small Tools & Equipment				\$ 61,875	\$ 0.73	\$ 754.57	24.08%
	Equipment- Rental	11.00	MO	4,000.00	44,000	0.52	536.59	
	Small Tools - Generator Rental		MO			-	-	
	Small Tools - Purchase	11.00	MO	1,500.00	16,500	0.19	201.22	
	Safety Equipment	11.00	MO	125.00	1,375	0.02	16.77	
	Other		UN			-	-	
	Project Identification & Signs				\$ 1,200	\$ 0.01	\$ 14.63	0.47%
	Temp. Construction Signs	1.00	LS	500.00	500	0.01	6.10	
	Safety & SWPP Signs	1.00	LS	700.00	700	0.01	8.54	
	Other		EA			-	-	
	Construction Facilities				\$ 39,675	\$ 0.47	\$ 483.84	15.44%
	Field Office Trailer	13.00	MO	750.00	9,750	0.11	118.90	
	Storage Trailer & Shed	10.00	MO	1,200.00	12,000	0.14	146.34	
	Office Equipment	1.00	LS	2,800.00	2,800	0.03	34.15	
	Field Office Expense	11.00	MO	300.00	3,300	0.04	40.24	
	Office Supplies	11.00	MO	200.00	2,200	0.03	26.83	
	Postage & Courier	11.00	MO	100.00	1,100	0.01	13.41	
	Water- Bottled	11.00	MO	75.00	825	0.01	10.06	
	Internet and Fax Service	11.00	MO	150.00	1,650	0.02	20.12	
	Mobile Phone Service	11.00	MO	550.00	6,050	0.07	73.78	
	Other		MO			-	-	
DIVISION 2	SITWORK				\$ 1,301,158	\$ 15.31	\$ 15,868	9.61%
	Earthwork / Mass Grading				\$ 378,000	\$ 4.45	\$ 4,609.76	29.05%
	Earthwork / Mass Grading		LS			-	-	
	Building/Fire Demolition	1.00	LS	368,000.00	368,000	4.33	4,487.80	
	Remove 8' Iron Fence		LF			-	-	

COST CODE	PHASE CODE DESCRIPTION	QUANTITY	UOM	UNIT COST	TOTAL	\$/NRSF	\$/UNIT	% of Total
	Remove Existing Paving		LS			-	-	
	Remove Existing Sidewalks		LS			-	-	
	Aphalt Paving		LS			-	-	
	Cut to Fill and Import Common Fill		LS			-	-	
	Import of 1' Select Fill		LS			-	-	
	Retaining Walls		SF			-	-	
	Fine Grade Pads & Paving		LS			-	-	
	Regrade Prior to Paving Incl		SY			-	-	
	Backfill Curbs & Buildings		LS			-	-	
	Fine Grading	1.00	LS	10,000.00	10,000	0.12	121.95	
	Lime and Moisture Stabilization		LS			-	-	
	Erosion Control				\$ 19,600	\$ 0.23	\$ 239.02	1.51%
	Construction Entrance	1.00	EA	1,200.00	1,200	0.01	14.63	
	Erosion Control/Silt Fence Perimeter	1.00	LS	6,400.00	6,400	0.08	78.05	
	Testing, Monitoring & Maintenance	38.00	WK	250.00	9,500	0.11	115.85	
	Street Cleaning		WK	100.00		-	-	
	SWPPP Application	1.00	LS	2,500.00	2,500	0.03	30.49	
	Hydro Seed Pond		LS			-	-	
	Water Distribution				\$ 178,000	\$ 2.09	\$ 2,170.73	13.68%
	Water System - Labor & Mat	1.00	LS	158,000.00	158,000	1.86	1,926.83	
	Street Bores	1.00	EA	20,000.00	20,000	0.24	243.90	
	Fire Line Turn-ups incl	1.00	LS			-	-	
	Offsite Waste Disposal incl	1.00	LS			-	-	
	Gas Distribution				\$ -	\$ -	\$ -	
	Gas to Club and Pool Centerpoint Installs		LS			-	-	
	Sanitary Sewer				\$ 135,000	\$ 1.59	\$ 1,646.34	10.38%
	Sanitary Sewer System - Labor & Mat	1.00	LS	115,000.00	115,000	1.35	1,402.44	
	Street Repair	1.00	LS	20,000.00	20,000	0.24	243.90	
	Storm Sewer				\$ 85,000	\$ 1.00	\$ 1,036.59	6.53%
	Storm Sewer System - Trnky	1.00	LS	85,000.00	85,000	1.00	1,036.59	
	Storm Sewer System - Materials	1.00	LS			-	-	
	Roof Drain Mains Excluded		LS			-	-	
	Demolition Existing	1.00	LS			-	-	
	Power Distribution Owner				\$ 30,000	\$ 0.35	\$ 365.85	2.31%
	Trench & Conduit - Labor Primary & Other	1.00	LS	30,000.00	30,000	0.35	365.85	
	Site Lighting				\$ 8,000	\$ 0.09	\$ 97.56	0.61%
	Site Lighting - Street Lighting Trench	1.00	LS	8,000.00	8,000	0.09	97.56	
	Other					-	-	
	Communications Distribution				\$ 21,000	\$ 0.25	\$ 256.10	1.61%
	Phone Trench & Conduit	1.00	LS	12,000.00	12,000	0.14	146.34	
	Trench & Conduit - Fire Al Include Be	1.00	LS	9,000.00	9,000	0.11	109.76	
	Pull Boxes		LF			-	-	
	Fences & Gates				\$ 168,058	\$ 1.98	\$ 2,049.49	12.92%
	Metal Perimeter Fence	275.00	LF	72.00	19,800	0.23	241.46	
	Simplex Unican, expanded metal & cl	2.00	EA	600.00	1,200	0.01	14.63	
	Dog Park Fence and Gates	1.00	LS	16,000.00	16,000	0.19	195.12	
	Trash Dumpster Gates and Bollards	1.00	LS	14,000.00	14,000	0.16	170.73	
	Vehicular Access Gates Included A	2.00	EA	12,000.00	24,000	0.28	292.68	
	Chainlink Fence	1,733.00	LF	26.00	45,058	0.53	549.49	
	Motor Enclosure Fence		LS			-	-	
	Vehicular Access Control	1.00	LS	48,000.00	48,000	0.56	585.37	
	Remote Push Button Cont Included		EA			-	-	
	Recreational Amenities				\$ 48,900	\$ 0.58	\$ 596.34	3.76%
	Playgrounds - Materials	1.00	LS	42,000.00	42,000	0.49	512.20	
	Bicycle Racks		EA			-	-	
	Removable Canvas Patio Structures	1.00	LS			-	-	
	Flag Pole		LS			-	-	
	Gas Grills	1.00	EA	3,300.00	3,300	0.04	40.24	
	Outdoor Grill		EA			-	-	

COST CODE	PHASE CODE DESCRIPTION	QUANTITY	UOM	UNIT COST	TOTAL	\$/NRSF	\$/UNIT	% of Total
	Outdoor Benches & Picnic Tables	3.00	EA	1,200.00	3,600	0.04	43.90	
	Other					-	-	
	Landscaping & Irrigation				\$ 229,600	\$ 2.70	\$ 2,800.00	1.70%
	Landscape & Irrigation	82.00	EA	2,800.00	229,600	2.70	2,800.00	
	Landscape & Irrigation 180 Day Maintenance		MO			-	-	
DIVISION 3	CONCRETE				\$ 1,362,562	\$ 16.03	\$ 16,617	10.07%
	Foundations				\$ 504,156	\$ 5.93	\$ 6,148.24	
	Building Foundations/Piers - L&M	42,013.00	SF	12.00	504,156	5.93	6,148.24	
	Assuming Slab not useable		LS			-	-	
			EA			-	-	
	Soil Treatment				\$ 14,705	\$ 0.17	\$ 179.33	1.13%
	Termite Treatment	42,013.00	LS	0.35	14,705	0.17	179.33	
	Flatwork				\$ 105,619	\$ 1.24	\$ 1,288.04	8.12%
	Public Walks		SF			-	-	
	Onsite Sidewalks	9,516.00	SF	6.50	61,854	0.73	754.32	
	HC Ramps Included		EA			-	-	
	A/C Pads	840.00	SF	7.00	5,880	0.07	71.71	
	Concrete Storm Throughs	4,290.00	SF	6.50	27,885	0.33	340.06	
	Gate Throughs	4.00	EA	2,500.00	10,000	0.12	121.95	
	Trench & Conduit - Concrete Primary &		LS			-	-	
	Paving Concrete / Asphalt				\$ 470,163	\$ 5.53	\$ 5,733.70	36.13%
	Concrete/Asphalt Paving	64,850.00	SF	7.25	470,163	5.53	5,733.70	
	Lime Stabilization		LS			-	-	
	Striping				\$ 8,000	\$ 0.09	\$ 97.56	0.61%
	Pavement Markings - Striping	1.00	LS	6,500.00	6,500	0.08	79.27	
	Precast Wheel Stops		EA			-	-	
	HC Spaces		EA			-	-	
	Fire Line Striping	1.00	LS	1,500.00	1,500	0.02	18.29	
	Lightweight Concrete & Gyp-crete				\$ 259,919	\$ 3.06	\$ 3,169.74	
	Lt Wt Concrete for Balc. & Brezeways		LS			-	-	
	Waterproofing Included		LS			-	-	
	Gyp-crete	79,975.00	SF	3.25	259,919	3.06	3,169.74	
	Gyp-crete & Lt. Wt. Labor		LS			-	-	
	Sound Reduction Mat Included		SF			-	-	
	Other		LS			-	-	
	Site Improvements				\$ -	\$ -	\$ -	
	Entry Monument		LS			-	-	
DIVISION 4	MASONRY				\$ 504,163	\$ 5.93	\$ 6,148	3.72%
	Stucco & Stone				\$ 504,163	\$ 5.93	\$ 6,148.33	
	Stone	1.00	LS	489,663.00	489,663	5.76	5,971.50	
	Brick		LS			-	-	
	CMU	1.00	LS	14,500.00	14,500	0.17	176.83	
	Masonry Fence Cols.- Lab Included		EA			-	-	
	Masonry Fence Cols.- Mat Included		EA			-	-	
DIVISION 5	METALS				\$ 141,100	\$ 1.66	\$ 1,721	1.04%
	Stairs, Rails & Struct. Steel				\$ 141,100	\$ 1.66	\$ 1,720.73	
	Stairs & Rails	1.00	LS	132,340.00	132,340	1.56	1,613.90	
	Awning Frames		LS			-	-	
	Pipe Bollards	1.00	LS	8,760.00	8,760	0.10	106.83	
	Canopies		LS			-	-	
	Carports		EA			-	-	
	Pool Fencing		LS			-	-	
DIVISION 6	WOOD				\$ 2,806,018	\$ 33.01	\$ 34,220	20.73%

COST CODE	PHASE CODE DESCRIPTION	QUANTITY	UOM	UNIT COST	TOTAL	\$/NRSF	\$/UNIT	% of Total
Rough Carpentry- Labor					\$ 643,819	\$ 7.57	\$ 7,851.45	
	Lump Sum Rough Carpentry Labor	79,975.00	LS	7.25	579,819	6.82	7,070.96	
	Club & Ancillary Buildings Included		SF			-	-	
	Corrugated Wall Panels	1.00	LS			-	-	
	General Labor	32.00	WK	2,000.00	64,000	0.75	780.49	
	Other					-	-	
Rough Carpentry - Materials					\$ 1,079,000	\$ 12.69	\$ 13,158.54	
	Lump Sum Materials	82.00	UN	12,000.000	984,000	11.58	12,000.00	
	Decorative Shutters		LS			-	-	
	Other- Siding Etc	1.00	LS	95,000.000	95,000	1.12	1,158.54	
Hardware					\$ 65,000	\$ 0.76	\$ 792.68	
	Structural Hardware	1.00	LS	65,000.00	65,000	0.76	792.68	
	Other		SF			-	-	
Trusses					\$ 854,000	\$ 10.05	\$ 10,414.63	
	Roof Trusses	1.00	LS	854,000.00	854,000	10.05	10,414.63	
	Floor Trusses Incl Above	1.00	LS			-	-	
	Paralams / Manufactured Beams	1.00	LS			-	-	
	Hangers					-	-	
			LS			-	-	
Finish Carpentry- Labor					\$ 99,969	\$ 1.18	\$ 1,219.13	
	Lump Sum Finish Carpentry Labor ar	79,975.00	SF	1.25	99,969	1.18	1,219.13	
	Other		LS			-	-	
			LS			-	-	
Interior Trim Material					\$ 64,230	\$ 0.76	\$ 783.29	
	Lump Sum Interior Trim Material	82.00	UN	515.00	42,230	0.50	515.00	
	Leasing & Common Area Trim	1.00	LS	22,000.00	22,000	0.26	268.29	
			LS			-	-	
DIVISION 7	THERMAL & MOISTURE PROTECTION				\$ 579,931	\$ 6.82	\$ 7,072	4.28%
Insulation					\$ 186,960	\$ 2.20	\$ 2,280.00	
	Lump Sum Insulation Turnkey	82.00	UN	2,280.00	186,960	2.20	2,280.00	
			LS			-	-	
	Club Incl		SF			-	-	
	Blow Floor Cavity Full Excluded		LS			-	-	
	Other		LS			-	-	
Joint Sealers/Caulk					\$ 12,000	\$ 0.14	\$ 146.34	
	Sealers/Caulking	1.00	LS	12,000.00	12,000	0.14	146.34	
	Acoustical Caulking		SF			-	-	
	Other		LS			-	-	
Roofing					\$ 235,000	\$ 2.76	\$ 2,865.85	
	Shingle Roofing	1.00	LS	235,000.00	235,000	2.76	2,865.85	
	Metal Awning Roofs		LS			-	-	
	Other		EA			-	-	
Flashing					\$ 15,000	\$ 0.18	\$ 182.93	
	Lump Sum Sheetmetal Flashing	1.00	LS	15,000.00	15,000	0.18	182.93	
	Other		EA			-	-	
Vapor Barrier					\$ 91,971	\$ 1.08	\$ 1,121.60	
	Tyvek and Siding	79,975.00	SF	1.15	91,971	1.08	1,121.60	
	Other					-	-	
Gutters & Downspouts					\$ 39,000	\$ 0.46	\$ 475.61	
	Apartment Buildings - L&M	1.00	LS	39,000.00	39,000	0.46	475.61	
			LS			-	-	
DIVISION 8	DOORS & WINDOWS				\$ 559,105	\$ 6.58	\$ 6,818	4.13%
Doors/Frames					\$ 353,205	\$ 4.15	\$ 4,307.38	
Exterior Doors - Club/Common					\$ 3,800	0.04	46.34	
	Lump Sum Club	1.00	LS	3,800.00	3,800	0.04	46.34	

COST CODE	PHASE CODE DESCRIPTION	QUANTITY	UOM	UNIT COST	TOTAL	\$/NRSF	\$/UNIT	% of Total
	Storefront		LS			-	-	
	Common Area Doors	1.00	LS	3,000.00	3,000	0.04	36.59	
	Interior Doors - Club/Common				\$ 8,133	0.10	99.18	
	Lump Sum	1.00	LS	6,933.00	6,933	0.08	84.55	
	Common Area Doors	1.00	LS	1,200.00	1,200	0.01	14.63	
	Exterior Doors - Apartments				\$ 138,252	1.63	1,686.00	
	Exterior Doors	82.00	UN	1,686.00	138,252	1.63	1,686.00	
	Fire Doors - 2 hr. Dbl.					-	-	
	Other		EA			-	-	
	Interior Doors - Apartments				\$ 193,520	2.28	2,360.00	
	Lump Sum	82.00	UN	2,360.00	193,520	2.28	2,360.00	
	Other		EA			-	-	
	Special Doors				\$ 6,500	0.08	79.27	
	Attic Access Panels	1.00	LS	6,500.00	6,500	0.08	79.27	
	Garage Doors/Openers		LS			-	-	
	Other					-	-	
	Windows & Patio Sliders				\$ 169,100	\$ 1.99	\$ 2,062.20	
	Window Repair		EA		\$ 2,500	0.03	30.49	
	Reglaze	25.00	EA	100.00	2,500	0.03	30.49	
	Other					-	-	
	Apartments		LS EA		\$ 166,600	1.96	2,031.71	
	Windows - Standard STC Low E	82.00	UN	1,300.00	106,600	1.25	1,300.00	Per Plans
	Storefront Windows and Doors	1.00	LS	60,000.00	60,000	0.71		
	Door Hardware				\$ 36,800	0.43	448.78	
	Unit Hardware	82.00	UN	400.00	32,800	0.39	400.00	
	Club/Common	1.00	LS	4,000.00	4,000	0.05	48.78	
			UN			-	-	
DIVISION 9	FINISHES				\$ 1,350,956	\$ 15.89	\$ 16,475	9.98%
	Drywall - Units				\$ 688,800	\$ 8.10	\$ 8,400.00	
	Drywall - Turnkey	82.00	UN	8,400.00	688,800	8.10	8,400.00	
			LS			-	-	
	Tile - Bath Surrounds		EA		\$ -	\$ -	\$ -	
	Ceramic Tub Shower Surround		LS			-	-	
	Ceramic Floors Leasing		LS			-	-	
	Tile Surround @ Fireplace Included Below		EA			-	-	
	Other		SF			-	-	

COST CODE	PHASE CODE DESCRIPTION	QUANTITY	UOM	UNIT COST	TOTAL	\$/NRSF	\$/UNIT	% of Total
Vinyl Flooring - Apartments					\$ 107,966	\$ 1.27	\$ 1,316.66	
	Vinyl Plank - Turnkey Units	79,975.00	SF	1.35	107,966	1.27	1,316.66	
			LS			-	-	
Carpet - Units					\$ 70,000	\$ 0.82	\$ 853.66	
	Carpet - Units Turnkey	1.00	LS	70,000.00	70,000	0.82	853.66	
	Carpet - Common Area & Units		LS			-	-	
Club Flooring					\$ 32,000	\$ 0.38	\$ 390.24	
	Club Flooring Carpet Turnkey	1.00	LS	32,000.00	32,000	0.38	390.24	
	Club Flooring Ceramic Incl Above		LS	-		-	-	
	Corridor Flooring		SF			-	-	
	Vinyl Plank		LS			-	-	
			LS			-	-	
Painting - Apartments					\$ 246,000	\$ 2.89	\$ 3,000.00	
	Lump Sum Painting - Materials	82.00	UN	3,000.00	246,000	2.89	3,000.00	
	Lump Sum Painting - Labor		LS			-	-	
Painting - Club & Ancillary Buildings					\$ -	\$ -	\$ -	
	Lump Sum Painting Exteri Incl					-	-	
	Other					-	-	
Cleaning					\$ 206,190	\$ 2.43	\$ 2,514.51	80.23%
	Final Cleaning	79,975.00	SF	0.42	33,590	0.40	409.63	
	Final Cleaning - Reclean		UN			-	-	
	Carpet Cleaning		UN			-	-	
	Rubbish Containers & Disposal	122.00	EA	800.00	97,600	1.15	1,190.24	
	Punch Labor	1.00	LS	75,000.00	75,000	0.88	914.63	
	Other					-	-	
DIVISION 10	SPECIALTIES				\$ 190,385	\$ 2.24	\$ 2,322	1.41%
Toilet & Bath Accessories					\$ -	\$ 0.45	\$ 463.88	
Toilet/Bath Accessories - Apartments					\$ 38,038	0.45	463.88	
	Bath Accessories	82.00	EA	160.00	13,120	0.15	160.00	
	Club Bath Accessories Incl	1.00	LS	4,212.00	4,212	0.05	51.37	
	Shower Doors		LS		20,706	0.26	272.45	
Mirrors					\$ 24,520	\$ 0.29	\$ 299.02	
Mirrors - Apartments					\$ 24,520	0.29	299.02	
	Mirrors	128.00	EA	165.00	21,120	0.25	257.56	
	Fitness Room	1.00	LS	3,400.00	3,400	0.04	41.46	
			LS			-	-	
Wire Shelving					\$ 68,188	\$ 0.80	\$ 831.56	
	Wood Shelving - Lump Sum	82.00	EA	750.00	61,500	0.72	750.00	
	Wire Linen Shelves	1.00	LS	6,688.00	6,688	0.08	81.56	
Other Specialties					\$ 59,639	\$ 0.70	\$ 727.30	
	Misc Hardware	1.00	LS	1,279.00	1,279	0.02	15.60	
	Mailboxes	86.00	EA	130.00	11,180	0.13	136.34	
	Rent Drop	1.00	EA	485.00	485	0.01	5.91	
	Fire Extinguisher	21.00	EA	285.00	5,985	0.07	72.99	
	Fire Extinguisher - Per Unit with Hang	82.00	EA	61.00	5,002	0.06	61.00	
	Medicine Cabinets	128.00	BA	36.00	4,608	0.05	56.20	
	Knox Box	2.00	EA	550.00	1,100	0.01	13.41	
	Automatic Parcel Lockers	1.00	EA	30,000.00	30,000	0.35	365.85	
	Other		EA			-	-	
Signage					\$ -	\$ -	\$ -	
	Signage - All - Allowance		LS			-	-	
	Signage - Amenity, Leasing, & Momument	82	AL			-	-	
DIVISION 11	APPLIANCES				\$ 180,750	\$ 2.13	\$ 2,204	1.34%
Apartments					\$ 180,750	2.13	2,204.27	
	Appliance Package-Units	82.00	LS	2,175.00	178,350	2.10	2,175.00	
	Washer/Dryer Units Included		UN			-	-	

COST CODE	PHASE CODE DESCRIPTION	QUANTITY	UOM	UNIT COST	TOTAL	\$/NRSF	\$/UNIT	% of Total
	Leasing Center	1.00	LS	2,400.00	2,400	0.03	29.27	
DIVISION 12	CABINETS & WINDOW TREATMENTS				\$ 445,120	\$ 5.24	\$ 5,428	3.29%
	Cabinetry				\$ 415,600	4.89	5,068.29	
	Apartments				\$ 415,600	4.89	5,068.29	
	Cabinets - Kitchen & B Raised Pa	82.00	UN	2,350.00	192,700	2.27	2,350.00	
	Cabinet Installation Included	82.00	UN	500.00	41,000	0.48	500.00	
	Quartz Tops Installation Included	82.00	LS	450.00	36,900	0.43	450.00	
	Quartz Tops Material	1.00	LS	145,000.00	145,000	1.71	1,768.29	
	Leasing Center included		LS			-	-	
	Window Treatments				\$ 29,520	0.35	360.00	
	Apartments				\$ 29,520	0.35	360.00	
	Blinds (2" Faux Wood,)	82.00	LS	360.00	29,520	0.35	360.00	
	Clubhouse Blinds (2" Faux Wood)		LS			-	-	
DIVISION 13	SPECIAL CONSTRUCTION				\$ -	\$ -	\$ -	
	Pool, Fountain & Deck NA				\$ -	\$ -	\$ -	
	Swimming Pool, Deck & Fence (Main)		LS			-	-	
	Other Allowance		LS			-	-	
			LS			-	-	
DIVISION 14	CONVEYING SYSTEMS Excluded				\$ -	\$ -	\$ -	
	Elevator		EA		\$ -	\$ -	\$ -	
	Trash Chutes		EA		\$ -	\$ -	\$ -	

COST CODE	PHASE CODE DESCRIPTION	QUANTITY	UOM	UNIT COST	TOTAL	\$/NRSF	\$/UNIT	% of Total
DIVISION 15	MECHANICAL				\$ 1,590,869	\$ 18.71	\$ 19,401	11.75%
	Plumbing				\$ 731,604	\$ 8.61	\$ 8,922.00	
	Apartments				\$ 729,800	8.58	8,900.00	
	Plumbing - Turnkey	82.00	UN	8,900.00	729,800	8.58	8,900.00	
			LS			-	-	
			LS			-	-	
	Club				\$ -			
	Club - Rough-In Incl					-	-	
			LS			-	-	
	Water Submetering				\$ 1,804	0.02	22.00	
	Sub Meter Jumpers	82.00	UN	22.00	1,804	0.02	22.00	
	Other					-	-	
	Fire Protection				\$ 220,731	\$ 2.60	\$ 2,691.84	
	Fire Protection - Club Hou: Included		LS			-	-	
	Fire Protection - Lump Sum Excludes / Excludes Attics	79,975.00	SF	2.76	220,731	2.60	2,691.84	
			LS			-	-	
	HVAC				\$ 638,534	\$ 7.51	\$ 7,787.00	
	HVAC Turnkey	82.00	UN	7,725.00	633,450	7.45	7,725.00	
	Condenser Pads	82.00	EA	62.00	5,084	0.06	62.00	
			LS			-	-	
	Club House Incl w/Apartment HVAC		EA			-	-	
	Permits Incl w/Apartment HVAC		LS			-	-	
	Dryer Venting Incl w/Apartment HVAC		EA			-	-	
	Bath Venting Incl w/Apartment HVAC		EA			-	-	
	Other		EA			-	-	
DIVISION 16	ELECTRICAL				\$ 867,500	\$ 10.20	\$ 10,579	6.41%
	Electrical				\$ 639,600	\$ 7.52	\$ 7,800.00	
	Electrical - Turnkey	82.00	UN	7,800.00	639,600	7.52	7,800.00	
	Garage Incl.		LS			-	-	
	Club - Rough-in Incl.		LS			-	-	
	Lighting				\$ 142,900	\$ 1.68	\$ 1,742.68	
	Apartments		LS		\$ 99,900	1.18	1,218.29	
	Light Fixtures - Allowance	82.00	UN	1,200.00	98,400	1.16	1,200.00	
	Breakage/Loss Allowance	1.00	LS	1,500.00	1,500	0.02	18.29	
			LS			-	-	
	Miscellaneous & Other			360.00	\$ 43,000	0.51	524.39	
	Site Lighting	1.00	LS	25,000.00	25,000	0.29	304.88	
	Common Area & Leasing	1.00	LS	18,000.00	18,000	0.21	219.51	
			LS			-	-	
	Fire Alarm				\$ 55,000	\$ 0.65	\$ 670.73	
	Lump Sum Fire Alarm - Turnkey	1.00	LS	55,000.00	55,000	0.65	670.73	
			LS			-	-	

COST CODE	PHASE CODE DESCRIPTION	QUANTITY	UOM	UNIT COST	TOTAL	\$/NRSF	\$/UNIT	% of Total
CATV					\$ 15,000	\$ 0.18	\$ 182.93	
	Apartments - Labor Incl in Electrical	1.00	LS	15,000.00	15,000	0.18	182.93	
	Apartments - Materials		EA			-	-	
Telephone					\$ 15,000	\$ 0.18	\$ 182.93	
	Apartments - Incl in Electrical	1.00	LS	15,000.00	15,000	0.18	182.93	
	Apartments - Materials		EA			-	-	
Security & Sound					\$ -	\$ -	\$ -	
	Club Sound System		LS			-	-	
	Amenity/Leasing Security System		LS			-	-	
	Other		LS			-	-	
SUBTOTAL DIVISION 1 THROUGH 16					\$ 12,598,462	\$ 148.20	\$ 153,640	93.07%
Professional Services					\$ 88,000	\$ 1.04	\$ 1,073	0.65%
	Testing	1.00	LS	48,000.00	48,000	0.56	585.37	
	Surveyor / Layout & Field Controls	1.00	LS	40,000.00	40,000	0.47	487.80	
	Other - Expediting Cost		SF			-	-	
Permits/Fees					\$ -			
	Building Permits owner		LS			-	-	
	Sitework Permits		LS			-	-	
	Water meters/Utility Deposits		LS			-	-	

COST CODE	PHASE CODE DESCRIPTION	QUANTITY	UOM	UNIT COST	TOTAL	\$/NRSF	\$/UNIT	% of Total
Insurance Costs					\$ 43,000.00	\$ 0.51	\$ 524.39	16.73%
	Builders Risk		Owner Providing	LS		-	-	
	General Liability w/ \$5M Umbrella	1.00		LS	43,000.00	0.51	524.39	
	Other			LS		-	-	
Contingency					\$ -			
	Hard Cost Contingency			LS		-	-	
	Sitework Contingency			LS		-	-	
	Other							
	GENERAL CONTRACTOR FEE	1.00		LS	700,000.00	\$ 8.23	\$ 8,537	5.17%
	Payment/Performance Bond	1.00			107,758	\$ 1.27	\$ 1,314	0.80%
PROJECT GRAND TOTAL					\$ 13,537,220	\$ 159.24	\$ 165,088	100.00%

APPENDIX B



Watermark Commercial Contractors, LLC.

2530 West Fitzhugh Road

Dripping Springs, TX. 78620

P: 512-858-0247 F: 512-858-0247

June 01, 2022

Noor Jooma
P.O. Box 113267
Carrollton, Texas 75011

RE: Project Cost Increases in the last 2 years
Regarding Beaumont and Lufkin Pioneer Crossing projects

Dear Noor:

As you are aware, the COVID-19 worldwide pandemic has devastated the supply chain for building materials in our country. Over the last twenty-four months we have seen prices for every component of constructing apartments to increase in cost in excess of 40% across the board. It started initially with lumber and then spread to all building components. For example, in lumber, a 2x4x9 ft stud two years ago could be bought for around \$3.00/piece. Today's prices range from \$5.71 to \$7.15 per piece. Another lumber example is 7/16 OSB plywood which could be bought 2 years ago for \$10-\$11.00 per sheet. Today that same material costs more than double (100+% increase). Another example is roofing material which have increased in cost by almost 70% in this time frame. Two years ago, shingles were \$56.00 per square and today they are \$96-106.00 per square.

With the price increases, suppliers have recently began charging a fuel tax penalty due to the recent run-up in fuel cost from \$2.60 to the current pricing of \$4.19-\$4.29 for gasoline. Diesel costs are even worse. Items that shipped two years ago for \$200, today costs \$400-\$450 to ship. The Federal Government just mandated an efficiency upgrade to all the HVAC manufactures to upgrade all tooling to create more energy efficient air conditioning systems and dictating that no manufacturer can no longer sell a 14 SEER Air Conditioning system after 12/31/2022 along with outlawing any ability to buy the 14 SEER units for future projects by storing them.

These reasons are why costs to build all apartment projects have increased in price by 40% or more from two years ago. With inflation running out of control and our supply chain not getting fixed, I expect costs to continue to rise the rest of this year and well into 2023.

Please let me know if I can answer other questions regarding this matter.

Sincerely,

A handwritten signature in blue ink that reads "John Gambini". The signature is fluid and cursive, with a small mark above the 'i'.

John Gambini
Watermark Commercial Contractors

21035

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Manson Place

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Force Majeure Request

June 1, 2022

Cody Campbell, Director Multifamily Housing
Texas Department of Housing and Community Affairs
Delivered via email: cody.campbell@tdhca.state.tx.us

Re: Manson Place Apartments, TDHCA File No. 21035 (MFDL File No. 22573)

Dear Cody,

Pursuant to §11.6(5) of the 2020 Qualified Allocation Plan, Brinshore Development, LLC respectfully requests an allocation of 2022 credits in exchange for the return of 2021 credits for Manson Place Apartments. This is not a request for additional tax credits.

Since 9% application submission in 2021 the construction industry has continued to experience extraordinary volatility, creating significant financial impact on Manson Place Apartments that result in dramatic cost increases. On March 31, 2022, in an effort to offset these cost increases and ensure continued financial feasibility, we applied for an additional \$4,000,000 of TDHCA MFDL funds. Presently, the development is in queue to receive MFDL funding though we have not yet received a draft contract. This prevents our financing partners from completing their due diligence and authorizing closing.

Further, our equity provider, The Richman Group, requires that the development's placement in service deadline be at least 90 days beyond the general contract scheduled completion. Presently, our expected PIS date is December 15, 2023. Although we intend to close on financing within the next 90 days so that we can proceed toward placement in service as expeditiously as possible, the challenges ahead of us are significant. The Richman Group has advised that their investors are unwilling to close without the extension of PIS (see included letter). With the TDHCA's MFDL funds and the PIS extension, the project remains feasible and is fully prepared to close.

We believe we have satisfied TDHCA's requirements for a reallocation of Tax Credits under Section 11.6(5) of the QAP. We request that this matter be considered at the next available Board meeting with a recommendation for approval. If additional information is required, please feel free to contact me directly. As always, thank you for your consideration and assistance.

Kind regards,



Emily Abeln
Senior Vice President, Development
713.569.4833
emily@brinshore.com

June 1, 2022

Mr. Bobby Wilkinson
Executive Director
Texas Department of Housing & Community Affairs
221 E. 11th Street
Austin, TX 78701

Re: Manson Place Apartments (TDHCA File No. 21035)


Dear Mr. Wilkinson:

We strongly support the request by Brinshore Development, LLC to receive an allocation of 2022 credits in exchange for the return of 2021 credits for Manson Place Apartments. The project has been impacted by rising interest rates and materials and labor shortages, requiring the development team to secure additional soft funds from TDHCA to maintain financial feasibility. These factors have delayed the closing date. To secure credit approval to close, our investor requires a cushion of at least 90 days from the projected construction completion date and the placed-in-service deadline. Based on the pending status of the TDHCA MFDL funding as well as a longer-than historically typical build schedule, we believe an extension of PIS is warranted due to events outside the developer's control. Without this determination of Force Majeure, we do not anticipate receiving investor approval.

We appreciate TDHCA's continued support of this important family development in Houston. Should you need any further information, feel free to contact me.

Sincerely,

The Richman Group Affordable Housing Corporation

By: 

Jason Wilber
Executive Vice President

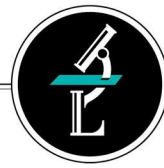
21039

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Uvalde Villas

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Force Majeure Request



June 3, 2022

Mr. Cody Campbell, Director of Multifamily Finance
Texas Department of Housing and Community Affairs
211 E 11th Street
Austin, Texas 78701

Via Email: cody.campbell@tdhca.state.tx.us

Re: Request for Force Majeure for Uvalde Villas, #21039

Dear Mr. Campbell,

TGO Uvalde 21, LP (the "Owner") received an allocation of Housing Tax Credits from the Texas Department of Housing and Community Affairs ("TDHCA") for the construction of Uvalde Villas (the "Development") on July 22, 2021. The Owner is required to place the Development in service by December 31, 2023. Unfortunately, the Owner faces the possibility of not being able to meet this deadline as required by §42(h)(1)(E)(i) of the Internal Revenue Code. The need for an extension to meet the placed in-service (PIS) deadline is the result of events that we believe fall under the provisions of §11.6(5) of the 2022 Qualified Allocation Plan ("QAP") relating to Force Majeure.

Background Information

The Development is located in McAllen, Texas, in Hidalgo County. This development will be a 102-unit apartment community, serving families in an amenity-rich area and supported by local community organizations whose missions are to positively impact the health and well-being of each person served.

Due to federally declared disasters, COVID-19 and Winter Storm Uri, the City of McAllen and the entire State of Texas have experienced significant cost increases, supply chain issues, and labor shortages. These two events have put extreme upward pricing pressure and timing constraints on the construction industry across the entire State of Texas and the nation. While these events occurred in 2020 and 2021, respectively, Developers in all areas of the construction industry continue to feel the effect these events through increased construction costs. No one could have anticipated the ripple effect from these two events, which have had an adverse effect on construction material costs, closing and construction schedules and anticipated placed-in-service deadline.

COVID-19 Pandemic

On March 11, 2020, the World Health Organization (WHO) declared COVID-19 a pandemic.¹ Two days later, March 13, 2020, Texas shuts down because of Gov. Abbott's State disaster declaration spanning all counties in the State of Texas². Two years later, supply chain and

¹ <https://www.yalemedicine.org/news/covid-timeline>

² <https://www.kxan.com/news/coronavirus/365-days-of-covid-how-the-coronavirus-in-texas-unfolded-one-year-after-the-first-case/>



logistical challenges continue to be an issue for all construction projects. In April 2022, the Association of General Contractors of America (“ACG”) issued the sixth update to the initial construction inflation alert was issued in March 2021. In this update, the ACG cited information obtained by the Bureau of Labor Statistics (“BLS”) which posts producer price indexes (“PPIs”). From April 2020 to February 2022, lumber and plywood increased by 101%, plastic construction products increased by 45%, copper and brass mill shapes increased by 70%, aluminum mill shapes increased by 52%, and gypsum products increased by 29%.³ These increases on lumber, masonry/drywall, doors, windows, appliances, electrical supplies, and plumbing, plus labor shortages have all contributed to, and been affected by, the COVID-19 Pandemic aftershocks.

Winter Storm Uri

The following year, the Governor and Hidalgo Judge Richard Cortez both issued a disaster declaration for Winter Storm Uri. Winter Storm Uri occurred between February 13-17, 2021. Damages from the blackouts and harsh freezes are estimated to be at least \$195 billion, making it the costliest natural disaster in Texas and the United States as a whole.⁴ This devastation has continued to put supply chain pressure on lumber, drywall, doors and windows, appliances and HVAC/plumbing materials as repairs are still being made to many homes and businesses a year after the event took place. These increased needs have negatively impacted the original construction budgets that were presented in the 2021 tax credit application.

This development was underwritten by TDHCA and subsequently awarded credits just after Winter Storm Uri and during the COVID-19 Pandemic. At that time, no one could have anticipated the extreme increases in construction supply costs, shortage of supplies and labor and interest rate fluctuation in the market. In January of 2022, the General Contractor for this development provided an updated construction budget and the cost to construct the development increased by 21.4% from previously underwritten costs. The Developer has worked diligently to mitigate these costs and minimize the delays.

Interest Rate Hikes

Early this year, the Federal Reserve began raising interest rates, in an effort to tamp down inflation. At full application, we predicted that interest rate would be 4.75% by the time we were set to close for Uvalde Villas. However, we are seeing interest rates 100 to 150 bps higher, with the expectation of gradual increases by the Fed throughout the rest of 2022.⁵ Rising interest rates are increasing the total cost for these awarded affordable housing projects, putting them at risk of being financial infeasible.

TDHCA MFDL Funds (Gap Financing)

On March 31, 2022 the Developer applied for \$1,770,000 in HOME funds from the TDHCA 2022-1 Multifamily Direct Loan NOFA (Appl #22510) under the COVID Set-Aside to close the

³https://www.agc.org/sites/default/files/users/user21902/Construction%20Inflation%20Alert%20Cover_Apr2022_0.pdf

⁴ Ivanova, Irina (February 25, 2021). "Texas winter storm costs could top \$200 billion — more than hurricanes Harvey and Ike". CBS News. Retrieved March 5, 2021

⁵ Cox, Jeff (June 1, 2022). "The Fed's Mary Daly says rate hikes should continue until inflation is tamed." CNBC. Retrieved June 1, 2021



expense gap incurred due to the effects of these disasters. Additionally, this funding option is low-interest, which helps reduce operating costs and strengthens the financial feasibility for this development. In totality, applications for these funds (HOME and NHTF) were over-subscribed and many were at risk of not being awarded. However, new information has been received that an additional \$47M will be available to fund all applicants under this set-aside in the NOFA. The additional influx of funds for this NOFA also includes a closing and construction schedule delay for Uvalde Villas due to the timeframe associated with receiving the MFDL award. The earliest expected MFDL awards under the COVID-19 set-aside, approved by the Board, is the September 1, 2022 Board Meeting, as verbally stated by TDHCA staff. While the additional MFDL funds, once awarded, will alleviate the cost increase constraints that have resulted from the devastating events listed above and will ensure that the Development is feasible, it will also delay the start of construction affecting the anticipated Placed-In-Service date, expected after December 31, 2023 and failing to meet the IRS deadline. As of this request, the IRS has not extended the Placed-In-Service deadline for 2021 HTC awards.

Due to the cost and rate increases and delays described above, we request that the Owner be permitted to return the Tax Credits and that TDHCA reallocate the Tax Credits to the Owner in the current year in accordance with §11.6(5) of the 2022 QAP relating to Force Majeure. We believe the Owner and Development meet all the requirements in Section 11.6(5), in that:

1. The events that caused the delay occurred before issuance of 8609s and were sudden, unforeseen circumstances outside the control of the Development Owner.
2. The delays were not caused by willful negligence or acts of Owner, any Affiliate, or any other Related Party.
3. The Owner has provided evidence of the events and a timeline of the events that was the direct result of the delays along with a revised construction bid confirming the increase in construction costs (Exhibits A & B).
4. There was little that could be done to anticipate the effects of COVID-19 and Winter Storm Uri with regard to rising construction costs and labor/supply shortages. Additionally, interest rates hikes from the Federal Reserve to curb raising inflation is also increasing borrowing costs associated with this development. We have tried to reduce construction costs where we could without lowering the quality of housing the tenants expect to receive. Secondly, we have applied for the low-interest option made available by TDHCA to assist with the cost increases resulting from these two disasters (2022-1 MFDL NOFA). However, the MFDL award timeframe is contributing to the closing and construction schedule delay.
5. The Development and Developer are properly insured and the Department was timely notified of the likelihood or actual occurrence of an event described in 11.6(5)(A) of the Qualified Allocation Plan.
6. The Force Majeure threatens to prevent the Owner from meeting the Placed-In-Service requirements of the original allocation. For 2019 and 2020 HTC developments, the IRS extended the PIS deadline by a year (Exhibit C); however,



no extension has been given for 2021 HTC developments, despite COVID-19 continuing to have a profound effect on the US economy.

7. The requested current year Carryover Agreement would allocate the same amount of Tax Credits as those that would be returned.
8. The Development is financially feasible with the additional sources of funds to be received from TDHCA, pending staff recommendation and Board approval. Also, no insurance proceeds have been received for this development. Approval of this Force Majeure request will give the Developer additional time to restructure the transaction, obtain all necessary approvals, and meet all deadlines of a 2022 HTC award.

If you have any questions or would like to discuss these items further, please do not hesitate to contact me directly at (512) 785-3710 or via email at lora@betcohousinglab.com.

Sincerely,

Lora Myrick, Principal
BETCO Consulting, LLC

CC: Steve Lollis, Kendra Garrett, Juli Gonzalez

Exhibit A

Uvalde Villas			
Cost Comparison Table			
Development Costs	Full App 3/1/2021	MFDL App 3/24/2022	Difference from Full App
Land	2,740,360	2,740,360	-
Off-Sites	-	-	-
Site Work	1,464,150	1,513,897	49,747
Site Amenities	514,650	514,650	-
Building Cost	6,823,970	8,545,066	1,721,096
Contingency	528,166	528,681	515
Contractor Fees	1,232,388	1,276,764	44,376
Soft Costs	1,126,830	1,013,400	(113,430)
Financing	778,667	758,029	(20,638)
Developer Fee	1,827,645	1,632,000	(195,645)
Reserves	381,912	395,392	13,480
Total HDC	17,418,738	18,918,239	1,499,501
	Cost/Unit	272,168	295,597
	Construction Costs Increase		1,770,843
	% Change		21.4%

From Uvalde Villas MFDL Application - Letter and documented construction cost increases

Insight Builders, LLC

9907 Moorberry Lane,
Houston, TX 77080

Date: March 31, 2022

RE: Uvalde Villas, TDHCA #21039 & #22510 - Increased Construction Costs

Cody Campbell, Director of Multifamily Programs
Texas Department of Housing & Community Affairs
221 East 11th Street
Austin, Texas 78701
Cody.Campbell@tdhca.state.tx.us

Dear Mr. Campbell,

Insight Properties is providing an estimate and current pricing for the multifamily development, Uvalde Villas, located in McAllen, TX. Please accept \$ 12,379,057 as our current price. Attached with this letter is a construction cost breakdown showing the individual values. Please feel free to contact me with any questions.

With regards,



Steve Lollis

President/CEO

Insight Builders, LLC

Uvalde Villas (McAllen, TX)

Description of Work	Cost
Off Site	-
Demolition	\$ 30,000.00
Detention	\$ 14,700.00
Rough Grading	\$ 420,000.00
Fine Grading	\$ 36,600.00
Concrete On site Walkways	\$ 55,000.00
On-Site Electrical	\$ 45,097.00
On Site Utilities/Water Meter	\$ 420,500.00
On-Site Concrete Paving	\$ 467,000.00
Labor	included in above
Concrete	included in above
Steel/Misc Material	included in above
Irrigation	\$ 95,000.00
Landscaping	\$ 113,000.00
Pool&Decking	\$ 156,650.00
Fencing	\$ 150,000.00
Graphics	\$ 25,000.00
Stairs,Railings,Gates	\$ 135,000.00
Concrete-Foundations	\$ 439,000.00
Labor	included in above
Concrete	included in above
Cables/Steel/Misc Material	included in above
Gyp/Water Proof/Lightweight	\$ 179,000.00
Carpentry	\$ 605,000.00
Lumber	\$ 1,109,112.00
Trusses	\$ 445,000.00
Insulation	\$ 155,000.00
Roofing	\$ 218,298.00
Electrical	\$ 670,000.00
Plumbing	\$ 642,600.00
HVAC	\$ 403,000.00
Elevators	-
Fire Sprinklers	\$ 239,000.00
Doors/Millwork/Mirrors	\$ 337,200.00
Windows	\$ 75,000.00
Masonry/Lath&Plaster	\$ 418,190.00
Drywall	\$ 656,000.00
Tilework	\$ 120,000.00
Flooring	\$ 228,000.00
Window Treatments/Shutters	\$ 65,500.00
Painting	\$ 242,580.00
Cabinets	\$ 340,000.00
Countertops	Included in Cabinet Price

Insight Builders, LLC

Uvalde Villas (McAllen, TX)

Appliances	\$	257,250.00
Hardware & Accessories	\$	110,000.00
Framing Hardware	\$	60,000.00
Specialties Lighting Fixtures	\$	125,000.00
Gutters	\$	43,600.00
Trim Labor	\$	96,000.00
Entry Gate System	\$	43,600.00
Fire Alarm	\$	79,250.00
Termite Treat	\$	7,886.00
Subtotal	\$	10,573,613

	Total Building & Site Work	\$	10,573,613
Contingency	5.00%	\$	528,681
	Total Hard Costs	\$	11,102,294
General Requirements	4.75%	\$	527,359
Builders Overhead	2.00%	\$	222,046
Builders Profit	4.75%	\$	527,359
Total Construction		\$	12,379,057

Development Cost Schedule

Self Score Total: 22

This Development Cost Schedule must be consistent with the Summary Sources and Uses of Funds Statement. All Applications must complete the Total Cost column. Direct Loan Applicants should review costs ineligible for reimbursement with Direct Loan funds in 10 TAC §13.3(e), while all HTC Applicants must complete the Eligible Basis columns and the Requested Credit calculation below:

TOTAL DEVELOPMENT SUMMARY			Scratch Paper/Notes
Total Cost	Eligible Basis (If Applicable)		
	Acquisition	New/Rehab.	
ACQUISITION			
Site acquisition cost	2,740,360		
Existing building acquisition cost			
Closing costs & acq. legal fees			
Other (specify) - see footnote 1			
Other (specify) - see footnote 1			
Subtotal Acquisition Cost	\$2,740,360	\$0	\$0
OFF-SITES²			
Off-site concrete			
Storm drains & devices			
Water & fire hydrants			
Off-site utilities			
Sewer lateral(s)			
Off-site paving			
Off-site electrical			
Other (specify) - see footnote 1			
Other (specify) - see footnote 1			
Subtotal Off-Sites Cost	\$0	\$0	\$0
SITE WORK³			
Demolition	30,000		
Asbestos Abatement (Demolition Only)			
Detention	14,700		14,700
Rough grading	420,000		420,000
Fine grading	36,600		36,600
On-site concrete	467,000		467,000
On-site electrical	45,097		45,097
On-site paving	55,000		55,000
On-site utilities	420,500		420,500
Decorative masonry			
Bumper stops, striping & signs	25,000		10,000
Other (specify) - see footnote 1			
Subtotal Site Work Cost	\$1,513,897	\$0	\$1,468,897
SITE AMENITIES			
Landscaping	208,000		208,000
Pool and decking	156,650		156,650
Athletic court(s), playground(s)			
Fencing	150,000		150,000
Other (specify) - see footnote 1			
Subtotal Site Amenities Cost	\$514,650	\$0	\$514,650
BUILDING COSTS*:			
Concrete	618,000		618,000
Masonry	1,074,190		1,074,190
Metals	135,000		135,000
Woods and Plastics	2,358,712		2,358,712
Thermal and Moisture Protection	155,000		155,000
Roof Covering	218,298		218,298
Doors and Windows	412,200		412,200
Finishes	656,080		656,080
Specialties	125,000		125,000
Equipment			
Furnishings	707,250		707,250
Special Construction			
Conveying Systems (Elevators)			
Mechanical (HVAC; Plumbing)	1,045,600		1,045,600
Electrical	670,000		670,000

ALL OFF-SITE COSTS REQUIRE DOCUMENTATION. THOSE ENTERED IN BASIS REQUIRE MORE DOCUMENTATION!!! SEE 10 TAC §11.204(8)(E)(ii).

Describe for MFDL

Individually itemize costs below:

- Detached Community Facilities/Building
- Carpools and/or Garages
- Lead-Based Paint Abatement
- Asbestos Abatement (Rehabilitation Only)
- Structured Parking
- Commercial Space Costs

Fire sprinklers, fire alarm, entry gate system, termite treat

Subtotal Building Costs Before 11.9(e)(2)

Voluntary Eligible Building Costs (After 11.9(e)(2))*
Enter amount to be used to achieve desired score.

\$0.00 psf

e.g. Community spaces not exclusively used by tenants/guests

If NOT seeking to score points under §11.9(e)(2), E77:E78 should remain BLANK. True eligible building cost should be entered in line items E33:E74. If requesting points under §11.9(e)(2) related to Cost of Development per Square Foot, enter the true or voluntarily limited costs in E77:E78 that produces the target cost per square foot in D77:D78. Enter Requested Score for §11.9(e)(2) at the bottom of the schedule in D202.

TOTAL BUILDING COSTS & SITE WORK (including site amenities) \$10,573,613 \$0 \$10,528,613

Contingency 5.00% \$528,681 \$0 \$526,431

TOTAL HARD COSTS \$11,102,294 \$0 \$11,055,044

OTHER CONSTRUCTION COSTS	%THC			%EHC
General requirements (<6%)	4.75%	\$527,359	\$0	\$525,115 4.75%
Field supervision (within GR limit)				
Contractor overhead (<2%)	2.00%	\$222,046	\$0	\$221,101 2.00%
G & A Field (within overhead limit)				
Contractor profit (<6%)	4.75%	\$527,359	\$0	\$525,115 4.75%

TOTAL CONTRACTOR FEES \$1,276,764 \$0 \$1,271,330

TOTAL CONSTRUCTION CONTRACT Before 11.9(e)(2) \$12,379,057 \$0 \$12,326,374

Voluntary Eligible "Hard Costs" (After 11.9(e)(2))*
Enter amount to be used to achieve desired score.

\$0.00 psf

If NOT seeking to score points under §11.9(e)(2), E96:E97 should remain BLANK. True eligible cost should be entered in line items E83 and E87:E91. If requesting points under §11.9(e)(2) related to Cost of Development per Square Foot, enter the true or voluntarily limited costs in E96:E97 that produces the target cost per square foot in D96:D97. Enter Requested Score for §11.9(e)(2) at the bottom of the schedule in D202.

SOFT COSTS³

Architectural - Design fees	204,000	\$0	204,000
Architectural - Supervision fees	18,000	\$0	18,000
Engineering fees	150,000	\$0	150,000
Real estate attorney/other legal fees	95,000	\$0	95,000
Accounting fees	39,900	\$0	39,900
Impact Fees	200,000	\$0	200,000
Building permits & related costs	38,836	\$0	38,836
Appraisal	7,000	\$0	7,000
Market analysis	8,000	\$0	8,000
Environmental assessment	11,000	\$0	11,000
Soils report	10,000	\$0	10,000
Survey	15,000	\$0	15,000
Marketing		\$0	
Hazard & liability insurance	96,771	\$0	96,771
Real property taxes		\$0	0
Personal property taxes	25,000	\$0	25,000
Tenant Relocation		\$0	
Feasibility Study & Tax Consultant	10,500	\$0	10,500
FF&E	35,000	\$0	35,000
Soft Costs contin. (lender req.)	49,393	\$0	49,393
Subtotal Soft Cost	\$1,013,400	\$0	\$1,013,400

FINANCING:

CONSTRUCTION LOAN(S)³

Interest	381,900		381,900
Loan origination fees	95,475		95,475
Title & recording fees	87,094		87,094
Closing costs & legal fees	40,000		40,000
Inspection fees	24,000		24,000
Credit Report			
Discount Points			
Other (specify) - see footnote 1			
Other (specify) - see footnote 1			

PERMANENT LOAN(S)

Loan origination fees	24,000		
Title & recording fees	1,500		
Closing costs & legal			
Bond premium			
Credit report			
Discount points			
Credit enhancement fees			
Prepaid MIP			
Other (specify) - see footnote 1			
Other (specify) - see footnote 1			

BRIDGE LOAN(S)

Interest			
Loan origination fees			
Title & recording fees			
Closing costs & legal fees			
Other (specify) - see footnote 1			
Other (specify) - see footnote 1			

OTHER FINANCING COSTS³

Tax credit fees	63,060		
Tax and/or bond counsel			
Payment bonds			
Performance bonds			
Credit enhancement fees			
Mortgage insurance premiums			
Cost of underwriting & issuance			
Syndication organizational cost	35,000		
Tax opinion			
Refinance (existing loan payoff amt)			
Other (specify) - see footnote 1			
Other (specify) - see footnote 1			
Subtotal Financing Cost	\$752,029	\$0	\$628,469

BREAKDOWN MUST BE PROVIDED

DEVELOPER FEES³

Housing consultant fees ⁴	200,000		200,000
General & administrative			
Profit or fee	1,432,000		1,432,000
Subtotal Developer Fees	\$1,632,000	\$0	\$1,632,000

11.64%

11.68%

RESERVES

Rent-up - new funds	30,000		
Rent-up - existing reserves*	365,392		
Operating - new funds			
Operating - existing reserves*			
Replacement - new funds			
Replacement - existing reserves*			
Escrows - new funds			
Escrows - existing reserves*			
Subtotal Reserves	\$395,392	\$0	\$0

*Any existing reserve amounts should be listed on the Schedule of Sources.

TOTAL HOUSING DEVELOPMENT COSTS⁵	\$18,912,238	\$0	\$15,600,243
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Development Cost Schedule

Self Score Total: **137**

This Development Cost Schedule must be consistent with the Summary Sources and Uses of Funds Statement. All Applications must complete the Total Cost column. Direct Loan Applicants should review costs ineligible for reimbursement with Direct Loan funds in 10 TAC §13.3(e), while all HTC Applicants must complete the Eligible Basis columns and the Requested Credit calculation below:

TOTAL DEVELOPMENT SUMMARY		
Total Cost	Eligible Basis (If Applicable)	
	Acquisition	New/Rehab.

Scratch Paper/Notes

ACQUISITION

Site acquisition cost	2,740,360		
Existing building acquisition cost			
Closing costs & acq. legal fees			
Other (specify) - see footnote 1			
Other (specify) - see footnote 1			
Subtotal Acquisition Cost	\$2,740,360	\$0	\$0

OFF-SITES²

Off-site concrete			
Storm drains & devices			
Water & fire hydrants			
Off-site utilities			
Sewer lateral(s)			
Off-site paving			
Off-site electrical			
Other (specify) - see footnote 1			
Other (specify) - see footnote 1			
Subtotal Off-Sites Cost	\$0	\$0	\$0

ALL OFF-SITE COSTS REQUIRE DOCUMENTATION. THOSE ENTERED IN BASIS REQUIRE MORE DOCUMENTATION!!! SEE 10 TAC §11.204(8)(E)(ii).

SITE WORK³

Demolition	7,321		
Asbestos Abatement (Demolition Only)			
Detention	14,642		14,642
Rough grading	95,170		95,170
Fine grading	36,604		36,604
On-site concrete	658,868		658,868
On-site electrical	29,283		29,283
On-site paving	14,642		14,642
On-site utilities	512,450		512,450
Decorative masonry	87,849		87,849
Bumper stops, striping & signs	7,321		7,321
Other (specify) - see footnote 1	0		0
Subtotal Site Work Cost	\$1,464,150	\$0	\$1,456,829

SITE AMENITIES

Landscaping	244,650		244,650
Pool and decking	150,000		150,000
Athletic court(s), playground(s)			0
Fencing	120,000		120,000
Other (specify) - see footnote 1			0
Subtotal Site Amenities Cost	\$514,650	\$0	\$514,650

BUILDING COSTS*:

Concrete	832,898		832,898
Masonry	448,483		448,483
Metals	256,276		256,276
Woods and Plastics	1,473,588		1,473,588
Thermal and Moisture Protection	192,207		192,207
Roof Covering	320,345		320,345
Doors and Windows	256,276		256,276
Finishes	768,829		768,829
Specialties	64,069		64,069
Equipment	0		0
Furnishings	128,138		128,138
Special Construction	64,069		64,069
Conveying Systems (Elevators)	0		0
Mechanical (HVAC; Plumbing)	896,967		896,967
Electrical	704,759		704,759

Individually itemize costs below:

Detached Community Facilities/Building	417,066		417,066
Carports and/or Garages			0
Lead-Based Paint Abatement			0
Asbestos Abatement (Rehabilitation Only)			0
Structured Parking			0
Commercial Space Costs			
Other (specify) - see footnote 1			0
Subtotal Building Costs Before 11.9(e)(2)	\$6,823,970	\$0	\$6,823,970

Voluntary Eligible Building Costs (After 11.9(e)(2))* \$84.35 psf \$6,768,075
 Enter amount to be used to achieve desired score.

If NOT seeking to score points under §11.9(e)(2), E77:E78 should remain BLANK. True eligible building cost should be entered in line items E33:E74. If requesting points under §11.9(e)(2) related to Cost of Development per Square Foot, enter the true or voluntarily limited costs in E77:E78 that produces the target cost per square foot in D77:D78. Enter Requested Score for §11.9(e)(2) at the bottom of the schedule in D202.

TOTAL BUILDING COSTS & SITE WORK (including site amenities) \$8,802,770 \$0 \$8,739,554

Contingency 6.00% \$528,166 437,529

TOTAL HARD COSTS \$9,330,936 \$0 \$9,177,083

OTHER CONSTRUCTION COSTS	%THC			%EHC
General requirements (<6%)	5.66%	528,166	525,035	5.72%
Field supervision (within GR limit)				
Contractor overhead (<2%)	1.89%	176,055	175,012	1.91%
G & A Field (within overhead limit)				
Contractor profit (<6%)	5.66%	528,166	525,035	5.72%

TOTAL CONTRACTOR FEES \$1,232,388 \$0 \$1,225,082

TOTAL CONSTRUCTION CONTRACT Before 11.9(e)(2) \$10,563,323 \$0 \$10,402,165

Voluntary Eligible "Hard Costs" (After 11.9(e)(2))* \$0.00 psf
 Enter amount to be used to achieve desired score.

If NOT seeking to score points under §11.9(e)(2), E96:E97 should remain BLANK. True eligible cost should be entered in line items E83 and E87:E91. If requesting points under §11.9(e)(2) related to Cost of Development per Square Foot, enter the true or voluntarily limited costs in E96:E97 that produces the target cost per square foot in D96:D97. Enter Requested Score for §11.9(e)(2) at the bottom of the schedule in D202.

OTHER FINANCING COSTS³

Tax credit fees	3,810		
Tax and/or bond counsel			0
Payment bonds			
Performance bonds	80,281		80,281
Credit enhancement fees			0
Mortgage insurance premiums			0
Cost of underwriting & issuance			0
Syndication organizational cost	35,000		
Tax opinion			
Refinance (existing loan payoff amt)			
Other (specify) - see footnote 1			0
Other (specify) - see footnote 1			0
Subtotal Financing Cost	\$778,667	\$0	\$501,448

BREAKDOWN MUST BE PROVIDED

DEVELOPER FEES³

Housing consultant fees ⁴	200,000		200,000
General & administrative			
Profit or fee	1,627,645		1,605,150
Subtotal Developer Fees	\$1,827,645	\$0	\$1,805,150

RESERVES

Rent-up - new funds	50,000		
Rent-up - existing reserves*			
Operating - new funds	331,912		
Operating - existing reserves*			
Replacement - new funds			
Replacement - existing reserves*			
Escrows - new funds			
Escrows - existing reserves*			
Subtotal Reserves	\$381,912	\$0	\$0

***Any existing reserve amounts should be listed on the Schedule of Sources.**

TOTAL HOUSING DEVELOPMENT COSTS⁵	\$17,418,737	\$0	\$13,835,593
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The following calculations are for HTC Applications only.

Deduct From Basis:

Federal grants used to finance costs in Eligible Basis			
Non-qualified non-recourse financing			
Non-qualified portion of higher quality units §42(d)(5)			
Historic Credits (residential portion only)			
Total Eligible Basis		\$0	\$13,835,593
**High Cost Area Adjustment (100% or 130%)			130%
Total Adjusted Basis		\$0	\$17,986,271
Applicable Fraction			93%
Total Qualified Basis	\$16,718,239	\$0	\$16,718,239
Applicable Percentage ⁶			9.00%
Credits Supported by Eligible Basis	\$1,504,642	\$0	\$1,504,642
Credit Request (from 17.Development Narrative)	\$ 1,500,000		

Requested Score for 11.9(e)(2) **12**

***11.9(c)(2) Cost Per Square Foot: DO NOT ROUND! Applicants are advised to ensure that the figure is not rounding down to the maximum dollar figure to support the elected points.**

Name of contact for Cost Estimate: James E. Rickenbacker

Phone Number for Contact: 713-664-9100

If a revised form is submitted, date of submission: _____

Exhibit B: Updated Construction Schedule_Delayed

Uvalde Villas

Project Construction Schedule

Started Date:

10/3/2022

No. of Units	0	16	16	16	6	16	16	16	102	WEEK	DATE	BLDG No.	Units	Rain Days
Building Type	Club	Type 3	Type 1	Type 2	Type 4	Type 1	Type 3	Type 2		Week end Friday				
Building No.	8	1	2	3	4	5	6	7		1	10/3/2022			
Clear Site/Rough Grading	2	2	2	2	2	2	2	2		2	10/10/2022			
Detention Pond	3	3	3	3	3	3	3	3		3	10/17/2022			
Start Raising and Compacting	3	4	5	6	7	8	9	10		4	10/24/2022			
Install Utilities	4	5	6	7	8	9	10	11		5	10/31/2022			
Pad Subsurface Creation	5	6	7	8	9	10	11	12		6	11/7/2022			
Geotesting										7	11/14/2022			
Prepare Street Subsurface	4	5	6	7	8	9	10	11		8	11/21/2022			
Pour Streets	6	7	8	9	10	11	12	13		9	11/28/2022			
										10	12/5/2022			
Building Items														
Building Corners	8	11	14	17	20	23	26	29		11	12/12/2022			
Batter Boards	9	12	15	18	21	24	27	30		12	12/19/2022			
Plumbing Rough In	10	13	16	19	22	25	28	31		13	12/26/2022			
Plumbing Inspection										14	1/2/2023			
Set Forms	12	15	18	21	24	27	30	33		15	1/9/2023			
Dig Footings	13	16	19	22	25	28	31	34		16	1/16/2023			
Termite Treat	13	16	19	22	25	28	31	34		17	1/23/2023			
Install Post Tension Cables	14	17	20	23	26	29	32	35		18	1/30/2023			
Foundation Inspection										19	2/6/2023			
Pour Foundation	15	18	21	24	27	30	33	36		20	2/13/2023			
Strip Forms	15	18	21	24	27	30	33	36		21	2/20/2023			
Layout 1st Floor	17	20	23	26	29	32	35	38		22	2/27/2023			
Frame 1st Floor	18	21	24	27	30	33	36	39		23	3/6/2023			
Set Floor Trusses		22	25	28	31	34	37	40		24	3/13/2023			
Deck Floor		23	26	29	32	35	38	41		25	3/20/2023			
Layout 2nd Floor		23	26	29	32	35	38	41		26	3/27/2023			
Frame Second Floor		24	27	30	33	36	39	42		27	4/3/2023			
Set Roof Trusses	19	25	28	31	34	37	40	43		28	4/10/2023			
Install Fascia/Cornish	19	25	28	31	34	37	40	43		29	4/17/2023			
Deck Roof/Sheating	20	26	29	32	35	38	41	44		30	4/24/2023			
Roof Dry In	20	26	29	32	35	38	41	44		31	5/1/2023			
Set Windows & Doors	21	27	30	33	36	39	42	45		32	5/8/2023			

Install Stairs		28	31	34	37	40	43	46		33	5/15/2023		
Stucco and Stone	22	28	31	34	37	40	43	46		34	5/22/2023		
Electrical Rough In & Inspection	22	28	31	34	37	40	43	46		35	5/29/2023		
Mechanical Rough In & Inspection	22	29	32	35	38	41	44	47		36	6/5/2023		
Plumbing Rough In & Inspection	23	30	33	36	39	42	45	48		37	6/12/2023		
Fire Sprinkler Rough In & Inspection	24	31	34	37	40	43	46	49		38	6/19/2023		
TV & Telephone Rough In	24	31	34	37	40	43	46	49		39	6/26/2023		
Framing Inspection	25	32	35	38	41	44	47	50		40	7/3/2023		
Insulation	26	33	36	39	42	45	48	51		41	7/10/2023		
Hang Sheet Rock	27	34	37	40	43	46	49	52		42	7/17/2023		
Tape, Bed & Texture	28	35	38	41	44	47	50	53		43	7/24/2023		
Pour Gyp Floors		37	40	43	46	49	52	55		44	7/31/2023		
Pour Bal. & Breezeways		38	41	44	47	50	53	56		45	8/7/2023		
Deliver Trim	29	39	42	45	48	51	54	57		46	8/14/2023		
Install Trim	30	40	43	46	49	52	55	58		47	8/21/2023		
Paint Interior	33	43	46	49	52	55	58	61		48	8/28/2023		
Install Balconey Rails	34	44	47	50	53	56	59	62		49	9/4/2023		
Install Tile	36	46	49	52	55	58	61	64		50	9/11/2023		
Install Floors	38	48	51	54	57	60	63	66		51	9/18/2023		
Flatwork	38	48	51	54	57	60	63	66		52	9/25/2023		
Del. DishWashers & Disposals	39	49	52	55	58	61	64	67		53	10/2/2023		
Deliver Cabinets	40	50	53	56	59	62	65	68		54	10/9/2023		
Install Cabinets	41	51	54	57	60	63	66	69		55	10/16/2023		
Electrical Trim & Fixtures	42	52	55	58	61	64	67	70		56	10/23/2023		
Mechanical Trim & Condensers	43	53	56	59	62	65	68	71		57	10/30/2023		
Plumbing Trim	43	53	56	59	62	65	68	71		58	11/6/2023		
Electrical Meters	44	54	57	60	63	66	69	72		59	11/13/2023		
Del. Balance of Appliances	44	54	57	60	63	66	69	72		60	11/20/2023		
Landscaping	40	50	53	56	59	62	65	68		61	11/27/2023		
Electrical Final Inspection	45	55	58	61	64	67	70	73		62	12/4/2023		
Mechanical Final Inspection	46	56	59	62	65	68	71	74		63	12/11/2023		
Plumbing Final Inspection	47	57	60	63	66	69	72	75		64	12/18/2023		
Building Final Inspection	49	59	62	65	68	72	74	77		65	12/25/2023		
Fire Marshall Final Inspection	49	59	62	65	68	72	74	77		66	1/1/2024		
Construction Punch	50	60	63	66	69	73	75	78		67	1/8/2024		
Management Punch	51	61	64	67	70	74	76	79		68	1/15/2024		
Building Turn/Occupancy	52	62	65	68	71	75	77	80		69	1/22/2024		
BLDG No.		16	16	16	6	16	16	16	102	70	1/29/2024		
	Club	1	2	3	4	5	6	7		71	2/5/2024		

72	2/12/2024			
73	2/19/2024			
74	2/26/2024			
75	3/4/2024			
76	3/11/2024			
77	3/18/2024			
78	3/25/2024			
79	4/1/2024			
80	4/8/2024			
#Months	18			

HUDSON

HOUSING CAPITAL

May 31, 2022

Bobby Wilkinson
Executive Director
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701

RE: 21039 – Uvalde Villas

Mr. Wilkinson:

We strongly support a request by Texas Grey Oaks, LLC to extend the placed-in-service deadline to June 30, 2024 on Uvalde Villas. The project has been impacted by rising interest rates and materials and labor shortages, requiring the development team to secure additional soft funds to maintain financial feasibility. These factors have delayed the closing and construction start date. In order to secure credit approval to close, our investor requires a cushion of at least 3 months from the projected construction completion date and the placed-in-service deadline. Based on the proposed 15-month construction schedule and a projected August or September 2022 closing for construction financing, we believe an extension of the placed-in-service deadline to June 30, 2024 is warranted. Without adequate cushion, we will not receive investor approval to close.

We appreciate TDHCA's continued support of this important family development in McAllen. Should you need any further assistance, please feel free to contact me with any questions at (212) 218-4446 or via email at josh.lappen@hudsonhousing.com.

Sincerely,



Joshua Lappen
Vice President
Hudson Housing Capital, LLC

**Exhibit C: IRS extensions for 2018-2021 HTC awards**

Kendra Garrett <kendra@betcohousinglab.com>

TDHCA notification of Asset Management Extensions Related to IRS Notice 2022-05

TDHCA <do-not-reply@tdhca.state.tx.us>

Thu, Jan 13, 2022 at 8:55 AM

To: Kendra@betcohousinglab.com

The Texas Department of Housing and Community Affairs (TDHCA) seeks to notify Owners and Agents that the deadlines to submit the 10% Test package and the placed-in-service deadlines for 9% Competitive Housing Tax Credit Awards have been extended in accordance with IRS Notice 2022-05:

2018 9% HTC Awards:

The Placed-in-Service deadline has been extended to December 31, 2022.

2019 9% HTC Awards

The 10% Test deadline has been extended to July 1, 2022.

The Placed-in-Service deadline has been extended to December 31, 2023.

2020 9% HTC Awards

The 10% Test deadline has been extended to December 31, 2022.

The Placed-in-Service deadline has been extended to December 31, 2023.

2021 9% HTC Awards

The 10% Test deadline has been extended to December 31, 2022.

For more information concerning the 10% Test submission requirements or to find the 10% Test package forms, please see the Post Award Activities Manual and 10% Test section at the following webpage: <https://www.tdhca.state.tx.us/asset-management/pca-manual.htm>.

For Construction Status Reports, Development Owners are required to continue reporting each quarter in accordance with the Post Award and Asset Management Requirements (Asset Management Rules) located on the following webpage: <https://www.tdhca.state.tx.us/asset-management/rules.htm>. If construction has not started during the reporting quarter, a brief explanation of the status of the Development, including the anticipated closing date if it has not yet occurred, will be accepted in lieu of the initial Construction Status Report. However, a complete initial Construction Status Report must be submitted in the next reporting quarter following the Development's closing.

Questions can be directed to your individual Asset Manager. Designated Asset Managers are listed on the Asset Manager Assignments and Contact List page at <https://www.tdhca.state.tx.us/asset-management/contacts.htm>.

Please do not reply to this email. It is from an unattended email address. To contact the Texas Department of Housing and Community Affairs, get more information, or view a slideshow of recent TDHCA activities, visit <http://www.tdhca.state.tx.us/> in your Web browser. Like us on facebook (<http://www.facebook.com/TDHCA>) and follow us on twitter (<http://twitter.com/TDHCA>).

Listserv announcements and other TDHCA-issued guidance regarding COVID-19 can be found here: <https://www.tdhca.state.tx.us/covid19.htm>

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21054

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Reserve at Palestine

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Force Majeure Request



May 16, 2022

Mr. Cody Campbell
Director of Multifamily Finance
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701

RE: Request for Force Majeure for Reserve at Palestine, #21054

Dear Mr. Campbell:

On behalf of Reserve at Palestine LLC, the recipient of a 2021 commitment of low-income housing tax credits for Reserve at Palestine, we are submitting a request to return our tax credits and have TDHCA reallocate the tax credits in the current year pursuant to the “Force Majeure” provisions in Section 11.6(5) of the 2022 Qualified Allocation Plan (QAP).

Like so many other 2021 recipients, Reserve at Palestine has had to manage and contend with rising construction costs, supply chain issues, inflation, and interest rate increases. The volatility in prices, coupled with worker shortages and logistics delays, have meant that projects are increasing in cost.

Our team has worked to value engineer the project design to reduce project costs, but unfavorable market conditions ensured that a significant financial gap has remained. We have applied for a Multifamily Direct Loan from TDHCA in the 2022-1 NOFA under the COVID-19 Impact set-aside. This application is currently under review, however, if there are enough funds to provide funding for our project, it will be later this year before an award is made. With the time it will take TDHCA to close the financing and to receive the required permitting processes, we require additional time to place in service. A 2022 tax credit allocation would give us the time we need to place in service in 2024. It is therefore imperative to the viability of the project that an extension is obtained.

We thank TDHCA for their consideration of our request. The delays imposed by the uncertainty in the construction market are “Force Majeure” events that have materially impeded our ability to finalize financing and begin construction on the Palestine property. We have been diligent in our efforts to obtain gap financing to address cost increases, but the time required for engineering and new gap financing requests have made the current 2021 awardee timelines unachievable. We are confident that our circumstance satisfies TDHCA’s requirements for a reallocation of Tax Credits under Section 11.6(5) of the QAP and we request that this matter be considered at the next available Board meeting with a recommendation for approval. If additional information is required, please contact me at sallie@structuredevelopment.com or (512) 473- 2527.

Sincerely,

A handwritten signature in blue ink that reads 'Sallie Burchett'.

Sallie Burchett



Capital
Markets

RBC Community Investments

6805 Carnegie Blvd. Suite 100

Charlotte, NC 28211

Telephone: (980) 233-6440

May 16, 2022

Bobby Wilkinson
Executive Director
TDHCA
221 E. 11th Street
Austin, TX 78701

Dear Mr. Wilkinson:

We at RBC Community Investments want to convey our strong support to extend the placed in-service deadline for The Reserve at Palestine. This development has been hit with pandemic delays which has delayed the closing and pushed the schedule back. Based on today's date and our investor's 3-month buffer requirement from the construction completion date and the placed in-service deadline, the development needs an extension. Without this additional time to satisfy the investors, we may not obtain their approval to close. The investor approval is paramount to the feasibility of this housing tax credit development.

Should you have any questions or need any additional information, please contact me at 980-233-6440 or harry.tepper@rbc.com.

Sincerely,

A handwritten signature in black ink, appearing to read 'Harry Tepper', is written over a light blue horizontal line.

Harry Tepper

21070

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Saison North

-

Force Majeure Request



May 27, 2022

Cody Campbell
Director of Multifamily Finance
P.O. Box 13941
Austin, Texas 78701-3941
Cody.campbell@tdhca.state.tx.us

RE: Saison Apartments # 21070

Dear Mr. Campbell:

Saison Apartments was awarded 9% Housing Tax Credits in 2021. We are writing today to request a placed in-service extension under the force majeure provisions in the Qualified Allocation Plan. We are experiencing force majeure events that make construction activity impossible or materially impede its progress. The specific force majeure events are labor shortages and material shortages.

Material Shortages

Skybeck Construction Management Service, the General Contractor for Saison North, reports material shortages which are causing significant cost increases. When the tax credit application was submitted, the total construction contract was expected to be \$15,460,887. The most recent estimate is \$20,040,651, an almost 30% increase over the 15 month period from application to current.

The Saigebrook and O-SDA team have a successful track record with Skybeck Construction, having completed 2 prior tax credit developments in Austin together. Skybeck provided cost estimation for Saison four times during the design process, including at the time of original application. With each subsequent estimation, the development team and Skybeck collectively worked to find opportunities for value engineering but have been unsuccessful in achieving any significant net savings. With each estimation, overall pricing continued to rise.

We saw a significant increase in construction costs between September 2021 and February 2022. The cost of lumber has increased significantly, as well as mechanical, electrical, and plumbing trades due to labor shortages and supply chain issues. We are working diligently to value engineer and mitigate for as many of these increases as possible, while striving to maintain the high-quality housing we have been delivering in Austin.

Some specific examples of increased costs are concrete, woods and plastics. When the tax credit application was submitted concrete was budgeted at \$972,358. Currently



concrete for the development is expected to be 1,942,909. Similarly, at application woods and plastics were budgeted at \$1,962,236. Now woods and plastics is expected to be \$5,834,267, a \$3.8 million increase.

Material shortages are also impacting Austin Energy which has a roll down effect to development in Austin. Vi Collina, is a Saigebrook/ OSDA industries development located in Austin. It was awarded 4% housing tax credits in 2019. Vi Collina was placed in service in March 2022 approximately 3 months later than anticipated because the city of Austin did not have transformers or meters. For Saison North, we are anticipating similar delays because of this issue. Other specific materials items that have resulted in construction delays are elevators parts and state inspections, truss design and deliveries, design and manufacturing of storm infrastructure and cabinet, countertop, and flooring shipments as containers have been delayed coming into ports.

Another difficulty we are facing is rising interest rates. At application, the interest rate on our permanent financing was expected to be 4.5%. At this time, the rate is expected to be 6.10%. This increased interest rate reduces the amount of a mortgage we qualify for and further exacerbates our financing gap

To cover these unforeseen increased costs, and ensure that our Development remains financially feasible, we have applied for Multifamily Direct Loan funding through TDHCA, Texas Housing Impact Funds from Texas State Affordable Housing Corporation and additional funding from the City of Austin who has committed to more than \$6 million in local funding. We have completed all application processes to secure additional financing.

Labor Shortages

Please see the attached correspondence from Skybeck explaining that the construction period will take longer due to labor shortages and difficulties in obtaining utilities and inspections. At application, the construction period was expected to be 16 months. At this time, Skybeck is anticipating an 18-month construction period.

We are not able to commence construction until we close on all financing. As detailed in the attached letter from Hunt Capital, in order to secure credit approval to close, our investor requires a cushion of 60 to 90 days from the scheduled construction completion date and the placed-in-service deadline. We are hoping to close on the construction financing in August or September of 2022. Based on the proposed 18-month construction schedule, we will miss the Placed in-Service Deadline of December 31, 2023, for a 2021 Award. Based on the difficult construction environment we are in and consistent with other force majeure approvals granted by the TDHCA Board, we are requesting to extend the deadline until December 31, 2024.

The acts or events that necessitate this request are not caused by the negligent or willful act or omission of the Development Owner, Affiliate or a Related Party. The increased



costs we are experiencing and need to apply for additional funding could not have been reasonably foreseen or mitigated through appropriate planning or risk management. Reasonable steps have been taken to minimize this situation including timely applying for other funding and identifying costs savings. We have already acquired the site and permits have been issued. O-SDA Industries and its partners are fully committed to seeing this project through to successful completion. We appreciate your consideration for this placed in service extension through the force majeure provisions of the Qualified Allocation Plan. We believe our request meets all of the requirements, however, if you need more information or have questions, please do not hesitate to contact me at megan@o-sda.com or by phone at (830) 330-0762.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Lasch", written over a light blue horizontal line.

Megan Lasch
President
O-SDA Industries, LLC





May 26, 2022

Texas Department of Housing and Community Affairs (“TDHCA”)
221 E. 11th St.
Austin, TX 78701

Re: **Saison North Apartments (the “Project”)**
Austin, TX

To Whom It May Concern:

Hunt Capital Partners (“HCP”) signed a letter of intent with O-SDA Industries on November 12, 2021, through which it agreed to syndicate the Low-Income Housing Tax Credits of the Project. HCP has since been working diligently to close the transaction alongside O-SDA and the Project’s other financing partners. Over the past several months, O-SDA and the development team have encountered significant challenges and impediments to closing, primarily caused by broader supply-chain issues and other lingering impacts from the COVID-19 pandemic. Paramount among these challenges has been rising construction costs, which created the need for additional financing and delayed closing of the transaction from the originally scheduled timeline of March 2022. HCP is experiencing similar cost inflation and timing delays nationwide on other LIHTC developments in its portfolio.

In response to these challenging circumstances, O-SDA has moved expeditiously to pursue, and is in the process of securing, additional financing that should allow the Project to reach a financial closing by August 2022. However, the current supply-chain environment has put strain not only on construction costs but also on construction timelines. The general contractor has indicated that in the current environment they will need approximately 18 months to build the Project. This jeopardizes the Project’s ability to meet the IRS and TDHCA placed in service deadline of December 31, 2023 for the 9% LIHTCs.

HCP and its investors typically require a minimum of 60-90 days between the scheduled construction completion date and the placed in service deadline in order to obtain the necessary credit approvals to close on a LIHTC transaction. This is because the placed in service deadline is a “cliff” test, and the LIHTCs awarded to the development are lost if the deadline is not met. As such, there is significant risk associated with closing and funding a portion of the investor’s tax credit equity on a project that could lose all of its allocated tax credits in the event of a 1 or 2-month delay.

We kindly ask that TDHCA grant an extension of the December 31, 2023 placed in service deadline for the Project, to facilitate credit approvals from HCP and the other Project financing partners which will allow the Project to move forward. There has already been an immense amount of effort put into the transaction from all parties, in fact, all of the permits have already been issued for the development. We are eager to see O-SDA and its team break ground on the construction of 116 new and much-needed housing units, particularly in these uniquely challenging times.

Should you have any questions, do not hesitate to contact me at (818) 380-6112 or william.teschke@huntcompanies.com.

Sincerely,

A handwritten signature in black ink that reads 'William Teschke'.

William Teschke
Managing Director, Project Management
Hunt Capital Partners, LLC

May 2, 2022

Megan Lasch
Saigebrook Development
5501-A Balcones Drive, #302
Austin, Texas 78731

RE: SAISON NORTH CONTRACT SCHEDULE AND PRICING

Mrs. Lasch,

The construction industry continues to get hit with unprecedented delays and cost increases beyond anything we've seen in recent years. We are very fortunate to be in the Central Texas market but the success and growth of Austin in combination with world wide shortages of materials has created a perfect storm. We hope the following provides some clarity as to why the schedule and budget for Saison North far exceeded the initial estimates.

In regards to the contract duration for Saison North, Skybeck is estimating a total duration of eighteen (18) calendar months. Broken down in months, Skybeck is estimating the following durations:

- Sitework, Demolition, and Underground Utilities = two months
- Concrete = four months
- Framing/MEP/Exterior Finishes = six months
- Interior Finishes = six months

Please note the above durations are estimates only and are subject to fluctuate based on material/labor availability, unforeseen contingencies (ex. utility relocations), material substitutions, inspector availability, and timely cooperation from utility providers. Over the past twelve to eighteen months, Skybeck has witnessed extreme volatility with regards to material and labor availability. In addition, the inability of local electric utility providers to deliver equipment and power to our sites has seriously impacted all of our project's construction schedules.

When combined with a fluctuating labor market, extreme supply chain problems, a robust Central Texas construction industry, and delays from utility providers the durations for current projects are trending beyond historical averages by approximately three to six months.

Beyond the schedule impact, the cost of work has also gone up significantly over the last 24 months. Supply chain problems continue to create scarcity which in turn puts distributors and suppliers in a position where they must put subcontractors on material allocation without price assurances. This leaves the subcontractors in a compromised position where they can't hold pricing and must hedge against future cost increases. The cost fluctuation of lumber has been well documented and there continues to be large swings in the market. To complicate things further, the increase in oil and gas has raised the cost of freight and even impacted pricing for concrete trucks and trash dumpsters. Construction in Central Texas is also booming so labor has also increased their rates due to demand. All of this has combined to create a market where pricing has increased beyond our expectations.

Skybeck continues to work in the best interest of the projects and our clients to mitigate delays and cost increases. We keep our clients apprised of any project impacts and take reasonable steps and actions to prevent and lessen any impacts to the project.

Respectfully,

Parker Payne
Project Manager
Skybeck Construction, LLC

cc. Construction File

21075

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June West

-

Force Majeure Request



May 26, 2022

Cody Campbell
Director of Multifamily Finance
P.O. Box 13941
Austin, Texas 78701-3941
Cody.campbell@tdhca.state.tx.us

RE: June West Apartments

21075

Dear Mr. Campbell:

June West was awarded 9% Housing Tax Credits in 2021. We are writing today to request a placed in-service extension under the force majeure provisions in the Qualified Allocation Plan. We are experiencing force majeure events that make construction activity impossible or materially impede its progress. The specific force majeure events are labor shortages and material shortages.

Material Shortages

Maker Bros, the General Contractor for June West, reports material shortages which are causing significant cost increases. We have been advised by Maker Bros that the cost of construction is expected to be 10% to 12% higher than budgeted earlier this year, which is 25-30% higher than budgeted at application in February of 2021.

Some examples of anticipated cost increases are concrete, woods and plastics. When the Housing Tax Credit application was submitted just 14 months ago it was anticipated that concrete for the project would be \$618,712. At this point, the budget for concrete is expected to be \$1,005,500. At the time the housing tax credit application was submitted, wood and plastics were budgeted at \$1,248,572. The cost for wood and plastic is now expected to be \$3,198,300, an increase of almost \$2 million.

The Saigebrook and O-SDA team have a successful track record with Maker Bros and its principals, having constructed 10 tax credit developments together. Maker Bros provided cost estimation for June West at multiple stages during the design process, including at the time of original application, schematic design, full design and construction documents. With each subsequent estimation during 2021 and 2022, prices have continued to rise.

Material shortages are also impacting Austin Energy which has a roll down effect to development in Austin. Vi Collina, is a Saigebrook/ O-SDA Industries development located in Austin. It was awarded 4% housing tax credits in 2019. Vi Collina was placed in service in March 2022 approximately 3 months later than anticipated because the City of Austin did not have transformers or meters. For June West, we are anticipating similar delays because of this issue. Other specific materials items that have resulted in construction delays are

220 Adams Dr., Ste. 280, #138
Weatherford, TX 76086
352-213-8700 Lisa@Saigebrook.com



elevators parts and state inspections, truss design and deliveries underground detention design and manufacturing of storm infrastructure and cabinet, countertop, and flooring shipments as containers have been delayed coming into ports.

Another difficulty we are facing is rising interest rates. At application, the interest rate on our permanent financing was expected to be 4.5%. At this time, the rate is expected to be 6.25%. This increased interest rate reduces the amount of first mortgage proceeds the development qualifies for and further exacerbates our financing gap.

To offset some of the increased costs, we have made some changes to the project that do not require an amendment to our application nor impact the quality or amenities to be provided to the residents. We were able to find some savings in fencing, masonry, metals, and finishes.

However, these changes are not enough to close the gap created by other increased costs and rising interest rates. To cover these unforeseen increased costs, and ensure that our Development remains financially feasible, we have applied for Multifamily Direct Loan funding through TDHCA and additional funding from the City of Austin who has already committed to \$1.4 million in funding. We have completed all application processes to secure additional financing.

Labor Shortages

The Abali, is a property located here in Austin that was awarded credits in 2019 and placed in service in September of 2021. The Abali and June West are very similar design types, a single, multi-story, elevator served building with parking partially located under the building slab. The Abali was able to be substantially completed within 15 months. Due to labor shortages, to build the same product type in the same market the construction period is expected to be approximately 18 months. Please see the attached correspondence from Maker Bros explaining that the construction period will take longer due to labor shortages.

We are not able to commence construction until we close on all financing. As detailed in the attached letter from Hudson Housing Capital, in order to secure credit approval to close, our investor requires a cushion of at least 3 months from the projected construction completion date and the placed-in-service deadline. Maker Bros has indicated an 18-month construction period for this development. We are hoping to close on the construction financing in November of 2022. Based on the proposed 18-month construction schedule and estimated 4th quarter 2022 closing, we will miss the Placed in-Service Deadline of December 31, 2023, for a 2021 Award. We hope to place in service in May or June of 2024. Adding the required three-month cushion for the investor, we need a placed in service deadline of no earlier than September 30, 2024. Based on the difficult construction environment we are in and consistent with other force majeure approvals granted by the TDHCA Board, we are requesting to extend the deadline until December 31, 2024.

The acts or events that necessitate this request are not caused by the negligent or willful act or omission of the Development Owner, Affiliate or a Related Party. The increased costs we are experiencing and need to apply for additional funding could not have been reasonably foreseen or mitigated through appropriate



planning or risk management. Reasonable steps have been taken to minimize this situation including timely applying for other funding and identifying costs savings. We have already acquired the site and expect to receive building permits in August. Saigebrook and O-SDA Industries are fully committed to seeing this project through to successful completion. We appreciate your consideration for this placed in service extension through the force majeure provisions of the Qualified Allocation Plan. We believe our request meets all of the requirements, however, if you need more information or have questions, please do not hesitate to contact me at lisa@saigebrook.com or by phone at (352) 213-8700.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Lisa Stephens', with a long horizontal flourish extending to the right.

Lisa Stephens
President
Saigebrook Development

HUDSON

HOUSING CAPITAL

May 24, 2022

Bobby Wilkinson
Executive Director
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701

RE: 21075 – June West Apartments

Mr. Wilkinson:

We strongly support a request by Saigebrook Development, LLC to extend the placed-in-service deadline to December 31, 2024 on June West Apartments. The project has been impacted by rising interest rates and materials and labor shortages, requiring the development team to secure additional soft funds to maintain financial feasibility. These factors will delay the closing date. In order to secure credit approval to close, our investor requires a cushion of at least 3 months from the projected construction completion date and the placed-in-service deadline. Based on the proposed 18-month construction schedule and estimated November 2022 closing for construction financing, we believe an extension of the placed-in-service deadline to December 31, 2024 is warranted. Without adequate cushion, we will not receive investor approval to close.

We have many years of experience with this development team. We are familiar with their applications for additional funding sources and based upon our underwriting of these sources, the development plan remains financially feasible at this time.

We appreciate TDHCA's continued support of this important family development in Austin. Should you need any further assistance, please feel free to contact me with any questions at (212) 218-4446 or via email at josh.lappen@hudsonhousing.com.

Sincerely,



Joshua Lappen
Vice President
Hudson Housing Capital, LLC



May 16, 2022

Megan Lasch
Saigebrook Development
5501-A Balcones Drive, #302
Austin, Texas 78731

RE: JUNE WEST CONTRACT SCHEDULE AND PRICING

Ms. Lasch,

Regarding the schedule and pricing for the June West project, be advised that we continue to see unprecedented cost increases, material shortages and lengthened delivery schedules. This coupled with the massive number of projects under construction in the central Texas market have stressed project budgets and schedules.

The current market conditions, supply chain distributions and lack of material availability has commoditized just about every building component. Vendors and suppliers cost structures that have been historically somewhat stable and predictable now change daily.

Under the current market conditions, we suggest that the original budgeting provided earlier this year for June West be increased by an additional ten to twelve percent (10-12%). The total duration for this project will be approximately eighteen (18) calendar months.

The price and schedule are estimates only and are subject to change based on final bidding of the permitted plans and confirmation of material and labor availability.

We will continue to work with your team to mitigate these increases to the to the best of our ability.

Respectfully,

Justin Bailey
Manager
Maker Bros. LLC

21081

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Kiva East

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Force Majeure Request



May 31, 2022

Cody Campbell
Director of Multifamily Finance
P.O. Box 13941
Austin, Texas 78701-3941
Cody.campbell@tdhca.state.tx.us

RE: Kiva East Apartments # 21081

Dear Mr. Campbell:

Kiva East was awarded 9% Housing Tax Credits in 2021. We are writing today to request a placed in-service extension under the force majeure provisions in the Qualified Allocation Plan. We are experiencing force majeure events that make construction activity impossible or materially impede its progress. The specific force majeure events are labor shortages and material shortages.

Material Shortages

Maker Bros, the General Contractor for Kiva East, reports material shortages which are causing significant cost increases. We have been advised by Maker Bros that the cost of construction for this Dallas development is approximately 15-20% higher than budgeted at application in February of 2021.

The largest offender for this development is woods and plastics. When the Housing Tax Credit application was submitted just 14 months ago it was anticipated that this line item would be \$1,437,511. At this point, the budget for woods and plastics is expected to be \$2,878,900, an increase of over \$1.4 million in a single line item. Fire alarm and fire protections bids and finishes, which includes cabinets, countertops and appliances, more than doubled since the original application, increasing costs by approximately another \$500,000.

The Saigebrook and O-SDA team have a successful track record with Maker Bros and its principals, having constructed 10 tax credit developments together. Maker Bros provided cost estimation for Kiva East at multiple stages during the design process, including at the time of original application, schematic design, full design and construction documents. With each subsequent estimation during 2021 and 2022, prices have continued to rise.

Other specific materials items that have resulted in construction delays are elevators parts and state inspections, truss design and deliveries underground detention design and manufacturing of storm infrastructure and cabinet, countertop, and flooring shipments as containers have been delayed coming into ports. On our most recent job in Arlington, the additional shipping and tariffs for cabinets and countertops due to delays in port resulted in a change order of more than \$80,000 and multiple weeks of delays.

Another difficulty we are facing is rising interest rates. At application, the interest rate on our permanent financing was expected to be 4.5%. At this time, the rate is expected to be 6.15%. This increased interest rate reduces the amount of first mortgage proceeds the development qualifies for and further exacerbates our financing gap.

To offset some of the increased costs, we have made some changes to the project that do not require an amendment to our application nor impact the quality or amenities to be provided to the residents. We were able to find some small savings in fencing, masonry, metals, doors and windows, and finishes.

220 Adams Dr., Ste. 280, #138, Weatherford, TX 76086
352-213-8700 Lisa@Saigebrook.com



However, these changes are not enough to close the gap created by other increased costs and rising interest rates. To cover these unforeseen increased costs, and ensure that our Development remains financially feasible, we have applied for Dallas Housing Opportunity Funds through LISC Strategic Investments. We have completed all application processes to secure additional financing.

Labor Shortages

Kiva East is located on a formerly developed site. As such, there are existing utilities and easements that must be abandoned as part of the permitting process. This is not atypical for an urban in-fill location and we have worked many times with utility providers through this process. We began working with Oncor shortly after receiving our tax credit award in 2021, requesting a new utility design for Kiva East which would permit the release of any prior utilities and easements. Like many other organizations, Oncor is experiencing staffing shortages and while we are close to having final designs and approvals, they are not complete at this time. We expect they will be complete within the next 30-45 days. However, the delays in this process have pushed our ability to close back by almost 60 days.

As detailed in the attached letter from Hudson Housing Capital, in order to secure credit approval to close and begin construction, our investor requires a cushion of at least 3 months from the projected construction completion date and the placed-in-service deadline. Maker Bros has indicated an 14-15-month construction period for this development, an increase from the original projections of 12 to 13 months. We are hoping to close on the construction financing in July or August of 2022. Based on the proposed construction schedule, this timeline puts us too close to the Placed in-Service Deadline of December 31, 2023 for our investors to receive credit approval. While we hope to place in service in the fourth quarter of 2023, we need a Placed in Service deadline that extends into 2024 for our investor. Based on the difficult construction environment we are in, we are requesting to extend the deadline until June 30, 2024.

The acts or events that necessitate this request are not caused by the negligent or willful act or omission of the Development Owner, Affiliate or a Related Party. The increased costs we are experiencing and need to apply for additional funding could not have been reasonably foreseen or mitigated through appropriate planning or risk management. Reasonable steps have been taken to minimize this situation including timely applying for other funding and identifying costs savings. We have already acquired the site and expect to receive building permits in the next 30 to 45 days. Saigebrook and O-SDA Industries are fully committed to seeing this project through to successful completion. We appreciate your consideration for this Placed in Service extension through the force majeure provisions of the Qualified Allocation Plan. We believe our request meets all of the requirements, however, if you need more information or have questions, please do not hesitate to contact me at lisa@saigebrook.com or by phone at (352) 213-8700.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Lisa Stephens', with a long horizontal line extending to the right.

Lisa Stephens
President

HUDSON

HOUSING CAPITAL

May 31, 2022

Bobby Wilkinson
Executive Director
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701

RE: 21081 – Kiva East Apartments

Mr. Wilkinson:

We strongly support a request by Saigebrook Development, LLC to extend the placed-in-service deadline to June 30, 2024 on Kiva East Apartments. The project has been impacted by rising interest rates and materials and labor shortages, requiring the development team to secure additional soft funds to maintain financial feasibility. These factors along with delays in the municipal permitting and utility company coordination have delayed the closing and construction start date. In order to secure credit approval to close, our investor requires a cushion of at least 3 months from the projected construction completion date and the placed-in-service deadline. Based on the proposed 14-15-month construction schedule and a projected July or August 2022 closing for construction financing, we believe an extension of the placed-in-service deadline to June 30, 2024 is warranted. Without adequate cushion, we will not receive investor approval to close.

We have many years of experience with this development team. We are familiar with their application for additional funding sources and based upon our underwriting of these sources, the development plan remains financially feasible at this time. Further, the site for this development has already been acquired by Kiva East, LLC and we understand permits are expected within the next 30-45 days.

We appreciate TDHCA's continued support of this important family development in Dallas. Should you need any further assistance, please feel free to contact me with any questions at (212) 218-4446 or via email at josh.lappen@hudsonhousing.com.

Sincerely,



Joshua Lappen
Vice President
Hudson Housing Capital, LLC

21118

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The Heights at MacArthur

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Force Majeure Request



May 25, 2022

Bobby Wilkinson
Executive Director
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701
Email: bobby.wilkinson@tdhca.state.tx.us

Re: The Heights at MacArthur, TDHCA #21118 – Request for Extension of Placement in Service Deadline Pursuant to Force Majeure

Dear Mr. Wilkinson,

In November 2021, TX MacArthur 2021, Ltd (the “Owner”) received a Commitment Notice from the Texas Department of Housing and Community Affairs (“TDHCA”) for 2021 9% tax credits (Tax Credits) for The Heights at MacArthur in Irving (the “Development”). Due to the late receipt of the Commitment Notice, as well as the current state of the construction industry, specifically industry-wide shortages of materials and labor, the anticipated construction schedule for the Development will result in construction completion after the deadline for Placement in Service required by the Commitment Notice, which is December 31, 2023.

Because of materials and labor shortages that are outside the Owner’s control, the Owner is requesting TDHCA approval to utilize the Force Majeure provisions under Section 11.6(5) of the Qualified Allocation Plan (“QAP”) to return the allocation of 2021 9% housing tax credits and request a re-issuance of 2022 9% housing tax credits, resulting in a new Placement in Service deadline of December 31, 2024. Note also that the investor limited partner, Hunt Capital Partners, is requesting that the Owner seek this relief in order to close the transaction (see attached **Exhibit A**).

Development Summary and Description of Delays

The Heights at MacArthur is a 76-unit new construction development for the general population. The Development is located in Irving, in Urban Region 3, and was not initially awarded in July 2021 as were the majority of 2021 9% developments. Rather, the award was made possible by the return of another allocation, and as a result the Development received its Commitment Notice in November 2021, two months after the majority of 2021 9% award recipients.

Despite the late Commitment Notice, the development team has worked diligently to ensure a timely construction start with a realistic construction schedule is implemented. Like many other 2021 awardees, the development has had to manage rising construction cost due to shortages of materials and labor which has caused a major escalation of cost coupled with inflation and interest rate increases, the development team elected to pursue a FHA HUD 221(d)(4) financing structure (“HUD”).

HUD financing was started immediately after the commitment notice was received. It is expected that HUD will finalize the construction/permanent loan closing by August/September of this year. A sixteen month construction is expected due to the shortages. The Placed in Service is projected to fall in the first quarter of 2024.

Force Majeure Considerations

TX MacArthur 2021, Ltd meets TDHCA's requirements for the relief requested under Force Majeure as outlined in Section 11.6(5) of the QAP:

- The delays experienced as a result of materials and labor shortages are Force Majeure events that significantly impeded the Owner's ability to engage in construction activities on a timeline that complies with the Placement in Service deadline applicable to the Development.
- The delays were unforeseen circumstances outside of the Owner's control. The initial construction schedule would have allowed the Placement in Service deadline to be met. However, the extension of the construction schedule to sixteen months will not allow the Owner to meet the current Placement in Service deadline.
- The Owner attempted to mitigate the situation by beginning to work with financing partners immediately upon receipt of an award, as well as submitting for building permits with the City of Irving timely. Additionally, the owner initiated the concept meeting with HUD and was recommended to submit a Firm HUD application, which is the expedited affordable housing process.
- The Development continues to be financially feasible.

Based on the facts outlined above, we believe the Owner has met the QAP requirements for a return and re-issuance of tax credits described in Section 11.6(5). We respectfully request TDHCA Board consideration during the June 16, 2022 board meeting. We are hopeful that staff will recommend approval of this Force Majeure request.

Please contact me at (512)971-9127 or aiglesias@ghdevelopment.com with any questions.

Sincerely,

TX MacArthur 2021, Ltd

By: TX MacArthur GP 2021, LLC

By: Generation Housing Partners, LLC



Adrian Iglesias, Partner



May 25, 2022

Bobby Wilkinson
Executive Director
Texas Department of Housing and Community Affairs ("TDHCA")
221 E. 11th St.
Austin, TX 78701

Re: **The Heights at MacArthur (the "Project")**
Irving, TX

To Whom It May Concern:

Hunt Capital Partners ("HCP") signed a letter of intent with Generation Housing Partners ("GHP") on March 30, 2022, through which it agreed to syndicate the Low-Income Housing Tax Credits of the Project. HCP has since been working diligently to close the transaction alongside GHP and other financing partners. As you may be aware, GHP submitted a revised 2021 Multifamily Uniform Application on February 4, 2021, but was not awarded LIHTC in July 2021 when other 9% awards were issued due to the tax credit becoming available after the failure of another awarded development. The Project was eventually awarded 9% LIHTC in November 2021, putting the Project at a significant disadvantage to secure financing partners and achieve a financial closing and placement in service with enough time to meet the required IRS and TDHCA deadlines associated with 9% LIHTC. In addition, over the past several months, GHP and the development team have encountered significant challenges and impediments to closing, primarily caused by broader supply-chain issues and other lingering impacts from the COVID-19 pandemic. Paramount among these challenges has been rising construction costs, which created the need for additional financing and delayed closing of the transaction from the originally scheduled timeline of July 2022. HCP is experiencing similar cost inflation and timing delays nationwide on other LIHTC developments in its portfolio.

In response to these challenging circumstances, GHP has been diligently working through the HUD 221(d)(4) loan application process, which requires a plan/cost review for submission. Challenges with rising construction costs have impacted the plan/cost review process and thus the loan application submittal, which has further delayed the Project's closing timeline. Based on expected loan processing timelines with HUD, the soonest the Project can feasibly achieve a financial closing and construction start is September 2022. The general contractor has provided a schedule indicating that construction of the Project should take approximately 15.5 months. Of note, the current supply-chain environment has put strain not only on construction costs but also on construction timelines, with the delivery of construction materials and appliances taking significantly longer than in normal times.

HCP and its investors typically require a minimum of 30-60 days between the scheduled construction completion date and the placed in service deadline in order to obtain the necessary credit approvals to close on a LIHTC transaction. This is because the placed in service deadline is a "cliff" test, and the LIHTCs awarded to the development are lost if the deadline is not met. As such, there is significant risk associated with closing and funding a portion of the investor's tax credit equity on a project that could lose all of its allocated tax credits in the event of a 1 or 2-month delay. Many investors are requiring more than 30-60 days of cushion in light of current supply-chain challenges. HCP feels that with the current closing and construction schedules, the Project is in jeopardy of meeting its IRS and TDHCA placed in service deadline of December 31, 2023 for the 9% LIHTCs.

We kindly ask that TDHCA grant an extension of the December 31, 2023 placed in service deadline for the Project, to facilitate credit approvals from HCP and the other Project financing partners which will allow the Project to move forward. There has

already been an immense amount of effort put into the transaction from all parties, and we are eager to see GHD and its team break ground on the construction of 76 new and much-needed housing units, particularly in these uniquely challenging times.

Should you have any questions, do not hesitate to contact me at (818) 380-6112 or william.teschke@huntcompanies.com.

Sincerely,

A handwritten signature in black ink that reads "William Teschke". The signature is written in a cursive style with a large, stylized initial "W".

William Teschke
Managing Director, Project Management
Hunt Capital Partners, LLC

21136

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Oaklawn Place

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Force Majeure Request

June 1, 2022
Mr. Cody Campbell
Director of Multifamily Finance
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 787010

RE: Request for Force Majeure for Oaklawn Place, #21136

Dear Mr. Campbell:

We, as the development team for Oaklawn Place, the recipient of a 2021 commitment of 9% low income housing tax credits, are requesting to return the tax credits and have TDHCA reallocate the tax credits in the current year pursuant to the "Force Majeure" provisions in Section 11.6(5) of the Qualified Allocation Plan (QAP). Based on the current construction timeline, force majeure treatment is necessary to allow the development to be placed in service in 2023.

We believe the impacts due to rising costs, supply chain issues, inflation, and the impact from the City of Dallas permitting office timeline qualify as "sudden and unforeseen circumstances outside the control of the Developer Owner...[regarding] supplier failures; or materials or labor shortages," as described in 10 TAC §11.6(5), for TDHCA to grant a force majeure ruling.

Due to a combination of unforeseen issues, the development budget has increased by \$6.9 million (53%) since original application. In the four months from January 2022 to May 2022, costs increased by \$5.6 million (39%). Global supply issues, material shortages combined with high demand, and rising fuel costs have continued to push construction costs far beyond initial expectations. In addition, the volatile market has made it challenging to honor quotes for materials longer than 14 days, driving premiums to secure pricing and materials even higher. Based on feedback from the general contractor, it was a challenge to secure multiple bids from subcontractors in the latest round of pricing. Additional time will be needed to further secure materials and pricing commitments.

The General Contractor has initially identified about \$1.7 million in Value Engineering items, which the Development Team is currently reviewing, as well as proposing others. We are also pursuing additional funding requests to fill the gap created by this inflationary market. Additional funding may be available through the Maple-Mockingbird TIF district as well as potential supplemental housing tax credits from the TDHCA. Furthermore, the Real Estate Council in Dallas is partnering with the Local Initiatives Support Corporation (LISC) to create a citywide secondary loan program for affordable housing, and we have had preliminary discussions with them about support for Oaklawn Place.

In addition, the delays caused by the City of Dallas' permitting process issues has been well documented in local news (see links to media sources in Appendix II). Despite efforts to improve process times by using third parties and hiring a new departmental head and additional staff, estimated approval times are still estimated at 10 to

5750 Cedar Springs Rd., Dallas, TX 75235 | 214-521-5124

12 weeks, compared to 7-10 business days in other major Texas cities. The uncertainty of when the development will receive approval has further impacted our ability to appropriately price construction costs and secure financing.

The development team and the City of Dallas remain committed to this very important project, but the current deadlines do not allow enough time to acclimate to the unprecedented industry turmoil. Thank you to TDHCA for considering our request and the treatment of these material delays as force majeure events, as defined in the QAP. We ask that this force majeure request be considered at the next available board meeting. We are confident the additional time will allow us to find other avenues to fill the financial gaps, receive full permitting from the City of Dallas, and place units in service by the extended time requirement.

Sincerely,

A handwritten signature in black ink that reads "Cece Cox". The signature is written in a cursive, flowing style.

Cece Cox, J.D.
Chief Executive Officer
Resource Center

5750 Cedar Springs Rd., Dallas, TX 75235 | 214-521-5124

Appendix I: Changes to Development Budget

Development Costs	TDHCA Application	January 2022	May 2022	Increase Since Application	Increase in Four Months
Off-Sites		\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ -
Site Work	\$ 1,243,200.00	\$ 1,101,900.00	\$ 1,678,158.00	\$ 434,958.00	\$ 576,258.00
Building Cost	\$ 11,260,306.00	\$ 12,355,876.00	\$ 17,122,567.00	\$ 5,862,261.00	\$ 4,766,691.00
Contractor Fees	\$ 694,639.00	\$ 770,757.00	\$ 1,082,152.00	\$ 387,513.00	\$ 311,395.00
Total	\$ 13,198,145.00	\$ 14,478,533.00	\$ 20,132,877.00	\$ 6,934,732.00	\$ 5,654,344.00
Cost/Unit	\$ 157,120.77	\$ 172,363.49	\$ 239,677.11	\$ 82,556.33	\$ 67,313.62
Percentage increase of costs:				53%	39%

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Appendix II: Permitting Office Issues

(a) From The Dallas Morning News:

Dallas still takes months to review building permits, and one council member is pushing for change

<https://www.dallasnews.com/news/politics/2022/04/26/dallas-still-takes-months-to-review-building-permits-and-one-council-member-is-pushing-for-change/>

Everton Bailey Jr, April 2022

(b) From The Dallas Morning News:

Dallas Mayor Eric Johnson's message on permitting-office mess: City manager won't fix it so he will

<https://www.dallasnews.com/news/commentary/2022/02/14/dallas-mayor-eric-johnsons-message-on-permitting-office-mess-city-manager-wont-fix-it-so-he-will/>

Commentary by Sharon Grigsby, February 2022

5750 Cedar Springs Rd., Dallas, TX 75235 | 214-521-5124

21235

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Inn Town Lofts

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Force Majeure Request



April 22, 2022

VIA EMAIL: asset.management@tdhca.state.tx.us

Rene Ruiz
Asset Manager
Texas Dept. of Housing & Community Affairs
221 E. 11th Street
Austin, TX 78701-2410

RE: Force Majeure Request for 2021 Housing Tax Credits, Inn Town Lofts – TDHCA# 21235

Dear Mr. Ruiz,

On behalf of HTG Lubbock, LLC (the “Owner”), please accept this correspondence as formal request for an allocation of 2022 housing tax credits in exchange for the return of the 2021 credits, pursuant to §11.6(5) of the 2021 Qualified Allocation Plan (“QAP”) for TDHCA# 21245, Inn Town Lofts.

Inn Town Lofts received a Commitment for 9% housing tax credits on September 16, 2021. Similarly, to the 2020 housing tax credit round, economic conditions have continued to worsen, due to supply chain delays and labor shortages. The supply chain delays and labor shortages, in conjunction with inflation and rising interest rates, have affected production of goods and caused material supplies to be scarce and more expensive than originally contemplated. Since the Commitment Notice for tax credits was executed, the Owner has revised and adjusted the design specifications, in order simplify the building and eliminate any inefficiencies, while still maintaining the Historic character of the existing hotel. The existing hotel, formerly known as the In Town Inn, has received state of Texas approval to be listed on the register of historic places and has been submitted for approval to be listed on the National Register.

Pursuant to §11.6(5)(A) of the 2021 QAP, the Owner respectfully asks for an exchange of credits, due to Force Majeure, as it relates to “supplier failures; or materials or labor shortages.” After discussions with the design team and multiple general contractors, the Owner has also been advised to not only prepare for higher construction cost for materials, but also increased construction timeline. The Owner is now preparing for an 18-month construction period, up from 14-months contemplated at application.

If staff has any questions, please contact Val Deleon via email at valentind@htgf.com or directly at 512-417-0985.

Sincerely,

HTG LUBBOCK, LLC,
a Texas limited liability company

By: **HTG LUBBOCK MEMBER, LLC,**
a Florida limited liability company,
its Managing Member

By: _____
Matthew Rieger, Manager

CC: Cody Campbell

21245

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The Rushmore

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Force Majeure Request



April 22, 2022

VIA EMAIL: asset.management@tdhca.state.tx.us

Stephanie Givens
Asset Manager
Texas Dept. of Housing & Community Affairs
221 E. 11th Street
Austin, TX 78701-2410

RE: Force Majeure Request for 2021 Housing Tax Credits, The Rushmore – TDHCA# 21245

Dear Ms. Givens,

On behalf of HTG Rushmore, LLC (the “Owner”), please accept this correspondence as formal request for an allocation of 2022 housing tax credits in exchange for the return of the 2021 credits, pursuant to §11.6(5) of the 2021 Qualified Allocation Plan (“QAP”) for TDHCA# 21245, The Rushmore.

The Rushmore received a Commitment for 9% housing tax credits on September 16, 2021. Similarly, to the 2020 housing tax credit round, economic conditions have continued to worsen, due to supply chain delays and labor shortages. The supply chain delays and labor shortages, in conjunction with inflation and rising interest rates, have affected production of goods and caused material supplies to be scarce and more expensive than originally contemplated. Since the Commitment Notice for tax credits was executed, the Owner has revised and adjusted the design specifications, in order simplify the building and eliminate any inefficiencies.

Pursuant to §11.6(5)(A) of the 2021 QAP, the Owner respectfully asks for an exchange of credits, due to Force Majeure as it relates to “supplier failures; or materials or labor shortages.” After discussions with the design team and multiple general contractors, the Owner has also been advised to not only prepare for higher construction cost for materials, but also increased construction timeline. The Owner is now preparing for a 16-month construction period, up from 12-months contemplated at application.

If staff has any questions, please contact Val Deleon via email at valentind@htgf.com or directly at 512-417-0985.

Sincerely,

HTG RUSHMORE, LLC,
a Texas limited liability company

By: **HTG RUSHMORE MEMBER, LLC,**
a Florida limited liability company,
its Managing Member

By: 
Randy Rieger, Manager

CC: Cody Campbell

21264

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Acadia Terrace

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Force Majeure Request



1500 N. Post Oak Rd, Suite 190
Houston, TX 77055

May 10, 2022

Cody Campbell, Multifamily Finance Director
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

Re: Return of 2021 credits and request for 2022 allocation of credits pursuant to Section 11.6(5) Force Majeure for Acadia Terrace (#21264)

Dear Mr. Campbell,

Pursuant to §11.6(5) of the 2021 Qualified Action Plan, Acadia Terrace, L.P. (“Sponsor”), respectfully request an allocation of 2022 credits in exchange for the return of our 2021 credits for the Acadia Terrace Development. This letter is not a request for additional tax credits.

Since our application submission in 2021, the construction industry has experienced extraordinary volatility due to the Covid-19 Pandemic, specifically resulting in shortages in availability of materials and labor, which have materially impeded progress toward budgeting and construction commencement. The Pandemic has significant financial and scheduling ramifications for the Sponsor’s Development. The Sponsor has worked diligently with its contractor to reign in pricing; however, these processes have taken significant amounts of time. We projected a relatively aggressive 16 to 18-month construction schedule at the time of application. Due to the current volatility in the construction labor market and potential supply chain issues, our general contractor believes construction will likely take closer to 20-months or longer.

An additional issue the Sponsor faced is consultant staffing. Many of the consultants we use when developing our projects have experienced turnover with staff. Most notably, the architecture firm Resolution has worked with on approximately 40 transactions had a senior staff member pass away unexpectedly. This loss resulted in an unexpected design phase delay.

Another significant headwind affecting Acadia Terrace is permitting delays caused by Houston’s permitting department. As we have with prior 9% developments, we strived to have our projects permitted and closed the same year that we were allocated the tax credits. However, due to the COVID-19 Pandemic, the City of Houston’s permitting office is backed up. As a result, we do not anticipate receiving our permits until August based on our conversations with City of Houston staff. Overall, this will push our project back roughly seven months. This delay alone, coupled with a expected 20-month construction schedule will make meeting a December 31, 2023 placed in service deadline unachievable.

Additionally, the uncertainty surrounding the City of Houston’s third round of Harvey Disaster Relief Funding caused a significant delay in the project’s capitalization. The Sponsor had planned and applied for



1500 N. Post Oak Rd, Suite 190
Houston, TX 77055

Disaster Relief funding for Acadia Terrace; however, the City of Houston terminated the funding round in the fall of 2021. As a result, the development team had to work through financing and budgeting uncertainty to solve the issues this created for Acadia Terrace. Despite these financing and budgeting challenges, the development remains financially feasible. Our equity partner is prepared to move forward as well, however they are now requiring a placed in service extension from the TDHCA prior to closing.

Given this confluence of unforeseeable external forces outside our control, the project necessitates a credit refresh to remain viable. And, as you know all too well, the need for workforce housing for families is greater now than it has ever been. The Sponsor is one of the premier housing providers in Texas, fulfilling this need, and has delivered over 6,000 units of best-in-class affordable housing in the state.

Section 11.6(5) states, “Force Majeure events are the following sudden and unforeseen circumstances outside the control of the Development Owner: ...national emergency... supplier failures; or materials or labor shortages.” The Covid-19 Pandemic, a declared national emergency, and ensuing supply chain challenges, have caused extreme shortages and volatility in lumber and other construction commodity markets and labor availability. The Pandemic’s impact on the construction market was entirely unforeseeable, as many anticipated the cost of construction to level off or even decline in the wake of the economic shutdown. No one could have predicted the amount of volatility recently experienced by developers. Resolution is working diligently to absorb this impact to continue serving its mission of supporting Texans in need by providing safe, quality, affordable housing.

We respectfully request that the TDHCA look favorably upon the Sponsor’s request and award Acadia Terrace 2022 tax credits in exchange for the return of its 2021 credits. We remain grateful to you, and I hope you will reach out directly if you have any additional questions.

Sincerely,

Jeremy Bartholomew
Partner
713-334-5514
jeremy@resolutioncomapnies.com

Exhibit A - Investor Letter

HUDSON
HOUSING CAPITAL

May 11, 2022

Bobby Wilkinson
Executive Director
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701

RE: 21264 – Acadia Terrace – Houston, TX

Mr. Wilkinson:

We strongly support a request by Acadia Terrace Developers, LLC to extend the placed-in-service deadline to June 30, 2024 on Acadia Terrace. The project has been impacted by understaffed consultants, materials and labor shortages, rising interest rates, and a challenged City of Houston DR funding cycle, which all required the development team to regularly rework the proforma to maintain financial feasibility. These factors coupled with a backlog in the City of Houston's permitting department have delayed the closing date. In order to secure credit approval to close, our investor requires a cushion of at least 3 months from the projected construction completion date and the placed-in-service deadline. Based on the proposed 18-20 month construction schedule and estimated July/August 2022 closing, we believe a six-month extension of the placed-in-service deadline will be sufficient. Without adequate cushion, we will not receive investor approval to close.

We appreciate TDHCA's continued support of this important family development in Houston. Should you need any further assistance, please feel free to contact me with any questions at (212) 218-4446 or via email at josh.lappen@hudsonhousing.com.

Sincerely,



Joshua Lappen
Vice President
Hudson Housing Capital, LLC

21292

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Campanile on Minimax

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Force Majeure Request



June 3, 2022

Mr. Cody Campbell, Director of Multifamily Finance
Texas Department of Housing and Community Affairs
211 E 11th Street
Austin, Texas 78701

Via Email: cody.campbell@tdhca.state.tx.us

Re: Request for Force Majeure for Campanile on Minimax, #21292

Dear Mr. Campbell,

Campanile on Minimax LP (the "Owner") received an allocation of Housing Tax Credits from the Texas Department of Housing and Community Affairs ("TDHCA") for the construction of Campanile on Minimax (the "Development") on July 22, 2021. The Owner is required to place the Development in service by December 31, 2023. Unfortunately, the Owner faces the possibility of not being able to meet this deadline as required by §42(h)(1)(E)(i) of the Internal Revenue Code. The need for an extension to meet the placed in service deadline is the result of events that we believe fall under the provisions of §11.6(5) of the 2022 Qualified Allocation Plan ("QAP") relating to Force Majeure.

Background Information

The Development is located in Houston, Texas, in Harris County. The City of Houston, and the entire State of Texas, has experienced significant cost increases, supply chain issues, and labor shortages that, as a whole, have impacted and delayed the start of construction of the Development. These issues are the direct result of not one, but several events that together have put extreme upward pricing pressure, interest rate increases and timing constraints on the construction industry. The events affecting our Development are: Winter Storm Uri, COVID-19 Pandemic and most recently the Russian/Ukrainian war. While the former two events occurred in 2020 and 2021, respectively, Developers in all areas of the construction industry continue to feel their effect through increased construction costs. No one could have anticipated the ripple effect from these events which has had an adverse effect on the initial construction schedule and anticipated placed-in-service timelines.

COVID-19 Pandemic

On March 11, 2020, the World Health Organization (WHO) declared COVID-19 a pandemic.¹ Two days later, March 13, 2020, Texas shuts down because of Gov. Abbott's State disaster declaration spanning all counties in the State of Texas². Two years later, supply chain and logistical challenges continue to be an issue for all construction projects. The shutdown has

¹ <https://www.yalemedicine.org/news/covid-timeline>

² <https://www.kxan.com/news/coronavirus/365-days-of-covid-how-the-coronavirus-in-texas-unfolded-one-year-after-the-first-case/>



affected lumber availability and pricing, which rose as much as 288%³ from the Development's originally budgeted estimates. However, lumber is not the only culprit, windows, appliances, electrical supplies, labor shortages, resin shortages, and plumbing supplies have all contributed to, and been affected by the COVID-19 Pandemic aftershocks.

Winter Storm Uri

Winter Storm Uri occurred between February 13-17, 2021. Damages from the blackouts and harsh freezes are estimated to be at least \$195 billion, making it the costliest natural disaster in Texas and the United States as a whole.⁴ This devastation has continued to put supply chain pressure on plumbing parts and services, drywall, appliances and flooring materials as repairs are still being made to many homes and businesses a year after the event took place. These increased needs have negatively impacted the original construction budgets that were presented in the 2021 tax credit application.

Russia/Ukraine War

The uncertainty caused by the Russia-Ukraine war has sent already stressed global markets deeper into a downward spiral. US consumer prices rose in March by the most since late 1981, evidence of a painfully high cost of living and reinforcing pressure on the Federal Reserve to raise interest rates even more aggressively. In particular, gasoline costs drove half of the monthly increase, which were up on account of the Russia-Ukraine war.⁵ These fuel price hikes resulting from the decreased supply of crude oil created by the Russia-Ukraine war have created a ripple effect on the pricing from transportation of construction materials, to the cost of performing site work, and even the underlying cost of the materials themselves. In April 2022, the Association of General Contractors of America ("ACG") issued the sixth update to the initial construction inflation alert was issued in March 2021. In this update, the ACG cited information obtained by the Bureau of Labor Statistics ("BLS") which posts producer price indexes ("PPIs"). In particular, BLS change in PPIs from April 2020 to February 2022 was 237% for diesel fuel. During that same period lumber and plywood increased by 101%, plastic construction products increased by 45%, copper and brass mill shapes increased by 70%, aluminum mill shapes increased by 52%, and gypsum products increased by 29%.⁶ To compound the issue, the Federal Reserve has been forced to hike interest rates to offset inflation. The most recent rate hike was the largest single rate increase in over two decades, at half a percentage point. This move comes as no surprise, given inflation is at a 40-year high.

7

³ <https://fortune.com/2021/06/10/lumber-prices-2021-chart-price-of-lumber-production-wood-supply-costs-update-june/>

⁴ Ivanova, Irina (February 25, 2021). "Texas winter storm costs could top \$200 billion — more than hurricanes Harvey and Ike". CBS News. Retrieved March 5, 2021

⁵ https://www.business-standard.com/article/international/russia-ukraine-war-impact-us-inflation-rises-to-new-40-year-high-122041201337_1.html

⁶ https://www.agc.org/sites/default/files/users/user21902/Construction%20Inflation%20Alert%20Cover_Apr2022_0.pdf

⁷ <https://www.cnbc.com/2022/05/04/fed-raises-rates-by-half-a-percentage-point-the-biggest-hike-in-two-decades-to-fight-inflation.html>



This development was underwritten by TDHCA and subsequently awarded credits just after Winter Storm Uri and during the COVID-19 Pandemic. At that time, no one could have anticipated the extreme increases in construction supply costs, shortage of supplies and labor and interest rate fluctuations in the market. As construction costs began to increase, the Developer's initial response was to seek out additional sources of soft debt to cover the increase and meet the deadlines of a 2021 award. To address various disaster events in the Houston area, the City of Houston released a NOFA to assist Development Owners with repairs of existing properties, new construction development, or replacement housing in June of 2021. In July of 2021, an application was submitted to the City of Houston for \$5.2M in funding through the Disaster Relief Funds under Multifamily NOFA 3. All information from the City of Houston staff indicated we would be recommended to their Board for approval of this amount. However, in the fall of 2021, the Texas General Land Office (GLO) began an investigation into the Houston Housing and Community Development department and the source of funds (approx. \$80M) was frozen by the GLO and unavailable to the applicants.

In January 2022, the General Contractor for this development provided an updated construction budget and the cost to construct the development increased by 54% from previously underwritten costs (see **Exhibit A**). The Developer has worked diligently to mitigate these costs and minimize the delays.

On March 31, 2022 the Developer applied for \$4,000,000 in HOME funds from the TDHCA 2022-1 Multifamily Direct Loan NOFA (Appl #22512) under the COVID Set-Aside. In totality, applications for these funds (HOME and NHTF) were over-subscribed and many were at risk of not being awarded. New information has been received that an additional \$47M will be available to fund all Applicants under this set-aside in the NOFA. However, these funds will not be made available until at earliest, Fall of 2022.

The Developer is negotiating a partnership with the Houston Housing Authority (HHA), a non-profit corporation, whereby HHA would participate in the ownership structure and become the Managing Member of the General Partner. This change will bring additional operational financial stability by providing a property tax exemption. Furthermore, the reduction in total operating expenses allows for an increase in permanent debt to cover the increased construction costs. This change has not yet been implemented and will require TDHCA approval of a Non-Material Application Amendment. Once the structure is approved by the HHA Board, the Developer will provide all documentation in connection with the new entity in the ownership structure and initiate the amendment request in accordance with 10.405(a)(3)(C) of the QAP. The revised ownership structure and additional MFDL funds, will alleviate some of the cost increase constraints that have resulted from the devastating events listed above and will ensure that the Development is feasible over the long-term.

Due to the delays described above, we request that the Owner be permitted to return the Tax Credits and that TDHCA reallocate the Tax Credits to the Owner in the current year in accordance with §11.6(5) of the 2022 QAP relating to Force Majeure. We believe the Owner and Development meet all the requirements in Section 11.6(5), in that:

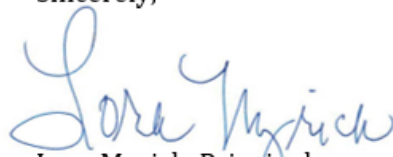
1. The events that caused the delay occurred before issuance of 8609s and were sudden, unforeseen circumstances outside the control of the Development Owner.



2. The delays were not caused by willful negligence or acts of Owner, any Affiliate, or any other Related Party.
3. The Owner has provided evidence of the events and a timeline of the events that was the direct result of the delays along with a revised construction bid confirming the increase in construction costs.
4. Though there was little that could be done to anticipate the effects of these events, once a viable option was made available by TDHCA to assist with the cost increases resulting from these events (2022-1 MFDL NOFA), the Owner applied for funding and immediately contacted the proposed financial partners of the Development to work out a viable financing option.
5. The Development and Developer are properly insured and the Department was notified of the Force Majeure events.
6. The Force Majeure threatens to prevent the Owner from meeting the Placed in Service requirements of the original allocation.
7. The requested current year Carryover Agreement would allocate the same amount of Tax Credits as those that would be returned.
8. The Development is financially feasible with the additional sources of funds and partnership with HHA. Approval of this Force Majeure request will give the Developer additional time to restructure the transaction, obtain all necessary approvals and meet all deadlines of a 2022 HTC award.

If you have any questions, require additional documentation, or would like to discuss these items further, please do not hesitate to contact me directly at (512) 785-3710 or via email at lora@betcohousinglab.com.

Sincerely,



Lora Myrick, Principal
BETCO Consulting, LLC

Exhibit A

BLAZER

January 27, 2022

Les Kilday
Kilday Operating LLC
19901 Southwest Freeway, Suite 210
SugarLand, TX 77479

Re: Campanile on Minimax

Dear Mr. Kilday,

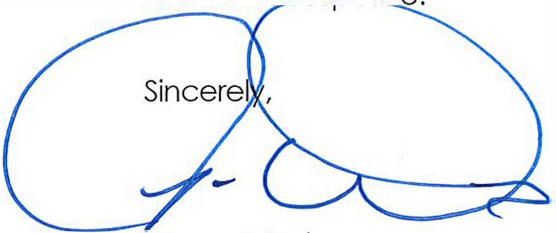
We are pleased to submit our bid for the Campanile on Minimax project which will be located in Houston, TX. We have based our bid on the drawings as prepared by Mucasey & Associates Architects. The architectural plans are dated 12/23/21. We have enclosed a set of Qualifications for your perusal.

Our bid is **Nineteen Million Fifty Nine Thousand Nine Hundred Thirty-Eight and no/100 (\$19,049,007.00) dollars.**

This bid is good for 30 days.

We appreciate the opportunity to present this bid and look forward to a favorable response.

Sincerely,



James Wanja
Vice President

Enclosures: Qualifications

Campanile on Minimax Qualifications

GENERAL REQUIREMENTS

1. Contractor shall provide Workmen's Compensation, General Liability Insurance and Builders Risk Insurance.
2. Performance and Payment bond are included.
3. The contractor and/or the subcontractor shall provide and pay for all licenses where required for work under this contract.
4. PROGRESS CLEANUP
 - a. TRASH REMOVAL: Clear site of trash at least once per week. If rapid accumulation, more frequent removal. Contain or remove combustible trash and garbage daily.
 - b. FINAL CLEANING: (By General Contractor) Project to be handed over in clean and tidy condition inside and out. Remove smudge, marks, stains, fingerprints, soil, dirt, paint spots, dust, lint, discoloration and other contamination. Clean finished surface inside and outside building. Use only cleaning materials recommended by manufacturer of surface to be cleaned. Replace air conditioning filters if air conditioning units were operated during construction. Clean ducts, blowers and coils if units were operated without filters during construction. Leave units ready for occupancy inside. Power wash all first floors building corridors, exterior sidewalks and paving.
5. Contractor shall conform to all requirements governing safety on the job including but not limited to OSHA requirements.
6. Contractor shall provide supervision required to coordinate all phases of construction.

SITE WORK

1. Contractor shall furnish all construction surveying and staking based on boundaries being provided by developer.
2. The site preparation is based on scarifying and removing all vegetation. This estimate is based on the civil plans by WGA dated 12/23/21. Building pads will be 3 ft. of select fill placed in 8" (prior to compaction) lifts. A Proctor Test will be performed on the fill material, in order that compaction tests can be made at each lift. Paving area will be lime stabilized.
3. FOUNDATION MAINTENANCE NOTES:
 - a. Trees and shrubs located next to a foundation are considered to be potential contributing factors to foundation distress. It is recommended that trees not be planted closer than half the canopy diameter of the mature tree, typically 20 feet from foundations.
 - b. Positive drainage away from the foundation should be provided to promote rapid runoff of surface water. Topsoil and sand detain water because they are permeable and do not provide positive drainage.
 - c. It is the Owners responsibility to conduct a yearly inspection of the foundation and flatwork and do any maintenance necessary to ensure drainage so as to minimize the infiltration of water from rain and lawn watering.

METAL

1. Iron railing at balconies, patios, and landings. Iron shop primed and field painted.
2. Steel staircase towers, wall rail, inside wall rail, and cane detection rail included at each staircase tower. Iron shop primed and field painted.
3. Perimeter Metal and Wood Fences. Iron shop primed and field painted.
4. Pool Fence. Iron shop primed and field painted.
5. Dog Park Fence. Iron shop primed and field painted.
6. Structural Steel Erection per plans.

CARPENTRY

1. Framing
 - a. Labor - All work shall be done in accordance with the codes recognized by the governing Municipality.
 - b. Material - all material will be graded and grade marked.
 - c. Floor framing - trusses and beams designed by a registered engineer sized according to the spans and associated loads.
 - d. Roof framing - premanufactured wood trusses.
 - e. Fasteners - The contractor shall supply all bolts, screws, joist hangers, etc. required to install the specified material. Sizing will be done in accordance with the manufacturer's recommendations and governing codes. All fasteners used to install exterior material shall be galvanized or coated.
2. Interior Trim and Millwork
 - a. Millwork - Material shall be provided by Builders First Source, or equal. MDF base, window casing, and door casing included in units.
 - b. Shelving and Rods – MDF shelves per plans.
3. Granite countertops
 - a. Unit kitchens – 2 cm, level 1
 - b. Unit baths – 2 cm, level 1
 - c. Club – 3 cm, level 1
4. Cabinets – Makada or equal cabinets with Shaker panel doors and 6” bar pull hardware. Standard stain colors. Standard cabinet boxes, dead/blind corners. Corner cabinets are excluded.
5. Exterior Veneer & Cornice – In addition to stucco, Contractor will furnish and install a complete synthetic wood system composed of fiber-cement lap siding, and fiber-cement 1x trim to cover and trim around the remaining exterior.

THERMAL & MOISTURE PROTECTION

1. Roof – Mechanically fastened 60 mil TPO roofing system over hard cover board. Metal standing seam on porte cochere and cabana.
2. Moisture Barrier - Tyvek building wrap or equal. Installed per manufacturers standards.
3. Insulation:
 - a. R-38 batt insulation in attic. None at corridors
 - b. R-19 unfaced batts in 2x6 exterior walls.

- c. R-15 unfaced batts in 2x4 exterior walls.
 - d. R-11 unfaced batts in party wall – both sides.
 - e. R-13 unfaced batts throughout mid-floors. None at corridors
 - f. Mid floor at Amenity area only – full fill insulation
 - g. Expandable foam around exterior walls, windows, and doors. Install baffles at vents to insure air flow.
4. Rain Gutters – 5” continuous, pre-painted aluminum gutter and 3x4 downspouts.

GLASS & GLAZING

- 1. Vinyl Windows - by Trophy, Ply Gem or equal; with double pane, Low-E glass. Standard frame colors.
- 2. Window Opening Control Devices are excluded
- 3. Shower doors – chrome frame and clear glass
- 4. Mirrors - All bathroom walls shall receive framed mirrors.

FINISHES

- 1. Paint:
 - a. Exterior – Plaster and Fiber-cement siding will be prepared for one coat of (flat) acrylic-latex house paint (or equal)
 - b. Interior - We have allowed for one ceiling and wall color, and one trim color. Walls and ceilings will receive one coat of flat Acrylic-latex (or equal) except kitchen, utilities, and baths which will be semi-gloss.
- 2. Drywall - All walls and ceilings, including the corridor ceilings, will be spray splatter textured.
- 3. Wood trim and doors - All trim will be prepared prior to receiving two coats of semi-gloss enamel (or equal).

SPECIALTIES

- 1. Finish Hardware – Pamex Olympic lever with stainless nickel finish.
- 2. Bath Accessories – Satin nickel toilet paper holders, towel bars, and curved shower rods.
- 3. Fire extinguishers – 2.5 lb. ABC fire extinguishers in units. Clubhouse fire extinguishers per plan.
- 4. Mailboxes per plan.
- 5. Two trash chutes per plans.
- 6. Graphics & Building Signs - **\$40,209 allowance**

APPLIANCES

- 1. Appliances – **\$406,454 allowance.**

FURNISHINGS

1. Units
 - a. Carpet in bedrooms & closets – Shaw Style 50 with 3/8", 6 lb. pad
 - b. Vinyl plank – Earthwerks Chassis, 7" x 48", 6 mil
2. No floor coverings in corridors
3. Window coverings:
 - a. Units – 2" faux wood

SPECIAL CONSTRUCTION

Pool and Deck - \$277,200 allowance

ELEVATORS

1. Two 3500 lb. elevators, Otis HydroFit, or equal.

MECHANICAL

1. Plumbing - All plumbing will be installed in accordance with the codes of the governing Municipality and the drawings and specifications. Water pipe to be PVC, CPVC, and Schedule 40 sewer pipe. Apartment grade fixtures. Rannai boiler system.
2. Fire sprinkler System – NFPA 13R system (no coverage between floors and in attics) in buildings 2, 3, and 4. NFPA 13 in building 1 and cabana only.
3. HVAC - All systems will be designed so that they meet or exceed the governing Municipality's codes and the following design criteria.
 - a. Goodman or Comfort Maker 14 Seer R-410A condensing units and Goodman or Comfort Maker Air handlers or equal per each unit
 - b. Supply Duct – R-6 ductwork
 - c. Thermostat – 5-2 Programmable
 - d. Registers - Plastic

ELECTRICAL

1. All work will be completed so as to meet or exceed the National Electrical Code and the codes recognized by the governing Municipality. Service to the apartments will be provided underground by the local utility company. Everything assumed to be electrically powered. All switches will be the rocker type and the outlets will be standard devices.
2. Electric Fixtures - \$160,045 allowance.
3. TV, Phone and Data wiring.
4. Fire alarm system.
5. Security System only in club house, not in units.
6. Vehicle access control - controlled by commercial grade gate operators. Complete hardware system and software system will be delivered to owner for everyday access and emergency situations.

EXCLUSIONS

1. Assessment, Impact and Tap Fees
2. Building Permits
3. Utility (Water, Gas and Electric) Meters and any associated fees
4. Wall paper
5. Form Survey, Slab Survey & As Built Survey
6. Material testing and inspections
7. All offsite work.
8. Owner furnished equipment like fitness equipment, playground equipment, TV's, stereos, camera system, building access system, audio/video equipment, furniture, pool furniture, etc.

Campanile on Minimax

1. General Requirements	\$980,766
2. Site Work	\$1,751,297
3. Concrete Work	\$1,175,536
4. Masonry	\$911,291
5. Metals	\$252,655
6. Carpentry	\$5,445,938
7. Thermal & Moisture Protection	\$832,413
8. Glass & Glazing	\$210,280
9. Finishes	\$1,122,011
10. Specialties	\$239,678
11. Appliances	\$433,828
12. Furnishings	\$169,781
13. Special Construction	\$277,200
14. Conveying Systems	\$145,940
15. Mechanical	\$2,175,572
16. Electrical	\$1,484,610
SUB TOTAL	\$17,608,796
Overhead	\$381,638
Fee	\$925,000
Builder's Risk Insurance	\$133,573
TOTAL	\$19,049,007

22189

-

Snowden Apartments

-

Force Majeure Request



Friday, June 3, 2022

Mr. Cody Campbell
Director of Multifamily Finance
Texas Department of Housing and Community Affairs
211 E 11th Street
Austin, Texas 78701

Via Email: cody.campbell@tdhca.state.tx.us

Re: TDHCA HTC Application #21289 – Snowden Apartments, San Antonio, TX

Dear Mr. Campbell,

Snowden Apartments, LP (the “Owner”) received an allocation of Housing Tax Credits from the Texas Department of Housing and Community Affairs (“TDHCA”) for the construction of Snowden Apartments (the “Development”). The Owner is required to meet the 10% test by December 31, 2022 and place the Development in service by December 31, 2023. Unfortunately, the Owner faces the possibility of not being able to meet these deadlines as required by §42(h)(1)(E)(i) & §42(h)(1)(E)(ii) of the Internal Revenue Code. The need for requesting an extension to meet the required 10% test and placed in service deadlines is the result of events that we believe should fall under the provisions of §11.6(5) of the 2022 Qualified Allocation Plan (“QAP”) relating to Force Majeure.

Background Information

The Development is located in San Antonio, Texas, in Bexar County. The City of San Antonio, and quite frankly the entire State of Texas, has experienced significant cost increases, supply chain issues, and labor shortages that as a whole have impacted and delayed the start of construction of the Development, which has had an adverse effect on the initial construction schedule and anticipated placed-in-service timelines. These issues are the direct result of not one, but several events that together have put extreme upward pricing pressure, interest rate increases, and timing constraints on the construction industry across the entire State of Texas. The events affecting our development are: Winter Storm Uri and the COVID-19 Pandemic.

Winter Storm Uri

Winter Storm Uri occurred between February 13-17, 2021, and the lasting effects of the damage have sent a shockwave throughout the State of Texas that is still being felt by many residences and businesses. The damages from the blackouts and harsh freezes are estimated to be at least \$195 billion, making it the costliest natural disaster in Texas and the United States as a whole.¹ This devastation has continued to put supply chain pressure on plumbing parts and services, drywall, appliances and flooring materials as repairs are still being made to many

¹ Ivanova, Irina (February 25, 2021). "Texas winter storm costs could top \$200 billion — more than hurricanes Harvey and Ike". CBS News. Retrieved March 5, 2021



homes and businesses months after the event took place. These increased needs have negatively impacted the original construction budgets that were presented in the 2021 tax credit application, which was compiled immediately prior to the disaster taking place and before the effects of the damage were fully known to Texans.

COVID-19 Pandemic

Globally, the COVID-19 Pandemic is an event that will forever change our lives as a world population. On March 11, 2020, the World Health Organization (WHO) declared COVID-19 a pandemic.² Two days later, March 13, 2020, Texas shuts down because of Gov. Abbott's State disaster declaration spanning all counties in the State of Texas³. For Texans, that was when the COVID-19 Pandemic became real, and our lives were forever changed. More than two years later, the global pandemic has affected and continues to affect various global economies in a multitude of ways, but one thing can be said for all economies, supply chain and logistical challenges are here to stay for the unforeseeable future. The shutdowns have affected global supply chains, which is still problematic in the US, given the fact that as of May 12, 2022, the US has nearly two million shipping containers headed inbound.⁴ Associated Builders and Contractors Chief Economist Anirban Basu noted the discrepancy in access to vaccines across many countries that do not have the same vaccine coverage as the US. There will continue to be a lag in production of materials due to COVID-19. He opined, "Even if COVID went away tomorrow and the Russia-Ukraine war ended, these supply chain troubles last into 2023 and in some cases 2024. It takes a long time to build capacity."

In April 2022, the Association of General Contractors of America ("ACG") issued the sixth update to the initial construction inflation alert was issued in March 2021. In this update, the ACG cited information obtained by the Bureau of Labor Statistics ("BLS") which posts producer price indexes ("PPIs"). In particular, BLS change in PPIs from April 2020 to February 2022 was 237% for diesel fuel. During that same period lumber and plywood increased by 101%, plastic construction products increased by 45%, copper and brass mill shapes increased by 70%, aluminum mill shapes increased by 52%, and gypsum products increased by 29%.⁵ To compound the issue, the Federal Reserve has been forced to hike interest rates to offset inflation. The most recent rate hike was the largest single rate increase in over two decades, at half a percentage point. This move comes as no surprise, given inflation is at a 40-year high.⁶

² <https://www.yalemedicine.org/news/covid-timeline>

³ <https://www.kxan.com/news/coronavirus/365-days-of-covid-how-the-coronavirus-in-texas-unfolded-one-year-after-the-first-case/>

⁴ <https://www.quickdrawfundcontrol.com/2022-the-second-half-will-construction-costs-continue-to-rise/>

⁵ https://www.agc.org/sites/default/files/users/user21902/Construction%20Inflation%20Alert%20Cover_Apr2022_0.pdf

⁶ <https://www.cnbc.com/2022/05/04/fed-raises-rates-by-half-a-percentage-point-the-biggest-hike-in-two-decades-to-fight-inflation.html>



Impact and Request

In addition to the nation and statewide events mentioned above, the development has experienced further unique unforeseen events that have increased the development budget and further delayed the timeline.

Firstly, the Phase I Environmental Assessment provided by Terracon Consultants, Inc. included substantial recommended additional actions. The cost to perform the additional work has increased considerably primarily due to the increase in fuel costs to operate the heavy machinery. The current projected costs for site work are estimated at \$3,020,610, and represent an increase of 54% from the original construction budget of \$1,961,868.

Secondly, the Development is currently awaiting TDHCA Board approval, scheduled for the June 16th board meeting, of a material amendment to the unit mix and layout based upon the San Antonio Housing Authority (“SAHA”) waitlist needs. SAHA closed their waitlist in 2017 and reopened the waitlist in September of 2021. At the time of application, March 2021, the Development was designed based upon 2017 needs. When the waitlist was reopened it was then discovered that there was a greater need for one-bedroom units rather than two-bedroom units. Ultimately, SAHA deemed it necessary for a redesign to better serve the community. This unforeseen change has created timeline delays while the Development seeks TDHCA board approval, updated design plans and permitting.

Lastly, in March 2022 the Development received an updated contract from their General Contractor with projected Hard Costs of \$23,875,706. This reflects a Hard Cost increase of nearly 31.5% from the original contract of \$16,368,910 included at application and as underwritten. Please note that this includes the increase in site work costs noted above. The Total Development Costs are currently projected at \$37,750,645, an increase of 61.79% from the original application of \$23,333,462 and as underwritten. Please see the attached updated projected sources and uses (Exhibit A) and cost comparison of original application and current projections (Exhibit B). The Owner has not increased their developer fee in these projections. It is also important to note that the Investor Partner, PNC, requires a three-month cushion from the projected construction completion date and the place-in-service deadline. Please see their attached letter (Exhibit C) in support of this force majeure request.

In an effort to combat the increased costs, the Owner (1) has received SAHA board approval for a soft loan of \$8,000,000 with an estimated September 2022 closing, (2) has renegotiated more favorable debt and equity terms, and (3) is currently waiting to submit an NHTF application under the 2022-1 NOFA (COVID Impact Set-Aside) once the NOFA has been reopened by TDHCA. If awarded, we believe these additional funds will alleviate the cost increase constraints that have resulted from the devastating events listed above and should make the Development feasible once again. However, due to the inability to close on construction financing, and the current requirement for construction to not have started, if utilizing the 2022-1 NOFA, we have now run into a time constraint that puts meeting the 10% Test and Placement in Service timelines in jeopardy. We request that the Owner be permitted to return the Tax Credits and that TDHCA reallocate the Tax Credits to the Owner in the current year in accordance with §11.6(5) of the 2022 QAP relating to Force Majeure.



We believe the Owner and Development meet all the requirements in Section 11.6(5), in that:

1. The events that caused the delay occurred before issuance of 8609s and were sudden, unforeseen circumstances outside the control of the Development Owner.
2. The delays were not caused by willful negligence or acts of Owner, any Affiliate, or any other Related Party.
3. The Owner has provided evidence and a timeline of the events that was the direct result of the delays, see referenced footnotes 1, 2, 3, 4, 5, and 6.
4. Though there was little that could be done to mitigate the effects of Winter Storm Uri and the COVID-19 Pandemic, once a viable option was made available by TDHCA to assist with the cost increases resulting from these two disasters (2022-1 NOFA), the Owner immediately contacted the proposed financial partners of the Development and began working out a viable financing option that we believe will assist in making the Development feasible once again. The result of those discussions is the Owner obtaining the SAHA loan and that an application will be submitted for funds under the 2022-1 NOFA (once that NOFA opens back up for new applications). Additionally, the Development was and remains properly insured, and TDHCA was notified of the Force Majeure events.
5. The Force Majeure threatens to prevent the Owner from meeting the 10% Test and Place in Service 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. If granted and awarded under the 2022-1 NOFA, the Development continues to be financially feasible, as these MFDL funds would assist in offsetting the cost increases experienced by the Development resulting from Winter Storm Uri, and the COVID-19 Pandemic. Additionally, there have not been any insurance proceeds received related to the Force Majeure event.

If you have any questions or would like to discuss these items further, please do not hesitate to contact me directly at (512) 785-3710 or via email at lora@betcohousinglab.com.

Sincerely,

Lora Myrick, Principal
BETCO Consulting, LLC

Exhibit A

SNOWDEN APARTMENTS STATEMENT OF FORECASTED SOURCES AND USES

SOURCES OF FUNDS	Construction	Post Construction	Permanent
1st Mortgage - TBD	\$ -	\$ 8,870,000	\$ 8,870,000
SAHFC Soft Loan	1,224,630	-	1,224,630
Accrued Interest - SAHFC Soft loan	58,170	39,800	97,970
SAHA MTW Funds Loan	8,000,000	-	8,000,000
Accrued Interest - SAHA MTW Funds Loan	380,000	260,000	640,000
General Partner Equity	100	-	100
Special Limited Partner Equity	-	-	-
TBD - Federal LIHTC Equity (LP and SLP)	2,774,723	11,098,890	13,873,613
City of San Antonio - Local Govt. Grant	500	-	500
Deferred Developer Fee	-	1,627,300	1,627,300
Construction Loan	19,111,169	(19,111,169)	-
GAP	3,416,533	-	3,416,533
Total Sources Of Funds	\$ 34,965,824	\$ 2,784,821	\$ 37,750,645

59.20%

USES OF FUNDS	Construction	Post Construction	Total Permanent
Acquisition & Site Costs			
Prepaid Land Lease	1,224,630	-	1,224,630
Construction Costs			
Construction Hard Costs	21,390,015	-	21,390,015
General Requirements	5.30% 1,318,026	-	1,318,026
Contractor Overhead & Profit	5.05% 1,255,644	-	1,255,644
Contractor Contingency	1.23% 302,564	-	302,564
Performance Bond	201,710	-	201,710
Builders Risk	252,137	-	252,137
Hard Cost Contingency	5.00% 1,242,409	-	1,242,409
Landscaping	135,000	-	135,000
Site Work	3,020,610	-	3,020,610
Engineering & Architectural			
Architect/Design	743,725	-	743,725
Architect - Supervision	40,200	-	40,200
Survey	18,000	-	18,000
Building Permits	28,479	-	28,479
Engineering	94,284	-	94,284
Environmental	42,870	-	42,870
Impact Fees	90,483	-	90,483
Soil Boring	28,600	-	28,600
Construction Interest & Fees			
Construction Loan Origination Fee	1.00% 191,112	-	191,112
Construction Interest	1,142,271	-	1,142,271
Accrued Interest - SAHFC Soft loan	58,170	39,800	97,970
Accrued Interest - SAHA MTW Funds Loan	380,000	260,000	640,000
Permanent Financing			
Loan Origination Fees	0.75% 66,525	-	66,525
Title & Recording	10,000	-	10,000
Closing & Legal	5,000	-	5,000
Soft Costs			
Appraisal	11,000	-	11,000
Market Study	12,000	-	12,000
Tax Credit Fees	60,000	-	60,000
Tax Credit Syndicator Up-Front Fee	50,000	-	50,000
Borrower Counsel	300,000	-	300,000
Accounting Fees	30,000	-	30,000
FF&E	150,000	-	150,000
Soft Cost Contingency	50,000	-	50,000
Developer Fees / Reserves			
Developer Fee	113,979	2,485,021	2,599,000
Developer Housing Consultant Fees	150,000	-	150,000
Lease-Up Reserve	162,000	-	162,000
Operating Reserve	594,381	-	594,381
Total Uses Of Funds	\$ 34,965,824	\$ 2,784,821	\$ 37,750,645

Construction Contract

Building 30 Yr/SL	Personal Property 5 Yr/200%	Land Impr. 15 Yr/150%	Amortization	Non Depreciable/ Amortizable	Building Eligible Basis
-	-	-	-	1,224,630	-
19,952,194	1,437,821	-	-	-	21,390,015
1,318,026	-	-	-	-	1,341,830
1,255,644	-	-	-	-	1,278,321
302,564	-	-	-	-	874,739
201,710	-	-	-	-	201,710
252,137	-	-	-	-	252,137
1,242,409	-	-	-	-	1,242,409
-	-	135,000	-	-	135,000
605,632	-	2,291,564	-	123,414	2,897,196
743,725	-	-	-	-	743,725
40,200	-	-	-	-	40,200
18,000	-	-	-	-	18,000
28,479	-	-	-	-	28,479
94,284	-	-	-	-	94,284
42,870	-	-	-	-	42,870
90,483	-	-	-	-	90,483
28,600	-	-	-	-	28,600
95,556	-	-	95,556	-	95,556
580,782	-	-	-	561,489	580,782
58,170	-	-	-	39,800	58,170
380,000	-	-	-	260,000	380,000
-	-	-	66,525	-	-
-	-	-	10,000	-	-
-	-	-	5,000	-	-
11,000	-	-	-	-	11,000
12,000	-	-	12,000	-	12,000
60,000	-	-	60,000	-	-
50,000	-	-	-	50,000	-
300,000	-	-	-	-	300,000
30,000	-	-	-	-	30,000
150,000	150,000	-	-	-	150,000
50,000	-	-	-	-	50,000
2,599,000	-	-	-	-	1,870,000
150,000	-	-	-	-	150,000
-	-	-	-	162,000	-
-	-	-	-	594,381	-
\$ 30,471,465	\$ 1,587,821	\$ 2,426,564	\$ 249,081	\$ 3,015,715	\$ 34,387,506

Draft

Exhibit B

Snowden Apartments

Cost Comparison

Development Costs	Original UW 7/14/2021	Current Projections 6/3/2022	Difference
Land	1,224,630	1,224,630	-
Off-Sites	105,150	-	(105,150)
Site Work	1,961,868	3,020,610	1,058,742
Site Amenities	50,000	135,000	85,000
Building Cost	11,309,200	21,390,015	10,080,815
Contingency	932,475	1,242,409	309,934
Contractor Fees	2,010,217	2,876,234	866,017
Soft Costs	1,411,713	2,203,488	791,775
Financing	1,069,527	2,152,878	1,083,351
Developer Fee	2,749,000	2,749,000	-
Reserves	509,682	756,381	246,699
Total TDC	23,333,462	37,750,645	14,417,183
Cost/Unit	172,840	279,634	
<i>Total Increase from Original Underwriting</i>		14,417,183	
<i>Total % Increase from Original Underwriting</i>		61.79%	

Exhibit C



TAX CREDIT SOLUTIONS

June 3, 2022

Via Email

Bobby Wilkinson
Executive Director
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701

RE: Snowden Apartments, LP

Dear Mr. Wilkinson:

PNC Bank supports a request by San Antonio Housing Facility Corporation to extend the placed in service deadline on Snowden Apartments, LP prior to partnership closing. PNC Bank and its investors require a cushion of at least 3 months from the projected construction completion date and the placed in service deadline. Snowden Apartments, LP does not have a three month cushion based on construction schedule provided by San Antonio Housing Facility Corporation's general contractor. Without adequate cushion, PNC Bank will not receive investor approval to close, which would jeopardize the feasibility of this important supportive housing development in San Antonio.

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert Dicks", positioned above a horizontal line.

Robert Dicks
Vice President

2a



TDHCA Outreach and Media Analysis, April 2022

A compilation of TDHCA media analysis designed to enhance the awareness of TDHCA programs and services among key stakeholder groups and the general public, and outreach activities, such as trainings and webinars. The following is an analysis of print and broadcast news, and social media reporting for the time period of April 1 through April 30, 2022 (news articles specifically mentioned the Department, Texas Rent Relief Program, and/or Texas Homeowner Assistance Fund).

Total number of articles referencing TDHCA: 92

Breakdown by Medium:¹

- Print: 15 (Editorials/Columnists = 2)
- Broadcast: 32
- Trade, Government or Internet-Based Publications: 45

Figure 1 News Tone

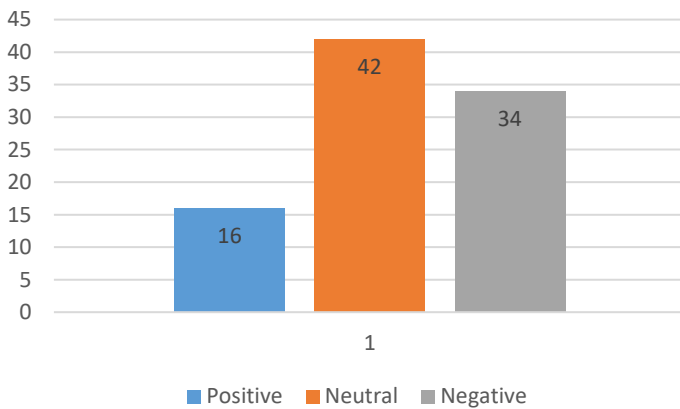
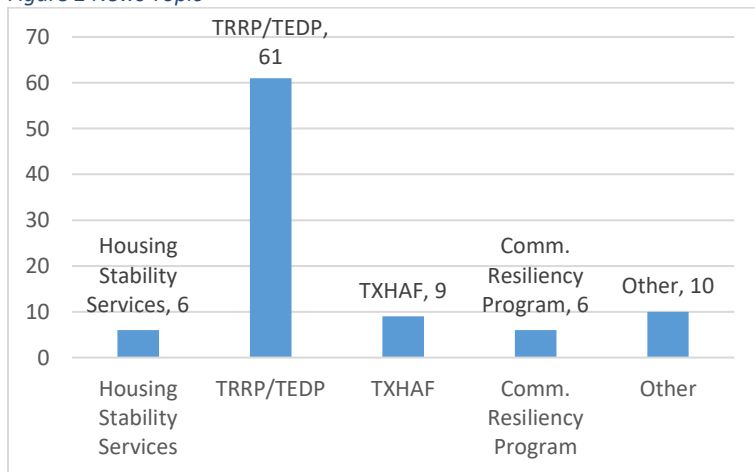
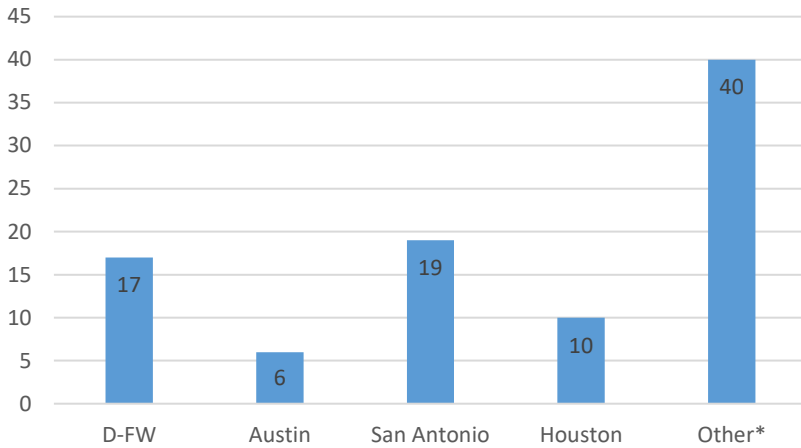


Figure 2 News Topic



¹ Broadcast numbers may represent instances in which TDHCA was referenced on a television or radio station's website, rather than in a specific broadcast news segment

Figure 3 Media Market

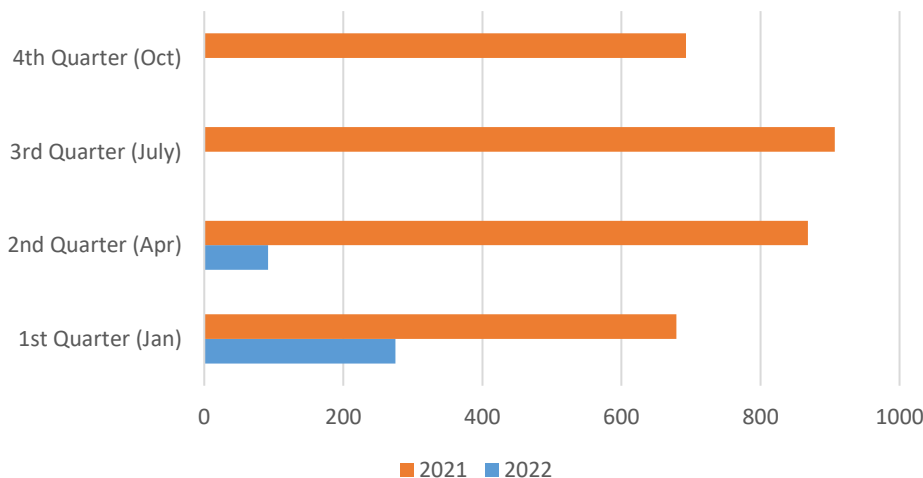


Summary:

Reporting on activities by the news media totaled 92 references in April 2022. TDHCA’s Texas Homeowner Assistance Fund received press mentions as related to assistance with past due property taxes. In addition to TXHAF, TDHCA received positive news mentions related to Housing Stability Services Program and Community Resiliency Program awards. Articles related to the Texas Rent Relief Program made up the largest number of mentions, but were largely negative in tone due to the subject matter (landlords evicting tenants even after receiving TRR funds; reporter inability to get information related to fraud, waste, or abuse of program funds).


The following table illustrates the number of news mentions during each month or quarter of 2022 compared to 2021. April 2022 total news mentions were less than April 2021 (198 total); however, more articles were positive in tone in 2022. The total number of articles for April 2022 (beginning of the second quarter) already exceeds the total number of articles in the second quarter of 2020 (56 total).

TDHCA News Trends




Social media:

Through April 2022, TDHCA has 3,200 followers to its Twitter account and nearly 6,600 followers to its Facebook account. TDHCA’s YouTube channel had more than 3,100 views in April. The following is a summary analysis of TDHCA’s efforts to engage stakeholders and the public on federal and state resources, initiatives and programs.

					
Month/Yr	Posts	Clicks	Engagements	Shared posts	Liked posts
January 2022	35	14	118	12	46
February 2022	47	70	42	2	16
March 2022	66	43	131	47	48
April 2022	62	0	51	8	27

* Clicks = number of times an individual clicked on a link provided in a post. Engagements = any action a person takes on our post

					
Month/Yr	Tweets	Clicks	Engagements	Retweets	Liked posts
January 2022	35	128	20	7	13
February 2022	47	186	14	7	4
March 2022	67	318	39	12	21
April 2022	61	171	29	6	17

* Clicks = number of times an individual clicked on a link provided in a post. Engagements = any action a person takes on our post



Month	Views	Watch time (hours)	Avg. view duration	Impressions	Impressions click-through rate
January 2022	3,478	176.9	3:03	19,871	4.0%
Feb. 2022	1,839	125.2	4:05	15,141	3.4%
March 2022	1,890	143.2	4:32	16,764	3.5%
April 2022	3,154	205.1	3:54	18,194	4.0%

April 2022

<input type="checkbox"/>	Help For Texans tutorial	1,183	37.5%	1:49	53.6%
<input type="checkbox"/>	Texas Rent Relief Program Completing Application Tutorial	279	8.9%	0:34	60.1%
<input type="checkbox"/>	Texas Rent Relief Program Tutorial – Setting Up Bill.com Account f...	270	8.6%	0:58	53.5%
<input type="checkbox"/>	Texas Rent Relief Program Registration Tutorial	193	6.1%	0:22	59.1%
<input type="checkbox"/>	Fair Housing 101: The Basics of Fair Housing in Texas	121	3.8%	12:52	12.2%
<input type="checkbox"/>	How to apply: Texas Homeowners Assistance Fund	113	3.6%	0:52	64.6%
<input type="checkbox"/>	Texas Rent Relief Program Landlord Tips	77	2.4%	0:47	34.5%
<input type="checkbox"/>	Texas Rent Relief Program Landlord Application Tutorial	67	2.1%	1:39	24.1%
<input type="checkbox"/>	Texas Eviction Diversion Program Overview – September 9, 2021	63	2.0%	5:10	33.7%
<input type="checkbox"/>	Low Income Water/Wastewater Assistance Program (LIHWAP) Ove...	57	1.8%	5:48	15.6%
<input type="checkbox"/>	Housing Tax Credit after the Federal Compliance Period (Post-15)	51	1.6%	23:58	21.0%
<input type="checkbox"/>	Compliance Monitoring & Tracking System (CMTS) Training	51	1.6%	9:18	19.0%
<input type="checkbox"/>	Fair Housing Special Topics: Assistance Animals, Service Animals, ...	39	1.2%	16:38	18.2%
<input type="checkbox"/>	ERA2 Housing Stability Services Contract Implementation Webinar ...	38	1.2%	10:15	11.3%
<input type="checkbox"/>	ERA2 Housing Stability Services Contract Implementation Webinar ...	37	1.2%	8:40	10.6%
<input type="checkbox"/>	Accessing Texas Department of Aging and Disability Services	34	1.1%	4:18	60.6%
<input type="checkbox"/>	CEAP/LIHWAP Quarterly Webinar	29	0.9%	8:22	13.6%
<input type="checkbox"/>	Utility Allowance Training - May 5, 2021	29	0.9%	9:39	8.5%
<input type="checkbox"/>	ERA2 Housing Stability Services Contract Implementation Webinar ...	27	0.9%	5:33	10.8%
<input type="checkbox"/>	Fair Housing Special Topics: How to Create an Affirmative Marketin...	24	0.8%	10:27	14.6%
<input type="checkbox"/>	Fair Housing Special Topics: Reasonable Accommodations, Modifi...	24	0.8%	5:04	5.2%
<input type="checkbox"/>	Introduction to the Low Income Water/Wastewater Assistance Pro...	20	0.6%	21:15	33.0%
<input type="checkbox"/>	20 IncomeDeterminationTraining	19	0.6%	11:27	6.8%
<input type="checkbox"/>	Texas Homebuyer Program introduction	19	0.6%	0:31	60.9%
<input type="checkbox"/>	Low Income Household Water/Wastewater Assistance Program (LI...	17	0.5%	14:00	28.6%
<input type="checkbox"/>	Como Completar Su Aplicación para el Programa de Asistencia de ...	16	0.5%	0:27	41.7%
<input type="checkbox"/>	Texas Community Resiliency Program – Public Facilities Implemen...	15	0.5%	0:29	1.3%
<input type="checkbox"/>	Texas Community Resiliency Program (CRP): Implementation Work...	15	0.5%	1:57	6.0%
<input type="checkbox"/>	Texas Community Resiliency Program (CRP) NOFA & Application W...	14	0.4%	11:21	14.3%
<input type="checkbox"/>	Texas Emergency Mortgage Assistance Program TEMAP Webinar -...	14	0.4%	6:49	18.6%
<input type="checkbox"/>	Fair Housing Special Topics: The Violence Against Women Act in F...	14	0.4%	7:56	10.3%
<input type="checkbox"/>	How to Apply: Texas Homeowners Assistance Fund	14	0.4%	0:32	39.9%
<input type="checkbox"/>	Average Income Webinar - Sept. 2, 2020	14	0.4%	24:54	18.5%
<input type="checkbox"/>	ERA2 Housing Stability Services NOFA Application Webinar	14	0.4%	17:53	16.8%

<input type="checkbox"/>	Housing Stability Services Reporting and Housing Contract System...	12	0.4%	13:08	21.6%
<input type="checkbox"/>	Housing Stability Services Contract Implementation Webinar	11	0.4%	2:10	2.3%
<input type="checkbox"/>	TEMAP Reporting Webinar	9	0.3%	14:19	44.0%
<input type="checkbox"/>	TERAP Application Workshop	9	0.3%	0:57	1.3%
<input type="checkbox"/>	Overview of Updates to Compliance, Affirmative Marketing and Writ...	8	0.3%	4:35	5.9%
<input type="checkbox"/>	Housing Contract System and TEMAP Monthly Reporting Webinar ...	7	0.2%	7:24	16.9%
<input type="checkbox"/>	Accessing Texas Department of State Health Services	7	0.2%	2:57	42.4%
<input type="checkbox"/>	Digital Outreach Webinar	7	0.2%	11:36	40.1%
<input type="checkbox"/>	TEMAP NOFA 2 Implementation Workshop	6	0.2%	12:36	44.7%
<input type="checkbox"/>	Fair Housing Special Topics: Limited English Proficiency and Langu...	6	0.2%	2:19	4.2%
<input type="checkbox"/>	TDHCA's Multifamily Direct Loan Training - Sept. 24, 2020	6	0.2%	8:40	2.9%
<input type="checkbox"/>	Consejos para la solicitud del propietario	5	0.2%	0:45	28.0%
<input type="checkbox"/>	TDHCA Utility Allowance Roundtable - Oct. 13, 2020	5	0.2%	16:34	26.6%
<input type="checkbox"/>	TEMAP Monthly Reporting Webinar for Part C Programs - October ...	5	0.2%	2:58	15.5%
<input type="checkbox"/>	Energy Assistance	5	0.2%	1:42	62.7%
<input type="checkbox"/>	Como Registrarse Para el Programa de Asistencia de Pago de Rent...	5	0.2%	1:03	70.8%

TDHCA Outreach April 2022

A compilation of outreach activities such as meetings, trainings and webinars.

Last Name	Meeting Date	Meeting Title	Attendees (includes organizer)
Texas Homeownership Division	Apr 4, 2022	Texas Realtors "United Texas" CE virtual course (Houston)	29
Housing Resource Center	Apr 5, 2022	Fair Housing Overview	394
Texas Homeownership Division	Apr 7, 2022	Texas Realtors "United Texas" CE virtual course (McAllen)	27
Compliance	Apr 7, 2022	Income Determination Training	14
Housing Resource Center	Apr 12, 2022	Assistance Animals	275
CSBG	Apr 12, 2022	TTA to monitoring: Case Mgmnt, Client files, annual report follow up, CCGD	19

Texas Homeownership Division	Apr 13, 2022	Texas Realtors “United Texas” CE virtual course (Collin County/New Braunfels)	22
Texas Homeownership Division	Apr 13, 2022	Monthly Lunch and Learn Series	173
Housing Resource Center	Apr 19, 2022	Reasonable Accommodations and Modifications	273
Housing Resource Center	Apr 20, 2022	HHSCC Quarterly Meeting	14
Housing Resource Center	Apr 26, 2022	Violence Against Women Act (VAWA)	276
Housing Resource Center	Apr 26, 2022	TICH Quarterly Meeting	27
CDBG CARES	Apr 26, 2022	Texas Community Resiliency (TCR) Program: Public Facilities Implementation Workshop	39
CDBG CARES	Apr 28, 2022	TCR Program: Implementation Webinar for Non-Construction Projects	15
Multifamily	Apr 28, 2022	2023 QAP Work Group –Underserved and Tax Credit Density Points	67

2b



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

**TDHCA One-Time or Temporary Allocations – Pandemic Response and Other Initiatives
Report for June 16, 2022**

This report has now been updated to include other one-time or temporary federally awarded allocations of funds, in addition to those funds reflected in this report in the past that were focused specifically on the programs TDHCA has targeted to assist with Texas’ response to COVID-19. Programs reflected include those that were reprogramming of existing funds and those awarded through the administration of federal bills.

Shaded rows reflect completed programs for which assistance is no longer available.

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
EARLY REPROGRAMMING OF EXISTING TDHCA PROGRAM FUNDS								
HOME Program Tenant Based Rental Assistance (TBRA) for COVID-19 DR	NA: Reservation Agreements	Program provided 3-6 months of rental assistance through existing or new HOME subrecipients. <i>Geography:</i> Was available where subrecipients applied. 23 administrators covered 120 counties <i>Income Eligibility:</i> 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 were extended by HUD in December 2020 to expire September 30, 2021.	COMPLETED*	No added TDHCA staffing No added admin funds	2,612 households	\$11,026,701* \$11,026,701 100% \$11,026,701 100%	* Total Program Funding was originally authorized up to \$11,290,076. Ultimately 97.7% of that (\$11,026,701) was obligated and utilized.
Reprogram 2019 and 2020 CSBG Discretionary and Admin. Funds	<ul style="list-style-type: none"> Board approval March 2020 Recipients contracts were effective March 26, 2020 Expenditure Deadline was August 31, 2020 	Used the existing network of Community Action Agencies to provide direct client assistance to low income households economically impacted by COVID-19 <i>Geography:</i> Available statewide (excluding CWCCP and CSI) <i>Income Eligibility:</i> 200% poverty (normally is 125%)	None	COMPLETED 100% expended	No added TDHCA staffing No added admin funds	9,468 persons	\$1,434,352 1,434,352 100% \$1,434,352 100%	38 CAA subs

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 2018 had to be spent by August 31, 2020; 2019 had to be spent by December 31, 2020 	<p>Allow subrecipients to perform HHSP eligible activities in addressing homelessness and those at risk of homelessness</p> <p><i>Geography:</i> Available 9 largest metro areas <i>Income Eligibility:</i> Generally 30% AMFI if applicable</p>	Approval from Comptroller granted	COMPLETED 100% expended	No added TDHCA staffing No added admin funds	462 persons	\$191,939.53 \$191,939.53 100% \$191,939.53 100%	9 subs
CARES ACT FUNDS								
CSBG CARES	<ul style="list-style-type: none"> Board approved April 2020 Must expend 90% by August 31, 2022 45 day closeout period 	<p>90% to CAAs using regular CSBG formula for households affected by COVID-19; 2% (\$949,120) to Texas Homeless Network (THN)¹; 7% for an eviction diversion pilot program; 1% for state admin</p> <p><i>Geography:</i> Available statewide <i>Income Eligibility:</i> 200% of poverty (normally is 125%)</p>	The flexibilities allowed by USHHS have been accepted.	All contracts are in progress. The Eviction Diversion program has been completed. The contract for THN is 86% drawn. Of the 40 subrecipients all but 3 are more than 95% expended. Those 3 are: THN (86.4% expended), STDC (81.9% expended), and GETCAP (64.6% expended).	1 Art. IX FTE for CSBG reporting 1% admin (\$474,560)	143,244 persons	\$48,102,282 \$48,102,282 100% \$43,196,104 90%	40 CAA subs
LIHEAP CARES	<ul style="list-style-type: none"> Board approved April 2020 Must expend by September 30, 2021 45 day closeout period 	<p>99% to CEAP subs for households affected by COVID-19; 1% for state admin (no weatherization)</p> <p><i>Geography:</i> Available statewide <i>Income Eligibility:</i> 150% of poverty</p>	The flexibilities allowed by USHHS have been accepted	COMPLETED	1 Art. IX FTE for CEAP TA/capacity (1 Filled) 1% admin (\$892,670)	181,215 persons	\$94,023,896 \$93,483,658 99% \$63,898,418 68%	An estimated \$29,676,554 was not expended by subrecipients by the deadline. Unused funds were returned to HHS.

¹ The award to THN is to address homelessness and those at risk of homelessness 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 Amendments in October 2020, January 2021, and July 2021</p> <p>80% of funds must be expended by November 3, 2023; remaining 20% by November 3, 2026</p> <p>90-day closeout period</p>	<p>Planned Usage: rental assistance in 40 cities/counties (completed); mortgage payment assistance in 40 counties; legal services; assistance for providers of persons with disabilities (completed); food expenses; and community resiliency activities.</p> <p><i>See Also Attached Report.</i></p> <p>Geography: Varies by activity type.</p>	<p>HUD agreement executed November 3, 2020. All Plan Amendments approved.</p>	<p><i>See Attached Report.</i></p> <p>Awards for final Community Resiliency Program, were approved in April, but are not yet considered obligated until contracts are executed. 11 facilities, 4 services.</p>	<p>CDBG Director position filled. 7 other positions filled.</p> <p>All FTES are Art. IX</p> <p>Up to 7% admin and TA budget (\$9,929,238)</p>	418,046 persons	<p>1st allocation: \$40,000,886 2nd Allocation: \$63,546,200 3rd Allocation: \$38,299,172</p> <p>Total: \$141,846,258</p> <p>\$99,245,425* 69.97%</p> <p>\$57,043,535* 40.22%</p>	<p>Income Eligibility: For persons at or below 80% of AMI. * Figure includes TDHCA admin funds.</p>
ESG CARES – Phase I & 2	<ul style="list-style-type: none"> Board approved programming plan for ESG1 on April 2020. ESG1 awards made July 23, 2020 and ESG2 awards made January 14, 2021. Deadline to expend 80% by March 31, 2022 was removed by HUD. New benchmark for June 2022 has been met. Expend original allocation by September 30, 2023. Expend any reallocated funds by June 30, 2024. 90 day closeout period 	<ul style="list-style-type: none"> ESG1: Existing subs were offered funds. ESG Coordinators decided via local process for their CoC, in three areas without ESG Coordinators awards offered to CoC awardees. Also used for Legal/HMIS. ESG2: Funds for use for Homelessness Prevention, Rapid Rehousing, HMIS, Street Outreach & Emergency Shelter. Geography: Locations of all funded grantees Income Eligibility: 50% AMI for homeless prevention 	<ul style="list-style-type: none"> HUD extended deadline from September 2022 to September 2023 on April 18, 2022. TDHCA expects it will receive some reallocated funds in mid-2022. Reallocated funds expire June 30, 2024 	<ul style="list-style-type: none"> 152 contracts executed: 67 active, 75 closed, 10 expired pending closure. Obligated balance updates ongoing due to reallocation of funds The obligated amount is down by about \$3M due to deobligation; however staff has offered these funds to other subrecipients and is preparing responsive contract amendments. 	<p>3 Art. IX FTE (1 FTE has left and will not be replaced)</p> <p>Up to 5 % admin (\$4,894,981).</p> <p>This number may shift over time if unused funds are shifted to subrecipient contracts.</p>	79,732 persons	<p>\$97,792,616</p> <p>\$94,774,075* 96.91%</p> <p>\$67,612,023* 69.14%</p> <p>*Includes TDHCA admin</p>	<p>Note that this row now reflects ESG CARES 1 and 2; HUD reporting combines these two programs.</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
Housing Choice Voucher Program Admin	Expend by December 31, 2021 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 Ordered 3 tablets for inspections 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. \$11,620 was paid for the system purchase.	COMPLETED*	No added TDHCA staffing.	142 Landlord renewals 17 new landlords added	\$258,139 \$83,700 32.42% \$83,700 32.42%	* These admin funds were not fully utilized. \$174,439 is being returned to HUD. Funds were not allowed to be used for direct household assistance nor were there higher admin expenses.
Housing Choice Voucher Program MVP	Have to issue vouchers by December 31, 2021. Orig. Allocation: \$105,034*	15 additional MVP vouchers consistent with our award of MVP, which for TDHCA is for Project Access households. Received award from HUD. Issued the 15 vouchers on May 22, 2020. All 15 were leased.	None needed.	COMPLETED 100% of vouchers utilized	No added TDHCA staffing. No added admin funds.	15 families in current leases	\$110,302 <u>HAP Paid*</u> \$53,664 48.65%	Effective December 31, 2021, the funding authority for the 15 housed families has now been rolled into TDHCA's regular yearly HAP authority. While not all allotted HAP was used, all vouchers will continue to be funded.

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
CORONAVIRUS RELIEF BILL – PART OF THE CONSOLIDATED APPROPRIATIONS ACT OF 2021								
Texas Rent Relief (TRR) Program (Funded with ERA1 and ERA2)	<p>The program dedicates funds through Treasury specifically for rental and utility assistance. The first allocation through the Consolidated Appropriations Act is called ERA1. The second allocation from the American Rescue Plan Act, Section 3201, is called ERA2.</p> <p>ERA1: Required to expend all funds by September 30, 2022. ERA2: Required to expend all funds by September 30, 2025.</p>	<p>Program provides up to 15 months of rental and utility assistance including arrears for ERA1 (up to 18 months for ERA2). Households must reapply every 3 months. Program is run by the state with no subrecipients. 10% of funds are for Housing Stability Services (see following row). Established a 10% set-aside for eviction diversion; households facing eviction and utility disconnections are prioritized for processing. Treasury has provided periodic updated FAQs as informal guidance – most recently August 25, 2021.</p> <p><i>Geography:</i> Statewide. <i>Income Eligibility:</i> For households at or <80% AMI.</p>	<p><u>Treasury Reallocation:</u> Based on performance, TRR is eligible to receive additional funds recaptured from other ERA grantees. To date, TRR has received \$81M in reallocated funds from the Treasury and local/county programs in Texas.</p>	<p>As of May 25, 2022, TRR has committed 98.8% of its total funding available.</p> <p>With reallocated funds now available, TRR staff is reviewing previously unfunded applications that had been submitted before the application portal was closed in November 2021. Staff is conducting outreach to applicants to confirm they still need assistance and provide applicants the opportunity to update their applications.</p>	<p>Positions filled include Director and 20 positions. Staffing includes a team for the Housing Stability Services activity.</p> <p>All FTES are Art. IX</p> <p><i>Admin Allowed:</i> 10% ERA1 15% ERA2 \$279,579,446</p>	<p>311,073 households served (As of 05/25/22)</p>	<p><u>Allocations</u> ERA1: \$1,308,110,630 ERA2: \$1,079,786,857 Reallocated: \$81,942,330 Interest*: \$3,121,336</p> <p>Available for Rent/Utility Payments** \$2,055,164,245</p> <p>Expended*** \$2,030,916,372 98.8%</p> <p>Admin. Expended**** \$168,868,025 60.4%</p>	<p>* Interest was Allocated on 12/2/21 and 5/4/22 ** Amount is total allocation less funds for HSS and Adm. *** Expended per Internal Report of May 25, 2022, reflects all payments made, plus payments in process. **** Figure is per Internal Report as of May 26, 2022.</p>
Housing Stability Services (HSS) Program (funded by ERA1 and 2)	<p>These funds are a subset of the ERA funds in the row above. Up to 10% of the funds from ERA1 and ERA2 are authorized for housing stability.</p> <p>ERA1: Must expend funds by September 30, 2022 ERA2: Must expend funds by September 30, 2025</p>	<p>Program provides funds to local communities or nonprofits for them to provide eligible Texans with a variety of services that help household maintain or obtain stable housing including legal services, outreach services, shelter services, community services, and services offered at permanent supportive housing properties.</p> <p><i>Geography:</i> Available where Subrecipients are located. <i>Income Eligibility:</i> For households at or below 80% AMI.</p>	<p>Treasury has provided periodic updated FAQs as informal program guidance – most recently August 25, 2021. As they are released, HSS policies are adjusted. Reporting guidance is released frequently – most recently March 31, 2022.</p>	<p><u>ERA1:</u> 28 contracts executed with TAJF, 1 COG and 26 non-profits; MOU executed with TVC.</p> <p><u>ERA2:</u> 46 contracts routing or executed with TAJF, THN, 2 cities, 2 MHMRs, 1 PHA, and 37 other non-profits; MOU with TVC planned for SFY 2023-24.</p> <p>18 Subrecipients have both ERA1 and ERA2 contracts.</p>	<p>See above</p>	<p><u>ERA 1</u> 373,801 meals served</p> <p><u>ERA 1</u> 22,266 households served</p> <p><u>ERA 2</u> 305 households served</p>	<p>Total \$163,624,659</p> <p><u>HSS ERA1</u> Obligated: \$58,874,659 100%</p> <p>Expended: \$33,550,356 57%</p> <p><u>HSS ERA2</u> Obligated: \$104,750,000 100%</p> <p>Expended: \$622,101.64 0.59%</p>	<p>In April and May 2022, several ERA1 Subrecipients received contract amendments, reallocating funds between Subrecipients or back to TRR to ensure 100% expenditure by the September 30, 2022, deadline.</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
Low-Income Household Water Assistance Program (LIHWAP1)	Part of the appropriation bill; provides dedicated funds through HHS for the Low-Income Household Drinking Water and Wastewater Emergency Assistance Program Must obligate and expend funds by: September 30, 2023	Program provides funds to assist low-income households by providing funds to owners/operators of public water and treatment systems to reduce arrearages charged. HHS has encouraged that grantees model the LIHEAP program and utilize their LIHEAP networks of subs. <i>Geography:</i> Statewide <i>Income Eligibility:</i> TBD	Executed agreement for funds on April 22, 2021. HHS approved TDHCA's LIHWAP Plan on October 22, 2021.	33 contracts have been executed. Lubbock declined funds. A statewide provider to provide LIHWAP was selected in May 2022 and is expected to begin making funds available in June/July 2022.	3 Art. IX FTEs Admin 15% Any FTEs will be Art. IX	283	\$51,801,876 \$44,031,595 85%* \$57,984 .1%	\$638M Nationally *Remaining 15% is for admin. All program funds are obligated.
AMERICAN RESCUE PLAN (ARPA) – Public Law 117-2								
HOME ARP Program	Passed as Section 3205 of the American Rescue Plan, the program dedicates funds through HUD allowing flexible uses that can include typical HOME activities as well as homeless services and non-congregate shelter Must expend funds by September 30, 2030	Funds are programmed for development of rental housing, development of non-congregate shelter, and operating costs/capacity building for eligible nonprofit organizations. <i>Geography:</i> Available where Subrecipients/developers are located <i>Households Eligibility:</i> (See Other Notes)	The existing waiver from the Governor relating to limits on using the funds in rural areas will be utilized to allow the funds to assist homeless persons in urban and rural areas.	HUD released guidance September 13, 2021. Grant agreement signed on September 23, 2021. HUD approved Allocation Plan on May 16, 2022.	A HOME-ARP Division has been established, with five FTEs, and additional hires in process. All FTEs are Art. IX 10% for admin/planning (\$13,296,915)	0	*\$119,672,232 \$0 0% \$0 0%	\$5B nationally *Excludes admin. Eligibility: homeless, at risk of homelessness, those fleeing Domestic Violence, populations with housing instability
LIHEAP ARP	Passed as Section 2911 of the American Rescue Plan, dedicates funds through HHS for home energy costs. Must expend funds by: September 30, 2022	99% of funds were programmed in April 2021 to CEAP subs using a modified formula; 1% for state admin. <i>Geography:</i> Available statewide <i>Income Eligibility:</i> 150% of poverty	None needed.	On March 1, 2022, flexibilities were granted and TRR applicant pool data was provided. A statewide provider to provide CEAP ARP was selected in May 2022 and is expected to begin making funds available in June/July 2022.	FTEs noted under CARES LIHEAP will be utilized for both allocations. 1% admin (TBD)	112,692	\$134,407,308 \$129,720,641 96.5% \$83,183,331 62%	\$4.5B nationally.

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
Homeowner Assistance Fund (HAF)	<p>Passed as section 3206 of the American Rescue Plan, dedicates funds through Treasury specifically for preventing mortgage delinquencies, defaults, foreclosures, loss of utilities and displacement.</p> <p>Must expend funds by September 30, 2026</p>	<p>The HAF Plan includes: 1) a Reinstatement Program to reinstate delinquent mortgage loans, including principal and interest, as well amounts advanced by the servicer for property charges (taxes, insurance, condo and homeowner association fees, and other related expenses advanced to protect lien position, 2) a Loan Modification with HAF Contribution Program to reduce the monthly PITI for delinquent mortgage loans, and 3) a Property Charge Default Resolution Program, to bring current delinquent property charges, including past due property taxes, insurance premiums, condo and homeowner association fees, and cooperative maintenance or common charges, including up to 90 days of upcoming property charges.</p>	<p>Treasury approved the HAF Plan on January 28, 2022.</p> <p><i>Geography:</i> Statewide <i>Income Eligibility:</i> Household income at or below greater of 100% AMI or 100% of national median income.</p>	<p>All funding has been received.</p> <p>The program became available statewide on March 2, 2022.</p> <p>A NOFA making funds available for legal services, intake centers, and housing counseling was released in early May. Applications are accepted first come-first served until August 2022.</p>	<p>10 to date. Additional hires are in process.</p> <p>All FTES are Art. IX</p> <p>Up to 15% (\$126,332,101) for admin, planning, community engagement and needs assessment</p>	5,124	<p>\$842,214,006</p> <p><u>Expended</u> \$37,222,302 4.4%</p>	\$9.9B nationally.
LIHWAP2	<p>Passed as Section 2912 of the American Rescue Plan, dedicates funds through HHS for home water costs</p> <p>Must obligate and expend funds by: September 30, 2023</p>	<p>See LIHWAP1 above. HHS will administer LIHWAP1 and 2 under one LIHWAP Plan. Because of the different funding sources, separate contracts will be required</p> <p><i>Geography:</i> Statewide <i>Income Eligibility:</i> TBD</p>	<p>Executed agreement for funds on April 22, 2021. HHS approved TDHCA's LIHWAP Plan on October 22, 2021</p>	<p>Contracts will be released when the first round of LIHWAP is expended. This allocation of funds may be directed to the statewide provider.</p>	<p>FTES noted under Appropriation Act LIHWAP will be utilized for both allocations.</p> <p>Admin % not yet determined</p>	0	<p>\$40,597,082</p> <p>\$0 0%</p> <p>\$0 0%</p>	\$500M Nationally

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
Emergency Housing Vouchers (EHV)	<p>Passed as Section 3202 of the American Rescue Plan, dedicates vouchers through HUD for emergency rental assistance.</p> <p>HUD Authority to Recapture May Occur as Early As: 1 Year from Funding (if vouchers are unissued)</p> <p>Initial Funding Term Expires: Dec. 31, 2022</p> <p>Can Reissue EHV until: Sept. 30, 2023</p> <p>Renewal Funds Available for 'Occupied Units' through: Sept. 30, 2030</p>	<p>TDHCA was allocated 798 vouchers by HUD. The award includes funds for the vouchers (\$7,933,560) plus funds to provide services (\$2,793,000) and funds for admin (\$763,788). Vouchers are for households who are: (1) homeless, (2) at risk of homelessness, (3) fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, or (4) recently homeless.</p> <p><i>Geography:</i> Balance of State Continuum of Care counties underserved by an EHV-awarded PHA and Heart of Texas Homeless Coalition service area</p> <p><i>Income Eligibility:</i> Not to exceed 50% of AMI</p>	<p>Significant waivers have been authorized by HUD. TDHCA will seek to maximize its use of these waivers to the extent that households will not be offered a voucher if they would be ineligible at renewal.</p> <p>TDHCA is required to update its PHA Admin Plan to reflect our plan for the service fee (see last column) and other program elements.</p>	<p>Executed contracts with CoC partners: the Heart of Texas Homeless Coalition and Texas Homeless Network (the Balance of State CoC).</p> <p>Referrals to TDHCA: 145 Vouchers Issued: 90 Declined: 6 Housed: 4</p>	<p>Program is being administered jointly by the Section 8 and Section 811 areas due to the unique nature of the program.</p> <p>3-4 positions to be filled. To be paid for by EHV Admin and CSBG Admin.</p> <p>FTEs are Art. IX</p> <p>Admin fee structure is complex, variable and tied to timing of household having found a unit, hence the use of CSBG Admin to support the positions.</p>	4 (2 additional pending vendor setup)	<p>Total \$11,490,348</p> <p>Rent Payments Avail: \$7,933,560</p> <p>HAP Obligated: \$24,600 0%</p> <p>HAP Expended: \$5,450 0%</p> <p>Service Contracts Avail: \$2,793,000</p> <p>Obligated: \$1,504,868 53.88%</p> <p>Expended: \$0 0%</p>	<p>\$5 billion Nationally</p> <p>A service fee of \$3,500 per unit is authorized separate from the rental assistance payment. The fee total is not tied to each voucher, but is a combined total of funds for services. Services may include: housing search assistance; deposits, holding fees, and application fees; owner-related uses; and other eligible uses.</p>
INFRASTRUCTURE INVESTMENT AND JOBS ACT – Public Law 117-58								
LIHEAP	<p>Passed as Section 501 of the Infrastructure Investment and Jobs Act, dedicates funds through HHS for home energy costs.</p> <p>Must expend funds by: September 30, 2026</p>	<p>Funds nationally to be released in annual increments of \$100 million each year for the next 5 years. These funds will be made available to each state as part of its annual LIHEAP allocation; the Department therefore will handle these as part of our annual allocation.</p> <p><i>Geography:</i> Available statewide</p> <p><i>Income Eligibility:</i> 150% of poverty</p>	Not yet known.	Not yet available.	<p>No FTEs will be added as these funds will be part of a regular annual administration of the LIHEAP.</p> <p>1% admin (TBD)</p>	0	TBD	\$500 million nationally

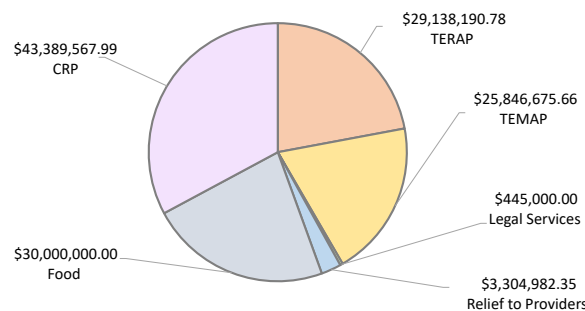
Program	Timelines / Contract Periods	Planned Activities	Waivers and Initial Approvals Needed	Program Status	Staffing Admin Funds	Served to Date	Total Program Funding Obligated (%) Expended (%)	Other Notes
<p>BIL WAP (Bipartisan Infrastructure Law Weatherization Assistance Program)</p>	<p>Passed as Section 40551 of the Infrastructure Investment and Jobs Act (Public Law 117-58), dedicates funds through Department of Energy for home weatherization.</p> <p>Law has no date by which funds must be expended; DOE strongly recommends activities be completed within 5 years of receipt of the funds.</p>	<p>Single family and multifamily weatherization of units.</p> <p>Additional restrictions added to the program through the bill beyond typical DOE WAP include Davis-Bacon, Buy American, NEPA, etc. In addition, DOE has applied several Administration priorities, including a focus on workforce development and diversity, and inclusion and equity on delivering funds.</p> <p>Because this award amount is more than 20 times the typical annual DOE award, staff obtained Board authority in December 2021 to procure a statewide DOE WAP administrator to augment the work of the network.</p> <p><i>Geography:</i> Available statewide <i>Income Eligibility:</i> 200% of poverty</p>	<p>Not yet known.</p>	<p>On March 30, 2022, DOE released guidance on the program including the requirement that a 5-Year Plan be submitted by using their recommended workbook due September 1, 2022. On April 28, 2022 an initial budget was submitted to DOE that releases an initial 15% of funds.</p> <p>Statewide provider procurement is in drafting.</p>	<p>FTEs will be added once further guidance and information is available from DOE.</p> <p>Admin. TBD</p>	<p>0</p>	<p>\$173,162,598</p> <p>(\$142,944,233 for Program and \$30,218,365 for Training and TA)</p>	<p>15% of grant made available initially.</p>



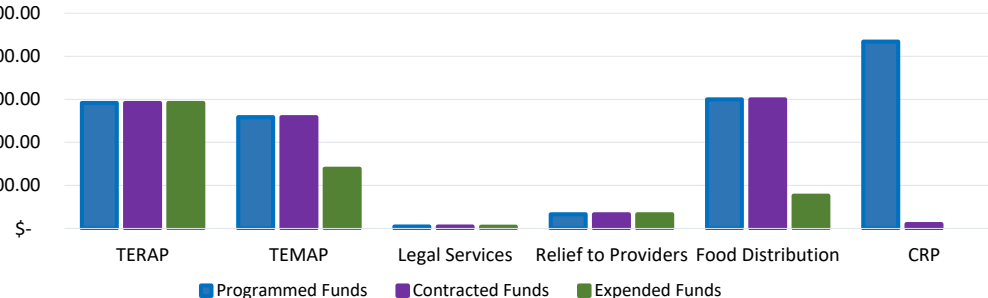
Texas Department of Housing and Community Affairs CDBG CARES (Coronavirus Aid, Relief, and Economic Security) Act Programs

Texas Emergency Rental Assistance Program (TERAP)	Texas Emergency Mortgage Assistance Program (TEMAP)	Legal Services to Persons with Disabilities	Relief to Service Providers for Persons with Disabilities	Food Distribution	Community Resiliency Program
COMPLETED Rental assistance (up to six months, including arrears) to income-eligible households impacted by COVID-19 to help provide housing stability during the pandemic. Funds can also be used for eviction diversion, which provides rental assistance to tenants who have been sued for eviction. TERAP was initially funded for \$33,981,073.89, however small amounts of funds have been unused or deobligated*.	Mortgage assistance (up to six months, including arrears) to income-eligible homeowners who have been economically impacted by COVID-19 to help provide housing stability during the pandemic.	Legal services assistance for persons with disabilities to obtain or retain housing as a result of COVID-19. Legal services include legal advice and legal representation by licensed attorneys in good standing with the State Bar of Texas.	COMPLETED Assistance to help providers continue serving residential persons with disabilities during the pandemic by reimbursing for allowable expenses undertaken to prevent, prepare for, or respond to COVID-19. Assistance was initially programmed for \$5,000,000, but \$1,695,017.65 was unused and deobligated by the administrator*.	Assistance to eligible food bank providers that have been economically impacted by COVID-19. Funds will be utilized to reimburse food banks for bulk food purchases to be distributed statewide.	Assistance to low- and moderate-income persons, and rural and small metro communities, to create, expand or enhance public facilities that provide medical care, social services, and/or emergency housing to prevent the transmission of COVID-19 and allow for adequate social distancing or remote access.
Start Date: January 15, 2021 Persons Assisted: 16,606	Start Date: June 15, 2021 Persons Assisted to Date: 9,664	Start Date: April 1, 2021 Persons Assisted to Date: 622	Start Date: April 15, 2021 Persons Assisted: 3,592 Providers Assisted: 50	Start Date: October 1, 2021 Persons Assisted to Date: 387,319	Awards approved: April 14, 2022 Projected Start Date: May 2022
Program Administrators: 41 entitlement city and county governments throughout Texas	Program Administrators: 48 cities, counties and other local and regional service providers	Program Administrator: Disability Rights Texas	Program Administrator: My Health My Resources of Tarrant County	Program Administrator: Feeding Texas, a network of 21 member food banks	Program Administrators: 15 Non-Entitlement Communities throughout Texas
Service Area: 41 entitlement cities and counties	Service area: Statewide - All 254 counties in Texas	Service area: Statewide - All 254 counties in Texas	Service area: Statewide - All 254 counties in Texas	Service area: Statewide - All 254 counties in Texas	Service Area: Non-Entitlement communities in Texas
Programmed Funds: \$29,138,190.78	Programmed Funds: \$25,846,675.66	Programmed Funds: \$445,000.00	Programmed Funds: \$3,304,982.35	Programmed Funds: \$30,000,000.00	Programmed Funds: \$43,389,567.99
Contracted Funds: \$29,138,190.78	Contracted Funds: \$25,846,675.66	Contracted Funds: \$445,000.00	Contracted Funds: \$3,304,982.35	Contracted Funds: \$30,000,000.00	Contracted Funds: \$1,026,337.92
Expended Funds: \$29,138,190.78	Expended Funds: \$13,874,824.43	Expended Funds: \$426,209.96	Expended Funds: \$3,304,982.35	Expended Funds: \$7,595,671.51	Expended Funds: \$0.00

CDBG CARES Funds by Program



CDBG CARES Program Funds by Status



* In the case of funds unused by administrators or deobligated, funds will be reprogrammed and used for awards under the Community Resiliency Program or another existing program.

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**Texas Department of Housing and Community Affairs
2023 QAP Development Plan
Update to Board for June 16, 2022**

This document provides an update on the 2023 QAP Development Plan.

Update on Public Discussions and Surveys

Round Tables:

TDHCA hosted three round tables in March, April, and May 2022. All round tables were open to anyone. Topics at the round tables included: cost containment; readiness-to-proceed; Supportive housing; underserved points; proximity to jobs; market analysis for occupied rehab properties; CRP and Opportunity Index; Negative points for being located on a toll road; Size of Units; Ac/Rehab; Appraisals; Soliciting ideas for what can be cut from the QAP; Tie-breakers; and Rural CRP.

Virtual Work Groups:

The work groups were virtual and were designed to provide a forum for in-depth discussion on several issues. Work groups were open to anyone.

The first work group discussed whether the scoring item should be removed entirely (jobs numbers used are not necessarily jobs that tenants fill, so proximity to jobs may be less effective than intended, no consideration for remote jobs and commuting, etc.); whether the focus on jobs could be integrated into High Opportunity scoring; if the scoring item is retained, whether the radius used should be revised, discussion of rural vs. urban, and discussion of interplay with High Opportunity scoring; and possible other ways to meet a similar intent within the constraints of available statewide data.

The second work group discussed existing and possible alternative or additional approaches to the current policy of not allowing two awards in one census tract. Focus was given to ensuring that communities historically underserved with tax credits are prioritized, and that developers are not all driven to only a small number of tracts. Ideas may include: allowing more than one award in a tract if it includes CRP or HO; using tax credits per capita as a tie breaker; creating points for underserved counties; identifying ways for some cities in a region to not always lose out to other cities in that same region (example: Victoria unable to compete with Corpus); applicability between rural and urban; how the no award in a period of time (15 or 30 years) is calculated; and possible shift toward tax credit density per tract.

The third and final work group discussed the Tenant Right of First Refusal scoring item and if it should remain in the QAP. This discussion included concerns and identification of ways to address or mitigate applicant concerns; whether this should only be allowable if properties are organized as condominiums and when that condominium structure must be put in place; how a property would establish that a participating tenant's rent may be attributed to the purchase of a Unit; providing more specificity on what the Applicant must provide on how they will implement the 'rent-to-own' activity; how they will make tenants aware of the opportunity and when; and how they will implement the right at the end of the Compliance Period.

Surveys:

One survey has been released on cost containment strategies and results have been compiled (attached).

Update on Staff Micro-Revisions:

TDHCA staff may still release draft preliminary language on very specific and narrow sections/items to be released prior to the draft being released in early July, and input/feedback will be requested using the Department’s TDHCA Forum or surveys.

Updated Schedule

The 2023 QAP Development Plan is still on track to meet the planned goal of releasing an initial draft of the QAP in early to mid-July 2022 with public comment to be accepted by early August.

June 2022	Staff Drafts Preliminary Draft QAP
Early to Mid-July 2022	Preliminary Draft QAP Released for Public Comment <i>(This draft will be approved by the Executive Director, but is not expected to be presented to the Board. The Draft will <u>not</u> be published in the Texas Register and no hearings will be held. The release will be announced via listserv and on the TDHCA website. Comment will be accepted in writing only.)</i>
July 2022	Board Rules Committee Meeting (TBD)
Early August 2022	Deadline for Comment on Preliminary Draft QAP
<i>Processes Beyond This Point are Consistent with Past Timeframes and are Consistent with Statute</i>	
August 2022	Staff drafts the formal Draft QAP <i>(This draft will be based on the comments received on the Preliminary Draft. Formal reasoned response will not be included from the first round of comments, but responsive changes will have been considered.)</i>
September 1, 2022	Draft QAP Approved by the Board for Public Comment. <i>(This draft will be presented to the Board and go through the rulemaking process through the Texas Register and there will be a formal public comment period.)</i>
October	Public Comment Period
November 10, 2022	Final QAP Approved by the Board

Note: The other associated MF rules (MFDL, Bonds, Asset Management, Compliance) will not necessarily go through this same process.

Topics “Retired” for the 2023 QAP

The following items were in the QAP Plan, but staff has decided not to pursue further research or changes on these items at this time. Below lists the items as well as the reason for not pursuing these further.

1. Tie Breakers– *specifically evaluating data on past tie breakers to determine their past effectiveness in achieving goals in actual awarded deals (was item A8 of the Plan).*
While tie breakers may still be discussed/ revised, this specific request relating to determining if past tie breakers have been effective will not be further researched. Because of so many factors affecting which deals even end up in ties (regions, scores, set-asides), it is unlikely that staff can affirm with any confidence that a tie breaker can be attributed as the isolated reason for achieving goals. Assuming that the highest scoring deals result in the most desired applications getting awarded, tie breakers are usually just narrowing down between two great choices. Rather than try to perform data analysis on the impact of tie breakers in the past, staff will instead focus efforts on making sure that the tie breakers going forward are focusing awards on the deals the Board most values and that use factors that can be readily measured by staff and the applicant community. Therefore, Tie Breakers will still be addressed in the development of the QAP going forward, but that discussion will not specifically focus on past effectiveness.

2. Crime Mitigation – *Have mitigations for high crime where local law enforcement said crime was going down, actually resulted in crime going down (was Item A9 of the Plan).*
While staff continues to see the value of this degree of research, this depth of analysis will be time-consuming and require a high level of data analysis skill. Moreover, assuming the results of analysis from a few years of mitigated applications will yield the same results on future applications in other locations, is tenuous. Staff plans to recommended changes relating to developments that involve only rehabilitation or Acquisition/Rehabilitation.
3. Capture Rate metrics – *reevaluate urban and rural captures rates (was Item A10 of the Plan).*
Staff feels that the current capture rate evaluation is effective and flexible, but changes relating to overall analysis of market studies may be proposed.
4. Resident retention – *evaluate which scoring items lead to long-term household retention, if possible (was Item A11 of the Plan).*
While we think this is an interesting research question, it is not one of the Department’s primary goals for the program. Staff wants to focus our research and effort on issues most aligned with policies focused on providing quality housing to low income tenants in financially stable developments.
5. Income increases – *evaluate whether jobs proximity and/or opportunity index points are correlated with a higher-than-average annual increase in household income (was Item A13 of the Plan).*
While we think this is an interesting research question, it is not one of the Department’s primary goals for the program. Staff wants to focus on issues most aligned with policies focused on providing quality housing to low income tenants in financially stable developments.
6. Evaluate relationship between DCR, developer fee and long term viability - *consider allowing a higher DCR if developer fee is less (was Item A14 of the Plan).*
Because awarded properties are able to submit their cost certifications with their financials reflecting a DCR of 1.50, flexibility is already provided for changes since the time of application. There is limited reason to think that the underwritten DCR is negatively affecting long term viability. Tax credit properties have a strong performance history and rarely become financially unstable. Also, allowing a higher DCR for deals that have a lower amount of developer fee seems contradictory. A high DCR is an indication that the deal does not have a lot of debt, which is usually mitigated by a higher amount of deferred developer fee. Otherwise, a deal with a high DCR could be considered over-subsidized. Staff did not believe the need to research this further.
7. Revisit Categories for Basis Boosts and possible applicability for elderly *(was Item B5 of the Plan).*
In staff’s cursory review, most properties are already accessing the 30% basis boost. The categories through which applications can access the boost continue to reflect Section 42 guidance and reflect important priorities of the Department that have higher costs (rural, Supportive Housing, Opportunity Index sites, and sites within areas of revitalization). More importantly, these points are not geographically limited to only certain areas or certain types of developments but can already be accessed by any application type or site location by electing to restrict 10% of the LI units to households at 30% of AMI. Staff does not believe further research on this issue is needed.
8. Threshold or Scoring affordability terms of 50 years *(was Item B9 and in Scoring of the Plan).*
While staff appreciates the perspective of advocates wanting to seek the longest affordability periods possible, to require such lengthened terms without providing a future commitment of funds to ensure adequate rehabilitation occurs puts properties in an untenable position. Staff is not recommending further discussion on this item.

9. Clear guidance throughout the QAP on how properties that fall in both a city and an ETJ/county will be handled for resolutions (*was Item B13 of the Plan*).
Staff believes that statute provides sufficient clarity on this issue and does not want to add language to the QAP that could muddy interpretations of statute.
10. Ineligible Applicants to include those in portfolio with poor inspection scores for >2 years (*was Item B13 of the Plan*).
While staff appreciates the perspective of advocates wanting to ensure that owners of poorly managed properties are not allowed to apply for additional resources, the Department already has a rigorous previous participation review process, including a process that can result in debarment. Discussion on this issue should be part of any future Compliance and Enforcement Rule changes.
11. Elimination of resolution of no objection threshold requirement (*was Item B20 of the Plan*).
This item is a statutory requirement (Tex. Gov't Code §2306.67071) that cannot be removed from the QAP.

Summary of Survey on Cost Containment including Cost/SF Scoring

May 12, 2022

Staff released a survey on cost containment in March and April 2022 to inform the drafting of the 2023 QAP. 13 surveys were completed. The results are summarized below. It should be noted that while the survey results were low, these issues have also been discussed at several subsequent round tables.

Part A. Current Scoring Item: Cost Per Square Foot

Texas Government Code requires that the sixth highest scoring item in the QAP be for: “(F) the cost of the development by square foot.” The survey shared what several other states also provide in their QAPs relating to Cost/SF.

- This scoring item is not currently structured in the QAP to provide points based on the literal “cost of the development by square foot” but rather has evolved over time to provide points based on the voluntary Eligible Building Costs per square foot (voluntary eligible basis).
 - The survey asked whether the item should remain as is (based on voluntary eligible basis, not total development costs), be revised to be based on total development costs, or be revised some other way.
 - 8 of 12 respondents felt that it should remain as is.
 - The remaining four all indicated it should be based on something else and in their comments suggested basing the scoring item on: 1) cost cert data (which did not distinguish whether that was for costs or eligible basis), 2) sub-regional quarterly construction status reports, and 3) HUDs 221(d)(4) mortgage limits which account for regional variances and elevator vs non-elevator buildings but adjusting it to increase by 10% to account for total cost and trending it at 8% growth to allow for inflationary adjustment.
 - Two commenters noted that the method should also be revised from using NRA to using gross SF (currently does not go from outside wall to outside wall).
 - A commenter suggested the limit should go up to \$150/sf for high cost developments and \$125 for all other developments. Another suggested \$165K/unit.
- The scoring item is currently structured in the QAP to distinguish points between New Construction and Rehab and for high cost developments.
 - 10 of 12 Survey respondents felt that no additional distinctions are needed, but did want to see an increase to the allowable cost per SF for points.
 - One commenter suggested that the distinction for high cost be removed and that all properties be the same.
 - Two commenters suggested that another distinction be included which were: 1) SROs should have a higher per SF cost, and 2) some rural areas should be considered high cost.
- The survey asked that if this scoring item is revised to provide for an annual adjustment factor, the annual adjustment factor should be based on what? Distribution of answers follow. Items receiving no answers are not listed (PPI, Mortenson)
 - 4 of 12: The Construction Price Index for Multifamily Housing Units Under Construction (US Census Bureau)
 - 3 of 12: RSMMeans Data stratified by 1-3 Story Apartments, 4-7 Story Apartments, and 8 Story+ based on the # of floors in the proposed Application
 - 3 of 12: I have a different adjustment factor I think should be used: which suggested using cost cert data, quarterly construction status report data based on subregions, and HUD 221(d)(4) limits. And enr.com/economics.
 - 1 of 12: I don’t think there should be an annual adjustment factor established – TDHCA should just increase the costs each year as part of the QAP development process

- A final commenter noted that they felt we should use whichever method provides the greatest annual increase and be sure to adjust annually
- Lastly respondents were asked to identify what month they would want the annual factor updated each year to be of most benefit. The distribution of answers follows: (months not shown had no responses)
 - August – 1 of 13
 - September – 2 of 13
 - October – 2 of 13
 - November – 5 of 13
 - December – 3 of 13

B. Other Cost Containment Approaches

- The survey provided a summary of other states' cost containment approaches and then asked respondents to rank their top 5 of a list of strategies that would be most preferable. The distribution of answers follows: (ideas that had no responses are not shown)
 - Credits per Unit – Cap Put in Place- 5 (41%)
 - Total Development Cost per Unit – Cap Put in Place 4 (33%)
 - Eligible Basis per Unit – Cap Put in Place 3 (25%)
 - Total Development Cost per Unit – Lowest TDC/unit as Tie Breaker 2 (16%)
 - Average Credits per LI Unit Calculated for all 9% Apps Submitted – Closest to Average as Tie Breaker 2 (16%)
 -
 - Eligible Basis per Unit – Lowest Basis as Tie Breaker 1
 - Credits per Unit - Scoring Item with Lower Credits Having More Points – 1
 - Credits per Unit – Lowest Credits as Tie Breaker 1
 - Total Development Cost per Unit - Scoring Item with Lower TDC Having More Points 1
 - Average Credits per LI Unit Calculated for all 9% Apps Submitted – Negative Points to Those with Highest Credits from the Average (Most Expensive Outliers) 1 (8%)
 - Reduction of Soft Costs – Scoring Item for Soft Costs Below a Standard 1 (8%)
- The Department noted its concern that by having raised the per development cap, developments will utilize that added credit without adding more LI units, thereby reducing the number of LI units achieved each allocation round. Respondents were asked if one item could best mitigate this what would it be. Only 6 respondents answered this item.
 - 4 of 6 indicated “Applications are limited to a per development limit of \$1.5M, and can only go up to the \$2M cap, if additional 30% AMI units are provided”
 - 2 of 6 indicated “Tie Breaker in which the tie goes to the Development with the Most LI Units.”
 - Many chose not to answer but put in the comments that they did not want any other cost containment approach, that # of units are going to go down no matter what, that deals have been underwritten too tight for too long already, that adding more considerations will create a race to the bottom and that we needed to focus on quality over quantity.

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BOARD REPORT

TEXAS HOMEOWNERSHIP ASSISTANCE FUND DIVISION

JUNE 16, 2022

Update on the Homeowner Assistance Fund (HAF) and Report on HAF Subrecipient Activities

TX HAF PROGRAM UPDATE

TXHAF funds up to \$65,000 to assist homeowner households to seek to bring accounts fully current, with no remaining delinquent amounts, and to repay amounts advanced by the lender or servicer on the borrower’s behalf to protect the lien position for property charges, including property taxes, mortgage insurance premiums, hazard insurance premiums, flood or wind insurance premiums, ground rents, condominium fees, cooperative maintenance fees, planned unit development fees, homeowners’ association fees, or utilities. The payment may also include any reasonably required legal fees. Below provides a recap of the program requirements.

The HAF Program was initially released as a pilot program. The pilot was located in Hidalgo County and ran from January 6 to March 1, 2022. Linebarger Goggan Blair & Sampson, LLP (LGBS), who works with many taxing entities, sent out communications to households in Hidalgo County. Between January 6, 2022 and March 1, 2022, 1,441 applications were processed and \$7,729,499.03 funds were approved.

	Funds spent during Pilot Program	Households Served
Mortgage Reinstatement	\$3,499,038.61	224
Property Charges	\$4,230,487.42	754

On March 2, 2022, TDHCA went statewide.

Homeowner Eligibility

Texas homeowners are eligible for assistance under TXHAF if they meet all of the following:

- Have fallen behind on one or more payments: mortgage, property tax, property insurance, etc.;
- Have household income at or below 100% AMI;
- Own and occupy their home in Texas as their primary residence;
- Household experienced a qualified financial hardship after January 21, 2020, such as lost income or increased expenses due to the pandemic; and
- Homeowner’s DTI must be at or below 55% to qualify for mortgage reinstatement or loan modification programs;
- Additional program requirements will apply.

Activities

Mortgage Reinstatement Program

The Mortgage Reinstatement Program provides up to \$40,000 per qualified household to eliminate or reduce past-due payments and other delinquent amounts advanced by the

servicer, including payments under a forbearance plan, on forward mortgages, reverse mortgages, loans secured by manufactured homes, or contracts for deed. The \$40,000 cap is only for the mortgage expenses.

Loan Modification with HAF Contribution Program

Eligible homeowners are referred to the Loan Modification with HAF Contribution Program where (i) the homeowner does not meet all three conditions for Reinstatement, (ii) the homeowner’s mortgage servicer is a participating traditional mortgage servicer, and (iii) the homeowner’s HDTI does not exceed 90%.

Property Charge Default Program

The Property Charge Default Program provides up to \$25,000 per qualified household to catch up on property tax, property insurance, and HOA or condo association fees and liens for past due fees. Whether paid to the servicer through an escrow account, or paid by the household directly, this \$25,000 is in addition to the funds allowable for mortgage reinstatement.

REPORT ON SUBRECIPIENT ACTIVITIES

On March 11, 2021, the President of the United States signed the American Rescue Plan Act, which includes the Homeowner Assistance Fund (HAF), into law. The State of Texas received \$842,214,006 in HAF funds and Texas Department of Housing and Community Affairs (the Department) has been designated as the entity to administer the HAF for the state. The U.S. Department of the Treasury (Treasury) administers HAF, and published Homeowner Assistance Fund Guidance on April 14, 2021, on August 2, 2021 (the HAF Guidance) and on (February 24, 2022) which required the Department to submit to Treasury a HAF Plan. The Department did submit a Plan, which was approved by Treasury on January 28, 2022.

The purpose of the HAF is to prevent mortgage delinquencies and defaults, foreclosures, loss of utilities or home energy services, and displacement of homeowners experiencing financial hardship due to COVID-19. Funds from HAF may be used for assistance with mortgage payments, homeowner’s insurance, utility payments, and other specified purposes.

While the bulk of funds have been programmed for direct assistance to eligible low-income homeowners, a portion of the funds were also designated in the Plan for delivery of services by local subrecipients. The service types and amount specified in the Plan for that purpose are denoted below:

Intake Services	\$8,500,000
Legal Services	\$12,000,000
Housing Counseling Services	\$10,000,000
Total	\$30,500,000

On December 9, 2021, the Board already authorized the Executive Director or designee to make up to \$8,500,000 in awards to organizations to provide outreach and application intake assistance for the Homeowner Assistance Fund, subject to a satisfactory Previous Participation Review and conditioned on an acceptable recommendation or a recommendation with

conditions by the Executive Award and Advisory Committee (EARAC) being confirmed prior to execution, and conditioned on subsequent report of such contracts to the Board. With this report, staff is clarifying that the award process, review of past performance, and EARAC approval will occur for all three components of funds.

The Department announced a Notice of Funding Availability (NOFA) on May 3, 2022, making the total of \$30.5 million available to Texas organizations to apply as subrecipients to provide one or more of the eligible services: Intake Centers, Housing Counseling Services, and Legal Services. Interested applicants must meet the requirements set forth in the NOFA and must submit a complete application through the established system described.

Applications will be accepted on a first-come, first-served basis until August 31, 2022, or when all funds have been committed, whichever occurs first. As applications come in, the Department will continue to review and approve applications to the extent that a geographic area does not yet have coverage and funds are available. Only a limited number of awards will be made. Except in the large metropolitan areas or Persistent Poverty Counties, in general only one entity will be selected to provide each type of service in any given county, except that more than one entity may be selected to ensure that Underserved Populations, Socially Disadvantaged households or those with Limited English Proficiency are served.

The maximum award amount is \$1 million and the minimum award amount is \$200,000. A short explanation of each type of activity follows:

Intake Centers

Organizations awarded funds to serve as Intake Centers will perform outreach to find and educate homeowners in the targeted communities, and more significantly they will provide a physical location that a household can go to receive help in applying for HAF funds.

The selected organizations will help homeowners determine if they are eligible, submit applications online, help them identify and scan appropriate supporting documentation, help them sign applications and/or program loan documents, and submit any required hardship certifications. The Intake Center will be expected to provide adequate staffing levels to allow for assisting those who may have Limited English Proficiency and those who may need a reasonable accommodation. Intake Centers will only remain operational while HAF funds are still available for households. As soon as all funds have been applied for, the Intake Centers will cease operations.

Legal Services

Organizations awarded funds to provide Legal Services will provide free legal counsel to households meeting program requirements and facing housing instability, including foreclosure prevention activities. Services may include assistance with home and tax lien foreclosures, as well as other issues. Organizations may provide the following legal services:

- Providing Counsel and Advice: A case closed as a result of the provision and receipt of legal advice to an Eligible Household, such as the review of relevant facts, exercised judgment in interpreting the particular facts presented and in applying the relevant law

to the facts, and the counseling of the client on actions to take to address the problem(s).

- Providing Limited Action: A case closed through limited action(s) on behalf of an Eligible Household that addressed the Household's legal problem that is not as complex or extended as to meet the requirements for "extensive service". Examples include, communications by letter, telephone or other means to a third party; preparation of a simple legal document; or legal assistance to a pro se client that involves preparation of court of other legal documents.
- Legal Services Activities are civil legal services and activities that assist Eligible Households with retaining their homeownership, as outlined below: Eligible subject matters are those that support household's housing stability, including (i) foreclosure prevention, (ii) mediation between a servicer/lender and a homeowner, (iii) credit correction/protection, and (iv) assistance to enable households to receive clear title to their properties.

Housing Counseling Services

Organizations awarded funds to provide Housing Counseling Services will assist households with improving their financial sustainability through providing HUD-approved curriculum by HUD-approved counselors. Eligible counseling services include:

- Individual Counseling at an hourly rate;
- Group counseling which may include two-hour classes, Six- to Eight-hour Classes;
- All topics reported on HUD Form 9902 are eligible for reimbursement, which include resolving or preventing mortgage delinquency or default, etc.; and
- Education Topics include fair housing, financial management for homeowners, etc.

The counseling and education provided under this category includes, but is not limited to, understanding the consequences of default and foreclosure; loss mitigation, budgeting and credit; restructuring debt; and establishing reinstatement plans. Housing counselors ideally will become involved with the homeowner early in the process to increase the likelihood that the default will be cured and the homeowner will be able to retain ownership. The housing counselors will conduct follow-up housing counseling with the homeowner on an as-needed basis until the default is corrected.

ACTION ITEMS

3a

ORAL PRESENTATION

3b

ORAL PRESENTATION

4

BOARD REPORT ITEM
INTERNAL AUDIT DIVISION
June 16, 2022

Report on the Meeting of the Internal Audit and Finance Committee

REPORT ITEM

Verbal report

5a

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

5b

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

6

BOARD ACTION REQUEST
ASSET MANAGEMENT DIVISION
JUNE 16, 2022

Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application for Tomball Senior Village (HTC #21003)

RECOMMENDED ACTION

WHEREAS, Tomball Senior Village (Development) received an award of 9% Housing Tax Credits (HTCs) in 2021 for the new construction of 59 multifamily units, of which 50 are low-income units, in Tomball, Harris County;

WHEREAS, CSH Tomball Senior Village, Ltd. (the Development Owner or Owner) requests an amendment to the Application to revise the rent and income restrictions for the 50 affordable units from five units at 30% Area Median Income (AMI), 20 units at 50% AMI, and 25 units at 60% AMI, to four units at 30% AMI, 10 units at 50% AMI, and 36 units at 60% AMI;

WHEREAS, the Owner also requests a significant modification of the architectural design and a material reduction to the Common Area from 3,874 to 2,044 square feet, a reduction of 47.24% or 1,830 square feet;

WHEREAS, Board approval is required for these changes as directed in Tex. Gov't Code §2306.6712(d)(4), (5), and (7), and in 10 TAC §10.405(a)(4)(D), (E), and (I), and the Development Owner has complied with the amendment requirements in 10 TAC §10.405(a); and

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

NOW, therefore, it is hereby

RESOLVED, that the requested amendments for Tomball Senior Village are 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

Tomball Senior Village received a 9% HTC award to construct 59 units, of which 50 units are designated as affordable, in Tomball, Harris County. In a letter dated April 20, 2022, Jervon Harris, representative for the Development Owner, requested approval for material amendments to the Application. The Owner requests to amend the income and rent restrictions for the affordable units from five units at 30% AMI, 20 units at 50% AMI, and 25 units at 60% AMI, to four units at 30% AMI, 10 units at 50% AMI, and 36 units at 60% AMI. No changes will be made to the total number of affordable units, the nine market rate units, the unit sizes, or the Net Rentable Area. However, there will be a significant modification to the design plans that includes an additional unit design and a material reduction in the Common Area from 3,874 to 2,044 square feet, a reduction of 47.24% or 1,830 square feet. The reduced Common Area will result in the elimination of the business center, fitness center, and arts and crafts room. The Owner states that the Development will still meet the Common Amenities point requirements specified in the 2021 Qualified Allocation Plan. Additionally, there was a slight change to the site plan that increases the number of parking spaces identified at Application from 90 to 99, with an increase in accessible spaces from eight to 11. Staff has confirmed that the revised site plan identifies a sufficient number of accessible spaces with accessible routes to the units they serve. Therefore, this change is considered a Notification Item under 10 TAC 10.405(a)(2)(B), but is identified as part of Owner's amendment request.

The Development Owner states the reason for the requested changes is that the recent increases to the 10 Year Treasury Rate have resulted in a significant increase in the interest rate for the permanent loan and an anticipated increase of more than \$1 million in construction costs. The Owner has complied with 10 TAC §10.405(a)(7) and provided written confirmation from their permanent lender, Legacy Bank, and their syndicator, Regions, stating that the Development would be infeasible without the changes to the income and rent restrictions.

The Owner indicated that the conditions that created the need for the change were not preventable by the Owner, as the negative conditions are on a national scale and affecting the entire housing industry due to broad and rapidly changing market and economic conditions that are beyond the Owner's control.

The change to the income and rent restrictions is considered a significant modification and requires Board approval in accordance with Tex. Gov't Code §2306.6712(d)(7) and 10 TAC §10.405(a)(4)(I). Additionally, Board approval is required for a significant modification of the architectural design and a reduction of 3% or more to the Common Area in accordance with Tex. Gov't Code §2306.6712(d)(4) and (5) and 10 TAC §10.405(a)(4)(D) and (E).

The following is a comparison between the original and the revised design plan for the Common Area:

Material Alterations as defined in Tex. Gov't Code §2306.6712(d)(4)and (5) and 10 TAC §10.405(a)(4)(D) and (E)

Application

Amendment

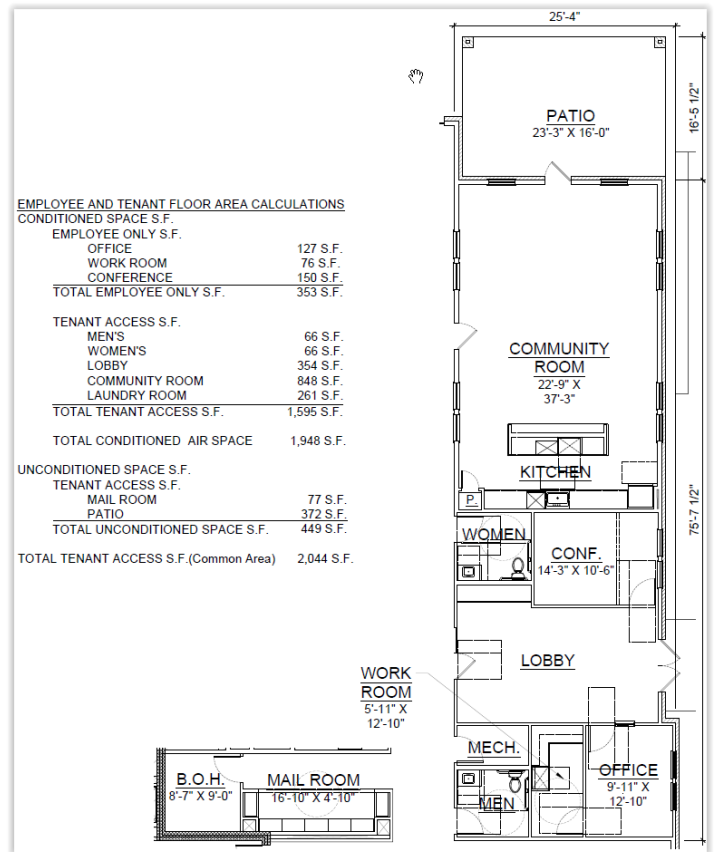
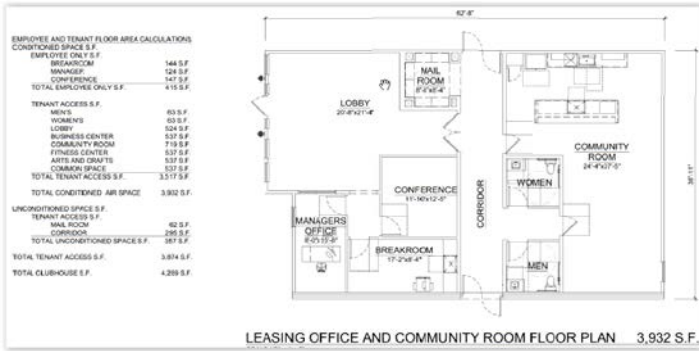
Common Area:

Men's Restroom	63 s.f.
Women's Restroom	63 s.f.
Lobby	524 s.f.
Business Center	537 s.f.
Community Room	719 s.f.
Fitness Center	537 s.f.
Arts and Crafts	537 s.f.
Common Space	537 s.f.
Mail Room	62 s.f.
Corridor	<u>295 s.f.</u>
Total Common Area	3,874 s.f

Common Area:

Men's Restroom	66 s.f.
Women's Restroom	66 s.f.
Lobby	354 s.f.
Community Room	848 s.f.
Laundry Room	261 s.f.
Mail Room	77 s.f.
Patio	<u>372 s.f.</u>
Total Common Area	2,044 s.f.

***Reduction of 1,830 square feet or 47.24%**



The Development Owner provided updated financial information that has been analyzed by the Real Estate Analysis (REA) Division. REA's analysis of the updated financial information indicates that the Development is expected to be feasible, and there is no change to the previously recommended HTC amount.

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

Staff recommends approval of the amendment request as presented herein.



Addendum to Underwriting Report

TDHCA Application #: 21003 Program(s): 9% HTC

Tomball Senior Village

Address/Location: SEC of Medical Complex Drive and SH 249

City: Tomball County: Harris Zip: 77377

Population: Elderly Limitation Program Set-Aside: Non-Profit Area: Rural

Activity: New Construction Building Type: Elevator Served Region: 6

APPLICATION HISTORY	
Report Date	PURPOSE
05/20/22	Amendment
06/14/21	Original Underwriting

ALLOCATION

TDHCA Program	REQUEST				RECOMMENDATION				
	Amount	Rate	Amort	Term	Amount	Rate	Amort	Term	Lien
LIHTC (9% Credit)	\$900,000				\$900,000				

CONDITIONS STATUS

- 1 Receipt and acceptance by 10% test:
 - a: Documentation that a noise study has been completed, and Architect certification that all recommendations from the noise study are incorporated into the development plans.
- 2 Receipt and acceptance by Cost Certification:
 - b: Architect certification that all noise assessment recommendations were implemented and the Development is compliant with HUD noise guidelines.

SET-ASIDES

TDHCA SET-ASIDES for HTC LURA		
Income Limit	Rent Limit	Number of Units
30% of AMI	30% of AMI	4
50% of AMI	50% of AMI	10
60% of AMI	60% of AMI	36

ANALYSIS

Applicant is proposing changes to the Application and requesting an Amendment in an effort to reduce building costs. The Applicant has changed the design of the project reducing the size of the clubhouse from 3,874 to 2,044, a 1,830 sf reduction and eliminating amenities such as the Business Center, Fitness Center, and the Arts and Crafts Room. Also, the amount of masonry on the facade has been reduced to 20%.

Operating Pro Forma

Applicant updated original Rent Pro Forma using 2021 Program Rents.

With the proposed changes, the project still remains feasible.

Development Cost

Construction costs increased by \$1M from the original Application even with the elimination of the Business Center, Fitness Center, and Arts and Crafts Room from the Development. Unit square footages remained unchanged. The number of parking spaces was increased from 90 spaces to 99 spaces with an increase in total accessible spaces from 8 to 11. Applicant decreased soft costs by \$444k to partially offset increase in construction costs.

Sources of Funds

Applicant increased equity by \$178k. The allocation of 9% HTC remained the same however the equity price increased by .02 cents to \$0.92. Applicant has also increased the Deferred Developer Fee by \$200k to offset increase in construction costs. There is ample Sources to cover increased costs and payoff Developer Fee within 15 years while achieving a greater than 1.15x DCR.

Conclusion

Underwriter recommends no change in the original \$900,000 credit allocation.

Underwriter: Eric Weiner

Manager of Real Estate Analysis: Gregg Kazak

Director of Real Estate Analysis: Jeanna Adams

UNIT MIX/RENT SCHEDULE
Tomball Senior Village, Tomball, 9% HTC #21003

LOCATION DATA	
CITY:	Tomball
COUNTY:	Harris
Area Median Income	\$79,200
PROGRAM REGION:	6
PROGRAM RENT YEAR:	2021

UNIT DISTRIBUTION				
# Beds	# Units	% Total	Assisted	MDL
Eff	-	0.0%	0	0
1	18	30.5%	0	0
2	41	69.5%	0	0
3	-	0.0%	0	0
4	-	0.0%	0	0
5	-	0.0%	0	0
TOTAL				
	59	100.0%	-	-

Pro Forma ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	84.75%
APP % Acquisition	4.00%
APP % Construction	9.00%
Average Unit Size	797 sf

56%	Income	20%	30%	40%	50%	60%	70%	80%	MR	TOTAL
Average	# Units	-	4	-	10	36	-	-	9	59
Income	% Total	0.0%	6.8%	0.0%	16.9%	61.0%	0.0%	0.0%	15.3%	100.0%

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	Mkt Analyst	
TC 30%	\$445	2	1	1	650	\$445	\$37	\$408	\$0	\$0.63	\$408	\$816	\$816	\$408	\$0.63	\$0	\$1,020	\$1.57	\$1,150
TC 50%	\$743	2	1	1	650	\$743	\$37	\$706	\$0	\$1.09	\$706	\$1,412	\$1,412	\$706	\$1.09	\$0	\$1,020	\$1.57	\$1,150
TC 60%	\$891	1	1	1	650	\$891	\$37	\$854	\$0	\$1.31	\$854	\$854	\$854	\$854	\$1.31	\$0	\$1,020	\$1.57	\$1,150
MR		1	1	1	650	\$0	\$37		NA	\$1.57	\$1,020	\$1,020	\$1,020	\$1,020	\$1.57	NA	\$1,020	\$1.57	\$1,150
TC 30%	\$445	1	1	1	672	\$445	\$37	\$408	\$0	\$0.61	\$408	\$408	\$408	\$408	\$0.61	\$0	\$1,020	\$1.52	\$1,150
TC 50%	\$743	6	1	1	672	\$743	\$37	\$706	\$0	\$1.05	\$706	\$4,236	\$4,236	\$706	\$1.05	\$0	\$1,020	\$1.52	\$1,150
TC 60%	\$891	3	1	1	672	\$891	\$37	\$854	\$0	\$1.27	\$854	\$2,562	\$2,562	\$854	\$1.27	\$0	\$1,020	\$1.52	\$1,150
MR		2	1	1	672	\$0	\$37		NA	\$1.52	\$1,020	\$2,040	\$2,040	\$1,020	\$1.52	NA	\$1,020	\$1.52	\$1,150
TC 30%	\$534	1	2	2	855	\$534	\$48	\$486	\$0	\$0.57	\$486	\$486	\$486	\$486	\$0.57	\$0	\$1,225	\$1.43	\$1,250
TC 50%	\$891	2	2	2	855	\$891	\$48	\$843	\$0	\$0.99	\$843	\$1,686	\$1,686	\$843	\$0.99	\$0	\$1,225	\$1.43	\$1,250
TC 60%	\$1,069	32	2	2	855	\$1,069	\$48	\$1,021	\$0	\$1.19	\$1,021	\$32,672	\$32,672	\$1,021	\$1.19	\$0	\$1,225	\$1.43	\$1,250
MR		6	2	2	855	\$0	\$48		NA	\$1.43	\$1,225	\$7,350	\$7,350	\$1,225	\$1.43	NA	\$1,225	\$1.43	\$1,250
TOTALS/AVERAGES:		59			47,019				\$0	\$1.18	\$941	\$55,542	\$55,542	\$941	\$1.18	\$0	\$1,162	\$1.46	\$1,219

ANNUAL POTENTIAL GROSS RENT:	\$666,504	\$666,504
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STABILIZED PRO FORMA

Tomball Senior Village, Tomball, 9% HTC #21003

STABILIZED FIRST YEAR PRO FORMA

	COMPARABLES		APPLICANT				PRIOR REPORT		TDHCA				VARIANCE	
	Database	County Comps	% EGI	Per SF	Per Unit	Amount	Applicant	TDHCA	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT				\$1.18	\$941	\$666,504	\$636,444	\$636,444	\$666,504	\$941	\$1.18		0.0%	\$0
Cleaning, Late, NSF Fees						\$20.00	\$14,160	\$14,160						
Total Secondary Income						\$20.00		\$14,160	\$14,160	\$20.00			0.0%	\$0
POTENTIAL GROSS INCOME							\$680,664	\$650,604	\$680,664				0.0%	\$0
Vacancy & Collection Loss						7.5% PGI	(51,050)	(48,795)	(51,050)	7.5% PGI			0.0%	-
Rental Concessions							-	-	-				0.0%	-
EFFECTIVE GROSS INCOME							\$629,614	\$601,809	\$629,614				0.0%	\$0

General & Administrative	\$29,358	\$498/Unit	\$29,061	\$493	4.22%	\$0.56	\$450	\$26,550	\$26,550	\$29,061	\$29,061	\$493	\$0.62	4.62%	-8.6%	(2,511)
Management	\$29,174	5.4% EGI	\$25,312	\$429	5.00%	\$0.67	\$534	\$31,497	\$30,069	\$30,090	\$31,481	\$534	\$0.67	5.00%	0.1%	16
Payroll & Payroll Tax	\$62,270	\$1,055/Unit	\$87,198	\$1,478	14.06%	\$1.88	\$1,500	\$88,500	\$88,500	\$87,198	\$87,198	\$1,478	\$1.85	13.85%	1.5%	1,302
Repairs & Maintenance	\$45,131	\$765/Unit	\$47,006	\$797	6.56%	\$0.88	\$700	\$41,300	\$41,300	\$38,350	\$38,350	\$650	\$0.82	6.09%	7.7%	2,950
Electric/Gas	\$16,262	\$276/Unit	\$14,465	\$245	2.26%	\$0.30	\$241	\$14,235	\$14,235	\$14,465	\$14,465	\$245	\$0.31	2.30%	-1.6%	(230)
Water, Sewer, & Trash	\$38,792	\$657/Unit	\$32,800	\$556	5.62%	\$0.75	\$600	\$35,390	\$35,390	\$32,800	\$32,800	\$556	\$0.70	5.21%	7.9%	2,590
Property Insurance	\$25,723	\$0.55 /sf	\$23,897	\$405	3.80%	\$0.51	\$406	\$23,925	\$23,925	\$23,897	\$23,897	\$405	\$0.51	3.80%	0.1%	28
Property Tax (@ 100%) 2.4369	\$31,673	\$537/Unit	\$37,605	\$637	10.38%	\$1.39	\$1,108	\$65,381	\$63,356	\$67,204	\$72,596	\$1,230	\$1.54	11.53%	-9.9%	(7,215)
Reserve for Replacements					2.34%	\$0.31	\$250	\$14,750	\$14,750	\$14,750	\$14,750	\$250	\$0.31	2.34%	0.0%	-
TDHCA Compliance fees (\$40/HTC unit)					0.32%	\$0.04	\$34	\$2,000	\$2,000	\$2,000	\$2,000	\$34	\$0.04	0.32%	0.0%	-
TOTAL EXPENSES					54.56%	\$7.31	\$5,823	\$ 343,528	\$ 340,075	\$339,816	\$346,599	\$5,875	\$7.37	55.05%	-0.9%	\$ (3,071)
NET OPERATING INCOME ("NOI")					45.44%	\$6.08	\$4,849	\$286,086	\$261,734	\$261,992	\$283,015	\$4,797	\$6.02	44.95%	1.1%	\$ 3,071

CONTROLLABLE EXPENSES							\$3,491/Unit						\$3,422/Unit			
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Tomball Senior Village, Tomball, 9% HTC #21003

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	Prior Underwriting		Principal	Term	Amort	Rate	Pmt	Cumulative	
		UW	App						Applicant	TDHCA						DCR	LTC
Legacy Bank and Trust	0.00%	1.14	1.15	248,752	5.75%	40	15	\$3,890,000	\$3,883,000	\$3,883,000	\$3,890,000	15	40	5.75%	\$248,752	1.15	30.7%
Adjustment to Debt Per §11.302(c)(2)	0.00%									(\$5,000)	\$0	15	40	5.75%		1.15	0.0%
CASH FLOW DEBT / GRANTS																	
City of Tomball		1.14	1.15		0.00%	0	0	\$250	\$250	\$250	\$250	0	0	0.00%		1.15	0.0%
				\$248,752	TOTAL DEBT / GRANT SOURCES			\$3,890,250	\$3,883,250	\$3,878,250	\$3,890,250	TOTAL DEBT SERVICE			\$248,752	1.15	30.7%
NET CASH FLOW		\$34,263	\$37,334											APPLICANT NET OPERATING INCOME	\$286,086	\$37,334	NET CASH FLOW

EQUITY SOURCES															
		APPLICANT'S PROPOSED EQUITY STRUCTURE					AS UNDERWRITTEN EQUITY STRUCTURE								
EQUITY / DEFERRED FEES	DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Prior Underwriting		Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method		
						Applicant	TDHCA								
Regions Bank	LIHTC Equity	65.3%	\$900,000	\$0.92	\$8,278,344	\$8,099,190	\$8,099,190	\$8,278,344	\$0.92	\$900,000	65.3%	\$15,254	Applicant Request		
CSH Tomball Senior Village, Ltd.	Deferred Developer Fees	4.0%	(42% Deferred)		\$510,744	\$337,376	\$342,363	\$510,744	(42% Deferred)		4.0%		Total Developer Fee: \$1,203,000		
Additional (Excess) Funds Req'd		0.0%			\$0			\$0			0.0%				
TOTAL EQUITY SOURCES		69.3%			\$8,789,088	\$8,436,566	\$8,441,553	\$8,789,088			69.3%				
TOTAL CAPITALIZATION					\$12,679,338	\$12,319,816	\$12,319,803	\$12,679,338						15-Yr Cash Flow after Deferred Fee:	\$298,029

DEVELOPMENT COST / ITEMIZED BASIS													
		APPLICANT COST / BASIS ITEMS				TDHCA COST / BASIS ITEMS				COST VARIANCE			
	Eligible Basis		Total Costs		Prior Underwriting		Total Costs		Eligible Basis		%	\$	
	Acquisition	New Const. Rehab			Applicant	TDHCA			New Const. Rehab	Acquisition			
Land Acquisition			\$21,322 / Unit	\$1,258,013	\$1,258,000	\$1,258,000	\$1,258,013	\$21,322 / Unit			0.0%	\$0	
Off-Sites		\$0	\$ / Unit	\$0	\$0	\$0	\$0	\$ / Unit	\$0		0.0%	\$0	
Site Work		\$884,351	\$14,989 / Unit	\$884,351	\$884,351	\$884,351	\$884,351	\$14,989 / Unit	\$884,351		0.0%	\$0	
Site Amenities		\$547,279	\$9,276 / Unit	\$547,279	\$547,279	\$547,279	\$547,279	\$9,276 / Unit	\$547,279		0.0%	\$0	
Building Cost		\$3,966,518	\$121.65 /sf	\$96,945/Unit	\$5,719,749	\$4,718,520	\$5,157,689	\$5,157,689	\$87,418/Unit	\$109.69 /sf	10.9%	\$562,060	
Contingency		\$377,870	7.00%	5.28%	\$377,870	\$377,870	\$377,870	\$377,870	5.73%	7.00%	0.0%	\$0	
Contractor Fees		\$808,643	14.00%	10.74%	\$808,643	\$808,643	\$808,643	\$808,643	11.61%	14.00%	0.0%	\$0	
Soft Costs	\$0	\$847,257	\$15,208 / Unit	\$897,257	\$1,342,184	\$1,342,184	\$897,257	\$15,208 / Unit	\$847,257	\$0	0.0%	\$0	
Financing	\$0	\$590,681	\$11,642 / Unit	\$686,876	\$816,139	\$816,139	\$686,876	\$11,642 / Unit	\$590,681	\$0	0.0%	\$0	
Developer Fee	\$0	\$1,203,000	15.00%	12.31%	\$1,203,000	\$1,283,000	\$1,283,000	\$1,203,000	13.06%	15.00%	0.0%	\$0	
Reserves			6 Months	\$296,300	\$283,817	\$283,655	\$296,300	6 Months			0.0%	\$0	
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)		\$0	\$9,225,599	\$214,904 / Unit	\$12,679,338	\$12,319,803	\$12,758,810	\$12,117,278	\$205,378 / Unit	\$9,225,599	\$0	4.6%	\$562,060
Acquisition Cost	\$0			\$0	\$0								
Contingency		\$0		\$0	\$0								
Contractor's Fee		(\$0)		\$0	\$0								
Financing Cost		\$0											
Developer Fee	\$0	\$0		\$0	\$0								
Reserves				\$0	\$0								
ADJUSTED BASIS / COST		\$0	\$9,225,599	\$214,904/unit	\$12,679,338	\$12,319,803	\$12,758,810	\$12,117,278	\$205,378/unit	\$9,225,599	\$0	4.6%	\$562,060
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):					\$12,679,338								

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Tomball Senior Village, Tomball, 9% HTC #21003

CREDIT CALCULATION ON QUALIFIED BASIS				
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction
ADJUSTED BASIS	\$0	\$9,225,599	\$0	\$9,225,599
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$9,225,599	\$0	\$9,225,599
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$11,993,278	\$0	\$11,993,278
Applicable Fraction	84.75%	84.75%	85%	85%
TOTAL QUALIFIED BASIS	\$0	\$10,163,795	\$0	\$10,163,795
Applicable Percentage	4.00%	9.00%	4.00%	9.00%
ANNUAL CREDIT ON BASIS	0	\$914,742	\$0	\$914,742
CREDITS ON QUALIFIED BASIS	\$914,742		\$914,742	

Method	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
	Annual Credits	Proceeds	Credit Price \$0.9198	Variance to Request	
			Credit Allocation	Credits	Proceeds
Eligible Basis	\$914,742	\$8,413,939	----	----	----
Needed to Fill Gap	\$955,527	\$8,789,088	----	----	----
Applicant Request	\$900,000	\$8,278,344	\$900,000	\$0	\$0

BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Elevator Served	47,019 SF	\$71.33	3,353,792
Adjustments				
Exterior Wall Finish	8.00%		5.71	\$268,303
Elderly	3.00%		2.14	100,614
9-Ft. Ceilings	4.00%		2.85	134,152
Roof Adjustment(s)			0.00	0
Subfloor			(0.16)	(7,523)
Floor Cover			2.56	120,369
Enclosed Corridors	\$62.88	13,739	18.37	863,887
Balconies	\$0.00	0	0.00	0
Plumbing Fixtures	\$1,080	123	2.83	132,840
Rough-ins	\$530	118	1.33	62,540
Built-In Appliances	\$1,830	59	2.30	107,970
Exterior Stairs	\$2,460	8	0.42	19,680
Heating/Cooling			2.34	110,024
Storage Space	\$62.88	1,934	2.59	121,607
Carports	\$12.25	0	0.00	0
Garages		0	0.00	0
Common/Support Area	\$91.39	4,289	8.34	391,961
Elevators	\$93,900	1	2.00	93,900
Other:			0.00	0
Fire Sprinklers	\$2.68	66,981	3.82	179,509
SUBTOTAL			128.75	6,053,625
Current Cost Multiplier	1.00		0.00	0
Local Multiplier	1.00		0.00	0
Reserved				0
TOTAL BUILDING COSTS			128.75	\$6,053,625
Plans, specs, survey, bldg permits	3.30%		(4.25)	(\$199,770)
Contractor's OH & Profit	11.50%		(14.81)	(696,167)
NET BUILDING COSTS		\$87,418/unit	\$109.69/sf	\$5,157,689

Long-Term Pro Forma

Tomball Senior Village, Tomball, 9% HTC #21003

	Growth Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	Year 35
EFFECTIVE GROSS INCOME	2.00%	\$629,614	\$642,206	\$655,051	\$668,152	\$681,515	\$752,447	\$830,763	\$917,229	\$1,012,695	\$1,118,097	\$1,234,469
TOTAL EXPENSES	3.00%	\$343,528	\$353,519	\$363,803	\$374,390	\$385,287	\$444,772	\$513,535	\$593,033	\$684,956	\$791,255	\$914,195
NET OPERATING INCOME ("NOI")		\$286,086	\$288,688	\$291,247	\$293,762	\$296,228	\$307,676	\$317,228	\$324,196	\$327,739	\$326,842	\$320,275
EXPENSE/INCOME RATIO		54.6%	55.0%	55.5%	56.0%	56.5%	59.1%	61.8%	64.7%	67.6%	70.8%	74.1%
MUST -PAY DEBT SERVICE												
TOTAL DEBT SERVICE		\$248,752	\$248,752	\$248,752	\$248,752	\$248,752	\$248,752	\$248,752	\$248,752	\$248,752	\$248,752	\$248,752
DEBT COVERAGE RATIO		1.15	1.16	1.17	1.18	1.19	1.24	1.28	1.30	1.32	1.31	1.29
ANNUAL CASH FLOW		\$37,334	\$39,936	\$42,495	\$45,010	\$47,476	\$58,924	\$68,476	\$75,444	\$78,987	\$78,090	\$71,523
Deferred Developer Fee Balance		\$473,410	\$433,474	\$390,979	\$345,968	\$298,493	\$26,133	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$0	\$0	\$298,029	\$662,502	\$1,051,910	\$1,446,159	\$1,819,451

CSH Tomball Senior Village, Ltd.

3701 Kirby Drive, Suite 860
Houston, TX 77098

April 20, 2022

TDHCA
221 East 11th Street
Austin, Texas 78701-2410
Attn: Rosalio Banuelos

Re: Tomball Senior Village (TDHCA #21003) – Revised Request to Amend Application (Affordability Mix and Building Configuration)

To Whom It May Concern:

CSH Tomball Senior Village, Ltd. (the “Applicant”) is requesting approval to amend the tax credit application for Tomball Senior Village (TDHCA #21003). The changes are in reaction to the broad economic and large-scale market conditions that are having negative impacts on the construction and housing industries resulting from the ongoing effects of the pandemic, supply chain disruptions, and rising interest rates in addition to labor and material shortages. These broad market conditions have resulted in an annual inflation rate that is the highest in four decades and extreme cost escalation in addition to rising interest rates. For the proposed development in particular, the recent increases to the 10 Year Treasury Rate have resulted in a significant increase in the interest rate for the permanent loan and an anticipated increase of more than \$1M in total construction cost. The current conditions and negative impacts are beyond the scope of the Applicant’s control.

The Applicant is proposing changes to the development program in an effort to offset the negative impacts from the economic and market conditions that are putting a strain on the feasibility of housing developments nationally and the proposed development in particular.

Please consider this a formal request for approval of an amendment to Tomball Senior Villages (TDHCA #21003) based on the following summary of the proposed changes:

#1 – Change to the Affordability Mix

- Number of units at 30% AMI limited to 4 or 7.5% per Rent Level of Tenants scoring item (11 pts)
- Number of units at 50% AMI limited to 10 or 20% per Income Level of Residents scoring item (15 pts)
- Number of units at 60% AMI increased to 36 units
- No change to the total number of affordable units (50 LIHTC Units)
- No change to the total number of units (59 Total Units)

#2 – Change to the Building Configuration

- Common area converted to net rentable area for more efficient and cost-effective design
- Common area reduced from 3874 SF to 2044 SF
- Unit type square footages and features were unchanged
- No change to Net Rentable Square Footage

Reason for Change:

The amendment requested above is due to the current conditions including the escalation in construction cost that have resulted in increased construction cost of more than \$1M for the project and the rise in interest rates which has a limiting effect on the permanent loan. The current conditions have had a negative impact on the construction industry, the affordable housing industry and the proposed development in particular since the

CSH Tomball Senior Village, Ltd.

3701 Kirby Drive, Suite 860
Houston, TX 77098

application was submitted over a year ago. The changes will allow the development to be feasible under the current conditions.

Good Cause for Change:

The amendment request would result in no change to the number of LIHTC units and no reduction in the total number of units that will be provided by the proposed development. The amendment would result in no change to the scoring achieved under Rent Level of Tenants and Income Level of Residents. Without the change, the development would struggle to remain feasible under the current market conditions and will be less resilient to the uncertainty as to whether the housing industry will see in any positive change in the near future.

Not Reasonably Foreseeable:

The conditions that created the need for the change were not preventable by the Applicant as the negative conditions are on a national scale and affecting the entire housing industry due to broad and rapidly changing market and economic conditions that are beyond the Applicant's control.

For your review and consideration, the following attachments are included with current/updated information per the amendment request and the changes described above:

- Tab 1a – Architect Certification
- Tab 19 – Development Activities II
- Tab 22 – Architectural Drawings
- Tab 24 - Rent Schedule
- Tab 26 – Annual Operating Expense
- Tab 27 – Proforma
- Tab 30 – Development Cost Schedule
- Tab 31 – Schedule of Sources
- Tab 35 – Supporting Docs for Financing (Letters of Intent)

A check in the amount of \$2,500 representing the change request fee was delivered to the Asset Management Division.

The Applicant is requesting that this amendment request be placed on the agenda for approval at the earliest possible Board Meeting.

Thank you for your consideration of this request and please do not hesitate to contact me should you need further information.

Sincerely,



Jervon Harris
Development Consultant

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BOARD REPORT ITEM

MULTIFAMILY BOND DIVISION

JUNE 16, 2022

Quarterly report relating to staff-issued Determination Notices for 2021 and 2022 Non-competitive 4% Housing Tax Credit applications

BACKGROUND

In April 2021, the Board adopted a policy that allows a more streamlined approach to the review process associated with certain 4% Housing Tax Credit (HTC) applications. These applications include those where the Department's only role is in evaluating the 4% HTC and is not serving as the bond issuer or awarding Multifamily Direct Loan funds.

Specifically, the Board approved a series of waivers relating to staff's evaluation of certain program and underwriting requirements. Regarding underwriting, the waivers allow staff to accept the reasonableness of certain costs in an application without independent verification. Moreover, the new approach recognizes the benefit in evaluating costs at cost certification when amounts are actually known, rather than speculating what they might be at the time of application.

As it relates to the program requirements, the waivers allowed for the administrative approval and issuance of the Determination Notice which would allow staff more flexibility in responding to an applicant's needs in a manner not bound by the Board calendar. Part of the adoption of this streamlined policy included a report item to be provided to the Board on a quarterly basis detailing the number of Determination Notices issued, along with a brief description of the projects.

The 4% HTC applications are reviewed by program, underwriting, and compliance staff within an approximately 90-day period, and Determination Notices are issued once all reviews are complete and the underwriting report is posted to the Department's website. Applications are still submitted at the beginning of each month and are then slated for a Determination Notice to be issued approximately 90 days later, which generally coincides with the Board meeting calendar, in order to provide internal and external expectations regarding the Determination Notice issuance date.

The 4% HTC applications listed in Exhibit A include those where the Determination Notice was issued administratively by staff. Over the last quarter (March through May), staff has administratively issued 18 Determination Notices that would have otherwise been presented to the Board for approval. This represents 3,775 total units and \$35,805,646 in annual 4% Housing Tax Credits.

2021 Year-End Summary

The 4% HTC application log is included as Exhibit B in this item, and highlights 4% activity for the 2021 calendar year. The log includes an Application Status column which denotes those deals that have already closed and those that have been approved and are pending closing. There are still a few 2021 applications that have not closed; assuming they all close the 4% HTC program will produce 16,373 total units in 2021, which results in approximately \$141 million in annual 4% Housing Tax Credits.

2022 4% HTC Program Update

The 2022 Private Activity Bond (PAB) Program has an annual ceiling amount of approximately \$3.2 billion and as of June 3, 2022, eligible requests total approximately \$6.79 billion, with much of the requests coming from multifamily issuers that participated in the 2022 PAB Lottery. All of the bond reservations that were issued in January 2022 resulted in 4% HTC application submissions which can be seen in Exhibit C on the 2022 4% Application Log. There are 20 applications currently under review that total 4,709 total units. When considering what has closed, been approved, and is currently active, the total units are 9,958 units. Also reflected on the log are the pre-applications that continue to be submitted for the TDHCA set-aside for a bond reservation. It's worth noting that the TDHCA set-aside is only \$170 million and the waiting list (including the pre-applications noted on this log) total \$597,920,000, over three times over-subscribed.



EXHIBIT A

4% Housing Tax Credit Recommended Applications

Application #	Development Information	Determination Notice Issue Date	Units	Recommended HTC Amount	Bond Issuer & Priority Designation	PPR Category and Conditions
21470	Cien Palmas 7845 Lilac Way City: El Paso County: El Paso Acquisition/Rehabilitation Target Population: General	March 25, 2022	150	\$966,782	Alamito Public Facilities Corporation Priority 3	Previously Approved
21474	Denton Grove Apartments 200 Block of South Loop 288 City: Denton County: Denton New Construction Target Population: General	March 22, 2022	276	\$3,145,432	Denton County Housing Finance Corporation Priority 3	Category 2
21476	Legacy Square ~ 2519 Redwood Road City: San Marcos County: Hays New Construction Target Population: Elderly	April 20, 2022	210	\$2,030,241	Capital Area Housing Finance Corporation Priority 3	Category 1
21477	Reserve at Mayfield S.E. corner of E. Mayfield Rd. and New York Ave. City: Arlington County: Tarrant New Construction Target Population: Elderly	April 22, 2022	220	\$1,483,929	Arlington Housing Finance Corporation Priority 3	Previously Approved
21478	Pebblebrook Parkside 201 S. Loop 288 City: Denton County: Denton New Construction Target Population: General	April 6, 2022	216	\$2,382,230	Denton County Housing Finance Corporation Priority 3	Category 1
22402	River Trails Apartments 2914 Roosevelt Avenue City: San Antonio County: Bexar Acquisition/Rehabilitation Target Population: General	May 2, 2022	220	\$2,326,119	Las Varas Public Facility Corporation Priority 1A	Previously Approved
22403	Aurora Apartments	April 12, 2022	105	\$1,411,196	Las Varas Public Facility Corporation	Category 1

Application #	Development Information	Determination Notice Issue Date	Units	Recommended HTC Amount	Bond Issuer & Priority Designation	PPR Category and Conditions
	509 Howard Street City: San Antonio County: Bexar Acquisition/Rehabilitation Target Population: Elderly				Priority 1A	
22404	Liberty Arms 2601 N. Broadway Avenue City: Tyler County: Smith Acquisition/Rehabilitation Target Population: General	April 5, 2022	100	\$1,056,604	East Texas Housing Finance Corporation Priority 1B	Category 2
22405	Palladium East Foster Crossing N.E. corner of East Foster Crossing and Vail Lane City: Anna County: Collin New Construction Target Population: General	March 22, 2022	239	\$2,500,969	Anna Public Facility Corporation Priority 1C	Category 1
22406	Rosemont at Bethel Place 535 South Acme Road City: San Antonio County: Bexar Rehabilitation Target Population: General	May 13, 2022	250	\$2,316,590	Las Varas Public Facility Corporation Priority 1B	Previously Approved
22407	The Sorento 2803 Fredericksburg Road City: San Antonio County: Bexar Rehabilitation Target Population: Elderly	May 13, 2022	248	\$1,994,035	Las Varas Public Facility Corporation Priority 1B	Previously Approved
22408	Estelle Village Apartments 5969 Highland Village Drive City: Dallas County: Dallas Acquisition/Rehabilitation Target Population: General	April 6, 2022	300	\$3,026,001	Housing Options, Inc. Priority 1A	Category 1
22410	The Marketplace at Liberty Crossing ~5900 S. UH-45 a.k.a. 311/314 S. Goode Rd. City: Wilmer County: Dallas New Construction Target Population: General	March 30, 2022	318	\$2,970,848	Texas State Affordable Housing Corporation Priority 3	Category 1
22412	Rockwell Manor 2735 Rockwell Circle City: Brownsville County: Cameron Acquisition/Rehabilitation Target Population: General	April 7, 2022	126	\$1,306,891	The Cameron County Housing Finance Priority 1B	Category 1

Application #	Development Information	Determination Notice Issue Date	Units	Recommended HTC Amount	Bond Issuer & Priority Designation	PPR Category and Conditions
22413	Hickory Manor 1626 Old Hickory Trail City: DeSoto County: Dallas Acquisition/Rehabilitation Target Population: Elderly	April 4, 2022	190	\$1,561,646	North Central Texas Housing Finance Corporation Priority 1B	Category 1
22414	Tobias Place 505 W. Biddison City: Fort Worth County: Tarrant New Construction Target Population: General	April 22, 2022	288	\$2,716,676	Tarrant County Housing Finance Corporation Priority 1B	Category 1
22415	Cielo Tower 210 Cortez Street City: El Paso County: El Paso Acquisition/Rehabilitation Target Population: Elderly	May 16, 2022	123	\$1,348,086	Housing Opportunity Management Enterprises, PFC Priority 1A	Previously Approved
22416	Park Manor 1725 S. Farm to Market Rd. 1417 City: Sherman County: Grayson Acquisition/Rehabilitation Target Population: Elderly	April 12, 2022	196	\$1,261,371	The PFC Priority 1B	Category 2 Conditioned upon the following: 1. The controlling member(s) of associated development 04057 (ID 4112) Stone Hollow will correct all applicable issues of non-compliance identified with the associated development on or before May 31, 2022 and provide the Department with evidence of such correction within 30 calendar days of that date. 2. THF Housing Development Corporation is required to designate a person or persons to receive Compliance correspondence and ensure that this person or persons will provide timely responses for all Development(s) subject to TDHCA LURAs over which THF Housing Development Corporation has the power to exercise Control.
Totals for Recommended Applications			3,775	\$ 35,805,646		

EXHIBIT B

4% (Non-Competitive) Housing Tax Credit Program
2021 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
21444	20464	Pine Terrace	Mt. Pleasant	4/8/2021	Closed	76	76	\$ 3,300,000	\$193,440	\$ 259,570
21421	20493	The Ridge at Lancaster	Dallas	1/14/2021	Closed	300	300	\$ 50,000,000	\$2,707,319	\$ 2,707,319
21420	23; 19400; 20	Villas del San Xavier	San Marcos	2/12/2019; 2/11/202	Closed	156	156	\$ 25,000,000	\$1,059,750	\$ 1,606,175
21418	20497	The Oleanders at Broadway	Galveston	2/11/2021	Closed	348	261	\$ 51,757,648	\$2,085,677	\$ 2,074,543
21419	20490	2100 Memorial Drive	Houston	2/11/2021	Closed	197	160	\$ 35,000,000	\$2,091,385	\$ 2,074,355
21613	20619	The Citadel	Houston	5/13/2021	Closed	74	67	\$ 15,000,000	\$1,289,532	\$ 1,284,888
21614	2469; 20617	Murdeaux Villas	Dallas	4/8/2021	Closed	280	280	\$ 35,000,000	\$2,238,085	\$ 2,218,728
21601	5044	Ridgewood at Panther Creek	The Woodlands	3/11/2021	Closed	300	300	\$ 40,000,000	\$3,269,484	\$ 3,269,484
21602	4108	at Grogran's Mill (fka: Tamar	The Woodlands	3/11/2021	Closed	300	300	\$ 34,000,000	\$2,761,636	\$ 2,761,636
21605	20627	Palladium Simpson Stuart	Dallas	4/8/2021	Closed	270	270	\$ 25,750,000	\$2,135,593	\$ 2,135,593
21607	20630	Caroline Lofts	Houston	5/13/2021	Closed	119	80	\$ 20,000,000	\$847,717	\$ 847,717
21600	94063	Corona Del Valle	El Paso	4/8/2021	Closed	101	101	\$ 8,500,000	\$766,973	\$ 760,792
21402		Belmont	Austin	4/8/2021	Closed	146	146	\$ 30,000,000	\$1,264,833	\$ 1,264,833
21406		Midpark Towers	Dallas	3/11/2021	Closed	202	202	\$ 20,000,000	\$1,248,645	\$ 1,243,088
21407		Espero Austin	Austin	3/11/2021	Closed	171	171	\$ 20,000,000	\$1,350,600	\$ 1,350,588
21415		Temenos	Houston	6/17/2021	Closed	95	95	\$ 15,500,000	\$1,133,609	\$ 1,133,609
21400	20479	The Oaks	Dallas	4/8/2021	Closed	260	243	\$ 35,000,000	\$1,967,029	\$ 1,960,212
21604		Meadowbrook	Dallas	11/10/2021	Closed	180	162	\$ 30,000,000	\$1,823,422	\$ 1,823,422
21411		Gateway Oak Cliff	Dallas	4/8/2021	Closed	230	184	\$ 33,000,000	\$1,643,367	\$ 1,643,367
21410		Life at De Soto	Houston	4/8/2021	Closed	556	556	\$ 50,000,000	\$3,308,893	\$ 3,308,893
21403		Bluebonnet Ridge	Ennis	4/8/2021	Closed	264	263	\$ 23,000,000	\$1,985,983	\$ 1,985,983
21404		Agave	San Antonio	4/8/2021	Closed	288	288	\$ 50,000,000	\$2,559,042	\$ 2,863,483
21408		The Residences at Arbor Oaks	Houston	4/8/2021	Closed	192	192	\$ 20,000,000	\$1,931,603	\$ 1,931,603
21401	20492	Cowan Place	Fort Worth	3/11/2021	Closed	174	174	\$ 20,000,000	\$1,650,621	\$ 1,650,621
21416	7907	Virginia Flats	Beaumont	5/13/2021	Closed	110	110	\$ 15,000,000	\$833,030	\$ 833,030
21422	20144	Enchanted Gardens	Victoria	5/13/2021	Closed	168	168	\$ 20,830,247	\$1,555,427	\$ 1,152,758
21428		Grand Avenue Flats	Austin	6/17/2021	Closed	275	275	\$ 50,000,000	\$2,419,820	\$ 2,419,820
21423		El Rosario	Mission	6/17/2021	Closed	100	100	\$20,000,000 (portfolio)	\$805,597	\$ 767,789
21424		La Merced Homes	Mercedes	6/17/2021	Closed	100	100	see 21423	\$555,526	\$ 523,454
21436		Capitol View Flats	Austin	6/17/2021	Closed	324	324	\$ 50,000,000	\$2,656,332	\$ 2,656,332
21437		Enclave on Ross	Del Valle	6/17/2021	Closed	288	288	\$ 40,000,000	\$1,917,732	\$ 1,917,732
21435		Yager Flats	Manor	6/17/2021	Closed	300	300	\$ 32,524,093	\$3,473,070	\$ 3,460,215
21417		Westmoreland Station	Dallas	6/17/2021	Closed	248	223	\$ 30,000,000	\$2,320,054	\$ 2,320,054
21438		Las Palmas	Eagle Pass	6/17/2021	Closed	64	64	\$ 8,000,000	\$385,862	\$ 385,862
21413		Summit at Renaissance Park	Houston	6/17/2021	Closed	325	325	\$ 50,000,000	\$3,337,555	\$ 3,320,362
21425		Granada Apartments	San Antonio	6/17/2021	Closed	265	265	\$ 30,000,000	\$2,176,952	\$ 2,142,452
21426		The Lantana	San Marcos	6/17/2021	Closed	216	216	\$ 26,000,000	\$2,142,714	\$ 2,112,864
21439		Riverstation Apartments	Dallas	6/17/2021	Closed	236	236	\$ 28,000,000	\$1,941,483	\$ 1,940,716
21429		The Henderson on Reinli	Austin	6/17/2021	Closed	306	306	\$ 45,000,000	\$3,604,968	\$ 3,601,141
21441	11400; 20496	Marshall Apartments	Austin	12/10/2020	Closed	100	100	\$ 16,500,000	\$556,883	\$ 556,883
21448	20462	Sunland Country	Harlingen	11/5/2020	Closed	166	166	\$ 14,000,000	\$941,981	\$ 941,981
21445		Gardens of Balch Springs	Balch Springs	7/22/2021	Closed	200	200	\$ 27,000,000	\$1,705,989	\$ 1,705,989
21440	01459	City Parc at West Oaks	Houston	7/22/2021	Closed	168	168	\$ 22,650,000	\$1,204,122	\$ 1,199,972
21442		Bristol at Somerset	San Antonio	7/22/2021	Closed	348	348	\$ 40,000,000	\$2,741,353	\$ 2,741,353
21450	20482	W. Leo Daniels Towers	Houston	9/2/2021	Closed	100	100	\$ 15,000,000	\$1,222,178	\$ 1,222,178
21451	20489	Horizon Pointe	San Antonio	9/2/2021	Closed	312	312	\$ 35,000,000	\$3,135,059	\$ 3,134,991
21608		Fiji Lofts	Dallas	11/10/2021	Closed	174	154	\$ 25,000,000	\$2,137,340	\$ 2,080,856
21454		K Avenue Lofts	Plano	10/14/2021	Closed	226	179	\$ 19,000,000	\$1,203,498	\$ 1,203,444
21471		The Narrows	Hutto	11/10/2021	Closed	300	300	\$ 37,700,000	\$2,510,584	\$ 2,510,584
21456		The Residences at Howard Lane	Austin	10/14/2021	Closed	300	300	\$ 48,000,000	\$1,912,595	\$ 1,912,595
21457		El Prado at Estancia	Austin	10/14/2021	Closed	318	318	\$ 48,000,000	\$2,196,646	\$ 2,196,552
21463		Torrey Chase Apartments	Houston	11/10/2021	Closed	280	280	\$ 35,000,000	\$2,597,494	\$ 2,584,935
21603	2457	Park at Kirkstall	Houston ETJ	10/14/2021	Closed	240	240	\$ 28,000,000	\$2,052,396	\$ 2,052,394
21433		Balcones Trail	Kyle	12/9/2021	Closed	276	276	\$ 50,000,000	\$2,605,587	\$ 2,605,587
21472		Lockhart Farms	Lockhart	11/10/2021	Closed	120	120	\$ 15,000,000	\$1,380,109	\$ 1,380,109
21464	20473	Agave East	Austin	12/9/2021	Closed	240	240	\$ 25,000,000	\$2,136,183	\$ 2,114,101
21467		Crosswinds Apartments	San Antonio	12/9/2021	Closed	312	312	\$ 45,000,000	\$3,244,476	\$ 3,196,004
21414		Waterview Apartments	Anna	4/8/2021	Closed	300	300	\$ 38,000,000	\$3,318,016	\$ 3,318,016
21427		The Arbors at West Avenue	San Antonio	12/9/2021	Closed	232	232	\$ 25,000,000	\$2,088,610	\$ 2,078,868
21466		Loma Vista Lofts	San Antonio	12/9/2021	Closed	212	212	\$ 20,000,000	\$1,863,594	\$ 1,835,540
21460		Cypress Creek at Stoney Ridge	Austin	1/13/2022	Closed	280	227	\$ 47,500,000	\$1,692,576	\$ 1,692,576
21462		Parmore Fossil Creek	Haltom City	11/10/2021	Closed	220	220	\$ 25,000,000	\$1,997,206	\$ 1,960,963
21465		Parmore Anna	Anna	12/9/2021	Closed	185	185	\$ 25,000,000	\$1,865,707	\$ 1,829,464
21474		Denton Grove	Denton	3/10/2022	Closed	276	276	\$ 40,000,000	\$ 3,145,438	\$ 3,145,432
21476		Legacy Square	San Marcos	4/14/2022	Closed	210	210	\$ 30,000,000	\$ 2,030,241	\$ 2,030,241
21477		Reserve at Mayfield	Arlington	4/14/2022	Closed	220	220	\$ 26,500,000	\$ 1,483,929	\$ 1,483,929
21478		Pebblebrook Parkside	Denton	4/14/2022	Closed	216	216	\$ 32,000,000	\$ 2,382,230	\$ 2,382,230
21475		SoSA at Palo Alto	San Antonio	3/10/2022	Closed	336	336	\$ 31,000,000	\$ 2,950,904	\$ 2,950,904
						15,471	15,074	2,001,011,988	133,743,284	133,763,754
21458		Meadow Apartments	Austin	10/14/2021	Approved	288	286	\$ 35,000,000	\$3,041,538	\$ 3,035,241
21468	98089	Franklin Place Townhomes	El Paso	12/9/2021	Approved	96	96	\$ 13,418,262	\$431,296	\$ 431,296
21469	99095	Mesa Place Townhomes	El Paso	12/9/2021	Approved	128	128	\$ 13,418,262	\$531,644	\$ 531,644
21470	3134	Cien Palmas	El Paso	12/9/2021	Approved	150	148	\$ 12,700,000	\$966,782	\$ 966,782

21461		Stonegate Manor	Port Arthur	2/10/2022	Approved	240	240	\$	40,000,000	\$	1,951,702	\$	1,951,702
						902	898		114,536,524		6,922,962		6,916,665
					TOTAL	16,373	15,972	\$	2,115,548,512	\$	140,666,246	\$	140,680,419
21618		Providence on the Park	Dallas	4/8/2021	Pre-Application	280	280		TBD		\$2,334,513	\$	-
21628		The Preserve at Cottonwood Cre	Wilmer	10/14/2021	Pre-Application	226	226		TBD		\$2,495,507	\$	-
21629		Union Acres	Center	10/14/2021	Pre-Application	100	100		TBD		\$684,423	\$	-
21630		Palladium Glenn Heights Town Cer	Glenn Heights	10/14/2021	Pre-Application	240	240		TBD		\$1,893,040	\$	-
21631		The Standard at Royal Lane	Dallas	11/10/2021	Pre-Application	300	270		TBD		\$3,082,702	\$	-
21609		Throckmorton Villas	McKinney	2/11/2021	Pre-Application	220	216		TBD		\$1,957,902	\$	-
21612		Villas at Shriner's Point	San Angelo	2/11/2021	Pre-Application	156	156		TBD		\$1,229,185	\$	-
21611		The Reserve at Vineyard Oaks	Fredricksburg	2/11/2021	Pre-Application	152	120		TBD		\$960,737	\$	-
21621		Palladium East Berry Street	Fort Worth	9/2/2021	Pre-Application	240	240		TBD		\$2,233,160	\$	-
21622		Palladium Oak Grove	Fort Worth	9/2/2021	Pre-Application	240	240		TBD		\$2,235,058	\$	-
21623		The Flats at White Rock	Dallas	9/2/2021	Pre-Application	263	237		TBD		\$2,726,747	\$	-
21624		Potter's House at Primrose	Dallas	9/2/2021	Pre-Application	280	280		TBD		\$2,306,923	\$	-
21625		Primrose at Sequoia Park	Denton	9/2/2021	Pre-Application	250	250		TBD		\$1,952,193	\$	-
21626		Rosemont at Pecan Creek	Denton	9/2/2021	Pre-Application	264	264		TBD		\$2,302,382	\$	-
21619		Champions Crossing	San Marcos	7/22/2021	Pre-Application	156	156		TBD		\$1,165,038	\$	-
21620		Coral Hills	Houston	7/22/2021	Pre-Application	172	172		TBD		\$948,138	\$	-
21606	20626	Palladium at Sorcey Park (FKA	Dallas	4/8/2021	Withdrawn	152	152	\$	14,750,000		\$1,044,403	\$	-
21443	OSE UNDER B	Trinity Oaks	Sulpher Springs	4/8/2021	Withdrawn	48	48	\$	2,200,000		\$159,653	\$	188,836
21473		Mayhill Grove	Denton	1/13/2022	Withdrawn	360	359	\$	30,000,000		\$2,851,328	\$	-
21627		River Trails	San Antonio	9/2/2021	Withdrawn	220	220		TBD		\$2,302,778	\$	-
21615	20610	Terrace at Southern Oaks	Dallas	6/17/2021	Withdrawn	300	300	\$	45,000,000		\$2,000,114	\$	-
21409		Cypress Creek Apartment	Austin	5/13/2021	Withdrawn	362	289	\$	50,000,000		\$1,538,141	\$	-
21412		Celebration Arlington	Arlington	4/8/2021	Withdrawn	275	275	\$	48,000,000		\$2,330,099	\$	2,330,099
21452	97093	istoric Oaks Allen Parkway Villa	Houston	10/14/2021	Withdrawn	222	222	\$	35,000,000		\$1,418,597	\$	-
21453		Allen Parkway Village	Houston	10/14/2021	Withdrawn	278	278	\$	45,000,000		\$2,912,410	\$	-
21446	ID NOT CLOS	Machuca	El Paso	7/22/2021	Withdrawn	144	144	\$	20,000,000		\$1,264,383	\$	1,262,133
21431		Springwood	Balch Springs	6/17/2021	Withdrawn	284	284	\$	45,000,000		\$2,685,743	\$	-
21432		Oakwood	Balch Springs	6/17/2021	Withdrawn	288	288	\$	45,000,000		\$2,719,888	\$	-
21430		The Matador	Austin	6/17/2021	Withdrawn	285	285	\$	50,000,000		\$2,444,556	\$	-
21405		The Conrad	Austin	5/13/2021	Withdrawn	280	280	\$	45,000,000		\$2,291,055	\$	2,276,566
21610		Delafield Villas	Dallas	3/11/2021	Withdrawn	204	204		TBD		\$1,799,031	\$	-
21455	20413	Vista North Shore	Rowlett	10/14/2021	Withdrawn	289	289	\$	35,000,000		\$3,135,059	\$	3,134,991
21447		Progreso Heights	Progreso	1/13/2022	Withdrawn	120	120	\$	14,000,000		\$756,782	\$	-



EXHIBIT C

4% (Non-Competitive) Housing Tax Credit Program
2022 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
22404		Liberty Arms	Tyler	3/10/2022	Closed	100	99	\$ 17,500,000	\$ 1,066,888	\$ 1,056,604
						100	99	\$ 17,500,000	\$ 1,066,888	\$ 1,056,604
22604		Socorro Village	Socorro	3/10/2022	Approved	53	53	\$ 6,500,000	\$ 460,618	\$ 460,618
22408		Estelle Village Apartments	Dallas	3/10/2022	Approved	300	300	\$ 50,000,000	\$ 3,026,001	\$ 3,026,001
22413	04408	Hickory Manor	DeSoto	3/10/2022	Approved	190	190	\$ 24,000,000	\$ 1,571,685	\$ 1,561,646
22405		Palladium East Foster Crossing	Anna	3/10/2022	Approved	239	239	\$ 33,000,000	\$ 2,500,969	\$ 2,500,969
22412	07402	Rockwell Manor	Brownsville	3/10/2022	Approved	126	125	\$ 18,440,000	\$ 1,306,891	\$ 1,306,891
22607		Union Acres	Center	5/12/2022	Approved	100	100	\$ 10,100,000	\$ 679,520	\$ 679,520
22601		Torrington Arcadia Trails	Balch Springs	5/12/2022	Approved	250	250	\$ 35,000,000	\$ 2,726,740	\$ 2,726,740
22410		Marketplace at Liberty Crossing	Wilmer	4/14/2022	Approved	318	318	\$ 43,000,000	\$ 2,970,848	\$ 2,907,848
22416		Park Manor	Sherman	4/14/2022	Approved	196	196	\$ 25,000,000	\$ 1,267,012	\$ 1,261,371
22406	04447	Rosemont at Bethel Place	San Antonio	4/14/2022	Approved	250	250	\$ 41,000,000	\$ 2,316,590	\$ 2,316,590
22403		Aurora Apartments	San Antonio	4/14/2022	Approved	105	105	\$ 20,000,000	\$ 1,411,196	\$ 1,411,196
22407		The Sorento	San Antonio	4/14/2022	Approved	248	248	\$ 38,000,000	\$ 1,994,035	\$ 1,994,035
22402	060040	River Trails Apartments	San Antonio	4/14/2022	Approved	220	220	\$ 40,000,000	\$ 2,326,119	\$ 2,326,119
22418		Trendwood Apartments	Waco	4/14/2022	Approved	152	152	\$ 19,000,000	\$ 1,141,202	\$ 1,140,679
22415		Cielo Tower	El Paso	5/12/2022	Approved	123	123	\$ 20,000,000	\$ 1,348,086	\$ 1,348,086
22423	99126	Villages at Westlake	Abilene	5/12/2022	Approved	220	220	\$ 18,000,000	\$ 1,272,236	\$ 1,272,236
22432		Pathway on Woodrow	Denton	5/12/2022	Approved	285	285	\$ 40,000,000	\$ 2,837,871	\$ 2,837,871
22437		Country Club Village	San Antonio	5/12/2022	Approved	270	270	\$ 35,000,000	\$ 2,538,998	\$ 2,534,398
22419		800 Middle Apartments	Houston	5/12/2022	Approved	398	398	\$ 48,000,000	\$ 4,716,397	\$ 4,716,397
22441	04463	Lakeside Manor Senior	Little Elm	5/12/2022	Approved	176	176	\$ 25,000,000	\$ 1,494,907	\$ 1,494,907
22603		Marine Park	Fort Worth	6/16/2022	Approved	124	124	\$ 15,800,000	\$ 1,357,873	\$ 1,350,490
22608		Champion's Crossing	San Marcos	6/16/2022	Approved	156	156	\$ 20,000,000	\$ 1,117,969	\$ 1,117,969
22610		Palladium East Berry Street	Fort Worth	6/16/2022	Approved	240	240	\$ 26,100,000	\$ 2,575,221	\$ 2,575,221
22409		Pathways at Rosewood Courts	Austin	4/14/2022	Approved	184	184	\$ 30,000,000	\$ 2,594,071	\$ 2,594,071
22430	03009	Sandy Creek Apartments	Bryan	5/12/2022	Approved	226	226	\$ 23,000,000	\$ 1,897,648	\$ 1,895,254
						5,149	5,148	703,940,000	49,450,703	49,357,123
22426	04420	akeside Point (fka Tranquility Bay	Pearland	5/12/2022	Active	274	274	\$ 50,000,000	\$ 2,620,709	\$ -
22429		Cattleman Square Lofts Apartmen	San Antonio	5/12/2022	Active	138	138	\$ 25,000,000	\$ 1,645,866	\$ -
22424		Parkside Place	Pasadena	6/16/2022	Active	320	320	\$ 36,000,000	\$ 2,246,011	\$ -
22434		Highpoint at Wynnewood	Dallas	6/16/2022	Active	220	220	\$ 30,000,000	\$ 2,381,645	\$ -
22438	21453	Allen Parkway Village	Houston	6/16/2022	Active	278	278	\$ 45,000,000	\$ 2,941,771	\$ -
22439	37093/21453	historic Oaks Allen Parkway Villag	Houston	6/16/2022	Active	222	222	\$ 35,000,000	\$ 1,418,597	\$ -
22422		Ware Meadows Apartments	Longview	6/16/2022	Active	104	104	\$ 9,049,235	\$ 761,270	\$ -
22445	02020	Sunset Gardens	Houston	6/16/2022	Active	330	330	\$ 33,000,000	\$ 1,539,881	\$ -
22446		1800 Apartments	San Marcos	6/16/2022	Active	330	330	\$ 50,000,000	\$ 3,184,795	\$ -
22452	22421; 0446	Rosemont at Baytown	Baytown	6/16/2022	Active	250	250	\$ 33,000,000	\$ 1,539,881	\$ -
22609		380/Throckmorton Villas	McKinney	7/7/2022	Active	220	216	\$ 40,000,000	\$ 1,957,902	\$ -
22448	99011T	The Gateway at Lake Jackson	Lake Jackson	7/28/2022	Active	160	160	\$ 25,000,000	\$ 1,605,753	\$ -
22443		Legacy Senior Residences	Lockhart	7/28/2022	Active	172	172	\$ 31,000,000	\$ 1,876,567	\$ -
22444		ALMA at Greenwood	Corpus Christi	7/28/2022	Active	152	152	\$ 15,000,000	\$ 1,103,816	\$ -
22400		Robinhood Terrace Apartments	Brownsville	7/28/2022	Active	236	236	\$ 18,952,686	\$ 2,153,701	\$ -
22453		Vintage Ranch	Denton	7/28/2022	Active	207	207	\$ 35,000,000	\$ 2,369,870	\$ -
22440		Odem Street Apartments	Victoria	9/1/2022	Active	324	324	\$ 32,000,000	\$ 2,643,493	\$ -
22617		Palladium Oak Grove	Fort Worth	9/1/2022	Active	240	240	\$ 23,600,000	\$ 2,363,520	\$ -
22420	04088	South Plains Apartments	Lubbock	9/1/2022	Active	244	243	\$ 29,000,000	\$ 1,629,673	\$ -
22450		Airport Gateway Apartments	Austin	9/1/2022	Active	288	288	\$ 44,000,000	\$ 3,391,549	\$ -
						4,709	4,704	639,601,921	41,376,270	-
					TOTAL	9,958	9,951	\$ 1,361,041,921	\$ 91,893,861	\$ 50,413,727
22600		Harvest Ridge at Brushy Creek	Hutto	10/14/2021	Pre-Application	276	276	TBD	\$ 2,113,027	\$ -
22605		The Reserves Seagoville	Seagoville	12/9/2021	Pre-Application	240	240	TBD	\$ 2,071,508	\$ -
22606		West Houston Senior Living	Houston	2/10/2022	Pre-Application	70	70	TBD	\$ 800,000	\$ -
22611		The Rhett	Austin	1/13/2022	Pre-Application	215	215	TBD	\$ 1,915,860	\$ -
22612		Fieldcrest Apartments	Wilmer	3/10/2022	Pre-Application	312	312	TBD	\$ 3,172,938	\$ -
22613		The Crossing at Clear Creek	Dallas	3/10/2022	Pre-Application	264	238	TBD	\$ 2,649,300	\$ -
22615		Worthington Point	Fort Worth	3/10/2022	Pre-Application	248	248	TBD	\$ 1,971,770	\$ -
22616		The Terrace at Highland Hills	Dallas	4/14/2022	Pre-Application	300	270	TBD	\$ 3,170,461	\$ -
						1,925	1,869	-	17,864,864	-
22431		Crystal Bend Apartments	Pflugerville	4/14/2022	Withdrawn	237	237	\$ 26,172,665	\$ 1,824,136	\$ -
22436		Connally Loop	San Antonio	5/12/2022	Withdrawn	372	372	\$ 50,000,000	\$ 4,184,393	\$ -
22428		Bluffs at Nelms Senior Apartment	Austin	5/12/2022	Withdrawn	165	165	\$ 18,000,000	\$ 1,621,582	\$ -
22425		Harbor Walk Apartments	League City	5/12/2022	Withdrawn	138	138	\$ 20,400,000	\$ 1,298,927	\$ -
22433		Reserve at Hartsook	Houston	5/12/2022	Withdrawn	80	80	\$ 28,000,000	\$ 2,368,670	\$ -
22417	03410	Rosemont at Ash Creek	Dallas	5/12/2022	Withdrawn	280	280	\$ 35,000,000	\$ 2,195,070	\$ -
22411		EMLI at UNT Station	Dallas	5/12/2022	Withdrawn	324	324	\$ 45,000,000	\$ 3,035,704	\$ -
22447		Patriot's Pointe	San Antonio	6/16/2022	Withdrawn	320	320	\$ 30,000,000	\$ 2,712,406	\$ -
22414		Tobias Place	Fort Worth	4/14/2022	Withdrawn	288	288	\$ 30,000,000	\$ 2,716,676	\$ 2,716,676

8a

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

8b

**TO BE POSTED
NOT LATER THAN
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DATE OF THE
MEETING**

8c

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

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

8e

BOARD REPORT ITEM
MULTIFAMILY FINANCE DIVISION
JUNE 16, 2022

Report of Third Party Request for Administrative Deficiency under 10 TAC §11.10 of the 2022 Qualified Allocation Plan

BACKGROUND

Pursuant to 10 TAC §11.10 of the 2022 Qualified Allocation Plan related to Third Party Requests for Administrative Deficiency (RFAD), an unrelated person or entity may bring new, material information about an Application to staff's attention. Third parties may request that staff consider whether an Application should be the subject of an Administrative Deficiency, based on the information submitted with the request. At the time of filing the request, requestors must provide all briefings, documentation, and other information that the requestor offers in support of the deficiency. Requestors must provide sufficient credible evidence that, if confirmed, would substantiate the deficiency request. Assertions not accompanied by supporting documentation susceptible to confirmation will not be considered. The deadline for submission of RFADs was May 6, 2022, and 63 RFADs were submitted by this date.

The following describes the staff determinations for 2022 Competitive Housing Tax Credit (HTC) RFADs received which presented new, material information not present in the Application, and reflects all determinations on active applications made as of June 9 2022. All requests referenced herein were received and reviewed in accordance with 10 TAC §11.10. Where staff determined that the request substantiated the issuance of a Notice of Administrative Deficiency for the Application, the Applicant was provided the opportunity to respond to the submitted request. Staff has reviewed both the request and response in making its determination.

RFADs are required to present new, material information in order to be considered. In accordance with 10 TAC §11.10(c):

If the assertion(s) in the RFAD describe matters that are part of the Application review process, and the RFAD does not contain information not present in the Application, staff will not review or act on it.

A significant number of the RFADs submitted this round failed to present new information for staff's consideration, and accordingly, were not reviewed as part of this process. A list of these 42 requests is provided in this report. Additionally, 10 TAC §11.10(e) requires that requestors provide a copy of the request and all supporting information directly to the Applicant at the same time it is provided to the Department. Three requests were received which did not meet this requirement, and these are also listed separately in this report.

Several RFADs were received related to Application #22236, Casitas Acacia, in Brownsville. Upon receipt, the Applicant withdrew the Application from consideration for funding in this round.

Those RFADs are not included in this report, as they no longer relate to an active Application for funding.

Each of the 18 entries below identifies the HTC development/application identification number (TDHCA ID#), the name of the development, city, region, and the name and organization of the requestor. A brief summary of each request has been included, followed by Department staff's analysis of the request, and finally the staff resolution of the request. Any subsequent RFAD determinations will be reported to the Board at a subsequent meeting.

The Department's Governing Board has final decision-making authority on any of the issues reflected herein, and thus these determinations are subject to change; however, an RFAD requester may not formally appeal the staff determination of an RFAD through the Appeals Process. See 10 TAC §11.902(b) and 10 TAC §11.10.

Where staff concluded that a request result in loss of points or other action, the impacted Applicants have already been notified and given the separate opportunity to appeal the staff determination.

TDHCA ID#	22012	Development Name:	The Cypress Senior Homes
City:	Houston	Region:	6 Urban
Requested By:	Russ Michaels, CSH Vault Consulting, LLC		

Nature and Basis of Request:

The request suggests that the Applicant may have failed to meet the requirement to notify certain public entities established in Tex. Gov't Code §2306.6705(9) and 10 TAC §11.203. A new Houston City Councilmember was sworn in between the dates that the Pre-Application and the full Application were submitted. The Applicant notified the former councilmember as required when the Pre-Application was submitted, but did not notify the new member upon submission of the full Application.

Applicant Response to Notice of Administrative Deficiency:

Staff determined that a Notice of Administrative Deficiency was not necessary for this request as a determination could be made without one.

Analysis and Resolution:

In accordance with 10 TAC §11.203:

If notifications were made in order to satisfy requirements of pre-application submission (if applicable to the program) for the same Application, then no additional notification is required at Application. However, re-notification is required by all Applicants who have submitted a change from pre-application to Application that reflects a total Unit increase of greater than 10% or a 5% increase in density (calculated as units per acre) as a result of a change in the size of the Development Site. In addition, **should the jurisdiction of the official holding any position or role described in paragraph (2) of this section change** between the submission of a pre- application and the submission of an Application, **Applicants are required to notify the new entity** no later than the Full Application Delivery Date. (emphasis added)

The rule does not require that a person elected to the same jurisdiction be notified.

TDHCA ID#	22012	Development Name:	The Cypress Senior Homes
City:	Houston	Region:	6 Urban
Requested By:	Cody Hunt, Houston Ella Boulevard, Ltd.		

Nature and Basis of Request:

The request raises the same issue related to notifications as described above. In addition, the request notes that latitude and longitude coordinates were not provided in the Application to substantiate the data related to the Proximity to Jobs scoring item. For this scoring item, the US Census' OnTheMap tool is used to determine the number of jobs in proximity to the proposed development site. Neither the requestor nor staff were able to recreate a map showing this number of jobs using the OnTheMap tool.

Applicant Response to Notice of Administrative Deficiency:

Staff issued an Administrative Deficiency on June 2, 2022, to which the Applicant timely responded on June 9, 2022.

Analysis and Resolution:

The response is currently under review.

TDHCA ID#	22047	Development Name:	Residences at Parkview
City:	Denton	Region:	3 Urban
Requested By:	Manish Verma, Versa Development, LLC		

Nature and Basis of Request:

The request asks that staff review the Application to assess whether it qualifies for five points under the Underserved Area scoring item. In accordance with 10 TAC §11.9(c)(5)(F), Applications are eligible for these points if:

The Development Site is located entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 100,000 or more, and will not apply in the At-Risk Set-Aside.

The request suggests that the Application is not eligible for these points, as part of the census tract which contains the proposed development site is unincorporated.

Applicant Response to Notice of Administrative Deficiency:

Staff issued an Administrative Deficiency for this Application on May 10, 2022, which included this issue. The Applicant responded on May 17, 2022, but did not demonstrate to staff's satisfaction that the Application qualifies for these five points.

Analysis and Resolution:

Staff has determined that this Application does not qualify for the five points in question. A scoring notice was issued on May 25, 2022, which excluded these points. Because the final score varied by more than four points from what was reflected in the Pre-Application, the Application is also ineligible for the six points related to Pre-Application participation.

TDHCA ID#	22047	Development Name:	Residences at Parkview
City:	Denton	Region:	3 Urban
Requested By:	Adrian Iglesias, Generation Housing Partners		

Nature and Basis of Request:

This request raises the same issue related to Underserved Area points as the previous RFAD. Please refer to that section of the report for further information, analysis, and resolution.

TDHCA ID#	22047	Development Name:	Residences at Parkview
City:	Denton	Region:	3 Urban
Requested By:	Brian McGeady, MVAH Partners		

Nature and Basis of Request:

This request raises the same issue related to Underserved Area points as the previous RFAD. Please refer to that section of the report for further information, analysis, and resolution.

The request also asks staff to review information related to the Proximity to Jobs scoring item; however, no new information was provided beyond what already exists in the Application for staff review, and therefore staff did not review or act on this portion of the request, in accordance with 10 TAC §11.10(c).

TDHCA ID#	22106	Development Name:	Mariposa Apartment Homes at Plano Parkway
City:	Plano	Region:	3 Urban
Requested By:	Brian McGeady, MVAH Partners		

Nature and Basis of Request:

The request asks that staff review the Application to assess whether it qualifies for five points under the Underserved Area scoring item. In accordance with 10 TAC §11.9(c)(5)(F), Applications are eligible for these points if:

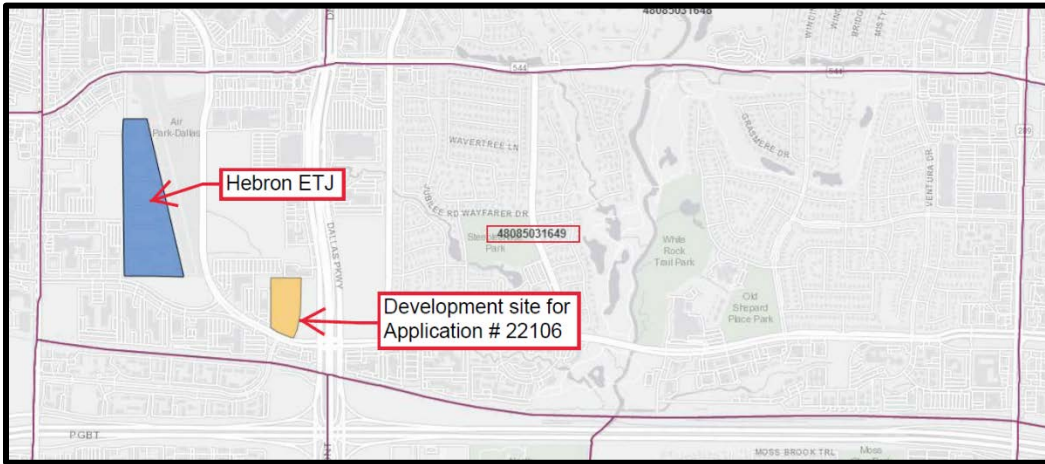
The Development Site is located entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 100,000 or more, and will not apply in the At-Risk Set-Aside.

The request suggests that the Application is not eligible for these points, as part of the census tract which contains the proposed development site is unincorporated.

The request also asks staff to review information related to the Proximity to Jobs scoring item; however, no new information was provided beyond what already exists in the Application for staff review, and therefore staff did not review or act on this portion of the request in accordance with 10 TAC §11.10(c).

Applicant Response to Notice of Administrative Deficiency:

Staff issued an Administrative Deficiency for this Application on June 3, 2022, and the Applicant timely responded. The response notes the specific requirement that the site be located, “within a census tract whose **boundaries** are wholly within an incorporated area” (emphasis added). Staff has reviewed a map of the census tract and determined that the boundaries are wholly within an incorporated area and that the unincorporated area in question does not intersect with the boundaries:



Analysis and Resolution:

Staff considers this response sufficient to resolve the deficiency.

TDHCA ID#	22106	Development Name:	Mariposa Apartment Homes at Plano Parkway
City:	Plano	Region:	3 Urban
Requested By:	Manish Verma, Versa Development, LLC		

Nature and Basis of Request:

This request raises the same issue related to Underserved Area points as the previous RFAD. Please refer to that section of the report for further information, analysis, and resolution.

TDHCA ID#	22110	Development Name:	Cypress Creek Apartment Homes at Montfort Drive
City:	Dallas	Region:	3 Urban
Requested By:	Robert Long, Hill Tide Partners, LLC		

Nature and Basis of Request:

The request asks the Department to review the Application to determine whether the Application should be eligible for five points under 10 TAC §11.9(c)(5)(E) related to Underserved Area. The Development’s census tract is in Dallas and in Addison, which does not meet the population threshold of 100,000. In accordance with 10 TAC §11.9(c)(5)(F), Applications are eligible for these points if:

The Development Site is located entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 100,000 or more, and will not apply in the At-Risk Set-Aside.

Applicant Response to Notice of Administrative Deficiency:

Staff determined that a Notice of Administrative Deficiency was not necessary for this request as a determination could be made without one.

Analysis and Resolution:

Staff has reviewed this issue and determined that the requestor’s interpretation of this requirement is not consistent with staff’s previous guidance on this topic, including a response to a similar RFAD in 2019. The 100,000 or more population threshold applies to the place where the Development Site is located and has no bearing on the population of the census tract. The census tract(s) have to be “wholly within an incorporated area.” In this case, the Development Site is located in Dallas, which has a population greater than 100,000, and the census tract is wholly within Dallas and Addison, both incorporated areas. To be ineligible for points, part of the census tract would need to be outside of an incorporated area.

TDHCA ID#	22114	Development Name:	Las Brisas Redevelopment
City:	Houston	Region:	6 Urban
Requested By:	Cody Hunt, Houston Ella Boulevard, Ltd.		

Nature and Basis of Request:

The request suggests that the Applicant may have failed to meet the requirement to notify certain public entities established in Tex. Gov’t Code §2306.6705(9) and 10 TAC §11.203. A new Houston City Councilmember and new school board president were sworn in between the dates that the Pre-Application and the full Application were submitted. The Applicant notified the former councilmember and school board president as required when the Pre-Application was submitted, but did not notify the new members upon submission of the full Application.

The request also asks staff to review information related to the Input from Community Organizations scoring item; however, no new information was provided beyond what already exists in the Application for staff review, and therefore staff did not review or act on this portion of the request in accordance with 10 TAC §11.10(c).

Applicant Response to Notice of Administrative Deficiency:

Staff determined that a Notice of Administrative Deficiency was not necessary for this request as a determination could be made without one.

Analysis and Resolution:

This request is substantially similar to the RFAD submitted for Application #22012. Please refer to that section of this report for analysis and resolution.

TDHCA ID#	22171	Development Name:	The Ponderosa
City:	Alice	Region:	10 Rural
Requested By:	David Fournier, Fish Pond Development, LLC		

Nature and Basis of Request:

The request suggests that two material deficiencies may exist within the Application. The first relates to the public notification requirements established in Tex. Gov’t Code §2306.6705(9) and

10 TAC §11.203. The Pre-Application and Application both list Carlos Gonzalez as a County Commissioner for Jim Wells County, which is an entity that is required to be notified. The request indicates that Carlos Gonzalez was replaced in office on January 1, 2022, by Renee Chapa. In accordance with 10 TAC §11.8(b)(2)(B), “Officials to be notified are those officials in office at the time the pre-application is submitted.”

The second material deficiency suggested by the request is that the Application does not include a Primary Market Area map, as required by 10 TAC §11.205. This section of the QAP states that applications will be terminated if required reports (including the map) are not received by the deadline. This section of the RFAD in question does not bring new information as required by 10 TAC §11.10(c); however, it is being included here as it is necessary background information for the Analysis and Resolution explained below.

The request includes additional items related to eligibility for points under Opportunity Index, Pre-Application participation, and Sponsor Characteristics; however, no new information was provided beyond what already exists in the Application for staff review, and therefore staff did not review or act on this portion of the request in accordance with 10 TAC §11.10(c).

Applicant Response to Notice of Administrative Deficiency:

Staff determined that a Notice of Administrative Deficiency was not necessary for this request as a determination could be made without one.

Analysis and Resolution:

During the review of the Application, staff determined that the absence of a Primary Market Area map is sufficient cause for termination. A termination notice was issued on June 1, 2022, pending the Applicant’s right to appeal. In the event that the Applicant successfully appeals this termination, staff will review the other items raised in the RFAD at that time.

TDHCA ID#	22185	Development Name:	Casa de Magnolia
City:	Houston	Region:	6 Urban
Requested By:	Cody Hunt, Houston Ella Boulevard, Ltd.		

Nature and Basis of Request:

The request suggests that the Applicant may have failed to meet the requirement to notify certain public entities established in Tex. Gov’t Code §2306.6705(9) and 10 TAC §11.203. A new Houston City Councilmember and new school board president were sworn in between the dates that the Pre-Application and the full Application were submitted. The Applicant notified the former councilmember and school board president as required when the Pre-Application was submitted, but did not notify the new members upon submission of the full Application.

Applicant Response to Notice of Administrative Deficiency:

Staff determined that a Notice of Administrative Deficiency was not necessary for this request as a determination could be made without one.

Analysis and Resolution:

This request is substantially similar to the RFAD submitted for Application #22012. Please refer to that section of this report for analysis and resolution.

TDHCA ID#	22220	Development Name:	Burkburnett Royal Gardens
City:	Burkburnett	Region:	2 Rural
Requested By:	Darrell Jack, Apartment MarketData, LLC		

Nature and Basis of Request:

The request asks staff to review the Market Analysis submitted for the Application to determine whether it comports with the requirements of 10 TAC §11.303. The request suggests that the Market Analysis uses an excessively large Primary Market Area, and therefore overstates the demand for the development. The request further asserts that the Market Analysis fails to provide rationale as to why the Market Area includes much of Wichita Falls, which is approximately 15 miles from the proposed development site.

Applicant Response to Notice of Administrative Deficiency:

Staff determined that a Notice of Administrative Deficiency was not necessary for this request as a determination could be made without one.

Analysis and Resolution:

Staff disagrees with the conclusion drawn by the requestor. The Primary Market Area submitted with this Application is approximately 140 square miles, which is not excessively large in a rural market. The Market Analysis identifies several factors which might cause tenants from Wichita Falls to secure housing in Burkburnett, including proximity and availability of new affordable housing and the existence of new jobs in the area. No action was taken by staff as a result of this RFAD.

TDHCA ID#	22227	Development Name:	Lalita Senior Living
City:	Brownsville	Region:	11 Urban
Requested By:	Andrew Sinnott, Calle del Norte Apartments, LP		

Nature and Basis of Request:

The request suggests that the proposed development site includes a small portion in a census tract which was not reported on the Pre-Application or the Application, which would make the Application ineligible for six points related to Pre-Application, since consistent disclosure of the Application’s census tracts in both the Pre-Application and Application is a requirement for those points.

The request also raises issues related to the requirement of an Appraisal; however, no new information was provided beyond what already exists in the Application for staff review, and therefore staff did not review or act on this portion of the request in accordance with 10 TAC §11.10(c).

Applicant Response to Notice of Administrative Deficiency:

Staff issued an Administrative Deficiency for this issue on May 31, 2022, to which the Applicant timely responded. The response notes that the definition of “Development Site” located at 10 TAC §11.1(d)(41) only includes the area proposed to be encumbered by a Land Use Restriction Agreement (LURA). The response includes documentation demonstrating that the portion of the site shown on the survey which is called into question by this Request for Administrative Deficiency is both a canal and a public right-of-way, neither of which can be encumbered by a LURA, and therefore are not part of the “Development Site.”

Staff considers this response sufficient to resolve the deficiency.

Analysis and Resolution:

Staff considers this response sufficient to resolve the deficiency.

TDHCA ID#	22258	Development Name:	The Reserves at Monarch
City:	Denton	Region:	3 Urban
Requested By:	Adrian Iglesias, Generation Housing Partners		

Nature and Basis of Request:

The request questions whether the threshold requirements of §11.204(15) were met, due to an undisclosed easement for the proposed development site.

The request also suggests that the Application may not be eligible for points related to the Concerted Revitalization Plan item. This section of the RFAD in question does not bring new information as required by 10 TAC §11.10(c); however, it is being included here as it is necessary background information for the Analysis and Resolution explained below.

Applicant Response to Notice of Administrative Deficiency:

Staff has determined that the Application does not qualify for seven points related to the Concerted Revitalization Plan. A scoring notice was issued on June 1, 2022, which included the reduction in points. This reduction in points results in the Application no longer being competitive within the 3 Urban subregion, therefore no further analysis of the other items noted is required. The Applicant timely submitted an appeal of this determination on June 8, 2022. The appeal will first be reviewed by the Executive Director, who may either grant or deny the appeal. If denied, staff anticipates that the appeal will be presented to the Board at the meeting to be held on July 7, 2022.

Analysis and Resolution:

TDHCA ID#	22273	Development Name:	Coral Hills
City:	Houston	Region:	At Risk
Requested By:	Bill Fisher, Sonoma Housing Advisors, LLC		

Nature and Basis of Request:

The request suggests that the Applicant may have failed to meet the requirement to notify certain public entities established in Tex. Gov’t Code §2306.6705(9) and 10 TAC §11.203. A new Houston City Councilmember was sworn in between the dates that the Pre-Application and the

full Application were submitted. The Applicant notified the former councilmember as required when the Pre-Application was submitted, but did not notify the new member upon submission of the full Application.

The request also includes questions related to the Application’s relocation plan; however, no new information was provided beyond what already exists in the Application for staff review, and therefore staff did not review or act on this portion of the request in accordance with 10 TAC §11.10(c).

Applicant Response to Notice of Administrative Deficiency:

Staff determined that a Notice of Administrative Deficiency was not necessary for this request as a determination could be made without one.

Analysis and Resolution:

This request is substantially similar to the RFAD submitted for Application #22012. Please refer to that section of this report for analysis and resolution.

TDHCA ID#	22274	Development Name:	Cady Lofts
City:	Austin	Region:	7 Urban
Requested By:	Valentin DeLeon, Housing Trust Group, LLC		

Nature and Basis of Request:

The request suggests that the Applicant may have failed to meet the requirement to notify certain public entities established in Tex. Gov’t Code §2306.6705(9) and 10 TAC §11.203. A new Austin City Councilmember was sworn in between the dates that the Pre-Application and the full Application were submitted. The Applicant notified the former councilmember as required when the Pre-Application was submitted, but did not notify the new member upon submission of the full Application.

Applicant Response to Notice of Administrative Deficiency:

Staff determined that a Notice of Administrative Deficiency was not necessary for this request as a determination could be made without one.

Analysis and Resolution:

This request is substantially similar to the RFAD submitted for Application #22012. Please refer to that section of this report for analysis and resolution.

TDHCA ID#	22274	Development Name:	Cady Lofts
City:	Austin	Region:	7 Urban
Requested By:	Cynthia Bast, Locke Lord LLP		

Nature and Basis of Request:

The request raises the same issue related to notifications as described above.

In addition, the request raises issues related to the financial feasibility of the development; however, no new information was provided beyond what already exists in the Application for

staff review, and therefore staff did not review or act on this portion of the request in accordance with 10 TAC §11.10(c).

Applicant Response to Notice of Administrative Deficiency:

Staff determined that a Notice of Administrative Deficiency was not necessary for this request as a determination could be made without one.

Analysis and Resolution:

This request is substantially similar to the RFAD submitted for Application #22012. Please refer to that section of this report for analysis and resolution.

TDHCA ID#	22295	Development Name:	The Warehouse Lofts at 707
City:	Houston	Region:	6 Urban
Requested By:	Cody Hunt, Houston Ella Boulevard, Ltd.		

Nature and Basis of Request:

The request suggests that the Applicant may have failed to meet the requirement to notify certain public entities established in Tex. Gov't Code §2306.6705(9) and 10 TAC §11.203. A new school board president was sworn in between the dates that the Pre-Application and the full Application were submitted. The Applicant notified the former school board president as required when the Pre-Application was submitted, but did not notify the new member upon submission of the full Application.

Applicant Response to Notice of Administrative Deficiency:

Staff determined that a Notice of Administrative Deficiency was not necessary for this request as a determination could be made without one.

Analysis and Resolution:

This request is substantially similar to the RFAD submitted for Application #22012. Please refer to that section of this report for analysis and resolution.

The following 42 RFADs were received by the deadline of May 6, 2022, but did not present new, material information as required by 10 TAC §11.10(c). In accordance with the QAP, staff did not review or act on these requests.

TDHCA ID#	Development	Requested By:
22002	Thomas Square	Bill Fisher, Sonoma Housing Advisors, LLC
22023	Kirkwood Crossing	Cody Hunt, Houston Ella Boulevard, Ltd.
22047	Residences at Parkview	Thomas E. Huth, McKinney Virginia Parkway, Ltd.
22060	Evening Star	Bill Fisher, Sonoma Housing Advisors, LLC
22078	Cobblestone Court	Bill Fisher, Sonoma Housing Advisors, LLC
22094	Tejas Cove	Bill Fisher, Sonoma Housing Advisors, LLC
22100	Oak Bluff Village	Bill Fisher, Sonoma Housing Advisors, LLC
22110	Cypress Creek	Brian McGeady, MVAH Partners
22116	Amber Ridge	David Fournier, Fish Pond Development, LLC
22160	Frontage Estates	CJ Lintner, KCG Development, LLC
22174	The Victorian	David Fournier, Fish Pond Development, LLC
22175	Patriot Pointe	Alyssa Carpenter
22199	Torrington Fallmeadow	Brian McGeady, MVAH Partners
22219	Celebration Paris	Andrew Sinnott, Paris View Apartments, LP
22220	Burkburnett Royal Gardens	C. Breck Kean, Rea Ventures Group, LLC
22222	Paris View	Lora Myrick, J-H Paris Realty GP, LLC
22227	Lalita Senior Living	Steve Lollis, TGO Amador Lofts 22 GP, LLC
22249	Weber Lofts	Rick Deyoe, Realtex Development Corporation
22250	Juniper Apartments	Jordan Snyder, Gardner Capital
22250	Juniper Apartments	Adrian Iglesias, Generation Housing Partners
22250	Juniper Apartments	Thomas E. Huth, McKinney Virginia Parkway, Ltd.
22250	Juniper Apartments	Brian McGeady, MVAH Partners
22251	Gala at Ridgmar	Brian McGeady, MVAH Partners
22254	Landmark 301	Cody Hunt, Houston Ella Boulevard, Ltd.
22257	The Reserves at Magnolia	Brian McGeady, MVAH Partners
22258	The Reserves at Monarch	Thomas E. Huth, McKinney Virginia Parkway, Ltd.
22258	The Reserves at Monarch	Brian McGeady, MVAH Partners
22263	The Legacy in Denton	Brian McGeady, MVAH Partners
22278	Lydle Ridge	Brian McGeady, MVAH Partners
22285	Jaipur Lofts	Robert Long, Hill Tide Partners, LLC
22291	The Zeisel	Adrian Iglesias, Generation Housing Partners
22291	The Zeisel	Thomas E. Huth, McKinney Virginia Parkway, Ltd.
22297	Lapiz Flats	Brian McGeady, MVAH Partners
22302	Gray Park Villas	Adrian Iglesias, Generation Housing Partners
22302	Gray Park Villas	Alyssa Carpenter
22302	Gray Park Villas	Thomas E. Huth, McKinney Virginia Parkway, Ltd.
22302	Gray Park Villas	Brian McGeady, MVAH Partners
22302	Gray Park Villas	Brian McGeady, MVAH Partners

22320	Lavaca Bay	Rick Deyoe, Realtex Development Corporation
22320	Lavaca Bay	David Fournier, Fish Pond Development, LLC
22327	Abbingtion at Gordon Lake	Noor Jooma, Burkburnett Royal Gardens, LLC
22331	Pinehurst Villas	Christopher Akbari, The ITEX Group, LLC

The following three RFADs were received by the deadline of May 6, 2022, but did not meet the notification requirements established in 10 TAC §11.10(e). In accordance with the QAP, staff did not review or act on these requests.

TDHCA ID#	Development	Requested By:
22274	Cady Lofts	Joshua Ellinger, Hancock Neighborhood Association
22274	Cady Lofts	Coan Dillahunty, Hancock Neighborhood Association
22274	Cady Lofts	Joshua Ellinger, Hancock Neighborhood Association

22012

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The Cypress Senior Homes

-

**Request for Administrative
Deficiency**



May 6, 2022

Mr. Cody Campbell, Director of Multifamily Programs
Texas Department of Housing and Community Affairs (TDHCA)
21 East 11th Street
Austin, Texas 78701

RE: QAP §11.10 Third Party Request for Administrative Deficiency (RFAD) / HTC Application #22012

Dear Mr. Campbell,

Please consider this RFAD for Application #22012 Cypress Senior Homes. This application may have a material deficiency that would result in termination and/or the loss of pre-application points.

As per the §11.203 Public Notifications requirement, the officials to be notified are “those in office at the time Application is submitted”.

At the time full applications were submitted, the appropriate city official for notification in the City of Houston in District G was Councilmember Mary Nan Huffman. She was sworn in on the morning of February 2, 2022, replacing former Councilmember Greg Travis who had stepped down. See attached, **Exhibit A**.

At issue is the fact that the Applicant certified that “no additional notifications were required” and furthermore checked the box on Tab-14 of its full application, affirming that “there have been no changes” in elected officials from pre-application to full application. See attached, **Exhibit B**. As per the special city election, that would not be correct. Importantly, this indicates that the Applicant may not have complied with the §11.203 Public Notifications requirement that stipulates new Councilmember Mary Nan Huffman be notified before the full application deadline.

On behalf of my clients, I kindly request that staff inquire as to whether the Applicant for Application #22012 made the appropriate notification as per the rules and can evidence receipt of the notification. In addition, I would like to urge staff to consider a cursory administrative review of Tab-14 on all City of Houston full applications, which should indicate that there was a change in elected officials from pre-application to full application. As always, thank you for your timely attention to this matter.

Kind Regards,

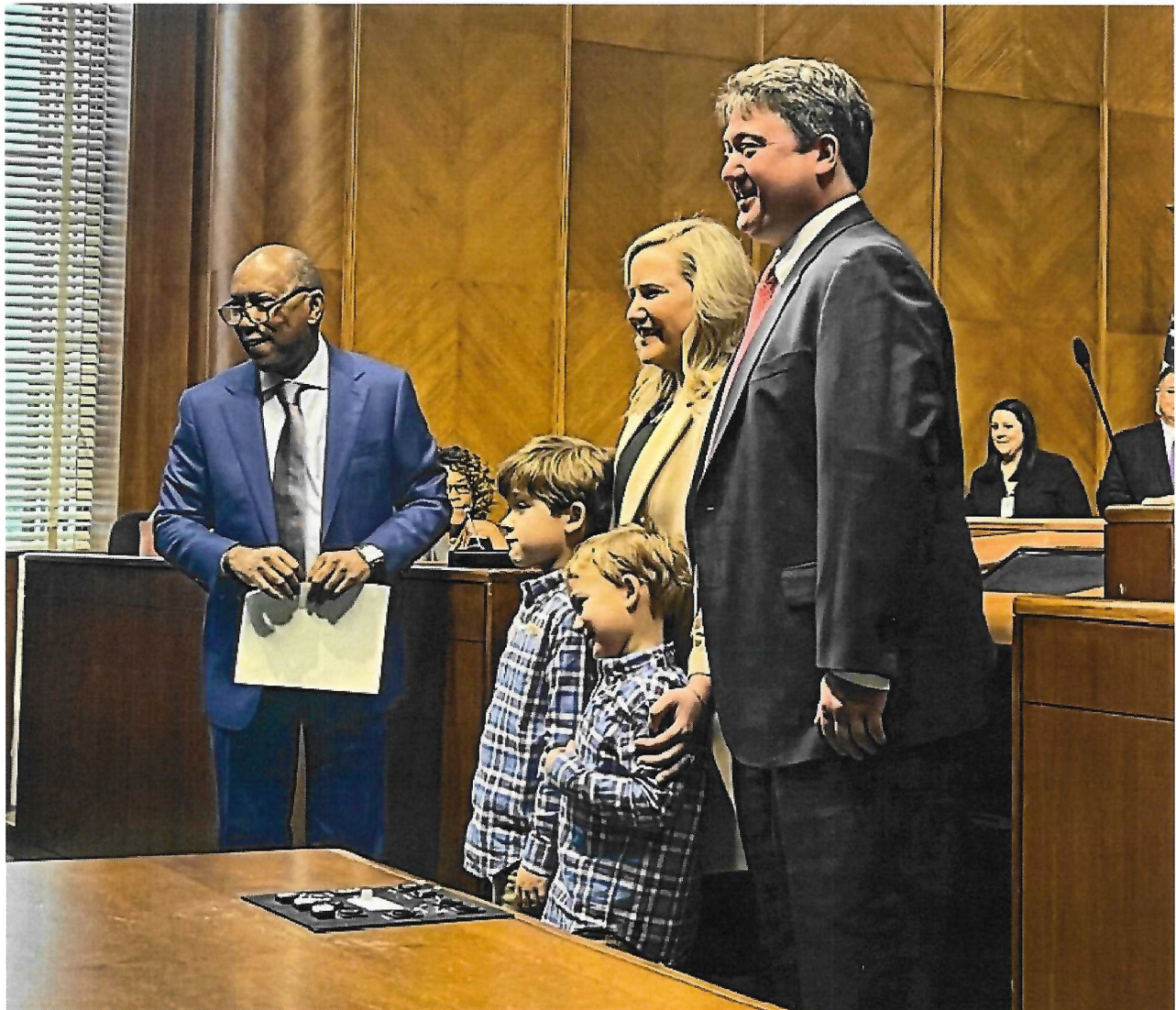
A handwritten signature in blue ink, appearing to read "Russ Michaels".

Russ Michaels, Esq. / Development Consultant
russ@csh-vault.com
212-960-3913 c

Exhibit A

[Houston](#) > [Heights - River Oaks - Montrose](#) > [City & County](#)

Mary Nan Huffman sworn in as new District G Houston City Council member



Mary Nan Huffman stands with her family after being sworn in. (Community Impact Newspaper/Sofia Gonzalez)

By [Sofia Gonzalez](#) | 4:10 PM Feb 2, 2022 CST | Updated 4:10 PM Feb 2, 2022 CST

On Feb. 2, Houston City Council unanimously passed an ordinance to swear in new Council Member Mary Nan Huffman.

A special election was held for District G—which covers west Houston, including River Oaks and Afton Oaks inside Loop 610—on Jan. 25 to replace now former Council Member Greg Travis. Travis stepped down from the position to run for Texas House of Representatives District 133.

"We serve the public, and we serve in the public eye," Travis said prior to Huffman's swearing in. "Take your job seriously, but not yourself seriously. We serve others. I'll see you later in another capacity."

On her [website](#), Huffman describes herself as a conservative, pro-public safety candidate who hopes to keep her neighborhoods safe and the city free from corruption.

"District G is a wonderful place to live, work and raise a family," Huffman said in a statement on her website. "In the past five years we have battled devastating flooding, rising crime and deteriorating infrastructure. We deserve better."

Before joining City Council, Huffman worked in Montgomery County, where she served as a prosecutor before moving up to chief felony prosecutor in the child exploitation division and over the internet crimes against children task force.

While the council said their goodbyes to Travis, many reflected on his work in District G. Following council comments, Travis received a standing ovation.

Huffman won the special election by earning 53.85% of the vote, or 4,551 votes, in a race that featured five candidates. The second closest vote total came from Piper Madland, who earned 2,517 votes.

With Huffman sworn in, Council Member Dave Martin noted that women now outnumber men on the council.

"Congratulations; welcome to the horseshoe," District H Council Member Karla Cisneros said to Huffman. "Welcome to the pink wave."

[HOUSTON CITY COUNCIL](#) [MARY NAN HUFFMAN](#)

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By [Sofia Gonzalez](#) 

Sofia joined Community Impact Newspaper in January 2022 after graduating with a degree in Journalism from the University of Houston in December 2021. Sofia covers a variety of stories in her market, with a main focus on Houston City Council. Prior to CI, Sofia interned for Houston Public Media and Houstonia Magazine, and spent time writing for UH's student media.

AUSTIN METRO

Austin Metro Home
Cedar Park | Leander
Central Austin
Georgetown
Lake Travis | Westlake
New Braunfels
Northwest Austin
Round Rock
Pflugerville | Hutto
San Marcos | Buda | Kyle
Southwest Austin | Dripping Springs

HOUSTON METRO

Houston Metro Home
Bay Area
Bellaire | Meyerland | West University
Conroe | Montgomery
Cy-Fair
Heights | River Oaks | Montrose
Katy
Lake Houston | Humble | Kingwood
Pearland | Friendswood
Spring | Klein
Sugar Land | Missouri City
The Woodlands
Tomball | Magnolia

DALLAS | FORT WORTH METRO

Dallas | Fort Worth Metro Home
Frisco
Grapevine | Colleyville | Southlake
Keller | Roanoke | Northeast Fort Worth
Lake Highlands | Lakewood
Lewisville | Flower Mound | Highland
Village
McKinney
Plano
Richardson

SAN ANTONIO METRO

San Antonio Metro Home
North San Antonio
Northeast San Antonio Metrocom

PHOENIX METRO

Phoenix Metro Home
Chandler
Gilbert
Tempe

NASHVILLE METRO

Franklin | Brentwood
Murfreesboro



(866) 989-6808

[TERMS OF SERVICE](#) | [PRIVACY POLICY](#) | [FEEDBACK](#) |



Exhibit B

is located within the attendance zone of an elementary school, a middle school or a high school that has a TEA Accountability Rating of D for the most recent year available prior to Application and an Improvement Required Rating for the most recent available year preceding or a TEA Accountability Rating of F for the most recent year available prior to Application and a Met Standard Rating by the Texas Education Agency for the most recent available year preceding. Elderly Developments, Developments encumbered by a TDHCA LURA on the first day of the Application Acceptance Period or date the pre-application is submitted (if applicable) and Supportive Housing SRO Developments or Supportive Housing Developments where all Units are Efficiency Units are exempt from the requirement to provide mitigation for the presence of this characteristic, but are still required to provide rating information in the Application and disclose the presence of the Neighborhood Risk Factor.

Certification of Notifications 10 TAC §11.203

All Applicants must complete Parts 1 through 3, below, and provide all required information in the Pre-Application or Application.

Part 1. Notifications made at Pre-Application (For Competitive or 4% Applications);

The Development Owner certifies that the pre-application included evidence of these notifications pursuant to 10 TAC §11.203, the pre-application met all threshold requirements, and no additional notifications were required with this full Application.

Re-notifications made at Application (Competitive and 4% Applications):

The Development Owner certifies that the pre-application for this full Application met all threshold requirements, but all required entities were re-notified as required by 10 TAC §11.203.

Notifications made at Application:

The Development Owner certifies that no pre-application was submitted, and I (We) certify that the all required entities were notified as required by 10 TAC §11.203.

The Development Owner certifies that one or more entities described changed between the submission of the pre-application and the Application, and I (We) certify that the new entity was notified as required by 10 TAC §11.203.

The Development Owner certifies that as applicable, all re-notifications or notifications made at Application are indicated in the Application on the Elected Officials and/or Neighborhood Organizations Form(s).

22012

-

The Cypress Senior Homes

-

**Request for Administrative
Deficiency**

Houston Ella Boulevard, Ltd.

May 6, 2022

Mr. Cody Campbell
Director of Multifamily Finance
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701

RE: Request for Administrative Deficiency TDHCA #22012 – Cypress Senior Homes

Dear Mr. Campbell:

Houston Ella Boulevard, Ltd. respectfully requests this letter serve as our Third-Party Request for Administrative Deficiency (RFAD) to review 10 TAC §11.203 Public Notification and 10 TAC §11.9(c)(7) Proximity to Jobs by the Applicant TMD Cypress, Ltd., for their application #22012 – Cypress Senior Homes. It is our position the Applicant failed to meet the required public notification requirements because they did not notify the new Houston City Councilmember for District G, Mary Nan Huffman sworn in on February 2, 2022 (see Exhibit A), after Pre-Application and before Full Application submission. The Applicant confirms there was no re-notification by checking the box on Tab 14 – Elected Officials in their full application between Pre-Application and Application (see Exhibit B). By failing to notify Councilmember Huffman, the correct person in office at the time between pre-application and full application, TMD Cypress, Ltd. did not meet threshold related to public notification in the 2022 QAP. Also, the Applicant did not provide the required coordinates for the OnTheMap tool. Based on our analysis the Development is located within two miles of 14,010 primary jobs and does not qualify for six (6) points. A copy of this RFAD is being delivered concurrently to representatives of the Cypress Senior Homes.

10 TAC §11.203(2) Public Notifications clearly states that:

Officials to be notified are those in office at the time the Application is submitted. Note that between the time of pre-application (if made) and full Application, the boundaries of their jurisdictions may change. Meetings and discussions do not constitute notification.

§11.8 (a)(B) Pre-Application Requirements which describe the only method of notification which would also apply to a re-notification.

Only a timely and compliant written notification to the correct entity constitutes notification

§11.203(2)(E) specifies the recipients include:

(E) All elected members of the Governing Body of the municipality...

While the public notification section says the notification must be sent to all of the entities identified, the requirement for public notification is only satisfied by a written notification to the elected official in office at the time of Application and if there is a change of elected officials a re-notification must be done prior to application submission. TMD Cypress, Ltd., did not meet this requirement.

In addition, §11.204(4)(A). Required Documentation for Application Submission identifies the threshold documentation required for submission in the application as:

(A) Prior to submission of an Application to the Department, an Applicant must provide notice of the intent to file the Application in accordance with §11.203 of this chapter (relating to Public Notifications (§2306.6705(9)))

The Applicant noted in their pre-application they notified Greg Travis who was the Houston City Councilmember for District G at that time but failed to notify Mary Nan Huffman who became the newly elected Houston City Councilmember for District G after the pre-application deadline but before the final submission of the full application. The Applicant did not meet the threshold public notification requirement and should be terminated for any further consideration for an award.

§11.9(c)(7) Proximity to Job Area states:

(7) Proximity to Job Areas. (§42(m)(1)(C)(i)) An Application may qualify to receive up to six (6) points if the Development Site is located in one of the areas described in subparagraphs (A) or (B) of this paragraph, and the Application contains evidence substantiating qualification for the points. The data used will be based solely on that available through US Census' OnTheMap tool. Jobs counted are limited to those based on the work area, all workers, and all primary jobs. Only the 2018 data set will be used, unless a newer data set is posted to the US Census website on or before October 1, 2021. The Development will use OnTheMap's function to import GPS coordinates that clearly fall within the Development Site, and the OnTheMap chart/map report submitted in the Application must include the report date. This scoring item will not apply to Applications under the At-Risk or USDA Set-Aside.

The applicant did not provide the required coordinates for the Development. Based on the site location the longitude and latitude are -95.68825/29.80807. The OnTheMap chart/map data reflects 14,010 Primary Jobs for All Workers for this site location and therefore the Applicant qualifies for 5 points – See Attached.

(ii) The Development is located within 2 miles of 13,500 jobs. (5 points)

If you have any questions or would like additional information, please do not hesitate to contact me.

Sincerely,



Cody J. Hunt
Houston Ella Boulevard, Ltd.
Authorized Representative
13455 Noel Road, Suite 400
Dallas, TX 75240
chunt@rivaswitzerland.com

cc: Jacob Monty – jmonty@montyramirezlaw.com

EXHIBIT A



[Home](#) > [City Council](#) > [District G](#) > [About Mary Nan Huffman](#)

DISTRICT G

About Mary Nan Huffman



Mary Nan Huffman was sworn in as Council Member for District G the morning of February 2, 2022. She brings her skills as a law-and-order prosecutor to keep our neighborhoods safe and keep city government free from corruption.

Crime is on the rise across America and Houston is no exception. Public safety is government's first responsibility. If we are not safe in our homes, on our streets, in our business, nothing else government does really matters.

DISTRICT G LINKS

[District G Home Page](#)

[About Mary Nan Huffman](#)

[Staff of District G](#)

[District G Map \(.pdf\)](#)

[Profile of District G \(.pdf\)](#)

[3-1-1 Online Form](#)

EXHIBIT B PRE-APPLICATION

School Superintendent: Dr Ken Gregorski
School District: Katy ISD
School District Address: 6301 South Stadium Lane
Katy, TX 77494

**Presiding Officer of
Board of Trustees:** Greg Schulte
Address: 6301 South Stadium Lane
Katy, TX 77494

Elected Officials: Sylvester Turner
Amy Peck
Tarsha Jackson
Abbie Kamin
Carolyn Evans-Shabazz
Dave Martin
Tiffany D Thomas
Greg Travis
Karla Cisneros
Robert Gallegos
Edward Pollard
Martha Castex-Tatum
Mike Knox
David Robinson
Michael Kubosh
Letitia Plummer
Sallie Alcorn
Lina Hidalgo
Rodney Ellis
Adrian Garcia
Tom S Ramsey
R Jack Cagle

Mayor
City Council Member
City Council Member
City Council Member
City Council Member
Mayor Pro Tem
City Council Member
City Council Member
City Council Member
City Council Member
City Council Member
City Council Member
City Council Member
City Council Member
City Council Member
City Council Member
City Council Member
County Judge
County Commissioner
County Commissioner
County Commissioner

FULL APPLICATION

Elected Officials

- Elected officials *were identified in the Pre-Application* , and there have been no changes.
(If box above is checked, the rest of the form may be left *BLANK* .)
- Elected officials have *changed since the Pre-Application was submitted* , and information regarding notifications or re-notifications is entered below.
- No Pre-Application was submitted* .

Please identify all elected officials which represent the Development Site.

_____ District

** US Representative

** While Applicants are not required to notify US Representatives, the Department is required to notify them. Therefore, Applicant must identify the appropriate US Representative of the district containing the Development.

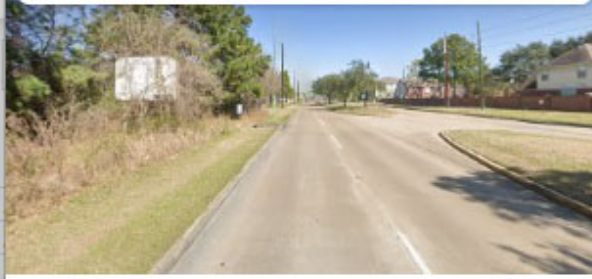
_____	District
State Senator	
Support Letter	

City Mayor	

_____	District
State Representative	
Support Letter	

County Judge	

_____	_____	_____
School Superintendent	District Name	Email
_____	_____	_____
Address	City	Zip

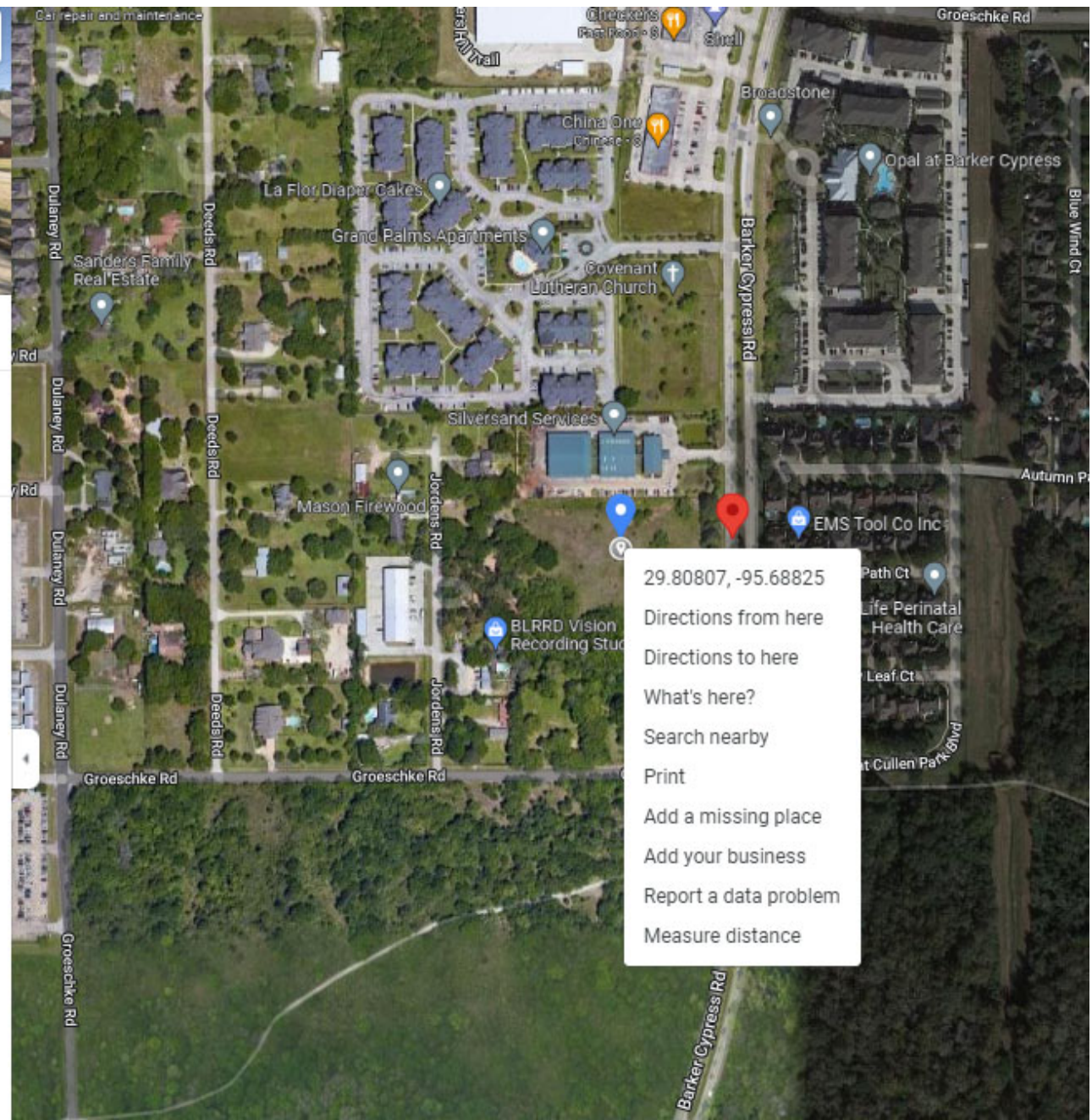


2823 Barker Cypress Rd

- Directions
- Save
- Nearby
- Send to your phone
- Share

- 2823 Barker Cypress Rd, Houston, TX 77084
- Confirm or fix this location
The location shown is not precise
- Suggest an edit on 2823 Barker Cypress Rd
- Add a missing place
- Add your business
- Add a label

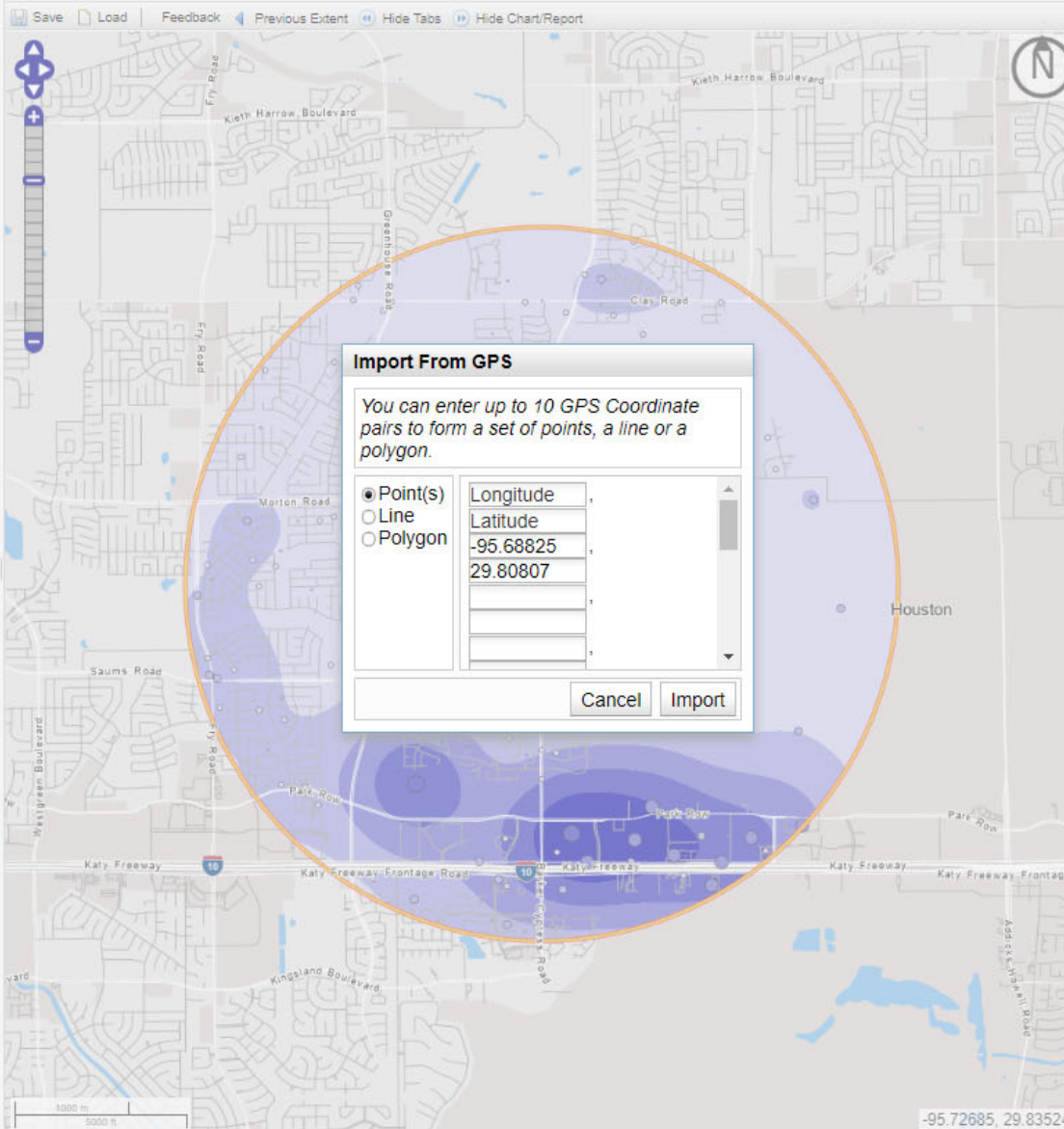
Photos



29.80807, -95.68825

- Directions from here
- Directions to here
- What's here?
- Search nearby
- Print
- Add a missing place
- Add your business
- Report a data problem
- Measure distance

Start Base Map Selection Results



Click a Characteristic link in the Summary Report to see more detail.



View as Bar Chart

Total Primary Jobs

	2018	
	Count	Share
Total Primary Jobs	14,010	100.0%

Worker Age

	2018	
	Count	Share
Age 29 or younger	2,855	20.4%
Age 30 to 54	8,031	57.3%
Age 55 or older	3,124	22.3%

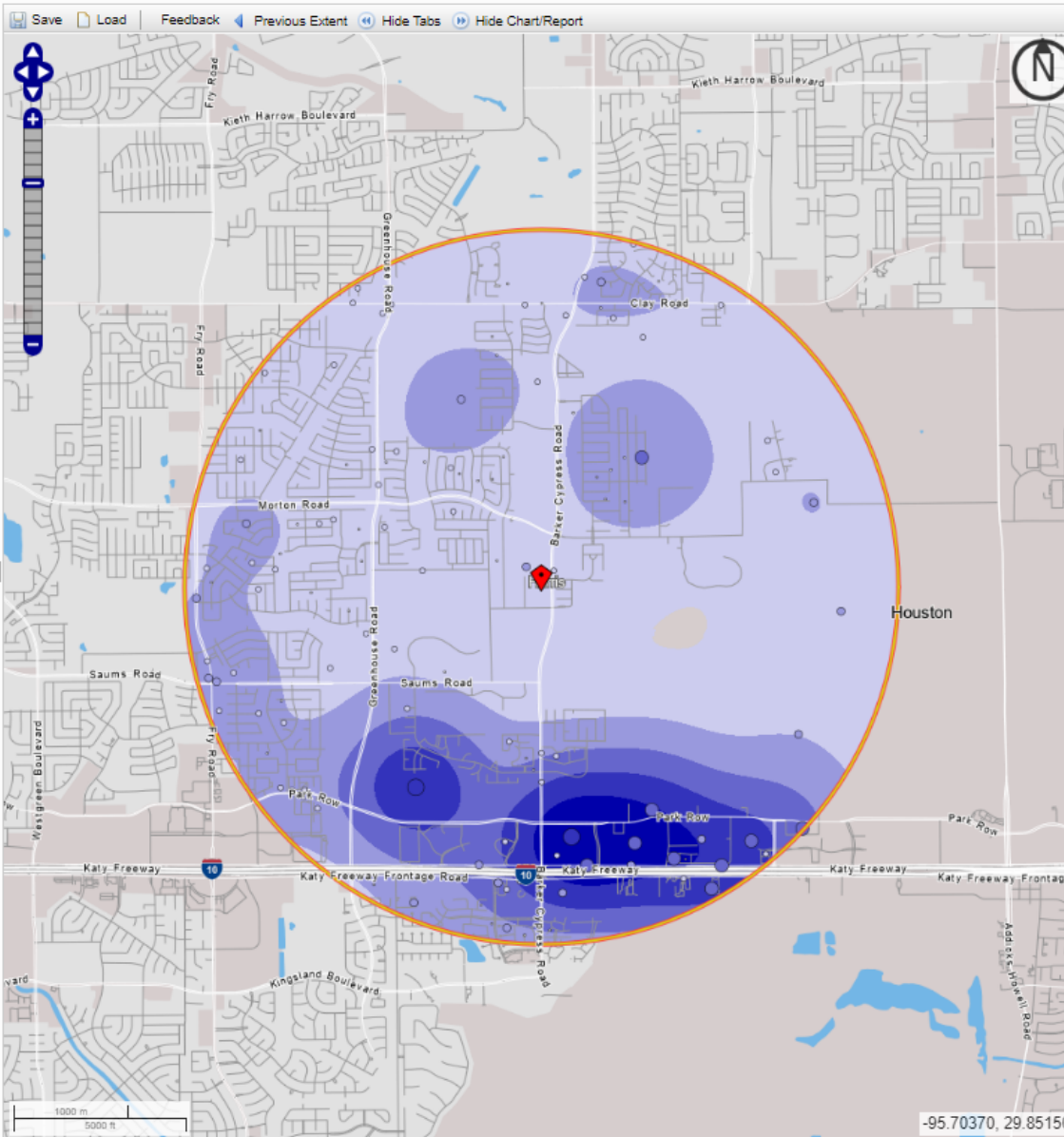
Earnings

	2018	
	Count	Share
\$1,250 per month or less	1,607	11.5%
\$1,251 to \$3,333 per month	3,570	25.5%
More than \$3,333 per month	8,833	63.0%

NAICS Industry Sector

	2018	
	Count	Share
Agriculture, Forestry, Fishing and Hunting	0	0.0%
Mining, Quarrying, and Oil and Gas Extraction	253	1.8%

Start Base Map Selection Results



Work Area Profile Analysis

enter your own subtitle

Display Settings

Characteristic Filter Total
Year 2018

Map Controls

- Color Key
- Thermal Overlay
 - Point Overlay
 - Selection Outline
 - Identify Zoom to Selection
 - Clear Overlays Animate Overlays

Report/Map Outputs

- Detailed Report
- Export Geography
- Print Chart/Map

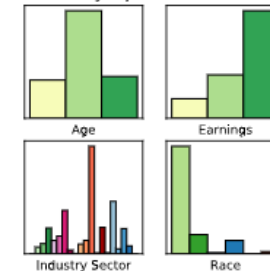
Legends

- 5 - 410 Jobs/Sq.Mile
- 411 - 1,625 Jobs/Sq.Mile
- 1,626 - 3,650 Jobs/Sq.Mile
- 3,651 - 6,486 Jobs/Sq.Mile
- 6,487 - 10,132 Jobs/Sq.Mile
- 1 - 5 Jobs
- 6 - 70 Jobs
- 71 - 354 Jobs
- 355 - 1,119 Jobs
- 1,120 - 2,732 Jobs
- Analysis Selection

Analysis Settings

Change Settings

Click a Characteristic link in the Summary Report to see more detail.



View as Bar Chart

Total Primary Jobs

	2018	Count	Share
Total Primary Jobs		14,010	100.0%

Worker Age

	2018	Count	Share
Age 29 or younger		2,855	20.4%
Age 30 to 54		8,031	57.3%
Age 55 or older		3,124	22.3%

Earnings

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NAICS Industry Sector

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Mining, Quarrying, and Oil and Gas Extraction		253	1.8%

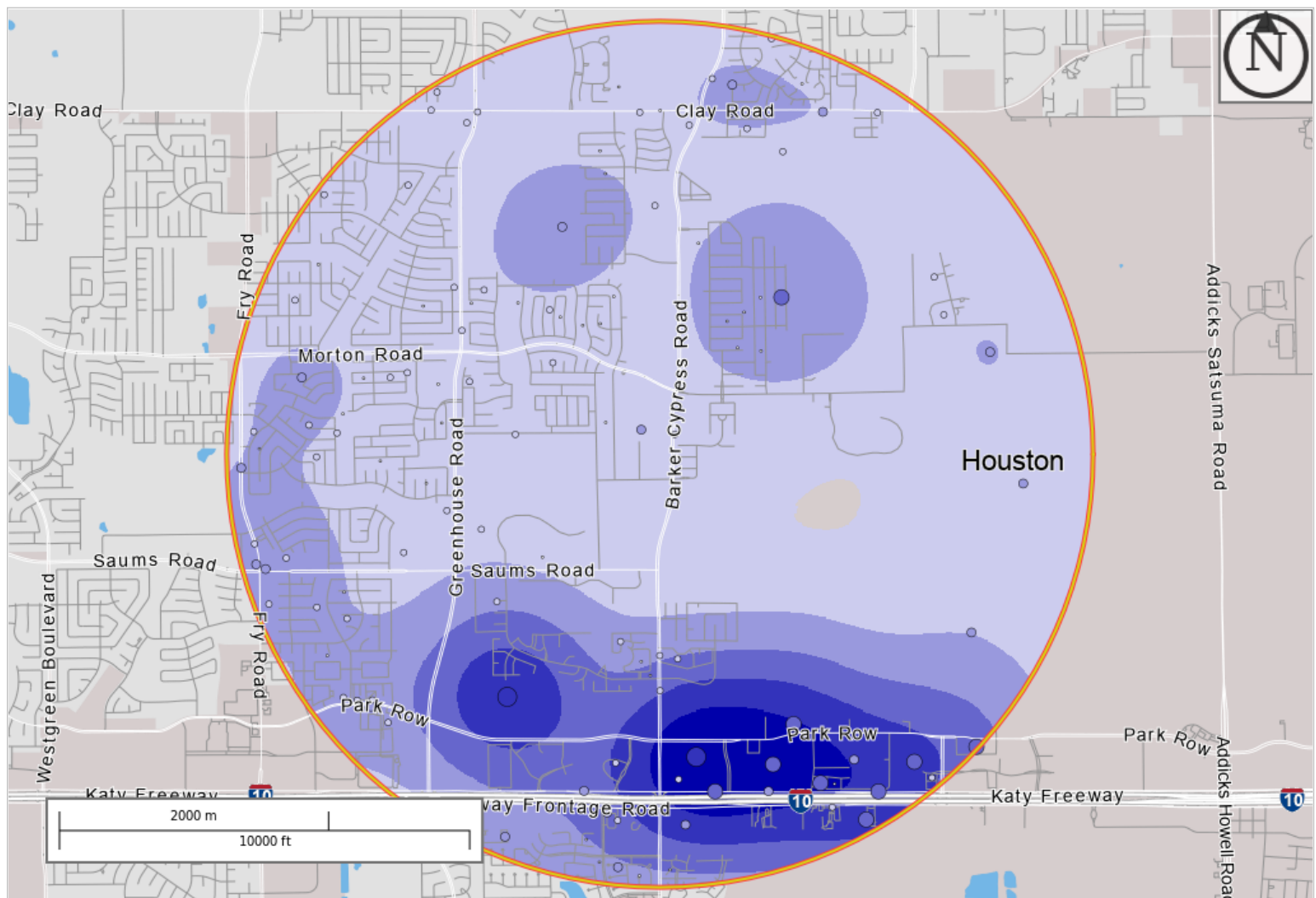
Work Area Profile Report

Primary Jobs for All Workers in 2018

Created by the U.S. Census Bureau's OnTheMap <https://onthemap.ces.census.gov> on 04/22/2022

Counts and Density of Primary Jobs in Work Selection Area in 2018

All Workers



Map Legend

Job Density [Jobs/Sq. Mile]

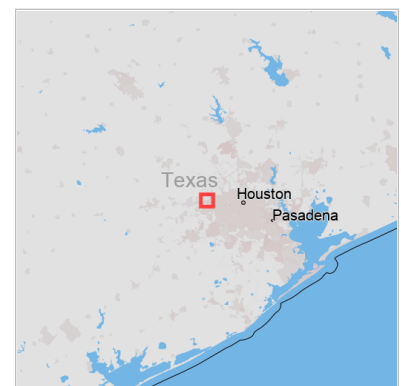
- 5 - 410
- 411 - 1,625
- 1,626 - 3,650
- 3,651 - 6,486
- 6,487 - 10,132

Job Count [Jobs/Census Block]

- 1 - 5
- 6 - 70
- 71 - 354
- 355 - 1,119
- 1,120 - 2,732

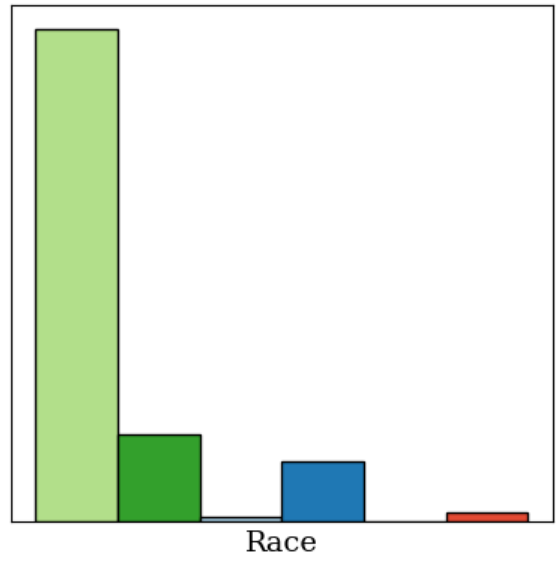
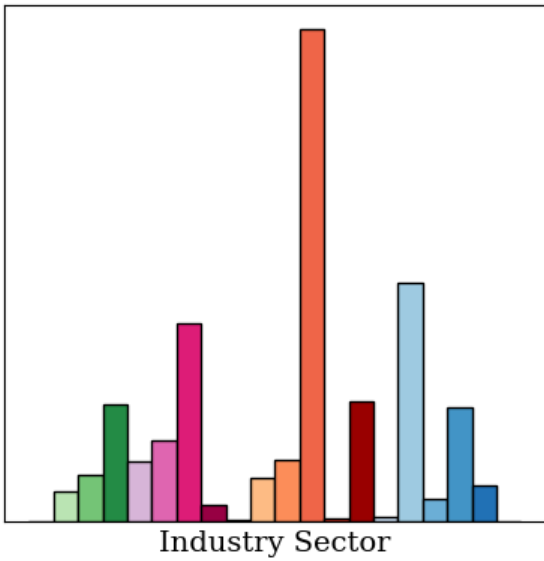
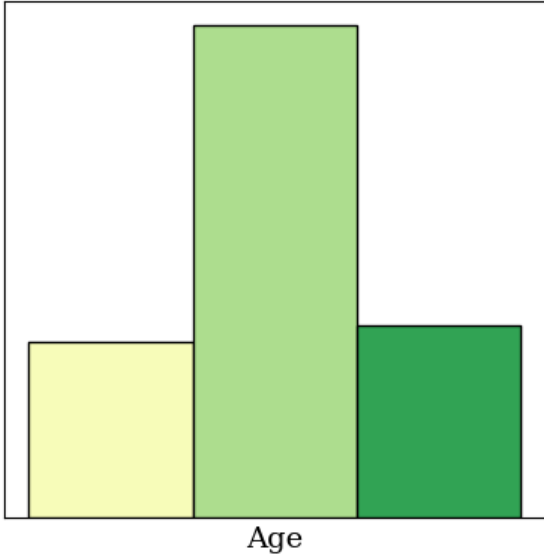
Selection Areas

- 🔴 Analysis Selection



Primary Jobs for All Workers by Total in 2018

Employed in Selection Area



Primary Jobs for All Workers by Total in 2018

Employed in Selection Area

Total	2018	
	Count	Share
Total Primary Jobs	14,010	100.0

Total	2018	
	Count	Share
Total Primary Jobs	14,010	100.0

Additional Information

Analysis Settings

Analysis Type	Area Profile
Selection area as	Work
Year(s)	2018
Job Type	Primary Jobs
Labor Market Segment	All Workers
Selection Area	Selection Area Freehand Drawing buffered 2.00 miles
Selected Census Blocks	404
Analysis Generation Date	04/22/2022 18:38 - OnTheMap 6.8.1
Code Revision	f9358819d46a60bb89052036516a1c8fe8bbbbeac
LODES Data Version	20211018_1647

Data Sources

Source: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics (Beginning of Quarter Employment, 2nd Quarter of 2002-2019).

Notes

1. Race, Ethnicity, Educational Attainment, and Sex statistics are beta release results and are not available before 2009.
2. Educational Attainment is only produced for workers aged 30 and over.
3. Firm Age and Firm Size statistics are beta release results for All Private jobs and are not available before 2011.

22047

-

Residences at Parkview

-

**Request for Administrative
Deficiency**



May 6, 2022

Colin Nickells
Texas Department of Housing and Community Affairs
21 E 11th Street
Austin, Texas 78701

Re: HTC Application 22047 Residences at Parkview

Dear Mr. Nickells:

This is a formal request for a Third Party Request for Administrative Deficiency (RFAD) for TDHCA Application 22047 Residences at Parkview. This RFAD concerns points claimed for Underserved Area.

The Applicant has requested 5 points for Underserved Area. After review of this section of the Application, the census tract map, the location of the Development Site, the incorporated boundaries of the City of Denton, and the QAP language, the Development Site does not qualify for 5 points as prescribed by §11.9(c)(5)(F) of the 2022 Qualified Allocation Plan ("QAP"). This section of the QAP states as follows:

(F) The Development Site is located entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 100,000 or more, and will not apply in the At-Risk Set-Aside.; (5 points)

Application 22047 is located in census tract 48121021304 in Denton County. On page 78 of the Application and attached here, the Applicant has included a map of the Denton City limits with the "approximate census tract location" that clearly includes an area in the southwestern portion of the census tract that is on the west side of Country Club Rd that is white with diagonal lines, which are areas of the City of Denton ETJ. The attached US Census map from <https://tigerweb.geo.census.gov/tigerweb/> has a corresponding boundary that shows incorporated areas shaded in pink and the unincorporated area on the west side of Country Club Rd with no shading. Finally, the attached map from the Denton County Central Appraisal District website at <https://www.dentoncad.com> shows City of Denton areas shaded in yellow and the same unincorporated area on the west side of Country Club Rd with no shading. It is clear from all three maps that there is an area within census tract 48121021304 that is unincorporated and not part of the City of Denton. According to Denton County CAD, the unshaded areas are not part of any city taxing jurisdiction and are therefore unincorporated areas.

For this scoring selection, the plain language of the QAP states that the Development Site must be located entirely within a census tract whose boundaries are wholly within an incorporated area. Census tract 48121021304 includes unincorporated areas within its boundaries. While the Development Site may be located within the city limits of Denton, because there are unincorporated areas within the census tract, this Application is not eligible for 5 points.

The 2017 QAP introduced the idea of “incorporated” census tracts with two different point selections under Underserved Area. Both of the following selections required a census tract within the boundaries of an incorporated area:

(C) A census tract within the boundaries of an incorporated area that has not received a competitive tax credit allocation or a 4 percent non-competitive tax credit allocation for a Development within the past 15 years and continues to appear on the Department's inventory (3 points);

(E) A census tract within the boundaries of an incorporated area and all contiguous census tracts for which neither the census tract in which the Development is located nor the contiguous census tracts have received an award or HTC allocation within the past 15 years and continues to appear on the Department's inventory. This item will apply in cities with a population of 300,000 or more, and will not apply in the At-Risk Set-Aside (5 points).

As a new concept in 2017, there was an FAQ posted that can still be found at <https://www.tdhca.state.tx.us/multifamily/docs/17-HTCApplication-FAQ.pdf> (and attached here) and which answers several questions about this scoring item including the following:

Q: The rule states that the census tract should fall within the boundaries of an incorporated area. That seems to say that at least a part of that census tract should be in the boundaries of the incorporated area. Is that correct?

A: No. The entire census tract would have to be within the boundaries of the incorporated area in order to get these points.

Q: Would a census tract that included two or more incorporated areas qualify? What constitutes “Incorporated area”?

A: A tract that straddles more than one incorporated area can qualify if both of the municipalities meet the requirements of the rule. The incorporated area is the boundary of the municipality. If part of the tract is not within those boundaries, like in the ETJ, it will not qualify.

In 2017, many Applications selected points under these scoring selections but were located in census tracts that included unincorporated areas: 17708 Cedar Ridge Apartments, 17724 Liv Senior at Johnson Ranch, 17736 Providence at Ted Trout Drive, 17194 Oaks Apartments, 17097 Holly Oak Seniors, 17203 Park Estates Apartments, and 17199 Santa Fe Place. In their appeals to the Executive Director and TDHCA Board, most Applicants claimed that the rule language was unclear and that the QAP did not require that the entire census tract be incorporated. TDHCA Staff and the Board did not agree and no Application received the points in question if any part of the census tract was unincorporated. The attached RFAD report from the June 29, 2017, Board Meeting specifically states for 17199 Santa Fe Place that “Staff has consistently applied, and the Board upheld at the May 25 meeting, that the census tract may not contain a Development that has been awarded within the past

15 years, and the entire census tract must be within the boundaries of an incorporated area.”

For 2018, staff revised the Underserved Area language and the following statement was made in the September 7, 2017, Board Book Supplement summarizing the changes to the 2018 QAP with the relevant statements in bold.

Underserved Area (Page 27 of 43). Like Opportunity Index, **staff has focused largely on clarifying the language of these scoring items.** Whether or not a census tract intersects with the boundaries of an incorporated area has been removed from subparagraph (C). **The requirement that the census tract fall entirely within the boundaries of an incorporated area remains true with subparagraph (E),** which staff refers to as “the flower” since it also includes surrounding census tracts. The surrounding census tracts do not have to fall within the boundaries of the incorporated area. In 2017, paragraph (E) was limited to Places with populations of 300,000, but for the 2018 competitive cycle, staff has lowered the population floor to 150,000. This will increase the number of eligible cities from eight (8) to 18.

As per the summary above, Underserved Area Subparagraph (E) of the 2018 QAP was revised with the following language:

(E) The Development Site is located entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have a Development that was awarded less than 15 years ago according to the Department’s property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 150,000 or more, and will not apply in the At-Risk Set-Aside (5 points).

When comparing the 2018 language to 2022, the only change is the subsection letter and the population of the place. The language is substantially the same and would have the same interpretation as in 2018.

(F) The Development Site is located entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago according to the Department’s property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 100,000 or more, and will not apply in the At-Risk Set-Aside.; (5 points)

It was clear in 2017, and also clear in 2018 language revision and explanation from the September 7, 2017, Board Supplement, that this scoring item requires that the whole area within the census tract’s boundaries be within an incorporated area. Any other interpretation of this rule and language would be contrary to Staff’s guidance, published explanations, and the historic precedent of this item. There has been no significant language change from 2018 to 2022 that would allow for a different conclusion other than the entire census tract must be entirely within an incorporated area.

Applicants rely on the QAP and precedent when selecting sites and choosing to move forward with Applications. As a developer myself, I have found sites in census tracts like this where there were unincorporated areas, but did not pursue those sites. No matter how small the unincorporated area or whether the area is ETJ within a larger incorporated area, the census tract just does not qualify for 5 points under this scoring item. Allowing this Application to receive these points would be inconsistent with the QAP and would harm competing developers who followed the

rules and made decisions to move forward with their own Applications based on the fact that this site did not qualify for 5 points.

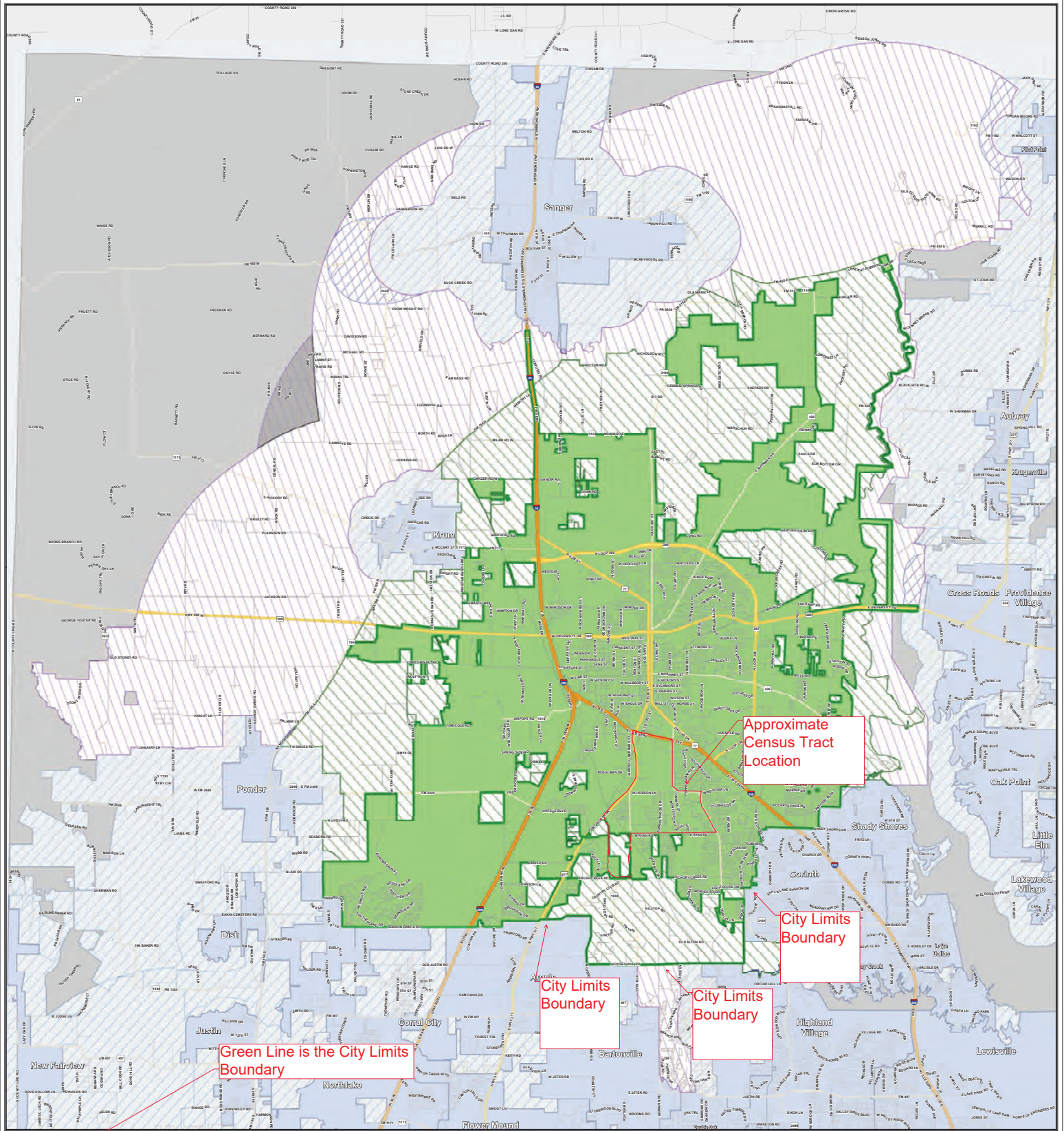
Because census tract 48121021304 includes unincorporated areas that are not located within any city limits, Application 22047 is ineligible for 5 points under §11.9(c)(5)(F) Underserved Area and should be re-scored accordingly.

Thank you for your attention to this matter.

Sincerely,


Manish Verma 5/6/22

City of Denton City Limits & ETJ Map



Green Line is the City Limits Boundary

Approximate Census Tract Location

City Limits Boundary

City Limits Boundary

City Limits Boundary

 City of Denton - City Limits Boundary

 City of Denton - City Proper

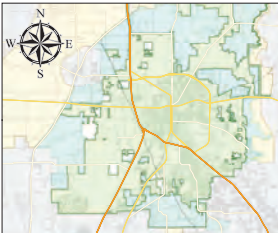
 City of Denton - ETJ Division 1

 City of Denton - ETJ Division 2

 Other City

 Other City ETJ

 Denton County

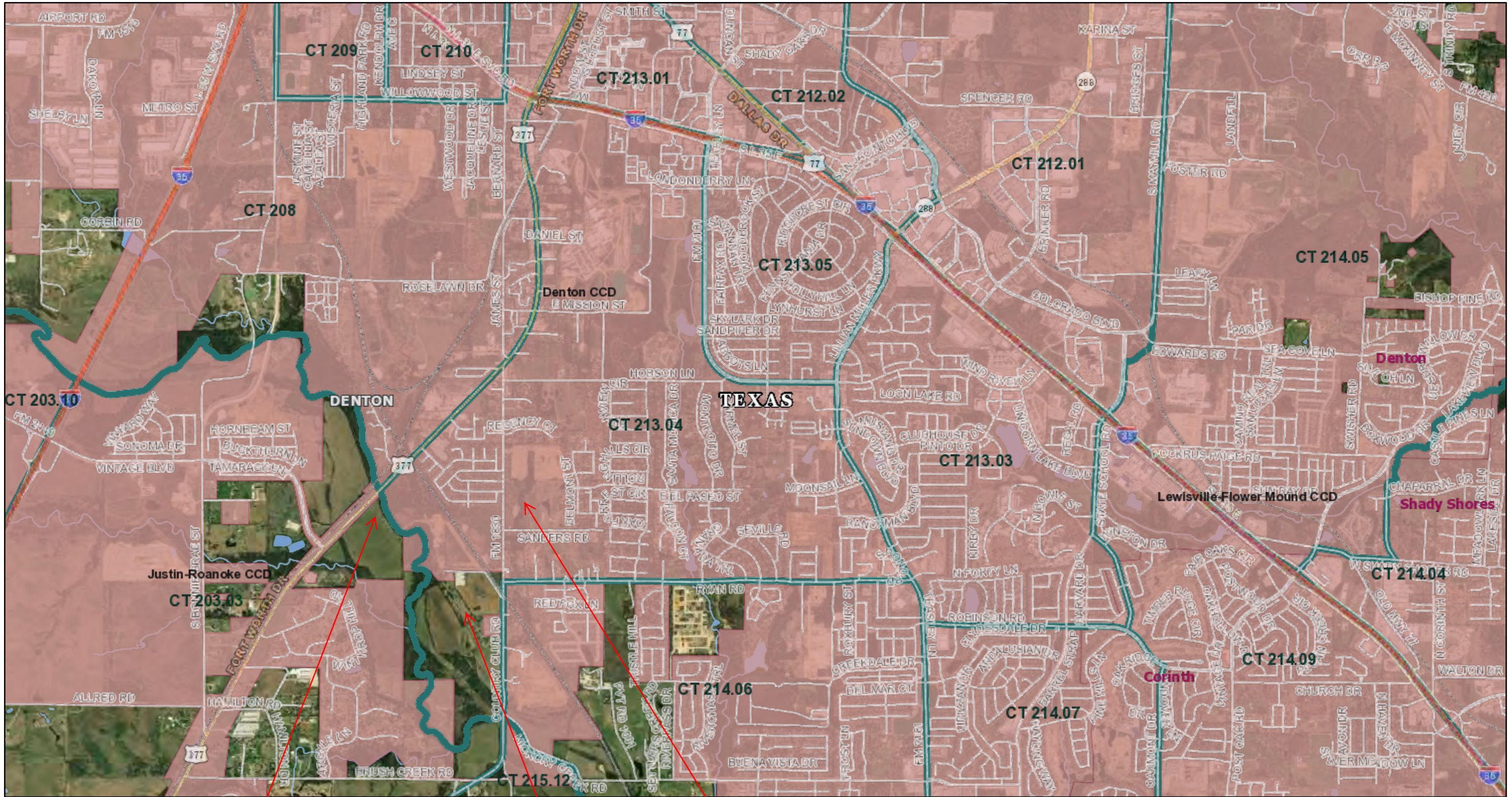


0 0.5 1 2 Miles



Date: 4/8/2021

The City of Denton has prepared maps for departmental use. These are not official maps of the City of Denton and should not be used for legal, engineering or surveying purposes but rather for reference purposes. These maps are the property of the City of Denton and have been made available to the public based on the Public Information Act. The City of Denton makes every effort to produce and publish the most current and accurate information possible. No warranties, expressed or implied, are provided for the data herein, its use, or its interpretation. Utilization of this map indicates understanding and acceptance of this statement.



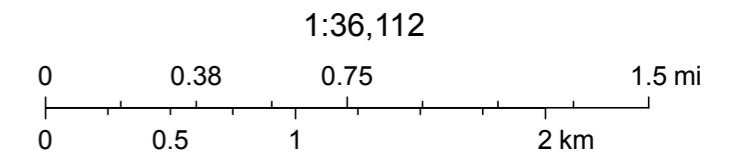
May 4, 2022

Census Tract Boundary

- | | | | |
|--------------------------|---------------------|--------------------------|----------|
| Counties | Subbarrios | Census Designated Places | Estates |
| States | County Subdivisions | Incorporated Places | Counties |
| Census Designated Places | Estates | Consolidated Cities | States |
| Incorporated Places | Census Tracts | Subbarrios | |
| Consolidated Cities | Census Tracts | County Subdivisions | |

Incorporated Area shaded in Pink

Part of Tract that is not incorporated and unshaded



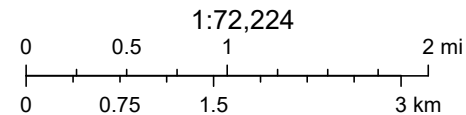
Source: U.S. Census Bureau, Maxar



5/4/2022, 3:15:17 PM

Part of tract that is not in city limits of Denton

City Limits	Denton	Shady Shores	FRNT	FWYR	MINOR
Argyle	Hickory Creek	Roads	FUT	MAJOR	US
Corinth	Lake Dallas	<Null>	FWY	MEDIAL	



Source: Esri, Maxar, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community, Denton

Denton County Appraisal District, Harris Govern -- www.harrisgovern.com

This product is for informational purposes only and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



Denton CAD Property Record for Unincorporated Parcel in Census Tract

Property ID: 129034
 A1343A J.W. WITHERS, TR 11, 3.506 ACRES, OLD DCAD TR #1C

[View Detailed Property Information](#)
[View Plat](#)

Property Address
 ARGYLE, TX 76226

Ownership Information
 HACKETT, NELDA
 PO BOX 998,
 ARGYLE, TX, 76226-0998

[Zoom to](#)

Layer List

Layers

- Parcels
- Abstracts
- City_Limits
- City Limits

- Argyle
- Aubrey
- Bartonville
- Carrollton
- Celina
- Coppell
- Copper Canyon
- Corinth
- Corral City
- Crossroads
- Dallas
- Denton
- Dish
- Double Oak
- Flower Mound
- Fort Worth
- Frisco
- Grapevine
- Hackberry
- Haslet
- Hebron
- Hickory Creek

Denton CAD

Denton CAD Property Record
for Unincorporated Parcel in
Census Tract

2022

Property

Account

Property ID: 129034 Legal Description: A1343A J.W. WITHERS, TR 11, 3.506 ACRES, OLD DCAD TR #1C

Geographic ID: A1343A-000-0011-0000 Zoning:

Type: Real Agent Code:

Property Use Code:

Property Use Description:

Location

Address: ARGYLE, TX 76226 Mapsco:

Neighborhood: E4 AND D1 PROPS DENTON ISD Map ID: DS05

Neighborhood CD: DS05PASTUR

Owner

Name: HACKETT, NELDA Owner ID: 784477

Mailing Address: PO BOX 998 % Ownership: 100.0000000000%

ARGYLE, TX 76226-0998

Exemptions:

Values

(+) Improvement Homesite Value:	+	N/A	
(+) Improvement Non-Homesite Value:	+	N/A	
(+) Land Homesite Value:	+	N/A	
(+) Land Non-Homesite Value:	+	N/A	Ag / Timber Use Value
(+) Agricultural Market Valuation:	+	N/A	N/A
(+) Timber Market Valuation:	+	N/A	N/A

(=) Market Value:	=	N/A	
(-) Ag or Timber Use Value Reduction:	-	N/A	

(=) Appraised Value:	=	N/A	
(-) HS Cap:	-	N/A	

(=) Assessed Value:	=	N/A	

Taxing Jurisdiction

Owner: HACKETT, NELDA

% Ownership: 100.0000000000%

Total Value: N/A

No City Taxing
Entity

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax
CAD	DENTON CENTRAL APPRAISAL DISTRICT	N/A	N/A	N/A	N/A
G01	DENTON COUNTY	N/A	N/A	N/A	N/A
S05	DENTON ISD	N/A	N/A	N/A	N/A
Total Tax Rate:		N/A			
Taxes w/Current Exemptions:					N/A
Taxes w/o Exemptions:					N/A

Improvement / Building

No improvements exist for this property.

Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	PN 2	NATIVE PASTURE II	3.5060	152721.00	152721.00	1.00	N/A	N/A

Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2022	N/A	N/A	N/A	N/A	N/A	N/A
2021	\$0	\$97,092	172	172	\$0	\$172
2020	\$0	\$97,092	175	175	\$0	\$175
2019	\$0	\$97,092	175	175	\$0	\$175
2018	\$0	\$97,092	210	210	\$0	\$210
2017	\$0	\$83,068	210	210	\$0	\$210
2016	\$0	\$30,678	228	228	\$0	\$228
2015	\$0	\$30,678	228	228	\$0	\$228
2014	\$0	\$14,725	210	210	\$0	\$210
2013	\$0	\$83,068	228	228	\$0	\$228
2012	\$0	\$83,068	228	228	\$0	\$228
2011	\$0	\$83,068	228	228	\$0	\$228
2010	\$0	\$111,116	228	228	\$0	\$228
2009	\$0	\$111,116	245	245	\$0	\$245
2008	\$0	\$111,116	245	245	\$0	\$245

Deed History - (Last 3 Deed Transactions)

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Deed Number
1	8/20/2003	WD	WARRANTY DEED	BILDACO TRUST	HACKETT, NELDA			03-137250
2	5/3/1993	QD	QUIT CLAIM DEED	JEANES, NELDA GRACE	BILDACO TRUST			93-0026577
3		EL	CORR OF WD	BURCH MARVIN C	JEANES, NELDA GRACE	1872	421	

Relevant Pages
from 2017 HTC
FAQ



2017 Competitive HTC Application Cycle Frequently Asked Questions (FAQs)

Pursuant to §11.1(b) of 10 TAC Chapter 11, the Qualified Allocation Plan (QAP), Department staff may, from time to time, make available for use by Applicants information and informal guidance in the form of reports, frequently asked questions, and responses to specific questions. The Department encourages communication with staff in order to clarify any issues that may not be fully addressed or may be unclear when applied to specific facts in the QAP, 10 TAC Chapter 10, the Uniform Multifamily Rules, 10 TAC Chapter 12, the Multifamily Housing Revenue Bond Rules, or 10 TAC Chapter 13, the Multifamily Direct Loan Rule. Applicants should understand that this type of guidance is limited by its nature and that staff will apply the rules of the QAP to each specific situation as it is presented in the submitted Application. Moreover, after the time that an issue is initially presented and guidance is provided, additional information may be identified and/or the issue itself may continue to develop based upon additional research and guidance. Thus, until confirmed through final action of the Board, staff guidance must be considered merely as an aid, and an Applicant continues to assume full responsibility for any actions Applicant takes regarding an Application. In addition, although the Department may compile data from outside sources in order to assist Applicants in the Application process, it remains the sole responsibility of the Applicant to independently perform the necessary due diligence to research, confirm, and verify any data, opinions, interpretations, or other information upon which an Applicant bases an Application or includes in any submittal in connection with an Application. These rules may need to be applied to facts and circumstances not contemplated at the time of their creation and adoption. When and if such situations arise, the Board will use a reasonableness standard in applying its rules and evaluating and addressing Applications for Housing Tax Credits.

Following is a list of questions that the Department has received with respect to the 2017 Uniform Multifamily Rules and QAP and how various provisions of the rules will be applied to Applications submitted and reviewed by the Department during the 2017 competitive cycle. The questions were received over the past several weeks and at the application workshops held in early December. Each time an update is made to the FAQ, the most recently updated date will be added to the top right of this page. The FAQ is an opportunity to provide all Applicants and the public the same information that was relayed to the individuals who asked the questions. The answers to FAQs are not agency rules and if there is a conflict between adopted agency rules and the answers to FAQs, then the rule prevails. Answers to FAQs are only examples of a theoretical application of a limited set of facts to a rule or rules, and should not be read to signify a change in an adopted agency rule. There are other questions which have been posed and addressed, but it was staff's assessment that they do not have broad application and are not included here.

Questions and answers are in the same order that their related sections appear in the rules. If questions and answers are added after the initial posting, the revision dates will appear at the top of this page and will be included next to each of the added questions. The Department may not send out a new listserv each time an update is made unless the update is extensive. Staff encourages interested individuals to check back periodically.

2017 Competitive Application Cycle FAQ

A: Your description would qualify as part of the accessible route. If a resident takes accessible transportation from the development to the park, the route from the transportation stop to the actual park would also have to be accessible. Just getting them to the vicinity of the park would not be enough.

CLARIFICATION: The provision of transportation is not a substitute for having an accessible route. If transportation is one of the services you will provide at your development, then that transportation must be accessible as described above, but it may not take the place of an accessible route.

Q: Do the playground and public transit stop need to be within ½ mile of the site, or must the accessible route be no more than ½ mile long?

A: The playground has to be within ½ mile of the site, and the entire route must be accessible (including transit as applicable).

Q: If a public transportation stop or park is located less than half a mile from a vacant site where sidewalks are not yet built, but the development plan includes the sidewalks which would connect the proposed development to the park/transit stop, could that qualify an application for points?

A: In this case, if the missing part of the feature is under the Developer's control for completion and can be verified with the Site Plan, it could qualify.

Q: Is a small river/creek considered a census tract "barrier" if there is a bridge that connects both sides?

A: This will depend on a number of factors that will be unique to each situation. For instance, is the bridge right there, or is it 15 miles away? How accessible is the bridge? Provide information in the Application that assists staff in seeing the whole picture.

Q: With the addition of the language regarding hours and "weekend service" to the following point item, does just Saturday service work or does the service need to be both Saturday AND Sunday?

A: Saturday and Sunday are required. Note that it is acceptable for them to provide reduced service on weekends as most transit systems do.

Q: The neighborhood scout crime data on the website is for 2014 and I understand it will be updated in December or January. Depending on when the data is finally updated, it is possible that an application did not have an 18/1000 crime rate at preapp but it could at full app. Should we just take screenshots of the data and the date to prove disclosure was not needed at preapp if it should change?

A: You should definitely keep a copy of the data that was available at the time you submit the Pre-application, or the Application if no Pre-application is submitted. Of course, whatever source you are using for whatever purpose, you need to use the most current data as of the date of your submission. You can't use the old data because the new data doesn't fit.

Underserved Area

Q: Is this section implied to be a menu-type election to total or add-up to 5 points **OR** are developers only allowed to take points in just one subpart?

A: Applicants may not combine the subparagraphs:

(6) Underserved Area. (§§2306.6725(b)(2); 2306.127, 42(m)(1)(C)(ii)) An Application may qualify to receive up to five (5) points if the Development Site is located in one of the areas described in subparagraphs (A) - (E) of this paragraph

Q: The rule states that the census tract should fall within the boundaries of an incorporated area. That seems to say that at least a part of that census tract should be in the boundaries of the incorporated area. Is that correct?

A: No. The entire census tract would have to be within the boundaries of the incorporated area in order to get these points.

2017 Competitive Application Cycle FAQ

Q: Would a census tract that included two or more incorporated areas qualify? What constitutes "Incorporated area"?

A: A tract that straddles more than one incorporated area can qualify if both of the municipalities meet the requirements of the rule. The incorporated area is the boundary of the municipality. If part of the tract is not within those boundaries, like in the ETJ, it will not qualify.

Q: For the underserved area item that says "A census tract within the boundaries of an incorporated area," since the scoring item does not reference "Place," are you looking at actual city boundaries or census map city boundaries?

A: We are looking at the actual city boundaries.

Q: For the 15 year aging of existing tax credit properties, do we look at the time from the existing property award date to March 1 2017, or do we look at calendar year?

A: Look at the time-frame from the last award date, but also look at the TDHCA number. If it indicates a more recent date, then there was a more recent award. You will see these mostly with the 2006-2008 deals that got increases after Hurricane Ike.

Q: Can you please clarify points for item (C) under underserved area? An existing property in the same census tract as the proposed development will be okay for points as long as its credit award is over 15 years old---regardless whether or not it is on TDCHA's property inventory, correct?

A: If the tract has received an award in the last 15 years and the development is still on the inventory, the tract would not be eligible for the points.

Commitment of Funding by Local Political Subdivision

Q: If a municipality grants a variance, then they write a letter stating that is for the benefit of the development. Do the exact cost savings need to be verified in such an obvious situation – e.g. – do we actually have to get bids for the savings amount in the letter, or can we just get bids and indicate the saving on the development cost schedule?

A: The city needs to state the value of their contribution in their letter, and the city could value it however they see fit. You must ensure that the reduction is included in the Application (likely in the notes section next to the applicable cost on the development cost schedule).

Q: . Is there a minimum or will any amount of funding do?

A: There is no minimum amount; any amount will meet the requirements. Just be sure that an amount is included in the letter/resolution and that amount is accounted for in the Sources and Uses or the Development Cost Schedule section of the application.

Declared Disaster Area

Q: If a site is in an area that was on the 2016 DDA list does it qualify this year?

A: Not necessarily. The rule says that the declaration must have been made within two of years of the submission date. Counties included in declarations made up to March 1, 2014 would have been fine last year, but not for 2017.

Community Support from State Representative

Q: Can you tell me whether a letter from a state rep that resigns a day after the pre-application is due will be accepted?

A: It is recommended in the rule that you not submit the letter early. However, since you are aware that the Representative will be leaving office, you may go ahead and get the letter and send it prior to or with your application. If you are unable to secure a letter, you may submit a request for a waiver of the deadline prior to or with your application.

BOARD REPORT ITEM
MULTIFAMILY FINANCE DIVISION

JUNE 29, 2017

Report of Third Party Requests for Administrative Deficiency under 10 TAC §11.10 of the 2017 Qualified Allocation Plan received prior to the deadline:

17007	Magnolia Station	Winnie
17028	Vineyard on Lancaster	Fort Worth
17042	Huntington at Paseo de la Resaca	Brownsville
17064	Chaparral Apartments	Midland
17080	Palladium Fort Worth	Fort Worth
17081	Palladium Denton	Denton
17094	Catalon at Paseo de la Resaca	Brownsville
17097	HollyOak Seniors	Houston
17133	The Pointe at Rowlett	Rowlett
17194	Oaks Apartments	Quitman
17199	Santa Fe Place	Temple
17203	Park Estates Apartments	Quitman
17230	The Oasis on McColl	McAllen
17239	Abbingtion Ranch	Boerne
17258	Village at Henderson	Corpus Christi
17259	Mistletoe Station	Fort Worth
17267	Industrial Lofts	McAllen
17281	The Residence at Arbor Grove	Arlington
17283	Avanti Manor	Harker Heights
17288	Forest Trails	Lindale
17297	Kountze Pioneer Crossing	Kountze
17305	Payton Senior	Killeen
17315	Provision at North Valentine	Hurst
17322	Provision at Wilcrest	Houston
17327	Legacy Trails of Lindale	Lindale
17331	Westwind of Killeen	Killeen
17356	The Acacia	San Antonio
17363	Residences of Long Branch	Rowlett
17368	Cielo	McAllen
17372	Sunset Trails	Bullard
17376	The Bristol	San Antonio
17388	West Pecan Village	McAllen
17390	Las Palomas	McAllen

BACKGROUND

Pursuant to 10 TAC §11.10 of the 2017 Qualified Allocation Plan related to Third Party Requests for Administrative Deficiency (“RFAD”), an unrelated person or entity may bring new, material information about an Application to staff’s attention. Third parties may request that staff consider whether an

Application should be the subject of an Administrative Deficiency, based on the information submitted with the request. Staff will consider the request and proceed as it deems appropriate under the applicable rules including, if the Application in question is determined by staff to not be a priority Application, not reviewing the matter further. Requestors must provide, at the time of filing the request, all briefings, documentation, and other information that the requestor offers in support of the deficiency. Requestors must provide sufficient credible evidence that, if confirmed, would substantiate the deficiency request. Assertions not accompanied by supporting documentation susceptible to confirmation will not be considered. The deadline for submission of RFADs was June 1, 2017.

The following table describes the staff determinations for 2017 Competitive Housing Tax Credit (“HTC”) RFADs received, and reflects all determinations made as of June 22, 2017. All requests referenced herein were received and reviewed in accordance with 10 TAC §11.10. Where staff determined that the request substantiated the release of a Notice of Administrative Deficiency for the Application, the Applicant was provided the opportunity to respond to the submitted request. Staff has reviewed both the request and response in making its determination. Also, described within are RFADs received where determinations have not yet been made.

Each entry identifies the HTC development/application identification number (“TDHCA ID#”), the name of the development, city, region, and the name and organization of the requestor. A brief summary of each request has been included, followed by Department staff’s analysis of the request, and finally the staff resolution of the request. The Department has posted each request received, deficiency notice released, supporting documentation received from the Applicant, and staff determination to the applicable applications, which are posted on the Department’s website. Any subsequent RFAD determinations will be reported to the Board at a subsequent meeting.

The Department’s Governing Board has final decision-making authority on any of the issues reflected herein, and thus these determinations are subject to change. However, a requester may not formally appeal any staff determination if precluded by 10 TAC §10.902(b) related to the Appeal Process.

Where staff is recommending that a request result in loss of points or other action, the Applicants have already been notified and given the opportunity to appeal the staff determination. Staff has also provided notice of the result of the request to the requestor.

Quitman. The Application does qualify for two points under this scoring item. The Applicant has not demonstrated that the Application qualifies for 10 points under 10 TAC §11.9 (d)(3) as the Governor has not issued a disaster declaration for Wood County within the required time frame; and the Applicant has not proven that the Application qualifies for 13 points under 10 TAC §11.9 (c)(2) as the selected population is General and not Supportive Housing. Pursuant to 10 TAC §10.3(127) related to Target Population:

The designation of types of housing populations shall include Elderly Developments, and those that are entirely Supportive Housing. All others will be considered to serve general populations without regard to any subpopulations.

The Application does qualify for 11 points under this scoring item. A scoring notice will be issued, and the Applicant will have an opportunity to appeal that notice.

TDHCA ID#	17194	Development Name:	Oaks Apartments
City:	Quitman	Region:	4 Rural
Requester:	Ryan Hamilton, #17288 Forest Trails, 17372 Sunset Trails		

Nature and Basis of Request:

The request asks the Department to review points claimed under two scoring items: 10 TAC §11.9(c)(6)(C) related to Underserved Area, and 10 TAC §11.9(d)(3) related to Declared Disaster Area. The requestor contends that census tract 4849950500 extends beyond the incorporated boundaries of the City of Quitman such that the Application is not eligible for three points under 10 TAC §11.9(c)(6)(C). The requestor contends that the Applicant has claimed ten points 10 TAC 11.9(d)(3) related to Declared Disaster Area because Wood County was declared a disaster by a county Commissioner and FEMA. The requestor points out that the area has to be "declared a disaster area under Tex Gov't Code §418.014."

Analysis and Resolution:

This same request was received from another party, the response immediately above will also apply to this request.

TDHCA ID#	17199	Development Name:	Santa Fe Place
City:	Temple	Region:	8 Urban
Requester:	Kelly Garrett, #17331 Westwind of Killeen		

Nature and Basis of Request:

The request asks the Department to review points claimed 10 TAC §11.9(c)(6)(C) related to Underserved Area. The requestor contends that census tract 480270020300 extends beyond the incorporated boundaries of the City of Temple such that the Application is not eligible for three points under 10 TAC §11.9(c)(6)(C).

Applicant Response to Notice of Administrative Deficiency:

The Applicant claims that staff has misinterpreted 10 TAC §11.9(c)(6)(C).

Analysis and Resolution:

Staff has consistently applied, and the Board upheld at the May 25 meeting, that the census tract may not contain a Development that has been awarded within the past 15 years, and the entire census tract must be within the boundaries of an incorporated area. Based on materials in the Application and supplied in the response to the Administrative Deficiency, the Application is eligible to receive two points under 10 TAC §11.9(c)(6)(D). A scoring notice will be issued, and the Applicant will have the opportunity to appeal that notice.

TDHCA ID#	17199	Development Name:	Santa Fe Place
City:	Temple	Region:	8 Urban
Requester:	Lisa Stephens, # 17305 Payton Senior		

Nature and Basis of Request:

The request asks the Department to review points claimed 10 TAC §11.9(c)(6)(C) related to Underserved Area. The requestor contends that census tract 480270020300 extends beyond the incorporated boundaries of the City of Temple such that the Application is not eligible for three points under 10 TAC §11.9(c)(6)(C).

Analysis and Resolution:

This same request was received from another party, the response immediately above will also apply to this request.

TDHCA ID#	17203	Development Name:	Park Estates Apartments
City:	Quitman	Region:	4 Rural
Requester:	Chaz Garrett, #17327 Legacy Trails of Lindale		

Nature and Basis of Request:

The request asks the Department to review points claimed under three scoring items: 10 TAC §11.9(c)(6)(C) related to Underserved Area, 10 TAC §11.9(d)(3) related to Declared Disaster Area, and 10 TAC §11.9(c)(2) related the Rent Levels of Tenants. The requestor contends that census tract 4849950500 extends beyond the incorporated boundaries of the City of Quitman such that the Application is not eligible for three points under 10 TAC §11.9(c)(6)(C). The requestor contends that the Applicant has claimed 10 points 10 TAC 11.9(d)(3) related to Declared Disaster Area because Wood County was declared a disaster by a county Commissioner and FEMA. The requestor points out that the area has to be "declared a disaster area under

BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
SEPTEMBER 7, 2017

Presentation, discussion, and possible action on the proposed amendment of 10 TAC Chapter 11 concerning the Housing Tax Credit Program Qualified Allocation Plan, and directing its publication for public comment in the *Texas Register*

RECOMMENDED ACTION

WHEREAS, the Texas Department of Housing and Community Affairs (the “Department”) is authorized to make Housing Tax Credit allocations for the State of Texas;

WHEREAS, the Department, as required by §42(m)(1) of the Internal Revenue Code and Tex. Gov’t Code §2306.67022, developed this proposed Qualified Allocation Plan to establish the procedures and requirements relating to an allocation of Housing Tax Credits; and

WHEREAS, pursuant to Tex. Gov’t Code, §2306.6724, the Board shall adopt a proposed Qualified Allocation Plan no later than September 30;

NOW, therefore, it is hereby

RESOLVED, that the proposed amendment of 10 TAC Chapter 11, together with the preambles presented to this meeting, are hereby approved for publication in the *Texas Register* for public comment; 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 amendment of the Qualified Allocation Plan, together with the preambles in the form presented to this meeting, to be published in the *Texas Register* for public comment and, in connection therewith, make such non-substantive technical corrections as they may deem necessary to effectuate the foregoing.

BACKGROUND

General Information: Attached to this Board Action Request is the staff draft of the 2018 proposed Qualified Allocation Plan (“QAP”), which reflects staff’s recommendations for the Board’s consideration. Beginning in December of 2016, staff began meeting with stakeholders to discuss this coming year’s QAP and Uniform Multifamily Rules. Staff and stakeholders met a total of six times and discussed items such as dispersion and underserved area, equity pricing, opportunity areas, visitability, and financial feasibility. Staff also posted several items to the Department’s Online

Forum, where stakeholders were invited to comment on aspects of the QAP and Rules and new proposals from staff. Staff made a concerted effort in the month of August to solicit stakeholder input on the staff draft of the 2018 QAP. Staff published a staff draft on August 11, 2017, and stakeholders were invited to submit their input by letter, email, or phone. The first window for receiving input closed on Wednesday, August 23, 2017, at 5:00 p.m. Austin local time. Staff released another draft on Tuesday, August 29, 2017, and invited stakeholders to submit more feedback through the morning of Thursday, August 31, 2017. Staff received input from many stakeholders, including the development community, advocates, and government officials. Lastly, the QAP and Rules Committee of the Governing Board was, at the time of the posting of these materials, set to hold a meeting on Wednesday, September 6, 2017, to discuss the staff drafts of the 2018 QAP and Rules.

After consideration of the input and feedback provided and after evaluating the 2017 application round, staff believes that the proposed 2018 QAP will serve the State of Texas' interests well, furthering the policies of both statute and the Board. In keeping with those policies, staff has proposed changes to specific sections of the QAP. A more detailed breakdown of the specific changes is included below. Staff believes that in proposing these modifications and keeping all other items in the QAP the same, stakeholders can better formulate plans for future developments instead of trying to anticipate what changes will be made to the QAP.

Rule-Making Timeline: Upon Board approval, the final staff draft of the proposed 2018 QAP will be posted to the Department's website and published in the *Texas Register*. Public comment will be accepted between September 22, 2017, and October 12, 2017. The QAP will be brought before the Board in November for approval, followed by the statutorily mandated submission to the Office of the Governor by November 15, 2017, for him to approve, approve with changes, or reject. Upon the Governor's approval, approval with modifications, or rejection, which must occur no later than December 1, 2017, the adopted QAP will be published in the *Texas Register*.

Statutory Changes: Significant changes in the 2018 Draft QAP include the incorporation of statutory changes made during the 85th Legislative Session. These changes include the following:

House Bill 3574 amended language in Tex. Gov't Code §2306.6710(a) as follows:

“

(a) In evaluating an application, the department shall determine whether the application satisfies the threshold criteria required by the board in the qualified allocation plan. Educational Quality may be considered by the department as part of the threshold criteria but shall not be considered by the department as a scoring factor. The department shall reject and return to the applicant any application that fails to satisfy the threshold criteria.

(b) Effective September 1, 2019, Section 2306.6710(a), Government Code, is amended to read as follows:

(a) In evaluating an application, the department shall determine whether the application satisfies the threshold criteria required by the board in the qualified allocation plan. The department shall reject and return to the applicant any application that fails to satisfy the threshold criteria.

SECTION 2. The change in law made by this Act applies only to an application for low income

housing tax credits that is submitted to the Texas Department of Housing and Community Affairs during an application cycle that is based on the 2018 qualified allocation plan or a subsequent plan adopted by the governing board of the department under Section 2306.67022, Government Code. An application that is submitted during an application cycle that is based on an earlier qualified allocation plan is governed by the law in effect on the date the application cycle began, and the former law is continued in effect for that purpose.

SECTION 3. Not later than September 1, 2019, the department shall report the outcome of considering Educational Quality in threshold and not as a scoring factor in an application.

SECTION 4. Except as otherwise provided by this Act, this Act takes effect September 1, 2017.”

In response to this legislation, staff has removed the Educational Quality scoring item from the Qualified Allocation Plan and from Tie-Breaker Factors. In order to comply with Section 3 of the bill, applicants will continue to be required to supply information regarding school scoring in their applications, so that data will be available to compile the required report.

Summary of Proposed Changes: The majority of the amendments to the 2018 QAP center on clarifying rules and Board policies. More significant recommendations by staff—primarily those that can be considered changes of policy—are described below. Citation and page references are indicated for ease of reference.

§11.1 – General (*Page 1 of 43*). Subsection (g) was added with the intention of encouraging the submission of complete and accurate Applications, and to make the Application process as fair and transparent as possible.

§11.2 – Program Calendar (*Page 3 of 43*). This section is modified to reflect dates for the 2018 Application round. The only significant change is staff proposing an earlier Third Party Request for Administrative Deficiency deadline of 05/01/2018.

§11.3 – Housing De-Concentration Factors (*Page 4 of 43*). Regarding subsection (a), staff has added language that determines which Applications will be deemed priority and non-priority if two or more Applications seem to violate this rule. Staff has proposed to remove the population requirement for subsection (d), which means that the Department will disqualify any census tract where the number of HTC units per total households is greater than 20%, not just those Places with a population above 100,000 people. This limitation, of course, can be waived with the appropriate letter from the applicable Governing Body. Lastly, staff has added language regarding the proximity of nearby Development Sites in subsection (f), with the aim of protecting existing Developments from market saturation.

§11.4 – Tax Credit Request and Award Limits (*Page 6 of 43*). With the added language in subsection (a), staff has proposed that Applicants must limit their total credit request to \$3 million by June 29th. Staff believes that this request must be made of Applicants in order to encourage the submission of real, competitive Developments. Otherwise, staff is concerned that an Applicant with multiple Applications totaling well over the \$3 million cap will use the waiting list as a means of “insurance” to bide time and hedge against risk or error. This can be seen as discouraging competition and as an inefficient use of staff time and Departmental resources, given the amount of effort expended to review Applications.

Staff has also capped consultant or advisor fees at \$150,000.

§11.5 – Competitive HTC Set-Asides (*Page 8 of 43*). In paragraph (2), staff has proposed that all competitive Applications that score within the USDA Set-Aside will be scored according to Rural criteria. Many USDA Developments were built in what were once considered “rural” areas, but given Texas’ cities’ population growth in recent decades, many of these Development Sites now fall within the boundaries of Urban areas. This rule change mitigates the stricter requirements associated with Urban Applications. Staff has also sought to clarify further the means by which an Application may compete within the At-Risk Set-Aside in paragraph (3).

§11.7 – Tie-Breaker Factors (*Page 15 of 43*) Staff has removed two previous tie-breakers and added a new tie-breaker. Tie-breakers regarding the menu items of Opportunity Index and the ratings of elementary, middle, and high schools have been removed. A new tie-breaker regarding underserved Places or, if located outside of a Place, counties, has been proposed in paragraph (3). This item would count the total number of HTC units and divide that number by the total population, which is also what staff does in order to comply with the requirements of Tex. Gov’t Code §2306.6703(a)(4). The proposed Development in a Place or if outside a Place, a county, with the lowest score for this calculation will win the tie-breaker. Staff believes this tie-breaker methodology to be an effective means of dispersion.

§11.9 – Competitive HTC Selection Criteria (*Page 19 of 43*). Staff has made several changes to this section. They are addressed separately.

- *Sponsor Characteristics* (*Page 20 of 43*). Staff has expanded this particular item to allow two types of participation from either a HUB or a Qualified Nonprofit. Subparagraph (A) rewards material participation and is worth two (2) points, whereas subparagraph (B) rewards involvement that is not material but still significant, and it is worth one (1) point.
- *Opportunity Index* (*Page 22 of 43*). Staff’s changes in paragraph (4) largely revolve around clarifying the parameters and intent of the menu items. The menu item regarding proximity to museums has been removed, and a menu item regarding Meals on Wheels or a similar service has been added.
- *Underserved Area* (*Page 27 of 43*). Like Opportunity Index, staff has focused largely on clarifying the language of these scoring items. Whether or not a census tract intersects with the boundaries of an incorporated area has been removed from subparagraph (C). The requirement that the census tract fall entirely within the boundaries of an incorporated area remains true with subparagraph (E), which staff refers to as “the flower” since it also includes surrounding census tracts. The surrounding census tracts do not have to fall within the boundaries of the incorporated area. In 2017, paragraph (E) was limited to Places with populations of 300,000, but for the 2018 competitive cycle, staff has lowered the population floor to 150,000. This will increase the number of eligible cities from eight (8) to 18.
- *Tenant Populations with Special Housing Needs* (*Page 28 of 43*). Staff has reintroduced participation in the Section 811 Project Rental Assistance Program back into the QAP. In the 2017 competitive cycle, it was in Chapter 10. Note that the specific requirements of the 811 program are delineated in the new 10 TAC Chapter 8.

22047

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Residences at Parkview

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**Request for Administrative
Deficiency**



May 6, 2022

Mr. Cody Campbell
Director of Multifamily Programs
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701
Email: cody.campbell@tdhca.state.tx.us

Re: Third Party Request for Administrative Deficiency (“RFAD”), §11.10 of 2022 Qualified Allocation Plan (“QAP”) – 22047 Residences at Parkview

Dear Mr. Campbell,

Please accept this letter as a Third Party Request for Administrative Deficiency (“RFAD”) pursuant to §11.10 of 2022 Qualified Allocation Plan (“QAP”) for application 22047 Residences at Parkview.

Application 22047 Residences at Parkview is deficient related to the following 2022 QAP sections and we respectfully request the issuance of an Administrative Deficiency Notice related to these items. Further, as described below, the following actions are warranted:

- Deduction of five (5) points from the application related to §11.9(c)(5) of the QAP, Underserved Area for failure to meet the requirement that the census tract boundaries are entirely within an incorporated area which has a population of 100,000 or more; and
- Deduction of six (6) points from the application related to §11.9(e)(3) Pre-Application Participation because the application final score varies by more than four (4) points from the pre-application self score after the necessary deduction under §11.9(c)(5) Underserved Area (5 points).

Underserved Area, QAP §11.9(c)(5)(F)

The application claimed points for being “located entirely within a ***census tract whose boundaries are wholly within an incorporated area*** and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago” (***emphasis added***).

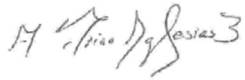
The census tract containing the development is partially within the city limits of Denton, and partially within the extraterritorial jurisdiction of Denton. Because a portion of the census tract is in the ETJ, the QAP requirement to be in a “census tract whose boundaries are wholly within an incorporated area” is not met. Pursuant to Local Government Code Section 42.021, by definition, “the extraterritorial jurisdiction of a municipality is the ***unincorporated area*** that is contiguous to the corporate boundaries of the municipality” (***emphasis added***).

Pre-Application Participation, QAP §11.9(e)(3)

In order to receive points under QAP §11.9(e)(3), “The Application final score (inclusive of only scoring items reflected on the self score form) does not vary by more than four (4) points from what was reflected in the pre-application self score.” Because points for 11.9(c)(5)(F) Underserved Area (5 points) are not justified, the application final score varies by five (5) points from the pre-application self score, and thus the development does not qualify for six (6) Pre-Application Participation points.

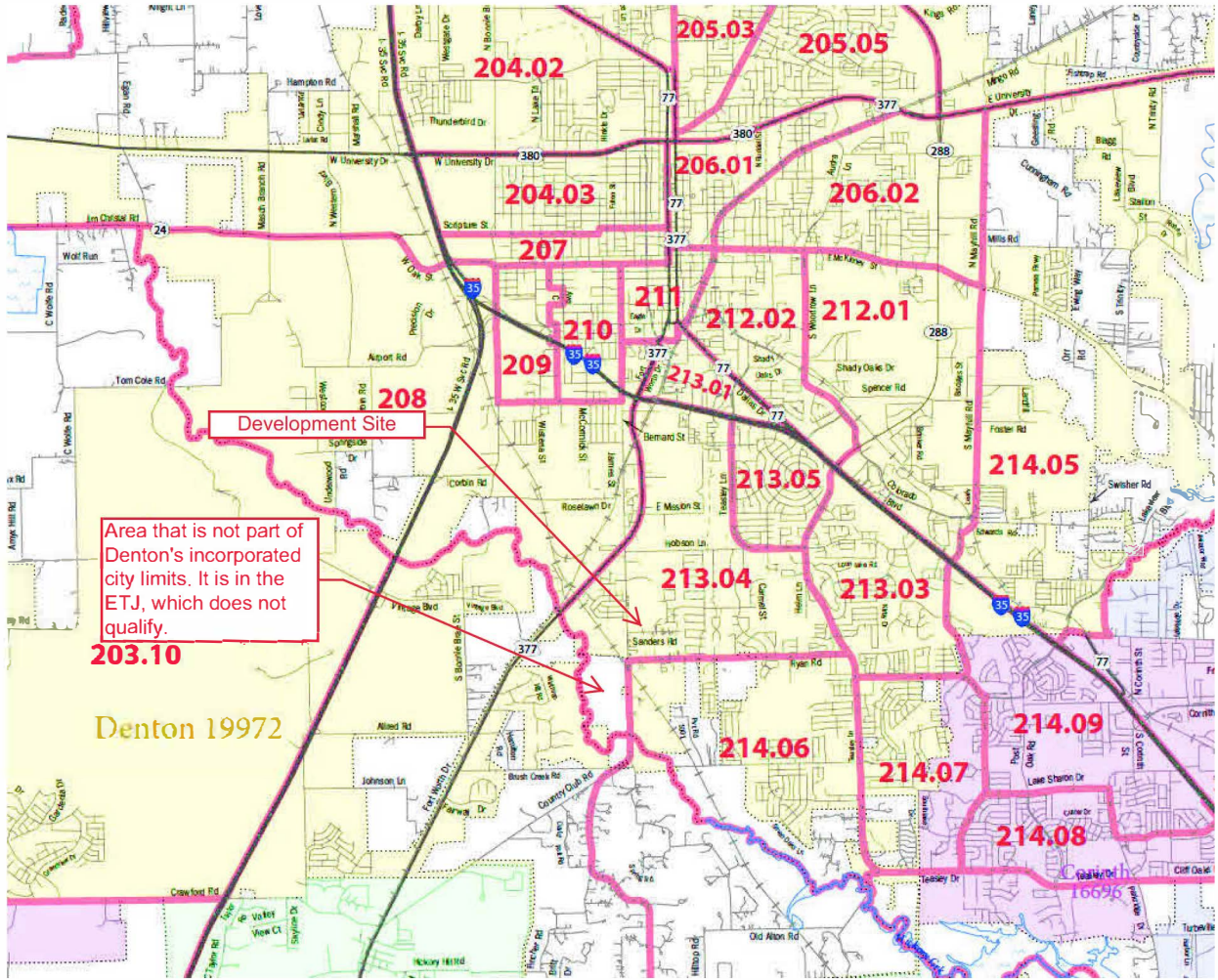
If you have any questions, please feel free to reach me directly at (512) 971-9127 or via email at aiglesias@ghdevelopment.com.

Sincerely,

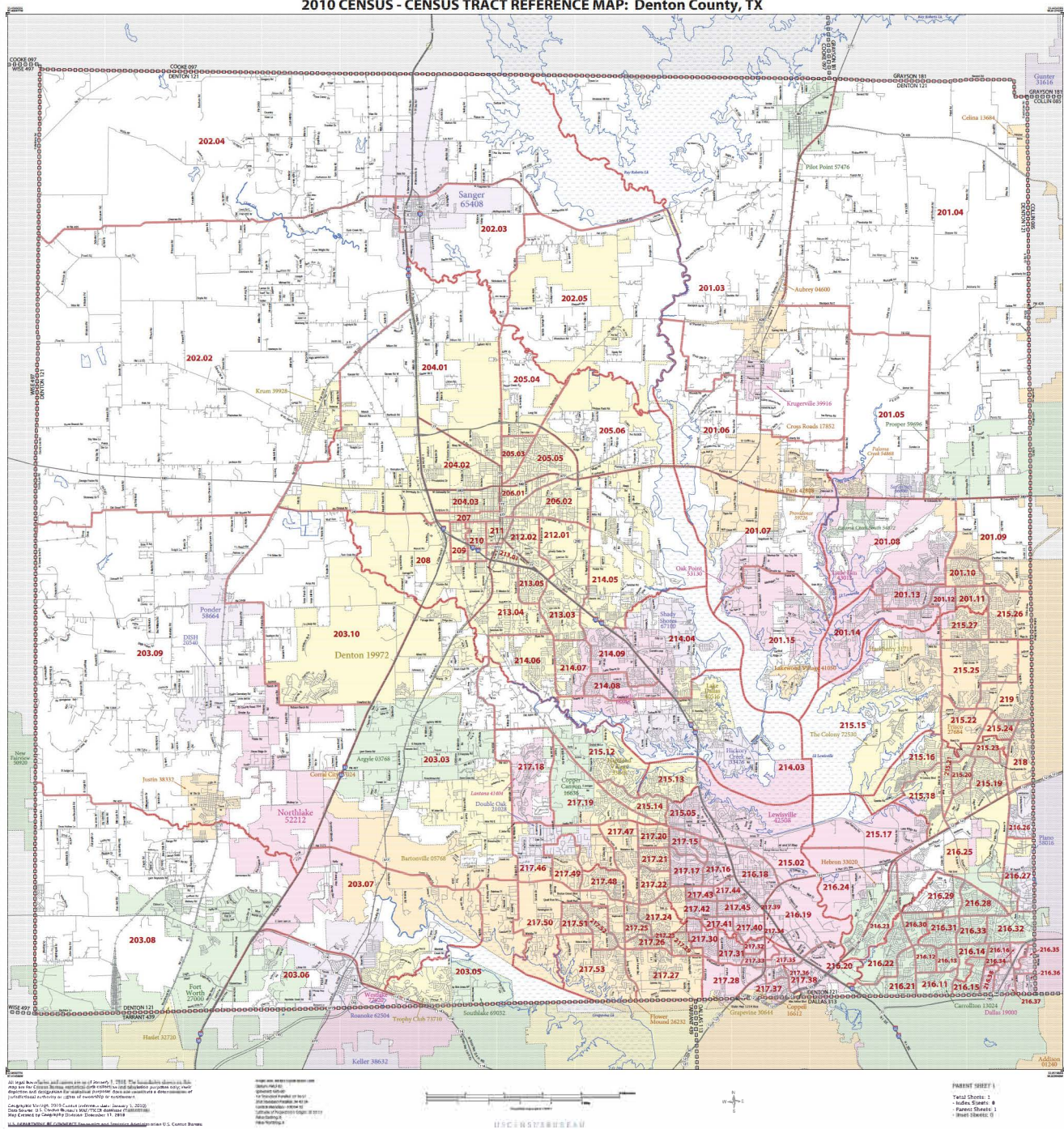
A handwritten signature in black ink that reads "Adrian Iglesias". The signature is written in a cursive style with a large initial "A" and a stylized "I".

Adrian Iglesias
Authorized Representative

This is a magnified excerpt from the 2010 Census Tract Reference Map for Denton County. It clearly shows that part of the development site's census tract is not in the incorporated city limits of Denton.



2010 CENSUS - CENSUS TRACT REFERENCE MAP: Denton County, TX



SYMBOL DESCRIPTION	SYMBOL	LEGEND	SYMBOL
Indian American Indian Reservation	[Symbol]	L'ANSE LAZES 1880	[Symbol]
Oil Reserves Trust Land	[Symbol]	TIBBIE	[Symbol]
Public Agency	[Symbol]	ADDY (754 1340)	[Symbol]
Public Agency	[Symbol]	Tanna Area #125	[Symbol]
Public Agency	[Symbol]	Lanshire 5754 0618	[Symbol]
Public Agency	[Symbol]	NARA AREA 52120	[Symbol]
Public Agency	[Symbol]	NEW YORK 36	[Symbol]
Public Agency	[Symbol]	FRK 606	[Symbol]
Public Agency	[Symbol]	Bristol town 07485	[Symbol]
Public Agency	[Symbol]	MILFORD 47500	[Symbol]
Public Agency	[Symbol]	Davis 18100	[Symbol]
Public Agency	[Symbol]	NEW YORK 3338	[Symbol]
Public Agency	[Symbol]	33.07	[Symbol]

Where majority of the MCD boundary coincides the map shows the boundary of the MCD. If the majority of the MCD boundary is not shown, the MCD boundary is shown with the water area and the MCD boundary is not shown.

MCD boundary or those for the MCD water to which MCD has jurisdiction: Carroll, Cass, Collin, Dallas, Denton, El Paso, Garza, Harris, Henderson, Hill, Johnson, Kaufman, Kent, Killeen, Lampasas, Leon, Lipscomb, Lott, Lubbock, Madison, Martin, Matagorda, Menard, Mitchell, Montague, Morris, Motley, Nolan, Oklahoma, Orange, Pecos, Polk, Potter, Randall, Rockwall, Tarrant, Terrell, Tompkins, Tarrant, Van Housen, and Wichita.

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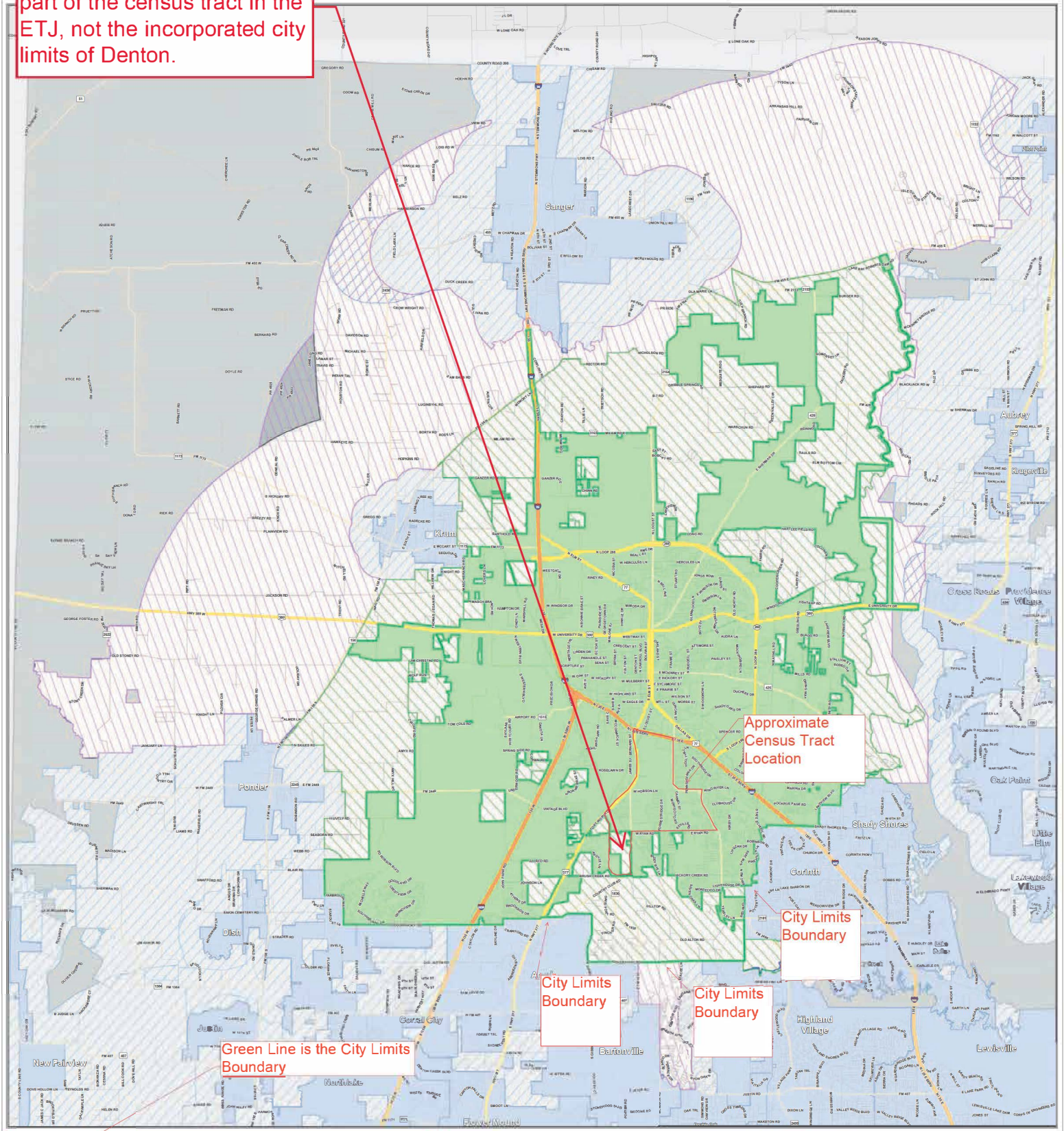
PARENT SHEET:
Field Sheet: 5
Index Sheet: 8
Parent Sheet: 1
Sheet Number: 1

NAME: Denton County (121)
ENTIRE County or statistically equivalent entity
UT Zone (NAD)



This map was included in the application and clearly shows part of the census tract in the ETJ, not the incorporated city limits of Denton.

City of Denton City Limits & ETJ Map



	City of Denton - City Limits Boundary		Other City
	City of Denton - City Proper		Other City ETJ
	City of Denton - ETJ Division 1		Denton County
	City of Denton - ETJ Division 2		

Development Services • GIS

Date: 4/8/2021

The City of Denton has prepared maps for departmental use. These are not official maps of the City of Denton and should not be used for legal, engineering or surveying purposes but rather for reference purposes. These maps are the property of the City of Denton and have been made available to the public based on the Public Information Act. The City of Denton makes every effort to produce and publish the most current and accurate information possible. No warranties, expressed or implied, are provided for the data herein, its use, or its interpretation. Utilization of this map indicates understanding and acceptance of this statement.

LOCAL GOVERNMENT CODE

TITLE 2. ORGANIZATION OF MUNICIPAL GOVERNMENT

SUBTITLE C. MUNICIPAL BOUNDARIES AND ANNEXATION

CHAPTER 42. EXTRATERRITORIAL JURISDICTION OF MUNICIPALITIES

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 42.001. PURPOSE OF EXTRATERRITORIAL JURISDICTION. The legislature declares it the policy of the state to designate certain areas as the extraterritorial jurisdiction of municipalities to promote and protect the general health, safety, and welfare of persons residing in and adjacent to the municipalities.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

SUBCHAPTER B. DETERMINATION OF EXTRATERRITORIAL JURISDICTION

Sec. 42.021. EXTENT OF EXTRATERRITORIAL JURISDICTION. (a) The extraterritorial jurisdiction of a municipality is the unincorporated area that is contiguous to the corporate boundaries of the municipality and that is located:

(1) within one-half mile of those boundaries, in the case of a municipality with fewer than 5,000 inhabitants;

(2) within one mile of those boundaries, in the case of a municipality with 5,000 to 24,999 inhabitants;

(3) within two miles of those boundaries, in the case of a municipality with 25,000 to 49,999 inhabitants;

(4) within 3-1/2 miles of those boundaries, in the case of a municipality with 50,000 to 99,999 inhabitants; or

(5) within five miles of those boundaries, in the case of a municipality with 100,000 or more inhabitants.

(b) Regardless of Subsection (a), the extraterritorial jurisdiction of a municipality is the unincorporated area that is contiguous to the corporate boundaries of the municipality and that is located:

(1) within five miles of those boundaries on a barrier island; or

(2) within one-half mile of those boundaries off a barrier island.

(c) Subsection (b) applies to a municipality that has:

(X) Development Site is within 4 miles of an indoor recreation facility available to the public. Examples include, but are not limited to, a gym, health club, a bowling alley, a theater, or a municipal or county community center. A facility that is primarily a restaurant or bar with recreational facilities is not eligible. (1 point).

(XI) Development Site is within 4 miles of an outdoor, dedicated, and permanent recreation facility available to the public. Examples include, but are not limited to, swimming pools or splash pads, tennis courts, golf courses, softball fields, or basketball courts. (1 point).

(XII) Development Site is within 4 miles of community, civic or service organizations that provide regular and recurring substantive services, beyond exclusively congregational or member-affiliated activities, available to the entire community (this could include religious organizations or organizations like the Kiwanis or Rotary Club as long as they make services available without regard to affiliation or membership). (1 point).

(XIII) Development Site is in the current service area of Meals on Wheels or similar nonprofit service that provides regular visits and meals to individuals in their homes. (1 point).

(XIV) Development Site is located in the attendance zone of a general enrollment public school rated A or B by TEA for the most recently available rating. (1 point).

(5) **Underserved Area.** (§§2306.6725(a)(4) and (b)(2); 2306.127(3), 42(m)(1)(C)(ii)). Points are not cumulative and an Applicant is therefore limited to selecting one subparagraph. If an Application qualifies for points under paragraph §11.9(c)(4) of this subsection, then the Application is not eligible for points under subparagraphs (A) and (B) of this paragraph. Years are measured by deducting the most recent year of award on the property inventory of the Site Demographic Characteristics Report from January 1 of the current year. The Application must include evidence that the Development Site meets the requirements. An Application may qualify to receive up to five (5) points if the Development Site meets any one of the criteria described in subparagraphs (A) - (H) of this paragraph:

(A) The Development Site is located wholly or partially within the boundaries of a colonia as such boundaries are determined by the Office of the Attorney General and within 150 miles of the Rio Grande River border. For purposes of this scoring item, the colonia must lack water, wastewater, or electricity provided to all residents of the colonia at a level commensurate with the quality and quantity expected of a municipality and the proposed Development must make available any such missing water, wastewater, and electricity supply infrastructure physically within the borders of the colonia in a manner that would enable the current dwellings within the colonia to connect to such infrastructure (2 points);

(B) The Development Site is located entirely within the boundaries of an Economically Distressed Area that has been awarded funds by the Texas Water Development Board in the previous five years ending at the beginning of the Application Acceptance Period (1 point);

(C) The Development Site is located entirely within a census tract that does not have another Development that was awarded less than 30 years ago according to the Department's property

inventory in the Site Demographic Characteristics Report (4 points);

(D) For areas not scoring points for subparagraph (C), the Development Site is located entirely within a census tract that does not have another Development that was awarded less than 20 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report (3 points);

(E) For areas not scoring points for subparagraphs (C) or (D) of this paragraph, the Development Site is located entirely within a census tract that does not have another Development that was awarded less than 15 years ago according to the Department's property inventory in the Site Demographic Characteristics Report (2 points);

(F) The Development Site is located entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 100,000 or more, and will not apply in the At-Risk Set-Aside; (5 points)

(G) The Development Site is located entirely within a census tract where, according to American Community Survey 5-year Estimates, the population share of persons below 200% federal poverty level decreased by 10% or more and where the total number of persons at or above 200% federal poverty level had increased by 15% or more between the years 2012 and 2019. This measure is referred to as the Affordable Housing Needs Indicator in the Site Demographic Characteristics Report. (3 points); or

(H) An At-risk or USDA Development placed in service 25 or more years ago, that is still occupied, and that has not yet received federal funding, or LIHTC equity, for the purposes of Rehabilitation for the Development. If the Application involves multiple sites, the age of all sites will be averaged for the purposes of this scoring item. (3 points).

(6) Residents with Special Housing Needs. (§2306.6710(b)(4); §42(m)(1)(C)(v)) An Application may qualify to receive up to three (3) points by serving Residents with Special Housing Needs by selecting points under any combination of subparagraphs (A), (B), or (C).

(A) The Development must commit at least 5% of the total Units to Persons with Special Housing Needs. The Units identified for this scoring item may not be the same Units identified previously for the Section 811 PRA Program. For purposes of this subparagraph, Persons with Special Housing Needs is defined as a household where one or more individuals have alcohol or drug addictions, is a Colonia resident, a Person with a Disability, has Violence Against Women Act Protections (domestic violence, dating violence, sexual assault, and stalking), HIV/AIDS, homeless, veterans, and farmworkers. Throughout the Compliance Period, unless otherwise permitted by the Department, the Development Owner agrees to specifically market Units to Persons with Special Housing Needs. In addition, the Department will require an initial minimum twelve-month period during which Units must either be occupied by Persons with Special Housing Needs or held vacant, unless the Units receive HOME funds from any source. After the initial twelve-month period, the Development Owner will no longer be required to hold Units vacant for Persons with Special Housing Needs, but will be

22047

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Residences at Parkview

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**Request for Administrative
Deficiency**



Mr. Colin Nickells
Administrator 9% Competitive Housing Tax Credit Program
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

Via: Email

RE: *Residences at Parkview, Denton #22047*

Dear Mr. Nickells:

Please accept this Request for an Administrative Deficiency for the above referenced application.

Underserved Points:

This application has claimed 5 points for Underserved Areas, however it only qualifies for 4 points.

The 5 point Underserved Area point category under Section 11.9(c)(5)(F) states: "The Development Site is located entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 100,000 or more."

The subject site's census tract, 48121021304, is not fully incorporated, as the Denton ETJ lies within its boundaries. By definition in the [Texas Local Government Code](#), "the extraterritorial jurisdiction of a municipality is the *unincorporated* area that is contiguous to the corporate boundaries of the municipality...". Thus, the census tract contains a unincorporated area, and as such, does not qualify for 5 underserved points.

For reference, I have attached excerpts from the QAP detailing the requirements for Underserved Areas and proof that the subject site's census tract does not meet the required criteria.

Proximity to Jobs Areas

Some of the required documentation for the Proximity to Jobs category is missing from these Applications, and the required documentation is dated after the Pre-Application deadline in this Application.

The QAP and the 2022 Multifamily Programs Application Procedures Manual are clear about what documentation is required and when the data must be dated by. Additionally, Tab 10 of the application explicitly states that the documentation detailed in the 2022 Application Manual is required to be inserted in the application.

These applications do not include 1. verification that the GPS coordinates used to determine the number of jobs within the respective radii of the site clearly fall within the boundaries of the Development site; and 2. a screen shot of the job radius.



Moreover, the 2022 Multifamily Programs Application Procedures Manual states that one of the functions of the Census on the Map PDF report is to provide a time stamp so that staff can confirm the report was generated on or after October 1, 2021 but before the Pre-Application final delivery date. The time stamp on the Census on the Map PDF report are dated after the Pre-Application Delivery Date.

For reference, I have attached excerpts from the QAP, the 2022 Multifamily Programs Application Procedures Manual, and the Application detailing the documentation that is required to be submitted to claim Proximity to Job Areas points.

Thank you for assessing this request. Please let us know if you have any further questions or require any additional documentation by contacting me at (513) 964-1141 or brian.mcgeady@mvahpartners.com. Thank you for your consideration

Sincerely,

A handwritten signature in black ink, appearing to read 'B. McGeady', with a long horizontal stroke extending to the left.

Brian McGeady
Authorized Signer of the Applicant

inventory in the Site Demographic Characteristics Report (4 points);

(D) For areas not scoring points for subparagraph (C), the Development Site is located entirely within a census tract that does not have another Development that was awarded less than 20 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report (3 points);

(E) For areas not scoring points for subparagraphs (C) or (D) of this paragraph, the Development Site is located entirely within a census tract that does not have another Development that was awarded less than 15 years ago according to the Department's property inventory in the Site Demographic Characteristics Report (2 points);

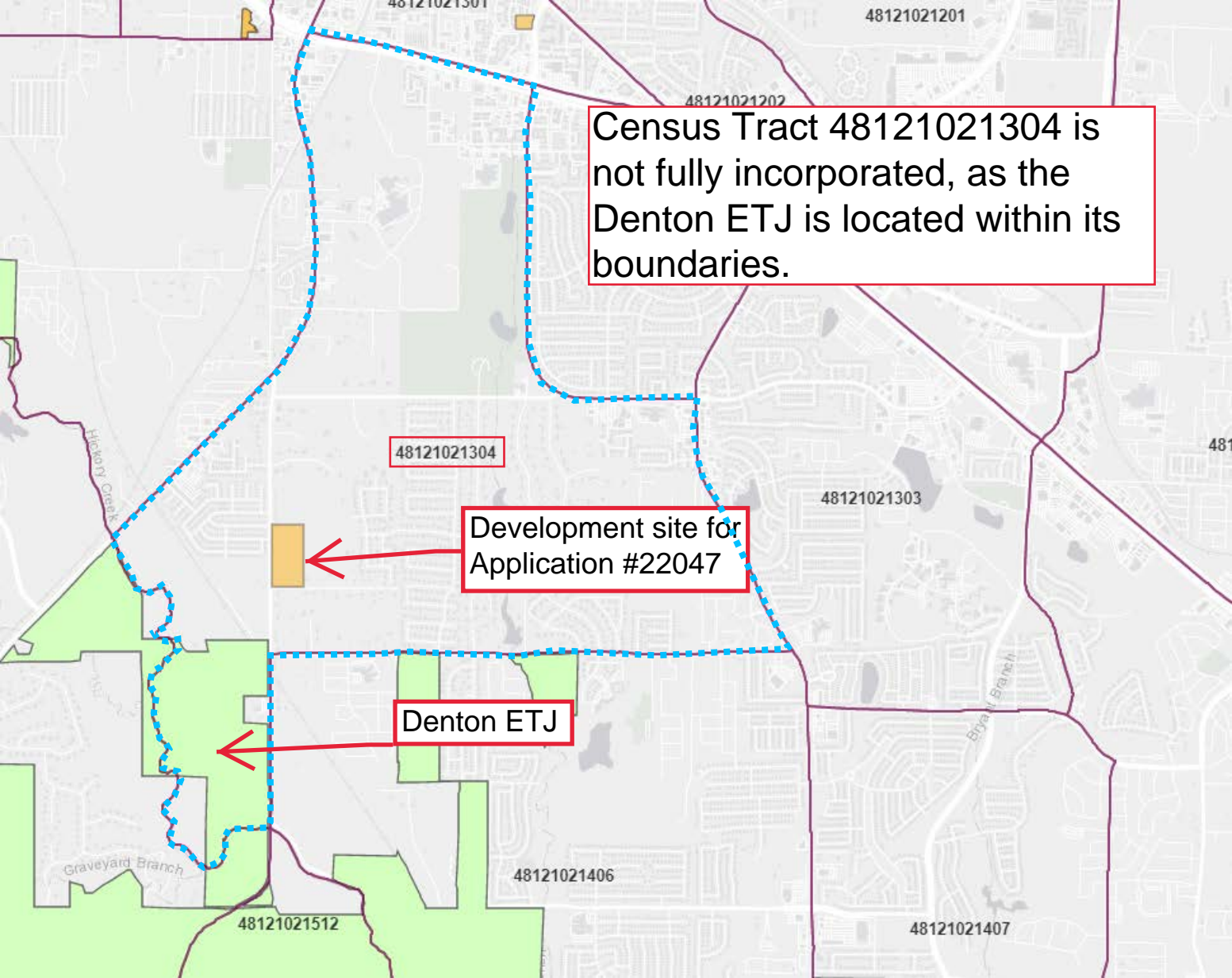
(F) The Development Site is located entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 100,000 or more, and will not apply in the At-Risk Set-Aside; (5 points)

(G) The Development Site is located entirely within a census tract where, according to American Community Survey 5-year Estimates, the population share of persons below 200% federal poverty level decreased by 10% or more and where the total number of persons at or above 200% federal poverty level had increased by 15% or more between the years 2012 and 2019. This measure is referred to as the Affordable Housing Needs Indicator in the Site Demographic Characteristics Report. (3 points); or

(H) An At-risk or USDA Development placed in service 25 or more years ago, that is still occupied, and that has not yet received federal funding, or LIHTC equity, for the purposes of Rehabilitation for the Development. If the Application involves multiple sites, the age of all sites will be averaged for the purposes of this scoring item. (3 points).

(6) Residents with Special Housing Needs. (§2306.6710(b)(4); §42(m)(1)(C)(v)) An Application may qualify to receive up to three (3) points by serving Residents with Special Housing Needs by selecting points under any combination of subparagraphs (A), (B), or (C).

(A) The Development must commit at least 5% of the total Units to Persons with Special Housing Needs. The Units identified for this scoring item may not be the same Units identified previously for the Section 811 PRA Program. For purposes of this subparagraph, Persons with Special Housing Needs is defined as a household where one or more individuals have alcohol or drug addictions, is a Colonia resident, a Person with a Disability, has Violence Against Women Act Protections (domestic violence, dating violence, sexual assault, and stalking), HIV/AIDS, homeless, veterans, and farmworkers. Throughout the Compliance Period, unless otherwise permitted by the Department, the Development Owner agrees to specifically market Units to Persons with Special Housing Needs. In addition, the Department will require an initial minimum twelve-month period during which Units must either be occupied by Persons with Special Housing Needs or held vacant, unless the Units receive HOME funds from any source. After the initial twelve-month period, the Development Owner will no longer be required to hold Units vacant for Persons with Special Housing Needs, but will be



Census Tract 48121021304 is not fully incorporated, as the Denton ETJ is located within its boundaries.

48121021304

Development site for Application #22047

Denton ETJ

48121021406

48121021512

48121021407

48121021303

48121021202

48121021201

48121021301

Graveyard Branch

Blythe Branch

Excerpt from the 2022 QAP stating required documentation associated with Proximity to Jobs Areas point category.

required to continue to specifically market Units to Persons with Special Housing Needs. (2 points)

(B) If the Development has committed units under §11.9(c)(6)(A), the Development must commit at least an additional 2% of the total Units to Persons referred from the Continuum of Care or local homeless service providers to be made available for those experiencing homelessness. Rejection of an applicant's tenancy for those referred may not be for reasons of credit history or prior rental payment history. Throughout the Compliance Period, unless otherwise permitted by the Department, the Development Owner agrees to specifically market the 2% of Units through the Continuum of Care and other homelessness providers local to the Development Site. In addition, the Department will require an initial minimum twelve-month period in Urban subregions, and an initial six-month period in Rural subregions, during which Units must either be occupied by Persons referred from the Continuum of Care or local homeless service providers, or held vacant, unless the Units receive HOME funds from any source. After the initial twelve-month or six-month period, the Development Owner will no longer be required to hold Units vacant but will be required to continue to provide quarterly notifications to the Continuum of Care and other homeless service providers local to the Development Site on the availability of Units at the Development Site. Developments are not eligible under this paragraph unless points have also been selected under §11.9(c)(6)(A). (1 point)

(C) If the Development is located in a county with a population of 1 million or more, but less than 4 million, and is located not more than two miles from a veteran's hospital, veteran's affairs medical center, or veteran's affairs health care center, (which include all providers listed under the Veteran's Health Administration categories, excluding Benefits Administration offices, listed at this link https://www.va.gov/directory/guide/fac_list_by_state.cfm?State=TX&dnum=ALL) and agrees to provide a preference for leasing units in the Development to low income veterans. (1 point)

(7) Proximity to Job Areas. (§42(m)(1)(C)(i)) An Application may qualify to receive up to six (6) points if the Development Site is located in one of the areas described in subparagraphs (A) or (B) of this paragraph, and the Application contains evidence substantiating qualification for the points. The data used will be based solely on that available through US Census' OnTheMap tool. Jobs counted are limited to those based on the work area, all workers, and all primary jobs. Only the 2018 data set will be used, unless a newer data set is posted to the US Census website on or before October 1, 2021. The Development will use OnTheMap's function to import GPS coordinates that clearly fall within the Development Site, and the OnTheMap chart/map report submitted in the Application must include the report date. This scoring item will not apply to Applications under the At-Risk or USDA Set-Aside.

(A) Proximity to Jobs. For Development Sites within the boundaries of a municipality of 500,000 or more, or the unincorporated areas of a county with a population of 1 million or more, A Development may qualify for points under this subparagraph if it meets one of the criteria in clauses (i) - (vi) of this subparagraph.

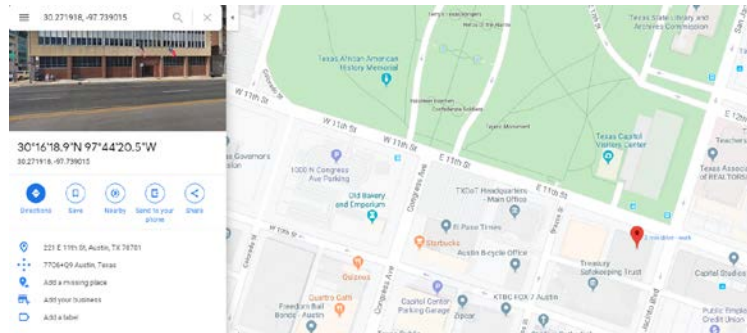
(i) The Development is located within 2 miles of 16,500 jobs. (6 points)

(ii) The Development is located within 2 miles of 13,500 jobs. (5 points)

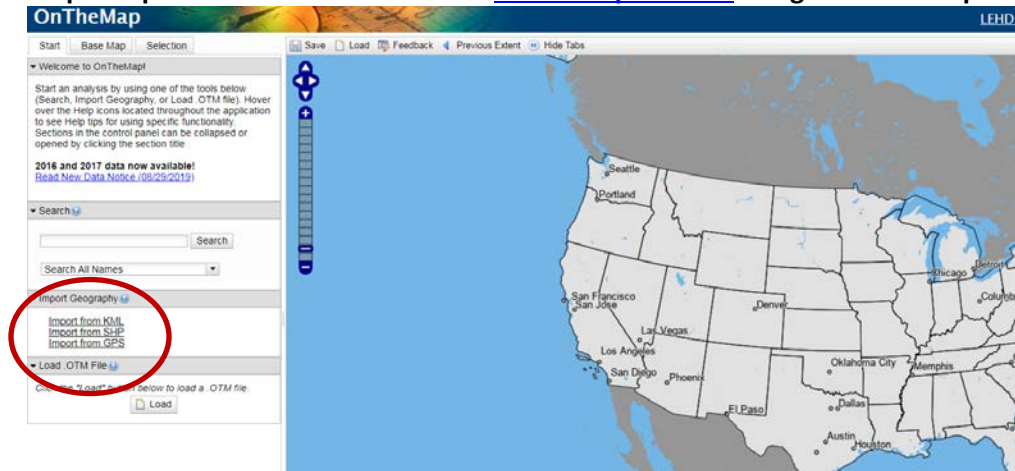
(iii) The Development is located within 2 miles of 10,500 jobs. (4 points)

Instructions for using the OnTheMap tool for Proximity to Jobs:**Step 1: Provide the GPS coordinates that clearly fall within the boundaries of the Development Site.**

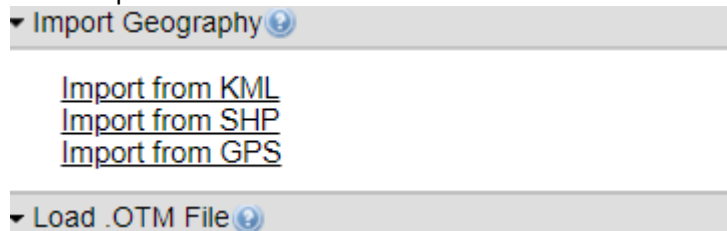
An Application may have coordinates on the survey provided to meet the requirements of 10 TAC §11.204(15)(D), however this is not required. Staff will accept Applicant verification of GPS coordinates through an online map like Google Maps or Google Earth, but it must be clear to staff that the GPS coordinates are tied to a spatial point that unequivocally falls within the boundaries of the Development Site.



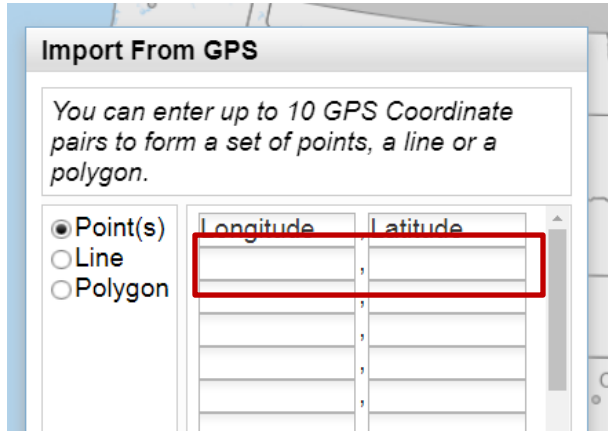
If using Google Maps or Google Earth or a similar mapping program/software, evidence similar to what is seen above must be placed in the Application.

Step 2: Input the Coordinates into the [OnTheMap website](#) using their GPS Import function.

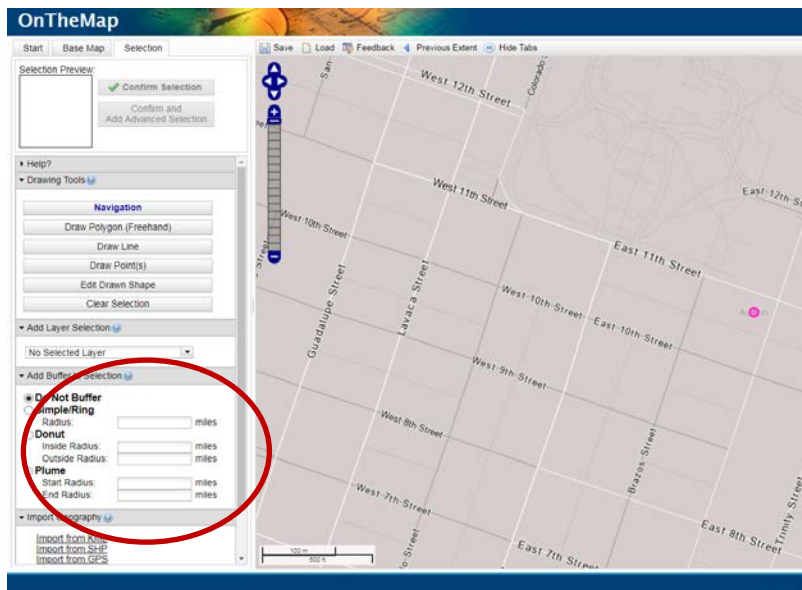
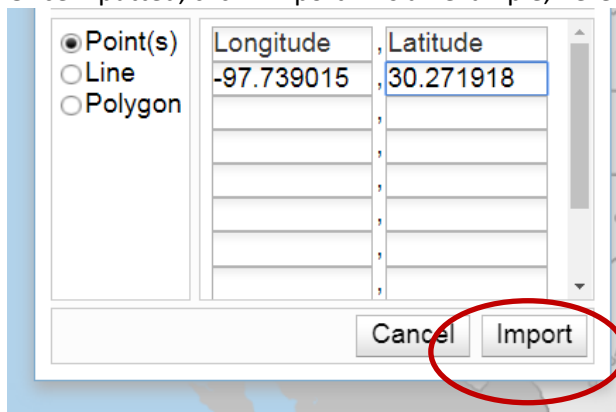
Click "Import from GPS" in the area circled above:



Input the Longitude and Latitude coordinates.



Once inputted, click "Import." As an example, here are coordinates for the TDHCA headquarters.



After clicking "Import," you will see a screen similar to above, with your GPS coordinates now represented as a spatial point. In the area circled above, you now specify that you will look at jobs within a 1 mile radius of the spatial point.

▼ Add Buffer to Selection

Do Not Buffer

Simple/Ring

Radius: miles

Donut

Inside Radius: miles

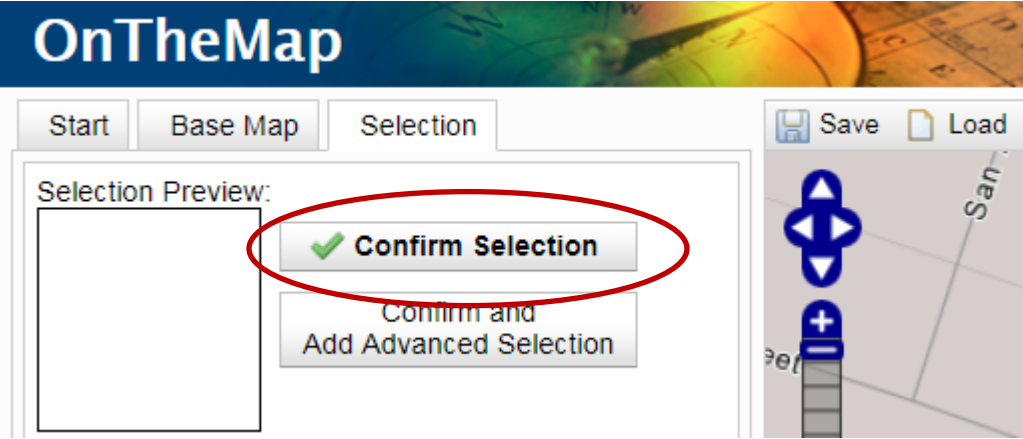
Outside Radius: miles

Plume

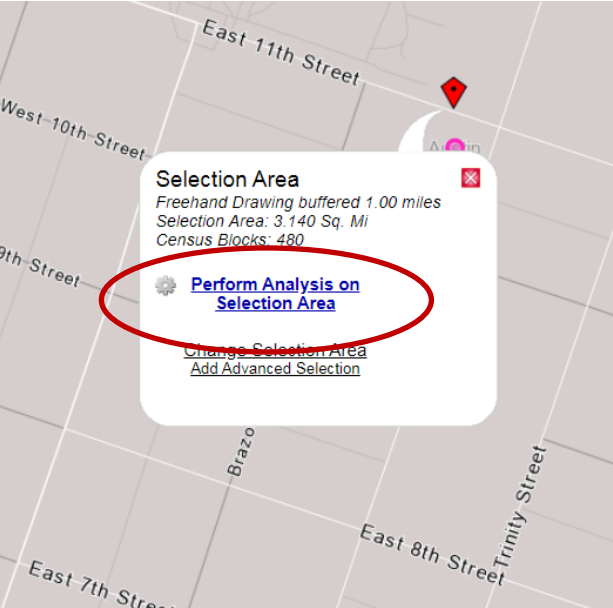
Start Radius: miles

End Radius: miles

After clicking “Simple/Ring” and inputting “1” for miles, click “Confirm Selection.”

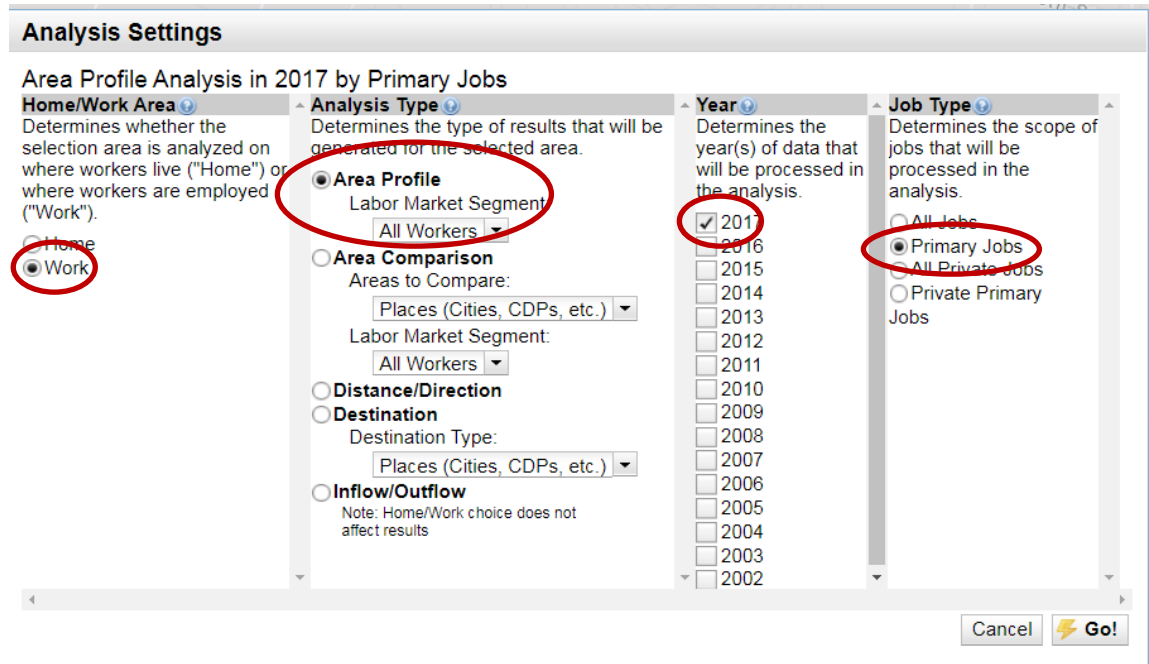


Then click “Perform Analysis on Selection Area”

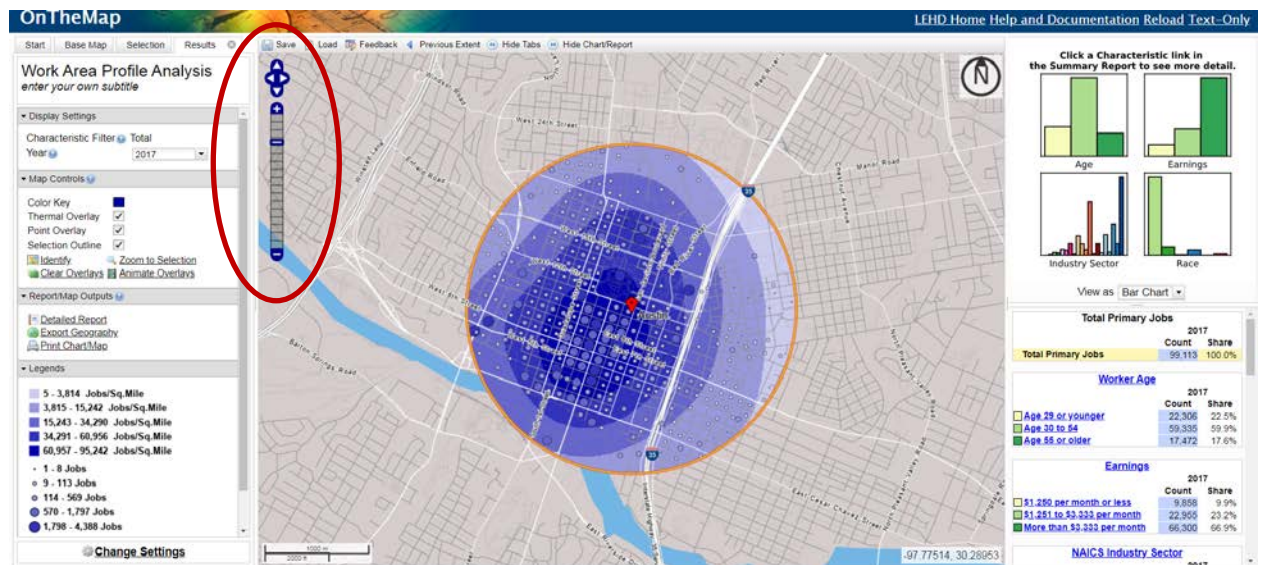


Then check the following boxes for certain categories: “Work” in column 1; “Area Profile” and “All Workers” in column 2; “2018” in column 3; and “Primary Jobs” in column 4. **Instead of 2017, you**

will choose 2018. While 2019 data may be available, it was not available prior to October 1, 2021 as required by the QAP.



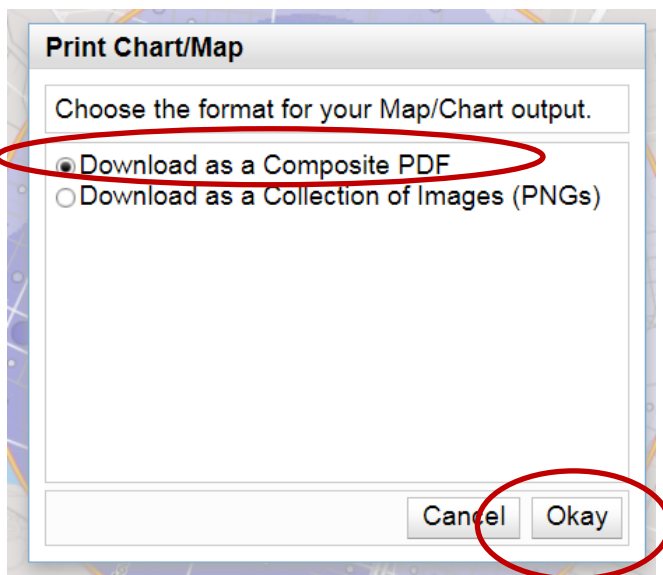
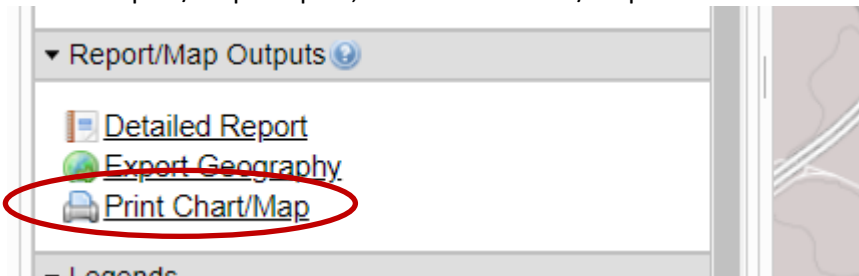
Click "Go." You will then see a screen showing the jobs analysis, similar to this:



Be sure to zoom out, using the zoom tools circled above, so that the entire 1 mile radius can be seen around the spatial point.

IMPORTANT: take a screen shot at this point to show evidence of the coordinates ("ctrl, PrtScn" on the keyboard, then paste to a blank document, format as needed, then pdf). Include the screenshot behind Tab 2 in the pdf application.

Under “Report/Map Outputs,” click “Print Chart/Map.”



Select “Download as a Composite PDF” and then click “Okay.”



Work Area Profile Report
 Primary Jobs for All Workers in 2017

Created by the U.S. Census Bureau's OnTheMap <https://onthemap.ces.census.gov> on 10/24/2019

Counts and Density of Primary Jobs in Work Selection Area in 2017
 All Workers

Proof of Report deadline

This produces a PDF report, with the map and the total job count. This report also has a time stamp so that staff can confirm that the report was generated on or after October 1, 2021 but before the Pre-Application Final Delivery Date. **Include this report plus the screen shot in the pdf application.**

- **Part 4 – Concerted Revitalization:** If claiming points, be sure that no points are being claimed under the Opportunity Index. Complete the appropriate boxes and select amenities in the Urban or Rural section of Opportunity Index. **The CRP Packet is required for Urban and Rural Applications requesting these points, and must be included behind Tab 10.** Make sure supporting documentation is included in the

by the Department's Real Estate Analysis Division that contains a synopsis of the proposed Development and that reconciles the Application information, including its financials and market analysis, with the underwriter's analysis. The Report allows the Department and Board to determine whether the Development will be financially feasible as required by Code §42(m), or other federal or state regulations.

(138) Uniform Multifamily Application Templates--The collection of sample resolutions and form letters, produced by the Department, as may be required under this chapter or Chapters 12 and 13 of this title (relating to Multifamily Housing Bond Rules and Multifamily Direct Loan Rule, respectively) that may, but are not required to, be used to satisfy the requirements of the applicable rule.

(139) Uniform Physical Condition Standards (UPCS)--As developed by the Real Estate Assessment Center of HUD.

(140) Unit--Any residential rental Unit in a Development consisting of an accommodation, including a single room used as an accommodation on a non-transient basis, that contains complete physical facilities and fixtures for living, sleeping, eating, cooking and sanitation.

(141) Unit Type--Units will be considered different Unit Types if there is any variation in the number of Bedrooms, full bathrooms or a square footage difference equal to or more than 120 square feet.

(142) Unstabilized Development--A Development with Comparable Units that has been approved for funding by the Department's Board of Directors or is currently under construction or has not maintained a 90% occupancy level for at least 90 days following construction completion. A development may be deemed stabilized by the Underwriter based on factors relating to a development's lease-up velocity, Sub-Market rents, Sub-Market occupancy trends and other information available to the Underwriter. The Market Analyst may not consider such development stabilized in the Market Study.

(143) Urban Area--A Place that is located within the boundaries of a primary metropolitan statistical area or a metropolitan statistical area other than a Place described by subparagraph (A) within the definition of Rural Area in this subsection. For areas not meeting the definition of a Place, the designation as a Rural Area or Urban Area is assigned in accordance with §11.204(5) of this chapter.

(144) Utility Allowance--The estimate of tenant-paid utilities made in accordance with Treasury Regulation, §1.42-10 and §10.614 of this title (relating to Utility Allowances).

(145) Work Out Development--A financially distressed Development for which the Owner or a primary financing participant is seeking a change in the terms of Department funding or program restrictions.

(e) Data. Where this chapter requires the use of American Community Survey or Housing & Urban Development data, the Department shall use the most current data available as of October 1 of the year prior to Application, unless specifically otherwise provided in federal or state law or in the rules, with the exception of census tract boundaries for which 2010 Census boundaries will continue to be used. All references to census tracts throughout this chapter will mean the 2010 Census tracts. All

American Community Survey (ACS) data must be 5-year estimates, unless otherwise specified and it is the ACS data that will be used for population determination. The availability of more current data shall be disregarded. Where other data sources are specifically required, such as NeighborhoodScout, the data available after October 1, but before Pre-Application Final Delivery Date, will be permissible. The NeighborhoodScout report submitted in the Application must include the report date. All references to QCTs throughout this chapter mean the 2022 QCTs designated by HUD in September 2021, to be effective January 1, 2022.

(f) Deadlines. Where a specific date or deadline is identified in this chapter, the information or documentation subject to the deadline must be received by the Department on or before 5:00 p.m. Austin local time on the day of the deadline. If the deadline falls on a weekend or holiday, the deadline is 5:00 p.m. Austin local time on the next day which is not a weekend or holiday and on which the Department is open for general operation. Unless otherwise noted or provided in statute, deadlines are based on calendar days. Deadlines, with respect to both date and time, cannot be waived except where authorized and for truly extraordinary circumstances, such as the occurrence of a significant natural disaster that could not have been anticipated and makes timely adherence impossible. Applicants should further ensure that all required documents are included, legible, properly organized, and tabbed, and that materials in required formats involving digital media are complete and fully readable. Applicants are strongly encouraged to submit the required items well in advance of established deadlines.

(g) Documentation to Substantiate Items and Representations in a Competitive HTC Application. In order to ensure the appropriate level of transparency in this highly competitive program, Applications and all correspondence and other information relating to each Application are posted on the Department's website and updated on a regular basis. Applicants must use the Application form posted online to provide appropriate support for each item substantiating a claim or representation, such as claims for points, qualification for set-asides, meeting of threshold requirements, or timely requesting a waiver or determination. Any Application that staff identifies as having insufficient support information will be directed to cure the matter via the Deficiency process. Applicants are reminded that this process may not be used to increase a scoring item's points or to change any aspect of the proposed Development, financing structure, or other element of the Application. Although a responsive narrative will be created after Application submission, all facts and materials to substantiate any item in response to such an Administrative Deficiency must have been clearly established at the time of submission of the Application.


(h) Board Standards for Review. Some issues may require or benefit from Board review. The Board is not constrained to a particular standard, and while its actions on one matter are not binding as to how it will address another matter, the Board does seek to promote consistency with its policies, including the policies set forth in this chapter.

(i) Public Information Requests. Pursuant to Tex. Gov't Code §2306.6717, any pre-application and any full Application, including all supporting documents and exhibits, must be made available to the public, in their entirety, on the Department's website. The filing of a pre-application or Application with the Department shall be deemed as consent to the release of any and all information contained therein, including supporting documents and exhibits. As part of its certifications, the Applicant shall certify that the authors of the reports and other information and documents submitted with the

Tab 10 of Application detailing Proximity to Jobs Areas required documentation

n/a Proximity to Job Areas (Competitive HTC Only)

Proximity to Jobs

- US Census' OnTheMap report, the 2018 data set, indicating only the 2018 data set will be used, unless a newer data set is posted to the US Census Website on or before October 1, 2021. (See the 2022 Application Manual for directions) 

n/a Concerted Revitalization Plan (Competitive HTC Only)

- CRP Packet is inserted behind this tab.

n/a Declared Disaster Area: (Competitive HTC Only)

- The county in which the Development Site is located is listed on the 2022 List of Declared Disaster Areas (no further documentation is required).

The List of Declared Disaster Areas is posted on the Department's website at



<http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>

- Applicant believes the county in which the Development Site is located was omitted from the list and should be listed. Application includes evidence that the Development Site is located in an area declared to be a disaster area under Tex. Gov't Code §418.014 at any time within the two-year period preceding the date of Application submission.

n/a Readiness to Proceed (Competitive HTC Only) (suspended)

Each piece of evidence provided that is not listed above must be accompanied by a detailed narrative describing how that piece of evidence will allow the Applicant to meet the requirements.



22106

-

**Mariposa Apartment Homes at
Plano Parkway**

-

**Request for Administrative
Deficiency**



Mr. Colin Nickells
Administrator 9% Competitive Housing Tax Credit Program
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

Via: Email

RE: *Mariposa Apartment Homes at Plano Parkway ,Plano #22106*

Dear Mr. Nickells:

Please accept this Request for an Administrative Deficiency for the above referenced application. This application has claimed 5 points for Underserved Areas, however it only qualifies for 4 points. Additionally, the applicant used Census on the Map 2019 data instead of 2018 in the application to claim Proximity to Job Areas points.

Underserved Areas

The 5 point Underserved Area point category under Section 11.9(c)(5)(F) states: "The Development Site is located entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 100,000 or more."

The subject site's census tract, 48085031649, is not fully incorporated, as the Hebron ETJ lies within its boundaries. By definition in the [Texas Local Government Code](#), "the extraterritorial jurisdiction of a municipality is the *unincorporated* area that is contiguous to the corporate boundaries of the municipality...". Thus, the census tract contains an unincorporated area, and as such, does not qualify for 5 underserved points.

For reference, I have attached excerpts from the QAP detailing the requirements for Underserved Areas and proof that the subject site's census tract does not meet the required criteria.

Proximity to Job Areas

The QAP, 2022 Multifamily Programs Application Procedures Manual, and Tab 10 of the application explicitly state that the 2018 is required to be used since that was the data that was available on October 1, 2021. The 2019 data was not released until after that date and thus cannot be used to determine Proximity to Jobs points.

For reference, I have attached excerpts from the QAP, the 2022 Multifamily Programs Application Procedures Manual, and the Application detailing the documentation that is required to be submitted to claim Proximity to Job Areas points.



Thank you for assessing this request. Please let us know if you have any further questions or require any additional documentation by contacting me at (513) 964-1141 or brian.mcgeady@mvahpartners.com. Thank you for your consideration

Sincerely,

A handwritten signature in black ink, appearing to read 'B. McGeady', with a long, sweeping horizontal line extending to the right.

Brian McGeady
Authorized Signer of the Applicant

inventory in the Site Demographic Characteristics Report (4 points);

(D) For areas not scoring points for subparagraph (C), the Development Site is located entirely within a census tract that does not have another Development that was awarded less than 20 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report (3 points);

(E) For areas not scoring points for subparagraphs (C) or (D) of this paragraph, the Development Site is located entirely within a census tract that does not have another Development that was awarded less than 15 years ago according to the Department's property inventory in the Site Demographic Characteristics Report (2 points);

(F) The Development Site is located entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 100,000 or more, and will not apply in the At-Risk Set-Aside; (5 points)

(G) The Development Site is located entirely within a census tract where, according to American Community Survey 5-year Estimates, the population share of persons below 200% federal poverty level decreased by 10% or more and where the total number of persons at or above 200% federal poverty level had increased by 15% or more between the years 2012 and 2019. This measure is referred to as the Affordable Housing Needs Indicator in the Site Demographic Characteristics Report. (3 points); or

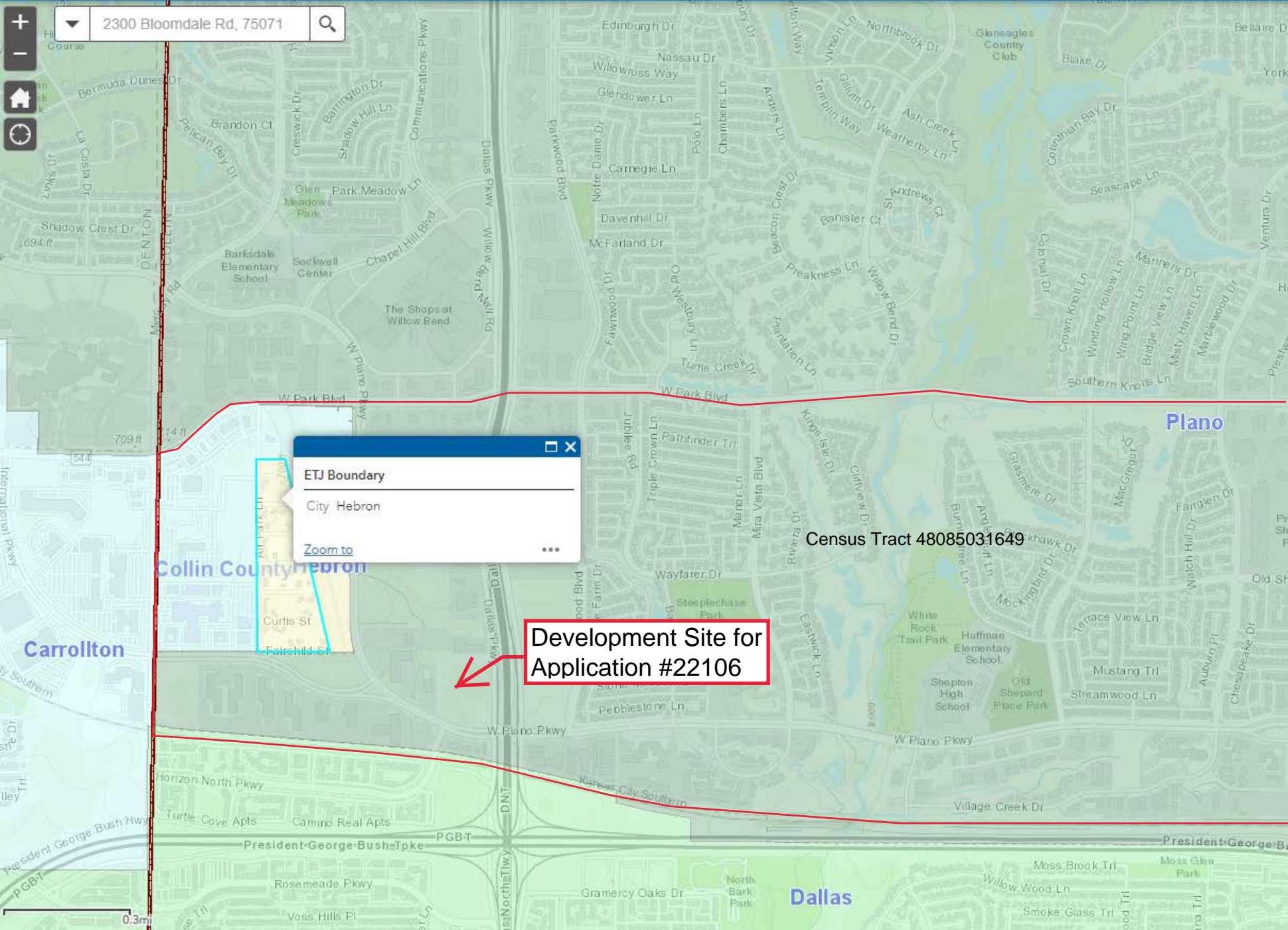
(H) An At-risk or USDA Development placed in service 25 or more years ago, that is still occupied, and that has not yet received federal funding, or LIHTC equity, for the purposes of Rehabilitation for the Development. If the Application involves multiple sites, the age of all sites will be averaged for the purposes of this scoring item. (3 points).

(6) Residents with Special Housing Needs. (§2306.6710(b)(4); §42(m)(1)(C)(v)) An Application may qualify to receive up to three (3) points by serving Residents with Special Housing Needs by selecting points under any combination of subparagraphs (A), (B), or (C).

(A) The Development must commit at least 5% of the total Units to Persons with Special Housing Needs. The Units identified for this scoring item may not be the same Units identified previously for the Section 811 PRA Program. For purposes of this subparagraph, Persons with Special Housing Needs is defined as a household where one or more individuals have alcohol or drug addictions, is a Colonia resident, a Person with a Disability, has Violence Against Women Act Protections (domestic violence, dating violence, sexual assault, and stalking), HIV/AIDS, homeless, veterans, and farmworkers. Throughout the Compliance Period, unless otherwise permitted by the Department, the Development Owner agrees to specifically market Units to Persons with Special Housing Needs. In addition, the Department will require an initial minimum twelve-month period during which Units must either be occupied by Persons with Special Housing Needs or held vacant, unless the Units receive HOME funds from any source. After the initial twelve-month period, the Development Owner will no longer be required to hold Units vacant for Persons with Special Housing Needs, but will be



2300 Bloomdale Rd, 75071



ETJ Boundary

City Hebron

[Zoom to](#) ⋮

Development Site for Application #22106

Census Tract 48085031649

Carrollton

Plano

Dallas

Collin County

President George Bush Hwy

Rosemeade Pkwy

Voss Hills Pl

W Plano Pkwy

Horizon North Pkwy

Camino Real Apts

Gramercy Oaks Dr

Dallas Pkwy

Turtle Cove Apts

North Bark Park

Willow Wood Ln

W Park Blvd

Stepplechase Park

White Rock Trail Park

Smoke Glass Trl

W Plano Pkwy

Shepton High School

Huffman Elementary School

Moss Brook Trl

W Plano Pkwy

Old Shepard Place Park

Streamwood Ln

Moss Glen Park

W Plano Pkwy

Mustang Trl

Village Creek Dr

President George Bush Hwy

W Plano Pkwy

Watch Hill Dr

Auburn Pl

Chesapeake Dr

0.3mi

021627

48085031647

48085031648

Census Tract 48085031649 is not fully incorporated, as the Hebron ETJ is located within its boundaries.



Hebron ETJ

48085031649

Development site for Application # 22106



PGBT

48085031712

North Bark Park

MOSS BROOK TRL

Moss Glen Park

WILLOW WOOD LN

SMOKE GLASS TRL

MIDROSE TRL

VOSS HILLS PL

RUSHING RD

BENT CREEK TRL

DNT

DALLAS PKWY

DNT

WINDING HOLLOW LN

WING POINT LN

BRIDGE VIEW LN

MISTY HAVEN LN

VENTURA DR

289

LOCAL GOVERNMENT CODE

TITLE 2. ORGANIZATION OF MUNICIPAL GOVERNMENT

SUBTITLE C. MUNICIPAL BOUNDARIES AND ANNEXATION

CHAPTER 42. EXTRATERRITORIAL JURISDICTION OF MUNICIPALITIES

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 42.001. PURPOSE OF EXTRATERRITORIAL JURISDICTION. The legislature declares it the policy of the state to designate certain areas as the extraterritorial jurisdiction of municipalities to promote and protect the general health, safety, and welfare of persons residing in and adjacent to the municipalities.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

SUBCHAPTER B. DETERMINATION OF EXTRATERRITORIAL JURISDICTION

Sec. 42.021. EXTENT OF EXTRATERRITORIAL JURISDICTION. (a) The extraterritorial jurisdiction of a municipality is the **unincorporated area** that is contiguous to the corporate boundaries of the municipality and that is located:

(1) within one-half mile of those boundaries, in the case of a municipality with fewer than 5,000 inhabitants;

(2) within one mile of those boundaries, in the case of a municipality with 5,000 to 24,999 inhabitants;

(3) within two miles of those boundaries, in the case of a municipality with 25,000 to 49,999 inhabitants;

(4) within 3-1/2 miles of those boundaries, in the case of a municipality with 50,000 to 99,999 inhabitants; or

(5) within five miles of those boundaries, in the case of a municipality with 100,000 or more inhabitants.

(b) Regardless of Subsection (a), the extraterritorial jurisdiction of a municipality is the unincorporated area that is contiguous to the corporate boundaries of the municipality and that is located:

(1) within five miles of those boundaries on a barrier island; or

(2) within one-half mile of those boundaries off a barrier island.

(c) Subsection (b) applies to a municipality that has:

by the Department's Real Estate Analysis Division that contains a synopsis of the proposed Development and that reconciles the Application information, including its financials and market analysis, with the underwriter's analysis. The Report allows the Department and Board to determine whether the Development will be financially feasible as required by Code §42(m), or other federal or state regulations.

(138) Uniform Multifamily Application Templates--The collection of sample resolutions and form letters, produced by the Department, as may be required under this chapter or Chapters 12 and 13 of this title (relating to Multifamily Housing Bond Rules and Multifamily Direct Loan Rule, respectively) that may, but are not required to, be used to satisfy the requirements of the applicable rule.

(139) Uniform Physical Condition Standards (UPCS)--As developed by the Real Estate Assessment Center of HUD.

(140) Unit--Any residential rental Unit in a Development consisting of an accommodation, including a single room used as an accommodation on a non-transient basis, that contains complete physical facilities and fixtures for living, sleeping, eating, cooking and sanitation.

(141) Unit Type--Units will be considered different Unit Types if there is any variation in the number of Bedrooms, full bathrooms or a square footage difference equal to or more than 120 square feet.

(142) Unstabilized Development--A Development with Comparable Units that has been approved for funding by the Department's Board of Directors or is currently under construction or has not maintained a 90% occupancy level for at least 90 days following construction completion. A development may be deemed stabilized by the Underwriter based on factors relating to a development's lease-up velocity, Sub-Market rents, Sub-Market occupancy trends and other information available to the Underwriter. The Market Analyst may not consider such development stabilized in the Market Study.

(143) Urban Area--A Place that is located within the boundaries of a primary metropolitan statistical area or a metropolitan statistical area other than a Place described by subparagraph (A) within the definition of Rural Area in this subsection. For areas not meeting the definition of a Place, the designation as a Rural Area or Urban Area is assigned in accordance with §11.204(5) of this chapter.

(144) Utility Allowance--The estimate of tenant-paid utilities made in accordance with Treasury Regulation, §1.42-10 and §10.614 of this title (relating to Utility Allowances).

(145) Work Out Development--A financially distressed Development for which the Owner or a primary financing participant is seeking a change in the terms of Department funding or program restrictions.

(e) **Data.** Where this chapter requires the use of American Community Survey or Housing & Urban Development data, the Department shall use the most current data available as of October 1 of the year prior to Application, unless specifically otherwise provided in federal or state law or in the rules, with the exception of census tract boundaries for which 2010 Census boundaries will continue to be used. All references to census tracts throughout this chapter will mean the 2010 Census tracts. All

American Community Survey (ACS) data must be 5-year estimates, unless otherwise specified and it is the ACS data that will be used for population determination. The availability of more current data shall be disregarded. Where other data sources are specifically required, such as NeighborhoodScout, the data available after October 1, but before Pre-Application Final Delivery Date, will be permissible. The NeighborhoodScout report submitted in the Application must include the report date. All references to QCTs throughout this chapter mean the 2022 QCTs designated by HUD in September 2021, to be effective January 1, 2022.

(f) Deadlines. Where a specific date or deadline is identified in this chapter, the information or documentation subject to the deadline must be received by the Department on or before 5:00 p.m. Austin local time on the day of the deadline. If the deadline falls on a weekend or holiday, the deadline is 5:00 p.m. Austin local time on the next day which is not a weekend or holiday and on which the Department is open for general operation. Unless otherwise noted or provided in statute, deadlines are based on calendar days. Deadlines, with respect to both date and time, cannot be waived except where authorized and for truly extraordinary circumstances, such as the occurrence of a significant natural disaster that could not have been anticipated and makes timely adherence impossible. Applicants should further ensure that all required documents are included, legible, properly organized, and tabbed, and that materials in required formats involving digital media are complete and fully readable. Applicants are strongly encouraged to submit the required items well in advance of established deadlines.

(g) Documentation to Substantiate Items and Representations in a Competitive HTC Application. In order to ensure the appropriate level of transparency in this highly competitive program, Applications and all correspondence and other information relating to each Application are posted on the Department's website and updated on a regular basis. Applicants must use the Application form posted online to provide appropriate support for each item substantiating a claim or representation, such as claims for points, qualification for set-asides, meeting of threshold requirements, or timely requesting a waiver or determination. Any Application that staff identifies as having insufficient support information will be directed to cure the matter via the Deficiency process. Applicants are reminded that this process may not be used to increase a scoring item's points or to change any aspect of the proposed Development, financing structure, or other element of the Application. Although a responsive narrative will be created after Application submission, all facts and materials to substantiate any item in response to such an Administrative Deficiency must have been clearly established at the time of submission of the Application.

(h) Board Standards for Review. Some issues may require or benefit from Board review. The Board is not constrained to a particular standard, and while its actions on one matter are not binding as to how it will address another matter, the Board does seek to promote consistency with its policies, including the policies set forth in this chapter.

(i) Public Information Requests. Pursuant to Tex. Gov't Code §2306.6717, any pre-application and any full Application, including all supporting documents and exhibits, must be made available to the public, in their entirety, on the Department's website. The filing of a pre-application or Application with the Department shall be deemed as consent to the release of any and all information contained therein, including supporting documents and exhibits. As part of its certifications, the Applicant shall certify that the authors of the reports and other information and documents submitted with the

▼ Add Buffer to Selection

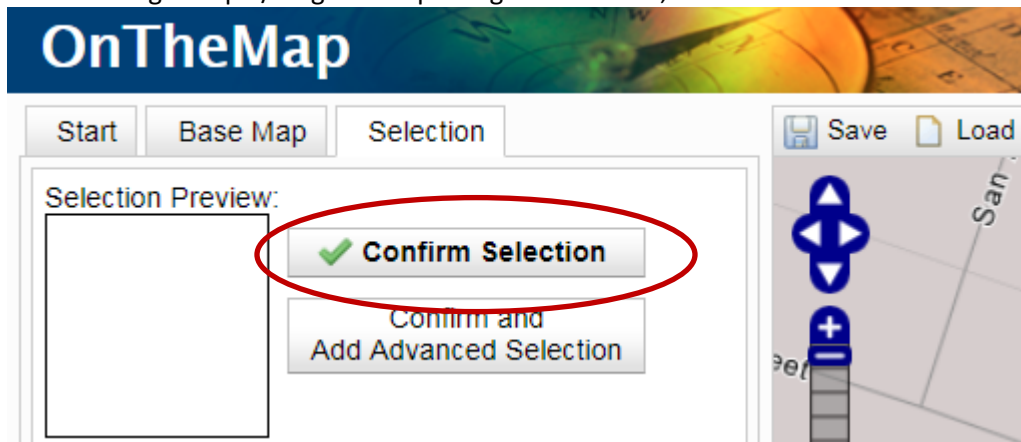
Do Not Buffer

Simple/Ring
Radius: miles

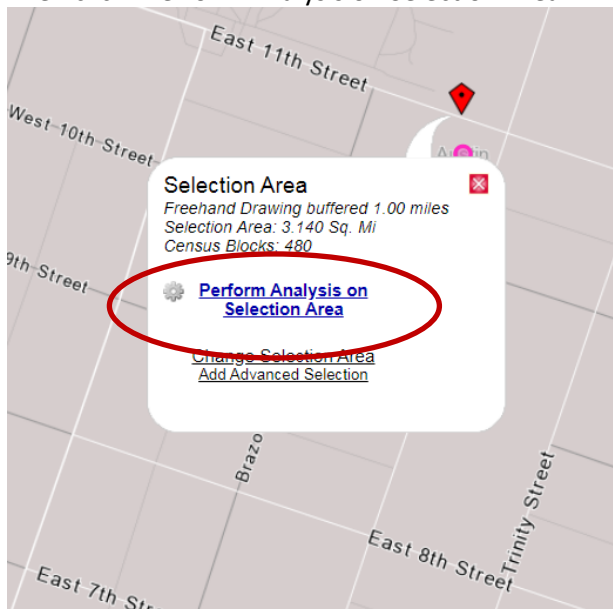
Donut
Inside Radius: miles
Outside Radius: miles

Plume
Start Radius: miles
End Radius: miles

After clicking “Simple/Ring” and inputting “1” for miles, click “Confirm Selection.”



Then click “Perform Analysis on Selection Area”



Then check the following boxes for certain categories: “Work” in column 1; “Area Profile” and “All Workers” in column 2; “2018” in column 3; and “Primary Jobs” in column 4. **Instead of 2017, you**

The 2022 Application Manual specifically says to use to 2018 data even if 2019 data is available.

will choose 2018. While 2019 data may be available, it was not available prior to October 1, 2021 as required by the QAP.

Analysis Settings

Area Profile Analysis in 2017 by Primary Jobs

Home/Work Area
Determines whether the selection area is analyzed on where workers live ("Home") or where workers are employed ("Work").
 Home
 Work

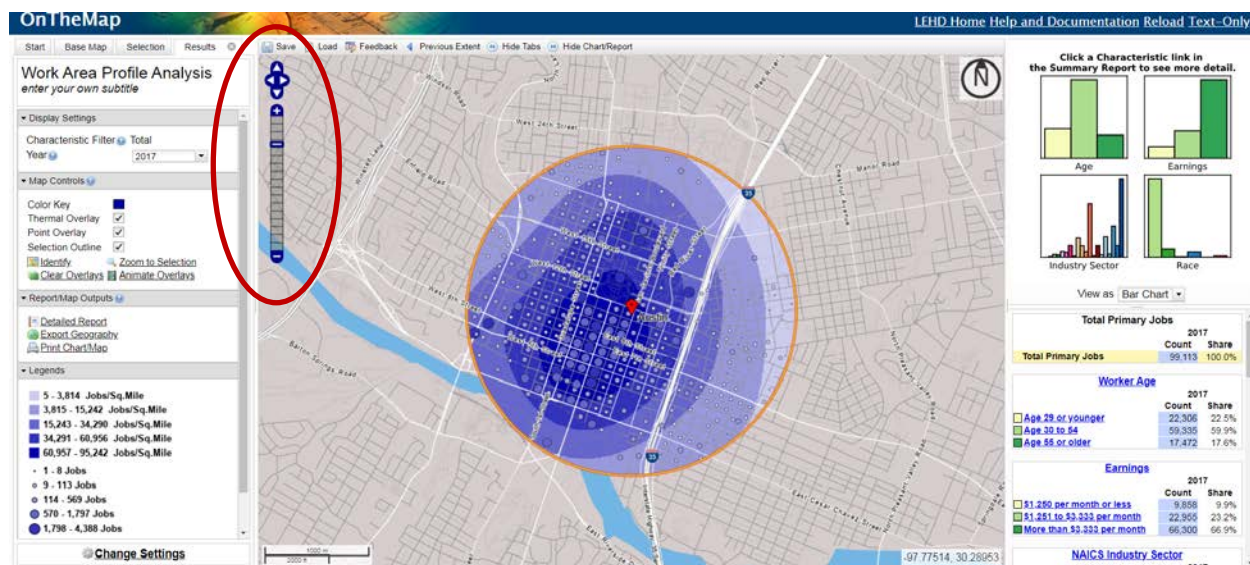
Analysis Type
Determines the type of results that will be generated for the selected area.
 Area Profile
Labor Market Segment: All Workers
 Area Comparison
Areas to Compare: Places (Cities, CDPs, etc.)
Labor Market Segment: All Workers
 Distance/Direction
 Destination
Destination Type: Places (Cities, CDPs, etc.)
 Inflow/Outflow
Note: Home/Work choice does not affect results

Year
Determines the year(s) of data that will be processed in the analysis.
 2017
 2016
 2015
 2014
 2013
 2012
 2011
 2010
 2009
 2008
 2007
 2006
 2005
 2004
 2003
 2002

Job Type
Determines the scope of jobs that will be processed in the analysis.
 All Jobs
 Primary Jobs
 All Private Jobs
 Private Primary Jobs

Cancel Go!

Click "Go." You will then see a screen showing the jobs analysis, similar to this:



Be sure to zoom out, using the zoom tools circled above, so that the entire 1 mile radius can be seen around the spatial point.

IMPORTANT: take a screen shot at this point to show evidence of the coordinates ("ctrl, PrtScn" on the keyboard, then paste to a blank document, format as needed, then pdf). Include the screenshot behind Tab 2 in the pdf application.

22106

-

**Mariposa Apartment Homes at
Plano Parkway**

-

**Request for Administrative
Deficiency**



May 6, 2022

Colin Nickells
Texas Department of Housing and Community Affairs
21 E 11th Street
Austin, Texas 78701

Re: HTC Application 22106 Mariposa Apartment Homes at Plano Parkway

Dear Mr. Nickells:

This is a formal request for a Third Party Request for Administrative Deficiency (RFAD) for TDHCA Application 22106 Mariposa Apartment Homes at Plano Parkway. This RFAD concerns points claimed for Underserved Area.

The Applicant has requested 5 points for Underserved Area. After review of this section of the Application; the census tract map; the location of the Development Site; the incorporated boundaries of the City of Plano, Carrollton, and Hebron; and the QAP language, the Development Site does not qualify for 5 points as prescribed by §11.9(c)(5)(F) of the 2022 Qualified Allocation Plan ("QAP"). This section of the QAP states as follows:

(F) The Development Site is located entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 100,000 or more, and will not apply in the At-Risk Set-Aside.; (5 points)

Application 22106 is located in census tract 48085031649 in Collin County. For documentation related to the Underserved scoring item, pages 113-115 of the Application appear to include an incomplete map of the census tract, as well as a map from the City of Plano Economic Development Department with the Plano City Limits outlined in Red. The maps in the Application do not definitely show the boundaries of the census tract relative to the boundaries of the City of Plano.

The attached map from the US Census shows the boundaries of census tract 316.49 in relation to incorporated places in the area. The US Census map shows an area on the east side of Air Park Ln that is not in any incorporated place. The attached map from the City of Plano GIS shows the boundaries of Plano in red, which does not include the area on the east side of Air Park Ln.

The attached map from the City of Carrollton has that same area on the east side of Air Park Ln outside of its city limits. The attached map from Collin County GIS also shows that same area on the east side of Air Park Ln not within the boundaries of any city limits. This area contains homes in Air Park Estates in the Air Park subdivision.

Mr. Michael McCauley, Senior Planner with the City of Carrollton, was asked whether the homes in Air Park Estates, which is located around the streets of Air Park Ln and including Fairchild St, Curtis St, Stinson St was incorporated and located within the City of Carrollton. Mr. McCauley stated that “The area is not in Carrollton's city limits and is unincorporated.”

Mr. Kelly Clem, Mayor of the Town of Hebron, was also asked whether the homes in Air Park Estates were within the Town of Hebron. Mr. Clem stated that, “No, although Hebron still has, I believe, half of the air strip inside it, the residents over there always kept themselves in the County.”

It is clear that there is an area within census tract 316.49 that is unincorporated and not located within any city limits. For this scoring selection, the plain language of the QAP states that the Development Site must be located entirely within a census tract whose boundaries are wholly within an incorporated area. Census tract 48085031649 includes unincorporated areas within its boundaries. While the Development Site may be located within the city limits of Plano, because there are unincorporated areas within the census tract, this Application is not eligible for 5 points.

The 2017 QAP introduced the idea of “incorporated” census tracts with two different point selections under Underserved Area. Both of the following selections required a census tract within the boundaries of an incorporated area:

(C) A census tract within the boundaries of an incorporated area that has not received a competitive tax credit allocation or a 4 percent non-competitive tax credit allocation for a Development within the past 15 years and continues to appear on the Department's inventory (3 points);

(E) A census tract within the boundaries of an incorporated area and all contiguous census tracts for which neither the census tract in which the Development is located nor the contiguous census tracts have received an award or HTC allocation within the past 15 years and continues to appear on the Department's inventory. This item will apply in cities with a population of 300,000 or more, and will not apply in the At-Risk Set-Aside (5 points).

As a new concept in 2017, there was an FAQ posted that can still be found at <https://www.tdhca.state.tx.us/multifamily/docs/17-HTCApplication-FAQ.pdf> (and attached here) and which answers several questions about this scoring item including the following:

Q: The rule states that the census tract should fall within the boundaries of an incorporated area. That seems to say that at least a part of that census tract should be in the boundaries of the incorporated area. Is that correct?

A: No. The entire census tract would have to be within the boundaries of the incorporated area in order to get these points.

Q: Would a census tract that included two or more incorporated areas qualify? What constitutes "Incorporated area"?

A: A tract that straddles more than one incorporated area can qualify if both of the municipalities meet the requirements of the rule. The incorporated area is the boundary of the municipality. If part of the tract is not within those boundaries, like in the ETJ, it will not qualify.

In 2017, many Applications selected points under these scoring selections but were located in census tracts that included unincorporated areas: 17708 Cedar Ridge Apartments, 17724 Liv Senior at Johnson Ranch, 17736 Providence at Ted Trout Drive, 17194 Oaks Apartments, 17097 Holly Oak Seniors, 17203 Park Estates Apartments, and 17199 Santa Fe Place. In their appeals to the Executive Director and TDHCA Board, most Applicants claimed that the rule language was unclear and that the QAP did not require that the entire census tract be incorporated. TDHCA Staff and the Board did not agree and no Application received the points in question if any part of the census tract was unincorporated. The attached RFAD report from the June 29, 2017, Board Meeting specifically states for 17199 Santa Fe Place that "Staff has consistently applied, and the Board upheld at the May 25 meeting, that the census tract may not contain a Development that has been awarded within the past 15 years, and the entire census tract must be within the boundaries of an incorporated area."

For 2018, staff revised the Underserved Area language and the following statement was made in the September 7, 2017, Board Book Supplement summarizing the changes to the 2018 QAP with the relevant statements in bold.

Underserved Area (Page 27 of 43). Like Opportunity Index, **staff has focused largely on clarifying the language of these scoring items.** Whether or not a census tract intersects with the boundaries of an incorporated area has been removed from subparagraph (C). **The requirement that the census tract fall entirely within the boundaries of an incorporated area remains true with subparagraph (E),** which staff refers to as "the flower" since it also includes surrounding census tracts. The surrounding census tracts do not have to fall within the boundaries of the incorporated area. In 2017, paragraph (E) was limited to Places with populations of 300,000, but for the 2018 competitive cycle, staff has lowered the population floor to 150,000. This will increase the number of eligible cities from eight (8) to 18.

As per the summary above, Underserved Area Subparagraph (E) of the 2018 QAP was revised with the following language:

(E) The Development Site is located entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have a Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 150,000 or more, and will not apply in the At-Risk Set-Aside (5 points).

When comparing the 2018 language to 2022, the only change is the subsection letter and the population of the place. The language is substantially the same and would have the same interpretation as in 2018.

(F) The Development Site is located entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 100,000 or more, and will not apply in the At-Risk Set-Aside.; (5 points)

It was clear in 2017, and also clear in 2018 language revision and explanation from the September 7, 2017, Board Supplement, that this scoring item requires that the whole area within the census tract's boundaries be within an incorporated area. Any other interpretation of this rule and language would be contrary to Staff's guidance, published explanations, and the historic precedent of this item. There has been no significant language change from 2018 to 2022 that would allow for a different conclusion other than the entire census tract must be entirely within an incorporated area.

Applicants rely on the QAP and precedent when selecting sites and choosing to move forward with Applications. As a developer myself, I have found sites in census tracts like this where there were unincorporated areas, but did not pursue those sites. No matter how small the unincorporated area or whether the area is ETJ within a larger incorporated area, the census tract just does not qualify for 5 points under this scoring item. Allowing this Application to receive these points would be inconsistent with the QAP and would harm competing developers who followed the rules and made decisions to move forward with their own Applications based on the fact that this site did not qualify for 5 points.

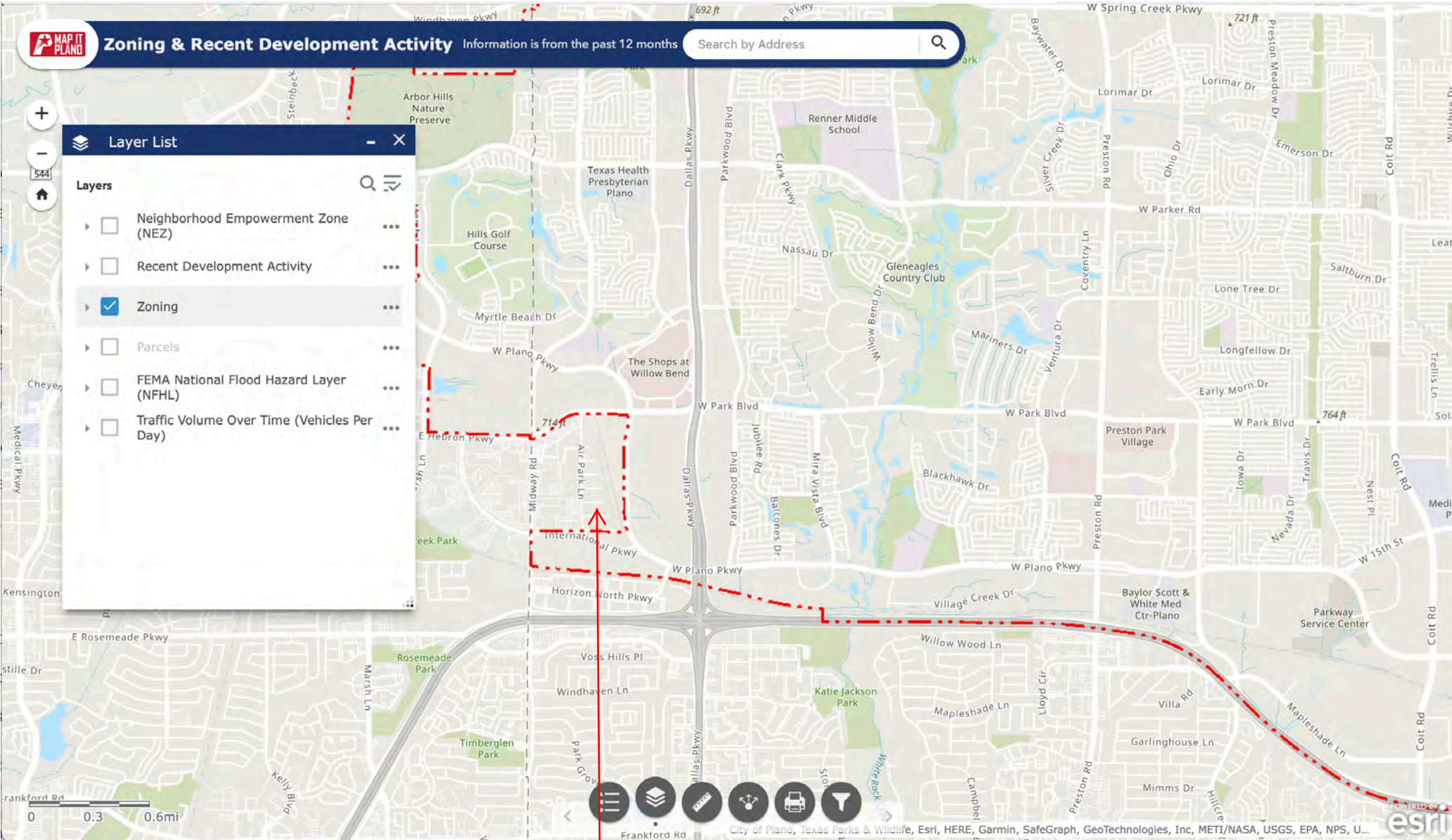
Because census tract 48085031649 includes unincorporated areas that are not located within any city limits, Application 22106 Mariposa Apartment Homes at Plano Parkway is ineligible for 5 points under §11.9(c)(5)(F) Underserved Area and should be re-scored accordingly.

Thank you for your attention to this matter.

Sincerely,


Manish Verma 5/6/22

City of Plano Map



Not in Plano

City of Carrollton
Map

CITY OF CARROLLTON BASEMAP



I want to...

Search...

Tools

Layers

Street View

Filter Layers... Filter

- Address
- Government Facility
- Fire Stations
- School
- StreetCenterline
- Railroad
- Property
- Water Body
- Stream
- Parks
 - Park
 - City Owned Parcel
- City Of Carrollton
- County
- Subdivisions

Home Layers

0 1 2km

© OpenStreetMap contributors

Not in Carrollton

Collin County Map

Collin County Interactive Map

2300 Bloomdale Rd, 7507

Legend

- County Offices
- City Pop-up
- Basemap
- County
- City

City
Addison
Allen
Anna
Argyle
Aubrey
Bailey
Balch Springs
Bartonville
Bells
Blue Ridge
Bonham
Caddo Mills
Campbell
Carrollton
Cedar Hill
Celeste
Celina
Clark

Not in Any City

Relevant Pages
from 2017 HTC
FAQ



2017 Competitive HTC Application Cycle Frequently Asked Questions (FAQs)

Pursuant to §11.1(b) of 10 TAC Chapter 11, the Qualified Allocation Plan (QAP), Department staff may, from time to time, make available for use by Applicants information and informal guidance in the form of reports, frequently asked questions, and responses to specific questions. The Department encourages communication with staff in order to clarify any issues that may not be fully addressed or may be unclear when applied to specific facts in the QAP, 10 TAC Chapter 10, the Uniform Multifamily Rules, 10 TAC Chapter 12, the Multifamily Housing Revenue Bond Rules, or 10 TAC Chapter 13, the Multifamily Direct Loan Rule. Applicants should understand that this type of guidance is limited by its nature and that staff will apply the rules of the QAP to each specific situation as it is presented in the submitted Application. Moreover, after the time that an issue is initially presented and guidance is provided, additional information may be identified and/or the issue itself may continue to develop based upon additional research and guidance. Thus, until confirmed through final action of the Board, staff guidance must be considered merely as an aid, and an Applicant continues to assume full responsibility for any actions Applicant takes regarding an Application. In addition, although the Department may compile data from outside sources in order to assist Applicants in the Application process, it remains the sole responsibility of the Applicant to independently perform the necessary due diligence to research, confirm, and verify any data, opinions, interpretations, or other information upon which an Applicant bases an Application or includes in any submittal in connection with an Application. These rules may need to be applied to facts and circumstances not contemplated at the time of their creation and adoption. When and if such situations arise, the Board will use a reasonableness standard in applying its rules and evaluating and addressing Applications for Housing Tax Credits.

Following is a list of questions that the Department has received with respect to the 2017 Uniform Multifamily Rules and QAP and how various provisions of the rules will be applied to Applications submitted and reviewed by the Department during the 2017 competitive cycle. The questions were received over the past several weeks and at the application workshops held in early December. Each time an update is made to the FAQ, the most recently updated date will be added to the top right of this page. The FAQ is an opportunity to provide all Applicants and the public the same information that was relayed to the individuals who asked the questions. The answers to FAQs are not agency rules and if there is a conflict between adopted agency rules and the answers to FAQs, then the rule prevails. Answers to FAQs are only examples of a theoretical application of a limited set of facts to a rule or rules, and should not be read to signify a change in an adopted agency rule. There are other questions which have been posed and addressed, but it was staff's assessment that they do not have broad application and are not included here.

Questions and answers are in the same order that their related sections appear in the rules. If questions and answers are added after the initial posting, the revision dates will appear at the top of this page and will be included next to each of the added questions. The Department may not send out a new listserv each time an update is made unless the update is extensive. Staff encourages interested individuals to check back periodically.

2017 Competitive Application Cycle FAQ

A: Your description would qualify as part of the accessible route. If a resident takes accessible transportation from the development to the park, the route from the transportation stop to the actual park would also have to be accessible. Just getting them to the vicinity of the park would not be enough.

CLARIFICATION: The provision of transportation is not a substitute for having an accessible route. If transportation is one of the services you will provide at your development, then that transportation must be accessible as described above, but it may not take the place of an accessible route.

Q: *Do the playground and public transit stop need to be within ½ mile of the site, or must the accessible route be no more than ½ mile long?*

A: The playground has to be within ½ mile of the site, and the entire route must be accessible (including transit as applicable).

Q: *If a public transportation stop or park is located less than half a mile from a vacant site where sidewalks are not yet built, but the development plan includes the sidewalks which would connect the proposed development to the park/transit stop, could that qualify an application for points?*

A: In this case, if the missing part of the feature is under the Developer's control for completion and can be verified with the Site Plan, it could qualify.

Q: *Is a small river/creek considered a census tract "barrier" if there is a bridge that connects both sides?*

A: This will depend on a number of factors that will be unique to each situation. For instance, is the bridge right there, or is it 15 miles away? How accessible is the bridge? Provide information in the Application that assists staff in seeing the whole picture.

Q: *With the addition of the language regarding hours and "weekend service" to the following point item, does just Saturday service work or does the service need to be both Saturday AND Sunday?*

A: Saturday and Sunday are required. Note that it is acceptable for them to provide reduced service on weekends as most transit systems do.

Q: *The neighborhood scout crime data on the website is for 2014 and I understand it will be updated in December or January. Depending on when the data is finally updated, it is possible that an application did not have an 18/1000 crime rate at preapp but it could at full app. Should we just take screenshots of the data and the date to prove disclosure was not needed at preapp if it should change?*

A: You should definitely keep a copy of the data that was available at the time you submit the Pre-application, or the Application if no Pre-application is submitted. Of course, whatever source you are using for whatever purpose, you need to use the most current data as of the date of your submission. You can't use the old data because the new data doesn't fit.

Underserved Area

Q: *Is this section implied to be a menu-type election to total or add-up to 5 points **OR** are developers only allowed to take points in just one subpart?*

A: Applicants may not combine the subparagraphs:

(6) Underserved Area. (§§2306.6725(b)(2); 2306.127, 42(m)(1)(C)(ii)) An Application may qualify to receive up to five (5) points if the Development Site is located in one of the areas described in subparagraphs (A) - (E) of this paragraph

Q: *The rule states that the census tract should fall within the boundaries of an incorporated area. That seems to say that at least a part of that census tract should be in the boundaries of the incorporated area. Is that correct?*

A: No. The entire census tract would have to be within the boundaries of the incorporated area in order to get these points.

2017 Competitive Application Cycle FAQ

Q: Would a census tract that included two or more incorporated areas qualify? What constitutes "Incorporated area"?

A: A tract that straddles more than one incorporated area can qualify if both of the municipalities meet the requirements of the rule. The incorporated area is the boundary of the municipality. If part of the tract is not within those boundaries, like in the ETJ, it will not qualify.

Q: For the underserved area item that says "A census tract within the boundaries of an incorporated area," since the scoring item does not reference "Place," are you looking at actual city boundaries or census map city boundaries?

A: We are looking at the actual city boundaries.

Q: For the 15 year aging of existing tax credit properties, do we look at the time from the existing property award date to March 1 2017, or do we look at calendar year?

A: Look at the time-frame from the last award date, but also look at the TDHCA number. If it indicates a more recent date, then there was a more recent award. You will see these mostly with the 2006-2008 deals that got increases after Hurricane Ike.

Q: Can you please clarify points for item (C) under underserved area? An existing property in the same census tract as the proposed development will be okay for points as long as its credit award is over 15 years old---regardless whether or not it is on TDCHA's property inventory, correct?

A: If the tract has received an award in the last 15 years and the development is still on the inventory, the tract would not be eligible for the points.

Commitment of Funding by Local Political Subdivision

Q: If a municipality grants a variance, then they write a letter stating that is for the benefit of the development. Do the exact cost savings need to be verified in such an obvious situation – e.g. – do we actually have to get bids for the savings amount in the letter, or can we just get bids and indicate the saving on the development cost schedule?

A: The city needs to state the value of their contribution in their letter, and the city could value it however they see fit. You must ensure that the reduction is included in the Application (likely in the notes section next to the applicable cost on the development cost schedule).

Q: . Is there a minimum or will any amount of funding do?

A: There is no minimum amount; any amount will meet the requirements. Just be sure that an amount is included in the letter/resolution and that amount is accounted for in the Sources and Uses or the Development Cost Schedule section of the application.

Declared Disaster Area

Q: If a site is in an area that was on the 2016 DDA list does it qualify this year?

A: Not necessarily. The rule says that the declaration must have been made within two of years of the submission date. Counties included in declarations made up to March 1, 2014 would have been fine last year, but not for 2017.

Community Support from State Representative

Q: Can you tell me whether a letter from a state rep that resigns a day after the pre-application is due will be accepted?

A: It is recommended in the rule that you not submit the letter early. However, since you are aware that the Representative will be leaving office, you may go ahead and get the letter and send it prior to or with your application. If you are unable to secure a letter, you may submit a request for a waiver of the deadline prior to or with your application.

BOARD REPORT ITEM
MULTIFAMILY FINANCE DIVISION
JUNE 29, 2017

Report of Third Party Requests for Administrative Deficiency under 10 TAC §11.10 of the 2017 Qualified Allocation Plan received prior to the deadline:

17007	Magnolia Station	Winnie
17028	Vineyard on Lancaster	Fort Worth
17042	Huntington at Paseo de la Resaca	Brownsville
17064	Chaparral Apartments	Midland
17080	Palladium Fort Worth	Fort Worth
17081	Palladium Denton	Denton
17094	Catalon at Paseo de la Resaca	Brownsville
17097	HollyOak Seniors	Houston
17133	The Pointe at Rowlett	Rowlett
17194	Oaks Apartments	Quitman
17199	Santa Fe Place	Temple
17203	Park Estates Apartments	Quitman
17230	The Oasis on McColl	McAllen
17239	Abbingtion Ranch	Boerne
17258	Village at Henderson	Corpus Christi
17259	Mistletoe Station	Fort Worth
17267	Industrial Lofts	McAllen
17281	The Residence at Arbor Grove	Arlington
17283	Avanti Manor	Harker Heights
17288	Forest Trails	Lindale
17297	Kountze Pioneer Crossing	Kountze
17305	Payton Senior	Killeen
17315	Provision at North Valentine	Hurst
17322	Provision at Wilcrest	Houston
17327	Legacy Trails of Lindale	Lindale
17331	Westwind of Killeen	Killeen
17356	The Acacia	San Antonio
17363	Residences of Long Branch	Rowlett
17368	Cielo	McAllen
17372	Sunset Trails	Bullard
17376	The Bristol	San Antonio
17388	West Pecan Village	McAllen
17390	Las Palomas	McAllen

BACKGROUND

Pursuant to 10 TAC §11.10 of the 2017 Qualified Allocation Plan related to Third Party Requests for Administrative Deficiency (“RFAD”), an unrelated person or entity may bring new, material information about an Application to staff’s attention. Third parties may request that staff consider whether an

Application should be the subject of an Administrative Deficiency, based on the information submitted with the request. Staff will consider the request and proceed as it deems appropriate under the applicable rules including, if the Application in question is determined by staff to not be a priority Application, not reviewing the matter further. Requestors must provide, at the time of filing the request, all briefings, documentation, and other information that the requestor offers in support of the deficiency. Requestors must provide sufficient credible evidence that, if confirmed, would substantiate the deficiency request. Assertions not accompanied by supporting documentation susceptible to confirmation will not be considered. The deadline for submission of RFADs was June 1, 2017.

The following table describes the staff determinations for 2017 Competitive Housing Tax Credit (“HTC”) RFADs received, and reflects all determinations made as of June 22, 2017. All requests referenced herein were received and reviewed in accordance with 10 TAC §11.10. Where staff determined that the request substantiated the release of a Notice of Administrative Deficiency for the Application, the Applicant was provided the opportunity to respond to the submitted request. Staff has reviewed both the request and response in making its determination. Also, described within are RFADs received where determinations have not yet been made.

Each entry identifies the HTC development/application identification number (“TDHCA ID#”), the name of the development, city, region, and the name and organization of the requestor. A brief summary of each request has been included, followed by Department staff’s analysis of the request, and finally the staff resolution of the request. The Department has posted each request received, deficiency notice released, supporting documentation received from the Applicant, and staff determination to the applicable applications, which are posted on the Department’s website. Any subsequent RFAD determinations will be reported to the Board at a subsequent meeting.

The Department’s Governing Board has final decision-making authority on any of the issues reflected herein, and thus these determinations are subject to change. However, a requester may not formally appeal any staff determination if precluded by 10 TAC §10.902(b) related to the Appeal Process.

Where staff is recommending that a request result in loss of points or other action, the Applicants have already been notified and given the opportunity to appeal the staff determination. Staff has also provided notice of the result of the request to the requestor.

Quitman. The Application does qualify for two points under this scoring item. The Applicant has not demonstrated that the Application qualifies for 10 points under 10 TAC §11.9 (d)(3) as the Governor has not issued a disaster declaration for Wood County within the required time frame; and the Applicant has not proven that the Application qualifies for 13 points under 10 TAC §11.9 (c)(2) as the selected population is General and not Supportive Housing. Pursuant to 10 TAC §10.3(127) related to Target Population:

The designation of types of housing populations shall include Elderly Developments, and those that are entirely Supportive Housing. All others will be considered to serve general populations without regard to any subpopulations.

The Application does qualify for 11 points under this scoring item. A scoring notice will be issued, and the Applicant will have an opportunity to appeal that notice.

TDHCA ID#	17194	Development Name:	Oaks Apartments
City:	Quitman	Region:	4 Rural
Requester:	Ryan Hamilton, #17288 Forest Trails, 17372 Sunset Trails		

Nature and Basis of Request:

The request asks the Department to review points claimed under two scoring items: 10 TAC §11.9(c)(6)(C) related to Underserved Area, and 10 TAC §11.9(d)(3) related to Declared Disaster Area. The requestor contends that census tract 4849950500 extends beyond the incorporated boundaries of the City of Quitman such that the Application is not eligible for three points under 10 TAC §11.9(c)(6)(C). The requestor contends that the Applicant has claimed ten points 10 TAC 11.9(d)(3) related to Declared Disaster Area because Wood County was declared a disaster by a county Commissioner and FEMA. The requestor points out that the area has to be "declared a disaster area under Tex Gov't Code §418.014."

Analysis and Resolution:

This same request was received from another party, the response immediately above will also apply to this request.

TDHCA ID#	17199	Development Name:	Santa Fe Place
City:	Temple	Region:	8 Urban
Requester:	Kelly Garrett, #17331 Westwind of Killeen		

Nature and Basis of Request:

The request asks the Department to review points claimed 10 TAC §11.9(c)(6)(C) related to Underserved Area. The requestor contends that census tract 480270020300 extends beyond the incorporated boundaries of the City of Temple such that the Application is not eligible for three points under 10 TAC §11.9(c)(6)(C).

Applicant Response to Notice of Administrative Deficiency:

The Applicant claims that staff has misinterpreted 10 TAC §11.9(c)(6)(C).

Analysis and Resolution:

Staff has consistently applied, and the Board upheld at the May 25 meeting, that the census tract may not contain a Development that has been awarded within the past 15 years, and the entire census tract must be within the boundaries of an incorporated area. Based on materials in the Application and supplied in the response to the Administrative Deficiency, the Application is eligible to receive two points under 10 TAC §11.9(c)(6)(D). A scoring notice will be issued, and the Applicant will have the opportunity to appeal that notice.

TDHCA ID#	17199	Development Name:	Santa Fe Place
City:	Temple	Region:	8 Urban
Requester:	Lisa Stephens, # 17305 Payton Senior		

Nature and Basis of Request:

The request asks the Department to review points claimed 10 TAC §11.9(c)(6)(C) related to Underserved Area. The requestor contends that census tract 480270020300 extends beyond the incorporated boundaries of the City of Temple such that the Application is not eligible for three points under 10 TAC §11.9(c)(6)(C).

Analysis and Resolution:

This same request was received from another party, the response immediately above will also apply to this request.

TDHCA ID#	17203	Development Name:	Park Estates Apartments
City:	Quitman	Region:	4 Rural
Requester:	Chaz Garrett, #17327 Legacy Trails of Lindale		

Nature and Basis of Request:

The request asks the Department to review points claimed under three scoring items: 10 TAC §11.9(c)(6)(C) related to Underserved Area, 10 TAC §11.9(d)(3) related to Declared Disaster Area, and 10 TAC §11.9(c)(2) related the Rent Levels of Tenants. The requestor contends that census tract 4849950500 extends beyond the incorporated boundaries of the City of Quitman such that the Application is not eligible for three points under 10 TAC §11.9(c)(6)(C). The requestor contends that the Applicant has claimed 10 points 10 TAC 11.9(d)(3) related to Declared Disaster Area because Wood County was declared a disaster by a county Commissioner and FEMA. The requestor points out that the area has to be "declared a disaster area under

BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
SEPTEMBER 7, 2017

Presentation, discussion, and possible action on the proposed amendment of 10 TAC Chapter 11 concerning the Housing Tax Credit Program Qualified Allocation Plan, and directing its publication for public comment in the *Texas Register*

RECOMMENDED ACTION

WHEREAS, the Texas Department of Housing and Community Affairs (the “Department”) is authorized to make Housing Tax Credit allocations for the State of Texas;

WHEREAS, the Department, as required by §42(m)(1) of the Internal Revenue Code and Tex. Gov’t Code §2306.67022, developed this proposed Qualified Allocation Plan to establish the procedures and requirements relating to an allocation of Housing Tax Credits; and

WHEREAS, pursuant to Tex. Gov’t Code, §2306.6724, the Board shall adopt a proposed Qualified Allocation Plan no later than September 30;

NOW, therefore, it is hereby

RESOLVED, that the proposed amendment of 10 TAC Chapter 11, together with the preambles presented to this meeting, are hereby approved for publication in the *Texas Register* for public comment; 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 amendment of the Qualified Allocation Plan, together with the preambles in the form presented to this meeting, to be published in the *Texas Register* for public comment and, in connection therewith, make such non-substantive technical corrections as they may deem necessary to effectuate the foregoing.

BACKGROUND

General Information: Attached to this Board Action Request is the staff draft of the 2018 proposed Qualified Allocation Plan (“QAP”), which reflects staff’s recommendations for the Board’s consideration. Beginning in December of 2016, staff began meeting with stakeholders to discuss this coming year’s QAP and Uniform Multifamily Rules. Staff and stakeholders met a total of six times and discussed items such as dispersion and underserved area, equity pricing, opportunity areas, visitability, and financial feasibility. Staff also posted several items to the Department’s Online

Forum, where stakeholders were invited to comment on aspects of the QAP and Rules and new proposals from staff. Staff made a concerted effort in the month of August to solicit stakeholder input on the staff draft of the 2018 QAP. Staff published a staff draft on August 11, 2017, and stakeholders were invited to submit their input by letter, email, or phone. The first window for receiving input closed on Wednesday, August 23, 2017, at 5:00 p.m. Austin local time. Staff released another draft on Tuesday, August 29, 2017, and invited stakeholders to submit more feedback through the morning of Thursday, August 31, 2017. Staff received input from many stakeholders, including the development community, advocates, and government officials. Lastly, the QAP and Rules Committee of the Governing Board was, at the time of the posting of these materials, set to hold a meeting on Wednesday, September 6, 2017, to discuss the staff drafts of the 2018 QAP and Rules.

After consideration of the input and feedback provided and after evaluating the 2017 application round, staff believes that the proposed 2018 QAP will serve the State of Texas' interests well, furthering the policies of both statute and the Board. In keeping with those policies, staff has proposed changes to specific sections of the QAP. A more detailed breakdown of the specific changes is included below. Staff believes that in proposing these modifications and keeping all other items in the QAP the same, stakeholders can better formulate plans for future developments instead of trying to anticipate what changes will be made to the QAP.

Rule-Making Timeline: Upon Board approval, the final staff draft of the proposed 2018 QAP will be posted to the Department's website and published in the *Texas Register*. Public comment will be accepted between September 22, 2017, and October 12, 2017. The QAP will be brought before the Board in November for approval, followed by the statutorily mandated submission to the Office of the Governor by November 15, 2017, for him to approve, approve with changes, or reject. Upon the Governor's approval, approval with modifications, or rejection, which must occur no later than December 1, 2017, the adopted QAP will be published in the *Texas Register*.

Statutory Changes: Significant changes in the 2018 Draft QAP include the incorporation of statutory changes made during the 85th Legislative Session. These changes include the following:

House Bill 3574 amended language in Tex. Gov't Code §2306.6710(a) as follows:

“

(a) In evaluating an application, the department shall determine whether the application satisfies the threshold criteria required by the board in the qualified allocation plan. Educational Quality may be considered by the department as part of the threshold criteria but shall not be considered by the department as a scoring factor. The department shall reject and return to the applicant any application that fails to satisfy the threshold criteria.

(b) Effective September 1, 2019, Section 2306.6710(a), Government Code, is amended to read as follows:

(a) In evaluating an application, the department shall determine whether the application satisfies the threshold criteria required by the board in the qualified allocation plan. The department shall reject and return to the applicant any application that fails to satisfy the threshold criteria.

SECTION 2. The change in law made by this Act applies only to an application for low income

housing tax credits that is submitted to the Texas Department of Housing and Community Affairs during an application cycle that is based on the 2018 qualified allocation plan or a subsequent plan adopted by the governing board of the department under Section 2306.67022, Government Code. An application that is submitted during an application cycle that is based on an earlier qualified allocation plan is governed by the law in effect on the date the application cycle began, and the former law is continued in effect for that purpose.

SECTION 3. Not later than September 1, 2019, the department shall report the outcome of considering Educational Quality in threshold and not as a scoring factor in an application.

SECTION 4. Except as otherwise provided by this Act, this Act takes effect September 1, 2017.”

In response to this legislation, staff has removed the Educational Quality scoring item from the Qualified Allocation Plan and from Tie-Breaker Factors. In order to comply with Section 3 of the bill, applicants will continue to be required to supply information regarding school scoring in their applications, so that data will be available to compile the required report.

Summary of Proposed Changes: The majority of the amendments to the 2018 QAP center on clarifying rules and Board policies. More significant recommendations by staff—primarily those that can be considered changes of policy—are described below. Citation and page references are indicated for ease of reference.

§11.1 – General (*Page 1 of 43*). Subsection (g) was added with the intention of encouraging the submission of complete and accurate Applications, and to make the Application process as fair and transparent as possible.

§11.2 – Program Calendar (*Page 3 of 43*). This section is modified to reflect dates for the 2018 Application round. The only significant change is staff proposing an earlier Third Party Request for Administrative Deficiency deadline of 05/01/2018.

§11.3 – Housing De-Concentration Factors (*Page 4 of 43*). Regarding subsection (a), staff has added language that determines which Applications will be deemed priority and non-priority if two or more Applications seem to violate this rule. Staff has proposed to remove the population requirement for subsection (d), which means that the Department will disqualify any census tract where the number of HTC units per total households is greater than 20%, not just those Places with a population above 100,000 people. This limitation, of course, can be waived with the appropriate letter from the applicable Governing Body. Lastly, staff has added language regarding the proximity of nearby Development Sites in subsection (f), with the aim of protecting existing Developments from market saturation.

§11.4 – Tax Credit Request and Award Limits (*Page 6 of 43*). With the added language in subsection (a), staff has proposed that Applicants must limit their total credit request to \$3 million by June 29th. Staff believes that this request must be made of Applicants in order to encourage the submission of real, competitive Developments. Otherwise, staff is concerned that an Applicant with multiple Applications totaling well over the \$3 million cap will use the waiting list as a means of “insurance” to bide time and hedge against risk or error. This can be seen as discouraging competition and as an inefficient use of staff time and Departmental resources, given the amount of effort expended to review Applications.

Staff has also capped consultant or advisor fees at \$150,000.

§11.5 – Competitive HTC Set-Asides (*Page 8 of 43*). In paragraph (2), staff has proposed that all competitive Applications that score within the USDA Set-Aside will be scored according to Rural criteria. Many USDA Developments were built in what were once considered “rural” areas, but given Texas’ cities’ population growth in recent decades, many of these Development Sites now fall within the boundaries of Urban areas. This rule change mitigates the stricter requirements associated with Urban Applications. Staff has also sought to clarify further the means by which an Application may compete within the At-Risk Set-Aside in paragraph (3).

§11.7 – Tie-Breaker Factors (*Page 15 of 43*) Staff has removed two previous tie-breakers and added a new tie-breaker. Tie-breakers regarding the menu items of Opportunity Index and the ratings of elementary, middle, and high schools have been removed. A new tie-breaker regarding underserved Places or, if located outside of a Place, counties, has been proposed in paragraph (3). This item would count the total number of HTC units and divide that number by the total population, which is also what staff does in order to comply with the requirements of Tex. Gov’t Code §2306.6703(a)(4). The proposed Development in a Place or if outside a Place, a county, with the lowest score for this calculation will win the tie-breaker. Staff believes this tie-breaker methodology to be an effective means of dispersion.

§11.9 – Competitive HTC Selection Criteria (*Page 19 of 43*). Staff has made several changes to this section. They are addressed separately.

- *Sponsor Characteristics* (*Page 20 of 43*). Staff has expanded this particular item to allow two types of participation from either a HUB or a Qualified Nonprofit. Subparagraph (A) rewards material participation and is worth two (2) points, whereas subparagraph (B) rewards involvement that is not material but still significant, and it is worth one (1) point.
- *Opportunity Index* (*Page 22 of 43*). Staff’s changes in paragraph (4) largely revolve around clarifying the parameters and intent of the menu items. The menu item regarding proximity to museums has been removed, and a menu item regarding Meals on Wheels or a similar service has been added.
- *Underserved Area* (*Page 27 of 43*). Like Opportunity Index, staff has focused largely on clarifying the language of these scoring items. Whether or not a census tract intersects with the boundaries of an incorporated area has been removed from subparagraph (C). The requirement that the census tract fall entirely within the boundaries of an incorporated area remains true with subparagraph (E), which staff refers to as “the flower” since it also includes surrounding census tracts. The surrounding census tracts do not have to fall within the boundaries of the incorporated area. In 2017, paragraph (E) was limited to Places with populations of 300,000, but for the 2018 competitive cycle, staff has lowered the population floor to 150,000. This will increase the number of eligible cities from eight (8) to 18.
- *Tenant Populations with Special Housing Needs* (*Page 28 of 43*). Staff has reintroduced participation in the Section 811 Project Rental Assistance Program back into the QAP. In the 2017 competitive cycle, it was in Chapter 10. Note that the specific requirements of the 811 program are delineated in the new 10 TAC Chapter 8.

22110

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**Cypress Creek Apartment
Homes at Montfort Drive**

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**Request for Administrative
Deficiency**



May 6, 2022

Mr. Cody Campbell
Director of Multifamily Programs
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701
Email: cody.campbell@tdhca.state.tx.us

Re: Third Party Request for Administrative Deficiency (“RFAD”), §11.10 of 2022 Qualified Allocation Plan (“QAP”) – 22110 Cypress Creek Apartment Homes

Dear Mr. Campbell,

Please accept this letter as a Third Party Request for Administrative Deficiency (“RFAD”) pursuant to §11.10 of 2022 Qualified Allocation Plan (“QAP”) for application 22110 Cypress Creek Apartment Homes.

Application 22110 Cypress Creek Apartment Homes is deficient related to the following 2022 QAP sections and we respectfully request the issuance of an Administrative Deficiency Notice related to these items. Further, as described below, the following actions are warranted:

- Deduction of five (5) points from the application related to §11.9(c)(5) of the QAP, Underserved Area for failure to meet the requirement that the census tract boundaries are entirely within an incorporated area which has a population of 100,000 or more; and
- Deduction of six (6) points from the application related to §11.9(e)(3) Pre-Application Participation because the application final score varies by more than four (4) points from the pre-application self score after the necessary deduction under §11.9(c)(5) Underserved Area (5 points).

Underserved Area, QAP §11.9(c)(5)(F)

The application claimed points for being “located entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago.” According to the QAP, “This item will apply in Places with a population of 100,000 or more...”

The scoring item has two qualifications related to development location:

1. The census tract boundaries are wholly within an incorporated area
2. The item applies in Places with a population of 100,000 or more

The inclusion of two references to an incorporated area/Place indicate that the census tract must be wholly located in a Place with a population of 100,000 or more in order to qualify for points. This is TDHCA’s historic interpretation of the requirement.

Cypress Creek Apartment Homes is located in a census tract that is partially located in the City of Dallas, which has a population of 1,330,612 according to the 2022 TDHCA Site Demographics Report, and partially in the City of Addison, which has a population of 15,302. Because the census tract is partially located in a Place with a population of less than 100,000, the site is not qualified for 5 points under §11.9(c)(5)(F).

Pre-Application Participation, QAP §11.9(e)(3)

In order to receive points under QAP §11.9(e)(3), “The Application final score (inclusive of only scoring items reflected on the self score form) does not vary by more than four (4) points from what was reflected in the pre-application self score.” Because points for 11.9(c)(5)(F) Underserved Area (5 points) are not justified, the application final score varies by five (5) points from the pre-application self score, and thus the development does not qualify for six (6) Pre-Application Participation points.

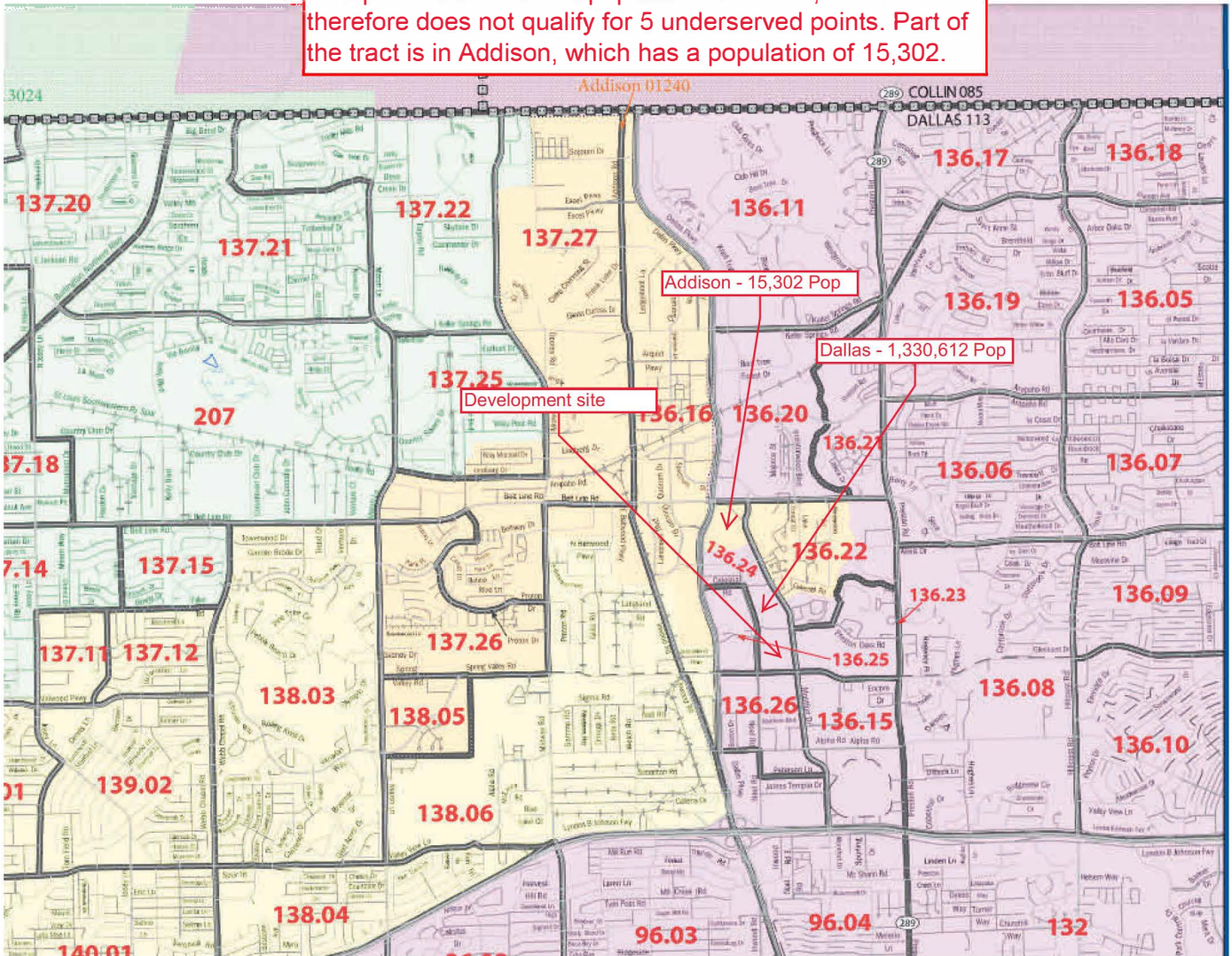
If you have any questions, please feel free to reach me directly at (727) 424-0386 or via email at bob.long@hilltidepartners.com.

Sincerely,

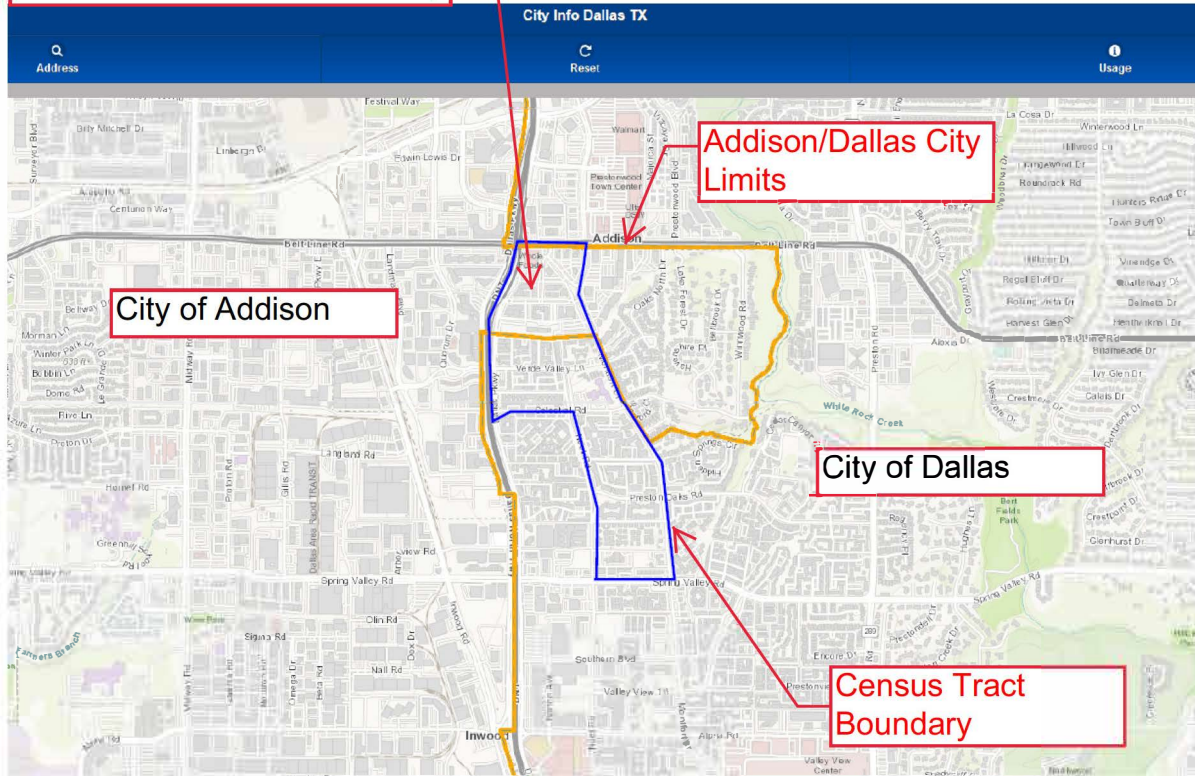
A handwritten signature in black ink, appearing to read 'R Long', with a stylized flourish extending to the right.

Robert Long
Authorized Representative

Census tract 48113013624 is not entirely within an incorporated area with a population over 100,000 and therefore does not qualify for 5 underserved points. Part of the tract is in Addison, which has a population of 15,302.



This map was included in the application and clearly shows part of the census tract is located in the City of Addison, which has a population below 100,000.



Addison/Dallas City Limits

City of Addison

City of Dallas

Census Tract Boundary

(X) Development Site is within 4 miles of an indoor recreation facility available to the public. Examples include, but are not limited to, a gym, health club, a bowling alley, a theater, or a municipal or county community center. A facility that is primarily a restaurant or bar with recreational facilities is not eligible. (1 point).

(XI) Development Site is within 4 miles of an outdoor, dedicated, and permanent recreation facility available to the public. Examples include, but are not limited to, swimming pools or splash pads, tennis courts, golf courses, softball fields, or basketball courts. (1 point).

(XII) Development Site is within 4 miles of community, civic or service organizations that provide regular and recurring substantive services, beyond exclusively congregational or member-affiliated activities, available to the entire community (this could include religious organizations or organizations like the Kiwanis or Rotary Club as long as they make services available without regard to affiliation or membership). (1 point).

(XIII) Development Site is in the current service area of Meals on Wheels or similar nonprofit service that provides regular visits and meals to individuals in their homes. (1 point).

(XIV) Development Site is located in the attendance zone of a general enrollment public school rated A or B by TEA for the most recently available rating. (1 point).

(5) **Underserved Area.** (§§2306.6725(a)(4) and (b)(2); 2306.127(3), 42(m)(1)(C)(ii)). Points are not cumulative and an Applicant is therefore limited to selecting one subparagraph. If an Application qualifies for points under paragraph §11.9(c)(4) of this subsection, then the Application is not eligible for points under subparagraphs (A) and (B) of this paragraph. Years are measured by deducting the most recent year of award on the property inventory of the Site Demographic Characteristics Report from January 1 of the current year. The Application must include evidence that the Development Site meets the requirements. An Application may qualify to receive up to five (5) points if the Development Site meets any one of the criteria described in subparagraphs (A) - (H) of this paragraph:

(A) The Development Site is located wholly or partially within the boundaries of a colonia as such boundaries are determined by the Office of the Attorney General and within 150 miles of the Rio Grande River border. For purposes of this scoring item, the colonia must lack water, wastewater, or electricity provided to all residents of the colonia at a level commensurate with the quality and quantity expected of a municipality and the proposed Development must make available any such missing water, wastewater, and electricity supply infrastructure physically within the borders of the colonia in a manner that would enable the current dwellings within the colonia to connect to such infrastructure (2 points);

(B) The Development Site is located entirely within the boundaries of an Economically Distressed Area that has been awarded funds by the Texas Water Development Board in the previous five years ending at the beginning of the Application Acceptance Period (1 point);

(C) The Development Site is located entirely within a census tract that does not have another Development that was awarded less than 30 years ago according to the Department's property

inventory in the Site Demographic Characteristics Report (4 points);

(D) For areas not scoring points for subparagraph (C), the Development Site is located entirely within a census tract that does not have another Development that was awarded less than 20 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report (3 points);

(E) For areas not scoring points for subparagraphs (C) or (D) of this paragraph, the Development Site is located entirely within a census tract that does not have another Development that was awarded less than 15 years ago according to the Department's property inventory in the Site Demographic Characteristics Report (2 points);

(F) The Development Site is located entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 100,000 or more, and will not apply in the At-Risk Set-Aside; (5 points)

(G) The Development Site is located entirely within a census tract where, according to American Community Survey 5-year Estimates, the population share of persons below 200% federal poverty level decreased by 10% or more and where the total number of persons at or above 200% federal poverty level had increased by 15% or more between the years 2012 and 2019. This measure is referred to as the Affordable Housing Needs Indicator in the Site Demographic Characteristics Report. (3 points); or

(H) An At-risk or USDA Development placed in service 25 or more years ago, that is still occupied, and that has not yet received federal funding, or LIHTC equity, for the purposes of Rehabilitation for the Development. If the Application involves multiple sites, the age of all sites will be averaged for the purposes of this scoring item. (3 points).

(6) Residents with Special Housing Needs. (§2306.6710(b)(4); §42(m)(1)(C)(v)) An Application may qualify to receive up to three (3) points by serving Residents with Special Housing Needs by selecting points under any combination of subparagraphs (A), (B), or (C).

(A) The Development must commit at least 5% of the total Units to Persons with Special Housing Needs. The Units identified for this scoring item may not be the same Units identified previously for the Section 811 PRA Program. For purposes of this subparagraph, Persons with Special Housing Needs is defined as a household where one or more individuals have alcohol or drug addictions, is a Colonia resident, a Person with a Disability, has Violence Against Women Act Protections (domestic violence, dating violence, sexual assault, and stalking), HIV/AIDS, homeless, veterans, and farmworkers. Throughout the Compliance Period, unless otherwise permitted by the Department, the Development Owner agrees to specifically market Units to Persons with Special Housing Needs. In addition, the Department will require an initial minimum twelve-month period during which Units must either be occupied by Persons with Special Housing Needs or held vacant, unless the Units receive HOME funds from any source. After the initial twelve-month period, the Development Owner will no longer be required to hold Units vacant for Persons with Special Housing Needs, but will be

2022 Rural/Urban Area Designations by Place (§§11.1(a)(114), 11.1(a)(141), 11.204(5))

Below is a list of "Places" for the State of Texas and their associated Rural Area or Urban Area designation. The definition of Rural Area can be found at §11.1(a)(114) of the Uniform Multifamily Rules and the definition of Urban Area can be found at §11.1(a)(141) of the Uniform Multifamily Rules. For those areas not located within the boundaries of a Place, Applicants are encouraged to review §11.204(5) of the Uniform Multifamily Rules for instruction regarding the appropriate designation. The population data is derived from table B01003 of the 2015-2019 ACS 5 Year data set. The data below do not list all counties the place may be part of. Some places may have areas that are partly or wholly in an MSA.

Please contact jason.burr@tdhca.state.tx.us if you have any questions about the designations.

Place Name	County	Population	Metro Statistical Area	Rural/Urban	Region	CDP
Addison	Dallas	15302	Dallas-Fort Worth-Arlington, TX	Urban	3	

22114

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Las Brisas Redevelopment

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**Request for Administrative
Deficiency**

Houston Ella Boulevard, Ltd.

May 6, 2022

Mr. Cody Campbell
Director of Multifamily Finance
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701

RE: Request for Administrative Deficiency TDHCA #22114 – Las Brisas HTC, LP

Dear Mr. Campbell:

Houston Ella Boulevard, Ltd. respectfully requests this letter serve as our Third-Party Request for Administrative Deficiency (RFAD) of 10 TAC §11.203 Public Notification and §11.9(d)(6) (§2306.6725(a)(2)) Input from Community Organizations by the Applicant, Casa de Magnolia Las Brisas HTC, LP, for their application #22114 – Las Brisas Redevelopment. It is our position the Applicant failed to meet the required public notification requirements because they did not notify the newly elected Houston City Councilmember for District G, Mary Nan Huffman sworn in on February 2, 2022, and did not notify the Houston ISD School Board President, Judith Cruz elected on January 13, 2022 (see Exhibit A). Both officials were elected to their position after Pre-Application and before Full Application submission. The Applicant confirms there was no re-notification by checking the box, on Tab 14 – Elected Officials in their full application indicating no changes of elected officials took place between Pre-Application and Application (see Exhibit B). By failing to notify Councilmember Huffman, the correct person in office at the time between pre-application and full application and Houston ISD Board President Judith Cruz, Las Brisas HTC, LP did not meet threshold related to public notification in the 2022 QAP. A copy of this RFAD is being delivered concurrently to a representative of the Las Brisas Redevelopment.

1) Public Notification

10 TAC §11.203(2) Public Notifications clearly states that:

Officials to be notified are those in office at the time the Application is submitted. Note that between the time of pre-application (if made) and full Application, the boundaries of their jurisdictions may change. Meetings and discussions do not constitute notification.

§11.8 (a)(B) Pre-Application Requirements which describe the only method of notification which would also apply to a re-notification.

Only a timely and compliant written notification to the correct entity constitutes notification

§11.203(2)(E) specifies the recipients include:

(E) All elected members of the Governing Body of the municipality...

While the public notification section says the notification must be sent to all of the entities identified, the requirement for public notification is only satisfied by a written notification to the elected official in office at the time of Application and if there is a change of elected officials a re-notification must be done prior to application submission. Las Brisas HTC, LP did not meet this requirement.

In addition, §11.204(4)(A). Required Documentation for Application Submission identifies the threshold documentation required for submission in the application as:

(A) Prior to submission of an Application to the Department, an Applicant must provide notice of the intent to file the Application in accordance with §11.203 of this chapter (relating to Public Notifications) (§2306.6705(9))

The Applicant noted in their pre-application they notified Greg Travis who was the Houston City Councilmember District G at that time but failed to notify Mary Nan Huffman who became the newly elected Houston City Councilmember for District G and while the Applicant prior to pre-application notified School Board President Patricia K. Allen, the Applicant failed to notify the newly elected Houston ISD School Board President, Judith Cruz after the pre-application deadline and before the final submission of the full application the Applicant did not meet the threshold public notification requirement.

2) Input from Community Organizations

§11.9(d)(6)(A) (§2306.6725(a)(2)) says:

An Application may receive two (2) points for each letter of support submitted from a community or civic organization that serves the community in which the Development Site is located. Letters of support must identify the specific Development and must state support of the specific Development at the proposed location. To qualify, the organization must be qualified as tax exempt and have as a primary (not ancillary or secondary) purpose the overall betterment, development, or improvement of the community as a whole or of a major aspect of the community such as improvement of schools, fire protection, law enforcement, city-wide transit, flood mitigation, or the like. The Applicant must provide evidence that the community or civic organization remains in good standing by providing evidence from a federal or state government database confirming that the exempt status continues. An Organization must also provide evidence of its participation in the community in which the Development Site is located including, but not limited to, a listing of services or members, brochures, annual reports, etc. Letters of support from organizations that cannot provide reasonable evidence that they are active in the area that includes the location of the Development Site will not be awarded points. For purposes of this subparagraph, community and civic organizations do not include neighborhood organizations, governmental entities (excluding Special Management Districts as described in subparagraph C), or taxing entities

Las Brisas HTC, LP provided three letters from organizations but did not provide any evidence for any of the three letters that the organization is a community or civic organization that is in good standing as well as evidence of the organization's tax-exempt status nor did the Applicant provide any brochure material or listing of services or members of the organization as required. The QAP language clearly states the Applicant "must" provide evidence as described above to qualify for the points associated with this section.

In conclusion, Application #22114 does not meet threshold for Public Notification and does not qualify for points for Community Input. Therefore, the Application should be terminated for any further consideration for an award for not meeting threshold and lose the points related to community input.

If you have any questions or would like additional information, please do not hesitate to contact me.

Sincerely,



Cody J. Hunt
Houston Ella Boulevard, Ltd.
Authorized Representative
13455 Noel Road, Suite 400
Dallas, TX 75240
chunt@rivaswitzerland.com

cc: Aaron Campbell – aaronc@avenuecdc.org

EXHIBIT A

RESIDENTS BUSINESS VISITORS



GOVERNMENT SERVICES CONTACT / SEARCH



City Council > District G > About Mary Nan Huffman

DISTRICT G

About Mary Nan Huffman



Mary Nan Huffman was sworn in as Council Member for District G the morning of February 2, 2022. She brings her skills as a law-and-order prosecutor to keep our neighborhoods safe and keep city government free from corruption.

Crime is on the rise across America and Houston is no exception. Public safety is government's first responsibility. If we are not safe in our homes, on our streets, in our business, nothing else government does really matters.

DISTRICT G LINKS

- District G Home Page
- About Mary Nan Huffman
- Staff of District G
- District G Map (.pdf)
- Profile of District G (.pdf)
- 3-1-1 Online Form

HISD Board of Education elects new president, officers ...

<https://blogs.houstonisd.org/news/2022/01/14/hisd...>

Jan 14, 2022 · HISD Board of Education elects new president, officers for 2022. HISD Board of Education on Thursday elected new officers for 2022, unanimously selecting District VIII Trustee...

HISD | News Blog



About Us

Board

Students & Parents

Directory

Careers

myHISD

Noti

HISD Board of Education elects new president, officers for 2022

HISD Board of Education on Thursday elected new officers for 2022, unanimously selecting District VIII Trustee Judith Cruz as Board President.

Outgoing Board President Patricia Allen transferred the gavel to Cruz, signifying the change in office.

Remaining officers elected for 2022 are: First Vice President Elizabeth Santos, Second Vice President Kathy Blueford-Daniels, Secretary Sue Deigaard, and Assistant Secretary Myrna Guidry.

22171

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The Ponderosa

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**Request for Administrative
Deficiency**



MILLPOND LIVING AT ROBSTOWN, LP

May 6, 2022

Via Email

Cody Campbell, Director of Multifamily Finance – cody.campbell@tdhca.state.tx.us
Colin Nickells, 9% HTC Administrator – colin.nickells@tdhca.state.tx.us
Texas Department of Housing and Community Affairs
221 E 11th Street
Austin, Texas 78701

Re: §11.10. Third Party Request for Administrative Deficiency;
TDHCA Application #22171 – The Ponderosa, Alice, Texas

Dear Mr. Campbell and Mr. Nickells,

Pursuant to §11.10 of the 2022 Qualified Allocation Plan (the “QAP”), please let this letter serve as our Third-Party Request for Administrative Deficiency (“RFAD”) with regards to Application #22171 (“The Application”). A copy of this request is being delivered simultaneously to representatives of The Application.

We have identified the following areas where the Pre-application and Application failed to meet threshold and/or failed to substantiate eligibility of points requested.

§11.201 Procedural Requirements for Application Submission of the QAP outlines the requirements for Application submission and, in Subsection (1)(A) states that “**An Application must be complete (including all required exhibits and supporting materials)** and submitted by the required program deadline”. The following Threshold issues have been identified below.

Application Threshold Issue #1

The Applicant did not meet the notification threshold requirement by failing to notify the correct County Commissioner (District 3/Jim Wells County) at Pre-Application and Full Application. At Pre-Application the District 3 County Commissioner is listed as Carlos D. Gonzalez. However, according to County Records, Renee K. Chapa was elected District 3 County Commissioner in late 2020 and entered office on January 1, 2021. This is 12 months prior to the beginning of the 2022 Application Acceptance Period on 01/03/2022. §11.8 (b)(2)(B) Notification Recipients states “**Officials to be notified are those officials in office at the time the pre-application is submitted.**” §11.8 (b)(2)(B)(vii) requires “*All elected members of the Governing Body of the county in which the Development Site is located.*” Because the correct Commissioner was not notified of this application, the Development Owner Certification behind Tab 2 is also incorrect since it certifies to the fact that all Elected Officials were notified. Tab 14 Elected Officials in the Full Application has both boxes checked indicating the Elected Officials identified in the Pre-Application were notified and there are no changes and the Elected Officials have changed since the Pre-Application was submitted

requiring new notifications at Full Application. However, Commissioner Kirchoff is still omitted from Tab 14. 10 TAC §11.203 (§2306.6705(9)) requires Public Notification of application. The Ponderosa Application failed to provide evidence that Commissioner Kirchoff Chapa was ever notified at Pre-Application or Full Application. Accordingly, we respectfully request the Pre-Application for The Ponderosa be terminated, and the Application’s final score be deducted by six points. Additionally, because the correct Commissioner was not notified at Full Application, the application should be terminated.

Pre-Application

Presiding Officer of Board of Trustees: Margarito (Maggie) Perez
Address: 2818 cr 342
 Alice, TX 78332

Elected Officials: Cynthia Carrasco
 Robert R. Molina
 Pete H. Crisp
 Ron L. Burke
 Sandra Bowen
 Juan Rodriguez, Jr
 Margie H. Gonzalez
 Ventura Garcia
 Carlos D. Gonzalez
 Wicho Gonzalez

Mayor
 Mayor Pro Tem
 City Council Member
 City Council Member
 City Council Member
 County Judge
 County Commissioner
 County Commissioner
 County Commissioner
 County Commissioner

Application

Elected Officials

Elected officials *were identified in the Pre-Application*, and there have been no changes.
 (If box above is checked, the rest of the form may be left **BLANK**.)

Elected officials have *changed since the Pre-Application was submitted*, and information regarding notifications or re-notifications is entered below.

Robert R. Molina	Mayor Pro-Tem	361.668.7210
City Council Member	District/Precinct	Email or Phone
Pete H. Crisp	1	361.668.7210
City Council Member	District/Precinct	Email or Phone
Ron L. Burke	2	361.668.7210
City Council Member	District/Precinct	Email or Phone
Sandra Bowen	3	361.668.7210
City Council Member	District/Precinct	Email or Phone
Margie H Gonzalez	1	(361) 668 - 5702
County Commissioner	District/Precinct	Email or Phone
Ventura Garcia	2	(361) 668 - 5702
County Commissioner	District/Precinct	Email or Phone
Carlos D. Gonzales	3	(361) 668 - 5702
County Commissioner	District/Precinct	Email or Phone
Wicho Gonzalez	4	(361) 668 - 5702
County Commissioner	District/Precinct	Email or Phone

Application Threshold Issue #2

§11.205 requires 3rd party reports be submitted by certain deadlines established in the QAP. The Third Party Reports required to be submitted by the Full Application Delivery Date of 03/01/2022 include the Environmental Site Assessment, Scope and Cost Review (if applicable), and the “Primary Market Area map (with definition based on census tracts, and site coordinates in decimal degrees, area of PMA in square miles, and list of census tracts included)”. If the reports are not submitted, in their entirety, by this deadline, “the Application will be terminated”. Although Tab 47 of the application states that the Primary Market Area Map with definition of PMA is included behind the tab, it is not included in the Application.

3. **Primary Market Area Map**

Primary Market Area (PMA) map with definition of PMA is included behind this tab.
This entry autofills from Tab 42.

Prepared by: Market Apartment Data, LLC Date of Report: 2/5/2022

Development Site Location:
 Longitude: -98.076473 Latitude: 27.728709

Scoring Issue #1: Opportunity Index- Not eligible for 7 points

A proposed Development is eligible for two opportunity index points if it is located entirely within a census tract with a poverty rate of less than the greater of 20% or the median poverty rate for the region and is located in an area where the median household income rate is in the two highest quartiles within the uniform service region (Quartile 1 or 2) or, one point if the proposed Development is located within a Quartile 3 area within the region and is contiguous to a census tract in the first or second quartiles without physical barriers and Development site is no more than two miles from the boundary between the census tracts. The Applicant claims eligibility for one point since it is in the 3rd Quartile but did not provide evidence of this behind Tab 10. The required evidence is a map showing the Development Site, location of the border, scale showing distance, and other applicable evidence.

While the development is within census tract 48249950200, a third quartile tract, it is not eligible for any Opportunity Index points because the site is not within two miles of a first or second quartile census tract (see Exhibit 1). Even if the site were within two miles of the two contiguous first (48355005802) and second (48273020100) quartile census tracts, there are barriers (highways, railroads, and county lines) in between the development site and contiguous first and second quartile census tracts.

1. **Opportunity Index (Competitive HTC and Direct Loan Applications Only) (10 TAC §11.9(c)(4); 10 TAC §13.6(1))**

Development Site is located entirely within a census tract that has a poverty rate that is less than 20% or that is less than the median poverty rate for the region, whichever is higher.

AND

The census tract has a median household income rate in the two highest quartiles within the region (2 points).

OR

The census tract has a median household income in the third quartile within the region, **and** is contiguous to a census tract in the first or second quartile for median household income that has a poverty rate of less than the greater of 20% or the median poverty rate for the region, without physical barriers such as (but not limited to) highways or rivers between, and the Development Site is no more than 2 miles from the boundary between the census tracts. A map showing the Development Site, location of the border, scale showing distance, and other applicable evidence is included (1 point).

Contiguous Census Tract # Contiguous Tract Quartile

The Applicant provides evidence of area amenities to account for six additional points under Opportunity Index, however, in order to qualify for these 6 points the Applicant must provide evidence of qualification as a 3rd Quartile Census Tract (contiguous to a 1st or 2nd Quartile Census Tract with no barriers). The Application does not qualify for six amenity points since it did not provide evidence demonstrating that it

is an eligible 3rd Quartile Census Tract for Opportunity Index points. The Applicant's score should accordingly be reduced by seven (7) points.

Scoring Issue #2: Pre-Application Participation– Not eligible for 6 points

Under §2306.6704, an Application may qualify to receive up to six points provided a pre-application was submitted by the applicable delivery date and meets all of the preapplication threshold requirements found in §11.9(e)(3). If the application loses seven (7) points under the above Scoring Issue #1, the application will also lose six points for Pre-Application Participation since the final score will vary by more than four (4) points from the pre-application self score.

Scoring Issue #3: Sponsor Characteristics– Not eligible for 2 points

The Application Self Score and Sponsor Characteristics form (Tab 36) claims two (2) points for having a HUB in the Ownership structure. If attempting to score as a certified HUB, evidence of the HUB's existence from the Texas Comptroller of Accounts is required. There is no evidence of HUB Certification in the application. In a search of the public records of the Texas Comptroller of Accounts on May 4, 2022, TICO Development, LLC was not listed as a certified HUB entity (see Exhibit 2). A review of the 2021 application submission (#21261) that included TICO Development, LLC, confirmed that the HUB Certification for this entity expired on May 26, 2021 and therefore, this Application is not eligible for Sponsor Characteristic points.

1. Application is attempting to score as a Qualified Nonprofit or certified HUB with ownership interest and material participation and meets the criteria below:

No If attempting to score as a Qualified Nonprofit, Application is applying under the Nonprofit Set-Aside

Yes If attempting to score as a certified HUB (or HUBs), evidence of the HUB's existence from the Texas Comptroller of Accounts is provided behind this Tab

Administrative Issue

The Applicant has also requested Multifamily Direct Loan funds in the amount of \$2,350,000 which exceeds the Maximum Per Unit Subsidy Limit of \$2,210,664 as calculated using the MFDL Calculation Tool (see Exhibit 3).

In conclusion, we believe the threshold issues identified are grounds for termination of The Ponderosa Application. However, at a minimum, should staff determine that the issues are curable by Administrative Deficiency, we respectfully request the application be deducted 7 points under *Opportunity Index*, 6 points under *Pre-application Participation*, and 2 points under *Sponsor Characteristics*.

If you have any questions or would like to discuss these items further, please do not hesitate to contact me directly at (512) 970-3889 or via email at dfournier@fishpondliving.com any time.

Sincerely,

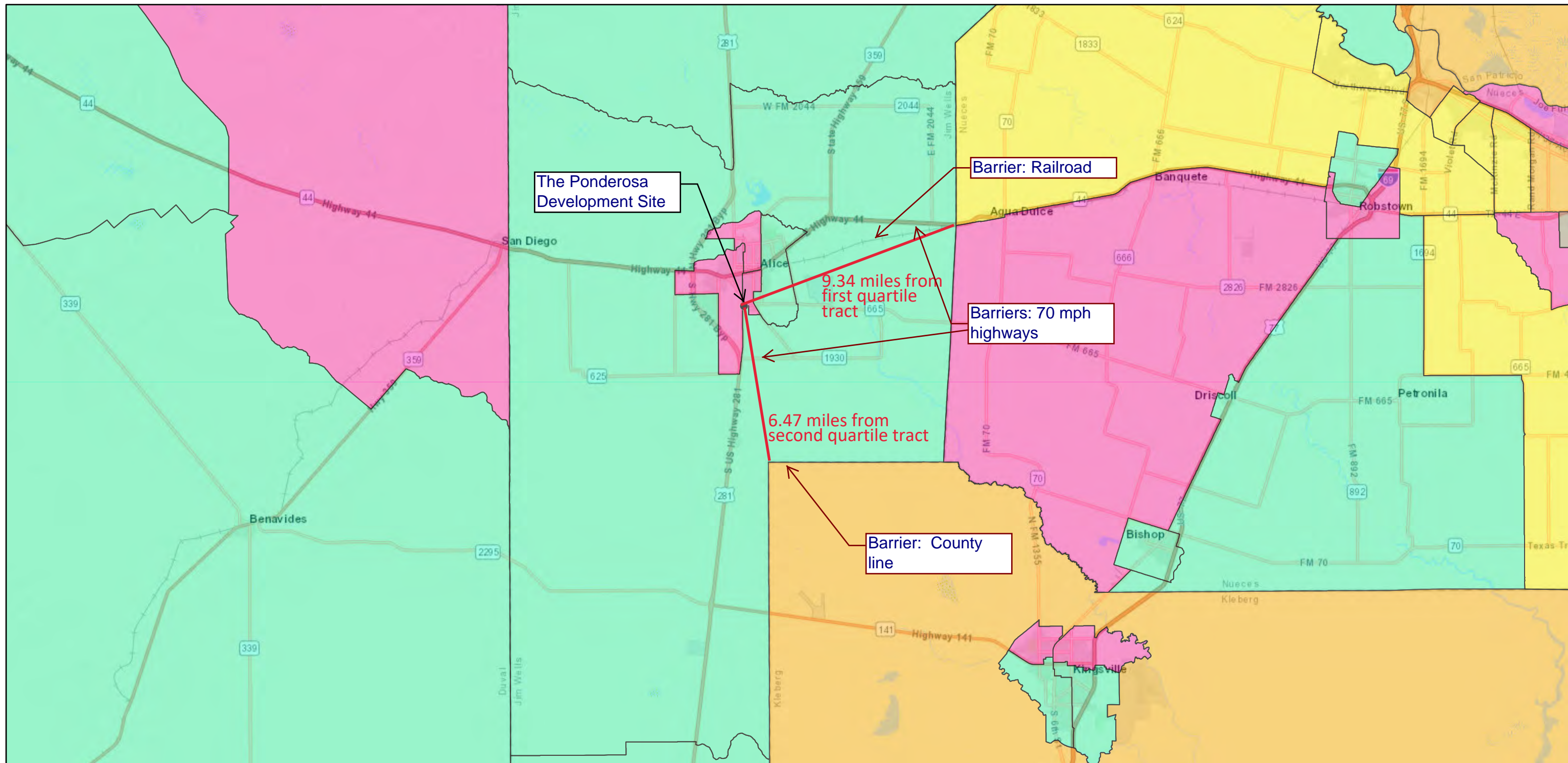


David Fournier
Managing Member for
Fish Pond Development, LLC

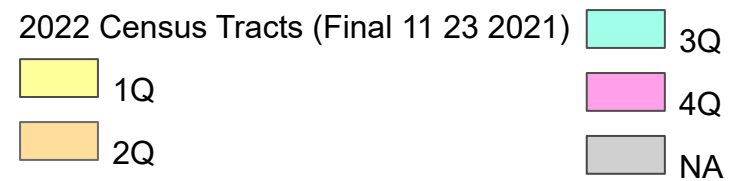
CC: Lora Myrick, Juli Gonzalez, Rick Deyoe, Alma Cobb

EXHIBIT 1

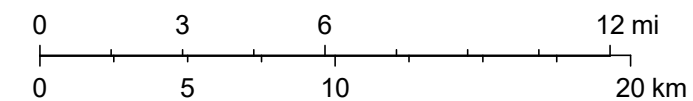
Not Qualified for Opportunity Index



5/4/2022, 1:36:32 PM



1:288,895



Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community

EXHIBIT 2

Search For Vendors

Search found 4 vendors , 4 are HUBs ,Includes 0 Inactive Vendors
Search Condition : SearchType=HUB's Only, Vendor Name contains tico

[New Search](#)



Results

SORT: COMPANY NAME (A-Z)

Vendor ID	Company Name	Contact Person	Mailing Address	City	State	Zip	Country	Email	Phone	HUB Eligibility	HUB Gender	Small Business	CMBL Status	HUB Status
1453678937400	InstiCo Freight Management, Inc.	John Hernando	3011 Gateway Dr Ste 340	Irving	TX	75063	USA	jhernando@insticologistics.com	214-415-7170	HI	M		Inactive(N)	A-Active
1821438617100	LG-OSS LLC dba Logisticorp Group Operati	Garry Castro	106 Decker Ct Ste 320	Irving	TX	75062	USA	garry.castro@logisticorpgroup.com	817-458-4594	HI	M		Inactive(N)	A-Active
1800952256800	Reina Cosmeticos, LLC	Regina Merson	4128 HERSCHEL AVE.	DALLAS	TX	75219	USA	regina@reinarebelde.com	203-676-5678	HI	F		Inactive(N)	A-Active
1832134904700	SYNTHETICOMP COMPANIES	Syntheticomp Companies	2847 COLONY DR	SUGAR LAND	TX	77479-1401	USA	syntheticompcmps@gmail.com	281-772-0493	AS	M	Yes	Active	A-Active

[New Search](#)

POLICIES

- Privacy and Security Policy
- Accessibility Policy
- Link Policy
- Public Information Act
- Compact with Texans
- Commonly Used Web Browsers

OTHER STATE SITES

- texas.gov
- Texas Records and Information Locator (TRAIL)
- State Link Policy
- Texas Veterans Portal



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

The Texas Comptroller of Public Accounts (CPA) administers the Statewide Historically Underutilized Business (HUB) Program for the State of Texas, which includes certifying minority, woman, and service disabled veteran-owned businesses as HUBs and facilitates the use of HUBs in state procurement and provides them with information on the state's procurement process.

We are pleased to inform you that your application for certification/re-certification as a HUB has been approved. Your company's profile is listed in the State of Texas HUB Directory and may be viewed online at <https://mycpa.cpa.state.tx.us/tpasscmlsearch/index.jsp>. Provided that your company continues to meet HUB eligibility requirements, the attached HUB certificate is valid for the time period specified.

You must notify the HUB Program in writing of any changes affecting your company's compliance with the HUB eligibility requirements, including changes in ownership, day-to-day management, control and/or principal place of business. *Note: Any changes made to your company's information may require the HUB Program to re-evaluate your company's eligibility.*

Please visit our website at <http://comptroller.texas.gov/procurement/prog/hub/> and reference our publications (i.e. Grow Your Business pamphlet, HUB Brochure and Vendor Guide) providing additional information on state procurement resources that can increase your company's chances of doing business with the state.

Thank you for your participation in the HUB Program! If you have any questions, you may contact a HUB Program representative at 512-463-5872 or toll-free in Texas at 1-888-863-5881.

Texas Historically Underutilized Business (HUB) Certificate



Certificate/VID Number:	1812126738100
File/Vendor Number:	496831
Approval Date:	26-MAY-2017
Scheduled Expiration Date:	26-MAY-2021

The Texas Comptroller of Public Accounts (CPA), hereby certifies that

TICO DEVELOPMENT, LLC

has successfully met the established requirements of the State of Texas Historically Underutilized Business (HUB) Program to be recognized as a HUB. This certificate printed 26-MAY-2017, supersedes any registration and certificate previously issued by the HUB Program. If there are any changes regarding the information (i.e., business structure, ownership, day-to-day management, operational control, business location) provided in the submission of the business' application for registration/certification as a HUB, you must immediately (within 30 days of such changes) notify the HUB Program in writing. The CPA reserves the right to conduct a compliance review at any time to confirm HUB eligibility. HUB certification may be suspended or revoked upon findings of ineligibility.

*Laura Cagle-Hinojosa, Statewide HUB Program Manager
Statewide Support Services Division*

Note: In order for State agencies and institutions of higher education (universities) to be credited for utilizing this business as a HUB, they must award payment under the Certificate/VID Number identified above. Agencies, universities and prime contractors are encouraged to verify the company's HUB certification prior to issuing a notice of award by accessing the Internet (<https://mycpa.cpa.state.tx.us/tpasscmlsearch/index.jsp>) or by contacting the HUB Program at 512-463-5872 or toll-free in Texas at 1-888-863-5881.

EXHIBIT 3

Step 1: Complete the yellow cells in this table with information from the Development Cost Schedule and the Development Narrative. This will establish the percentage applied to the unit types in Table 2.

TABLE 1 - Development Cost Schedule (DCS) and Direct Loan Request Info		
Total Development Cost from the Development Cost Schedule		\$ 10,360,241
	Off-Site Costs	\$ -
	Pool and decking, Landscaping, Fencing (Site Amenities)	\$ 80,000
	Athletic court(s), Playground(s) (Site Amenities)	\$ 40,000
	Equipment (Building Costs)	
	Furnishings (Building Costs) and FF&E anywhere in DCS	
	Detached Community Facilities/Building (Building Costs)	\$ 340,000
	Carports and/or Garages (Building Costs)	\$ 30,000
Less Direct Loan Ineligible	Structured Parking (Building Costs)	
	Commercial Space Costs (Building Costs)	\$ -
Costs per §10 TAC 13.3(e) and §13.3(d)(2).	Community spaces not exclusively used by tenants/tenant guests (not pre-labeled)	\$ -
	Contingency	\$ 300,000
	Personal property taxes (Soft Costs)	
	TDHCA fees, Tax Credit Fees, Bond Fees (Other Financing Costs)	\$ 30,139
	Syndication and Organizational Costs (Other Financing Costs)	\$ 80,000
	Soft Cost Contingency (Other Financing Costs)	\$ 20,000
	Reserves (not related to NHTF)	
	Delinquent fees, taxes, or charges (not pre-labeled)	
	Costs incurred >24 months prior to DL contract (not pre-labeled)	\$ -
	Other ineligible costs [please describe]	
Total Direct Loan Ineligible Costs		\$ 920,139

Direct Loan Eligible Costs (Total Development Cost less Direct Loan Ineligible Costs)	\$ 9,440,102
Direct Loan Ineligible Costs Percentage to be applied to non-Building Costs/Site Work Costs	8.88%

Total Contractor Fees	\$ 808,500
Total Soft Costs	\$ 863,500
Total Financing Costs	\$ 724,144
Total Developer Fees	\$ 1,554,800
Total Non-Building Costs/Site Work Costs	\$ 3,950,944

Less Total Non-Building Costs/Site Work Costs that are ineligible as a result of applying % in cell H29	\$ 350,901
--	-------------------

Final Direct Loan Eligible Costs (TDC less Direct Loan Ineligible Costs less Total Non-Building Costs/ Site Works Costs that are ineligible)	\$ 9,089,201
---	---------------------

Direct Loan Request from Development Narrative	\$ 2,350,000
---	---------------------

Direct Loan Percentage used to determine number of Direct Loan units in each unit type	25.85%
---	---------------

Step 2: Complete the yellow cells in this table with information from the Rent Schedule. When the DL percentage from Table 1 is applied to each unit type, the minimum number of DL units within each unit type will be established by proportionality requirements. DL applicants are encouraged to propose providing more than the minimum number of DL units; however, please maintain proportionality among the various unit types.

TABLE 2 - Rent Schedule Info					
Unit Type ¹	Total Units	DL Percentage	DL Units Req'd.	DL Proposed	
0BR/1bath		25.85%	0.00		
1BR/1bath	12		3.10	7	
2BR/1bath			0.00		
2BR/1.5bath			0.00		
2BR/2bath	24		6.21	2	
3BR/1bath			0.00		
3BR/1.5bath			0.00		
3BR/2bath	12		3.10	2	
3BR/2.5bath			0.00		
4BR/2bath			0.00		
4BR/2.5bath			0.00		
4BR/3bath			0.00		
				12.41	11

TOTALS	48	25.85%	12.41
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↓

Min. DL Units Required by Proportionality Requirements	13
---	----

For HOME, a minimum 20% of proposed HOME units must be available to ≤ 50% AMI HHs and must be distributed proportionately among DL units.	3
For HOME, a maximum of 10% HOME Units may be available to households greater than 60% AMI and at or below 80% AMI.	1
For NHTF, all NHTF Units must be for households at or below the greater of 30% AMI or the poverty rate	
HOME Match Units must be units at or below 80% AMI	
For Applications within another HOME Participating Jurisdiction, Applicants may only select NHTF funds and restrict rent and income for all Direct Loan-assisted units to 30% AMI. For Applications outside of another HOME Participating Jurisdiction, Applicants must select HOME funds and restrict rent and income for all Direct Loan-assisted units to no more than 80% AMI, and as further described at 10 TAC §11.204(7) and (8).	

¹ Units of each type must be comparable in terms of square footage (+/-120 sq. ft.) and amenities.

Step 3: The only selection that needs to be made in this table is indicating whether or not the property will be elevator served. Information from Table 2 auto-populates this table, which confirms whether or not the proposed DL units (column P) from Table 2 meets the max per unit subsidy requirements.

TABLE 3 - Actual Max Per Unit Subsidy			
Unit Type	Total Units	DL Units	Max Per Unit Subsidy
Elevator served (Y or N)?			Y
0br	0	0	\$ 153,314
1br	12	7	\$ 175,752
2br	24	2	\$ 213,718
3br	12	2	\$ 276,482
4br	0	0	\$ 303,490
Total DL Units		11	
Total Units		48	

DL Request	≤	Max Per Unit Subsidy Limit
\$ 2,350,000		\$ 2,210,664

~~% of DL Funds to Total DL Eligible Costs~~
MUST be ≤ % of DL Units to Total Units.

DL funds/DL Eligible Costs	≤	DL Units/Total Units
25.85%		22.92%

Review note: If the "DL Request" and/or "DL Units/Total Units" box are red, DL requirements can be met by decreasing the loan request and/or increasing the DL units.

Step 4 (optional): DL applicants may elect to score points under 10 TAC §13.6 by voluntarily using lower max per unit subsidy limits of \$60,000, \$80,000, or \$100,000 per unit regardless of unit types. Information from Table 2 auto-populates the white cells in this table.

TABLE 4 - Scoring Max Per Unit Subsidy (optional)			
Unit Type	Total Units	DL Units	Scoring Max Per Unit Subsidy
0br	0	0	\$80,000
1br	12	7	
2br	24	2	
3br	12	2	
4br	0	0	
Total DL Units		11	
Total Units		48	
			Max loan thru scoring per unit subsidy limit based on DL units proposed in Table 2
			\$ 880,000

This worksheet determines the required number of MF Direct Loan units required to score points under Scoring Criteria in 10 TAC §13.6. This worksheet autofills from Tables 1 and 2.

Choose the per unit subsidy limit for the Multifamily Direct Loan Units in cell Y8 from the options available. \$100,000 per DL unit scores 4 points, \$80,000 scores 8 points, and \$60,000 scores 10 points.

Review note: If the "Loan Limit" or "DL Units/Total Units" box is red, DL requirements must be met by decreasing the loan request and/or increasing the DL units.

22185

-

Casa de Magnolia

-

**Request for Administrative
Deficiency**

Houston Ella Boulevard, Ltd.

May 6, 2022

Mr. Cody Campbell
Director of Multifamily Finance
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701

RE: Request for Administrative Deficiency TDHCA #22185 – Casa de Magnolia Seniors, LP

Dear Mr. Campbell:

Houston Ella Boulevard, Ltd. respectfully requests this letter serve as our Third-Party Request for Administrative Deficiency (RFAD) of 10 TAC §11.203 Public Notification and §11.9(d)(6) (§2306.6725(a)(2)) Input from Community Organizations by the Applicant, Casa de Magnolia Seniors, LP, for their application #22185 – Casa de Magnolia Senior Living. It is our position the Applicant failed to meet the required public notification requirements because they did not notify the newly elected Houston City Councilmember for District G, Mary Nan Huffman sworn in on February 2, 2022 and did not notify the Houston ISD School Board President, Judith Cruz elected on January 13, 2022 (see Exhibit A). Both officials were elected to their position after Pre-Application and before Full Application submission. The Applicant confirms there was no re-notification by checking the box, on Tab 14 – Elected Officials in their full application indicating no changes of elected officials took place between Pre-Application and Application (see Exhibit B). By failing to notify Councilmember Huffman, the correct person in office at the time between pre-application and full application and Houston ISD Board President Judith Cruz, Las Brisas HTC, LP did not meet threshold related to public notification in the 2022 QAP. A copy of this RFAD is being delivered concurrently to a representative of the Casa de Magnolia Senior Living.

1) Public Notification

10 TAC §11.203(2) Public Notifications clearly states that:

Officials to be notified are those in office at the time the Application is submitted. Note that between the time of pre-application (if made) and full Application, the boundaries of their jurisdictions may change. Meetings and discussions do not constitute notification.

§11.8 (a)(B) Pre-Application Requirements which describe the only method of notification which would also apply to a re-notification.

Only a timely and compliant written notification to the correct entity constitutes notification

§11.203(2)(E) specifies the recipients include:

(E) All elected members of the Governing Body of the municipality...

While the public notification section says the notification must be sent to all of the entities identified, the requirement for public notification is only satisfied by a written notification to the elected official in office at the time of Application and if there is a change of elected officials a re-notification must be done prior to application submission. Las Brisas HTC, LP did not meet this requirement.

In addition, §11.204(4)(A). Required Documentation for Application Submission identifies the threshold documentation required for submission in the application as:

(A) Prior to submission of an Application to the Department, an Applicant must provide notice of the intent to file the Application in accordance with §11.203 of this chapter (relating to Public Notifications (§2306.6705(9)))

The Applicant noted in their pre-application they notified Greg Travis who was the Houston City Councilmember District G at that time but failed to notify Mary Nan Huffman who became the newly elected Houston City Councilmember for District G and while the Applicant prior to pre-application notified School Board President Patricia K. Allen, the Applicant failed to notify the newly elected Houston ISD School Board President, Judith Cruz after the pre-application deadline and before the final submission of the full application the Applicant did not meet the threshold public notification requirement.

In conclusion, Application #22114 does not meet threshold for Public Notification. Therefore, the Application should be terminated for any further consideration for an award.

If you have any questions or would like additional information, please do not hesitate to contact me.

Sincerely,



Cody J. Hunt
Houston Ella Boulevard, Ltd.
Authorized Representative
13455 Noel Road, Suite 400
Dallas, TX 75240
chunt@rivaswitzerland.com

cc: Gary Lacey – Casa de Magnolia Senior Living - glacey@pennrose.com

EXHIBIT A

RESIDENTS BUSINESS VISITORS



GOVERNMENT SERVICES CONTACT / SEARCH



City Council > District G > About Mary Nan Huffman

DISTRICT G

About Mary Nan Huffman



Mary Nan Huffman was sworn in as Council Member for District G the morning of February 2, 2022. She brings her skills as a law-and-order prosecutor to keep our neighborhoods safe and keep city government free from corruption.

Crime is on the rise across America and Houston is no exception. Public safety is government's first responsibility. If we are not safe in our homes, on our streets, in our business, nothing else government does really matters.

DISTRICT G LINKS

- District G Home Page
- About Mary Nan Huffman
- Staff of District G
- District G Map (.pdf)
- Profile of District G (.pdf)
- 3-1-1 Online Form

HISD Board of Education elects new president, officers ...

<https://blogs.houstonisd.org/news/2022/01/14/hisd...>

Jan 14, 2022 · HISD Board of Education elects new president, officers for 2022. HISD Board of Education on Thursday elected new officers for 2022, unanimously selecting District VIII Trustee...

HISD | News Blog



About Us

Board

Students & Parents

Directory

Careers

myHISD

Noti

HISD Board of Education elects new president, officers for 2022

HISD Board of Education on Thursday elected new officers for 2022, unanimously selecting District VIII Trustee Judith Cruz as Board President.

Outgoing Board President Patricia Allen transferred the gavel to Cruz, signifying the change in office.

Remaining officers elected for 2022 are: First Vice President Elizabeth Santos, Second Vice President Kathy Blueford-Daniels, Secretary Sue Deigaard, and Assistant Secretary Myrna Guidry.

22220

-

Burkburnett Royal Gardens

-

**Request for Administrative
Deficiency**

APARTMENT MARKET DATA, LLC

CONSULTANTS, ECONOMISTS, ANALYSTS

May 6, 2022

Mrs. Jeanna Adams
Director of Real Estate Analysis
Texas Dept. of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701

cc: Bobby Wilkinson, TDHCA Executive Director
Cody Campbell, TDHCA Director of M/F Programs
Colin Nickells, TDHCA Administrator –
9% Competitive Housing Tax Credit Program
Noor Jooma, Applicant
Lora Myrick, Second Contact

Re: Third Party Request for Administrative Deficiency (RFAD)
Burkburnett Royal Gardens (TDHCA #22220)
Burkburnett, Texas

Greetings:

Following the 2022 Qualified Allocation Plan adopted by the Texas Department of Housing and Communities Affairs – 10 TAC Chapter 11, the following is a Third Party Request for Administrative Deficiency (RFAD) per §11.10.

The basis for this RFAD is that the Market Analysis (aka Market Study) provided by the applicant does not comply with §11.303. Market Analysis Rules and Guidelines.



20540 State Hwy. 46 West
(210) 530-0040

Suite 115 - PMB 416
Fax (210) 340-5830

Spring Branch, Texas 78070
www.aptmktdata.com

§11.303. Market Analysis Rules and Guidelines

(d) Market Analysis Contents. A Market Analysis for a rental Development prepared for the Department must be organized in a format that follows a logical progression and must include, at minimum, items addressed in paragraphs (1) - (13) of this subsection.

(8) Primary Market Area. A **limited geographic area** from which the Development is expected to draw most of its demand. The size and shape of the PMA should be reflective of proximity to employment centers, services and amenities and contain the most significant areas from which to draw demand. All of the Market Analyst's conclusions specific to the subject Development must be based on only **one PMA definition**. The Market Analyst must adhere to the methodology described in this paragraph when determining the market area.

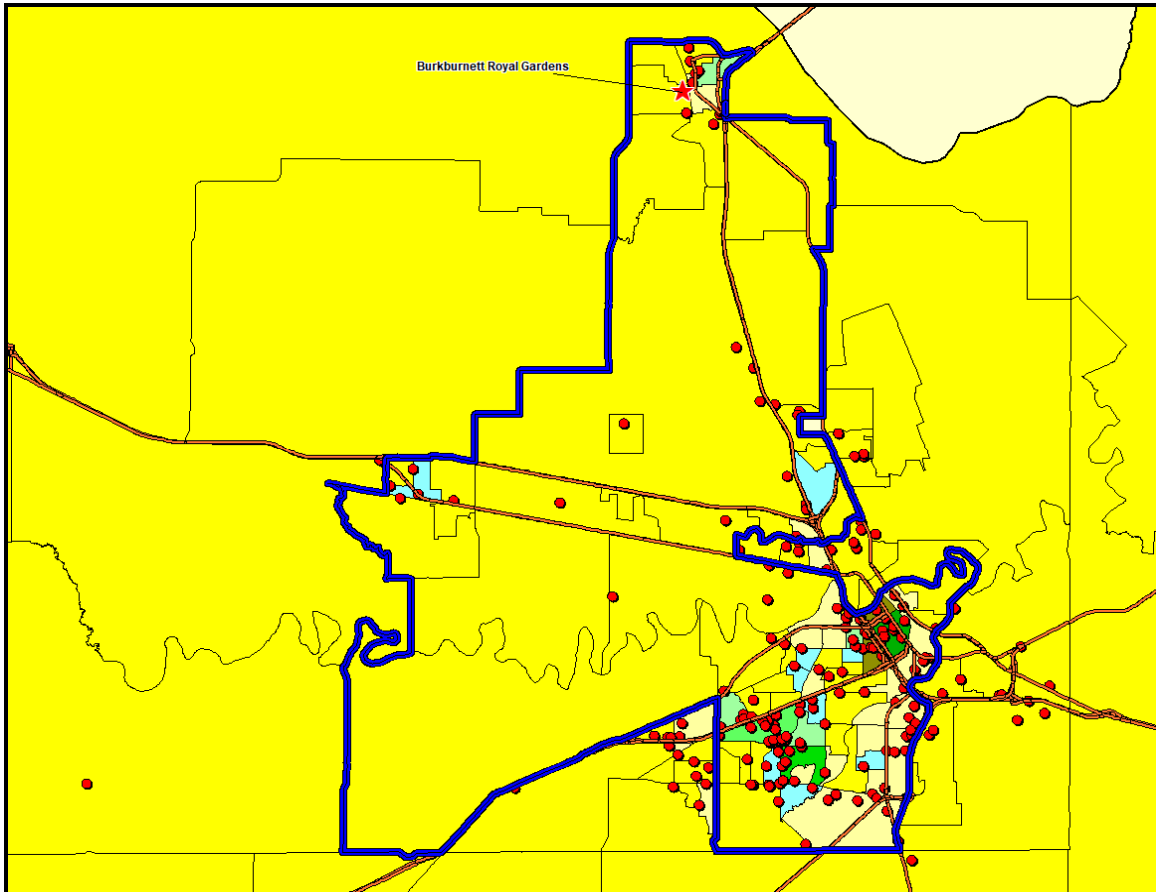
The market analysis prepared by Novogradac Consulting, LLP uses an excessively large PMA which inaccurately describes the geographic area from which the Development would be expected to draw most of its demand. The PMA includes the majority of the area and urban population of the city of Wichita Falls. In doing so, the market analysis grossly overstates the demand for the Development.

Clearly stated in §11.303, “The size and shape of the PMA should be reflective of proximity to employment centers, services and amenities and contain the most significant areas from which to draw demand.” The Texas Workforce Commission¹ reports 2,401 employers within Wichita County. Of these, only 119 employers or 5.8% are located within the city of Burkburnett. Seventy-five (75) of the 119 employers employ less than 20 people. The majority of employers and jobs, thus population and tenant demand, are located within the much larger city of Wichita Falls.

Employees	Employers	
	Burkburnett	Wichita Falls
5-9	53	906
10-19	22	451
20-49	18	298
50-99	6	111
100-249	3	47
250-499	1	9
500-999	0	4
1,000-4,999	0	3
TBD	16	261
TOTAL	119	2,090

¹<https://texaslmi.com/Home/EmployerContact>

**ON THE MAP – JOBS PER SQUARE MILE (2018)
AND EMPLOYERS WITH 50+ EMPLOYEES**



The market analysis fails to substantiate and provide a rationale to support including demand from the larger city of Wichita Falls, designated as “urban” by TDHCA. In doing so, the market analysis fails to satisfy §11.303.

Additionally, §11.303 states “The size and shape of the PMA should be reflective of proximity to employment centers, services and amenities and contain the most significant areas from which to draw demand.”

As 88% of the PMA’s population lies outside the city of Burkburnett, the reader is led to believe that the more significant tenant populations would come from Wichita Falls rather than Burkburnett itself. Without significant explanation, it is illogical that an application competing in the “rural” set aside would be allowed to draw an overwhelming amount of demand from a larger city designated as “urban”.

The most recent data from the U.S. Census Bureau reports a major migration occurring across the nation with Florida and Texas being the top two destinations. However, rural Texas has lost population at a rate of 228 people per day for 10 years. This is also reflected in the demographic data for the city of Burkburnett.

**CENSUS DATA
2010 to 2020**

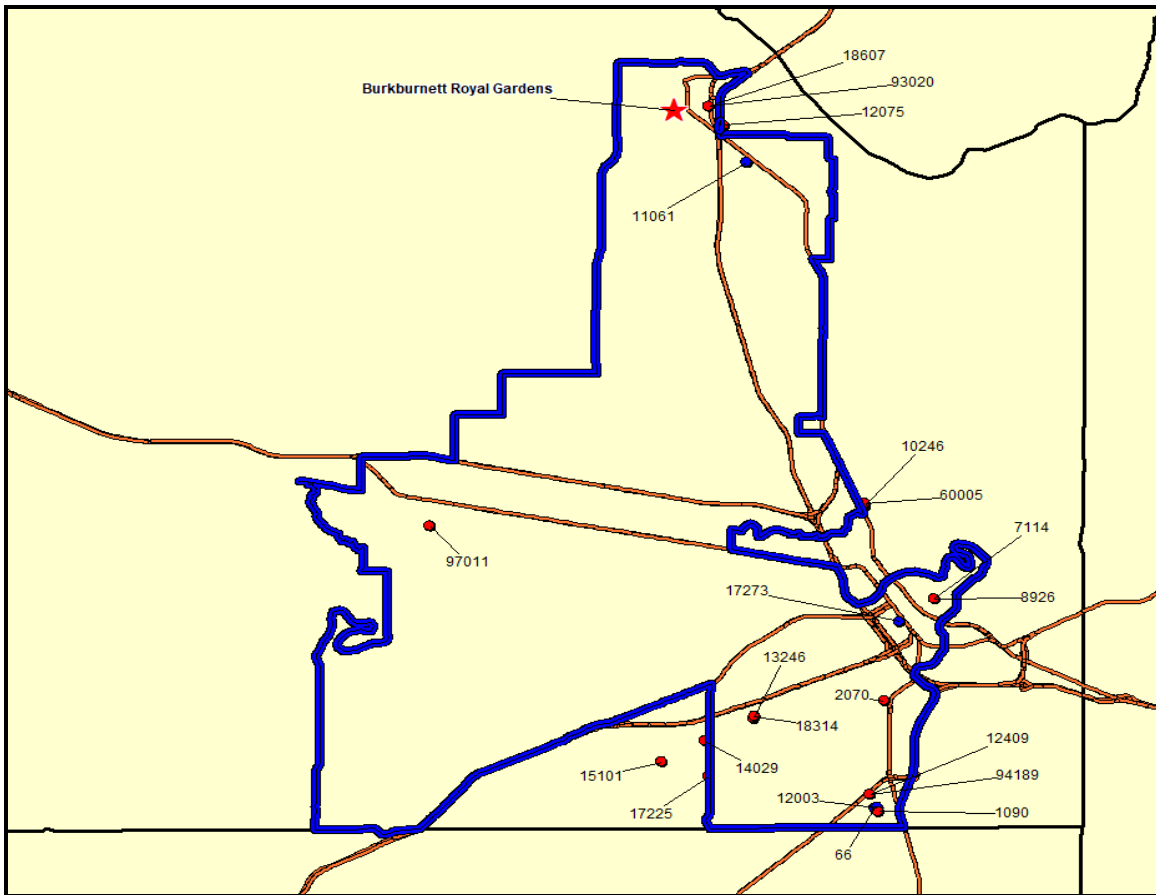
MSA Population	2010	2020	2010-2020 Change	Per Day
Austin	1,377,000	2,283,371	906,371	248.3
Dallas-Ft. Worth	6,392,097	7,424,256	1,032,159	282.8
Houston	5,920,416	7,122,240	1,201,824	329.3
San Antonio	2,153,821	2,550,960	397,139	108.8
Texas	25,145,561	29,145,505	3,999,944	1,095.9
Texas - Urban	21,298,039	26,130,686	4,832,647	1,324.0
Texas - Rural	3,847,522	3,014,819	-832,703	-228.1

The market analysis overlooks the fact that the population of Burkburnett has been in a decline since 2000. This places a greater importance on pulling tenants currently living within the more urban population of Wichita Falls. By QAP rule, using this methodology thus requires the analyst to substantiate and provide a rationale to support these assumptions.

ANYSITE DEMOGRAPHICS

Population	PMA	Burkburnett	Wichita Falls
2000 Census	94,511	10,934	132,267
2010 Census	94,598	10,805	132,668
2021 Estimate	94,139	10,655	134,624

The market analysis also assumes that tenants would bypass the many affordable housing options along the way to move to Burkburnett.



§11.303. Market Analysis Rules and Guidelines

(B) The Market Analyst's definition of the PMA must include:

(VI) For rural Developments, discuss the relative draw (services, jobs, medical facilities, recreation, schools, etc.) of the Development's immediate local area (city or populous area if no city) in comparison to its neighboring local areas (cities, or populous areas if no cities), in and around the PMA. **A rural PMA should not include significantly larger more populous areas unless the analyst can provide substantiation and rationale that the tenants would migrate to the Development's location from the larger cities;**

As the city of Burkburnett is defined as “rural” by TDHCA, the above section applies to Burkburnett Royal Gardens (TDHCA #22220).

Again, the market analysis prepared by Novogradac Consulting, LLP uses an excessively large PMA which inaccurately describes the geographic area from which the Development would be expected to draw most of its demand. The PMA includes the majority of the area and urban population of the city of Wichita Falls. In doing so, the market analysis grossly overstates the demand for the Development.

PMA RATIONALE - NOVOGRADAC “BOILER PLATE” LANGUAGE

As justification for the PMA boundaries, the market analysis for Burkburnett Royal Gardens (TDHCA #22220) contains the following language.

(Page 15 – Primary & Secondary Market Information) “This area comprises the cities of Burkburnett and Iowa Park, as well as a majority of the city of Wichita Falls. The PMA was defined based on conversations with local property managers, city and county officials, and overall similarities in market characteristics observed during the field investigation. These boundaries were determined based on where we believe tenants would be willing to relocate from based on our conversations with local property managers and officials. Comparable property managers reported that tenants generally come from within Wichita County....”

This “boiler plate” language that Novogradac provides in many of its reports gives little to no substantiation nor rationale that tenants would migrate to the Development's location from the larger city of Wichita Falls. In fact, it gives no facts, details or supporting documentation at all. Lack thereof, the market analysis fails to satisfy §11.303.

Furthermore, similar language was found in the 2016 market analysis for SilverLeaf at Mason which will be discussed later herein. In that case, the Underwriter found “.....Resultantly, the PMA was very large geographically, which created the initial concern for the Underwriter and ultimately led to a denial of the application.”

“The Primary Market Area (PMA) encompasses Menard, Mason and McCulloch Counties. According to our interviews with local stakeholders and property managers of the surveyed properties, participants from this general region would consider relocating to the Subject property given the lack of affordable senior housing in the area, the significant population over the age of 55, coupled with the aging housing stock, much of which was constructed prior to 1939. (p.15 Original Market Study)”

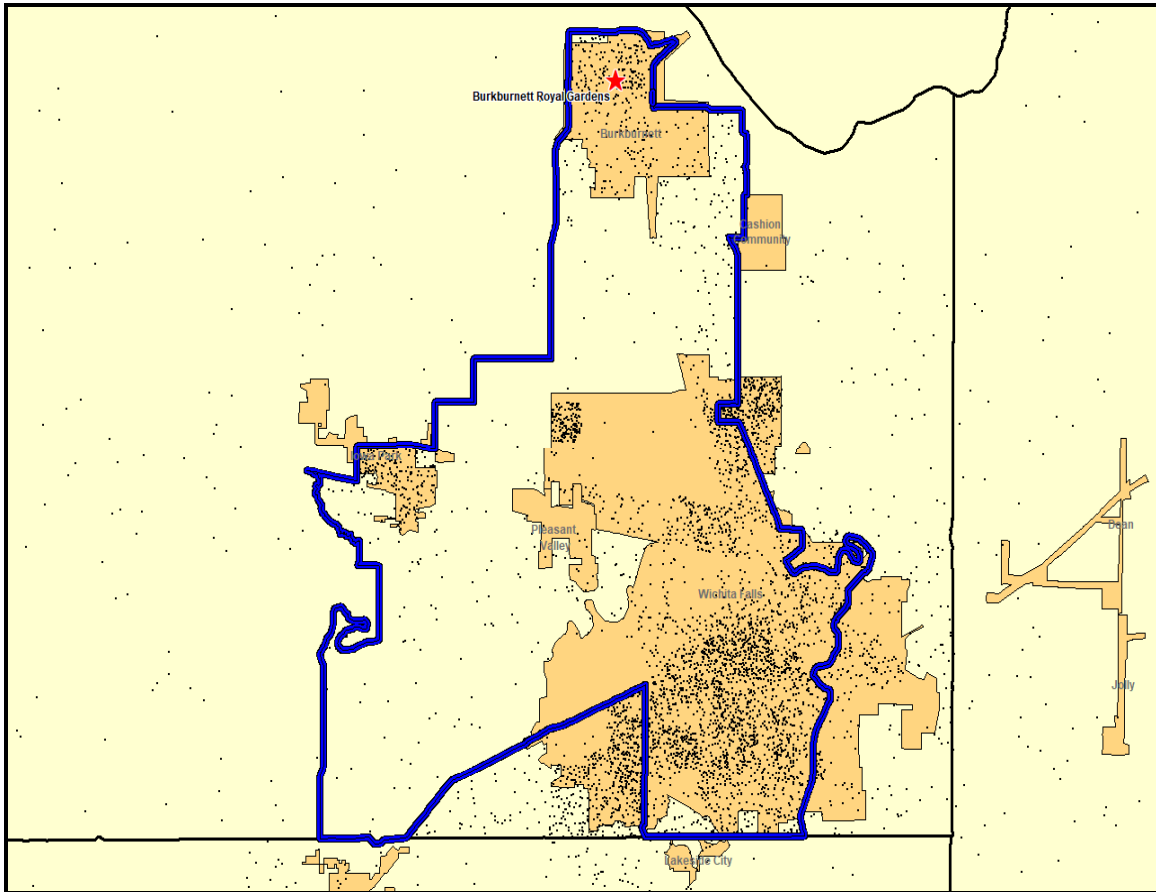
Since 2016, it would seem that Novogradac has learned nothing about providing a substantive discussion or supporting documentation related to the boundaries of the PMA. At the same time, TDHCA has led annual round-table meetings with market analysts and updated the Market Analysis Rules and Guidelines as included above. In such meetings, TDHCA staff discussed the necessity of further justification and documentation related to the boundaries of a PMA. Novogradac’s lack of participation in these round tables and/or disregard for the updated rules is no excuse for not providing the information required by TDHCA.

The map below shows the boundaries of the PMA used for the market analysis, the boundaries of each city contained therein, and the population density of the PMA. Each dot on the map below represents 25 people.

Copies of all the maps included herein are provided in the appendix including map keys and scales.

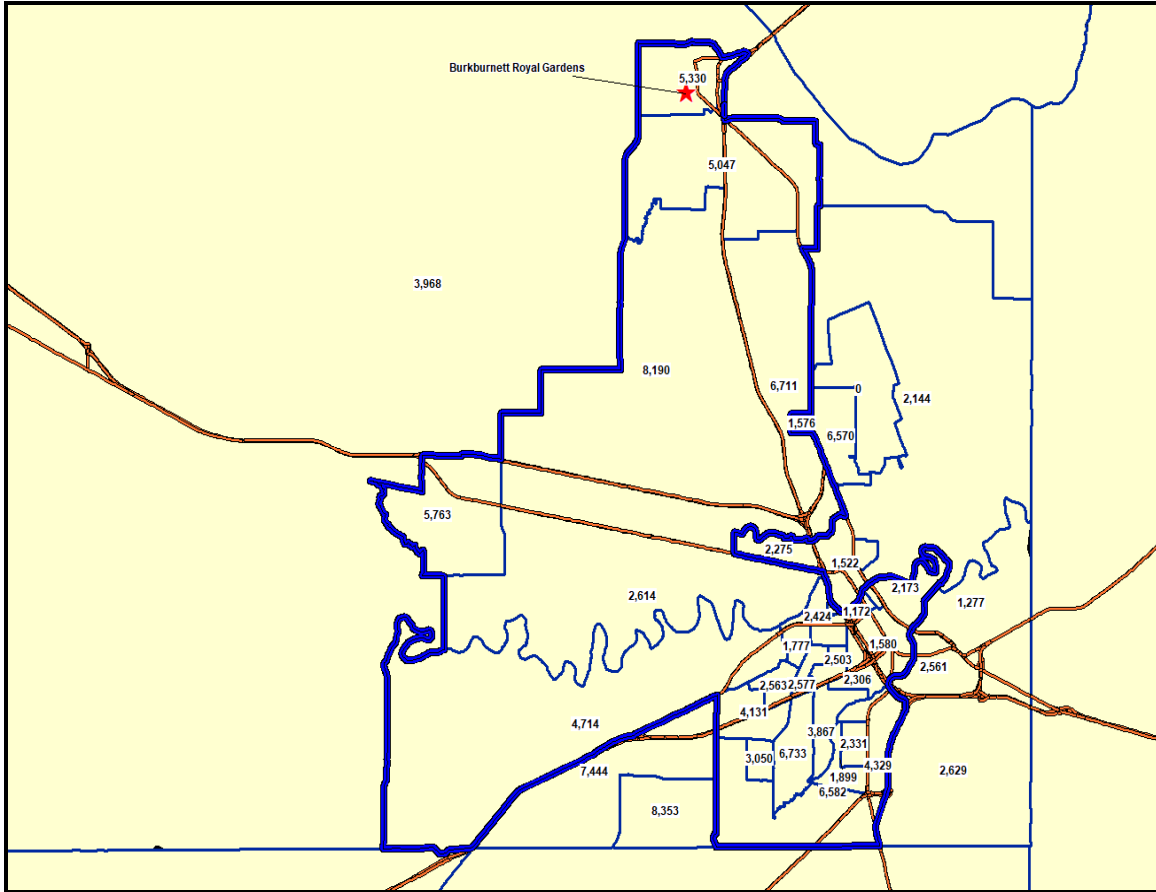
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CITY BOUNDARIES AND POPULATION DENSITY



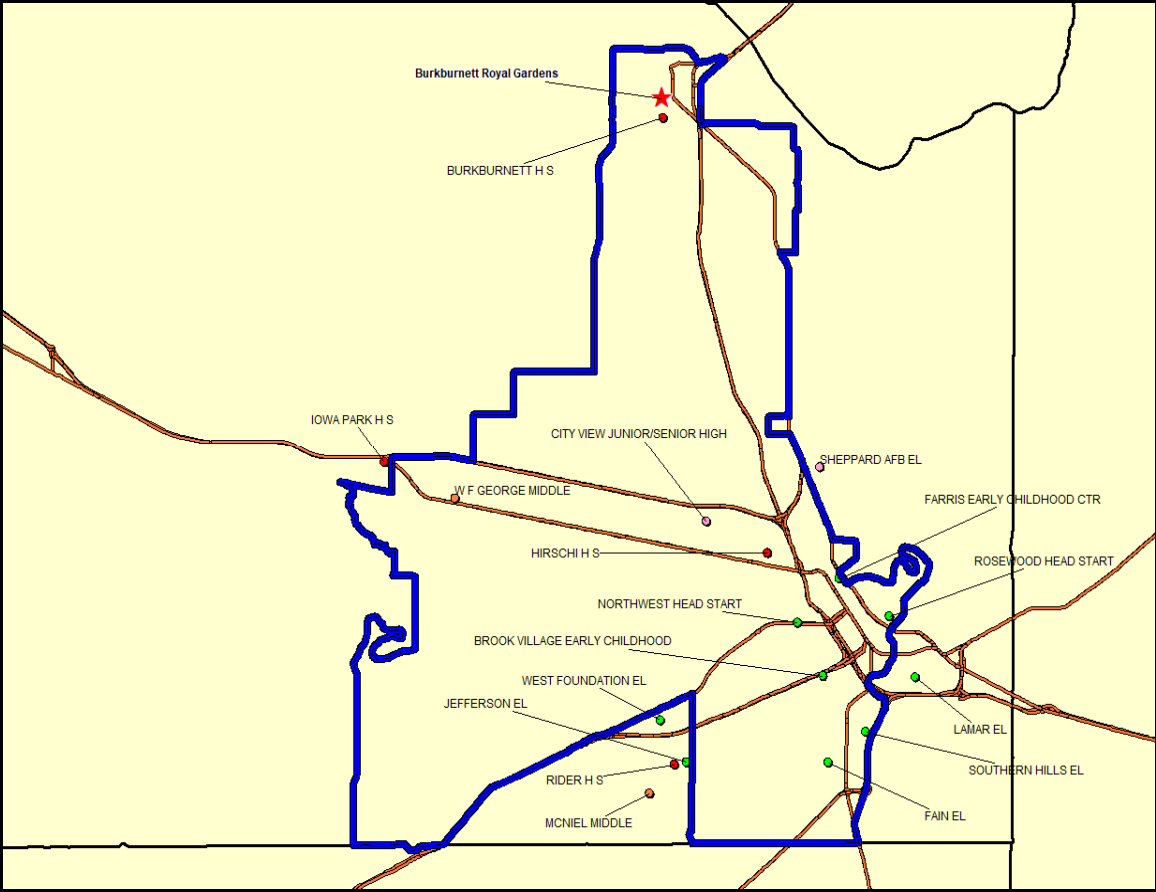
The market analysis states that the 2019 U.S. Census data estimated the population of Burk Burnett to be 11,167, with the PMA having a total population of 95,700. This implies that 88% of the reported demand for the Development's units will come from outside the city of Burk Burnett.

**ANYSITE DEMOGRAPHICS
2021 POPULATION BY CENSUS TRACT**



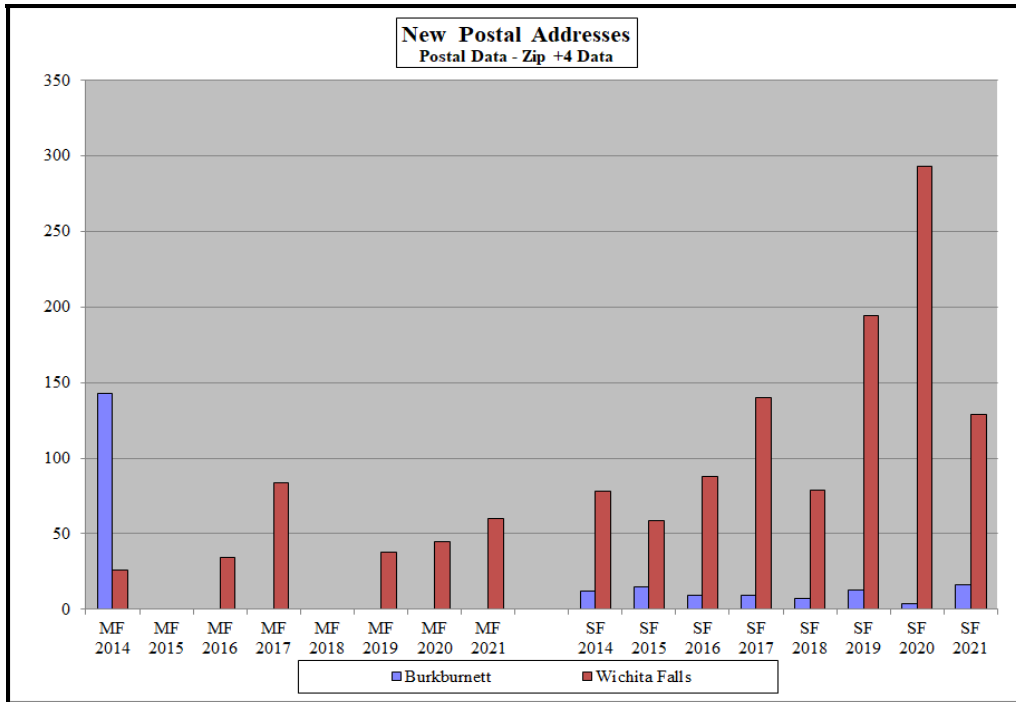
The market analysis fails to substantiate and provide a rationale that the tenants would migrate to the Development's location from the more populous areas of southern Wichita County. Demand generators like better schools and/or greater job opportunities might entice someone to relocate their family to Burk Burnett, but the city has neither. In fact, south Wichita Falls has more high scoring schools (Texas Education Agency) and greater employment opportunities than Burk Burnett.

**TEXAS EDUCATION AGENCY
SCHOOLS SCORING A's OR B's**

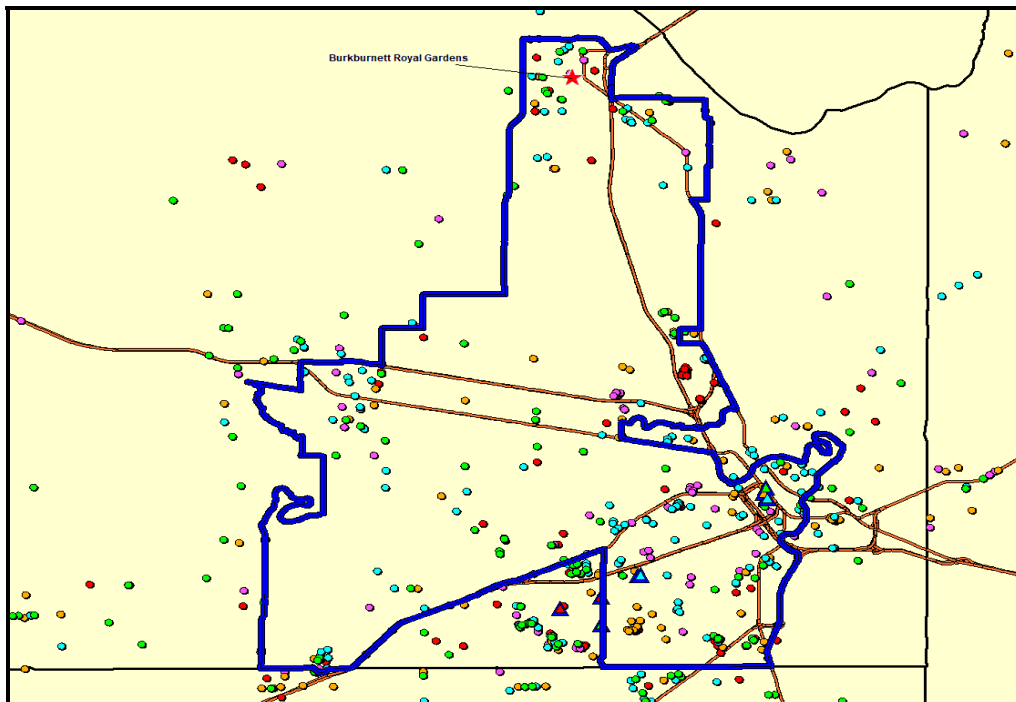


NEW CONSTRUCTION

The number of new postal addresses reported by the USPS reports that the number of new single family homes (2014-2021) grew at a rate of 11 times faster in Wichita Falls compared to Burk Burnett. The greatest number of new S/F homes added in one year in Burk Burnett for this time period was 16. By comparison, Wichita Falls has averaged 133 new S/F annually.



**NEW SINGLE AND MULTI-FAMILY ADDRESSES
2014 to 2021**



From the data provided by the USPS, it is clear that significantly more new home construction has occurred in Wichita Falls compared to the city of Burkburnett. These new homes are typically located closer to the employment centers and closer to high scoring schools.

The market analysis fails to substantiate and provide a valid rationale to support including demand from the larger city of Wichita Falls, designated as “urban” by TDHCA. In doing so, the market analysis fails to satisfy §11.303.

NOVOGRADAC HISTORY OF MARKET ANALYSIS IN TEXAS

Novogradac Consulting, LLP (Novogradac) provides market analysis reports for proposed LIHTC projects across Texas and the nation. At the same time, many of their market analysts visit Texas from out of state and/or lack local knowledge of the Texas rental markets. And while this does not violate any rules of §11.303, it can lead to a lack of understanding of the geographic area from which a Development can expect to draw most of its demand. Novogradac also has a history with TDHCA of drawing excessively large PMAs to find sufficient demand for an applicant.

By way of example, the following are 3 examples of Novogradac using these large PMAs to overstate demand. The names of the analysts along with their locations from LinkedIn are listed below.

Other Novogradac signatories for the 2020 and 2021 TDHCA - LIHTC application rounds include the following:

Ethan Houts, Columbus, OH
Rachel Talmadge, Kansas City, MSA
Kelly Powell, Warrensburg, MO
Will Hoedl, Kansas City, MO
Rebecca Arthur, Mission, KS

NOVOGRADAC EXAMPLES

Kerrville, Texas – TDHCA #20186
Market Analyst - Will Hoedl, Kansas City, MO

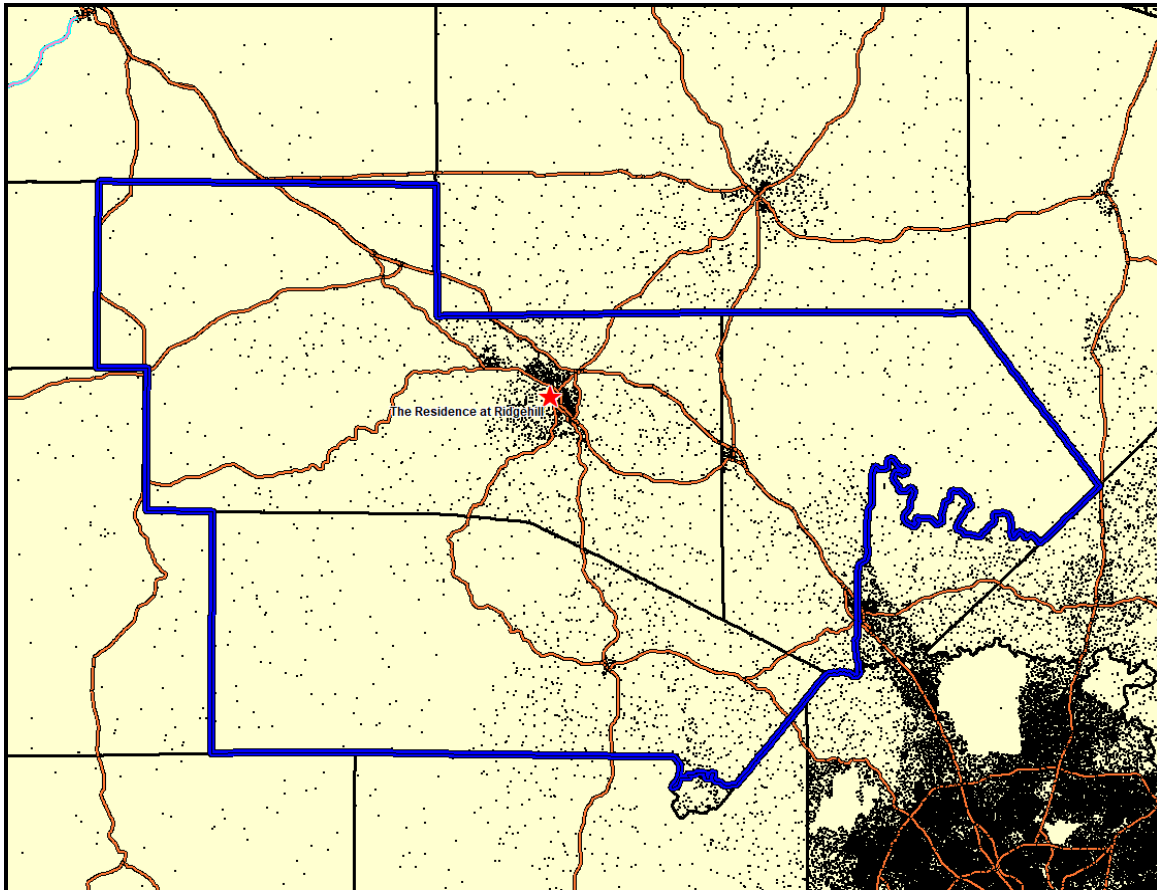
Mason, Texas – TDHCA #16057
Market Analyst - Patty Davis, Kansas City MSA

Fort Hancock, Texas – TDHCA #16274
Market Analyst – DeAnna Unger, Austin, Texas MSA

Example #1
The Residence at Ridgehill - TDHCA #20186
Kerrville, Texas (2021 Population - 24,321)

The Residence at Ridgehill was a 2020 LIHTC application for 43 units. Novogradac provided a market analysis that used a PMA that included an area of 2,543 sq. miles. For comparison, this area was larger than both the states of Delaware (1,982 sq. mile) and Rhode Island (1,214 sq. miles). The PMA encompassed the entirety of Kerr County, as well as the majority of Bandera and Kendall Counties. Excerpts from the TDHCA underwriting report related to the market analysis are attached hereto.

“Although the size of the PMA is extraordinary, it is found to be acceptable, particularly given the low capture rate and AMGI variances within the PMA.”



Example #2
SilverLeaf at Mason - TDHCA #16057
Mason, Texas (2021 Population – 2,323)

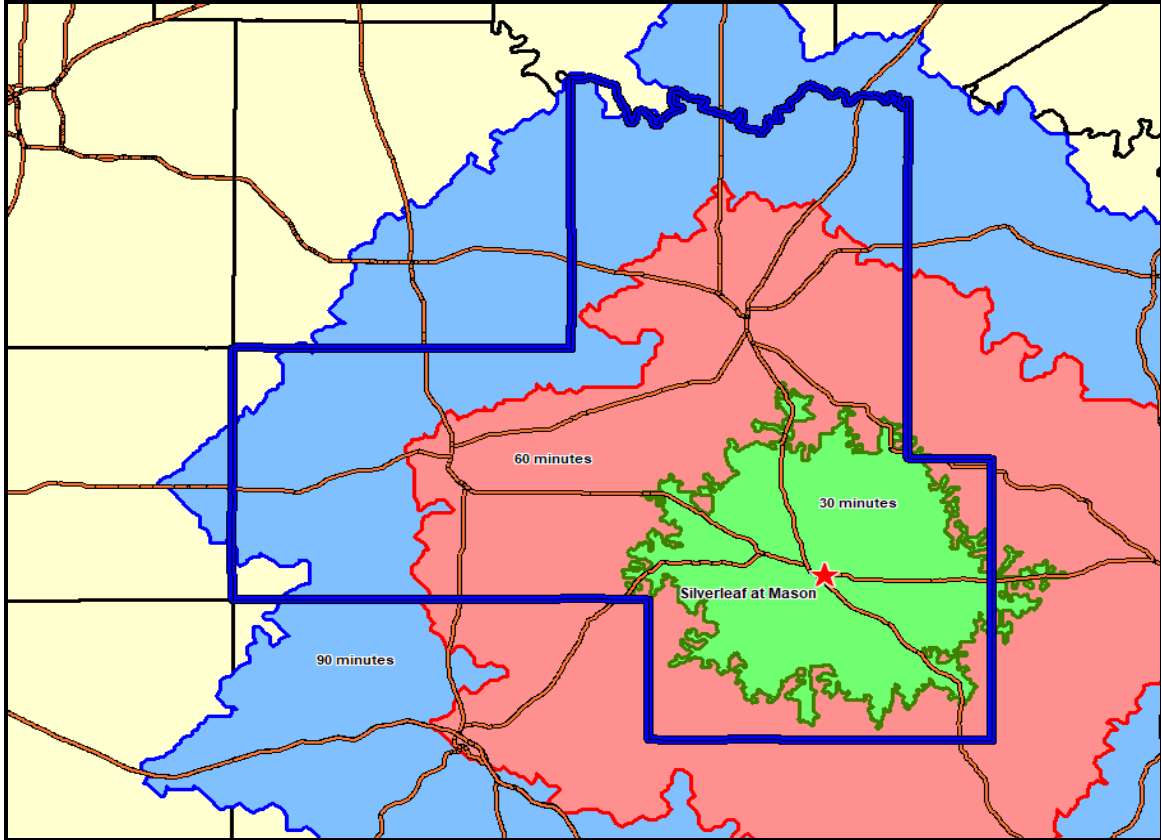
SilverLeaf at Mason was a 2016 LIHTC application for 45 units. Novogradac provided a market analysis that used a PMA that included 3 counties, for an area of 2,910 sq. miles. Populations included in the demand analysis were located 90 minutes from the proposed site (see Drive-Time map below). Excerpts from the TDHCA underwriting report related to the market analysis are attached hereto.

(July 6, 2016) “The market study rules require a PMA based on census tracts which can provide a PMA that is not always a logical PMA. Additionally, the census tract in rural areas can be very large. This does not mean, however, that a PMA based on census tracts is appropriate. Many times a county is used as a conservative PMA for this reason. In the case, the demographic data in the county does not support the Development

(Sept. 22, 2016) “The original underwriting published on July 6, 2016 did not recommend the proposed development for an award due to market concerns that caused the capture rate under the rules to fail.”

“.....Resultantly, the PMA was very large geographically, which created the initial concern for the Underwriter and ultimately led to a denial of the application.”

Only after the applicant appealed the underwriting report and threatened the Department with a lawsuit was Novogradac allowed to present a revised market analysis that limited the PMA to Mason County (948 sq. miles). The original PMA Novogradac used for SilverLeaf at Mason showed at the very least a lack of understanding of the TDHCA’s Market Analysis Rules and Guidelines. More likely, the excessively large PMA was created to provide sufficient demand to meet the TDHCA capture rate requirements.

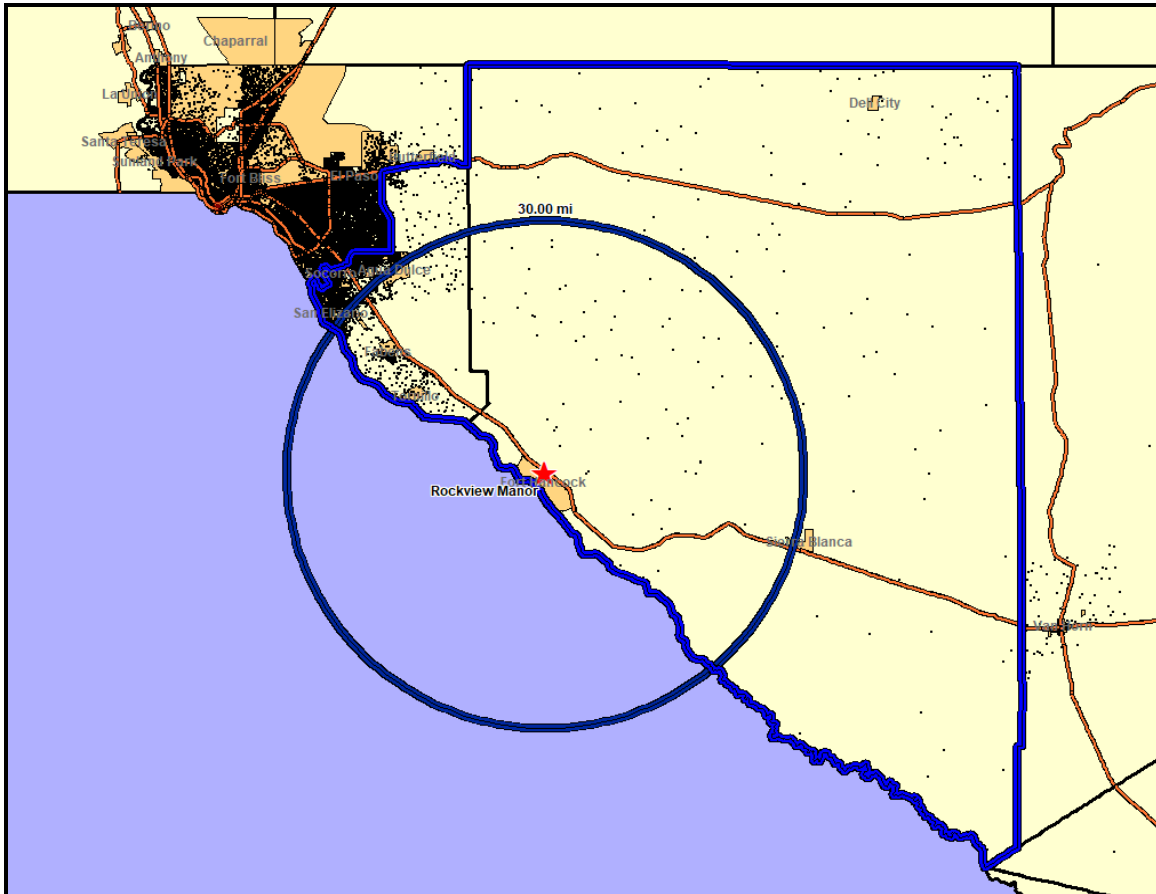


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Example #3
Rockview Manor - TDHCA #16274
Fort Hancock, Texas (2021 Population – 2,496)

Rockview Manor was a 2016 LIHTC application for 49 units. Novogradac provided a market analysis that used a PMA that included an area of 4,940 sq. miles. The largest contributing factor was that Hudspeth County is sparsely populated and only has only census tract covering 4,575 sq. miles. The more important issue raised by TDHCA was the population required to satisfy TDHCA’s capture rate requirements was located in El Paso County and more than 30 miles from the site. Excerpts from the TDHCA underwriting report related to the market analysis are attached hereto.

“Underwriter reviewed the original PMA of 4,940 square miles and believed this area was not a realistic representation of where actual demand of the Subject units would come from. Underwriter feels a realistic PMA is two census tracts; one of which is the entire county of Hudspeth and the other a tract that stretches along I-10 from Hudspeth County to Tornillo, where the new border crossing is located. Underwriter did not include an SMA in their analysis as they do not believe that families from farther west and north would bypass the many affordable housing options along the way to move to Fort Hancock. If the Applicant’s suggested SMA is included, the capture rate calculation would still be over the allowable thresholds.”



As demonstrated again in 2022, Novogradac Consulting, LLP continues this history of abuse of §11.303 and disregards obvious limitations on PMA boundaries. And while TDHCA gives the market analyst the opportunity to opine on the boundaries of a PMA, the opinions must be founded in good common sense. To the contrary, Novogradac hides behind one rule that allows a PMA to have a population as large as 100,000 and disregards all the others.

Note the population used for Burkburnett Royal Gardens approaches this upper limit with a population of 95,700.

REQUIREMENTS OF A MARKET ANALYSIS

Section 11.303 sets out the requirements for market analysts to use as they develop a PMA and the analysis that follows. It also contains specific language that the market analysis must be self-contained and must clearly lead the reader to the same or similar conclusions reached by the Market Analyst.

(b) Self-Contained. A Market Analysis prepared for the Department must allow the reader to understand the market data presented, the analysis of the data, and the conclusions derived from such data. All data presented should reflect the most current information available and the report must provide a parenthetical (in-text) citation or footnote describing the data source. The analysis must clearly lead the reader to the same or similar conclusions reached by the Market Analyst. All steps leading to a calculated figure must be presented in the body of the report.

In simple terms, the information contained within market analysis delivered to TDHCA on or before April 1st is all that should be considered. Additional information not solicited by TDHCA is not allowed to be presented. To allow a provider to add to or modify their conclusions presented in the market analysis represents a material change. It might also lead the reader to a different conclusion than that presented in the original report. As such, Novogradac cannot satisfy §11.303 by revising the market analysis already submitted.

Note also, the market analysis states **“Overall, there is no more logical of a PMA based on census tracts than the one determined.”**

SUMMARY

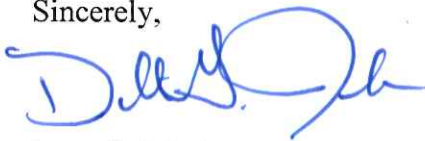
The market analysis prepared by Novogradac Consulting, LLP uses an excessively large PMA which inaccurately describes the geographic area from which the Development would be expected to draw most of its demand. The PMA includes the majority of the area and urban population of the city of Wichita Falls. In doing so, the market analysis grossly overstates the demand for the Development.

Most importantly, the market analysis fails to substantiate and provide a rationale to support including demand from the larger city of Wichita Falls, designated as “urban” by TDHCA. Lack thereof, the market analysis fails to satisfy §11.303.

By taking liberties and failing to substantiate and provide a rationale for the PMA boundaries, Novogradac neither serves the interests of TDHCA nor the applicant. Based on their history, Novogradac likely expects that 1) staff will not challenge the market analysis, or 2) they will be given a second bite at the apple as has occurred in the past. Allowing such only wastes staff’s valuable time and would represent a material change to the report. It also gives no incentive for Novogradac to improve as they have demonstrated again in 2022.

Because of the points presented herein, I request that staff rule that the market analysis provided by Novogradac Consulting, LLP for Burkburnett Royal Gardens (TDHCA #22220) does not satisfy §11.303.

Sincerely,









Darrell G Jack
President
Market Analyst

Thematic Maps












Burkburnett Royal Gardens

350 DW Taylor Burkburnette, Texas 76354

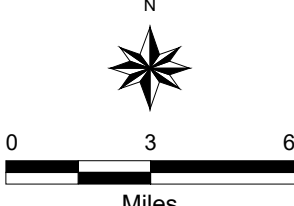
Legend

-  Site
-  Custom Boundary
-  Highways
-  EMPLOYEES >49 (2015)
-  County Boundaries
-  State Boundaries

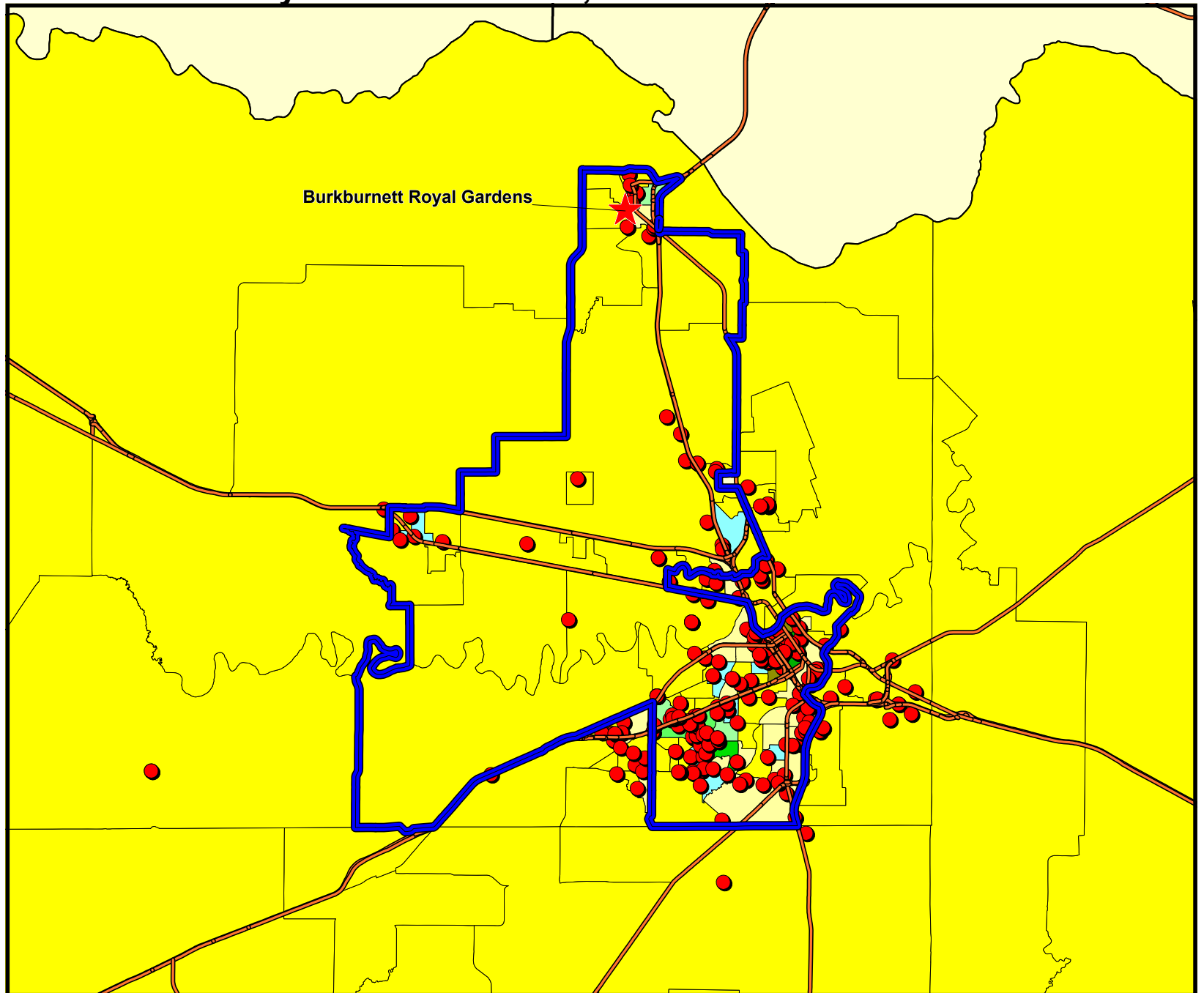
OnTheMap - Jobs per Sq. Mile - 2018

-  10,000+
-  8,000 To 9,000
-  7,000 To 8,000
-  6,000 To 7,000
-  5,000 To 6,000
-  4,000 To 5,000
-  3,000 To 4,000
-  2,000 To 3,000
-  1,000 To 2,000
-  500 To 1,000
-  0 To 500

Site Coordinates
 Longitude/X: -98.574180
 Latitude/Y: 34.087210



Miles



Burkburnett Royal Gardens

350 DW Taylor Burkburnette, Texas 76354

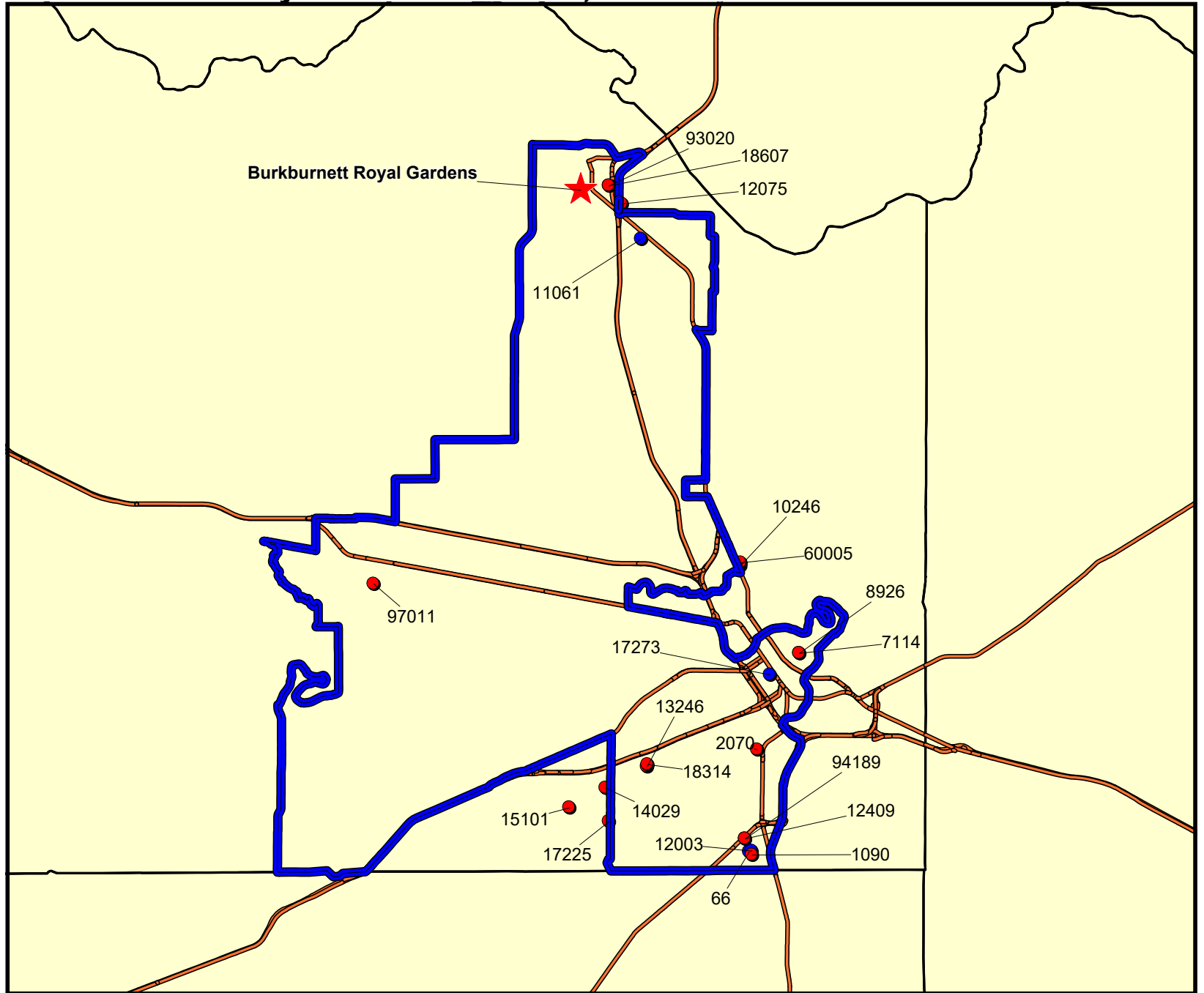
Legend

- Site
- Custom Boundary
- AH - Family - Nov 2021 - TDHCA #
- AH - Seniors - Nov 2021 - TDHCA #
- Highways
- County Boundaries
- State Boundaries

Site Coordinates

Longitude/X: -98.574180
 Latitude/Y: 34.087210







Miles



Burkburnett Royal Gardens

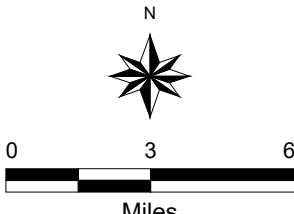
350 DW Taylor Burkburnette, Texas 76354

Legend

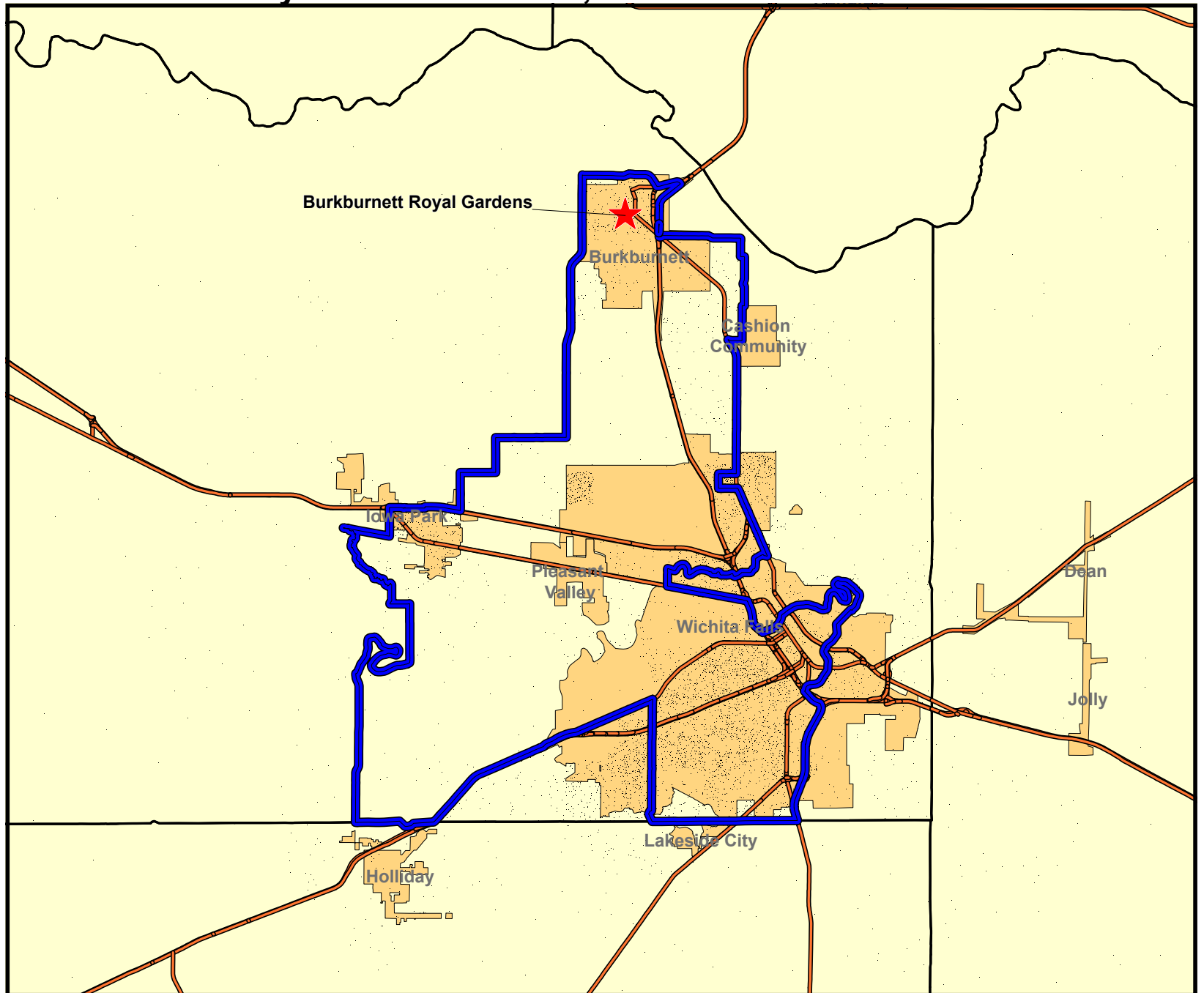
-  Site
-  Custom Boundary
-  Highways
-  Cities
-  County Boundaries
-  State Boundaries

Population Total 2021
by Block Group
1 Dot = 25 People

Site Coordinates
Longitude/X: -98.574180
Latitude/Y: 34.087210



0 3 6
Miles



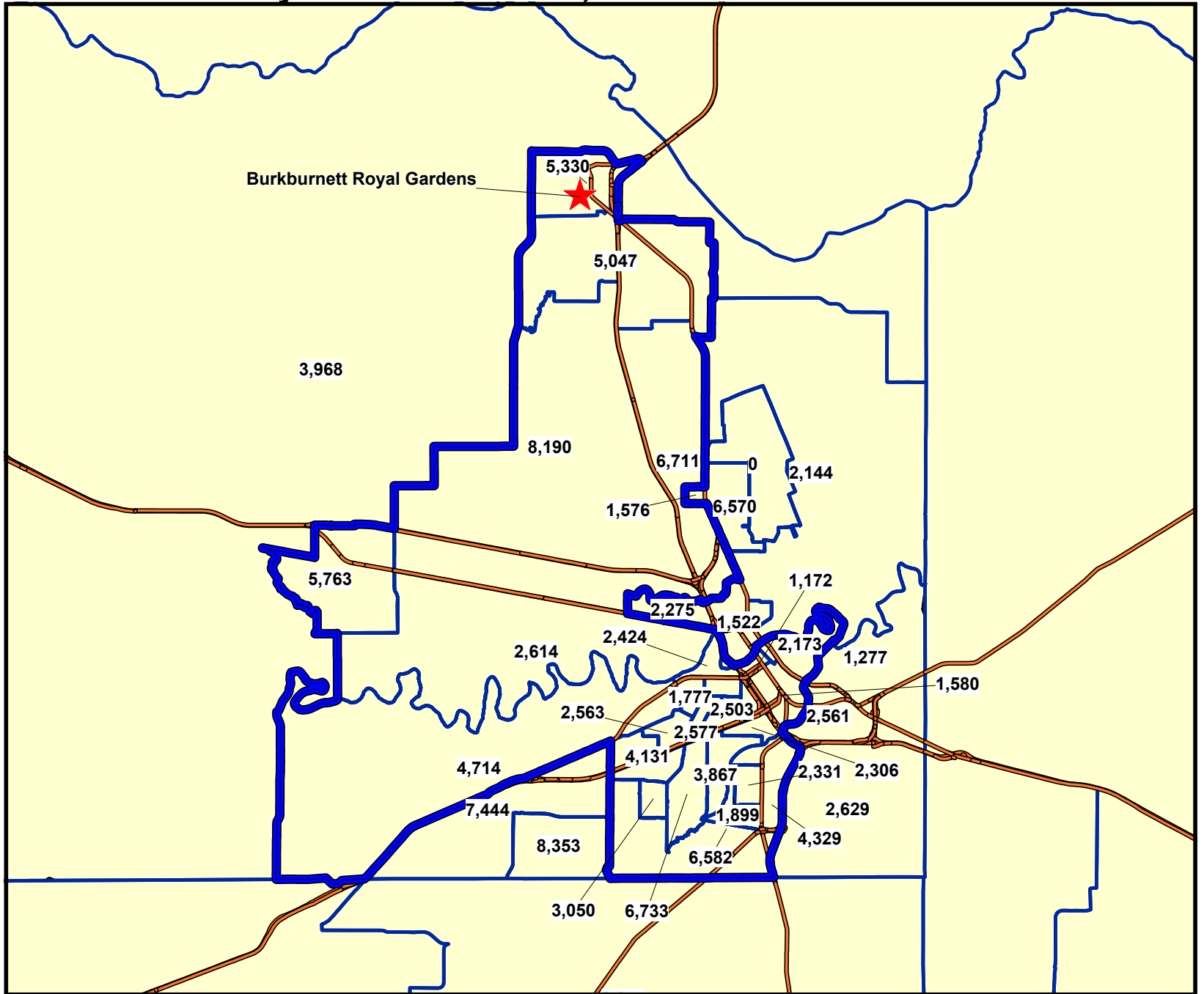
Burkburnett Royal Gardens

350 DW Taylor Burkburnette, Texas 76354

Legend

- Site
- Custom Boundary
- Highways
- Population by Census Tract
- County Boundaries
- State Boundaries

Site Coordinates
 Longitude/X: -98.574180
 Latitude/Y: 34.087210



Burkburnett Royal Gardens

350 DW Taylor Burkburnette, Texas 76354

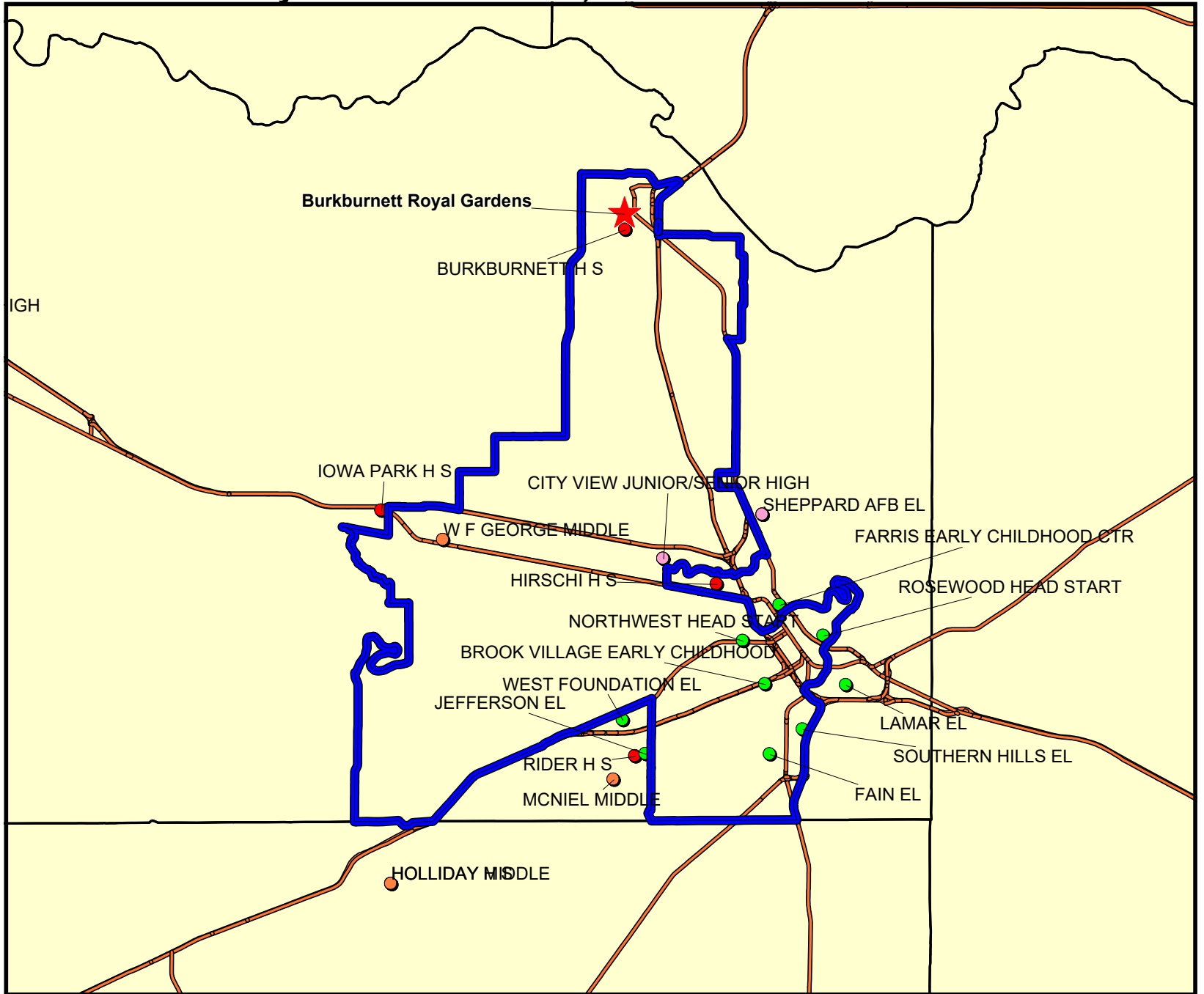
Legend

- ★ Site
- Custom Boundary
- Schools - Mixed A&B - 2020
- Schools - Elementary A&B - 2020
- Schools - Middle A&B - 2020
- Schools - High A&B - 2020
- Schools - ALL A&B - 2020
- Highways
- County Boundaries
- State Boundaries

Site Coordinates

Longitude/X: -98.574180
Latitude/Y: 34.087210

Miles



Burkburnett Royal Gardens

350 DW Taylor Burkburnette, Texas 76354


Legend

- ★ Site
- Custom Boundary
- ▲ New Construction - M/F 5+ - 2021
- ▲ New Construction - M/F 5+ - 2020
- ▲ New Construction - M/F 5+ - 2019
- ▲ New Construction - M/F 5+ - 2018
- ▲ New Construction - M/F 5+ - 2017
- New Construction - S/F - 2021
- New Construction - S/F - 2020
- New Construction - S/F - 2019
- New Construction - S/F - 2018
- New Construction - S/F - 2017
- Highways
- County Boundaries
- State Boundaries

Site Coordinates

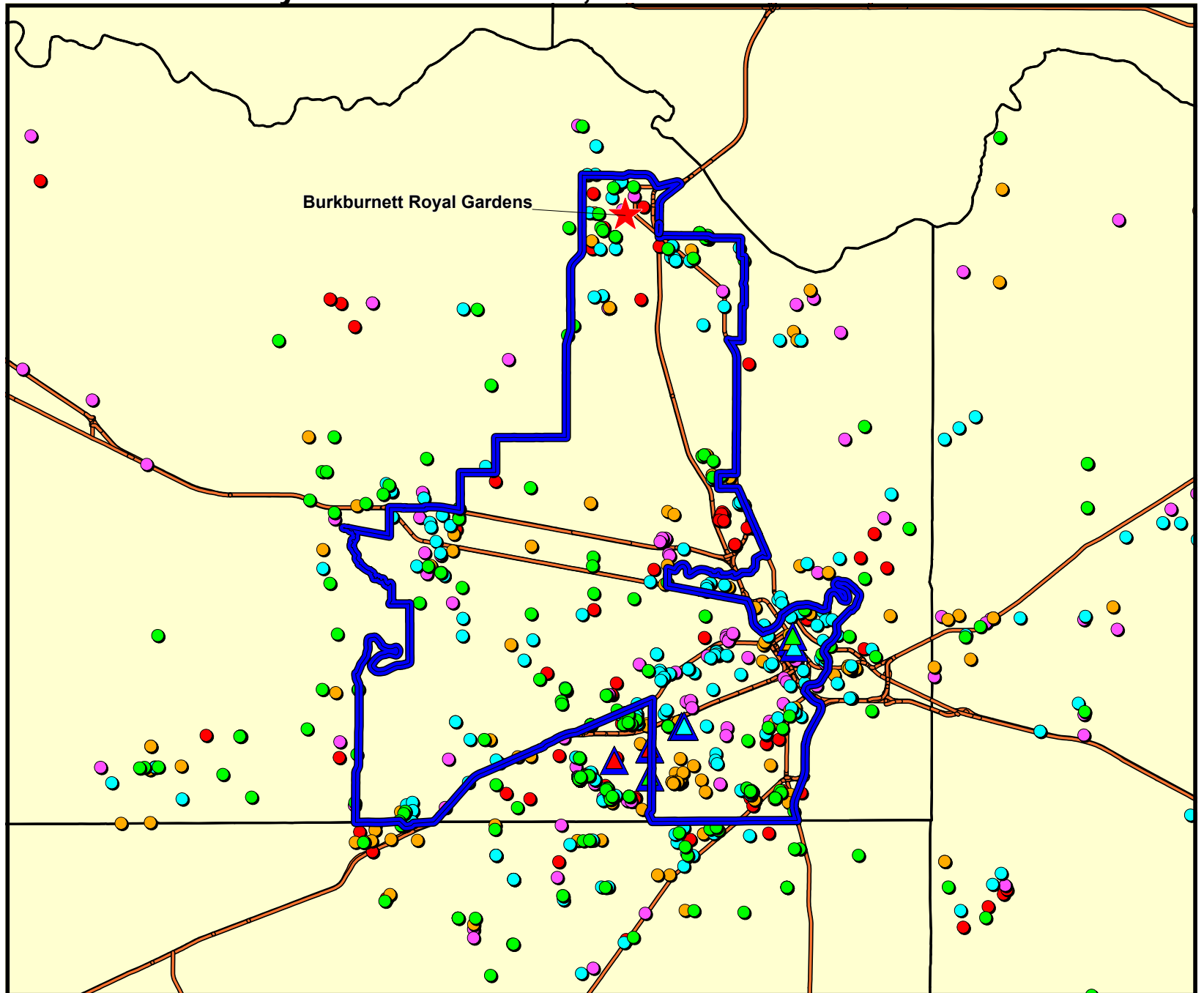
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Miles



The Residence at Ridgehill

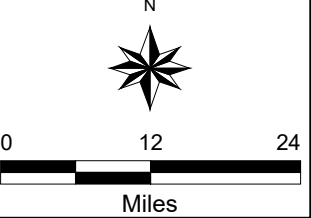
170 Lehmann Dr Kerrville, Tx 78028

Legend

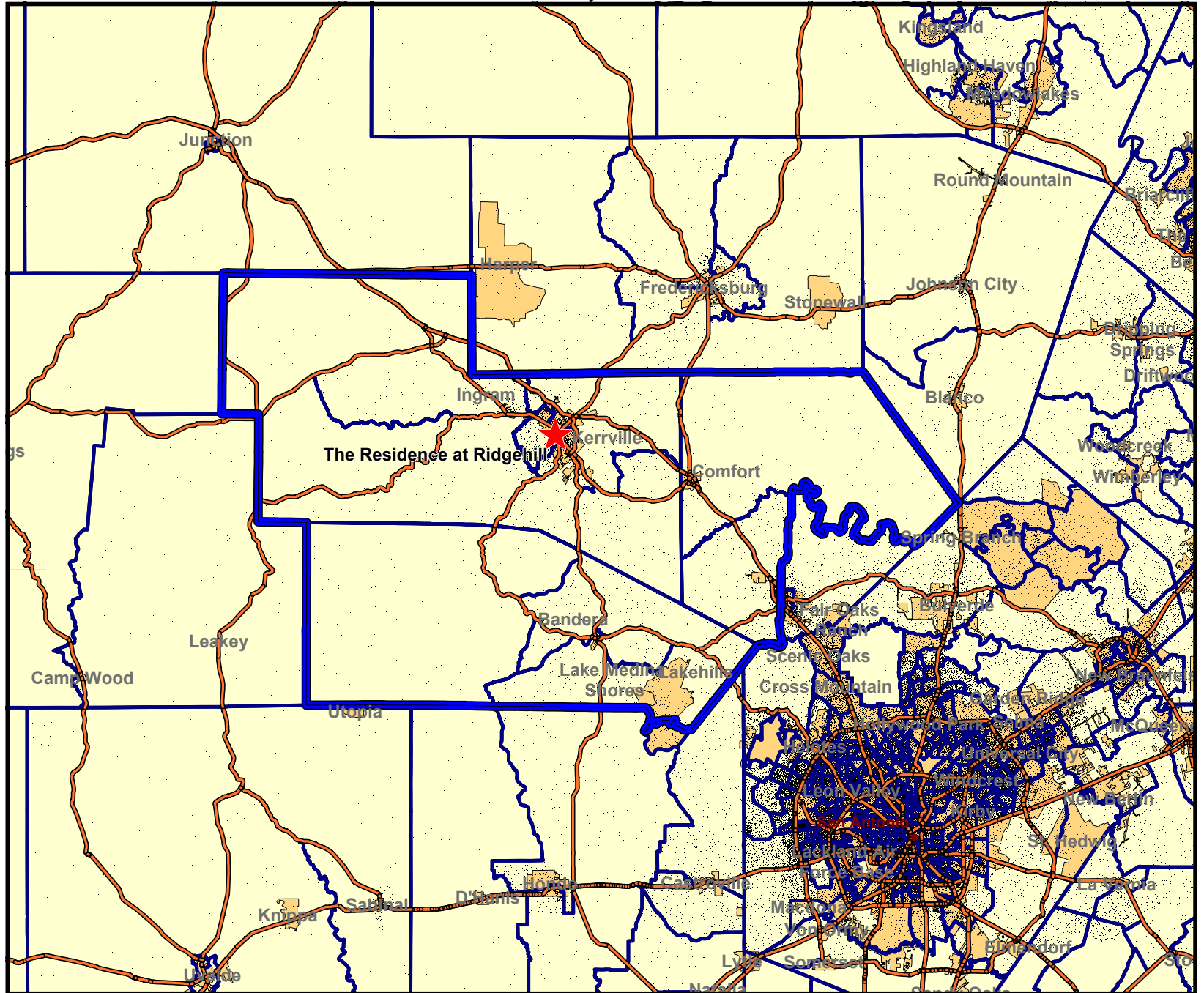
-  Site
-  Custom Boundary
-  Highways
-  CENSUS TRACTS - 2010
-  Cities
-  County Boundaries
-  State Boundaries

Population Total 2021
by Block Group
1 Dot = 25 People

Site Coordinates
Longitude/X: -99.148981
Latitude/Y: 30.040309



0 12 24
Miles



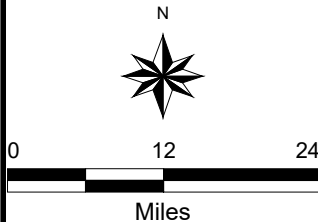
Silverleaf at Mason

Austin Street and East of Ranch Avenue Mason, Texas

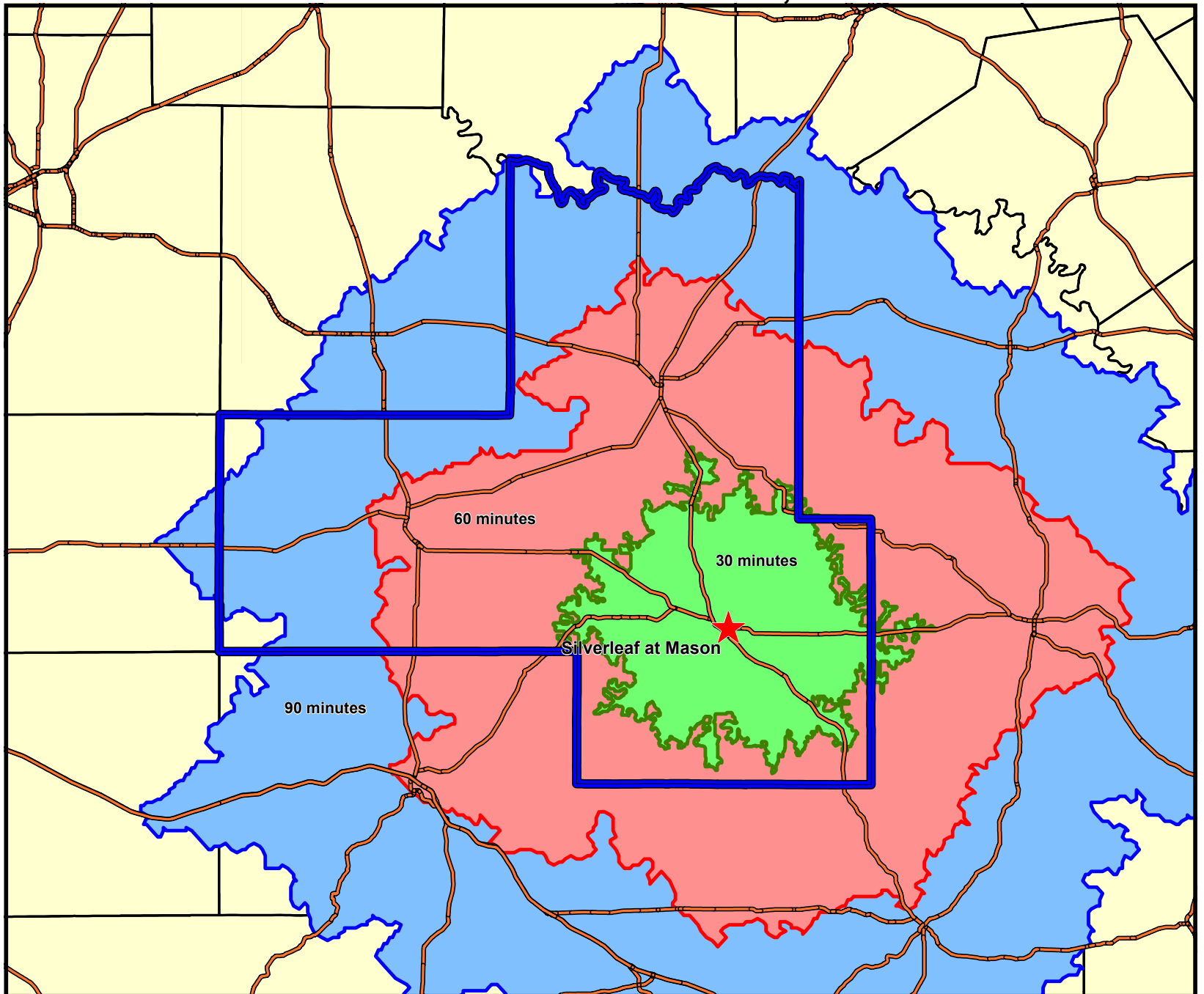
Legend

- ★ Site
- Custom Boundary
- Highways
- 30 Minutes
- 60 Minutes
- 90 Minutes
- County Boundaries
- State Boundaries

Site Coordinates
Longitude/X: -99.216346
Latitude/Y: 30.745715



0 12 24
Miles



Rockview Manor

W Smith St & Boyd St Ft. Hancock, Texas

Legend


- ★ Site
- Custom Boundary
- Rings
- Highways
- Cities
- County Boundaries
- State Boundaries

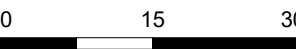
Population Total 2021
by Block Group
1 Dot = 25 People

Site Coordinates

Longitude/X: -105.844480
Latitude/Y: 31.301100

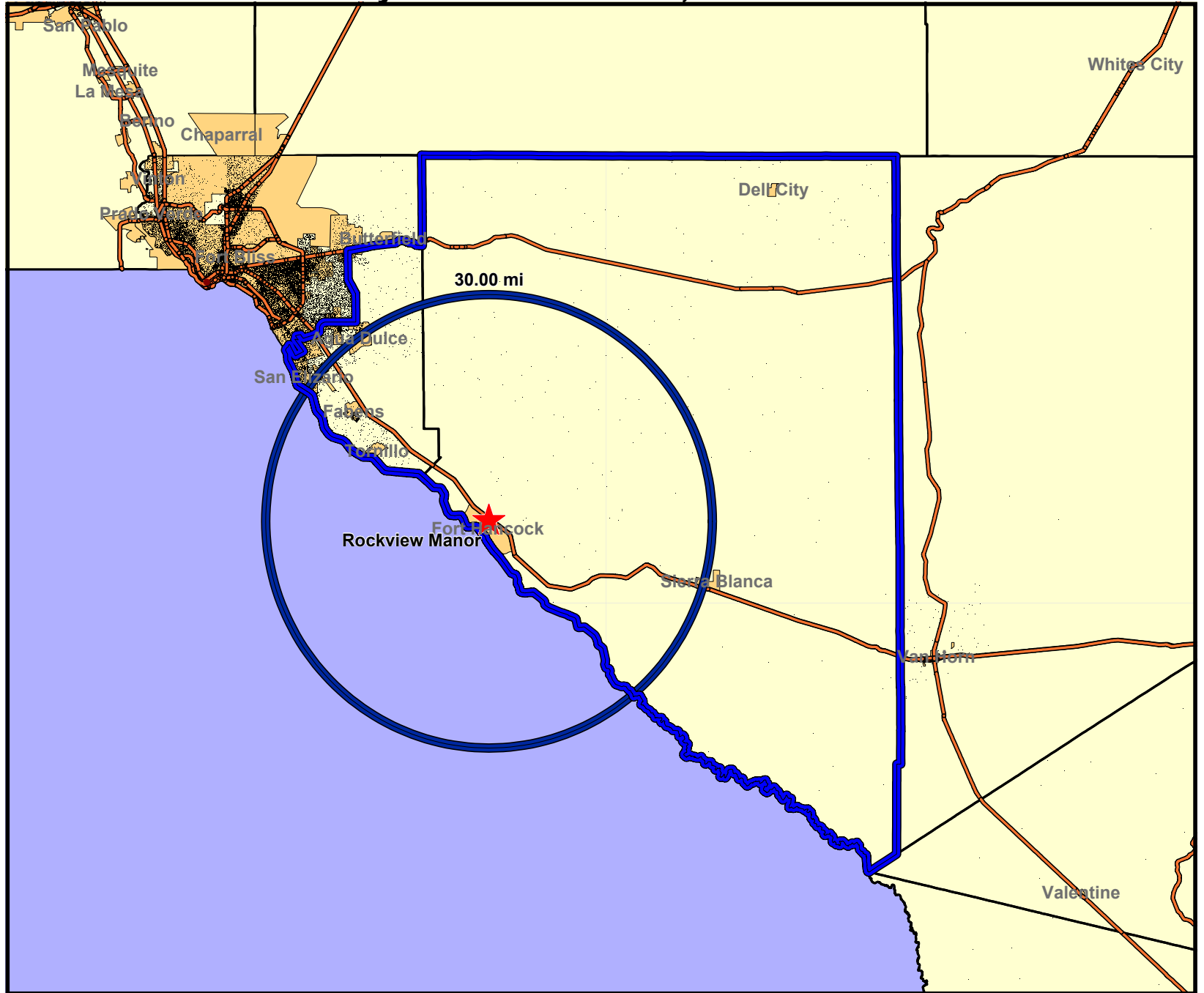
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Underwriting Report
The Residences at Ridgehill
TDHCA #20186

MARKET ANALYSIS

Provider: Novogradac Consulting

Date: 4/1/2020

Contact: Will Hoedl

Phone: 913-312-4613

Primary Market Area (PMA): 2,543 sq. miles 28 mile equivalent radius

Per Market Analyst, the PMA encompasses the entirety of Kerr County as well as the majority of Bandera and Kendall Counties, including all of or a portion of the cities or communities of Kerrville, Boerne, Comfort, Bandera, Sisterdale, Center Point, Ingram, Medina, Hunt, Vanderpool, Tarpley, and Kendalia. It should be noted that the PMA generally comprises rural tracts of the surrounding counties and, with the exception of a portion of Boerne located within the PMA, excludes moderate-sized cities in these counties. We believe the size of Kerrville with many amenities would attract tenants from surrounding rural communities, especially seniors. (p. 14)

Kerr County is not part of an MSA, while Bandera and Kendall Counties are both part of the San Antonio-New Braunfels, TX MSA. The AMGI in Kerr County is lower than the AMGI in the San Antonio, TX MSA; as such, the Subject's rents will be below those of comparable located in these surrounding counties, which may further attract tenants to live at the Subject. (p. 14)

Although the size of this PMA is extraordinary, it is found to be acceptable, particularly given the low capture rate and AMGI variances within the PMA.

ELIGIBLE HOUSEHOLDS BY INCOME								
Kerr County Income Limits								
HH Size		1	2	3	4	5	6	7+
30% AMGI	Min	\$8,160	\$8,160	\$9,792	\$9,792	---	---	---
	Max	\$12,720	\$14,550	\$16,350	\$18,180	---	---	---
50% AMGI	Min	\$13,632	\$13,632	\$16,344	\$16,344	---	---	---
	Max	\$21,200	\$24,250	\$27,250	\$30,300	---	---	---
60% AMGI	Min	\$16,344	\$16,344	\$19,608	\$19,608	---	---	---
	Max	\$25,440	\$29,100	\$32,700	\$36,360	---	---	---

AFFORDABLE HOUSING INVENTORY						
Competitive Supply (Proposed, Under Construction, and Unstabilized)						
File #	Development	In PMA?	Type	Target Population	Comp Units	Total Units
18418	LIV Boerne	Yes	New	Elderly	122	162
Stabilized Affordable Developments in PMA					Total Units	941
					Total Developments	12

Proposed, Under Construction, and Unstabilized Competitive Supply:

LIV Boerne (#18418) is currently leasing up 31 miles southeast of the Subject in Boerne. It is very likely this property will be stabilized when the Subject starts leasing. Also, as mentioned above, Boerne is in the San Antonio MSA and will therefore have higher rents based on the higher AMI.

OVERALL DEMAND ANALYSIS				
	Market Analyst		Underwriter	
	HTC	Assisted	HTC	Assisted
Total Households in the Primary Market Area	40,080		40,151	
Senior Households in the Primary Market Area	23,532		19,151	
Potential Demand from the Primary Market Area	4,794		5,468	
10% External Demand	479		547	
Potential Demand from Other Sources	0		0	
GROSS DEMAND	5,273		6,015	
Subject Affordable Units	43		43	
Unstabilized Competitive Units	152		122	
RELEVANT SUPPLY	195		165	
Relevant Supply ÷ Gross Demand = GROSS CAPTURE RATE	3.7%		2.7%	

Population:	Elderly Preference	Market Area:	Rural	Maximum Gross Capture Rate:	10%
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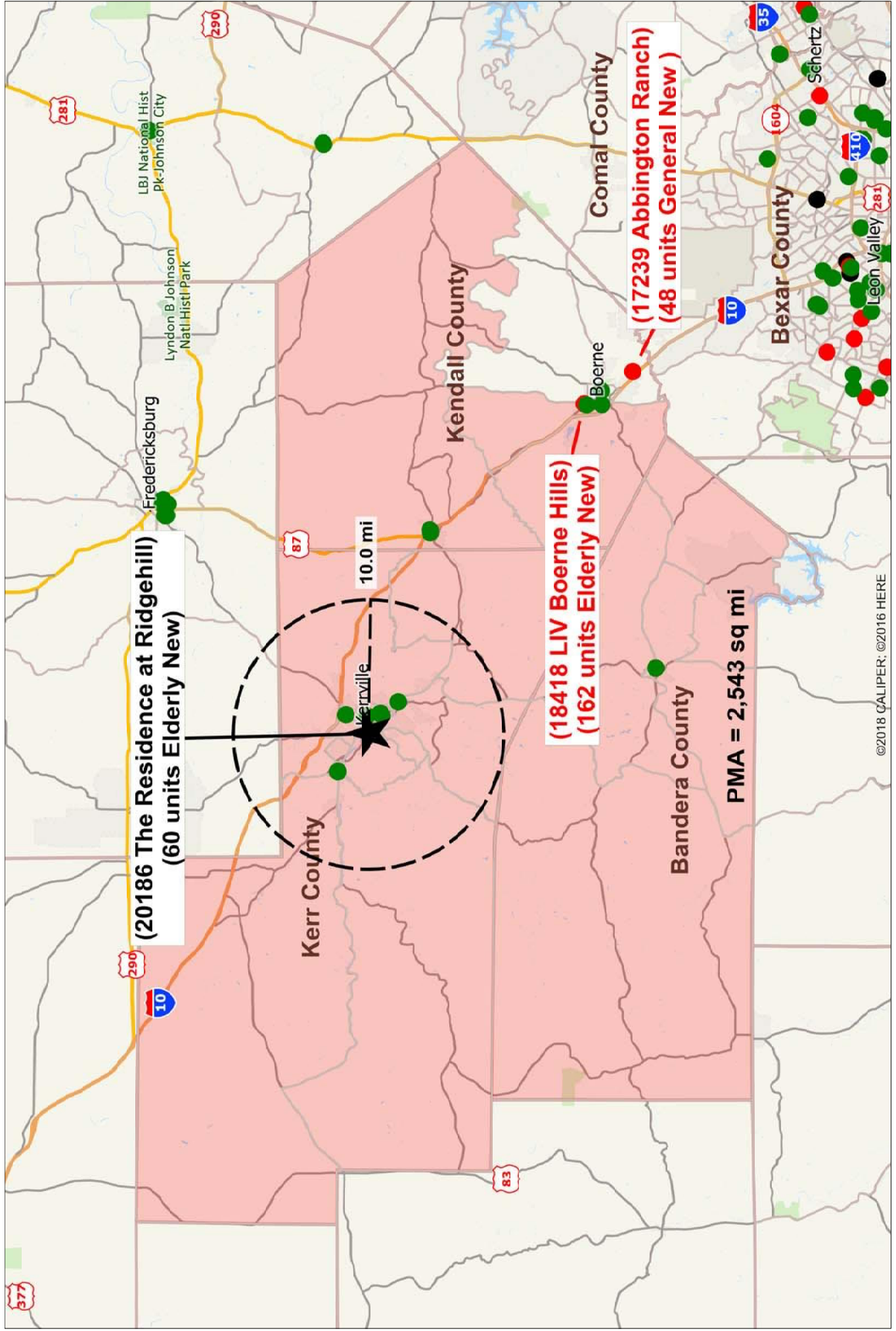
UNDERWRITING ANALYSIS of PMA DEMAND by AMGI BAND										
AMGI Band	Market Analyst					Underwriter				
	Demand	10% Ext	Subject Units	Comp Units	AMGI Band Capture Rate	Demand	10% Ext	Subject Units	Comp Units	AMGI Band Capture Rate
30% AMGI	1,169	117	3	3	0.5%	896	90	3	0	0.3%
50% AMGI	786	79	5	7	1%	551	55	5	0	1%
60% AMGI	2,839	284	35	142	6%	4,021	402	35	122	4%

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. Due to the proposed FHA financing, seniors are considered age 62 and up. Market Analyst qualified seniors at age 55 and up, but did not include all household sizes.

UNDERWRITING ANALYSIS of PMA DEMAND by UNIT TYPE										
Unit Type	Market Analyst					Underwriter				
	Demand	10% Ext	Subject Units	Comp Units	Unit Capture Rate	Demand	10% Ext	Subject Units	Comp Units	Unit Capture Rate
1 BR/30%	807	81	2	3	1%	535	54	2	0	0.3%
1 BR/50%	566	57	3	6	1%	801	80	3	0	0.3%
1 BR/60%	1,849	185	32	94	6%	1,005	101	32	73	9%
2 BR/30%	363	36	1	0	0.3%	236	24	1	0	0.4%
2 BR/50%	220	22	2	1	1%	308	31	2	0	1%
2 BR/60%	990	99	3	48	5%	611	61	3	49	8%

20186 The Residence at Ridgehill PMA Map



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

Underwriting Report
SilverLeaf at Mason
TDHCA #16057



DEVELOPMENT IDENTIFICATION

TDHCA Application #: **16057** Program(s): **9% HTC**

Silverleaf at Mason Apartments

Address/Location: South of Austin Street and east of Ranck Avenue

City: Mason County: Mason Zip: 76856

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

Activity: New Construction Building Type: Fourplex Region: 12

Analysis Purpose: New Application - Initial Underwriting

ALLOCATION

TDHCA Program	REQUEST				RECOMMENDATION				
	Amount	Interest Rate	Amort	Term	Amount	Interest Rate	Amort	Term	Lien
LIHTC (9% Credit)	\$500,000				\$0				

NOT RECOMMENDED DUE TO THE FOLLOWING

The Gross Capture Rate of 12.5% exceeds the 10% maximum rate pursuant to 10 TAC §10.302(i)(1)(A).

SHOULD THE BOARD APPROVE THIS AWARD, THE BOARD MUST WAIVE ITS RULES FOR THE ISSUES LISTED ABOVE AND SUCH AN AWARD SHOULD BE CONDITIONED UPON THE FOLLOWING:

- Receipt and acceptance by Cost Certification:
At cost certification, an architect or engineer certification that the finished ground floor elevation for each building is at least one foot above the floodplain and that all drives, parking and amenities are not more than 6 inches below the floodplain, or a Letter of Map Amendment ("LOMA") or Letter of Map Revision ("LOMR-F") indicating that the development is no longer within the 100 year floodplain.
- 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
30% of AMI	30% of AMI	4
50% of AMI	50% of AMI	9
60% of AMI	60% of AMI	31

DEAL SUMMARY

The proposed SilverLeaf at Mason Apartments will be located on the east side of Mason on Trail Road (to be built) off of Austin Street (State Hwy 29). Site is not currently in the City Limits but is slated to be annexed if project gets built. Location sits within a 2 mile radius encompassing the entire town. The development will be limited to senior residents and will consist of 49 units, including 1 and 2 bedroom floor plans housed in twelve (12) 1-story walk-up residential buildings (11 fourplexes and 1 fiveplex) along with a 1-story stand-alone clubhouse/leasing facility. A total of 44 (out of 49) of the units will be income restricted.

This Application is not being recommended for approval due to the Gross Capture Rate exceeding the 10% maximum threshold. The Underwriter found the primary market area ("PMA") submitted by the Market Analyst to be excessively large (3 counties and 2,908 square miles) and not representative of a logical market area from which the development would draw demand.

Upon notification of the Underwriter's concerns, the Applicant provided additional information including a revised PMA that the Underwriter also determined to be large and not representative of a logical market area. As such and pursuant to 10 TAC §10.303(g), the Underwriter independently determined a PMA that is used in the analysis. This PMA is represented by the boundaries of Mason County.

In addition, the original Market Study and the supplemental information failed to include a detailed description of why the development is expected to draw a majority of its prospective residents from the PMA. In other words, what are the characteristics of the city of Mason that would draw demand as opposed to other larger cities near the PMA. The Market Analyst focused on demographic data in support of the PMA but did not provide sufficient information as to why a prospective resident would choose to relocate to Mason given the lack of many services and amenities, particularly medical facilities.

While the analysis is based on the Underwriter's PMA, the Underwriter remains concerned that the PMA being used may be too large given the proximity of the PMA boundaries (Mason County) to larger markets with services and amenities such as Brady (12 miles), Menard (18 miles), Llano (17 miles), Junction (18 miles), and Fredericksburg (18 miles). Senior households living in areas near the boundaries of the PMA, but inside the PMA, will likely look to these cities as potential areas to relocate. The capture rate analysis does not take this factor into account.

The market study rules require a PMA based on census tracts which can provide a PMA that is not always a logical PMA. Additionally, the census tracts in rural areas can be very large. This does not mean, however, that a PMA based on census tracts is appropriate. Many times a county is used as a conservative PMA for this reason. In this case, the demographic data in the county does not support the Development.

RISK PROFILE

STRENGTHS/MITIGATING FACTORS	
▫	Experienced Developer/Operator
▫	Overall Operational Feasibility Indicators

WEAKNESSES/RISKS	
▫	Gross Capture Rate
▫	Overall Market Concerns

DEVELOPMENT TEAM

PRIMARY CONTACTS

Name: Mike Sugrue
 Phone: (903) 887-4344
 Relationship: Applicant/Developer

Name: Ben Dempsey
 Phone: (903) 887-4344
 Relationship: Applicant/Developer

GENERAL INFORMATION

Flood Zone:	<u>None</u>	Scattered Site?	<u>No</u>
Zoning:	<u>Currently None</u>	Within 100-yr floodplain?	<u>No</u>
		Re-Zoning Required?	<u>No</u>
Year Constructed:	<u>N/A</u>	Utilities at Site?	<u>No</u>
		Title Issues?	<u>No</u>

Surrounding Uses:

North: Undeveloped land / Austin Street (State Hwy 29) / veterinary hospital / cattle auction.

South: Undeveloped land / Comanche Creek.

East: Rural single family / undeveloped land.

West: Funeral home / undeveloped land / industrial.

Other Observations:

There is currently no zoning since subject is outside of the city limits. If annexed, it will have to come into the City zoned as C-2 to allow multifamily development.

According to the feasibility report, no flood plain maps are available depicting the subject. By examining topographic maps, it was concluded that the southwest tip of the site may fall within the 100 year flood plain. However, the Site Plan shows that area to be open parkland away from any of the buildings or parking lot. An architect or engineer certification must be provided at cost certification stating that the finished ground floor elevation for each building is at least one foot above the floodplain and that all drives, parking and amenities are not more than 6 inches below the floodplain, or a Letter of Map Amendment ("LOMA") or Letter of Map Revision ("LOMR-F") indicating that the development is no longer within the 100 year floodplain.

HIGHLIGHTS of ENVIRONMENTAL REPORTS

Provider: Phase Engineering, Inc. Date: 2/10/2016

Recognized Environmental Conditions (RECs) and Other Concerns:

- None.

MARKET ANALYSIS

Provider: Novogradac & Company LLP Date: 3/28/2016
Contact: Patty Davis Phone: 913-677-4600

TDHCA Primary Market Area (PMA): 948 sq. miles 17 mile equivalent radius

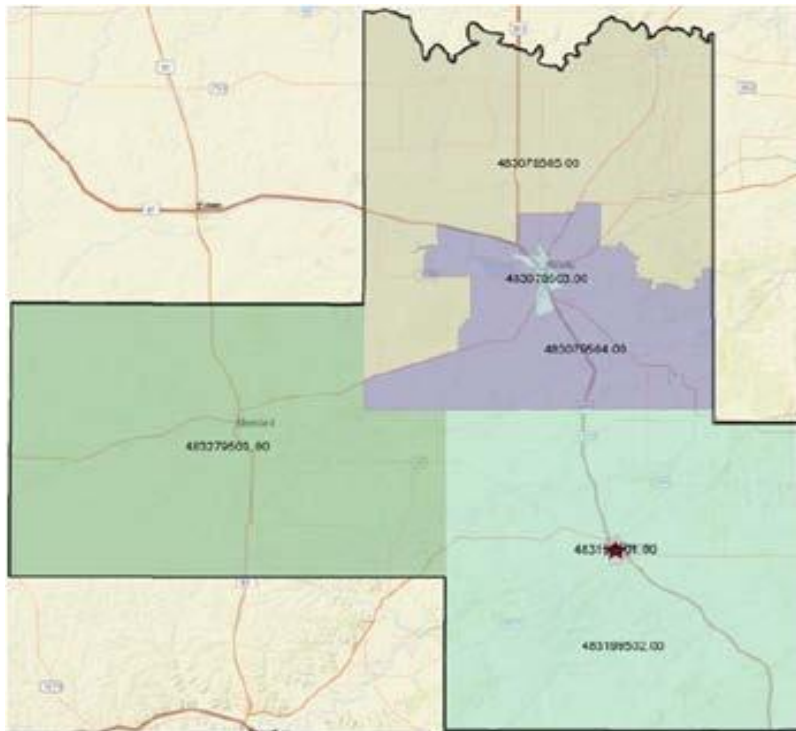
TDHCA's Reduced Primary Market Area ("PMA") consists of the two census tracts that make up Mason County; they cover 948 square miles. The city of Mason is located centrally in the county. The population of Mason County is 4,135, with 1,809 of that population considered elderly. There are 353 income eligible senior households in Mason County. The population of the city of Mason itself is 2,114 (819 considered elderly), with 189 income eligible senior households. TDHCA's reduced PMA is used in analysis unless otherwise stated.

Market Analyst's Original PMA: 2,908 sq. miles 30 mile equivalent radius

The Market Analyst's Original PMA consists of six census tracts encompassing three counties (Mason, Menard, and McCulloch) and 2,908 square miles. The population of the three counties is 14,823, of which 5,970 are considered elderly. There are 1,522 eligible senior households in this PMA.

Market Analyst's Revised PMA: 1,315 sq. miles 20 mile equivalent radius

Although not requested by the Underwriter nor accepted through an administrative deficiency, the Market Analyst provided a revised PMA consisting of three census tracts encompassing Mason County and the southern part of McCulloch County, but not including the city of Brady. The Revised PMA is 1,315 square miles with a population of 5,716 people and 573 income eligible senior households.



Market Analyst's original PMA and analysis included all three counties; the Revised PMA and analysis includes Mason County (blue) and the purple census tract in McCulloch County. The distance from the northern part of the Market Analyst's revised PMA to the city of Mason is 34 miles. The distance from Brady to the city of Mason is 26 miles.

ELIGIBLE HOUSEHOLDS BY INCOME

Mason County Income Limits

HH size	30% of AMI		40% of AMI		50% of AMI		60% of AMI	
	min	max	min	max	min	max	min	max
1	\$8,232	\$12,840	---	---	\$13,752	\$21,400	\$16,488	\$25,680
2	\$8,232	\$14,670	---	---	\$13,752	\$24,450	\$16,488	\$29,340
3	\$9,888	\$16,500	---	---	\$16,488	\$27,500	\$19,800	\$33,000
4	---	---	---	---	---	---	---	---
5	---	---	---	---	---	---	---	---
6	---	---	---	---	---	---	---	---

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 2012							
	None		New	General	n/a		
Stabilized Affordable Developments in PMA (pre-2012)						Total Units	0
						Total Developments	0

OVERALL DEMAND ANALYSIS				
	Market Analyst Original PMA		TDHCA's Reduced PMA	
Total Households in the Primary Market Area	6,233		4,135	
Senior Households in the Primary Market Area	3,639		1,167	
Potential Demand from the Primary Market Area	1,522		353	
Potential Demand from Other Sources	0		0	
GROSS DEMAND	1,522		353	
Subject Affordable Units	44		44	
Unstabilized Comparable Units	0		0	
RELEVANT SUPPLY	44		44	
Relevant Supply ÷ Gross Demand = GROSS CAPTURE RATE	2.9%		12.5%	

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

Underwriter's Reduced PMA (Mason County) produces a Gross Capture Rate of 12.5%, which is above the 10% threshold. This shows that there is not enough eligible demand within the 948 square mile PMA to support the Subject's 44 affordable units. In addition to the Market Study and census data, the Underwriter contacted local stakeholders in the area to make their conclusions and recommendations herein.

It should be noted that due to the rule requiring that PMA's be selected based on census tracts, even TDHCA's reduced PMA is probably larger than where actual demand will come from. A portion of the population in northern Mason County would be drawn to Brady for jobs, amenities, and services instead of the city of Mason which has limited services, etc. The county line is about equidistant from Brady and the city of Mason.

Market Analyst's Original PMA pulls demand from three counties to generate a Gross Capture Rate of 2.9%. This represents that households (demand) throughout the 2,908 square mile PMA will move to the city of Mason to occupy the 44 affordable Subject units.

In response to TDHCA's discussions that the original PMA is too large and not a realistic reflection of where the demand for the Subject units would exist, Market Analyst provided a revised PMA that consists of three census tracts; the two tracts in Mason County and one tract that abuts Mason County and encompasses southern McCulloch County (but excludes the city of Brady).

This revised Market Study reports a PMA area of 1,315 square miles with a population of 5,716 and 573 eligible senior households. This returned a 7.7% Gross Capture Rate for the 44 affordable Subject units. The revised PMA does not represent a logical market area for the Subject as most demand in the McCulloch County census tract (north and south of Brady) will look to Brady as the logical place to relocate because of jobs, services and amenities. Although the mathematics for the gross capture rate work using the revised PMA, the Market Analyst has not adequately shown why Mason (with very few amenities, particularly lack of medical facilities and jobs) would draw demand from this third census tract.

Also a concern with the revised PMA is the 85% unit capture rate for 60% one bedroom unit, which make up 37% of the total units at the Subject property. This unit capture rate is stating that out of the 21 senior households within the 1,315 square mile revised PMA that qualify for this unit type, 18 of them will need to choose to move to the Subject instead of any other housing option. Said another way, this capture assumes that only 3 of these qualified households in the PMA would move somewhere other than the Subject property.

The Market Analyst's revised PMA produces a 30% unit capture rate for 60% two-bedroom units (27% of units); all other unit capture rates are less than 6% due to the small number of each unit offered.

It should be noted that Trails at Brady (15241) is a 2015 awarded family deal located in Brady. While this property is not set aside for seniors, senior households are accepted here. It would be assumed that some of the households that are income eligible in the McCulloch County census tract for this PMA, would move to this affordable property located in Brady, given its location in Brady and the fact the units will be delivered before the Subject's.

Minimum eligible income is calculated at 50% rent to income for Elderly deals, instead of the 35% ratio for family deals. Gross demand also includes all household sizes and both renter and owner households; this produces a very generous demand for senior deals in relation to family deals. The stated Gross Capture Rate and Unit Capture Rates only reflect the demand for the 44 affordable units at the Subject property and do not include any of the 5 market units in the analysis.

UNDERWRITING ANALYSIS of PMA DEMAND by UNIT TYPE								
Unit Type	Market Analyst Original PMA				TDHCA's Reduced PMA			
	Demand	Subject Units	Comp Units	Unit Capture Rate	Demand	Subject Units	Comp Units	Unit Capture Rate
1 BR/30%	135	2	0	2%	58	2	0	3%
1 BR/50%	225	5	0	2%	65	5	0	8%
1 BR/60%	79	18	0	23%	63	18	0	29%
2 BR/30%	191	2	0	1%	22	2	0	9%
2 BR/50%	340	4	0	1%	24	4	0	17%
2 BR/60%	163	13	0	8%	28	13	0	47%

Market Analyst Comments:

Original PMA

When viewing total eligible senior households for the 44 LIHTC units, the calculation illustrates an overall gross capture rate of 2.9 percent for all LIHTC units. This is considered excellent, and indicative of strong demand for the Subject's units and a large elderly population. (p. 125 Original Market Study)

The Primary Market Area (PMA) encompasses Menard, Mason and McCulloch Counties. According to our interviews with local stakeholders and property managers of the surveyed properties, participants from this general region would consider relocating to the Subject property given the lack of affordable senior housing in the area, the significant population over the age of 55, coupled with the aging housing stock, much of which was constructed prior to 1939. (p. 15 Original Market Study)

The PMA experienced an increase in senior population from 2010 to 2015 at an annual rate of 1.8 percent. As indicated above, the senior population in the PMA is expected to continue to increase through 2020 at an annual rate of 1.7 percent. (p. 32 Original Market Study)

Market Analyst's Revised PMA

A large portion of the 25-mile drive time that extends outside Mason County is located in southern McCulloch County. Therefore, we have included this census tract in our revised, smaller PMA. Further, this census tract excludes the community of Brady. It is important to note that based upon our interviews and analysis, demand for the Subject will originate outside Mason County; however, due to TDHCA's regulation that the PMA be constructed of whole census tracts only, we downsized the PMA to include an adjacent Census Tract that encompasses the smallest geographic area. (p. 3 Revised Market Study)

In accordance with TDHCA guidelines, none of the Individual Unit Capture Rates for any unit type exceed 100 percent. (p.8 Revised Market Study)

Underwriter Comments:

Underwriter believes the original PMA of three counties (2,908 square miles) does not realistically represent the area where possible tenants for 44 senior affordable units in Mason will come from. Underwriter feels it is more realistic to assume that the elderly tenants would move from rural areas in Mason County to the city of Mason to occupy these units. In this rural, tri-county area, if elderly folks are leaving their hometowns, it is more likely that they would relocate to larger towns, such as Brady where there are medical facilities, grocery stores, and entertainment. Furthermore, elderly tenants usually move closer to their families as they age, and there are not many jobs located around Mason to draw new working families and their elderly family members from other towns in the tri-county area.

There are limited services and amenities in the city of Mason. There is one medical clinic that consists of one medical doctor and one nurse practitioner that fulfill the family practice needs of Mason. There is a Country Home Health, LLC that provides skilled in-home nursing; they currently serve about 100 people throughout the entire Mason County. The closest hospitals are in Brady (26 miles), Llano (31 miles), Fredericksburg (39 miles), and Junction (36 miles). The Mason Senior Center in the city of Mason provides lunch time meals, five days a week, to about 20-30 seniors. The senior center also provides Tuesday bingo and blood pressure checks once a month.

Regarding the Market Analyst's Revised PMA that includes the southern census tract in McCulloch County, Underwriter assumes the aging population in this census tract would remain there due to the proximity to Brady and its services, rather than move 20 - 30 miles south to Mason, which has very little medical support, services, or entertainment.

As a general note, the threshold for the gross capture rate and the individual unit capture rate threshold of 100% are not targets. They are maximum thresholds that indicate significant lack of demand. Capture rates that are near the thresholds are of concern and represent increasing risk as you approach the thresholds. As previously indicated, the 85% unit capture rate on the 60% one bedroom unit (37% of the total units) is of serious concern.

OPERATING PRO FORMA

SUMMARY- AS UNDERWRITTEN (Applicant's Pro forma)					
NOI:	\$152,532	Avg. Rent:	\$633	Expense Ratio:	56.5%
Debt Service:	\$127,286	B/E Rent:	\$586	Controllable Expenses:	\$2,735
Net Cash Flow:	\$25,247	UW Occupancy:	92.5%	Property Taxes/Unit:	\$408
Aggregate DCR:	1.20	B/E Occupancy:	85.8%	Program Rent Year:	2015

The 44 HTC units comprise 90% of the total units and are projected by Applicant at maximum program rents. The 5 unrestricted units only make up 10% and are therefore only projected to achieve gross HTC60% rents. However, even a 1.00% drop in overall projected rent would cause the DCR to drop below the required 1.15 threshold.

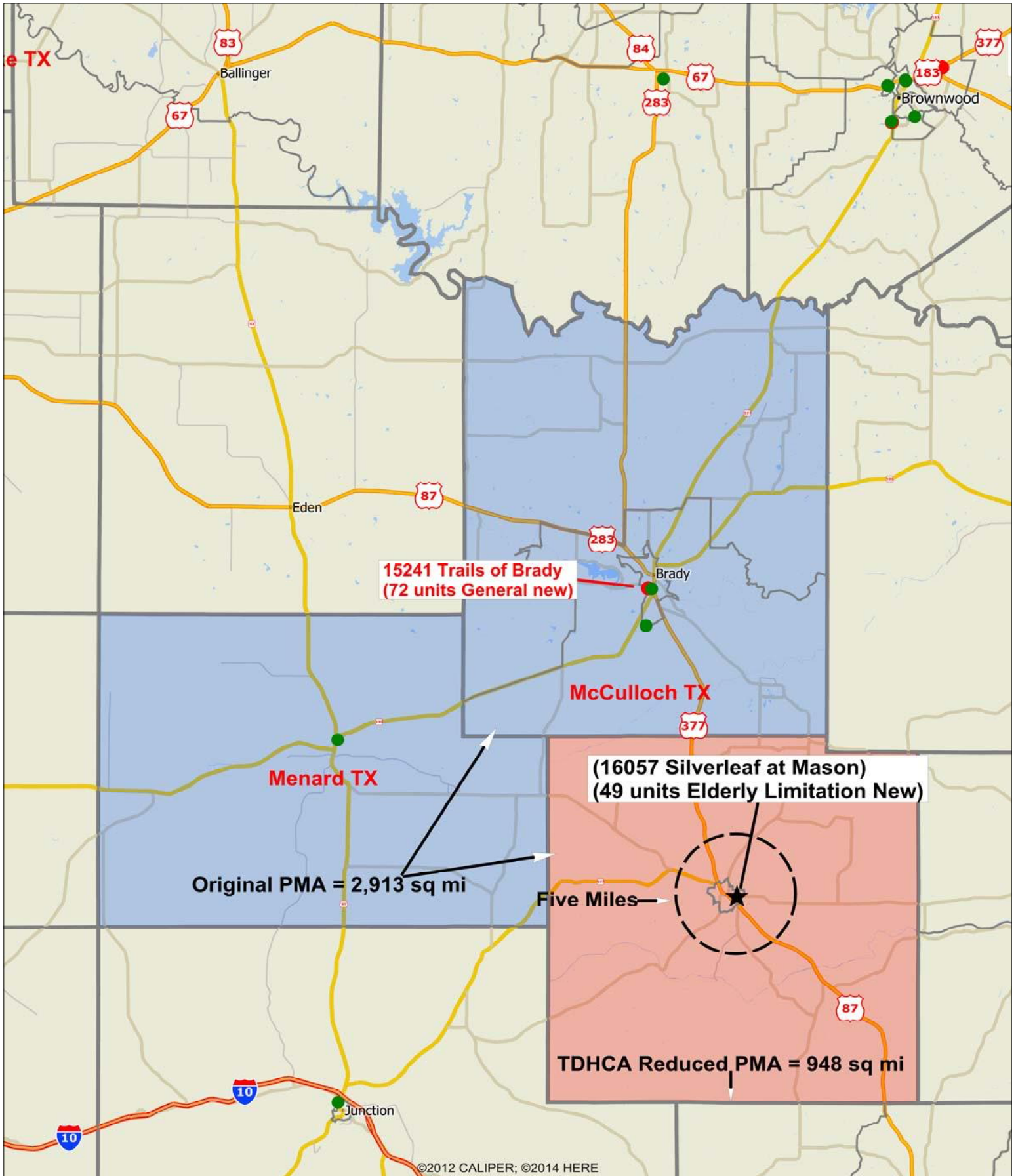
Assumed rents are not unreasonable but sufficient overall demand for the project is in question. Without sufficient demand, rents would likely be lowered and the project would likely become infeasible.

Applicant's projected breakeven occupancy occurs with 7 units vacant (underwritten at 4). DCR drops below a 1.15 times if only 5 units are vacant. As underwritten, the DCR and expense ratio are healthy.

Revisions to Rent Schedule:	1
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Revisions to Annual Operating Expenses:	1
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16057 Silverleaf at Mason Original and TDHCA Reduced PMA Map



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



Addendum to Underwriting Report

TDHCA Application #: **16057** Program(s): **9% HTC**

Silverleaf at Mason Apartments

Address/Location: South of Austin Street and east of Ranck Avenue

City: Mason County: Mason Zip: 76856

APPLICATION HISTORY	
Report Date	PURPOSE
09/22/16	Credit Recommendation Amendment
07/06/16	Original Underwriting

ALLOCATION

TDHCA Program	Previous Allocation				RECOMMENDATION				
	Amount	Rate	Amort	Term	Amount	Rate	Amort	Term	Lien
LIHTC (Annual)	\$0				\$500,000				

CONDITIONS STATUS

- 1 Receipt and acceptance by Carryover:
 - Provide written statements from the lender and equity provider as described below.
- 2 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.

ANALYSIS

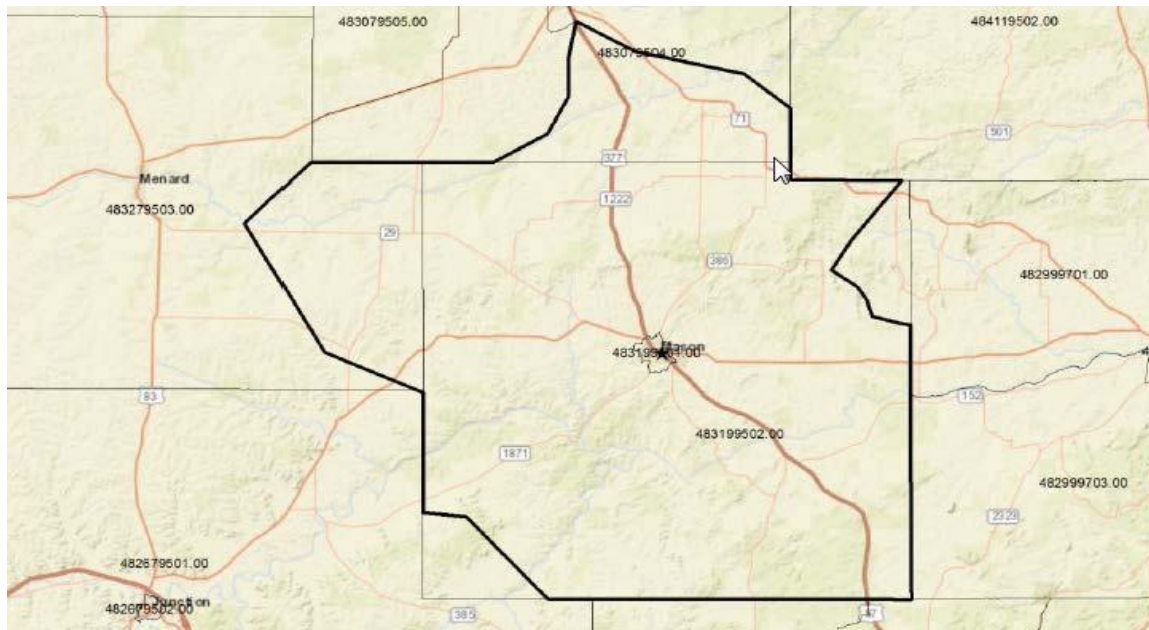
The original underwriting report published on July 6, 2016 did not recommend the proposed development for an award due to market concerns that caused the capture rates under the rules to fail. The Applicant appealed the underwriting report on July 13, 2016.

The Executive Director reviewed the information provided in the appeal documentation, and on July 19, 2016, issued a determination denying the appeal based on the market analyst's failure to provide "a detailed description of why the subject Development is expected to draw a majority of its prospective tenants or homebuyers from the defined PMA," as required by 10 TAC §10.303(d)(9)(B)(i).

The Applicant, through its counsel, took the position that the Applicant had not been afforded the opportunity to resolve inconsistencies as specifically provided in 10 TAC §10.303(c)(2). The Executive Director withdrew his July 19, 2016, appeal determination during the board meeting of July 28, 2016, and the application was given an award of tax credits conditional on the satisfaction of the Underwriter's market and other concerns.

Through many discussions with the market analyst, staff learned that a large part of the basis for their defined PMA was that a drive time analysis they had performed extended into census tracts that are geographically large. The drive time analysis, or discussion about the analysis, was not included in the original report. The Department's rules require that the definition of a PMA must be based on census tracts. Therefore the definition required inclusion of large census tracts into the PMA because the drive time area extended partially into those tracts but did not encompass those entire census tracts. Resultantly, the PMA was very large geographically, which created the initial concern for the Underwriter and ultimately led to a denial of the application. Staff agreed with the market analyst that a drive-time analysis may be used as a logical and practical subset of the primary market area ("PMA") to support the rationale for the original definition of the PMA.

The market analyst provided a 25-minute drive time area (1,104 sq mi) that only included its area within the original PMA. This drive time PMA is shown below and produced a Gross Capture Rate of 9.7% and all unit capture rates below 40%. Staff is not able to verify the demographic data as it is generated by census block and not tract.



At the Board meeting August 25, 2016, staff discussed some of the other risks of the development related to breakeven rents and occupancy. The concern being that an average \$46/unit breakeven rent margin represents significant risk specifically considering the development must capture almost 10% of the demand within the market area. Resolution of the market concerns solving the capture rate issues does not solve the operational risks associated with the breakevens. Applicant indicates that updated financial terms have been offered by the lender and the equity provider. Staff has not included these terms into the formal analysis but acknowledges that the revised terms would improve the breakevens. Equity has increased to \$1.00/credit (up from \$.92/Credit) and the permanent debt has been reduced by \$233K (\$1,868,150 to \$1,635,000). With these terms, if eventually achievable, a breakeven rent decreases to \$76/unit below average rent.

Representatives from the lender (Bank of Oklahoma) and equity partner (National Equity Fund) both testified at the September meeting and stated they have done preliminary reviews of the market and the transaction and are planning to continue with their own due diligence and underwriting. The lender representative indicated that the bank would obtain an independent appraisal that would evaluate the rents. Both representatives indicated that the risk associated with the transaction is acceptable, no more significant risk than typical, based on their current understanding of the transaction. The board accepted their comments as part of the approval.

While staff believes there remains significant risk associated with the capture rates, achievable rents and breakevens, support for a reasonable demand area provided by the drive time analysis that produces acceptable capture rates has been provided. Therefore, staff is recommending approval of the development for a \$500K annual allocation of tax credits subject to the applicant providing written statements from the lender and equity provider regarding their due diligence. The letters must be provided at Carryover.

The written statements from the lender and equity provider must indicate that they each have performed an independent market analysis (market study and/or appraisal) and that based on that analysis they intend to move forward with processing their applications. Documentation sufficient to understand their analysis must be provided including a demand and rent analysis. The statements must include a description of the other due diligence that they each have performed in general including review of plans or other typical due diligence items. They must include a statement describing their approval process and timelines as well as their anticipated closing timeline if approved. The market reviews must be independent of the Applicant's market study and the reviews must also include an independent review of the Applicant's report specifically the market area definition and rental rate projections. Copies of the market analysis and/or appraisals should be attached. Updates to the financing terms must be included.

Manager of Real Estate Analysis: Thomas Cavanagh

Director of Real Estate Analysis: Brent Stewart

Underwriting Report
Rockview Manor
TDHCA #16274

MARKET ANALYSIS

Provider: Novogradac & Company, LLP

Date: 3/29/2016

Contact: DeAnna Unger

Phone: 512-349-3224

The Underwriter had not yet begun to review the Application or market when the Applicant submitted a reduced PMA and SMA as part of the Applicant's appeal response to the Board of staff's site eligibility denial. Underwriter reviewed the original PMA of 4,940 square miles and believed this area was not a realistic representation of where actual demand for the Subject units would come from. Underwriter feels a realistic PMA is two census tracts; one of which is the entire county of Hudspeth and the other a tract that stretches along I-10 from Hudspeth County to Tornillo, where the new border crossing is located. Underwriter did not include an SMA in their analysis as they do not believe that families from further west and north would bypass the many affordable housing options along the way to move to Fort Hancock. If the Applicant's suggested SMA is included, the capture rate calculations would still be over the allowable thresholds.

TDHCA's Reduced Primary Market

Area (PMA): 4,547 sq. miles 38 mile equivalent radius

TDHCA's reduced PMA consists of two census tracts southeast of El Paso along I-10. One census tract is Hudspeth County which accounts for about 90% of the PMA area; the other is a 28 sq mi tract that stretches along I-10 to Tornillo. The southern border is Mexico, western border is about 18 miles inland of the Mexico border. The northern border is the New Mexico State border; the eastern border is about 4 miles short of the Texas Mountain Trail. Highway 180 cuts horizontally across the northern portion of the PMA. This is also the reduced PMA that Applicant sent in with their appeal.

Market Analyst's Original PMA:

4,940 sq. miles 40 mile equivalent radius

The Market Analyst's Original PMA contains 19 census tracts and stretches northwest along I-10 to the city limits of El Paso. The PMA stretches north to Hwy 62. This PMA encompasses towns west of TDHCA's reduced PMA, including San Elizario, Clint, Socorro, and Fabens.

ELIGIBLE HOUSEHOLDS BY INCOME								
Hudspeth County Income Limits								
HH size	30% of AMI		40% of AMI		50% of AMI		60% of AMI	
	min	max	min	max	min	max	min	max
1	\$10,423	\$11,370	---	---	\$17,383	\$18,950	\$20,880	\$22,740
2	\$10,423	\$12,990	---	---	\$17,383	\$21,650	\$20,880	\$25,980
3	\$12,514	\$14,610	---	---	\$20,846	\$24,350	\$25,029	\$29,220
4			---	---	\$24,103	\$27,050	\$28,903	\$32,460
5			---	---	\$24,103	\$29,200	\$28,903	\$35,040
6			---	---	\$26,914	\$31,400	\$32,297	\$37,680

Comments:

Income gaps for households between 30% AMI maximums and 50% AMI minimum average \$6k as those households within the 40% AMI income ranges do not qualify for occupancy. Smaller gaps in coverage average \$1,300 between the 50% AMI and 60% AMI (one person and four person in excess of \$1,800).

AFFORDABLE HOUSING INVENTORY						
Competitive Supply (Proposed, Under Construction, and Unstabilized)						
File #	Development	In PMA?	Type	Target Population	Comp Units	Total Units
	None				0	
Other Affordable Developments in PMA since 2012						
	None				n/a	
Stabilized Affordable Developments in PMA (pre-2012)				Total Units		0
				Total Developments		0

COMPARABLE SUPPLY in Applicant's Suggested SECONDARY MARKET						
15202	Laureles del Este		New	General	40	40
14302	Socorro Palms		New	General	95	152
13131	Montana Vista Palms		New	General	41	48

Proposed, Under Construction, and Unstabilized Comparable Supply:

There are no HTC properties in TDHCA's reduced PMA. All comparables noted are located in the Applicant's suggested SMA and are shown for comparison purposes only.

Laureles del Este (15202) is a 9% deal under construction by the Applicant that is located 23 miles from the Subject; the new Port of Tornillo is about half way between these properties, but Laureles is closer to El Paso on I-10. Socorro Palms (14302) is under construction and located 34 miles from the Subject along I-10. Montana Vista Palms (13131) is located 40 miles northwest of the Subject on Hwy 62. This deal achieved 90% occupancy in May of 2016, averaging 3 units/month lease-up after construction. It is likely this property will be stabilized before the Subject units come on line.

OVERALL DEMAND ANALYSIS			
	Market Analyst		Underwriter Reduced PMA
	Orig. PMA	Revised PMA/ SMA (*)	
Total Households in the Primary Market Area	25,693	1,677	1,630
Potential Demand from the Primary Market Area	2,372	134	120
Potential Demand from SMA	0	30	0
GROSS DEMAND	2,372	164	120
Subject Affordable Units	49	49	49
Unstabilized Comparable Units in SMA	130	0	0
RELEVANT SUPPLY	179	49	49
Relevant Supply ÷ Gross Demand = GROSS CAPTURE RATE	7.5%	29.9%	40.8%
(*) Includes a SMA. Revised information not part of an administrative deficiency request and not incorporated into the Application and therefore not used as the Applicant's analysis by the Underwriter. However, the information is shown for comparative purposes because of similarities to the Underwriter's PMA.			
Population:	General	Market Area:	Rural
Maximum Gross Capture Rate:			30%

Demand Analysis:

Underwriter's Reduced PMA of two census tracts includes no comps and generates a Gross Capture Rate of 40.8%; well over the maximum 30% threshold.

Unit capture rates for two and three bedroom 60% units are 152% and 200% respectively. These are over the 100% maximum unit capture rate threshold. 60% two and three bedroom units account for 71% of the total units. The other unit capture rates are in the 20%-40% range because there are only 14 units dispersed across the other unit types. The mismatch between the population income distribution and the proposed unit mix is cause for concern.

Market Analyst's original PMA showed a Gross Capture Rate of 7.5%, which is under the 10% threshold, but also a 92.2% unit capture rate for the 2B 60%. While under the 100% unit capture rate threshold, this data is saying that in the 4,940 sq. mi. PMA, the Subject will need to capture 92% of available demand to fill their 60% two-bedrooms in Fort Hancock. Also, the Market Analyst includes 130 comparable units in their original PMA analysis, although they only discuss and list 48 comparable units from Homestead Palms and 40 units from Laureles Del Este.

UNDERWRITING ANALYSIS of DEMAND by UNIT TYPE								
Unit Type	Market Analyst Original PMA				Underwriter's Reduced PMA			
	Demand	Subject Units	Comp Units	Unit Capture Rate	Demand	Subject Units	Comp Units	Unit Capture Rate
1 BR/30%	16	2	2	25%	6	2	0	31%
1 BR/50%	24	2	4	25%	8	2	0	24%
2 BR/30%	47	2	2	9%	6	2	0	35%
2 BR/50%	63	5	6	17%	14	5	0	36%
2 BR/60%	51	15	32	92%	10	15	0	152%
3 BR/50%	360	3	7	3%	13	3	0	23%
3 BR/60%	408	20	29	12%	10	20	0	200%

Underwriter's Analysis of Applicant's SMA:

Potential Demand from the SMA is included to the extent that it does not exceed 25% of Gross Demand. The Reduced PMA provides demand for 120 units; therefore demand for 40 units from the suggested SMA would be included in the Gross Capture Rate calculation. Market Analyst included 30 units of demand from SMA.

Comparable units from the three unstabilized deals in the SMA should be included in the Gross Capture Rate calculation in the same proportion as the proportion of potential demand from SMA that is included in Gross Demand. This calculates to 2.845% of comp units (5 units) in the SMA as this is the percentage of demand used from the SMA (40 units demand out of 1,406 total demand in SMA).

Market Analyst did not include any SMA comparable supply in their calculation. If they had included the 5 units of supply as calculated by the rule, the Market Analyst's SMA Gross Capture Rate would increase to 32.9%, exceeding the limit.

If Socorro or Montana Vista is not included as they will likely be stabilized when the Subject units come on line, the Market Analyst's SMA Gross Capture Rate decreases to 31.7%; this is a best case scenario and the Gross Capture Rate is still above the threshold. However the rules require inclusion of these properties.

As presented to the Board during the appeal process, the Market Analyst's reported unit capture rate calculations included in their SMA analysis show a 274% capture rate for 60% 2B, but the calculations were not correct. If the mathematics were correct, the 60% 2B capture rate would show 300%; well above the 100% unit capture rate threshold.

Market Analyst Comments:

The recent growth in Hudspeth County can also be contributed to the shale drilling company Torchlight Energy Resources that began in 2014. Additionally, the recent decline in employment within the SMA could be related to the slowed growth in the energy sector (p. 19)

According to Hudspeth County Administrator Guadalupe Kelly, the largest employers in Fort Hancock are self-employed farmers, Border Patrol, and the Fort Hancock Independent School District, respectively. (p. 20)

As illustrated, approximately 76 percent of the renter population in the PMA earned below \$40,000 in 2015. By 2020, the percentage of renters earning below \$40,000 in the PMA is expected to decrease slightly, to 73.3, although the number of renter households earning less than \$40,000 is expected to increase by 355. This data provides strong support for affordable rental housing in the Subject's PMA. (p. 26)

We contacted the Hudspeth County Courthouse to obtain information regarding the local demand for housing in the Fort Hancock area. According to Ms. Guadalupe Kelly, Hudspeth County Administrator, there is a strong demand for affordable housing and apartment rentals in Fort Hancock, as none exist at present. In addition to the extremely low-income population currently residing in the city, Ms. Kelly reported that several border security officers and local sheriff's departments' deputies have expressed a need for rental units (p. 41). The Underwriter is not able to confirm income eligibility of these potential applicants.

Underwriter Comments:

There are no HTC properties in Underwriter's PMA. The average occupancy for the 13 stabilized deals in the Applicant's suggested SMA is 90%.

Given the high Gross Capture Rate and high unit capture rates, it appears there is not enough qualified demand in the 4,547 square mile reduced PMA to support these 49 units. In 2015, the 40 unit Laureles del Este development was awarded tax credits. It is located 23 miles northwest; this is also where Market Analyst stated some of the local amenities for the Subject are located (bank, supermarket, medical center, and Dollar General).

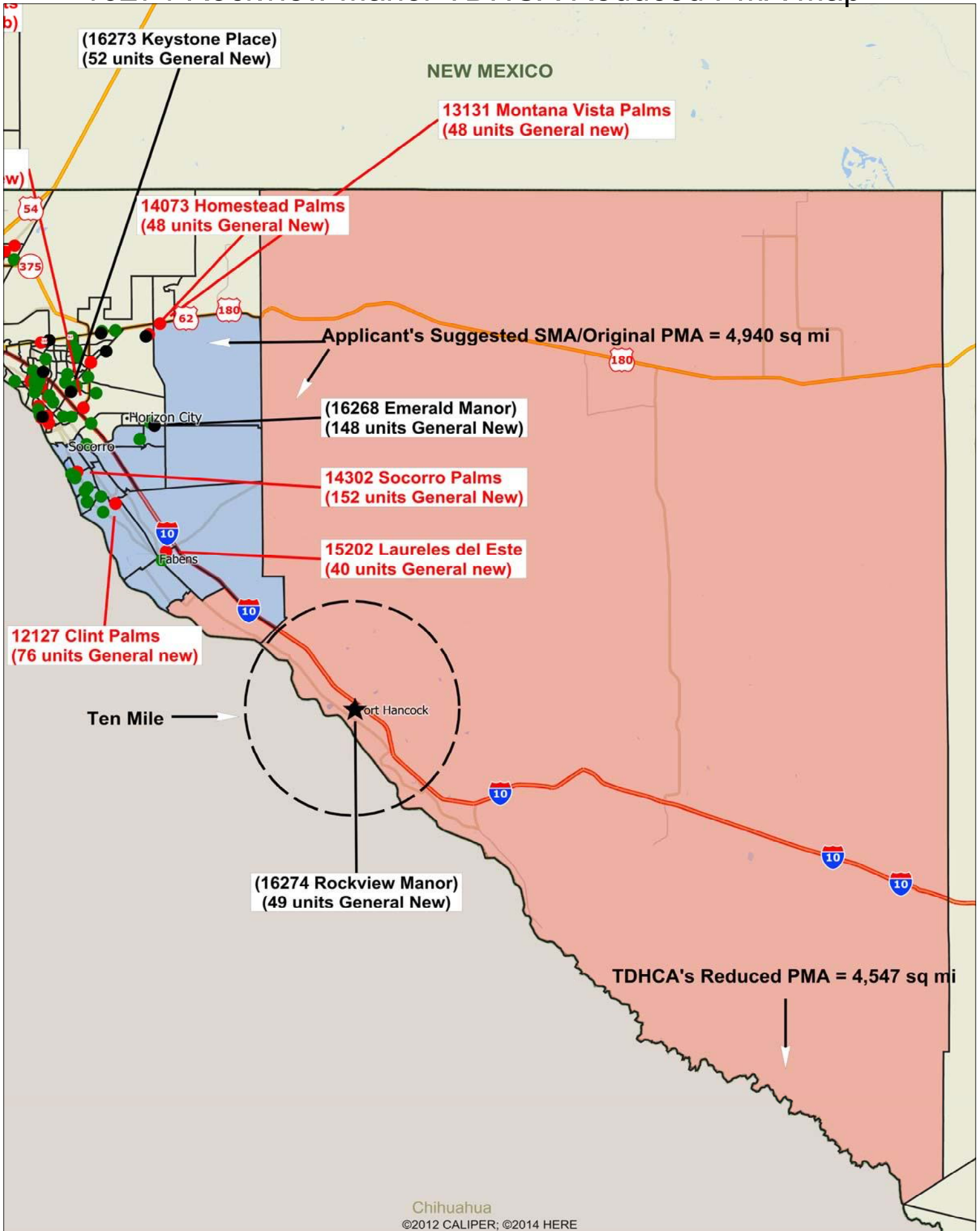
The Tornillo Border Entry point opened in February 2016, although this was not discussed in the Subject's original market study. Tornillo is located about half way between Fabens and Fort Hancock and this was a large factor in the awarding credits to Laureles Del Este (#15202, located in Fabens) last year. While Fabens has a population of over 8,000, established businesses for employment, and day-to-day amenities, Fort Hancock has a population of 1,713, very few places of employment, few amenities, and is located 23 miles farther southeast than Fabens.

Applicant has offered information showing that Laureles Del Este (#15202) has an interest list of 127 people for the property even though it is just under construction. Of the 97 names with addresses, 77 (79%) come from Fabens; there is one name from Fort Hancock and five from Tornillo; the rest are from towns between Fabens and El Paso.

Applicant has stated that there is pent up demand and local support for the deal in Fort Hancock and also from the county seat of Sierra Blanca (located 36 miles to the east). While this may be true, there is no way for Underwriter to quantify this information. The PMA capture rates already take into account the demand based on the HISTA data for all of Hudspeth County, which includes both towns.

Per the original market study, 70% of the housing units within 0.5 miles radius of the Subject are owner-occupied housing, 14% are renter-occupied, and 15% of the housing units are vacant. (p. 30) While some of the housing is certainly substandard, the data shows that most of the housing is owner occupied and this population may be less inclined to rent.

16274 Rockview Manor TDHCA Reduced PMA Map



**Texas Workforce Commission
Wichita County Employment**

TEXAS WORKFORCE COMMISSION - WICHITA COUNTY EMPLOYERS

Name	Address	City	Employer Size
Belger Cartage Svc Inc	S Red River Expy	Burkburnett	5-9
Boomtown Drug	S Oklahoma Cut Off	Burkburnett	5-9
Burk Insurance & Realty	E 3rd St	Burkburnett	5-9
Burk Light Truck & Auto LLC	Jewel Ave	Burkburnett	5-9
Burkburnett Family Dental	N Avenue D	Burkburnett	5-9
Burkburnett Middle School	S Avenue D	Burkburnett	5-9
Burkburnett Senior Citizens	E 5th St	Burkburnett	5-9
Burkburnett Star News	Avenue C	Burkburnett	5-9
Burkburnett Water Treatment	Ashton Rd	Burkburnett	5-9
Burks Smiles PLLC	S Avenue D	Burkburnett	5-9
Central Burkburnett	Tidal St	Burkburnett	5-9
Cheney Electric	Broyles St	Burkburnett	5-9
City of Burkburnett	County Rd	Burkburnett	5-9
City of Burkburnett Devmnt	Sheppard Rd	Burkburnett	5-9
Coaching For Success	E 3rd St	Burkburnett	5-9
D's One Stop Double	Sheppard Rd	Burkburnett	5-9
E V Security Systems	E 3rd St	Burkburnett	5-9
El Norteno Tres	W Kramer Rd	Burkburnett	5-9
Elder Bickings & Spurgers	E 3rd St	Burkburnett	5-9
Family Dollar	S Avenue D	Burkburnett	5-9
Farmers Insurance	S Avenue D # B	Burkburnett	5-9
First Baptist Church	E 4th St	Burkburnett	5-9
First United Methodist Church	E 4th St	Burkburnett	5-9
Friends-Lake Arrowhead State	Pawhuska Ln	Burkburnett	5-9
Fuel Enterprises	E 3rd St	Burkburnett	5-9
Gateway Alternative Edu Ctr	E 3rd St	Burkburnett	5-9
H&R Block	N Avenue D	Burkburnett	5-9
Hair A Fair	W Kramer Rd # A	Burkburnett	5-9
Hayes General Store	J B Riley Rd	Burkburnett	5-9
J & B Plumbing		Burkburnett	5-9
La Familia Mexican Restaurant	S Berry St	Burkburnett	5-9
Lite Pan Asian Cuisine	Sheppard Rd	Burkburnett	5-9
M C Doors & Windows	W 3rd St	Burkburnett	5-9
Maverick Transportation	Ameron Rd	Burkburnett	5-9
O'Reilly Auto Parts	Sheppard Rd # 321	Burkburnett	5-9
Parks & Recreation	Davy Dr	Burkburnett	5-9
Pinky's Polar Palace	Cheryl Dr	Burkburnett	5-9
Pippin Brothers Home Svc	N Avenue D	Burkburnett	5-9
Rebel Fireworks II	S Red River Expy	Burkburnett	5-9
Rodriguez Auto Parts	N Berry St	Burkburnett	5-9
Snappy Stop	E 3rd St	Burkburnett	5-9
Stephens A Complete Pre		Burkburnett	5-9
SUBWAY	S Red River Expy #b	Burkburnett	5-9
Texoma Family Clinic	S Red River Expy # B	Burkburnett	5-9
Texoma Steel Buildings	S Red River Expy	Burkburnett	5-9
Tugman & Cox PC	S Avenue D	Burkburnett	5-9
Turnaround Transportation Inc	Jan Lee Dr	Burkburnett	5-9

United Regional Physician Grp	S Red River Expy # D	Burkburnett	5-9
Waste Water Treatment Plant	E 4th St	Burkburnett	5-9
Wichita County Commissioner	W College St	Burkburnett	5-9
Work Serv Corp Mesquite Dining	Avenue F	Burkburnett	5-9
Yong Hyun Corp	Sheppard Rd	Burkburnett	5-9
Young's Air Conditioning	Cropper Rd	Burkburnett	5-9
Best Western	Sheppard Rd	Burkburnett	10-19
Boys & Girls Club Burkburnett	County Rd	Burkburnett	10-19
Burk Market	S Red River Expy	Burkburnett	10-19
Burkburnett City Manager	Sheppard Rd	Burkburnett	10-19
Burkburnett Fire Dept	Tommy Thornton Way	Burkburnett	10-19
Carlitos Mexican Restaurant	Sheppard Rd #2765	Burkburnett	10-19
Dollar General	S Avenue D	Burkburnett	10-19
Domino's Pizza	S Avenue D	Burkburnett	10-19
Dsh Transport LLC	Beech St	Burkburnett	10-19
Firstcapital Bank of Texas	S Avenue D	Burkburnett	10-19
Helena Agri-Enterprises	S Red River Expy	Burkburnett	10-19
Ingram Concrete	Daniels Rd	Burkburnett	10-19
John's Paint & Body Inc	W 3rd St	Burkburnett	10-19
Mike Graham Htg & A C & Plbg	Dana St	Burkburnett	10-19
Mullins Concrete Constr LLC	S Berry St	Burkburnett	10-19
NOV Fiberglass Systems	Ameron Rd	Burkburnett	10-19
Post Oak BBQ	S Berry St	Burkburnett	10-19
Quality Implement Co	S Red River Expy	Burkburnett	10-19
Tractor Supply Co	S Red River Expy	Burkburnett	10-19
Union Square Credit Union	W Kramer Rd	Burkburnett	10-19
USPS	County Rd	Burkburnett	10-19
Wichita Tillman-Jackson Rlwy	E 2nd St	Burkburnett	10-19
All Trades Air Cond & Htg	E 3rd St	Burkburnett	20-49
Ameron Fiberglass Pipe Div	Ameron Rd	Burkburnett	20-49
Braum's	S Red River Expy	Burkburnett	20-49
Burkburnett Independent Sch	N Avenue D	Burkburnett	20-49
Burkburnett Isd	N Avenue D	Burkburnett	20-49
Burkburnett Police Dept	E 4th St	Burkburnett	20-49
Cebridge Connections	County Rd	Burkburnett	20-49
Chicken Express	S Red River Expy	Burkburnett	20-49
Feedlot Restaurant	S Red River Expy	Burkburnett	20-49
First Bank	E 3rd St	Burkburnett	20-49
Homewell Senior Care Inc	Sheppard Rd	Burkburnett	20-49
Jubilee Christian Ctr	S Avenue D	Burkburnett	20-49
Mc Donald's	Sheppard Rd	Burkburnett	20-49
SONIC Drive-In	S Avenue D	Burkburnett	20-49
Superior Pallet Co	Gresham Rd	Burkburnett	20-49
Taco Bell	S Red River Expy	Burkburnett	20-49
Whataburger	S Red River Expy	Burkburnett	20-49
Wing Street	W Kramer Rd	Burkburnett	20-49
Boomtown Bay Family Aquatic	Tommy Thornton Way	Burkburnett	50-99
Burkburnett Junior High School	S Berry St	Burkburnett	50-99
John G Hardin Elementary Sch	N Avenue D	Burkburnett	50-99
Lipscomb Chevrolet LP	Sheppard Rd	Burkburnett	50-99

Nexstar Broadcasting Group Inc	Arapaho Dr	Burkburnett	50-99
Pruitt Ford	Sheppard Rd	Burkburnett	50-99
Burkburnett High School	W Kramer Rd	Burkburnett	100-249
Sheridan Medical Lodge	S Red River Expy	Burkburnett	100-249
United Supermarkets	S Avenue D	Burkburnett	100-249
NTS Communications Inc	E 3rd St	Burkburnett	250-499
Bisd Technology	E 2nd St	Burkburnett	TBD
Burkburnett Independent School	W Kramer Rd	Burkburnett	TBD
Chewy's Munchery	W Kramer Rd	Burkburnett	TBD
Final Finish LLC	Coulter Dr	Burkburnett	TBD
Floats-N-More LLC	Mimosa St # 101	Burkburnett	TBD
Franklin Packards LLC	Lisa Ln	Burkburnett	TBD
High Lonesome Enterprises	E 3rd St	Burkburnett	TBD
Hiner Reagan R, DDS	S Avenue D # B	Burkburnett	TBD
Mayo Estates LLC	N Avenue D	Burkburnett	TBD
Mouse Padd	E 3rd St	Burkburnett	TBD
N 501 J M Partners LLC	N Avenue D	Burkburnett	TBD
Red River Bayou	Sheppard Rd	Burkburnett	TBD
Redefined Designs	E 3rd St	Burkburnett	TBD
Snyder's-Lance Inc	Tejas Dr	Burkburnett	TBD
Wichita County DMV Tax Office	W College St # 2	Burkburnett	TBD
Willow Reed & Co	1/2 S Avenue D	Burkburnett	TBD
Carlitos Mexican Restaurant	S Bailey St	Electra	5-9
City of Electra City Hall	N Waggoner St	Electra	5-9
Donut Hole	N Bailey St	Electra	5-9
Double L Farms	Hirschi Loop	Electra	5-9
Douglas Mineral Trust	E Cleveland Ave	Electra	5-9
Dundee State Fish Hatchery	1180	Electra	5-9
Dundee State Fisheries Ctr	FM 1180	Electra	5-9
Electra Rehab Electra	S Bailey St	Electra	5-9
Expressway Service	US Highway 287	Electra	5-9
Home Health of Electra	W Cleveland Ave	Electra	5-9
Homeworks Handyman Svc LLC	W Highland Ave	Electra	5-9
Imagination Station Child Care	S Main St	Electra	5-9
Layline Energy LLC	Hwy 287 E	Electra	5-9
Mustang Metal Recycling LLC	S Bailey St	Electra	5-9
Pilgrim Bank	N Main St	Electra	5-9
Reidco Enterprises	State Highway 25 N	Electra	5-9
Thomas Pump & Equipment LLC	S Bailey St	Electra	5-9
Vernie's Well Svc	State Highway 25 N	Electra	5-9
Waggoner National Bank-Vernon	W Front Ave	Electra	5-9
Wichita County Precinct 4	State Highway 25 N	Electra	5-9
Alon	W Front Ave	Electra	10-19
Dollar General Corp	W Front Ave	Electra	10-19
Electra Police Dept	E Cleveland Ave	Electra	10-19
Flusche Supply Inc	S Bailey St	Electra	10-19
Front Street Market	W Front Ave	Electra	10-19
Goldsmith's Drug	W Cleveland Ave	Electra	10-19
Nason Services	Hwy 287 W	Electra	10-19
Os & S Operating Inc	S Bailey St	Electra	10-19

Raymond's Welding & Mach Shop	State Highway 258 W	Electra	10-19
Swornn Energy Inc	US Highway 287	Electra	10-19
Transportation Department	S Bailey St	Electra	10-19
USPS	W Cleveland Ave	Electra	10-19
Electra Fire Dept	E Cleveland Ave	Electra	20-49
SONIC Drive-In	N Bailey St	Electra	20-49
Southwest Rural Electric Assn	S Electra St	Electra	20-49
Electra Independent Sch Dist	N Waggoner St	Electra	50-99
Layline Energy LLC	W Front Ave # Ave	Electra	50-99
Bradley Paula	N Waggoner St	Electra	TBD
Hungry Js	W Michigan Ave	Electra	TBD
Little Bow Peeps	E Michigan Ave # 37	Electra	TBD
Painted Peacock-Sandwich Std	W Front Ave	Electra	TBD
Separators Free Water Knock	US Highway 287	Electra	TBD
W G Operating Inc	Hwy 287 E	Electra	TBD
You'll See	FM 1739 N	Electra	TBD
Ace Hardware of Iowa Park	W Bank St	Iowa Park	5-9
Allegiance Electric LLC	Wigley Rd	Iowa Park	5-9
Allsup's Convenience Store	W Highway St	Iowa Park	5-9
Andy's Paint & Body	W Highway St	Iowa Park	5-9
Blue Diamond Welding Co	Rifle Range Rd	Iowa Park	5-9
CEFCO	Northwest Fwy	Iowa Park	5-9
Chantex Manufacturing Inc	Bacon Switch Rd	Iowa Park	5-9
County of Wichita	E Jefferson Ave	Iowa Park	5-9
Excel Imagining Inc	S Victoria Ave	Iowa Park	5-9
Faith Baptist Church	S Wall St	Iowa Park	5-9
First Bank	W Park Ave	Iowa Park	5-9
First Baptist Church Iowa Park	N Yosemite St	Iowa Park	5-9
First United Mthdst Chr-Ia Prk	E Bank St	Iowa Park	5-9
German Auto Kraft II	NW Access Rd	Iowa Park	5-9
H&R Block	W Park Ave	Iowa Park	5-9
Hawk Pharmacy	W Park Ave	Iowa Park	5-9
Honorable Newman	N Wall St	Iowa Park	5-9
Hoye Tractor Parts	US Highway 287 E	Iowa Park	5-9
Iowa Park Cisd & City Tax Ofc	E Highway St	Iowa Park	5-9
Iowa Park Clinic	SE Access Rd	Iowa Park	5-9
Iowa Park Cons Independent Sch	E Highway St	Iowa Park	5-9
Iowa Park Dental	Johnson Rd	Iowa Park	5-9
Iowa Park Learning Ctr	S Yosemite St	Iowa Park	5-9
Iowa Park Tom Burnett Memorial	W Alameda St	Iowa Park	5-9
Iowa Park-Lakeview Chr of God	N Victoria Ave	Iowa Park	5-9
Itty Bitty Child Care	W Highway St	Iowa Park	5-9
K & K Quick Stop	Johnson Rd	Iowa Park	5-9
O'Reilly Auto Parts	W Highway St # 326	Iowa Park	5-9
Park Tank Truck Svc		Iowa Park	5-9
Rudd Construction	Highway 258 W	Iowa Park	5-9
State National Bank of Texas	W Park Ave	Iowa Park	5-9
Stre Oilfield Technology	Rifle Range Rd	Iowa Park	5-9
Subway	N Pacific Ave	Iowa Park	5-9
Texas Farm Bureau Insurance	N Bond St	Iowa Park	5-9

Texoma Trailer Body Welding	Rifle Range Rd	Iowa Park	5-9
Tom Burnett Memorial	W Alameda St	Iowa Park	5-9
Total Diesel Repair	Rifle Range Rd	Iowa Park	5-9
Trojan Manufacturing Co	Rifle Range Rd	Iowa Park	5-9
US Agricultural Dept	N Wall St	Iowa Park	5-9
Worcester Art Museum	Salisbury St	Iowa Park	5-9
Affordable Heating & Air	W Louisa Ave	Iowa Park	10-19
Ajon Waste Solution		Iowa Park	10-19
Allegiance Electric & Controls	Wigley Rd	Iowa Park	10-19
American Towers Corp		Iowa Park	10-19
Conoco	W Highway St	Iowa Park	10-19
DISH Network		Iowa Park	10-19
Dollar General	Highway 287	Iowa Park	10-19
Dutton Funeral Home	E Cash St	Iowa Park	10-19
Entex Fabrication Inc	Texowa Rd	Iowa Park	10-19
Gene James Air Cond & Htg	W Cash St	Iowa Park	10-19
Gilmore Inc	Hwy 287 E	Iowa Park	10-19
Harvey's Family Restaurant	W Highway St	Iowa Park	10-19
Iowa Park Optimist Club	N 3rd St	Iowa Park	10-19
Iowa Park Public Works Complex	FM 368 S	Iowa Park	10-19
Iowa Park Rertnl Activity Club	N 3rd St	Iowa Park	10-19
Iowa Park Volunteer Fire Dept	E Highway St	Iowa Park	10-19
Liquid Waste Carriers	NW Access Rd	Iowa Park	10-19
Lowe's	W Park Ave	Iowa Park	10-19
Quasar Energy Svc Inc	Rifle Range Rd	Iowa Park	10-19
Rafter J BBQ	SW Access Rd	Iowa Park	10-19
Spruiell Drilling Co Inc	N Wall St	Iowa Park	10-19
SUBWAY	W Highway St	Iowa Park	10-19
US FAA	FM 368 N	Iowa Park	10-19
USPS	E Cash St	Iowa Park	10-19
Wichita County Water Imprvmt	E Jefferson Ave	Iowa Park	10-19
Wichita Valley Airport-F14	Rifle Range Rd	Iowa Park	10-19
Affiliated Energy Products Inc	NW Access Rd	Iowa Park	20-49
Chaparral Baptist Assembly	Church Camp Rd	Iowa Park	20-49
Finishing Touch	Harley Ct	Iowa Park	20-49
Fowler Trucking-Diesel Repair	Business Highway 287J	Iowa Park	20-49
Fulfer Vanek Well Svc Co Inc	Pace Rd	Iowa Park	20-49
Gibbs Custom Painting	Texowa Rd	Iowa Park	20-49
Grace Tabernacle UPC	N 1st St	Iowa Park	20-49
Iowa Park Fire Dept	E Highway St	Iowa Park	20-49
Iowa Park Healthcare Ctr	N 3rd St	Iowa Park	20-49
Iowa Park Police Dept	E Highway St	Iowa Park	20-49
Ken's Pizza	W Highway St	Iowa Park	20-49
Mc Donald's	SW Access Rd	Iowa Park	20-49
Park Clinic	W Alameda St	Iowa Park	20-49
Pilgrim Bank	W Park Ave	Iowa Park	20-49
Pizza Hut	W Park Ave	Iowa Park	20-49
Quality Manufacturing Inc	FM 369 N	Iowa Park	20-49
SONIC Drive-In	W Highway St	Iowa Park	20-49
Taco Bell	SW Access Roa	Iowa Park	20-49

W R Bradford Elementary School	Texowa Rd	Iowa Park	20-49
Wichita Falls Landfill	Wiley Rd	Iowa Park	20-49
Ethyle Kidwell Elementary	N 3rd St	Iowa Park	50-99
Iowa Park High School	Bob Dawson Dr	Iowa Park	50-99
S-5 Manufacturing LLC	W Highway St	Iowa Park	50-99
W F George Middle School	E Cash St	Iowa Park	50-99
Waste Connections-Tx-Ia Park	W Smith Ave	Iowa Park	50-99
Guardian Health Systems	W Park Ave	Iowa Park	100-249
Sealed Air Corp	W Magnolia Ave	Iowa Park	500-999
James V Allred Unit	FM 369 N	Iowa Park	1,000-4,999
Allegiance Operating Inc	Wigley Rd	Iowa Park	TBD
Big League Dirt Co	N 1st St	Iowa Park	TBD
Biopure	S Victoria Ave	Iowa Park	TBD
Commodity Credit Corp	N Wall St	Iowa Park	TBD
Golden Operating Corp	W Highway St	Iowa Park	TBD
Imaging Inc	W Bank St	Iowa Park	TBD
Murray's Apollo Chiropractic	W Park Ave	Iowa Park	TBD
Performance Strength-Cndtng	E Highway St	Iowa Park	TBD
Pro Interior Designers	N Wall St	Iowa Park	TBD
Qhf Qmc		Iowa Park	TBD
T S E Xpress LP	E Highway St	Iowa Park	TBD
Uncommon Jones LLC	Haws Rd	Iowa Park	TBD
Wildwood	Longley Rd	Iowa Park	TBD
West Texas Utilities		Kamay	10-19
West Wichita County Special Ed	FM 1206	Kamay	10-19
Kamay Fire Dept	Highway 258 W	Kamay	20-49
Army & Air Force Exchange Svc	Community Center Dr	Sheppard Afb	5-9
Burger King	E At Third Ave	Sheppard Afb	5-9
FSNB NA	Community Center Dr # 239	Sheppard Afb	5-9
FSNB NA	Century St	Sheppard Afb	5-9
Game Stop	Community Center Dr # 239	Sheppard Afb	5-9
Game Stop	I Ave	Sheppard Afb	5-9
PAE	9th Ave # 1402	Sheppard Afb	5-9
Sheppard Afb-Army-Air Force	Community Center Dr	Sheppard Afb	5-9
Sheppard Air Force Base	J Ave	Sheppard Afb	5-9
Sheppard Air Force Base Barber	H Ave	Sheppard Afb	5-9
Sheppard Air Force Base Family	9th Ave # 962	Sheppard Afb	5-9
US Air Force Regional Hospital	Hart St # 1200	Sheppard Afb	5-9
Army & Air Force Exchange Svc	D #1105	Sheppard Afb	10-19
Army & Air Force Exchange Svc	Hart St # 7	Sheppard Afb	10-19
Balfour	Nehls Blvd	Sheppard Afb	10-19
Balfour Beatty Communities	C Ave	Sheppard Afb	10-19
Charleys Philly Steaks	Community Center Dr # 239	Sheppard Afb	10-19
Sheppard Afb Commissary	Community Center Dr #120	Sheppard Afb	10-19
Sheppard Air Force Base	H Ave	Sheppard Afb	10-19
Sheppard Air Force Base Exch	D Ave #1105	Sheppard Afb	10-19
South Bowling Lanes	8th Ave # 318	Sheppard Afb	10-19
Taco Bell	H Ave # 740	Sheppard Afb	10-19
Wing Street	Community Center Dr # 239	Sheppard Afb	10-19
Wing Zone	H Ave	Sheppard Afb	10-19

Sheppard Afb Child Dev Ctr	I Ave #195	Sheppard Afb	20-49
Sheppard AFB Elementary School	Anderson Dr	Sheppard Afb	20-49
Sheppard Air Force Base Fire	Ave K	Sheppard Afb	20-49
Union Square Credit Union	St #212	Sheppard Afb	20-49
Wayland Baptist Univ Sheppard	5th Ave # 7	Sheppard Afb	20-49
Sheppard Air Force Base	H Ave	Sheppard Afb	100-249
Sheppard Lodging Fund	J Ave	Sheppard Afb	250-499
Butch Jeffrey, NP	Mdg/Sgh	Sheppard Afb	TBD
Gideon USA	J Ave	Sheppard Afb	TBD
Hicks Randall S, MSN	Mdg	Sheppard Afb	TBD
Specht Abby, DPT	Hart St	Sheppard Afb	TBD
US Air Force	I Ave # 440	Sheppard Afb	TBD
Vernon College	5th Ave # 8	Sheppard Afb	TBD
10th & Broad Church of Christ	10th St	Wichita Falls	5-9
8th St Coffee House	8th St	Wichita Falls	5-9
A & A Security	Granada Dr	Wichita Falls	5-9
A & E Glass & Mirror	Holliday Rd	Wichita Falls	5-9
A Aa Bail Bonds	6th St	Wichita Falls	5-9
A Plus Medical Equipment	Call Field Rd	Wichita Falls	5-9
A&W Restaurants	Central Fwy E	Wichita Falls	5-9
A1 Fire Extinguisher	Fairway Blvd	Wichita Falls	5-9
A1 Rental & Sales	Old Jacksboro Hwy	Wichita Falls	5-9
Aaa Guardian Foundation Repair	Jacksboro Hwy	Wichita Falls	5-9
ABC Supply Co	Twin Oaks St	Wichita Falls	5-9
Abner's Nutrition Ctr	Kell Blvd # 100	Wichita Falls	5-9
Accent Blossom Shop	9th St	Wichita Falls	5-9
Accurate Inspections	Barbados	Wichita Falls	5-9
Acme Brick Tile & Stone	Seymour Hwy	Wichita Falls	5-9
Action Battery Ctr	Old Jacksboro Hwy	Wichita Falls	5-9
Addax Exploration	6th St # 220	Wichita Falls	5-9
Addison Moving & Storage Inc	Barnett Rd # 102	Wichita Falls	5-9
Addison's Ice Cream Parlor	Midwestern Pkwy # 114	Wichita Falls	5-9
Adt 24-7 Monitoring-Hm Serty	Kemp Blvd	Wichita Falls	5-9
Advanced Heart-Vascular Mdcn	11th St # A	Wichita Falls	5-9
Aero Maintenance Inc	Armstrong Dr # 5	Wichita Falls	5-9
Affordacare	Fairway Blvd	Wichita Falls	5-9
Agesis	Rhea Rd # 3D	Wichita Falls	5-9
ALDI	Lawrence Rd	Wichita Falls	5-9
All Around Asphalt Svc	N Mlk Jr Blvd	Wichita Falls	5-9
All Dunn Plumbing Inc	9th St	Wichita Falls	5-9
All Hands Cultural Cmnty Ctr	Tulsa St	Wichita Falls	5-9
All Star Trophs-Screenprinting	Missile Rd	Wichita Falls	5-9
Allen Leek Air Conditioning	Central Fwy E	Wichita Falls	5-9
Allendale Baptist Church	Allendale Rd	Wichita Falls	5-9
Alon	Grant St	Wichita Falls	5-9
Alsco	Burkburnett Rd	Wichita Falls	5-9
Altra Industrial Motion	Fisher Rd	Wichita Falls	5-9
Alure Mr Mrs	Southwest Pkwy	Wichita Falls	5-9
American Freight	Lawrence Rd	Wichita Falls	5-9
American Glass Co	Indiana Ave	Wichita Falls	5-9

American Glassworks	6th St	Wichita Falls	5-9
American National Bank & Trust	Scott Ave	Wichita Falls	5-9
American Red Cross	Seymour Hwy	Wichita Falls	5-9
Andrews Van Lines Inc	Hatton Rd	Wichita Falls	5-9
Anglin Machine Shop	Mlk Jr Blvd	Wichita Falls	5-9
Animal Clinic	Southwest Pkwy	Wichita Falls	5-9
Anna's Nails 2	Kemp Blvd # B	Wichita Falls	5-9
Antee's Pool	Southwest Pkwy # 107	Wichita Falls	5-9
Anthony Inman Construction Inc	Buchanan St	Wichita Falls	5-9
ANY LAB TEST NOW	Kemp Blvd # J1	Wichita Falls	5-9
Aoc Environmental Inc	Wranglers Retreat	Wichita Falls	5-9
Apex Technical Svc Inc		Wichita Falls	5-9
A-Plus Construction	Dayton Ave	Wichita Falls	5-9
A-Plus Medical Equipment	Ashleyanne Cir # 500	Wichita Falls	5-9
Aramark Management Svc	Seymour Hwy	Wichita Falls	5-9
Archer Title of Texas Inc	Maplewood Ave # 100	Wichita Falls	5-9
Armor Petroleum Inc	Kemp Blvd # 910	Wichita Falls	5-9
Armstrong Mc Call Beauty Supl	Rhea Rd # B	Wichita Falls	5-9
Army National Guard Recruiter	Armory Rd	Wichita Falls	5-9
Arrowhead Powder Coating	Old Jacksboro Hwy	Wichita Falls	5-9
Art of Dentistry	Eureka Cir # A	Wichita Falls	5-9
Art's Home Pest Exterminators	38th St	Wichita Falls	5-9
Aspen Dental	Call Field Rd # 100	Wichita Falls	5-9
Assessment Behavior Analysis	Kemp Blvd	Wichita Falls	5-9
Astec Manufacturing LLC	Indiana Ave	Wichita Falls	5-9
AT&T Store	Lawrence Rd	Wichita Falls	5-9
Audio Connections	Kemp Blvd	Wichita Falls	5-9
Audio Source	Kemp Blvd	Wichita Falls	5-9
Auditory Implant Initiative	Burnside	Wichita Falls	5-9
Autism Spectrum Program	Sheppard Access Rd	Wichita Falls	5-9
Auto Banc Collision & Rental	Sheppard Access Rd	Wichita Falls	5-9
Auto Shop	Call Field Rd	Wichita Falls	5-9
Autoglass	31st St	Wichita Falls	5-9
Autozone	Sheppard Access Rd	Wichita Falls	5-9
Avs Services Ltd	14th St	Wichita Falls	5-9
Axis Construction	Kemp Blvd	Wichita Falls	5-9
B & W Electric LLC	8th St # 403	Wichita Falls	5-9
B W Electrical Svc & Controls	Berwick Dr	Wichita Falls	5-9
B W Masterson Htg & Air Cond	Old State Rd	Wichita Falls	5-9
Baird Family Dentistry	Southwest Pkwy # 1	Wichita Falls	5-9
Baja Grill	Broad St	Wichita Falls	5-9
Baley Painting	Celia Dr	Wichita Falls	5-9
Bariatrics of Texas	Eureka Cir	Wichita Falls	5-9
Barnett Paving & Sealing LLC	Harlan Ave	Wichita Falls	5-9
Bates Electric Inc	Bridge St # 3	Wichita Falls	5-9
BBB	Kemp Blvd	Wichita Falls	5-9
Beacon Lighthouse Inc	7th St	Wichita Falls	5-9
Beauty Lounge	Rhea Rd # 6B	Wichita Falls	5-9
Bebb's Flowers	10th St	Wichita Falls	5-9
Benny F Fleming DDS PC	Brook Ave # A	Wichita Falls	5-9

Bfs Retail Operations LLC	Lamar St	Wichita Falls	5-9
Bg Greentag Fire Equipment LLC	Old Jacksboro Hwy	Wichita Falls	5-9
Big Daddys	Armory Rd	Wichita Falls	5-9
Big State Maintenance	Hampton Rd	Wichita Falls	5-9
Biggs & Mathews Inc Consulting	Brook Ave	Wichita Falls	5-9
Birk Chiropractic Pa	Fairway Blvd # 116	Wichita Falls	5-9
Bishop Realtor Group	Elmwood North Ave	Wichita Falls	5-9
Bistro Express	Speedway Ave	Wichita Falls	5-9
Blue Moon Day	Kemp Blvd	Wichita Falls	5-9
BMH Oil Co Inc	Kemp Blvd #512	Wichita Falls	5-9
Bob	Kemp Blvd # 1009	Wichita Falls	5-9
Bohannon Fence Co	N Beverly Dr	Wichita Falls	5-9
Bolin Resources LP	Kell Blvd # 510	Wichita Falls	5-9
Boy Scouts of America	Maplewood Ave	Wichita Falls	5-9
Boys-Girls Clubs-Wichita Fls	Hughes Dr	Wichita Falls	5-9
Boys-Girls Clubs-Wichita Fls	N Beverly Dr	Wichita Falls	5-9
Boys-Girls Club-Wichita Fls	Armory Rd	Wichita Falls	5-9
BPL Plasma	9th St # D	Wichita Falls	5-9
Branding Iron	E Scott Ave	Wichita Falls	5-9
Bratcher Norman R Co	31st St	Wichita Falls	5-9
Brian Loncar & Assoc	Travis St	Wichita Falls	5-9
Bricktown Tap House & Kitchen	Midwestern Pkwy # 560	Wichita Falls	5-9
Bridwell Oil Co	8th St	Wichita Falls	5-9
Bright Minds Learning Ctr	11th St	Wichita Falls	5-9
Brooklyn Pizza Bar & Grill	Indiana Ave	Wichita Falls	5-9
Brooks & Campbell	Kemp Blvd # 800	Wichita Falls	5-9
Brookstone Eye Ctr	Brook Ave	Wichita Falls	5-9
Brown Cavett Back & Neck Chiro	Call Field Rd # 300	Wichita Falls	5-9
Browning Designs	Travis St	Wichita Falls	5-9
Bruce Property Tax Solutions	Mcniel Ave # 102B	Wichita Falls	5-9
Bruckner Truck Sales Inc	N City View Ln	Wichita Falls	5-9
Brunel Corp	Twin Oaks St	Wichita Falls	5-9
Buckley Oil Co	Old Iowa Park Rd	Wichita Falls	5-9
Building Blocks Learning Ctr	Old Jacksboro Hwy	Wichita Falls	5-9
Bully's	Seymour Hwy	Wichita Falls	5-9
Burrito Shop	9th St	Wichita Falls	5-9
Buy Me Real Estate Co	Tanglewood Dr	Wichita Falls	5-9
Byrd Electric Co	Prince Edward Dr	Wichita Falls	5-9
C & C Communications LLC	Central Fwy # 150	Wichita Falls	5-9
Calfy Dent Repair	Kell Blvd	Wichita Falls	5-9
Camelot Apartments	Harrison St	Wichita Falls	5-9
Camp Fire USA	9th St	Wichita Falls	5-9
Canteen Food & Vending Svc	Bonny Dr	Wichita Falls	5-9
Cantina El Corralito	N Scott Ave	Wichita Falls	5-9
Capital Farm Credit	Kell Blvd	Wichita Falls	5-9
Carey's Corner	Old Jacksboro Hwy	Wichita Falls	5-9
Carter Healthcare	Kemp Blvd	Wichita Falls	5-9
Carter Wind Energy LLC	Seymour Hwy	Wichita Falls	5-9
Cartercopters	Commerce St # 500	Wichita Falls	5-9
Casillas Pools & Concrete Inc		Wichita Falls	5-9

Catfish Grill	Southwest Pkwy # 110	Wichita Falls	5-9
Cato Fashions	Southwest Pkwy # 109	Wichita Falls	5-9
Cell Phone Guy	Call Field Rd	Wichita Falls	5-9
Cell Phone Guy 3	Burkburnett Rd # 4	Wichita Falls	5-9
Cells-U-More Inc	Grant St	Wichita Falls	5-9
Cellular Sales-Verizon Auth	Midwestern Pkwy # 411	Wichita Falls	5-9
Central Bail Bonds II	6th St	Wichita Falls	5-9
Champ's Sports	Midwestern Pkwy # 362	Wichita Falls	5-9
Chicago Pizza Kitchen	Southwest Pkwy	Wichita Falls	5-9
Chicka		Wichita Falls	5-9
Child Advocates	Austin St	Wichita Falls	5-9
Children's Corner Daycare	Spur 325	Wichita Falls	5-9
Children's Corner Daycare LLC	Airport Dr	Wichita Falls	5-9
Chitwood Home Inspections LLC	Buena Vista Way	Wichita Falls	5-9
Choctaw Contractors	Garfield St	Wichita Falls	5-9
Christ Academy	W Campus Dr	Wichita Falls	5-9
Circle M Bakery	Old Iowa Park Rd	Wichita Falls	5-9
Circle of Hope	N Beverly Dr	Wichita Falls	5-9
Citadel Cafe LLC	7th St	Wichita Falls	5-9
Citi Trends	Midwestern Pkwy # 840	Wichita Falls	5-9
City Glass & Mirror	Seymour Hwy	Wichita Falls	5-9
City National Building	8th St	Wichita Falls	5-9
City of Wichita Falls	Lake Park Dr	Wichita Falls	5-9
Claire's	Midwestern Pkwy # 690	Wichita Falls	5-9
Clark Forwarders Inc	Hatton Rd	Wichita Falls	5-9
Clarke Calvin S, OD	Kemp Blvd	Wichita Falls	5-9
Classic Cabinets & Millwork	Scott Ave	Wichita Falls	5-9
Cleveland Electric	Wichita St	Wichita Falls	5-9
Cleveland Electric	Old State Rd	Wichita Falls	5-9
Cocke Williford & Eddins PC	Kemp Blvd # 320	Wichita Falls	5-9
Coffee Shack	8th St # 111	Wichita Falls	5-9
Comanche Enterprises	Old Jacksboro Hwy	Wichita Falls	5-9
Comfort Inn Wichita Fls Near	Westgate St	Wichita Falls	5-9
Computech Mailing Systems	Lydia Dr	Wichita Falls	5-9
Computronix	Call Field Rd # A	Wichita Falls	5-9
Comunications Aamm	Kemp Blvd	Wichita Falls	5-9
Consolidated Electrical Distr	Waco St	Wichita Falls	5-9
Containery	Brook Ave	Wichita Falls	5-9
Coremetrics Health LLC	Brook Ave	Wichita Falls	5-9
Cosmetic Laser Ctr	Harrison St # 700	Wichita Falls	5-9
Country Park	Professional Dr	Wichita Falls	5-9
Cowtown Materials	Avenue K	Wichita Falls	5-9
Crab Kingdom	Call Field Rd	Wichita Falls	5-9
Crane West	Kemp Blvd # 815	Wichita Falls	5-9
Creative-Meaningful Play Camp	8th St # A	Wichita Falls	5-9
Crumbl Cookies	Lawrence Rd # 530	Wichita Falls	5-9
Custom Wholesale Supply Inc	Gregory St	Wichita Falls	5-9
Cuts & Clips	Fairway Blvd # A	Wichita Falls	5-9
Dance Etc	Mcniel Ave # 301	Wichita Falls	5-9
Danny Foix Shell Svc Ctr	Southwest Pkwy	Wichita Falls	5-9

Daybreak Community Svc Inc	Bluff St	Wichita Falls	5-9
Daybreak Community Svc Inc	Summit Dr	Wichita Falls	5-9
Daybreak Community Svc Inc	Spindletree Dr	Wichita Falls	5-9
Decorator Outlet Inc	Southwest Pkwy	Wichita Falls	5-9
Dennis Co	Kell Blvd	Wichita Falls	5-9
Denny-Moore Body-Frame Repairs	E Scott Ave	Wichita Falls	5-9
Dental Planet	Indiana Ave	Wichita Falls	5-9
Dental Planet LLC	N Scott Ave	Wichita Falls	5-9
Dental Works of Texas II	E Elliott St	Wichita Falls	5-9
Dentistry 4 Kidz	Eureka Cir # 103	Wichita Falls	5-9
Dermatology of North Texas	10th St	Wichita Falls	5-9
Dickey's Barbecue Pit	Lawrence Rd # 600	Wichita Falls	5-9
Dillard Electric LLC	Pyrenees Dr	Wichita Falls	5-9
Dilts Construction Inc	Old Iowa Park Rd	Wichita Falls	5-9
Dippin' Dots	Midwestern Pkwy # 348	Wichita Falls	5-9
Dish Net Work By Dish Sat TV		Wichita Falls	5-9
DISH Network	Kemp Blvd	Wichita Falls	5-9
DISH Network	3rd St	Wichita Falls	5-9
Doctors Sutton & Mercer LLP	Brook Ave	Wichita Falls	5-9
Dollar General	5th St # A	Wichita Falls	5-9
Dollar General	Old Iowa Park Rd # A	Wichita Falls	5-9
Dollar General	Southwest Pkwy # 3	Wichita Falls	5-9
Dollar General	9th St	Wichita Falls	5-9
Dollar General	Burkburnett Rd	Wichita Falls	5-9
Dollar General	Seymour Hwy	Wichita Falls	5-9
Dollar General	Southwest Pkwy # 159	Wichita Falls	5-9
Dollar General	Call Field Rd	Wichita Falls	5-9
Dollar General	Old Jacksboro Hwy	Wichita Falls	5-9
Dollar Saver	Sheppard Access Rd	Wichita Falls	5-9
Dollar Tree	Greenbriar Rd # 210	Wichita Falls	5-9
Dollar Tree	Old Iowa Park Rd	Wichita Falls	5-9
Donald W Shierry CPA PC	Martinique	Wichita Falls	5-9
Donnell Center	E Wichita St	Wichita Falls	5-9
Door Systems of Wichita Falls	Industrial Dr	Wichita Falls	5-9
Downtown Medical Clinic	Barbados	Wichita Falls	5-9
Downtown Pharmacy	Scott Ave	Wichita Falls	5-9
Drug-Alcohol Testing Cmplnc	Southwest Pkwy # 18	Wichita Falls	5-9
Duck Coffee Co	7th St	Wichita Falls	5-9
E Kenneth Wall PC		Wichita Falls	5-9
Eagle Door Co	Hwy 281	Wichita Falls	5-9
Easy Rent	Old Iowa Park Rd	Wichita Falls	5-9
Easy Rent	9th St	Wichita Falls	5-9
Edgemere Church of Christ	Neta Ln	Wichita Falls	5-9
Edgin Parkman Fleming	Kell Blvd # 2	Wichita Falls	5-9
Edible	Garnett Ave	Wichita Falls	5-9
Edwards Painting		Wichita Falls	5-9
Ee Electric	Rd 1954	Wichita Falls	5-9
El Chaton	9th St	Wichita Falls	5-9
El Norteno 2	Southwest Pkwy	Wichita Falls	5-9
El Tapatio Cafe & Cantina IV	Southwest Pkwy	Wichita Falls	5-9

Electrical Workrs Ibw Afco	Old Jacksboro Hwy	Wichita Falls	5-9
Elks Lodge 1105	Seymour Hwy	Wichita Falls	5-9
Elliott Electric Supply Inc	Mississippi Ave	Wichita Falls	5-9
Ember Shop	Mcniel Ave	Wichita Falls	5-9
Empire Paper	Central Fwy E	Wichita Falls	5-9
Energy Center Building	Lamar St # 440	Wichita Falls	5-9
Energy Cut Inc	Glasgow Dr	Wichita Falls	5-9
Enterprise Rent-A-Car	Old Jacksboro Hwy	Wichita Falls	5-9
Er Cafe	10th St	Wichita Falls	5-9
Eskimo Hut	Seymour Hwy	Wichita Falls	5-9
Eskimo Hut	Southwest Pkwy	Wichita Falls	5-9
Eskycity.com Inc	Kemp Blvd # B	Wichita Falls	5-9
Evangelical Temple	Barnett Rd	Wichita Falls	5-9
Executive Inn & Suites	Maurine St	Wichita Falls	5-9
Express Employment Pro	Kemp Blvd	Wichita Falls	5-9
Extel Communications	Wranglers Retreat	Wichita Falls	5-9
Extel Communications	Belmede Dr	Wichita Falls	5-9
EZPAWN	Seymour Hwy	Wichita Falls	5-9
F & J Music Inc	Grant St # B	Wichita Falls	5-9
Fairway Lube Ctr	Fairway Blvd	Wichita Falls	5-9
Faith Village Church of Christ	Mcniel Ave	Wichita Falls	5-9
Falls Hospitality Inc	Call Field Rd	Wichita Falls	5-9
Falls Metal Fabrication	Mcniel Ave	Wichita Falls	5-9
Family Dollar	Old Jacksboro Hwy	Wichita Falls	5-9
Family Dollar	Mlk Jr Blvd	Wichita Falls	5-9
Family Dollar	Brook Ave	Wichita Falls	5-9
Fantastic Sams	Call Field Rd # 700	Wichita Falls	5-9
Farmer Brothers Coffee	Beverly Dr	Wichita Falls	5-9
Farmers Insurance-Stephen Ctlr	Southwest Pkwy	Wichita Falls	5-9
Fast Eddie's	Southwest Pkwy	Wichita Falls	5-9
Fastenal	Old Jacksboro Hwy	Wichita Falls	5-9
Fat Boy Brunch	Central Fwy	Wichita Falls	5-9
Fazmoz Caribbean Cuisine	Plaza Pkwy	Wichita Falls	5-9
Fedex Office Print & Ship Ctr	Kemp Blvd # I	Wichita Falls	5-9
Feed & Garden Store	Old Jacksboro Hwy	Wichita Falls	5-9
Ferguson Plumbing	Hatton Rd	Wichita Falls	5-9
Finley & Pitts D D S Inc	Kemp Blvd	Wichita Falls	5-9
Fire & Safety Inc	Mlk Jr Blvd	Wichita Falls	5-9
Firestone Complete Auto Care	Lamar St	Wichita Falls	5-9
Firestone Complete Auto Care	Mcniel Ave	Wichita Falls	5-9
First Capital Bank	Stone Lake Dr	Wichita Falls	5-9
First Convenience Bank	Central Fwy	Wichita Falls	5-9
First Convenience Bank	Lawrence Rd	Wichita Falls	5-9
First Transit Inc	Scott Ave	Wichita Falls	5-9
Five Day Kitchens Texoma	Lawrence Rd # 345	Wichita Falls	5-9
Fleetpride Parts	Central Fwy E	Wichita Falls	5-9
Florist	Rhea Rd # 6C	Wichita Falls	5-9
Flowers Baking Co	Saramy St	Wichita Falls	5-9
Foot Locker	Midwestern Pkwy # 200	Wichita Falls	5-9
Foster Telecommunication Svc	Travis St	Wichita Falls	5-9

Fountaingate Apartment Homes	Tower Dr	Wichita Falls	5-9
Foxhill Restaurant LLC	Kemp Blvd	Wichita Falls	5-9
Francesca's	Midwestern Pkwy # 680	Wichita Falls	5-9
Fred Loya Insurance	Kemp Blvd # C	Wichita Falls	5-9
Fresh Pickle Juices	Sheppard Access Rd	Wichita Falls	5-9
Furniture Medic By Cst Rstrtn	Virginia Ave	Wichita Falls	5-9
G & H Drugs LLC	Dayton Ave	Wichita Falls	5-9
G G & Btechnology Inc	Mcniel Ave # 302	Wichita Falls	5-9
Game Stop	Lawrence Rd # 550	Wichita Falls	5-9
Garcia Holistic Wellness LLC	P B Ln # G1156	Wichita Falls	5-9
Gary Wayne Crouch PC	9th St	Wichita Falls	5-9
Gas Corp of America	Hammon Rd	Wichita Falls	5-9
GBN Inc	Clarinda Ave	Wichita Falls	5-9
Gene's Tasty Burger	Holliday Rd	Wichita Falls	5-9
Genesis Granite	Seymour Hwy	Wichita Falls	5-9
Genesis Granite Inc	Seymour Hwy	Wichita Falls	5-9
Gentry's	Old Jacksboro Hwy	Wichita Falls	5-9
Gidgets Sandwich Shack	Ohio Ave	Wichita Falls	5-9
Gii Ad Group	8th St # 100	Wichita Falls	5-9
Gill Welding	Seymour Hwy	Wichita Falls	5-9
Goodyear Auto Svc	Sheppard Access Rd	Wichita Falls	5-9
Got Health Wellness & Weight	Plaza Pkwy # 302	Wichita Falls	5-9
Grayline Research Ctr	Seymour Hwy	Wichita Falls	5-9
Great Clips	Central Fwy # 105	Wichita Falls	5-9
Great Clips	Greenbriar Rd # 314	Wichita Falls	5-9
Greg Ciuba's Paint & Body	Allen Rd	Wichita Falls	5-9
Greg Merkle Attorney-At-Law	9th St	Wichita Falls	5-9
Gto Engineering Svc	Kell Blvd	Wichita Falls	5-9
Gypsy Kit	Indiana Ave	Wichita Falls	5-9
Gypsy Kit Cafe	8th St # 108	Wichita Falls	5-9
Gypsy Uncorked	Indiana Ave	Wichita Falls	5-9
H & B Trusts	8th St	Wichita Falls	5-9
H&R Block	Midwestern Pkwy # 109	Wichita Falls	5-9
H&R Block	Airport Dr # 200	Wichita Falls	5-9
Habitat For Humanity	Lamar St	Wichita Falls	5-9
Hair Port	Grant St	Wichita Falls	5-9
Hall Building Products	Walnut St	Wichita Falls	5-9
Hamilton Park Tennis Ctr	Hamilton Blvd	Wichita Falls	5-9
Hanna Wichita Tool Supply	Oak St	Wichita Falls	5-9
Harper Perkins Architects	Old Jacksboro Hwy	Wichita Falls	5-9
Harris Jewelry & Electronics	Midwestern Pkwy # 432	Wichita Falls	5-9
Hatcher Pools	Avenue U	Wichita Falls	5-9
Hatcher Poultry & Egg Co	Washington St	Wichita Falls	5-9
Hbc Interest LLC	Harrison St # 900	Wichita Falls	5-9
Hbc Interests	Kell Blvd	Wichita Falls	5-9
Head & Neck Surgical Assoc	Barnett Rd	Wichita Falls	5-9
Head Lines	Mcniel Ave	Wichita Falls	5-9
Healing Hands Healthcare	Indiana Ave # 665	Wichita Falls	5-9
Health Department-Laboratory	3rd St	Wichita Falls	5-9
Health Dept-Food Control Div	3rd St	Wichita Falls	5-9

Healthpro Home Health Svc	Brookdale Dr # 1	Wichita Falls	5-9
Healthpro Primary Home Care	Call Field Rd # A	Wichita Falls	5-9
Heart Clinic	11th St # B	Wichita Falls	5-9
Hebert's Furniture & Mattress	Seymour Hwy	Wichita Falls	5-9
Henderson Appraisals-Conslns	Call Field Rd # E	Wichita Falls	5-9
Heritage Assembly of God	Southwest Pkwy	Wichita Falls	5-9
Heritage Diners	Armory Rd	Wichita Falls	5-9
Heritage Plumbing Svc	Hatton Rd	Wichita Falls	5-9
Herring Bank	Southwest Pkwy	Wichita Falls	5-9
Hertz	Armstrong Dr # 2	Wichita Falls	5-9
Herzfeld Fabricators	Lincoln St	Wichita Falls	5-9
Hibbett Sports	Midwestern Pkwy # 350	Wichita Falls	5-9
High Plains Senior Care High	Kemp Blvd	Wichita Falls	5-9
Highway Cafe	Old Jacksboro Hwy	Wichita Falls	5-9
Hoagie Slingers	Sheppard Access Rd	Wichita Falls	5-9
Hoegger Communications	Indiana Ave #100	Wichita Falls	5-9
Holiday Inn	Central Fwy	Wichita Falls	5-9
Holliday Road Burgers LLC	Holliday Rd	Wichita Falls	5-9
Hollis R Sullivan Inc	Southwest Pkwy	Wichita Falls	5-9
Holmes Unlimited	P B Ln # H4688	Wichita Falls	5-9
Holy Cross Greek Orthodox	Seymour Rd	Wichita Falls	5-9
Home Zone Furniture	Fairway Blvd	Wichita Falls	5-9
Hometown Flooring LLC	Seymour Rd	Wichita Falls	5-9
Hook & Ladder Coffee Co	City View Dr	Wichita Falls	5-9
Hot Shots Storage	Loop 11	Wichita Falls	5-9
House of Flowers	Burnett St	Wichita Falls	5-9
Housing Authority City-Wichita	Webster St	Wichita Falls	5-9
Hudson's	5th St	Wichita Falls	5-9
Humane Society-Wichita County	Old Iowa Park Rd	Wichita Falls	5-9
HUNAN Chinese	Maplewood Ave	Wichita Falls	5-9
Huskins Electric Co	Alamo Dr	Wichita Falls	5-9
Icon Aircraft	Seymour Hwy	Wichita Falls	5-9
Image Advertising Co	Waco St	Wichita Falls	5-9
Imc Waste Disposal	Waurika Fwy	Wichita Falls	5-9
Implant Dentistry-Perio Rehab	Virginia Dr # A	Wichita Falls	5-9
Innin Fund 2 LLC	Kenley Ave	Wichita Falls	5-9
Inside Ink	10th St # A	Wichita Falls	5-9
Interstate All Battery Ctr	Scott Ave	Wichita Falls	5-9
Ipr Burgers LLC	Old Iowa Park Rd	Wichita Falls	5-9
Iron Stone Auto Financing	Kemp Blvd	Wichita Falls	5-9
It's A Wrap Cafe	Madison St	Wichita Falls	5-9
Its Academy of Beauty	Midwestern Pkwy # 110	Wichita Falls	5-9
J & M Oil Field Svc & Eqpt	Loop 11	Wichita Falls	5-9
Jack In the Box	Central Fwy	Wichita Falls	5-9
Jamaica Pool's		Wichita Falls	5-9
James Avery Jewelry	Lawrence Rd # 535	Wichita Falls	5-9
Jasten's Ice Cafe & Banhmi	Kemp Blvd # J	Wichita Falls	5-9
Jat Industries LLC	Navajo Trl	Wichita Falls	5-9
Jc Mobile	Old Jacksboro Hwy	Wichita Falls	5-9
JD Martin Co Inc	Mcniel Ave	Wichita Falls	5-9

Jefe's Bar & Grill	Southwest Pkwy	Wichita Falls	5-9
Jersey Mike's Subs	Call Field Rd # 800	Wichita Falls	5-9
Joey's	Beverly Dr	Wichita Falls	5-9
John W Bradley Inc	Lamar St	Wichita Falls	5-9
Johnson & Hoffman LLC	Plaza Pkwy	Wichita Falls	5-9
Johnsons North Texas Furniture	Old Jacksboro Hwy	Wichita Falls	5-9
Jottowa Industries LLC	6th St # 300	Wichita Falls	5-9
J-Systems	Seymour Hwy	Wichita Falls	5-9
Juarez Medical Clinic	Juarez St # A	Wichita Falls	5-9
Julians Burritos	Sheppard Access Rd	Wichita Falls	5-9
Kamay Y Convenience Store	Seymour Hwy	Wichita Falls	5-9
Karat Bar & Bistro	Ohio Ave	Wichita Falls	5-9
Kell Auto Sales	Grace St	Wichita Falls	5-9
Kelly-Moore Paints	Kemp Blvd	Wichita Falls	5-9
Kemp Center For the Arts	Lamar St	Wichita Falls	5-9
Kenny's Nails	Chinaberry Dr	Wichita Falls	5-9
Kickapoo Downtown Airport-Cwc	Old Jacksboro Hwy	Wichita Falls	5-9
Kim's Nails	Fairway Blvd # 120	Wichita Falls	5-9
King & Freeman	Kemp Blvd # 920	Wichita Falls	5-9
Kiwanis Park	Pkwy	Wichita Falls	5-9
Kjtl Listener Line	Call Field Rd	Wichita Falls	5-9
KMOC	W Wenonah Blvd	Wichita Falls	5-9
Kmoc 89.5 FM	W Wenonah Blvd	Wichita Falls	5-9
Knowles Door Check	Mill St	Wichita Falls	5-9
Kruger Aluminum-Brass Foundry	36th St	Wichita Falls	5-9
Kys Food Inc	MLK Jr Blvd	Wichita Falls	5-9
La Belle	Midwestern Pkwy	Wichita Falls	5-9
La Casa Dental Clinic	Canyon Ridge Dr	Wichita Falls	5-9
La Magna Health PLLC	11th St # B	Wichita Falls	5-9
Lab Corp	Fairway Blvd # 110	Wichita Falls	5-9
Lake View Townhomes	Likins Cir	Wichita Falls	5-9
Lala	Kemp Blvd # A	Wichita Falls	5-9
Lamar Baptist Church	Harrison St	Wichita Falls	5-9
Lanco Turf & Seeding Co Inc	Barrett Pl	Wichita Falls	5-9
Lantern House	Call Field Rd	Wichita Falls	5-9
Larry Rains Grant & Kell	Grant St	Wichita Falls	5-9
Latex Foam Intl	Interstate Hwy 44	Wichita Falls	5-9
Lavish Nail	Greenbriar Rd	Wichita Falls	5-9
Lawn Rescue	South Ford Road	Wichita Falls	5-9
Learning Depot	Norman St	Wichita Falls	5-9
Lee Wholesale Floral	Four Sixes Cir	Wichita Falls	5-9
Legacy Church	Loop 11	Wichita Falls	5-9
Legal Aid of Northwest Texas	Lamar St # 300	Wichita Falls	5-9
Leonard Key & Key PLLC	8th St # 320	Wichita Falls	5-9
Level 3 Communications	Waurika Fwy	Wichita Falls	5-9
Lifelock	Kemp Blvd # B	Wichita Falls	5-9
Lighthouse Technologies	Hayes St	Wichita Falls	5-9
Lincare	Midwestern Pkwy # 117	Wichita Falls	5-9
Linda A Reinhardt Dermatology	Harrison St # 500	Wichita Falls	5-9
Lion Cub Academy	Loop 11	Wichita Falls	5-9

Little Learners Child Care	St	Wichita Falls	5-9
Live Oak Oral Surgery	Southwest Pkwy # 130	Wichita Falls	5-9
Lkcm Radio Group	Call Field Rd	Wichita Falls	5-9
Lloyd Electric	Grant St	Wichita Falls	5-9
Lloyd Electric-Bristol Jv LLC	Grant St	Wichita Falls	5-9
Lone Star Highway Products	Seymour Hwy	Wichita Falls	5-9
Lone Star Music Co	Old Jacksboro Hwy	Wichita Falls	5-9
Los Dos Gallos	N Scott Ave	Wichita Falls	5-9
Lovely Nails	Midwestern Pkwy # A	Wichita Falls	5-9
Luigi's Pizza	Sheppard Access Rd	Wichita Falls	5-9
Luxury Bath of Texoma	Lawrence Rd	Wichita Falls	5-9
Luxury Bath Texoma	Rhea Rd	Wichita Falls	5-9
Lyn's Natural Day Spa	Plaza Pkwy # 17A	Wichita Falls	5-9
Mac & Snak LLC	Plaza Pkwy # 301A	Wichita Falls	5-9
Mactech Solutions	Rhea Rd # 3B	Wichita Falls	5-9
Madden Counseling	Midwestern Pkwy # 2	Wichita Falls	5-9
Mane Event	K Mart Dr # C	Wichita Falls	5-9
Maplewood	Plaza Pkwy	Wichita Falls	5-9
Maplewood Eyecare Ctr	Maplewood Ave # 2	Wichita Falls	5-9
Maplewood Laser Dental Clinic	Maplewood Ave # 3	Wichita Falls	5-9
Marant Siding Insulation	Lamar St	Wichita Falls	5-9
Marathon Building	Seymour Hwy	Wichita Falls	5-9
Margie's Bakery & Deli	Call Field Rd	Wichita Falls	5-9
Margot's All Breed Grooming	Old Jacksboro Hwy # B	Wichita Falls	5-9
Mark Inman Insurance Agency	Kemp Blvd	Wichita Falls	5-9
Master's Builder	Tilden St	Wichita Falls	5-9
Maurices	Midwestern Pkwy # 300	Wichita Falls	5-9
Maverick Transportation	Central Fwy N	Wichita Falls	5-9
Maxine Lingurar MD	Barnett Rd	Wichita Falls	5-9
Mb2 Dental	Lawrence Rd	Wichita Falls	5-9
Mccormick Operating	Denver St	Wichita Falls	5-9
Mccracken HL Inc	Midwestern Pkwy	Wichita Falls	5-9
Mcgregor Real Estate	Kell Blvd # A	Wichita Falls	5-9
Mcmurray Machine Tool Co	Burkburnett Rd	Wichita Falls	5-9
Mel's Hair Studio	Call Field Rd # B	Wichita Falls	5-9
Menasco J Roofing Co	Mlk Jr Blvd	Wichita Falls	5-9
Mercedes Hair & Nail Design	Plaza Pkwy # 609	Wichita Falls	5-9
Merrill Lynch Wealth Mgmt	Kemp Blvd # 1000	Wichita Falls	5-9
Merry Maids	Southwest Pkwy # 9	Wichita Falls	5-9
Mesa Business Machines Inc	Austin St	Wichita Falls	5-9
Metabolic Research Ctr	Kemp Blvd # 800	Wichita Falls	5-9
Metlife Financial Svc	Kemp Blvd	Wichita Falls	5-9
Mias Italian Bistro	Beverly Dr	Wichita Falls	5-9
Midtown Manor Inc	Burnett St	Wichita Falls	5-9
Midwest Finance	Southwest Pkwy # 124	Wichita Falls	5-9
Midwest Waste Svc LLC	Sisk Rd	Wichita Falls	5-9
Midwestern State University	Brook Ave	Wichita Falls	5-9
Mike's Towing Svc	Industrial Dr	Wichita Falls	5-9
Miller Realtor Group	Midwestern Pkwy	Wichita Falls	5-9
Milt Clark Performance Wrhse	Burkburnett Rd	Wichita Falls	5-9

Mindy Anderle-State Farm Ins	Kell Blvd	Wichita Falls	5-9
Miracle Funding	Central Fwy E	Wichita Falls	5-9
Missile Club	Burkburnett Rd	Wichita Falls	5-9
Mister Cuts	Burkburnett Rd	Wichita Falls	5-9
Mobile Addiction LLC	Kemp Blvd	Wichita Falls	5-9
Mobile Dental Care	Rhea Rd	Wichita Falls	5-9
Mom's Bail Bonds	Travis St	Wichita Falls	5-9
Monarch Motor Speedway	Kiel Ln	Wichita Falls	5-9
Montgomery Mattress	Pembroke Ln	Wichita Falls	5-9
Mother Bear Inc	Plaza Pkwy	Wichita Falls	5-9
Motion Industries Inc	Indiana Ave	Wichita Falls	5-9
Motor Vehicle Inspection Div	Central Fwy	Wichita Falls	5-9
Mr Bob's Parts & Svc	15th St	Wichita Falls	5-9
Mullens Electric Co		Wichita Falls	5-9
Murph's USA	Airport Dr	Wichita Falls	5-9
Murphy EXPRESS	Lawrence Rd	Wichita Falls	5-9
Mustang Bar & Grill	Plaza Pkwy # 601	Wichita Falls	5-9
My Bondsman Bail Bonds		Wichita Falls	5-9
My Nails	Kemp Blvd	Wichita Falls	5-9
Mystaf	Midwestern Pkwy # 102	Wichita Falls	5-9
Nacho Mama's	Southwest Pkwy	Wichita Falls	5-9
Nacol's Jewelry	Kemp Blvd	Wichita Falls	5-9
Nail Retreat	Lawrence Rd # 500	Wichita Falls	5-9
Namaste Indian Restaurant	Plaza Pkwy # 720	Wichita Falls	5-9
Napolis Italian Restaurant	Kemp Blvd	Wichita Falls	5-9
Nathan Evans Plumbing		Wichita Falls	5-9
National Express Corp	Seymour Hwy	Wichita Falls	5-9
National Property Mgmt Assoc	Kemp Blvd	Wichita Falls	5-9
Netessentials Inc	8th St # 1000	Wichita Falls	5-9
Nexion Health Inc	Midwestern Pkwy E	Wichita Falls	5-9
Nexstar Manufacturing	Mississippi Ave	Wichita Falls	5-9
Nor Tex Materials Inc	28th St # B	Wichita Falls	5-9
Norriss Place	Norriss Rd	Wichita Falls	5-9
Nortex Realty	Fairway Blvd	Wichita Falls	5-9
North Texas Auto Svc	Montgomery East Pl	Wichita Falls	5-9
North Texas Hypnosis	Plaza Pkwy #400	Wichita Falls	5-9
North Texas Rheumatology Assoc	Maplewood Ave	Wichita Falls	5-9
North Texas Seamless Gutters	Sherman Rd	Wichita Falls	5-9
North Tx Workforce Devmnt Brd	Indiana Ave	Wichita Falls	5-9
Northside Grill	Central Fwy	Wichita Falls	5-9
Northtext Realty	Fairway Blvd	Wichita Falls	5-9
Nrg Transportation Inc	E Scott Ave	Wichita Falls	5-9
Ntok Pizza LLC	Plaza Pkwy # A4	Wichita Falls	5-9
NTS Communications Inc	Kell Blvd # 104	Wichita Falls	5-9
Nu Star Energy	Harding St	Wichita Falls	5-9
Nu Tech Inc	Armory Rd	Wichita Falls	5-9
Nurture Women's Counseling	Fairway Blvd	Wichita Falls	5-9
Nuyuwf Teeth Whitening	8th St	Wichita Falls	5-9
Oechsner Electric	13th St	Wichita Falls	5-9
Office	Galveston St	Wichita Falls	5-9

Oh2Bkids Learning Ctr	10th St	Wichita Falls	5-9
Oil Well Development LLC	Barrywood Dr	Wichita Falls	5-9
Old Dominion Freight Line	Midwestern Pkwy E	Wichita Falls	5-9
Oncor Electric	Bluff St	Wichita Falls	5-9
One Vet Veterinary PLLC	Kell Blvd # 100	Wichita Falls	5-9
Oral Surgery & Dental Implant	Kell Blvd	Wichita Falls	5-9
Ostovich & Assoc PC	Scott Ave # 205	Wichita Falls	5-9
Otis	Old Jacksboro Hwy	Wichita Falls	5-9
Otis Refrigeration Svc	Ashleyanne Cir # 200	Wichita Falls	5-9
Our Lady of Guadalupe Church	Marconi St	Wichita Falls	5-9
Outlaw the 94.9 Fm-Koli		Wichita Falls	5-9
Overhead Door Co	Central Fwy E	Wichita Falls	5-9
OYO Hotel Wichita Falls I-44	Wolcott Ln	Wichita Falls	5-9
OYO Hotel Wichita Fls I-44	Maurine St	Wichita Falls	5-9
Oyster Bar & Grill	Kell Blvd #109	Wichita Falls	5-9
P & P Recycling LLC	Sheppard Access Rd	Wichita Falls	5-9
P Benay Ayers CPA PLLC	Kell Blvd # 212	Wichita Falls	5-9
Palm Beach Tan	Call Field Rd # 500	Wichita Falls	5-9
Panda Express	Lawrence Rd	Wichita Falls	5-9
Paper Pig Shredding	Barnett Rd	Wichita Falls	5-9
Parisian Hair Fashions	Brook Ave	Wichita Falls	5-9
Park Place Christian Church	Call Field Rd	Wichita Falls	5-9
Park Plaza Pharmacy	9th St	Wichita Falls	5-9
Park Stone Sr Village	W Rathgeber Rd	Wichita Falls	5-9
Parr's Furniture Galleries	Montgomery East Pl	Wichita Falls	5-9
Parvari Mk	10th St	Wichita Falls	5-9
Pasqual Restaurant	Harrison St	Wichita Falls	5-9
Pat's Drive Inn	Scott Ave	Wichita Falls	5-9
Patsy's House Children's	10th St	Wichita Falls	5-9
Peirce Jack Electric Co	13th St	Wichita Falls	5-9
Pelican's	Midwestern Pkwy # 103	Wichita Falls	5-9
Perfected Praise Youth Mnstry	Seymour Hwy	Wichita Falls	5-9
Personnel Services	8th St # 920	Wichita Falls	5-9
Pets Low Cost Spay-Neuter Clnc	Wichita St	Wichita Falls	5-9
Peytons Project	8th St	Wichita Falls	5-9
Phillips 66	Kemp Blvd	Wichita Falls	5-9
Phillis Walker Registered		Wichita Falls	5-9
Pho Corner	Midwestern Pkwy	Wichita Falls	5-9
Physician Referral/Call-A-Nrs	8th St	Wichita Falls	5-9
Physicians Exchange	Lamar St	Wichita Falls	5-9
Pick International	Henry S Grace Fwy	Wichita Falls	5-9
Pilgrim Bank	Old Iowa Park Rd	Wichita Falls	5-9
Pinnacle Network Solutions	Old Jacksboro Hwy	Wichita Falls	5-9
Pinson Athletics	Taft Blvd	Wichita Falls	5-9
Pioneer Texas Diner	Broad St	Wichita Falls	5-9
Pipe Runners Plus LLC	Sheppard Access Rd	Wichita Falls	5-9
Pipeline Roi LLC	Midwestern Pkwy # 101	Wichita Falls	5-9
Pitts Sand & Gravel Stoneyard	Seymour Hwy	Wichita Falls	5-9
Plastic Surgery Ctr	Brook Ave	Wichita Falls	5-9
Players Lounge	Galveston St	Wichita Falls	5-9

Positive Frame-Mind Counseling	Kemp Blvd # 720	Wichita Falls	5-9
Power Clean	Kingston Dr	Wichita Falls	5-9
Precision Machine Works	Powell Rd	Wichita Falls	5-9
Prestige Paint & Body	Kell Blvd	Wichita Falls	5-9
Pretzelmaker	Midwestern Pkwy # K1	Wichita Falls	5-9
Priddy Foundation	8th St # 1010	Wichita Falls	5-9
Prime Care Pharmacy Consulting	Barnett Rd	Wichita Falls	5-9
Primp & Blow	Garnett Ave	Wichita Falls	5-9
Princess Nail & Spa	Central Fwy	Wichita Falls	5-9
Pro Star Rentals	Kell Blvd	Wichita Falls	5-9
Proclean of Texoma	Hurson Ln	Wichita Falls	5-9
Progress & Provisions	8th St	Wichita Falls	5-9
Promiseland Bar	E Scott Ave	Wichita Falls	5-9
Public Health Consulting Group	Pb Ln #43570	Wichita Falls	5-9
Purvis Industries Ltd	Ashleyanne Cir	Wichita Falls	5-9
Qiu's Buffet	Pearlie Dr	Wichita Falls	5-9
Quatro Oil & Gas Inc	Lamar St	Wichita Falls	5-9
Rainbow International	Kemp Blvd	Wichita Falls	5-9
Rapid Fired Pizza	Taft Blvd	Wichita Falls	5-9
Rathgeber Hospitality House	12th St	Wichita Falls	5-9
Rda	Call Field Rd	Wichita Falls	5-9
RE/MAX	Taft Blvd # 1	Wichita Falls	5-9
Recovercare LLC	Grant St	Wichita Falls	5-9
Red Ball Express Trash Haulers	Star Ave	Wichita Falls	5-9
Red River Auth-Tx Environ Lab		Wichita Falls	5-9
Red River Bayou Express	Missile Rd	Wichita Falls	5-9
Red River Waste Management	Larchmont Pl	Wichita Falls	5-9
Red Roof Inn Wichita Falls	Central Fwy	Wichita Falls	5-9
Rehab Care Group	Mcniel Ave	Wichita Falls	5-9
Reliable Life Insurance Co	Mcniel Ave # 101	Wichita Falls	5-9
Reneau Rehab PC	Kemp Blvd	Wichita Falls	5-9
Rephidim Church	Allendale Rd	Wichita Falls	5-9
Reynolds Co	Scott Ave	Wichita Falls	5-9
Rj Wachsmann Homes	Kemp Blvd # D	Wichita Falls	5-9
Rocky Point Oil	Harrison St	Wichita Falls	5-9
Roller Plex Skate Ctr	Southwest Pkwy	Wichita Falls	5-9
Rolling Plains Management Corp	8th St # 300	Wichita Falls	5-9
Ronnle's Burgers Inc	Midwestern Pkwy # 114	Wichita Falls	5-9
Rose Street	Rose St	Wichita Falls	5-9
Rose's Auto & Truck Inc	Seymour Hwy	Wichita Falls	5-9
Royal Tire & Brake Svc	Old Jacksboro Hwy	Wichita Falls	5-9
Ryle Manufacturing Co	Holliday Rd	Wichita Falls	5-9
S & T Steel	Airport Dr	Wichita Falls	5-9
Sabre Operating Inc	Plaza Pkwy	Wichita Falls	5-9
Safari Hair Kids	Call Field Rd	Wichita Falls	5-9
Sally Beauty	Kemp Blvd # E	Wichita Falls	5-9
Salon	Scott Ave	Wichita Falls	5-9
Salon Fx	Kemp Blvd	Wichita Falls	5-9
Salt & Pepper	Plaza Pkwy # 201	Wichita Falls	5-9
Salter Engineering & Land Srvy		Wichita Falls	5-9

Sandra Wortham Team	Grant St # D	Wichita Falls	5-9
Sandy's Little Darlings	Summit Dr	Wichita Falls	5-9
Sauder Management	8th St # 202	Wichita Falls	5-9
Schalk Oil Co	Kemp Blvd # 718	Wichita Falls	5-9
Schultz & Co Cpas	Maplewood Ave	Wichita Falls	5-9
Schwan's Ice Cream-Finger Fds	Twin Oaks St	Wichita Falls	5-9
Scott's Drive-In	Old Jacksboro Hwy	Wichita Falls	5-9
Scribner Brittany	Taft Blvd	Wichita Falls	5-9
Security Finance	Kemp Blvd # 107	Wichita Falls	5-9
Seitz & Seitz Ltd	8th St # 720	Wichita Falls	5-9
Sentry Management Inc	Eureka Cir # E	Wichita Falls	5-9
Serenity House Inc	Kemp Blvd # 718	Wichita Falls	5-9
Seymour Road Day School	Seymour Rd	Wichita Falls	5-9
Shane's Flooring	32nd St	Wichita Falls	5-9
Sharp Iron Group	Reilly Rd	Wichita Falls	5-9
Sherwin-Williams	Kemp Blvd	Wichita Falls	5-9
Shinpaugh Engineering	Eureka Cir	Wichita Falls	5-9
Shoister's Coffee	8th St # 111	Wichita Falls	5-9
Shoppa's Material Handling	Central Fwy E	Wichita Falls	5-9
Signal 88 Security-Wichita Fls		Wichita Falls	5-9
Signal Hill Power	Allendale Rd	Wichita Falls	5-9
Sikes Senter A Brookfield	Midwestern Pkwy	Wichita Falls	5-9
Simple Greek	Fairway Blvd # 108	Wichita Falls	5-9
Skylark	Holliday Rd	Wichita Falls	5-9
Skyline Developers Inc	Mcniel Ave	Wichita Falls	5-9
Small Business Development Ctr	Taft Blvd # 159	Wichita Falls	5-9
Smart Mouth Family Dental	Mcniel Ave	Wichita Falls	5-9
Smartstyle	Central Fwy	Wichita Falls	5-9
Smartstyle	Lawrence Rd	Wichita Falls	5-9
Smartstyle	Greenbriar Rd	Wichita Falls	5-9
Solis Mammography Wichita Fls	Kell Blvd # 110	Wichita Falls	5-9
Solo Salon	Plaza Pkwy # 501	Wichita Falls	5-9
Solutions Weight Mgmt Ctr	8th St	Wichita Falls	5-9
South Wichita Fls Fit Body	Rhea Rd # 6A	Wichita Falls	5-9
Southern Tire Mart	E Scott Ave	Wichita Falls	5-9
Southside	Holliday Rd	Wichita Falls	5-9
Southwest Automotive	Kemp Blvd	Wichita Falls	5-9
Southwest Buyers of Texas Ltd	Kemp Blvd	Wichita Falls	5-9
Southwest Convenience Stores	Southwest Pkwy	Wichita Falls	5-9
Spanish Literature Ministry	Fairway Blvd	Wichita Falls	5-9
Spearmint Dental-Orthodontics	Lawrence Rd # 375	Wichita Falls	5-9
Spectrum	10th St	Wichita Falls	5-9
Spencer's	Midwestern Pkwy # 770	Wichita Falls	5-9
Spherion	Call Field Rd	Wichita Falls	5-9
Sport Clips	Lawrence Rd # 300	Wichita Falls	5-9
Spudder's Grill	N Scott Ave	Wichita Falls	5-9
St Johns Baptist Church	Flood St	Wichita Falls	5-9
St Mark's United Methodist Chr	Mcniel Ave	Wichita Falls	5-9
Staging Spaces	Granada Dr	Wichita Falls	5-9
Standard Pipe & Supply	Indiana Ave	Wichita Falls	5-9

Star Brite Cleaners	Seymour Rd	Wichita Falls	5-9
Starry Counseling	9th St	Wichita Falls	5-9
State Farm Insurance	Wayne Ave	Wichita Falls	5-9
State of Texas HHFT	Oakhurst Dr	Wichita Falls	5-9
Steel & Alloy Specialties Inc	E Fort Worth St	Wichita Falls	5-9
Steel & Metal Supply	Seymour Hwy	Wichita Falls	5-9
Stewart Title Co	Kemp Blvd # 520	Wichita Falls	5-9
Stick's Place	Sheppard Access Rd	Wichita Falls	5-9
Stifel	Kell Blvd # 310	Wichita Falls	5-9
Stone Oven Gourmet Pizza	Midwestern Pkwy # D	Wichita Falls	5-9
Storage Place-Hot Shots	Texas 11 Loop	Wichita Falls	5-9
Stork Land & Kids Too	Kemp Blvd	Wichita Falls	5-9
Storm Computers	Kemp Blvd	Wichita Falls	5-9
Stripes	Burkburnett Rd	Wichita Falls	5-9
Stripes	Call Field Rd	Wichita Falls	5-9
Stripes	Southwest Pkwy # 1	Wichita Falls	5-9
Stripes	Broad St	Wichita Falls	5-9
Stripes	Holliday St	Wichita Falls	5-9
Stripes	Southwest Pkwy	Wichita Falls	5-9
Strohman Dental	Kell Blvd # 100	Wichita Falls	5-9
Styles	12th St	Wichita Falls	5-9
SUBWAY	Airport Dr # A	Wichita Falls	5-9
SUBWAY	5th St	Wichita Falls	5-9
SUBWAY	Kemp Blvd	Wichita Falls	5-9
SUBWAY	Southwest Pkwy # 14	Wichita Falls	5-9
SUBWAY	Sheppard Access Rd	Wichita Falls	5-9
SUBWAY	Midwestern Pkwy #106	Wichita Falls	5-9
SUBWAY	Taft Blvd	Wichita Falls	5-9
SUBWAY	Fairway Blvd #104	Wichita Falls	5-9
SUBWAY	Central Fwy	Wichita Falls	5-9
SUBWAY	Greenbriar Rd	Wichita Falls	5-9
SUBWAY	Holliday St	Wichita Falls	5-9
Suggs Eye Ctr	Seabury Dr	Wichita Falls	5-9
Sunbelt Rentals-Gen Tool-Eqpt	US 287	Wichita Falls	5-9
Sunnyside Baptist Church	Old Windthorst Rd	Wichita Falls	5-9
Sunshine Laundry	Avenue K	Wichita Falls	5-9
Sunshine Laundry & Cleaners	Buchanan St	Wichita Falls	5-9
Super Thin Ribbons	Burkburnett Rd	Wichita Falls	5-9
Supercuts	Kemp Blvd	Wichita Falls	5-9
Syrus & Tate LLP	8th St # 1020	Wichita Falls	5-9
T B Electrical Svc Ltd	Lamar St	Wichita Falls	5-9
Taco Y Salsas Don Chuy	Kell Blvd	Wichita Falls	5-9
Tadpole Children's Academy	Scott Ave	Wichita Falls	5-9
Taft Counseling Ctr	Taft Blvd # 2	Wichita Falls	5-9
TDB Enterprises	Old Jacksboro Hwy	Wichita Falls	5-9
Tealwood Place Apartments	Professional Dr	Wichita Falls	5-9
Team Solidworks LLC	P B Ln # S4161	Wichita Falls	5-9
Tennis Shop At Wfcc	Hamilton Blvd	Wichita Falls	5-9
Tepfer Sand & Gravel	Brook Ave	Wichita Falls	5-9
Tepfer Sand & Gravel Inc		Wichita Falls	5-9

Tequila Marys/Emerald City	N Scott Ave	Wichita Falls	5-9
Texas Alliance-Energy Prders	8th St # 705	Wichita Falls	5-9
Texas Best Meats	Seymour Hwy	Wichita Falls	5-9
Texas Best Meats		Wichita Falls	5-9
Texas Driving School	Kemp Blvd # A	Wichita Falls	5-9
Texas Home Base	P B Ln	Wichita Falls	5-9
Texhoma Fiber	Virginia Ave	Wichita Falls	5-9
Texhoma Pension Svc	Holliday St # 308	Wichita Falls	5-9
Texoma	Mlk Jr Blvd	Wichita Falls	5-9
Texoma Auto Auction	Sheppard Access Rd	Wichita Falls	5-9
Texoma Cancer Ctr	Kell Blvd	Wichita Falls	5-9
Texoma Diabetes & Endocrin	Call Field Rd	Wichita Falls	5-9
Texoma Heating & Air	Old Jacksboro Hwy	Wichita Falls	5-9
Texoma Indian Food	9th St	Wichita Falls	5-9
Texoma Light Sport Aviation	S Shepherds Gln	Wichita Falls	5-9
Texoma Pain & Spine Ctr	10th St # A	Wichita Falls	5-9
Texoma Petroleum	Mlk Jr Blvd	Wichita Falls	5-9
Texoma Renovators	Tumbleweed Ct	Wichita Falls	5-9
Texoma Rheumatology PLLC	Taft Blvd # 8	Wichita Falls	5-9
Texoma Womens Clinic Pa	9th St	Wichita Falls	5-9
Texoma Women's Clinic Pa	Burnside	Wichita Falls	5-9
Thai Bistro of Wichita Falls	Missile Rd	Wichita Falls	5-9
Thai Orchid Restaurant	Elmwood North Ave	Wichita Falls	5-9
T-Mobile	Kemp Blvd # 1	Wichita Falls	5-9
T-Mobile	Call Field Rd # 600	Wichita Falls	5-9
T-Mobile	Midwestern Pkwy # 720	Wichita Falls	5-9
T-Mobile	Central Fwy # 110	Wichita Falls	5-9
TNT Signs & Graphics	Southwest Pkwy	Wichita Falls	5-9
Today Wireless	Seymour Hwy	Wichita Falls	5-9
Tommy Reece Jr Sand & Gravel		Wichita Falls	5-9
Top-O-Tx Termite-Pest Control	Central Fwy E	Wichita Falls	5-9
Tracey Denson-State Farm Ins	Brook Ave # A	Wichita Falls	5-9
Trans Healthcare Inc	Grace St	Wichita Falls	5-9
Translate & Go	Ohio Ave	Wichita Falls	5-9
Triangle Technology	Waco St	Wichita Falls	5-9
Trinity Armored Security	Buchanan St	Wichita Falls	5-9
Trinity Hughes LLC	Loop 11	Wichita Falls	5-9
Trinity Lutheran Day School	Kemp Blvd	Wichita Falls	5-9
Trott's Call Field Drug	Call Field Rd	Wichita Falls	5-9
Truity Capitol	Call Field Rd # A	Wichita Falls	5-9
Tuesday Morning	Kemp Blvd # B	Wichita Falls	5-9
Turner Appraisal Co	Call Field Rd	Wichita Falls	5-9
Turnkey Storage-Wichita Falls	Lamar St	Wichita Falls	5-9
Twc		Wichita Falls	5-9
TX DMV WICHITA FLS REGL SVC	Southwest Pkwy # A	Wichita Falls	5-9
U-Haul Moving-Stge-Wichita Fls	Kell Blvd	Wichita Falls	5-9
U-Haul Neighborhood Dealer	Fairway Blvd	Wichita Falls	5-9
Ultra Cuts Salon	Fairway Blvd # 112	Wichita Falls	5-9
Underground Tadoo-Body Prcng	Faith Rd	Wichita Falls	5-9
Uniform Shop	9th St	Wichita Falls	5-9

United Regional Hospital	11th St	Wichita Falls	5-9
United Regional Outpatient	9th St	Wichita Falls	5-9
United Rentals	E Scott Ave	Wichita Falls	5-9
United Rentals	Southwest Pkwy	Wichita Falls	5-9
United Supermarkets	Old Iowa Park Rd	Wichita Falls	5-9
United Supermarkets Pharmacy	Old Jacksboro Hwy	Wichita Falls	5-9
Urbondsman Bail Bonds	7th St	Wichita Falls	5-9
Urology	10th St	Wichita Falls	5-9
US Army Recruiting	Kell Blvd # 105	Wichita Falls	5-9
US Celulllar	Lawrence Rd # 200	Wichita Falls	5-9
US FAA	Armstrong Dr # 9	Wichita Falls	5-9
US Internal Revenue Svc	Old Jacksboro Hwy # R	Wichita Falls	5-9
US Pretrial Svc	Lamar St	Wichita Falls	5-9
US Purchasing & Leasing Co	28th St	Wichita Falls	5-9
USA Auto Sales Inc	Scott Ave	Wichita Falls	5-9
Valvoline Express Care	Elmwood Ave	Wichita Falls	5-9
Variety Foods Cafe	8th St #100	Wichita Falls	5-9
Versacor Enterprises LLC	Springlake Rd	Wichita Falls	5-9
Vic & James Paint Ctr	Wayne Ave	Wichita Falls	5-9
Vinny Lewis Business Solutions	Holliday St	Wichita Falls	5-9
Visionworks Sikes Senter	Midwestern Pkwy # 156	Wichita Falls	5-9
W B Young Dub Auto Supply	Seymour Hwy	Wichita Falls	5-9
W F Dentist	9th St # A	Wichita Falls	5-9
W Salon	Midwestern Pkwy	Wichita Falls	5-9
Wage & Hour Div Field Off	Lamar St # 302	Wichita Falls	5-9
Waggoner Carpet One	Kell Blvd	Wichita Falls	5-9
Walden Security	Lamar St	Wichita Falls	5-9
Walgreens	Kell Blvd	Wichita Falls	5-9
Wasabi	Call Field Rd # 100	Wichita Falls	5-9
Waste Management	Jacksboro Hwy	Wichita Falls	5-9
Waterford Glen Apt-Mcquire Grp	Cedar Elm Ln	Wichita Falls	5-9
Waxing the City	Kemp Blvd # L	Wichita Falls	5-9
Wayfarer	Central Fwy E	Wichita Falls	5-9
We Save Fuel		Wichita Falls	5-9
Web Fire Communications Inc	Elmwood North Ave	Wichita Falls	5-9
Webbster's Coffee	Kit Carson Trl	Wichita Falls	5-9
Weeks Park Tennis Ctr	Weeks Park Ln	Wichita Falls	5-9
Welch Sanders & Assoc LLP	Henry S Grace Fwy	Wichita Falls	5-9
Wells Fargo	Kell Blvd # 215	Wichita Falls	5-9
Wells Fargo	Southwest Pkwy	Wichita Falls	5-9
Wells Fargo	Kell Blvd # C	Wichita Falls	5-9
Wells Fargo Advisors	Garnett Ave	Wichita Falls	5-9
Western Hills Animal Hospital	Johnson Rd	Wichita Falls	5-9
Western Union Agent Location	Old Jacksboro Hwy	Wichita Falls	5-9
Western Union Agent Location	Southwest Pkwy # A	Wichita Falls	5-9
Whispers of Hope Horse Farm	Parkhill Rd # 1	Wichita Falls	5-9
Whitmire & Whitmire Inc	Kemp Blvd # 810	Wichita Falls	5-9
Wichita AC Supply	Scott Ave	Wichita Falls	5-9
Wichita County Clerk	7th St # 303	Wichita Falls	5-9
Wichita County Commissioners	7th St # 260	Wichita Falls	5-9

Wichita County Constable	Arapaho Dr	Wichita Falls	5-9
Wichita County Court Master	7th St # 303	Wichita Falls	5-9
Wichita County Driver License	Central Fwy	Wichita Falls	5-9
Wichita County Extension Ofc	Scott Ave # 200	Wichita Falls	5-9
Wichita County Human Resources	7th St #132	Wichita Falls	5-9
Wichita County Indigent Health	Scott Ave # 102	Wichita Falls	5-9
Wichita County Mental Health	7th St # 250	Wichita Falls	5-9
Wichita County Purchasing	7th St # 134	Wichita Falls	5-9
Wichita County Republican Prty	Kell Blvd	Wichita Falls	5-9
Wichita County Republican Prty	Lamar St	Wichita Falls	5-9
Wichita County Veterans Office	Scott Ave # 203	Wichita Falls	5-9
Wichita County Water Imprvmt	E Scott Ave	Wichita Falls	5-9
Wichita Energy Co	Arthur St	Wichita Falls	5-9
Wichita Eye Care	Kemp Blvd # B1	Wichita Falls	5-9
Wichita Falls Animal Control	Hatton Rd	Wichita Falls	5-9
Wichita Falls Cardiac Care	10th St	Wichita Falls	5-9
Wichita Falls Chest Clinic	9th St	Wichita Falls	5-9
Wichita Falls City Council	7th St	Wichita Falls	5-9
Wichita Falls City Parks & Rec	Sheppard Access Rd	Wichita Falls	5-9
Wichita Falls Clinic	Armory Rd	Wichita Falls	5-9
Wichita Falls Code Enforcement	7th St # 304	Wichita Falls	5-9
Wichita Falls Convention	5th St	Wichita Falls	5-9
Wichita Falls Embalming Svc	Grant St	Wichita Falls	5-9
Wichita Falls Endodontics	Brook Ave	Wichita Falls	5-9
Wichita Falls Finance Dept	7th St	Wichita Falls	5-9
Wichita Falls Housing	7th St #301	Wichita Falls	5-9
Wichita Falls Housing Auth	N Mill St	Wichita Falls	5-9
Wichita Falls Housing Auth	Plaza Pkwy # A3	Wichita Falls	5-9
Wichita Falls Human Resources	7th St	Wichita Falls	5-9
Wichita Falls Independent Sch	5th St	Wichita Falls	5-9
Wichita Falls Kidney Clinic	10th St	Wichita Falls	5-9
Wichita Falls Lake Lot Admin	7th St	Wichita Falls	5-9
Wichita Falls Motor Cars	Allendale Rd	Wichita Falls	5-9
Wichita Falls Msm-Art At	Eureka Cir	Wichita Falls	5-9
Wichita Falls Neurology Ctr	7th St # B	Wichita Falls	5-9
Wichita Falls Oral-Facial Surg	Midwestern Pkwy # 102	Wichita Falls	5-9
Wichita Falls Orthodontics	Maplewood Ave	Wichita Falls	5-9
Wichita Falls Planning Dept	7th St # 400	Wichita Falls	5-9
Wichita Falls Property Mgmt	7th St	Wichita Falls	5-9
Wichita Falls Recycling	Allendale Rd	Wichita Falls	5-9
Wichita Falls RV Park	Seymour Hwy	Wichita Falls	5-9
Wichita Falls Treatment Svc	Broad St	Wichita Falls	5-9
Wichita Glass & Mirror Co	Waco St	Wichita Falls	5-9
Wichita Industrial Inc	12th St	Wichita Falls	5-9
Wichita Restaurant Supl Co Inc	Scott Ave	Wichita Falls	5-9
Wichita Smiles PLLC	Virginia Dr # A	Wichita Falls	5-9
Wichita Tillman-Jackson	Jefferson St	Wichita Falls	5-9
Wichita Valley Landscape Svc	Southwest Pkwy	Wichita Falls	5-9
Wichita Wilbarger 911 District	Travis St	Wichita Falls	5-9
Willowbend Investment	Henry S Grace Fwy	Wichita Falls	5-9

Wilson Contracting	Old Iowa Park Rd	Wichita Falls	5-9
Wingstop	Kemp Blvd	Wichita Falls	5-9
Wood Group Investments Ltd	Barnett Rd	Wichita Falls	5-9
Woodlands Apartment Homes	Midwestern Pkwy	Wichita Falls	5-9
Woods Paint & Body Shop	Sheppard Access Rd	Wichita Falls	5-9
Woodshoppe	Seymour Hwy	Wichita Falls	5-9
Workforce Resource	Indiana Ave # 180	Wichita Falls	5-9
Workforce Solutions	Gregory St # 102	Wichita Falls	5-9
Wortham Operating LLC	Ponderosa Dr	Wichita Falls	5-9
Ws Construction Inc	Seymour Hwy	Wichita Falls	5-9
Wyatt Motor & Brake Co	E Scott Ave	Wichita Falls	5-9
Yogurt Journey	Kemp Blvd # C	Wichita Falls	5-9
Young Ages Preschool	Taft Blvd	Wichita Falls	5-9
Youngblood's Convenience Store	Old Jacksboro Hwy	Wichita Falls	5-9
Z Best Fast Lube	Midwestern Pkwy	Wichita Falls	5-9
Zac Corp	Sheppard Access Rd	Wichita Falls	5-9
Zales the Diamond Store	Midwestern Pkwy # 800	Wichita Falls	5-9
Zoom Zoom	E Scott Ave	Wichita Falls	5-9
Zuber Auction & Appraisal	Vinson P R	Wichita Falls	5-9
1 Day Coatings LLC	Seymour Hwy	Wichita Falls	10-19
3 Towers Transport LLC	Pearl Ave	Wichita Falls	10-19
3-T Exploration Inc	Maplewood Ave # 100	Wichita Falls	10-19
82 Training Wing Pubc Affairs	Missile Rd # 1C201	Wichita Falls	10-19
A & E Blind Awning & Glass LLC	Holliday Rd	Wichita Falls	10-19
A Caring Heart Vet Hosp PLLC	Sheppard Access Rd	Wichita Falls	10-19
A1 Freeman Moving Group	Barnett Rd	Wichita Falls	10-19
Aaa Towing & Recovery Svc	Armory Rd	Wichita Falls	10-19
Aaron's	Southwest Pkwy # 400	Wichita Falls	10-19
Academy For Kids	Weeks St	Wichita Falls	10-19
Acme Cleaners	Kemp Blvd	Wichita Falls	10-19
Advance Auto Parts	Old Jacksboro Hwy	Wichita Falls	10-19
Advantage Aerobic & Septic Svc		Wichita Falls	10-19
Aeropostale	Midwestern Pkwy # 264	Wichita Falls	10-19
Affordacare Urgent Care Clinic	Fairway Blvd # 114	Wichita Falls	10-19
Agape Church	Burkburnett Rd	Wichita Falls	10-19
Airgas	Indiana Ave	Wichita Falls	10-19
Alcoa Corp	Central Fwy	Wichita Falls	10-19
Alcoholics Anonymous New Life	Beverly Dr	Wichita Falls	10-19
Altman Legal Group	Kell Blvd # 500	Wichita Falls	10-19
American Glassworks Inc	Waurika Fwy	Wichita Falls	10-19
American National Bank & Trust	Elmwood North Ave	Wichita Falls	10-19
American National Ins Co	Kemp Blvd # 314	Wichita Falls	10-19
Andree Carrie LPC	Martinique	Wichita Falls	10-19
Aquatic & Wellness Ctr	Midwestern Pkwy	Wichita Falls	10-19
Aratex Services Inc		Wichita Falls	10-19
Arbor Creek Apartments	Weeks Park Ln	Wichita Falls	10-19
Arbor House	Archer City Hwy	Wichita Falls	10-19
Archer Title of Texas Inc	Kell Blvd	Wichita Falls	10-19
Armored Construction	Old Iowa Park Rd	Wichita Falls	10-19
Arthurs Camp Rc LLC	Kemp Blvd	Wichita Falls	10-19

Associated Supply Co Inc	Henry S Grace Fwy	Wichita Falls	10-19
At Home Care	Brook Ave	Wichita Falls	10-19
Atmos Energy Corp	Pleasant View Dr	Wichita Falls	10-19
Auto Plus-Wichita Falls-10041	Henrietta St	Wichita Falls	10-19
Autozone	Southwest Pkwy	Wichita Falls	10-19
Autozone	Old Jacksboro Hwy	Wichita Falls	10-19
Autozone	Kemp Blvd	Wichita Falls	10-19
Azra Corp	Kemp Blvd	Wichita Falls	10-19
B W Strayhorn Co Inc Crane	Wellington Ln	Wichita Falls	10-19
Bahama Buck's	Kemp Blvd	Wichita Falls	10-19
Baker Gary & Assoc LLC	Old Jacksboro Hwy	Wichita Falls	10-19
Bankers Life & Casualty Co	Kemp Blvd	Wichita Falls	10-19
Bar L Drive Inn	13th St	Wichita Falls	10-19
Barnard Insurance Agency LLP	8th St	Wichita Falls	10-19
Base Camp Trading	6th St # 220	Wichita Falls	10-19
Baymont By Wyndham Wichita Fls	Kell Blvd	Wichita Falls	10-19
Be Right Away Trucking Inc	Seymour Hwy	Wichita Falls	10-19
Bear 104.7 Fm-Kyyi		Wichita Falls	10-19
Berend Brothers	Old Jacksboro Hwy	Wichita Falls	10-19
Berend Turf & Tractor	Seymour Hwy	Wichita Falls	10-19
Best Western Plus-Univ Inn	Maplewood Ave	Wichita Falls	10-19
Bestcare Health Svc Inc	Kell Blvd # 500	Wichita Falls	10-19
Big Lots	Kell Blvd	Wichita Falls	10-19
Big State Grinding	Old Jacksboro Hwy	Wichita Falls	10-19
Big State Welding	Old Jacksboro Hwy	Wichita Falls	10-19
Bink Transport LLC	Bazely Cir	Wichita Falls	10-19
Binswanger Glass	Kemp Blvd	Wichita Falls	10-19
Blisfull Balance Managing	Dayton Ave	Wichita Falls	10-19
Block Division Inc	Front St	Wichita Falls	10-19
Bmh Oil Co Inc	Professional Dr	Wichita Falls	10-19
Bob's Maintenance Co	Huntington Ln	Wichita Falls	10-19
Boyd Insurance Repair	Ponderosa Dr	Wichita Falls	10-19
Breast Center of Texoma	Kell Blvd # 100	Wichita Falls	10-19
Brett May MD Pa	Southwest Pkwy	Wichita Falls	10-19
Bridge	K Mart Dr	Wichita Falls	10-19
Buck Creek Energy Inc	Travis St	Wichita Falls	10-19
Buckle	Midwestern Pkwy # 118	Wichita Falls	10-19
Budget Car Rental	Armstrong Dr # 3	Wichita Falls	10-19
Builders Wholesale	Seymour Hwy	Wichita Falls	10-19
Burns Air Conditioning & Htg	N Leighton Cir	Wichita Falls	10-19
Butler Alarm Svc	Call Field Rd # D	Wichita Falls	10-19
Candlewood Suites-Wichita Fls	Central Fwy	Wichita Falls	10-19
Cantano Concrete Construction	Avenue G	Wichita Falls	10-19
Care Plus Primary Care Clinic	Barnett Rd	Wichita Falls	10-19
Carl's Jr	Broad St	Wichita Falls	10-19
CAR-MART	Old Jacksboro Hwy	Wichita Falls	10-19
Cavender's Boot City	Lawrence Rd	Wichita Falls	10-19
Cecil Machine Shop Inc	Front St	Wichita Falls	10-19
Celebration Fellowship Four Sq	Southwest Pkwy	Wichita Falls	10-19
Century 21 Gold Coat Realtors	Rhea Rd	Wichita Falls	10-19

Charlie Reid Transmission Svc	Old Jacksboro Hwy	Wichita Falls	10-19
Chase	E Elliott St	Wichita Falls	10-19
Chase	Kemp Blvd # 100	Wichita Falls	10-19
Chase Tower Leasing Office	Kemp Blvd # 300	Wichita Falls	10-19
CHASECHURCHILL940@GMAIL.COM	Parker Blvd	Wichita Falls	10-19
Chelsea Plaza		Wichita Falls	10-19
Child Protective Svc	Lamar St	Wichita Falls	10-19
Children's Center	10th St	Wichita Falls	10-19
China Star	Central Fwy	Wichita Falls	10-19
Choice Wireless Lc	Midwestern Pkwy # 105B	Wichita Falls	10-19
CHPM Counseling Ctr	Twin Oaks St	Wichita Falls	10-19
Christmas In Action Wichita Tx	Mlk Jr Blvd	Wichita Falls	10-19
Church's Chicken	Sheppard Access Rd	Wichita Falls	10-19
City of Wichita Falls	7th St	Wichita Falls	10-19
City-Wichita Fls Animal Cntrl	Hatton Rd	Wichita Falls	10-19
Clinics of North Texas Ipa Inc	Armory Rd	Wichita Falls	10-19
Club Blue Dreams	1/2 N Scott Ave	Wichita Falls	10-19
Club Twenty 11	7th St	Wichita Falls	10-19
Colonial Park Veterinary Hosp	Taft Blvd	Wichita Falls	10-19
Color Design	Grant St	Wichita Falls	10-19
Community Health Care Ctr-Jrz	Juarez St # A	Wichita Falls	10-19
Communitymed Family Urgent	Midwestern Pkwy # 500	Wichita Falls	10-19
Construction Bolt & Fastener	Henrietta St	Wichita Falls	10-19
Cornerstone Dental	Midwestern Pkwy # 5	Wichita Falls	10-19
Cremeens Harris & Co	Taft Blvd # 5	Wichita Falls	10-19
Crumpler Brothers	Friberg Church Rd	Wichita Falls	10-19
Cullars Enterprises	E Scott Ave	Wichita Falls	10-19
D & S Residential Svc	Long Leaf Dr	Wichita Falls	10-19
D Esthetique Med Aesthetics	Call Field Rd # 300	Wichita Falls	10-19
D L Ligon Coliseum	Dr	Wichita Falls	10-19
D&S Residential Svc	Brookwood Dr	Wichita Falls	10-19
Dailey Electric Inc	Indiana Ave	Wichita Falls	10-19
Dairy Queen	Kemp Blvd	Wichita Falls	10-19
Danny's Convenience	Southwest Pkwy	Wichita Falls	10-19
Davis Electric Co	Fort Worth St	Wichita Falls	10-19
DDS Dentures + Implant Sltns	Call Field Rd # 600	Wichita Falls	10-19
Dean Foods	Indiana Ave	Wichita Falls	10-19
Deli Planet	Sheppard Access Rd	Wichita Falls	10-19
Department of Public Works	7th St	Wichita Falls	10-19
Dept of Aging & Disability Svc	Lamar St # 2100	Wichita Falls	10-19
Designworks Group	Plaza Pkwy	Wichita Falls	10-19
Diversified Management Svc LLC	9th St	Wichita Falls	10-19
Dollar Tree	Kemp Blvd # A	Wichita Falls	10-19
Domain Real Estate Svc	Harrison St #200	Wichita Falls	10-19
Don Chuy Inc	Kell Blvd	Wichita Falls	10-19
Duke Construction Co	Armory Rd	Wichita Falls	10-19
Dunkin'	Kemp Blvd	Wichita Falls	10-19
Dynasystems	Mcniel Ave	Wichita Falls	10-19
Eagle Oil & Gas Co	Kell Blvd # 510	Wichita Falls	10-19

Eastside Girls Club	Sullivan St	Wichita Falls	10-19
Echometer Co	Ditto Ln	Wichita Falls	10-19
Econo Lodge Wichita Fls Downtwn	Seymour Hwy	Wichita Falls	10-19
Einstein Bros Bagels	Taft Blvd	Wichita Falls	10-19
Emergency Dept United Regl	11th St	Wichita Falls	10-19
English Pharmacy	10th St	Wichita Falls	10-19
Er Now	Southwest Pkwy	Wichita Falls	10-19
Eyemart Express	Kemp Blvd # A	Wichita Falls	10-19
Fain Pool Inc	Alamo Dr	Wichita Falls	10-19
Fain Presbyterian Church	Speedway Ave	Wichita Falls	10-19
Faith Baptist Church	Southwest Pkwy	Wichita Falls	10-19
Faith Refuge	E Hatton Rd	Wichita Falls	10-19
Falls Concrete LLC	Wichita St	Wichita Falls	10-19
Falls Transport	MLK Jr Blvd	Wichita Falls	10-19
Family Dentistry of Texoma	Kemp Blvd	Wichita Falls	10-19
Fat Alberts	Rhea Rd # B	Wichita Falls	10-19
Firehouse Subs	Lawrence Rd # 536	Wichita Falls	10-19
First Assembly of God	Mcniel Ave	Wichita Falls	10-19
First Christian Church	Taft Blvd	Wichita Falls	10-19
First Convenience Bank	Greenbriar Rd	Wichita Falls	10-19
First Fleet Inc	Seymour Hwy	Wichita Falls	10-19
First National Bank	Midwestern Pkwy # 101	Wichita Falls	10-19
First United Bank	Garnett Ave	Wichita Falls	10-19
First United Methodist Church	10th St	Wichita Falls	10-19
Firstcapital Bank of Texas	Midwestern Pkwy	Wichita Falls	10-19
Five Below	Lawrence Rd	Wichita Falls	10-19
Flatsafe Tornado Shelters		Wichita Falls	10-19
Floral Heights United Mthdst	10th St	Wichita Falls	10-19
Fresenius Kidney Care	9th St	Wichita Falls	10-19
Frito-Lay Inc	Old Jacksboro Hwy	Wichita Falls	10-19
Fuel Technology Systems	Holliday St # 406	Wichita Falls	10-19
Fwcw Limited	Holliday St # 426	Wichita Falls	10-19
Galaxy Center Office Building	Old Jacksboro Hwy # J	Wichita Falls	10-19
Ganache Cupcake Lounge	Ohio Ave	Wichita Falls	10-19
Gant Mc Gee & Baber PC	Maplewood Ave # B	Wichita Falls	10-19
Garcia's Construction	Manchester Rd	Wichita Falls	10-19
Garnel Construction Co	33rd St	Wichita Falls	10-19
Garrison's	Kemp Blvd # 2	Wichita Falls	10-19
Gensis Granite Co	Pecan St	Wichita Falls	10-19
Godfather's Pizza	Central Fwy E	Wichita Falls	10-19
Gold Cross Medical Supply	Midwestern Pkwy	Wichita Falls	10-19
Golden Chick	Old Jacksboro Hwy	Wichita Falls	10-19
Golden Chick	Seymour Hwy	Wichita Falls	10-19
Goodwill Industries Store	Southwest Pkwy	Wichita Falls	10-19
Guarantee Title	Midwestern Pkwy	Wichita Falls	10-19
Gymnastics Sport Ctr	Bartley Dr	Wichita Falls	10-19
H&R Block	Kemp Blvd # B	Wichita Falls	10-19
H&R Block	Southwest Pkwy # 128	Wichita Falls	10-19
Harbinger-Hope Marriage-Family	5th St	Wichita Falls	10-19
Harbor Freight	Kell Blvd # B	Wichita Falls	10-19

Harco Mechanical Svc LLC	Hillsboro	Wichita Falls	10-19
Harris Nursery & Landscape	FM 369 S	Wichita Falls	10-19
Hawkins Industrial Resources	Old Iowa Park Hwy	Wichita Falls	10-19
Health DEPARTMENT-MCH/WIC	3rd St	Wichita Falls	10-19
Health Dept-Mosquito Control	3rd St	Wichita Falls	10-19
Heetland Orthodontics	Midwestern Pkwy # 1	Wichita Falls	10-19
Heff's Burgers	Garnett Ave	Wichita Falls	10-19
Heritage Home Med Eqpt-Wichita	Kemp Blvd	Wichita Falls	10-19
High Plains Energy Co	P B Ln # A	Wichita Falls	10-19
Highlander Public House	Scott Ave	Wichita Falls	10-19
Home2 Suites By Hilton Wichita	Plaza Pkwy	Wichita Falls	10-19
Homemission	Mcniel Ave	Wichita Falls	10-19
Howard Johnson By Wyndham	Northwest Fwy # 287	Wichita Falls	10-19
Howard Mortuary	5th St	Wichita Falls	10-19
Hudson's Office Products	5th St	Wichita Falls	10-19
Hupp Bauer Hanson & Lewis	E Elliott St	Wichita Falls	10-19
Icg	Scott Ave # 210	Wichita Falls	10-19
Imaging of North Texas PLLC	9th St	Wichita Falls	10-19
Inheritance Adoptions	11th St	Wichita Falls	10-19
Intrepid USA Healthcare Svc	8th St # 202	Wichita Falls	10-19
Iron Horse Pub	8th St	Wichita Falls	10-19
Janae Resources Inc	9th St # 201	Wichita Falls	10-19
Jimmy John's	Midwestern Pkwy # 300	Wichita Falls	10-19
Jims Truck & Trailer	Central Fwy E	Wichita Falls	10-19
Jj's Faststop 260	Kell Blvd	Wichita Falls	10-19
Journey's	Midwestern Pkwy # 132	Wichita Falls	10-19
Jubilee Dental	Gregory St	Wichita Falls	10-19
Jump For Joy Party Place	Seymour Hwy	Wichita Falls	10-19
Juvenile Probation	Burkburnett Rd	Wichita Falls	10-19
K C Oil Co	Wynnwood Dr	Wichita Falls	10-19
Kamay Electric Svc Inc	Highway 258 W	Wichita Falls	10-19
KFC	Central Fwy	Wichita Falls	10-19
Kids First Learning Ctr	Mcniel Ave	Wichita Falls	10-19
Kim's Nails	Kemp Blvd # O	Wichita Falls	10-19
Kinderkids Learning Ctr	Fairway Blvd # A	Wichita Falls	10-19
Kitchen	Burnett St	Wichita Falls	10-19
Kiwanis University Club		Wichita Falls	10-19
Kocks Liquor Beer & Wine Whls	Kemp Blvd	Wichita Falls	10-19
Lance Stewart Htg & Air Cond	Wendy Rdg	Wichita Falls	10-19
Landmark Title Co	Eureka Cir # 101	Wichita Falls	10-19
Learning Center	Taft Blvd	Wichita Falls	10-19
Learning Tree Preschool-Dycr	Plaza Pkwy	Wichita Falls	10-19
Legend Bank Na	Fairway Blvd	Wichita Falls	10-19
Little Caesars	5th St # B	Wichita Falls	10-19
Little Caesars	Southwest Pkwy # G	Wichita Falls	10-19
Little Caesars	Midwestern Pkwy # 112	Wichita Falls	10-19
Loadrite Inc	Seymour Rd	Wichita Falls	10-19
Loadrite Inc	Star Ave	Wichita Falls	10-19
Long John Silver's	Maurine St	Wichita Falls	10-19
Long John Silver's	Kemp Blvd	Wichita Falls	10-19

Lunn's Colonial Funeral Home	Midwestern Pkwy	Wichita Falls	10-19
Lydick-Hooks Roofing Co	Central Fwy E	Wichita Falls	10-19
M & D Construction	Old Jacksboro Hwy	Wichita Falls	10-19
Makena Sales Inc	Jacksboro Hwy	Wichita Falls	10-19
Marcos Pizza	Central Fwy	Wichita Falls	10-19
Marco's Pizza	Maplewood Ave	Wichita Falls	10-19
Marda Inc	8th St	Wichita Falls	10-19
Market Street	Kell Blvd	Wichita Falls	10-19
Martin Luther King Day Care	Smith St	Wichita Falls	10-19
Mathews Machine & Hydraulic	Northwest Fwy	Wichita Falls	10-19
Mc Donald's	Lawrence Rd	Wichita Falls	10-19
Medders Oil Co Inc	Kemp Blvd # 904	Wichita Falls	10-19
Memorial Stadium	Southwest Pkwy	Wichita Falls	10-19
Menchie's Frozen Yogurt	Garnett Ave # 100	Wichita Falls	10-19
Midwestern State Univ Bkstr	Taft Blvd	Wichita Falls	10-19
Midwestern State University	South 101	Wichita Falls	10-19
Mode Hair Utopia	Call Field Rd # 200	Wichita Falls	10-19
Monte J White & Assoc	Brook Ave	Wichita Falls	10-19
Moore Camp Phillips-Patterson	11th St	Wichita Falls	10-19
Morgan Stanley Wealth Mgmt	Maplewood Ave	Wichita Falls	10-19
Morrison Supply Co	Seymour Hwy	Wichita Falls	10-19
Motel 6-NORTH Wichita Falls	Central Fwy	Wichita Falls	10-19
Mts Mobile Truck Repair Svc	Old Jacksboro Hwy	Wichita Falls	10-19
Murphy USA	Archer City Hwy	Wichita Falls	10-19
My Dentist	Kemp Blvd	Wichita Falls	10-19
N B X Energy LLC	8th St # 419	Wichita Falls	10-19
N Cthcc Inc	Mlk Jr Blvd	Wichita Falls	10-19
Nature Inn & Suites	Kell Blvd	Wichita Falls	10-19
New Jerusalem Baptist Church	Borton St	Wichita Falls	10-19
News Channel 6	Seymour Hwy	Wichita Falls	10-19
Nichols Trucking	Maplewood Ave # B	Wichita Falls	10-19
Nitrous Express-Snow Prfrmnc	Seymour Hwy	Wichita Falls	10-19
Nix Law Firm	Holliday St # 400	Wichita Falls	10-19
Nortex Energy Solutions LLC	Woodridge Dr	Wichita Falls	10-19
North Texas Cardiology Ctr	9th St	Wichita Falls	10-19
North Texas Parent & Child	E Scott Ave	Wichita Falls	10-19
Northwest Head Start	Seymour Hwy	Wichita Falls	10-19
Novak Lawn Irrigation Svc	Wellington Ln	Wichita Falls	10-19
Nunn Electric Supply Co	Indiana Ave	Wichita Falls	10-19
Nuro Diagnostic Lab	11th St	Wichita Falls	10-19
Oil & Gas Building	8th St # 550	Wichita Falls	10-19
O'Reilly Auto Parts	Kemp Blvd # 320	Wichita Falls	10-19
O'Reilly Auto Parts	Sheppard Access Rd	Wichita Falls	10-19
Orkin	Seymour Hwy # 104	Wichita Falls	10-19
Orkin	Grant St # 3	Wichita Falls	10-19
Orthopaedic Associates LLP	W Medical Ct	Wichita Falls	10-19
Osmose Utilities Svc Inc	Caston Ln	Wichita Falls	10-19
Our Lady Queen of Peace Church	York St	Wichita Falls	10-19
Outreach Community Care	Kemp Blvd	Wichita Falls	10-19
Oyo Hotel Wichita Falls	8th St	Wichita Falls	10-19

P2 the Deuce	Lamar St	Wichita Falls	10-19
Pain Rehabilitation Group	Maplewood Ave # A	Wichita Falls	10-19
Parks & Recreation	11th St # 209	Wichita Falls	10-19
Party City	Southwest Pkwy	Wichita Falls	10-19
Pathology Associates	Brook Ave	Wichita Falls	10-19
Patricia Mashburn Lpc Inc	Kemp Blvd	Wichita Falls	10-19
Patterson RV Ctr	Old Jacksboro Hwy	Wichita Falls	10-19
Penet	9th St # 100	Wichita Falls	10-19
Perdue Brandon Fielder Collins	8th St # 1100	Wichita Falls	10-19
Perm-O-Green	Ditto Ln	Wichita Falls	10-19
Petco	Kemp Blvd # A	Wichita Falls	10-19
Petsmart	Lawrence Rd # D	Wichita Falls	10-19
Phased In	Barnett Rd	Wichita Falls	10-19
Phillips 66	Central Fwy E	Wichita Falls	10-19
Pilgrim Bank	Old Jacksboro Hwy	Wichita Falls	10-19
Pilgrim's Rest Baptist Church	Fort Worth St	Wichita Falls	10-19
Planet Fitness	Kell Blvd # 300	Wichita Falls	10-19
Pond Laundry Inc	Scott Ave	Wichita Falls	10-19
Popeyes Louisiana Kitchen	Afb	Wichita Falls	10-19
Porras Concrete Construction	FM 1740	Wichita Falls	10-19
Postel Family Credit Union	Broad St	Wichita Falls	10-19
Potrero's Night Club	E Scott Ave	Wichita Falls	10-19
Primerica Financial Svc	Kell Blvd # 201	Wichita Falls	10-19
Primerica Financial Svc	Kemp Blvd # 504	Wichita Falls	10-19
Prothro Blair Financial	Kell Blvd # 200	Wichita Falls	10-19
Pulmonary Services of North Tx	Brook Ave	Wichita Falls	10-19
Quality Inn-Suites Wichita Fls	Maurine St	Wichita Falls	10-19
Quick Lane	Kell Blvd	Wichita Falls	10-19
R & L Carriers	Dallas St	Wichita Falls	10-19
R L & B Energy LLC	Kemp Blvd # 316	Wichita Falls	10-19
Radiology Associates-Wichita	Brook Ave	Wichita Falls	10-19
Ray's Scrap Metal	Sheppard Access Rd	Wichita Falls	10-19
Re/Max Elite Group	Lydia Dr	Wichita Falls	10-19
Re-Bath	Central Fwy E	Wichita Falls	10-19
Red Ace Transport LLC	Dayton Ave	Wichita Falls	10-19
Red River Recovery	Taylor St	Wichita Falls	10-19
Redding Machine Shop Inc	Seymour Hwy	Wichita Falls	10-19
Reliable Auto Svc	Old Burk Hwy	Wichita Falls	10-19
Residential Finance Network	Kemp Blvd	Wichita Falls	10-19
Revive Salon	Midwestern Pkwy # 107	Wichita Falls	10-19
Richard Meek Air Conditioning	Henrietta St	Wichita Falls	10-19
Rivercreek Golf Course	FM 1177	Wichita Falls	10-19
Rolling Plains Management	Holliday St # 206	Wichita Falls	10-19
Ronnie's Burgers	Midwestern Pkwy # 114	Wichita Falls	10-19
RPZO & Co	Plaza Pkwy # 104	Wichita Falls	10-19
RUE21	Midwestern Pkwy # 330	Wichita Falls	10-19
Russell's Fireworks	State Highway 79 N # B	Wichita Falls	10-19
S & C Properties	9th St	Wichita Falls	10-19
S & H Granite	Seymour Hwy	Wichita Falls	10-19
S & S Trailer Sales Inc	Northwest Fwy	Wichita Falls	10-19

Sacred Heart Catholic Church	9th St	Wichita Falls	10-19
Saia LTL Freight	Airport Dr	Wichita Falls	10-19
Salvation Army	7th St	Wichita Falls	10-19
Sam Gibbs Music	Old Jacksboro Hwy	Wichita Falls	10-19
Saranna Land LLC	Maplewood Ave	Wichita Falls	10-19
Sears Hometown Store	Lydia Dr	Wichita Falls	10-19
Season Master Svc	Elm St	Wichita Falls	10-19
Secord & Lebow	Quail Creek Dr # 200	Wichita Falls	10-19
Sefl	Sheppard Access Rd	Wichita Falls	10-19
Sentinel Transportation LLC	N Mlk Jr Blvd	Wichita Falls	10-19
SERVA Group LLC	Fisher Rd # A	Wichita Falls	10-19
SERVPRO	Centime Dr # 100	Wichita Falls	10-19
Sevi's Burritos	9th St # A	Wichita Falls	10-19
Shermco Industries	Twin Oaks St	Wichita Falls	10-19
Sherrill & Gibson	Maplewood Ave	Wichita Falls	10-19
Shoe Carnival	Call Field Rd	Wichita Falls	10-19
SHOE DEPT ENCORE	Midwestern Pkwy # 850	Wichita Falls	10-19
Shoop's Tx Termite-Pest Cntrl	Avenue U	Wichita Falls	10-19
Shoppette	Kemp Blvd # B	Wichita Falls	10-19
Simmons & Harlan Vet Clinic	Valley View Rd	Wichita Falls	10-19
Sindy Garza	31st St	Wichita Falls	10-19
Social Security Administration	Wendover St	Wichita Falls	10-19
SONIC Drive-In	Old Jacksboro Hwy	Wichita Falls	10-19
SONIC Drive-In	Seymour Hwy	Wichita Falls	10-19
Sorge Contracting	Buchanan St	Wichita Falls	10-19
Southeastern Freight Lines	Sheppard Access Rd	Wichita Falls	10-19
Southside Girls Club	Montgomery St	Wichita Falls	10-19
Spa Bella Salon	Kemp Blvd	Wichita Falls	10-19
St Vincent De Paul Society	Beverly Dr	Wichita Falls	10-19
Starbucks	Kell Blvd	Wichita Falls	10-19
Starimage Dentistry	Kell Blvd	Wichita Falls	10-19
State of Tx Dept of Trnsprtn	Southwest Pkwy	Wichita Falls	10-19
Stewart & Stevenson	Central Fwy E	Wichita Falls	10-19
Stone Lake Dental	Stone Lake Dr	Wichita Falls	10-19
Summit Truck Group-Wichita Fls	Central Fwy E	Wichita Falls	10-19
Super 8 By Wyndham Wichita Fls	Kenley Ave	Wichita Falls	10-19
T & W Tire	Old Jacksboro Hwy	Wichita Falls	10-19
Taco Bell	Kemp Blvd	Wichita Falls	10-19
Taco Bell	Southwest Pkwy	Wichita Falls	10-19
Taco Casa	Southwest Pkwy # 100	Wichita Falls	10-19
Taco Casa #73	Maplewood Ave	Wichita Falls	10-19
Teknologies Light House	9th St # 202	Wichita Falls	10-19
Telispire	Kemp Blvd # 220	Wichita Falls	10-19
Texas Back Inst-Wichita Fls	Midwestern Pkwy E	Wichita Falls	10-19
Texas Best BBQ & Burgers	Southwest Pkwy	Wichita Falls	10-19
Texas Blood Institute	Gregory St # 109	Wichita Falls	10-19
Texas Nite Life	Archer City Hwy	Wichita Falls	10-19
Texas Petroleum Operations	8th St # 416	Wichita Falls	10-19
Texas State Optical	Kell Blvd # 108	Wichita Falls	10-19
Texoma Freight Inc	Dallas St	Wichita Falls	10-19

Texoma Freight Inc	Henrietta St	Wichita Falls	10-19
Texoma Outpatient Surg Ctr Inc	11th St	Wichita Falls	10-19
Texoma Surgery Ctr LLC	Kell Blvd	Wichita Falls	10-19
Texoma Urology Ctr	Kell Blvd # 200	Wichita Falls	10-19
Think of Computer Svc	7th St	Wichita Falls	10-19
Tip To Toes Nails Salon	Mcniel Ave # B	Wichita Falls	10-19
Titanium Billing Svc LLC	Denver St	Wichita Falls	10-19
Toastmasters Club 305	Burlington St	Wichita Falls	10-19
Torrid	Midwestern Pkwy # 370	Wichita Falls	10-19
Tractor Supply Co	Southwest Pkwy	Wichita Falls	10-19
Traffic Engineering	Seymour Hwy	Wichita Falls	10-19
Transland	Hatton Rd # A	Wichita Falls	10-19
Trinity Air Conditioning	Archer City Hwy	Wichita Falls	10-19
Trio Consulting & Mgmt LLC	Bluff St	Wichita Falls	10-19
United States Bowling Congress	Sunnybrook Ln	Wichita Falls	10-19
University Kiwanis-Wichita Fls	Polk St	Wichita Falls	10-19
University United Mthdst Chr	Taft Blvd	Wichita Falls	10-19
UPS Access Point Location	Seymour Hwy	Wichita Falls	10-19
USPS	Southwest Pkwy	Wichita Falls	10-19
Vantage Point Home Owners Assn	Santa Fe St	Wichita Falls	10-19
Vca Callfield Animal Hospital	Call Field Rd	Wichita Falls	10-19
Verizon Wireless	Midwestern Pkwy # 100	Wichita Falls	10-19
Victory Ministries Wichita	Monroe St	Wichita Falls	10-19
Village Bowl	Kemp Blvd	Wichita Falls	10-19
Visiting Angels Living Asstnce	Rose St	Wichita Falls	10-19
Vitro Architectural Glass	Central Fwy N	Wichita Falls	10-19
Vy Nails Beauty Spa	Southwest Pkwy # E	Wichita Falls	10-19
Walker Neer Mfg Co Inc	Scott Ave	Wichita Falls	10-19
Walker Neer Mfg Co Inc	Old Iowa Park Rd	Wichita Falls	10-19
Wellington Banquet-Conference	Kell Blvd	Wichita Falls	10-19
Wesbrooks Inc	Sheppard Access Rd	Wichita Falls	10-19
Western Supplies Inc	Central Fwy	Wichita Falls	10-19
Westmoreland Pool Co	Wyoming Ave	Wichita Falls	10-19
Which Wich Superior Sandwiches	Grant St	Wichita Falls	10-19
Wichita Falls Community Sch	Allendale Rd	Wichita Falls	10-19
Whiskeyta Club	Gregory St	Wichita Falls	10-19
Wichita Appraisal District	Scott Ave # 300	Wichita Falls	10-19
Wichita Area Mobile Svc	Kell Blvd # E	Wichita Falls	10-19
Wichita Contractors Inc	Farington Rd	Wichita Falls	10-19
Wichita County Auditor	Scott Ave # 301	Wichita Falls	10-19
Wichita County District Clerk	7th St # 303	Wichita Falls	10-19
Wichita County District Court	7th St # 360	Wichita Falls	10-19
Wichita County Public Defender	Scott Ave # 204	Wichita Falls	10-19
Wichita Falls Animal Svc	Hatton Rd	Wichita Falls	10-19
Wichita Falls Art Edu & Cltr	Madison St	Wichita Falls	10-19
Wichita Falls Auto Auction	E Fort Worth St	Wichita Falls	10-19
Wichita Falls Building Inspctn	7th St # 401	Wichita Falls	10-19
Wichita Falls Bus System	Seymour Hwy	Wichita Falls	10-19
Wichita Falls Chamber-Commerce	8th St # 100	Wichita Falls	10-19
Wichita Falls Counseling	Kirk Dr	Wichita Falls	10-19

Wichita Falls Data Processing	7th St	Wichita Falls	10-19
Wichita Falls Gastroenterology	Brook Ave # A	Wichita Falls	10-19
Wichita Falls Housing Auth	Webster St	Wichita Falls	10-19
Wichita Falls Kidney Dialysis	Holliday St	Wichita Falls	10-19
Wichita Falls Parole Off	Fre Mar Vly	Wichita Falls	10-19
Wichita Falls Public Library	11th St	Wichita Falls	10-19
Wichita Falls Traffic Dept	Seymour Hwy	Wichita Falls	10-19
Wichita Falls Transfer Station	Lawrence Rd	Wichita Falls	10-19
Wichita Falls Utilities Dept	7th St	Wichita Falls	10-19
Wichita Heart & Vascular	11th St	Wichita Falls	10-19
Wichita Home Health Svc	Kell Blvd # 272	Wichita Falls	10-19
Wichita Pipe & Supply	Ohio Ave	Wichita Falls	10-19
Wichita Primary Care Div		Wichita Falls	10-19
Wilbourn & Mccabe Plumbing	Rathgeber Rd	Wichita Falls	10-19
Wilson Office Supply	8th St	Wichita Falls	10-19
Winfield Solutions	Sheppard Access Rd	Wichita Falls	10-19
Winwaed Software Tech LLC	Chelsea Dr	Wichita Falls	10-19
Woodco Building Products	Beverly Dr	Wichita Falls	10-19
Yellowhouse Machinery Co	Central Fwy E	Wichita Falls	10-19
Zale Center	Lamar St	Wichita Falls	10-19
Zumiez	Midwestern Pkwy # 345	Wichita Falls	10-19
1st Texas Home Health	8th St # 520	Wichita Falls	20-49
27 Hha Inc	Buchanan St	Wichita Falls	20-49
A To Z Bonds	7th St	Wichita Falls	20-49
Access Dental	Kemp Blvd	Wichita Falls	20-49
Acme Alterations Shop	Avenue J	Wichita Falls	20-49
Albert Moving & Storage	Barnett Rd	Wichita Falls	20-49
All American Wash-Lube-Kell	Kell Blvd	Wichita Falls	20-49
American Eagle Outfitters	Midwestern Pkwy # 314	Wichita Falls	20-49
Arby's	Holliday St	Wichita Falls	20-49
Arby's	Kemp Blvd	Wichita Falls	20-49
Area Agency On Aging North TX	Old Jacksboro Hwy # 200	Wichita Falls	20-49
Arts Council Wichita Fls Area	Lamar St	Wichita Falls	20-49
Ashley Homestore	Kell Blvd	Wichita Falls	20-49
At Home	Midwestern Pkwy # 200	Wichita Falls	20-49
AT&T	Mlk Jr Blvd # 2	Wichita Falls	20-49
Atwoods	Loop 11	Wichita Falls	20-49
Audiology Services	11th St	Wichita Falls	20-49
Bagby Elevator Co Inc		Wichita Falls	20-49
Barnard Insurance	8th St	Wichita Falls	20-49
Bath & Body Works	Midwestern Pkwy # 210	Wichita Falls	20-49
Bed Bath & Beyond	Lawrence Rd # A	Wichita Falls	20-49
Bell Processing Inc	Burkburnett Rd	Wichita Falls	20-49
Boeing Co	Sheppard Afb	Wichita Falls	20-49
Boley-Featherston Insurance	Lamar St	Wichita Falls	20-49
Books-A-Million	Midwestern Pkwy # 410	Wichita Falls	20-49
Boys-Girls Club-Wichita Fls	6th St	Wichita Falls	20-49
Braum's	Southwest Pkwy	Wichita Falls	20-49
Braum's	Call Field Rd # 160	Wichita Falls	20-49
Braum's	Kemp Blvd	Wichita Falls	20-49

Breegle Building Products Inc	Grant St	Wichita Falls	20-49
Brian's Plumbing Inc	Ohio Ave	Wichita Falls	20-49
Brook Village Elementary Schl	Brook Ave	Wichita Falls	20-49
Brookdale Midwestern	Midwestern Pkwy	Wichita Falls	20-49
Brookdale Sikes Lake	Plaza Pkwy Ofc	Wichita Falls	20-49
Bruckner Truck Sales Inc	Northwest Fwy	Wichita Falls	20-49
Burger King	Holliday St	Wichita Falls	20-49
Burk Royalty Co Ltd	Kemp Blvd # 600	Wichita Falls	20-49
Bysp.com	9th St # 200	Wichita Falls	20-49
Cantu Services Inc	Mississippi Ave	Wichita Falls	20-49
Career Education Ctr	E Hatton Rd	Wichita Falls	20-49
Carl's Jr	Loop 11	Wichita Falls	20-49
Champion's Clinic	Kemp Blvd	Wichita Falls	20-49
Charlie-Thornberry Vol Fire		Wichita Falls	20-49
Chelsea Plaza	8th St # 407	Wichita Falls	20-49
Chicken Express	Kemp Blvd	Wichita Falls	20-49
Chicken Express	Taft Blvd	Wichita Falls	20-49
Chick-Fil-A	Taft Blvd	Wichita Falls	20-49
Child Care Inc	Lamar St # 432	Wichita Falls	20-49
Children Come First Day Care	Taft Blvd	Wichita Falls	20-49
Children's Aid Society-West Tx	30th St	Wichita Falls	20-49
Chipotle Mexican Grill	Wayne Ave # 100	Wichita Falls	20-49
Christ Academy	Stone Lake Dr	Wichita Falls	20-49
Chuck E Cheese's	Southwest Pkwy	Wichita Falls	20-49
Cicis	Southwest Pkwy	Wichita Falls	20-49
Cinemark 14 Wichita Falls	Glenwood Ave	Wichita Falls	20-49
City National Building	8th St	Wichita Falls	20-49
Clarke Eyecare Ctr	Kemp Blvd	Wichita Falls	20-49
Cleanco	Sligar Rd	Wichita Falls	20-49
Cobra Oil & Gas Corp	Kell Blvd	Wichita Falls	20-49
Colonial Church	Maplewood Ave	Wichita Falls	20-49
Commercial & Indl Electronics	Bonny Dr	Wichita Falls	20-49
Communities In School	8th St # 700	Wichita Falls	20-49
Corlett Probst & Boyd Inc	Old Jacksboro Hwy	Wichita Falls	20-49
Cotton Patch Cafe	Lawrence Rd # 600	Wichita Falls	20-49
Courtyard By Marriott Wichita	Tarry St	Wichita Falls	20-49
Cunningham Special Education	Pool St	Wichita Falls	20-49
CVS Pharmacy	Old Jacksboro Hwy	Wichita Falls	20-49
CVS Pharmacy	Southwest Pkwy	Wichita Falls	20-49
D & S Community Svc	Buchanan St	Wichita Falls	20-49
Denny's	Central Fwy	Wichita Falls	20-49
Denny's	Kemp Blvd	Wichita Falls	20-49
Dentalplanet	N Scott Ave	Wichita Falls	20-49
Discount Tire	Kemp Blvd # 76308	Wichita Falls	20-49
Domino's	Maplewood Ave	Wichita Falls	20-49
Domino's Pizza	Burkburnett Rd	Wichita Falls	20-49
Don Jose Mexican Rstrnt	10th St	Wichita Falls	20-49
Double R Grease Svc	Waurika Fwy	Wichita Falls	20-49
E C C Distributing Inc	Chuck Dr	Wichita Falls	20-49
Eddie Hill's Fun Cycles	N Scott Ave	Wichita Falls	20-49

El Mejjicano Rstrnt & Cantina	Central Fwy # 900	Wichita Falls	20-49
Elmcroft of Lake Wellington	Kell Blvd	Wichita Falls	20-49
Encompass Health Home Health	Cedar Elm Ln	Wichita Falls	20-49
Enterprise Rent-A-Car	Old Jacksboro Hwy	Wichita Falls	20-49
Fairfield Inn-Suites By	Central Fwy	Wichita Falls	20-49
Faith Mission	Travis St	Wichita Falls	20-49
Falls Home Health Svc Inc	Regent Dr	Wichita Falls	20-49
Family Fun Zone	Southwest Pkwy	Wichita Falls	20-49
Family Practice Assoc LLP	Call Field Rd	Wichita Falls	20-49
Farris Early Childhood Ctr	Burkburnett Rd	Wichita Falls	20-49
Fedex Freight	Hatton Rd	Wichita Falls	20-49
Fedex Ship Center	Southridge Dr	Wichita Falls	20-49
Financial Partners	Montgomery East Pl	Wichita Falls	20-49
First Bank	Midwestern Pkwy # 200	Wichita Falls	20-49
First Bank Wichita Falls	Lamar St	Wichita Falls	20-49
Firstcapital Bank of Texas	Kell Blvd # 100	Wichita Falls	20-49
Flying J Travel Plaza	Old Jacksboro Hwy	Wichita Falls	20-49
Frank & Joe's Coffee House	Bob Ave	Wichita Falls	20-49
Freddy's Frozen Custard	Call Field Rd	Wichita Falls	20-49
Freemon Shapard & Story	8th St # 200	Wichita Falls	20-49
Friberg Cooper Volunteer Fire	Bailey Rd	Wichita Falls	20-49
Furniture Row Shopping Ctr	Call Field Rd # Fr	Wichita Falls	20-49
Gilmore's Collision Ctr	Old Jacksboro Hwy	Wichita Falls	20-49
Golden Chick	Southwest Pkwy	Wichita Falls	20-49
Golden Chick	Central Fwy	Wichita Falls	20-49
Grace Church	Stone Lake Dr	Wichita Falls	20-49
Grand Buffet	Kemp Blvd	Wichita Falls	20-49
Hamilton Bryan	Kemp Blvd	Wichita Falls	20-49
Hampton Inn-Wichita Falls	Kemp Blvd	Wichita Falls	20-49
Hampton Vaughan F Hm-Crestview	Archer City Hwy	Wichita Falls	20-49
Haynes Northwest Academy	Katherine Dr	Wichita Falls	20-49
Head & Neck Surgical Assoc	Burnside	Wichita Falls	20-49
Health & Human Svc Commission	Oakhurst Dr	Wichita Falls	20-49
Healthcare Financial Mgmt Assn	P B Ln	Wichita Falls	20-49
Helen Farbee Ctr	Denver St	Wichita Falls	20-49
Higginbotham & Assoc	10th St	Wichita Falls	20-49
Hirschi Realtors Inc	Maplewood Ave # 1	Wichita Falls	20-49
Hobby Lobby	Southwest Pkwy	Wichita Falls	20-49
Holder's Jewelers	Jack St	Wichita Falls	20-49
Holiday Inn Express	Kell Blvd	Wichita Falls	20-49
Homewood Suites	Plaza Pkwy	Wichita Falls	20-49
Hospice Plus-Wichita Falls	8th St # 304	Wichita Falls	20-49
Howle W P Masonry Contr Inc	Seymour Hwy	Wichita Falls	20-49
Hunting	Jacksboro Hwy	Wichita Falls	20-49
Ibew Local 681 Credit Union	Old Jacksboro Hwy	Wichita Falls	20-49
IHOP	Broad St	Wichita Falls	20-49
Ihr Security	12th St	Wichita Falls	20-49
Impact Signs-Digital Graphics	Old Jacksboro Hwy	Wichita Falls	20-49
Intrepid USA Healthcare Svc	Call Field Rd # D	Wichita Falls	20-49
Jack In the Box	Lawrence Rd	Wichita Falls	20-49

Jimmy's Egg	Midwestern Pkwy	Wichita Falls	20-49
Johnson & Ernst Operating Co	8th St # 1200	Wichita Falls	20-49
Jordan Craft BBQ	Seymour Hwy	Wichita Falls	20-49
Jordan Craft Inc	Old Iowa Park Rd	Wichita Falls	20-49
KAUZ-TV	Seymour Hwy	Wichita Falls	20-49
Kent's Tire Svc	E Fort Worth St	Wichita Falls	20-49
Kindred At Home	Old Jacksboro Hwy # F	Wichita Falls	20-49
Kindred Hospice	Kell Blvd # 204	Wichita Falls	20-49
KLUR	Call Field Rd # D	Wichita Falls	20-49
La Quinta Inn By Wyndham	Central Fwy	Wichita Falls	20-49
La Quinta Inn-Suites By	Montgomery East Pl	Wichita Falls	20-49
Litteken M & F Co	E Scott Ave	Wichita Falls	20-49
Lone Star Milk Producers	8th St # 300	Wichita Falls	20-49
Lonestar Truck Group	Old Jacksboro Hwy	Wichita Falls	20-49
Lookin Good Spa	Gregory St # 104	Wichita Falls	20-49
Louis Provenza MD	Barnett Rd	Wichita Falls	20-49
Love's Travel Stop	Central Fwy E	Wichita Falls	20-49
Machining Solutions	Central Fwy	Wichita Falls	20-49
Mardel Christian-Educational	Southwest Pkwy	Wichita Falls	20-49
Marvin Groves Electric	7th St	Wichita Falls	20-49
Master Pools By Atlantis	Old Jacksboro Hwy	Wichita Falls	20-49
MAXIMUS Inc	5th St	Wichita Falls	20-49
Mc Donald's	Southwest Pkwy	Wichita Falls	20-49
Mc Donald's	Enterprise St	Wichita Falls	20-49
Mcbrides Land & Cattle Co	Scott Ave	Wichita Falls	20-49
Mcbride's Steakhouse	Maplewood Ave	Wichita Falls	20-49
Meals On Wheels	Burnett St	Wichita Falls	20-49
MHC Kenworth-Wichita Falls	Central Fwy E	Wichita Falls	20-49
Midwest Dental Eqpt Svc-Supls	Commerce St	Wichita Falls	20-49
Midwestern State Univ Board	Taft Blvd	Wichita Falls	20-49
Mobile Phone of Texas	Lamar St	Wichita Falls	20-49
Montoya Insurance Group LLC	Fairway Blvd # A	Wichita Falls	20-49
Mwh Group P C	Indiana Ave # 1	Wichita Falls	20-49
Natural Grocers	Lawrence Rd	Wichita Falls	20-49
Nissan of Wichita Falls	Kell Blvd	Wichita Falls	20-49
North Texas Area United Way	Holliday St	Wichita Falls	20-49
North Texas Dialysis Ctr	9th St	Wichita Falls	20-49
North Texas Home Health	Old Jacksboro Hwy # G	Wichita Falls	20-49
North Tx Ophthalmology Assoc	11th St	Wichita Falls	20-49
North TX Parent & Child Devmnt	Flood St	Wichita Falls	20-49
Nothing Bundt Cakes	Kemp Blvd #f-1	Wichita Falls	20-49
O K Concrete Co	Sheppard Access Rd	Wichita Falls	20-49
Oak Farms Inc	Indiana Ave	Wichita Falls	20-49
Office Depot	Lawrence Rd # 350	Wichita Falls	20-49
Old Navy	Midwestern Pkwy # 250	Wichita Falls	20-49
Ollie's Bargain Outlet	E Elliott St	Wichita Falls	20-49
Oncor Electric	Galveston St	Wichita Falls	20-49
O'Reilly Auto Parts	Old Jacksboro Hwy # 324	Wichita Falls	20-49
Original Casa Manana	8th St	Wichita Falls	20-49
Owens & Brumley Funeral Hms	9th St	Wichita Falls	20-49

P-3	Sheppard Access Rd	Wichita Falls	20-49
Pacific Pulmonary Svc	Seymour Hwy	Wichita Falls	20-49
Papa Johns	Kemp Blvd	Wichita Falls	20-49
Parkway Grill	Southwest Pkwy	Wichita Falls	20-49
Patterson Body Shop	Old Jacksboro Hwy	Wichita Falls	20-49
Patterson Kia	Old Jacksboro Hwy	Wichita Falls	20-49
Pepsi Beverages Co	7th St	Wichita Falls	20-49
Pioneer Restaurants	Sheppard Access Rd	Wichita Falls	20-49
Pioneer Southwest LLC	Southwest Pkwy	Wichita Falls	20-49
Pitts Sand & Gravel	Seymour Hwy	Wichita Falls	20-49
Pizza Hut	Sheppard Access Rd	Wichita Falls	20-49
Plains Pipeline LP	Harding St	Wichita Falls	20-49
Popeyes Louisiana Kitchen	Southwest Pkwy	Wichita Falls	20-49
Postel Family Credit Union	Mcniel Ave	Wichita Falls	20-49
Pottsboro Independent Sch Dist	Cypress Ave	Wichita Falls	20-49
Powerhouse Gym	Plaza Pkwy # 206	Wichita Falls	20-49
Quality Cleaners	Southwest Pkwy # 6	Wichita Falls	20-49
Railroad Commission	Kell Blvd # 300	Wichita Falls	20-49
Raising Cane's Chicken Fingers	Kell Blvd	Wichita Falls	20-49
Ray Cannedy Security Guards	Kemp Blvd	Wichita Falls	20-49
Red River Auth-Tx Environ Lab	Hammon Rd	Wichita Falls	20-49
Red River Harley-Davidson	Northwest Fwy	Wichita Falls	20-49
Region 9 Education Ctr	Loop 11	Wichita Falls	20-49
Rehabilitation Services	Gregory St # 102	Wichita Falls	20-49
Reliable Well Svc	Seymour Hwy	Wichita Falls	20-49
Ribcrib	Kemp Blvd # O	Wichita Falls	20-49
Risk Management Specialties	Seymour Hwy	Wichita Falls	20-49
River Bend Nature Ctr	3rd St	Wichita Falls	20-49
Rose Street Mental Health Care	Rose St	Wichita Falls	20-49
Rose Street Mental Healthcare	Regent Dr	Wichita Falls	20-49
Rosewood Head Start	N Rosewood Ave	Wichita Falls	20-49
Ross Dress For Less	Call Field Rd	Wichita Falls	20-49
Samurai of Tokyo	Mallard Dr	Wichita Falls	20-49
School For Little People	10th St	Wichita Falls	20-49
Scotland Park Elementary Sch	N 5th St	Wichita Falls	20-49
Select Industries Inc	Airport Dr	Wichita Falls	20-49
Sentinel Transportation LLC	Wells Rd	Wichita Falls	20-49
Serenity Salon	Kemp Blvd	Wichita Falls	20-49
Servicemaster Co		Wichita Falls	20-49
Shadow Pipeline Corp	6th St # 300	Wichita Falls	20-49
Skipworth Construction Sys	30th St	Wichita Falls	20-49
Smith's Gardentown Farms	Seymour Hwy	Wichita Falls	20-49
Snb Mechanical Contractors	Galveston St	Wichita Falls	20-49
SONIC Drive-In	Kell Blvd	Wichita Falls	20-49
SONIC Drive-In	Sheppard Access Rd	Wichita Falls	20-49
SONIC Drive-In	Kemp Blvd	Wichita Falls	20-49
SONIC Drive-In	Taft Blvd	Wichita Falls	20-49
SONIC Drive-In	Old Windthorst Rd	Wichita Falls	20-49
Specialty Nurses	Elmwood North Ave # 101	Wichita Falls	20-49
Star Brite Cleaners	Kemp Blvd	Wichita Falls	20-49

Star Transportation	Call Field Rd	Wichita Falls	20-49
Starbucks	Kemp Blvd	Wichita Falls	20-49
Staybridge Suites Wichita Fls	Elmwood North Ave	Wichita Falls	20-49
Stepping Stones In Development	Carter Ave	Wichita Falls	20-49
Sylvan Learning Ctr	Kemp Blvd # 808	Wichita Falls	20-49
Taco Bell	Bel Air Blvd	Wichita Falls	20-49
Taco Bell	Southwest Pkwy	Wichita Falls	20-49
Taco Bueno	Kemp Blvd	Wichita Falls	20-49
Tangles Salon	Garnett Ave	Wichita Falls	20-49
Teen Emergency Shelter	30th St	Wichita Falls	20-49
Texoma Community Credit Union	Sheppard Access Rd	Wichita Falls	20-49
Texoma Community Credit Union	Southwest Pkwy	Wichita Falls	20-49
TJ Maxx	Call Field Rd	Wichita Falls	20-49
Tli Pool Distribution Ltd	8th St	Wichita Falls	20-49
Townsquare Media-Wichita Falls	Kell Blvd # 200	Wichita Falls	20-49
Toyota of Wichita Falls	Old Jacksboro Hwy	Wichita Falls	20-49
Transportation Dept Mntnc	Central Fwy E	Wichita Falls	20-49
Ulta Beauty	Lawrence Rd # 200	Wichita Falls	20-49
Uni First Corp	Henry S Grace Fwy	Wichita Falls	20-49
Union Square Credit Union	Holliday St	Wichita Falls	20-49
Union Square Credit Union	Kemp Blvd	Wichita Falls	20-49
United Reference Lab	Barnett Rd	Wichita Falls	20-49
United Regional Solutions	9th St	Wichita Falls	20-49
University Academy	University Ave	Wichita Falls	20-49
Urban Air Adventure Park	Kemp Blvd	Wichita Falls	20-49
Vernon College	Maplewood Ave # A	Wichita Falls	20-49
VRJC Skills Training Ctr	Central Fwy E	Wichita Falls	20-49
Walgreens	Southwest Pkwy	Wichita Falls	20-49
Walgreens	9th St	Wichita Falls	20-49
Warren CAT Equipment Rentals	Old Jacksboro Hwy	Wichita Falls	20-49
Web Fire Communications	Mcniel Ave	Wichita Falls	20-49
Weeks Park Golf Course	Lake Park Dr	Wichita Falls	20-49
Wendy's	Old Jacksboro Hwy	Wichita Falls	20-49
Wendy's	Kemp Blvd	Wichita Falls	20-49
Western Well Production Svc	Highway 79 S	Wichita Falls	20-49
Whataburger	Central Fwy	Wichita Falls	20-49
Whataburger	Mcniel Ave	Wichita Falls	20-49
Whataburger	Southwest Pkwy	Wichita Falls	20-49
White Realty Management	8th St # 900	Wichita Falls	20-49
Wichita Christian School	Midwestern Pkwy	Wichita Falls	20-49
Wichita Christian School	Neta Ln	Wichita Falls	20-49
Wichita County Clerk	7th St # 250	Wichita Falls	20-49
Wichita County Jail		Wichita Falls	20-49
Wichita County Tax Assessor	Scott Ave # 103	Wichita Falls	20-49
Wichita East Volunteer Fire	Hwy	Wichita Falls	20-49
Wichita Falls Area Food Bank	Midwestern Pkwy	Wichita Falls	20-49
Wichita Falls City Fleet Mntnc	Seymour Hwy	Wichita Falls	20-49
Wichita Falls Davis Elec Co	Fort Worth St	Wichita Falls	20-49
Wichita Falls Endoscopy Ctr LP	9th St	Wichita Falls	20-49
Wichita Falls Independent Sch	Grant St	Wichita Falls	20-49

Wichita Falls Independent Schl	Broad St	Wichita Falls	20-49
Wichita Falls Mfg	Old Burk Hwy	Wichita Falls	20-49
Wichita Falls Municipal Court	Bluff St	Wichita Falls	20-49
Wichita Falls Postal Credit	Mcniel Ave	Wichita Falls	20-49
Wichita Falls Tax	Scott Ave # 103	Wichita Falls	20-49
Wichita Falls Teachers Fed Cu	Barnett Rd	Wichita Falls	20-49
Wichita Home Health Svc	Kemp Blvd # 120	Wichita Falls	20-49
Wichita Metal Products	Vermont St	Wichita Falls	20-49
Wichita West Volunteer Fire	Seymour Hwy	Wichita Falls	20-49
Willen Electric Co	Galveston St	Wichita Falls	20-49
Wilson Contracting	Sligar Rd	Wichita Falls	20-49
Wing Street	Kemp Blvd	Wichita Falls	20-49
Wing Street	Old Jacksboro Hwy	Wichita Falls	20-49
Wing Street	Seymour Hwy	Wichita Falls	20-49
Women's Clinic	Burnside	Wichita Falls	20-49
Workforce Solutions North Tx	Old Jacksboro Hwy # 300	Wichita Falls	20-49
WPT Power Transmission Corp	Fisher Rd	Wichita Falls	20-49
YMCA	9th St	Wichita Falls	20-49
Zack Burkett Co	Old Burk Hwy	Wichita Falls	20-49
Advanced Rehabilitation	Kemp Blvd	Wichita Falls	50-99
Alsco Inc	Ashleyanne Cir	Wichita Falls	50-99
Alsco Inc	Central Fwy E	Wichita Falls	50-99
AMC Sikes Senter 10	Midwestern Pkwy	Wichita Falls	50-99
Ameribancshares Inc	Midwestern Pkwy	Wichita Falls	50-99
American Medical Response	Seymour Hwy	Wichita Falls	50-99
Applebee's Grill + Bar	Kemp Blvd	Wichita Falls	50-99
Arp Elementary School	Avenue H	Wichita Falls	50-99
Barnett Rds Medical Building	Barnett Rd	Wichita Falls	50-99
Barwise Leadership Academy	Kemp Blvd	Wichita Falls	50-99
Beacon Lighthouse For the Blnd	7th St	Wichita Falls	50-99
Beyond Faith Hospice-Wichita	Kell Blvd	Wichita Falls	50-99
Booker T Washington Elementary	Broad St	Wichita Falls	50-99
Bowles Construction Co	Jacksboro Hwy	Wichita Falls	50-99
Buffalo Wild Wings	Call Field Rd	Wichita Falls	50-99
Burgess Elementary School	Maurine St	Wichita Falls	50-99
Burlington	Call Field Rd # E	Wichita Falls	50-99
Bw Fabricators	Reilly Rd	Wichita Falls	50-99
Chandler Manufacturing Inc	Business Highway 287J E	Wichita Falls	50-99
Chili's	Call Field Rd	Wichita Falls	50-99
City View Elementary School	City View Dr	Wichita Falls	50-99
City View Junior/Senior High	City View Dr	Wichita Falls	50-99
Courtyard Gardens	7th St	Wichita Falls	50-99
Crockett Elementary	Avenue I	Wichita Falls	50-99
Cunningham Elementary School	Phillips Dr	Wichita Falls	50-99
Daybreak Community Svc	Indiana Ave	Wichita Falls	50-99
Durham School Svc	Seymour Hwy	Wichita Falls	50-99
El Chico	Southwest Pkwy # A	Wichita Falls	50-99
Fain Elementary School	Norman St	Wichita Falls	50-99
Falls Distributing Co	Kell Blvd # 315	Wichita Falls	50-99
Ferguson-Veresh	E Scott Ave	Wichita Falls	50-99

FG Haggerty Co Inc	Hatton Rd	Wichita Falls	50-99
Fiesta Mariachi	Mallard Dr	Wichita Falls	50-99
Fowler Elementary School	Ridgecrest Dr	Wichita Falls	50-99
Franklin Elementary School	Speedway Ave	Wichita Falls	50-99
Great Escape	Greenbriar Rd # 105	Wichita Falls	50-99
Health Department-Communicable	3rd St	Wichita Falls	50-99
Health Dept-Birth & Death Rcrd	3rd St # 106	Wichita Falls	50-99
Healthline Medical	Lydia Dr	Wichita Falls	50-99
Helen Farabee Ctr	Broad St	Wichita Falls	50-99
Highway Patrol Div-Wichita Fls	Central Fwy	Wichita Falls	50-99
Hirschi Math Science High Sch	Borton St	Wichita Falls	50-99
Home Depot	Kell Blvd	Wichita Falls	50-99
Hooters	Call Field Rd	Wichita Falls	50-99
House of Hope	Stone Lake Dr	Wichita Falls	50-99
I C Evans Elementary School	Hooper Dr	Wichita Falls	50-99
IHOP	Southwest Pkwy	Wichita Falls	50-99
Jabeau	Old Jacksboro Hwy	Wichita Falls	50-99
Jalapeno Tree Mexican Rstrnt	Southwest Pkwy	Wichita Falls	50-99
James Lane Air Cond & Plbg	Old Jacksboro Hwy	Wichita Falls	50-99
Jason's Deli	Garnett Ave	Wichita Falls	50-99
Jefferson Elementary School	Mistletoe Dr	Wichita Falls	50-99
John G Tower Elementary School	Hooper Dr	Wichita Falls	50-99
Johnny Carino's	Kell Blvd	Wichita Falls	50-99
Kalco Machine & Mfg Co	Central Fwy	Wichita Falls	50-99
Kirby Middle School	Loop 11	Wichita Falls	50-99
Kohl's	Call Field Rd # 3	Wichita Falls	50-99
Lamar Elementary	Lucas Ave	Wichita Falls	50-99
Mazzio's Italian Eatery	Call Field Rd	Wichita Falls	50-99
Mc Alister's Deli	Call Field Rd	Wichita Falls	50-99
Mc Donald's	Holliday St	Wichita Falls	50-99
Mc Donald's	Kemp Blvd	Wichita Falls	50-99
Mc Donald's	Southwest Pkwy	Wichita Falls	50-99
Michaels	Lawrence Rd # 150	Wichita Falls	50-99
Midwestern Healthcare Ctr	Midwestern Pkwy E	Wichita Falls	50-99
Milam Elementary	Boren Ave	Wichita Falls	50-99
MRI Center At Orthopaedic	W Medical Ct	Wichita Falls	50-99
Multi Purpose Events Ctr	5th St	Wichita Falls	50-99
Nexstar Broadcasting Group Inc	Seymour Hwy	Wichita Falls	50-99
Notre Dame Catholic School	10th St	Wichita Falls	50-99
On the Border Mexican Grill	Midwestern Pkwy # 242	Wichita Falls	50-99
Outreach Health Svc	Midwestern Pkwy # 120	Wichita Falls	50-99
Owens Corning	Randy Dr	Wichita Falls	50-99
Patterson Dodge Chrysler Jeep	Old Jacksboro Hwy	Wichita Falls	50-99
Patterson Honda	Central Fwy E	Wichita Falls	50-99
Pioneer of Texas	Maplewood Ave	Wichita Falls	50-99
Powerseal Pipeline	Pleasant View Dr	Wichita Falls	50-99
Production Machine & Tool Co	Burkburnett Rd	Wichita Falls	50-99
Promise Hospital-Wichita Fls	Grace St	Wichita Falls	50-99
Promise Skilled Nurse Facility	Grace St	Wichita Falls	50-99
Public Health Nursing	3rd St	Wichita Falls	50-99

R G I S Inventory Specialists	Old Jacksboro Hwy	Wichita Falls	50-99
Red Lobster	Kemp Blvd	Wichita Falls	50-99
Red Robin Gourmet Burgers-Brws	Midwestern Pkwy # 470	Wichita Falls	50-99
Rider High School	Cypress Ave	Wichita Falls	50-99
Rose Street Mental Healthcare	8th St	Wichita Falls	50-99
Scales Concrete Construction	Old Jacksboro Hwy	Wichita Falls	50-99
Sealed Air Corp	Central Fwy	Wichita Falls	50-99
Season Master	Hiawatha Blvd	Wichita Falls	50-99
SENIOR Care Health & Rehab	Midwestern Pkwy	Wichita Falls	50-99
Senior Lifestyle Corp	Kell Blvd	Wichita Falls	50-99
Sharp Iron Group	Hatton Rd	Wichita Falls	50-99
SONIC Drive-In	Southwest Pkwy	Wichita Falls	50-99
Southern Hills Elementary Sch	Armory Rd	Wichita Falls	50-99
Strategic Insurance Svc LLP	Kemp Blvd # 700	Wichita Falls	50-99
Sutherlands of Wichita Falls	Southwest Pkwy	Wichita Falls	50-99
Taylor Foundry Co	Central Fwy E	Wichita Falls	50-99
Texas Oncology-Wichita Fls	Kell Blvd	Wichita Falls	50-99
Texas Recreation Corp	N Beverly Dr	Wichita Falls	50-99
Tex-Oma Builders Supply	Commerce St	Wichita Falls	50-99
University Parks Nurse & Rehab	Coronado Ave	Wichita Falls	50-99
UPS Customer Ctr	State Highway 79	Wichita Falls	50-99
Washington Jackson Elementary	Harding St	Wichita Falls	50-99
West Foundation Elementary	Lake Wellington Pkwy	Wichita Falls	50-99
Wichita County Family Court	Scott Ave	Wichita Falls	50-99
Wichita Falls ISD	Broad St	Wichita Falls	50-99
Wichita Falls Parks Mntnc	9th St	Wichita Falls	50-99
Wichita Falls Streets Div	Van Buren St	Wichita Falls	50-99
Wichita Falls Trash Collection	Sunset Dr	Wichita Falls	50-99
Ymca D	Bartley Dr	Wichita Falls	50-99
Zundy Elementary School	Polk St	Wichita Falls	50-99
Academy Sports + Outdoors	Lawrence Rd # 400	Wichita Falls	100-249
American Flood & Fire	Midwestern Pkwy	Wichita Falls	100-249
Attorney General Texas	8th St # 300	Wichita Falls	100-249
Best Buy	Kemp Blvd	Wichita Falls	100-249
Castaway Cove Waterpark	Central Fwy E	Wichita Falls	100-249
Cheddar's Scratch Kitchen	Kell Blvd	Wichita Falls	100-249
Chick-Fil-A	Call Field Rd	Wichita Falls	100-249
Chick-Fil-A	Rhea Rd # 5C	Wichita Falls	100-249
Chick-Fil-A	Southwest Pkwy	Wichita Falls	100-249
City Administrative Building	7th St # 108	Wichita Falls	100-249
Cracker Barrel Old Country Str	Sierra Dr	Wichita Falls	100-249
Dillard's	Midwestern Pkwy	Wichita Falls	100-249
Drug Rehab & Alcohol Wichita		Wichita Falls	100-249
Encompass Health Rehab Hosp	Armory Rd	Wichita Falls	100-249
First Baptist Church	9th St	Wichita Falls	100-249
Gables At Rolling Meadows	Mcniel Ave	Wichita Falls	100-249
Herb Easley Chevrolet	Central Fwy	Wichita Falls	100-249
Hospice of Wichita Falls Inc	Johnson Rd	Wichita Falls	100-249
JC Penney	Midwestern Pkwy # 100	Wichita Falls	100-249
Kell West Regional Hospital	Kell Blvd	Wichita Falls	100-249

Kfdxkjtlv	Seymour Hwy	Wichita Falls	100-249
Lowe's Home Improvement	Kell Blvd	Wichita Falls	100-249
Magic Aire	Galveston St	Wichita Falls	100-249
Meniel Middle School	Barnett Rd	Wichita Falls	100-249
Monterey Rehab	Kemp Blvd	Wichita Falls	100-249
North Texas Rehabilitation Ctr	Midwestern Pkwy	Wichita Falls	100-249
Olive Garden Italian Rstrnt	Kemp Blvd	Wichita Falls	100-249
Perkins-Prothro Healthcare Ctr	Taft Blvd	Wichita Falls	100-249
Pratt & Whitney	Hammon Rd	Wichita Falls	100-249
Red River Hospital	8th St	Wichita Falls	100-249
Rehabworks	Grace St	Wichita Falls	100-249
Reliant Pro Rehab	Midwestern Pkwy E	Wichita Falls	100-249
Sam's Club	Kell Blvd	Wichita Falls	100-249
Target	Kemp Blvd	Wichita Falls	100-249
Texas Department-Family Prtctv	Lamar St #4100	Wichita Falls	100-249
Texas Roadhouse	Lawrence Rd	Wichita Falls	100-249
Tx Transportation Dept	Southwest Pkwy	Wichita Falls	100-249
United Regional Health	11th St	Wichita Falls	100-249
Washex Inc	Central Fwy	Wichita Falls	100-249
Wichita Clutch	Fisher Rd	Wichita Falls	100-249
Wichita County Sheriff's Dept	Central Fwy E # 100	Wichita Falls	100-249
Wichita Falls Country Club	Hamilton Blvd	Wichita Falls	100-249
Wichita Falls Fire Dept	Bluff St	Wichita Falls	100-249
Wichita Falls High School	Avenue H	Wichita Falls	100-249
Wichita Falls Lincoln	Kell Blvd	Wichita Falls	100-249
Wichita Tank Mfg Ltd	Seymour Hwy	Wichita Falls	100-249
Wichita Valley Rehab Hosp	Loop 11	Wichita Falls	100-249
Blue Cross Shield of Texas Inc	Southwest Pkwy	Wichita Falls	250-499
Clinics of North Texas	Midwestern Pkwy E	Wichita Falls	250-499
Helen Farabee Ctr	Brook Ave	Wichita Falls	250-499
USPS	Lamar St	Wichita Falls	250-499
Walmart Supercenter	Greenbriar Rd	Wichita Falls	250-499
Walmart Supercenter	Central Fwy	Wichita Falls	250-499
Wichita Falls Police Dept	Holliday St	Wichita Falls	250-499
Wichita Falls Times Record Nws	Lamar St	Wichita Falls	250-499
Windmill Rehab Unit At Texhoma	Loop 11	Wichita Falls	250-499
IDC	Armory Rd	Wichita Falls	500-999
Nda Inc	8th St	Wichita Falls	500-999
Walmart Supercenter	Lawrence Rd	Wichita Falls	500-999
Wichita County Courthouse	7th St	Wichita Falls	500-999
Arconic Power & Propulsion	Central Fwy	Wichita Falls	1,000-4,999
North Texas State Hospital	Kemp Blvd	Wichita Falls	1,000-4,999
United Regional Health Care	11th St	Wichita Falls	1,000-4,999
4 Kidz Sake of Wichita Fls Inc	Indiana Ave	Wichita Falls	TBD
4P'S Ventures Ltd	Midwestern Pkwy	Wichita Falls	TBD
8th St Uptown Market Place	8th St	Wichita Falls	TBD
940 Jrs	Tanner Dr	Wichita Falls	TBD
A Shed Shack	Barnett Rd	Wichita Falls	TBD
About Thyme Cafe	Kemp Blvd	Wichita Falls	TBD
Add-X Ltd Co	Natchez Tree	Wichita Falls	TBD

Adtjagwt Inc	Ohio Ave	Wichita Falls	TBD
After Dark	N Scott Ave	Wichita Falls	TBD
Agape Acres	1/2 Beverly Dr	Wichita Falls	TBD
Albert Container Concepts Lc	Barnett Rd	Wichita Falls	TBD
Albright Family Treasures	E Scott Ave	Wichita Falls	TBD
Alley Cat Bee Hive	Indiana Ave	Wichita Falls	TBD
Alon	N Beverly Dr # 11	Wichita Falls	TBD
Amedisys Home Health-Wichita	Gregory St # 106	Wichita Falls	TBD
Amplify Oms LLC		Wichita Falls	TBD
Animal Rides	Midwestern Pkwy	Wichita Falls	TBD
Arjan LLC	Bridge Creek Dr	Wichita Falls	TBD
Askthetics LLC	8th St # 220	Wichita Falls	TBD
B S U F Enterprise LLC	Blazing Star Ln # 101	Wichita Falls	TBD
Balfour	Avenue C	Wichita Falls	TBD
Basketcase & Flower Shop	Kell Blvd	Wichita Falls	TBD
Bates Gidgett M	8th St	Wichita Falls	TBD
Bear Lee Endeavors LLC	Old Iowa Park Rd	Wichita Falls	TBD
Bees Wix LLC	Normandy Dr	Wichita Falls	TBD
Beltone Hearing Aid Ctr	9th St	Wichita Falls	TBD
Bennett Office Equipment	Plaza Pkwy # 403	Wichita Falls	TBD
Bhok Enterprises LLC	Lancaster Ln	Wichita Falls	TBD
Bhutandevi Corp	Mlk Jr Blvd	Wichita Falls	TBD
Birds of A Feather Vintage Mkt	Ohio Ave	Wichita Falls	TBD
Blue Fox Management LLC	Burkburnett Rd	Wichita Falls	TBD
Boost Mobile Auth Retailer	9th St	Wichita Falls	TBD
Boost Mobile Auth Retailer	Call Field Rd	Wichita Falls	TBD
Bradelym Judy	8th St # 100	Wichita Falls	TBD
Bridge Community Outreach	Ridgeway Dr	Wichita Falls	TBD
Brswf LLC	Geronimo Dr	Wichita Falls	TBD
Bryan E Kirk LLC	Taft Blvd # 5	Wichita Falls	TBD
Btdim LLC	9th St	Wichita Falls	TBD
Burkburnett Independent School	Hooper Dr	Wichita Falls	TBD
Burn Shop LLC	Jasmine Ct	Wichita Falls	TBD
Byers Marisa M	8th St # 901	Wichita Falls	TBD
C & S Gray LLC	P B Ln # G4577	Wichita Falls	TBD
C L S Productions	Allison Dr	Wichita Falls	TBD
Call Field Stop	Call Field Rd	Wichita Falls	TBD
Camalex Partners LLC	P B Ln # T3388	Wichita Falls	TBD
Cat Scale	Old Jacksboro Hwy	Wichita Falls	TBD
Champion	Old Iowa Park Rd	Wichita Falls	TBD
Chicka Ds Coffee	Fairway Blvd	Wichita Falls	TBD
Chisholm Corner	Central Fwy E	Wichita Falls	TBD
Clamar LLC	Kemp Blvd # 910	Wichita Falls	TBD
Coinsource Bitcoin ATM	Seymour Hwy	Wichita Falls	TBD
Coinsource Bitcoin ATM	Mlk Jr Blvd	Wichita Falls	TBD
Collective Coffee	Taft Blvd	Wichita Falls	TBD
Conn's Homeplus	Kell Blvd	Wichita Falls	TBD
Cornerstone Enterprises LLC	Parkhill Rd	Wichita Falls	TBD
Courson Group LLC	Pb Lane # J4746	Wichita Falls	TBD
Craig Shelli, NP	Rose St	Wichita Falls	TBD

Cresting Sun LLC	Beverly Dr	Wichita Falls	TBD
Crihfield Richard M	Central Fwy	Wichita Falls	TBD
D Bat	Seymour Hwy	Wichita Falls	TBD
Davis Alexandra N	10th St	Wichita Falls	TBD
Dean	Scott Ave	Wichita Falls	TBD
Down Town Wichita Falls Dev	8th St	Wichita Falls	TBD
Dreamscapes	Pearlie Dr	Wichita Falls	TBD
Dudley Richard C	9th St # 108	Wichita Falls	TBD
Eagle Valley Solutions Corp	Mcniel Ave	Wichita Falls	TBD
Easy Acres Market	Trinidad Dr	Wichita Falls	TBD
Echos From the Past	8th St	Wichita Falls	TBD
Echos From the Past	Indiana Ave	Wichita Falls	TBD
Eggshells Bakery		Wichita Falls	TBD
Elements Direct LLC	Edgecliff Dr	Wichita Falls	TBD
Engle Grange LLC	Ardath Ave	Wichita Falls	TBD
Falls Seo		Wichita Falls	TBD
Firo Fire Kissed Pizza	Maplewood Ave	Wichita Falls	TBD
First Burkburnett Bancshares	Kell Blvd	Wichita Falls	TBD
Flywheel Search Group	Indiana Ave # 340	Wichita Falls	TBD
Foley Colleen M	Kemp Blvd	Wichita Falls	TBD
Fonner Janice	8th St # 100	Wichita Falls	TBD
Ford Presley E	8th St # 100	Wichita Falls	TBD
Forest Glen	Professional Dr	Wichita Falls	TBD
Forever Divine	9th St # B	Wichita Falls	TBD
Fostford LLC	Old Iowa Park Rd	Wichita Falls	TBD
Framed	Gregory St # 105	Wichita Falls	TBD
Frank-Joes Coffee Hse-Hosp Dst	9th St	Wichita Falls	TBD
Freaky Clean Bins LLC	Judson Cir	Wichita Falls	TBD
French Country Meadow	FM 367	Wichita Falls	TBD
Fresh Start of FMM	Bluff St	Wichita Falls	TBD
Galaxycoin	P B Ln # T3450	Wichita Falls	TBD
Galena Galaxy LLC	Ohio Ave # 184	Wichita Falls	TBD
Geared Up Group X	Gregory St # 105	Wichita Falls	TBD
Glow Enterprises LLC	Sandy Rd # 101	Wichita Falls	TBD
Gmaip Ai	S Winds Dr	Wichita Falls	TBD
Go Forth Online Now	Happy Hollow Dr	Wichita Falls	TBD
Golden Operating Corp	Southwest Pkwy	Wichita Falls	TBD
Golden Operating Corp	Seymour Hwy	Wichita Falls	TBD
Golden Operating Corp	Old Jacksboro Hwy	Wichita Falls	TBD
Guardian Safe & Vault	P B Ln # N4425	Wichita Falls	TBD
H L C C Ventures LLC	City View Dr	Wichita Falls	TBD
H W Operating LLC	Taft Blvd # 7	Wichita Falls	TBD
Hair By Jazzy K LLC	Missile Rd # 5	Wichita Falls	TBD
Hamilton Appliance Svc Inc	Van Buren St	Wichita Falls	TBD
Hanin LLC	Fairway Blvd # 106	Wichita Falls	TBD
Hargrove Lauren S	Broad St	Wichita Falls	TBD
Hastings Restoration-Cleaning	Texas 79	Wichita Falls	TBD
Hautewood Atelier Furnsnsgs LLC	Brook Ave # B	Wichita Falls	TBD
Hlcc Ventures LLC	7th St	Wichita Falls	TBD
Hobo Coffee & Ice	Seymour Hwy	Wichita Falls	TBD

Holley Thomas T	8th St	Wichita Falls	TBD
Home For Freedom Inc	Granada Dr	Wichita Falls	TBD
Homecare Home Health Serivces	Rhea Rd	Wichita Falls	TBD
Hook & Ladder Coffees & Wine	7th St	Wichita Falls	TBD
House	Plaza Pkwy	Wichita Falls	TBD
Howblue LP	Kell Blvd	Wichita Falls	TBD
Hteao	Southwest Pkwy	Wichita Falls	TBD
Hudson North Cmnty Action Corp	8th St # 600	Wichita Falls	TBD
Hughes Bethany L, MD	Kemp Blvd	Wichita Falls	TBD
Huizar Floranyenic	8th St	Wichita Falls	TBD
Icatalyst S F R LLC	Scott Ave	Wichita Falls	TBD
Impact 100 Wichita Falls	Taft Blvd	Wichita Falls	TBD
Impact Digital Graphics	Old Jacksboro Hwy	Wichita Falls	TBD
Ims	Tamu	Wichita Falls	TBD
Insane Customs	Missile Rd # 8	Wichita Falls	TBD
J T Lukan Inc	Pb Lane # L4315	Wichita Falls	TBD
Jason's	9th St	Wichita Falls	TBD
Jeffrey D Filiberto MD Pa	Loop 11	Wichita Falls	TBD
Jenny To Jet Exhibit	Armstrong Dr	Wichita Falls	TBD
Jesus D Ucol MD	10th St # A	Wichita Falls	TBD
Jorge R Valencia MD	Eureka Cir # C	Wichita Falls	TBD
Jose Audie E Lim MD Pa	10th St	Wichita Falls	TBD
Ju Ju Carmel Apple Wedges	P B Ln	Wichita Falls	TBD
Kandi's	9th St # B	Wichita Falls	TBD
Killer Wells LLC	Kell Blvd	Wichita Falls	TBD
Kintsugi Mushin LLC	Kell Blvd # 200	Wichita Falls	TBD
Kiti Kiti	Brook Ave # B	Wichita Falls	TBD
Kmoc 89.5FM	9th St	Wichita Falls	TBD
Kung Fu Tea	Wayne Ave # 102	Wichita Falls	TBD
Kwfs AM 1290-LISTENER Line	Kell Blvd # 206	Wichita Falls	TBD
La Casa Dental	Texas 11 Loop	Wichita Falls	TBD
Ladedadelite	Indiana Ave	Wichita Falls	TBD
Lighthouse Technologies	Mcniel Ave	Wichita Falls	TBD
Lone Star Performance Inc	Old Jacksboro Hwy	Wichita Falls	TBD
Lonestar Weights	Virginia Ave	Wichita Falls	TBD
Magnolia Family-Aesthetic	Harrison St	Wichita Falls	TBD
Managing Life Mental Health	Dayton Ave	Wichita Falls	TBD
Managing Life Mental Health	Dayton Ave	Wichita Falls	TBD
Mardi Aire Inc	Midwestern Pkwy # 200	Wichita Falls	TBD
Marilyn Holcomb Office		Wichita Falls	TBD
Mcclain Marisa C	8th St # 100	Wichita Falls	TBD
Mccormick Amanda Raye	8th St # 1005	Wichita Falls	TBD
Mcdonald Investments Inc	Mcniel Ave	Wichita Falls	TBD
Mckinney BBQ	Burkburnett Rd	Wichita Falls	TBD
Megna Inc	Central Fwy	Wichita Falls	TBD
Meredith Randy Earl, RN	8th St # 100	Wichita Falls	TBD
Mialigners LLC	Midwestern Pkwy # 1	Wichita Falls	TBD
Mimoso Designs LLC	Wenonah Ave	Wichita Falls	TBD
Mindy Giles Designs LLC	Lake Park Dr	Wichita Falls	TBD
Miramar Wf LLC	Seymour Hwy	Wichita Falls	TBD

Mirtie Ellen's	Brookdale Dr # 4	Wichita Falls	TBD
Mission Broadcasting Inc	Indiana Ave # 375	Wichita Falls	TBD
Moon & Magick Botanicals	1/2 Harrison St	Wichita Falls	TBD
Morsco Inc	Chester Ave	Wichita Falls	TBD
Nami Wichita Falls	8th St # 400	Wichita Falls	TBD
Newport Group	8th St	Wichita Falls	TBD
North Texas Hunting LLC	Harrell St	Wichita Falls	TBD
Ntx Energy Partners	8th St # 550	Wichita Falls	TBD
Nutter Nathan W	Taft Blvd	Wichita Falls	TBD
O G Cellars LLC	Kemp Blvd # B309	Wichita Falls	TBD
Old Town Ctr LLC	Kell Blvd	Wichita Falls	TBD
Oneal David B	11th St	Wichita Falls	TBD
Onenine Solutions LLC	University Ave	Wichita Falls	TBD
Opg Lamar Partners LLC	Lamar St	Wichita Falls	TBD
Papa Johns	Sheppard Access Rd # B	Wichita Falls	TBD
Patanjali LLC	Midwestern Pkwy	Wichita Falls	TBD
Pertex	Broad St	Wichita Falls	TBD
Peteski Productions Inc	Kemp Blvd # 406	Wichita Falls	TBD
Poe Dirt Properties LLC	Pb Lane H103	Wichita Falls	TBD
Precisesoftech	Pb Ln	Wichita Falls	TBD
Preimier	Old Jacksboro Hwy	Wichita Falls	TBD
Private Registration US	Flood St	Wichita Falls	TBD
Pro Brand LLC	P B Ln # S4561	Wichita Falls	TBD
Protomastora	Shady Ln	Wichita Falls	TBD
Rabbit Hole	Indiana Ave	Wichita Falls	TBD
Raines Joseph H	Carol Ln	Wichita Falls	TBD
Ray H Hyde DDS Pa	Kemp Blvd # 500	Wichita Falls	TBD
Razzle's Shaved Ice	Old Iowa Park Rd	Wichita Falls	TBD
Re Shape LLC	Hiawatha Blvd	Wichita Falls	TBD
Recover Snapchat Password	Alexandria St	Wichita Falls	TBD
Red River Salmon Runners	P B Ln # B3798	Wichita Falls	TBD
Red River Valley Wildfire Inc	Bluff St	Wichita Falls	TBD
Regeneration Boutique	Midwestern Pkwy # 104	Wichita Falls	TBD
Reinvizion LLC	W Rogers Dr	Wichita Falls	TBD
Repete's of Wichita Falls	Fairway Blvd # B	Wichita Falls	TBD
Roanhaus Randi	8th St # 550-I	Wichita Falls	TBD
Rockin' M Tack & Show Supplies	Centime Dr # 500	Wichita Falls	TBD
Rose Power	Lamar St	Wichita Falls	TBD
Royal Estates of Wichita Falls	Kell Blvd	Wichita Falls	TBD
Ruben House of Classic	Indiana Ave	Wichita Falls	TBD
Running R Bits & Spurs	Old State Rd	Wichita Falls	TBD
Rusty's Needles Tattoo	Burkburnett Rd # B	Wichita Falls	TBD
S Martin Shaw Lmft PC	Rose St	Wichita Falls	TBD
Sandia Neurology Group Pa	10th St	Wichita Falls	TBD
Scarves & Beyond	Midwestern Pkwy	Wichita Falls	TBD
Scratch	8th St # 100	Wichita Falls	TBD
Sealy & Co LLC	Kemp Blvd	Wichita Falls	TBD
Secure	Seymour Rd	Wichita Falls	TBD
Sendero Royalty Co LLC	8th St # 607	Wichita Falls	TBD
Sheila's Sugars	Kemp Blvd	Wichita Falls	TBD

Skipapalooza	Kemp Blvd	Wichita Falls	TBD
Solis Mammography	0 Kell Blvd	Wichita Falls	TBD
Special Olympics Texas Inc	Call Field Rd	Wichita Falls	TBD
Starbucks	Southwest Pkwy	Wichita Falls	TBD
Sterile Armor LLC	Kell Blvd	Wichita Falls	TBD
Stone Oven Gourmet Pizza-Etry	7th St	Wichita Falls	TBD
Straight Macey	10th St	Wichita Falls	TBD
Superthin Ribbons	Seymour Rd	Wichita Falls	TBD
Surasi LLC	Southwest Pkwy	Wichita Falls	TBD
T & K Kitchen	Kemp Blvd	Wichita Falls	TBD
T E G	6th St	Wichita Falls	TBD
Tacodollars	Mcniel Ave	Wichita Falls	TBD
Tao Bitcoin LLC	Central Fwy E	Wichita Falls	TBD
Tarlair LLC	8th St # 340	Wichita Falls	TBD
Teedof Solutions PLLC	Meadow Green Ct	Wichita Falls	TBD
Texas Chaney's II LLC	Call Field Rd # 100	Wichita Falls	TBD
Texas Department-Criminal Jstc	Seymour Hwy	Wichita Falls	TBD
Texoma Aco LLC	Old Jacksboro Hwy	Wichita Falls	TBD
Texoma Hie	11th St	Wichita Falls	TBD
Texoma Tech Solutions	Holliday St # 316	Wichita Falls	TBD
That Speed Shop	Seymour Hwy	Wichita Falls	TBD
Thiz Iz It	7th St	Wichita Falls	TBD
Threeleaf	Nassau Dr # 412	Wichita Falls	TBD
Toober LLC	Taft Blvd # 12004	Wichita Falls	TBD
Transpacific Enterprise LLC	Thompson Rd	Wichita Falls	TBD
Treadz	Southwest Pkwy # 145	Wichita Falls	TBD
Tripped Out	Indiana Ave	Wichita Falls	TBD
Troy Secord Archtct	Quail Creek Dr	Wichita Falls	TBD
Tryer Process Equipment Ltd	Old Iowa Park Rd	Wichita Falls	TBD
Tu's Home Accents	Edgehill	Wichita Falls	TBD
Two Clever Chicks	35th St	Wichita Falls	TBD
U-Haul Neighborhood Dealer	Lamar St	Wichita Falls	TBD
Urban Connection	Harding St	Wichita Falls	TBD
V F C Classics LLC	Commerce St	Wichita Falls	TBD
Varhus Kjersti N	11th St	Wichita Falls	TBD
Viola's Vintage	Indiana Ave	Wichita Falls	TBD
W F C B LLC	Kemp Blvd # B155	Wichita Falls	TBD
Wdeo Associates Inc	P B Ln # D1024	Wichita Falls	TBD
Weeks & Assoc LLC	Scott Ave	Wichita Falls	TBD
Wethinksimple	Kemp Blvd	Wichita Falls	TBD
Where's Riley	7th St	Wichita Falls	TBD
Wichita Adult Literacy Council	5th St	Wichita Falls	TBD
Wichita County Action Network	Canyon Cliff Ct	Wichita Falls	TBD
Wichita Falls Bancshares Inc	Fairway Blvd	Wichita Falls	TBD
Wichita Falls Bridge Unit 353	Southwest Pkwy # 16	Wichita Falls	TBD
Wichita Falls Golden Silver	Beverly Dr # A	Wichita Falls	TBD
Wichita Falls Independent Sch	Pool St	Wichita Falls	TBD
Wichita Falls Va Clinic	Central Fwy # 180	Wichita Falls	TBD
Wichita Falls-Hd	Midwestern Pkwy E	Wichita Falls	TBD
Wilfred & Lee Development LLC	Kell Blvd	Wichita Falls	TBD

Wind Rose Resources Inc	Ditto Ln	Wichita Falls	TBD
Winn 18	Midwestern Pkwy	Wichita Falls	TBD
Zen Hoop	Midwestern Pkwy # Ca029	Wichita Falls	TBD
Zenaida Vasquez Buying-Selling	Kemp Blvd # A	Wichita Falls	TBD

22227

-

Lalita Senior Living

-

**Request for Administrative
Deficiency**

Calle del Norte Apartments, LP

1329 East Lark Street
Springfield, MO 65804

May 6, 2022

Cody Campbell
Director of Multifamily Finance
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701

RE: Request for Administrative Deficiency #22227 – Lalita Senior Living

Dear Mr. Campbell:

Pursuant to 10 TAC §11.10, Calle del Norte Apartments, LP respectfully requests staff to review the following threshold and selection criteria elements as they relate to Application #22227 Lalita Senior Living:

- *Threshold criteria:* In Tab 11 (Site Info Part III), the Applicant entered “No” in response to the question “Is the seller affiliated with the Applicant, Principal, sponsor, or any Development Team member, as described in §11.302(e)(1)(B) (Identity of Interest)?” However, the current owner of the Development Site is Versa Development, LLC, which is the sole member of the General Partner of the Applicant and the sole member of the Developer. As a result, the Applicant was required to provide an Appraisal in accordance with 11.205(4) and 11.302(e)(1)(A)(ii).
- *Selection criteria:* In Tab 12 (Site Info Part III), the survey included in Exhibit A to the Purchase Contract and the Site Design Report appears to show the eastern property line of Development Site being on the other side of Minnesota Ave., which is in a different census tract (141.00) than what is listed (133.05) in Tab 7 (Site Info Part I), resulting in the site being in two census tracts. Also, Schedule B of the title commitment lists “Apparent ROAD RIGHT-OF-WAY for Minnesota Avenue as shown on SURVEY Project Number 3659, dated February 24, 2022, prepared by Ambiotec Civil Engineering Group, Inc.” as well as various encroachments on the Development Site on the east side of Minnesota Ave. as exceptions from coverage.

Identity of Interest and Appraisal

The following statement, in part, was provided behind Tab 11 in the Application to explain why an Appraisal should not be required: “based on a conversation with TDHCA staff, we understand this is not be an identity of interest transaction (since Versa is merely acting as a conduit for Applicant’s acquisition of the land).” The email conversation with TDHCA staff was included behind Tab 47 (Third Party Reports) of the application. In it, staff informed the Applicant that “Since the ownership was not prior to the first day of the application acceptance period and this isn't an identity of interest transaction, an appraisal is not required.” Despite staff’s best effort to provide Identity of Interest and Appraisal requirement guidance to the Applicant in this instance, we respectfully disagree with the conclusion that staff came to in their email correspondence with the Applicant as the site control documentation in the Application and a plain reading of 11.302(e)(1)(A)(ii) of the QAP would suggest otherwise.

Calle del Norte Apartments, LP

1329 East Lark Street
Springfield, MO 65804

The site control documentation provided in the Application establishes the following timeline:

- Versa Development, LLC entered into Purchase Contract with Eliseo Davila (unrelated third-party) as seller in December 2021.
- Pre-application submitted by Pre-Application Final Delivery Date of January 7, 2022.
- Versa Development, LLC purchased the site on February 15, 2022.
- VDC Minnesota Southmost, LP (affiliate of Versa Development, LLC) submitted Application by Full Application Delivery Date of March 1, 2022.

11.302(e)(1)(A)(ii) states: “An acquisition will be considered an identity of interest transaction when an Affiliate of the seller is an Affiliate of, or a Related Party to, any Owner at any level of the Development Team or a Related Party lender; and

(I) is the current owner in whole or in part of the Property; or

(II) has or had within the prior 36 months the legal or beneficial ownership of the property or any portion thereof or interest therein regardless of ownership percentage, control or profit participation prior to the first day of the Application Acceptance Period or in the case of a tax-exempt bond or 4% tax credit application the Application Date.”

Because an Affiliate of the Applicant is the seller and “is the *current owner* in whole or in part of the Property,” 11.302(e)(1)(A)(ii)(II) – which was what was relied upon by the Applicant in not having this transaction be considered an identity of interest transaction – can be disregarded since 11.302(e)(1)(A)(ii)(I) is true.

Development Site in Multiple Census Tracts

Both Exhibit A to the Purchase Contract between VDC Minnesota Southmost, LP and Versa Development, LLC and the survey included in the Site Design Report appear to show the Development Site – which is defined in 11.1(d)(41) of the QAP as “The area or, if more than one tract (which may be deemed by the Internal Revenue Service or the Department to be a scattered site), areas on which the Development is proposed and to be encumbered by a LURA, including access to that area or areas through ingress and egress easements” – extending across Minnesota Ave. from census tract 133.05 to 141.00. In both the pre-application and full application, the Applicant only listed census tract 133.05. To the extent that the Development Site is in both census tracts, it would appear that the requirement in 11.9(e)(3)(F) of the QAP, which states “The Development Site at Application is at least in part the Development Site at pre-application, and *the census tract number listed at pre-application is the same at Application,*” has not been met, resulting in a loss of six Pre-Application points. A Development Site extending across multiple census tracts would also raise questions regarding Opportunity Index (11.9(c)(4)) and Underserved Area (11.9(c)(5)) points claimed by the Applicant since those two sections of the QAP include language regarding “the Development Site is located *entirely within a census tract* [...]”

We believe the failure to meet threshold requirements should result in termination of the application.

Calle del Norte Apartments, LP

1329 East Lark Street
Springfield, MO 65804

We appreciate staff reviewing these matters. If you have any questions or would like further information, please do not hesitate to contact me at asinnott@wilhoitproperties.com or by phone at 631-241-3306.

Sincerely,

Andrew Sinnott

Andrew Sinnott
Representative of Calle del Norte Apartments, LP

Attachments: Pre-application
Site Info Part I Tab and Census Tract map from Application
Site Info Part III Tab and Supporting Documents from Application
Third Party Reports Tab and Email Correspondence from Application
Survey from Site Design Feasibility Report

Texas Department of Housing and Community Affairs

Competitive 9% Housing Tax Credit Pre-Application

Application Number: 22227

Submitted Date: 1/7/2022 12:47PM

Submitted By: Manish Verma

Contact Information

Primary Contact: Manish Verma
4733 College Park
San Antonio, TX 78249

Phone: 210-530-0090
Email: manishv@versadevco.com

Secondary Contact: Janice Degollado

Phone: 210-530-0090
Email: janiced@versadevco.com

Consultant Contact:

Phone:
Email:

Development Information

Name of Proposed Entity: VDC Minnesota Southmost, LP

Development Name: Lalita Senior Living

Development Type: New Construction

Secondary Type: None

Previous TDHCA #:

Initial Construction Year:

Units Demolished: 0

Units Reconstructed:

of Non-Contiguous Sites:

of Census Tracts: 1

Target Population: Elderly

Development Address: NEQ of Minnesota Ave and Southmost Blvd
Brownsville, TX 78521

Extra-Territorial Extradition (E N

County: Cameron

Region: 11

Rural/Urban: Urban

Census Tracts: 48061013305

Total LI Units: 200

Total MR Units: 0

Total Units: 200

HTC Request: \$1,500,000.00

Pre-App Fee Due: \$2,000.00

**Has Fee already
been submitted?:** Yes

Name on Check: Galaxy Builders

Check Number: 113088

Set-Aside Election: none

Notifications

U.S. Representative: Filemon Vela

District: 34

State Senator: Eddie Lucio, Jr.

District: 27

State Representative: Alex Dominguez

District: 37

School Superintendent: Dr. René Gutiérrez
School District: Brownsville ISD
School District Address: 1900 E. Price Rd., #307
 Brownsville, TX 78251

Presiding Officer of Board of Trustees: Eddie Garcia
Address: 1900 E. Price Road, #307
 Brownsville, TX 78251

Elected Officials: Juan "Trey" Mendez, III
 John Cowen Jr
 Rose M. Z. Gowen
 Nurith Galonsky Pizana
 Jessica Tetreau-Kalifa
 Roy De los Santos
 Pedro Cardenas
 Eddie Treviño, Jr.
 Sofia Benavides
 Joey Lopez
 David A. Garza
 Gus Ruiz

Mayor
 City Council Member
 City Council Member
 City Council Member
 City Council Member
 City Council Member
 City Council Member
 County Judge
 County Commissioner
 County Commissioner
 County Commissioner
 County Commissioner

Neighborhood Organizations: None

Competitive Housing Tax Credit Selection Self-Score

Criteria Promoting Development of High Quality Housing

Unit Sizes: 6
Unit Features: 9
Sponsor Characteristics: 2
High Quality Housing Total: 17

Criteria to Serve and Support Texans Most in Need

Income Levels of Residents: 15
Rent Levels of Residents: 11
Resident Services: 11
Opportunity Index: 7
Underserved Area: 5
Resident Populations with Special Housing Needs: 3
Proximity to Jobs: 6
Serve and Support Texans Most in Need Total: 58

Criteria Promoting Community Support and Engagement

Commitment of Development Funding by Local Political Subdivision: 1
Declared Disaster Area: 10
Community Support and Engagement Total: 11

Criteria Promoting Efficient Use of Limited Resources and Applicant Accountability

Financial Feasibility:	26
Cost of Development per Square Foot:	12
Pre-Application Participation:	6
Leveraging Private, State and Federal Resources:	3
Extended Affordability:	4
Historic Preservation:	0
Right of First Refusal:	1
Funding Request Amount:	1
Efficient Use of Limited Resources and Applicant Accountability Total:	53
Point Adjustment:	
Total Applicant Self-Score:	139

Intent to Request Points for Items not Included in the Applicant's Self-Score

Readiness to Proceed:	Per §11.9(c)(8) of the QAP, scoring for Applicants under this item is suspended due to uncertainty linked to the COVID-19 pandemic (no points may be requested, nor will they be awarded for 2021 HTC Applications). Accordingly, Applications in the At-Risk or USDA Set-asides are not eligible for these points.
Local Government Support:	17 points
Quantifiable Community Participation:	4 points
Letter from a State Representative:	No
Letter or No Letter from a State Representative:	8 points
Input from Community Organizations:	4 points
Concerted Revitalization Plan:	0 points

Attachments and Certifications

Site Control Documentation: [Lalita - Land Contract.pdf](#)

Census Tract Map: [Lalita census brownsville outline.pdf](#)

Neighborhood Risk Factors:

Other Pertinent Information:

Site Information Form Part I

Development Name (All Programs)

Self Score Total: **139**

Lalita Senior Living

1. Development Address (All Programs)

NEQ of Minnesota Ave and Southmost Blvd

Brownsville

ETJ?

No

Address

City

11

78521

Cameron

Urban

Rural via §11.204(5)(B) Rural Designation

Region

Zip

County

Rural/Urban

2. Census Tract Information (All Programs)

48061013305

11-digit Census Tract Number

No

QCT?

Median Household Income: 38358

Quartile: 2q

Poverty Rate: 25.5

The poverty rate for the Census Tract is above 40% (55% for Regions 11 or 13), and the Governing Body resolution has been submitted behind Tab 8.

3. Resolutions (Competitive HTC and Tax-Exempt Bonds, if applicable) (10 TAC §11.3)

Check the boxes of true statements below. Resolutions must be provided to demonstrate eligibility for any **unchecked** item.

Twice the State Average Per Capita. The proposed Development is **NOT** located in a municipality or a county that has more than twice the state average of units per capita supported by Tax Credits or Private Activity Bonds. (§11.3(c)).

One Mile Three Year Rule. The proposed Development is **NOT** a New Construction or Adaptive Reuse development that will be located one mile or less from a New Construction HTC or Bond Development serving the same type of household and awarded within the applicable three-year period, **including 2022 Supplemental Allocations**, and has not been withdrawn or terminated, **OR** the Development meets one of the exceptions in §11.3(d)(2) of the QAP (provide evidence of exception). (§11.3(d)).

Limitations on Developments in Certain Census Tracts (20% Rule). The proposed Development is **NOT** a New Construction or Adaptive Reuse development that will be located in a census tract that has more than 20% HTC units per total households. (§11.3(e)).

4. Two Mile Same Year Rule (Competitive HTC Only) (10 TAC §11.3(b))

The Development Site is not located in a county with a population that exceeds one million.

The site is located in a municipality with a population of two million or more where a federal disaster has been declared, and the municipality is authorized to administer disaster recovery funds as a subgrant recipient.

The site is located in a county with a population that exceeds one million and is not located within 2 linear miles of the proposed Development Site of any eligible Pre-application(s) **or Application(s) for a 2022 Supplemental Allocation** in the same county.

The site is located in a county with a population that exceeds one million and is located within 2 linear miles of the site of the following eligible Pre-application(s) **or Application(s) for a 2022 Supplemental Allocation** within the same county:

5. Proximity of Development Sites (Competitive HTC Only) (10 TAC §11.3(f))

The Development Site is not located in a county with a population less than one million.

The site is located in a county with a population less than one million and is not contiguous to or within 1,000 feet of the site for any other eligible Pre-application(s) serving the same Target Population.

The site is located in a county with a population less than one million and is contiguous to or within 1,000 feet of the site for the following eligible Pre-application(s) serving the same Target Population:

6. One Award per Census Tract Limitation (Competitive HTC Only) (10 TAC §11.3(g))

The Application is USDA or At-Risk, or is in a Rural Subregion.

The Application is not USDA or At-Risk, and the Development Site is located in a census tract in an Urban subregion and the following eligible Pre-application(s) are located in the same census tract:

22236, 22029, 22040, 22319

7. Zoning (10 TAC §11.204(11)) and Flood Zone Designation (10 TAC §11.101(a)(1)) (All Programs)

Development Site is appropriately zoned? No Zoning Designation: **AG - Agricultural**

Flood Zone Designation: **Zone X** Entire Development Site is outside the 100 year floodplain. Yes

Farmland Designation (To be completed if requesting MFDL funds.)

8. Site & Neighborhood Standards (New Construction/Reconstruction Direct Loan Only) (10 TAC §13.2); (24 CFR 92.202 or 93.150)

Confirm the following supporting documents are provided behind this tab.

Statement explaining **how** the Development will promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.

DP-05 ACS Demographi and Housing Estimates Census data for the census tract and city (and county if proposed site is located in a rural area) where the proposed site will be located. DP-05 Census data can be accessed using the data.census.gov Advanced Search option at <https://data.census.gov/cedsci/>

9. School Rating (All Programs) (Tex. Gov't Code §2306.6710(a)); (10 TAC §11.101(a)(3)(B)(iv))

Children of the proposed development will attend:


School Name	Grades			TEA Rating	
	through X	X		2019	XXXX*
Southmost	K	through	5	A	
Lucio	6	through	8	C	
Lopez	9	through	12	B	
		through			
		through			

*Fill in the year (e.g., 2018). Account for the most recent year available prior to Application and most recent preceding year available for each school .

- School district has no attendance zones and the closest schools are listed.
- The Development Site is located within the attendance zone of an elementary school, a middle school or a high school that has a TEA rating of D for the most recent year available prior to Application and an IR rating for the most recent year available preceding; or a TEA rating of F for most recent year available prior to Application and a Met Standard rating for most recent available year preceding. **Pursuant to §11.101(a)(3)(C) of the QAP no mitigation is required for 2022 Applications. If schools are the only Neighborhood Risk Factor, the Report is not required for 2022 Applications.**
- The Application meets the following exception(s). **Applicant is required to enter school rating information above and disclose the presence of the Neighborhood Risk Factor, but no mitigation is required. (§11.101(a)(3)(B)).**
- Elderly Development
 - Development encumbered by a TDHCA LURA on the first day of the Application Acceptance Period or date the pre-application is submitted (if applicable)
 - Supportive Housing SRO Development or Supportive Housing Development where all Units are Efficiency Units

Supporting Documentation Checklist for the Site Information Form Part


Maps:

- Street Map with Site Drawn and Identified
- Census Tract Map with Development Site Identified 
https://www.huduser.gov/portal/sadda/sadda_qct.html
<https://data.census.gov/cedsci/>

Resolutions:

- Twice the State Average of Units Per Capita Resolution
- One Mile Three Year Resolution or evidence of other exception
- Housing Tax Credit Units per Total Household Resolution
- Poverty Rate Resolution *A Resolution is attached if the poverty rate exceeds 40% (or 55% for Regions 11 and 13).*
- For Tax-Exempt Bond Applications the resolution of no objection to satisfy requirements of 10 TAC §11.204(4) of the QAP is included
- For Tax-Exempt Bond Applications the resolution of no objection to satisfy requirements of 10 TAC §11.204(4) of the QAP is not included and will be provided under separate cover no later than the Resolutions Delivery Date described in §11.2(b) of the QAP.

Zoning and Floodplain

- Evidence of Zoning and/or Evidence of Re-Zoning Process 
- Evidence of Flood Zone Designation (FIRM or local government documentation)

Farmland Designation-Required only if Direct Loan funds are requested.

- Information is included in the ESA.
- Information is included behind this tab.

Go to <https://websoilsurvey.nrcs.usda.gov/app/WebSoilSurvey.aspx> and


- Go to "Quick Navigation", select address and enter street address, city, and state. If the Development Site does not have a fixed address, enter the street, city and state.
- Just below where it says "Area of Interest Interactive Map" and to the left of where it says "Legend" is a row of buttons. Two at the end are labeled "AOI" for area of interest. Click the rectangle or triangle button based on the relative shape of the Development Site
- Outline the Development Site, getting as much within the rectangle or triangle as possible.
- Select the tab for "Soil Data Explorer", select "Land Classifications", then select "Farmland Classification".
- Select "View Rating". You may need to scroll down to see it.
- In the upper right corner, select "Printable Version". Name it if you wish, scale to "Fit to page", printed sheet size "A landscape (11" x 8.5)". Make sure the box labeled "show UTM Coordinate Ticks" is checked. Select "View".
- Save the file as a PDF and include it in the Application.

Site and Neighborhood Standards (New Construction/Reconstruction Direct Loan Only)

Descriptive statement regarding promoting housing choice explains HOW the Development will promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low income persons.

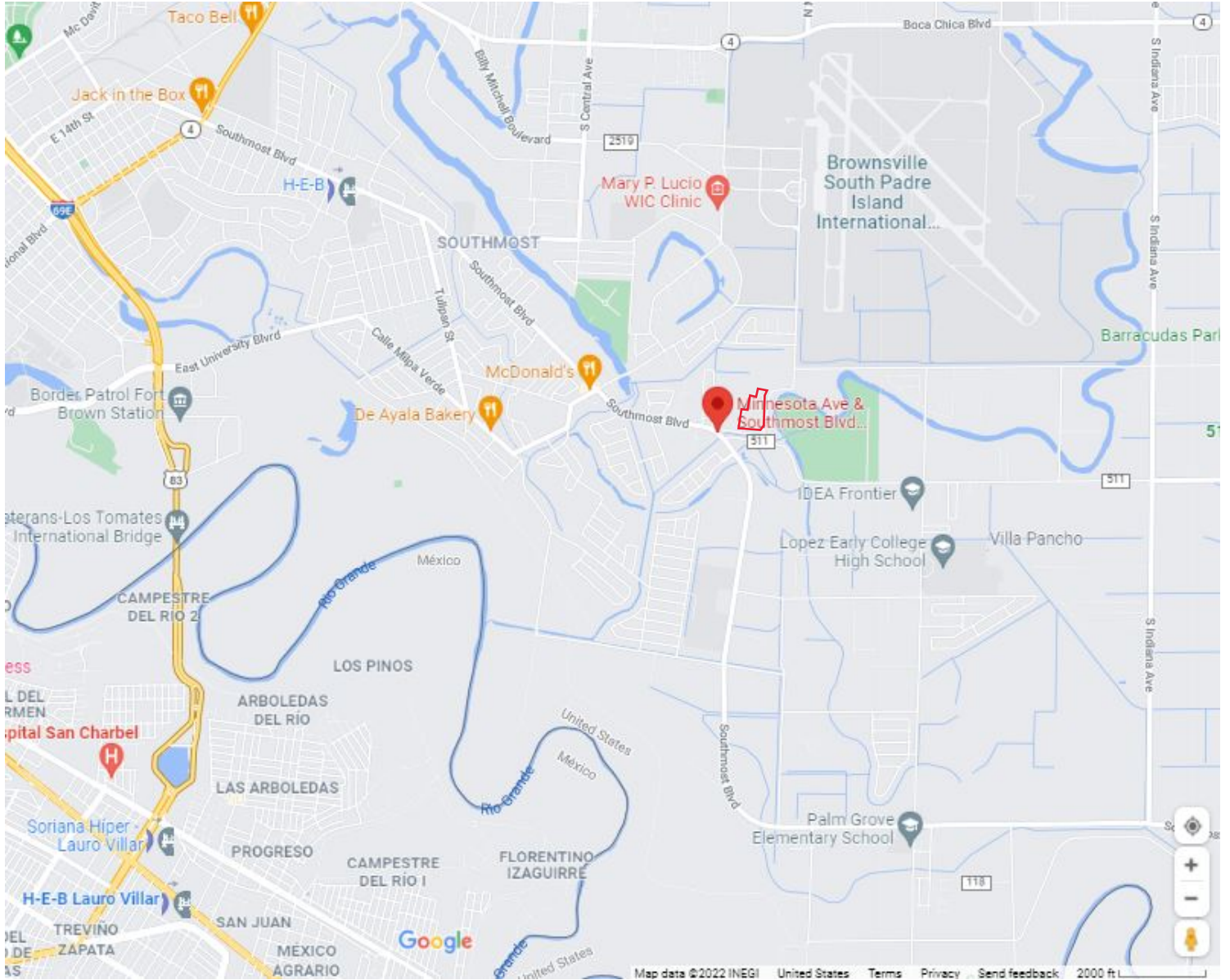
DP-05 ACS Demographi and Housing Estimates for census tract and city (and county if proposed site is located in a Rural Area) where the proposed Development Site is located (found using the Advanced Search option at www.census.gov).

Educational Quality (all Applications)

School Attendance Zone Map with Development labeled; 

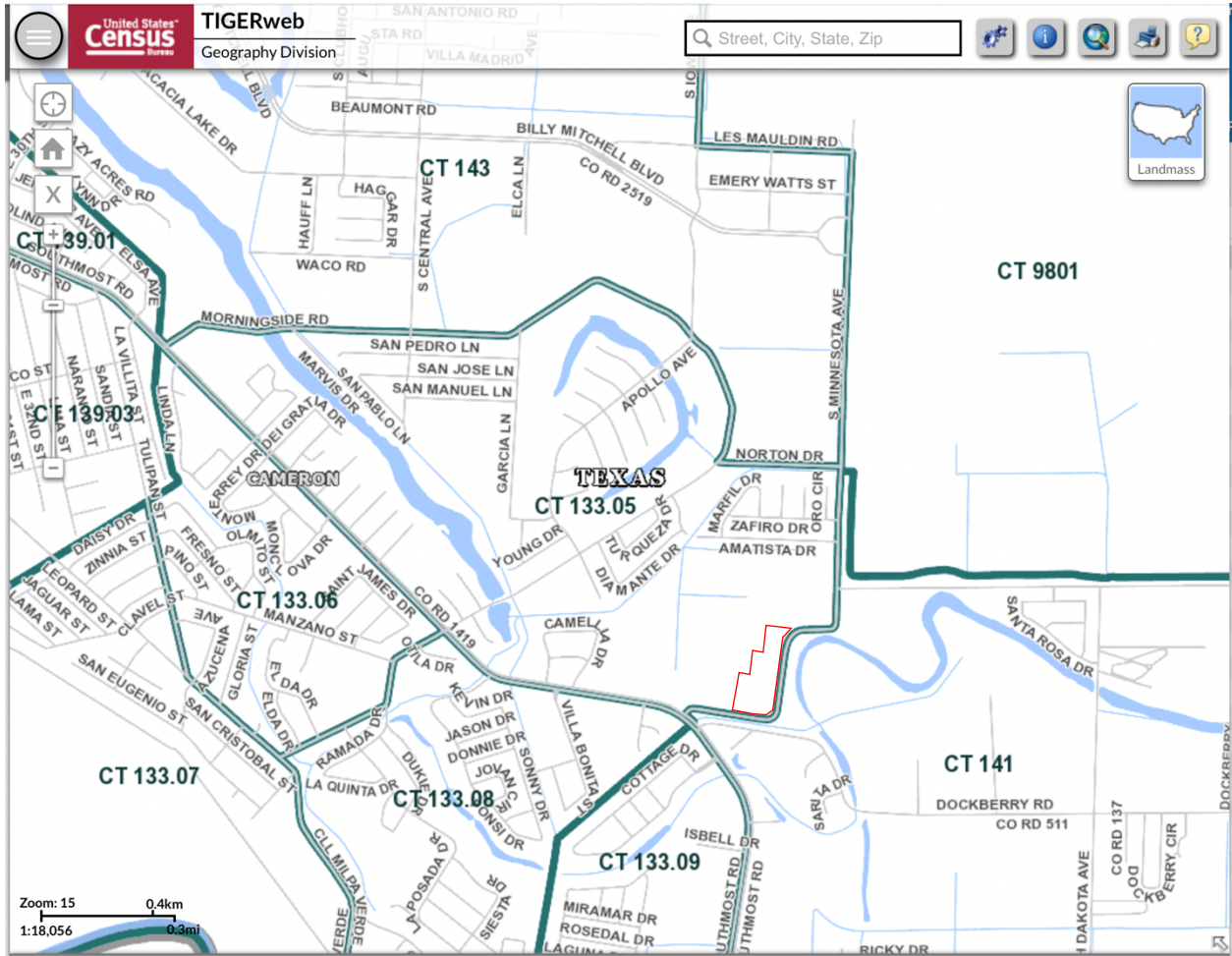
If schools are the only Neighborhood Risk Factor, the Report is not required for 2022 Applications.

Street Map Lalita Senior Living



Lalita Senior Living

Census Tract 48061013305



Source: US Census

Site Information Form Part III

Self Score Total: **139**

1. Site Acreage

Please identify site acreage as listed in each of the following exhibits/documents.

Site Control: **7.72** Site Plan: **7.72** Appraisal: _____ ESA: **7.72**

Feasibility Report Survey: **7.72** Feasibility Report Engineer's Plan: **7.72**

(*) Should equal acreage indicated in site control documents less acreage intended to be dedicated, sold or used for public purpose and not to be encumbered by LURA (net acreage). The net acreage will be used for calculating density for all purposes.

Please provide an explanation of any discrepancies in site acreage below:

2. Site Control [10 TAC §11.204(10)] (If scattered site & more than one owner refer to Tab 13.)

The current owner of the Development Site is:

Versa Development, LLC

Manish Verma

Entity Name

Contact Name

4733 College Park, Ste. 200

Address

San Antonio

TX

78249

2/15/2022

City

State

Zip

Date of Last Sale

Is the seller affiliated with the Applicant, Principal, sponsor, or any Development Team member, as described in §11.302(e)(1)(B) (Identity of Interest)? **No**

If "Yes," please explain:

If "Yes", the Application must include the documentation required by 10 TAC §11.302(e)(1)(A)(ii), as applicable.

Did the seller acquire the property through foreclosure or deed in lieu of foreclosure? **No**

Identify all of the sellers of the proposed property for the 36 months prior to the first day of the Application Acceptance Period and their relationship, if any, to members of the Development Team:

Name:

Relationship:

Eliseo Davis

none

Site Control is in the form of:

Recorded Warranty Deed with corresponding executed closing/settlement statement.

Contract for sale.

If Direct Loan funds are requested, contract includes required language in 10 TAC §13.5(e).

Contract for lease.

Other, describe _____

Effective date of Contract or Option: _____

Expiration of Contract or Option: _____

Anticipated Closing Date: _____

This is a Tax-Exempt Bond Development through a local issuer that does not include a request for MFDL, and Applicant certifies that the Site Control submitted with the BRB application for the Certificate of Reservation to be issued is still valid; OR

There have been changes to the Site Control since reviewed by BRB and the bond reservation was issued and a description of those changes are included in the box below:

3/1/2022

3:32 PM

Please see attached explanation.

Title Commitment or Title Policy is included behind this tab (per 10 TAC §11.204(12)). (Not required for Tax-Exempt Bond Applications with a local issuer; Required for MFDL).

The Property has the following encumbrance(s):

If the property will be subject to any kind of ownership other than fee simple ownership by the Applicant upon closing on financing, please explain in the box below:

If the property was or will be purchased in advance of an Application being submitted or is anticipated to be purchased while an Application is under review by the Department, please explain the circumstances that necessitated the purchase in the box below. *Note that purchase prior to contract may make the Development ineligible for Direct Loan:*

3. **Ingress/Egress and Easements [10 TAC §11.204(10)(D)]**

Ingress and egress to a public right of way are not part of the Property described in the site control documentation, and at the time of Commitment, the Applicant will provide:

Evidence of an easement, leasehold, or similar documented access; and

Evidence that the fee title owner of the property agrees that the LURA may extend to the access easement.

4. **Re-platting or Vacating Requirement [10 TAC §11.204(10)(E)]**

Control of the entire proposed Development Site requires that a right of way be vacated, and evidence that the vacation/re-platting process has started is included.

5. **30% increase in Eligible Basis "Boost" (9% and 4% HTC Only) [10 TAC §11.4(c)]**

Development qualifies for the boost for:

- Qualified Census Tract that has less than 20% HTC Units per total households

New Construction or Adaptive Reuse Development is in a QCT with 20% or greater Housing Tax Credit Units per total households, and includes a resolution acknowledging the Development is located in a census tract that has more than 20% Housing Tax Credits Units per total households and stating that the Governing Body of the appropriate municipality or county containing the Development has no objection to the Application is included behind Tab 8.†*

†Rehabilitation Developments where the rule is triggered are eligible to qualify for the boost and are not required to obtain such a resolution from the Governing Body.

* Resolution not due until Resolutions Delivery Date for Tax-Exempt Bond Developments

Development is located in a Small Area Difficult Development Area (SADDA)

- Rural Development (**Competitive HTC only**)

- Development is entirely Supportive Housing (**Competitive HTC Only**)

X Development meets the criteria for the Opportunity Index as identified in §11.9(c)(4) of the Qualified Allocation Plan (**Competitive HTC only**)

Development elects to restrict 10% of units at 30% AMI. These units may not be used to meet any scoring criteria, or used to meet any Multifamily Direct Loan program requirement. (**Competitive HTC only**)

Development is in an area covered by a concerted revitalization plan and elects and is eligible for points under 10 TAC §11.9(d)(7), is not Elderly, and is not located in a QCT. (**Competitive HTC only**)

Development is located in a Qualified Opportunity Zone designated under the Bipartisan Budget Act of 2018 (H.R. 1892). Per Announcement 2021-10, the boundaries of Qualified Opportunity Zones are unaffected by the 2020 Census. (**Competitive HTC only**)

If a revised form is submitted, date of submission:

3/1/2022


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Site Information Form Part III
Section 2 Response

In its Pre-App, Applicant provided a PSA for ± 14.95 acres with Eliseo Davis, as Seller, and Versa Development, LLC (“Versa”). Seller required Buyer acquire the land prior to filing this Application; thus, Versa (an affiliate of Applicant) purchased the land on behalf of Applicant. If Tax Credits are awarded, Versa will convey ± 7.72 (“Dev. Site”) to Dev. Owner. Applicant’s purchase price for the Dev. Site is based on the per acre price paid by Versa for the ± 14.95 acres; and, based on a conversation with TDHCA staff, we understand this is not be an identity of interest transaction (since Versa is merely acting as a conduit for Applicant’s acquisition of the land).

Support Documentation Checklist from Site Information Part III Should be Included Behind this Tab.

Site Control Documentation

- Evidence of Site Control as described in 10 TAC §11.204(10) (NOTE: Evidence  not required for Tax-Exempt Bond Development's with a local issuer and do not include a request for MFDL)
- Recorded warranty deed, includes corresponding executed settlement statement (or functional equivalent).
- Contract or option for lease (must include language required by 10 TAC §13.5(e) if requesting Direct Loan funds).
- Contract for sale or option for purchase (must include language required by 10 TAC §13.5(e) if requesting Direct Loan funds).
- If other form of site control, complete documentation is provided
- If Identity of Interest, includes documentation described in 10 TAC §11.302, as applicable.

Ingress/Egress and Easements

- Documentation required by 10 TAC §11.204(10)(D) is included, as applicable.


Re-platting or Vacating Requirement

- Documentation required by 10 TAC §11.204(10)(E) is included, as applicable.

Title Commitment or Policy

- Documentation required by 10 TAC §11.204(12) is included. (NOTE: Evidence not required for Tax-Exempt Bond Development's with a local issuer and do not include a request for MFDL)

Increase in Eligible Basis (30% Boost) (for LIHTC)

- Resolution from the Governing Body of the appropriate municipality or county allowing the construction of the Development, if applicable.
- Census tract map that includes the 11-digit census tract number and clearly shows that the proposed Development is located within a QCT, if applicable.
- SADDA map clearly showing the Development is located within the boundaries of a SADDA, if applicable. 
- Census tract map that includes the 11-digit census tract number and clearly shows that the proposed Development is located within the boundaries of a Qualified Opportunity Zone, if applicable.

List of Opportunity Zones can be found at :

<https://www.cdfifund.gov/Pages/Opportunity-Zones.aspx>
<https://opportunityzones.hud.gov/resources/map>

- If QCT or SADDA designation is not for the current year and 30% boost is being claimed, a certification that meets the requirements of §11.4(c)(4) of the QAP is provided behind this tab for Tax-Exempt Bond Developments.

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "**Agreement**") is executed to be effective as of February 28, 2022 (the "**Effective Date**"), by and between **VDC MINNESOTA SOUTHMOST, LP**, a Texas limited partnership, having an address at 4733 College Park, Suite 200, San Antonio, Texas 78249, Attn: Manish Verma (email: manishv@versadevco.com (together with its successors and/or assigns, "**Buyer**"); and **VERSA DEVELOPMENT, LLC**, a Texas limited liability company, having an address at 4733 College Park, Suite 200, San Antonio, Texas 78249, Attn: Manish Verma (email: manishv@versadevco.com (together with its successors and/or assigns, "**Seller**") (Buyer and Seller are collectively referred to as the "**Parties**", and each a "**Party**").

1. **Property.** On the terms herein set forth, Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, that ± 7.72-acre tract of land located in Cameron County, Texas, as more particularly described on Exhibit A, attached hereto and made a part hereof (the "**Land**"), together with all easements, rights-of-way, privileges, benefits, contract rights, development rights, permits, licenses, approvals, improvements, and appurtenances arising from , pertaining to or associated with the land (collectively, the "**Property**").

2. **Purchase Price.** The purchase price of the Property shall be ONE HUNDRED THIRTY THOUSAND THREE HUNDRED FORTY-SIX AND 00/100 DOLLARS (\$130,346.00) (the "**Purchase Price**"), payable at Closing by Buyer.

3. **Title Company.** Edwards Abstract and Title Co., having an address at 1075 Paredes Line Road, Brownsville, Texas 78521. Attn: Holly Cervantes, Telephone: 956.542.6777; e-mail: Holly.cervantes@edwardsabstract.com (the "**Title Company**"), will serve as the title company.

4. **Closing.**

a. **Delivery of Documents.** The conveyance of the Property and the closing of the transaction herein described (the "**Closing**") shall occur on or before May 1, 2023 (as may be extended, the "**Closing Date**"); provided, however, Buyer may elect to close at any time upon two (2) days' prior written notice to Seller.

(i) **Seller shall deliver at Closing:** (A) a special warranty deed conveying good and indefeasible fee simple title in and to the Property to Buyer (or its designee) (the "**Deed**"); (B) all easements necessary for the development and operation of the Property for its intended purpose; (C) a lien affidavit acceptable to the Title Company; (D) an affidavit of non-foreign status; (E) any other affidavit or document required by the Title Company to delete the so-called standard exceptions to the Owner's Policy of Title Insurance (the "**Title Policy**"); and (F) such other customary documents, instruments, certifications and confirmations as may be reasonably required to fully effect and consummate the transactions contemplated hereby and for the Title Company to issue the Title Policy in the form required by this Agreement.

(ii) Buyer shall deliver at Closing: (A) the Purchase Price as provided by this Agreement; and (B) such other documents, instruments, certifications and confirmations as may be reasonably required to fully effect and consummate the transaction contemplated hereby.

b. Extensions. Seller shall have the right to extend the Closing Date by delivering to Buyer written notice of the extension prior to the end of the then applicable Closing Date.

c. Prorations. Buyer and Seller shall prorate all real estate taxes, personal property taxes and all other assessments related to the Property as of the Closing Date, with the Closing Date being treated as a day of ownership by Buyer. If the final tax bill is not available at Closing, the real estate taxes, personal property taxes and all other assessments related to the Property shall be prorated based upon the latest available tax assessment for the Property, which proration shall be re-prorated outside of escrow when the actual taxes are determined.

d. Costs. Except as may otherwise be stated herein, each Party shall bear its own expenses, including its own attorneys' fees.

5. **Miscellaneous.**

a. Notices and Deadline Dates. Any notice, request, demand, instruction or other document to be given or served hereunder or under any document or instrument executed pursuant to this Agreement shall be in writing and shall be (i) delivered personally, (ii) sent by United States registered or certified mail, return receipt requested, postage prepaid, (iii) sent or by overnight express courier, postage prepaid, or (iv) sent by facsimile or electronically (e-mail), provided there is proof of delivery, each addressed to the Parties at their respective addresses set forth above, and the same shall be effective upon receipt if delivered personally, by overnight courier or by facsimile or electronically (with proof of delivery), or three (3) business days after deposit in the U.S. mail. A Party may change its address for receipt of notices by service of a notice of such change in accordance herewith. If any deadline under this Agreement falls on a Saturday, Sunday or legal holiday (which for purposes of this Agreement shall be not be considered a "**business day**"), the deadline shall be extended to the next business day.

b. Attorneys' Fees. In the event either Party brings an action at law or other proceeding permitted under the terms of this Agreement against the other Party in order to enforce or interpret any of the terms, covenants or conditions hereof or any instrument executed pursuant to this Agreement or by reason of any breach or default hereunder or thereunder, the Party prevailing in any such action or proceeding shall be paid all reasonable costs and expenses, including without limitation reasonable attorneys' fees, by the non-prevailing Party.

c. Binding Agreement. Seller may not assign this Agreement without the written consent of Buyer. Buyer may assign this Agreement or any interest herein without the written approval of Seller. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, legal representatives, successors and assignees. This Agreement constitutes the entire agreement between the Parties, and supersedes any and all prior agreements, arrangements and understanding between the Parties. This Agreement may only be amended by a written agreement executed by all of the Parties.

d. BROKERS AND COMMISSIONS. BUYER AND SELLER REPRESENT AND WARRANT TO EACH OTHER THAT NEITHER HAS DEALT WITH A BROKER, AGENT OR OTHER PERSON IN CONNECTION WITH THIS TRANSACTION.

e. Effect of Termination. This Agreement shall be void and of no further force and effect upon any proper termination under the terms hereof (other than terms herein that specifically provide that they survive termination of this Agreement).

f. Multiple Counterparts. This Agreement may be executed in one or more counterparts, and all so executed shall constitute one and the same agreement, binding upon the Parties, and notwithstanding that all of the Parties are not signatories to the same counterparts.

g. Time of the Essence. Time is of the essence of this Agreement and every provision hereof.

h. **CHOICE OF LAW. THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE UNITED STATES OF AMERICA AND THE INTERNAL LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO ITS CONFLICT RULES. VENUE AND JURISDICTION FOR ALL CLAIMS UNDER THIS AGREEMENT SHALL BE EXCLUSIVELY IN THE STATE OF TEXAS.**

i. Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable, and this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Agreement, a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as is possible. This Agreement shall be effective as of the Effective Date, notwithstanding whether the Title Company has executed the Acceptance and Receipt attached to this Agreement.

j. INDEPENDENT CONSIDERATION. ONE HUNDRED AND 00/100 DOLLARS (\$100.00) SHALL PAID BY BUYER TO SELLER WHICH SHALL BE DEEMED INDEPENDENT

CONSIDERATION AND NON-REFUNDABLE AND RETAINED BY SELLER UNDER ALL CIRCUMSTANCES, FOR AND IN CONSIDERATION OF SELLER'S EXECUTION OF THIS AGREEMENT.

k. Complete Understanding. This Agreement represents the complete understanding between the Parties as to the subject matter hereof and supersedes all prior negotiations, statements and agreements, either written or oral, between the Parties. No inducements, representations, statements or agreements have been made or relied upon in the making of this Agreement, except those specifically set forth in this Agreement. Neither Party has any right to rely on any other prior or contemporaneous statements and/or agreements made by anyone concerning this Agreement that are not set forth herein. The Parties acknowledge that Buyer has filed its Certificate of Formation, and in its capacity as Seller and its capacity as sole member of Buyer's general partner, the Parties acknowledge and agree that this Agreement is enforceable against the Parties.

6. Texas Disclosures. By its signature to this Contract, Buyer hereby acknowledges its receipt of the following notices at or before the execution of this Contract:

a. Notice Regarding Possible Liability for Additional Taxes. If for the current ad valorem tax year the taxable value of the Property that is the subject of this Agreement is determined by a special appraisal method that allows for appraisal of the Property at less than its market value, Buyer may not be allowed to qualify the Property for that special appraisal in a subsequent tax year and the Property may then be appraised at its full market value. In addition, the transfer of the Property or a subsequent change in the use of the Property may result in the imposition of an additional tax plus interest as a penalty for the transfer or the change in the use of the Property. The taxable value of the Property and the applicable method of appraisal for the current tax year is public information and may be obtained from the tax appraisal district established for the county in which the Property is located.

b. Notice Regarding Possible Annexation. If the Property that is the subject of this Agreement is located outside the limits of a municipality, the Property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, Buyer should contact all municipalities located in the general proximity of the Property for further information.

c. Property Located in a Certificated Service Area of a Utility Service Provider. The Property may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If the Property is located in a certificated area there may be special costs or charges that Buyer will be required to pay before Buyer can receive water or sewer

service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to the Property. Buyer is advised to determine if the Property is in a certificated area and contact the utility service provider to determine the cost that Buyer will be required to pay and the period, if any, that is required to provide water or sewer service to the Property.

[Executed on the next page]


IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

Buyer:

VDC MINNESOTA SOUTHMOST, LP,
a Texas limited partnership


By: VDC Minnesota Southmost GP, LLC
a Texas limited liability company,
its general partner

By: Versa Development, LLC,
a Texas limited liability company,
its sole member

By:  2/28/22
Manish Verma, President

Seller:

VERSA DEVELOPMENT, LLC,
a Texas limited liability company

By:  2/28/22
Manish Verma, President

TITLE COMPANY'S ACCEPTANCE AND RECEIPT

By signing this Acceptance and Receipt, the Title Company (a) acknowledges that it has received a copy of this Agreement executed by both Buyer and Seller, and (b) agrees to act as escrow agent hereunder.

EDWARDS ABSTRACT AND TITLE CO.

By: _____
Name: _____
Title: _____

EXHIBIT A

Description of the Land

**METES AND BOUNDS DESCRIPTION
OF A
7.72 ACRE TRACT**

Being an 7.72 acre tract of land, more or less, out of Block 3, Chicago Gardens Subdivision, Share 28, Espiritu Santo Grant, Cameron County, Texas, as recorded in Volume Q, Page 119 of the Deed Records of Cameron County, Texas. Said 7.72 acre tract being out of the remainder of a 14.44 acre tract conveyed to Mary Leslie Cole French as recorded in Document Number 2021-44917 of the Official Records of Cameron County, Texas, and said 7.72 acre tract also being out of the remainder of a 22.43 acre tract conveyed to The John W. Cole Family Limited Partnership as recorded in Volume 2434, Page 179 of the Official Records of Cameron County, Texas. Said 7.72 acre tract being more particularly located and described as follows:

Commencing at the Southwest corner of said Block 3, same being the Southwest corner of said 22.43 acre tract, same being the Southwest corner of a 21.02 acre tract conveyed to Ernesto S. Davila and Levinia Davila, Co-trustees of The Davila Family Living Trust as recorded in Volume 1564, Page 30 of the Official Records of Cameron County, Texas. Thence, with the South line of said Block 3, same being the South line of said 22.43 acre tract, South 81 degrees 24 minutes 34 seconds East (recorded South 80 degrees 30 minutes East – Plat), a distance of 22.00 feet to a point, a one-half inch iron pin found at North 84 degrees 09 minutes 58 seconds West, a distance of 0.17 feet from said point, continuing a total distance of 608.20 feet to a "MAG" nail set in the Southeast corner of said 21.02 acre tract, for the Southwest corner and the Point of Beginning of this 7.72 acre tract;

Thence, with the Easterly line of said 21.02 acre tract, North 08 degrees 17 minutes 46 seconds East, a distance of 475.43 feet (recorded North 09 degrees 12 minutes 20 seconds East, a distance of 475.31 feet – Deed), to a one-half inch iron pin with a yellow plastic cap stamped "AMBIOTEC RPLS 5914" set in an interior corner of said 21.02 acre tract, for a corner of this 7.72 acre tract;

Thence, continuing with the Easterly line of said 21.02 acre tract, South 81 degrees 42 minutes 14 seconds East (recorded South 80 degrees 47 minutes 40 seconds East – Deed), a distance of 188.60 feet to an exterior corner of said 21.02 acre tract, a one-half inch bent iron pin found at North 70 degrees 21 minutes 57 seconds East, a distance of 0.14 feet from said corner, said corner being a corner of this 7.72 acre tract;

Thence, continuing with the Easterly line of said 21.02 acre tract, North 08 degrees 57 minutes 46 seconds East (recorded North 09 degrees 52 minutes 20 seconds East – Deed), a distance of 138.00 feet to a one-half inch iron pin with a yellow plastic cap stamped "AMBIOTEC RPLS 5914" set, a one-half inch iron pin found at North 08 degrees 53 minutes 48 seconds East, a distance of 191.67 feet from said point, said point being the Northwest corner of this 7.72 acre tract;

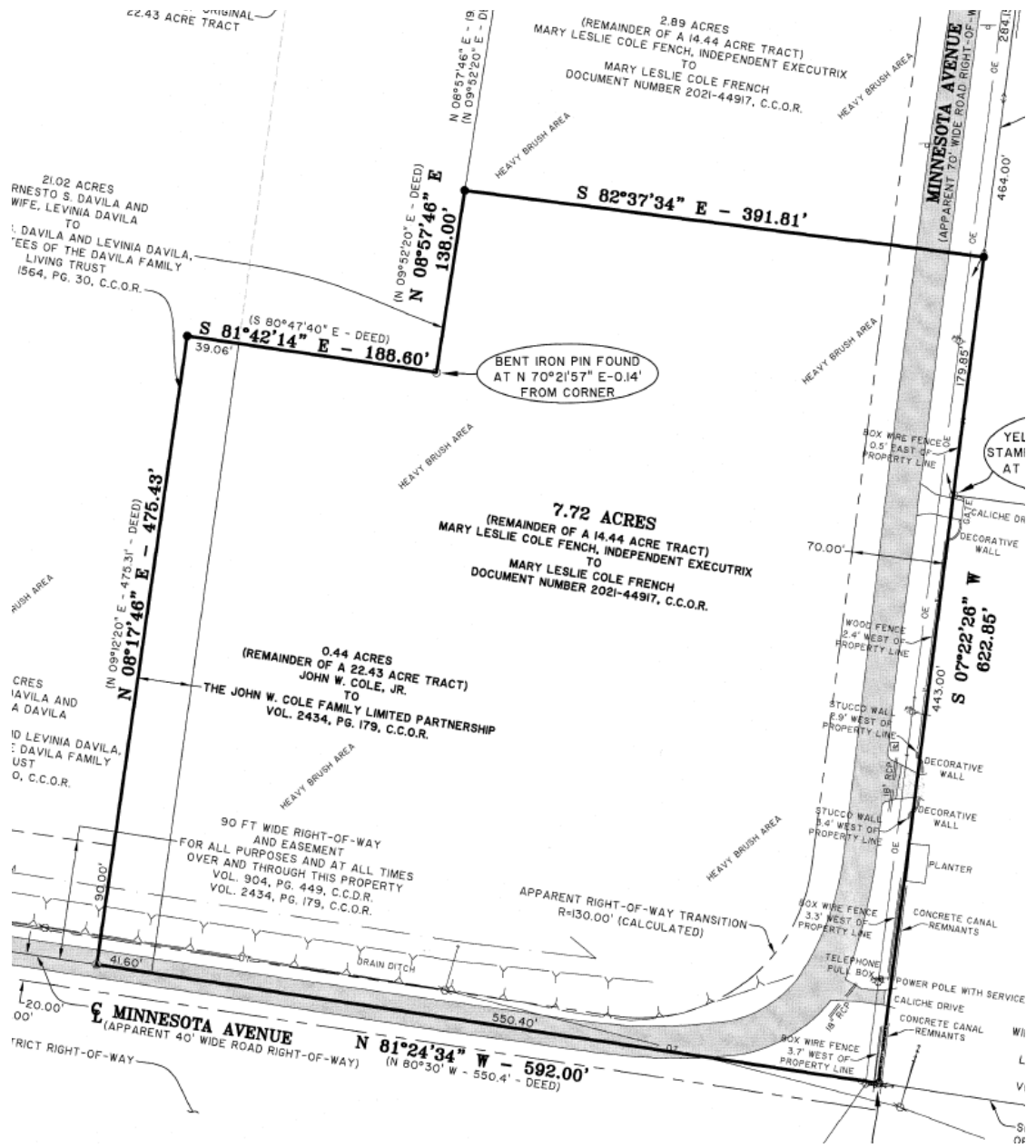
Thence, South 82 degrees 37 minutes 34 seconds East, a distance of 391.81 feet to a one-half inch iron pin with a yellow plastic cap stamped "AMBIOTEC RPLS 5914" set in the East line of said 14.44 acre tract, same being the West line of a 1.708 acre tract conveyed to Stephanie Mendoza as recorded in Volume 16260, Page 52 of the Official Records of Cameron County, Texas, for the Northeast corner of this 7.72 acre tract;

Thence, continuing with the East line of said 14.44 acre tract, same being the West line of said 1.708 acre tract, South 07 degrees 22 minutes 26 seconds West, a distance of 179.85 feet to the Southwest corner of said 1.708 acre tract, same being the Northwest corner of a 1.652 acre tract conveyed to Leonardo Gonzalez and Norma Gonzalez as recorded in Volume 11610, Page 108 of the Official Records of Cameron County, Texas, a one-half inch iron pin with a yellow plastic cap stamped "CADCON" found at North 86 degrees 46 minutes 11 seconds East, a distance of 0.36 feet from said corner, continuing a total distance of 622.85 feet to the Southeast corner of said 14.44 acre tract, same being the Southwest corner of said 1.652 acre tract, said corner being in the South line of said Block 3, a concrete nail found at North 65 degrees 52 minutes 17 seconds East, a distance of 0.33 feet from said corner, said corner being the Southeast corner of this 7.72 acre tract;

Thence, with the South line of said Block 3, same being the South line of said 14.44 acre tract, North 81 degrees 24 minutes 34 seconds West, a distance of 592.00 feet (recorded North 80 degrees 30 minutes West, a distance of 550.4 feet – Deed), to the Point of Beginning;

Said described tract containing 7.72 acres, more or less.

AND AS SHOWN ON THE FOLLOWING PAGE





COMMITMENT FOR TITLE INSURANCE (Form T-7)

Issued by

TITLE RESOURCES GUARANTY COMPANY

We, Title Resources Guaranty Company, will issue our title insurance policy or policies (the Policy) to You (the proposed insured) upon payment of the premium and other charges due, and compliance with the requirements in Schedule C. Our Policy will be in the form approved by the Texas Department of Insurance at the date of issuance, and will insure your interest in the land described in Schedule A. The estimated premium for our Policy and applicable endorsements is shown on Schedule D. There may be additional charges such as recording fees, and expedited delivery expenses.

This Commitment ends ninety (90) days from the effective date, unless the Policy is issued sooner, or failure to issue the Policy is our fault. Our liability and obligations to you are under the express terms of this Commitment and end when this Commitment expires.

THE FOLLOWING COMMITMENT FOR TITLE INSURANCE IS NOT VALID UNLESS YOUR NAME AND THE POLICY AMOUNT ARE SHOWN IN SCHEDULE A, AND OUR AUTHORIZED REPRESENTATIVE HAS COUNTERSIGNED BELOW.

Edwards Abstract and Title Co.

A handwritten signature in cursive script that reads "Dalia Salinas".

Dalia Salinas



Title Resources Guaranty Company

By: Paul M. Rudge
Executive Vice President

Michael P. Hagdon
Secretary

TEXAS TITLE INSURANCE INFORMATION

<p>Title insurance insures you against loss resulting from certain risks to your title.</p> <p>The commitment for Title Insurance is the title insurance company's promise to issue the title insurance policy. The commitment is a legal document. You should review it carefully to completely understand it before your closing date.</p>	<p>El seguro de título le asegura en relación a pérdidas resultantes de ciertos riesgos que pueden afectar el título de su propiedad.</p> <p>El Compromiso para Seguro de Título es la promesa de la compañía aseguradora de títulos de emitir la póliza de seguro de título. El Compromiso es un documento legal. Usted debe leerlo cuidadosamente y entenderlo completamente antes de la fecha para finalizar su transacción.</p>
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Your Commitment for Title Insurance is a legal contract between you and us. The Commitment is not an opinion or report of your title. It is a contract to issue you a policy subject to the Commitment's terms and requirements.

Before issuing a Commitment for Title Insurance (the Commitment) or a Title Insurance Policy (the Policy), the Title Insurance Company (the Company) determines whether the title is insurable. This determination has already been made. Part of that determination involves the Company's decision to insure the title except for certain risks that will not be covered by the Policy. Some of these risks are listed in Schedule B of the attached Commitment as Exceptions. Other risks are stated in the Policy as Exclusions. These risks will not be covered by the Policy. The Policy is not an abstract of title nor does a Company have an obligation to determine the ownership of any mineral interest.

Minerals and Mineral Rights may not be covered by the Policy. The Company may be unwilling to insure title unless there is an exclusion or an exception as to Minerals and Mineral Rights in the Policy. Optional endorsements insuring certain risks involving minerals, and the use of improvements (excluding lawns, shrubbery and trees) and permanent buildings may be available for purchase. If the title insurer issues the title policy with an exclusion or exception to the minerals and mineral rights, neither this Policy, nor the optional endorsements, ensure that the purchaser has title to the mineral rights related to the surface estate.

Another part of the determination involves whether the promise to insure is conditioned upon certain requirements being met. Schedule C of the Commitment lists these requirements that must be satisfied or the Company will refuse to cover them. You may want to discuss any matters shown in Schedules B and C of the Commitment with an attorney. These matters will affect your title and your use of the land.

When your Policy is issued, the coverage will be limited by the Policy's Exceptions, Exclusions and Conditions, defined below.

- **EXCEPTIONS** are title risks that a Policy generally covers but does not cover in a particular instance. Exceptions are shown on Schedule B or discussed in Schedule C of the Commitment. They can also be added if you do not comply with the Conditions section of the Commitment. When the Policy is issued, all Exceptions will be on Schedule B of the Policy.
- **EXCLUSIONS** are title risks that a Policy generally does not cover. Exclusions are contained in the Policy but not shown or discussed in the Commitment.
- **CONDITIONS** are additional provisions that qualify or limit your coverage. Conditions include your responsibilities and those of the Company. They are contained in the Policy but not shown or discussed in the Commitment. The Policy Conditions are not the same as the Commitment Conditions.

You can get a copy of the policy form approved by the Texas Department of Insurance by calling the Title Insurance Company at 1-800-526-8018 or by calling the title insurance agent that issued the Commitment. The Texas Department of Insurance may revise the policy form from time to time.

You can also get a brochure that explains the policy from the Texas Department of Insurance by calling 1-800-252-3439.

Before the Policy is issued, you may request changes in the policy. Some of the changes to consider are:

- Request amendment of the "area and boundary" exception (Schedule B, paragraph 2). To get this amendment, you must furnish a survey and comply with other requirements of the Company. On the Owner's Policy, you must pay an additional premium for the amendment. If the survey is acceptable to the Company and if the Company's other requirements are met, your Policy will insure you against loss because of discrepancies or conflicts in boundary lines, encroachments or protrusions, or overlapping of improvements. The Company may then decide not to insure against specific boundary or survey problems by making special exceptions in the Policy. Whether or not you request amendment of the "area and boundary" exception, you should determine whether you want to purchase and review a survey if a survey is not being provided to you.
- Allow the Company to add an exception to "rights of parties in possession." If you refuse this exception, the Company or the title insurance agent may inspect the property. The Company may except to and not insure you against the rights of specific persons, such as renters, adverse owners or easement holders who occupy the land. The Company may charge you for the inspection. If you want to make your own inspection, you must sign a Waiver of Inspection form and allow the Company to add this exception to your Policy.

The entire premium for a Policy must be paid when the Policy is issued. You will not owe any additional premiums unless you want to increase your coverage at a later date and the Company agrees to add an Increased Value Endorsement.

CONDITIONS AND STIPULATIONS

1. If you have actual knowledge of any matter which may affect the title or mortgage covered by this Commitment, that is not shown in Schedule B, you must notify us in writing. If you do not notify us in writing, our liability to you is ended or reduced to the extent that your failure to notify us affects our liability. If you do notify us, or we learn of such matter, we may amend Schedule B, but we will not be relieved of liability already incurred.
2. Our liability is only to you, and others who are included in the definition of Insured in the Policy to be issued. Our liability is only for actual loss incurred in your reliance on this Commitment to comply with its requirements, or to acquire the interest in the land. Our liability is limited to the amount shown in Schedule A of this Commitment and will be subject to the following terms of the Policy: Insuring Provisions, Conditions and Stipulations, and Exclusions.

IMPORTANT NOTICE	AVISO IMPORTANTE
<p>FOR INFORMATION, OR TO MAKE A COMPLAINT CALL OUR TOLL-FREE NUMBER</p> <p>1-800-526-8018</p> <p>ALSO YOU MAY CONTACT THE TEXAS DEPARTMENT OF INSURANCE AT</p> <p>1-800-252-3439</p>	<p>PARA INFORMACION, O PARA SOMETER UNA QUEJA LLAME AL NUMERO GRATIS</p> <p>1-800-526-8018</p> <p>TAMBIEN PUEDE COMUNICARSE CON EL DEPARTAMENTO DE SEGUROS DE TEXAS AL</p> <p>1-800-252-3439</p>
<p>to obtain information on:</p> <ol style="list-style-type: none">1. filing a complaint against an insurance company or agent,2. whether an insurance company or agent is licensed,3. complaints received against an insurance company or agent,4. policyholder rights, and5. a list of consumer publications and services available through the Department.	<p>para obtener información sobre:</p> <ol style="list-style-type: none">1. como someter una queja en contra de una compañía de seguros o agente de seguros,2. si una compañía de seguros o agente de seguros tiene licencia,3. quejas recibidas en contra de una compañía de seguros o agente de seguros,4. los derechos del asegurado, y5. una lista de publicaciones y servicios para consumidores disponibles a través del Departamento.
<p>YOU MAY ALSO WRITE TO THE TEXAS DEPARTMENT OF INSURANCE P.O. BOX 149104 AUSTIN, TEXAS 78714-9104 FAX NO. (512) 475-1771</p>	<p>TAMBIEN PUEDE ESCRIBIR AL DEPARTAMENTO DE SEGUROS DE TEXAS P.O. BOX 149104 AUSTIN, TEXAS 78714-9104 FAX NO. (512) 475-1771</p>



**COMMITMENT FOR TITLE INSURANCE (FORM T-7)
SCHEDULE A
Issued by
TITLE RESOURCES GUARANTY COMPANY**

Effective Date: February 17, 2022

GF No.: 942411

Commitment No. , issued March 1, 2022, 12:00 AM

1. The policy or policies to be issued are:

- a. OWNER'S POLICY OF TITLE INSURANCE (Form T-1)
(Not applicable for improved one-to-four family residential real estate)

Policy Amount: \$130,346.00
PROPOSED INSURED: VDC Minnesota Southmost, LP

- b. TEXAS RESIDENTIAL OWNER'S POLICY OF TITLE INSURANCE
ONE-TO-FOUR FAMILY RESIDENCES (Form T-1R)

Policy Amount:
PROPOSED INSURED:

- c. LOAN POLICY OF TITLE INSURANCE (Form T-2)

Policy Amount:
PROPOSED INSURED:
Proposed Borrower:

- d. TEXAS SHORT FORM RESIDENTIAL LOAN POLICY OF TITLE INSURANCE (Form T-2R)

Policy Amount:
PROPOSED INSURED:
Proposed Borrower:

- e. LOAN TITLE POLICY BINDER ON INTERIM CONSTRUCTION LOAN (Form T-13)

Binder Amount:
PROPOSED INSURED:
Proposed Borrower:

- f. OTHER

Policy Amount:
PROPOSED INSURED:

2. The interest in the land covered by this Commitment is:

Fee simple

3. Record title to the land on the Effective Date appears to be vested in:

VERSA DEVELOPMENT LLC., A TEXAS LIMITED LIABILITY COMPANY

SCHEDULE A

(Continued)

4. Legal description of land:

Being an 7.72 acre tract of land, more or less, out of Block 3, CHICAGO GARDENS SUBDIVISION, Share 28, Espiritu Santo Grant, Cameron County, Texas, as recorded in Volume Q, Page 119 of the Deed Records of Cameron County, Texas. Said 7.72 acre tract being out of the remainder of a 14.44 acre tract conveyed to Mary Leslie Cole French as recorded in Document Number 2021-44917 of the Official Records of Cameron County, Texas, and said 7.72 acre tract also being out of the remainder of a 22.43 acre tract conveyed to The John W. Cole Family Limited Partnership as recorded in Volume 2434, Page 179 of the Official Records of Cameron County, Texas. Said 7.72 acre tract being more particularly located and described as follows:

Commencing at the Southwest corner of said Block 3, same being the Southwest corner of said 22.43 acre tract, same being the Southwest corner of a 21.02 acre tract conveyed to Ernesto S. Davila and Levinia Davila, Co-trustees of The Davila Family Living Trust as recorded in Volume 1564, Page 30 of the Official Records of Cameron County, Texas. Thence, with the South line of said Block 3, same being the South line of said 22.43 acre tract, South 81 degrees 24 minutes 34 seconds East (recorded South 80 degrees 30 minutes East-Plat), a distance of 22.00 feet to a point, a one-half inch iron pin found at North 84 degrees 09 minutes 58 seconds West, a distance of 0.17 feet from said point, continuing a total distance of 608.20 feet to a "MAG" nail set in the Southeast corner of said 21.02 acre tract, for the Southwest corner and the Point of Beginning of this 7.72 acre tract;

Thence, with the Easterly line of said 21.02 acre tract, North 08 degrees 17 minutes 46 seconds East, a distance of 475.43 feet (recorded North 09 degrees 12 minutes 20 seconds East, a distance of 475.31 feet-Deed), to a one-half inch iron pin with a yellow plastic cap stamped "AMBIOTEC RPLS 5914" set in an interior corner of said 21.02 acre tract, for corner of this 7.72 acre tract;

Thence, continuing with the Easterly line of said 21.02 acre tract, South 81 degrees 42 minutes 14 seconds East (recorded South 80 degrees 47 minutes 40 seconds East-Deed), a distance of 188.60 feet to an exterior corner of said 21.02 acre tract, a one-half inch bent iron pin found at North 70 degrees 21 minutes 57 seconds East, a distance of 0.14 feet from said corner, said corner being a corner of this 7.72 acre tract;

Thence, continuing with the Easterly line of said 21.02 acre tract, North 08 degrees 57 minutes 46 seconds East (recorded North 09 degrees 52 minutes 20 seconds East-Deed), a distance of 138.00 feet to a one-half inch iron pin with a yellow plastic cap stamped "AMBIOTEC RPLS 5914" set, a one-half inch iron pin found at North 08 degrees 53 minutes 48 seconds East, a distance of 191.67 feet from said point, said point being the Northwest corner of this 7.72 acre tract;

Thence, South 82 degrees 37 minutes 34 seconds East, a distance of 391.81 feet to a one-half inch iron pin with yellow plastic cap stamped "AMBIOTEC RPLS 5914" set in the East line of said 14.44 acre tract, same being the West line of a 1.708 acre tract conveyed to Stephanie Mendoza as recorded in Volume 16260, Page 52 of the Official Records of Cameron County, Texas, for the Northeast corner of this 7.72 acre tract;

Thence, continuing with the East line of said 14.44 acre tract, same being the West line of said 1.708 acre tract, South 07 degrees 22 minutes 26 seconds West, a distance of 179.85 feet to the Southwest corner of said 1.708 acre tract, same being the Northwest corner of a 1.652 acre tract conveyed to Leonardo Gonzalez and Norma Gonzalez as recorded in Volume 11610, Page 108 of the Official Records of Cameron County, Texas, a one-half inch iron pin with a yellow plastic cap stamped "CADCON" found at North 86 degrees 46 minutes 11 seconds East, a distance of 0.36 feet from said corner, continuing a total distance of 622.85 feet to the Southeast corner of said 14.44 acre tract, same being the Southwest corner of said 1.652 acre tract, said corner being the South line of said Block 3, a concrete nail found at North 65 degrees 52 minutes 17 seconds East, a distance of 0.33 feet from said corner, said corner being the Southeast corner of this 7.72 acre tract;

Thence, with the South line of said Block 3, same being the South line of said 14.44 acre tract, North 81 degrees 24 minutes 34 seconds West, a distance of 592.00 feet (recorded North 80 degrees 30 minutes West, a distance of 550.4 feet-Deed), to the Point of Beginning;

SCHEDULE A
(Continued)

Said described tract containing 7.72 acres, more or less.

Note: The Company does not represent that the above acreage or square footage calculations are correct.

Edwards Abstract and Title Co.



Dalia Salinas
Authorized Countersignature



Title Resources Guaranty Company

By: Paul M. [Signature]
Executive Vice President

Michael P. [Signature]
Secretary

SCHEDULE B

Commitment No.:

GF No.: 942411

EXCEPTIONS FROM COVERAGE

In addition to the Exclusions and Conditions and Stipulations, your Policy will not cover loss, costs, attorney's fees, and expenses resulting from:

1. The following restrictive covenants of record itemized below:

THIS EXCEPTION IS HEREBY DELETED.

(Omitting any covenant or restriction based on race, color, religion, sex, disability, handicap, familial status or national origin.)

2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements.
3. Homestead or community property or survivorship rights, if any of any spouse of any insured. (Applies to the Owner's Policy only.)
4. Any titles or rights asserted by anyone, including, but not limited to, persons, the public, corporations, governments or other entities,
 - a. to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or
 - b. to lands beyond the line of the harbor or bulkhead lines as established or changed by any government, or
 - c. to filled-in lands, or artificial islands, or
 - d. to statutory water rights, including riparian rights, or
 - e. to the area extending from the line of mean low tide to the line of vegetation, or the rights of access to that area or easement along and across that area.

(Applies to the Owner's Policy only.)

5. Standby fees, taxes and assessments by any taxing authority for the year 2022, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, Texas Tax Code, or because of improvements not assessed for a previous tax year. (If Texas Short form Residential Loan Policy (T-2R) is issued, that policy will substitute "which become due and payable subsequent to Date of Policy" in lieu of "for the year 2021, and subsequent years.")
6. The terms and conditions of the documents creating your interest in the land.
7. Materials furnished or labor performed in connection with planned construction before signing and delivering the lien document described in Schedule A, if the land is part of the homestead of the owner. (Applies to the Loan Title Policy Binder on Interim Construction Loan only, and may be deleted if satisfactory evidence is furnished to us before a binder is issued.)
8. Liens and leases that affect the title to the land, but that are subordinate to the lien of the insured mortgage. (Applies to Loan Policy (T-2) only.)

SCHEDULE B

(Continued)

9. The Exceptions from Coverage and Express Insurance in Schedule B of the Texas Short Form Residential Loan Policy of Title Insurance (T-2R). (Applies to Texas Short Form Residential Loan Policy of Title Insurance (T-2R) only.) Separate exceptions 1 through 8 of this Schedule B do not apply to the Texas Short Form Residential Loan Policy of Title Insurance (T-2R).
10. The following matters and all terms of the documents creating or offering evidence of the matters:
 - a. Rights of parties in possession. (Owner's title policy only.)
 - b. All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges and immunities relating thereto, appearing in the Public Records whether listed in Schedule B or not. There may be leases, grants, exceptions or reservations of mineral interest that are not listed.
 - c. Oil, Gas and Mineral Lease(s) dated October 20, 1936, recorded in Volume 2, Page 121, Oil and Gas Records, and dated October 20, 1936, recorded in Volume 2, Page 140, Oil and Gas Records, Cameron County, Texas. Title to the herein described mineral interest(s) was not checked subsequent to the date(s) of the aforesaid instrument(s).
 - d. Easement and/or other rights, if any, as set forth in Warranty Deed dated May 20, 1993, recorded in Volume 2434, Page 179, Official Records, Cameron County, Texas.
 - e. Subject to any portion of the land within the limits or boundaries of any public or private roadway and/or highway and the rights of the public thereto.
 - f. Apparent easement for OVERHEAD TELEPHONE LINES, TRANSMISSION POWER POLES, GUY and ANCHORS, TELEPHONE PULL BOX and TELEPHONE PEDESTAL as shown on SURVEY Project Number 3659, dated February 24, 2022, prepared by Ambiotec Civil Engineering Group, Inc.
 - g. Apparent easement for OVERHEAD ELECTRIC DISTRIBUTION LINES, POWER POLES and POWER POLE with SERVICE DROP as shown on SURVEY Project Number 3659, dated February 24, 2022, prepared by Ambiotec Civil Engineering Group, Inc.
 - h. Right of the OWNER of two SIGNS as shown on SURVEY Project Number 3659, dated February 24, 2022, prepared by Ambiotec Civil Engineering Group, Inc.
 - i. Right of the OWNER of DRAIN DITCH and CONCRETE CANAL REMNANTS as shown on SURVEY Project Number 3659, dated February 24, 2022, prepared by Ambiotec Civil Engineering Group, Inc.
 - j. Apparent ROAD RIGHT-OF-WAY for Minnesota Avenue as shown on SURVEY Project Number 3659, dated February 24, 2022, prepared by Ambiotec Civil Engineering Group, Inc.

SCHEDULE B

(Continued)

- k. The following encroachment of improvements of the OWNER of 1.652 acre tract of land as shown on SURVEY Project Number 3659, dated February 24, 2022, prepared by Ambiotec Civil Engineering Group, Inc.:
- Caliche Drive (two).
 - Concrete Drive.
 - Mail Box.
 - Wood Fence 2.4 feet west property line.
 - Stucco Wall 2.9 feet west of property line.
 - Stucco Wall 3.4 feet west of property line.
 - Box Wire Fence 3.3 feet west of property line.
 - Box Wire Fence 3.7 feet west of property line.
- l. Right of the OWNER of a 1.652 acre tract of land, their heirs and assigns, to access to and from the land to Minnesota Avenue. The 1.652 acre tract of land is described in WARRANTY DEED WITH VENDOR'S LIEN, dated July 29, 2005, filed August 2, 2005, recorded in Volume 11610, pages 108 to 112, Official Records, Cameron County, Texas.
- m. Right of the OWNER of a 1.708 acre tract of land, their heirs and assigns, to access to and from the land to Minnesota Avenue. The 1.708 acre tract of land is described in WARRANTY DEED WITH VENDOR'S LIEN, dated June 18, 2009, filed August 19, 2009, recorded in Volume 16260, pages 52 to 56, Official Records, Cameron County, Texas.
- n. Easements and reservations as may appear upon the recorded map and dedication of said subdivision.
- o. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the land. (NOTE: UPON RECEIPT OF A SURVEY ACCEPTABLE TO COMPANY, THIS EXCEPTION WILL BE DELETED. COMPANY RESERVES THE RIGHT TO ADD ADDITIONAL EXCEPTIONS PER ITS EXAMINATION OF SAID SURVEY).
- p. Any and all liens arising by reason of unpaid bills or claims for work performed or materials furnished in connection with improvements placed, or to be placed, upon the subject land. However, the Company does insure the Insured against loss, if any, sustained by the Insured under this policy if such liens have been filed with the County Clerk of Cameron County, Texas, prior to the date hereof. (THIS EXCEPTION MAY BE DELETED IF PROPOSED TRANSACTION DOES NOT INCLUDE COST OF CONSTRUCTION OF IMPROVEMENTS, CONSTRUCTION OR REPAIRS).

SCHEDULE B

(Continued)

- q. Pending disbursement of the full proceeds of the loan secured by the lien instrument set forth under Schedule A hereof, this policy insures only to the extent of the amount actually disbursed, but increases as each disbursement is made in good faith and without knowledge of any defects in, or objections to, the title up to the face amount of the policy. Nothing contained in this paragraph shall be construed as limiting any exception under Schedule B, or any printed provision of this policy. (LOAN POLICY ONLY) (THIS EXCEPTION MAY BE DELETED IF PROPOSED TRANSACTION DOES NOT INCLUDE COST OF CONSTRUCTION OF IMPROVEMENTS, CONSTRUCTION OR REPAIR, AND LOAN PROCEEDS ARE FULLY DISBURSED).
- r. Liability hereunder at the date hereof is limited to \$130,346.00. Liability shall increase as contemplated improvements are made, so that any loss payable hereunder shall be limited to said sum plus the amount actually expended by the Insured as improvements at the time the loss occurs. Any expenditures made for improvements, subsequent to the date of this policy, will be deemed made as of the date of this policy. In no event shall the liability of the Company hereunder exceed the face amount of this policy. Nothing contained in this paragraph shall be construed as limiting any exception or any printed provision of this policy. (OWNER POLICY ONLY) (THIS EXCEPTION MAY BE DELETED IF PROPOSED TRANSACTION DOES NOT INCLUDE COST OF CONSTRUCTION OF IMPROVEMENTS, CONSTRUCTION OR REPAIRS).

SCHEDULE C

Commitment No.:

GF No.: 942411

Your Policy will not cover loss, costs, attorney's fees, and expenses resulting from the following requirements that will appear as Exceptions in Schedule B of the Policy, unless you dispose of these matters to our satisfaction, before the date the Policy is issued:

1. Documents creating your title or interest must be approved by us and must be signed, notarized and filed for record.
2. Satisfactory evidence must be provided that:
 - a. no person occupying the land claims any interest in that land against the persons named in paragraph 3 of Schedule A,
 - b. all standby fees, taxes, assessments and charges against the property have been paid,
 - c. all improvements or repairs to the property are completed and accepted by the owner, and that all contractors, sub-contractors, laborers and suppliers have been fully paid, and that no mechanic's, laborer's or materialmen's liens have attached to the property,
 - d. there is legal right of access to and from the land,
 - e. (on a Loan Policy only) restrictions have not been and will not be violated that affect the validity and priority of the insured mortgage.
3. You must pay the seller or borrower the agreed amount for your property or interest.
4. Any defect, lien or other matter that may affect title to the land or interest insured, that arises or is filed after the effective date of this Commitment.
5. Note: Procedural Rule P-27 requires that "Good Funds" be received and deposited before a Title Agency may disburse from its Trust Fund Account.
6. IF THIS TRANSACTION CLOSSES IN YOUR OFFICE, EDWARDS ABSTRACT AND TITLE CO. REQUIRES THE FOLLOWING:
 - A. Affidavit as to Debts and Liens.
 - B. Waiver of Inspection. (Owner's Title Policy only)
 - C. Copy of Closing Statement.
 - D. If you file closing documents, copies of documents with recording information.
7. EDWARDS ABSTRACT AND TITLE COMPANY searched its title plant for possible involuntary liens recorded against the names, VERSA DEVELOPMENT LLC, A TEXAS LIMITED LIABILITY COMPANY AND VDC MINNESOTA SOUTHMOST LP, and found the following: (NONE)
8. Prior to closing, Company must be furnished satisfactory copies of the articles of organization, the operating agreement and the regulations of VERSA DEVELOPMENT LLC, A TEXAS LIMITED LIABILITY COMPANY, any amendment thereof, a certificate of good standing and satisfactory evidence of authority of the officer(s), manager(s) or member(s) thereof to sell and convey the land pursuant to the real estate contract presented to Company, pay any costs of closing the transaction to be insured and execute and deliver all documents required by Company to consummate the transaction to be insured, at which time Company reserves the right to make revisions or additional exceptions and/or requirements to this commitment for title insurance.

SCHEDULE C

(Continued)

9. Prior to closing, Company must be furnished a satisfactory copy of the articles of partnership or partnership agreement VDC MINNESOTA SOUTHMOST, LP , and any amendments thereto, at which time Company reserves the right to make revisions or additional exceptions and/or requirements to this commitment for title insurance.

Prior to closing, Company must be furnished satisfactory evidence that the Certificate of Limited Partnership of VDC MINNESOTA SOUTHMOST, LP, has been filed in the Office of the Secretary of State, at which time Company reserves the right to make revisions or additional exceptions and/or requirements to this commitment for title insurance.

10. If the loan to be insured is new construction, Closer(s) shall notify Company so that the appropriate pending disbursement and completion of improvements exceptions can be placed on Schedule B of the policy.

Closer(s) should also obtain satisfactory evidence that there has been no construction activity on the land within the past six months. If there has been such activity, Company requires an Affidavit of Completion, executed by Contractor and Owner, showing the date of completion as well as an Affidavit of All Bills Paid executed by Contractor and Owner. In connection with the Contractor's execution of said Affidavit of Completion and said Affidavit of All Bills Paid,

if the Contractor is a general partnership, Company must be furnished a satisfactory copy of the articles of partnership or partnership agreement of said general partnership, and any amendments thereto, at which time Company reserves the right to make revisions or additional exceptions and/or requirements to this commitment for title insurance;

if the Contractor is a limited liability company, Company must be furnished satisfactory copies of the articles of organization, the operating agreement and the regulations of said limited liability company, any amendment thereof, a certificate of good standing and satisfactory evidence of authority of the officer(s), manager(s) or member(s) thereof to execute said Affidavit of Completion and said Affidavit of All Bills Paid, at which time Company reserves the right to make revisions or additional exceptions and/or requirements to this commitment for title insurance;

if the Contractor is a corporation, Company must be furnished satisfactory evidence regarding the corporate status of said corporation, satisfactory evidence of said corporation's good standing and a satisfactory certified copy of a resolution by the board of directors of said corporation authorizing the execution and delivery by the proper officer(s) thereof of said Affidavit of Completion and said Affidavit of All Bills Paid, at which time Company reserves the right to make revisions or additional exceptions and/or requirements to this commitment for title insurance;

if the contractor is a limited partnership, Company must be furnished a satisfactory copy of the articles of partnership or partnership agreement of said limited partnership and any amendments thereto, along with satisfactory evidence that the Certificate of Limited Partnership of said limited partnership has been filed in the Office of the Secretary of State;

additionally, if the general partner in said limited partnership is a limited liability company, Company must be furnished all the items required of a limited liability company, as set forth above; alternatively, if the general partner in said limited partnership is a corporation, Company must be furnished all the items required of a corporation, as set forth above; and,

finally, upon receipt of all the matters required herein, Company reserves the right to make revisions or additional exceptions and/or requirements to this commitment for title insurance.

11. For purposes of the following NOTE, a "transaction between family members" includes but is not necessarily limited to a transaction in which some or all of the parties thereto are related by blood or

SCHEDULE C

(Continued)

marriage, e.g. grandparent(s), grandchild(ren), parent(s), child(ren), sibling(s), uncle(s), aunt(s), nephew(s), niece(s), cousin(s) and/or in-law(s).

NOTE: Company cannot close and/or insure a transaction between family members without prior underwriting approval. In order to solicit prior underwriting approval, Company must be provided, at a minimum, satisfactory details regarding the transaction and satisfactory details regarding the use and/or intended use of the land, at which time Company reserves the right to make revisions or additional exceptions and/or requirements to this commitment for title insurance, as well as the right to not insure transaction.

12. If the loan that is the basis of the transaction to be insured is to be secured by a Deed of Trust, the land is not the homestead of the borrower and the borrower is married, COMPANY MUST BE FURNISHED, at or prior to closing, a Homestead Affidavit signed by husband and wife, in recordable form, **(1)** legally describing the land they own and occupy as their urban homestead, residence and/or business, consisting of not more than ten (10) acres of land which may be in one or more lots, or; **(2)** legally describing the land they own and occupy as their rural homestead, consisting of not more than two hundred (200) acres of land which may be in one or more tracts, and disclaiming any homestead rights in the land we are being asked to insure, or;

If the loan that is the basis of the transaction to be insured is to be secured by a Deed of Trust, the land is not the homestead of the borrower and the borrower is a single, adult person, COMPANY MUST BE FURNISHED, at or prior to closing, a Homestead Affidavit in recordable form, **(1)** legally describing the land owned as urban homestead, residence and/or business, consisting of not more than ten (10) acres of land which may be in one or more lots, or; **(2)** legally describing the land owned as rural homestead, consisting of not more than one hundred (100) acres of land which may be in one or more tracts, AND disclaiming any homestead rights in the land we are being asked to insure.

13. If the homestead and the non-homestead tracts are both urban or both rural, the Homestead Affidavit should be submitted for Company's review prior to closing and funding of the loan.

If the loan that is the basis of the transaction to be insured is for material furnished or labor performed in constructing improvements and the land is the homestead of the borrower, Company requires that the lien creating the interest to be insured be a Builder's and Mechanic's Lien Contract, Mechanic's and Materialman's Lien Contract or other written contract setting forth the terms of the construction agreement, entered into and signed by husband and wife (if not married, a single adult person) and contractor and filed of record in the real property records of Hidalgo County, Texas, before the material is furnished or labor is performed.

Company also requires that the Mechanic's Lien Contract be in compliance with Texas Property Code § 41.007.

14. Closer(s) must furnish Company with satisfactory assurance that Tax Certificates showing taxes paid through 2021 are retained in the closing file.

15. **IMPORTANT NOTE:** The endorsement charges stated in Schedule D notwithstanding, Company has neither received a written request to commit to the issuance of any endorsements to the policy anticipated by this commitment for title insurance nor has Company agreed to issue any endorsements.

16. **NOTE TO CLOSER:** The survey plat of the land dated February 24, 2022, prepared by Ambiotec Civil Engineering Group, Inc., R.P.L.S. No. , Job No. 3659, was reviewed on February 28, 2022.

17. **[PLEASE CTRL+CLICK HERE TO ACCESS ALL SUPPORTING DOCUMENTS.](#)**

SCHEDULE C
(Continued)

SCHEDULE D

Commitment No.:

GF No.: 942411

Pursuant to the requirements of Rule P-21, Basic Manual of Rules, Rates and Forms for the writing of Title Insurance in the State of Texas, the following disclosures are made:

1. The issuing Title Insurance Company, **Title Resources Guaranty Company**, is a corporation whose shareholders owning or controlling, directly or indirectly, 10% or more of said corporation, directors, and officers are listed below:

Shareholders:

Realogy Title Group LLC

Directors:

Donald J. Casey; Michael P. Gozdan; Sriram Someshwara; J. Scott McCall; Thomas N. Rispoli; Donald W. Evans, Jr.; Marilyn J. Wasser

Officers:

J. Scott McCall-President/CEO, E. Paul McNutt, Jr-EVP, Michael P. Gozdan- Secretary, Jeffrey A. Gueiss, Chief Financial Officer

2. As to **Edwards Abstract and Title Co.** (Title Insurance Agent), the following disclosures are made:

Shareholders, owners, partners or other persons having, owning or controlling 1% or more of Title Insurance Agent are as follows:

Byron Jay Lewis; EA Title Investors, Ltd.; N. Michael Overly; Alan D. Monroe

Shareholders, owners, partners, or other persons having, owning or controlling 10% or more of any entity that has, owns, or controls 1% or more of Title Insurance Agent are as follows:

EA Title Investors, Ltd.; JWCCV, Ltd. and Rioco Partners, Ltd.

If Title Insurance Agent is a corporation, the following is a list of the Officers/Directors:

Agent Name: Edwards Abstract and Title, LLC dba Edwards Abstract and Title Co.

Owners: Byron Jay Lewis; EA Title Investors, Ltd.; N. Michael Overly; Alan D. Monroe

Officers/Directors: Byron Jay Lewis, President, Chief Executive Officer, Manager and Primary On-Site Manager

N. Michael Overly, Executive Vice President, Chief Financial Officer and Chief Operations Officer; Guy S. Huddleston, III, Senior Vice President and Corporate Ambassador of Cameron County; DD Hoffman, Senior Vice President and Corporate Ambassador of Hidalgo County; Nancy Bryant, Vice President of Accounting, Escrow Operations and Human Resources; Elva Garza, Vice President of Marketing; Rene Correa, Vice President of Title Plant Operations; Dalia Salinas, Title Operations Manager; Mel Casas, Policy Manager; Holly Cervantes, Branch Manager of Brownsville; Mark Lewis, Branch Manager of McAllen, Mission Market Manager; Alice Delgadillo, Branch Manager of South Padre Island; Pamela Dougherty, Weslaco Market Manager.

3. You are entitled to receive advance disclosure of settlement charges in connection with the proposed transaction to which this commitment relates. Upon your request, such disclosure will be made to you. Additionally, the name of any person, firm or corporation receiving any sum from the settlement of this transaction will be disclosed on the closing or settlement statement.

SCHEDULE D
(Continued)

You are further advised that the estimated title premium* is:

Owner's Policy	\$	992.00
Loan Policy	\$	100.00
Endorsement Charges	\$	25.00
Total	\$	1,117.00

Of this total amount: 15% will be paid to the policy issuing Title Insurance Company; 85% will be retained by the issuing Title Insurance Agent; and the remainder of the estimated premium will be paid to other parties as follows:

Amount	To Whom	For Services
--------	---------	--------------

*The estimated premium is based upon information furnished to us as of the date of this Commitment for Title Insurance. Final determination of the amount of the premium will be made at closing in accordance with the Rules and Regulations adopted by the Commissioner of Insurance.

This commitment is invalid unless the insuring provisions and Schedules A, B, and C are attached.

IMPORTANT NOTICE

FOR INFORMATION, OR TO MAKE A COMPLAINT CALL OUR TOLL-FREE TELEPHONE NUMBER

(800)526-8018

ALSO YOU MAY CONTACT THE TEXAS DEPARTMENT OF INSURANCE AT

(800)252-3439

to obtain information on:

1. filing a complaint against an insurance company or agent,
2. whether an insurance company or agent is licensed,
3. complaints received against an insurance company or agent,
4. policyholder rights, and
5. a list of consumer publications and services available through the Department.

YOU MAY ALSO WRITE TO THE TEXAS DEPARTMENT OF INSURANCE

P.O. BOX 149104

AUSTIN, TEXAS 78714-9104

FAX NO. (512)490-1007

AVISO IMPORTANTE

PARA INFORMACIÓN, O PARA SOMETER UNA QUEJA LLAME AL NUMERO GRATIS

(800)526-8018

TAMBIEN PUEDE COMUNICARSE CON EL DEPARTAMENTO DE SEGUROS DE TEXAS AL

(800)252-3439

para obtener información sobre:

1. como someter una queja en contra de una compañía de seguros o agente de seguros,
2. si una compañía de seguros o agente de seguros tiene licencia,
3. quejas recibidas en contra de una compañía de seguros o agente de seguros,
4. los derechos del asegurado, y
5. una lista de publicaciones y servicios para consumidores disponibles a través del Departamento.

TAMBIEN PUEDE ESCRIBIR AL DEPARTAMENTO DE SEGUROS DE TEXAS

P.O. BOX 149104

AUSTIN, TEXAS 78714-9104

FAX NO. (512)490-1007

FACTS	WHAT DOES TITLE RESOURCES GUARANTY COMPANY DO WITH YOUR PERSONAL INFORMATION?	
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.	
What?	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> • Social Security number and account balances • Payment history and credit card or other debt • Checking account information and wire transfer instructions <p>When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.</p>	
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons TITLE RESOURCES GUARANTY COMPANY chooses to share; and whether you can limit this sharing.	
Reasons we can share your personal information	Does TITLE RESOURCE S GUARANTY COMPANY share?	Can you limit this sharing?
For our everyday business purposes – such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes- to offer our products and services to you	No	We don't share
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes- information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes- information about your creditworthiness	No	We don't share
For our affiliates to market to you	No	We don't share
For nonaffiliates to market to you	No	We don't share
Questions?	Go to https://www.titleresources.com/privacypolicy	

Who we are	
Who is providing this notice?	TITLE RESOURCES GUARANTY COMPANY
What we do	
How does TITLE RESOURCES GUARANTY COMPANY protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does TITLE RESOURCES GUARANTY COMPANY collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> • Apply for insurance or pay insurance premiums • Provide your mortgage information or show your driver's license • Give us your contact information <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> • Sharing for affiliates' everyday business purposes <ul style="list-style-type: none"> –information about your creditworthiness <ul style="list-style-type: none"> • Affiliates from using your information to market to you • Sharing for nonaffiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing.</p>
Definitions	
Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • <i>Our affiliates include companies that are owned in whole or in part by Realogy Holdings Corp., such as Better Homes and Gardens® Real Estate, CENTURY 21®, Coldwell Banker®, Coldwell Banker Commercial®, The Corcoran Group®, ERA®, Sotheby's International Realty®, ZipRealty®, Realogy Brokerage Group LLC, Cartus and Realogy Title Group.</i>
Nonaffiliates	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • TITLE RESOURCES GUARANTY COMPANY does not share with nonaffiliates so they can market to you.
Joint Marketing	<p>A formal agreement between nonaffiliated financial companies that together market financial products or service to you.</p> <ul style="list-style-type: none"> • TITLE RESOURCES GUARANTY COMPANY does not share with nonaffiliated financial companies for joint marketing purposes.
Other Important Information	
For European Union Customers	Please see our Privacy Policy located at https://www.titleresources.com/privacypolicy
For our California Customers	Please see our notice about the California Consumer Protection Act located at https://www.titleresources.com/privacypolicy

WAIVER OF INSPECTION AND DISCLOSURE TO OWNER

TO: Title Resources Guaranty Company ("Title Insurer")
Edwards Abstract and Title Co. ("The Company")

RE: Versa Development, LLC to VDC Minnesota Southmost, LP

GF (File) No.: 942411

Land:

Being an 7.72 acre tract of land, more or less, out of Block 3, CHICAGO GARDENS SUBDIVISION, Share 28, Espiritu Santo Grant, Cameron County, Texas, as recorded in Volume Q, Page 119 of the Deed Records of Cameron County, Texas. Said 7.72 acre tract being out of the remainder of a 14.44 acre tract co
Continued on next page.

1. **Waiver of Inspection**

You may refuse to accept an exception to the Owner's Policy for "Rights of Parties in Possession." "Rights of Parties in Possession" shall mean one or more persons or entities who are themselves actually physically occupying the property or a portion thereof under a claim or right adverse to the insured owner of the property as shown in Schedule A of the Policy. The Company may require an inspection of the property and an additional charge may be assessed for reasonable and actual costs of such an inspection. The Company may make additional Exceptions for matters the inspection reveals. If you do not delete this paragraph, you consent to this Exception and waive inspection of the land.

YOU MAY REFUSE TO ACCEPT THIS EXCEPTION BY MARKING OUT THIS PARAGRAPH 1.

2. **Receipt of Commitment**

You acknowledge having received and reviewed a copy of the Title Commitment issued in connection with this transaction. You understand that your Owner Policy will contain the Exceptions set forth in Schedule B of the Commitment, and any additional Exceptions to title resulting from the documents involved in this transaction, and any additional Exceptions reflected by an exhibit attached hereto.

3. **Survey**

You may request amendment of the "Area and Boundary Exception" to read "Shortages in Area." The Area and Boundary Exceptions is as follows: "Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments, or protrusions, or any overlapping of improvements." You must furnish a current survey. The survey must be acceptable to the Company. You also must pay an additional premium equal to 15% of the basic premium charge. The Company may make additional exceptions for items shown on the survey.

YOU MAY REQUIRE AMENDMENT OF THE AREA AND BOUNDARY EXCEPTION BY MARKING OUT THIS PARAGRAPH 3 AND BY COMPLYING WITH ITS PROVISIONS BEFORE COMPLETION OF THIS CLOSING.

4. **Arbitration**

This paragraph does not apply to the Residential Owner Policy (T-1R). The parties must later agree to arbitrate under the Residential Owner Policy (T-1R).

You may require deletion of the arbitration provision of the Owner Policy. If you do not delete this provision, either you or the Company may require arbitration, if the law allows. There is no charge to delete this provision.

IF YOUR POLICY IS NOT A TEXAS RESIDENTIAL OWNER POLICY (T-1R), YOU MAY REQUIRE DELETION OF THE ARBITRATION PROVISION BY MARKING OUT THIS PARAGRAPH 4.

5. **Notice**

You may wish to consult an attorney to discuss matters shown in Schedule B or C of the Commitment. These matters will affect your title and use of your land. Your Title Insurance Policy will be a legal contract between you and the Titled Insurer. The Commitment and Policy are not abstracts of title, title reports or representations of title. They are contracts of indemnity. We do not represent that your intended use of the property is allowed under the law or under the restrictions or exceptions affecting your property.

Signature:

VDC Minnesota Southmost, LP

BY: _____
Manish Verma

continuation of legal description:

nveyed to Mary Leslie Cole French as recorded in Document Number 2021-44917 of the Official Records of Cameron County, Texas, and said 7.72 acre tract also being out of the remainder of a 22.43 acre tract conveyed to The John W. Cole Family Limited Partnership as recorded in Volume 2434, Page 179 of the Official Records of Cameron County, Texas. Said 7.72 acre tract being more particularly located and described as follows: Commencing at the Southwest corner of said Block 3, same being the Southwest corner of said 22.43 acre tract, same being the Southwest corner of a 21.02 acre tract conveyed to Ernesto S. Davila and Levinia Davila, Co-trustees of The Davila Family Living Trust as recorded in Volume 1564, Page 30 of the Official Records of Cameron County, Texas. Thence, with the South line of said Block 3, same being the South line of said 22.43 acre tract, South 81 degrees 24 minutes 34 seconds East (recorded South 80 degrees 30 minutes East-Plat), a distance of 22.00 feet to a point, a one-half inch iron pin found at North 84 degrees 09 minutes 58 seconds West, a distance of 0.17 feet from said point, continuing a total distance of 608.20 feet to a "MAG" nail set in the Southeast corner of said 21.02 acre tract, for the Southwest corner and the Point of Beginning of this 7.72 acre tract; Thence, with the Easterly line of said 21.02 acre tract, North 08 degrees 17 minutes 46 seconds East, a distance of 475.43 feet (recorded North 09 degrees 12 minutes 20 seconds East, a distance of 475.31 feet-Deed), to a one-half inch iron pin with a yellow plastic cap stamped "AMBIOTEC RPLS 5914" set in an interior corner of said 21.02 acre tract, for corner of this 7.72 acre tract; Thence, continuing with the Easterly line of said 21.02 acre tract, South 81 degrees 42 minutes 14 seconds East (recorded South 80 degrees 47 minutes 40 seconds East-Deed), a distance of 188.60 feet to an exterior corner of said 21.02 acre tract, a one-half inch bent iron pin found at North 70 degrees 21 minutes 57 seconds East, a distance of 0.14 feet from said corner, said corner being a corner of this 7.72 acre tract; Thence, continuing with the Easterly line of said 21.02 acre tract, North 08 degrees 57 minutes 46 seconds East (recorded North 09 degrees 52 minutes 20 seconds East-Deed), a distance of 138.00 feet to a one-half inch iron pin with a yellow plastic cap stamped "AMBIOTEC RPLS 5914" set, a one-half inch iron pin found at North 08 degrees 53 minutes 48 seconds East, a distance of 191.67 feet from said point, said point being the Northwest corner of this 7.72 acre tract; Thence, South 82 degrees 37 minutes 34 seconds East, a distance of 391.81 feet to a one-half inch iron pin with yellow plastic cap stamped "AMBIOTEC RPLS 5914" set in the East line of said 14.44 acre tract, same being the West line of a 1.708 acre tract conveyed to Stephanie Mendoza as recorded in Volume 16260, Page 52 of the Official Records of Cameron County, Texas, for the Northeast corner of this 7.72 acre tract; Thence, continuing with the East line of said 14.44 acre tract, same being the West line of said 1.708 acre tract, South 07 degrees 22 minutes 26 seconds West, a distance of 179.85 feet to the Southwest corner of said 1.708 acre tract, same being the Northwest corner of a 1.652 acre tract conveyed to Leonardo Gonzalez and Norma Gonzalez as recorded in Volume 11610, Page 108 of the Official Records of Cameron County, Texas, a one-half inch iron pin with a yellow plastic cap stamped "CADCON" found at North 86 degrees 46 minutes 11 seconds East, a distance of 0.36 feet from said corner, continuing a total distance of 622.85 feet to the Southeast corner of said 14.44 acre tract, same being the Southwest corner of said 1.652 acre tract, said corner being the South line of said Block 3, a concrete nail found at North 65 degrees 52 minutes 17 seconds East, a distance of 0.33 feet from said corner, said corner being the Southeast corner of this 7.72 acre tract; Thence, with the South line of said Block 3, same being the South line of said 14.44 acre tract, North 81 degrees 24 minutes 34 seconds West, a distance of 592.00 feet (recorded North 80 degrees 30 minutes West, a distance of 550.4 feet-Deed), to the Point of Beginning; Said described tract containing 7.72 acres, more or less. Note: The Company does not represent that the above acreage or square footage calculations are correct.

DELETION OF ARBITRATION PROVISION
(Not applicable to the Texas Residential Owner's Policy)

Commitment No.:

GF No.: 942411

ARBITRATION is a common form of alternative dispute resolution. It can be a quicker and cheaper means to settle a dispute with your Title Insurance Company. However, if you agree to arbitrate, you give up your right to take the Title Insurance Company to court and your rights to discovery of evidence may be limited in the arbitration process. In addition, you cannot usually appeal an arbitrator's award.

Your policy contains an arbitration provision (shown below). It allows you or the Company to require arbitration if the amount of insurance is \$2,000,000 or less. If you want to retain your right to sue the Company in case of a dispute over a claim, you must request deletion of the arbitration provision before the policy is issued. You can do this by signing this form and returning it to the Company at or before the closing of your real estate transaction or by writing to the Company.

The arbitration provision in the Policy is as follows:


"Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is **\$2,000,000** or less shall be arbitrated at the option of either the Company or the Insured, unless the Insured is an individual person (as distinguished from an Entity). All arbitrable matters when the Amount of Insurance is in excess of **\$2,000,000** shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction."

SIGNATURE

DATE

NOTICE

PLEASE REVIEW
SCHEDULE "C" ITEMS THAT
MUST BE ADDRESSED,
CLEARED AND/OR SATISFIED
AS SOON AS POSSIBLE.

 PLEASE CALL YOUR
CLOSING AGENT IF YOU HAVE
ANY QUESTIONS.



WIRE FRAUD

Don't Be a Victim

- **Never** wire funds based on an email alone.
- **Never** validate wiring instructions based on a telephone number that accompanies the wiring instructions.
- **Always** validate wiring instructions over the phone at a known Edwards Abstract and Title Co telephone number.

You may obtain accurate phone numbers at
<http://www.edwards-titleco.com/> or call (956) 383-4951.

Edwards | Abstract
and Title Co.

Edwards | Abstract and Title Co.

1075 PAREDES LINE ROAD, BROWNSVILLE, TX 78520
PHONE: (956)542-6777 FAX: (956)544-0592
BrownsvilleEscrow@edwardsabstract.com

Dear Customer:

It is our pleasure to serve you at Edwards Abstract and Title Co. We view this opportunity as a privilege and would like to say thank you for the honor. We have enclosed key staff names so that if a special need arises you will know whom to contact.

KEY STAFF MEMBERS

Byron Jay Lewis	President, Chief Executive Officer, Manager, and Primary On-Site Manager
N. Michael Overly	Executive Vice President, Chief Financial Officer, and Chief Operating Officer
Guy S. Huddleston, III	Senior Vice President and Corporate Ambassador for Cameron County
DD Hoffman	Senior Vice President and Corporate Ambassador for Hidalgo County
Nancy Bryant	Vice President of Accounting, Escrow Operations and Human Resources
Elva Garza	Vice President of Marketing
Rene Correa	Vice President of Title Plant Operations
Dalia Salinas	Title Operations Manager
Mel Casas	Policy Manager
Holly Cervantes	Branch Manager of Brownsville
Mark Lewis	Branch Manager of McAllen and Mission Market Manager
Alice Delgadillo	Branch Manager of South Padre Island
Pamela Dougherty	Weslaco Market Manager

The following disclosures are added to comply with Schedule D, items B1 through B4. Additionally, Company, underwriter, and current law requires us to inform you of our business organizations. This commitment and any other insuring form is subject to approval by any applicable reinsurers and shall not be effective until such approval is obtained.

1. The Owners of Edwards Abstract and Title Co. consist of Byron Jay Lewis, EA Title Investors, Ltd., N. Michael Overly, and Alan D. Monroe.
2. The Officers of Edwards Abstract and Title Co. are Byron Jay Lewis, President, Chief Executive Officer, Manager, and Primary On-Site Manager; N. Michael Overly, Executive Vice President, Chief Financial Officer, and Chief Operations Officer; Guy S. Huddleston, III, Senior Vice President and Corporate Ambassador for Cameron County; DD Hoffman, Senior Vice President and Corporate Ambassador for Hidalgo County; Nancy Bryant, Vice President of Accounting, Escrow Operations and Human Resources; Elva Garza, Vice President of Marketing; Rene Correa, Vice President of Title Plant Operations.
3. The financial owners of Edwards Abstract and Title Co. also own Hidalgo & Cameron Counties Tax Information and Delivery Service, LLC. You are not required to use Hidalgo & Cameron Counties Tax Information and Delivery Service, LLC. to provide tax information for your tax portion of the settlement statement on the subject property. You may be able to get this service at a different rate by shopping with other tax service providers.

4. As a financial owner of Edwards Abstract and Title Co., Byron Jay Lewis is also an attorney. Byron Jay Lewis is the equity Partner in the law firm of Lewis Peña Falcon & Cook. Lewis Peña Falcon & Cook are sometimes called upon to prepare documents. You are entitled to request advance disclosure of his involvement in your transaction and may choose to have an attorney of your choice represent you in the transaction. Upon your written request, such disclosure will be made to you. Any fees charged by them will be disclosed to you in advance as shown on the settlement statement.
5. You are entitled to receive advance disclosure of settlement charges in connection with the proposed transaction to which this commitment relates. Upon your written request, such disclosure will be made to you. Additionally, the name of any person, firm, or corporation, receiving any sum from the settlement of this transaction can be disclosed on the closing or settlement statement upon your written request.

The owners and officers of Edwards Abstract and Title Co. believe these disclosures fulfill Rule P-21 Promulgated by the State Board of Insurance; however, any additional requests for disclosures would be gladly answered through written request.

EDWARDS ABSTRACT AND TITLE CO.



Byron Jay Lewis
CEO

1075 Paredes Line Rd.
Brownsville, Texas 78520
(956) 542-6777
Fax (956) 544-0592

1650 Paredes Line Rd., Ste. 102
Brownsville, Texas 78521
(956) 849-6777
Fax (956) 542-4320

3111 W. Freddy Gonzalez Drive
Edinburg, Texas 78539
(956) 383-4951
Fax (956) 383-5443

222 E. Van Buren, Ste. 101
Harlingen, Texas 78550
(956) 425-6777
Fax (956) 412-1235

4228 N. McColl Road
McAllen, Texas 78504
(956) 682-4951
Fax (956) 631-3504

2506 E. Griffin Parkway
Mission, Texas 78572
(956) 583-1220
Fax (956) 289-4344

2009 Padre Blvd.
South Padre Island, Tx. 78597
(956) 761-6777
Fax (956) 761-4613

107 W. 6th Street
Weslaco, Texas 78596
(956) 854-4333
(956) 289-4343

Edwards Abstract and Title Co.

PRIVACY POLICY NOTICE

PURPOSE OF THIS NOTICE

Title V of the Gramm-Leach-Bliley Act (GLBA) generally prohibits any financial institution, directly or through its affiliates, from sharing nonpublic personal information about you with a nonaffiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of persons or entities to whom it may be disclosed. In compliance with the GLBA, we are providing you with this document, which notifies you of the privacy policies and practices of Edwards Abstract and Title Co..

We may collect nonpublic personal information about you from the following sources:

- Information we receive from you, such as on applications or other forms.
- Information about your transactions we secure from our files, or from our affiliates or others.
- Information we receive from a consumer reporting agency.
- Information that we receive from others involved in your transaction, such as the real estate agent or lender.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you.

We may disclose any of the above information that we collect about our customers or former customers to our affiliates or to nonaffiliated third parties as permitted by law.

We also may disclose this information about our customers or former customers to nonaffiliated companies that perform services on our behalf.

WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW.

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

BUYER / BORROWER HELPFUL HINTS

Please provide your Escrow Officer at Edwards Abstract and Title Co. with the following:

Homeowner's Insurance: Prior to closing, please provide us with your choice for homeowner's insurance and your insurance agent's name and phone number.

Certified Funds: The Texas Department of Insurance requires certified funds at closing. Your closing cost must be in the form of a cashier's check, certified check or wired funds. Make the checks payable to Edwards Abstract and Title Co. Please, no cash or personal checks. Your closing officer or realtor will contact you prior to closing with the amount of your closing cost.

Wired Funds: If you wish to wire your closing costs from your account directly to Edwards Abstract and Title Co.'s escrow account, please inform us prior to closing so that we may assist you in making the arrangements.

Identification: Don't forget to bring your unexpired Driver's License or other form of unexpired government issued picture ID to closing.

Reviewing the Documents: If you wish to examine your loan documents prior to closing, please request that the mortgage company provide the documents to us at least one day early so that we can process the closing documents and provide you with copies for your review.

For additional information on the closing process, please visit our website at www.edwards-titleco.com.

AVOID COMMON CLOSING DELAYS

- Don't forget to bring the Termite Certificate to closing.
- All bills for inspections, repairs or other items to be paid at closing must be provided to us prior to closing.
- If you will not be present at closing to sign documents and you intend to use a Power of Attorney, you must provide the original Power of Attorney to your closing officer at Edwards Abstract and Title Co. prior to closing for approval and recording of the document. (Your Lender will also need to approve the Power of Attorney prior to closing). On the day of closing, we will need a contact number in order for us to reach you to verify that you have not revoked the Power of Attorney.

SELLER HELPFUL HINTS

Please provide your Escrow Officer at Edwards Abstract and Title Co. with the following:

Existing Lien Holder(s): As soon as possible, please provide your closing officer at Edwards Abstract and Title Co. with the name of your existing lien holder(s), along with their address and phone number and your loan numbers.

Social Security Numbers: We will need the social security number(s) of all owners of the property for tax reporting, and because the lender may require social security numbers for payoff information.

Using an Existing Survey: If the buyers and sellers have agreed to use an existing survey at closing, Edwards Abstract and Title Co. must review the survey prior to closing and receive verification from the sellers that no improvements have been made since the date of the survey.

Identification: Don't forget to bring your unexpired Driver's License or other form of unexpired government issued picture ID to closing.

Wiring Information: Upon funding of the transaction, we will be glad to wire your proceeds into your account. Please provide us with your wiring information if you chose to have your funds wired.

For additional information on the closing process, please visit our website at www.edwards-titleco.com and click on FAQ.

AVOID COMMON CLOSING DELAYS

- Don't forget to bring the Termite Certificate to closing.
- All bills for inspections, repairs or other items to be paid at closing must be provided to us prior to closing.
- If you will not be present at closing to sign documents and you intend to use a Power of Attorney, you must provide the original Power of Attorney to your closing officer at Edwards Abstract and Title Co. prior to closing for approval and recording of the document. (Your Lender will also need to approve the Power of Attorney prior to closing). On the day of closing, we will need a contact number in order for us to reach you to verify that you have not revoked the Power of Attorney.



Avoid Mortgage Closing Scams

Homebuyers are being targeted by email phishing scams. Scammers are sending emails to homebuyers posing as their real estate agent or settlement agent, advising them of last minute changes in the closing process. The attempt is to steal the homebuyers down payment and closing costs.

Prevent email phishing scams:

- Discuss the closing process and money transfer protocols with your real estate or settlement agent.
- If you receive an email requesting that you send money in connection with closing, even if it's from a familiar source, STOP. Call your real estate or settlement agent to discuss. Don't use phone numbers or links in the email.
- Don't email financial information. Email is not a secure way to send financial information.
- Be cautious about opening attachments and downloading files from emails, regardless of who sent them. These files can contain malware that can weaken your computer's security.
- Before sending any wire transfer, ask your bank for help identifying any red flags in the wiring instructions. Red flag include potential discrepancies between the account name and the name of the intended beneficiary (i.e., your real estate or settlement agent). Your bank may also be able to compare the receiving account number to account numbers identified in past consumer complaints as the destination of fraudulent transactions.
- Confirm receipt of the wire transfer by your real estate or settlement agent a few hours after the wire was transmitted. If you or another entity involved in the closing suspect a problem, report it to law enforcement and your bank as soon as possible to increase your likelihood of recovering the money.

What to do if you are a victim:

- Contact your bank or the money transfer company immediately upon discovering that funds have been transferred to the wrong account. Ask the bank or money transfer company to attempt a wire recall.
- Contact your local FBI and state Attorney General office.
- File a complaint, regardless of the dollar amount, with the FBI's Internet Crime Complaint Center at www.ic3.gov. Part of the mission of ic3 is to provide the public with a reliable and convenient reporting mechanism to submit information to the FBI concerning suspected Internet-facilitated criminal activity. Information is analyzed and used for investigative and intelligence law enforcement purposes and for public awareness.
- Report the phishing scam to the FTC.

Source: CFPB

<https://www.consumerfinance.gov/about-us/blog/buying-home-watch-out-mortgage-closing-scams/>

Edwards | Abstract
and Title Co.

COVID-19 NOTICE OF POSSIBLE DELAYS

GF No.: 942411

The undersigned Purchasers / Lenders / Proposed Insureds acknowledge that delays may occur due to issues resulting from the COVID-19 virus, including, but not limited to:

- Delays in recording documents with governmental recording offices;
- Delays in the return of original vesting or lien documents (e.g., deed, deed of trust, mortgage, lease); and
- Delays in the issuance of the final policy(ies) of title insurance.

Dated: _____

FOR ENTITIES

FOR INDIVIDUALS

Name _____

(Signature)

By _____

(Signature)

(Print Name)

Print Name and Title

(Signature)

(Print Name)

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

WARRANTY DEED

Date: February 15, 2022

Grantor: ELISEO DAVILA and MONICA DAVILA, a married couple

Grantor's Mailing Address (including county): 2665 Old Spanish Trail
Brownsville, Texas 78521
Cameron County, Texas

Grantee: VERSA DEVELOPMENT LLC, a Texas limited liability company

Grantee's Mailing Address (including county): 4733 College Park, Suite 200
San Antonio, Texas 78249
Bexar County, Texas

Consideration: Ten and No/100ths Dollars (\$10.00) and other good and valuable consideration to the undersigned paid by the grantee herein named, the receipt of which is hereby acknowledged.

Property (including any improvements):

TRACT I:

Being a 10.61 acre tract of land, more or less, out of Block 3, Chicago Gardens Subdivision, Share 28, Espiritu Santo Grant, Cameron County, Texas, as recorded in Volume Q, Page 119 of the Deed Records of Cameron County, Texas. Said 10.61 acre tract being out of the remainder of a 14.44 acre tract conveyed to Mary Leslie Cole French as recorded in Document Number 2021-44917 of the Official Records of Cameron County, Texas, and said 10.61 acre tract also being out of the remainder of a 22.43 acre tract conveyed to The John W. Cole Family Limited Partnership as recorded in Volume 2434, Page 179 of the Official Records of Cameron County, Texas. Said 10.61 acre tract being more particularly located and described as follows:

Commencing at the Southwest corner of said Block 3, same being the Southwest corner of said 22.43 acre tract, same being the Southwest corner of a 21.02 acre tract conveyed to Ernesto S. Davila and Levinia Davila, Co-trustees of The Davila Family Living Trust as recorded in Volume 1564, Page 30 of the Official Records of Cameron County, Texas. Thence, with the South line of said Block 3, same being the South line of said 22.43 acre tract, South 81 degrees 24 minutes 34 seconds East (recorded South 80 degrees 30 minutes East – Plat), a distance of 22.00 feet to a point, a one-half inch iron pin found at North 84 degrees 09 minutes 58 seconds West, a distance of 0.17 feet from said point, continuing a total distance of 608.20 feet to a

“MAG” nail set in the Southeast corner of said 21.02 acre tract, for the Southwest corner and the Point of Beginning of this 10.61 acre tract;

Thence, with the Easterly line of said 21.02 acre tract, North 08 degrees 17 minutes 46 seconds East, a distance of 475.43 feet (recorded North 09 degrees 12 minutes 20 seconds East, a distance of 475.31 feet – Deed), to a one-half inch iron pin with a yellow plastic cap stamped “AMBIOTEC RPLS 5914” set in an interior corner of said 21.02 acre tract, for a corner of this 10.61 acre tract;

Thence, continuing with the Easterly line of said 21.02 acre tract, South 81 degrees 42 minutes 14 seconds East (recorded South 80 degrees 47 minutes 40 seconds East – Deed), a distance of 188.60 feet to an exterior corner of said 21.02 acre tract, a one-half inch bent iron pin found at North 70 degrees 21 minutes 57 seconds East, a distance of 0.14 feet from said corner, said corner being a corner of this 10.61 acre tract;

Thence, continuing with the Easterly line of said 21.02 acre tract, North 08 degrees 57 minutes 46 seconds East (recorded North 09 degrees 52 minutes 20 seconds East – Deed), a distance of 330.00 feet to an interior corner of said 21.02 acre tract, a one-half inch iron pin found at South 43 degrees 02 minutes 50 seconds West, a distance of 0.40 feet from said corner, said corner being a corner of this 10.61 acre tract;

Thence, continuing with the Easterly line of said 21.02 acre tract, South 82 degrees 02 minutes 14 seconds East (recorded South 81 degrees 07 minutes 40 seconds East – Deed), a distance of 146.00 feet to a one-half inch iron pin with a yellow plastic cap stamped “AMBIOTEC RPLS 5914” set in an exterior corner of said 21.02 acre tract, for a corner of this 10.61 acre tract;

Thence, continuing with the Easterly line of said 21.02 acre tract, North 07 degrees 57 minutes 46 seconds East, a distance of 209.36 feet (recorded North 08 degrees 52 minutes 20 seconds East, a distance of 209.4 feet – Deed), to an interior corner of said 21.02 acre tract, a one-half inch bent iron pin found at North 76 degrees 25 minutes 15 seconds East, a distance of 0.49 feet from said corner, said corner being the Northwest corner of this 10.61 acre tract;

Thence, continuing with the Easterly line of said 21.02 acre tract, South 81 degrees 30 minutes 14 seconds East (recorded South 80 degrees 35 minutes 40 seconds East – Deed), a distance of 288.40 feet, to a one-half inch iron pin with a yellow plastic cap stamped “AMBIOTEC RPLS 5914” set in the East line of said 14.44 acre tract, same being the West line of a 1.708 acre tract conveyed to Stephanie Mendoza as recorded in Volume 16260, Page 52 of the Official Records of Cameron County, Texas, said point being the Northeast corner of this 10.61 acre tract;

Thence, with the East line of said 14.44 acre tract, same being the West line of said 1.708 acre tract, South 47 degrees 22 minutes 31 seconds West (recorded South 48 degrees 17 minutes 05 seconds West – Deed), a distance of 16.87 feet to a one-half inch iron pin with a yellow plastic cap stamped “CADCON” found, for a corner of this 10.61 acre tract;

Thence, continuing with the East line of said 14.44 acre tract, same being the West line of said 1.708 acre tract, South 32 degrees 51 minutes 57 seconds West (recorded South 33 degrees 46 minutes 31 seconds West – Deed), a distance of 67.33 feet to a one-half inch iron pin with a yellow plastic cap stamped “CADCON” found, for a corner of this 10.61 acre tract;

Thence, continuing with the East line of said 14.44 acre tract, same being the West line of said 1.708 acre tract, South 23 degrees 02 minutes 43 seconds West (recorded South 23 degrees 57 minutes 17 seconds West – Deed), a distance of 37.68 feet to a one-half inch iron pin with a yellow plastic cap stamped “CADCON” found, for a corner of this 10.61 acre tract;

Thence, continuing with the East line of said 14.44 acre tract, same being the West line of said 1.708 acre tract, South 07 degrees 22 minutes 26 seconds West (recorded South 08 degrees 17 minutes 00 seconds West – Deed), a distance of 464.00 feet to the Southwest corner of said 1.708 acre tract, same being the Northwest corner of a 1.652 acre tract conveyed to Leonardo Gonzalez and Norma Gonzalez as recorded in Volume 11610, Page 108 of the Official Records of Cameron County, Texas, a one-half inch iron pin with a yellow plastic cap stamped “CADCON” found at North 86 degrees 46 minutes 11 seconds East, a distance of 0.36 feet from said corner, continuing a total distance of 907.00 feet to the Southeast corner of said 14.44 acre tract, same being the Southwest corner of said 1.652 acre tract, said corner being in the South line of said Block 3, a concrete nail found at North 65 degrees 52 minutes 17 seconds East, a distance of 0.33 feet from said corner, said corner being the Southeast corner of this 10.61 acre tract;

Thence, continuing with the Easterly line of said 21.02 acre tract, South 81 degrees 42 minutes 14 seconds East (recorded South 80 degrees 47 minutes 40 seconds East – Deed), a distance of 188.60 feet to an exterior corner of said 21.02 acre tract, a one-half inch bent iron pin found at North 70 degrees 21 minutes 57 seconds East, a distance of 0.14 feet from said corner, said corner being a corner of this 10.61 acre tract;

Thence, continuing with the Easterly line of said 21.02 acre tract, North 08 degrees 57 minutes 46 seconds East (recorded North 09 degrees 52 minutes 20 seconds East – Deed), a distance of 330.00 feet to an interior corner of said 21.02 acre tract, a one-half inch iron pin found at South 43 degrees 02 minutes 50 seconds West, a distance of 0.40 feet from said corner, said corner being a corner of this 10.61 acre tract;

Thence, continuing with the Easterly line of said 21.02 acre tract, South 82 degrees 02 minutes 14 seconds East (recorded South 81 degrees 07 minutes 40 seconds East – Deed), a distance of 146.00 feet to a one-half inch iron pin with a yellow plastic cap stamped “AMBIOTEC RPLS 5914” set in an exterior corner of said 21.02 acre tract, for a corner of this 10.61 acre tract;

Thence, continuing with the Easterly line of said 21.02 acre tract, North 07 degrees 57 minutes 46 seconds East, a distance of 209.36 feet (recorded North 08 degrees 52 minutes 20 seconds East, a distance of 209.4 feet – Deed), to an interior corner of said 21.02 acre tract, a one-half inch bent iron pin found at North 76 degrees 25 minutes 15 seconds East, a distance of 0.49 feet from said corner, said corner being the Northwest corner of this 10.61 acre tract;

Thence, continuing with the Easterly line of said 21.02 acre tract, South 81 degrees 30 minutes 14 seconds East (recorded South 80 degrees 35 minutes 40 seconds East – Deed), a distance of 288.40 feet, to a one-half inch iron pin with a yellow plastic cap stamped “AMBIOTEC RPLS 5914” set in the East line of said 14.44 acre tract, same being the West line of a 1.708 acre tract conveyed to Stephanie Mendoza as recorded in Volume 16260, Page 52 of the Official Records of Cameron County, Texas, said point being the Northeast corner of this 10.61 acre tract;

Thence, with the South line of said Block 3, same being the South line of said 14.44 acre tract, North 81 degrees 24 minutes 34 seconds West, a distance of 592.00 feet (recorded North 80 degrees 30 minutes West, a distance of 550.4 feet – Deed), to the Point of Beginning;

Said described tract containing 10.61 acres, more or less.

TRACT II:

Being a 4.34 acre tract of land, more or less, out of Block 3, Chicago Gardens Subdivision, Share 28, Espiritu Santo Grant, Cameron County, Texas, as recorded in Volume Q, Page 119 of the Deed Records of Cameron County, Texas. Said 4.34 acre tract being out of the remainder of a 22.43 acre tract conveyed to The John W. Cole Family Limited Partnership as recorded in Volume 2434, Page 179 of the Official Records of Cameron County, Texas. Said 4.34 acre tract being more particularly located and described as follows:

Commencing at the Southwest corner of said Block 3, same being the Southwest corner of said 22.43 acre tract, same being the Southwest corner of a 21.02 acre tract conveyed to Ernesto S. Davila and Levinia Davila, Co-trustees of The Davila Family Living Trust as recorded in Volume 1564, Page 30 of the Official Records of Cameron County, Texas. Thence, with the South line of said Block 3, same being the South line of said 22.43 acre tract, same being the South line of said 21.02 acre tract, South 81 degrees 24 minutes 34 seconds East (recorded South 80 degrees 30 minutes East – Plat), a distance of 22.00 feet to a point, a one-half inch iron pin found at North 84 degrees 09 minutes 58 seconds West, a distance of 0.17 feet from said point, said point being the Southwest corner and the Point of Beginning of this 4.34 acre tract;

Thence, with the interior property line of said 21.02 acre tract, North 08 degrees 24 minutes 06 seconds East (recorded North 09 degrees 18 minutes 40 seconds East – Deed), a distance of 74.40 feet to a corner of said 21.02 acre tract, a one-half inch bent iron pin found at South 39 degrees 06 minutes 41 seconds West, a distance of 0.17 feet from said corner, said corner being a corner of this 4.34 acre tract;

Thence, continuing with the interior property line of said 21.02 acre tract, North 08 degrees 17 minutes 46 seconds East (recorded North 09 degrees 12 minutes 20 seconds East – Deed), a distance of 125.00 feet to a corner of said 21.02 acre tract, a one-half inch bent iron pin found at North 70 degrees 03 minutes 36 seconds West, a distance of 0.35 feet from said corner, said corner being a corner of this 4.34 acre tract;

Thence, continuing with the interior property line of said 21.02 acre tract, North 82 degrees 42 minutes 14 seconds West (recorded North 81 degrees 47 minutes 40 seconds West – Deed), a

distance of 12.30 feet to a one-half inch bent iron pin found in a corner of said 21.02 acre tract, said corner being a corner of this 4.34 acre tract;

Thence, continuing with the interior property line of said 21.02 acre tract, North 06 degrees 17 minutes 46 seconds East (recorded North 07 degrees 12 minutes 20 seconds East – Deed), a distance of 273.40 feet to a one-half inch iron pin with a yellow plastic cap stamped “AMBIOTEC RPLS 5914” set in a corner of said 21.02 acre tract, for the Northwest corner of this 4.34 acre tract;

Thence, continuing with the interior property line of said 21.02 acre tract, South 81 degrees 42 minutes 14 seconds East (recorded South 80 degrees 47 minutes 40 seconds East – Deed), a distance of 410.90 feet to a one-half inch iron pin with a yellow plastic cap stamped “AMBIOTEC RPLS 5914” set in a corner of said 21.02 acre tract, for the Northeast corner of this 4.34 acre tract;

Thence, continuing with the interior property line of said 21.02 acre tract, South 08 degrees 17 minutes 46 seconds West, a distance of 474.42 feet (recorded South 09 degrees 12 minutes 20 seconds West, a distance of 474.30 feet – Deed), to a “MAG” nail set in the South line of said Block 3, same being the South line of said 22.43 acre tract, said point being a corner of said 21.02 acre tract, for the Southeast corner of this 4.34 acre tract;

Thence, with the South line of said Block 3, same being the South line of said 22.43 acre tract, North 81 degrees 24 minutes 34 seconds West, a distance of 389.20 feet (recorded North 80 degrees 30 minutes West – Plat), to the Point of Beginning;

Said described tract containing 4.34 acres, more or less.

Both tracts being conveyed together with:

- (1) all rights, privileges, and appurtenances pertaining to the Property, including Grantor’s right, title, and interest in any minerals, utilities, adjacent streets, alleys, strips, gores, and rights-of-way
- (2) Grantor’s interest in all leases, rents, and security deposits for all or part of the Property; and
- (3) Grantor’s interest in all licenses and permits related to the Property

Reservations from Conveyance and Exceptions to Conveyance and Warranty:

Oil, Gas and Mineral Lease(s) dated October 20, 1936, recorded in Volume 2, Page 121, Oil and Gas Records, and dated October 20, 1936, recorded in Volume 2, Page 140, Oil and Gas Records, Cameron County, Texas, and subsequent transfers thereof.

Easement and/or other rights, if any, as set forth in Warranty Deed dated May 20, 1993, recorded in Volume 2434, Page 179, Official Records, Cameron County, Texas.

Subject to any portion of the land within the limits or boundaries of any public or private roadway and/or highway and the rights of the public thereto.

Apparent easement for OVERHEAD TELEPHONE LINES, TRANSMISSION POWER POLES, GUY and ANCHORS, TELEPHONE PULL BOX and TELEPHONE PEDESTAL as shown on SURVEY Project Number 3659, dated February 3, 2022, prepared by Ambiotec Civil Engineering Group, Inc.

Apparent easement for OVERHEAD ELECTRIC DISTRIBUTION LINES, POWER POLES and POWER POLE with SERVICE DROP as shown on SURVEY Project Number 3659, dated February 3, 2022, prepared by Ambiotec Civil Engineering Group, Inc.

Right of the OWNER of two SIGNS as shown on SURVEY Project Number 3659, dated February 3, 2022, prepared by Ambiotec Civil Engineering Group, Inc.

Right of the OWNER of DRAIN DITCH and CONCRETE CANAL REMNANTS as shown on SURVEY Project Number 3659, dated February 3, 2022, prepared by Ambiotec Civil Engineering Group, Inc.

Apparent ROAD RIGHT-OF-WAY for Minnesota Avenue as shown on SURVEY Project Number 3659, dated February 3, 2022, prepared by Ambiotec Civil Engineering Group, Inc.

The following encroachment of improvements of the OWNER of 1.652 acre tract of land as shown on SURVEY Project Number 3659, dated February 3, 2022, prepared by Ambiotec Civil Engineering Group, Inc.:

Caliche Drive (two).

Concrete Drive.

Mail Box.

Wood Fence 2.4 feet west property line.

Stucco Wall 2.9 feet west of property line.

Stucco Wall 3.4 feet west of property line.

Box Wire Fence 3.3 feet west of property line.

Box Wire Fence 3.7 feet west of property line.

Right of the OWNER of a 1.652 acre tract of land, their heirs and assigns, to access to and from the land to Minnesota Avenue. The 1.652 acre tract of land is described in WARRANTY DEED WITH VENDOR'S LIEN, dated July 29, 2005, filed August 2, 2005, recorded in Volume 11610, pages 108 to 112, Official Records, Cameron County, Texas.

Right of the OWNER of a 1.708 acre tract of land, their heirs and assigns, to access to and from the land to Minnesota Avenue. The 1.708 acre tract of land is described in WARRANTY DEED

WITH VENDOR'S LIEN, dated June 18, 2009, filed August 19, 2009, recorded in Volume 16260, pages 52 to 56, Official Records, Cameron County, Texas.

Taxes for the year 2022 and subsequent years.

Grantor, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

When the context requires, singular nouns and pronouns include the plural.



ELISEO DAVILA


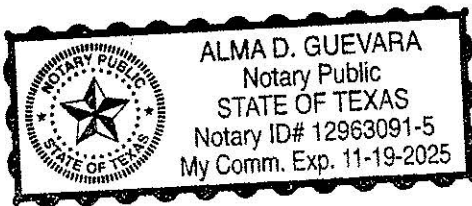


MONICA DAVILA

(Acknowledgment)

STATE OF TEXAS
COUNTY OF Cameron

This instrument was acknowledged before me on the 11^o of February 2022, by ELISEO DAVILA and MONICA DAVILA, a married couple.


Notary Public, State of Texas

AFTER RECORDING RETURN TO:
VERSA DEVELOPMENT LLC
4733 College Park, Suite 200
San Antonio, Texas 78249

PREPARED BY:
LEWIS PEÑA FALCON & COOK
Attorneys At Law
3111 W. Freddy Gonzalez Drive
Edinburg, Texas 78539
GF#: 940885; AR:bc

EDWARDS ABSTRACT
GF # 940885



COMMERCIAL CONTRACT - UNIMPROVED PROPERTY

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS®, INC. IS NOT AUTHORIZED.
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1. **PARTIES:** Seller agrees to sell and convey to Buyer the Property described in Paragraph 2. Buyer agrees to buy the Property from Seller for the sales price stated in Paragraph 3. The parties to this contract are:

Seller: Eliseo Davila,

Address: 1284 Paredes Line Rd, Brownsville, TX 78521
Phone: (956)455-3676 E-mail: eliseo777@gmail.com
Fax: _____ Other: _____

Buyer: Versa Development LLC,

Address: 4733 College Park, Ste 200, San Antonio, TX 78249
Phone: (210)530-0090 Ext 202 E-mail: manishv@versadevco.com
Fax: (210)530-5060 Other: _____

2. **PROPERTY:**

A. "Property" means that real property situated in Cameron County, Texas at Minnesota Ave (14.9 Ac), Brownsville, TX, 78521 (address) and that is legally described on the attached Exhibit Exhibit A or as follows:

CHICAGO GARDENS SUBDIVISION, PT BLKS 3-4, 14.9000 ACRES

B. Seller will sell and convey the Property together with:

- (1) all rights, privileges, and appurtenances pertaining to the Property, including Seller's right, title, and interest in any minerals, utilities, adjacent streets, alleys, strips, gores, and rights-of-way;
- (2) Seller's interest in all leases, rents, and security deposits for all or part of the Property; and
- (3) Seller's interest in all licenses and permits related to the Property.

(Describe any exceptions, reservations, or restrictions in Paragraph 12 or an addendum.)
(If mineral rights are to be reserved an appropriate addendum should be attached.)

3. **SALES PRICE:**

A. At or before closing, Buyer will pay the following sales price for the Property:

	\$250,000.00	[ED]
(1) Cash portion payable by Buyer at closing	\$ 225,000.00	[initials]
(2) Sum of all financing described in Paragraph 4	\$	
(3) Sales price (sum of 3A(1) and 3A(2))	\$250,000.00	[ED]
	225,000.00	

Commercial Contract - Unimproved Property concerning Minnesota Ave (14.9 Ac), Brownsville, TX, 78521

B. Adjustment to Sales Price: (Check (1) or (2) only.)

- (1) The sales price will not be adjusted based on a survey.
- (2) The sales price will be adjusted based on the latest survey obtained under Paragraph 6B.
 - (a) The sales price is calculated on the basis of \$ _____ per:
 - (i) square foot of total area net area.
 - (ii) acre of total area net area.
 - (b) "Total area" means all land area within the perimeter boundaries of the Property. "Net area" means total area less any area of the Property within:
 - (i) public roadways;
 - (ii) rights-of-way and easements other than those that directly provide utility services to the Property; and
 - (iii) _____
 - (c) If the sales price is adjusted by more than _____ % of the stated sales price, either party may terminate this contract by providing written notice to the other party within _____ days after the terminating party receives the survey. If neither party terminates this contract or if the variance is less than the stated percentage, the adjustment to the sales price will be made to the cash portion of the sales price payable by Buyer.

4. **FINANCING:** Buyer will finance the portion of the sales price under Paragraph 3A(2) as follows:

- A. Third Party Financing: One or more third party loans in the total amount of \$ N/A. This contract:
 - (1) is not contingent upon Buyer obtaining third party financing.
 - (2) is contingent upon Buyer obtaining third party financing in accordance with the attached Commercial Contract Financing Addendum (TXR-1931).
- B. Assumption: In accordance with the attached Commercial Contract Financing Addendum (TXR-1931), Buyer will assume the existing promissory note secured by the Property, which balance at closing will be \$ N/A.
- C. Seller Financing: The delivery of a promissory note and deed of trust to Seller under the terms of the attached Commercial Contract Financing Addendum (TXR-1931) in the amount of \$ N/A.

5. **EARNEST MONEY:**

- A. Not later than 3 days after the effective date, Buyer must deposit \$ \$5,000.00 as earnest money with Edwards Abstract and Title Co. (title company) at 1075 Paredes Line Rd, Brownsville, TX, 78521 (address) _____ (closer). If Buyer fails to timely deposit the earnest money, Seller may terminate this contract or exercise any of Seller's other remedies under Paragraph 15 by providing written notice to Buyer before Buyer deposits the earnest money.
- B. Buyer will deposit an additional amount of \$ N/A with the title company to be made part of the earnest money on or before:
 - (i) N/A days after Buyer's right to terminate under Paragraph 7B expires; or
 - (ii) N/A
 Buyer will be in default if Buyer fails to deposit the additional amount required by this Paragraph 5B within 3 days after Seller notifies Buyer that Buyer has not timely deposited the additional amount.
- C. Buyer may instruct the title company to deposit the earnest money in an interest-bearing account at a federally insured financial institution and to credit any interest to Buyer.

Commercial Contract - Unimproved Property concerning Minnesota Ave (14.9 Ac), Brownsville, TX, 78521

6. TITLE POLICY AND SURVEY:

A. Title Policy:

- (1) Seller, at Seller's expense, will furnish Buyer an Owner's Policy of Title Insurance (the title policy) issued by any underwriter of the title company in the amount of the sales price, dated at or after closing, insuring Buyer against loss under the title policy, subject only to:
 - (a) those title exceptions permitted by this contract or as may be approved by Buyer in writing; and
 - (b) the standard printed exceptions contained in the promulgated form of title policy unless this contract provides otherwise.
- (2) The standard printed exception as to discrepancies, conflicts, or shortages in area and boundary lines, or any encroachments or protrusions, or any overlapping improvements:
 - (a) will not be amended or deleted from the title policy.
 - (b) will be amended to read "shortages in areas" at the expense of Buyer Seller.
- (3) Within 5 days after the effective date, Seller will furnish Buyer a commitment for title insurance (the commitment) including legible copies of recorded documents evidencing title exceptions. Seller authorizes the title company to deliver the commitment and related documents to Buyer at Buyer's address.

B. Survey: Within Options days after the effective date:

- (1) Buyer will obtain a survey of the Property at Buyer's expense and deliver a copy of the survey to Seller. ~~The survey must be made in accordance with the: (i) ALTA/NSPS Land Title Survey standards, or (ii) Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition. Seller will reimburse Buyer, if needed _____ (insert amount) of the cost of the survey at closing, if closing occurs.~~
- (2) Seller, at Seller's expense, will furnish Buyer a survey of the Property dated after the effective date. The survey must be made in accordance with the: (i) ALTA/NSPS Land Title Survey standards, or (ii) Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition.
- (3) Seller will deliver to Buyer and the title company a true and correct copy of Seller's most recent survey of the Property along with an affidavit required by the title company for approval of the existing survey. If the existing survey is not acceptable to the title company, Seller Buyer (updating party), will, at the updating party's expense, obtain a new or updated survey acceptable to the title company and deliver the acceptable survey to the other party and the title company within 20 days after the title company notifies the parties that the existing survey is not acceptable to the title company. The closing date will be extended daily up to 20 days if necessary for the updating party to deliver an acceptable survey within the time required. The other party will reimburse the updating party N/A (insert amount or percentage) of the cost of the new or updated survey at closing, if closing occurs.

C. Buyer's Objections to the Commitment and Survey:

- (1) Within 15 days after Buyer receives the last of the commitment, copies of the documents evidencing the title exceptions, and any required survey, Buyer may object in writing to matters disclosed in the items if: (a) the matters disclosed are a restriction upon the Property or constitute a defect or encumbrance to title other than those permitted by this contract or liens that Seller will satisfy at closing or Buyer will assume at closing; or (b) the items show that any part of the Property lies in a special flood hazard area (an "A" or "V" zone as defined by FEMA). If the commitment or survey is revised or any new document evidencing a title exception is delivered, Buyer may object to any new matter revealed in such revision or new document. Buyer's objection must be made within the same number of days stated in this paragraph, beginning when the revision or new

Commercial Contract - Unimproved Property concerning Minnesota Ave (14.9 Ac), Brownsville, TX, 78521

document is delivered to Buyer. If Paragraph 6B(1) applies, Buyer is deemed to receive the survey on the earlier of: (i) the date of Buyer's actual receipt of the survey; or (ii) of the deadline specified in Paragraph 6B.

(2) Seller may, but is not obligated to, cure Buyer's timely objections within 15 days after Seller receives the objections. The closing date will be extended as necessary to provide such time to cure the objections. If Seller fails to cure the objections by the time required, Buyer may terminate this contract by providing written notice to Seller within 5 days after the time by which Seller must cure the objections. If Buyer terminates, the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer.

(3) Buyer's failure to timely object or terminate under this Paragraph 6C is a waiver of Buyer's right to object except that Buyer will not waive the requirements in Schedule C of the commitment.

7. PROPERTY CONDITION:

A. Present Condition: Buyer accepts the Property in its present condition except that Seller, at Seller's expense, will complete the following before closing: N/A

_____ ED *mw*

B. Feasibility Period: Buyer may terminate this contract for any reason within ~~See Exhibit B~~ 01/05/2022 days after the effective date (feasibility period) by providing Seller written notice of termination.

ED *mw*

(1) Independent Consideration. (Check only one box and insert amounts.)

(a) If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer less \$ 1,000.00 that Seller will retain as independent consideration for Buyer's unrestricted right to terminate. Buyer has tendered the independent consideration to Seller upon payment of the amount specified in Paragraph 5A to the title company. The independent consideration is to be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(1) or if Buyer fails to deposit the earnest money, Buyer will not have the right to terminate under this Paragraph 7B.

(b) Not later than 3 days after the effective date, Buyer must pay Seller \$ N/A as independent consideration for Buyer's right to terminate by tendering such amount to Seller or Seller's agent. If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer and Seller will retain the independent consideration. The independent consideration will be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(2) or if Buyer fails to pay the independent consideration, Buyer will not have the right to terminate under this Paragraph 7B.

(2) Feasibility Period Extension: Prior to the expiration of the initial feasibility period, Buyer may extend the feasibility period for a single period of an additional N/A days by depositing additional earnest money in the amount of \$ N/A with the title company. If no dollar amount is stated in this Paragraph or if Buyer fails to timely deposit the additional earnest money, the extension of the feasibility period will not be effective.

C. Inspections, Studies, or Assessments:

(1) During the feasibility period, Buyer, at Buyer's expense, may complete or cause to be completed any and all inspections, studies, or assessments of the Property (including all improvements and fixtures) desired by Buyer.

Commercial Contract - Unimproved Property concerning Minnesota Ave (14.9 Ac), Brownsville, TX, 78521

- (2) Buyer must:
- (a) employ only trained and qualified inspectors and assessors;
 - (b) notify Seller, in advance, of when the inspectors or assessors will be on the Property;
 - (c) abide by any reasonable entry rules or requirements of Seller;
 - (d) not interfere with existing operations or occupants of the Property; and
 - (e) restore the Property to its original condition if altered due to inspections, studies, or assessments that Buyer completes or causes to be completed.
- (3) Except for those matters that arise from the negligence of Seller or Seller's agents, Buyer is responsible for any claim, liability, encumbrance, cause of action, and expense resulting from Buyer's inspections, studies, or assessments, including any property damage or personal injury. Buyer will indemnify, hold harmless, and defend Seller and Seller's agents against any claim involving a matter for which Buyer is responsible under this paragraph. This paragraph survives termination of this contract.

D. Property Information:

(1) Delivery of Property Information: Within 3 days after the effective date, Seller will deliver to Buyer. *(Check all that apply.)*

- (a) copies of all current leases, including any mineral leases, pertaining to the Property, including any modifications, supplements, or amendments to the leases;
- (b) copies of all notes and deeds of trust against the Property that Buyer will assume or that Seller will not pay in full on or before closing;
- (c) copies of all previous environmental assessments, geotechnical reports, studies, or analyses made on or relating to the Property;
- (d) copies property tax statements for the Property for the previous 2 calendar years;
- (e) plats of the Property;
- (f) copies of current utility capacity letters from the Property's water and sewer service provider; and
- (g) Previous title commitments, title policies and surveys, existing soil and groundwater tests, underground storage tank test results, waste disposal records, permit records, code violation notices and records, traffic studies, and all other engineering tests.

(2) Return of Property Information: If this contract terminates for any reason, Buyer will, not later than 10 days after the termination date: *(Check all that apply.)*

- (a) return to Seller all those items described in Paragraph 7D(1) that Seller delivered to Buyer in other than an electronic format and all copies that Buyer made of those items;
- (b) delete or destroy all electronic versions of those items described in Paragraph 7D(1) that Seller delivered to Buyer or Buyer copied in any format; and
- (c) deliver to Seller copies of all inspection and assessment reports related to the Property that Buyer completed or caused to be completed.

This Paragraph 7D(2) survives termination of this contract.

E. Contracts Affecting Operations: Until closing, Seller: (1) will operate the Property in the same manner as on the effective date under reasonably prudent business standards; and (2) will not transfer or dispose of any part of the Property, any interest or right in the Property, or any of the personal property or other items described in Paragraph 2B or sold under this contract. After the feasibility period ends, Seller may not enter into, amend, or terminate any other contract that affects the operations of the Property without Buyer's written approval.

8. LEASES:

A. Each written lease Seller is to assign to Buyer under this contract must be in full force and effect according to its terms. Seller may not enter into any new lease, fail to comply with any existing lease, or make any amendment or modification to any existing lease without Buyer's written consent. Seller

Commercial Contract - Unimproved Property concerning Minnesota Ave (14.9 Ac), Brownsville, TX, 78521

must disclose, in writing, if any of the following exist at the time Seller provides the leases to the Buyer or subsequently occur before closing:

- (1) any failure by Seller to comply with Seller's obligations under the leases;
- (2) any circumstances under any lease that entitle the tenant to terminate the lease or seek any offsets or damages;
- (3) any advance sums paid by a tenant under any lease;
- (4) any concessions, bonuses, free rents, rebates, brokerage commissions, or other matters that affect any lease; and
- (5) any amounts payable under the leases that have been assigned or encumbered, except as security for loan(s) assumed or taken subject to under this contract.

B. Estoppel Certificates: Within N/A days after the effective date, Seller will deliver to Buyer estoppel certificates signed not earlier than N/A by each tenant that leases space in the Property. The estoppel certificates must include the certifications contained in the current version of TXR Form 1938 - Commercial Tenant Estoppel Certificate and any additional information requested by a third party lender providing financing under Paragraph 4 if the third party lender requests such additional information at least 10 days prior to the earliest date that Seller may deliver the signed estoppel certificates.

9. BROKERS:

A. The brokers to this sale are:

Principal Broker: Icon Realty, LLC

Agent: Eliseo Davila (Lic. #529360)

Address: 1284 Paredes Line Rd
Brownsville, TX, 78521

Phone & Fax: (956)455-3676

E-mail: eliseo777@gmail.com

License No.: 9004507

Cooperating Broker: Coastal Realty

Agent: Barry Batsell (Lic. # 554910)

Address: 2901 Central Blvd., Suite. A
Brownsville, TX, 78520

Phone & Fax: (956)541-9000

E-mail: barry@coastalrty.com

License No.: 9002402

Principal Broker: (Check only one box)

represents Seller only.

represents Buyer only.

is an intermediary between Seller and Buyer.

Cooperating Broker represents Buyer.

B. Fees: (Check only (1) or (2) below.)

(Complete the Agreement Between Brokers on page 14 only if (1) is selected.)

- (1) Seller will pay Principal Broker the fee specified by separate written commission agreement between Principal Broker and Seller. Principal Broker will pay Cooperating Broker the fee specified in the Agreement Between Brokers found below the parties' signatures to this contract.
- (2) At the closing of this sale, Seller will pay:

Principal Broker a total cash fee of:
 _____ % of the sales price.

Cooperating Broker a total cash fee of:
 3.000 % of the sales price.

The cash fees will be paid in Cameron County, Texas. Seller authorizes the title company to pay the brokers from the Seller's proceeds at closing.

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NOTICE: Chapter 62, Texas Property Code, authorizes a broker to secure an earned commission with a lien against the Property.

C. The parties may not amend this Paragraph 9 without the written consent of the brokers affected by the amendment.

10. CLOSING:

A. The date of the closing of the sale (closing date) will be on or before the later of:

- (1) _____ days after the expiration of the feasibility period.
- (2) January 19th, 2022 (specific date). ~~Feasibility Date expires on Jan 05th, 2022~~
- (3) ~~15 days after the Feasibility Expiration Date - See Exhibit B~~

(2) 7 days after objections made under Paragraph 6C have been cured or waived.

B. If either party fails to close by the closing date, the non-defaulting party may exercise the remedies in Paragraph 15.

C. At closing, Seller will execute and deliver, at Seller's expense, a general special warranty deed. The deed must include a vendor's lien if any part of the sales price is financed. The deed must convey good and indefeasible title to the Property and show no exceptions other than those permitted under Paragraph 6 or other provisions of this contract. Seller must convey the Property:

- (1) with no liens, assessments, or other security interests against the Property which will not be satisfied out of the sales price, unless securing loans Buyer assumes;
- (2) without any assumed loans in default; and
- (3) with no persons in possession of any part of the Property as lessees, tenants at sufferance, or trespassers except tenants under the written leases assigned to Buyer under this contract.

D. At closing, Seller, at Seller's expense, will also deliver to Buyer:

- (1) tax statements showing no delinquent taxes on the Property;
- (2) an assignment of all leases to or on the Property;
- (3) to the extent assignable, an assignment to Buyer of any licenses and permits related to the Property;
- (4) evidence that the person executing this contract is legally capable and authorized to bind Seller;
- (5) an affidavit acceptable to the title company stating that Seller is not a foreign person or, if Seller is a foreign person, a written authorization for the title company to: (i) withhold from Seller's proceeds an amount sufficient to comply with applicable tax law; and (ii) deliver the amount to the Internal Revenue Service (IRS) together with appropriate tax forms; and
- (6) any notices, statements, certificates, affidavits, releases, and other documents required by this contract, the commitment, or law necessary for the closing of the sale and issuance of the title policy, all of which must be completed by Seller as necessary.

E. At closing, Buyer will:

- (1) pay the sales price in good funds acceptable to the title company;
- (2) deliver evidence that the person executing this contract is legally capable and authorized to bind Buyer;
- (3) sign and send to each tenant in a lease for any part of the Property a written statement that:
 - (a) acknowledges Buyer has received and is responsible for the tenant's security deposit; and
 - (b) specifies the exact dollar amount of the security deposit;
- (4) sign an assumption of all leases then in effect; and
- (5) execute and deliver any notices, statements, certificates, or other documents required by this contract or law necessary to close the sale.

F. Unless the parties agree otherwise, the closing documents will be as found in the basic forms in the current edition of the State Bar of Texas Real Estate Forms Manual without any additional clauses.

(TXR-1802) 09-01-21

Initialed for Identification by Seller ED and Buyer MM

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11. POSSESSION: Seller will deliver possession of the Property to Buyer upon closing and funding of this sale in its present condition with any repairs Seller is obligated to complete under this contract, ordinary wear and tear excepted. Any possession by Buyer before closing or by Seller after closing that is not authorized by a separate written lease agreement is a landlord-tenant at sufferance relationship between the parties.

12. SPECIAL PROVISIONS: The following special provisions apply and will control in the event of a conflict with other provisions of this contract. *(If special provisions are contained in an Addendum, identify the Addendum here and reference the Addendum in Paragraph 22D.)*

ED
MM

~~See Exhibit B: Addendum to Commercial Contract~~

13. SALES EXPENSES:

A. Seller's Expenses: Seller will pay for the following at or before closing:

- (1) releases of existing liens, other than those liens assumed by Buyer, including prepayment penalties and recording fees;
- (2) release of Seller's loan liability, if applicable;
- (3) tax statements or certificates;
- (4) preparation of the deed;
- (5) one-half of any escrow fee;
- (6) costs to record any documents to cure title objections that Seller must cure; and
- (7) other expenses that Seller will pay under other provisions of this contract.

B. Buyer's Expenses: Buyer will pay for the following at or before closing:

- (1) all loan expenses and fees;
- (2) preparation of any deed of trust;
- (3) recording fees for the deed and any deed of trust;
- (4) premiums for flood insurance as may be required by Buyer's lender;
- (5) one-half of any escrow fee;
- (6) other expenses that Buyer will pay under other provisions of this contract.

14. PRORATIONS:

A. Prorations:

- (1) Interest on any assumed loan, taxes, rents, and any expense reimbursements from tenants will be prorated through the closing date.
- (2) If the amount of ad valorem taxes for the year in which the sale closes is not available on the closing date, taxes will be prorated on the basis of taxes assessed in the previous year. If the taxes for the year in which the sale closes vary from the amount prorated at closing, the parties will adjust the prorations when the tax statements for the year in which the sale closes become available. This Paragraph 14A(2) survives closing.
- (3) If Buyer assumes a loan or is taking the Property subject to an existing lien, Seller will transfer all reserve deposits held by the lender for the payment of taxes, insurance premiums, and other charges to Buyer at closing and Buyer will reimburse such amounts to Seller by an appropriate adjustment at closing.

B. Rollback Taxes: If Seller's use or change in use of the Property before closing results in the assessment of additional taxes, penalties, or interest (assessments) for periods before closing, the assessments will be the obligation of the Seller. If this sale or Buyer's use of the Property after closing results in additional assessments for periods before closing, the assessments will be the obligation of Buyer. This Paragraph 14B survives closing.

(TXR-1802) 09-01-21

Initialed for Identification by Seller ED and Buyer MM

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C. Rent and Security Deposits: At closing, Seller will tender to Buyer all security deposits and the following advance payments received by Seller for periods after closing: prepaid expenses, advance rental payments, and other advance payments paid by tenants. Rents prorated to one party but received by the other party will be remitted by the recipient to the party to whom it was prorated within 5 days after the rent is received. This Paragraph 14C survives closing.

15. DEFAULT:

A. If Buyer fails to comply with this contract, Buyer is in default and Seller, as Seller's sole remedy(ies), may terminate this contract and receive the earnest money, as liquidated damages for Buyer's failure except for any damages resulting from Buyer's inspections, studies or assessments in accordance with Paragraph 7C(3) which Seller may pursue; or
(Check if applicable)

enforce specific performance, or seek such other relief as may be provided by law.

B. If, without fault, Seller is unable within the time allowed to deliver the estoppel certificates, survey or the commitment, Buyer may:

- (1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages and as Buyer's sole remedy; or
- (2) extend the time for performance up to 15 days and the closing will be extended as necessary.

C. Except as provided in Paragraph 15B, if Seller fails to comply with this contract, Seller is in default and Buyer may:

- (1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages and as Buyer's sole remedy; or
- (2) enforce specific performance, or seek such other relief as may be provided by law, or both.

16. CONDEMNATION: If before closing, condemnation proceedings are commenced against any part of the Property, Buyer may:

A. terminate this contract by providing written notice to Seller within 15 days after Buyer is advised of the condemnation proceedings and the earnest money, less any independent consideration paid under Paragraph 7B(1), will be refunded to Buyer; or

B. appear and defend in the condemnation proceedings and any award will, at Buyer's election, belong to:
(1) Seller and the sales price will be reduced by the same amount; or
(2) Buyer and the sales price will not be reduced.

17. ATTORNEY'S FEES: If Buyer, Seller, any broker, or the title company is a prevailing party in any legal proceeding brought under or with relation to this contract or this transaction, such party is entitled to recover from the non-prevailing parties all costs of such proceeding and reasonable attorney's fees. This Paragraph 17 survives termination of this contract.

18. ESCROW:

A. At closing, the earnest money will be applied first to any cash down payment, then to Buyer's closing costs, and any excess will be refunded to Buyer. If no closing occurs, the title company may require payment of unpaid expenses incurred on behalf of the parties and a written release of liability of the title company from all parties.

B. If one party makes written demand for the earnest money, the title company will give notice of the demand by providing to the other party a copy of the demand. If the title company does not receive written objection to the demand from the other party within 15 days after the date the title company sent the demand to the other party, the title company may disburse the earnest money to the party making the demand, reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and the title company may pay the same to the creditors.

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- C. The title company will deduct any independent consideration under Paragraph 7B(1) before disbursing any earnest money to Buyer and will pay the independent consideration to Seller.
- D. If the title company complies with this Paragraph 18, each party hereby releases the title company from all claims related to the disbursement of the earnest money.
- E. Notices under this Paragraph 18 must be sent by certified mail, return receipt requested. Notices to the title company are effective upon receipt by the title company.
- F. Any party who wrongfully fails or refuses to sign a release acceptable to the title company within 7 days after receipt of the request will be liable to the other party for: (i) damages; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.
- G. Seller Buyer intend(s) to complete this transaction as a part of an exchange of like-kind properties in accordance with Section 1031 of the Internal Revenue Code, as amended. All expenses in connection with the contemplated exchange will be paid by the exchanging party. The other party will not incur any expense or liability with respect to the exchange. The parties agree to cooperate fully and in good faith to arrange and consummate the exchange so as to comply to the maximum extent feasible with the provisions of Section 1031 of the Internal Revenue Code. The other provisions of this contract will not be affected in the event the contemplated exchange fails to occur.

19. MATERIAL FACTS: To the best of Seller's knowledge and belief: *(Check only one box.)*

- A. Seller is not aware of any material defects to the Property except as stated in the attached Commercial Property Condition Statement (TXR-1408).
- B. Except as otherwise provided in this contract, Seller is not aware of:
 - (1) any subsurface: structures, pits, waste, springs, or improvements;
 - (2) any pending or threatened litigation, condemnation, or assessment affecting the Property;
 - (3) any environmental hazards or conditions that materially affect the Property;
 - (4) whether the Property is or has been used for the storage or disposal of hazardous materials or toxic waste, a dump site or landfill, or any underground tanks or containers;
 - (5) whether radon, asbestos containing materials, urea-formaldehyde foam insulation, lead-based paint, toxic mold (to the extent that it adversely affects the health of ordinary occupants), or other pollutants or contaminants of any nature now exist or ever existed on the Property;
 - (6) any wetlands, as defined by federal or state law or regulation, on the Property;
 - (7) any threatened or endangered species or their habitat on the Property;
 - (8) any present or past infestation of wood-destroying insects in the Property's improvements;
 - (9) any contemplated material changes to the Property or surrounding area that would materially and detrimentally affect the ordinary use of the Property;
 - (10) any condition on the Property that violates any law or ordinance.

(Describe any exceptions to (1)-(10) in Paragraph 12 or an addendum.)

20. NOTICES: All notices between the parties under this contract must be in writing and are effective when hand-delivered, mailed by certified mail return receipt requested, or sent by facsimile transmission to the parties addresses or facsimile numbers stated in Paragraph 1. The parties will send copies of any notices to the broker representing the party to whom the notices are sent.

- A. Seller also consents to receive any notices by e-mail at Seller's e-mail address stated in Paragraph 1.
- B. Buyer also consents to receive any notices by e-mail at Buyer's e-mail address stated in Paragraph 1.

21. DISPUTE RESOLUTION: The parties agree to negotiate in good faith in an effort to resolve any dispute related to this contract that may arise. If the dispute cannot be resolved by negotiation, the parties will submit the dispute to mediation before resorting to arbitration or litigation and will equally share the costs of a mutually acceptable mediator. This paragraph survives termination of this contract. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.

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22. AGREEMENT OF THE PARTIES:

A. This contract is binding on the parties, their heirs, executors, representatives, successors, and permitted assigns. This contract is to be construed in accordance with the laws of the State of Texas. If any term or condition of this contract shall be held to be invalid or unenforceable, the remainder of this contract shall not be affected thereby.

B. This contract contains the entire agreement of the parties and may not be changed except in writing.

C. If this contract is executed in a number of identical counterparts, each counterpart is an original and all counterparts, collectively, constitute one agreement.

D. Addenda which are part of this contract are: *(Check all that apply.)*

- (1) Property Description Exhibit identified in Paragraph 2;
- (2) Commercial Contract Financing Addendum (TXR-1931);
- (3) Commercial Property Condition Statement (TXR-1408);
- (4) Commercial Contract Addendum for Special Provisions (TXR-1940);
- (5) Notice to Purchaser of Real Property in a Water District (MUD);
- (6) Addendum for Coastal Area Property (TXR-1915);
- (7) Addendum for Property Located Seaward of the Gulf Intracoastal Waterway (TXR-1916);
- (8) Information About Brokerage Services (TXR-2501);
- (9) Information About Mineral Clauses in Contract Forms (TXR-2509);
- (10) Notice of Obligation to Pay Improvement District Assessment (TXR-1955, PID); and
- (11) ~~Authorization to Furnish TILA-RESPA Integrated Disclosures (TXR-2516)~~

ED

~~Exhibit B: Addendum to Commercial Contract~~

(Note: Counsel for Texas REALTORS® has determined that any of the foregoing addenda which are promulgated by the Texas Real Estate Commission (TREC) or published by Texas REALTORS® are appropriate for use with this form.)

E. Buyer may may not assign this contract. If Buyer assigns this contract, Buyer will be relieved of any future liability under this contract only if the assignee assumes, in writing, all obligations and liability of Buyer under this contract.

23. TIME: Time is of the essence in this contract. The parties require strict compliance with the times for performance. If the last day to perform under a provision of this contract falls on a Saturday, Sunday, or legal holiday, the time for performance is extended until the end of the next day which is not a Saturday, Sunday, or legal holiday.

24. EFFECTIVE DATE: The effective date of this contract for the purpose of performance of all obligations is the date the title company receipts this contract after all parties execute this contract.

25. ADDITIONAL NOTICES:

A. Buyer should have an abstract covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a title policy.

B. If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fees of the district before final execution of this contract.

C. Notice Required by §13.257, Water Code: "The real property, described below, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities

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necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned purchaser hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in the notice or at closing of purchase of the real property." The real property is described in Paragraph 2 of this contract.

- D. If the Property adjoins or shares a common boundary with the tidally influenced submerged lands of the state, §33.135 of the Texas Natural Resources Code requires a notice regarding coastal area property to be included as part of this contract (*the Addendum for Coastal Area Property (TXR-1915) may be used*).
- E. If the Property is located seaward of the Gulf Intracoastal Waterway, §61.025, Texas Natural Resources Code, requires a notice regarding the seaward location of the Property to be included as part of this contract (*the Addendum for Property Located Seaward of the Gulf Intracoastal Waterway (TXR-1916) may be used*).
- F. If the Property is located outside the limits of a municipality, the Property may now or later be included in the extra-territorial jurisdiction (ETJ) of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and ETJ. To determine if the Property is located within a municipality's ETJ, Buyer should contact all municipalities located in the general proximity of the Property for further information.
- G. Brokers are not qualified to perform property inspections, surveys, engineering studies, environmental assessments, or inspections to determine compliance with zoning, governmental regulations, or laws. Buyer should seek experts to perform such services. Buyer should review local building codes, ordinances and other applicable laws to determine their effect on the Property. Selection of experts, inspectors, and repairmen is the responsibility of Buyer and not the brokers. Brokers are not qualified to determine the credit worthiness of the parties.
- H. NOTICE OF WATER LEVEL FLUCTUATIONS: If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level, Seller hereby notifies Buyer: "The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions."
- I. LICENSE HOLDER DISCLOSURE: Texas law requires a real estate license holder who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the license holder owns more than 10%, or a trust for which the license holder acts as a trustee or of which the license holder or the license holder's spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale. Disclose if applicable: _____
- J. PUBLIC IMPROVEMENT DISTRICTS: If the Property is in a public improvement district, Seller must give Buyer written notice as required by §5.014, Property Code. An addendum containing the required notice shall be attached to this contract.


26. CONTRACT AS OFFER: The execution of this contract by the first party constitutes an offer to buy or sell the Property. Unless the other party accepts the offer by 5:00 p.m., in the time zone in which the Property is located, on December 13, 2021, the offer will lapse and become null and void.

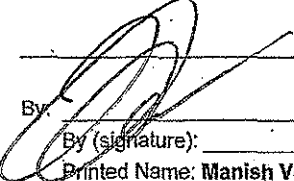
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READ THIS CONTRACT CAREFULLY. The brokers and agents make no representation or recommendation as to the legal sufficiency, legal effect, or tax consequences of this document or transaction. **CONSULT your attorney BEFORE signing.**

Seller: Eliseo Davila

Buyer: Versa Development LLC

By: 
By (signature): _____
Printed Name: Eliseo Davila
Title: _____

By:  12/10/21
By (signature): _____
Printed Name: Manish Verma
Title: President

By: _____
By (signature): _____
Printed Name: _____
Title: _____

By: _____
By (signature): _____
Printed Name: _____
Title: _____

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AGREEMENT BETWEEN BROKERS

(use only if Paragraph 9B(1) is effective)

Principal Broker agrees to pay _____ (Cooperating Broker) a fee when the Principal Broker's fee is received. The fee to be paid to Cooperating Broker will be:

- \$ _____, or
- _____ % of the sales price, or
- _____ % of the Principal Broker's fee.

The title company is authorized and directed to pay Cooperating Broker from Principal Broker's fee at closing. This Agreement Between Brokers supersedes any prior offers and agreements for compensation between brokers.

Principal Broker: _____ Cooperating Broker: _____

By: _____ By: _____

ATTORNEYS

Seller's attorney: _____ Buyer's attorney: _____

Address: _____ Address: _____

Phone & Fax: _____ Phone & Fax: _____

E-mail: _____ E-mail: _____

Seller's attorney requests copies of documents, notices, and other information:

- the title company sends to Seller.
- Buyer sends to Seller.

Buyer's attorney requests copies of documents, notices, and other information:

- the title company sends to Buyer.
- Seller sends to Buyer.

ESCROW RECEIPT

The title company acknowledges receipt of:

- A. the contract on this day 11th December (effective date);
- B. earnest money in the amount of \$ 5000 in the form of wire on Dec 21, 2021

Title company: Edwards Abstract

Address: 1075 Paredes Line Rd

By: Candy/Alma Rdz.

Brownsville, TX 78521

Phone & Fax: (956)542-6777

Assigned file number (GF#): _____

E-mail: _____

11/2/2015



Information About Brokerage Services

Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

TYPES OF REAL ESTATE LICENSE HOLDERS:

- A **BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- A **SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of each party to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - o that the owner will accept a price less than the written asking price;
 - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - o any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records:

Coastal Realty	9002402	info@coastalrty.com	(956)541-9000
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Mark Barnard	194301	mark@coastalrty.com	(956)541-9000
Designated Broker of Firm	License No.	Email	Phone
Mark Barnard	194301	mark@coastalrty.com	(956)541-9000
Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
Barry Batsell	554910	barry@coastalrty.com	(956)541-9000
Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials

Date

Regulated by the Texas Real Estate Commission

TXR-2501

Coastal Realty, 2901 Central Blvd. Ste. A Brownsville TX 78520
Barry Batsell

Information available at www.trec.texas.gov

IABS 1-0 Date

Phone: (956) 541-9000

Fax:

PUR Minnesota

Produced with Lone Wolf Transactions (zipForm Edition) 231 Shearson Cr. Cambridge, Ontario, Canada N1T 1J5 www.lwlf.com

mm

Exhibit A

14.9 Total Acres



A. U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT SETTLEMENT STATEMENT		B. TYPE OF LOAN 1. <input type="checkbox"/> FHA 2. <input type="checkbox"/> FmHA 3. <input type="checkbox"/> Conv. Unins. 4. <input type="checkbox"/> VA 5. <input type="checkbox"/> Conv. Ins. 6. FILE NUMBER: 940885 7. LOAN NUMBER: 8. MORTGAGE INS CASE NUMBER:	
C. NOTE: <i>This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "[POC]" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.</i>			
D. NAME AND ADDRESS OF BUYER: Versa Development, LLC 4733 College Park, Ste 200 San Antonio, TX 78249		E. NAME AND ADDRESS OF SELLER: Eliseo Davila 1284 Paredes Line Rd Brownsville, TX 78521	
G. PROPERTY LOCATION: Minnesota Ave (14.9 AC) Brownsville, TX 78521 Cameron County, Texas CHICAGO GARDENS SUBDIVISION PT BLKS 3-4, 14.9000 ACRES		H. SETTLEMENT AGENT: xx-xxx1275 Edwards Abstract and Title Co. PLACE OF SETTLEMENT: 1075 Paredes Line Road Brownsville, TX 78520	
		F. NAME AND ADDRESS OF LENDER: I. SETTLEMENT DATE: February 15, 2022 DISBURSEMENT DATE: February 15, 2022	

J. SUMMARY OF BUYER'S TRANSACTION	
100. GROSS AMOUNT DUE FROM BUYER:	
101. Contract sales price	250,000.00
102. Personal property	
103. Settlement charges to buyer (line 1400)	2,419.06
104.	
105.	
<i>Adjustments for items paid by seller in advance</i>	
106. Brownsville irriga 02/15/22 to 01/01/23	205.15
107. County taxes	
108. Assessments	
109.	
110.	
111.	
112.	
120. GROSS AMOUNT DUE FROM BUYER	252,624.21
200. AMOUNTS PAID BY OR IN BEHALF OF BUYER:	
201. Deposit or earnest money	5,000.00
202. Principal amount of new loan(s)	
203. Existing loan(s) taken subject to	
204.	
205.	
206.	
207. Option Fee Held With Title Co.	
208.	
209.	
<i>Adjustments for items unpaid by seller</i>	
210. City/Town taxes	
211. County taxes 01/01/22 to 02/15/22	171.23
212. Assessments	
213.	
214.	
215.	
216.	
217.	
218.	
219.	
220. TOTAL PAID BY/FOR BUYER	5,171.23
300. CASH AT SETTLEMENT FROM/TO BUYER:	
301. Gross amount due from Buyer (Line 120)	252,624.21
302. Less amount paid by/for Buyer (Line 220)	(5,171.23)
303. CASH FROM BUYER	247,452.98

K. SUMMARY OF SELLER'S TRANSACTION	
400. GROSS AMOUNT DUE TO SELLER:	
401. Contract sales price	250,000.00
402. Personal property	
403.	
404.	
405.	
<i>Adjustments for items paid by seller in advance</i>	
406. Brownsville irriga 02/15/22 to 01/01/23	205.15
407. County taxes	
408. Assessments	
409.	
410.	
411.	
412.	
420. GROSS AMOUNT DUE TO SELLER	250,205.15
500. REDUCTIONS IN AMOUNT DUE TO SELLER:	
501. Excess deposit (see instructions)	
502. Settlement charges to seller (line 1400)	7,967.50
503. Existing loan(s) taken subject to	
504. Payoff of first mortgage loan	
505. Payoff of second mortgage loan	
506.	
507.	
508. 2021 County, City, and School Taxes	
509.	
<i>Adjustments for items unpaid by seller</i>	
510. City/Town taxes	
511. County taxes 01/01/22 to 02/15/22	171.23
512. Assessments	
513.	
514.	
515.	
516.	
517.	
518.	
519.	
520. TOTAL REDUCTION AMOUNT DUE SELLER	8,138.73
600. CASH AT SETTLEMENT TO/FROM SELLER:	
601. Gross amount due to Seller (Line 420)	250,205.15
602. Less reductions due Seller (Line 520)	(8,138.73)
603. CASH TO SELLER	242,066.42

L. SETTLEMENT CHARGES					
700. TOTAL COMMISSION Based on Price	\$ 250,000.00 @ 3.0000 %	7,500.00			
<i>Division of Commission (line 700) as Follows:</i>					
701.	to Icon Realty				
702.	\$ 7,500.00 to Coastal Realty				
703.	Commission Paid at Settlement				7,500.00
The following persons, firms or corporations received a portion of the real estate commission amount shown above:					
704.	THE FOLLOWING PERSONS, FIRMS to				
705.	RECEIVED A PORTION OF THE REAL to				
706.	SHOWN ABOVE to				
800. ITEMS PAYABLE IN CONNECTION WITH LOAN					
801.	Loan Origination Fee % to				
802.	Loan Discount % to				
803.	Appraisal fee to				
804.	Credit report to				
805.	Lender's inspection fee to				
806.	Mortgage insurance application fee to				
807.	Assumption fee to				
808.	to				
809.	to				
810.	to				
811.	to				
900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE					
901.	Interest From 02/15/22 to 03/01/22 @ \$ /day (14 days %)				
902.	Mortgage insurance premium for month to				
903.	Hazard insurance premium for year to				
904.	for year to				
905.	to				
1000. RESERVES DEPOSITED WITH LENDER					
1001.	Hazard insurance Months @ \$ per Month				
1002.	Mortgage insurance Months @ \$ per Month				
1003.	Brownsville irrigation district Months @ \$ per Month				
1004.	County taxes Months @ \$ per Month				
1005.	Annual assessments Months @ \$ per Month				
1006.	Months @ \$ per Month				
1007.	Months @ \$ per Month				
1008.	Aggregate Adjustment Months @ \$ per Month				
1100. TITLE CHARGES					
1101.	Settlement or closing fee to				
1102.	Abstract or title search to				
1103.	Title examination to				
1104.	Title insurance binder to				
1105.	Document preparation to				
1106.	Notary fees to				
1107.	Attorney's fees to				
(includes above item numbers:)					
1108.	Owner's policy premium to Edwards Abstract and Title Co.			1,623.00	
(includes above item numbers:)					
1109.	Lender's coverage				
1110.	Owner's coverage \$ 250,000.00 1,623.00				
1111.	Escrow Fee to Edwards Abstract and Title Co.			200.00	200.00
1112.	Guaranty fee to Texas Title Insurance Guaranty Association			2.00	
1113.	Doc prep to Lewis Pena Falcon & Cook				175.00
1114.	T-3 Endorsement (Area & Boundary An to Edwards Abstract and Title Co.			243.45	
1115.	E-Recording Fees to Edwards Abstract and Title Co.			3.75	
1116.	Delivery Fees to Hidalgo & Cameron Delivery Service			7.50	7.50
1117.	Tax Service Fee to Hidalgo and Cameron Counties Tax Service & D				85.00
1118.	courier fee to Edwards Abstract and Title Co.			37.36	
1119.	doc pre resol to Lewis Pena Falcon & Cook			150.00	
1120.	T-23 Endorsement (Access) to Edwards Abstract and Title Co.			100.00	
1200. GOVERNMENT RECORDING AND TRANSFER CHARGES					
1201.	Recording fees: Deed \$ 52.00; Mortgage ; Releases			52.00	
1202.	City/County tax/stamps: Deed ; Mortgage				
1203.	State tax/stamps: Deed ; Mortgage				
1204.	to				
1205.	to				
1300. ADDITIONAL SETTLEMENT CHARGES					
1301.	Survey to POC				
1302.	Pest inspection to				
1303.	Residential Service Warranty to				
1304.	to				
1305.	to				
1400. TOTAL SETTLEMENT CHARGES (Enter on Lines 103, Section J and 502, Section K)				2,419.06	7,967.50

Required Third Party Reports

ALL third-party reports must include the following statement:

"All persons who have a property interest in this report hereby acknowledge that the Department may publish the full report on the Department's website, release the report in response to a request for public information and make other use of the report as authorized by law."

Complete the information below as applicable [§11.205]. (**Reminder:** Do not include third party reports in the same PDF document as the rest of the Uniform Multifamily Application. Third party reports must each be submitted as separate, searchable PDF documents.)

1. Environmental Site Assessment (ESA) (All Multifamily Applications)

This entry autofills from Tab 42.

Prepared by: Astex Environmental Services and Rone Engineering Servi

Date of Report: 2/18/2022

Report recommends further studies or establishes environmental hazards that currently exist on the Property or off-site with the potential to affect the Property.


If the above box is checked, a statement is provided behind this tab signed by the Development Owner, that certifies the Development Owner will comply with any and all recommendations made by the ESA preparer.

Development is funded by USDA and is not required to supply an ESA.

2. Environmental Clearance (Direct Loan applications only)

All Applications for Direct Loans awarded HOME, NHTF, or NSP1 PI must complete an environmental clearance process in accordance with 24 CFR Parts 50 or 58 or 24 CFR 93.301(f), as applicable, prior to engaging in choice limiting activities such as closing on land, loans, beginning demolition or construction activities, or entering into construction contracts. A Phase I Environmental Site Assessment (ESA) will not satisfy the environmental clearance required for use of Multifamily Direct Loan funds.

Property has already received Environmental Clearance from HUD under 24 CFR Parts 50 or 58 or 24 CFR 93.301(f), as applicable, and documentation of HUD Environmental Clearance is included behind this tab.

Applicant has submitted an environmental packet to TDHCA and clearance is pending. 

Applicant has reviewed the environmental clearance materials available on the Department's website and understands that clearance must be received prior to closing on the loan.

<http://www.tdhca.state.tx.us/program-services/environmental/index.htm>

A Third Party will aid in the completion of the environmental clearance process. If checked, complete the following:

Name of Firm: _____

Contact Person: _____

Contact Telephone: _____

Email: _____

3. Primary Market Area Map

Primary Market Area (PMA) map with definition of PMA is included behind this tab.

This entry autofills from Tab 42.

Prepared by: Affordable Housing Analysts

Date of Report: _____

Development Site Location:

Longitude: -97.435464

Latitude: 25.89181 

4. Scope and Cost Review (SCR) (formerly PCA)

This entry autofills from Tab 42.

Prepared by: n/a

Date of Report: _____

5. Appraisal

This entry autofills from Tab 42.

Prepared by: n/a

Date of Report: _____

6. Feasibility Report (See 10 TAC §11.204(15) regarding exemptions for Acquisition and Rehabilitation ONLY developments)

Prepared by: Ambiotec Civil Engineering Group

Date of Report: 3/1/2022

Lalita Senior Living

TDHCA# 22227

Geographies Selected:

	<u>Geocode/ ID</u>	<u>State</u>	<u>County</u>	<u>MCD</u>
1	48061012607	Texas	Cameron County	Brownsville CCD
2	48061012608	Texas	Cameron County	Brownsville CCD
3	48061013102	Texas	Cameron County	Brownsville CCD
4	48061013104	Texas	Cameron County	Brownsville CCD
5	48061013106	Texas	Cameron County	Brownsville CCD
6	48061013203	Texas	Cameron County	Brownsville CCD
7	48061013204	Texas	Cameron County	Brownsville CCD
8	48061013205	Texas	Cameron County	Brownsville CCD
9	48061013206	Texas	Cameron County	Brownsville CCD
10	48061013207	Texas	Cameron County	Brownsville CCD
11	48061013303	Texas	Cameron County	Brownsville CCD
12	48061013305	Texas	Cameron County	Brownsville CCD
13	48061013306	Texas	Cameron County	Brownsville CCD
14	48061013308	Texas	Cameron County	Brownsville CCD
15	48061013309	Texas	Cameron County	Brownsville CCD
16	48061013401	Texas	Cameron County	Brownsville CCD
17	48061013402	Texas	Cameron County	Brownsville CCD
18	48061013901	Texas	Cameron County	Brownsville CCD
19	48061013902	Texas	Cameron County	Brownsville CCD
20	48061013903	Texas	Cameron County	Brownsville CCD
21	48061014100	Texas	Cameron County	Brownsville CCD
22	48061014300	Texas	Cameron County	Brownsville CCD
23	48061014500	Texas	Cameron County	Brownsville CCD
24	48061980100	Texas	Cameron County	Brownsville CCD

From: [Alyssa Carpenter](#)
To: [Manish Verma](#)
Cc: [Sarah Anderson](#); [Meredith Edwards](#); [Bronte Bejarano](#)
Subject: Fwd: Appraisal Question
Date: Tuesday, January 25, 2022 12:51:42 PM

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Manish, here is confirmation that an appraisal would not be required for Brownsville.

Regards,

Alyssa Carpenter

----- Forwarded message -----

From: **Cody Campbell** <cody.campbell@tdhca.state.tx.us>
Date: Tue, Jan 25, 2022 at 1:45 PM
Subject: RE: Appraisal Question
To: Alyssa Carpenter <ajcarpen@gmail.com>
Cc: Colin Nickells <colin.nickells@tdhca.state.tx.us>, Jeanna Adams <jeanna.adams@tdhca.state.tx.us>

Alyssa,

Thanks for the clarification. Since the ownership was not prior to the first day of the application acceptance period and this isn't an identity of interest transaction, an appraisal is not required.

Thanks,

Cody Campbell
Director of Multifamily Programs
Texas Department of Housing and Community Affairs
221 E. 11th Street | Austin, TX 78701
Office: 512.475.1676
Fax: 512.475.3359

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

-----Original Message-----

From: Alyssa Carpenter <ajcarpen@gmail.com>

Sent: Tuesday, January 25, 2022 4:37 AM

To: Cody Campbell <cody.campbell@tdhca.state.tx.us>

Cc: Colin Nickells <colin.nickells@tdhca.state.tx.us>; Jeanna Adams <jeanna.adams@tdhca.state.tx.us>

Subject: Re: Appraisal Question

No. The seller is not a related party in any way. The issue is that the developer has to buy the land between preapp and full app and it's unclear to me the way the rules are written if they need an appraisal because of that. I would think they do not because they did not own the land at the preapp or prior to the first day of the application acceptance period, but I want to confirm.

Regards,

Alyssa Carpenter

> On Jan 24, 2022, at 11:34 PM, Cody Campbell <cody.campbell@tdhca.state.tx.us> wrote:

>

> Alyssa,

>

> Looking at your question again, and there's a pretty important piece of information missing - is an affiliate of the seller an affiliate of, or a related party to, any owner at any level of the development team or a related party lender?

>

> Thanks,

>

> Cody Campbell

> Director of Multifamily Programs

> Texas Department of Housing and Community Affairs

> 221 E. 11th Street | Austin, TX 78701

> Office: 512.475.1676

> Fax: 512.475.3359

>

> 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

>

>

> -----Original Message-----

> From: Alyssa Carpenter <ajcarpen@gmail.com>

> Sent: Tuesday, January 18, 2022 8:35 PM
> To: Cody Campbell <cody.campbell@tdhca.state.tx.us>
> Cc: Colin Nickells <colin.nickells@tdhca.state.tx.us>; Jeanna Adams
<jeanna.adams@tdhca.state.tx.us>
> Subject: Re: Appraisal Question
>
> Yes, they will claim the cost of the land that they had to purchase between preapp and full
app.
>
> Regards,
>
>
> Alyssa Carpenter
>
>
>> On Jan 18, 2022, at 9:15 PM, Cody Campbell <cody.campbell@tdhca.state.tx.us> wrote:
>>
>> Alyssa,
>>
>> Are you claiming acquisition costs on this application?
>>
>> Thanks,
>>
>> Cody Campbell
>> Director of Multifamily Programs
>> Texas Department of Housing and Community Affairs
>> 221 E. 11th Street | Austin, TX 78701
>> Office: 512.475.1676
>> Fax: 512.475.3359
>>
>> 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
>>
>>
>> -----Original Message-----
>> From: Alyssa Carpenter <ajcarpen@gmail.com>
>> Sent: Tuesday, January 18, 2022 8:16 AM
>> To: Colin Nickells <colin.nickells@tdhca.state.tx.us>; Cody Campbell
<cody.campbell@tdhca.state.tx.us>; Jeanna Adams <jeanna.adams@tdhca.state.tx.us>
>> Subject: Appraisal Question
>>
>> Hi, Colin, Cody, and Jeanna:
>>
>>
>> I have an Appraisal question for you. We have an HTC application that currently has a

purchase contract and that is what we submitted in the pre-application, but the seller wants to close in the next couple weeks. So the developer will own the property at full application. I know that Appraisals are required for identity of interest transactions; however, I am trying to figure out if we need an Appraisal in this instance.

>>

>> I see where the REA rules talk about Acquisition Costs and Identity of interest transactions and there is a section that states the

>> following:

>>

>> ----

>> An acquisition will be considered an identity of interest transaction when an Affiliate of the seller is an Affiliate of, or a Related Party to, any Owner at any level of the Development Team or a Related Party lender; and

>>

>> (I) is the current owner in whole or in part of the Property; or

>>

>> (II) has or had within the prior 36 months the legal or beneficial ownership of the property or any portion thereof or interest therein regardless of ownership percentage, control or profit participation prior to the first day of the Application Acceptance Period or in the case of a tax-exempt bond or 4% tax credit application the Application Date.

>> ----

>>

>> So the developer did not have ownership of the property at pre-application or prior to the first day of the Application Acceptance Period but will have it at full application. Does this application need an Appraisal? Or do we submit the purchase contract from pre-app and the warranty deed and settlement statement in the full application and put that acquisition cost in the development cost schedule?

>>

>> Thank you!

>>

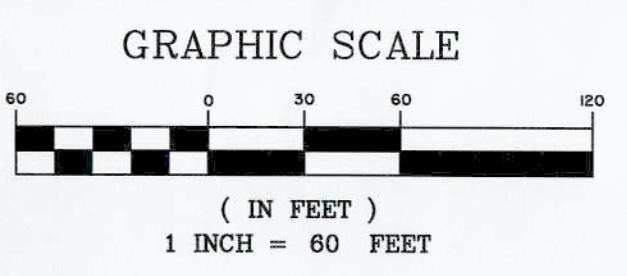
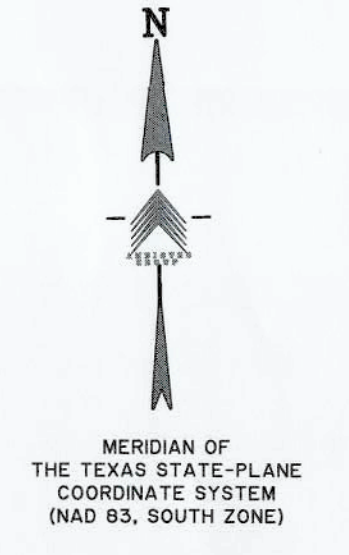
>>

>> Regards,

>>

>>

>> Alyssa Carpenter



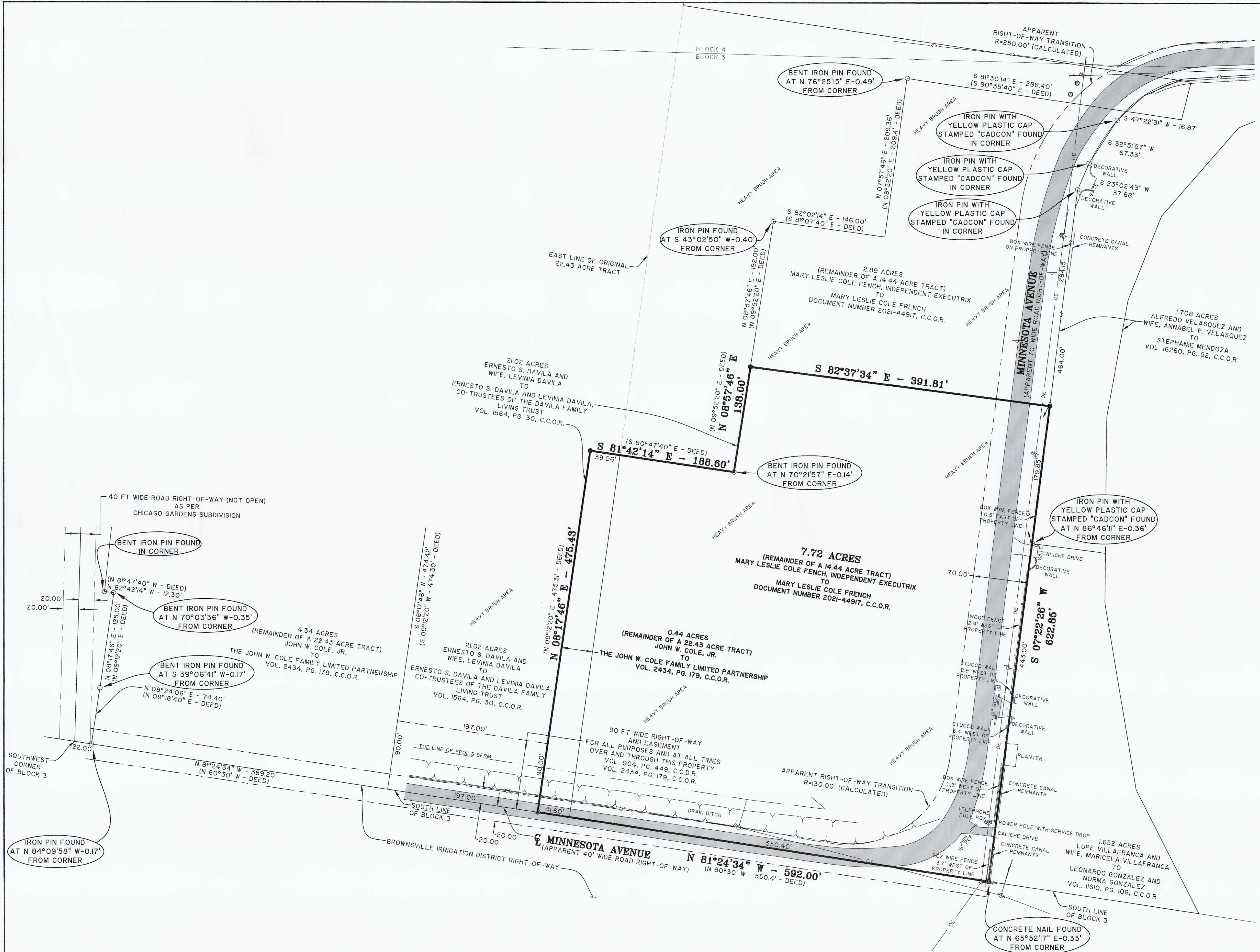
LEGEND

C.C.O.R. CAMERON COUNTY OFFICIAL RECORDS		ASPHALT
C.C.O.R. CAMERON COUNTY DEED RECORDS		CONCRETE
C.C.M.R. CAMERON COUNTY MAP RECORDS		BANKLINE
		1/2 INCH IRON PIN FOUND (UNLESS LABELED OTHERWISE)
		WATER VALVE
		POST
		POWERPOLE
		TELEPHONE PEDESTAL
		MAILBOX
		GUY AND ANCHOR
		SET "MAG" NAIL
		VOLUME
		PAGE
		REINFORCED CONCRETE PIPE
		TRANSMISSION POWER POLE

NOTES:

1. THIS TRACT LIES IN FLOOD ZONE "X" (AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN, AS PER FLOOD INSURANCE RATE MAP NUMBER 4806C099P, EFFECTIVE DATE FEBRUARY 16, 2016, REISSUED ON JULY 20, 2016).

2. MONUMENTATION FOUND ALONG THE NORTH AND EAST RIGHT-OF-WAY LINE OF MINNESOTA AVENUE WAS USED FOR BASIS OF BEARING.



PLAT OF SURVEY
 OF AN 7.72 ACRE TRACT, MORE OR LESS, OF BLOCK 3, CHICAGO GARDENS SUBDIVISION, SHARE 28, ESPIRITU SANTO GRANT, IN CAMERON COUNTY, TEXAS, AS RECORDED IN VOLUME 0, PAGE 119 OF THE DEED RECORDS OF CAMERON COUNTY, TEXAS. SAID 7.72 ACRE TRACT BEING OUT OF THE REMAINDER OF A 14.44 ACRE TRACT CONVEYED TO MARY LESLIE COLE FRENCH AS RECORDED IN DOCUMENT NUMBER 2021-44917 OF THE OFFICIAL RECORDS OF CAMERON COUNTY, TEXAS, AND SAID 7.72 ACRE TRACT ALSO BEING OUT OF THE REMAINDER OF A 22.43 ACRE TRACT CONVEYED TO THE JOHN W. COLE FAMILY LIMITED PARTNERSHIP AS RECORDED IN VOLUME 2434, PAGE 179 OF THE OFFICIAL RECORDS OF CAMERON COUNTY, TEXAS.

PREPARED FOR:
VERSA DEVELOPMENT, LLC

THE UNDERSIGNED HEREBY STATES THAT THIS SURVEY WAS MADE ON THE GROUND ON 2/24/2022. THAT THE IMPROVEMENTS ON THE GROUND ARE AS SHOWN HEREON, THAT THERE ARE NO VISIBLE ENCROACHMENTS, NO VISIBLE OVERLAPINGS, NO APPARENT CONFLICTS OR VISIBLE EASEMENTS, EXCEPT AS SHOWN HEREON. THIS SURVEY CONFORMS TO OR EXCEEDS THE CURRENT MINIMUM STANDARDS AS ADOPTED BY THE TEXAS BOARD OF PROFESSIONAL LAND SURVEYING.

Guadalupe B. Nunez, Jr.
 GUADALUPE B. NUNEZ, JR.
 REGISTERED PROFESSIONAL LAND SURVEYOR NO. 5914



AMBIOTEC
 CIVIL ENGINEERING GROUP, INC.

6420 Paradise Lane Road
 Brownsville, Texas 78508
 Phone: (361)648-9333
 Fax: (361)648-9399

TESS Form No. P-428
 TELS Reg. No. 10002000

PROJ. #3659

22258

-

The Reserves at Monarch

-

**Request for Administrative
Deficiency**



May 6, 2022

Mr. Cody Campbell
Director of Multifamily Programs
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701
Email: cody.campbell@tdhca.state.tx.us

Re: Third Party Request for Administrative Deficiency (“RFAD”), §11.10 of 2022 Qualified Allocation Plan (“QAP”) – 22258 The Reserve at Monarch

Dear Mr. Campbell,

Please accept this letter as a Third Party Request for Administrative Deficiency (“RFAD”) pursuant to §11.10 of 2022 Qualified Allocation Plan (“QAP”) for application 22258 The Reserve at Monarch.

Application 22258 The Reserve at Monarch is deficient related to the following 2022 QAP sections and we respectfully request the issuance of an Administrative Deficiency Notice related to these items. Further, as described below, the following actions are warranted:

- Deduction of seven (7) total points from the application related to §11.9(d)(7) of the QAP, Concerted Revitalization Plan for failure to provide required documentation, specifically a qualifying concerted revitalization plan.
- Entitlements – Termination for failure to meet threshold requirements for disclosure of title restrictions on the property in accordance with §11.204(15).

Summary of Scoring Deficiencies

In order to receive points under QAP §11.9(d)(7), the Development Site must be “geographically located within an area for which a concerted revitalization plan (plan or CRP) has been developed and published by the municipality.” Further, the QAP states “city- or countywide comprehensive plan... does not equate to a concerted revitalization plan unless evidence is presented that additional efforts have been undertaken...”

- Comprehensive Plan – The application included a letter dated 2/22/2022 from the City of Denton planning staff stating the site is within a “Focus Area” outlined in the Denton Plan 2030, and future Denton Plan 2040. Denton Plan 2030, the plan used by the applicant to claim CRP points is a Comprehensive Plan, which is disallowed by the QAP for points unless additional efforts are demonstrated. Denton Plan 2030 appears to include no specific efforts underway within the Focus Area.
- Lack of Defined Boundaries – The map provided in the application, and within the Denton Plan 2030 includes no outline of specific boundaries that allow verification that The Reserve at Monarch is actually located within a “Focus Area” (see Exhibit A).
- Focus Area Does Not Constitute Area Targeted for Revitalization – According to both the Denton Plan 2030 and Denton Plan 2040, “Focus Areas” are general areas of the city, with no specific

boundaries, that may be considered in the future to become “Area Plans.” Additionally, the letter from the City of Denton included in the application states, “the subject property... is near a major intersection of the study area and **will be** included in future study of the corridor for potential recommendations” (**emphasis added**). This statement confirms that study and planning efforts have not yet occurred.

- Contrast with Area Plans – References to revitalization within the Denton Plan 2030 are in the context of “Small Area Plans” and “Area Plans” which are developed following more extensive planning efforts than are used to designate “Focus Areas.” Focus Areas concept versus Small Area Plans are shown in Exhibit B and summarized below:
 - Creating “focused plans for areas... in need of revitalization” is accomplished by “[Creating] Small Area Plans.” See page 117, items 4.12 and 4.12.1.
 - “Small Area Plans” are described on page 256 of the attached Denton Plan 2030 exhibit: “A small area plan that is developed for a clearly delineated area that addresses specific issues and challenges with more detailed action and strategies than is provided in Denton Plan 2030.” This acknowledges that the Comprehensive Plan does not equate to a concerted revitalization plan.
 - The process of creating “Area Plans” from “Focus Areas,” which distinguishes the two from one another, is described on page 269, items 13 and 14.
 - “Focus Areas” are outlined as a preliminary stage that occurs in advance of creating “Small Area Plans.” See page 119, item 4.12.4.
 - City planning staff issued an email, included as Exhibit C, with additional clarification on the difference between “Focus Areas” and “Area Plans” and confirmed the above interpretations of the City’s Comprehensive Plans. City planning staff confirms that Focus Areas “are the initial conceptual location for future “Area Plans” that have not yet been created.”
 - Furthermore, the City Planning Staff provided the City’s current “Area Plans” (see Exhibit D for Boundary Maps). None of these current Area Plans include the site location for The Reserve at Monarch.

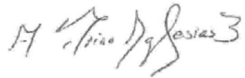
Summary of Threshold Deficiencies

- Entitlements – In order to meet the threshold requirements of §11.204(15), the application must include an “Architect or civil engineer **prepared statement describing the entitlement**, site development permitting process and timing, building permitting process and timing, and an itemization specific to the Development of total anticipated impact, site development permit, building permit, and other required fees.”
 - While the application Feasibility Report summarizes the existing condition of the site as a detention pond, it fails to mention there is an existing drainage easement in place, attached here as Exhibit E, to ensure the regional detention remains in place for developments upstream of the site.

In summary, the plan used to claim points under §11.9(d)(7) of the QAP is a city-wide comprehensive plan, which does not qualify for points unless additional revitalization efforts have been undertaken. No specific efforts related to “Focus Areas” can be found in the Denton 2030 Comprehensive Plan. The application is applying for 7 total points for being located in a “Focus Areas,” which lacks the planning efforts to qualify as a concerted revitalization plan area. The Reserve at Monarch is not located in any of the City of Denton’s “Small Area Plans” which do equate to concerted revitalization plan areas. Based on these facts, The Reserve at Monarch does not qualify for points under §11.9(d)(7), Concerted Revitalization Plan.

If you have any questions, please feel free to reach me directly at (512) 971-9127 or via email at aiglesias@ghdevelopment.com.

Sincerely,

A handwritten signature in black ink that reads "Adrian Iglesias". The signature is written in a cursive style with a large, stylized "A" and "I".

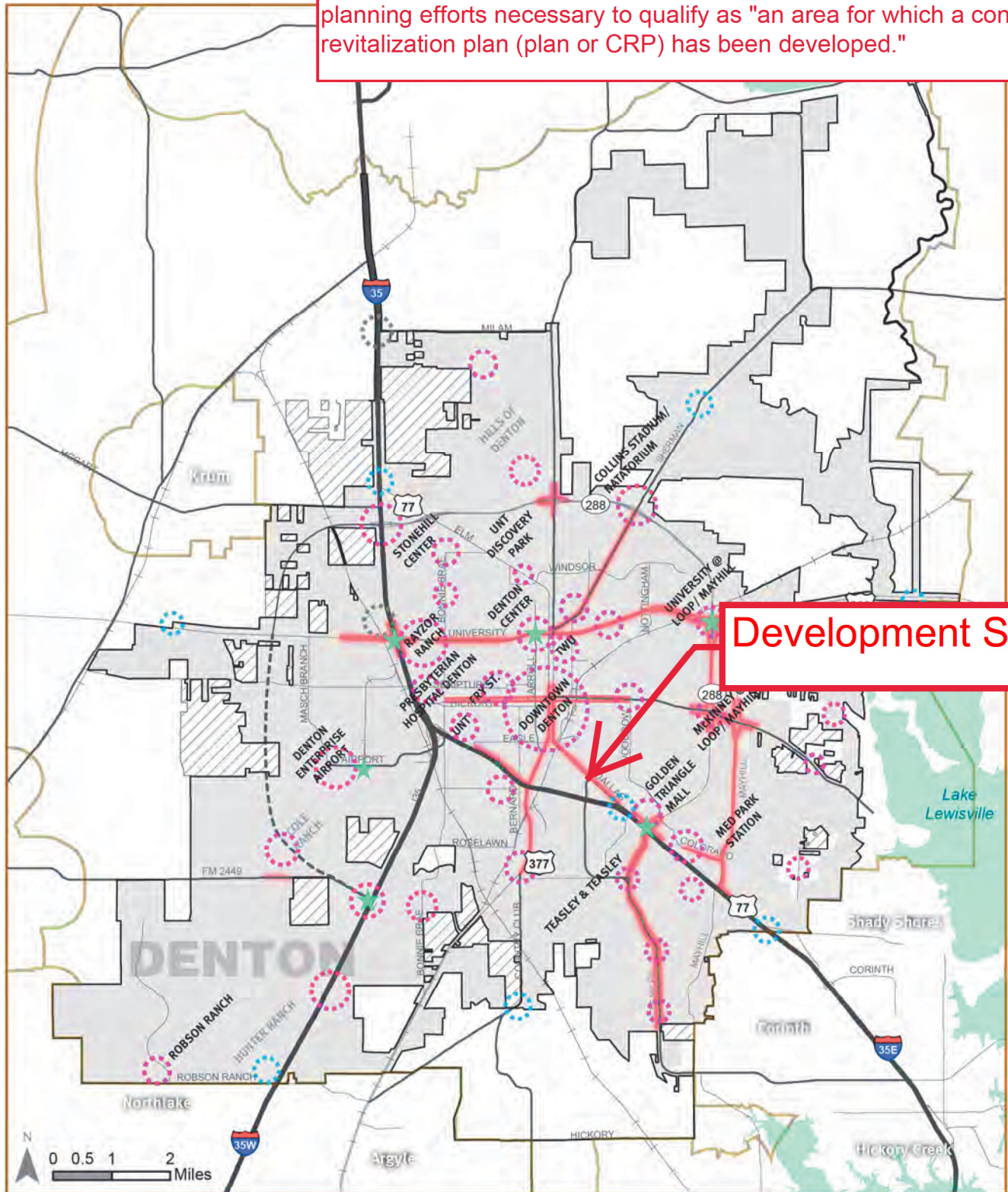
Adrian Iglesias
Authorized Representative

Exhibit "A"

Map Provided in Application

FIGURE 4.1: Focus Areas Concept

Map provided in application. It is impossible to verify based on the very general nature of the map, that the development site is located in the boundary of any "Focus Area." Regardless, "Focus Areas" lack the planning efforts necessary to qualify as "an area for which a concerted revitalization plan (plan or CRP) has been developed."



Development Site

Source: City of Denton

- Center Focus Area
- Corridor Focus Area
- Gateway Focus Area
- Travel Center Focus Area
- Branding Station
- Municipal Boundaries
- City of Denton
- ETJ

Exhibit "B"

Denton 2030 Plan

**"Small Area Plans" and "Area Plans"
VS
"Focus Areas"**

Key centers and corridors were established in the creation of the Preferred Growth Concept based on the location of important community identifiers, a concentration of employment or community hubs, or opportunities for densification, public realm improvements, and infill development. These areas were further refined in the creation of the Future Land Use Map (FLUM). Other focus areas include gateways, branding stations, and travel centers, which themselves are unique and thus require specific attention. Due to the differences among these focus areas, it is recommended that those that are a priority should be the subject of Small Area Plans to identify unique recommendations for land use, urban design, circulation and public realm improvements, and development programming, representing the diversity of Denton's neighborhoods. Following the preparation of the Small Area Plans, it may be appropriate to adopt corresponding Overlay Districts to apply particular development standards to key centers, corridors and infill areas that will be administered through the DDC. The guidelines of this Element will serve to create consistency and a foundation for the development of those specific regulations. All Focus Areas are illustrated on Figure 4.1: Focus Areas Concept and discussed below.

4.11 Create new guiding policy to integrate urban design objectives with other planning mechanisms, such as land use, zoning and subdivision regulations, historic preservation, economic development, and environmental protection. (DP p. 61).

- 4.11.1 Prepare an *Urban Design Plan* for Denton that is consistent with revised future land use designations and urban design goals and that provides a citywide approach to visual quality and image (DP p. 75). Incorporate

policies from Denton Plan 2030 as the framework for this Plan.

- 4.11.2 Revise the Denton Development Code to be consistent with Denton Plan 2030, the *Urban Design Plan*, and the recommendations of the Denton Development Code Assessment to ensure that new developments and projects adhere to citywide urban design policies and that the development review process is streamlined.
- 4.11.3 Include urban design review early in the development review process. Ensure that City government will exert a leadership role in ensuring adherence to the principles of good urban design as essential for economic development. (DP p.61)
- 4.11.4 Work with DCTA and other transit-oriented organizations to further the expansion of transit links throughout Denton, and for the creation of station area plans. (M 6.19.2)
- 4.12 Elevate community character in Denton by creating focused plans for areas undergoing new development, in need of revitalization, and established neighborhoods.**
- 4.12.1 Create Small Area Plans for established neighborhoods and future development areas to ensure adherence to urban design policy and preserve and enhance the character of distinct areas.
- 4.12.2 Create a *Downtown Compatibility Area Small Area Plan* and *Neighborhood/University Compatibility Area Small*

Legal Authority

Texas law provides basic guidance to municipalities for developing and applying comprehensive plans. Chapter 213 of the Local Government Code (LGC), grants local municipalities discretionary powers to define the content and organization of a comprehensive plan for the promotion of sound development and the protection of public health, safety and welfare. While the wording of Chapter 213, that a municipality may adopt a comprehensive plan, could be interpreted that adoption of a comprehensive plan is non-compulsory by local governments, Chapter 211 of the LGC recognizes the importance of comprehensive planning and stipulates requirements. Consequently Texas municipalities that adopt zoning must also have a comprehensive plan to base it on. Further, Section 212.010 of the LGC also includes conformance with a municipality's "general plan for extension" as one of the requirements for approval of development plats.

Principles

Upon adoption, Denton Plan 2030 replaces the 1999 Denton Plan and will become a key policy document, separate and distinct from zoning, but to which future zoning and regulations in the Denton Development Code (DDC) shall be made consistent. The following are more specific principles that the City will be following to assure compliance, as well as to amend, monitor, and update Denton Plan 2030.

Principle 1: Plan Hierarchy – Consistency of All City Plans with Denton Plan 2030

With the adoption of Denton Plan 2030 it will become the overarching policy document, establishing the Community Vision as well and the policies and strategies pertaining to all aspects of the city's development. This plan hierarchy is as follows.

Denton Plan 2030

Denton Plan 2030 is the policy reference for all subsequent plans which will be developed in a manner to implement the provisions of Denton Plan 2030.

City-wide Topical Plans

These include plans that pertain to a specific subject area or aspect of the city's functionality applicable city wide. Revisions to current plans and the creation of new plans will be made in conformance with Denton Plan 2030. These include, but are not limited to the following:

- Mobility Plan
- Capital Improvement Plan
- Infrastructure Plan (water, sewer, stormwater)
- Urban Design Plan (CC 4.11.1)

Small Area Plans

A small area plan is a plan that is developed for a clearly delineated area that addresses specific issues and challenges with more detailed actions and strategies than is provided in Denton Plan 2030. A methodology to prioritize the need for small area plans and a template for how to carry out small area planning is provided below. Small area plans include the following.

- Downtown Master Plan / DTIP (LU 2.6.1)
- Downtown Compatibility Area (LU 2.6.2, CC 4.12.2, HN 7.1.2)
- Neighborhood/ University Compatibility Area (LU 2.7.1, CC 4.12.2, HN 7.1.4)
- Centers and Corridors (LU 2.8.1, CC 4.12.3, HN 7.1.6)
- Neighborhood Plans (HN 7.7.3, CC 4.12.1)

Table 10.2: Denton 2030 Action Plan (continued)

	Key Action	Referenced Actions and Related Items	Action Type (Planning; Regulation; Program; Capital; Outreach; Partnerships)	Timeframe (Short-term, Mid-term, Long-term, Ongoing)	Responsible Department or Agency (bold represents lead Dept. or Agency)	Partners
13	Create Small Area Plans for priority corridors and centers and existing character areas consistent with the Focus Areas Concept. Engage the community in the creation of these plans. Consider developing Small Area Plans around existing and future DCTA rail stations.	2.8.1; 2.17.2; 4.12.1; 4.12.3; 7.1.6; 6.18.2	Planning	Mid	Planning & Development and Economic Development	DCTA
14	Create a prioritization of centers, corridors, and other focus areas in order to streamline and direct the process of creating of Small Area Plans .	4.12.4	Planning	Mid	Planning & Development	DCTA
15	Establish Overlay Districts or new zoning districts as a result of Small Area Plans that apply revised development standards tailored to specific corridors and centers.	2.8.2; 4.12.5; 7.1.7;	Regulation	Long	Planning & Development	
16	Through the city’s Capital Improvement Program (CIP), prioritize investments in designated corridors and centers based on mobility recommendations and street standards.	2.8.3; 6.1.2	Regulation	On-going	Transportation and Planning & Development	Mobility Committee
17	Conduct an inventory to identify areas of infill potential within established neighborhoods.	2.9.1	Planning	Short	Planning & Development	
18	Establish criteria to identify the characteristics of compatible infill development and identify and remove impediments.	2.9.2; 2.9.3; 7.8.3; 7.8.4	Planning / Regulation	Short	Planning & Development and Environmental Services	
19	Revise zoning districts in the Denton Development Code for consistency with Future Land Use categories and to apply new development standards to ensure proper transitions and buffers between conflicting land use, scale and intensities, and improve development quality of commercial and employment areas.	2.2.2; 2.9.4; 2.10.2; 3.3.6; 4.6.3; 2.16.1; 7.8.5; 7.8.6	Planning / Regulation	Short	Planning & Development	

Area Plans to ensure that urban design principles are followed in development projects within those areas. (DP p.62, LU 2.6.2, LU 2.7.1)

4.12.3 Partner with and collaborate with the community in the formulation of Small Area Plans to ensure their reflection of neighborhood character and priorities in future development. (LU 2.8.1, LU 2.17.2, DP p.62)

4.12.4 **Create a prioritization of centers, corridors, and other focus areas to streamline and direct the process of creating Small Area Plans.**

Prioritization should be based on ripeness of development potential, level of community support, existence of threatened historic resources, economic development catalysts, and other sensitive issues.

4.12.5 Adopt Overlay Districts following the creation of Small Area Plans as needed to ensure that appropriate guidelines are followed. (LU 2.8.2)

Design of the Public Realm:

“The city’s urban design strategies will be guided by the principle that the spaces between buildings are just as important as the buildings themselves. The form of public spaces should support their intended functions, and their visual qualities should communicate the values we feel are important. (DP p.62)”

The community’s development fabric is composed of two distinct, yet inter-related components: the “public” realm and the “private” realm. The public realm consists primarily of the publicly-owned street rights-of-way and other publicly accessible open spaces such as parks, squares, plazas, courtyards, and alleys. The private realm consists of privately-owned areas, in large part developed with buildings and associated improvements, and is more limited in its accessibility to the public.

The public realm plays a critical role in an area’s character and function, serving overlapping roles, including circulation and access, development framework, public open space, and visual interest.

The aforementioned guiding policy documents, such as the *Urban Design Plan*, updated DDC, and Small Area Plans will include recommendations and requirements for the public realm. In addition,



Focused urban infill and revitalization, Dallas

Exhibit "C"

City of Denton Planning Staff Correspondence

Travis Barber

From: Menguita, Ron P. <Ron.Menguita@cityofdenton.com>
Sent: Wednesday, May 4, 2022 4:14 PM
To: Travis Barber
Cc: Adrian Iglesias; Chris Applequist
Subject: RE: Denton Comprehensive Plan - Area Plans vs Focus Areas

Travis, please see my responses below in [green](#). Thanks. RONM

From: Travis Barber <Travis.Barber@ghdevelopment.com>
Sent: Wednesday, May 4, 2022 3:52 PM
To: Menguita, Ron P. <Ron.Menguita@cityofdenton.com>
Cc: Adrian Iglesias <aiglesias@ghdevelopment.com>; Chris Applequist <chris.applequist@ghdevelopment.com>
Subject: RE: Denton Comprehensive Plan - Area Plans vs Focus Areas

Ron,

Thanks for providing this helpful information. It looks like Section 10 is helpful, but we had a couple clarification questions below:

- Page 10-3 describes an “Area Plan” specifically as “[A plan that is developed for a clearly delineated area that addresses specific issues and challenges with more detailed action and strategies than is provide in the Comprehensive Plan.](#)” Can you confirm if a “Focus Area” is the same as an “Area Plan”? Can you describe the difference? [Focus Areas area described and illustrated in the Comp Plan with the ultimate goal of creating a Area Plan for each Focus Area.](#)
- According to page 10-17 item 13, creating “Area Plans” for priority corridors and centers are based initially on the locations of “Focus Areas”. Is this indicating that “Focus Areas” are the initial conceptual location for future “Area Plans” that have not yet been created? [Correct.](#)
- Can you provide a list of the City’s active “Area Plans”?

[Downtown Master Plan](#)
[Denia Area Plan](#)
[Oak Gateway Area Plan](#)

[We also have several Overlay Districts, which is a step further after Area Plans.](#)

Thanks,

Travis Barber | Development Associate



**GENERATION
HOUSING
PARTNERS**

Generation Housing Partners, LLC

17440 North Dallas Parkway, Suite 120

Dallas, Texas 75287

Ph. (214) 613-6569 x2 | Mb. (806) 577-0292

From: Menguita, Ron P. <Ron.Menguita@cityofdenton.com>
Sent: Wednesday, May 4, 2022 9:44 AM
To: Travis Barber <Travis.Barber@ghdevelopment.com>
Subject: RE: Denton Comprehensive Plan Supplemental Letter

Travis, good morning. Per our discussion yesterday below is a link to our recently updated Comprehensive Plan.

<https://www.cityofdenton.com/DocumentCenter/View/5237/Exhibit-2---Draft-Denton-2040-Comprehensive-Plan-PDF?bidId=>

Refer to Element 4 – Community Character and Urban Design (starting on page 4-1) for more information on Focus Areas and implementation.

Refer to Element 10 – Implementation and Monitoring (starting on page 10-7) for more information on Area Plans and instructions on how they are created.

Thanks. RONM

Ron Menguita, AICP | Principal Planner
Department of Development Services | Planning Division
Office: (940) 349-8328 | Fax: (940) 349-7707
[401 N Elm Street, Denton, Texas 76201](https://www.cityofdenton.com)
www.cityofdenton.com



Please help us improve your service by taking a 2 minute [survey](#)

From: Travis Barber <Travis.Barber@ghdevelopment.com>
Sent: Tuesday, May 3, 2022 9:59 AM
To: Menguita, Ron P. <Ron.Menguita@cityofdenton.com>
Subject: RE: Denton Comprehensive Plan Supplemental Letter

Ron,

I left you a voicemail this morning. Please give me a call back when you're available.

Thanks!

Travis Barber | Development Associate



**GENERATION
HOUSING
PARTNERS**

Generation Housing Partners, LLC

17440 North Dallas Parkway, Suite 120

Dallas, Texas 75287

Ph. (214) 613-6569 x2 | Mb. (806) 577-0292

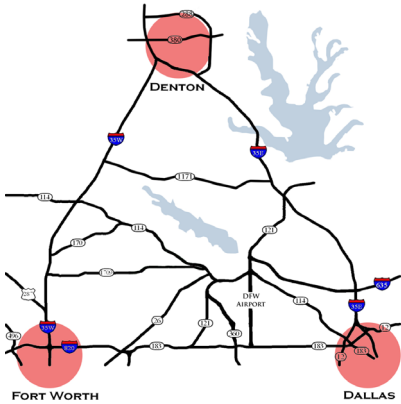
Exhibit "D"

City of Denton Active Area Plan Boundaries

Denton Downtown Area Plan (22258 not in map)

A. Purpose of the Plan

The purpose for creating the Downtown Implementation Plan (DTIP) for Denton is to develop a set of physical plans and detailed recommendations to increase economic development in downtown Denton. The DTIP defines specific action items to be taken to implement the recommendations, and it establishes strategies for when and how these action items should be implemented. The DTIP is divided into five elements: land use, parking, parks/open space, architectural guidelines, and street standards, which help to organize and detail the recommendations.



Regional Area Map
Exhibit 1.0



Study Area Map
Exhibit 1.1



NEIGHBORHOOD DESCRIPTION

Denia Neighborhood Boundary (22258 not in map)

BOUNDARY

The study area for the Denia Neighborhood Small Area Plan is bounded by I-35 E to the north, Fort Worth Drive and the T&P railroad tracks to the east, Roselawn Drive to the south, and Bonnie Brae to the west. (**Figure 2a, 2b, 2c.**)

The study area boundary was defined by Denia residents at the first Denia Neighborhood Small Area Plan meeting. The Denia neighborhood is located one mile southwest of downtown Denton, directly across I-35 E from the University of North Texas. The Denia study area covers approximately 936 acres of land.

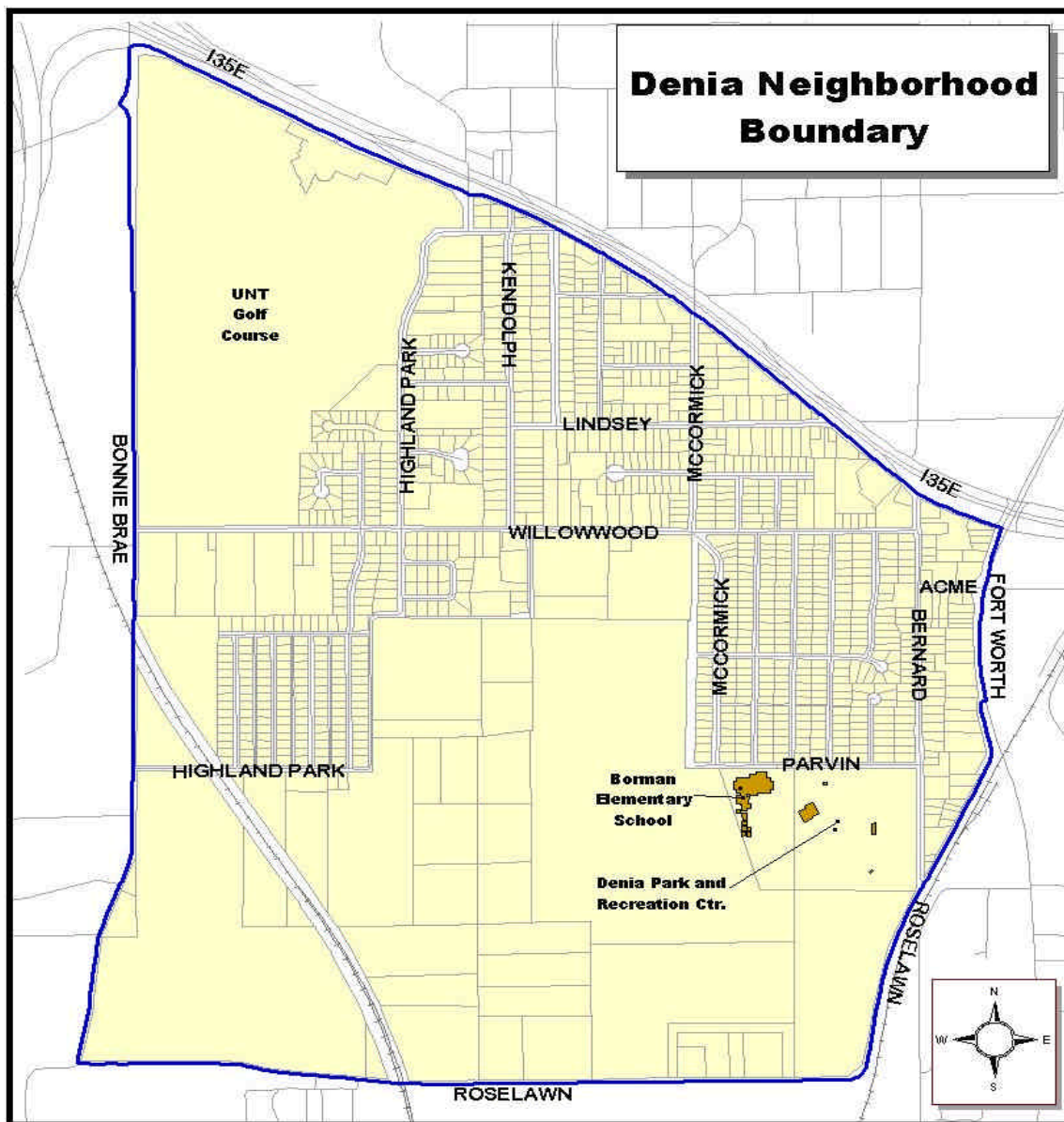


Figure 2a.

Study Area

Oak Gateway Area Plan (22258 not in map)

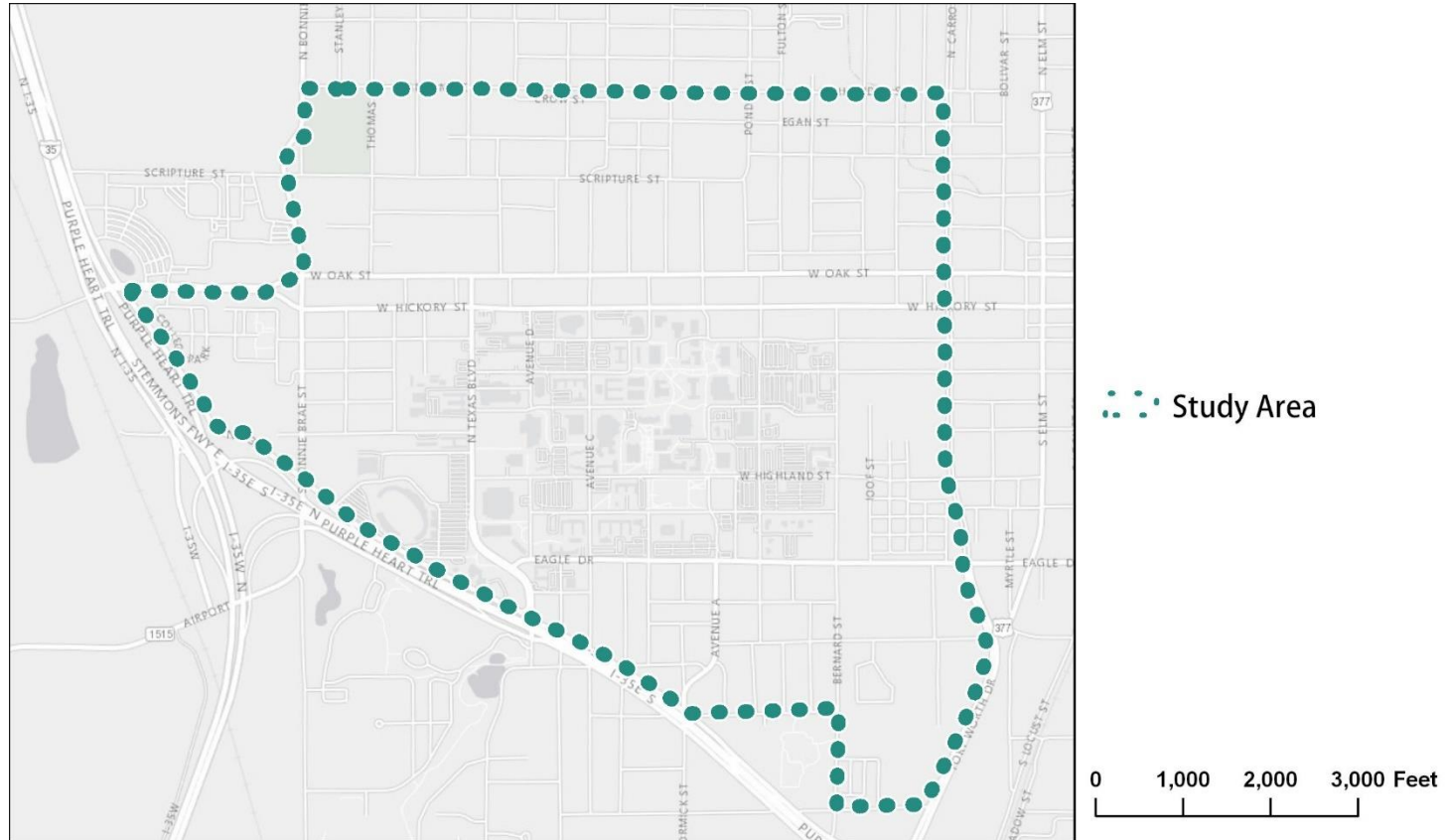


Exhibit "E"

**Existing Drainage Easement
Encumbering Site & Exhibit
of Upstream Drainage**

Pass-Denton Associates I, a Texas joint venture ("Grantor"), for Ten Dollars (\$10.00) and other valuable consideration, hereby grants to Pass-Denton Associates IV, a Texas joint venture ("Grantee") an easement for drainage of surface water as follows:

1. Grantee is the owner of the 19.5505-acre tract of land in Denton County, Texas described on Exhibit "A" attached hereto and made a part hereof (Grantee's Tract). The easement granted hereby is for the benefit of and shall be appurtenant to the Grantee's Tract.

2. Grantor is the owner of the tract of land described on Exhibit "B" attached hereto and made a part hereof (the Grantor's Tract).

3. Grantor hereby grants to Grantee an easement over so much of the Grantor's Tract as may be necessary to enable Grantee to construct a retention pond for the holding of surface water and the construction of drainage channels or installation of storm sewer pipe to the extent necessary to carry surface water from Grantee's Tract to the retention pond. The size, location and depth of the retention pond and the width and location of the easement for the drainage channel or sewer pipe will be determined by Grantee in Grantee's sole discretion.

4. After construction of the retention pond and the construction of the drainage channel or installation of the sewer pipe, Grantor and Grantee, or their successors in title, shall execute a memorandum to be placed of record in the Deed Records of Denton County, Texas describing by metes and bounds the location of all such facilities, and thereafter this easement shall be limited to the area so described by metes and bounds.

5. Grantee shall have the right of access to Grantor's Tract to the extent reasonably necessary for the construction and installation of the retention pond and other drainage facilities, and after the completion thereof, Grantee shall have the right of access to the Grantor's Tract to the extent reasonably necessary for the purpose of maintaining, repairing and replacing a storm sewer line and for maintaining any drainage channel and the retention pond, including, without limitation, the dredging and deepening of the retention pond.

6. This easement shall be perpetual and shall inure to the benefit of Grantee and all future owners of Grantee's Tract, their successors and assigns; provided, however, if either Grantor or Grantee should hereafter construct across Grantor's Tract an underground storm sewer drainage system to be used in lieu of the retention pond

6. This easement shall be perpetual and shall inure to the benefit of Grantee and all future owners of Grantee's Tract, their successors and assigns; provided, however, if either Grantor or Grantee should hereafter construct across Grantor's Tract an underground storm sewer drainage system to be used in lieu of the retention pond for the purpose of draining surface water from Grantee's Tract and adequate for such purpose, after the construction of such system in compliance with the requirements of the City of Denton, Texas and any other applicable governmental authorities, this easement shall thereafter be limited to such underground drainage system, and the easement for the retention pond shall terminate. Grantor and Grantee hereby agree for themselves, and on behalf of any future owners of the Grantor's and Grantee's Tracts, to enter into any agreements which may hereafter be necessary to reflect of record any such limitation of this easement.

7. BancTEXAS Richardson ("Bank"), the owner and holder of one note in the original principal sum of \$300,000.00 executed by Grantor and payable to Bank secured by vendor's and deed of trust liens on Grantor's Tract hereby joins in the execution of this easement for the sole and limited

VOL 1228 PAGE 735

purpose of subordinating to this easement all of the liens held by Bank covering the Grantor's Tract in the same manner as if this easement had been executed, acknowledged, and recorded prior to the creation of the liens held by Bank.

EXECUTED August 25, 1983.

PASS-DENTON ASSOCIATES I

By: [Signature]
J.T. Pass, Managing
Venturer
GRANTOR

PASS-DENTON ASSOCIATES IV

By: [Signature]
J.T. Pass, Manager
GRANTEE

BancTEXAS Richardson

By: [Signature]
President

THE STATE OF TEXAS:

COUNTY OF DALLAS:

This instrument was acknowledged before me on this 25th day of August, 1983 by J. T. Pass, Managing Venturer of Pass-Denton Associates I and as Manager of Pass-Denton Associates IV, on behalf of said joint ventures.

[Signature]
Notary Public in and for the State of Texas.

My commission expires: 3-31-85

Lewis T. Sweet, Jr.

THE STATE OF TEXAS:

COUNTY OF DALLAS:

This instrument was acknowledged before me on this 25th day of August, 1983 by Patrick R. Sheehan, President of BancTEXAS Richardson on behalf of said Bank.

[Signature]
Notary Public in and for the State of Texas.

My commission expires: 12-6-85



FIELD NOTE DESCRIPTION

Tract is located in the A. Hill Survey, Abstract No. 623, and the S. L. Hiron
 Abstract No. 616, City of Denton, Texas, and being a part of a 36.368 acre tract
 of 36.368 acre tract being those tracts described in deed from J. Farina to Goodwin
 recorded in Volume 611, Page 523, Deed Records of Denton County, Texas, and
 M. Wallis to Goodwin and Associates as recorded in Volume 621, Page 377, Deed Records
 of Denton County, Texas, and being more particularly described as follows:

beginning at a 5/8 inch iron rod found in the west line of said 36 acre tract, said iron
 rod being the southeast corner of the J.L. McLeod property as recorded in Volume 622, Page
 51 Deed Records of Denton County, Texas;

thence South 25° 54' 34" East, a distance of 356.89 feet to a 1/2 inch iron rod set on a
 circular curve to the right having a central angle of 23° 56' 29" and a radius of 317.00 feet;

thence along said circular curve to the right an arc length of 132.79 feet and a chord bear-
 ing and distance of North 77° 54' 30" East, 131.83 feet to a 1/2 inch iron rod set for point
 of tangency;

thence North 89° 52' 44" East a distance of 128.06 feet to a 1/2 inch iron rod set for corner,

thence North 00° 00' 37" West a distance of 17.05 feet to a 1/2 inch iron rod set for corner,

thence North 89° 52' 44" East through the Mulkey Tract as recorded in Volume 460, Page 68d,
 Deed Records of Denton County, Texas, a distance of 404.70 feet to a 1/2 inch iron rod for
 corner in the west right-of-way line of Teasley Lane;

thence South 01° 54' 56" East along said west right-of-way line a distance of 70.03 feet to
 a 1/2 inch iron rod set for corner;

thence South 89° 52' 44" West a distance of 160.01 feet to a 1/2 inch iron rod set for corner,

thence South 00° 07' 16" East a distance of 86.52 feet to a 1/2 inch iron rod set on a circular
 curve to the right having a central angle of 56° 08' 04" and a radius of 350.00 feet;

thence along said circular curve to the right, an arc length of 342.90 feet, and a chord
 bearing and distance of South 77° 56' 46" West 329.36 feet to a 1/2 inch iron rod set for
 point of tangency,

thence South 56° 00' 47" West a distance of 172.11 feet to a 1/2 inch iron rod set for corner;

thence South 44° 56' 34" West a distance of 212.06 feet to a 1/2 inch iron rod set for corner,
 said corner being in the north line of a drainage channel easement dedicated to the State of
 Texas in Volume 429, Page 002, Deed Records of Denton County, Texas;

thence South 28° 18' 53" East along the north line of said drainage channel easement, a distance
 of 34.84 feet to a 1/2 inch iron rod set for corner, said corner being the northeast corner
 of said drainage channel easement,

thence South 44° 56' 34" West along the east line of said drainage channel easement a distance
 of 176.83 feet to a 1/2 inch iron rod set for corner, said corner being situated on the north
 point of way line of Interstate Highway 35-E;

thence along said right-of-way line and 1/2 inch iron rods as follows:

North 75° 00' 40" West a distance of 76.84 feet;

North 87° 05' 30" West a distance of 101.81 feet;

North 75° 01' 20" West a distance of 299.91 feet; and

North 64° 50' 00" West a distance of 102.23 feet to a 5/8 inch iron rod found for
 corner of a tract conveyed to Central Freight Lines by Deed dated October 25, 1962.

thence North 00° 48' 00" East along the east line of said Central Freight Line tract a distance
 of 953.62 feet to a 5/8 inch iron rod found for corner in the south line of said
 tract,

thence South 89° 22' 12" East along said south line of McLeod tract a distance of 421.0
 feet to the POINT OF BEGINNING and containing 851,618 square feet or 19.5505 acres of land.

A tract of land in the S. C. Hiram Survey, Abstract 614, Denton County, Texas, and being the northern two and one-half (2 1/2) acres of the 4.45 acre tract of land described in a deed from W. K. Mulkey and wife Wilma Faye Mulkey to Pass-Denton Associates I dated August 16, 1983, recorded under County Clerk's number 34106 in the Deed Records of Denton County, Texas, and being further described as all of the land described in said deed lying to the north of the 1.3434 acre tract of land described in the Partial Release of Lien dated August 25, 1983, executed by BancTEXAS Richardson recorded concurrently with the recording hereof and releasing a portion of the land described in the deed of trust recorded under County Clerk number 34107 in the Deed of Trust Records of Denton County, Texas.

EXHIBIT "B"

RETURN TO: FIRST AMERICAN TITLE CO.
822 NORTH ELST
DENTON, TX. 76201

22273

-

Coral Hills

-

**Request for Administrative
Deficiency**

Sonoma Housing Advisors, LLC

14841 Dallas Parkway, Suite 125

Dallas, Texas 75254

214-608-7201

bill.fisher@sonomaadvisors.com

May 6, 2022

Via Electronic Mail

Texas Department of Housing and Community Affairs

221 East 11th Street

Austin, Texas 78701

Attn: Mr. Cody Campbell, Director of Multifamily Programs

Attn: Mr. Colin Nickells, Administrator 9% Competitive Housing Tax Credit Program

Re: Coral Hills, #22273

Third Party Request for Administrative Deficiency

Dear Mr. Campbell and Nickells,

On behalf of the Applicant of Woodcrest Apartments, #22231 ("Woodcrest Apartments"), please allow this letter to serve as a Third-Party Request for Administrative Deficiency (RFAD) in accordance with Section 11.10 of the 2022 Qualified Allocation Plan ("QAP"). The Woodcrest Apartments Applicant is requesting that staff consider whether the matters described in this letter and supporting documentation should be the subject of one or more Administrative Deficiencies. A copy of this request has been delivered concurrently to the representative of Coral Hills ("CH Applicant").

1. Elected Officials

Pursuant to Section 11.203 of the QAP,

"should the jurisdiction of the official holding any position or role described in paragraph (2) of this section change between the submission of a pre-application and the submission of an Application, Applicants are required to notify the new entity no later than the Full Application Delivery Date."

11.203(2):

"No later than the date the Application is submitted, notification must be sent to all of the entities identified in subparagraphs (A) – (H) of this paragraph"

11.203(2)(E):

"All elected members of the Governing Body of the municipality (if the Development Site is within a municipality or its extraterritorial jurisdiction)"

Part 2 Tab 14 ("Elected Officials") of Application #22273 (Coral Hills) shows the following box marked. "Elected officials were identified in the Pre-Application, and there have been no changes." Shown below.

Elected Officials																													
<input checked="" type="checkbox"/> Elected officials <i>were identified in the Pre-Application</i> , and there have been no changes. (If box above is checked, the rest of the form may be left <i>BLANK</i> .)																													
<input type="checkbox"/> Elected officials have <i>changed since the Pre-Application was submitted</i> , and information regarding notifications or re-notifications is entered below.																													
<input type="checkbox"/> <i>No Pre-Application was submitted</i> .																													
Please identify all elected officials which represent the Development Site.																													

** US Representative District																													
<small>** While Applicants are not required to notify US Representatives, the Department is required to notify them. Therefore, Applicant must identify the appropriate US Representative of the district containing the Development.</small>																													
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="background-color: #ffffcc;">_____</td><td style="background-color: #ffffcc;">_____</td></tr> <tr><td>State Senator</td><td>District</td></tr> <tr><td style="background-color: #ffffcc;">_____</td><td style="background-color: #ffffcc;">_____</td></tr> <tr><td>Support Letter</td><td></td></tr> <tr><td style="background-color: #ffffcc;">_____</td><td></td></tr> <tr><td style="background-color: #ffffcc;">_____</td><td></td></tr> <tr><td>City Mayor</td><td></td></tr> </table>	_____	_____	State Senator	District	_____	_____	Support Letter		_____		_____		City Mayor		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="background-color: #ffffcc;">_____</td><td style="background-color: #ffffcc;">_____</td></tr> <tr><td>State Representative</td><td>District</td></tr> <tr><td style="background-color: #ffffcc;">_____</td><td style="background-color: #ffffcc;">_____</td></tr> <tr><td>Support Letter</td><td></td></tr> <tr><td style="background-color: #ffffcc;">_____</td><td></td></tr> <tr><td style="background-color: #ffffcc;">_____</td><td></td></tr> <tr><td>County Judge</td><td></td></tr> </table>	_____	_____	State Representative	District	_____	_____	Support Letter		_____		_____		County Judge	
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Elected Officials (Continued)																													
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Pre-Application #22273 (Coral Hills) shows the elected officials that were notified.

Elected Officials: Lina Hidalgo	County Judge
Rodney Ellis	County Commissioner
Adrian Garcia	County Commissioner
Tom S. Ramsey	County Commissioner
R. Jack Cagle	County Commissioner
Sylvester Turner	Mayor
Amy Peck	City Council Member
Tarsha Jackson	City Council Member
Abbie Kamin	City Council Member
Carolyn Evans-Shabazz	City Council Member
Dave Martin	City Council Member
Tiffany D. Thomas	City Council Member
Greg Travis	City Council Member
Karla Cisneros	City Council Member
Robert Gallegos	City Council Member
Edward Pollard	City Council Member
Martha Castex-Tatum	City Council Member
Mike Knox	City Council Member
David Robinson	City Council Member
Michael Kubosh	City Council Member
Letitia Plummer	City Council Member
Sallie Aicorn	City Council Member

Greg Travis was replaced by Mary Nan Huffman as Council Member for District G on the morning of February 2nd, 2022. Application shows that *“there have been no changes.”*

Mary Nan Huffman sworn in as new District G Houston City Council member



Mary Nan Huffman stands with her family after being sworn in. (Community Impact Newspaper/Dale Gonzales)

By Sofia Gonzalez, 4:10 PM Feb 2, 2022 CST | Updated 4:19 PM Feb 2, 2022 CST

On Feb. 2, Houston City Council unanimously passed an ordinance to swear in new Council Member Mary Nan Huffman.

A special election was held for District G—which covers west Houston, including River Oaks and Alton Oaks inside Loop 610—on Jan. 25 to replace now former Council Member Greg Travis. Travis stepped down from the position to run for Texas House of Representatives District 133.

2. Occupied Developments

As shown below, application requires *"a written explanation of the process used to notify and consult with the tenants in preparing for the Application."* Although the Applicant did provide a written statement, CH Applicant did not provide evidence of **consultation** with the resident. It simply

Additionally, pursuant to section 11.204(8)(G)(vi) of QAP,

"if applicable, evidence that the relocation plan has been submitted to all appropriate legal or governmental agencies or bodies."

Applicant did not provide evidence of relocation plan submission to HUD. The relocation plan provided by the Applicant states that *"In the event that renovation activities require tenant displacement beyond this time period, the resident will be provided equitable alternative housing offsite."*

Occupied Developments	
Pursuant to §11.204(8)(G) of the QAP, for any Application where any structure on the Development Site is occupied at any time after the beginning of the Application Acceptance Period, even if demolition is proposed, or if a federal subsidy is being transferred from another site and the costs of relocation will be part of the Total Development Costs, the following items must be provided.	
<input type="checkbox"/>	Historical monthly operating statements of the Development for twelve (12) consecutive months ending no more than three (3) months from the first day of the Application Acceptance Period; or
<input type="checkbox"/>	The two (2) most recent consecutive annual operating statement summaries, or
<input type="checkbox"/>	The most recent consecutive six (6) months of operating statements and the most recent available annual operating summary, or
<input type="checkbox"/>	All monthly or annual operating summaries available.
AND	
<input type="checkbox"/>	UPLOAD SEPARATELY FROM THE APPLICATION, a rent roll not more than six (6) months old as of the first day of the Application Acceptance Period that discloses the terms and rate of the lease, rental rates offered at the date of the rent roll, link-ups, and associated units, and
<input type="checkbox"/>	A written explanation of the process used to notify and consult with the tenants in preparing the Application, (§2306.6705(6)); and
<input type="checkbox"/>	If applicable, evidence that the relocation plan has been submitted to the appropriate legal or governmental agency (§2306.6705(6)); and
<input type="checkbox"/>	A relocation plan outlining relocation requirements and a budget with an identified funding source that clearly describes relocation process, actions, and costs to the displaced and those not (§2306.6705(6)).
Uniform Relocation Act (URA) Applicability for Direct Loan Applications	
<input type="checkbox"/>	Application includes a request for Direct Loan funding. If yes, General Information Notice templates and the Voluntary Acquisition Notification can be found here: (If not, skip the remainder of this section) https://www.tdhca.state.tx.us/program-services/ura/relocation.htm
<input type="checkbox"/>	Number of housing units (including Manufactured Housing Units) on the site:
<input type="checkbox"/>	Owned or controlled by the Seller
<input type="checkbox"/>	Rented to another person or entity
<input type="checkbox"/>	Number of businesses on the site:
<input type="checkbox"/>	Owned or controlled by the Seller
<input type="checkbox"/>	Rented to another person or entity
<input type="checkbox"/>	Number of nonprofit organizations on the site:
<input type="checkbox"/>	Owned or controlled by the Seller
<input type="checkbox"/>	Rented to another person or entity
<input type="checkbox"/>	Number of farms on the site:
<input type="checkbox"/>	Owned or controlled by the Seller
<input type="checkbox"/>	Rented to another person or entity
Each of the following items, as applicable, is provided behind this tab:	
<input type="checkbox"/>	Dated General Information Notice(s) given to current occupant(s) (other than owner occupied structures) that have active lease(s) at the time of this Application, including verification of tenant receipt.
<input type="checkbox"/>	Dated Voluntary Acquisition Notification to Owner, and
<input type="checkbox"/>	HUD Relocation Brochure issued to tenants that will be displaced (if known)



RESIDENT RELOCATION PLAN

Coral Hills Apartments

The proposed rehabilitation does not require the displacement of residents during the construction period. The rehabilitation will be done while the unit is occupied. The resident will receive a notice from the contractor notifying the resident the schedule of improvements that will be made to the unit and the daily schedule of when the resident must be out of the unit. Notices will be handed out EACH FRIDAY for the work to be completed the following week. The notice will outline to the resident how they should leave the unit for each item of renovation. The unit will be put back so at the end of the day the resident will be able to live in the unit with minimal inconvenience. Improvements will be made building by building which is outlined in the Construction Schedule for each property.

Due to the current Coronavirus (COVID-19) outbreak, the contractor and sub-contractors will adhere to the following: The contractor and any sub-contractors will ask if anyone in the apartment is sick or has a fever. They will ask for permission to enter the tenant's apartment. If the tenants are not feeling well or would prefer that no person enter their apartment, the contractor will come back to the apartment at a later date. When completing the renovations, the contractor and sub-contractors will take precautions as outlined within the attached policy.

The developer has previously completed non-relocation of residents' rehabilitation with the contractor, Whitestone Construction. Residents are typically very excited and helpful during these renovations because they are getting an upgraded unit.

The contracted scope of work has been developed to localize tenant displacement between the hours of 8:00 am to 5:00 pm in a single day. In the event that renovation activities require tenant displacement beyond this time period, the resident will be provided equitable alternative housing offsite. The cost associated with this near-term displacement will be satisfied from Envolve's temporary relocation budget.

135 Tallapoosa St., Suite 300
Montgomery, Alabama 36104

334.954.4458 | 334.954.4496 | WWW.ENVOLVECOMMUNITIES.COM

Thank you for your consideration of this matter. If you require any further information or clarification, please feel free to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "James R. Fisher".

James R. (Bill) Fisher

22274

-

Cady Lofts

-

**Request for Administrative
Deficiency**

May 6, 2022

Colin Nickells
Texas Dept. of Housing & Community Affairs
221 E. 11th Street
Austin, TX 78701

RE: Request for Administrative Deficiency; Cady Lofts TDHCA# 22274

Dear Mr. Nickells,

Please accept this letter as a Request for Administrative Deficiency (“RFAD”), pursuant to §11.10 of the Qualified Allocation Plan (“QAP”) for the above referenced application submitted in Urban Region 7, Cady Lofts.

The basis of the RFAD is related to Public Notifications §2306.6705(9) of Texas Government Code and §11.203(2) of the QAP. The Public Notifications section of the QAP states that “Officials to be notified are those in office at the time the application is submitted.”


Cady Lofts is a proposed development in the City of Austin. At the time of the Pre-Application submission, City Council District 4 was represented by Gregorio Casar. The applicant correctly identified Councilmember Casar in their Pre-Application submission (See Exhibit A). Councilmember Casar resigned from City Council and a special election was held to replace him. José “Chito” Vela was elected to represent Council District 4 on January 25, 2022, and was sworn into office on Monday, February 7, 2022 which was well before the application deadline of March 1, 2022.

We believe the applicant did not re-notify Council District 4 as required by §11.203(2) of the 2022 QAP. The applicant submitted a Certification of Development Owner form executed by Sally Gaskin (see exhibit B), in which the applicant did not indicate that they re-notified as required by §11.203. The application provides an opportunity in Tab 14 by which an applicant can indicate there was a change in the elected officials since pre-application and that additional notifications were sent. The applicant explicitly indicated that there was no change in elected officials, which is incorrect. (See Exhibit C)

On March 31st, an open records request was submitted to the City of Austin requesting any and all e-mails related to “Cady Lofts” addressed to Councilmember Vela. On April 12th the city of Austin responded to the open records request indicating that “The City of Austin has no responsive documents to your request.” (See Exhibit D)

Should TDHCA determine that Cady Lofts did not notify Councilmember Vela, then the result is that Cady Lofts should lose its six (6) points for pre-application because it did not meet the requirements of section §11.8(b)(2) of the QAP. In 2021, multiple applications (Boulevard 61 and Calle del Norte) did not correctly notify an elected official and lost pre-application points. Thank you for your consideration.

Respectfully Submitted,



Valentin DeLeon

Texas Department of Housing and Community Affairs

Competitive 9% Housing Tax Credit Pre-Application

Application Number: 22274

Submitted Date: 1/7/2022 3:11PM

Submitted By: Sarah Anderson

Contact Information

Primary Contact: Lisa Stephens
5501-A Balcones Dr.
Austin, TX 78731Phone: 352-213-8700
Email: lisa@saigebrook.com**Secondary Contact:** Alyssa CarpenterPhone: 512-789-1295
Email: ajcarpen@gmail.com**Consultant Contact:** Alyssa CarpenterPhone: 512-789-1295
Email: ajcarpen@gmail.com

Development Information

Name of Proposed Entity: Cady Lofts, LLC**Development Name:** Cady Lofts**Development Type:** New Construction**Secondary Type:** None**Previous TDHCA #:****Initial Construction Year:****Units Demolished:** 2**Units Reconstructed:****# of Non-Contiguous Sites:****# of Census Tracts:** 1**Target Population:** Supportive Housing**Development Address:** NWQ E 39th St and N IH 35
Austin, TX 78751**Extra-Territorial Extradition (E)** N**County:** Travis**Region:** 7**Rural/Urban:** Urban**Census Tracts:** 48453000302**Total LI Units:** 120**Total MR Units:** 10**Total Units:** 130**HTC Request:** \$2,000,000.00**Pre-App Fee Due:** \$1,300.00**Has Fee already
been submitted?:** Yes**Name on Check:** SGI Ventures Inc**Check Number:** 107**Set-Aside Election:** Nonprofit

Notifications

U.S. Representative: Roger Williams**District:** 25**State Senator:** Sarah Eckhardt**District:** 14**State Representative:** Gina Hinojosa**District:** 49

School Superintendent: Stephanie S. Elizalde
School District: Austin ISD
School District Address: 4000 S. IH 35 Frontage Rd.
 Austin, TX 78704

Presiding Officer of Board of Trustees: Geronimo M. Rodriguez, Jr.
Address: 4000 S. IH 35 Frontage Rd.
 Austin, TX 78704

Elected Officials:	Andy Brown	County Judge
	Jeff Travillion	County Commissioner
	Brigid Shea	County Commissioner
	Ann Howard	County Commissioner
	Margaret Gomez	County Commissioner
	Steve Adler	Mayor
	Natasha Harper-Madison	City Council Member
	Vanessa Fuentes	City Council Member
	Sabino Renteria	City Council Member
	Gregorio Casar	City Council Member
	Ann Kitchen	City Council Member
	Mackenzie Kelly	City Council Member
	Leslie Pool	City Council Member
	Paige Ellis	City Council Member
	Kathie Tovo	City Council Member
	Alison Alter	City Council Member

CM Casar was the current City Council member on Jan. 07, 2022

Neighborhood Organizations: Hancock Neighborhood Association
 3813 Red River St
 Austin, TX 78751

Central Austin Community Development Corporation
 P.O. Box 49168
 Austin, TX 78751

CANPAC (Central Austin Neigh Plan Area Committee)
 805 W. 29TH St.
 Austin, TX 78705

North Austin Neighborhood Alliance
 P.O. Box 9723
 Austin, TX 78766

Preservation Austin
 P.O. Box 2113
 Austin, TX 78768

Competitive Housing Tax Credit Selection Self-Score

Criteria Promoting Development of High Quality Housing

Unit Sizes: 6
Unit Features: 9
Sponsor Characteristics: 2
High Quality Housing Total: 17

Development Owner Certification, Acknowledgement and Consent

All defined terms used in this certification and not specifically defined herein have the meanings ascribed to them in Tex. Gov't Code Chapter 2306, §42 of the Internal Revenue Code, and 10 TAC §11.1(d).

The undersigned, in each and all of the following capacities in which it may serve or exist -- Applicant, Development Owner, Developer, Guarantor of any obligation of the Applicant, and/or Principal of the Applicant and hereafter referred to as "Applicant" or "Development Owner," whether serving in one or more such capacities, is hereby submitting its Application to the Department for consideration of Department funding.

Applicant hereby represents, warrants, acknowledges and certifies to the Department and to the State of Texas that:

The Development will adhere to the Texas Property Code relating to security devices and other applicable requirements for residential tenancies, and will adhere to local building codes or, if no local building codes are in place, then to the most recent version of the International Building Code.

This Application and all materials submitted to the Department constitute records of the Department subject to Tex. Gov't Code, Chapter 552. Any person signing the certification acknowledges that they have the authority to release all materials for publication on the Department's website and release them in response to a request for public information, and make other use of the information as authorized by law. This includes all Third Party reports, which will be posted in their entirety on the Department's website, as they constitute a part of the Application. The Application is in compliance with all requirements related to the eligibility of an Applicant, Application and Development as further defined in 10 TAC §§11.101 and 11.202. Any issues of non-compliance have been disclosed.

All representations, undertakings and commitments made by Applicant in the Application process expressly constitute conditions to any Commitment, Determination Notice, Carryover Allocation, or Direct Loan Commitment for such Development which the Department may issue or award, and the violation of any such condition shall be sufficient cause for the cancellation and rescission of such Commitment, Determination Notice, Carryover Allocation, or Direct Loan Award Letter, Commitment or Contract by the Department. To the extent allowed under Tex. Gov't Code §2306.6720, if any such representations, undertakings and commitments concern or relate to the ongoing features or operation of the Development, they shall be enforceable even

if not reflected in the Land Use Restriction Agreement (LURA). All such representations, undertakings and commitments are also enforceable by the Department and the residents of the Development, including enforcement by administrative penalties for failure to perform (consistent with Chapter 2, Subchapter C of the title relating to Administrative Penalties), in accordance with the LURA.

The Development Owner is and will remain in compliance with state and federal laws, including but not limited to, fair housing laws, including Chapter 301, Property Code, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), the Fair Housing Amendments Act of 1988 (42 U.S.C. §§3601 et seq.), the Civil Rights Act of 1964 (42 U.S.C. §§2000a et seq.), the Americans with Disabilities Act of 1990 (42 U.S.C. §§12101 et seq.), the Rehabilitation Act of 1973 (29 U.S.C. §§701 et seq.), Fair Housing Accessibility, the Texas Fair Housing Act; and the Development is designed consistent with the Fair Housing Act Design Manual produced by HUD, and the Texas Accessibility Standards. (§2306.257; §2306.6705(7)).

The Development Owner has read and understands the Department's fair housing educational materials posted on the Department's website as of the beginning of the Application Acceptance Period.

All Applications proposing Rehabilitation (including Reconstruction unless otherwise provided for in 10 TAC Chapter 11) will be treated as substantial alteration, in accordance with 10 TAC Chapter 1, Subchapter B.

The Development Owner will establish a reserve account consistent with Tex. Gov't Code §2306.186, and as further described in §11.302(d)(2)(I), relating to Replacement Reserve Account requirements.

The Development will operate in accordance with the applicable compliance monitoring requirements found in 10 TAC Chapter 10, Subchapter F and Affirmative Marketing and Written Policies and Procedures in 10 TAC Chapter 10, Subchapter G.

The Development Owner agrees to implement a plan to use Historically Underutilized Businesses (HUB) in the development process consistent with the HUB Guidelines for contracting with the State of Texas. The Development Owner will be required to submit a report of the success of the plan as part of the cost certification documentation, in order to receive IRS Form 8609 or, if the Development does not have Housing Tax Credits, release of retainage.

The Applicant will attempt to ensure that at least thirty percent (30%) of the construction and management businesses with which the Applicant contracts in connection with the Development are Minority Owned Businesses as further described in Tex. Gov't Code §2306.6734.

The Development Owner will specifically market to veterans through direct marketing or contracts with veterans' organizations. The Development Owner will be required to identify how they will specifically market to veterans and report to the Department in the annual housing report on the results of the marketing efforts to veterans. Exceptions to this requirement must be approved by the Department.

Accessibility Requirements

The Development Owner understands 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.

The Development Owner understands that regardless of building type, all Units accessed by the ground floor or by elevator (affected units) must meet the visitability requirements at 10 TAC §11.101(b)(8)(B) or the Applicant has requested a waiver of specific provisions of the visitability requirements at 10 TAC §11.101(b)(8)(B) as necessary for Rehabilitation Developments.

The Development Owner certifies that all accessible Units under 10 TAC Chapter 1, Subchapter B, will be dispersed throughout the Development.

The Development Owner certifies that representations made in the Architect Certification are true and correct, and understands that the Department evaluation of architectural drawings may not include a complete assessment of accessibility. The Development Owner is responsible for any modifications necessary to meet accessibility requirements identified at the final construction inspection.

Unused Credit or Penalty Fee (For Competitive HTC or Direct Loan; *select one box as applicable*)

The Applicant returned a full credit allocation after the Carryover Allocation deadline required for that allocation and is subject to the Unused Credit or Penalty Fee pursuant to 10 TAC §11.901(15).

The Applicant failed to meet the Post-Award Requirements at 10 TAC §13.11 and is subject to the Unused Credit or Penalty Fee pursuant to 10 TAC §11.901(15) or prohibition under 10 TAC §13.11.

The Applicant certifies that no disclosure regarding 10 TAC §11.901(15) is necessary.

The Applicant certifies that no disclosure regarding 10 TAC §13.11 is necessary.

Termination of Relationship in an Affordable Housing Transaction (*select one box as applicable*)

The Applicant has disclosed, in the Application, any Principal or any entity or Person in the Development ownership structure who was or is involved as a Principal in any other affordable housing transaction that has terminated, voluntarily or involuntarily, within the past 10 years or plans to or is negotiating to terminate their relationship with any other affordable housing development. The disclosure identified the person or persons and development involved, the identity of each other development and contact information for the other Principals of each such development, a narrative description of the facts and circumstances of the termination or proposed termination, and any appropriate supporting documents. The Applicant has read and understands 10 TAC §11.202(1)(M) related to such disclosure.

The Applicant certifies that no disclosure regarding 10 TAC §11.202(1)(M) is necessary.

Voluntary Compliance Agreement with any Governmental Agency (*select one box as applicable; this does not include conditions imposed by the Department on an award relating to previous participation reviews.*)

The Applicant has disclosed, in the Application, any Principal or any entity or Person in the Development ownership structure who was or is involved as a Principal in any other affordable housing transaction that entered into a voluntary compliance agreement (or similar agreement) with any governmental agency that is the result of negotiation regarding noncompliance of any affordable housing Development with any requirements. The disclosure identified the person or persons and development involved, the identity of each other development, contact information for the other Principals of each such development, a narrative description of the facts and circumstances of the agreement or proposed

agreement, and any appropriate supporting documents. The Applicant has read and understands §11.202(1)(N) related to such disclosure.

 X The Applicant certifies that no disclosure regarding §11.202(1)(N) is necessary.

The Applicant certifies that, for any Development proposing New Construction or Reconstruction and located within the 100 year floodplain as identified by the Federal Emergency Management Agency (FEMA) Flood Insurance Rate Maps, the Development Site will be developed in full compliance with the National Flood Protection Act and all applicable federal and state statutory and regulatory requirements so that all finished ground floor elevations are at least one foot above the floodplain and parking and drive areas are no lower than six inches below the floodplain, subject to more stringent federal or local requirements. All Developments located within a 100 year floodplain must state in the Tenant Rights and Resource Guide that part or all of the Development Site is located in a floodplain, and that it is encouraged that they consider getting appropriate insurance or take necessary precautions. If requesting NHTF funds from the Department, the Applicant certifies that it will meet the federal environmental provisions under 24 CFR §93.301(f)(1)(vi). Applicants requesting HOME or NSP1 PI funds from the Department certify that the federal environmental provisions under 24 CFR Part 58, in effect at the time of execution of the Contract between the Department and the Development Owner will be met. The Applicant certifies that, floodplain maps will be used and the Development Site will comply with regulations as they exist at the time of commencement of construction. Applicant further certifies that, for any Development proposing Rehabilitation (excluding Reconstruction) that is not a HUD or TRDO-USDA assisted property, the Development Site is not located in the 100 year floodplain unless the existing structures already meet the requirements for New Construction or Reconstruction, as certified to by a Third Party engineer, or unless the state or local government has undertaken and can substantiate sufficient mitigation efforts, and such documentation is submitted in the Application.

Undesirable Site Features *(select one or more of the boxes as applicable)*

 X The Development **is not** located in an area with undesirable site features as further described in 10 TAC §11.101(a)(2).

 The proposed Development is Rehabilitation (excluding Reconstruction) with ongoing and existing federal assistance from HUD, USDA, or Veterans Affairs (VA) and an exemption was requested prior to the filing of an Application or is being requested with the Application in accordance with 10 TAC §11.101(a)(2). (Select which undesirable site feature applies from the list below).

_____ The proposed Development is Historic Preservation pursuant to 10 TAC §11.9(e)(6), is located in an area with an undesirable site feature and an exemption was requested prior to the filing of an Application or is being requested with the Application. (Select which undesirable site feature applies from the list below).

_____ The proposed Development is New Construction, is located in an area with an undesirable site feature and a copy of the local ordinance that specifies the proximity of such feature to a multifamily development is included in the Application.

_____ The proposed Development is within the minimum separation from housing of a facility under the jurisdiction of a state or federal cognizant agency and documentation substantiating the minimum separation from such agency is included in the Application.

_____ The proposed Development is located in an area with an undesirable site feature and mitigation to be considered by staff and the Board is included in the Application (select all that apply):

_____ within 300 feet of junkyards as defined in Texas Transportation Code §396.001.

_____ within 300 feet of a solid waste facility or sanitary landfill facility or illegal dumping sites (as such dumping sites are identified by the local municipality.)

_____ within 300 feet of a sexually-oriented business as defined in Local Gov't Code §243.002, or as zoned, licensed and regulated as such by the local municipality.

_____ buildings or designated recreational areas (including pools), excluding parking areas, are to be located within 100 feet of the nearest line or structural element of any overhead high voltage transmission line, support structures for high voltage transmission lines, or other similar structures.

_____ within 500 feet of active railroad tracks (unless certain criteria apply pursuant to 10 TAC §11.101(a)(2)(E)).

_____ within 500 feet of heavy industry (i.e. facilities that require extensive use of land and machinery, produce high levels of external noise such as manufacturing plants, or maintains fuel storage facilities (excluding gas stations).

_____ within 10 miles of a nuclear plant.

_____ buildings are located within the accident potential zones or the runway clear zones of any airport.

_____ one or more pipelines, situated underground or aboveground, which carry highly volatile liquids, or adjacent to a pipeline easement for a pipeline carrying highly volatile liquids; and

_____ The Application includes a plan for developing near the pipeline and mitigation, if any, in accordance with a report conforming to the Pipelines and Informed Planning Alliance (PIPA).

_____ within 2 miles of refineries capable of refining more than 100,000 barrels of oil daily.

_____ within in a Clear Zone, any Accident Potential Zone, or within any Noise Contour of 65 decibels or greater, as reflected in a Joint Land Use Study for any military Installation.

_____ may be in proximity to an environmental factor that may adversely affect the health and safety of the residents or render the Development Site inappropriate for housing use unless it is adequately mitigated (as presented in the application).

Neighborhood Risk Factors *(select one of the main boxes as applicable)*

X The Development Owner certifies that the Development **is not** located in an area with any of the neighborhood risk factors described in 10 TAC §11.101(a)(3) and that no disclosure is necessary.

_____ The Development Owner certifies that the Development **is** located in an area with the following neighborhood risk factors and the Neighborhood Risk Factors Report is submitted with the Application (select all that apply). NOTE: The Neighborhood Risk Factors Report is not required to be submitted for those that trigger the school neighborhood risk factor only for Applications in 2022; however, disclosure below is still required.

_____ in a census tract with a poverty rate above 40% for individuals (or 55% for Developments in regions 11 and 13);

_____ in a census tract (or for any adjacent census tract with a boundary less than 500 feet from the proposed Development Site that is not separated from the Development Site by a natural barrier such as a river or lake, or an intervening restricted area, such as a military installation) in an Urban Area and the rate of Part I violent crimes is greater than 18 per 1,000 persons (annually) as reported on neighborhoodscout.com;

_____ is located within 1,000 feet of a blighted or abandoned area as further described in 10 TAC §11.101(a)(3)(B)(iii);

_____ is located within the attendance zone of an elementary school, a middle school or a high school that has a TEA Accountability Rating of D for the most recent year available prior to Application and an Improvement Required Rating for the most recent available year preceding or a TEA Accountability Rating of F for the most recent year available prior to Application and a Met Standard Rating by the Texas Education Agency for the most recent available year preceding. Elderly Developments, Developments encumbered by a TDHCA LURA on the first day of the Application Acceptance Period or date the pre-application is submitted (if applicable) and Supportive Housing SRO Developments or Supportive Housing Developments where all Units are Efficiency Units are exempt from the requirement to provide mitigation for the presence of this characteristic, but are still required to provide rating information in the Application and disclose the presence of the Neighborhood Risk Factor.

Certification of Notifications 10 TAC §11.203

All Applicants must complete Parts 1 through 3, below, and provide all required information in the Pre-Application or Application.

Part 1. Notifications made at Pre-Application (For Competitive or 4% Applications);

X The Development Owner certifies that the pre-application included evidence of these notifications pursuant to 10 TAC §11.203, the pre-application met all threshold requirements, and no additional notifications were required with this full Application.

Re-notifications made at Application (Competitive and 4% Applications):

_____ The Development Owner certifies that the pre-application for this full Application met all threshold requirements, but all required entities were re-notified as required by 10 TAC §11.203.

Notifications made at Application There was a change in City Council District 4 - Which would trigger re-notification.

_____ The Development Owner certifies that no pre-application was submitted, and I (We) certify that the all required entities were notified as required by 10 TAC §11.203.

_____ The Development Owner certifies that one or more entities described changed between the submission of the pre-application and the Application, and I (We) certify that the new entity was notified as required by 10 TAC §11.203.

_____ The Development Owner certifies that as applicable, all re-notifications or notifications made at Application are indicated in the Application on the Elected Officials and/or Neighborhood Organizations Form(s).

Part 2. Notifications - Form and Content:

 X The Development Owner certifies that the notifications are not older than 3 months from the first day of the Application Acceptance Period for Competitive HTC Applications and in general, not older than three (3) months prior to the date the complete Application is submitted for Tax Exempt Bond Developments pursuant to §12.5(8) of the Multifamily Housing Revenue Bond Rules, and not older than three (3) months prior to the date the Application is submitted for all other Applications.

 X The Development Owner certifies that the notifications do not contain any false or misleading statements. Without limiting the generality of the foregoing, the notification does not create the impression that the proposed Development will serve a Target Population exclusively or as a preference without such targeting or preference being documented in the Application and is or will be in full compliance with all applicable state and federal laws, including state and federal fair housing laws.

 X The Development Owner certifies that the notifications or any other communications do not contain any statement that violates Department rules, statute, code, or federal requirements.

 X The Development Owner certifies that, in addition to all of the required neighborhood organizations, the following entities were notified in accordance with 10 TAC §11.203. The notifications were in the format provided in the Application Notification Template. All of the following entities were notified and are correctly listed on the Elected Officials Form and Neighborhood Organizations Form:

- Superintendent of the school district containing the Development;
- Presiding officer of the board of trustees of the school district containing the Development;
- Mayor of any municipality containing the Development;
- All elected members of the Governing Body of any municipality containing the Development;
- Presiding officer of the Governing Body of the county containing the Development;
- All elected members of the Governing Body of the county containing the Development;
- State senator of the district containing the Development; and
- State representative of the district containing the Development.

 X The Development Owner certifies that while not required to be submitted in this Application, they have kept evidence of all notifications made and this evidence may be requested by the Department at any time during the Application review.

Part 3. Neighborhood Organizations (competitive HTC only):

X The Development Owner certifies that all Neighborhood Organizations for which this Application would be eligible to receive points under 10 TAC §11.9(d)(4) of the QAP or for which notification is required have been listed in the pre-application and/or the Application.

Waiver of Rules (10 TAC §11.207)

X The Development Owner certifies that waiver of rules under 10 TAC §11.207 is **not** necessary.

The Development Owner requests waiver of _____ (specify section); and

Documentation to support waiver was previously provided or is in the Application; and

Documentation submitted establishes how the need for the waiver was not within the control of the Applicant or is due to an overwhelming need and plans for mitigation or alternative solutions has been submitted (as applicable); and

Documentation submitted establishes how, by granting the waiver, it better serves the policies and purposes articulated in referenced sections of Tex. Gov't Code than not granting the waiver.

The Development will include all of the mandatory Development amenities required in 10 TAC §11.101(b)(4) at no charge to all residents (market rate and low-income) and written notice of such amenities will be provided to the residents.

The Development will satisfy the minimum point threshold for common amenities as further described in 10 TAC §11.101(b)(5). These amenities must be for the benefit of all residents (market rate and low-income), meet accessibility standards, be sized appropriately to serve the proposed Target Population, be made available throughout normal business hours, and be maintained throughout the Affordability Period. The residents must be provided written notice of the amenity elections made by the Development Owner.

The Development will meet the minimum size of Units as further described in 10 TAC §11.101(b)(6)(A).

The Development will include enough unit, development construction, and energy and water efficiency features to meet the minimum number of points as further described in 10 TAC §11.101(b)(6)(B).

The Development will include enough resident supportive services, at no charge to the residents, be accessible to all residents (market rate and low-income), and be maintained throughout the Affordability Period, to meet the required minimum number of points as further described in 10 TAC §11.101(b)(7), and offered in accordance with 10 TAC §10.619. The tenant must be provided written notice of the elections made by the Development Owner.

If income averaging is elected, Unit Designations for all units identified as 20%, 30%, 40%, 50%, 60%, 70%, and 80% Units will be dispersed across all Unit Types to the maximum extent feasible in a manner that does not violate fair housing laws, as required by 10 TAC §10.605(c).

If the Applicant is applying for Multifamily Direct Loan funds and the Development consists of New Construction, the Applicant further certifies that the Development meets the Construction Site Standards in 24 CFR §983.57(e)(2) and (3), as applicable.

If the Development has an existing LURA with the Department, the Development Owner will comply with the existing restrictions.

The Development Owner will comply with any and all notices required by the Department.

None of the criteria in subparagraphs 10 TAC §11.202(1) (A) – (N), related to ineligible Applicants, applies to those identified as having Control on the organizational chart for the Applicant, Developer and Guarantor.

The individual whose name is subscribed hereto, in his or her individual capacity, on behalf of Applicant, and in all other related capacities described above, as applicable, expressly represents, warrants, and certifies that all information contained in this certification and in the Application, including any and all supplements, additions, clarifications, or other materials or information submitted to the Department are true and correct and the Applicant has undergone sufficient investigation to affirm the validity of the statements made. Further, the Applicant hereby expressly represents, warrants, acknowledges and certifies that the individual whose name is subscribed hereto has read and understands all the information contained in this form of the Application.

By signing this document, the undersigned, in their individual capacity, on behalf of Applicant, whether formed or to be formed, and in all other related capacities described above, is affirming under penalty of Tex. Penal Code Ch. 37 titled Perjury and Other Falsification, and subject to criminal penalties as defined by Tex. Penal Code §§37.01 et seq., and subject to any and all other state or federal laws regarding the making of false statements to governmental bodies or the providing of false information in connection with the procurement of allocations or awards, that the Application and all materials relating thereto constitute government documents and that the

Application and all materials relating thereto are true, correct, and complete in all material respects.

Valentin Deleon

From: Katie Cutler
Sent: Thursday, May 5, 2022 9:10 AM
To: Valentin Deleon; Quinn Gormley; Taylor Thomas
Subject: FW: [Austin Public Records Center] :: C132127-033122

From: Austin Public Records Center <austintx@govqa.us>
Sent: Tuesday, April 12, 2022 9:50 AM
To: Katie Cutler <katelyn@htgf.com>
Subject: [Austin Public Records Center] :: C132127-033122

--- Please respond above this line ---



Re: Open Record Request of March 31, 2022, Reference # C132127-033122

Dear Development Manager Katie Cutler,

The City of Austin received a Public Information request from you on March 31, 2022, to request copies of records pertaining to the following:

"Requesting any and all e-mails related specifically to proposed development, "Cady Lofts", sent to Councilmember Jose "Chito" Vela from his sworn-in date through March 2, 2022, please."

The City of Austin has no responsive documents to your request.

Thank you for contacting the City of Austin.

PIR Team
City of Austin—Law Department
(512) 974-2197

To monitor the progress or update this request please log into the [Austin Public Records Center](#)



22274

-

Cady Lofts

-

**Request for Administrative
Deficiency**



600 Congress Avenue
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

May 5, 2022

Via Email

Cody Campbell, Director of Multifamily Programs
Colin Nickells, 9% HTC Administrator
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701

RE: §11.10 Third Party Request for Administrative Deficiency
TDHCA Application #22274 – Cady Lofts in Austin, TX (Urban Region 7)

Dear Mr. Cambell and Mr. Nickells:

Our Firm represents The SAFE Alliance with regard to TDHCA Application #2200 for The Lancaster in Austin, TX (Urban Region 7). On behalf of our client and in accordance with §11.10 of the 2022 Qualified Allocation Plan (the “QAP”), this letter serves as a Third-Party Request for Administrative Deficiency (“RFAD”) with regard to Application #22274 – Cady Lofts (the “Application.”) A copy of the request is also being delivered to representatives of the Application as required by the QAP.

RFAD Threshold Item:

Per §11.203 of the 2022 QAP, Applicants are required to notify no later than the Full Application Delivery Date any elected official who has changed since a Pre-Application was submitted. In Austin, the elected official for City Council District 4 changed between Pre-Application and Full Application Delivery Date. Gregorio “Greg” Casar was in office at the time of Pre-Application and vacated his seat on February 4, 2022 to run for a Congressional seat. Jose “Chito” Vela won a special election held on January 25, 2022 to fill the seat and was sworn into office on February 7, 2022 which was before the Full Application Delivery Date of March 1, 2022.

The Application did not indicate an awareness of this change in elected official and appears to have not met the threshold requirement of Public Notifications in §11.203.

There are two sections of the full application that document an Applicant’s acknowledgment and compliance with §11.203. In the *Development Owner Certification, Acknowledgement and Consent* in Tab 2 of the Application, the Application certifies that no additional notifications were required with the Full Application. In Tab 14, the Application checked the box indicating all elected officials “were identified in the Pre-Application, and there have been no changes.” Both

documents indicate the Applicant was not aware of this change in elected official and the newly elected official was not notified. It is for these reasons above we maintain the Application did not meet the Public Notification requirements of §11.203. Please see **Exhibit A**.

It should be noted that all other Applications in Austin city limits did notify the incoming elected official and indicated this notification in their respective Applications.

RFAD Underwriting Item:

The Application proposes supportive housing financed with debt, as described in §11.1(d)(126)(E)(ii) of the QAP. Thus, the Application is required to meet the feasibility requirements in Subchapter D of the QAP, including the underwriting rules. No special exceptions to the feasibility requirements are allowed for supportive housing using debt financing. These feasibility requirements say in §11.302(d)(4)(D) that the Acceptable Debt Coverage Ratio Range is between a minimum of 1.15 and a maximum of 1.35. However, this Application as a Debt Service Coverage Ratio of 1.55 in Year 1, and it does not drop below 1.53 through Year 15. Per the underwriting rules, adjustments must be made, which may cause the Application to be infeasible.

Please see **Exhibit B** with referenced information.

Sincerely,



Cynthia L. Bast

cc: Sally Gaskin
Cady Lofts Applicant (TDHCA #22274)
Via Email @ sally@sqventures.net

Alyssa Carpenter
Cady Lofts Consultant (TDHCA #22274)
Via Email @ ajcarpen@gmail.com

Julia Spann
The SAFE Alliance
Via Email @ jspann@safeaustin.org

Jennifer Hicks
Lancaster Consultant
Via Email @ jennifer@truecasa.net

Exhibit A



[Austin](#) > [Central Austin](#) > [City & County](#)

Q&A: New District 4 Council Member Chito Vela talks goals for office in Austin



Chito Vela was sworn in as council member for District 4 Feb. 7. (Ben Thompson/Community Impact Newspaper)

By [Ben Thompson](#) | 10:36 AM Feb 7, 2022 CST | Updated 10:36 AM Feb 7, 2022 CST

Following his Jan. 25 [special election win](#), Chito Vela was sworn in as Austin City Council's newest member for District 4 Feb. 7.

Vela, an immigration lawyer, comes to council with a political background including experience as a South Texas city manager and general counsel for a state representative. Ahead of his inauguration, Vela spoke with *Community Impact Newspaper* about his path to City Council and his priorities once in office. This interview was edited for length and clarity.

How did you get into politics?

I kind of grew up in politics, honestly. My dad was in politics, he was an attorney that was in politics down in Laredo and I was very active in politics even in college as an undergrad. After undergrad I went to the LBJ School of Public Affairs where my focus was on state and local government.

It's something that I've been engaged and interested in for a long time. When Council Member [Greg] Casar announced that he was going to run for Congress, that was just such a great opportunity. You can have so much impact on City Council and I know the neighborhood, the city so well. I was just ready to go immediately when he announced that. I knew I was going to take a shot at it.



FEATURED

Favor hiring chief taco officer to travel across Texas eating tacos



65-story tower with luxury hotel rooms, condos coming to Downtown Austin

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MOST VIEWED

ELECTION

Election results: Jose 'Chito' Vela wins District 4 city council seat

Austonia 26 January

(Jose "Chito" Vela/Facebook)

Attorney Jose 'Chito' Vela will replace Greg Casar on Austin City Council after winning the majority of votes in a Special Election Tuesday.

Vela was up against six others and won 59.2% of the vote. Only 10% of the 34,582 registered voters in this district cast a vote. District 4 consists of North Austin, including Georgian Acres, North Lamar, Quail Creek, St Johns, Windsor Hills, North Loop, and part of Windsor Park.

Vela's platform included a focus on the Project Connect light rail, the housing crisis and a response to the February storm.

The Special Election was required as Casar makes a run for Congress. He endorsed Vela in the election and released a statement after the results were announced:

"Together, we've created a bold, progressive agenda for the city of Austin, and I'm eager to see our new District 4 City Council Member, Chito Vela, continue that work with our community."

Casar's final city council meeting will be on Feb. 3 before Vela is sworn in.

Enjoying Austonia? Sign up for our newsletter to get daily Austin news, straight to your morning inbox!

Enter your email..

Sign me up!

More From Austonia

Attorney Jose 'Chito' Vela announces candidacy for District 4 race >

District 4 voting guide: Meet the candidates to replace Greg Casar ... >

Progressive Greg Casar leaves City Council for Congress campaign - austonia >



POPULAR

Exhibit B

_____ is located within the attendance zone of an elementary school, a middle school or a high school that has a TEA Accountability Rating of D for the most recent year available prior to Application and an Improvement Required Rating for the most recent available year preceding or a TEA Accountability Rating of F for the most recent year available prior to Application and a Met Standard Rating by the Texas Education Agency for the most recent available year preceding. Elderly Developments, Developments encumbered by a TDHCA LURA on the first day of the Application Acceptance Period or date the pre-application is submitted (if applicable) and Supportive Housing SRO Developments or Supportive Housing Developments where all Units are Efficiency Units are exempt from the requirement to provide mitigation for the presence of this characteristic, but are still required to provide rating information in the Application and disclose the presence of the Neighborhood Risk Factor.

Certification of Notifications 10 TAC §11.203

All Applicants must complete Parts 1 through 3, below, and provide all required information in the Pre-Application or Application.

Part 1. Notifications made at Pre-Application (For Competitive or 4% Applications);

X The Development Owner certifies that the pre-application included evidence of these notifications pursuant to 10 TAC §11.203, the pre-application met all threshold requirements, and no additional notifications were required with this full Application.

Re-notifications made at Application (Competitive and 4% Applications):

_____ The Development Owner certifies that the pre-application for this full Application met all threshold requirements, but all required entities were re-notified as required by 10 TAC §11.203.

Notifications made at Application:

_____ The Development Owner certifies that no pre-application was submitted, and I (We) certify that the all required entities were notified as required by 10 TAC §11.203.

_____ The Development Owner certifies that one or more entities described changed between the submission of the pre-application and the Application, and I (We) certify that the new entity was notified as required by 10 TAC §11.203.

_____ The Development Owner certifies that as applicable, all re-notifications or notifications made at Application are indicated in the Application on the Elected Officials and/or Neighborhood Organizations Form(s).

EXHIBIT B - page 283 of the Application PDF

15 Year Rental Housing Operating Pro Forma (All Programs)

The pro forma should be based on the operating income and expense information for the base year (first year of stabilized occupancy using today's best estimates of market rents, restricted rents, rental income and expenses), and principal and interest debt service. The Department uses an annual growth rate of 2% for income and 3% for expenses. Written explanation for any deviations from these growth rates or for assumptions other than straight-line growth made during the proforma period should be attached to this exhibit.

INCOME	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15
INCOME	\$1,165,020	\$1,188,320	\$1,212,087	\$1,236,329	\$1,261,055	\$1,392,307	\$1,537,219
Secondary Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
POTENTIAL GROSS ANNUAL INCOME	\$1,165,020	\$1,188,320	\$1,212,087	\$1,236,329	\$1,261,055	\$1,392,307	\$1,537,219
Provision for Vacancy & Collection Loss	(\$87,377)	(\$89,124)	(\$90,907)	(\$92,725)	(\$94,579)	(\$104,423)	(\$115,291)
Rental Concessions	\$0						
EFFECTIVE GROSS ANNUAL INCOME	\$1,077,644	\$1,099,196	\$1,121,180	\$1,143,604	\$1,166,476	\$1,287,884	\$1,421,928
EXPENSES							
General & Administrative Expenses	\$60,000	\$61,800	\$63,654	\$65,564	\$67,531	\$78,286	\$90,755
Management Fee	\$ 53,882	\$ 54,960	\$ 56,059	\$ 57,180	\$ 58,324	\$ 64,394	\$ 71,096
Payroll, Payroll Tax & Employee Benefits	\$ 217,340	\$ 223,860	\$ 230,576	\$ 237,493	\$ 244,618	\$ 283,579	\$ 328,746
Repairs & Maintenance	\$ 121,980	\$ 125,639	\$ 129,409	\$ 133,291	\$ 137,290	\$ 159,156	\$ 184,506
Electric & Gas Utilities	\$ 60,340	\$ 62,150	\$ 64,015	\$ 65,935	\$ 67,913	\$ 78,730	\$ 91,270
Water, Sewer & Trash Utilities	\$ 70,000	\$ 72,100	\$ 74,263	\$ 76,491	\$ 78,786	\$ 91,334	\$ 105,881
Annual Property Insurance Premiums	\$ 60,000	\$ 61,800	\$ 63,654	\$ 65,564	\$ 67,531	\$ 78,286	\$ 90,755
Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve for Replacements	\$ 30,000	\$ 30,900	\$ 31,827	\$ 32,782	\$ 33,765	\$ 39,143	\$ 45,378
Other Expenses	\$ 24,000	\$ 24,720	\$ 25,462	\$ 26,225	\$ 27,012	\$ 31,315	\$ 36,302
TOTAL ANNUAL EXPENSES	\$697,542	\$717,930	\$738,918	\$760,525	\$782,769	\$904,224	\$1,044,690
NET OPERATING INCOME	\$380,101	\$381,267	\$382,262	\$383,079	\$383,707	\$383,659	\$377,238
DEBT SERVICE							
Principal	\$142,834	\$142,834	\$142,834	\$142,834	\$142,834	\$142,834	\$142,834
Interest	103,165	103,165	103,165	103,165	103,165	103,165	103,165
Other Annual Required Payment							
Other Annual Required Payment							
ANNUAL NET CASH FLOW	\$134,102	\$135,268	\$136,263	\$137,080	\$137,708	\$137,660	\$131,239
CUMULATIVE NET CASH FLOW	\$134,102	\$269,370	\$405,633	\$542,713	\$680,421	\$1,368,841	\$2,041,087
Debt Coverage Ratio	1.55	1.55	1.55	1.56	1.56	1.56	1.53
Other (Describe)							
Other (Describe)							

DCR above 1.15 to 1.35

By signing below I (we) are certifying that the above 15 Year pro forma, is consistent with the unit rental rate assumptions, total operating expenses, net operating income, and debt service coverage based on the bank's current underwriting parameters and consistent with the loan terms indicated in the term sheet and preliminarily considered feasible pending further diligence review. The debt service for each year maintains no less than a 1.15 debt coverage ratio. (Signature required for Tax-Exempt Bond Applications and if using this pro forma for points under §11.9(e)(1) relating to Financial Feasibility for Competitive HTC Applications)

Signature, Authorized Representative, Construction or Permanent Lender	Printed Name	Phone:
		Email:
	Date	
Signature, Authorized Representative,	Printed Name	Date

If a revised form is submitted, date of submission: _____

Development Narrative

1. The proposed Development is: (Check all that apply)

New Construction

and/or:

4% or 9% HTC Adaptive Reuse: select New Construction here and Adaptive Reuse in next box. MFDL: select New Construction or Rehab here and Adaptive Reuse in the next.

NOTE: If "Adaptive Reuse", review 10 TAC §11.1(d)(1) to ensure compliance.

Previous TDHCA # NA If Acquisition/Rehab or Rehab, original construction year: NA
If Reconstruction: Units Demolished NA Units Reconstructed NA
If Additional Phase: Development Name: NA Application Number NA

2. The Target Population will be:

Supportive Housing

NOTE: If "Elderly Development", review 10 TAC §11.1(d)(47) to ensure compliance.

If Elderly is selected (10 TAC §11.1(d)(47)):

- Development meets the requirements of the Housing for Older Persons Act under the Fair Housing Act.
Development receives federal funding that has a requirement for a preference or limitation for elderly persons or households, but must accept qualified households with children. Selection is based on funding from (Include citation)
Development will receive other funding that has a requirement for a preference or limitation with regard to the population(s) served. If so, please explain in the box below.

Certification for Supportive Housing Applications

If Supportive Housing is selected (10 TAC §11.1(d)(126)), the Applicant or General Partner confirms that:

- The proposed Development is intended for and targets occupancy for households in need of specialized and specific non-medical services in order to maintain housing or transition into independent living.
Supportive services are tailored for members of a household with specific non-medical needs (select all that apply):
Homeless or Persons at-risk of homelessness
Persons with physical, intellectual, and/or developmental disabilities
Youth aging out of foster care
Persons eligible to receive primarily non-medical home or community-based services
Persons transitioning out of institutionalized care
Persons unable to secure permanent housing elsewhere due to high barriers
Persons with Special Housing Needs (alcohol or drug addictions, VAWA protections, HIV/AIDS, Veterans with Disabilities)
Other target populations that are served by a federal or state housing program (provide documentation behind this Tab)

Describe:

- Services will be provided by the Applicant or an Affiliate of the Applicant.
Services will be provided by a Third Party provider and evidence that the provider has at least a three-year record of providing substantive services similar to those proposed in the subject Application in residential settings is provided behind this Tab.
Supportive services will meet the minimum requirements provided in clauses (i) –(iv) of §11.1(d)(126)(D) of the Qualified Allocation Plan.

- Documentation that the Applicant or General Partner has secured or will secure sufficient funds necessary to maintain the Supportive Housing Development's operations throughout the entire Affordability Period is included behind this Tab.
- Evidence of the Applicant's or General Partner's history of fundraising activities reasonably deemed to be sufficient to address any unanticipated operating losses is included behind this Tab.
- As a condition of the Underwriting Report, the Applicant or General Partner will provide a fully executed guaranty agreement whereby the Applicant or its Affiliate assume financial responsibility of any outstanding operating deficits, as they arise, and throughout the entire Affordability Period. NOTE: For HTC Applications, the Guaranty Agreement with operating deficit guarantee requirements utilized for the HTC investor will satisfy this requirement.

Development will comply with the Tenant Selection Criteria requirements at §11.1(d)(126)(B)(v)

~~Development financing meets all requirements of 10 TAC § 11.1(d)(126)(E)(i)~~

Development financing meets the requirements of 10 TAC §11.1(d)(126)(E)(ii) and Development will include:

- Evidence of project-based rental or operating subsidies for a minimum of 25% of Units;
- Documentation of how resident feedback has been incorporated into Development design;
- Evidence that the Development is located less than ½ mile from regularly-scheduled public transportation, including evening and weekend service;
- Evidence that at least 10% of the Units in the proposed Development meet the 2010 ADA standards with the exceptions listed in "Nondiscrimination on the Basis of Disability in Federally Assisted Programs and Activities" 79 Federal Register 29671 for persons with mobility impairments;
- Multiple systems will be in place for residents to provide feedback to Development staff;
- The Development will have a comprehensive written eviction prevention policy that includes an appeal process; and
- The Development will have a comprehensive written services plan that describes the available services, identifying whether they are provided directly or through referral linkages, by whom, and in what location and during what days and hours. A copy of the services plan will be readily accessible to residents.

3. Staff Determinations or Waivers Previously Approved

- If a determination under 10 TAC §11.1(k) was made prior to Application submission, provide a copy of such determination behind this tab. If a waiver was previously approved by the Board, provide a copy of the Board write-up behind this tab.

4. Narrative

- The Development will not provide continual or frequent nursing, medical or psychiatric services to the residents.
- The Development does not violate the general public use requirement of Treasury Regulation §1.42-9 regarding units for use by the general public.
 - The Development does violate TR 1.42-9 and the Application includes a private letter ruling (PLR).
 - Development financing includes a funding source that specifically allows for the intended Target Population. A copy of that funding sources' authority to target the intended population is included behind this tab.
- Development does not violate the Department's Integrated Housing Rule under 10 TAC §1.15 regarding restricting occupancy to persons with disabilities or in combination with other populations with special needs.

Briefly describe the proposed Development, including any relevant information not already identified above. If Adaptive Reuse, or Scattered Site, or if any of the three main boxes above are not checked, include detailed information below.

Cady Lofts is a proposed new construction Supportive Housing development with 100 efficiency units in a single elevator-served 4-story development. The development is intended for occupancy by households in need and will provide tailored supportive services to residents. A zoning change is required to rezone the entire property to the same base zoning classification, and then the entire development site will qualify under Affordability Unlocked that provides for incentives including development waivers and modifications and reduced parking requirements. The application incorporates the Affordability Unlocked incentives. Please see following attachment for comprehensive narrative.

If a revised form is submitted, date of submission: _____

EXHIBIT B - page 297 of the Application PDF

Schedule of Sources of Funds and Financing Narrative											
Describe all sources of funds. Information must be consistent with the information provided throughout the Application (i.e. Financing Narrative, Term Sheets and Development Cost Schedule).											
Bond Financing for Tax Exempt Bond Developments (Include amount of bonds actually used, not bond reservation amount. Bonds do not add into total sources)											
Bond Issues	Funding Description	Construction Period Bonds			Permanent Period Bonds						
		Bond Amount			Bond Amount						
	Tax Exempt Bonds										
	Taxable Bonds										
Financing Participants	Funding Description	Construction Period			Lien Position	Permanent Period					Lien Position
		Loan/Equity Amount	Interest Rate (%)			Loan/Equity Amount	Interest Rate (%)	Amortization	Term (Yrs)	Syndication Rate	
TDHCA	Multifamily Direct Loan	\$0	0.00%		\$ -	0.00%	0	0			
Citibank	Construction Loan	\$12,000,000	4.50%	1st							
Citibank	Permanent Loan				\$ 2,300,000	5.20%	35	15		1st	
City of Austin	Local Government Loan	\$3,400,000	1.00%	2nd	\$ 3,400,000	1.00%	na	40		2nd	
Third Party Equity											
National Equity Fund	HTC	\$ 1,647,957	\$ 3,666,338		\$ 14,665,351			0	0.89		
Grant											
	\$11.9(d)(2)LPS Contribution										
Deferred Developer Fee											
Sgi Ventures, Inc.		\$ 1,392,260			\$ 612,423						
Other											
	Direct Loan Match										
Total Sources of Funds		\$ 20,458,598			\$ 20,977,774						
Total Uses of Funds					\$ 20,977,774						

Debt on Supportive Housing which requires compliance with §11.1(d)(126)(E)(ii) and Subchapter D.

22295

-

The Warehouse Lofts at 707

-

**Request for Administrative
Deficiency**

Houston Ella Boulevard, Ltd.

May 6, 2022

Mr. Cody Campbell
Director of Multifamily Finance
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701

RE: Request for Administrative Deficiency TDHCA #22295 – Wellington Frost Town USA, LP

Dear Mr. Campbell:

Houston Ella Boulevard, Ltd. respectfully requests this letter serve as our Third-Party Request for Administrative Deficiency (RFAD) for 10 TAC §11.203 Public Notification by the Applicant, Wellington Frost Town USA, LP, for their application #22295 – Warehouse Lofts at 707. It is our position the Applicant failed to meet the required public notification requirements because they did not notify the Houston ISD School Board President, Judith Cruz elected on January 13, 2022 (see Exhibit A). The newly elected School Board President was elected to her position after Pre-Application and before Full Application submission. The Applicant confirms there was no re-notification by checking the box, on Tab 14 – Elected Officials in their full application between Pre-Application and Application (see Exhibit B). By failing to notify Houston ISD Board President Judith Cruz, Wellington Frost Town USA, LP did not meet threshold related to public notification in the 2022 QAP. A copy of this RFAD is being delivered concurrently to representatives of The Warehouse Lofts at 707.

1) Public Notification

10 TAC §11.203(2) Public Notifications clearly states that:

Officials to be notified are those in office at the time the Application is submitted. Note that between the time of pre-application (if made) and full Application, the boundaries of their jurisdictions may change. Meetings and discussions do not constitute notification.

§11.8 (a)(B) Pre-Application Requirements which describe the only method of notification which would also apply to a re-notification.

Only a timely and compliant written notification to the correct entity constitutes notification

§11.203(2)(E) specifies the recipients include:

(E) All elected members of the Governing Body of the municipality...

While the public notification section says the notification must be sent to all of the entities identified, the requirement for public notification is only satisfied by a written notification to the elected official in office at the time of Application and if there is a change of elected officials a re-notification must be done prior to application submission. Wellington Frost Town USA, LP did not meet this requirement.

In addition, §11.204(4)(A). Required Documentation for Application Submission identifies the threshold documentation required for submission in the application as:

(A) Prior to submission of an Application to the Department, an Applicant must provide notice of the intent to file the Application in accordance with §11.203 of this chapter (relating to Public Notifications (§2306.6705(9)))

In the Applicant's pre-application they confirmed the notification to then School Board President Patricia K. Allen. Judith Cruz was elected School Board President after the pre-application submission and before the deadline for the full application. The Applicant did not notify the newly elected Houston ISD School Board President as required to meet threshold criteria.

In conclusion, Application #22295 does not meet threshold for Public Notification and therefore should be terminated for any further consideration for an award.

If you have any questions or would like additional information, please do not hesitate to contact me.

Sincerely,



Cody J. Hunt
Houston Ella Boulevard, Ltd.
Authorized Representative
13455 Noel Road, Suite 400
Dallas, TX 75240
chunt@rivaswitzerland.com

cc: Patricia Murchison – pmmurchison@gmail.com

EXHIBIT A

HISD Board of Education elects new president, officers ...



<https://blogs.houstonisd.org/news/2022/01/14/hisd...>

Jan 14, 2022 · HISD Board of Education elects new president, officers for 2022. HISD Board of Education on Thursday elected new officers for 2022, unanimously selecting District VIII Trustee...

HISD | News Blog



About Us

Board

Students & Parents

Directory

Careers

myHISD

Noti

HISD Board of Education elects new president, officers for 2022

HISD Board of Education on Thursday elected new officers for 2022, unanimously selecting District VIII Trustee Judith Cruz as Board President.

Outgoing Board President Patricia Allen transferred the gavel to Cruz, signifying the change in office.

Remaining officers elected for 2022 are: First Vice President Elizabeth Santos, Second Vice President Kathy Blueford-Daniels, Secretary Sue Deigaard, and Assistant Secretary Myrna Guidry.

EXHIBIT B PRE-APPLICATION

Notifications

U.S. Representative: Sheila Jackson Lee	District: 18
State Senator: Borris L. Miles	District: 13
State Representative: Harold V. Button, Jr.	District: 142

1/11/2022 12:46 pm

School Superintendent: Millard House II
School District: Houston ISD
School District Address: 4400 West 18th Street
Houston, TX 77092

**Presiding Officer of
Board of Trustees:** Patricia Allen
Address: 4400 West 18th Street
Houston, TX 77092

Elected Officials: Sylvester Turner
Mike Know
David W. Robinson

Mayor
City Council Member
City Council Member

22002

-

Thomas Square

-

**Request for Administrative
Deficiency**

Sonoma Housing Advisors, LLC

14841 Dallas Parkway, Suite 125

Dallas, Texas 75254

214-608-7201

bill.fisher@sonomaadvisors.com

May 6, 2022

Via Electronic Mail

Texas Department of Housing and Community Affairs

221 East 11th Street

Austin, Texas 78701

Attn: Mr. Cody Campbell, Director of Multifamily Programs

Attn: Mr. Colin Nickells, Administrator 9% Competitive Housing Tax Credit Program

Re: Thomas Square Apartments, #22002

Third Party Request for Administrative Deficiency

Dear Mr. Campbell and Nickells,

On behalf of the Applicant of Woodcrest Apartments, #22231 ("Woodcrest Apartments"), please allow this letter to serve as a Third-Party Request for Administrative Deficiency (RFAD) in accordance with Section 11.10 of the 2022 Qualified Allocation Plan ("QAP"). The Woodcrest Apartments Applicant is requesting that staff consider whether the matters described in this letter and supporting documentation should be the subject of one or more Administrative Deficiencies. A copy of this request has been delivered concurrently to the representative of Thomas Square Apartments ("TS Applicant").

1. Occupied Developments

As shown below, application requires *"a written explanation of the process used to notify and consult with the tenants in preparing for the Application."* The applicant did not provide an explanation of the process used nor evidence that the residents received a notice or were consulted. TS Applicant simply included a statement in their relocation plan that stated how the residents *"will"* be notified. The Applicant included sample notification letters but did not make it clear that these were sent to residents.


Additionally, pursuant to section 11.204(8)(G)(vi) of QAP,

"if applicable, evidence that the relocation plan has been submitted to all appropriate legal or governmental agencies or bodies."



Applicant did not provide evidence of relocation plan submission to HUD.

Occupied Developments

Pursuant to §11.204(B)(G) of the QAP, for any Application where any structure on the Development Site is occupied at any time after the beginning of the Application Acceptance Period, even if demolition is proposed, or if a federal subsidy is being transferred from another site and the costs of relocation will be part of the Total Development Costs, the following items must be provided.

- Historical monthly operating statements of the Development for twelve (12) consecutive months ending no more than three (3) months from the first day of the Application Acceptance Period, or
 - The two (2) most recent consecutive annual operating statement summaries, or 
 - The most recent consecutive six (6) months of operating statements and the most recent available annual operating summary; or
 - All monthly or annual operating summaries available.
- AND
- UPLOAD SEPARATELY FROM THE APPLICATION**, a rent roll not more than six (6) months old as of the first day of the Application Acceptance Period that discloses the terms and rate of the lease, rental rates offered at the date of the rent roll, unit mix, and any vacant units; and
 - A written explanation of the process used to notify and consult with the tenants in preparing the Application, (§2306.6705(6)), and
 - If applicable, evidence that the relocation plan has been submitted to the appropriate legal or governmental agency, (§2306.6705(6)), and
 - A relocation plan outlining relocation requirements and a budget with an identified funding source that clearly describes relocation process, actions, and costs to the displaced and those not (§2306.6705(6)).

Uniform Relocation Act (URA) Applicability for Direct Loan Applications

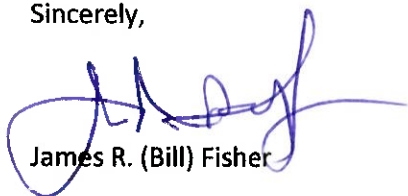
- Application includes a request for Direct Loan funding. If yes, General Information Notice templates and the Voluntary Acquisition Notification can be found here. (if not, skip the remainder of this section)
<https://www.tdhca.state.tx.us/program-services/ura/relocation.htm>
 - Number of housing units (including Manufactured Housing Units) on the site:
 - Owned or controlled by the Seller
 - Rented to another person or entity
 - Number of businesses on the site:
 - Owned or controlled by the Seller
 - Rented to another person or entity
 - Number of nonprofit organizations on the site:
 - Owned or controlled by the Seller
 - Rented to another person or entity
 - Number of farms on the site:
 - Owned or controlled by the Seller
 - Rented to another person or entity
- Each of the following items, as applicable, is provided behind this tab:
- Dated General Information Notice(s) given to current occupant(s) (other than owner occupied structures) that have active lease(s) at the time of this Application, including verification of tenant receipt, 
 - Dated Voluntary Acquisition Notification to Owner, and 
 - HUD Relocation Brochure issued to tenants that will be displaced (if known).

v. Ongoing Resident Communication and Notices

Along with required URA notices, the General Information Notice (GIN) and Notice of Nondisplacement, residents will receive ongoing and frequent communication regarding the Thomas Square Apartments rehabilitation timeline from HTH's Access Manager. Along with phone calls and letter updates that will provide residents with information regarding relocation, the required notices will be promptly sent to each affected household. Any requested translation and/or interpretation of these notices will be completed and delivered. Any identified friends/family/caregivers will also be given copies of these letters in order to help advise residents and be included in the relocation process.

Thank you for your consideration of this matter. If you require any further information or clarification, please feel free to contact me.

Sincerely,



James R. (Bill) Fisher

22023

-

Kirkwood Crossing

-

**Request for Administrative
Deficiency**

Houston Ella Boulevard, Ltd.

May 6, 2022

Mr. Cody Campbell
Director of Multifamily Finance
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701

RE: Request for Administrative Deficiency TDHCA #22023 – 12000 Bissonnet Propco, L.P.

Dear Mr. Campbell:

Houston Ella Boulevard, Ltd. respectfully requests this letter serve as our Third-Party Request for Administrative Deficiency (RFAD) for 10 TAC §11.3(b) Two Mile Same Year Rule by the Applicant, 12000 Bissonnet Propco, L.P., for their application #22023 – Kirkwood Crossing Apartments. It is our position the Applicant failed to provide the required resolution from the governing body of the municipality containing the Development authorizing the allocation of housing tax credits per §11.3(b)(2).

§11.3. Housing De-Concentration Factors.

(a) Rules reciting statutory limitations are provided as a convenient reference only, and to the extent there is any deviation from the provisions of statute, the statutory language is controlling.

(b) Two Mile Same Year Rule (Competitive HTC Only).

(1) As required by Tex. Gov't Code §2306.6711(f), staff will not recommend for award, and the Board will not make an award to an Application that proposes a Development Site located in a county with a population that exceeds one million, if the proposed Development Site is also located less than two linear miles from the proposed Development Site of another Application, or from the Development Site of a Supplemental Allocation of 2022 credits, within said county that is awarded in the same calendar year. If two or more Applications or Supplemental Allocations are submitted that would violate §2306.6711(f), the Supplemental Allocation of 2022 credits will be the one considered eligible, and the other Applications will not be reviewed; if there is no Supplemental Allocation of 2022 credits, the lower scoring of the Applications will not be reviewed unless the higher scoring Application is terminated or withdrawn.

(2) This subsection does not apply if an Application is located in an area that, within the past five years, meets the requirements of Tex. Gov't Code §2306.6711(f-1), which excludes any municipality with a population of two million or more where a federal disaster has been declared by the Full Application Delivery Date as identified in §11.2(a) of this chapter (relating to Program Calendar for Housing Tax Credits), and the governing body of the municipality containing the Development has by vote specifically authorized the allocation of housing tax credits for the Development in a resolution submitted by the Full Application Delivery Date as identified in §11.2(a) of this chapter, and the municipality is authorized to administer disaster recovery funds as a subgrant recipient, for the disaster identified in the federal disaster declaration.

The Applicant completed Tab 7 Site Info I - Section 4 of the Application with the with the following information:

4. **Two Mile Same Year Rule (Competitive HTC Only) (10 TAC §11.3(b))**

The Development Site is not located in a county with a population that exceeds one million.

The site is located in a municipality with a population of two million or more where a federal disaster has been declared, and the municipality is authorized to administer disaster recovery funds as a subgrant recipient.

The site is located in a county with a population that exceeds one million and is not located within 2 linear miles of the proposed Development Site of any eligible Pre-application(s) **or Application(s) for a 2022 Supplemental Allocation** in the same county.

The site is located in a county with a population that exceeds one million and is located within 2 linear miles of the site of the following eligible Pre-application(s) **or Application(s) for a 2022 Supplemental Allocation** within the same county:

22071 Vista at Kirkwood, 22060 Evening Star Apartments

On Tab 7 Site Info I – Section 4 the Applicant confirmed there were two Applications located within 2 linear miles of their Development Site - #22071 Vista at Kirkwood and #22060 Evening Star Apartments. Please note Applicant for 22071 did not submit a Final Application.

The Applicant provided a Resolution of Support behind Tab 46 – Community Input but did not provide the required resolution to satisfy §11.3(b). Please note Applicant #22060 – Evening Star Apartments, located within 2 linear miles of #22023 – Kirkwood Crossing Apartments, provided both a Resolution of Support and the required Resolution to satisfy §11.3(b).

In conclusion, Application #22023 did not provide the required resolution to satisfy §11.3(b) and therefore should be terminated for any further consideration for an award.

If you have any questions or would like additional information, please do not hesitate to contact

Sincerely,



Cody J. Hunt
Houston Ella Boulevard, Ltd.
Authorized Representative
13455 Noel Road, Suite 400
Dallas, TX 75240
chunt@rivaswitzerland.com

cc: Jessica Mullins – jmullins@impactdevelopmentpartnersllc.com

2 Mile Radius

Legend

ALIEF

Kirkwood Crossing

Evening Star Apartments

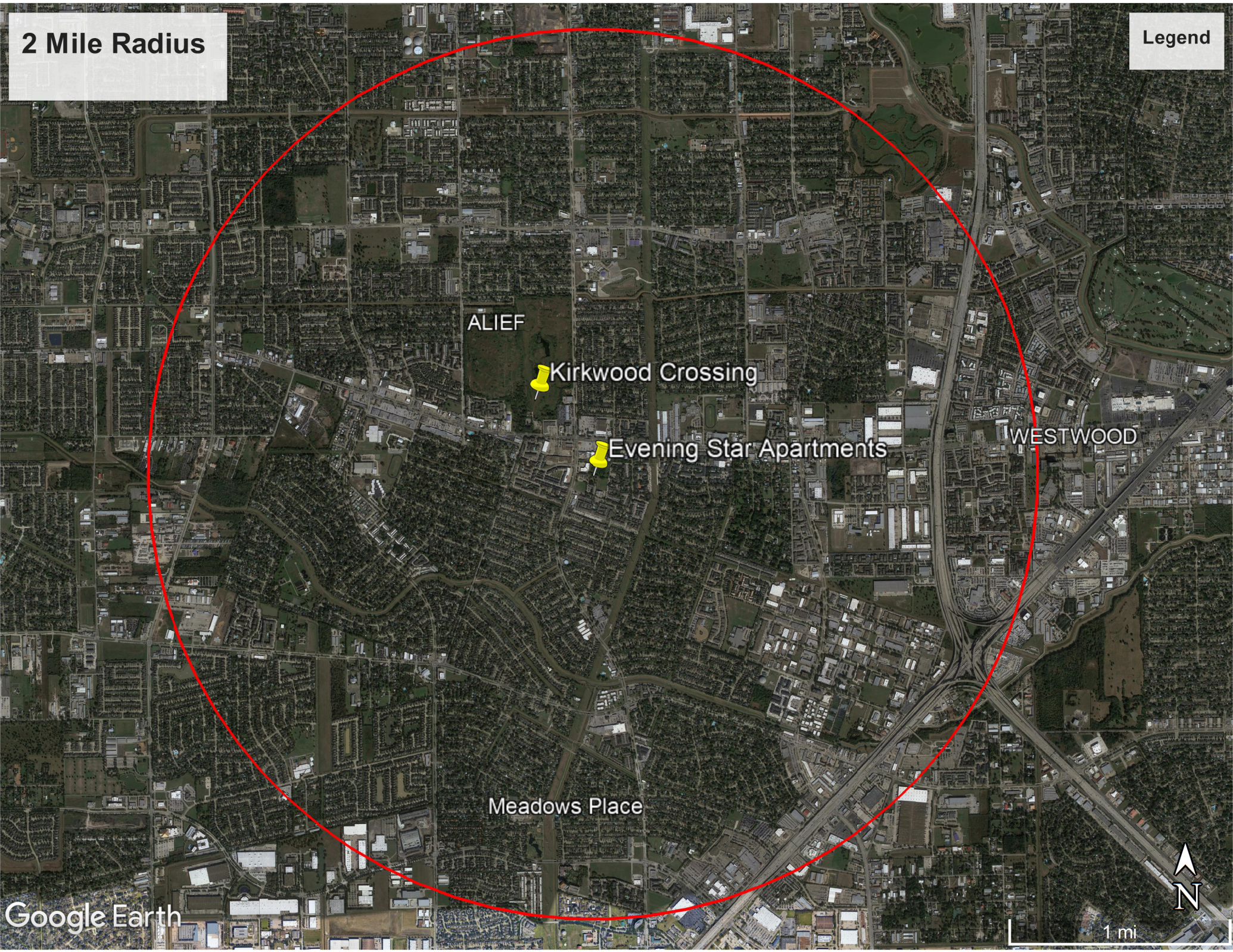
WESTWOOD

Meadows Place



1 mi

Google Earth



City of Houston, Texas, Resolution No. 2022- /

A RESOLUTION CONFIRMING SUPPORT FOR THE PROPOSED DEVELOPMENT OF CERTAIN PROPERTIES AS AFFORDABLE RENTAL HOUSING, EACH LOCATED IN THE CITY OF HOUSTON, TEXAS, AND THE SUBMITTAL OF APPLICATIONS FOR HOUSING TAX CREDITS FOR SUCH DEVELOPMENTS; MAKING VARIOUS FINDINGS AND PROVISIONS RELATING TO THE SUBJECT.

* * *

WHEREAS, the City Council (the “City Council”) of the City of Houston (the “City”) finds that the entity whose name is listed in the column on Schedule I captioned “Applicant Name” (“Applicant”) has proposed a development for affordable rental housing whose name and location are set forth beside the name of such Applicant in the columns on Schedule I captioned “Project Name” and “Project Address” (“Applicant’s Project”), located in the City of Houston, Texas; and

WHEREAS, the City Council finds that the Applicant has advised that it has submitted or intends to submit an application, bearing the number set forth beside the name of such Applicant in the column on Schedule I captioned “TDHCA Number” (“Applicant’s Application”), to the Texas Department of Housing and Community Affairs for 2022 Competitive 9% Housing Tax Credits for the Applicant’s Project; and

WHEREAS, the City Council, as the governing body of the City, supports the Applicant’s Project and the submittal of Applicant’s Application related thereto; **NOW, THEREFORE**,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HOUSTON:

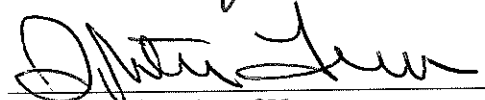
Section 1. That the findings contained in the preamble of this Resolution are determined to be true and correct and are hereby adopted as a part of this Resolution.

Section 2. That the City Council hereby confirms that it supports the Applicant’s Project and the submittal of Applicant’s Application related to such project and that this formal action has been taken to put on record the opinion expressed herein.

Section 3. That, for and on behalf of the City Council, the City Secretary is hereby authorized, empowered, and directed to certify this Resolution to the Texas Department of Housing and Community Affairs.



Section 4. That this Resolution shall take effect immediately upon its passage and approval by the Mayor; however, in the event that the Mayor fails to sign this Resolution within five days after its passage and adoption, it shall take effect in accordance with Article VI, Section 6, Houston City Charter.

PASSED AND ADOPTED this 9th day of February, 2022.



Mayor of the City of Houston

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Resolution is _____.

DocuSigned by:  _____
City Secretary
(Prepared by Legal Dept. )

Senior Assistant City Attorney

(Requested by Keith W. Bynam, Interim Director, Housing and Community Development Department)

Meeting

Aye	No	
✓		Mayor Turner
....	Council Members
✓		Peck
✓		Jackson
✓		Kamin
✓		Evans-Shabazz
✓		Martin
✓		Thomas
✓		Huffman
✓		Cisneros
✓		Gallegos
✓		Pollard
✓		Castex-Tatum
✓		Knox
✓		Robinson
✓		Kubosh
✓		Plummer
✓		Alcorn
Caption	Adopted	

Captions Published in DAILY COURT REVIEW

Date: 2/15/2022

**Housing and Community Development Department
Schedule I - Resolutions of Support - City of Houston Projects**

Applicant Name	Project Name	Project Address	TDHCA Number
NH Clarblak LP	Hartwood at Clarblak	4014-4015 Clarblak Lane	22139
Parkway Meadows, Ltd.	Parkway Meadows	The approximate 3300 block of W. Gulf Bank	22132
Houston Ella Boulevard, Ltd.	Houston at Ella Boulevard	SE Quadrant of Rushcreek Drive and Ella Boulevard	22053
Oak Avenue LP	Oak Avenue Lofts	810 Oak Avenue	22193
NH Lehman LP	Hartwood at Lehman	711 Lehman Street	22145
CSH Park Lofts at MacGregor, Ltd.	Park Lofts at MacGregor	SEC of Old Spanish Trail and MLK	22083
CSH Clear Lake Crossing, Ltd.	Clear Lake Crossing	17300 Saturn Lane	22245
CSH Lofts at Hartsook, Ltd.	Lofts at Hartsook	10426 Hartsook Street	22090
West Fork Place, LP	West Fork Place	West side Kingwood	22221
Evening Star Senior Housing Limited	Evening Star Apartments	11800 South Glen Drive	22060
12000 Bissonnet Propco, L.P.	Kirkwood Crossing Apartments	12000 Bissonnet Street	22023
Vista at Kirkwood, L.P.	Vista at Kirkwood	SEQ of S Kirkwood Rd. and Bissonnet St.	22071
Las Brisas HTC LP	Las Brisas Redevelopment	4500 and 4428 N. Main Street	22114
CSH Maury Street lofts, Ltd.	Maury Street Lofts	2918 Elysian	22080
Wellington Frost Town USA, L.P.	Wellington Frost Town	707-717 Walnut Street	22295
Casa de Magnolia Seniors LP	Casa de Magnolia	7501 Harrisburg Blvd	22185
JC Monroe Lofts LP	Monroe Lofts	4.4 +/- acres at Monroe Rd. and the Gulf Frwy.	22196
NHH Hansen, LLC	New Hope Housing Hansen	9150 Gulf Freeway	22056
Fairways at Westwood, LP	Fairways at Westwood	9745 Bissonnet St	22244
EC Coral Hills, LLC	Coral Hills	6363 Beverly Hill St.	22273
CSH Stadium Lofts at South Loop, Ltd.	Stadium Lofts at South Loop	8411 Knight Road	22084

City of Houston, Texas, Resolution No. 2022- 3

A RESOLUTION CONFIRMING SUPPORT FOR THE PROPOSED DEVELOPMENT AS AFFORDABLE RENTAL HOUSING OF ONE OR MORE PROPERTIES WHICH ARE SUBJECT TO THE TWO MILE SAME YEAR RULE, EACH LOCATED IN THE CITY OF HOUSTON, TEXAS, AND THE SUBMITTAL OF APPLICATIONS FOR HOUSING TAX CREDITS FOR SUCH DEVELOPMENTS; ALLOWING THE CONSTRUCTION OF SUCH DEVELOPMENTS; AND AUTHORIZING THE ALLOCATION OF TAX CREDITS TO SUCH DEVELOPMENTS; MAKING VARIOUS FINDINGS AND PROVISIONS RELATING TO THE SUBJECT.

* * *

WHEREAS, the City Council (the “City Council”) of the City of Houston (the “City”) finds that each of the entities whose name is listed in the column on Schedule I captioned “Applicant Name” (individually referred to as “Applicant”) has proposed a development for affordable rental housing whose name and location are set forth beside the name of such Applicant in the columns on Schedule I captioned “Project Name” and “Project Address” (individually referred to as “Applicant’s Project” with respect to the Applicant whose name is listed beside such information), each located in the City of Houston, Texas; and

WHEREAS, the City Council finds that each Applicant has advised that it has submitted or intends to submit an application, bearing the number set forth beside the name of such Applicant in the column on Schedule I captioned “TDHCA Number” (individually referred to as “Applicant’s Application” with respect to the Applicant whose name is listed beside such TDHCA Number), to the Texas Department of Housing and Community Affairs for 2022 Competitive 9% Housing Tax Credits for the Development; and

WHEREAS, the City is a municipality with a population of two million or more where a federal disaster has been declared by the Full Application Delivery Date as identified in 10 Texas Administrative Code §11.2(a), and the City is authorized to administer disaster recovery funds as a subgrant recipient, for the disaster identified in the federal disaster declaration; and

WHEREAS, as provided for in 10 Texas Administrative Code §11.3(b), it is hereby acknowledged that the proposed Development Site is located less than two linear miles from the proposed Development Site of another Application within said City that is proposed for award in the same calendar year; and

WHEREAS, the City Council, as the governing body of the City, supports each Applicant’s Project and the submittal of each Applicant’s Application related thereto and, in connection therewith, supports allowing the construction of each such project and authorizing an allocation of Housing Tax Credits to each such project pursuant to Texas Government Code §2306.6711(f-1); **NOW, THEREFORE**,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HOUSTON:


Section 1. That the findings contained in the preamble of this Resolution are determined to be true and correct and are hereby adopted as a part of this Resolution.

Section 2. That the City Council hereby (i) confirms that it supports each Applicant's Project and the submittal of Applicant's Application related to each such project, (ii) allows the construction of each such project, and (iii) authorizes an allocation of Housing Tax Credits to each such project.

Section 3. That, for and on behalf of the City Council, the City Secretary is hereby authorized, empowered, and directed to certify this Resolution to the Texas Department of Housing and Community Affairs.


Section 4. That this Resolution shall take effect immediately upon its passage and approval by the Mayor; however, in the event that the Mayor fails to sign this Resolution within five days after its passage and adoption, it shall take effect in accordance with Article VI, Section 6, Houston City Charter.

PASSED AND ADOPTED this 9th day of February, 2022.


Mayor of the City of Houston

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Resolution is _____.

City Secretary

Prepared by Legal Dept. 

Senior Assistant City Attorney

(Requested by Keith W. Bynam, Interim Director, Housing and Community Development Department)

Meeting

Aye	No	
✓		Mayor Turner
....	Council Members
✓		Peck
✓		Jackson
✓		Kamin
✓		Evans-Shabazz
✓		Martin
✓		Thomas
✓		Huffman
✓		Cisneros
✓		Gallegos
✓		Pollard
✓		Castex-Tatum
✓		Knox
✓		Robinson
✓		Kubosh
✓		Plummer
✓		Alcorn
Caption	Adopted	

Captions Published in DAILY COURT REVIEW

Date: 2/15/2022

**Housing and Community Development Department
Schedule I - Two Mile Same Year - City of Houston Projects**

Applicant Name	Project Name	Project Address	TDHCA Number
Evening Star Senior Housing Limited Partnership	Evening Star Apartments	11800 South Glen Drive	22060
Las Brisas HTC LP	Las Brisas Redevelopment	4500 and 4428 N. Main Street	22114
CSH Maury Street lofts, Ltd.	Maury Street Lofts	2918 Elysian	22080
Wellington Frost Town USA, L.P.	Wellington Frost Town	707-717 Walnut Street	22295
Casa de Magnolia Seniors LP	Casa de Magnolia	7501 Harrisburg Blvd	22185
JC Monroe Lofts LP	Monroe Lofts	4.4 +/- acres at Monroe Rd. and the Gulf Frwy.	22196
Fairways at Westwood, LP	Fairways at Westwood	9745 Bissonnet St	22244

22047

-

Residences at Parkview

-

**Request for Administrative
Deficiency**

McKinney Virginia Parkway, Ltd.

May 6, 2022

Mr. Cody Campbell
Director of Multifamily Finance
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701

RE: Request for Administrative Deficiency TDHCA #22047 – Denton Park View Housing Partners, LP

Dear Mr. Campbell:

McKinney Virginia Parkway, Ltd. respectfully requests this letter serve as our Third-Party Request for Administrative Deficiency (RFAD) of 10 TAC §11.204(11)(C) (§2306.6705(5) – Acceptable evidence of zoning by the Applicant, Denton Park View Housing Partners, LP, for their application #22047 – Residences at Parkview. It is our position the Applicant failed to provide the required documentation for Application Submission in 10 TAC §11.204(11)(C) (§2306.6705(5) of the 2022 Final Qualified Allocation Plan (QAP). A copy of this RFAD is being delivered concurrently to a representative of the Residences at Parkview.

§11.204(11)(C) (§2306.6705(5) states:

(11) Zoning. (§2306.6705(5)) Acceptable evidence of zoning for all Developments must include one of subparagraphs (A) - (D) of this paragraph. In instances where annexation of a Development Site occurs while the Application is under review, the Applicant must submit evidence of appropriate zoning with the Commitment or Determination Notice. Letters evidencing zoning status must be no more than 6-months old at Application submission, except where such evidence is for an area where there is no zoning and such letters must be updated annually by the political subdivision.

(C) Requesting a Zoning Change. The Application must include evidence in the form of a letter from a local government official with jurisdiction over zoning matters that the Applicant or Affiliate has made formal application for a required zoning change and that the jurisdiction has received a release whereby the Applicant has agreed to hold the political subdivision and all other parties harmless in the event the appropriate zoning is not granted. Documentation of final approval of appropriate zoning must be submitted to the Department with the Commitment or Determination Notice.

The Applicant failed to provide a letter from a local government official that the Applicant had made a formal application for a required zoning change and did not provide proof the Applicant agreed to hold the political subdivision and all other parties harmless in the event the appropriate zoning is not granted. The Applicant's support for zoning was a letter from a local government official stating the Applicant has conducted their first step toward submitting a zoning or special use application, which is the completion of the pre-application conference. A pre-application conference is not a zoning application submission. Please note other Applicants in the city of Denton provided letters from local government officials that a zoning application was submitted and hold harmless language was provided.

In conclusion, Application #22047 did not meet the threshold for submission of a zoning application and hold harmless language and therefore should be terminated for any further consideration of an award.

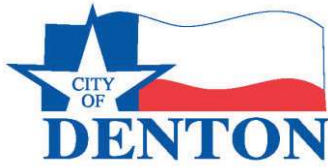
If you have any questions or would like additional information, please do not hesitate to contact me.

Sincerely,



Thomas E. Huth
McKinney Virginia Parkway, Ltd.
Authorized Representative
13455 Noel Road, Suite 400
Dallas, TX 75240
thuth@palladiumusa.com

cc: Robby Block – rblock@nurock.com



Letter does not state a formal Application for zoning has been submitted nor does it state the Applicant has agreed to hold the political subdivision and all other parties harmless in the event the appropriate zoning is not granted. As such this letter does not meet §11.204(11)(C) §2306.6705(5)

February 28, 2022

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

RE: FM1830 Townhomes/Residences at Parkview Apartments

Dear TDHCA Representative,

This letter is being provided to you to confirm that NuRock Development Partners (“Applicant”) has conducted their first step towards submitting a zoning and/or specific use permit application, which is the completion of the pre-application conference (PAC22-0029 conducted on February 23, 2022) for the property located at the northeast corner of FM1830/Country Club Drive and Sanders Road.

If you have any questions regarding this letter or the status of the zoning and/or specific use permit application, please contact me at tina.firgens@cityofdenton.com or 940.349.8507 (direct).

Sincerely,

Tina M. Firgens, AICP
Deputy Director of Development Services/Planning Director

OUR CORE VALUES

Integrity • Fiscal Responsibility • Transparency • Outstanding Customer Service



February 28, 2022

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

RE: The Reserves at Magnolia **Competing Applicant in same municipality as 22047 - Parkview Apartments**

Dear TDHCA Representative,

This letter is being provided to you to confirm that Andrea Taylor (“Applicant”) has submitted their planned development zoning application request to the City of Denton Development Services Department for the proposed The Reserves at Magnolia located at 1020 Willowwood St. Denton, TX. 76210. Additionally, the Applicant has submitted to the City a hold harmless letter agreeing to hold the City and all other parties harmless in the event the requested planned development application is not approved.

If you have any questions regarding this letter or the status of the planned development application, please contact me at tina.firgens@cityofdenton.com or 940.349.8507 (direct).

Sincerely,

Tina M. Firgens, AICP
Deputy Director of Development Services/Planning Director

OUR CORE VALUES

Integrity • Fiscal Responsibility • Transparency • Outstanding Customer Service



February 28, 2022

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

RE: The Reserves at Monarch **Competing Applicant in same municipality
as 22047 - Parkview Apartments**

Dear TDHCA Representative,

This letter is being provided to you to confirm that Andrea Taylor (“Applicant”) has submitted their planned development zoning application request to the City of Denton Development Services Department for the proposed The Reserves at Monarch located at 1400 Teasley Ln. Denton, TX. 76205. Additionally, the Applicant has submitted to the City a hold harmless letter agreeing to hold the City and all other parties harmless in the event the requested planned development permit application is not approved.

If you have any questions regarding this letter or the status of the planned development application, please contact me at tina.firgens@cityofdenton.com or 940.349.8507 (direct).

Sincerely,

Tina M. Firgens, AICP
Deputy Director of Development Services/Planning Director

OUR CORE VALUES

Integrity • Fiscal Responsibility • Transparency • Outstanding Customer Service

22060

-

Evening Star

-

**Request for Administrative
Deficiency**

Sonoma Housing Advisors, LLC

14841 Dallas Parkway, Suite 125

Dallas, Texas 75254

214-608-7201

bill.fisher@sonomaadvisors.com

May 6, 2022

Via Electronic Mail

Texas Department of Housing and Community Affairs

221 East 11th Street

Austin, Texas 78701

Attn: Mr. Cody Campbell, Director of Multifamily Programs

Attn: Mr. Colin Nickells, Administrator 9% Competitive Housing Tax Credit Program

Re: Evening Star, #22060

Third Party Request for Administrative Deficiency

Dear Mr. Campbell and Nickells,

On behalf of the Applicant of Woodcrest Apartments, #22231 ("Woodcrest Apartments"), please allow this letter to serve as a Third-Party Request for Administrative Deficiency (RFAD) in accordance with Section 11.10 of the 2022 Qualified Allocation Plan ("QAP"). The Woodcrest Apartments Applicant is requesting that staff consider whether the matters described in this letter and supporting documentation should be the subject of one or more Administrative Deficiencies. A copy of this request has been delivered concurrently to the representative of Evening Star ("ES Applicant").

1. Occupied Developments

As shown below, application requires *"a written explanation of the process used to notify and **consult** with the tenants in preparing for the Application."* ES Applicant stated that residents did receive a notice but provided no evidence of **consultation** with them.

Additionally, pursuant to section 11.204(8)(G)(vi) of QAP,

"if applicable, evidence that the relocation plan has been submitted to all appropriate legal or governmental agencies or bodies."

Applicant did not provide evidence of relocation plan submission to HUD.

Occupied Developments

Pursuant to §11.204(8)(G) of the QAP, for any Application where any structure on the Development Site is occupied at any time after the beginning of the Application Acceptance Period, even if demolition is proposed, or if a Federal subsidy is being transferred from another site and the costs of relocation will be part of the Total Development Costs, the following items must be provided.

- Historical monthly operating statements of the Development for twelve (12) consecutive months ending no more than three (3) months from the first day of the Application Acceptance Period; or
- The two (2) most recent consecutive annual operating statement summaries; or
- The most recent consecutive six (6) months of operating statements and the most recent available annual operating summary; or
- All monthly or annual operating summaries available.

AND

- UPLOAD SEPARATELY FROM THE APPLICATION**, a rent roll not more than six (6) months old as of the first day of the Application Acceptance Period that discloses the terms and rate of the lease, rental rates offered at the date of the rent roll, Unit mix, and any vacant units; and

- A written explanation of the process used to notify and consult with the tenants in preparing the Application; (§2306.6705(6)); and

- If applicable, evidence that the relocation plan has been submitted to the appropriate legal or governmental agency (§2306.6705(6)); and

- A relocation plan outlining relocation requirements and a budget with an identified funding source that clearly describes relocation process, actions, and costs to the displaced and those not (§2306.6705(6)).

Uniform Relocation Act (URA) Applicability for Direct Loan Applications

- Application includes a request for Direct Loan funding. If yes, General Information Notice templates and the Voluntary Acquisition Notification can be found here: (if not, skip the remainder of this section)
<https://www.tdhca.state.tx.us/program-services/ura/relocation.htm>

- Number of housing units (including Manufactured Housing Units) on the site:

- Owned or controlled by the Seller
- Rented to another person or entity

- Number of businesses on the site:

- Owned or controlled by the Seller
- Rented to another person or entity

- Number of nonprofit organizations on the site:

- Owned or controlled by the Seller
- Rented to another person or entity

- Number of farms on the site:

- Owned or controlled by the Seller
- Rented to another person or entity

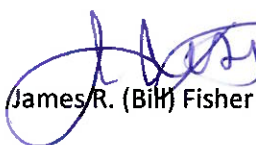
Each of the following items, as applicable, is provided behind this tab:

- Dated General Information Notice(s) given to current occupant(s) (other than owner occupied structures) that have active lease(s) at the time of this Application, including verification of tenant receipt;
- Dated Voluntary Acquisition Notification to Owner; and
- HUD Relocation Brochure issued to tenants that will be displaced (if known).

All residents of Evening Star Villa have been issued a notice regarding the proposed rehabilitation. A notice has been provided to residents informing them of the preliminary plans for renovations and how the repairs would be undertaken. Additionally, residents were informed of the TDHCA timeframe for application submissions, board meetings and award notifications.

Thank you for your consideration of this matter. If you require any further information or clarification, please feel free to contact me.

Sincerely,


James R. (Bill) Fisher

22078

-

Cobblestone Court

-

**Request for Administrative
Deficiency**

Sonoma Housing Advisors, LLC

14841 Dallas Parkway, Suite 125

Dallas, Texas 75254

214-608-7201

bill.fisher@sonomaadvisors.com

May 6, 2022

Via Electronic Mail

Texas Department of Housing and Community Affairs

221 East 11th Street

Austin, Texas 78701

Attn: Mr. Cody Campbell, Director of Multifamily Programs

Attn: Mr. Colin Nickells, Administrator 9% Competitive Housing Tax Credit Program

Re: Cobblestone Court, #22078

Third Party Request for Administrative Deficiency

Dear Mr. Campbell and Nickells,

On behalf of the Applicant of Woodcrest Apartments, #22231 ("Woodcrest Apartments"), please allow this letter to serve as a Third-Party Request for Administrative Deficiency (RFAD) in accordance with Section 11.10 of the 2022 Qualified Allocation Plan ("QAP"). The Woodcrest Apartments Applicant is requesting that staff consider whether the matters described in this letter and supporting documentation should be the subject of one or more Administrative Deficiencies. A copy of this request has been delivered concurrently to the representative of Cobblestone Court ("CC Applicant").

1. Occupied Developments

As shown below, application requires *"a written explanation of the process used to notify and **consult** with the tenants in preparing for the Application."* Although the Applicant did provide a written statement, CC Applicant did not provide evidence of **consultation** with the resident. It simply states that a notice was given to them.

Additionally, pursuant to section 11.204(8)(G)(vi) of QAP,

"if applicable, evidence that the relocation plan has been submitted to all appropriate legal or governmental agencies or bodies."

Applicant did not provide evidence of relocation plan submission to HUD.

Occupied Developments

Pursuant to §11.204(B)(G) of the QAP, for any Application where any structure on the Development Site is occupied at any time after the beginning of the Application Acceptance Period, even if demolition is proposed, or if a federal subsidy is being transferred from another site and the costs of relocation will be part of the Total Development Costs, the following items must be provided.

- Historical monthly operating statements of the Development for twelve (12) consecutive months ending no more than three (3) months from the first day of the Application Acceptance Period; or
 - The two (2) most recent consecutive annual operating statement summaries, or
 - The most recent consecutive six (6) months of operating statements and the most recent available annual operating summary; or
 - All monthly or annual operating summaries available.
- AND**
- UPLOAD SEPARATELY FROM THE APPLICATION**, a rent roll not more than six (6) months old as of the first day of the Application Acceptance Period that discloses the terms and rate of the lease, rental rates offered at the date of the rent roll, unit mix, and any vacant units; and
 - A written explanation of the process used to notify and consult with the tenants in preparing the Application; (§2306.6705(6)); and
 - If applicable, evidence that the relocation plan has been submitted to the appropriate legal or governmental agency. (§2306.6705(6)); and
 - A relocation plan outlining relocation requirements and a budget with an identified funding source that clearly describes relocation process, actions, and costs to the displaced and those not (§2306.6705(6)).

Uniform Relocation Act (URA) Applicability for Direct Loan Applications

- Application includes a request for Direct Loan funding. If yes, General Information Notice templates and the Voluntary Acquisition Notification can be found here: (if not, skip the remainder of this section)
<https://www.tdhca.state.tx.us/program-services/ura/relocation.htm>
 - Number of housing units (including Manufactured Housing Units) on the site:
 - Owned or controlled by the Seller
 - Rented to another person or entity
 - Number of businesses on the site:
 - Owned or controlled by the Seller
 - Rented to another person or entity
 - Number of nonprofit organizations on the site:
 - Owned or controlled by the Seller
 - Rented to another person or entity
 - Number of farms on the site:
 - Owned or controlled by the Seller
 - Rented to another person or entity
- Each of the following items, as applicable, is provided behind this tab:**
- Dated General Information Notice(s) given to current occupant(s) (other than owner occupied structures) that have active lease(s) at the time of this Application, including verification of tenant receipt.
 - Dated Voluntary Acquisition Notification to Owner; and
 - HUD Relocation Brochure issued to tenants that will be displaced (if known).

The required use of PPE will vary by state and will follow the state's health department for local requirements.

Furthermore, we ask that all communication with staff, residents, vendors, contractors, movers, etc. are completed via telephone and/or email to maintain social distancing. Notices will be printed and distributed to residents when it is time to relocate for the renovation of the unit.

Notices and Advisory Services

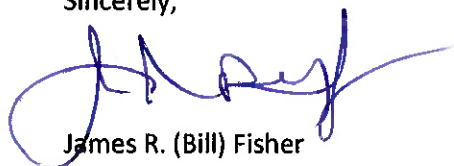
All residents will receive the necessary documentation as called for by the URA. Every affected resident will receive reasonable advance written notice of (a) the date of the temporary relocation, (b) the address of the suitable, decent, safe and sanitary dwelling to be made available for the temporary period, (c) the terms and conditions under which the tenant may lease and occupy a suitable, decent, safe and sanitary dwelling in the building/complex upon completion of the project, and (d) the resident's right to relocation payments.

All residents of Cobblestone Court have been issued a notice regarding the proposed rehabilitation. A notice has been provided to residents informing them of the preliminary plans for renovations and how the repairs would be undertaken. Additionally, residents were informed of the TDHCA timeframe for application submissions, board meetings and award notifications.

- Timeline for URA steps with staff assignments
 - General Information Notices have been provided to all tenants on December 8, 2021 describing the renovation and resident relocation rights; **Property Manager and National Church Residences**
 - Once funding has been finalized and construction schedules have been finalized National Church Residences will provide updated information to the residents; additional advisory services will be provided for the residents that will be temporarily relocating; **Property Manager and National Church Residences**
 - Notices of Non-Displacement will be provided to all tenants once the construction loan document has been signed by TDHCA. **Property Manager and National Church Residences**
 - Relocated residents will be provided as much notice as possible of their move and will be provided at least a 14-day notice of their exact move date for the upcoming move; moving supplies and/or packing services will be provided; National Church Residences will provide packing and moving services along with services to bring contents back at the completion of the construction; **Property Manager and National Church Residences**
 - National Church Residences will work with the residents throughout the process to ensure that URA compliance is maintained and residents' questions and concerns are answered; **Property Manager, National Church Residences,**
 - Residents temporarily relocated will return to newly renovated units within the property and all out of pocket expenses will be covered by the project; **Property Manager and National Church Residences**

Thank you for your consideration of this matter. If you require any further information or clarification, please feel free to contact me.

Sincerely,


James R. (Bill) Fisher

22094

-

Tejas Cove

-

**Request for Administrative
Deficiency**

Sonoma Housing Advisors, LLC

14841 Dallas Parkway, Suite 125

Dallas, Texas 75254

214-608-7201

bill.fisher@sonomaadvisors.com

May 6, 2022

Via Electronic Mail

Texas Department of Housing and Community Affairs

221 East 11th Street

Austin, Texas 78701

Attn: Mr. Cody Campbell, Director of Multifamily Programs

Attn: Mr. Colin Nickells, Administrator 9% Competitive Housing Tax Credit Program

Re: Tejas Cove Apartments, #22094

Third Party Request for Administrative Deficiency

Dear Mr. Campbell and Nickells,

On behalf of the Applicant of Woodcrest Apartments, #22231 ("Woodcrest Apartments"), please allow this letter to serve as a Third-Party Request for Administrative Deficiency (RFAD) in accordance with Section 11.10 of the 2022 Qualified Allocation Plan ("QAP"). The Woodcrest Apartments Applicant is requesting that staff consider whether the matters described in this letter and supporting documentation should be the subject of one or more Administrative Deficiencies. A copy of this request has been delivered concurrently to the representative of Tejas Cove Apartments ("TCA Applicant").

1. Occupied Developments

As shown below, application requires *"a written explanation of the process used to notify and **consult** with the tenants in preparing for the Application."* TCA Applicant stated that residents did receive a notice but provided no evidence of **consultation** with them.

Additionally, pursuant to section 11.204(8)(G)(vi) of QAP,

"if applicable, evidence that the relocation plan has been submitted to all appropriate legal or governmental agencies or bodies."

Applicant did not provide evidence of relocation plan submission to HUD.

Occupied Developments

Pursuant to §11.204(B)(G) of the QAP, for any Application where any structure on the Development Site is occupied at any time after the beginning of the Application Acceptance Period, even if demolition is proposed, or if a federal subsidy is being transferred from another site and the costs of relocation will be part of the Total Development Costs, the following items must be provided.

- Historical monthly operating statements of the Development for twelve (12) consecutive months ending no more than three (3) months from the first day of the Application Acceptance Period, or
 - The two (2) most recent consecutive annual operating statement summaries, or
 - The most recent consecutive six (6) months of operating statements and the most recent available annual operating summary, or
 - All monthly or annual operating summaries available.
- AND
- UPLOAD SEPARATELY FROM THE APPLICATION**, a rent roll not more than six (6) months old as of the first day of the Application Acceptance Period that discloses the terms and rate of the lease, rental rates offered at the date of the rent roll, unit mix, and any vacant units, and
 - A written explanation of the process used to notify and consult with the tenants in preparing the Application; (§2306.6705(6)); and
 - if applicable, evidence that the relocation plan has been submitted to the appropriate legal or governmental agency; (§2306.6705(6)), and
 - A relocation plan outlining relocation requirements and a budget with an identified funding source that clearly describes relocation process, actions, and costs to the displaced and those not (§2306.6705(6)).

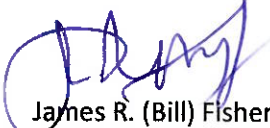
Notice and Advisory Services

All residents will receive the necessary documentation as called for by the URA. Every affected resident will receive reasonable advance written notice of (a) the date of the temporary relocation, (b) the address of the suitable, decent, safe and sanitary dwelling to be made available for the temporary period, (c) the terms and conditions under which the tenant may lease and occupy a suitable, decent, safe and sanitary dwelling in the building/complex upon completion of the project, and (d) the resident's right to relocation payments.

All residents of Tejas Cove Villa have been issued a notice regarding the proposed rehabilitation. A notice has been provided to residents informing them of the preliminary plans for renovations and how the repairs would be undertaken. Additionally, residents were informed of the TDHCA timeframe for application submissions, board meetings and award notifications.

Thank you for your consideration of this matter. If you require any further information or clarification, please feel free to contact me.

Sincerely,


James R. (Bill) Fisher

22100

-

Oak Bluff Village

-

**Request for Administrative
Deficiency**

Sonoma Housing Advisors, LLC

14841 Dallas Parkway, Suite 125

Dallas, Texas 75254

214-608-7201

bill.fisher@sonomaadvisors.com

May 6, 2022

Via Electronic Mail

Texas Department of Housing and Community Affairs

221 East 11th Street

Austin, Texas 78701

Attn: Mr. Cody Campbell, Director of Multifamily Programs

Attn: Mr. Colin Nickells, Administrator 9% Competitive Housing Tax Credit Program

Re: Oak Bluff Village, #22100

Third Party Request for Administrative Deficiency

Dear Mr. Campbell and Nickells,

On behalf of the Applicant of Woodcrest Apartments, #22231 ("Woodcrest Apartments"), please allow this letter to serve as a Third-Party Request for Administrative Deficiency (RFAD) in accordance with Section 11.10 of the 2022 Qualified Allocation Plan ("QAP"). The Woodcrest Apartments Applicant is requesting that staff consider whether the matters described in this letter and supporting documentation should be the subject of one or more Administrative Deficiencies. A copy of this request has been delivered concurrently to the representative of Oak Bluff Village ("OBV Applicant").

1. Occupied Developments

As shown below, application requires *"a written explanation of the process used to notify and **consult** with the tenants in preparing for the Application."* Applicant stated that residents did receive a notice but provided no evidence of **consultation** with them.


Additionally, pursuant to section 11.204(8)(G)(vi) of QAP,

"if applicable, evidence that the relocation plan has been submitted to all appropriate legal or governmental agencies or bodies."

Applicant did not provide evidence of relocation plan submission to HUD.

Occupied Developments

Pursuant to §11.204(8)(G) of the OAP, for any Application where any structure on the Development Site is occupied at any time after the beginning of the Application Acceptance Period, even if demolition is proposed, or if a federal subsidy is being transferred from another site and the costs of relocation will be part of the Total Development Costs, the following items must be provided.

- Historical monthly operating statements of the Development for twelve (12) consecutive months ending no more than three (3) months from the first day of the Application Acceptance Period, or
 - The two (2) most recent consecutive annual operating statement summaries, or 
 - The most recent consecutive six (6) months of operating statements and the most recent available annual operating summary; or
 - All monthly or annual operating summaries available.
- AND**
- UPLOAD SEPARATELY FROM THE APPLICATION,** a rent roll not more than six (6) months old as of the first day of the Application Acceptance Period that discloses the terms and rate of the lease, rental rates offered at the date of the rent roll, unit mix, and any vacant units; and
 - A written explanation of the process used to notify and consult with the tenants in preparing the Application; (§2306.6705(6)); and
 - If applicable, evidence that the relocation plan has been submitted to the appropriate legal or governmental agency. (§2306.6705(6)); and
 - A relocation plan outlining relocation requirements and a budget with an identified funding source that clearly describes relocation process, actions, and costs to the displaced and those not (§2306.6705(6)).

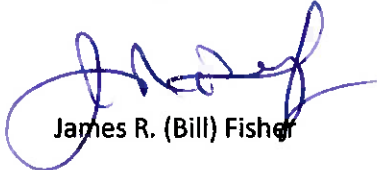
Notice and Advisory Services

All residents will receive the necessary documentation as called for by the URA. Every affected resident will receive reasonable advance written notice of (a) the date of the temporary relocation, (b) the address of the suitable, decent, safe and sanitary dwelling to be made available for the temporary period, (c) the terms and conditions under which the tenant may lease and occupy a suitable, decent, safe and sanitary dwelling in the building/complex upon completion of the project, and (d) the resident's right to relocation payments.

All residents of Oak Bluff Village have been issued a notice regarding the proposed rehabilitation. A notice has been provided to residents informing them of the preliminary plans for renovations and how the repairs would be undertaken. Additionally, residents were informed of the TDHCA timeframe for application submissions, board meetings and award notifications.

Thank you for your consideration of this matter. If you require any further information or clarification, please feel free to contact me.

Sincerely,



James R. (Bill) Fisher

22110

-

Cypress Creek

-

**Request for Administrative
Deficiency**



Mr. Colin Nickells
Administrator 9% Competitive Housing Tax Credit Program
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

Via: Email

RE: *Cypress Creek Apartment Homes at Montfort Drive, Dallas #22110*

Dear Mr. Nickells:

Please accept this Request for an Administrative Deficiency for the above referenced application. The applicant used Census on the Map 2019 data instead of 2018 in the application to claim Proximity to Job Areas points. The QAP, 2022 Multifamily Programs Application Procedures Manual, and Tab 10 of the application explicitly state that the 2018 is required to be used since that was the data that was available on October 1, 2021. The 2019 data was not released until after that date and thus cannot be used to determine Proximity to Jobs points.

For reference, I have attached excerpts from the QAP, the 2022 Multifamily Programs Application Procedures Manual, and the Application detailing the documentation that is required to be submitted to claim Proximity to Job Areas points.

Thank you for assessing this request. Please let us know if you have any further questions or require any additional documentation by contacting me at (513) 964-1141 or brian.mcgeady@mvahpartners.com. Thank you for your consideration

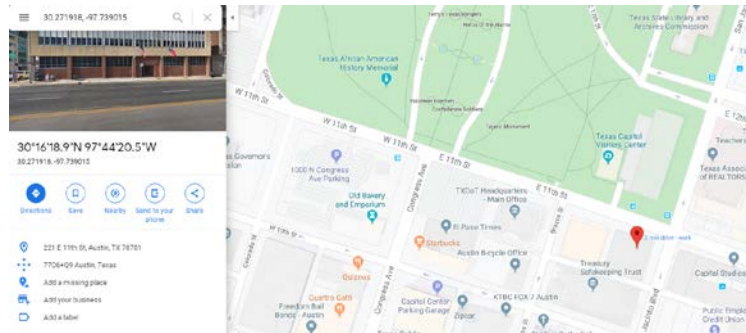
Sincerely,

A handwritten signature in black ink, appearing to read 'Brian McGeady', with a stylized flourish at the end.

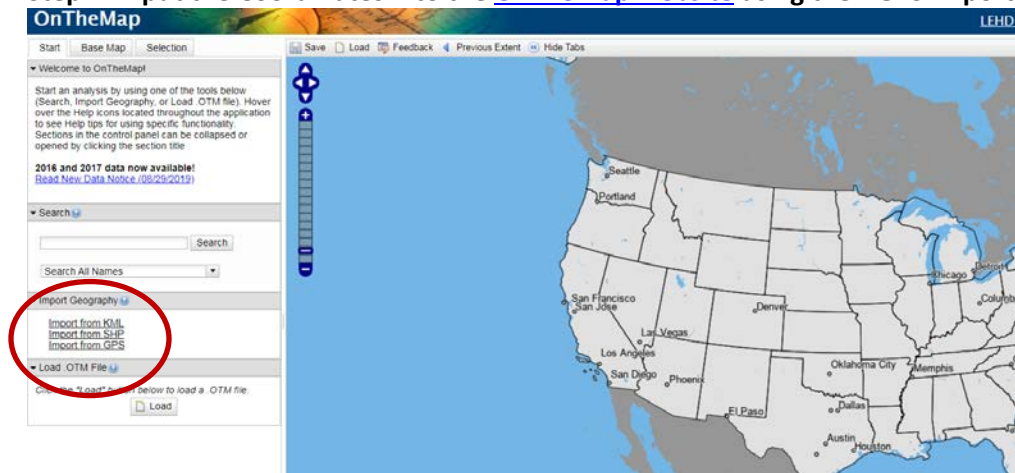
Brian McGeady
Authorized Signer of the Applicant

Instructions for using the OnTheMap tool for Proximity to Jobs:**Step 1: Provide the GPS coordinates that clearly fall within the boundaries of the Development Site.**

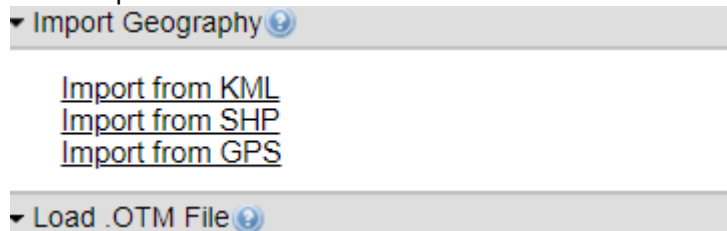
An Application may have coordinates on the survey provided to meet the requirements of 10 TAC §11.204(15)(D), however this is not required. Staff will accept Applicant verification of GPS coordinates through an online map like Google Maps or Google Earth, but it must be clear to staff that the GPS coordinates are tied to a spatial point that unequivocally falls within the boundaries of the Development Site.



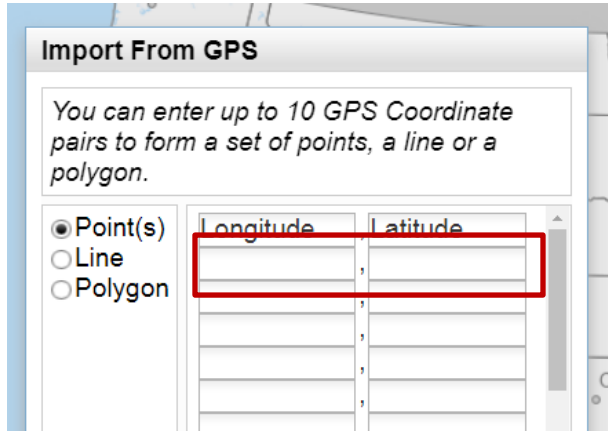
If using Google Maps or Google Earth or a similar mapping program/software, evidence similar to what is seen above must be placed in the Application.

Step 2: Input the Coordinates into the [OnTheMap website](#) using their GPS Import function.

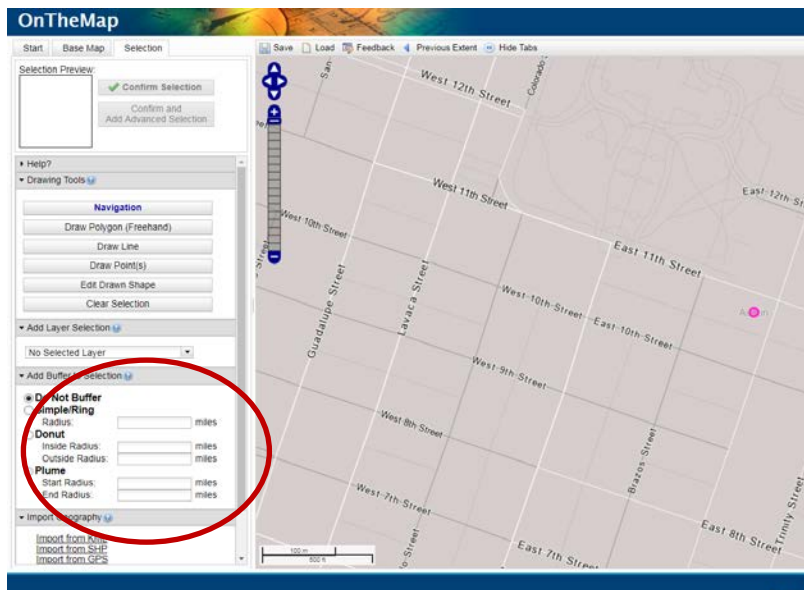
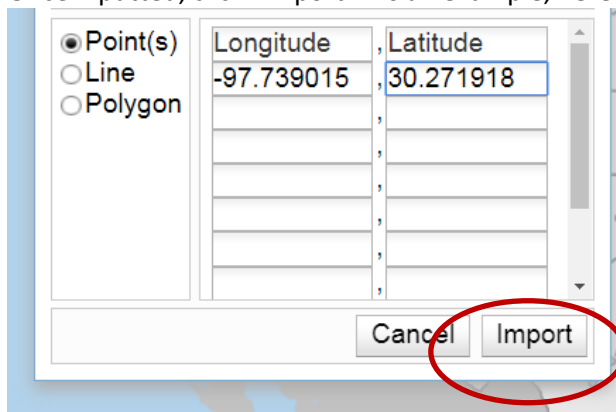
Click "Import from GPS" in the area circled above:



Input the Longitude and Latitude coordinates.



Once inputted, click "Import." As an example, here are coordinates for the TDHCA headquarters.



After clicking "Import," you will see a screen similar to above, with your GPS coordinates now represented as a spatial point. In the area circled above, you now specify that you will look at jobs within a 1 mile radius of the spatial point.

▼ Add Buffer to Selection

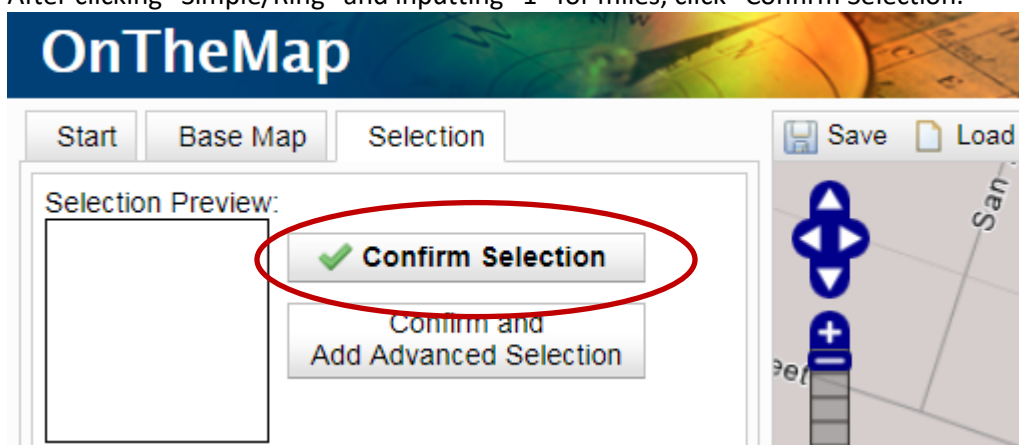
Do Not Buffer

Simple/Ring
 Radius: miles

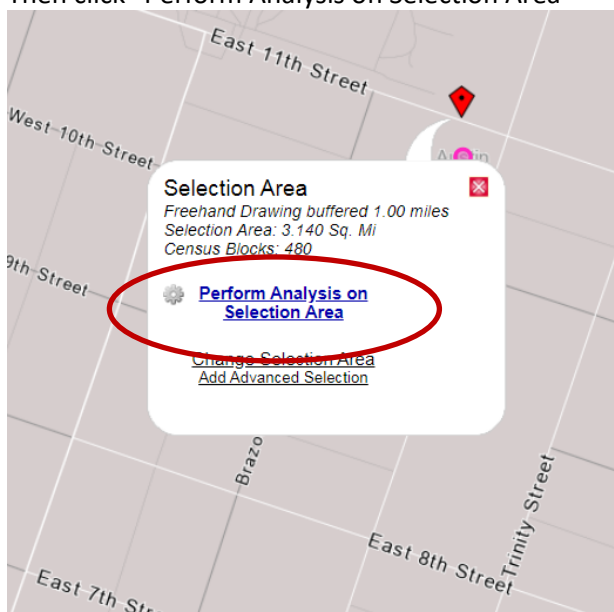
Donut
 Inside Radius: miles
 Outside Radius: miles

Plume
 Start Radius: miles
 End Radius: miles

After clicking “Simple/Ring” and inputting “1” for miles, click “Confirm Selection.”

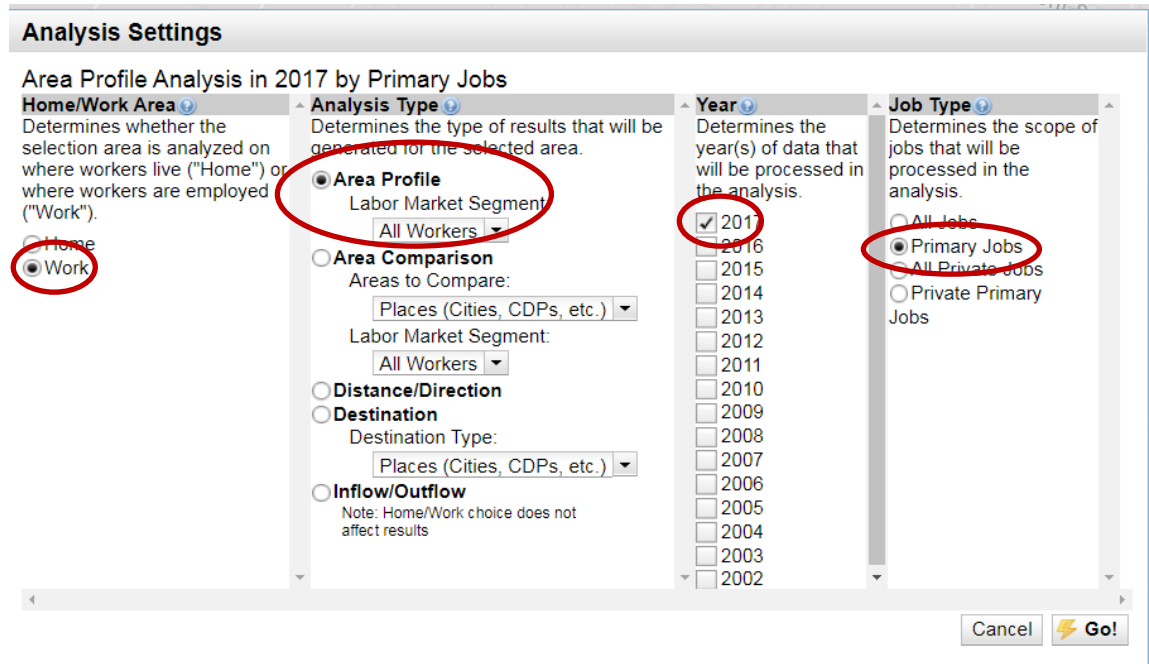


Then click “Perform Analysis on Selection Area”

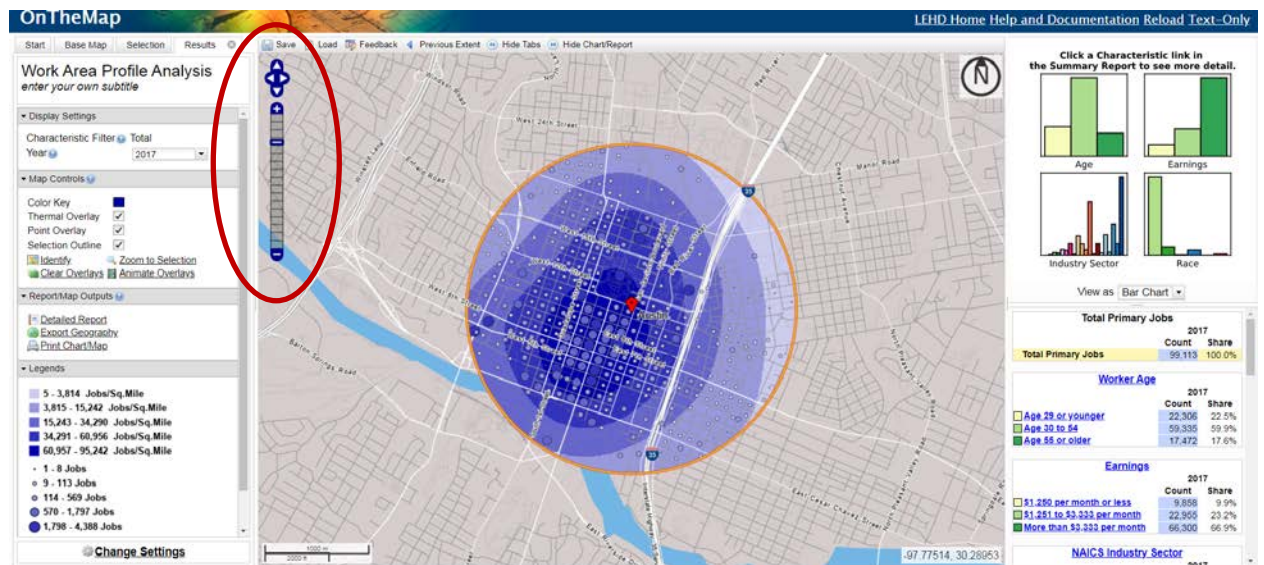


Then check the following boxes for certain categories: “Work” in column 1; “Area Profile” and “All Workers” in column 2; “2018” in column 3; and “Primary Jobs” in column 4. **Instead of 2017, you**

will choose 2018. While 2019 data may be available, it was not available prior to October 1, 2021 as required by the QAP.



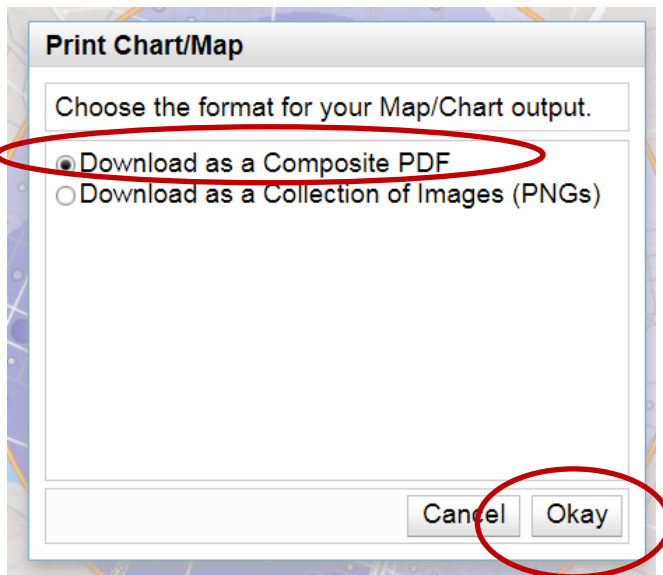
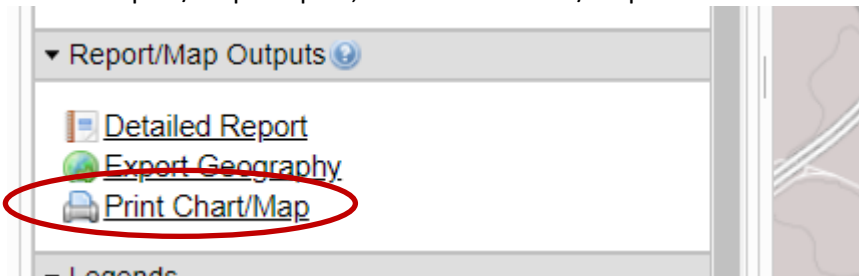
Click "Go." You will then see a screen showing the jobs analysis, similar to this:



Be sure to zoom out, using the zoom tools circled above, so that the entire 1 mile radius can be seen around the spatial point.

IMPORTANT: take a screen shot at this point to show evidence of the coordinates ("ctrl, PrtScn" on the keyboard, then paste to a blank document, format as needed, then pdf). Include the screenshot behind Tab 2 in the pdf application.

Under “Report/Map Outputs,” click “Print Chart/Map.”



Select “Download as a Composite PDF” and then click “Okay.”



Work Area Profile Report Primary Jobs for All Workers in 2017

Created by the U.S. Census Bureau's OnTheMap <https://onthemap.ces.census.gov> on 10/24/2019

Counts and Density of Primary Jobs in Work Selection Area in 2017 All Workers

This produces a PDF report, with the map and the total job count. This report also has a time stamp so that staff can confirm that the report was generated on or after October 1, 2021 but before the Pre-Application Final Delivery Date. **Include this report plus the screen shot in the pdf application.**

Proof that the Census on the Map Report is required to be printed on or after October 1, 2021 but before the Pre-Application Final Delivery Date.

- **Part 4 – Concerted Revitalization:** If claiming points, be sure that no points are being claimed under the Opportunity Index. Complete the appropriate boxes and select amenities in the Urban or Rural section of Opportunity Index. **The CRP Packet is required for Urban and Rural Applications requesting these points, and must be included behind Tab 10.** Make sure supporting documentation is included in the

Excerpt from the 2022 QAP stating required documentation associated with Proximity to Jobs Areas point category.

required to continue to specifically market Units to Persons with Special Housing Needs. (2 points)

(B) If the Development has committed units under §11.9(c)(6)(A), the Development must commit at least an additional 2% of the total Units to Persons referred from the Continuum of Care or local homeless service providers to be made available for those experiencing homelessness. Rejection of an applicant's tenancy for those referred may not be for reasons of credit history or prior rental payment history. Throughout the Compliance Period, unless otherwise permitted by the Department, the Development Owner agrees to specifically market the 2% of Units through the Continuum of Care and other homelessness providers local to the Development Site. In addition, the Department will require an initial minimum twelve-month period in Urban subregions, and an initial six-month period in Rural subregions, during which Units must either be occupied by Persons referred from the Continuum of Care or local homeless service providers, or held vacant, unless the Units receive HOME funds from any source. After the initial twelve-month or six-month period, the Development Owner will no longer be required to hold Units vacant but will be required to continue to provide quarterly notifications to the Continuum of Care and other homeless service providers local to the Development Site on the availability of Units at the Development Site. Developments are not eligible under this paragraph unless points have also been selected under §11.9(c)(6)(A). (1 point)

(C) If the Development is located in a county with a population of 1 million or more, but less than 4 million, and is located not more than two miles from a veteran's hospital, veteran's affairs medical center, or veteran's affairs health care center, (which include all providers listed under the Veteran's Health Administration categories, excluding Benefits Administration offices, listed at this link https://www.va.gov/directory/guide/fac_list_by_state.cfm?State=TX&dnum=ALL) and agrees to provide a preference for leasing units in the Development to low income veterans. (1 point)

(7) Proximity to Job Areas. (§42(m)(1)(C)(i)) An Application may qualify to receive up to six (6) points if the Development Site is located in one of the areas described in subparagraphs (A) or (B) of this paragraph, and the Application contains evidence substantiating qualification for the points. The data used will be based solely on that available through US Census' OnTheMap tool. Jobs counted are limited to those based on the work area, all workers, and all primary jobs. Only the 2018 data set will be used, unless a newer data set is posted to the US Census website on or before October 1, 2021. The Development will use OnTheMap's function to import GPS coordinates that clearly fall within the Development Site, and the OnTheMap chart/map report submitted in the Application must include the report date. This scoring item will not apply to Applications under the At-Risk or USDA Set-Aside.

(A) Proximity to Jobs. For Development Sites within the boundaries of a municipality of 500,000 or more, or the unincorporated areas of a county with a population of 1 million or more, A Development may qualify for points under this subparagraph if it meets one of the criteria in clauses (i) - (vi) of this subparagraph.

(i) The Development is located within 2 miles of 16,500 jobs. (6 points)

(ii) The Development is located within 2 miles of 13,500 jobs. (5 points)

(iii) The Development is located within 2 miles of 10,500 jobs. (4 points)

22116

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Amber Ridge

-

**Request for Administrative
Deficiency**



FISHPOND LIVING AT WALKER, LP

May 6, 2022

Via Email

Cody Campbell, Director of Multifamily Finance – cody.campbell@tdhca.state.tx.us

Colin Nickells, 9% HTC Administrator – colin.nickells@tdhca.state.tx.us

Texas Department of Housing and Community Affairs

221 E 11th Street

Austin, Texas 78701

Re: §11.10. Third Party Request for Administrative Deficiency;
TDHCA Application #22116 – Amber Ridge Apartments, Angleton, Texas

Dear Mr. Campbell and Mr. Nickells,

Pursuant to §11.10 of the 2022 Qualified Allocation Plan (the “QAP”), please let this letter serve as our Third-Party Request for Administrative Deficiency (“RFAD”) with regards to Application # 22116 (“The Application”). A copy of this request is being delivered simultaneously to representatives of the Application.

We have identified the following areas where the Application failed to substantiate eligibility of points requested.

Scoring Issue #1: Cost of Development per Square Foot – Not eligible for 12 points

§11.9(e)(2)(B) of the QAP states, “Applications proposing New Construction or Reconstruction or Adaptive Reuse will be eligible for twelve (12) points if one of the following conditions is met:

- (i) ***the voluntary Eligible Building Cost per square foot is less than \$82.67 per square foot;***
- (ii) ***the voluntary Eligible Building Cost per square foot is less than \$88.58 per square foot, and the Development meets the definition of a high cost development;***
- (iii) ***the voluntary Eligible Hard Cost per square foot is less than \$106.29 per square foot; or***
- (iv) ***the voluntary Eligible Hard Cost per square foot is less than \$118.10 per square foot, and the Development meets the definition of high cost development.”***

Amber Ridge Apartments applied under the General set-aside (non-elderly) and is located in a rural area (Region 6/Rural). The Development does not qualify as a high cost development under §11.9(e)(2)(A) of the QAP. The Applicant chose to voluntarily reduce Eligible Building Cost per square foot to achieve 12 points under §11.9(e)(2)(B)(i). However, the Development Cost Schedule of the Application (Tab 30, Pg 228 of the pdf) shows the reduction of Voluntary Eligible Building Costs at \$82.67 psf when the rule clearly

states that the cost must be restricted to “less than \$82.67 per square foot”. As calculated below, Total Voluntary Eligible Building Costs of \$4,605,546 divided by the Net Rentable Square Foot of 55,710 (from Rent Schedule) equals \$82.67 which is equal to but not “less than” \$82.67 to claim 12 points. The application qualifies for 11 points in accordance with §11.9(e)(2)(C); less than \$84.36 per square foot.

Individually itemize costs below:

Detached Community Facilities/Building	255,123		255,123	
Carports and/or Garages				
Lead-Based Paint Abatement				
Asbestos Abatement (Rehabilitation Only)				
Structured Parking				
Commercial Space Costs				
Other (specify) - see footnote 1				
Subtotal Building Costs Before 11.9(e)(2)	\$5,722,413	\$0	\$5,722,413	
Voluntary Eligible Building Costs (After 11.9(e)(2))*		\$82.67 psf	\$4,605,546	

Enter amount to be used to achieve desired score.

e.g. Community spaces not exclusively used by tenants/guests

				0						-
				0						-
				0						-
TOTAL	48					55,710				55,780
Non Rental Income		\$10.00	per unit/month for:						<i>NSF Fees, low deposits, and interest</i>	480
Non Rental Income		0.00	per unit/month for:							
Non Rental Income		0.00	per unit/month for:							
+ TOTAL NONRENTAL INCOM		\$10.00	per unit/month							480
= POTENTIAL GROSS MONTHLY INCOME										56,260

2/27/2022

12:18 PM

Voluntary Eligible Building Cost in DCS = (Amount Entered + Acquisition Cost included in Eligible Basis) / Net Rentable Area:
 (\$ 4,605,546 + \$ 0) ÷ NRA 55,710 = 82.67001 Cost/SF

We respectfully request the application be deducted 1 point under *Cost of Development per Square Foot*.

If you have any questions or would like to discuss these items further, please do not hesitate to contact me directly at (512) 970-3889 or via email at dfournier@fishpondliving.com any time.

Sincerely,



David Fournier
 Managing Member for
 Fish Pond Development, LLC

CC: Lora Myrick, Juli Gonzalez, Justin Zimmerman, Melissa Forster

22160

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Frontage Estates

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**Request for Administrative
Deficiency**



May 5, 2022

Via Email and ServU FTP Client

Mr. Colin Nickells, Administrator of 9% Program (colin.nickells@tdhca.state.tx.us)

Mr. Cody Campbell, Director of Multifamily Programs (cody.campbell@tdhca.state.tx.us)

Re: §11.10 Third Party Request for Administrative Deficiency for Application **#22160**
(Frontage Estates)

Dear Mr. Nickells and Mr. Campbell:

Pursuant to §11.10 of the 2022 Qualified Allocation Plan (the "QAP"), please let this letter serve as our Third-Party Request for Administrative Deficiency ("RFAD") with regards to Application #22160, Frontage Estates ("The Application"). A copy of this request is being delivered simultaneously to representatives of The Application.

We have identified (1) area of deficient & conflicting information and documentation in the Application which we would like staff to consider:

Issue: 10 TAC §11.9(d)(1) Local Government Support – Resolution of Support or No Objection

A screen capture of the submitted Resolution of Support received from the City Council of Lubbock, TX, page 295 of the submitted application, is included on the following sheet.

Resolution No. 2022-R0067
Item No. 7.9
February 8, 2022

RESOLUTION

WHEREAS, Frontage Estates, L.P. has proposed a development for affordable rental housing to be named Frontage Estates to be located at 2549 South Loop 289; and

WHEREAS, Frontage Estates, L.P. intends to submit an application to the Texas Department of Housing and Community Affairs for 2022 Competitive 9% Housing Tax Credits for Frontage Estates of Lubbock; **NOW, THEREFORE**,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the City Council of the City of Lubbock hereby confirms that it supports the application for the Texas Department of Housing and Community Affairs 2022 Competitive 9% Housing Tax Credits for the proposed development of Frontage Estates of Lubbock by Frontage Estates, L.P.; and

THAT the City Council of the City of Lubbock hereby directs City staff to provide a one-time permit fee waiver in the amount of five hundred dollars (\$500) to be applied to an application for a permit by Frontage Estates, L.P. if it is awarded the Texas Department of Housing and Community Affairs 2021 Competitive 9% Housing Tax Credits for the proposed development of Frontage Estates of Lubbock; and

THAT as provided for in 10 TAC §11.3(e) and §11.4(c)(1), it is hereby acknowledged that the proposed New Construction or Adaptive Reuse Development is located in a census tract that has more than 20% Housing Tax Credit Units per total households; and

THAT the City of Lubbock hereby confirms that its Governing Body has no objection to the Application, pursuant to 10 TAC §11.3(e) and §11.4(c)(1) of the Qualified Allocation Plan; and

THAT the governing body affirms that the proposed Development is consistent with the jurisdiction's obligation to affirmatively further fair housing.

Passed by the City Council on February 8, 2022.



DANIEL M. POPE, MAYOR

The paragraphs highlighted in red above are supplemental resolutions required by **10 TAC §11.3(e)** and **10 TAC §11.4(c)(1)** for development sites located in census tracts containing in excess of 20% Housing Tax Credit Units per total households.

10 TAC §11.3(e)

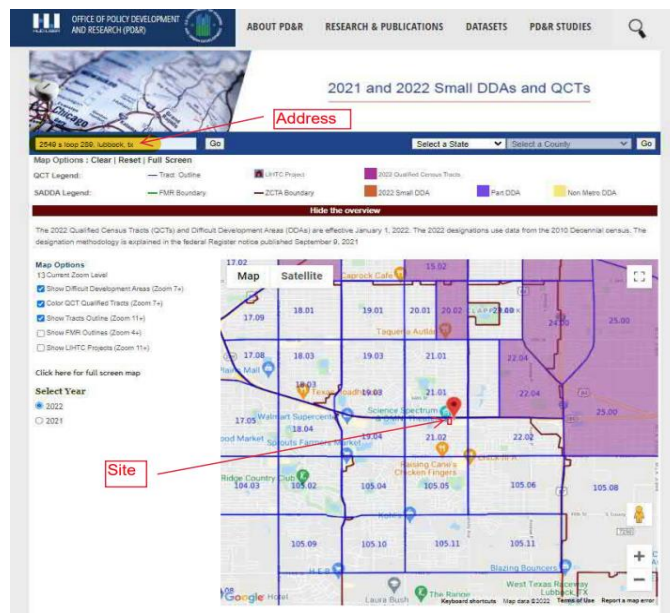
“Limitations on Developments in Certain Census Tracts. An Application that proposes New Construction or Adaptive Reuse of a Development proposed to be located in a census tract that has more than 20% Housing Tax Credit Units per total households as reflected in the Department’s current Site Demographic Characteristics Report shall be considered ineligible unless the Governing Body of the appropriate municipality or county containing the Development has adopted a resolution stating the proposed Development is consistent with the jurisdiction’s obligation to affirmatively further fair housing and that the Governing Body of the appropriate municipality or county containing the Development has no objection to the Application.”

10 TAC §11.4(c)(1):

“New Construction or Adaptive Reuse Developments located in a QCT that has in excess of 20% Housing Tax Credit Units per total households are not eligible for a 30% increase in Eligible Basis, which would otherwise be available for the Development Site pursuant to §42(d)(5) of the Code, unless the Application includes a resolution acknowledging the Development is located in a census tract that has more than 20% Housing Tax Credits Units per total households and stating that the Governing Body of the appropriate municipality or county containing the Development has no objection to the Application.”

The supplemental resolutions provided in The Applicant’s Resolution of Support from the City of Lubbock contradict The Applicant’s Full Application in the following ways:

- 1) 10 TAC §11.4(c)(1) implies that the Development is located within a Qualified Census Tract. However, the Census Tract Map, page 38 of the application, clearly displays that the Development site is not located in a Qualified Census Tract. In addition, The “QCT?” box on the Site Information Form Part 1, page 31, is selected as “No”.



- 2) 10 TAC §11.3(e) implies that the Development is located in a census tract that has more than 20% Housing Tax Credit Units per total households as reflected in the Department’s current Site Demographic Characteristics Report. However, the “Limitations on Developments in Certain Census Tracts (20% Rule)” box on Site Information Form Part 1, page 31, is checked. We verified on the current Site Demographic Characteristics Report that **Census Tract # 48303002102** is not a census tract with more than 20% Housing Tax Credit Units per total households.

The number of Households is from the 2022 Qualified Census Tract dataset, column p0150001. The number of HTC units was taken from the Department’s inventory of tax credit developments (as of November 10, 2021 TDHCA Board meeting, last worksheet in this spreadsheet). Applicants are encouraged to independently verify the information provided herein. Please contact jason.burr@tdhca.state.tx.us with any questions.

Census Tract	County	HTC Units/Total Households
48217960900	Hill	20.00%
48451000700	Tom Green	20.01%
48113009000	Dallas	20.06%
48453002111	Travis	20.12%
48029140300	Bexar	20.20%
48113005000	Dallas	20.23%
48303003002	Lubbock	20.34%
48113014901	Dallas	20.38%
48439106202	Tarrant	20.47%
48113008603	Dallas	20.53%
48029131606	Bexar	20.64%
48113007815	Dallas	20.65%
48453001772	Travis	20.67%
48113006900	Dallas	20.84%
48201551900	Harris	20.89%
48113012000	Dallas	20.93%
48113006002	Dallas	21.04%
48453001839	Travis	21.05%
48439104505	Tarrant	21.20%
48201421101	Harris	21.48%
		21.50%
		21.52%
		21.53%
		21.58%
		21.58%
		21.64%
		21.65%
		21.72%
		21.73%
		21.77%
		21.77%
		21.88%
48029130600	Bexar	21.92%
48113008604	Dallas	21.94%
48245000900	Jefferson	21.95%
48303003002	Harris	21.96%

Microsoft Excel
We couldn't find what you were looking for. Click Options for more ways to search.
OK

Find and Replace
Find: Replace
Find what: 48303002102
Options >>
Find All End Next Close

Urban-Rural Opportunity Index Education Attainment 2x units per capita **20% HTC Units** 3-year Average Poverty Rate Rent Burden AHNI MSAs County Codes

The Department posts a Sample Resolution for Local Government Support within the “2022 Uniform Multifamily Application Forms” on the TDHCA website. For additional context, KCG Development’s Application #22044 The Wheldon contained the identical supplemental 20% HTC Units resolutions in the initial draft Resolution of Support received from City Council. After recognizing that those Supplemental Resolutions were not applicable to The Wheldon and would contradict selections made elsewhere in our full application that affect both threshold and scoring items, we notified City Council and had the Resolution of Support adjusted to remove the supplemental resolutions.

Since it is the ultimate responsibility of the development owner to ensure the Resolution received from the appropriate municipality or county accurately depicts the proposed Development requesting the Resolution of Support, we request Staff deny Frontage Estates as being eligible to claim points under **10 TAC §11.9(d)(1) Local Government Support** for the reasons stated above, which would result in a loss of 17 points from the Frontage Estates Application’s Final Score.

Sincerely,



CJ Lintner
Development Director
KCG Development, LLC

Via email as provided in Application #22160:

Cc: Stacy Hastie stacy@environmentalops.com
Theresa Frerker Theresa.frerker@environmentalops.com

Applicant Information Page

Provide the contact information for the Applicant and any staff responsible for Administrative Deficiencies or clarifications to the Application.

1. Applicant Contact Information			
Name:	<u>Stacy Hastie</u>	Phone:	<u>(314) 241-0900</u>
			Office
Email:	<u>stacy@environmentalops.com</u>		<u>(314) 409-0366</u>
			Mobile
Mailing Address:	<u>7733 Forsyth Blvd.</u>		
	Street		
	<u>Clayton</u>	<u>MO</u>	<u>63105</u>
	City	State	Zip

2. Second Contact			
Name:	<u>Theresa Frerker</u>	Phone:	<u>(314) 241-0900</u>
			Office
Email:	<u>theresa.frerker@environmentalops.com</u>		<u>(314) 480-4695</u>
			Mobile

3. Consultant Contact (if applicable)			
Name:	<u>Brian Kimes - JES Dev Co, Inc.</u>	Phone:	<u>(573) 443-2021</u>
			Office
Email:	<u>bkimes@iesholdings.com</u>		<u>(573) 424-8811</u>
			Mobile
Mailing Address:	<u>206 Peach Way</u>		
	Street		
	<u>Columbia</u>	<u>MO</u>	<u>65203</u>
	City	State	Zip

22174

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The Victorian

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**Request for Administrative
Deficiency**



FISHPOND LIVING AT VICTORIA, LP

May 6, 2022

Via Email

Cody Campbell, Director of Multifamily Finance – cody.campbell@tdhca.state.tx.us

Colin Nickells, 9% HTC Administrator – colin.nickells@tdhca.state.tx.us

Texas Department of Housing and Community Affairs

221 E 11th Street

Austin, Texas 78701

Re: §11.10. Third Party Request for Administrative Deficiency;
TDHCA Application #22174 – The Victorian, Victoria, Texas

Dear Mr. Campbell and Mr. Nickells,

Pursuant to §11.10 of the 2022 Qualified Allocation Plan (the “QAP”), please let this letter serve as our Third-Party Request for Administrative Deficiency (“RFAD”) with regards to Application #22174 (“The Application”). A copy of this request is being delivered simultaneously to representatives of The Application.

We have identified the following areas where the Pre-application and Application failed to meet threshold and/or failed to substantiate eligibility of points requested.

§11.201 Procedural Requirements for Application Submission of the QAP outlines the requirements for Application submission and, in Subsection (1)(A) states that “**An Application must be complete (including all required exhibits and supporting materials)** and submitted by the required program deadline”. The following Threshold issues have been identified below.

Application Threshold Issue #1

The Application does not include a valid 2022 Multifamily Uniform Application Certification. §11.204 of the QAP describes the threshold documentation that is required at the time of Application submission. §11.204(1) specifically requires a certification that is executed by the Development Owner addressing the specific requirements associated with the Development. This certification is part of the Uniform Application. The form included in the Application is not signed by an Authorized Representative or notarized and therefore, is not valid.

Application Threshold Issue #2

The Development Cost Schedule (Tab 29) identifies total Site Work costs of \$1,434,929 or \$17,937 per unit. Under Required Documentation for Application Submission, §11.204(8)(E)(i) requires “Applicants must provide a detailed cost breakdown of projected Site Work costs (excluding site amenities), if any, prepared by a Third Party engineer. If Site Work costs (excluding site amenities) exceed \$15,000 per Unit

and are included in Eligible Basis, a letter must be provided from a certified public accountant allocating which portions of those site costs should be included in Eligible Basis.” The Applicant did not include the Site Work Cost Breakdown form behind Tab 29 that is part of the Uniform Application. This form is used to justify the estimated Site Work Costs and therefore is required to be completed by a Third-Party engineer and signed with registration seal. In addition, total Site Work costs exceed \$15,000 per Unit and are included in Eligible Basis which requires a CPA letter confirming the correct allocation of eligible Site Work costs. This CPA letter is not included in the application.

Application Threshold Issue #3

§11.205 requires 3rd party reports to be submitted by certain deadlines established in the QAP. The Third Party Reports required to be submitted by the Full Application Delivery Date of 03/01/2022 are the Environmental Site Assessment, Scope and Cost Review, if applicable, and the “Primary Market Area map (with definition based on census tracts, and site coordinates in decimal degrees, area of PMA in square miles, and list of census tracts included)”. If the reports are not submitted, in their entirety, by this deadline, “the Application will be terminated”. The Applicant did not include the Required Third Party Reports form which is part of the Uniform Application, nor did they include the Primary Market Area Map with definition of PMA.

Application Threshold Issue #4

§11.204(9)(A) states that all Applications must include a site plan and describes the elements that should be included on the site plan (size of site, flood plain, residential/common buildings, parking, amenities, etc). The Applicant failed to include a site plan with the architectural documents behind Tab 22.

Scoring Issue #1: Pre-Application Participation– Not eligible for 6 points

§11.9(e)(3) (§2306.6704) states that an Application may qualify to receive up to six points provided a pre-application was submitted by the applicable delivery date and meets all of the preapplication threshold requirements found in that section. §11.9(e)(3)(F) states that the census tract number listed at pre-application must be the same at Application. At pre-application, the census tract is listed as 48469001400. At Application the census tract is listed as 48469001605. Applications must meet “all of the requirements” described in §11.9(e)(3) and therefore, does not qualify to receive pre-application participation points.

Scoring Issue #2: Sponsor Characteristics– Not eligible for 2 points

The Application Self Score and Sponsor Characteristics form (Tab 36) claims two (2) points for having a HUB in the Ownership structure. If attempting to score as a certified HUB, evidence of the HUB’s existence from the Texas Comptroller of Accounts is required. There is no evidence of HUB Certification in the application. In a search of the public records of the Texas Comptroller of Accounts on May 4, 2022, TICO Development, LLC was not listed as a certified HUB entity (see Exhibit 1). A review of the 2021 application submission (#21261) that included TICO Development, LLC, confirmed that the HUB Certification for this entity expired on May 26, 2021 and therefore, this Application is not eligible for Sponsor Characteristic points.

- 1. Application is attempting to score as a Qualified Nonprofit or certified HUB with ownership interest and material participation and meets the criteria below:

No If attempting to score as a Qualified Nonprofit, Application is applying under the Nonprofit Set-Aside

Yes If attempting to score as a certified HUB (or HUBs), evidence of the HUB's existence from the Texas Comptroller of Accounts is provided behind this Tab

Scoring Issue #3: Input from Community Organizations– Not eligible for 4 points

§11.9(d)(6) (§2306.6725(a)(2)) states that “in order to ascertain if there is community support, an Application may receive up to four (4) points for letters” of support for the Development. The letter must be from a civic or community organization that is qualified as a tax exempt organization having a primary purpose of the overall betterment, development or improvement of the community as a whole. §11.9(d)(6)(A) further states “The Applicant must provide evidence that the community or civic organization remains in good standing by providing evidence from a federal or state government database confirming that the exempt status continues.” The Applicant included three letters from local community organizations for a total of 4 points. However, the Applicant failed to include evidence confirming the exempt status of each organization and therefore, no points should be awarded under this scoring item.

In conclusion, we believe the threshold issues identified are grounds for termination of The Victorian Application. However, at a minimum, should staff determine whether the issues are curable by Administrative Deficiency, we respectfully request the application be deducted a total of 12 points to include 6 points under *Pre-application Participation*, 2 points under *Sponsor Characteristics* and 4 points under *Community Input*.

If you have any questions or would like to discuss these items further, please do not hesitate to contact me directly at (512) 970-3889 or via email at dfournier@fishpondliving.com any time.

Sincerely,



David Fournier
Managing Member for
Fish Pond Development, LLC

CC: Lora Myrick, Juli Gonzalez, Rick Deyoe, Alma Cobb

EXHIBIT 1

Search For Vendors

Search found 4 vendors , 4 are HUBs ,Includes 0 Inactive Vendors
Search Condition : SearchType=HUB's Only, Vendor Name contains tico

[New Search](#)



Results

SORT: COMPANY NAME (A-Z)

Vendor ID	Company Name	Contact Person	Mailing Address	City	State	Zip	Country	Email	Phone	HUB Eligibility	HUB Gender	Small Business	CMBL Status	HUB Status
1453678937400	InstiCo Freight Management, Inc.	John Hernando	3011 Gateway Dr Ste 340	Irving	TX	75063	USA	jhernando@insticologistics.com	214-415-7170	HI	M		Inactive(N)	A-Active
1821438617100	LG-OSS LLC dba Logisticorp Group Operati	Garry Castro	106 Decker Ct Ste 320	Irving	TX	75062	USA	garry.castro@logisticorpgroup.com	817-458-4594	HI	M		Inactive(N)	A-Active
1800952256800	Reina Cosmeticos, LLC	Regina Merson	4128 HERSCHEL AVE.	DALLAS	TX	75219	USA	regina@reinarebelde.com	203-676-5678	HI	F		Inactive(N)	A-Active
1832134904700	SYNTHETICOMP COMPANIES	Syntheticomp Companies	2847 COLONY DR	SUGAR LAND	TX	77479-1401	USA	syntheticompcmps@gmail.com	281-772-0493	AS	M	Yes	Active	A-Active

[New Search](#)

POLICIES

- Privacy and Security Policy
- Accessibility Policy
- Link Policy
- Public Information Act
- Compact with Texans
- Commonly Used Web Browsers

OTHER STATE SITES

- texas.gov
- Texas Records and Information Locator (TRAIL)
- State Link Policy
- Texas Veterans Portal



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

The Texas Comptroller of Public Accounts (CPA) administers the Statewide Historically Underutilized Business (HUB) Program for the State of Texas, which includes certifying minority, woman, and service disabled veteran-owned businesses as HUBs and facilitates the use of HUBs in state procurement and provides them with information on the state's procurement process.

We are pleased to inform you that your application for certification/re-certification as a HUB has been approved. Your company's profile is listed in the State of Texas HUB Directory and may be viewed online at <https://mycpa.cpa.state.tx.us/tpasscmlsearch/index.jsp>. Provided that your company continues to meet HUB eligibility requirements, the attached HUB certificate is valid for the time period specified.

You must notify the HUB Program in writing of any changes affecting your company's compliance with the HUB eligibility requirements, including changes in ownership, day-to-day management, control and/or principal place of business. *Note: Any changes made to your company's information may require the HUB Program to re-evaluate your company's eligibility.*

Please visit our website at <http://comptroller.texas.gov/procurement/prog/hub/> and reference our publications (i.e. Grow Your Business pamphlet, HUB Brochure and Vendor Guide) providing additional information on state procurement resources that can increase your company's chances of doing business with the state.

Thank you for your participation in the HUB Program! If you have any questions, you may contact a HUB Program representative at 512-463-5872 or toll-free in Texas at 1-888-863-5881.

Texas Historically Underutilized Business (HUB) Certificate



Certificate/VID Number:	1812126738100
File/Vendor Number:	496831
Approval Date:	26-MAY-2017
Scheduled Expiration Date:	26-MAY-2021

The Texas Comptroller of Public Accounts (CPA), hereby certifies that

TICO DEVELOPMENT, LLC

has successfully met the established requirements of the State of Texas Historically Underutilized Business (HUB) Program to be recognized as a HUB. This certificate printed 26-MAY-2017, supersedes any registration and certificate previously issued by the HUB Program. If there are any changes regarding the information (i.e., business structure, ownership, day-to-day management, operational control, business location) provided in the submission of the business' application for registration/certification as a HUB, you must immediately (within 30 days of such changes) notify the HUB Program in writing. The CPA reserves the right to conduct a compliance review at any time to confirm HUB eligibility. HUB certification may be suspended or revoked upon findings of ineligibility.

*Laura Cagle-Hinojosa, Statewide HUB Program Manager
Statewide Support Services Division*

Note: In order for State agencies and institutions of higher education (universities) to be credited for utilizing this business as a HUB, they must award payment under the Certificate/VID Number identified above. Agencies, universities and prime contractors are encouraged to verify the company's HUB certification prior to issuing a notice of award by accessing the Internet (<https://mycpa.cpa.state.tx.us/tpasscmlsearch/index.jsp>) or by contacting the HUB Program at 512-463-5872 or toll-free in Texas at 1-888-863-5881.

22175

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Patriot Pointe

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**Request for Administrative
Deficiency**

May 6, 2022

Colin Nickells
Texas Department of Housing and Community Affairs
21 E 11th Street
Austin, Texas 78701

Re: HTC Application 22175 Patriot Pointe at Markville

Dear Mr. Nickells:

Please consider this a formal request for a Third Party Request for Administrative Deficiency for TDHCA Application 22175 Patriot Pointe at Markville. This RFAD concerns points claimed for Underserved Area.

11.9(c)(5) Underserved Area

This section of the QAP specifies point values for Development Sites meeting certain criteria. Subparagraph (F) states that 5 points may be awarded if a “(F) The Development Site is located entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 100,000 or more, and will not apply in the At-Risk Set-Aside; (5 points)”

Application 22175 is located in census tract 48113007810 and is contiguous to tract 48113007805. According to the property inventory tab of the Site Demographic Characteristics Report, HTC 21139 Cypress Creek Apartment Homes at Forest Lane awarded in 2021 is located in census tract 48113007805. The Applicant has disclosed all of this information; however, the Applicant has still decided to claim 5 points under subparagraph (F).

This Application has claimed 5 points under subparagraph (F) with the following statement: “The applicant is claiming 5 points for Underserved Area in the event that the tax credit award for application 21139 is returned while the Patriot Pointe at Markville is under review.” This is not an option. The QAP is clear that this scoring item is according to the Department’s property inventory tab of the Site Demographic Characteristics Report. The property inventory tab of the Site Demographic Characteristics Report lists HTC 21139 in a contiguous census tract. There is no provision in the QAP for awarding points for changes to the property inventory after the Site Demographic Characteristics Report is posted and certainly not for changes at some undetermined point in the future. Allowing such a request means that Applicants who have “inside information” about prior awards would be at a competitive advantage or might persuade prior awardees to return their credits. This would create an “unlevel playing field” against Applicants who rightfully used the Site Demographic Characteristics Report as prescribed by the QAP.

The fact that this is an Applicant that is knowingly claiming points for which they are unqualified is concerning. This Application has claimed points in order to rank higher in the region, but in reality, it is taking review time away from Applications that score higher than it. This is a competitive process, TDHCA staff are very busy, and submitting an Application with a deliberately inflated score is a waste of Staff time.

The QAP is clear that the property inventory tab of the Site Demographic Characteristics Report is used when determining the score for Underserved Area. The Site Demographic Characteristics Report includes HTC 21139 Cypress Creek Apartment Homes at Forest Lane and the most current HTC Property Inventory on the TDHCA website as of March 17, 2022 (not in the Site Demographics Report), still lists HTC 21139 Cypress Creek Apartment Homes at Forest Lane as being in the contiguous census tract. This Application is not eligible for 5 points for 11.9(c)(5) Underserved Area and should be re-scored accordingly.

Thank you for your attention and please contact me with any questions.

Regards,

A handwritten signature in blue ink, consisting of a stylized initial 'A' followed by a long horizontal line.

Alyssa Carpenter

Underserved Area Narrative – Patriot Pointe at Markville

Patriot Pointe at Markville is located in the City of Dallas, in census tract 48113007810. Census tract 48113007810 is located completely within the city limits of the City of Dallas. The City of Dallas has a population of 1,330,612. As such, the subject census tract, 48113007810, meets the baseline requirements for the 5 point Underserved Area point category under Section 11.9(c)(5)(F).

The 5 point Underserved Area point category under Section 11.9(c)(5)(F) states: “The Development Site is located entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 100,000 or more.”

Note, all but one of the adjacent census tracts have no existing tax credit developments. One of the adjacent census tracts, 48113007805, has a housing tax credit development awarded in 2021 (21139 Cypress Creek Apartment Homes). The applicant is claiming 5 points for Underserved Area in the event that the tax credit award for application 21139 is returned while the Patriot Pointe at Markville is under review.

Please note that Patriot Pointe at Markville also qualifies for 4 points for Underserved Area because as required by Section 11.9(c)(5)(C), the “Development Site is located entirely within a census tract that does not have another Development that was awarded less than 30 years ago according to the Department's property inventory in the Site Demographic Characteristics Report (4 points).” In the event Patriot Pointe at Markville is not deemed to qualify for 5 points for Underserved Area, sufficient documentation has been provided to support the award of 4 points for Underserved Area.

Subject Tract

48113007810

Adjacent Census Tracts

48113019016 – North

48113019035 – East

48113018503 – East

48113007811 – East

48113007825 – South

48113007812 – South

48113007805 – West

48113007804 – West

March 17, 2022, Property Inventory on TDHCA website (not part of Site Demographics Report)

F2852 Cypress Creek Apartment Homes at Forest Lane																			
	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S
1	TDHC	Program Type	Original TDHCA	Year	Board App	Development Name	Project Address	Project City	Project Count	Zip Code	LIHTC Awarded	Total Units	LIHTC Units	Population Served	Apartment Phone	Census Tract	CMTS	Latitude	Longitude
2846	21119	9%HTC		2021	7/22/21	Cedar Grove Estates I and II	1000 S 8th St	Buckholts	Miam	76518	\$352,430	12	12	General	(417) 882-1701	48331950100		30.86282	-97.130631
2847	21121	9%HTC		2021	7/22/21	Paige Estates	826 South 11th Street	Waco	McLennan	76706	\$1,122,000	64	64	Elderly	(573) 443-2021	48309000400		31.54599	-97.1298
2848	21130	9%HTC		2021	7/22/21	Sun Pointe	4647 Maxwell Ave	El Paso	El Paso	79904	\$1,230,369	146	146	General	(915) 849-3813	48141000404		31.868057	-106.433619
2849	21131	9%HTC		2021	7/22/21	Boulevard 61	6101 Richmond Avenue	Houston	Harris	77057	\$1,500,000	100	90	General		48201432702		29.73965	-95.51116
2850	21132	9%HTC		2021	7/22/21	OST Lofts	5520 Old Spanish Trail	Houston	Harris	77023	\$1,500,000	130	109	General	(713) 456-0068	48201311800		29.710872	-95.326915
2851	21136	9%HTC		2021	7/22/21	Oaklawn Place	5717-5725 Sadler Circle	Dallas	Dallas	75235	\$1,488,770	84	84	Elderly		48113000406		32.49214	-96.50165
2852	21139	9%HTC		2021	7/22/21	Cypress Creek Apartment Homes at Forest Lane	11520 North Central Expressway	Dallas	Dallas	75243	\$1,500,000	189	103	General	(215) 806-2216	48113007805		32.54235	-96.46053
2853	21145	9%HTC		2021	7/22/21	Mariposa Apartment Homes at Communications Park	4.5 Acres Near the NEC of Communications Park	Plano	Collin	75024	\$1,500,000	180	108	Elderly	(512) 505-0604	48085031656		33.03563	-96.495905
2854	21148	9%HTC		2021	7/22/21	William Booth Apartments	808 Frawley Street	Houston	Harris	77009	\$871,608	64	63	Elderly	(773) 860-5747	48201210600		29.8011	-95.36022
2855	21150	9%HTC	93031	2021	7/22/21	Big Lake Seniors Apartments	1304 Vicky Street	Big Lake	Reagan	76932	\$211,841	20	19	Elderly		48383950100	1120	31.2025	-101.4475
2856	21151	9%HTC	99122	2021	7/22/21	Colorado City Apartments	2330 N. Highway 208	Colorado City	Mitchell	79512	\$312,529	32	31	General		48335950200	2194	32.416666	-100.859444
2857	21157	9%HTC	04284	2021	7/22/21	Katy Manor Apartments	5360 East 5th Street	Katy	Harris	77493	\$474,238	0	0	General	(281) 419-6114	48201542700	919	29.790555	-95.815

22199

-

Torrington Fallmeadow

-

**Request for Administrative
Deficiency**



Mr. Colin Nickells
Administrator 9% Competitive Housing Tax Credit Program
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

Via: Email

RE: *Torrington Fallmeadow, Denton #22199*

Dear Mr. Nickells:

Please accept this Request for an Administrative Deficiency for the above referenced application. The required documentation for the Proximity to Jobs category is dated after the Pre-Application deadline in this Application. The QAP and the 2022 Multifamily Programs Application Procedures Manual are clear about what documentation is required and when the data must be dated by. Additionally, Tab 10 of the application explicitly states that the documentation detailed in the 2022 Application Manual is required to be inserted in the application.

The 2022 Multifamily Programs Application Procedures Manual states that one of the functions of the Census on the Map PDF report is to provide a time stamp so that staff can confirm the report was generated on or after October 1, 2021 but before the Pre-Application final delivery date. The time stamp on the Census on the Map PDF report are dated after the Pre-Application Delivery Date.

For reference, I have attached excerpts from the QAP, the 2022 Multifamily Programs Application Procedures Manual, and the Application detailing the documentation that is required to be submitted to claim Proximity to Job Areas points.

Thank you for assessing this request. Please let us know if you have any further questions or require any additional documentation by contacting me at (513) 964-1141 or brian.mcgeady@mvahpartners.com. Thank you for your consideration

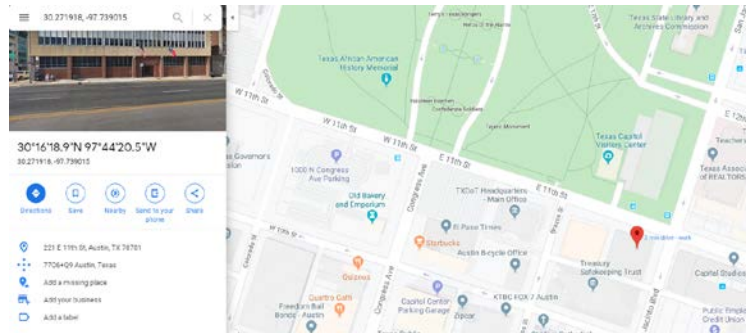
Sincerely,

A handwritten signature in black ink, appearing to read 'B. McGeady', written over a light blue horizontal line.

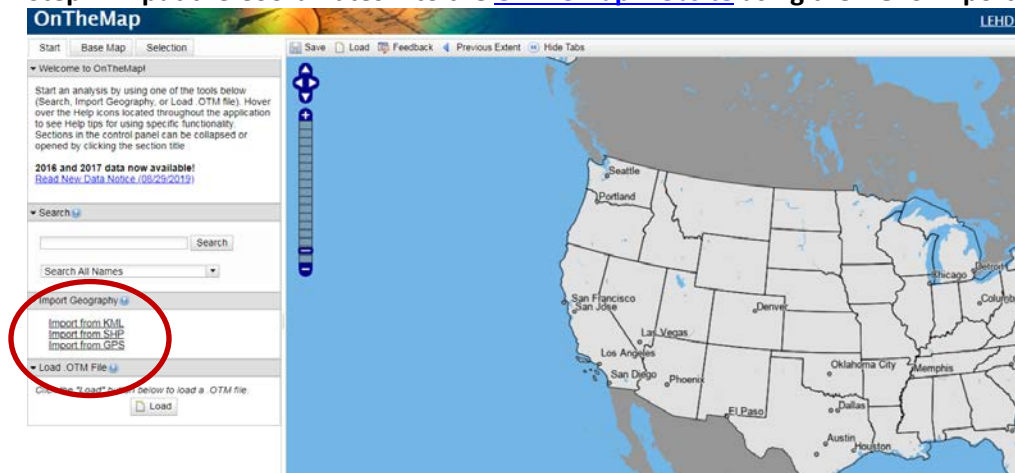
Brian McGeady
Authorized Signer of the Applicant

Instructions for using the OnTheMap tool for Proximity to Jobs:**Step 1: Provide the GPS coordinates that clearly fall within the boundaries of the Development Site.**

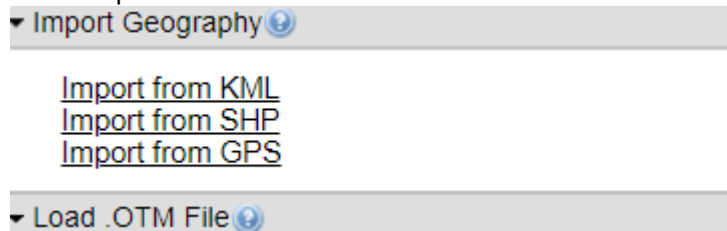
An Application may have coordinates on the survey provided to meet the requirements of 10 TAC §11.204(15)(D), however this is not required. Staff will accept Applicant verification of GPS coordinates through an online map like Google Maps or Google Earth, but it must be clear to staff that the GPS coordinates are tied to a spatial point that unequivocally falls within the boundaries of the Development Site.



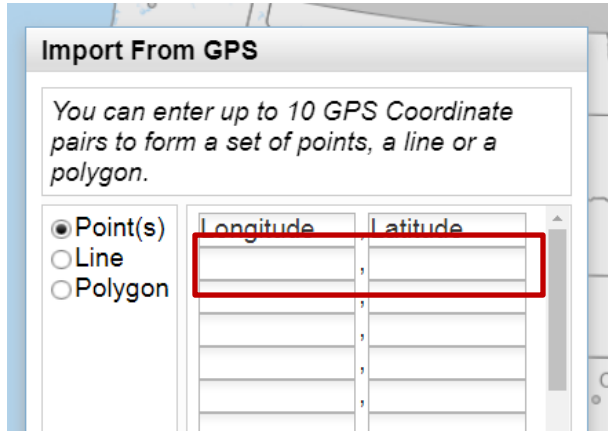
If using Google Maps or Google Earth or a similar mapping program/software, evidence similar to what is seen above must be placed in the Application.

Step 2: Input the Coordinates into the [OnTheMap website](#) using their GPS Import function.

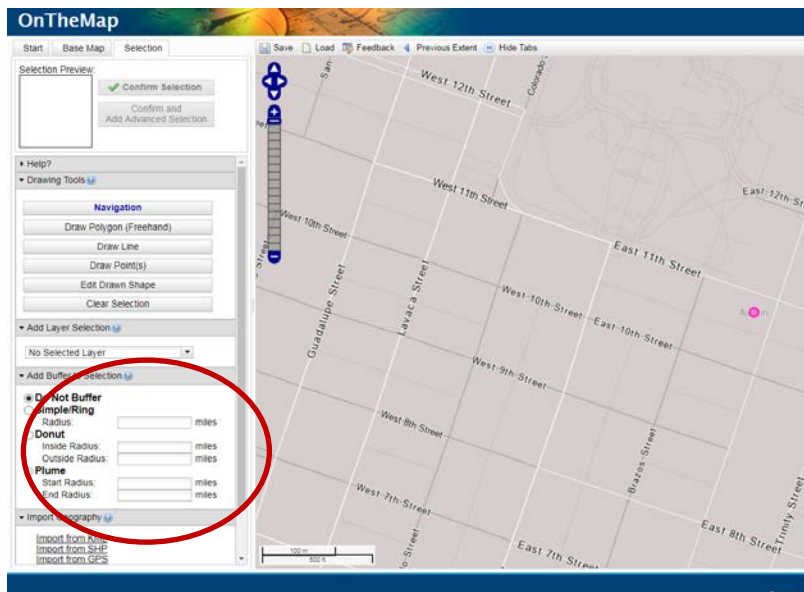
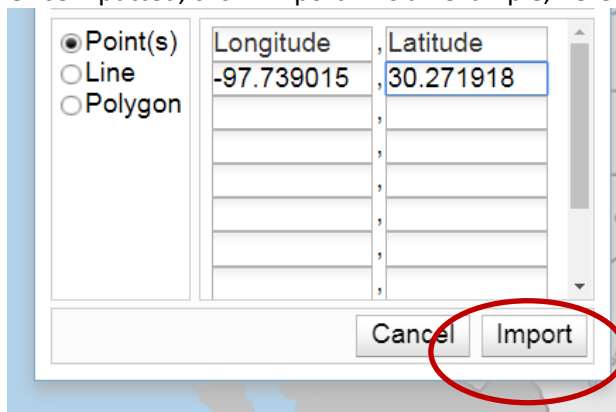
Click "Import from GPS" in the area circled above:



Input the Longitude and Latitude coordinates.



Once inputted, click "Import." As an example, here are coordinates for the TDHCA headquarters.



After clicking "Import," you will see a screen similar to above, with your GPS coordinates now represented as a spatial point. In the area circled above, you now specify that you will look at jobs within a 1 mile radius of the spatial point.

▼ Add Buffer to Selection

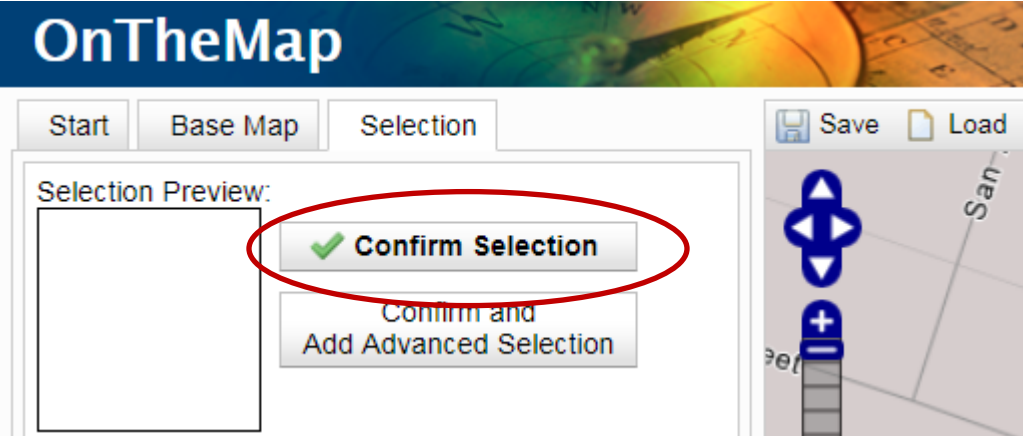
Do Not Buffer

Simple/Ring
Radius: miles

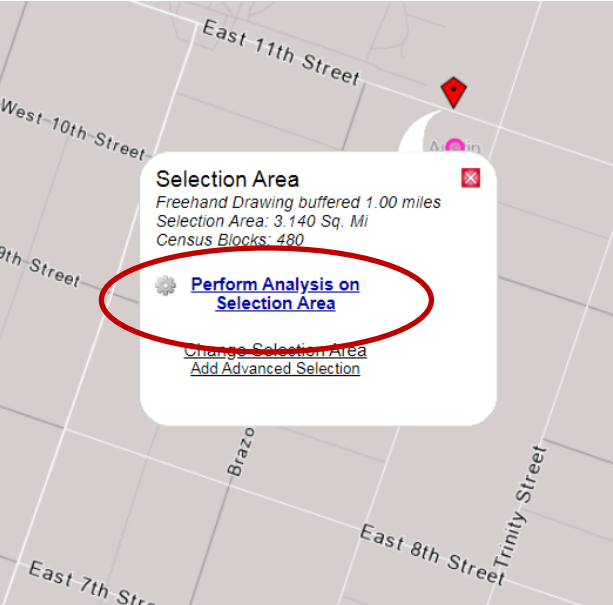
Donut
Inside Radius: miles
Outside Radius: miles

Plume
Start Radius: miles
End Radius: miles

After clicking “Simple/Ring” and inputting “1” for miles, click “Confirm Selection.”

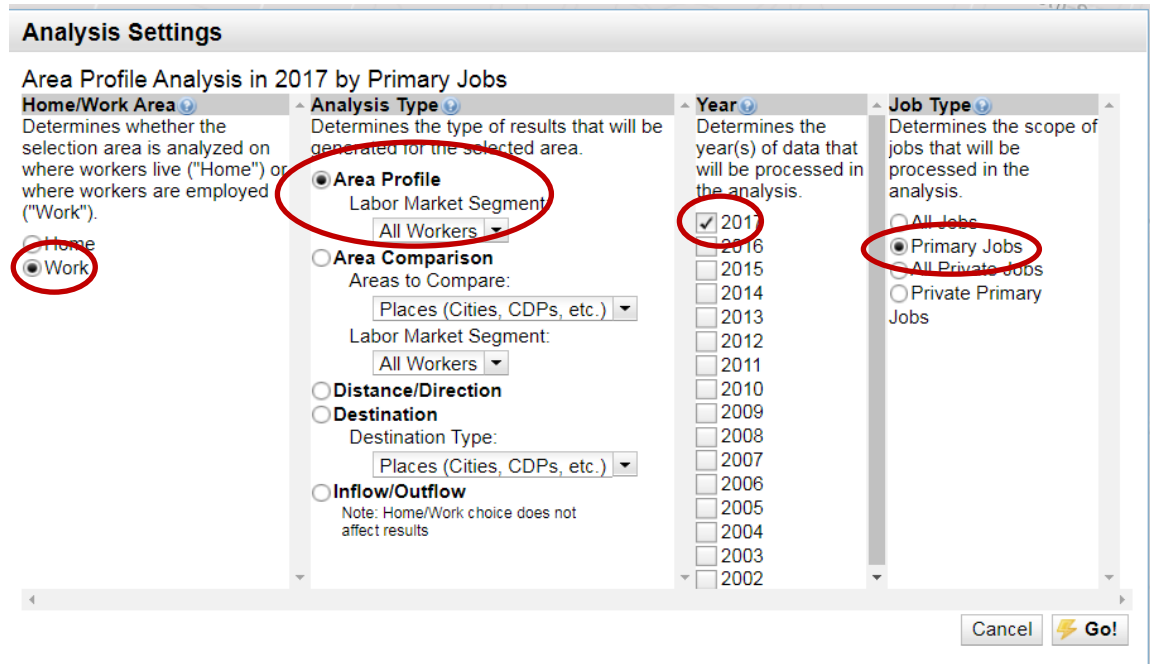


Then click “Perform Analysis on Selection Area”

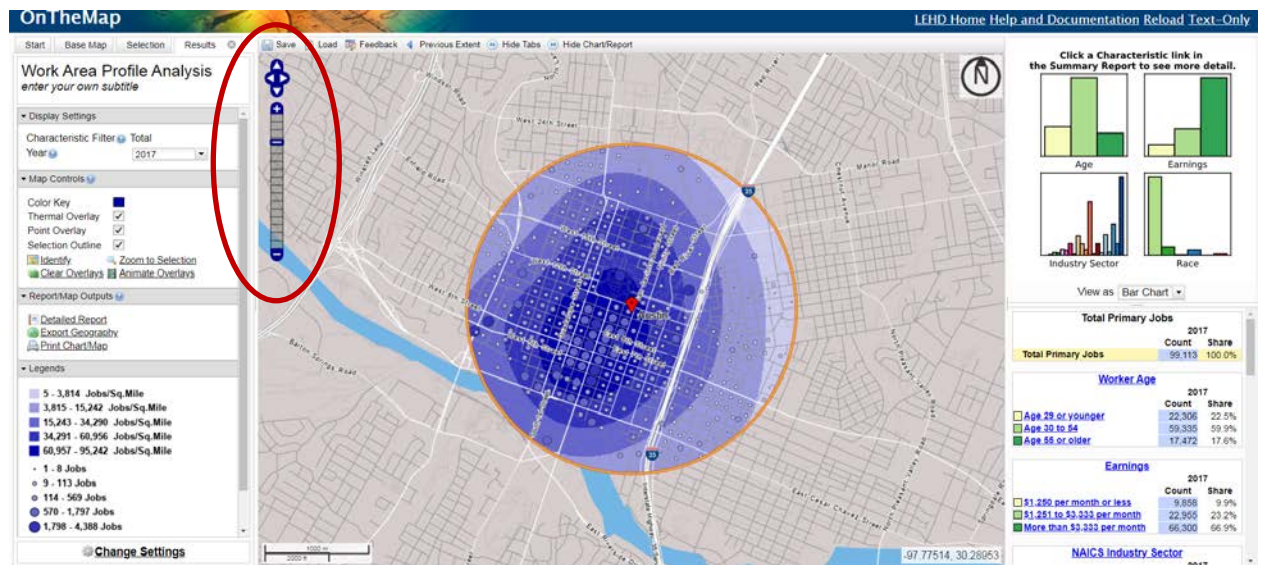


Then check the following boxes for certain categories: “Work” in column 1; “Area Profile” and “All Workers” in column 2; “2018” in column 3; and “Primary Jobs” in column 4. **Instead of 2017, you**

will choose 2018. While 2019 data may be available, it was not available prior to October 1, 2021 as required by the QAP.



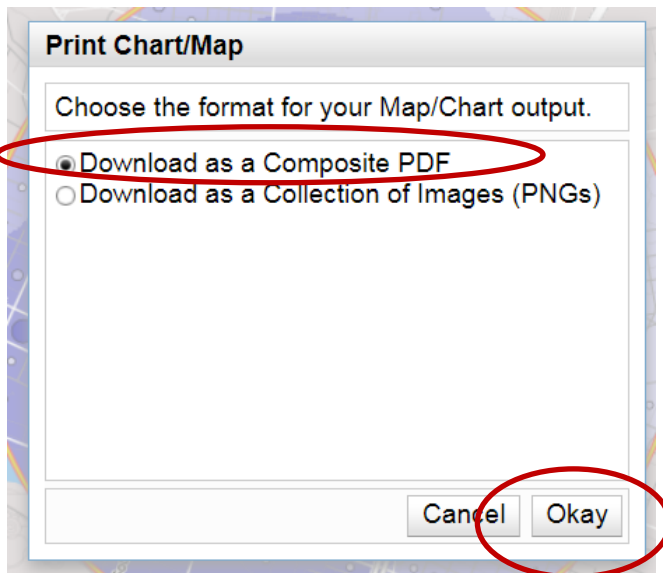
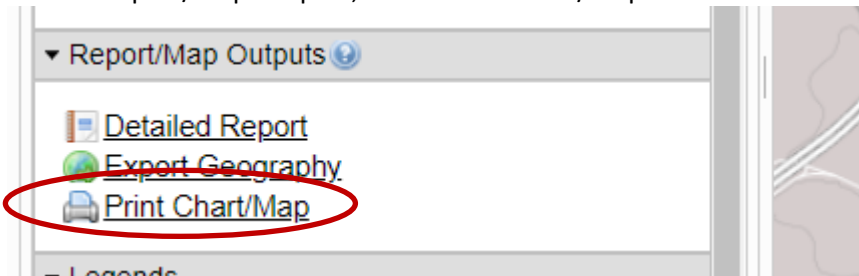
Click "Go." You will then see a screen showing the jobs analysis, similar to this:



Be sure to zoom out, using the zoom tools circled above, so that the entire 1 mile radius can be seen around the spatial point.

IMPORTANT: take a screen shot at this point to show evidence of the coordinates ("ctrl, PrtScn" on the keyboard, then paste to a blank document, format as needed, then pdf). Include the screenshot behind Tab 2 in the pdf application.

Under “Report/Map Outputs,” click “Print Chart/Map.”



Select “Download as a Composite PDF” and then click “Okay.”



Work Area Profile Report Primary Jobs for All Workers in 2017

Created by the U.S. Census Bureau's OnTheMap <https://onthemap.ces.census.gov> on 10/24/2019

Counts and Density of Primary Jobs in Work Selection Area in 2017 All Workers

This produces a PDF report, with the map and the total job count. This report also has a time stamp so that staff can confirm that the report was generated on or after October 1, 2021 but before the Pre-Application Final Delivery Date. **Include this report plus the screen shot in the pdf application.**

Proof that the Census on the Map Report is required to be printed on or after October 1, 2021 but before the Pre-Application Final Delivery Date.

- Part 4 – Concerted Revitalization:** If claiming points, be sure that no points are being claimed under the Opportunity Index. Complete the appropriate boxes and select amenities in the Urban or Rural section of Opportunity Index. **The CRP Packet is required for Urban and Rural Applications requesting these points, and must be included behind Tab 10.** Make sure supporting documentation is included in the

Excerpt from the 2022 QAP stating required documentation associated with Proximity to Jobs Areas point category.

required to continue to specifically market Units to Persons with Special Housing Needs. (2 points)

(B) If the Development has committed units under §11.9(c)(6)(A), the Development must commit at least an additional 2% of the total Units to Persons referred from the Continuum of Care or local homeless service providers to be made available for those experiencing homelessness. Rejection of an applicant's tenancy for those referred may not be for reasons of credit history or prior rental payment history. Throughout the Compliance Period, unless otherwise permitted by the Department, the Development Owner agrees to specifically market the 2% of Units through the Continuum of Care and other homelessness providers local to the Development Site. In addition, the Department will require an initial minimum twelve-month period in Urban subregions, and an initial six-month period in Rural subregions, during which Units must either be occupied by Persons referred from the Continuum of Care or local homeless service providers, or held vacant, unless the Units receive HOME funds from any source. After the initial twelve-month or six-month period, the Development Owner will no longer be required to hold Units vacant but will be required to continue to provide quarterly notifications to the Continuum of Care and other homeless service providers local to the Development Site on the availability of Units at the Development Site. Developments are not eligible under this paragraph unless points have also been selected under §11.9(c)(6)(A). (1 point)

(C) If the Development is located in a county with a population of 1 million or more, but less than 4 million, and is located not more than two miles from a veteran's hospital, veteran's affairs medical center, or veteran's affairs health care center, (which include all providers listed under the Veteran's Health Administration categories, excluding Benefits Administration offices, listed at this link https://www.va.gov/directory/guide/fac_list_by_state.cfm?State=TX&dnum=ALL) and agrees to provide a preference for leasing units in the Development to low income veterans. (1 point)

(7) Proximity to Job Areas. (§42(m)(1)(C)(i)) An Application may qualify to receive up to six (6) points if the Development Site is located in one of the areas described in subparagraphs (A) or (B) of this paragraph, and the Application contains evidence substantiating qualification for the points. The data used will be based solely on that available through US Census' OnTheMap tool. Jobs counted are limited to those based on the work area, all workers, and all primary jobs. Only the 2018 data set will be used, unless a newer data set is posted to the US Census website on or before October 1, 2021. The Development will use OnTheMap's function to import GPS coordinates that clearly fall within the Development Site, and the OnTheMap chart/map report submitted in the Application must include the report date. This scoring item will not apply to Applications under the At-Risk or USDA Set-Aside.

(A) Proximity to Jobs. For Development Sites within the boundaries of a municipality of 500,000 or more, or the unincorporated areas of a county with a population of 1 million or more, A Development may qualify for points under this subparagraph if it meets one of the criteria in clauses (i) - (vi) of this subparagraph.

(i) The Development is located within 2 miles of 16,500 jobs. (6 points)

(ii) The Development is located within 2 miles of 13,500 jobs. (5 points)

(iii) The Development is located within 2 miles of 10,500 jobs. (4 points)

22219

-

Celebration Paris

-

**Request for Administrative
Deficiency**

Paris View Apartments, LP

1329 East Lark Street
Springfield, MO 65804

May 6, 2022

Cody Campbell
Director of Multifamily Finance
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701

RE: Request for Administrative Deficiency #22219 – Celebration Paris

Dear Mr. Campbell:

Pursuant to 10 TAC §11.10, Paris View Apartments, LP respectfully requests staff to review the lack of documentation provided behind Tab 23d (Architect Certification) and documentation behind Tabs 37 (Org Charts), 38 (List of Orgs & Principals), and 44 (Experience) provided by the applicant for application #22219 – Celebration Paris.

10 TAC §11.204 lists required documentation for application submissions, stating “The purpose of this section is to identify the threshold documentation that is required at the time of Application submission, unless specifically indicated or otherwise required by Department rule.” This part of the Qualified Allocation Plan (“QAP”) is a requirement of statute (Tex. Gov’t Code Chapter 2306), which establishes the need for threshold criteria and states in 2306.6710: “The Department shall reject and return to the applicant any application that fails to satisfy the threshold criteria.” Among the documentation required in 11.204 of the QAP are:

- Engineer/Architect Certification Form “executed by the Development engineer or accredited architect” (11.204(3))
- An experience certificate issued to a “natural Person, with control of the Development who intends and has the ability to remain in control through placement in service [...]” (11.204(6)(A))

With respect to Application #22219, the Applicant failed to include the required Architect Certification and provided documentation behind Tabs 37, 38, and 44 that does not appear to meet threshold requirements. The Experience Certificate behind Tab 44 is in the name of Kris Silverthorn, whose corporation (Landsdowne Development, Inc.) owns 3% of the 95% co-developer (J-L Paris Development Partners, LLC) according to the Developer Org Chart in Tab 37. No ability to control for either Landsdowne Development, Inc. or Kris Silverthorn is indicated in the Developer Org Chart. Furthermore, Landsdowne Development, Inc. is included in Tab 38 with “No” in response to the question “Ability to exercise Control over the Development?” Finally, the definition of Control in 11.1(d)(30) states the following with respect to limited liability companies such as J-L Paris Development Partners, LLC: “For limited liability companies, all managers, managing members, members having a 50% or more interest in the limited liability company, any individual Controlling such members, or any officer authorized to act on behalf of the limited liability company.” Based on the documentation provided in the Application, it does not appear that the threshold requirement for experience has been met.

Paris View Apartments, LP

1329 East Lark Street
Springfield, MO 65804

Both individually and collectively, we believe these errors represent Material Deficiencies as defined in 11.1(d)(79) of the QAP and should result in termination of the application.

We appreciate staff reviewing this matter. If you have any questions or would like further information, please do not hesitate to contact me at asinnett@wilhoitproperties.com or by phone at 631-241-3306.

Sincerely,

Andrew Sinnott

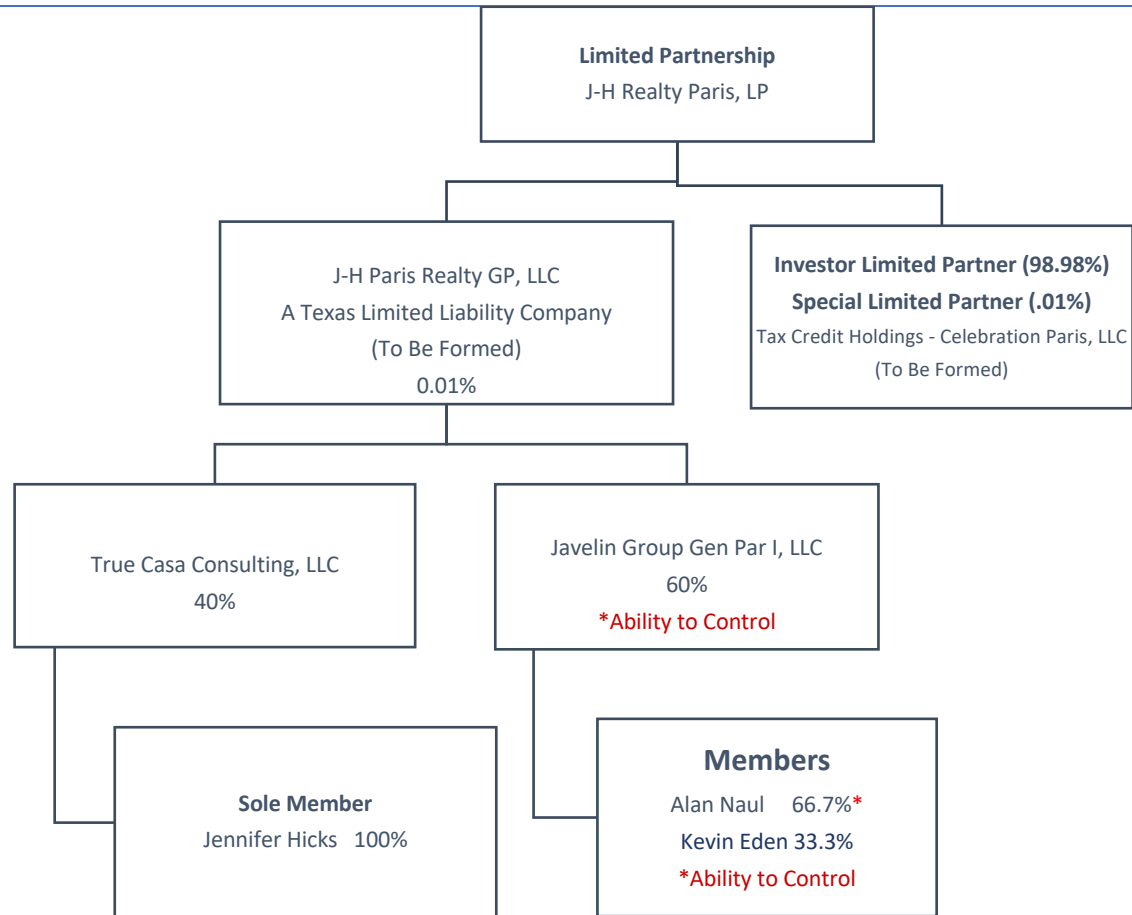
Andrew Sinnott
Representative of Paris View Apartments, LP

Attachments: Org Charts from Application
List of Organizations and Principals tab from Application
Experience Certificate from Application

Organizational Chart

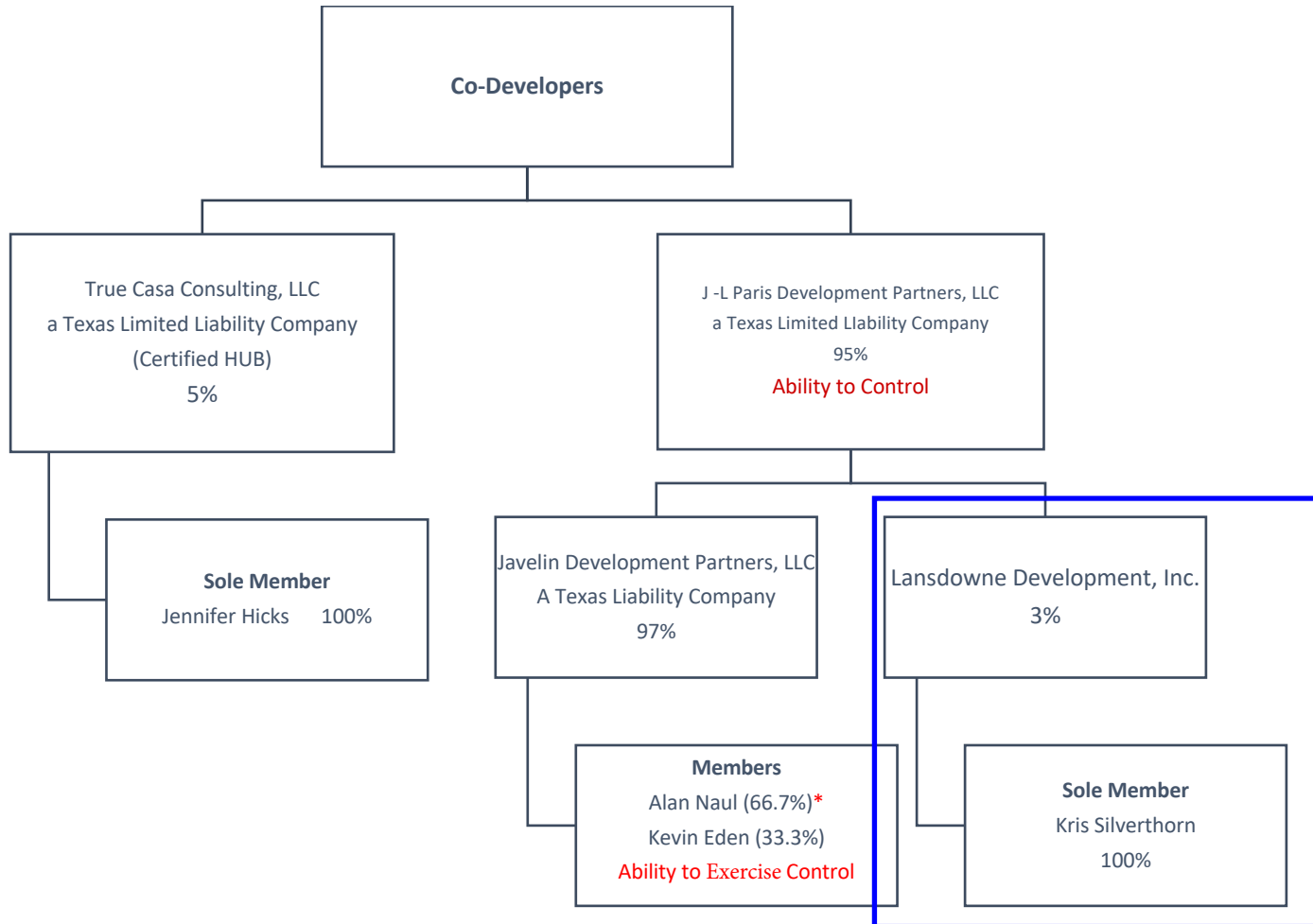
Celebration Paris

Owner Chart



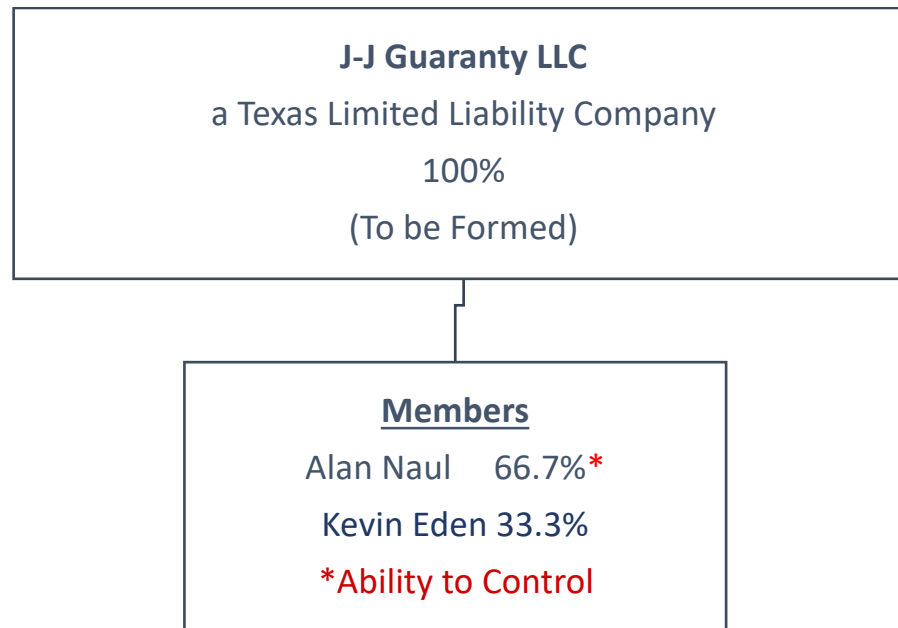
Organizational Chart Celebration Paris

Developer Chart



Organizational Chart
Celebration Paris

Guarantors Chart



List of Organizations and Principals

Provide ALL information for ALL partnerships, corporations, limited liability companies, trusts, or any other public or private entity and their Affiliates identified on the Owner and Developer Organization Charts. Organizations that own or control other organizations should also be identified until the only remaining sub-entity would be natural persons. Organizations that are Developers and/or Guarantors must also be listed on this form as must any organization (and natural person whose ownership interest in an applicable entity is direct instead of via membership in an organization) that will receive any portion of the developer fee whether by subcontract or otherwise, except if the Person is acting as a consultant with no Control. (Note - Entity Names, Principals, and ownership percentage should coincide with the Owner and Developer Organization Charts)

Refer to the definition of Control in 10 TAC §11.1(d)(30) to ensure compliance.

Applicant Legal Name: <u>J-H Realty Paris, LP</u>			
Address: <u>3899 Maple Ave, Suite 300</u>		City: <u>Dallas</u>	State: <u>TX</u> Zip: <u>75219</u>
Name(s) of Entities the Organization Owns or Controls: <u>N/A</u>			
Organization legally formed? <u>No</u>	Date formed: _____	Legal Org is or will be: <u>Limited Partnership</u>	
Previous TDHCA Experience? <u>No</u>	Phone: <u>(214) 215-8989</u>	Email: <u>alan@javgrp.com</u>	

Org. 1	Organization Legal Name: <u>J-H Paris Realty GP, LLC</u>		Role/Title: <u>General Partner</u>
	Address: <u>3899 Maple Ave, Suite 300</u>		City: <u>Dallas</u> State: <u>TX</u> Zip: <u>75219</u>
	Name(s) of Entities the Organization Owns or Controls: <u>J-H Realty Paris, LP</u>		
	Organization legally formed? <u>No</u>	Date formed: <u>TBF</u>	Legal Org is or will be: <u>imited Liability Compan</u>
	Previous TDHCA Experience? <u>No</u>	Phone: <u>(214) 215-8989</u>	Email: <u>alan@javgrp.com</u>
	Organization is identified on Org. Chart: <u>Yes</u>	Ability to exercise Control over the Development? <u>Yes</u>	
	List of Sub-Entities or Principals:		
	1. <u>Javelin Group Gen Par I, LLC</u>	2. <u>True Casa, LLC</u>	3. _____
	TDHCA Experience: <u>No</u>	TDHCA Experience: <u>Yes</u>	TDHCA Experience: _____
	4. _____	5. _____	6. _____
TDHCA Experience: _____	TDHCA Experience: <u>Yes</u>	TDHCA Experience: _____	
7. _____	8. _____	9. _____	
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____	
10. _____	11. _____	12. _____	
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____	

Org. 2	Organization Legal Name: <u>Javelin Group Gen Par I, LLC</u>		Role/Title: <u>Managing Mbr of GP</u>
	Address: <u>3899 Maple Ave, Suite 300</u>		City: <u>Dallas</u> State: <u>TX</u> Zip: <u>75219</u>
	Name(s) of Entities the Organization Owns or Controls: <u>J-H Realty Paris, LP & J-H Paris Realty GP, LLC</u>		
	Organization legally formed? <u>No</u>	Date formed: <u>TBF</u>	Legal Org is or will be: <u>imited Liability Compan</u>
	Previous TDHCA Experience? <u>No</u>	Phone: <u>(214) 215-8989</u>	Email: <u>alan@javgrp.com</u>
	Organization is identified on Org. Chart: <u>Yes</u>	Ability to exercise Control over the Development? <u>Yes</u>	
	List of Sub-Entities or Principals:		
	1. <u>Alan Naul</u>	2. <u>Kevin Eden</u>	3. _____
	TDHCA Experience: <u>No</u>	TDHCA Experience: <u>No</u>	TDHCA Experience: _____
	4. _____	5. _____	6. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____	
7. _____	8. _____	9. _____	
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____	
10. _____	11. _____	12. _____	
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____	

Org. 3	Organization Legal Name: <u>True Casa Consulting, LLC</u>		Role/Title: <u>Member of GP & Co-Developer</u>
	Address: <u>3000 Skylark Dr.</u>		City: <u>Austin</u> State: <u>TX</u> Zip: <u>78757</u>

Name(s) of Entities the Organization Owns or Controls: J-H Realty Paris, LP & J-H Paris Realty GP, LLC

Organization legally formed? Yes Date formed: _____ Legal Org is or will be: limited Liability Compan

Previous TDHCA Experience? Yes Phone: (512) 924-3479 Email: jennifer@truecasa.net

Organization is identified on Org. Chart: Yes Ability to exercise Control over the Development? No

List of Sub-Entities or Principals:

1. <u>Jennifer Hicks</u>	2. _____	3. _____
TDHCA Experience: <u>Yes</u>	TDHCA Experience: _____	TDHCA Experience: _____
4. _____	5. _____	6. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____
7. _____	8. _____	9. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____
10. _____	11. _____	12. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____

Org. **4** Organization Legal Name: J-L Paris Development Partners, LLC Role/Title Co-Developer

Address: 3899 Maple Ave., Suite 300 City: Dallas State: TX Zip: 75219

Name(s) of Entities the Organization Owns or Controls: J-H Realty Paris, LP

Organization legally formed? No Date formed: TBF Legal Org is or will be: limited Liability Compan

Previous TDHCA Experience? No Phone: (214) 215-8989 Email: alan@javgrp.com

Organization is identified on Org. Chart: Yes Ability to exercise Control over the Development? Yes

List of Sub-Entities or Principals:

1. <u>Javelin Development Partners, LLC</u>	2. <u>Lansdowne Development Inc.</u>	3. _____
TDHCA Experience: <u>No</u>	TDHCA Experience: <u>No</u>	TDHCA Experience: _____
4. _____	5. _____	6. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____
7. _____	8. _____	9. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____
10. _____	11. _____	12. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____

Org. **5** Organization Legal Name: Javelin Development Partners, LLC Role/Title Co-Developer

Address: 3899 Maple Ave., Suite 300 City: Dallas State: TX Zip: 75219

Name(s) of Entities the Organization Owns or Controls: J-L Paris Development Partners, LLC

Organization legally formed? No Date formed: TBF Legal Org is or will be: limited Liability Compan

Previous TDHCA Experience? No Phone: (214) 215-8989 Email: alan@javgrp.com

Organization is identified on Org. Chart: Yes Ability to exercise Control over the Development? Yes

List of Sub-Entities or Principals:

1. <u>Alan Naul</u>	2. <u>Kevin Eden</u>	3. _____
TDHCA Experience: <u>No</u>	TDHCA Experience: <u>No</u>	TDHCA Experience: _____
4. _____	5. _____	6. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____
7. _____	8. _____	9. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____
10. _____	11. _____	12. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____

Org. **6** Organization Legal Name: Lansdowne Development, Inc. Role/Title Co-Developer

Address: 4849 Greenville Ave. City: Dallas State: TX Zip: 75206

Name(s) of Entities the Organization Owns or Controls: J-L Paris Development Partners, LLC

Organization legally formed? Yes Date formed: _____ Legal Org is or will be: Corporation

Previous TDHCA Experience? No Phone: (214) 521-4446 Email: _____

Organization is identified on Org. Chart: Yes Ability to exercise Control over the Development? No

List of Sub-Entities or Principals:

1. <u>Kris Silverthorn</u>	2. _____	3. _____
TDHCA Experience: <input checked="" type="checkbox"/> No	TDHCA Experience: _____	TDHCA Experience: _____
4. _____	5. _____	6. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____
7. _____	8. _____	9. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____
10. _____	11. _____	12. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____

Org. **7** Organization Legal Name: J-J Guaranty, LLC Role/Title Guarantor

Address: 3899 Maple Ave., Suite 300 City: Dallas State: TX Zip: 75219

Name(s) of Entities the Organization Owns or Controls: J-H Realty Paris, LP

Organization legally formed? No Date formed: TBF Legal Org is or will be: limited Liability Company

Previous TDHCA Experience? No Phone: (214) 215-8989 Email: alan@javgrp.com

Organization is identified on Org. Chart: Yes Ability to exercise Control over the Development? Yes

List of Sub-Entities or Principals:

1. <u>Alan Naul</u>	2. <u>Kevin Eden</u>	3. _____
TDHCA Experience: <input checked="" type="checkbox"/> No	TDHCA Experience: <input checked="" type="checkbox"/> No	TDHCA Experience: _____
4. _____	5. _____	6. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____
7. _____	8. _____	9. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____
10. _____	11. _____	12. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____

Org. Organization Legal Name: _____ Role/Title _____

Address: _____ City: _____ State: _____ Zip: _____

Name(s) of Entities the Organization Owns or Controls: _____

Organization legally formed? _____ Date formed: _____ Legal Org is or will be: _____

Previous TDHCA Experience? _____ Phone: _____ Email: _____

Organization is identified on Org. Chart: _____ Ability to exercise Control over the Development? _____

List of Sub-Entities or Principals:

1. _____	2. _____	3. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____
4. _____	5. _____	6. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____
7. _____	8. _____	9. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____
10. _____	11. _____	12. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____

Org. Organization Legal Name: _____ Role/Title _____

Address: _____ City: _____ State: _____ Zip: _____

Name(s) of Entities the Organization Owns or Controls: _____

Organization legally formed? _____ Date formed: _____ Legal Org is or will be: _____

Previous TDHCA Experience? _____ Phone: _____ Email: _____

Organization is identified on Org. Chart: _____ Ability to exercise Control over the Development? _____

List of Sub-Entities or Principals:

Evidence of Experience Must be Provided Behind this Tab

Pursuant to §11.204(6) of the QAP, a Principal of the Developer, Development Owner, or General Partner must establish that they have experience in the development of 150 units or more.

Evidence of experience behind this tab includes:



- An Experience certificate issued by the Department in the years 2014-2021.
- An Experience certificate issued by the Department under the 2022 QAP.
- An Application for experience and supporting documentation in accordance with §11.204(6)(A)(i)-(ix).
- Evidence from the Department that the application for experience was received and is being processed by the Department.

Alternatively, pursuant to §13.5(h)(1) of the Multifamily Direct Loan Rule, Applicants requesting MFDL as the only source of Department funds may meet the Experience Requirement by providing evidence of the successful development and operation for at least 5 years of at least twice as many affordability restricted units as requested in the Application.

- Documentation provided behind this tab meets the alternative Experience Requirement in §13.5(h)(1).

DUNS Number and System for Award Management (SAM.gov) registration (Direct Loan Applications Only)

The Office of Management and Budget (OMB) requires grant applicants to provide a Dunn and Bradstreet (D&B) Data Universal Numbering System (DUNS) number when applying for Federal grants, including Direct Loan funds, on or after October 1, 2003. The DUNS number will supplement other identifiers required by statute or regulation, such as tax identification numbers. To apply for a DUNS number applicants can go to the Dunn & Bradstreet website:

<http://fedgov.dnb.com/webform>

Once applicants have obtained a DUNS number, they must register with the SAM database:

<https://sam.gov/portal/public/SAM>

Applicants may provide this information with the Application or upon award.



- N/A** Evidence of SAM.gov registration for the applicant entity is attached behind this tab.
- N/A** Evidence of SAM.gov registration for the applicant entity will be provided upon award.

Davis Bacon Labor Standards (Direct Loan Applications Only)

24 CFR §92.354, Davis-Bacon Act (40 U.S.C. §§276(a)-276(a)(5), the Davis-Bacon Related Acts, the Contract Work Hours and Safety Standards Act, and the Copeland (Anti-Kickback) Act (40 U.S.C. §276(c)) apply to developments being assisted with Direct Loan funds if (Select all that apply):

- N/A** Twelve (12) or more Direct Loan-assisted units will be rehabilitated or constructed under one construction contract.
- N/A** Community Development Block Grant (CDBG) funds (including NSP1 PI) are being used to support the Development, which requires a lower number of units (8) be used as a threshold.



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

www.tdhca.state.tx.us

Greg Abbott
GOVERNOR

BOARD MEMBERS

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Sharon Thomason, Member
Leo Vasquez, Member

October 30, 2020

Writer's direct dial: 512-475-1676
Email: marni.holloway@tdhca.state.tx.us

Mr. Kris Silverthorn
c/o Janna Cormier
1305 East 6th Street, Suite 12
Austin, Texas 78702

RE: REQUEST FOR EXPERIENCE CERTIFICATE UNDER 2020 QUALIFIED ALLOCATION PLAN

Dear Mr. Silverthorn:

We have reviewed your request for an experience certificate, which is provided to individuals that meet the requirements of §11.204(6) of the 2020 Qualified Allocation Plan. In order to meet the experience requirements an individual must establish that they have experience in the development and placement in service of at least 150 residential units. We find that the documentation you have provided is sufficient to establish this required experience. Additionally, you have certified to compliance with the requirements of §11.204(6)(B), including the following requirements:

(ii) Experience may not be established for a Person who at any time within the preceding three years has been involved with affordable housing in another state, in which the Person or Affiliate has been the subject of issued IRS Form 8823 citing non-compliance that has not been or is not being corrected with reasonable due diligence. ...

(iv) Notwithstanding the foregoing, no person may be used to establish such required experience if that Person or an Affiliate of that Person would not be eligible to be an Applicant themselves.

Should you choose to participate as a member of the Development Team or an individual providing experience for any Application submitted for funding, a Previous Participation Review (10 TAC §1.5) may be conducted prior to any award of funds. Additionally, should it be determined at any point in time that the information provided in your request for experience is fraudulent, knowingly falsified, intentionally or negligibly materially misrepresented, or omits relevant information, this certificate of



experience is null and void and you may be subject to other sanctions under the Texas Department of Housing and Community Affairs' rules and requirements.

If you have any questions or concerns regarding this certificate or the experience requirements, please contact Marni Holloway at marni.holloway@tdhca.state.tx.us.

Sincerely,

**Marni
Holloway**

Digitally signed by
Marni Holloway
Date: 2020.10.30
08:54:23 -05'00'

Marni Holloway
Director of Multifamily Finance

EBH

22220

-

Burkburnett Royal Gardens

-

**Request for Administrative
Deficiency**



May 6, 2022

Cody Campbell
Director of Multifamily Programs
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

and

Colin Nickells
Administrator
9% Competitive Housing Tax Credit Program
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

Re: 3rd Party Request for Administrative Deficiency
TDHCA # 22220 Burkburnett Royal Gardens

Messrs. Campbell and Nickells,

Following the 2022 Qualified Allocation Plan (QAP) adopted by the Texas Department of Housing and Communities Affairs (TDHCA) - 10 TAC Chapter 11.10, the following is a Third Party Request for Administrative Deficiency (RFAD) in reference to Application #22220 Burkburnett Royal Gardens located in Burkburnett, Wichita County, Texas.

The basis for this RFAD is that the Market Analysis provider does not comply with §11.303(c) of the 2022 QAP and Texas Government Code 2306.67055.

The market study provider, Novogradac Consulting, LLP, is not an approved provider by TDHCA as evidenced by the List of Approved Market Analyst, updated October 19, 2021, as provided in Exhibit A. Additionally, Novogradac Consulting, LLP is not registered with the Texas Secretary of State ("SOS") as a legal entity to do business in the State of Texas as evidenced in the SOS search list, and provided in Exhibit B. Although there is a Novogradac Consulting Services, LLP entity registered with the SOS to do business in the State of Texas, the 22220 market study report certification page and the letterhead clearly state Novogradac Consulting, LLP, as evidenced in Exhibit C.

Texas Government Code 2306.67055 and §11.303(c) of the Qualified Allocation Plan require that the market study be submitted by a qualified market analyst that is approved by TDHCA, as evidenced in Exhibit D. The market study report provided for application #22220 was not prepared by a qualified,



approved market analyst. Therefore, it is in violation of not only the QAP, but also statutory requirements. The market report should not be eligible for consideration and the market analyst should not be allowed to resubmit as this would represent a material change to the application after the April 1st, 2022 deadline.

Thank you for your careful consideration of this request.

Sincerely,

C. Breck Kean

C. Breck Kean
Rea Ventures Group, LLC
404-226-2591
breckkean@reaventures.com

CC: TDHCA Real Estate Analysis – Jeanna Adams jeanna.adams@tdhca.state.tx.us

Applicant – Noor Jooma noorjooma@gmail.com

2nd Contact – Lora Myrick lora@betcohousinglab.com

Attachments

Exhibit A – TDHCA List of Approved Market Analysts

Exhibit B – Search List from SOS

Exhibit C – Letterhead from Market Study Report

Exhibit D – Excerpts 2306.67055 and 11.303(c)



EXHIBIT A

Real Estate Analysis

REA Archive

Contact List

Related Websites

Approved Market Analysts

26 USC Section 42 (m)(1)(A)(iii): a comprehensive market study of the housing needs of low-income individuals in the area to be served by the project is conducted before the credit allocation is made and at the developer's expense by a disinterested party who is approved by such agency.

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(To view and print PDF, DOC, XLS, PPT and PPS files)

List of Approved Market Analysts

Updated: October 19, 2021

Table with 2 columns: Consultant, Website. Lists various market analysis firms and their websites.

To be included on the approved list, market analysts must provide a response to the Request for Qualifications to Provide Market Study/Analysis. In addition, submitted market analyses must comply with the Department's Market Analysis Rules and Guidelines. These documents can be accessed from https://www.tdhca.state.tx.us/rea/#mktanalysis.

For more information, contact Tom Cavanagh (tom.cavanagh@tdhca.state.tx.us) at 512 475-0322



EXHIBIT B



Texas Secretary of State
John B. Scott

[UCC](#) [Business Organizations](#) [Trademarks](#) [Notary](#) [Account](#) [Help/Fees](#) [Briefcase](#) [Logout](#)

FIND ENTITY NAME SEARCH

This search was performed with the following search parameter:

ENTITY NAME : novogradac

Mark	Filing Number	Name	Entity Type	Entity Status	Name Type	Name Status
<input type="radio"/>	500363729	NOVOGRADAC & COMPANY LLP	Foreign Limited Liability Partnership (LLP)	Expired	Legal	Inactive
<input type="radio"/>	500622429	NOVOGRADAC & COMPANY LLP	Foreign Limited Liability Partnership (LLP)	Expired	Legal	Inactive
<input type="radio"/>	801964123	NOVOGRADAC & COMPANY, LLP	Foreign Limited Liability Partnership (LLP)	Expired	Legal	Inactive
<input type="radio"/>	802421335	Novogradac & Company LLP	Foreign Limited Liability Partnership (LLP)	In existence	Legal	In use
<input type="radio"/>	802421335	Novogradac & Company LLP	Foreign Limited Liability Partnership (LLP)	In existence	Legal	Inactive
<input type="radio"/>	801859934	NOVOGRADAC ACCOUNTING SERVICES LLP	Foreign Limited Liability Partnership (LLP)	In existence	Legal	In use
<input type="radio"/>	801859934	NOVOGRADAC ACCOUNTING SERVICES LLP	Foreign Limited Liability Partnership (LLP)	In existence	Legal	Inactive
<input type="radio"/>	801993232	Novogradac Consulting Services LLP	Foreign Limited Liability Partnership (LLP)	In existence	Legal	In use
<input type="radio"/>	801993232	Novogradac Consulting Services LLP	Foreign Limited Liability Partnership (LLP)	In existence	Legal	Inactive

[Return to Order](#) [New Search](#)

Instructions:

- To view additional information pertaining to a particular filing select the number associated with the name.
- To place an order for additional information about a filing select the radial button listed under 'Mark' that is associated with the entity and press the 'Order' button.

- SOSDirect - Business Filings
- Business Copies and Certificates
- Uniform Commercial Code
- Texas Businesses Against Trafficking
- Texas.gov
- VoteTexas.gov - Voter Information
- Register to Vote & Voter I.D.
- Website Policies
- Open Records
- Contact us
- Texas Homeland Security
- Where the Money Goes
- Fraud Reporting
- Texas Veterans Portal



EXHIBIT C

CERTIFICATION

The undersigned hereby certify that:

We have no present or contemplated future interest in the real estate that is the subject of this market study; the opinions expressed in this report are not based in whole or part upon race, color, or national origin of the current/prospective owners or occupants; We have no personal interest or bias with respect to the subject matter of this market study report or the parties involved.

Our compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event; The assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

This consulting report sets forth all of the limiting conditions (imposed by the terms of this assignment or by the undersigned) affecting the analyses, opinions, and conclusions contained in this report; our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

Zach Barry has personally inspected the Subject property. Sophia Bourne and Ryan Browder provided much of the research in this report. Rebecca S. Arthur, MAI, has reviewed all of the comparable market data, provided oversight and completed the final review of this Market Study. All referenced parties are competent to perform such analyses.

Novogradac Consulting LLP certifies it is in good standing with the State of Texas as evidenced by being an approved service provider by the TDHCA.



Rebecca S. Arthur, MAI
Partner
Rebecca.Arthur@novoco.com
913-312-4615



Sophia Bourne
Analyst
Sophia.Bourne@novoco.com
858-736-7507



Ryan Browder
Manager
Ryan.Browder@novoco.com
469-329-5216



Zachary Barry
Junior Analyst



NOVOGRADAC
Consulting LLP®

March 24, 2022

Noorallah Jooma
Burkburnett Royal Gardens, LLC
PO Box 113267
Carrollton, TX 75011

And

Texas Department of Housing & Community Affairs (TDHCA)
221 East 11th Street
Austin, TX 78701

Re: Burk Burnett Royal Gardens
Located approximately at 350 DW Taylor Pathway
Burkburnett, Wichita County, Texas 76354

Dear Mr. Jooma:

At your request, **Novogradac Consulting LLP** has performed a study of the rental market in the Burk Burnett, Wichita County, Texas area relative to the above-referenced proposed new construction Low Income Housing Tax Credit (LIHTC)/market project known as Burk Burnett Royal Gardens (Subject).

The purpose of this market study is to assess the viability of the Subject, a proposed LIHTC/market rate new construction multifamily development. The Subject will offer a total of 80 one, two, and three-bedroom units restricted to households earning 30, 50, and 60 percent of the area median income (AMI), or less, in addition to unrestricted market rate units. This report will be used for submission to TDHCA for funding application purposes.

The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. Zachary Barry inspected the Subject site on February 14, 2022; this serves as the effective date of this report. The scope of this report includes the following:

- Inspection of the Subject, Comparable Properties and Neighborhood
- Project Description
- Market Area Analysis
- Supply Analysis
- Demand Analysis
- Rent Analysis
- Anticipated Market Absorption Analysis
- Conclusions and Recommendations

This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The depth of discussion contained in the report is specific to the needs of the client and the requirements of the TDHCA. The report and the conclusions are subject to the *Assumptions and Limiting Conditions* attached.

Novogradac Consulting LLP adheres to market study guidelines promulgated by the National Council of Housing Market Analysts (NCHMA). NCHMA is a professional organization chartered to promote the development of high-quality market analysis for the affordable housing industry. Novogradac is a charter member of this organization. NCHMA has compiled model content standards for market studies. This report, which Novogradac certifies as a NCHMA-compliant comprehensive market analysis full narrative report, conforms to those standards; any slight modifications or departures from those standards are considered incidental. Novogradac is a disinterested third party. The report and the conclusions are subject to the Assumptions and Limiting Conditions attached. Additionally, Novogradac is an approved Qualified Market Analyst as defined by TDHCA.

Burkburnett Royal Gardens, LLC is the client of this report and TDHCA is granted full authority to rely on the findings of the report. The authors of this report certify that we are not part of the development team, owner of the Subject property, general contractor, nor are we affiliated with any member of the development team engaged in the development of the Subject property or the development's partners or intended partners. Novogradac Consulting LLP is a disinterested party and will not materially benefit from the Development in any other way than receiving a fee for performing the Market Analysis, and the fee is in no way contingent upon the outcome of the Market Analysis.

The authors of this report certify that we are not part of the development team, owner of the Subject property, general contractor, nor are we affiliated with any member of the development team engaged in the development of the Subject property or the development's partners or intended partners. Any person signing this Report acknowledges that the Department may publish the full report on the Department's website, release the report in response to a request for public information, and make other use of the report as authorized by law. All persons signing this report have read and understand the requirements of the Texas Department of Housing and Community Affairs (TDHCA) 2022 Real Estate Analysis Rules and Guidelines particularly Section 11.303. We have read and understood the requirements of Subchapter D - Underwriting and Loan Policy section. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions.

Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac Consulting LLP can be of further assistance. It has been our pleasure to assist you with this assignment.

Respectfully submitted,
Novogradac Consulting LLP



Rebecca S. Arthur, MAI
Partner
Rebecca.Arthur@novoco.com
913-312-4615



Sophia Bourne
Analyst
Sophia.Bourne@novoco.com
858-736-7507



Ryan Browder
Manager
Ryan.Browder@novoco.com
469-329-5216



Zachary Barry
Junior Analyst

EXHIBIT D

(5) Exceptions. The infeasibility conclusions will not apply if:

(A) The Executive Director of the Department finds that documentation submitted by the Applicant at the request of the Underwriter will support unique circumstances that will provide mitigation.

(B) Developments not meeting the requirements of one or more of paragraphs (3)(A) or (4) of this subsection will be re-characterized as feasible if one or more of clauses (i) - (v) of this subparagraph apply. A Development financed with a Direct Loan will not be re-characterized as feasible with respect to (4)(B). The Development:

(i) will receive Project-based Section 8 Rental Assistance or the HUD Rental Assistance Demonstration Program for at least 50% of the Units and a firm commitment, with terms including Contract Rent and number of Units, is submitted at Application;

(ii) will receive rental assistance for at least 50% of the Units in association with USDA financing;

(iii) will be characterized as public housing as defined by HUD for at least 50% of the Units;

(iv) meets the requirements under §11.1(126)(E)(i) as Supportive Housing and there is an irrevocable commitment, as evidenced by resolution from the sponsor's governing board, to fund operating deficits over the entire Affordability Period;; or

(v) has other long term project based restrictions on rents for at least 50% of the Units that allow rents to increase based upon expenses and the Applicant's proposed rents are at least 10% lower than both the Net Program Rent and Market Rent.

§11.303. Market Analysis Rules and Guidelines.

(a) General Provision. A Market Analysis prepared for the Department must evaluate the need for decent, safe, and sanitary housing at rental rates or sales prices that eligible tenants can afford. The analysis must determine the feasibility of the subject Development rental rates or sales price, and state conclusions as to the impact of the Development with respect to the determined housing needs. The Market Analysis must include a statement that the report preparer has read and understood the requirements of this section. The Market Analysis must also include a statement that the person or company preparing the Market Analysis is a disinterested party and will not materially benefit from the Development in any other way than receiving a fee for performing the Market Analysis, and that the fee is in no way contingent upon the outcome of the Market Analysis. The report must also include the following statement, "any person signing this Report acknowledges that the Department may publish the full report on the Department's website, release the report in response to a request for public information and make other use of the report as authorized by law."

(b) Self-Contained. A Market Analysis prepared for the Department must allow the reader to understand the market data presented, the analysis of the data, and the conclusions derived from such data. All data presented should reflect the most current information available and the report must provide a parenthetical (in-text) citation or footnote describing the data source. The analysis must clearly lead the reader to the same or similar conclusions reached by the Market Analyst. All steps leading to a calculated figure must be presented in the body of the report.

(c) Market Analyst Qualifications. A Market Analysis submitted to the Department must be prepared and certified by an approved Qualified Market Analyst. (§2306.67055) The Department will maintain an approved Market Analyst list based on the guidelines set forth in paragraphs (1) - (2) of this subsection.

(1) The approved Qualified Market Analyst list will be updated and published annually on or about November 1st. If not listed as an approved Qualified Market Analyst by the Department, a Market Analyst may request approval by submitting items in subparagraphs (A) - (F) of this paragraph at least 30 calendar days prior to the first day of the competitive tax credit Application Acceptance Period or 30 calendar days prior to submission of any other application for funding for which the Market Analyst must be approved. An already approved Qualified Market Analyst will remain on the list so long as at least one (1) Market Analysis has been submitted to the Department in the previous 12 months or items (A), (B), (C) and (E) are submitted prior to October 1st. Otherwise, the Market Analyst will automatically be removed from the list. Submission items include:

(A) Franchise Tax Account Status from the Texas Comptroller of Public Accounts (not applicable for sole proprietorships);

(B) A current organization chart or list reflecting all members of the firm who may author or sign the Market Analysis. A firm with multiple offices or locations must indicate all members expected to be providing Market Analysis;

(C) Resumes for all members of the firm or subcontractors who may author or sign the Market Analysis;

(D) General information regarding the firm's experience including references, the number of previous similar assignments and timeframes in which previous assignments were completed;

(E) Certification from an authorized representative of the firm that the services to be provided will conform to the Department's Market Analysis Rules and Guidelines, as described in this section, in effect for the Application Round in which each Market Analysis is submitted; and

(F) A sample Market Analysis that conforms to the Department's Market Analysis Rules and Guidelines, as described in this section, in effect for the year in which the sample Market Analysis is submitted.

(2) During the underwriting process each Market Analysis will be reviewed and any discrepancies with the rules and guidelines set forth in this section may be identified and require timely correction. Subsequent to the completion of the Application Round and as time permits, staff or a review appraiser will re-review a sample set of submitted market analyses to ensure that the Department's Market Analysis Rules and Guidelines are met. If it is found that a Market Analyst has not conformed to the Department's Market Analysis Rules and Guidelines, as certified to, the Market Analyst will be notified of the discrepancies in the Market Analysis and will be removed from the approved Qualified Market Analyst list.

(A) In and of itself, removal from the list of approved Market Analysts will not invalidate a Market Analysis commissioned prior to the removal date and at least 90 days prior to the first day of the

Added by Acts 2001, 77th Leg., ch. 1367, Sec. 8.01, eff. Sept. 1, 2001. Amended by Acts 2003, 78th Leg., ch. 330, Sec. 20, eff. Sept. 1, 2003.

Sec. 2306.67055. MARKET ANALYSIS. (a) A market analysis submitted in conjunction with an application for housing tax credits must:

- (1) **be prepared by a market analyst approved by the department;** and
- (2) include an assessment of other developments that are supported by housing tax credits within the market area.

(b) The department, through the qualified allocation plan, shall develop:

- (1) a process for approving market analysts; and
- (2) a methodology for determining the market area to be examined in a market analysis.

Added by Acts 2003, 78th Leg., ch. 330, Sec. 21, eff. Sept. 1, 2003.

Sec. 2306.6706. ADDITIONAL APPLICATION REQUIREMENT: NONPROFIT SET-ASIDE ALLOCATION. (a) In addition to the information required by Section **2306.6705**, an application for a housing tax credit allocation from the nonprofit set-aside, as defined by Section 42(h)(5), Internal Revenue Code of 1986 (26 U.S.C. Section 42(h)(5)), must contain the following written, detailed information with respect to each development owner and each general partner of a development owner:

- (1) Internal Revenue Service documentation of designation as a Section 501(c)(3) or 501(c)(4) organization;
- (2) evidence that one of the exempt purposes of the nonprofit organization is to provide low income housing;
- (3) a description of the nonprofit organization's participation in the construction or rehabilitation of the development and in the ongoing operations of the development;
- (4) evidence that the nonprofit organization prohibits a member of its board of directors, other than a chief staff member

22222

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Paris View

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**Request for Administrative
Deficiency**

J-H Paris Realty GP, LLC

Paris, Texas

May 6, 2022

Via Email

Cody Campbell, Director of Multifamily Finance – cody.campbell@tdhca.state.tx.us
Colin Nickells, 9% HTC Administrator – colin.nickells@tdhca.state.tx.us
Texas Department of Housing and Community Affairs
221 E 11th Street
Austin, Texas 78701

Re: §11.10. Third Party Request for Administrative Deficiency;
TDHCA Application #22222 – Paris View Apartments, Paris, Texas;

Dear Mr. Campbell and Mr. Nickells,

Pursuant to §11.10 of the 2022 Qualified Allocation Plan (the “QAP”), please let this letter serve as our Third-Party Request for Administrative Deficiency (“RFAD”) with regards to Application #22222 (the “Paris View Apartments”). A copy of this RFAD is being delivered concurrently to representatives of the Paris View Apartments.

We have identified the following areas where the Application failed to meet threshold and/or failed to substantiate eligibility of points requested.

§11.201. Procedural Requirements for Application Submission of the QAP outline the requirements for Application submission and, in Subsection (1)(A) state that “**An Application must be complete (including all required exhibits and supporting materials)** and submitted by the required program deadline”. The Threshold issues identified below relate to this applications failure to meet application requirements.

Application Threshold Issue #1

The application failed to meet threshold in that site control does not contain all of the Multifamily Direct Loan language required by the Texas Administrative Code, Title 10, Part 1, Chapter 13, Rule §13.5(d) Required Site Control Agreement Provisions. This application is for an allocation of Federal tax credits and the award of a Multifamily Direct Loan in the amount of \$3,850,000. In accordance with §13.5(d), all Applicants for MFDL funds must include the following provisions in the purchase contract or site control agreement if the subject property is not already owned by the Applicant:

(1) "Notwithstanding any other provision of this Contract, Purchaser shall have no obligation to purchase the Property, and no transfer of title to the Purchaser may occur, unless and until the Department has provided Purchaser and/or Seller with a written notification that:

- (A) It has completed a federally required environmental review and its request for release of federal funds has been approved and, subject to any other Contingencies in this Contract,
 - (i) the purchase may proceed, or
 - (ii) the purchase may proceed only if certain conditions to address issues in the environmental review shall be satisfied before or after the purchase of the property; or
- (B) It has determined that the purchase is exempt from federal environmental review and a request for release of funds is not required."; and

J-H Paris Realty GP, LLC

Paris, Texas

(2) "The Buyer does not have the power of eminent domain relating to the purchase and acquisition of the Property. The Buyer may use federal funds from the U.S. Department of Housing and Urban Development (HUD) to complete this purchase. HUD will not use eminent domain authority to condemn the Property. All parties entered this transaction voluntarily and the Buyer has notified the Seller of what it believes the value of the Property to be in accordance with 49 CFR Part 24 Appendix A. If negotiations between both parties fail, Buyer will not take further action to acquire the Property."

Paris View Apartments included a Commercial Contract – Unimproved Property dated December 20, 2021, consistent with the site control submitted at Pre-Application. At Full Application submission, the Applicant failed to include all of the language required under §13.5(d) (bolded above).

Site Control Documentation

- Evidence of Site Control as described in 10 TAC §11.204(10) (NOTE: Evidence not required for Tax-Exempt Bond Development's with a local issuer and do not include a request for MFDL)
- Recorded warranty deed, includes corresponding executed settlement statement (or functional equivalent).
- Contract or option for lease (must include language required by 10 TAC §13.5(e) if requesting Direct Loan funds).
- Contract for sale or option for purchase (must include language required by 10 TAC §13.5(e) if requesting Direct Loan funds).
- If other form of site control, complete documentation is provided
- If Identity of Interest, includes documentation described in 10 TAC §11.302, as applicable.

Scoring Issue #1: Cost of Development per Square Foot – Not eligible for 12 points

§11.9(e)(2)(B) of the QAP states, "Applications proposing New Construction or Reconstruction or Adaptive Reuse will be eligible for twelve (12) points if one of the following conditions is met:

- (i) ***the voluntary Eligible Building Cost per square foot is less than \$82.67 per square foot;***
- (ii) *the voluntary Eligible Building Cost per square foot is less than \$88.58 per square foot, and the Development meets the definition of a high cost development;*
- (iii) *the voluntary Eligible Hard Cost per square foot is less than \$106.29 per square foot; or*
- (iv) *the voluntary Eligible Hard Cost per square foot is less than \$118.10 per square foot, and the Development meets the definition of high cost development."*

Paris View Apartments applied under the General set-aside (non-elderly) and is located in a rural area (Region 4/Rural). The Applicant chose to voluntarily reduce Eligible Building Cost per square foot to achieve 12 points under §11.9(e)(2)(B)(i). However, the Development Cost Schedule of the Application (Tab 30, Pg 263 of the pdf) shows the reduction of Voluntary Eligible Building Costs at \$82.67 psf when the rule clearly states that the cost must be restricted to "less than \$82.67 per square foot". As calculated below, Total Voluntary Eligible Building Costs of \$5,289,227 divided by the Net Rentable Square Foot of 63,980 (from Rent Schedule) equals \$82.67 which is equal to but not "less than" \$82.67 to claim 12 points. The application qualifies for 11 points in accordance with §11.9(e)(2)(C); less than \$84.36 per square foot.

22227

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Lalita Senior Living

-

**Request for Administrative
Deficiency**

TEXAS GREY OAKS, LLC

Houston, Texas

May 6, 2021

Via Email

Cody Campbell, Director of Multifamily Finance – cody.campbell@tdhca.state.tx.us
Colin Nickells, 9% HTC Administrator – colin.nickells@tdhca.state.tx.us
Texas Department of Housing and Community Affairs
221 E 11th Street
Austin, Texas 78701

Re: §11.10. Third Party Request for Administrative Deficiency;
TDHCA Application #22227 – Lalita Senior Living, Brownsville, Texas;

Dear Mr. Campbell and Mr. Nickells,

Pursuant to §11.10 of the 2022 Qualified Allocation Plan (the “QAP”), please let this letter serve as our third-party Request for Administrative Deficiency (“RFAD”) with regards to Application #22227 (the “Lalita Senior Living Application”). A copy of this RFAD is being delivered concurrently to representatives of the Lalita Senior Living Application.

I. No Proximity to Jobs Support Documentation

At full application, the Lalita Senior Living Application requested six (6) points for proximity to jobs points indicating that their site is located within 4 miles of at least 16,500 jobs based on the municipality with a population less than 499,999 (Brownsville, population 182,271). However, no evidence was provided in their full application to substantiate that their site qualified for these points.

In order to qualify for the 6 points under §11.9(b)(7) of the QAP associated with Proximity to Jobs, a proposed development needs to satisfy either requirement under §11.9(b)(7) (A) or (B) of the QAP, which states:

“(7) Proximity to Job Areas. (§42(m)(1)(C)(i)) An Application may qualify to receive up to six (6) points if the Development Site is located in one of the areas described in subparagraphs (A) or (B) of this paragraph, and the Application contains evidence substantiating qualification for the points. The data used will be based solely on what available through US Census’ OnTheMap tool. Jobs counted are limited to those based on the work area, all workers, and all primary jobs. Only the 2018 data set will be used, unless a newer data set is posted to the US Census website on or before October 1, 2021. The Development will use OnTheMap’s function to import GPS coordinates that clearly fall within the Development Site, and the OnTheMap chart/map report submitted in the Application must include the report date.

Based on the fact that no supporting documentation was provided at full application, Lalita Senior Living does not meet the requirements under §11.9(b)(7)(B) of the QAP.

II. Pre-Application Points

Furthermore, §11.9(e)(3)(E) states, “An Application may qualify to receive up to six (6) points provided a pre-application was submitted by the Pre-Application Final Delivery Date. Application that

TEXAS GREY OAKS, LLC

Houston, Texas

meets all of the requirements described in subparagraphs (A)-(H) of this paragraph will qualify for six (6) points."

Subparagraph (E) states, "The Application final score (inclusive of only scoring items reflected on the self-score form) does not vary by more than four (4) points from what was reflected in the pre-application self-score."

Due to not providing support documentation for proximity to jobs points thereby disqualifying the Lalita Senior Living Application from receiving the 6 points, the Lalita Senior Living Application final self-score will deviate more than 4 points from its pre-application self-score and result in the loss of Pre-Application points by rule.

Based on our analysis, we respectfully request the Department deny the Lalita Senior Living Application six points under §11.9(d)(7) of the QAP, as well as deny the six pre-application points for a total reduction of 12 points from their score.

We appreciate staff's consideration our findings and look forward to a favorable decision.

If you have any questions or would like to discuss these items further, please do not hesitate to contact me directly at (713) 875-9456 or via email at steve@texasgreyoaks.com any time.

Sincerely,



Steve Lollis

Representative of TGO Amador Lofts 22 GP, LLC

CC: Ryan Lollis, Lora Myrick, Kendra Garrett, Juli Gonzalez, Manish Verma, Janice Degollado

2. Underserved Area (Competitive HTC and Direct Loan Applications Only) (10 TAC §11.9(c)(5); 10 TAC §13.6(3))

Applications may qualify for up to five (5) points for proposed Developments located in ONE of the following areas:

- No** Wholly or partially within a Colonia (2 points);
(Note: Not eligible if application qualifies for Opportunity Index points)
- No** Entirely within the boundaries of an Economically Distressed Area (1 point);
(Note: Not eligible if application qualifies for Opportunity Index points)
- No** Entirely within a census tract that does not have another Development that was awarded less than 30 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report (4 points);
- No** For areas that did not score above, entirely within a census tract that does not have another Development that was awarded less than 20 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report (3 points):
- No** For areas that did not score above, entirely within a census tract that does not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report (2 points);
- Yes** Entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 100,000 or more, and will not apply in the At-Risk Set-Aside (5 points);

Contiguous Census Tract	48061013306	Contiguous Census Tract #	48061013901
Contiguous Census Tract	48061013308	Contiguous Census Tract #	48061013903 4806101410
Contiguous Census Tract	48061013309	Contiguous Census Tract #	48061014300 4806198010

- No** Entirely within a census tract where, according to American Community Survey 5-year Estimates, the population share of persons below the 200% federal poverty level decreased by 10% or more and where the total number of persons at or above the 200% poverty level increased by 15% or more from 2012 to 2019. This measure is referred to as the Affordable Housing Needs Indicator in the Site Demographic Characteristics Report (3 points):
- No** An At-risk or USDA Development placed in service 25 or more years ago, that is still occupied, and that has not yet received federal funding, or LIHTC equity, for the purposes of Rehabilitation for the Development. (3 points).

Application is seeking points for Underserved Area. Total Points Claimed:

3. Proximity to Job Areas (Competitive HTC Applications Only) (10 TAC §11.9(c)(7))

- Application is *not* in the At-Risk *or* USDA Set-Aside; **AND**
- A. **Development Site is within the boundaries of a municipality of 500,000 or more or the unincorporated areas of a county with a population of 1 million or more.**
 - The Development is located within 2 miles of 16,500 jobs. (6 points)
 - The Development is located within 2 miles of 13,500 jobs. (5 points)
 - The Development is located within 2 miles of 10,500 jobs. (4 points)
 - The Development is located within 2 miles of 7,500 jobs. (3 points)
 - The Development is located within 2 miles of 4,500 jobs. (2 points)
 - The Development is located within 2 miles of 2,000 jobs. (1 point)

- B. **Development Site is within the boundaries of a municipality of 499,999 or less or the unincorporated areas of a county with a population of less than 1 million.**
 - The Development is located within 4 miles of 16,500 jobs. (6 points)
 - The Development is located within 4 miles of 13,500 jobs. (5 points)
 - The Development is located within 4 miles of 10,500 jobs. (4 points)
 - The Development is located within 4 miles of 7,500 jobs. (3 points)
 - The Development is located within 4 miles of 4,500 jobs. (2 points)
 - The Development is located within 4 miles of 2,000 jobs. (1 point)

Application is seeking points for Proximity to Job Areas Total Points Claimed:

Texas Department of Housing and Community Affairs

Competitive 9% Housing Tax Credit Pre-Application

Application Number: 22227

Submitted Date: 1/7/2022 12:47PM

Submitted By: Manish Verma

Contact Information

Primary Contact: Manish Verma
4733 College Park
San Antonio, TX 78249

Phone: 210-530-0090
Email: manishv@versadevco.com

Secondary Contact: Janice Degollado

Phone: 210-530-0090
Email: janiced@versadevco.com

Consultant Contact:

Phone:
Email:

Development Information

Name of Proposed Entity: VDC Minnesota Southmost, LP

Development Name: Lalita Senior Living

Development Type: New Construction

Secondary Type: None

Previous TDHCA #:

Initial Construction Year:

Units Demolished: 0

Units Reconstructed:

of Non-Contiguous Sites:

of Census Tracts: 1

Target Population: Elderly

Development Address: NEQ of Minnesota Ave and Southmost Blvd
Brownsville, TX 78521

Extra-Territorial Extradition (E N

County: Cameron

Region: 11

Rural/Urban: Urban

Census Tracts: 48061013305

Total LI Units: 200

Total MR Units: 0

Total Units: 200

HTC Request: \$1,500,000.00

Pre-App Fee Due: \$2,000.00

**Has Fee already
been submitted?:** Yes

Name on Check: Galaxy Builders

Check Number: 113088

Set-Aside Election: none

Notifications

U.S. Representative: Filemon Vela

District: 34

State Senator: Eddie Lucio, Jr.

District: 27

State Representative: Alex Dominguez

District: 37

School Superintendent: Dr. René Gutiérrez
School District: Brownsville ISD
School District Address: 1900 E. Price Rd., #307
Brownsville, TX 78251

Presiding Officer of Board of Trustees: Eddie Garcia
Address: 1900 E. Price Road, #307
Brownsville, TX 78251

Elected Officials: Juan "Trey" Mendez, III
John Cowen Jr
Rose M. Z. Gowen
Nurith Galonsky Pizana
Jessica Tetreau-Kalifa
Roy De los Santos
Pedro Cardenas
Eddie Treviño, Jr.
Sofia Benavides
Joey Lopez
David A. Garza
Gus Ruiz

Mayor
City Council Member
City Council Member
City Council Member
City Council Member
City Council Member
City Council Member
County Judge
County Commissioner
County Commissioner
County Commissioner

Neighborhood Organizations: None

Competitive Housing Tax Credit Selection Self-Score

Criteria Promoting Development of High Quality Housing

Unit Sizes: 6
Unit Features: 9
Sponsor Characteristics: 2
High Quality Housing Total: 17

Criteria to Serve and Support Texans Most in Need

Income Levels of Residents: 15
Rent Levels of Residents: 11
Resident Services: 11
Opportunity Index: 7
Underserved Area: 5
Resident Populations with Special Housing Needs: 3
Proximity to Jobs: 6
Serve and Support Texans Most in Need Total: 58

Criteria Promoting Community Support and Engagement

Commitment of Development Funding by Local Political Subdivision: 1
Declared Disaster Area: 10
Community Support and Engagement Total: 11

Criteria Promoting Efficient Use of Limited Resources and Applicant Accountability

Financial Feasibility:	26
Cost of Development per Square Foot:	12
Pre-Application Participation:	6
Leveraging Private, State and Federal Resources:	3
Extended Affordability:	4
Historic Preservation:	0
Right of First Refusal:	1
Funding Request Amount:	1
Efficient Use of Limited Resources and Applicant Accountability Total:	53
Point Adjustment:	
Total Applicant Self-Score:	139

Intent to Request Points for Items not Included in the Applicant's Self-Score

Readiness to Proceed:	Per §11.9(c)(8) of the QAP, scoring for Applicants under this item is suspended due to uncertainty linked to the COVID-19 pandemic (no points may be requested, nor will they be awarded for 2021 HTC Applications). Accordingly, Applications in the At-Risk or USDA Set-asides are not eligible for these points.
Local Government Support:	17 points
Quantifiable Community Participation:	4 points
Letter from a State Representative:	No
Letter or No Letter from a State Representative:	8 points
Input from Community Organizations:	4 points
Concerted Revitalization Plan:	0 points

Attachments and Certifications

Site Control Documentation: [Lalita - Land Contract.pdf](#)

Census Tract Map: [Lalita census brownsville outline.pdf](#)

Neighborhood Risk Factors:

Other Pertinent Information:

22249

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Weber Lofts

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**Request for Administrative
Deficiency**

5/3/2022

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

RE: §11.10 Third Party Request for Administrative Deficiency
TDHCA Application #22249

To Whom It May Concern,

Pursuant to §11.10 of the 2022 Qualified Allocation Plan (the “QAP”), please let this letter serve as our Third-Party Request for Administrative Deficiency (“RFAD”) with regards to Application #22249 (the “Weber Lofts application”). A copy of this request is being delivered concurrently to representatives of the Weber Lofts Application.

In order to qualify for 1 point under §11.9 (e)(8) of the QAP relating to Funding Request Amount, an Application requests no more than 100% of the amount of LIHTC available within the subregion or set-aside as determined by the regional allocation formula on or before December 1, 2021. For urban region 10, the maximum amount of allocation is \$1,250,797. However, this applicant has requested \$1,252,405 which is \$1,608 more than the stated maximum amount and does not qualify for the 1 point correlating to Funding Request Amount.

In order to qualify for points under §11.9 (e)(1) of the QAP, all recommended developments for an allocation must be financially feasible. Per the “Real Estate Contract of Sale” submitted in application #22249, the purchase price for the development site is \$1,146,499.20. Paragraph 2 of this contract states, “the exact purchase price to equal the product of \$14.00 times the gross acreage for the property as certified in the survey”. Based upon the survey submitted in the feasibility report, the final site acreage is 1.713 acres. Therefore, the correct purchase price would equate to \$1,044,656 as shown below.

$$\text{\$14.00} \times 1.713 \text{ (final Acreage per survey)} \times 43,560 \text{ SqFt/Acre} = \text{\$1,044,656}$$

Furthermore, the Development Cost Schedule presented in the application states a Land Purchase Price of \$956,000. The difference to the actual Purchase Price from the Development Cost Schedule totals \$88,656. Because no tax credits are associated with land purchase, this added cost must become additional deferred developer fee. Therefore, the new amount of deferred developer fee in the application totals \$617,168. (\$528,512 + \$88,656).

Additionally, the Proforma shows that the total amount of cumulative available cash flow throughout the 15-year period available to pay back Deferred Developer Fee to be \$547,173. Therefore, due to the additional increase in Deferred Developer Fee, the project cannot pay the Deferred Developer Fee back within the required 15-year period and the project is not Financially Feasible per §11.9 (e)(1) of the QAP.

Lastly, the amounts listed on the Annual Operating Expenses are unrealistic and does not represent true costs for the Corpus Christi area. The property taxes listed at \$26,000 is very low. In fact, the applicant's own engineering feasibility report shows the 2021 property taxes without exemptions for just the raw land at \$47,537 (\$21,537 more than the applicant's assumptions as completed). Also the Insurance estimate in the applicant's assumptions is also way understated based on Corpus Christi premiums and being in a tier 1 county. I know this for a fact because we are just completing a 56-unit project (similar size) in Rockport, TX (Region 10 by Corpus Christi) and the total premium amount is \$94,222! The insurance for that area has skyrocketed because of hurricanes, etc. If this application included more credible operating expenses, it would result in a significantly lower debt service coverage ratio, below underwriting requirements, and therefore the project would not be able to demonstrate the project financial feasibility and sustainability.

Thank you for your consideration of these matters. If you require any further information or clarification, please feel free to contact me.

Sincerely,


Rick Deyoe

will make tenants aware of the opportunity, and how they will implement the right at the end of the Compliance Period. Such a Development may not be layered with National Housing Trust Funds. §42(m)(1)(C)(viii) (1 point)

(8) Funding Request Amount. The Application requests no more than 100% of the amount of LIHTC available within the subregion or set-aside as determined by the regional allocation formula on or before December 1, 2021. (1 point)

(f) Factors Affecting Scoring and Eligibility in current and future Application Rounds. Staff may recommend to the Board and the Board may find that an Applicant or Affiliate should be ineligible to compete in the following year's competitive Application Round or that it should be assigned a penalty deduction in the following year's competitive Application Round of no more than two points for each submitted Application (Tex. Gov't Code §2306.6710(b)(2)) because it meets the conditions for any of the items listed in paragraphs (1) - (4) of this subsection. For those items pertaining to non-statutory deadlines, an exception to the penalty may be made if the Board or Executive Director, as applicable, makes an affirmative finding setting forth that the need for an extension of the deadline was beyond the reasonable control of the Applicant and could not have been reasonably anticipated. Any such matter to be presented for final determination of deduction by the Board must include notice from the Department to the affected party not less than 14 days prior to the scheduled Board meeting. The Executive Director may, but is not required, to issue a formal notice after disclosure if it is determined that the matter does not warrant point deductions. The Executive Director may make a determination that the matter does not warrant point deduction only for paragraph (1). (§2306.6710(b)(2)) Any deductions assessed by the Board for paragraphs (1), (2), (3), or (4) of this subsection based on a Housing Tax Credit Commitment from a preceding Application round will be attributable to the Applicant or Affiliate of an Application submitted in the Application round referenced above.

(1) If the Applicant or Affiliate failed to meet the original Carryover submission or 10% Test deadline(s) or has requested an extension of the Carryover submission deadline or the 10% Test deadline (relating to either submission or expenditure).

(2) If the Applicant or Affiliate failed to meet the federal commitment or expenditure requirements, deadlines to enter into a Contract or close a Direct Loan, or did not meet benchmarks of their Contract with the Department.

(3) If the Applicant or Affiliate, in the Competitive HTC round immediately preceding the current round, failed to meet the deadline to both close financing and provide evidence of an executed construction contract under §11.9(c)(8) related to construction in specific disaster counties.

(4) If the Developer or Principal of the Applicant has violated or violates the Adherence to Obligations.

§11.10. Third Party Request for Administrative Deficiency for Competitive HTC Applications.

(a) The purpose of the Third Party Request for Administrative Deficiency (RFAD) process is to allow an unrelated person or entity to bring new, material information about an Application to staff's

5. Funding Request:

Complete the table below to describe this Application's funding request. If applying for Multifamily Direct Loan funds, please select only one type of loan.

Department Funds applying for with this Application	Requested Amount	If funds will be in the form of a Direct Loan or Private Activity Bonds by the Department, the terms will be:		
		Interest Rate (%)	Amortization (Years)	Permanent Term (Years)
Multifamily Direct Loan: Const. to Perm (Repayable)				
Multifamily Direct Loan: Construction Only (Repayable)		0.00%		
Multifamily Direct Loan: Const. to Perm. (Soft Repayable)		0.00%		
CHDO Operating Expenses Grant				
Housing Tax Credits	\$ 1,252,405			
Private Activity Bonds (TDHCA Issuer Only)				

6. Set-Aside (For Competitive HTC (10 TAC §11.5) and/or Multifamily Direct Loan (10 TAC §13.4(a)) Applications Only)

Identify any and all set-asides the application will be applying under with an "x".
Set-Asides cannot be added or dropped from pre-application to full Application for Competitive HTC Applications.

Competitive HTC Only						Multifamily Direct Loan Only	
Select Set-Aside if applicable						Enter NOFA and Set-Aside	
At-Risk		Nonprofit		USDA		Enter NOFA	Enter Set-Aside
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		

Selections for At-Risk and USDA are independent of each other. Only select both if both apply.

By entering the set-aside above, I, individually or as the general partner(s) or officers of the Applicant entity, confirm that I (we) are applying for the above-stated Set-Aside(s) and Allocations. To the best of my (our) knowledge and belief, the Applicant entity has met the requirements that make this Application eligible for this (these) Set-Aside(s) and Allocations and will adhere to all requirements and eligibility standards for the selected Set-Aside(s) and Allocations.

7. Previously Awarded State and Federal Funding

Has this site/activity previously applied for TDHCA funds? No

Has this site/activity previously received TDHCA funds? No

If "Yes" Enter Project Number: _____ and TDHCA funding source: _____

Has this site/activity previously received non-TDHCA federal funding? No

If yes, source: _____

Will this site/activity receive non-TDHCA federal funding for costs described in this Application? No

8. Qualified Low Income Housing Development Election (HTC Applications only)

Pursuant to §42(g)(1)(A) - (C), the term "qualified low income housing development" means any project for residential rental property, if the Development meets one of the requirements below, whichever is elected by the taxpayer. Once an election is made, it is irrevocable. Select only one:

- At least 20% or more of the residential units in such development are both rent restricted and occupied by individuals whose income is 50% or less of the area median gross income, adjusted for family size.
- At least 40% or more of the residential units in such development are both rent restricted and occupied by individuals whose income is 60% or less of the median gross income, adjusted for family size.
- Applicant elects to use the Average Income for the Development.

2022 STATE OF TEXAS COMPETITIVE HOUSING TAX CREDIT ESTIMATED ALLOCATION, AND SUB-REGIONAL REQUEST AND ELDERLY FUNDING LIMITS

2022 COMPETITIVE HOUSING TAX CREDIT (9% HTC) ESTIMATED ALLOCATION									REQUEST LIMITS	ELDERLY FUNDING LIMITS	
March 25, 2022											
Region	Geographic Area	Initial Sub-Region Amount	Amount needed to reach \$600,000	Amount over \$600,000 that can be reallocated	Proportion of amount available to be reallocated	Amount to be Reallocated	Final Funding Amount	Allocation %	Max Funding Request/Award Limits	Elderly Percentage	Maximum Elderly Funding Limit
Urban	1 Lubbock	\$ 1,247,655	\$ -	\$ 647,655	1.27%	\$ (18,544)	\$ 1,229,111	1.88%	\$ 1,832,826	n/a	n/a
	2 Abilene	\$ 598,105	\$ 1,895	\$ -	0.00%	\$ 1,895	\$ 600,000	0.92%	\$ 900,000	n/a	n/a
	3 Dallas/Fort Worth	\$ 15,633,889	\$ -	\$ 15,033,889	29.41%	\$ (430,453)	\$ 15,203,437	23.30%	\$ 2,000,000	41.59%	\$6,323,109
	4 Tyler	\$ 1,349,880	\$ -	\$ 749,880	1.47%	\$ (21,471)	\$ 1,328,409	2.04%	\$ 1,980,844	n/a	n/a
	5 Beaumont	\$ 931,556	\$ -	\$ 331,556	0.65%	\$ (9,493)	\$ 922,063	1.41%	\$ 1,375,131	n/a	n/a
	6 Houston	\$ 14,935,603	\$ -	\$ 14,335,603	28.04%	\$ (410,459)	\$ 14,525,144	22.26%	\$ 2,000,000	42.92%	\$6,234,192
	7 Austin/Round Rock	\$ 4,213,737	\$ -	\$ 3,613,737	7.07%	\$ (103,469)	\$ 4,110,268	6.30%	\$ 2,000,000	38.15%	\$1,568,067
	8 Waco	\$ 2,358,352	\$ -	\$ 1,758,352	3.44%	\$ (50,345)	\$ 2,308,007	3.54%	\$ 2,000,000	n/a	n/a
	9 San Antonio	\$ 5,459,205	\$ -	\$ 4,859,205	9.51%	\$ (139,130)	\$ 5,320,075	8.15%	\$ 2,000,000	45.45%	\$2,417,974
	10 Corpus Christi	\$ 1,269,980	\$ -	\$ 669,980	1.31%	\$ (19,183)	\$ 1,250,797	1.92%	\$ 1,865,152	n/a	n/a
	11 Brownsville/Harlingen	\$ 5,971,296	\$ -	\$ 5,371,296	10.51%	\$ (153,792)	\$ 5,817,504	8.91%	\$ 2,000,000	n/a	n/a
	12 San Angelo	\$ 870,787	\$ -	\$ 270,787	0.53%	\$ (7,753)	\$ 863,033	1.32%	\$ 1,287,139	n/a	n/a
	13 El Paso	\$ 2,280,821	\$ -	\$ 1,680,821	3.29%	\$ (48,126)	\$ 2,232,696	3.42%	\$ 2,000,000	n/a	n/a
Rural	1 Lubbock	\$ 690,887	\$ -	\$ 90,887	0.18%	\$ (2,602)	\$ 688,285	1.05%	\$ 1,026,653		
	2 Abilene	\$ 474,495	\$ 125,505	\$ -	0.00%	\$ 125,505	\$ 600,000	0.92%	\$ 900,000		
	3 Dallas/Fort Worth	\$ 547,949	\$ 52,051	\$ -	0.00%	\$ 52,051	\$ 600,000	0.92%	\$ 900,000		
	4 Tyler	\$ 1,389,241	\$ -	\$ 789,241	1.54%	\$ (22,598)	\$ 1,366,643	2.09%	\$ 2,000,000		
	5 Beaumont	\$ 1,036,511	\$ -	\$ 436,511	0.85%	\$ (12,498)	\$ 1,024,013	1.57%	\$ 1,527,100		
	6 Houston	\$ 512,355	\$ 87,645	\$ -	0.00%	\$ 87,645	\$ 600,000	0.92%	\$ 900,000		
	7 Austin/Round Rock	\$ 257,962	\$ 342,038	\$ -	0.00%	\$ 342,038	\$ 600,000	0.92%	\$ 900,000		
	8 Waco	\$ 664,318	\$ -	\$ 64,318	0.13%	\$ (1,842)	\$ 662,476	1.02%	\$ 988,182		
	9 San Antonio	\$ 503,367	\$ 96,633	\$ -	0.00%	\$ 96,633	\$ 600,000	0.92%	\$ 900,000		
	10 Corpus Christi	\$ 632,926	\$ -	\$ 32,926	0.06%	\$ (943)	\$ 631,983	0.97%	\$ 942,729		
	11 Brownsville/Harlingen	\$ 983,794	\$ -	\$ 383,794	0.75%	\$ (10,989)	\$ 972,805	1.49%	\$ 1,450,769		
	12 San Angelo	\$ 386,038	\$ 213,962	\$ -	0.00%	\$ 213,962	\$ 600,000	0.92%	\$ 900,000		
	13 El Paso	\$ 56,041	\$ 543,959	\$ -	0.00%	\$ 543,959	\$ 600,000	0.92%	\$ 900,000		
Urban Totals	\$ 57,120,866	\$ 1,895	\$ 49,322,761		\$ (1,410,321)	\$ 55,710,544	85.37%				
Rural Totals	\$ 8,135,884	\$ 1,461,793	\$ 1,797,677		\$ 1,410,321	\$ 9,546,205	14.63%				
Regional Totals	\$ 65,256,750	\$ 1,463,688	\$ 51,120,438			\$ 65,256,750	85.00%				
At-Risk Totals	\$ 11,515,897					\$ 11,515,897	15.00%				
USDA (From At-Risk)	\$ 3,838,632					\$ 3,838,632	5.00%				
Grand Total	\$ 76,772,647					\$ 76,772,647	100.00%				

NOTES:

This table reflects the allocation of the estimated Competitive Housing Tax Credit Ceiling that the Department expects to have available for allocation during the 2022 cycle. This initial ceiling is estimated using the 2022 population figure of 29,527,941 (Internal Revenue Bulletin No. 2022-12) multiplied by the 2022 cap rate of \$2.60 (IRS Rev. Proc. 2021-45). The "Elderly Funding Limits" depicted are based on the 2022 HISTA data. The column labeled "Final Funding Amount" is the column an Applicant can reference to determine the amount of the credit ceiling that is estimated to be available in each subregion for the 2022 cycle. The column labeled "Max Funding Request/Award Limits" reflects the estimated maximum request limit for each State sub-region. In accordance with 10 TAC §11.4(b), an Applicant cannot request or be awarded more than the amounts reflected in the column, which were established based on estimates as of December 1, 2021. These request/award limits are fixed and will not change, even if the regional funding amounts change based on future updates. Lastly, this chart will be updated as credit is returned during the year. Returned credits available to be reallocated in 2022 will be reflected in an additional column of the chart as it is updated.

Application 22249 Land Purchase Price Per Contract

$\$14.00 \times 1.713$ (final Acreage per survey) $\times 43,560$ SqFt/Acre = $\$1,044,656$

Development Cost Schedule in application shows a Land Purchase Price of $\$956,000$.

Difference is actual Purchase Price & Development Cost Schedule = $\$88,656$.

Since no tax credits are associated with land purchase this must become additional deferred developer fee making the new amount of deferred developer fee in the application **$\$617,168$** . ($\$528,512 + \$88,656$)

The Proforma shows that the total amount of cumulative available cash flow throughout the 15-year period available to pay back Deferred Developer Fee to be $\$547,173$. Therefore, due to the additional increase in deferred developer fee, the project cannot pay the DDF back within the required 15-year period and the project is not Financial Feasible and should be terminated

GF# 22-649531-CH
Capital Title of Texas, LLC

REAL ESTATE CONTRACT OF SALE

DS
JGII
AA

This REAL ESTATE CONTRACT OF SALE ("**Contract**") is entered into by and between Corpus Christi Apartment Villas Management Group, LLC, a Texas limited liability company and ~~Thomas Weber, LLC, a Texas limited liability company~~ (collectively, "**Seller**") and Jose González II and/or assigns, as individual ("**Purchaser**").

WITNESSETH:

FOR AND IN CONSIDERATION of the promises, undertakings, and mutual covenants of the parties herein set forth. Seller hereby agrees to sell, and Purchaser hereby agrees to purchase and pay for all that certain property hereinafter described, in accordance with the following terms, provisions and conditions:

- 1. **Property.** The property to be conveyed by Seller to Purchaser, at Closing, shall be comprised of the following:

Those certain tracts of land located in Nueces County, Texas (the "**Land**"), together comprising approximately 1.88 acres and being described as Lot 10 on the attached Exhibit "A" and to be more particularly described in the Survey to be obtained by Purchaser in accordance with paragraph 4(b) below, together with: any and all improvements situated on the Land (the "**Improvements**"); the personal (movable) property upon the Land or within the Improvements, except for the Removed Personal Property as identified below (collectively, the "**Personal Property**"), and all right, title and interest of Seller, if any, in and to any and all appurtenances, strips or gores, roads, easements, streets, alleys, drainage facilities and rights-of-way bounding the Land; all utility capacity, utilities, water rights, licenses, permits, entitlements, and bonds, if any, and all other rights and benefits attributable to the Land; and all rights of ingress and egress thereto (collectively, the "**Additional Interests**").

The Land, Improvements, Personal Property and any Additional Interests described in the preceding paragraph are hereinafter sometimes collectively called the "**Property**".

Seller and Purchaser hereby agree that any fixtures or personal property that Seller elects to remove from the Land or Improvements prior to the Closing (as defined below) or prior to the expiration of the term of the Lease (as defined below) shall be excluded from the definition of Property (such removed property, the "**Removed Personal Property**") and shall remain the property of Seller. Any fixtures or personal property that Seller fails to remove from the Land or Improvements prior to the Closing shall be deemed abandoned and title thereto shall vest in Purchaser.

- 2. **Purchase Price.** The purchase price ("**Purchase Price**") to be paid by Purchaser to Seller for the Property shall be One Million One Hundred Forty Six Thousand Four Hundred Ninety Nine and 20/100 Dollars (\$1,146,499.20), with the **exact Purchase Price to equal the product of Fourteen and 00/100 Dollars (\$14.00) times the gross acreage for the Property as certified in the**

RECEIVED
1-6-22
HW

Survey, as more particularly provided in paragraph 4(b) below. The Purchase Price will be payable to Seller in cash or by wire transfer of good funds to the Title Company for payment to Seller at Closing.

3. Earnest Money, Additional Earnest Money and Independent Consideration.

(a) Earnest Money. Within three business days following the Effective Date of this Contract, Purchaser shall deposit with Capital Title ~~Dominion Office, Attn: Stacy Keller Lasseter, 22211 Hill 10 W, Suite 1106, San Antonio, Texas 78157~~ ("Title Company"), the sum of \$10,000 as earnest money hereunder ("**Earnest Money**").

4838 Holly Rd., Corpus Christi, Tx 78413, Attn: Pam Mosley, Escrow Officer/
Branch Manager

DS
JG1
JK

This referenced Earnest Money will become non-refundable after 5:00 p.m., San Antonio, Texas time, on that date which is January 31, 2022.

(b) Additional Earnest Money. Within three business days following the date of April 5, 2022, as referenced in paragraph 5, Purchaser shall deposit an additional, non-refundable \$10,000 as additional earnest money hereunder ("**Additional Earnest Money**") with the Title Company.

(c) Deposit of Earnest Money. The Earnest Money and Additional Earnest Money shall be deposited by Title Company in an interest-bearing account, with the interest earned thereon to be credited to Purchaser and to constitute a part of the Earnest Money and Additional Earnest Money for purposes hereof. The entire Earnest Money and Additional Earnest Money shall be applied towards the Purchase Price at Closing or shall be otherwise held and disbursed by the Title Company as herein provided.

(d) Independent Consideration. As independent consideration for the rights granted to Purchaser hereunder, Purchaser has paid to Seller the sum of \$100, the receipt and sufficiency of which are hereby acknowledged. The independent consideration is non-refundable and shall be applied against the Purchase Price at Closing.

4. Due Diligence Documents. The following documents shall be delivered to Purchaser within the time periods specified:

(a) Title Commitment. Within 10 days following the Effective Date, Seller, at Seller's expense, shall cause to be delivered to Purchaser a current commitment by the Title Company for the issuance of an owner's policy of title insurance to the Purchaser, together with good and legible copies of all documents constituting exceptions therein (collectively, the "**Title Commitment**").

(b) Survey. If the Seller does not already have in their possession a Survey which is provided to the Purchaser within 30 days following the Effective Date, then during the Inspection Period, Purchaser may obtain, at Purchaser's expense, a current survey of the

Development Cost Schedule

Self Score Total: 138

This Development Cost Schedule must be consistent with the Summary Sources and Uses of Funds Statement. All Applications must complete the Total Cost column. Direct Loan Applicants should review costs ineligible for reimbursement with Direct Loan funds in 10 TAC §13.3(e), while all HTC Applicants must complete the Eligible Basis columns and the Requested Credit calculation below:

TOTAL DEVELOPMENT SUMMARY		
Total Cost	Eligible Basis (If Applicable)	
	Acquisition	New/Rehab.

Scratch Paper/Notes

ACQUISITION

Site acquisition cost	956,000		
Existing building acquisition cost			
Closing costs & acq. legal fees	15,000		
Other (specify) - see footnote 1			
Other (specify) - see footnote 1			
Subtotal Acquisition Cost	\$971,000	\$0	\$0

Land Price should be \$1,044,656 Per Contract

OFF-SITES²

Off-site concrete			
Storm drains & devices			
Water & fire hydrants			
Off-site utilities			
Sewer lateral(s)			
Off-site paving			
Off-site electrical			
Other (specify) - see footnote 1			
Other (specify) - see footnote 1			
Subtotal Off-Sites Cost	\$0	\$0	\$0

SITE WORK³

Demolition			
Asbestos Abatement (Demolition Only)			
Detention			
Rough grading	202,350		202,350
Fine grading	75,695		75,695
On-site concrete	174,000		174,000
On-site electrical	89,500		89,500
On-site paving	297,000		297,000
On-site utilities	153,642		153,642
Decorative masonry			
Bumper stops, striping & signs	30,000		30,000
Other (specify) - see footnote 1			
Subtotal Site Work Cost	\$1,022,187	\$0	\$1,022,187

SITE AMENITIES

Landscaping	147,000		147,000
Pool and decking	150,000		150,000
Athletic court(s), playground(s)	70,000		70,000
Fencing	120,000		120,000
PLEASE SPECIFY - see footnote 1	30,000		30,000
Subtotal Site Amenities Cost	\$517,000	\$0	\$517,000

BUILDING COSTS*:

Concrete	146,410		146,410
Masonry	347,169		347,169
Metals	39,123		39,123
Woods and Plastics	1,889,388		1,889,388
Thermal and Moisture Protection	186,461		186,461
Roof Covering	153,113		153,113
Doors and Windows	436,436		436,436
Finishes	922,171		922,171
Specialties	36,824		36,824
Equipment	124,050		124,050
Furnishings			
Special Construction			
Conveying Systems (Elevators)	181,029		181,029
Mechanical (HVAC; Plumbing)	857,352		857,352
Electrical	689,921		689,921

ALL OFF-SITE COSTS REQUIRE DOCUMENTATION. THOSE ENTERED IN BASIS REQUIRE MORE DOCUMENTATION!!! SEE 10 TAC §11.204(8)(E)(ii).

Describe for MFDL

Schedule of Sources of Funds and Financing Narrative

Describe all sources of funds. Information must be consistent with the information provided throughout the Application (i.e. Financing Narrative, Term Sheets and Development Cost Schedule).

Bond Financing for Tax Exempt Bond Developments (Include amount of bonds actually used, not bond reservation amount. Bonds do not add into total sources)

Bond Issuer	Funding Description	Construction Period Bonds		Permanent Period Bonds		
		Bond Amount		Bond Amount		
	Tax Exempt Bonds					
	Taxable Bonds					

Debt

Financing Participants	Funding Description	Construction Period		Lien Position	Permanent Period					Lien Position
		Loan/Equity Amount	Interest Rate (%)		Loan/Equity Amount	Interest Rate (%)	Amort - ization	Term (Yrs)	Syndication Rate	
TDHCA	Multifamily Direct Loan	\$0	0.00%		\$ -	0.00%	0	0		
Harper Capital Partners	HUD 221(d)(4)	\$3,475,000	3.50%		\$ 3,475,000	3.75%	40	40		1
Enterprise Equity Bridge		\$7,253,000	6.00%							

Third Party Equity

Enterprise Housing Credit Invest	HTC	\$ 1,252,405	\$ 2,692,401		\$ 10,769,606				0.86	
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Grant

City of Corpus Christi	\$11.9(d)(2)LPS Contribution	\$ 500			\$ 500					
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Deferred Developer Fee

Adelante Development, LLC		\$ 1,352,717			\$ 528,512					
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Other

	Direct Loan Match				\$617,168					
Total Sources of Funds		\$ 14,773,618			\$ 14,773,618 \$14,862,274					
Total Uses of Funds					\$ 14,773,618					

The Deferred Developer Fee amount needs to increase by the amount of the actual land contract price vs. what was incorrectly stated in the Dev Cost Schedule which is an increase of \$88,656. That makes the new DDF \$617,168.


When the additional Land Contract Price is accurately shown on the development cost it results in an additional \$88,656 in Deferred Developer Fee making it \$617,168

15 Year Rental Housing Operating Pro Forma (All Programs)

The pro forma should be based on the operating income and expense information for the base year (first year of stabilized occupancy using today's best estimates of market rents, restricted rents, rental income and expenses), and principal and interest debt service. The Department uses an annual growth rate of 2% for income and 3% for expenses. Written explanation for any deviations from these growth rates or for assumptions other than straight-line growth made during the proforma period should be attached to this exhibit.

INCOME	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15
INCOME	\$494,880	\$504,778	\$514,873	\$525,171	\$535,674	\$591,427	\$652,984
Secondary Income	\$ 13,920	\$ 14,198	\$ 14,482	\$ 14,772	\$ 15,067	\$ 16,636	\$ 18,367
POTENTIAL GROSS ANNUAL INCOME	\$508,800	\$518,976	\$529,356	\$539,943	\$550,741	\$608,063	\$671,351
Provision for Vacancy & Collection Loss	(\$38,160)	(\$38,923)	(\$39,702)	(\$40,496)	(\$41,306)	(\$45,605)	(\$50,351)
Rental Concessions	\$0						
EFFECTIVE GROSS ANNUAL INCOME	\$470,640	\$480,053	\$489,654	\$499,447	\$509,436	\$562,458	\$620,999
EXPENSES							
General & Administrative Expenses	\$25,600	\$26,368	\$27,159	\$27,974	\$28,813	\$33,402	\$38,722
Management Fee	\$ 18,826	\$ 19,202	\$ 19,586	\$ 19,978	\$ 20,377	\$ 22,498	\$ 24,840
Payroll, Payroll Tax & Employee Benefits	\$ 74,900	\$ 77,147	\$ 79,461	\$ 81,845	\$ 84,301	\$ 97,728	\$ 113,293
Repairs & Maintenance	\$ 31,017	\$ 31,948	\$ 32,906	\$ 33,893	\$ 34,910	\$ 40,470	\$ 46,916
Electric & Gas Utilities	\$ 10,740	\$ 11,062	\$ 11,394	\$ 11,736	\$ 12,088	\$ 14,013	\$ 16,245
Water, Sewer & Trash Utilities	\$ 39,210	\$ 40,386	\$ 41,598	\$ 42,846	\$ 44,131	\$ 51,160	\$ 59,309
Annual Property Insurance Premiums	\$ 28,775	\$ 29,638	\$ 30,527	\$ 31,443	\$ 32,387	\$ 37,545	\$ 43,525
Property Tax	\$ 26,000	\$ 26,780	\$ 27,583	\$ 28,411	\$ 29,263	\$ 33,924	\$ 39,327
Reserve for Replacements	\$ 14,500	\$ 14,935	\$ 15,383	\$ 15,845	\$ 16,320	\$ 18,919	\$ 21,933
Other Expenses	\$ 2,320	\$ 2,390	\$ 2,461	\$ 2,535	\$ 2,611	\$ 3,027	\$ 3,509
TOTAL ANNUAL EXPENSES	\$271,888	\$279,856	\$288,060	\$296,506	\$305,201	\$352,687	\$407,619
NET OPERATING INCOME	\$198,752	\$200,197	\$201,594	\$202,941	\$204,235	\$209,772	\$213,381
DEBT SERVICE							
First Deed of Trust Annual Loan Payment	\$ 161,542	\$ 161,542	\$ 161,542	\$ 161,542	\$ 161,542	\$ 161,542	\$ 161,542
Second Deed of Trust Annual Loan Payment							
Third Deed of Trust Annual Loan Payment							
Other Annual Required Payment	\$ 8,688	8,688	8,688	8,688	8,688	8,688	8,688
Other Annual Required Payment							
ANNUAL NET CASH FLOW	\$28,523	\$29,967	\$31,365	\$32,712	\$34,005	\$39,542	\$43,151
CUMULATIVE NET CASH FLOW	\$28,523	\$58,490	\$89,855	\$122,567	\$156,572	\$340,441	\$547,173
Debt Coverage Ratio	1.17	1.18	1.18	1.19	1.20	1.23	1.25
Other (Describe)							
Other (Describe)							

By signing below I (we) are certifying that the above 15 Year pro forma, is consistent with the unit rental rate assumptions, total operating expenses, net operating income, and debt service coverage based on the bank's current underwriting parameters and consistent with the loan terms indicated in the term sheet and preliminarily considered feasible pending further diligence review. The debt service for each year maintains no less than a 1.15 debt coverage ratio. (Signature required for Tax-Exempt Bond Applications and if using this pro forma for points under §11.9(e)(1) r Feasibility for Competitive HTC Applications)


 Signature, Authorized Representative,
 Construction or Permanent Lender

Wendy Farmer
 Printed Name
 February 23, 2022
 Date

Phone: 205-602-8726
 Email: wendyf@harpercap.com

Signature, Authorized Representative,

Reagan Maechling
 Printed Name
 2/23/2022

February 23, 2022
 Date

ANNUAL OPERATING EXPENSES			
General & Administrative Expenses			
Accounting		\$	10,000
Advertising		\$	3,600
Legal fees		\$	1,900
Leased equipment		\$	
Postage & office supplies		\$	5,000
Telephone		\$	3,600
Other	Software, dues, subscriptions	\$	1,500
Other	describe	\$	
Total General & Administrative Expenses:			\$ 25,600
Management Fee:	Percent of Effective Gross Income:	4.00%	\$ 18,826
Payroll, Payroll Tax & Employee Benefits			
Management		\$	31,782
Maintenance		\$	24,960
Other	Health ins, worker comp	\$	18,158
Other	describe	\$	
Total Payroll, Payroll Tax & Employee Benefits:			\$ 74,900
Repairs & Maintenance			
Elevator		\$	8,425
Exterminating	Insurance is understated by at least 2 times. We just this month completed a 56 unit project (similar size) in Rockport, TX (Region 10) next to Corpus Christi and because of the tier 1 county status of Nueces County, Insurance rates there have doubled. (See attached Insurance Letter from Insurance agent)	\$	1,392
Grounds		\$	7,200
Make-ready		\$	6,500
Repairs		\$	7,500
Pool		\$	
Other	describe	\$	
Other	describe	\$	
Total Repairs & Maintenance:			\$ 31,017
Utilities (Enter Only Property Paid Expense)			
Electric	Management Company Portfolio	\$	10,740
Natural gas		\$	
Trash	Management Company Portfolio	\$	9,000
Water/Sewer	Management Company Portfolio	\$	30,210
Other	describe	\$	
Other	describe	\$	
Total Utilities:			\$ 49,950
Annual Property Insurance:	Rate per net rentable square foot:	\$ 0.65	\$ 28,775
Property Taxes:			
Published Capitalization Rate:		9.50%	Source: Nueces - 2.614571
Annual Property Taxes		\$	26,000
Payments in Lieu of Taxes		\$	
Total Property Taxes:			\$ 26,000
Reserve for Replacements:	Annual reserves per unit:	\$ 250	\$ 14,500
Other Expenses			
Cable TV	Property taxes are understated. Per the applicant's own engineering feasibility report, the 2021 estimated taxes for just the raw land alone was \$47,537.	\$	
Supportive Services (Staffing/Contracted Services)		\$	
TDHCA Compliance fees (\$40/HTC unit)		\$	2,320
TDHCA Direct Loan Compliance Fees (\$34/MDL unit)		\$	
TDHCA Bond Compliance Fees (TDHCA as Bond Issuer Only - \$25/MRB unit)		\$	
Bond Trustee Fees (ALL Tax-Exempt Bond Developments; entry or explanation required)		\$	
Issuer Ongoing Compliance Fees (entry or explanation required)		\$	
Security		\$	
Other	describe	\$	
Other	describe	\$	
Total Other Expenses:			\$ 2,320
TOTAL ANNUAL EXPENSES		Expense per unit:	\$ 4688
		Expense to Income Ratio:	57.77%
NET OPERATING INCOME (before debt service)			\$ 198,752
Annual Debt Service			
	Harper Capital	\$	161,542
	HUD MIP	\$	8,688
		\$	
		\$	
		\$	
TOTAL ANNUAL DEBT SERVICE			\$ 170,230
		Debt Coverage Ratio:	1.168
NET CASH FLOW			\$ 28,522

If a revised form is submitted, date of submission: _____



Insurance | Risk Management | Consulting

14550 Torrey Chase Blvd, Suite 410
Houston, TX 77014
USA

281-320-2010
www.ajg.com

May 5, 2022

Gulf Shore Villas, Ltd.
1114 Lost Creek Blvd., Suite G20
Austin, TX 78746

Re: Property
General Liability
Excess Liability

Location: 1400 FM 3036 Rockport, TX 78382

Please be advised that the estimated annual Property premium for adding Gulf Shore Villas to permanent property coverage during the 4/30/22 to 4/30/23 policy period would be \$76,964.00

Please be advised that the estimated annual General Liability premium for adding Gulf Shore Villas, Ltd. to permanent General Liability coverage during the 4/30/22 to 4/30/23 policy period would be \$7,740.00

Please be advised that the estimated annual Excess Liability premium for adding Gulf Shore Villas, Ltd. to permanent Excess Liability coverage during the 4/30/22 to 4/30/23 policy period would be \$5,096.00

Total estimated premium for this location is \$89,800.00 plus applicable tax and fees for an estimated total of \$94,222.65

Please call me if you have any questions at (281)-655-6829.

Sincerely,

A handwritten signature in black ink that reads 'Kristy Breeding'.

Kristy Breeding, CISR
Commercial Account Manager





Project Constraints

The site is located within a generally built-out area of the CoCC. Although the site is undeveloped and vacant, existing topography limits utility tie-ins to public infrastructure. Similarly, because of the project site's limited fall in topography, the site will likely require on-site storm water detention in order to mitigate ultimate storm water runoff and prevent an adverse impact to downstream properties.

Due Diligence

Prior to civil engineering design the following actions were taken as part of the project's due diligence,

1. *CoCC Early Assistance Meeting (EAM)*: The CoCC offers EAM as an opportunity to discuss project specific constraints and design/ permitting requirements prior to submitting a subdivision plat and/or building permit application. An EAM was held between WGI, Inc., the applicant, the project architects, and CoCC staff on February 24th, 2022.

Zoning Requirements

The project is located with the full incorporated city limits of the CoCC and is collectively zoned as Multi-Family 1 per the CoCC Code of Ordinances, Section 4.4.3.B. The site is located within the Southside Planning District of the CoCC and has an existing land use designation as agricultural/ rural and a future land use designation as mixed use per the Plan Corpus Christi Comprehensive Master Plan.

Subdivision Platting Requirements

The project site has not been previously platted and will require a subdivision plat for ultimate development. Based on existing and proposed site conditions and CoCC Ordinance No. 4168, the site will require a Type I Subdivision Plat. A Type 1 Subdivision Plat will include a Preliminary and Final plat submittal/ approval process with the CoCC Development Services Department and CoCC Planning Commission. The preliminary and final subdivision platting processes can take place concurrently with the rezonification process of development.

Nueces County Tax Appraisal District Information

The project is located with the Nueces Appraisal District of Texas. The project Nueces County property identification number is 279819 and its total appraised value for 2021 is \$1,833,964.00. The project's 2021 Taxing Jurisdiction descriptions and tax rates (tax rate/ \$100) are as follows:

City of Corpus Christi	0.646264
Appraisal District	0.000000
Nueces County	0.306700
Hospital District	0.111502
Del Mar Jr. College	0.283340
Farm to Market Road	0.003745
<u>Corpus Christi Independent School District</u>	<u>1.240500</u>
Total Tax Rate:	2.592051

Estimated Taxes w/ Exemptions:	\$35,815.78
Estimated Taxes w/o Exemptions:	\$47,537.28

Taxes for the Property for just the raw land before the project is even built

At the time of this narrative, the project tract's 2022 assessed values were unavailable for reference.

22250

-

Juniper Apartments

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**Request for Administrative
Deficiency**

May 6, 2022

Mr. Cody Campbell
Director of Multifamily Programs
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701
Email: cody.campbell@tdhca.state.tx.us

Re: Third Party Request for Administrative Deficiency (“RFAD”), §11.10 of 2022 Qualified Allocation Plan (“QAP”) – Application 22250 (Juniper Apartments)

Dear Mr. Campbell,

Please accept this Third Party Request for Administrative Deficiency (“RFAD”) pursuant to §11.10 of 2022 Qualified Allocation Plan (“QAP”) for Application 22250 (Juniper Apartments).

Application 22250 (Juniper Apartments) is deficient related to the following 2022 QAP section and we respectfully request the issuance of an Administrative Deficiency Notice related to this item. Further, as described below, the following actions are warranted:

- Zoning – Termination for failure to meet threshold requirements for zoning documentation in accordance with §11.204(11).

Administrative Deficiency – Summary

Pursuant to Section §11.204 (11) – Zoning of the 2022 QAP, acceptable evidence of zoning is a required document to be submitted with the Application. There are numerous ways to evidence zoning. For sites that are not correctly zoned for the proposed use, the Applicant must have formally applied for a required zoning change (See Exhibit I).

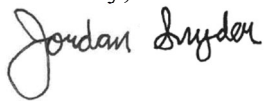
More specifically in Section §11.204 (11) (C), for sites that are not zoned properly for affordable housing development, the “Application must include in include evidence in the form of a letter from a local government official with jurisdiction over zoning matters that the Applicant or Affiliate has made formal application for a required zoning change and that the jurisdiction has received a release whereby the Applicant has agreed to hold the political subdivision and all other parties harmless in the event the appropriate zoning is not granted”.

In the case of Application 22250 (Juniper Apartments), the development site is not correctly zoned for the proposed use and thus must submit the required evidence as noted above. However, Application 22250 submitted a letter from the City of Plano’s Director of Planning that states the Applicant has “scheduled a pre-application meeting for rezoning. This meeting is required as part of the process to submit a petition for rezoning the site . . .” (see Exhibit II).

As evidenced by Exhibit II, the Applicant clearly has not formally applied for rezoning the development site. Given the fact that this requirement is a threshold requirement, Application 22250 must be terminated.

If you have any questions, please feel free to reach me directly at (214) 771-7994 or JSnyder@gardnercapital.com.

Sincerely,

A handwritten signature in black ink that reads "Jordan Snyder". The signature is written in a cursive style with a large initial "J" and "S".

Jordan Snyder
Authorized Representation

Exhibit I

- See Next Page.

to remove a right of way or similar dedication, evidence that the vacation/re-platting process has started must be included in the Application, and evidence of control of the entire Development Site must be provided by the time of Commitment or Contract (as applicable).

(11) Zoning. (§2306.6705(5)) Acceptable evidence of zoning for all Developments must include one of subparagraphs (A) - (D) of this paragraph. In instances where annexation of a Development Site occurs while the Application is under review, the Applicant must submit evidence of appropriate zoning with the Commitment or Determination Notice. Letters evidencing zoning status must be no more than 6-months old at Application submission, except where such evidence is for an area where there is no zoning and such letters must be updated annually by the political subdivision.

(A) No Zoning Ordinance in Effect. The Application must include a letter from a local government official with appropriate jurisdiction stating that the Development is located within the boundaries of a political subdivision that has no zoning.

(B) Zoning Ordinance in Effect. The Application must include a letter from a local government official with appropriate jurisdiction stating the Development is permitted under the provisions of the zoning ordinance that applies to the location of the Development.

(C) Requesting a Zoning Change. The Application must include evidence in the form of a letter from a local government official with jurisdiction over zoning matters that the Applicant or Affiliate has made formal application for a required zoning change and that the jurisdiction has received a release whereby the Applicant has agreed to hold the political subdivision and all other parties harmless in the event the appropriate zoning is not granted. Documentation of final approval of appropriate zoning must be submitted to the Department with the Commitment or Determination Notice.

(D) Zoning for Rehabilitation Developments. In an area with zoning, the Application must include documentation of current zoning. If the Property is currently conforming but with an overlay that would make it a non-conforming use as presently zoned, the Application must include a letter from a local government official with appropriate jurisdiction which addresses the items in clauses (i) - (v) of this subparagraph:

- (i) a detailed narrative of the nature of non-conformance;
- (ii) the applicable destruction threshold;
- (iii) that it will allow the non-conformance;
- (iv) Owner's rights to reconstruct in the event of damage; and
- (v) penalties for noncompliance.

(12) Title Commitment/Policy. A title commitment or title policy must be submitted that includes a legal description that is consistent with the Site Control. If the title commitment or policy is dated more than six months prior to the date of Application submission or the first day of the Application Acceptance Period for Competitive HTC Applications, then a letter from the title company indicating that nothing further has transpired during the six-month period on the commitment or policy must

Exhibit II

- See Next Page.



City of Plano
1520 K Avenue
Plano, TX 75074

P.O. Box 860358
Plano, TX 75086-0358
Tel: 972.941.7000
plano.gov

March 1, 2022

TDHCA
221 East 11th Street
Austin, TX 78701

RE: Zoning Change for site of proposed Juniper Apartments Development

TDHCA Representatives,

The Juniper Apartments Development, to be developed by VDC Plano Jupiter, LP (c/o Versa Development, LLC) requested and scheduled a pre-application meeting for rezoning. This meeting is required as part of the process to submit a petition for rezoning the site, located at approximately 6512 Jupiter Rd, Plano, TX, 75074.

It is our understanding that you, TDHCA, require acknowledgement of our receipt of a release agreeing to hold the political subdivision and all other parties harmless in the event that the appropriate zoning for the proposed Juniper Apartments development is denied. We have received such a document.

Sincerely,

Christina Day, AICP
Director of Planning

22250

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Juniper Apartments

-

**Request for Administrative
Deficiency**



May 6, 2022

Mr. Cody Campbell
Director of Multifamily Programs
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701
Email: cody.campbell@tdhca.state.tx.us

Re: Third Party Request for Administrative Deficiency (“RFAD”), §11.10 of 2022 Qualified Allocation Plan (“QAP”) – **22250 Juniper Apartments**

Dear Mr. Campbell,

Please accept this letter as a Third Party Request for Administrative Deficiency (“RFAD”) pursuant to §11.10 of 2022 Qualified Allocation Plan (“QAP”) for application 22250 Juniper Apartments.

Application 22250 Juniper Apartments is deficient related to the following 2022 QAP section and we respectfully request the issuance of an Administrative Deficiency Notice related to this item. Further, as described below, the following actions are warranted:

- Zoning – Termination for failure to meet threshold requirements for zoning documentation in accordance with §11.204(11).

Summary of Threshold Deficiencies - Zoning

The QAP provides several options to meet threshold requirements related to zoning. If the site is currently properly zoned, evidence to that effect is required from the local jurisdiction. If the site is not currently properly zoned, an application for rezoning must be submitted to the local jurisdiction prior to the submission of the tax credit application to TDHCA. The development site for Juniper Apartments is not appropriately zoned for the proposed use, and therefore an application for rezoning is required.

Requesting a Zoning Change – Because rezoning will be required to permit the proposed site and building plans, the threshold zoning requirement must be satisfied under §11.204(11)(C): “The Application must include evidence in the form of a letter from a local government official with jurisdiction over zoning matters that ***the Application or Affiliate has made a formal application for required zoning change*** and that the jurisdiction has received a release whereby the Applicant has agreed to hold the political subdivision parties harmless in the even the appropriate zoning is not granted” (***emphasis added***).

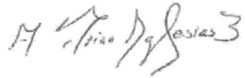
The letter submitted with the application states, “The Juniper Apartments Development... requested and scheduled ***a pre-application meeting for rezoning***” (***emphasis added***).

A “pre-application meeting for rezoning” is not a “formal application for required zoning change” as required by the QAP. In fact, the letter confirms the only steps taken by the applicant fell short of a formal application through the use of the term “pre-application” meeting.

The application does not include evidence of the submission of a formal application for re-zoning, and thus the requirement of §11.204(11)(C) is not met. Because this is a threshold requirement, the application must be terminated.

If you have any questions, please feel free to reach me directly at (512) 971-9127 or via email at aiglesias@ghdevelopment.com.

Sincerely,

A handwritten signature in black ink that reads "Adrian Iglesias". The signature is stylized and includes a small number "3" at the end.

Adrian Iglesias
Authorized Representative



City of Plano
1520 K Avenue
Plano, TX 75074

P.O. Box 860358
Plano, TX 75086-0358
Tel: 972.941.7000
plano.gov

March 1, 2022

TDHCA
221 East 11th Street
Austin, TX 78701

RE: Zoning Change for site of proposed Juniper Apartments Development

TDHCA Representatives,

The Juniper Apartments Development, to be developed by VDC Plano Jupiter, LP (c/o Versa Development, LLC) requested and scheduled a pre-application meeting for rezoning. This meeting is required as part of the process to submit a petition for rezoning the site, located at approximately 6512 Jupiter Rd, Plano, TX, 75074.

It is our understanding that you, TDHCA, require acknowledgement of our receipt of a release agreeing to hold the political subdivision and all other parties harmless in the event that the appropriate zoning for the proposed Juniper Apartments development is denied. We have received such a document.

Sincerely,

Christina Day, AICP
Director of Planning

22250

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Juniper Apartments

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**Request for Administrative
Deficiency**

McKinney Virginia Parkway, Ltd

May 6, 2022

Mr. Cody Campbell
Director of Multifamily Finance
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701

RE: Request for Administrative Deficiency TDHCA #22250 – VOC Plano Jupiter, LP

Dear Mr. Campbell:

McKinney Virginia Parkway, Ltd. respectfully requests this letter serve as our Third-Party Request for Administrative Deficiency (RFAD) of 10 TAC §11.204(11)(C) (§2306.6705(5) – Acceptable evidence of zoning and 10 TAC §11.9(c)(7) Proximity to Jobs by the Applicant, VOC Plano Jupiter, LP, for their application #22250 – Juniper Apartments. It is our position the Applicant failed to provide the required documentation for Application Submission in 10 TAC §11.204(11)(C) (§2306.6705(5) and 10 TAC §11.9(c)(7) of the 2022 Final Qualified Allocation Plan (QAP). A copy of this RFAD is being delivered concurrently to representatives of the Juniper Apartments.

§11.204(11)(C) (§2306.6705(5) states:

(11) Zoning. (§2306.6705(5)) Acceptable evidence of zoning for all Developments must include one of subparagraphs (A) - (D) of this paragraph. In instances where annexation of a Development Site occurs while the Application is under review, the Applicant must submit evidence of appropriate zoning with the Commitment or Determination Notice. Letters evidencing zoning status must be no more than 6-months old at Application submission, except where such evidence is for an area where there is no zoning and such letters must be updated annually by the political subdivision.

(C) Requesting a Zoning Change. The Application must include evidence in the form of a letter from a local government official with jurisdiction over zoning matters that the Applicant or Affiliate has made formal application for a required zoning change and that the jurisdiction has received a release whereby the Applicant has agreed to hold the political subdivision and all other parties harmless in the event the appropriate zoning is not granted. Documentation of final approval of appropriate zoning must be submitted to the Department with the Commitment or Determination Notice.

The Applicant failed to provide a letter from a local government official that the Applicant had made a formal application for a required zoning change. The Applicant's support for zoning was a letter from a local government official stating the Applicant has requested and scheduled a pre-application meeting for rezoning which is required as part of the process to submit a petition for rezoning the site. Scheduling a pre-application meeting is not a zoning application submission. Application #22047 did not meet the threshold for submission of a zoning application therefore should be terminated for any further consideration of an award.

§11.9(c)(7) states:

*(7) Proximity to Job Areas. (§42(m)(1)(C)(i)) An Application may qualify to receive up to six (6) points if the Development Site is located in one of the areas described in subparagraphs (A) or (B) of this paragraph, **and the Application contains evidence substantiating qualification for the points.** The data used will be based solely on that available through US Census' OnTheMap tool. Jobs counted are limited to those based on the work area, all workers, and all primary jobs. Only the 2018 data set will be used, unless a newer data set is posted to the US Census website on or before October 1, 2021. **The Development will use OnTheMap's function to import GPS coordinates that clearly fall within the Development Site, and the OnTheMap chart/map report submitted in the Application must include the report date.** This scoring item will not apply to Applications under the At-Risk or USDA Set-Aside.*

McKinney Virginia Parkway, Ltd

The Applicant failed to provide any documentation related to Proximity to Jobs such as coordinates and OnTheMap chart/map report and therefore should not be eligible for six (6) points related to jobs.

If the Agency finds the Applicant ineligible for six (6) points related to Proximity to Jobs then the Applicant should also lose six (6) Pre-Application points per 10 TAC §11.9(e)(3)(E).

§11.9(e)(3)(E) states:

(3) Pre-application Participation. (§2306.6704) An Application may qualify to receive up to six (6) points provided a pre-application was submitted by the Pre-Application Final Delivery Date. Applications that meet all of the requirements described in subparagraphs (A) - (H) of this paragraph will qualify for six (6) points:

(E) The Application final score (inclusive of only scoring items reflected on the self-score form) does not vary by more than four (4) points from what was reflected in the pre-application self-score;

If you have any questions or would like additional information, please do not hesitate to contact me.

Sincerely,



Thomas E. Huth
McKinney Virginia Parkway, Ltd.
Authorized Representative
13455 Noel Road, Suite 400
Dallas, TX 75240
thuth@palladiumusa.com

cc: Manish Verma – manishv@versadevco.com

March 1, 2022

TDHCA
221 East 11th Street
Austin, TX 78701

Letter does not state a formal Application for zoning has been submitted. As such this letter does not meet §11.204(11)(C) §2306.6705(5)

RE: Zoning Change for site of proposed Juniper Apartments Development

TDHCA Representatives,

The Juniper Apartments Development, to be developed by VDC Plano Jupiter, LP (c/o Versa Development, LLC) requested and scheduled a pre-application meeting for rezoning. This meeting is required as part of the process to submit a petition for rezoning the site, located at approximately 6512 Jupiter Rd, Plano, TX, 75074.

It is our understanding that you, TDHCA, require acknowledgement of our receipt of a release agreeing to hold the political subdivision and all other parties harmless in the event that the appropriate zoning for the proposed Juniper Apartments development is denied. We have received such a document.

Sincerely,



Christina Day, AICP
Director of Planning

22250

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Juniper Apartments

-

**Request for Administrative
Deficiency**



Mr. Colin Nickells
Administrator 9% Competitive Housing Tax Credit Program
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

Via: Email

RE: *Juniper Apartments, Plano #22250*

Dear Mr. Nickells:

Please accept this Request for an Administrative Deficiency for the above referenced application. The required documentation for the Proximity to Jobs category is missing from this Application. The QAP and the 2022 Multifamily Programs Application Procedures Manual are clear about what documentation is required, and Tab 10 on the Application explicitly states that the documentation detailed in the 2022 Application Manual is required to be inserted in the application. None of the required documentation is included in this application.

For reference, I have attached excerpts from the QAP, the 2022 Multifamily Programs Application Procedures Manual, and the Application detailing the documentation that is required to be submitted in order to claim Proximity to Job Areas points.

Thank you for assessing this request. Please let us know if you have any further questions or require any additional documentation by contacting me at (513) 964-1141 or brian.mcgeady@mvahpartners.com. Thank you for your consideration

Sincerely,

A handwritten signature in black ink, appearing to read 'B. McGeady', with a long horizontal stroke extending to the right.

Brian McGeady
Authorized Signer of the Applicant

Excerpt from the 2022 QAP stating required documentation associated with Proximity to Jobs Areas point category.

required to continue to specifically market Units to Persons with Special Housing Needs. (2 points)

(B) If the Development has committed units under §11.9(c)(6)(A), the Development must commit at least an additional 2% of the total Units to Persons referred from the Continuum of Care or local homeless service providers to be made available for those experiencing homelessness. Rejection of an applicant's tenancy for those referred may not be for reasons of credit history or prior rental payment history. Throughout the Compliance Period, unless otherwise permitted by the Department, the Development Owner agrees to specifically market the 2% of Units through the Continuum of Care and other homelessness providers local to the Development Site. In addition, the Department will require an initial minimum twelve-month period in Urban subregions, and an initial six-month period in Rural subregions, during which Units must either be occupied by Persons referred from the Continuum of Care or local homeless service providers, or held vacant, unless the Units receive HOME funds from any source. After the initial twelve-month or six-month period, the Development Owner will no longer be required to hold Units vacant but will be required to continue to provide quarterly notifications to the Continuum of Care and other homeless service providers local to the Development Site on the availability of Units at the Development Site. Developments are not eligible under this paragraph unless points have also been selected under §11.9(c)(6)(A). (1 point)

(C) If the Development is located in a county with a population of 1 million or more, but less than 4 million, and is located not more than two miles from a veteran's hospital, veteran's affairs medical center, or veteran's affairs health care center, (which include all providers listed under the Veteran's Health Administration categories, excluding Benefits Administration offices, listed at this link https://www.va.gov/directory/guide/fac_list_by_state.cfm?State=TX&dnum=ALL) and agrees to provide a preference for leasing units in the Development to low income veterans. (1 point)

(7) Proximity to Job Areas. (§42(m)(1)(C)(i)) An Application may qualify to receive up to six (6) points if the Development Site is located in one of the areas described in subparagraphs (A) or (B) of this paragraph, and the Application contains evidence substantiating qualification for the points. The data used will be based solely on that available through US Census' OnTheMap tool. Jobs counted are limited to those based on the work area, all workers, and all primary jobs. Only the 2018 data set will be used, unless a newer data set is posted to the US Census website on or before October 1, 2021. The Development will use OnTheMap's function to import GPS coordinates that clearly fall within the Development Site, and the OnTheMap chart/map report submitted in the Application must include the report date. This scoring item will not apply to Applications under the At-Risk or USDA Set-Aside.

(A) Proximity to Jobs. For Development Sites within the boundaries of a municipality of 500,000 or more, or the unincorporated areas of a county with a population of 1 million or more, A Development may qualify for points under this subparagraph if it meets one of the criteria in clauses (i) - (vi) of this subparagraph.

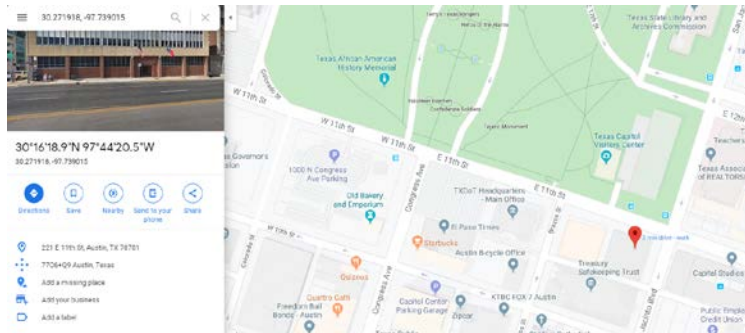
(i) The Development is located within 2 miles of 16,500 jobs. (6 points)

(ii) The Development is located within 2 miles of 13,500 jobs. (5 points)

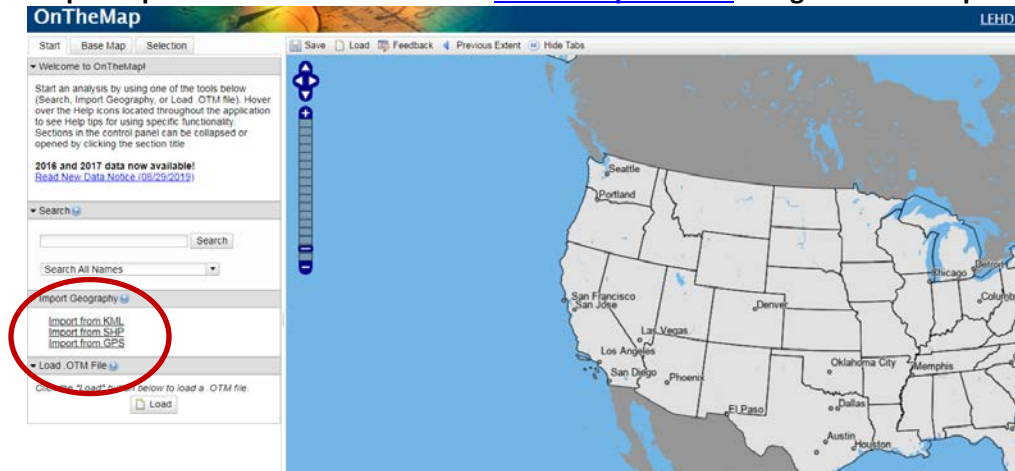
(iii) The Development is located within 2 miles of 10,500 jobs. (4 points)

Instructions for using the OnTheMap tool for Proximity to Jobs:**Step 1: Provide the GPS coordinates that clearly fall within the boundaries of the Development Site.**

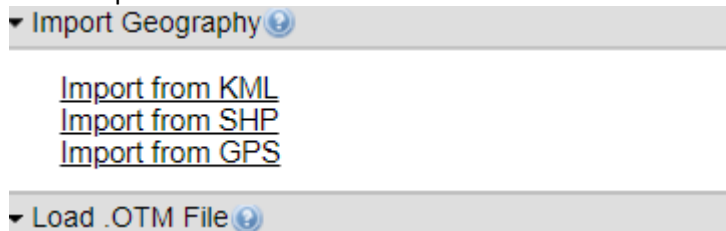
An Application may have coordinates on the survey provided to meet the requirements of 10 TAC §11.204(15)(D), however this is not required. Staff will accept Applicant verification of GPS coordinates through an online map like Google Maps or Google Earth, but it must be clear to staff that the GPS coordinates are tied to a spatial point that unequivocally falls within the boundaries of the Development Site.



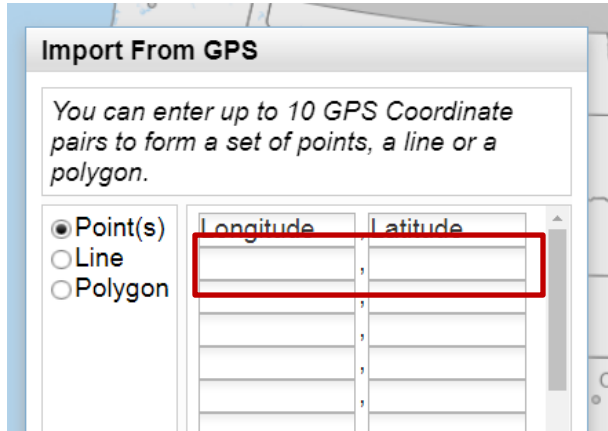
If using Google Maps or Google Earth or a similar mapping program/software, evidence similar to what is seen above must be placed in the Application.

Step 2: Input the Coordinates into the [OnTheMap website](#) using their GPS Import function.

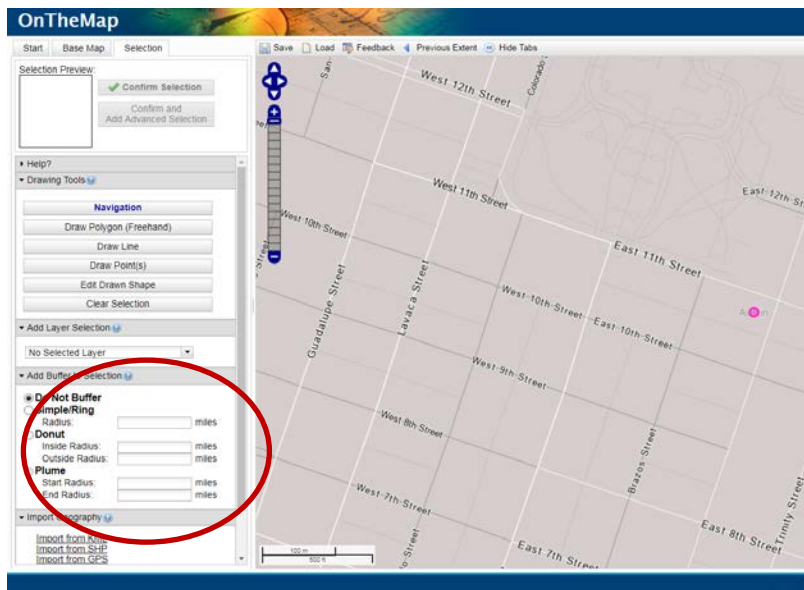
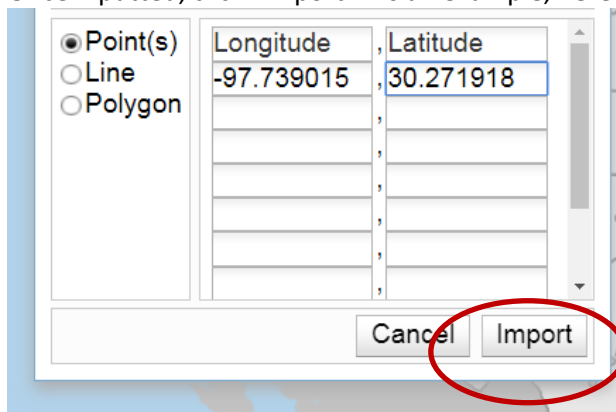
Click "Import from GPS" in the area circled above:



Input the Longitude and Latitude coordinates.



Once inputted, click "Import." As an example, here are coordinates for the TDHCA headquarters.



After clicking "Import," you will see a screen similar to above, with your GPS coordinates now represented as a spatial point. In the area circled above, you now specify that you will look at jobs within a 1 mile radius of the spatial point.

▼ Add Buffer to Selection

Do Not Buffer

Simple/Ring

Radius: miles

Donut

Inside Radius: miles

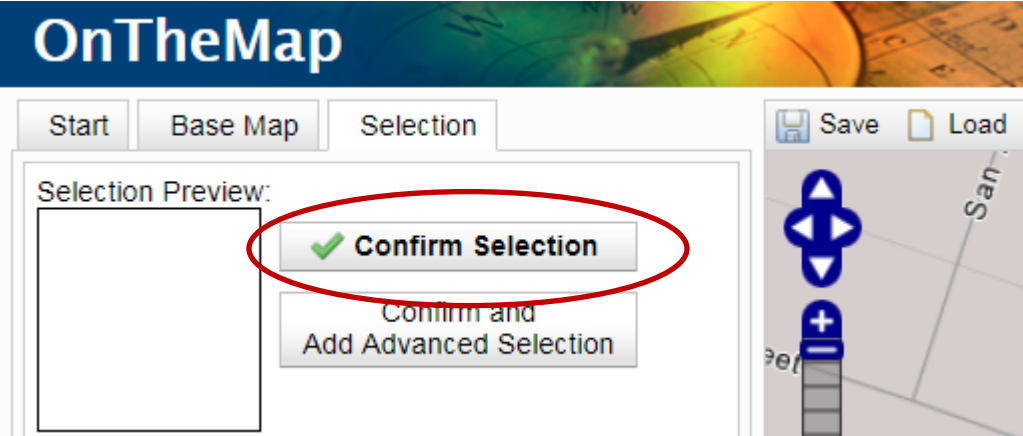
Outside Radius: miles

Plume

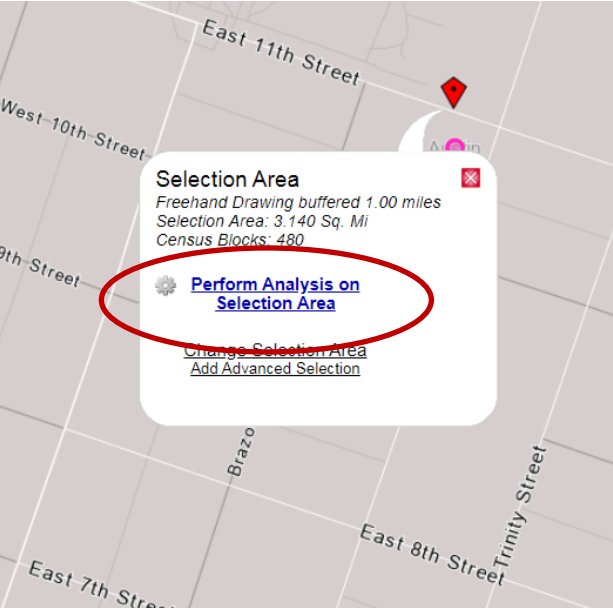
Start Radius: miles

End Radius: miles

After clicking "Simple/Ring" and inputting "1" for miles, click "Confirm Selection."

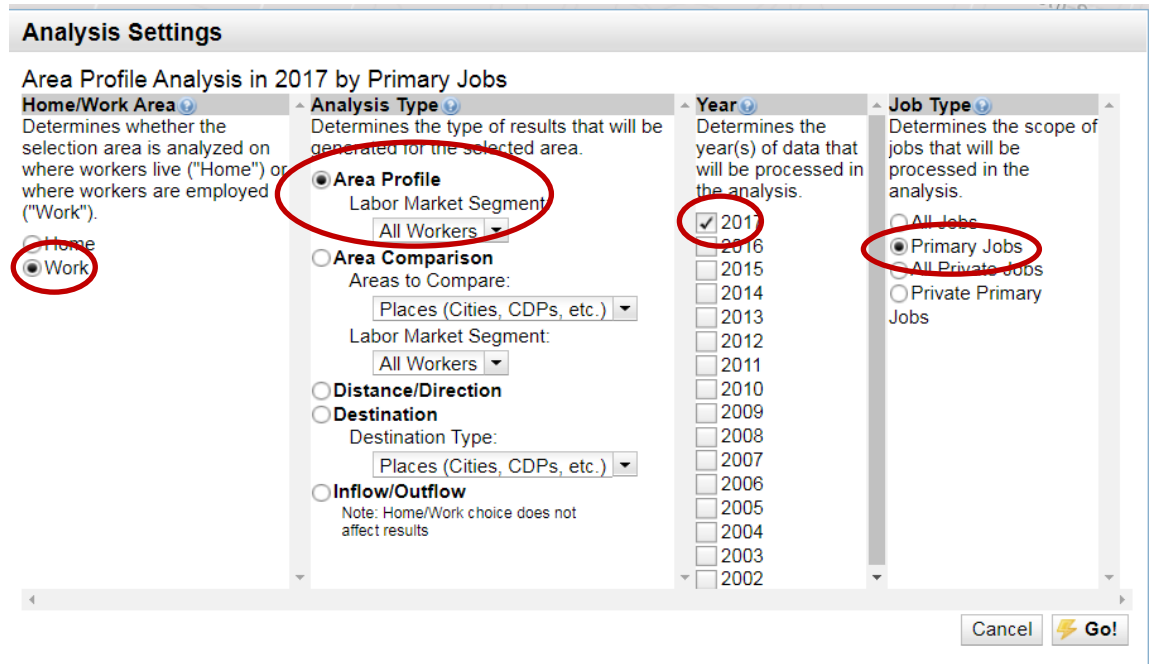


Then click "Perform Analysis on Selection Area"

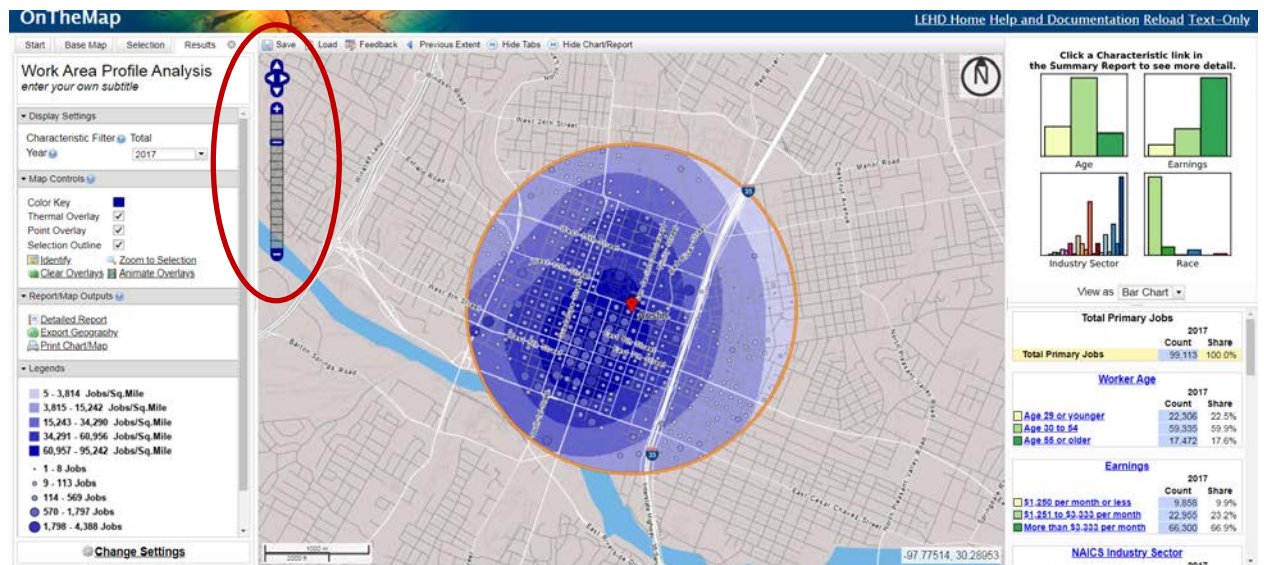


Then check the following boxes for certain categories: "Work" in column 1; "Area Profile" and "All Workers" in column 2; "2018" in column 3; and "Primary Jobs" in column 4. **Instead of 2017, you**

will choose 2018. While 2019 data may be available, it was not available prior to October 1, 2021 as required by the QAP.



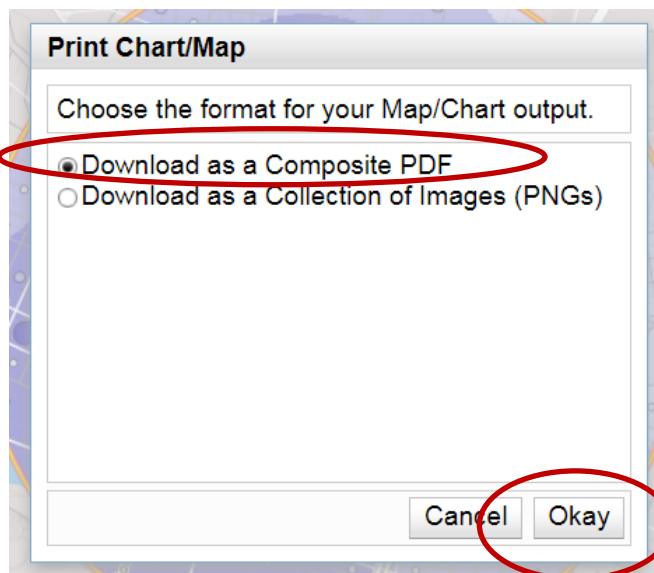
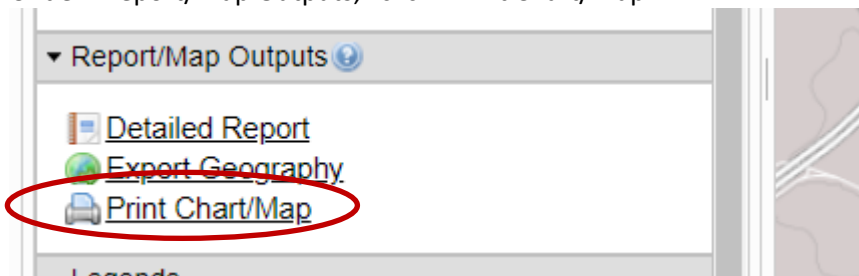
Click "Go." You will then see a screen showing the jobs analysis, similar to this:



Be sure to zoom out, using the zoom tools circled above, so that the entire 1 mile radius can be seen around the spatial point.

IMPORTANT: take a screen shot at this point to show evidence of the coordinates ("ctrl, PrtScn" on the keyboard, then paste to a blank document, format as needed, then pdf). Include the screenshot behind Tab 2 in the pdf application.

Under “Report/Map Outputs,” click “Print Chart/Map.”



Select “Download as a Composite PDF” and then click “Okay.”

OnTheMap

Work Area Profile Report Primary Jobs for All Workers in 2017

Created by the U.S. Census Bureau's OnTheMap <https://onthemap.ces.census.gov> on 10/24/2019

Counts and Density of Primary Jobs in Work Selection Area in 2017

All Workers


This produces a PDF report, with the map and the total job count. This report also has a time stamp so that staff can confirm that the report was generated on or after October 1, 2021 but before the Pre-Application Final Delivery Date. **Include this report plus the screen shot in the pdf application.**

- **Part 4 – Concerted Revitalization:** If claiming points, be sure that no points are being claimed under the Opportunity Index. Complete the appropriate boxes and select amenities in the Urban or Rural section of Opportunity Index. **The CRP Packet is required for Urban and Rural Applications requesting these points, and must be included behind Tab 10.** Make sure supporting documentation is included in the

Application #22250 Tab 10. Indication the Applicant acknowledges that the document is required to be included.

Proximity to Job Areas (Competitive HTC Only)

Proximity to Jobs

US Census' OnTheMap report, the 2018 data set, indicating only the 2018 data set will be used, unless a newer data set is posted to the US Census Website on or before October 1, 2021. (See the 2022 Application Manual for directions) 

Concerted Revitalization Plan (Competitive HTC Only)

CRP Packet is inserted behind this tab.

Declared Disaster Area: (Competitive HTC Only)

The county in which the Development Site is located is listed on the 2022 List of Declared Disaster Areas (no further documentation is required).

The List of Declared Disaster Areas is posted on the Department's website at 

<http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>

Applicant believes the county in which the Development Site is located was omitted from the list and should be listed. Application includes evidence that the Development Site is located in an area declared to be a disaster area under Tex. Gov't Code §418.014 at any time within the two-year period preceding the date of Application submission.

Readiness to Proceed (Competitive HTC Only) (suspended)

Each piece of evidence provided that is not listed above must be accompanied by a detailed narrative describing how that piece of evidence will allow the Applicant to meet the requirements.



22251

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Gala at Ridgmar

-

**Request for Administrative
Deficiency**



Mr. Colin Nickells
Administrator 9% Competitive Housing Tax Credit Program
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

Via: Email

RE: *Gala at Ridgmar, Fort Worth #22251*

Dear Mr. Nickells:

Please accept this Request for an Administrative Deficiency for the above referenced applications. The required documentation for the Proximity to Jobs category is dated after the Pre-Application deadline in this Application. The QAP and the 2022 Multifamily Programs Application Procedures Manual are clear about what documentation is required and when the data must be dated by. Additionally, Tab 10 of the application explicitly states that the documentation detailed in the 2022 Application Manual is required to be inserted in the application.

The 2022 Multifamily Programs Application Procedures Manual states that one of the functions of the Census on the Map PDF report is to provide a time stamp so that staff can confirm the report was generated on or after October 1, 2021 but before the Pre-Application final delivery date. The time stamp on the Census on the Map PDF report are dated after the Pre-Application Delivery Date.

For reference, I have attached excerpts from the QAP, the 2022 Multifamily Programs Application Procedures Manual, and the Application detailing the documentation that is required to be submitted to claim Proximity to Job Areas points.

Thank you for assessing this request. Please let us know if you have any further questions or require any additional documentation by contacting me at (513) 964-1141 or brian.mcgeady@mvahpartners.com. Thank you for your consideration

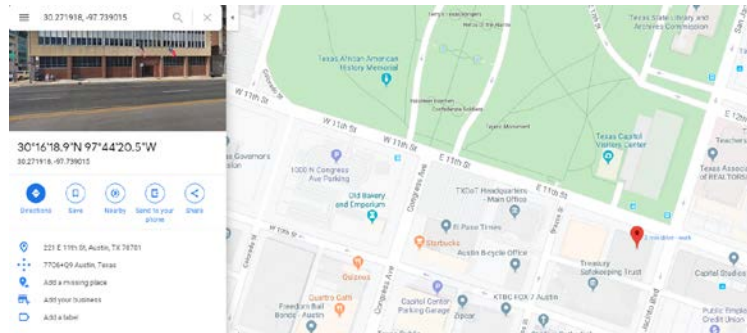
Sincerely,

A handwritten signature in black ink, appearing to read 'B. McGeady', written over a horizontal line.

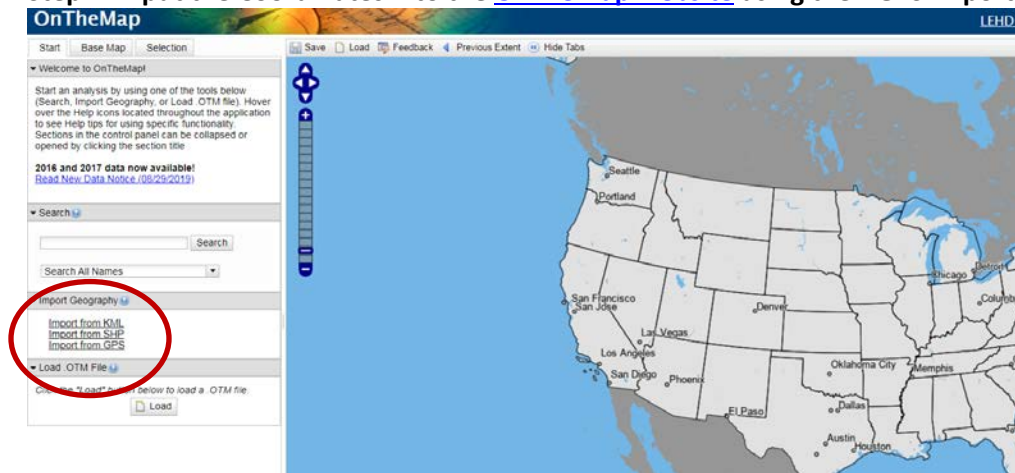
Brian McGeady
Authorized Signer of the Applicant

Instructions for using the OnTheMap tool for Proximity to Jobs:**Step 1: Provide the GPS coordinates that clearly fall within the boundaries of the Development Site.**

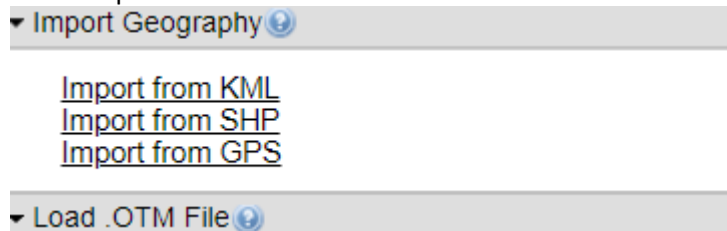
An Application may have coordinates on the survey provided to meet the requirements of 10 TAC §11.204(15)(D), however this is not required. Staff will accept Applicant verification of GPS coordinates through an online map like Google Maps or Google Earth, but it must be clear to staff that the GPS coordinates are tied to a spatial point that unequivocally falls within the boundaries of the Development Site.



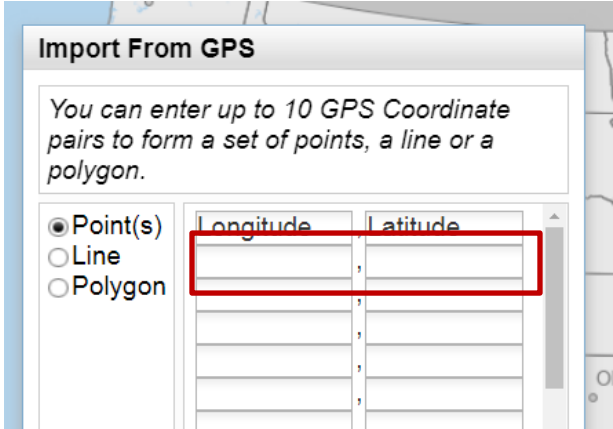
If using Google Maps or Google Earth or a similar mapping program/software, evidence similar to what is seen above must be placed in the Application.

Step 2: Input the Coordinates into the [OnTheMap website](#) using their GPS Import function.

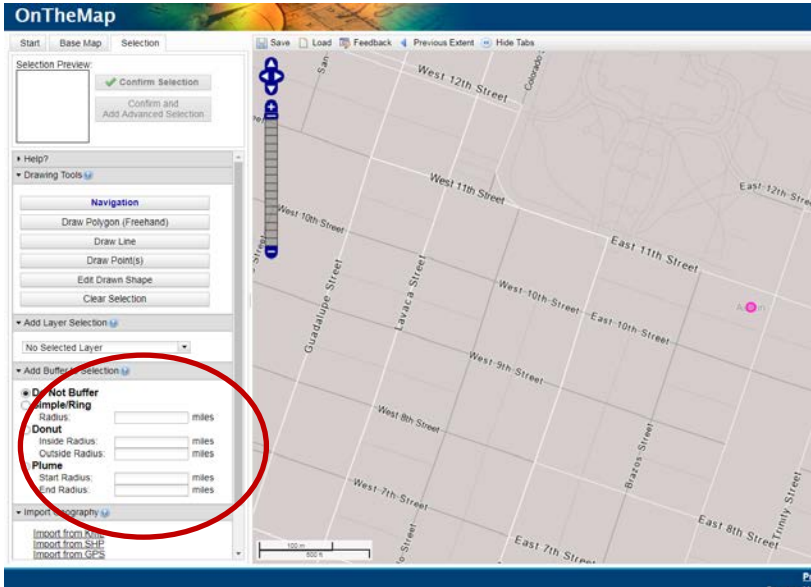
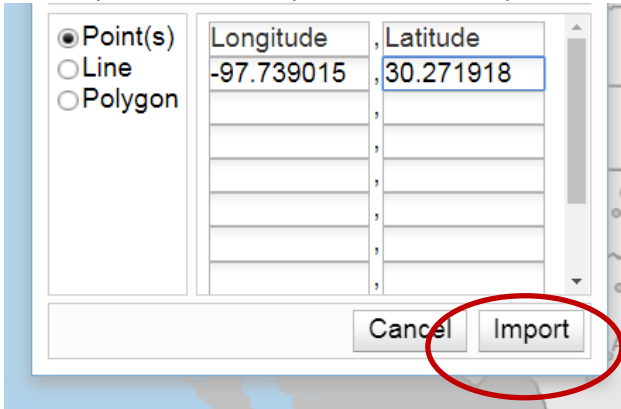
Click "Import from GPS" in the area circled above:



Input the Longitude and Latitude coordinates.



Once inputted, click "Import." As an example, here are coordinates for the TDHCA headquarters.



After clicking "Import," you will see a screen similar to above, with your GPS coordinates now represented as a spatial point. In the area circled above, you now specify that you will look at jobs within a 1 mile radius of the spatial point.

▼ Add Buffer to Selection

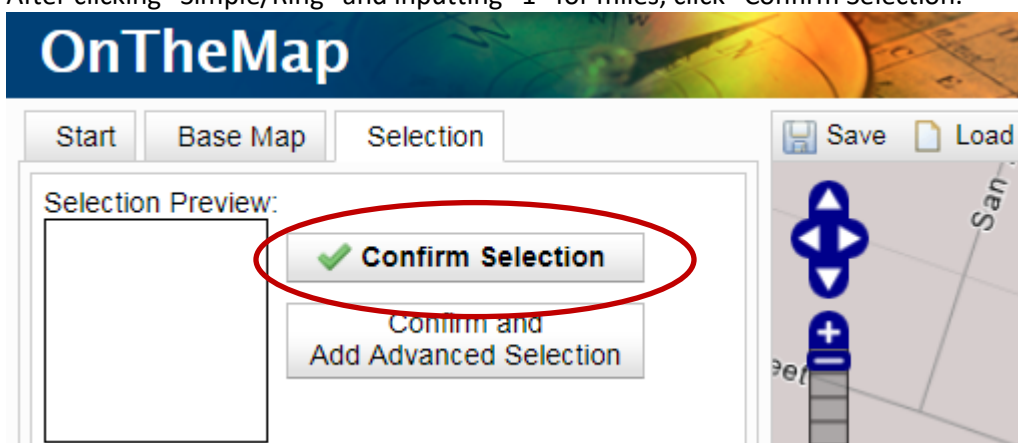
Do Not Buffer

Simple/Ring
 Radius: miles

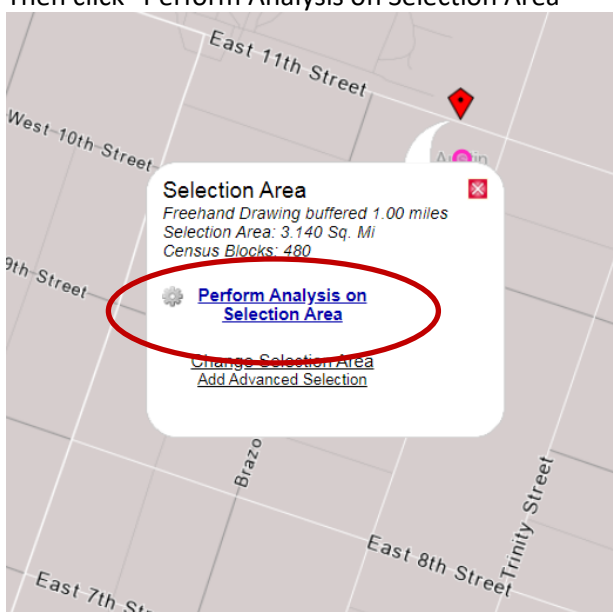
Donut
 Inside Radius: miles
 Outside Radius: miles

Plume
 Start Radius: miles
 End Radius: miles

After clicking “Simple/Ring” and inputting “1” for miles, click “Confirm Selection.”

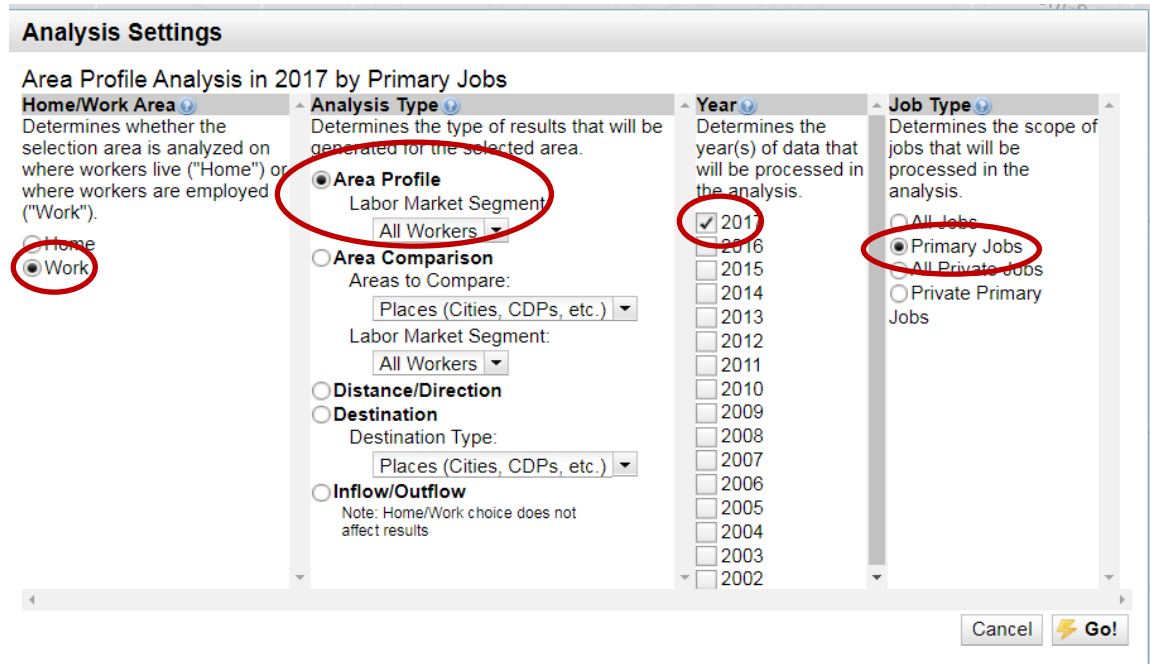


Then click “Perform Analysis on Selection Area”

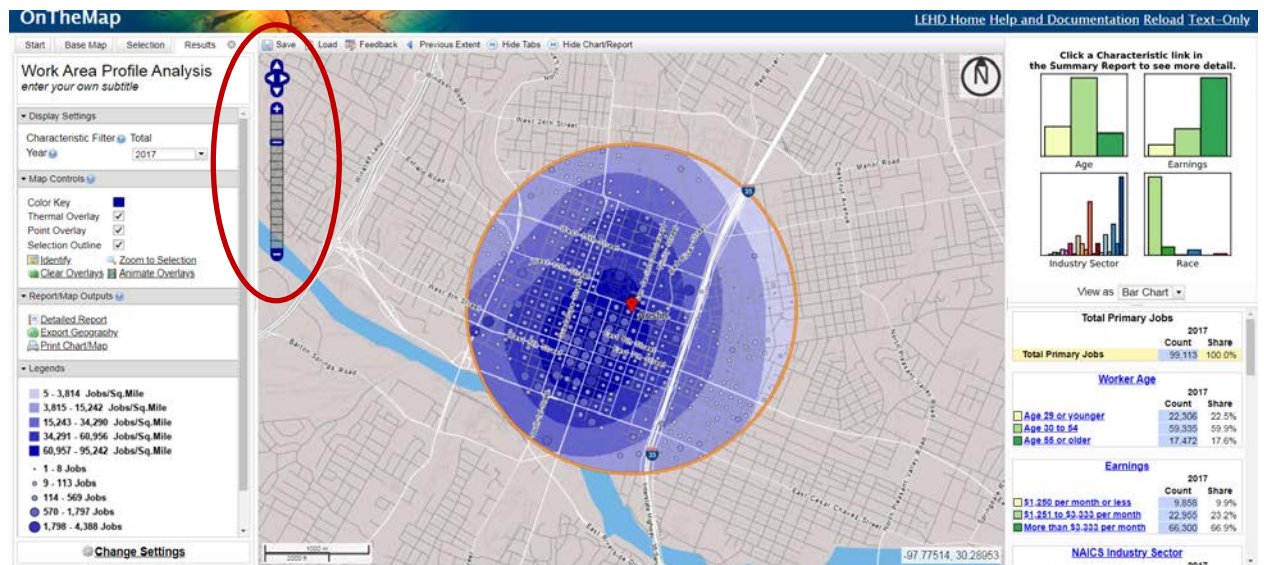


Then check the following boxes for certain categories: “Work” in column 1; “Area Profile” and “All Workers” in column 2; “2018” in column 3; and “Primary Jobs” in column 4. **Instead of 2017, you**

will choose 2018. While 2019 data may be available, it was not available prior to October 1, 2021 as required by the QAP.



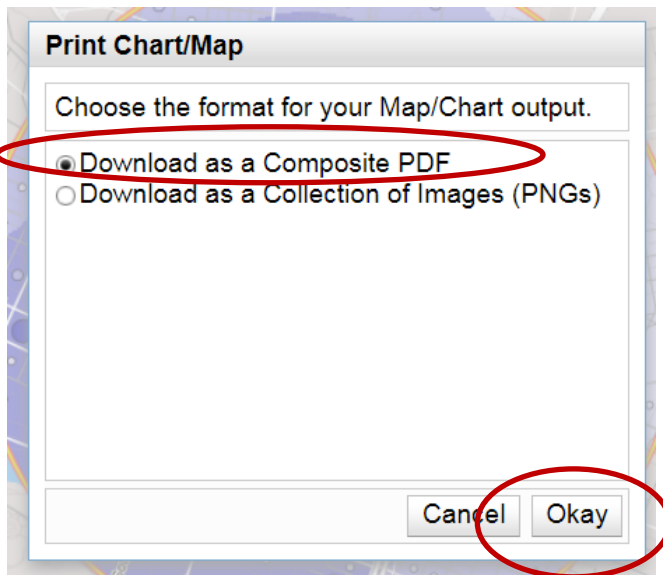
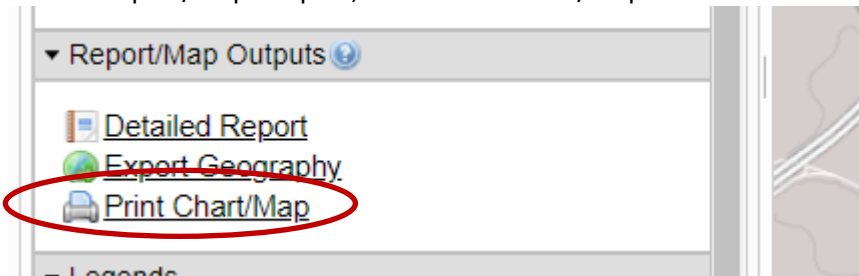
Click "Go." You will then see a screen showing the jobs analysis, similar to this:



Be sure to zoom out, using the zoom tools circled above, so that the entire 1 mile radius can be seen around the spatial point.

IMPORTANT: take a screen shot at this point to show evidence of the coordinates ("ctrl, PrtScn" on the keyboard, then paste to a blank document, format as needed, then pdf). Include the screenshot behind Tab 2 in the pdf application.

Under “Report/Map Outputs,” click “Print Chart/Map.”



Select “Download as a Composite PDF” and then click “Okay.”



Work Area Profile Report Primary Jobs for All Workers in 2017

Created by the U.S. Census Bureau's OnTheMap <https://onthemap.ces.census.gov> on 10/24/2019

Counts and Density of Primary Jobs in Work Selection Area in 2017 All Workers

This produces a PDF report, with the map and the total job count. This report also has a time stamp so that staff can confirm that the report was generated on or after October 1, 2021 but before the Pre-Application Final Delivery Date. **Include this report plus the screen shot in the pdf application.**

Proof that the Census on the Map Report is required to be printed on or after October 1, 2021 but before the Pre-Application Final Delivery Date.

- Part 4 – Concerted Revitalization:** If claiming points, be sure that no points are being claimed under the Opportunity Index. Complete the appropriate boxes and select amenities in the Urban or Rural section of Opportunity Index. **The CRP Packet is required for Urban and Rural Applications requesting these points, and must be included behind Tab 10.** Make sure supporting documentation is included in the

Excerpt from the 2022 QAP stating required documentation associated with Proximity to Jobs Areas point category.

required to continue to specifically market Units to Persons with Special Housing Needs. (2 points)

(B) If the Development has committed units under §11.9(c)(6)(A), the Development must commit at least an additional 2% of the total Units to Persons referred from the Continuum of Care or local homeless service providers to be made available for those experiencing homelessness. Rejection of an applicant's tenancy for those referred may not be for reasons of credit history or prior rental payment history. Throughout the Compliance Period, unless otherwise permitted by the Department, the Development Owner agrees to specifically market the 2% of Units through the Continuum of Care and other homelessness providers local to the Development Site. In addition, the Department will require an initial minimum twelve-month period in Urban subregions, and an initial six-month period in Rural subregions, during which Units must either be occupied by Persons referred from the Continuum of Care or local homeless service providers, or held vacant, unless the Units receive HOME funds from any source. After the initial twelve-month or six-month period, the Development Owner will no longer be required to hold Units vacant but will be required to continue to provide quarterly notifications to the Continuum of Care and other homeless service providers local to the Development Site on the availability of Units at the Development Site. Developments are not eligible under this paragraph unless points have also been selected under §11.9(c)(6)(A). (1 point)

(C) If the Development is located in a county with a population of 1 million or more, but less than 4 million, and is located not more than two miles from a veteran's hospital, veteran's affairs medical center, or veteran's affairs health care center, (which include all providers listed under the Veteran's Health Administration categories, excluding Benefits Administration offices, listed at this link https://www.va.gov/directory/guide/fac_list_by_state.cfm?State=TX&dnum=ALL) and agrees to provide a preference for leasing units in the Development to low income veterans. (1 point)

(7) Proximity to Job Areas. (§42(m)(1)(C)(i)) An Application may qualify to receive up to six (6) points if the Development Site is located in one of the areas described in subparagraphs (A) or (B) of this paragraph, and the Application contains evidence substantiating qualification for the points. The data used will be based solely on that available through US Census' OnTheMap tool. Jobs counted are limited to those based on the work area, all workers, and all primary jobs. Only the 2018 data set will be used, unless a newer data set is posted to the US Census website on or before October 1, 2021. The Development will use OnTheMap's function to import GPS coordinates that clearly fall within the Development Site, and the OnTheMap chart/map report submitted in the Application must include the report date. This scoring item will not apply to Applications under the At-Risk or USDA Set-Aside.

(A) Proximity to Jobs. For Development Sites within the boundaries of a municipality of 500,000 or more, or the unincorporated areas of a county with a population of 1 million or more, A Development may qualify for points under this subparagraph if it meets one of the criteria in clauses (i) - (vi) of this subparagraph.

(i) The Development is located within 2 miles of 16,500 jobs. (6 points)

(ii) The Development is located within 2 miles of 13,500 jobs. (5 points)

(iii) The Development is located within 2 miles of 10,500 jobs. (4 points)

22254

-

Landmark 301

-

**Request for Administrative
Deficiency**

Houston Ella Boulevard, Ltd.

May 6, 2022

Mr. Cody Campbell
Director of Multifamily Finance
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701

RE: Request for Administrative Deficiency TDHCA #22254 – OPG 301 Partners, LLC

Dear Mr. Campbell:

Houston Ella Boulevard, Ltd. respectfully requests this letter serve as our Third-Party Request for Administrative Deficiency (RFAD) of 10 TAC §11.9(c)(1)(A)(ii) – Income Levels of Residents by the Applicant, OPG 301 Partners, LLC for their application #22254 – Landmark 301. It is our position the Applicant did not provide the required percentage of Low-Income Units at 50% or less of AMGI for fifteen (15) points. Please note the Applicant did not elect Income Averaging. A copy of this RFAD is being delivered concurrently to a representative of the Landmark 301.

§11.9(c)(1)(A)(ii) states:

(c) Criteria to serve and support Texans most in need.

(1) Income Levels of Residents. (§§2306.111(g)(3)(B) and (E); 2306.6710(b)(1)(C) and (e); and §42 (m)(1)(B)(ii)(I)) An Application may qualify for up to sixteen (16) points for rent and income restricting a Development for the entire Affordability Period at the levels identified in subparagraph (A), (B), (C), or (D) of this paragraph.

(A) For any Development located within a non-Rural Area of the Dallas, Fort Worth, Houston, San Antonio, or Austin MSAs that propose to use either the 20-50 or 40-60 election under §42(g)(1)(A) or §42(g)(1)(B) of the Code, respectively:

(i) At least 60% of all Low-Income Units at 50% or less of AMGI in a Supportive Housing Development proposed by a Qualified Nonprofit (16 points);

(ii) At least 40 % of all Low-Income Units at 50% or less of AMGI (15 points);

(iii) At least 30% of all Low-Income Units at 50% or less of AMGI (13 points); or

(iv) At least 20% of all Low-Income Units at 50 %or less of AMGI (11 points).

The total number of Low-Income Units per the Application is 48. In order to claim 15 points for Income Levels of Residents the Applicant must have 40% of all Low-Income Units (20 Units) at or below 50% AMI. Per the rent schedule the Applicant has 5 Units at 30% AMI and 10 Units at 50% AMI for a total of 15 Units at or below 50% AMI. Per the rent schedule the Applicant has 31.25% at or below 50% AMI. Therefore the Applicant is eligible for eleven (11) points and not fifteen (15).

We request TDHCA issue a reduction in scoring for Income Levels of Residents from 15 to 11 points. If you have any questions or would like additional information, please do not hesitate to contact me.

Sincerely,



Cody J. Hunt
Houston Ella Boulevard, Ltd.
Authorized Representative
13455 Noel Road, Suite 400
Dallas, TX 75240
chunt@rivaswitzerland.com

cc: Matthew Gillam – matt@overlandpg.com

property, if the Development meets one of the requirements below, whichever is elected by the taxpayer. Once an election is made, it is irrevocable. Select only one:

- At least 20% or more of the residential units in such development are both rent restricted and occupied by individuals whose income is 50% or less of the area median gross income, adjusted for family size.
- At least 40% or more of the residential units in such development are both rent restricted and occupied by individuals whose income is 60% or less of the median gross income, adjusted for family size.
- Applicant elects to use the Average Income for the Development.

9. request for Direct Loan or where the Department is not the bond issuer, a Scope and Cost Review is not required. The application must include a Scope of Work Narrative as described in §11.306(k) of the QAP. (note: Rehabilitation Developments funded by the national Housing Trust Fund are required to meet the Multifamily Minimum Rehabilitation Standards approved by HUD, as posted on the Department's website at <https://www.tdhca.state.tx.us/multifamily/home/index.htm>, in addition to the Department's rules and NOFA requirements.)

If a revised form is submitted, date of submission:

Development Activities II

Self Score Total: 135

1. Size and Quality of Units (Competitive HTC Applications only) [10 TAC §11.9(b)(1)]

Development is Rehabilitation (excluding Reconstruction-Only), Supportive Housing, or USDA financed; **OR** meets the minimum size requirements below: (6 points) **(NEW: If the Development involves both Rehabilitation and Reconstruction or New Construction, then the Reconstruction or New Construction Units must meet these requirements.)** Points claimed: 6

Bedroom Size	0	1	2	3	4
Square Footage	550	650	850	1,050	1,250

Specific amenities and quality features will be provided in every Unit at no extra charge to the resident; Development will maintain the points selected and associated with those amenities as outlined in 10 TAC §11.101(b)(6)(B).* (9 points) Points claimed: 9

** Direct Loan applicants proposing new construction or rehabilitation should be prepared to comply with requirements of 81 FR 92626, which requires installation of broadband infrastructure at the time of new construction or substantial rehabilitation of multifamily rental housing that is funded or supported by HUD.*

2. Rent Levels of Residents and Tiebreaker (Direct Loan Applications only) [10 TAC §13.6(5) and (6)]

Mark only one box below:

- At least 20 percent of all low-income Units at 30% or less of AMGI* Direct Loan Points: 0
- At least 10 percent of all low-income Units at 30% or less of AMGI or, for a Development located in a Rural Area, 7.5 percent of all low-income Units at 30% or less of AMGI* Direct Loan Points: 0
- At least 5 percent of all low-income Units at 30% or less of AMGI* Direct Loan Points: 0

In the event of a tie with another application or applications, this percentage of 30% AMGI MF-DL units within the Development would be converted to be available to households at 15% AMGI.

** Applicants electing to restrict units at 30% AMGI for Competitive HTC or income averaging purposes may not count those same units for scoring points under §13.6(5). However, units restricted to ≥40% AMGI for HTC purposes that are layered with 30% AMGI units for Direct Loan purposes may count for point scoring under §13.6(5). **Points claimed here will appear on the MF-DL Self Score tab.***

Application is seeking points for Rent Levels of Residents. Direct Loan Points Claimed: 0

3. Subsidy Per Unit (Direct Loan Applications only) [10 TAC §13.6(4)] Mark only one box below:

- Direct Loan Request/ Direct Loan or NHTF Units ≤ 60,000 Direct Loan Points: 0
- Direct Loan Request/ Direct Loan or NHTF Units = 60,001 - 80,000 Direct Loan Points: 0
- Direct Loan Request/ Direct Loan or NHTF Units = 80,001 - 100,000 Direct Loan Points: 0

*Applicants should confirm any point selections in this section by using the Direct Loan Unit Calculator Tool on the Apply for Funds page on the TDHCA website: <https://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>. **Points claimed here will appear on the MF-DL Self Score tab.***

Application is seeking points for Subsidy Per Unit. Direct Loan Points Claimed: 0

4. Income Levels of Residents (Competitive HTC Applications only) [10 TAC §11.9(c)(1)]

**30% boost Units and 30% Units used for other scoring items must not be included in the units needed to achieve the Application's scoring elections*

Application proposes to use the 20-50 or 40-60 election under §42(g)(1)(A) or §42(g)(1)(B) of the Code, respectively.

- 15 Total Number of Units at 50% or less of AMGI
- 5 Number of 30% Units used to score points under §11.9(c)(2)*
- Number of 30% Units used under §11.4(c)(3)(D) regarding an Increase in Eligible Basis (30% boost)
- 10 Number of Units at 50% or less of AMGI available to use for points under §11.9(c)(1)
- 20.83% Percentage used for calculation of eligible points under §11.9(c)(1)

**COMPLETE THIS SECTION!
CHECK YOUR MATH!**

A. Development located in Non-Rural Area of Dallas, Fort Worth, Houston, San Antonio or Austin MSA, and

- Development is Supportive Housing proposed by a Qualified Nonprofit (16 points) 0
- Development is NOT Supportive Housing proposed by a Qualified Nonprofit (up to 15 pts) 11

These boxes calculate the score based on information entered but do not populate the Self Score form. Select elected points in the yellow box below.

B. Development proposed in all other areas.

- Development is Supportive Housing proposed by a Qualified Nonprofit (16 points) 0
- Development is NOT Supportive Housing proposed by a Qualified Nonprofit (up to 15 pts) 0

OR (DO NOT COMPLETE BOTH)

Application proposes to use the Average Income election under §42(g)(1)(C) of the Code (if so, complete the average income worksheet at Tab 24)

This box will populate after the calculation is completed.
Average Income from Tab 24
0.00

C. Development located in Non-Rural Area of Dallas, Fort Worth, Houston, San Antonio or Austin MSA

- The Average Income for the proposed Development will be 54% or lower (15 points).
- The Average Income for the proposed Development will be 55% or lower (13 points).
- The Average Income for the proposed Development will be 56% or lower (11 points).

OR

D. Development proposed in all other areas.

- The Average Income for the proposed Development will be 55% or lower (15 points).
- The Average Income for the proposed Development will be 56% or lower (13 points).
- The Average Income for the proposed Development will be 57% or lower (11 points).

Application is seeking points for Income Levels of Residents.

Points Claimed:

15

5. **Rent Levels of Residents (Competitive HTC Applications only) [§11.9(c)(2)]**

If selecting points from §11.9(c)(1)(A) or §11.9(c)(1)(B), these levels are in addition to those committed under paragraph (1) of this subsection. If selecting points from §11.9(c)(1)(C) or §11.9(c)(1)(D), these levels are included in the income average calculation under paragraph (1) of this subsection. **These units must be maintained at this rent level throughout the Affordability Period regardless of the Average Income calculation.**

Mark only one box below:

- Development is Supportive Housing proposed by a Qualified Nonprofit, and at least 20% (less Units used for boost or in A or B above) of all low-income Units are restricted at 30% or less of AMGI; or (13 points)
- Development is Urban, and at least 10% (less Units used for eligibility for boost or in A or B above) of all low-income Units are restricted at 30% or less of AMGI; or (11 points)
- Development is Rural, and at least 7.5% (less Units used for eligibility for boost or in A or B above) of all low-income Units are restricted at 30% or less of AMGI; or (11 points)
- At least 5% (less Units used for eligibility for boost or in A or B above) of all low-income Units at 30% or less of AMGI. (7 points)

Application is seeking points for Rent Levels of Residents.

Points Claimed:

11

6. **Resident Supportive Services (Competitive HTC Applications and Direct Loan Applications) [§11.9(c)(3) and §13.6(2)]**

- Development will provide a combination of supportive services as identified in §11.101(b)(7) and those services will be recorded in the Development's LURA.
- Applicant certifies that the Development will contact local service providers, and will make Development community space available to them on a regularly-scheduled basis to provide outreach services and education to the tenants.

Application is seeking points for Resident Services.

Points Claimed:

11

7. **Residents with Special Housing Needs (Competitive HTC Applications only) [§11.9(c)(6)]**

- A. Applicant elects to commit at least 5% of the total Units for Persons with Special Housing Needs. The Units identified for this scoring item may not be the same Units identified previously for the Section 811 PRA Program. The Development Owner agrees to specifically market Units to Persons with Special Housing Needs. The Department will require an initial minimum twelve-month period during which Units must either be occupied by Persons with Special Housing Needs or held vacant, unless the units receive HOME funds from any source. (2 points)
- B. Applicant elects to commit at least an additional 2% of the total Units to Persons referred from the Continuum of Care or local homeless service providers to be made available for those experiencing homelessness. Applications are not eligible under this paragraph unless points have also been selected under A above. The Development Owner agrees to specifically market the 2% of Units through the Continuum of Care and other homelessness providers local to the Development Site. In addition, the Department will require an initial minimum twelve-month period in Urban subregions, and an initial six-month period in Rural subregions, during which Units must either be occupied by Persons referred from the Continuum of Care or local homeless service providers, or held vacant, unless the Units receive HOME funds from any source. (1 point)
- C. Applicant elects to provide a preference for leasing units to low income veterans. The Development is located in a county with a population of 1 million or more, but less than 4 million, and is located not more than two miles from a veteran's hospital, veteran's affairs medical center, or veteran's affairs health care center, (which include all providers listed under the Veteran's Health Administration categories, excluding Benefits Administration offices, listed at this link https://www.va.gov/directory/guide/fac_list_by_state.cfm?State=TX&dnum=ALL). (1 point)

Application is seeking points for Residents with Special Housing Needs. (up to 3 pc)

Points Claimed:

3

8. **Pre-Application Participation (Competitive HTC Applications only) [§11.9(e)(3)]**

- Development is requesting Pre-Application Points.

- Provision for Vacancy & Collection Loss	% of Potential Gross Income: 7.50%	(2,837)
- Rental Concessions (enter as a negative number)	Enter as a negative value	
= EFFECTIVE GROSS MONTHLY INCOME		34,991
x 12 = EFFECTIVE GROSS ANNUAL INCOME		419,891

TC 1440%

If a revised form is submitted, date of submission: _____

Rent Schedule (Continued)

		% of LI	% of Total	
HOUSING TAX CREDITS	TC20%			0
	TC30%	10%	10%	5
	TC40%			0
	TC50%	21%	21%	10
	TC60%	69%	69%	33
	TC70%			0
	TC80%			0
	HTC LI Total			48
	EO			0
	MR			0
	MR Total			0
Total HTC Units				48
DIRECT LOAN (NHTF)	HTF30%			0
	NHTF LI Total			0
	MR			0
	MR Total			0
	HTF Total			0

		% of LI	% of Total		
MORTGAGE REVENUE BOND	MRB20%			0	
	MRB30%			0	
	MRB40%			0	
	MRB50%			0	
	MRB60%			0	
	MRB70%			0	
	MRB80%			0	
	TDHCA ISSUER ONLY	MRB LI Total			0
	MRBMR			0	
	MRBMR Total			0	
	MRB Total			0	
DIRECT LOAN (HOME, TCAP RF, and/or NSP1 PI)	30%			0	
	40%			0	
	LH/50%			0	
	HH/60%			0	
	HH/80%			0	
	Direct Loan LI Total			0	
	Direct Loan Total			0	
OTHER	Total OT Units			0	

BEDROOMS	0			5
	1			39
	2			4
	3			0
	4			0

ACQUISITION + HARD		DO NOT USE THIS CALCULATION TO SCORE POINTS UNDER 11.9(e)(2). At the end of the Development Cost
Cost Per Sq. Ft	#####	Schedule, you will have the ability to
HARD		adjust your eligible costs to qualify.
Cost Per Sq. Ft	#####	
BUILDING		

22257

-

The Reserves at Magnolia

-

**Request for Administrative
Deficiency**



Mr. Colin Nickells
Administrator 9% Competitive Housing Tax Credit Program
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

Via: Email

RE: *The Reserves at Magnolia, Denton #22257*

Dear Mr. Nickells:

Please accept this Request for an Administrative Deficiency for the above referenced application. The required documentation for the Proximity to Jobs category is dated after the Pre-Application deadline in this Application. The QAP and the 2022 Multifamily Programs Application Procedures Manual are clear about what documentation is required and when the data must be dated by. Additionally, Tab 10 of the application explicitly states that the documentation detailed in the 2022 Application Manual is required to be inserted in the application.

The 2022 Multifamily Programs Application Procedures Manual states that one of the functions of the Census on the Map PDF report is to provide a time stamp so that staff can confirm the report was generated on or after October 1, 2021 but before the Pre-Application final delivery date. The time stamp on the Census on the Map PDF report are dated after the Pre-Application Delivery Date.

For reference, I have attached excerpts from the QAP, the 2022 Multifamily Programs Application Procedures Manual, and the Application detailing the documentation that is required to be submitted to claim Proximity to Job Areas points.

Thank you for assessing this request. Please let us know if you have any further questions or require any additional documentation by contacting me at (513) 964-1141 or brian.mcgeady@mvahpartners.com. Thank you for your consideration

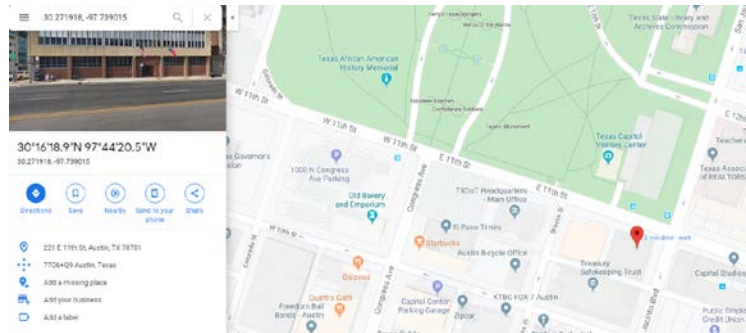
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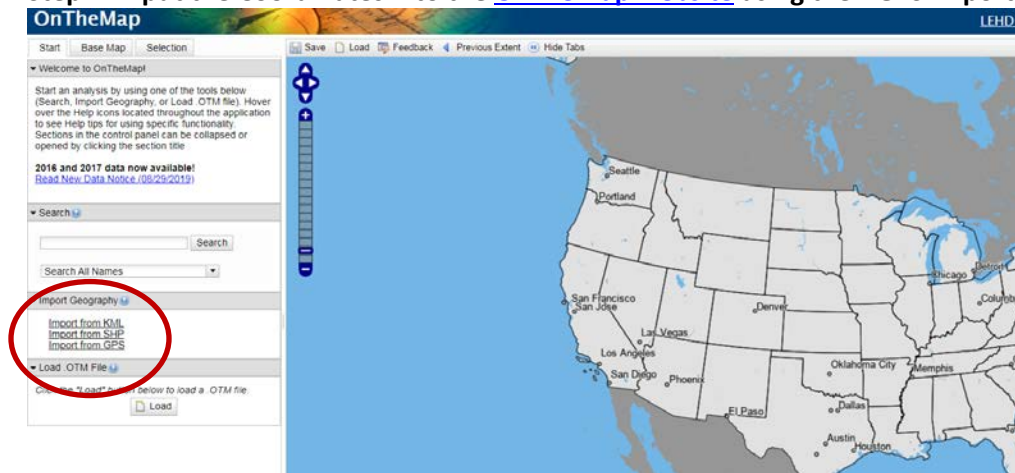
Brian McGeady
Authorized Signer of the Applicant

Instructions for using the OnTheMap tool for Proximity to Jobs:**Step 1: Provide the GPS coordinates that clearly fall within the boundaries of the Development Site.**

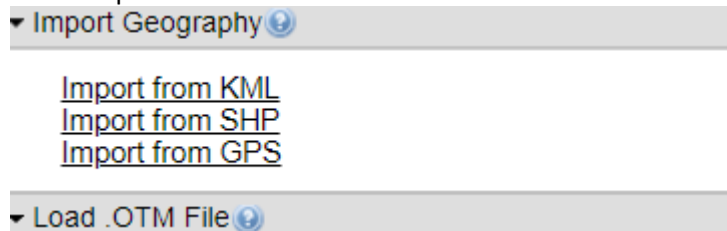
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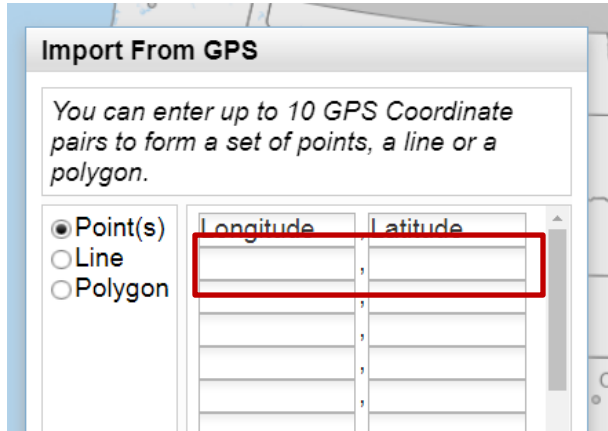
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Step 2: Input the Coordinates into the [OnTheMap website](#) using their GPS Import function.

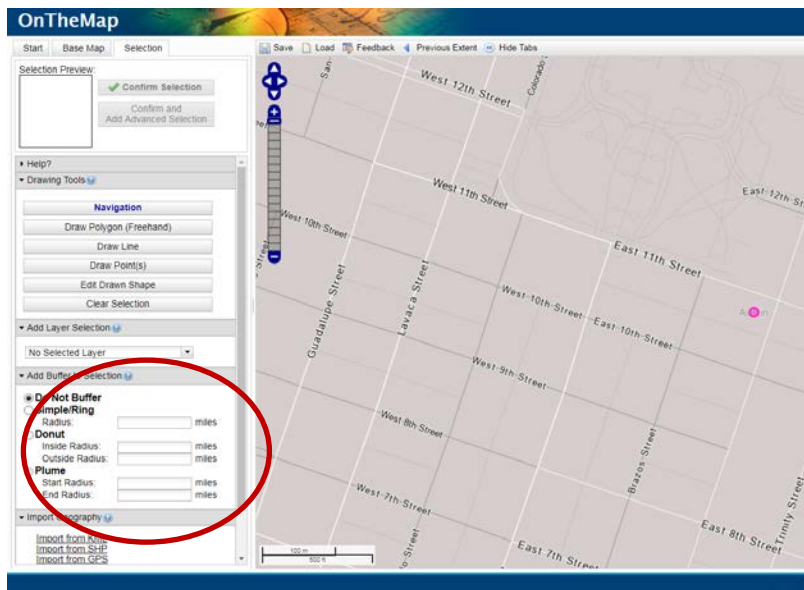
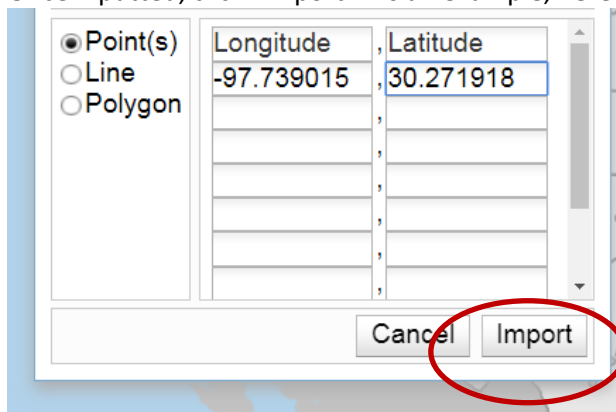
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Input the Longitude and Latitude coordinates.



Once inputted, click "Import." As an example, here are coordinates for the TDHCA headquarters.



After clicking "Import," you will see a screen similar to above, with your GPS coordinates now represented as a spatial point. In the area circled above, you now specify that you will look at jobs within a 1 mile radius of the spatial point.

▼ Add Buffer to Selection

Do Not Buffer

Simple/Ring

Radius: miles

Donut

Inside Radius: miles

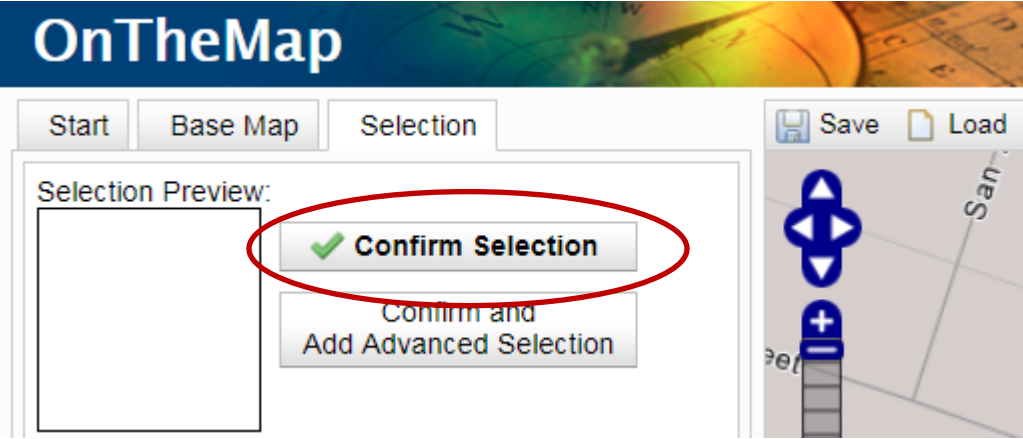
Outside Radius: miles

Plume

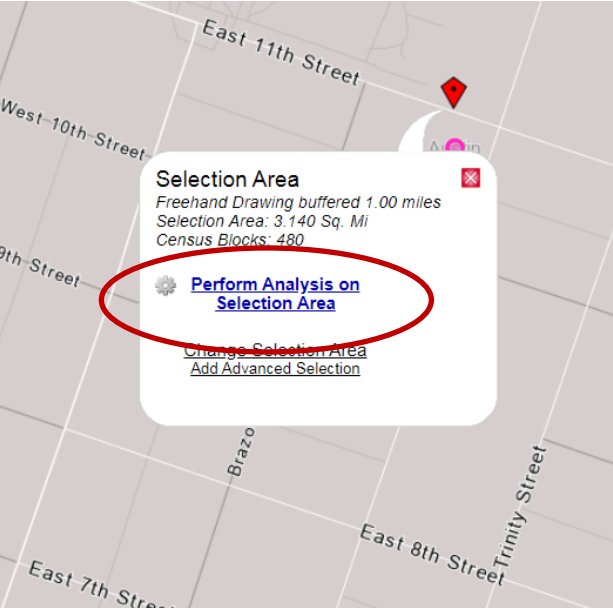
Start Radius: miles

End Radius: miles

After clicking "Simple/Ring" and inputting "1" for miles, click "Confirm Selection."

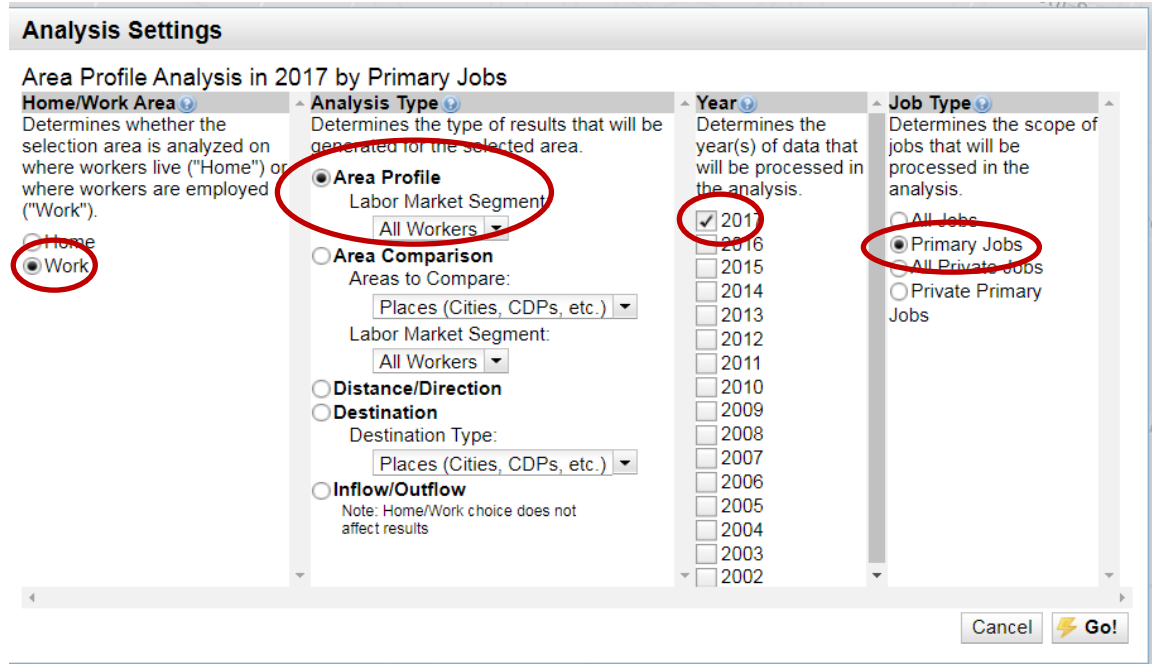


Then click "Perform Analysis on Selection Area"

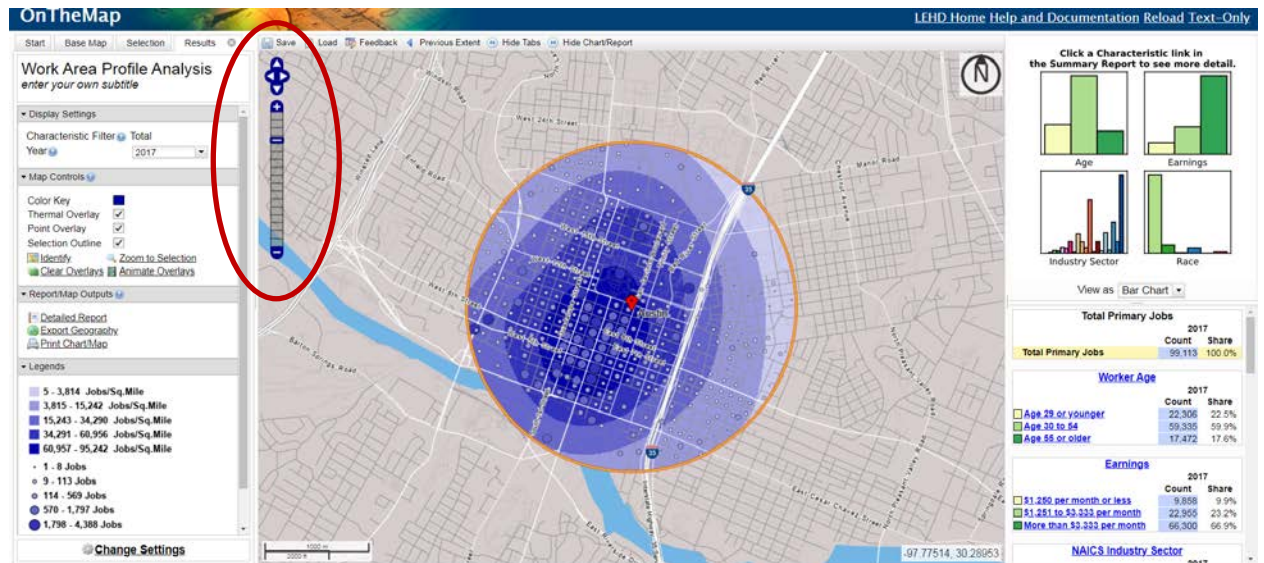


Then check the following boxes for certain categories: "Work" in column 1; "Area Profile" and "All Workers" in column 2; "2018" in column 3; and "Primary Jobs" in column 4. **Instead of 2017, you**

will choose 2018. While 2019 data may be available, it was not available prior to October 1, 2021 as required by the QAP.



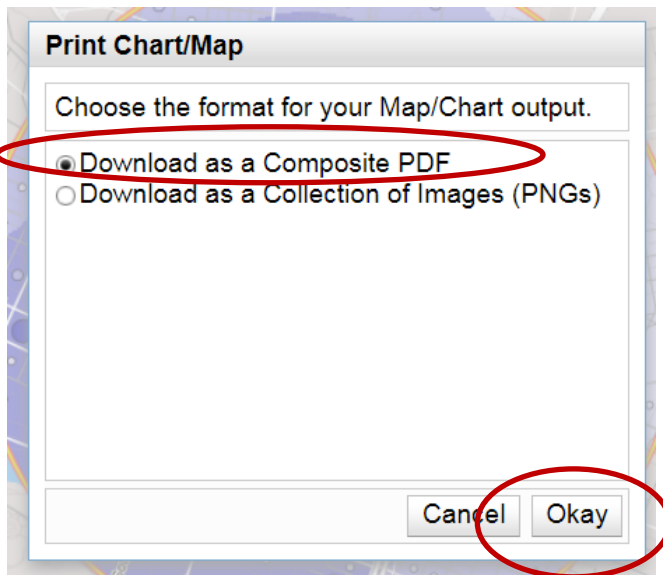
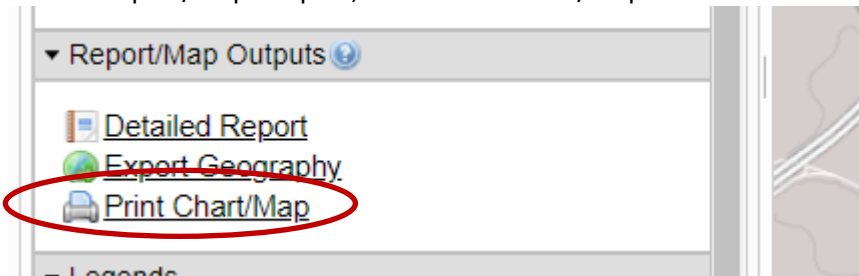
Click "Go." You will then see a screen showing the jobs analysis, similar to this:



Be sure to zoom out, using the zoom tools circled above, so that the entire 1 mile radius can be seen around the spatial point.

IMPORTANT: take a screen shot at this point to show evidence of the coordinates ("ctrl, PrtScn" on the keyboard, then paste to a blank document, format as needed, then pdf). Include the screenshot behind Tab 2 in the pdf application.

Under “Report/Map Outputs,” click “Print Chart/Map.”



Select “Download as a Composite PDF” and then click “Okay.”



Work Area Profile Report Primary Jobs for All Workers in 2017

Created by the U.S. Census Bureau's OnTheMap <https://onthemap.ces.census.gov> on 10/24/2019

Counts and Density of Primary Jobs in Work Selection Area in 2017

All Workers

This produces a PDF report, with the map and the total job count. This report also has a time stamp so that staff can confirm that the report was generated on or after October 1, 2021 but before the Pre-Application Final Delivery Date. **Include this report plus the screen shot in the pdf application.**

Proof that the Census on the Map Report is required to be printed on or after October 1, 2021 but before the Pre-Application Final Delivery Date.

- Part 4 – Concerted Revitalization:** If claiming points, be sure that no points are being claimed under the Opportunity Index. Complete the appropriate boxes and select amenities in the Urban or Rural section of Opportunity Index. **The CRP Packet is required for Urban and Rural Applications requesting these points, and must be included behind Tab 10.** Make sure supporting documentation is included in the

Excerpt from the 2022 QAP stating required documentation associated with Proximity to Jobs Areas point category.

required to continue to specifically market Units to Persons with Special Housing Needs. (2 points)

(B) If the Development has committed units under §11.9(c)(6)(A), the Development must commit at least an additional 2% of the total Units to Persons referred from the Continuum of Care or local homeless service providers to be made available for those experiencing homelessness. Rejection of an applicant's tenancy for those referred may not be for reasons of credit history or prior rental payment history. Throughout the Compliance Period, unless otherwise permitted by the Department, the Development Owner agrees to specifically market the 2% of Units through the Continuum of Care and other homelessness providers local to the Development Site. In addition, the Department will require an initial minimum twelve-month period in Urban subregions, and an initial six-month period in Rural subregions, during which Units must either be occupied by Persons referred from the Continuum of Care or local homeless service providers, or held vacant, unless the Units receive HOME funds from any source. After the initial twelve-month or six-month period, the Development Owner will no longer be required to hold Units vacant but will be required to continue to provide quarterly notifications to the Continuum of Care and other homeless service providers local to the Development Site on the availability of Units at the Development Site. Developments are not eligible under this paragraph unless points have also been selected under §11.9(c)(6)(A). (1 point)

(C) If the Development is located in a county with a population of 1 million or more, but less than 4 million, and is located not more than two miles from a veteran's hospital, veteran's affairs medical center, or veteran's affairs health care center, (which include all providers listed under the Veteran's Health Administration categories, excluding Benefits Administration offices, listed at this link https://www.va.gov/directory/guide/fac_list_by_state.cfm?State=TX&dnum=ALL) and agrees to provide a preference for leasing units in the Development to low income veterans. (1 point)

(7) Proximity to Job Areas. (§42(m)(1)(C)(i)) An Application may qualify to receive up to six (6) points if the Development Site is located in one of the areas described in subparagraphs (A) or (B) of this paragraph, and the Application contains evidence substantiating qualification for the points. The data used will be based solely on that available through US Census' OnTheMap tool. Jobs counted are limited to those based on the work area, all workers, and all primary jobs. Only the 2018 data set will be used, unless a newer data set is posted to the US Census website on or before October 1, 2021. The Development will use OnTheMap's function to import GPS coordinates that clearly fall within the Development Site, and the OnTheMap chart/map report submitted in the Application must include the report date. This scoring item will not apply to Applications under the At-Risk or USDA Set-Aside.

(A) Proximity to Jobs. For Development Sites within the boundaries of a municipality of 500,000 or more, or the unincorporated areas of a county with a population of 1 million or more, A Development may qualify for points under this subparagraph if it meets one of the criteria in clauses (i) - (vi) of this subparagraph.

(i) The Development is located within 2 miles of 16,500 jobs. (6 points)

(ii) The Development is located within 2 miles of 13,500 jobs. (5 points)

(iii) The Development is located within 2 miles of 10,500 jobs. (4 points)

22258

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The Reserves at Monarch

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**Request for Administrative
Deficiency**

McKinney Virginia Parkway, Ltd

May 6, 2022
Mr. Cody Campbell
Director of Multifamily Programs
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701
Email: cody.campbell@tdhca.state.tx.us

Re: Third Party Request for Administrative Deficiency (“RFAD”), §11.10 of 2022 Qualified Allocation Plan (“QAP”) – 22258 The Reserves at Monarch

Dear Mr. Campbell,

Please accept this letter as a Third Party Request for Administrative Deficiency (“RFAD”) pursuant to §11.10 of 2022 Qualified Allocation Plan (“QAP”) for application 22258 The Reserves at Monarch. It is our position the Applicant failed to provide the documentation required to satisfy §11.9(d)(7) – Community Revitalization Plan of the 2022 Qualified Allocation Plan. A copy of this RFAD is being delivered concurrently to representatives of the The Reserves at Monarch.

§11.9(d)(7) states:

the Development Site must be “geographically located within an area for which a concerted revitalization plan (plan or CRP) has been developed and published by the municipality.” Further, the QAP states “city- or countywide comprehensive plan... does not equate to a concerted revitalization plan unless evidence is presented that additional efforts have been undertaken...”

- Comprehensive Plan – The application included a letter dated 2/4/2022 from the City of Denton planning staff stating the site is within a “Focus Area” outlined in the Denton Plan 2030, and future Denton Plan 2040. Denton Plan 2030, the plan used by the applicant to claim CRP points is a Comprehensive Plan. Denton Plan 2030 appears to include no specific efforts underway within the Focus Area.
- Focus Area Does Not Constitute Area Targeted for Revitalization – According to both the Denton Plan 2030 and Denton Plan 2040, “Focus Areas” are general areas of the city, with no specific boundaries, that may be considered in the future to become “Area Plans”.
- Contrast with Area Plans – References to revitalization within the Denton Plan 2030 are in the context of “Small Area Plans” and “Area Plans” which are developed following more extensive planning efforts than are used to designate “Focus Areas.” Focus Areas concept versus Small Area

Plans are shown in Exhibit B and summarized below:

- Creating “focused plans for areas... in need of revitalization” is accomplished by “[Creating] Small Area Plans.” See page 117, items 4.12 and 4.12.1.
- “Small Area Plans” are described on page 256 of the attached Denton Plan 2030 exhibit: “A small area plan that is developed for a clearly delineated area that addresses specific issues and challenges with more detailed action and strategies than is provided in Denton Plan 2030.” This acknowledges that the Comprehensive Plan does not equate to a concerted revitalization plan.
- The process of creating “Area Plans” from “Focus Areas,” which distinguishes the two from one another, is described on page 269, items 13 and 14.
- “Focus Areas” are outlined as a preliminary stage that occurs in advance of creating “Small Area Plans.” See page 119, item 4.12.4.

Based on the above information it is our position the Applicant does not meet the requirement in §11.9(d)(7) of the QAP and therefore does not qualify for the 7 points the applicant claimed for this item.

If you have any questions or would like additional information, please do not hesitate to contact me.

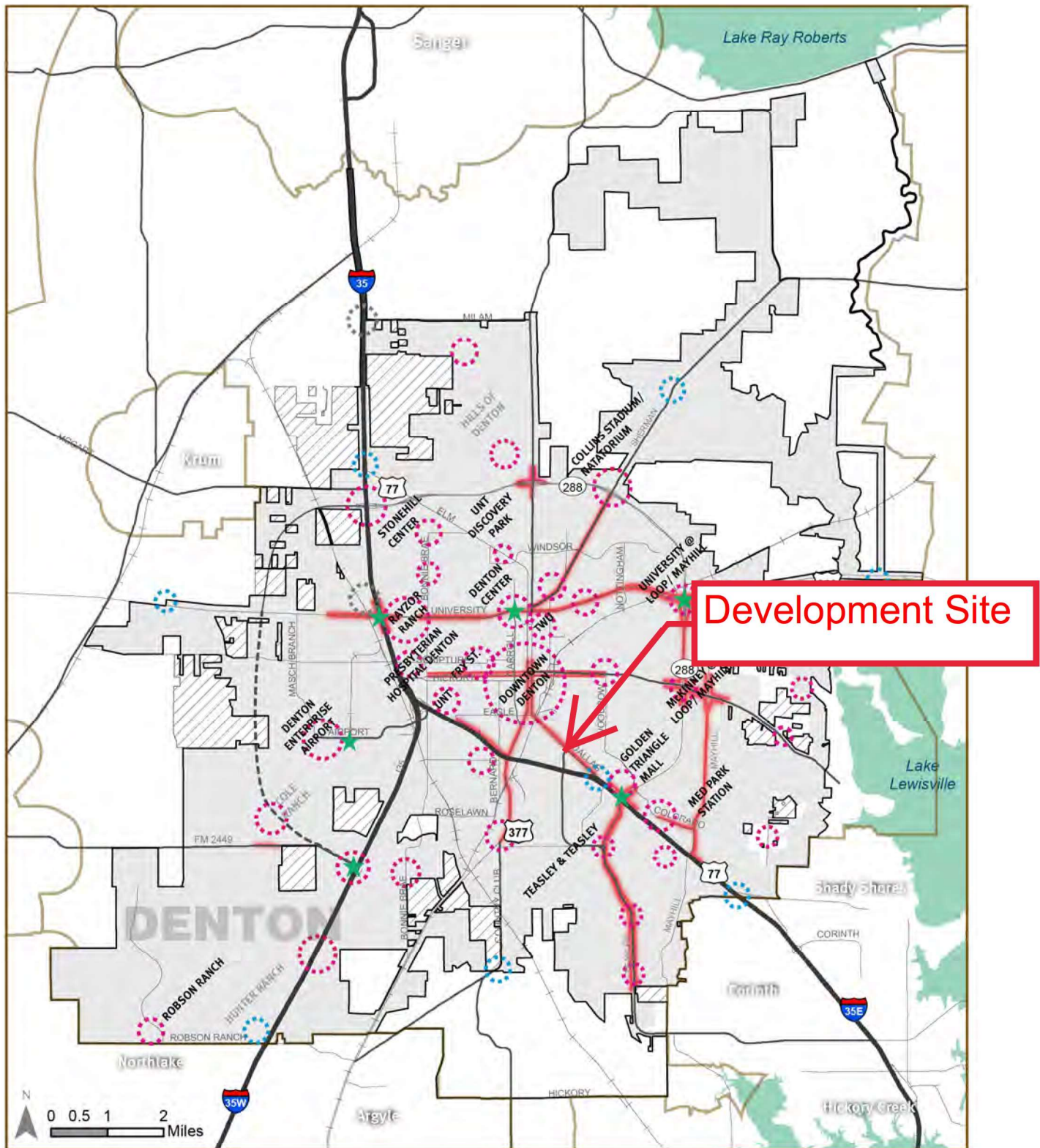
Sincerely,



Thomas E. Huth
McKinney Virginia Parkway, Ltd.
Authorized Representative
13455 Noel Road, Suite 400
Dallas, TX 75240
thuth@palladiumusa.com

cc: Matthew Gillam – matt@overlandpg.com

FIGURE 4.1: Focus Areas Concept



Source: City of Denton

-  Center Focus Area
-  Corridor Focus Area
-  Gateway Focus Area
-  Travel Center Focus Area
-  Branding Station
-  Municipal Boundaries
-  City of Denton
-  ETJ

Key centers and corridors were established in the creation of the Preferred Growth Concept based on the location of important community identifiers, a concentration of employment or community hubs, or opportunities for densification, public realm improvements, and infill development. These areas were further refined in the creation of the Future Land Use Map (FLUM). Other focus areas include gateways, branding stations, and travel centers, which themselves are unique and thus require specific attention. Due to the differences among these focus areas, it is recommended that those that are a priority should be the subject of Small Area Plans to identify unique recommendations for land use, urban design, circulation and public realm improvements, and development programming, representing the diversity of Denton's neighborhoods. Following the preparation of the Small Area Plans, it may be appropriate to adopt corresponding Overlay Districts to apply particular development standards to key centers, corridors and infill areas that will be administered through the DDC. The guidelines of this Element will serve to create consistency and a foundation for the development of those specific regulations. All Focus Areas are illustrated on Figure 4.1: Focus Areas Concept and discussed below.

4.11 Create new guiding policy to integrate urban design objectives with other planning mechanisms, such as land use, zoning and subdivision regulations, historic preservation, economic development, and environmental protection. (DP p. 61).

- 4.11.1 Prepare an *Urban Design Plan* for Denton that is consistent with revised future land use designations and urban design goals and that provides a citywide approach to visual quality and image (DP p. 75). Incorporate

policies from Denton Plan 2030 as the framework for this Plan.

- 4.11.2 Revise the Denton Development Code to be consistent with Denton Plan 2030, the *Urban Design Plan*, and the recommendations of the Denton Development Code Assessment to ensure that new developments and projects adhere to citywide urban design policies and that the development review process is streamlined.
- 4.11.3 Include urban design review early in the development review process. Ensure that City government will exert a leadership role in ensuring adherence to the principles of good urban design as essential for economic development. (DP p.61)
- 4.11.4 Work with DCTA and other transit-oriented organizations to further the expansion of transit links throughout Denton, and for the creation of station area plans. (M 6.19.2)

4.12 Elevate community character in Denton by creating focused plans for areas undergoing new development, in need of revitalization, and established neighborhoods.

- 4.12.1 Create Small Area Plans for established neighborhoods and future development areas to ensure adherence to urban design policy and preserve and enhance the character of distinct areas.
- 4.12.2 Create a *Downtown Compatibility Area Small Area Plan* and *Neighborhood/University Compatibility Area Small*

Legal Authority

Texas law provides basic guidance to municipalities for developing and applying comprehensive plans. Chapter 213 of the Local Government Code (LGC), grants local municipalities discretionary powers to define the content and organization of a comprehensive plan for the promotion of sound development and the protection of public health, safety and welfare. While the wording of Chapter 213, that a municipality may adopt a comprehensive plan, could be interpreted that adoption of a comprehensive plan is non-compulsory by local governments, Chapter 211 of the LGC recognizes the importance of comprehensive planning and stipulates requirements. Consequently Texas municipalities that adopt zoning must also have a comprehensive plan to base it on. Further, Section 212.010 of the LGC also includes conformance with a municipality's "general plan for extension" as one of the requirements for approval of development plats.

Principles

Upon adoption, Denton Plan 2030 replaces the 1999 Denton Plan and will become a key policy document, separate and distinct from zoning, but to which future zoning and regulations in the Denton Development Code (DDC) shall be made consistent. The following are more specific principles that the City will be following to assure compliance, as well as to amend, monitor, and update Denton Plan 2030.

Principle 1: Plan Hierarchy – Consistency of All City Plans with Denton Plan 2030

With the adoption of Denton Plan 2030 it will become the overarching policy document, establishing the Community Vision as well and the policies and strategies pertaining to all aspects of the city's development. This plan hierarchy is as follows.

Denton Plan 2030

Denton Plan 2030 is the policy reference for all subsequent plans which will be developed in a manner to implement the provisions of Denton Plan 2030.

City-wide Topical Plans

These include plans that pertain to a specific subject area or aspect of the city's functionality applicable city wide. Revisions to current plans and the creation of new plans will be made in conformance with Denton Plan 2030. These include, but are not limited to the following:

- Mobility Plan
- Capital Improvement Plan
- Infrastructure Plan (water, sewer, stormwater)
- Urban Design Plan (CC 4.11.1)

Small Area Plans

A small area plan is a plan that is developed for a clearly delineated area that addresses specific issues and challenges with more detailed actions and strategies than is provided in Denton Plan 2030. A methodology to prioritize the need for small area plans and a template for how to carry out small area planning is provided below. Small area plans include the following.

- Downtown Master Plan / DTIP (LU 2.6.1)
- Downtown Compatibility Area (LU 2.6.2, CC 4.12.2, HN 7.1.2)
- Neighborhood/ University Compatibility Area (LU 2.7.1, CC 4.12.2, HN 7.1.4)
- Centers and Corridors (LU 2.8.1, CC 4.12.3, HN 7.1.6)
- Neighborhood Plans (HN 7.7.3, CC 4.12.1)

Table 10.2: Denton 2030 Action Plan (continued)

	Key Action	Referenced Actions and Related Items	Action Type (Planning; Regulation; Program; Capital; Outreach; Partnerships)	Timeframe (Short-term, Mid-term, Long-term, Ongoing)	Responsible Department or Agency (bold represents lead Dept. or Agency)	Partners
13	Create Small Area Plans for priority corridors and centers and existing character areas consistent with the Focus Areas Concept. Engage the community in the creation of these plans. Consider developing Small Area Plans around existing and future DCTA rail stations.	2.8.1; 2.17.2; 4.12.1; 4.12.3; 7.1.6; 6.18.2	Planning	Mid	Planning & Development and Economic Development	DCTA
14	Create a prioritization of centers, corridors, and other focus areas in order to streamline and direct the process of creating of Small Area Plans.	4.12.4	Planning	Mid	Planning & Development	DCTA
15	Establish Overlay Districts or new zoning districts as a result of Small Area Plans that apply revised development standards tailored to specific corridors and centers.	2.8.2; 4.12.5; 7.1.7;	Regulation	Long	Planning & Development	
16	Through the city’s Capital Improvement Program (CIP), prioritize investments in designated corridors and centers based on mobility recommendations and street standards.	2.8.3; 6.1.2	Regulation	On-going	Transportation and Planning & Development	Mobility Committee
17	Conduct an inventory to identify areas of infill potential within established neighborhoods.	2.9.1	Planning	Short	Planning & Development	
18	Establish criteria to identify the characteristics of compatible infill development and identify and remove impediments.	2.9.2; 2.9.3; 7.8.3; 7.8.4	Planning / Regulation	Short	Planning & Development and Environmental Services	
19	Revise zoning districts in the Denton Development Code for consistency with Future Land Use categories and to apply new development standards to ensure proper transitions and buffers between conflicting land use, scale and intensities, and improve development quality of commercial and employment areas.	2.2.2; 2.9.4; 2.10.2; 3.3.6; 4.6.3; 2.16.1; 7.8.5; 7.8.6	Planning / Regulation	Short	Planning & Development	

Area Plans to ensure that urban design principles are followed in development projects within those areas. (DP p.62, LU 2.6.2, LU 2.7.1)

4.12.3 Partner with and collaborate with the community in the formulation of Small Area Plans to ensure their reflection of neighborhood character and priorities in future development. (LU 2.8.1, LU 2.17.2, DP p.62)

4.12.4 **Create a prioritization of centers, corridors, and other focus areas to streamline and direct the process of creating Small Area Plans.** Prioritization should be based on ripeness of development potential, level of community support, existence of threatened historic resources, economic development catalysts, and other sensitive issues.

4.12.5 Adopt Overlay Districts following the creation of Small Area Plans as needed to ensure that appropriate guidelines are followed. (LU 2.8.2)

Design of the Public Realm:

“The city’s urban design strategies will be guided by the principle that the spaces between buildings are just as important as the buildings themselves. The form of public spaces should support their intended functions, and their visual qualities should communicate the values we feel are important. (DP p.62)”

The community’s development fabric is composed of two distinct, yet inter-related components: the “public” realm and the “private” realm. The public realm consists primarily of the publicly-owned street rights-of-way and other publicly accessible open spaces such as parks, squares, plazas, courtyards, and alleys. The private realm consists of privately-owned areas, in large part developed with buildings and associated improvements, and is more limited in its accessibility to the public.

The public realm plays a critical role in an area’s character and function, serving overlapping roles, including circulation and access, development framework, public open space, and visual interest.

The aforementioned guiding policy documents, such as the *Urban Design Plan*, updated DDC, and Small Area Plans will include recommendations and requirements for the public realm. In addition,



Focused urban infill and revitalization, Dallas

22258

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The Reserves at Monarch

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**Request for Administrative
Deficiency**



Mr. Colin Nickells
Administrator 9% Competitive Housing Tax Credit Program
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

Via: Email

RE: *The Reserves at Monarch, Denton #22258*

Dear Mr. Nickells:

Please accept this Request for an Administrative Deficiency for the above referenced application. The subject site is not clearly within the Concerted Revitalization Plan area included in the Application. The Application notes that the Concerted Revitalization Plan that covers this site is the "Dallas Drive Corridor Focus Area" but the letter from the City official that is included in the application states that "although the **subject property is not located along Dallas Drive, it is near a major intersection of the study area and will be included in the future study of the corridor for potential recommendations**".

The QAP states "an Application may qualify to receive points if the Development Site is geographically located within an area for which a concerted revitalization plan (plan or CRP) has been developed and published by the municipality". The Application does not provide evidence that the subject site is geographically within an area for which a concerted revitalization plan has been developed since it is not located along the Dallas Drive corridor shown on the map provided in the application. The Application does not provide evidence that the referenced study area includes parcels that are not directly along Dallas Drive.

For reference, I have attached excerpts from the QAP detailing the CRP requirements.

Thank you for assessing this request. Please let us know if you have any further questions or require any additional documentation by contacting me at (513) 964-1141 or brian.mcgeady@mvapartners.com.

Thank you for your consideration

Sincerely,

A handwritten signature in black ink, appearing to read 'B. McGeady', with a long horizontal stroke extending to the right.

Brian McGeady
Authorized Signer of the Applicant

annual reports, etc. Letters of support from organizations that cannot provide reasonable evidence that they are active in the area that includes the location of the Development Site will not be awarded points. For purposes of this subparagraph, community and civic organizations do not include neighborhood organizations, governmental entities (excluding Special Management Districts as described in subparagraph C), or taxing entities.

(B) An Application may receive two (2) points for a letter of support from a property owners association created for a master planned community whose boundaries include the Development Site and that does not meet the requirements of a Neighborhood Organization for the purpose of awarding points under paragraph (4) of this subsection.

(C) An Application may receive two (2) points for a letter of support from a Special Management District formed under Tex. Local Gov't Code chapter 375 whose boundaries, as of the Full Application Delivery Date as identified in §11.2(a) of this chapter, (relating to Competitive HTC Deadlines, Program Calendar for Competitive Housing Tax Credits), include the Development Site.

(D) Input that evidences unlawful discrimination against classes of persons protected by Fair Housing law or the scoring of which the Department determines to be contrary to the Department's efforts to affirmatively further fair housing will not be considered. If the Department receives input that could reasonably be suspected to implicate issues of non-compliance under the Fair Housing Act, staff will refer the matter to the Texas Workforce Commission for investigation, but such referral will not, standing alone, cause staff or the Department to terminate the Application. Staff will report all such referrals to the Board and summarize the status of any such referrals in any recommendations.

(7) Concerted Revitalization Plan. (§42(m)(1)(B)(ii)(III) and (C)(iii)). An Application may qualify for up to seven (7) points under this paragraph only if no points are elected under subsection (c)(4) of this section, related to Opportunity Index.

(A) For Developments located in an Urban Area:

(i) An Application may qualify to receive points if the Development Site is geographically located within an area for which a concerted revitalization plan (plan or CRP) has been developed and published by the municipality.

(ii) A plan may consist of one or two complementary local planning documents that together have been approved by the municipality as a plan to revitalize the specific area. The plan and supporting documentation must be submitted using the CRP Application Packet. No more than two local plans may be submitted for each proposed Development. The concerted revitalization plan may be a Tax Increment Reinvestment Zone (TIRZ) or Tax Increment Finance (TIF) or similar plan. A city- or county-wide comprehensive plan, including a consolidated plan or one-year action plan required to receive HUD funds does not equate to a concerted revitalization plan unless evidence is presented that additional efforts have been undertaken to meet the requirements in clause (iii) of this subparagraph.

(iii) The area targeted for revitalization must be larger than the assisted housing footprint.

(iv) The Application must include a copy of the plan or a link to the online plan and a description of



401 N. ELM STREET ■ DENTON, TEXAS ■ 76201 ■ 940.349.8451
DEVELOPMENT SERVICES DEPARTMENT

February 22, 2022

TDHCA
Cody Campbell
221 East 11th Street
Austin, TX 78701

RE: 1400 Teasley Lane (The Reserves at Monarch)

Dear Mr. Campbell:

I am writing this letter to confirm that the property located at 1400 Teasley Lane in Denton is within a Focus Study Area outlined in the Denton Plan 2030, the City of Denton's Comprehensive Plan.

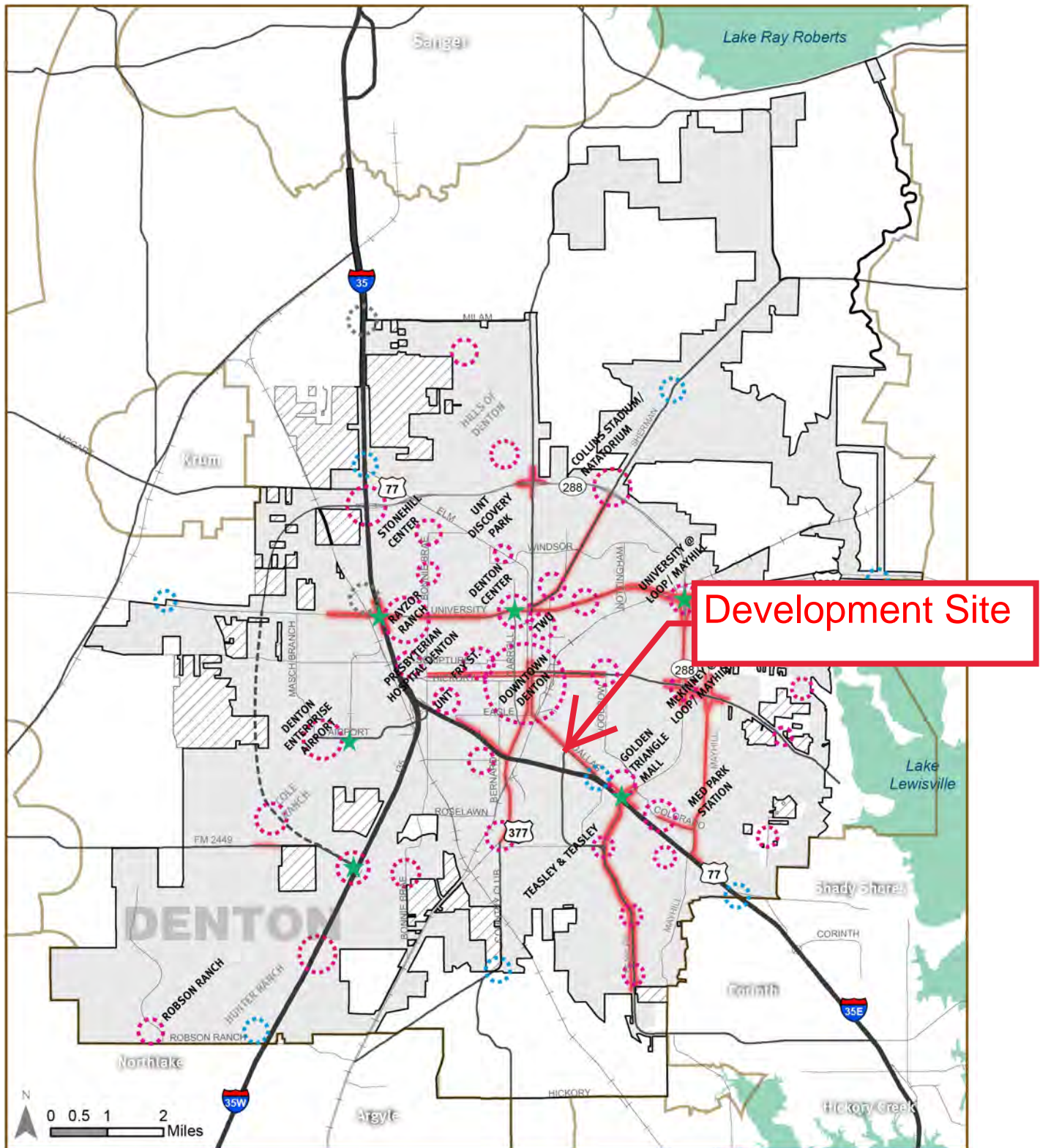
Specifically, the property is located within a Corridor Focus Study Area as depicted on page 118 of the Comprehensive Plan and referred to as Dallas Drive (I-35 to Eagle Drive), further described on page 132 and 133. Although the subject property is not located along Dallas Drive, it is near a major intersection of the study area and will be included in the future study of the corridor for potential recommendations.

This letter is to confirm that the subject corridor study area Dallas Drive (I-35 to Eagle Drive) is current. Please note that the City's Comprehensive Plan is currently being updated. However, there is no changes to the Focus Areas Concept that would affect the status of the subject corridor.

Sincerely,

Ron Menguita, AICP
Principal Planner

FIGURE 4.1: Focus Areas Concept



Source: City of Denton

-  Center Focus Area
-  Corridor Focus Area
-  Gateway Focus Area
-  Travel Center Focus Area
-  Branding Station
-  Municipal Boundaries
-  City of Denton
-  ETJ

22263

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The Legacy in Denton

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**Request for Administrative
Deficiency**



Mr. Colin Nickells
Administrator 9% Competitive Housing Tax Credit Program
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

Via: Email

RE: *The Legacy in Denton Apartments, Denton #22263*

Dear Mr. Nickells:

Please accept this Request for an Administrative Deficiency for the above referenced application. Some of the required documentation for the Proximity to Jobs category is missing from these Applications.

The QAP and 2022 Multifamily Programs Application Procedures Manual is clear about what documentation is required, and Tab 10 of the Application explicitly states that the documentation detailed in the 2022 Application Manual is required to be inserted in the application. These applications do not include 1. verification that the GPS coordinates used to determine the number of jobs within the respective radii of the site clearly fall within the boundaries of the Development site; and 2. a screen shot of the job radius.

For reference, I have attached excerpts from the QAP, the 2022 Multifamily Programs Application Procedures Manual, and the Application detailing the documentation that is required to be submitted to claim Proximity to Job Areas points.

Thank you for assessing this request. Please let us know if you have any further questions or require any additional documentation by contacting me at (513) 964-1141 or brian.mcgeady@mvahpartners.com. Thank you for your consideration

Sincerely,

A handwritten signature in black ink, appearing to read 'B. McGeady', written over a horizontal line.

Brian McGeady
Authorized Signer of the Applicant

Excerpt from the 2022 QAP stating required documentation associated with Proximity to Jobs Areas point category.

required to continue to specifically market Units to Persons with Special Housing Needs. (2 points)

(B) If the Development has committed units under §11.9(c)(6)(A), the Development must commit at least an additional 2% of the total Units to Persons referred from the Continuum of Care or local homeless service providers to be made available for those experiencing homelessness. Rejection of an applicant's tenancy for those referred may not be for reasons of credit history or prior rental payment history. Throughout the Compliance Period, unless otherwise permitted by the Department, the Development Owner agrees to specifically market the 2% of Units through the Continuum of Care and other homelessness providers local to the Development Site. In addition, the Department will require an initial minimum twelve-month period in Urban subregions, and an initial six-month period in Rural subregions, during which Units must either be occupied by Persons referred from the Continuum of Care or local homeless service providers, or held vacant, unless the Units receive HOME funds from any source. After the initial twelve-month or six-month period, the Development Owner will no longer be required to hold Units vacant but will be required to continue to provide quarterly notifications to the Continuum of Care and other homeless service providers local to the Development Site on the availability of Units at the Development Site. Developments are not eligible under this paragraph unless points have also been selected under §11.9(c)(6)(A). (1 point)

(C) If the Development is located in a county with a population of 1 million or more, but less than 4 million, and is located not more than two miles from a veteran's hospital, veteran's affairs medical center, or veteran's affairs health care center, (which include all providers listed under the Veteran's Health Administration categories, excluding Benefits Administration offices, listed at this link https://www.va.gov/directory/guide/fac_list_by_state.cfm?State=TX&dnum=ALL) and agrees to provide a preference for leasing units in the Development to low income veterans. (1 point)

(7) Proximity to Job Areas. (§42(m)(1)(C)(i)) An Application may qualify to receive up to six (6) points if the Development Site is located in one of the areas described in subparagraphs (A) or (B) of this paragraph, and the Application contains evidence substantiating qualification for the points. The data used will be based solely on that available through US Census' OnTheMap tool. Jobs counted are limited to those based on the work area, all workers, and all primary jobs. Only the 2018 data set will be used, unless a newer data set is posted to the US Census website on or before October 1, 2021. The Development will use OnTheMap's function to import GPS coordinates that clearly fall within the Development Site, and the OnTheMap chart/map report submitted in the Application must include the report date. This scoring item will not apply to Applications under the At-Risk or USDA Set-Aside.

(A) Proximity to Jobs. For Development Sites within the boundaries of a municipality of 500,000 or more, or the unincorporated areas of a county with a population of 1 million or more, A Development may qualify for points under this subparagraph if it meets one of the criteria in clauses (i) - (vi) of this subparagraph.

(i) The Development is located within 2 miles of 16,500 jobs. (6 points)

(ii) The Development is located within 2 miles of 13,500 jobs. (5 points)

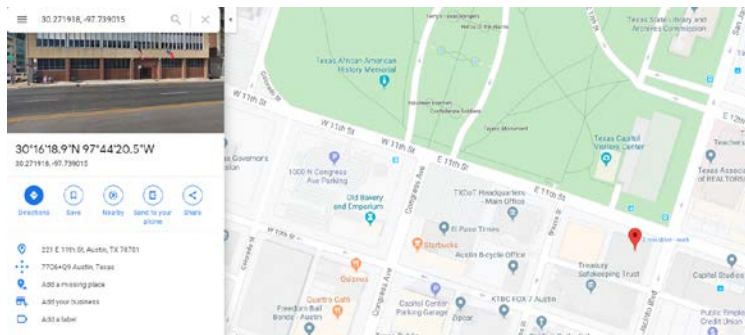
(iii) The Development is located within 2 miles of 10,500 jobs. (4 points)

The Application is missing the documentation detailed in Step 1

Instructions for using the OnTheMap tool for Proximity to Jobs:

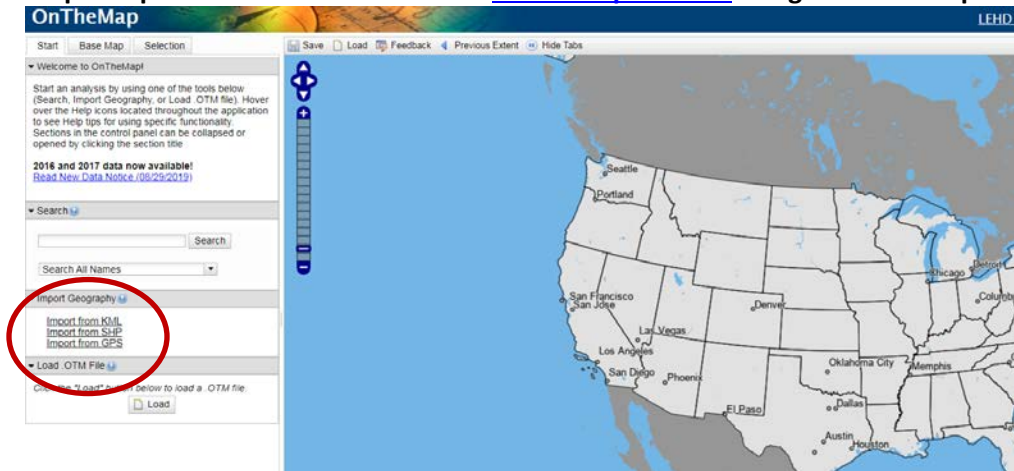
Step 1: Provide the GPS coordinates that clearly fall within the boundaries of the Development Site.

An Application may have coordinates on the survey provided to meet the requirements of 10 TAC §11.204(15)(D), however this is not required. Staff will accept Applicant verification of GPS coordinates through an online map like Google Maps or Google Earth, but it must be clear to staff that the GPS coordinates are tied to a spatial point that unequivocally falls within the boundaries of the Development Site.

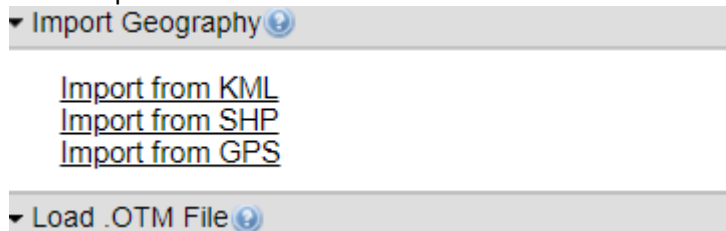


If using Google Maps or Google Earth or a similar mapping program/software, evidence similar to what is seen above must be placed in the Application.

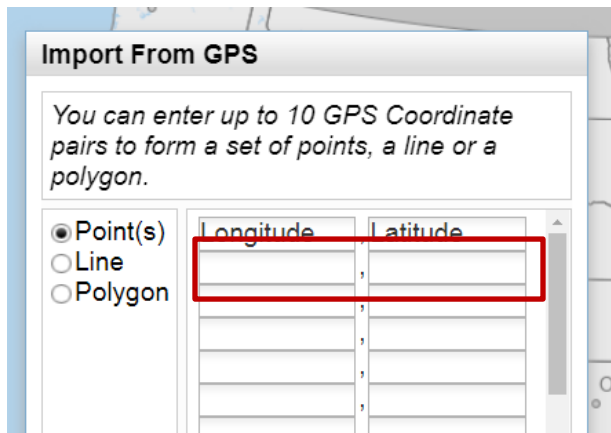
Step 2: Input the Coordinates into the [OnTheMap website](#) using their GPS Import function.



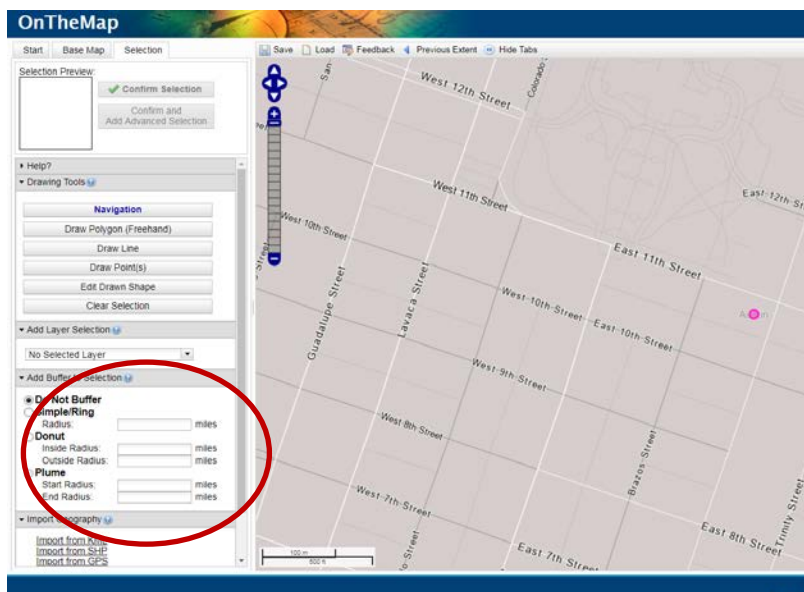
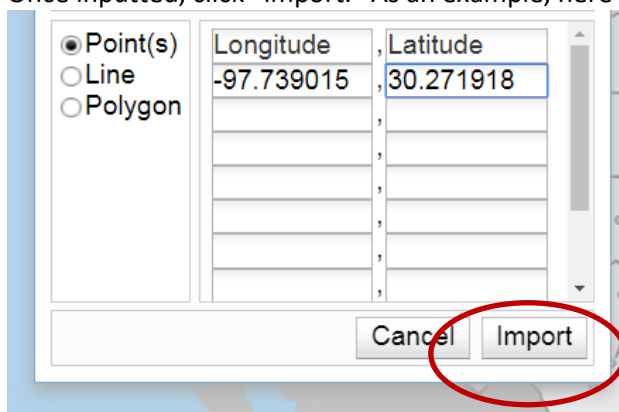
Click "Import from GPS" in the area circled above:



Input the Longitude and Latitude coordinates.



Once inputted, click “Import.” As an example, here are coordinates for the TDHCA headquarters.



After clicking “Import,” you will see a screen similar to above, with your GPS coordinates now represented as a spatial point. In the area circled above, you now specify that you will look at jobs within a 1 mile radius of the spatial point.

▼ Add Buffer to Selection

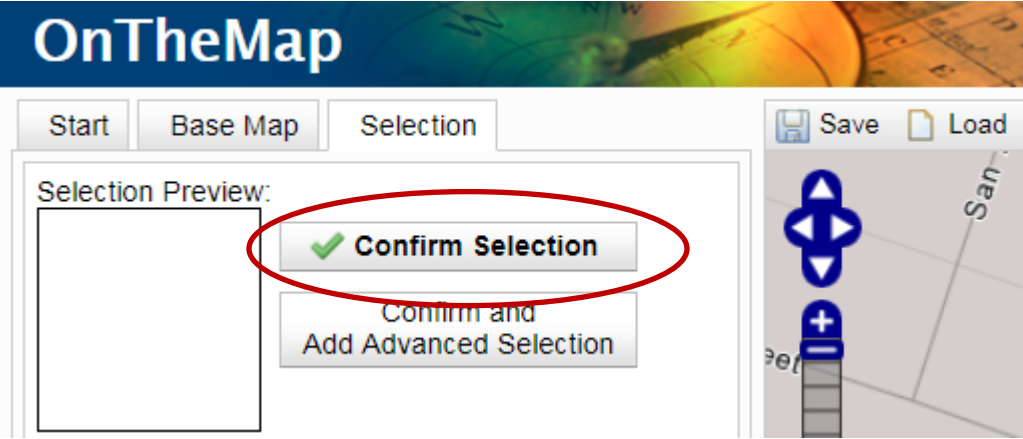
Do Not Buffer

Simple/Ring
Radius: miles

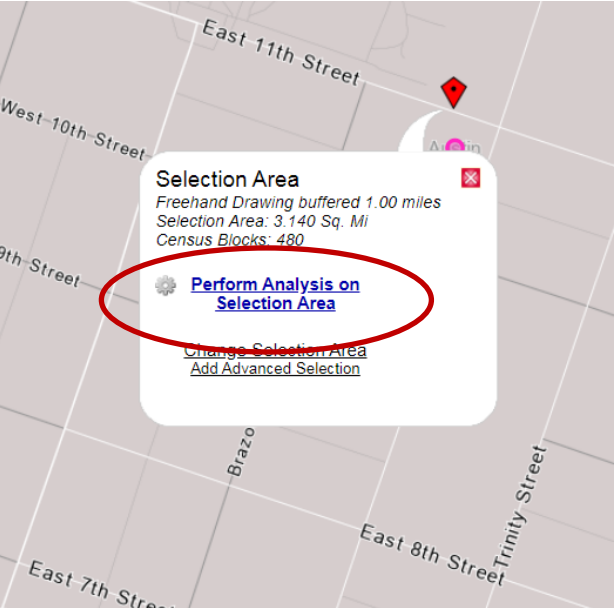
Donut
Inside Radius: miles
Outside Radius: miles

Plume
Start Radius: miles
End Radius: miles

After clicking “Simple/Ring” and inputting “1” for miles, click “Confirm Selection.”

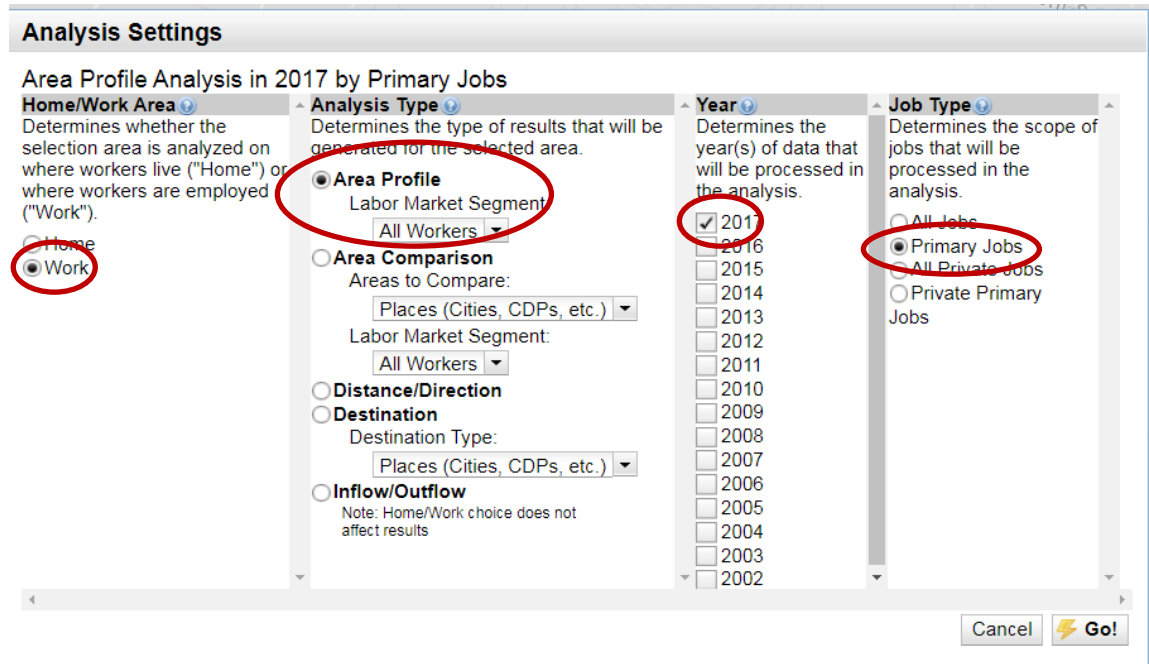


Then click “Perform Analysis on Selection Area”

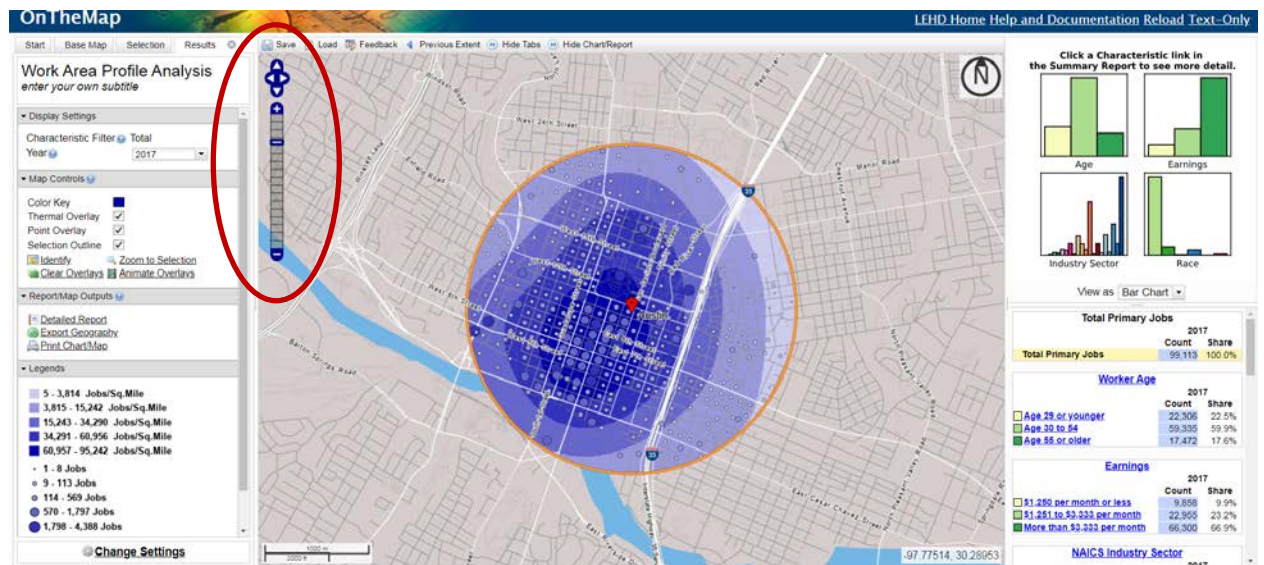


Then check the following boxes for certain categories: “Work” in column 1; “Area Profile” and “All Workers” in column 2; “2018” in column 3; and “Primary Jobs” in column 4. **Instead of 2017, you**

will choose 2018. While 2019 data may be available, it was not available prior to October 1, 2021 as required by the QAP.



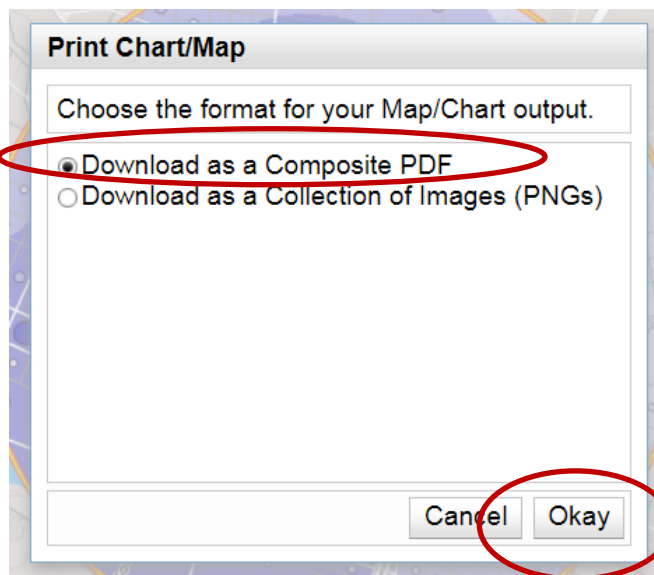
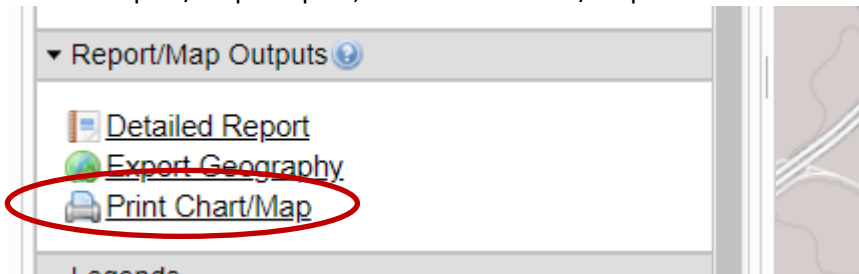
Click "Go." You will then see a screen showing the jobs analysis, similar to this:



Be sure to zoom out, using the zoom tools circled above, so that the entire 1 mile radius can be seen around the spatial point.

IMPORTANT: take a screen shot at this point to show evidence of the coordinates ("ctrl, PrtScn" on the keyboard, then paste to a blank document, format as needed, then pdf). Include the screenshot behind Tab 2 in the pdf application.

Under “Report/Map Outputs,” click “Print Chart/Map.”



Select “Download as a Composite PDF” and then click “Okay.”



Work Area Profile Report Primary Jobs for All Workers in 2017

Created by the U.S. Census Bureau's OnTheMap <https://onthemap.ces.census.gov> on 10/24/2019

Counts and Density of Primary Jobs in Work Selection Area in 2017



All Workers

This produces a PDF report, with the map and the total job count. This report also has a time stamp so that staff can confirm that the report was generated on or after October 1, 2021 but before the Pre-Application Final Delivery Date. **Include this report plus the screen shot in the pdf application.**


- Part 4 – Concerted Revitalization:** If claiming points, be sure that no points are being claimed under the Opportunity Index. Complete the appropriate boxes and select amenities in the Urban or Rural section of Opportunity Index. **The CRP Packet is required for Urban and Rural Applications requesting these points, and must be included behind Tab 10.** Make sure supporting documentation is included in the

n/a Proximity to Job Areas (Competitive HTC Only)


Proximity to Jobs

 US Census' OnTheMap report, the 2018 data set, indicating only the 2018 data set will be used, unless a newer data set is posted to the US Census Website on or before October 1, 2021. (See the 2022 Application Manual for directions) 

n/a Concerted Revitalization Plan (Competitive HTC Only)

 CRP Packet is inserted behind this tab.


n/a Declared Disaster Area: (Competitive HTC Only)

 The county in which the Development Site is located is listed on the 2022 List of Declared Disaster Areas (no further documentation is required).

The List of Declared Disaster Areas is posted on the Department's website at



<http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>

 Applicant believes the county in which the Development Site is located was omitted from the list and should be listed. Application includes evidence that the Development Site is located in an area declared to be a disaster area under Tex. Gov't Code §418.014 at any time within the two-year period preceding the date of Application submission.

n/a Readiness to Proceed (Competitive HTC Only) (suspended)

Each piece of evidence provided that is not listed above must be accompanied by a detailed narrative describing how that piece of evidence will allow the Applicant to meet the requirements.



22278

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Lydle Ridge

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**Request for Administrative
Deficiency**



Mr. Colin Nickells
Administrator 9% Competitive Housing Tax Credit Program
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

Via: Email

RE: *Lydle Ridge, Arlington #22278*

Dear Mr. Nickells:

Please accept this Request for an Administrative Deficiency for the above referenced application. The required documentation for the Proximity to Jobs category is dated after the Pre-Application deadline in this Application. The QAP and the 2022 Multifamily Programs Application Procedures Manual are clear about what documentation is required and when the data must be dated by. Additionally, Tab 10 of the application explicitly states that the documentation detailed in the 2022 Application Manual is required to be inserted in the application.

The 2022 Multifamily Programs Application Procedures Manual states that one of the functions of the Census on the Map PDF report is to provide a time stamp so that staff can confirm the report was generated on or after October 1, 2021 but before the Pre-Application final delivery date. The time stamp on the Census on the Map PDF report are dated after the Pre-Application Delivery Date.

For reference, I have attached excerpts from the QAP, the 2022 Multifamily Programs Application Procedures Manual, and the Application detailing the documentation that is required to be submitted to claim Proximity to Job Areas points.

Thank you for assessing this request. Please let us know if you have any further questions or require any additional documentation by contacting me at (513) 964-1141 or brian.mcgeady@mvahpartners.com. Thank you for your consideration

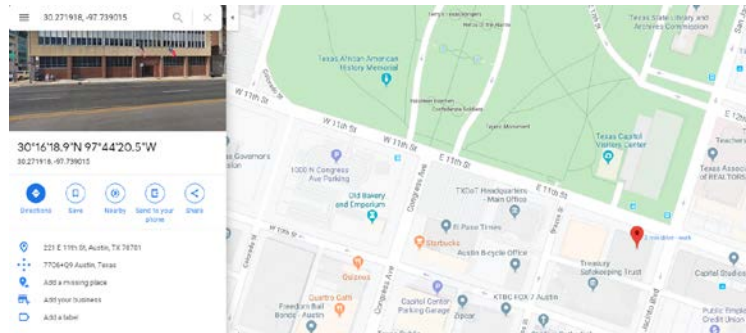
Sincerely,

A handwritten signature in black ink, appearing to read 'Brian McGeady', written over a light blue horizontal line.

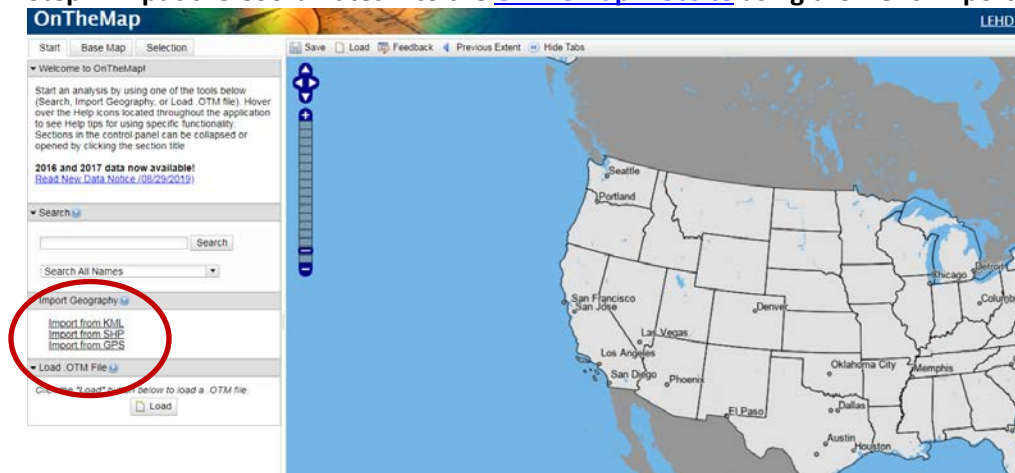
Brian McGeady
Authorized Signer of the Applicant

Instructions for using the OnTheMap tool for Proximity to Jobs:**Step 1: Provide the GPS coordinates that clearly fall within the boundaries of the Development Site.**

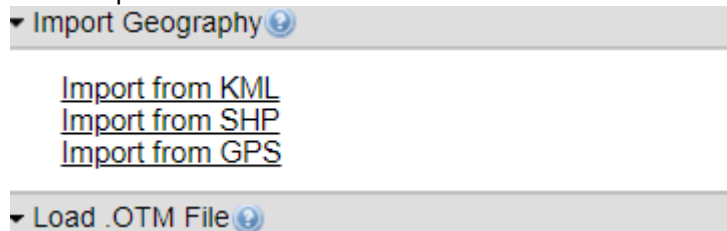
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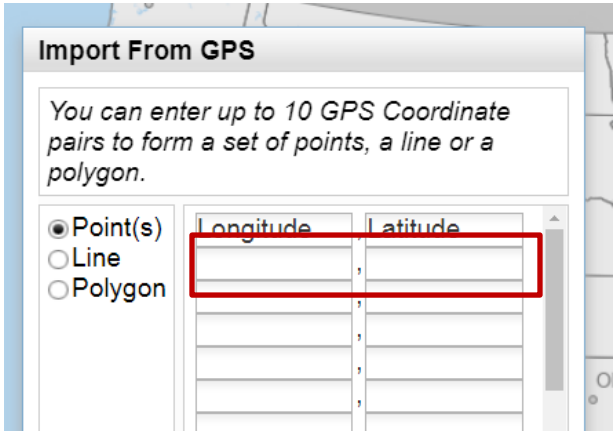
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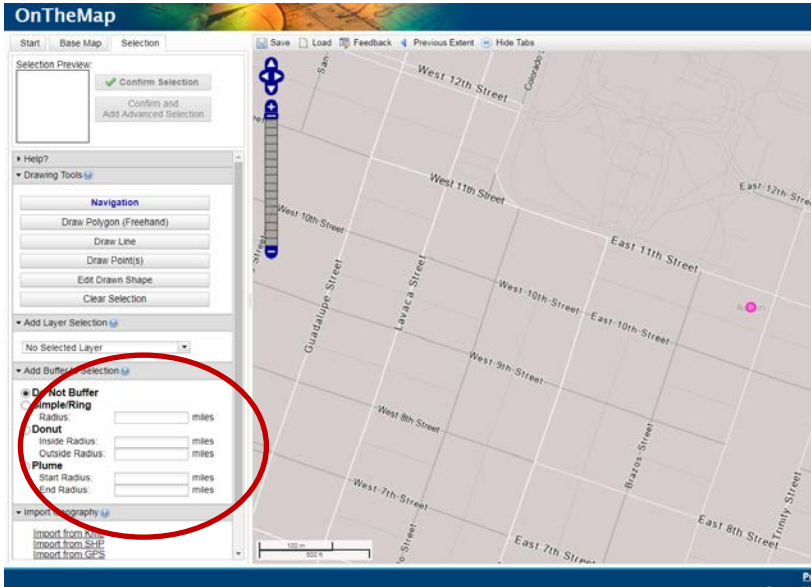
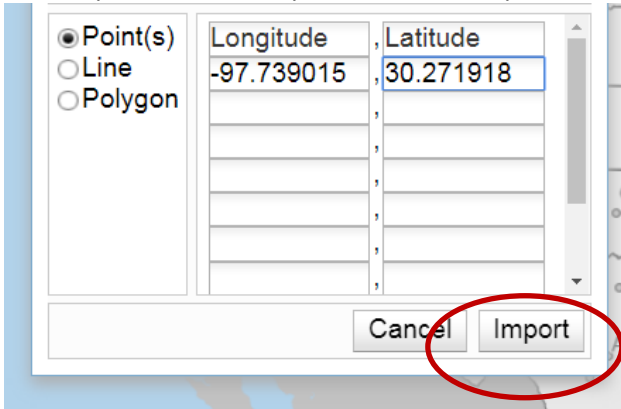
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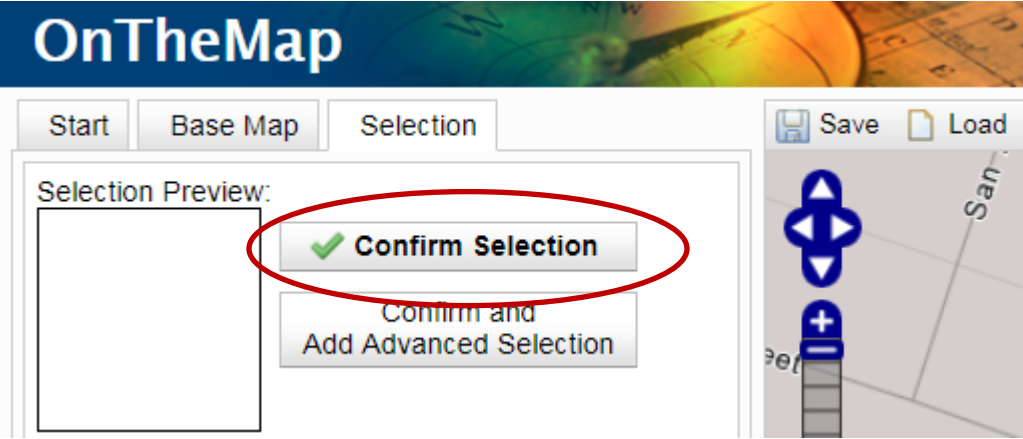
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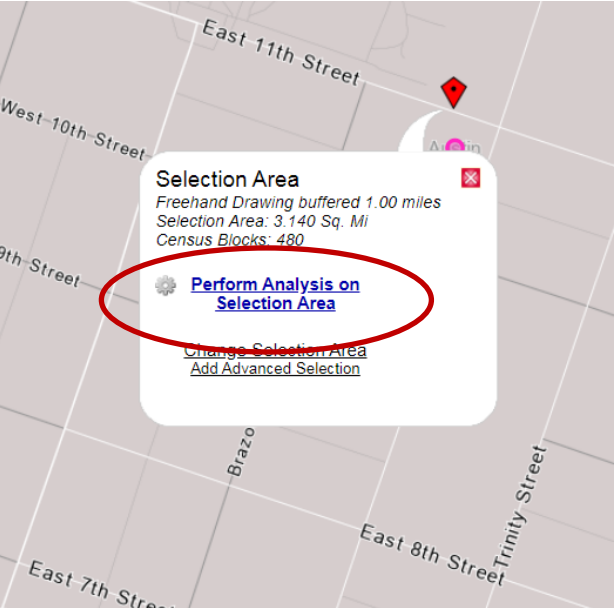
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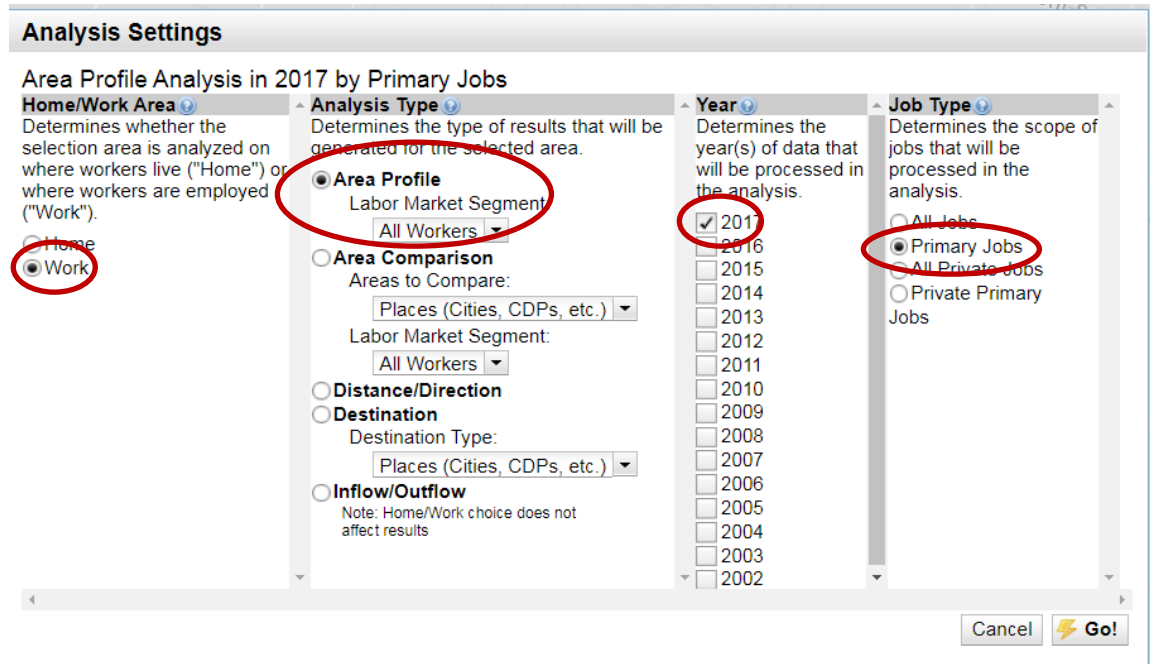


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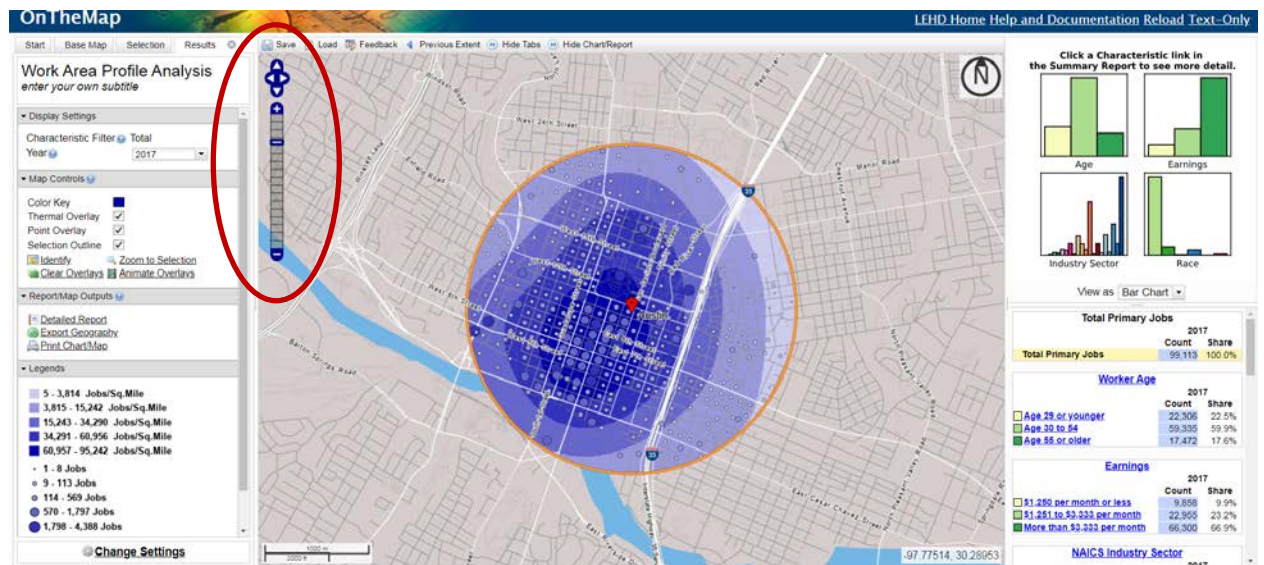


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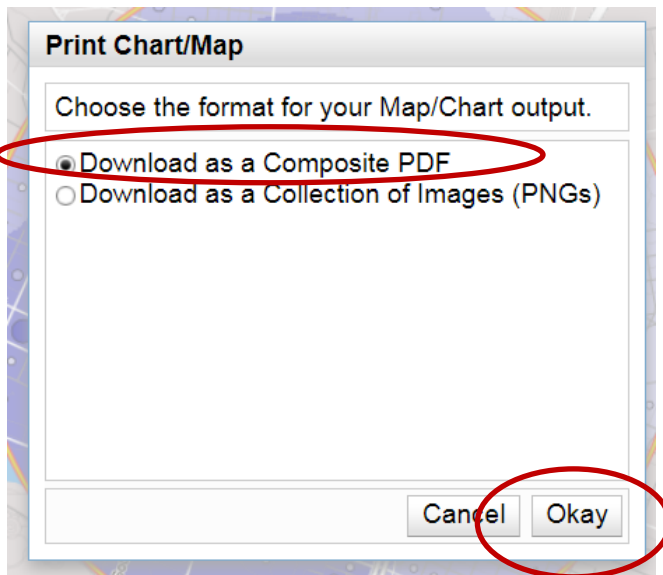
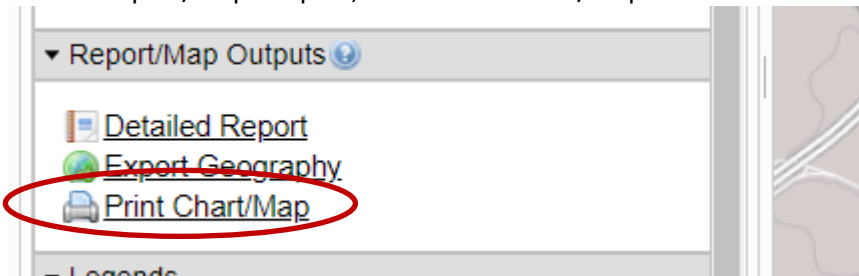
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Counts and Density of Primary Jobs in Work Selection Area in 2017 All Workers

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Proof that the Census on the Map Report is required to be printed on or after October 1, 2021 but before the Pre-Application Final Delivery Date.

- Part 4 – Concerted Revitalization:** If claiming points, be sure that no points are being claimed under the Opportunity Index. Complete the appropriate boxes and select amenities in the Urban or Rural section of Opportunity Index. **The CRP Packet is required for Urban and Rural Applications requesting these points, and must be included behind Tab 10.** Make sure supporting documentation is included in the

Excerpt from the 2022 QAP stating required documentation associated with Proximity to Jobs Areas point category.

required to continue to specifically market Units to Persons with Special Housing Needs. (2 points)

(B) If the Development has committed units under §11.9(c)(6)(A), the Development must commit at least an additional 2% of the total Units to Persons referred from the Continuum of Care or local homeless service providers to be made available for those experiencing homelessness. Rejection of an applicant's tenancy for those referred may not be for reasons of credit history or prior rental payment history. Throughout the Compliance Period, unless otherwise permitted by the Department, the Development Owner agrees to specifically market the 2% of Units through the Continuum of Care and other homelessness providers local to the Development Site. In addition, the Department will require an initial minimum twelve-month period in Urban subregions, and an initial six-month period in Rural subregions, during which Units must either be occupied by Persons referred from the Continuum of Care or local homeless service providers, or held vacant, unless the Units receive HOME funds from any source. After the initial twelve-month or six-month period, the Development Owner will no longer be required to hold Units vacant but will be required to continue to provide quarterly notifications to the Continuum of Care and other homeless service providers local to the Development Site on the availability of Units at the Development Site. Developments are not eligible under this paragraph unless points have also been selected under §11.9(c)(6)(A). (1 point)

(C) If the Development is located in a county with a population of 1 million or more, but less than 4 million, and is located not more than two miles from a veteran's hospital, veteran's affairs medical center, or veteran's affairs health care center, (which include all providers listed under the Veteran's Health Administration categories, excluding Benefits Administration offices, listed at this link https://www.va.gov/directory/guide/fac_list_by_state.cfm?State=TX&dnum=ALL) and agrees to provide a preference for leasing units in the Development to low income veterans. (1 point)

(7) Proximity to Job Areas. (§42(m)(1)(C)(i)) An Application may qualify to receive up to six (6) points if the Development Site is located in one of the areas described in subparagraphs (A) or (B) of this paragraph, and the Application contains evidence substantiating qualification for the points. The data used will be based solely on that available through US Census' OnTheMap tool. Jobs counted are limited to those based on the work area, all workers, and all primary jobs. Only the 2018 data set will be used, unless a newer data set is posted to the US Census website on or before October 1, 2021. The Development will use OnTheMap's function to import GPS coordinates that clearly fall within the Development Site, and the OnTheMap chart/map report submitted in the Application must include the report date. This scoring item will not apply to Applications under the At-Risk or USDA Set-Aside.

(A) Proximity to Jobs. For Development Sites within the boundaries of a municipality of 500,000 or more, or the unincorporated areas of a county with a population of 1 million or more, A Development may qualify for points under this subparagraph if it meets one of the criteria in clauses (i) - (vi) of this subparagraph.

(i) The Development is located within 2 miles of 16,500 jobs. (6 points)

(ii) The Development is located within 2 miles of 13,500 jobs. (5 points)

(iii) The Development is located within 2 miles of 10,500 jobs. (4 points)

22285

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Jaipur Lofts

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**Request for Administrative
Deficiency**



May 6, 2022

Mr. Cody Campbell
Director of Multifamily Programs
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701
Email: cody.campbell@tdhca.state.tx.us

Re: Third Party Request for Administrative Deficiency (“RFAD”), §11.10 of 2022 Qualified Allocation Plan (“QAP”) – **22285 Jaipur Lofts**

Dear Mr. Campbell,

Please accept this letter as a Third Party Request for Administrative Deficiency (“RFAD”) pursuant to §11.10 of 2022 Qualified Allocation Plan (“QAP”) for application 22285 Jaipur Lofts.

Application 22285 Jaipur Lofts is deficient related to the following 2022 QAP sections and we respectfully request the issuance of an Administrative Deficiency Notice related to these items. Further, as described below, the following actions are warranted:

- Zoning – Termination for failure to meet threshold requirements for zoning documentation in accordance with §11.204(11).
- Site Control – Deduction of six (6) points from the application related to §11.9(c)(3) Pre-Application Participation because the pre-application did not meet site control requirements, as required by §11.8(b)(1)(A), §11.9(c)(3)(H), and §11.204(10).

Summary of Threshold Deficiencies

Zoning – The QAP provides several options to meet threshold requirements related to zoning. If the site is currently properly zoned, evidence to that effect is required from the local jurisdiction. If the site is not currently properly zoned, an application for rezoning, along with a release letter, must be submitted to the local jurisdiction prior to the submission of the tax credit application to TDHCA. The development site for Jaipur Lofts is not appropriately zoned for the proposed use based on the requirements of the current zoning designation, and the applicant did not submit evidence that an application for rezoning was submitted prior to submission of the tax credit application. Additionally, the Applicant did not submit a release to the City of Dallas confirming that the Applicant has agreed to hold the political subdivision and all other parties harmless in the event the appropriate zoning is not granted. As such, the application does not meet threshold requirements related to zoning and must be terminated.

- Zoning Ordinance in Effect – In order to meet the threshold requirements of §11.204(11)(B), “The Application must include a letter from a local government official with appropriate jurisdiction ***stating the Development is permitted under the provisions of the zoning ordinance that applies to the location of the Development***” (*emphasis added*).
 - Zoning Documentation Submitted in Application – While the application includes a letter from the City of Dallas confirming zoning of MF-2, this letter does not state that the

development is permitted under the provisions of the zoning ordinance. Furthermore, while the City of Dallas letter references enclosed Zoning Regulations for the Multi Family (MF-2) Zoning District, this information was not provided in the application. As such, it is impossible to confirm that the Development is permitted under the provisions of the zoning ordinance based on the information provided in the application. In fact, zoning documentation provided in the application fails to meet the threshold requirement of §11.204(11)(B).

- Analysis of Zoning Requirements – The architectural drawings submitted in the application are non-compliant with multiple sections of the City of Dallas MF-2 Zoning Regulations. The City of Dallas allows for additional density and reduced parking requirements for mixed-income developments, as shown in the attached exhibit “Mixed-Income Housing Development Bonuses”. The Development qualifies for density bonuses under MVA Category C, as shown in the attached exhibit. However, it does not qualify as a Transit Oriented Development (TOD). The City of Dallas considers TODs to be located within ½ mile of a light rail station. The submitted Development is not in compliance with the current zoning or Mixed-Income Housing Development Bonuses. The Development included one parking space per unit, along with an additional 15% for guest parking. However, the required parking is 1.25 spaces per unit, plus an additional 15% for guest parking. The minimum number of required parking for the proposed development is 102.06, rounded up to 103 spaces. The Development only has 83 parking spaces. Additionally, side yards are limited by MF-2 zoning, and the Mixed Income Density Bonus, not to encroach within 10 feet; however, the proposed side yards are approximately 4 feet. Clearly a zoning change is required to permit the Jaipur Lofts development as proposed; therefore, the requirement of §11.204(11)(B) is not met.
- Requesting a Zoning Change – Because rezoning will be required to permit the proposed site and building plans, the threshold zoning requirement must be satisfied under §11.204(11)(C): “The Application must include evidence in the form of a letter from a local government official with jurisdiction over zoning matters that ***the Application or Affiliate has made a formal application for required zoning change*** and that the jurisdiction has received a release whereby the Applicant has agreed to hold the political subdivision parties harmless in the even the appropriate zoning is not granted” (***emphasis added***). The application does not include evidence of the submission of an application for re-zoning, and thus the requirement of §11.204(11)(C) is not met.

Site Control – Site control must be demonstrated both at the time of pre-application and full application. In order for pre-application points to be awarded, the pre-application must have met all applicable requirements, including site control requirements under §11.204(10). At pre-application, the site control contracts were signed by an individual that did not have signatory authority for the property owners at the time of pre-application. Various Ratification of Commercial Contract documents were executed after pre-application giving the original contract signer authority to execute contracts on behalf of the sellers. These documents were not in effect at the time of pre-application. Therefore, the signer of the site control at pre-application did not have proper signatory authority, and the contracts submitted at pre-application were improper and did not constitute site control.

- In order to meet the threshold requirements of §11.204(10)(A), “Evidence that the Development Owner has Site Control must be submitted.” The application included four contracts that provide evidence that the applicant did not have proper site control at the time of pre-application:

- 2102 Annex Ave Contract:
 - Commercial Contract Provided at Pre-Application – George Solares signed on behalf of the seller, WorldDallas Properties Inc, with an escrowed receipt date of 12/23/2021. George Solares was listed as “Registered Agent” on the contract. No documentation was provided acknowledging the role of George Solares to sign on behalf of the seller.
 - Documentation Provided at Full Application – A Ratification of Commercial Contract (the “Ratification”) was signed on 2/13/2022 ratifying George Solares’ acts in entering into the contract.
 - The Ratification was signed by Michael A. Solares and Beatrice Solares on behalf of the seller.
 - Although dated 2/13/22, the Ratification states an effective date of 12/22/21, which is effectively an effort to back-date proper signatory authority, and should not be permitted for the purpose of demonstrating proper site control at pre-application.
 - Additionally, the Ratification states “Seller hereby ratifies, confirms and reaffirms the Agreement in all respects ***as if a duly qualified and appointed officer of Seller originally signed*** the Agreement on behalf of seller...” (emphasis added). This affirmatively acknowledges that George Solares, who signed the contract prior to pre-application, was **NOT** a “duly qualified and appointed officer of Seller” at the time of contract execution. Because of this, the contract provided at pre-application did not meet the requirements for “Site Control.”

- 2108 Annex Ave Contract:
 - Commercial Contract Provided at Pre-Application –
 - George Solares signed on behalf of the initially listed seller, B&G Properties Inc, with an escrowed receipt date of 12/23/2021. George Solares was listed as “Registered Agent” on the contract. No documentation was provided acknowledging the role of George Solares to sign on behalf of the seller.
 - B&G Properties, Inc, the seller on the contract in the pre-application, is not the owner of the subject property at all. The actual owner is WorldDallas Properties Inc. ***This alone disqualifies this contract from qualifying as “Site Control” at the time of pre-application.***
 - Documentation Provided at Full Application – An Amendment and Ratification of Commercial Contract (the “Ratification”) was signed on 2/13/2022 that changed the seller name under the contract and that ratified George Solares’ acts in entering into the contract.
 - The Ratification was signed by Michael A. Solares and Beatrice Solares on behalf of the correct seller, WorldDallas Properties Inc.
 - Although dated 2/13/22, the Ratification states an effective date of 12/22/21, which is effectively an effort to back-date proper signatory authority, and should not be permitted for the purpose of demonstrating proper site control at pre-application.
 - Additionally, the Ratification states “Seller hereby ratifies, confirms and reaffirms the Agreement in all respects ***as if a duly qualified and appointed officer of Seller originally signed*** the Agreement on behalf of Seller...” (emphasis added). This affirmatively acknowledges that George Solares, who signed the contract prior to pre-application, was **NOT** a “duly qualified and appointed officer of Seller” at the

time of contract execution. Because of this, the contract provided at pre-application did not meet the requirements for “Site Control.”

- 2202 Annex Ave Contract:
 - Commercial Contract Provided at Pre-Application – George Solares signed on behalf of the stated seller, Charles Orosco, with an escrowed receipt date of 12/23/2021. George Solares was listed as “Registered Agent” on the contract. No documentation was provided acknowledging the role of George Solares to sign on behalf of the seller. Additionally, the title commitment included in the application indicates the site is owned by Charles Orosco **and Diana Orosco**. Diana Orosco was not identified as a seller on the contract submitted at the time of pre-application.
 - Documentation Provided at Full Application – An Amendment and Ratification of Commercial Contract (the “Ratification”) was signed on 2/13/2022 ratifying George Solares’ acts in entering into the contract.
 - The Ratification was signed by Charles Orosco and Diana Orosco on behalf of the seller.
 - Although dated 2/13/22, the Ratification states an effective date of 12/22/21, which is effectively an effort to back-date proper signatory authority, and should not be permitted for the purpose of demonstrating proper site control at pre-application.
 - Additionally, the Ratification states “Seller hereby ratifies, confirms and reaffirms the Agreement in all respects ***as if Seller had each been the original signatory to the Agreement...***” (emphasis added). This affirmatively acknowledges that the correct seller did **NOT** execute the contract provided at pre-application. Because of this, the contract provided at pre-application did not meet the requirements for “Site Control.”

- 2206 Annex Ave Contract:
 - Commercial Contract Provided at Pre-Application – George Solares signed on behalf of the seller, Solidallas Properties Inc, with an escrowed receipt date of 12/23/2021. George Solares was listed as “Registered Agent” on the contract. No documentation was provided acknowledging the role of George Solares to sign on behalf of the seller.
 - Documentation Provided at Full Application – A Ratification of Commercial Contract (the “Ratification”) was signed on 2/13/2022 ratifying George Solares’ acts in entering into the contract.
 - The Ratification was signed by Beatrice Solares on behalf of the seller.
 - Although dated 2/18/22, the Ratification states an effective date of 12/22/21, which is effectively an effort to back-date proper signatory authority, and should not be permitted for the purpose of demonstrating proper site control at pre-application.
 - Additionally, the Ratification states “Seller hereby ratifies, confirms and reaffirms the Agreement in all respects ***as if a duly qualified and appointed officer of Seller originally signed*** the Agreement on behalf of seller...” (***emphasis added***). This affirmatively acknowledges that George Solares, who signed the contract prior to pre-application, was **NOT** a “duly qualified and appointed officer of Seller” at the time of contract execution. Because of this, the contract provided at pre-application did not meet the requirements for “Site Control.”

- Pre-Application Participation – In order to receive points under QAP §11.9(e)(3), “The pre-application [must have] met all applicable requirements.” This includes site control as required under §11.8(b)(1)(A), §11.9(c)(3)(H), and §11.204(10). The contracts signed at pre-application were executed by an individual that did not have signatory authority to enter into the contracts. Ratification agreements signed after the pre-application due date confirm this. As such the site control requirement at pre-application was not met, and the development does not qualify for six (6) Pre-Application Participation points.

If you have any questions, please feel free to reach me directly at (727) 424-0386 or via email at bob.long@hilltidepartners.com.

Sincerely,

A handwritten signature in black ink, appearing to read 'R Long', with a stylized flourish extending to the right.

Robert Long
Authorized Representative

City of Dallas Mixed-Income Housing Development Bonus

Mixed Income Housing Development Bonuses in MF-1(A), MF-2(A), MF-3(A), MU-1, MU-2, and MU-3 Districts and Chapter 51 and SAH Equivalents - Rental Only Quick Reference Chart (Ordinance approved March 27, 2019)

Last updated: 4/11/2019

Note: See individual zoning districts in **Chapter 51A-4.116** and **Chapter 51A-4.125** for details of development bonus, **Chapter 51A-4.1100** for additional regulations, and **Chapter 20A-II** for compliance.

Procedures

- Comply with Article 20A-II - Mixed Income Housing and Div. 51A-4.1100 Mixed Income Housing.
- Meet with Department of Housing and Neighborhood Revitalization to obtain verification of Market Value Analysis and to discuss bonus requirements.
- Apply for building permit and file a restrictive covenant for an affordability period of 20 years for the required percentage of reserved units prior to permit issue.
- Use the bonus to build to required standards.
- Apply for a certificate of occupancy.
- Follow tenant selection, eligibility, rent and income limits, fair housing marketing requirements, etc. as required.
- Remain in compliance for the entire affordability period.

Design requirements

- In general: prioritize pedestrians and follow design principles compatible with the City's Complete Streets program.
- Follow additional regulations relating to fencing, parking location and design, transparency, and ground floor doorways
- Include wide sidewalks, pedestrian lighting, open space.
- See Div. 51A-4.1100 for design standard details.

MF-1(A) and MF-2(A) Districts								
	Base	MVA Category A, B, C			MVA Category D, E, F			MVA Cat. G, H, I
Percentage of units reserved at percentage of median income	no requirement	5% at 51%-60%	5% at 51-60% & 5% at 61-80%	5% at 51-60% & 5% at 61-80% & 5% at 81-100%	5% at 61-80%	10% at 61-80%	10% at 61-80% & 5% at 81-100%	5% at 81-100%
Setbacks	10-15'	Urban form setback of 10' for all portions of the building above 45' in height						
Density	none	no changes						
Floor area ratio	none	no changes						
Height	36'	51'	66'	85'	51'	66'	85'	85'
Max stories	no max	no changes						
Lot coverage	60%	80%	80%	85%	80%	80%	85%	85%
Min lot area/unit	varies	remove requirements						
Res. Prox. Slope	required	no changes						
Parking	1 per bedroom	1.25 spaces per unit. Of the required parking, at least 15 percent must be available for guest parking. No additional parking is required for accessory uses that are limited principally to residents.						
Transit Oriented Development		Max lot coverage of 85 percent. One parking space per unit. Of the required parking, at least 15 percent must be available for guest parking.						

MF-3(A) Districts								
	Base	MVA Category A, B, C			MVA Category D, E, F			MVA Cat. G, H, I
Percentage of units reserved at percentage of median income	no requirement	5% at 51%-60%	5% at 51-60% & 5% at 61-80%	5% at 51-60% & 5% at 61-80% & 5% at 81-100%	5% at 61-80%	10% at 61-80%	10% at 61-80% & 5% at 81-100%	5% at 81-100%
Setbacks		10-20 setbacks, Urban form: 20', Tower spacing: 30'						
Density	90	100	120	150	100	120	150	150
Floor area ratio	2.0	maintain requirements; apply to non-residential only						
Height	90'	90	105	120	90	105	120	120
Max stories	no max	no changes						
Lot coverage	60%	80%	80%	85%	80%	80%	85%	85%
Min lot area/unit	varies	remove requirements						
Res. Prox. Slope	required	no changes						
Parking	1 per bedroom	1.25 spaces per unit. Of the required parking, at least 15 percent must be available for guest parking. No additional parking is required for accessory uses that are limited principally to residents.						
Transit Oriented Development		Max lot coverage of 85 percent. One parking space per unit. Of the required parking, at least 15 percent must be available for guest parking.						

Excerpt from Title Commitment Submitted with Application

COMMITMENT FOR TITLE INSURANCE SCHEDULE A

ISSUED BY
STEWART TITLE GUARANTY COMPANY

File No.: 1578743-2	Effective Date: February 1, 2022 at 8:00AM
CLOSER: Mandy Dean-Knotts	Issued: February 25, 2022 4:39PM

1. The policy or policies to be issued are:

- a. OWNER'S POLICY OF TITLE INSURANCE (Form T-1)
(Not applicable for improved one-to-four family residential real estate)
Policy Amount: \$4,950,000.00
PROPOSED INSURED: Jaipur Lofts, LLC, a Texas limited liability company
- b. TEXAS RESIDENTIAL OWNER'S POLICY OF TITLE INSURANCE
-ONE-TO-FOUR FAMILY RESIDENCES (Form T-1R)
Policy Amount: \$
PROPOSED INSURED:
- c. LOAN POLICY OF TITLE INSURANCE (Form T-2)
Policy Amount: \$
PROPOSED INSURED:
Proposed Borrower:
- d. TEXAS SHORT FORM RESIDENTIAL LOAN POLICY OF TITLE INSURANCE (Form T-2R)
Policy Amount: \$
PROPOSED INSURED:
Proposed Borrower:
- e. LOAN TITLE POLICY BINDER ON INTERIM CONSTRUCTION LOAN (Form T-13)
Binder Amount: \$
PROPOSED INSURED:
Proposed Borrower:
- f. OTHER:
Policy Amount: \$
PROPOSED INSURED:

2. The interest in the land covered by this Commitment is:

FEE SIMPLE

3. Record title to the land on the Effective Date appears to be vested in:

As to Tract 1: [Aquilino Gonzales & Maria Gonzales](#)

2208 Annex Ave - Tract not part
of site at the time of pre-
application

As to Tract 2: [Solidallas Properties, Inc.](#)

2206 Annex Ave

As to Tract 3: [Charles Orosco and Diana S. Orosco](#)

2202 Annex Ave - Seller of this
tract in contract submitted at pre-
application omitted Diana S.
Orosco

**COMMITMENT FOR TITLE INSURANCE
SCHEDULE A**

ISSUED BY
STEWART TITLE GUARANTY COMPANY

As to Tracts 4 and 5: [WORLDALLAS PROPERTIES, INC.](#)

4. Legal description of land:

See Exhibit "A" Attached Hereto

2102 Annex Ave

2108 Annex Ave - Seller of this tract in
contract submitted at pre-application was
incorrect (B&G Properties Inc)

**COMMITMENT FOR TITLE INSURANCE
EXHIBIT "A"
LEGAL DESCRIPTION**

ISSUED BY
STEWART TITLE GUARANTY COMPANY

File No.: 1578743-2

Tract 1

Lot 4, in Block 8/1597, of Elk Hill Addition, an addition to the City of Dallas, Dallas County, Texas, according to the Map or Plat thereof recorded in [Volume 1, Page 85](#), Map/Plat Records, Dallas County, Texas.

Tract 2

Lot 5, in Block 8/1597, of Elk Hill Addition, an addition to the City of Dallas, Dallas County, Texas, according to the Map or Plat thereof recorded in/under [Volume 1, Page 85](#), Map/Plat Records, Dallas County, Texas.

Tract 3

Lot 6, in Block 8/1597, of ELK HILL ADDITION, an addition to the City of Dallas, Dallas County, Texas, according to the Map or Plat thereof recorded in/under [Volume 1, Page 85](#), Map/Plat Records, Dallas County, Texas.

Tract 4

Lot 2, Block 12/1598 of ELK HILL ADDITION, an Addition to the City of Dallas, Dallas County, Texas, according to the Map thereof recorded in [Volume 1, Page 85](#), Map Records, Dallas County, Texas.

Tract 5

Lot 1, in Block 12/1598, of ELK HILL ADDITION, an Addition to the City of Dallas, Dallas County, Texas according to the Plat thereof recorded in [Volume 1, Page 85](#). Map Records, Dallas County, Texas.



2102 Annex Ave.
Commercial Contract and Signature Page
submitted with Pre-application

TEXAS ASSOCIATION OF REALTORS®

COMMERCIAL CONTRACT - IMPROVED PROPERTY

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS® IS NOT AUTHORIZED.
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1. **PARTIES:** Seller agrees to sell and convey to Buyer the Property described in Paragraph 2. Buyer agrees to buy the Property from Seller for the sales price stated in Paragraph 3. The parties to this contract are:

Seller: Worldallas Properties Inc
Address: 5203 Junius St, Dallas Tx 75214
Phone: _____
Email: georgesolaes@yahoo.com

Buyer: O-SDA Industries, LLC and/or Assigns
Address: 5501 – A Balcones Drive #302, Austin, Texas 78731
Phone: 512-383-5470
Email: megan@o-sda.com & lisa@saigebrook.com

2. **PROPERTY:**

A. "Property" means that real property situated in Dallas County, Texas at 2102 Annex Ave Dallas, TX (address) and that is legally described on the attached Exhibit A or as follows:

- B. Seller will sell and convey the Property together with:
- (1) all buildings, improvements, and fixtures;
 - (2) all rights, privileges, and appurtenances pertaining to the Property, including Seller's right, title, and interest in any minerals, utilities, adjacent streets, alleys, strips, gores, and rights-of-way;
 - (3) Seller's interest in all leases, rents, and security deposits for all or part of the Property;
 - (4) Seller's interest in all licenses and permits related to the Property;
 - (5) Seller's interest in all third party warranties or guaranties, if transferable, relating to the Property or any fixtures;
 - (6) Seller's interest in any trade names, if transferable, used in connection with the Property; and
 - (7) all Seller's tangible personal property located on the Property that is used in connection with the Property's operations except: N/A.
- Any personal property not included in the sale must be removed by Seller prior to closing.

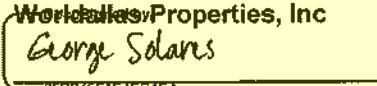

*(Describe any exceptions, reservations, or restrictions in Paragraph 12 or an addendum.)
(If mineral rights are to be reserved an appropriate addendum should be attached.)
(If the Property is a condominium, attach Commercial Contract Condominium Addendum (TAR-1930).)*


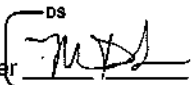
3. **SALES PRICE:** At or before closing, Buyer will pay the following sales price for the Property: DS
GS

A. Cash portion payable by Buyer at closing..... \$684,577.00 MJD

(TAR-1801) 1-1-16 Initialed for Identification by Seller DS
GS and Buyer DS
MJD Page 1 of 19

READ THIS CONTRACT CAREFULLY. The brokers and agents make no representation or recommendation as to the legal sufficiency, legal effect, or tax consequences of this document or transaction. CONSULT your attorney BEFORE signing.

Seller:	Worldwide Properties, Inc	Buyer:	OSD Industries, LLC
By (signature)		By (signature)	
Printed Name:	George Solares	Printed Name:	Megan Lasch
Title:	Registered Agent	Title:	President

(TAR-1801) 1-1-16 Initialed for Identification by Seller  and Buyer  Page 17 of 19

RATIFICATION OF COMMERCIAL CONTRACT – IMPROVED PROPERTY

(2102 Annex Avenue, Dallas, Texas 75204)

THIS RATIFICATION OF COMMERCIAL CONTRACT – IMPROVED PROPERTY (this “**Ratification**”) is made February 13 2022, but effective as of December 22, 2021 (the “**Effective Date**”), by and among WORLDALLAS PROPERTIES, INC., a Texas corporation (“**Seller**”), and O-SDA INDUSTRIES, LLC, a Texas limited liability company, and/or assigns (“**Buyer**”).

RECITALS:

WHEREAS, Seller and Buyer are parties to that certain Commercial Contract – Improved Property dated on or around December 22, 2021 (the “**Contract**”), as supplemented and modified by that certain Addendum to Commercial Contract – Improved Property of even date therewith (the “**Addendum**”, together with the Contract, collectively, the “**Agreement**”) pertaining to the conveyance of certain real property located at 2102 Annex Avenue, Dallas, Texas 75204 (the “**Property**”), as more particularly described in the Agreement;

WHEREAS, Seller, a Texas corporation, is the fee simple owner of the Property;

WHEREAS, the Agreement was executed by George Soares (“**Solares**”), on behalf of Seller, as Seller’s Registered Agent;

WHEREAS, Seller desires to ratify and confirm the acts of Soares, the Agreement, and all of Seller’s obligations thereunder, on the terms and conditions set forth herein;

WHEREAS, the Addendum as executed did not reflect the correct name of the Seller signing same and Seller and Buyer wish to correct that error and ratify the Addendum;

NOW THEREFORE, in consideration of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the parties, Seller and Buyer agree as follows:

1. Recitals. The above recitals are true and correct and incorporated into this Ratification by this reference.
2. Definitions. Any capitalized terms not defined in this Ratification shall have the meaning given to such term in the Agreement.
3. Ratification of Soares’ Acts. Seller hereby ratifies, confirms and reaffirms that Soares was granted and maintains specific authority to act on behalf of Seller with respect to the Property, including, without limitation, the power to grant, bargain, sell and convey the Property, and to execute and deliver any and all instruments, documents, certificates and agreements to effect such power and authority, and that Soares’ execution of the Agreement constitutes a valid and binding action of the Seller.

4. Ratification of Contract. Seller hereby ratifies, confirms and reaffirms the Agreement in all respects **as if a duly qualified and appointed officer of Seller** originally signed the Agreement on behalf of Seller, and Seller acknowledges, agrees, represents and warrants that the Agreement constitutes a valid and binding obligation of the Seller, remains in full force and effect and, except as specifically set forth herein, has not been modified.

5. Addendum. Seller's signature block in the Addendum is revised to be as shown in the Seller's signature block to this Ratification.

6. Conflicts. Except as expressly amended by this Ratification, the Agreement shall govern the relationship between the parties with respect to the Property. In the event of any conflict between the provisions of the Agreement and this Ratification, the provisions of this Ratification shall be controlling. All references to the Agreement shall mean the Agreement as amended by this Ratification.

7. Counterparts; Electronic Delivery. This Ratification may be executed in more than one counterpart, each of which shall be deemed an original, and all of which shall constitute but one instrument. Notwithstanding anything to the contrary in the Agreement, this Ratification may be delivered via facsimile, PDF or other electronic transmission.

8. Entire Agreement. The Agreement, as amended by this Ratification, embodies and constitutes the entire understanding between the parties with respect to the transaction contemplated herein, and all prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into the Agreement, as amended by this Ratification.

[SIGNATURE AND PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto hereby execute this Ratification as of the Effective Date.

SELLER:

WORLDALLAS PROPERTIES, INC., a
Texas corporation

By: Michael A. Solares
Name: Michael A. Solares
Title: Director

By: Beatrice Solares
Name: Beatrice Solares
Title: President

BUYER:

O-SDA INDUSTRIES, LLC,
a Texas limited liability company, and/or
assigns

By: Megan Lasch

Megan Lasch, President



2108 Annex Ave.
Commercial Contract and Signature Page
submitted with Pre-application

TEXAS ASSOCIATION OF REALTORS®

COMMERCIAL CONTRACT - IMPROVED PROPERTY

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1. **PARTIES:** Seller agrees to sell and convey to Buyer the Property described in Paragraph 2. Buyer agrees to buy the Property from Seller for the sales price stated in Paragraph 3. The parties to this contract are:

Seller: B&G Properties Inc
Address: 5203 Junius St, Dallas Tx 75214
Phone: _____
Email: georgesolaes@yahoo.com

Buyer: O-SDA Industries, LLC and/or Assigns
Address: 5501 – A Balcones Drive #302, Austin, Texas 78731
Phone: 512-383-5470
Email: megan@o-sda.com & lisa@saiqebrook.com

2. **PROPERTY:**

A. "Property" means that real property situated in Dallas County, Texas at 2108 Annex Ave Dallas, TX (address) and that is legally described on the attached Exhibit A or as follows:

B. Seller will sell and convey the Property together with:

- (1) all buildings, improvements, and fixtures;
 - (2) all rights, privileges, and appurtenances pertaining to the Property, including Seller's right, title, and interest in any minerals, utilities, adjacent streets, alleys, strips, gores, and rights-of-way;
 - (3) Seller's interest in all leases, rents, and security deposits for all or part of the Property;
 - (4) Seller's interest in all licenses and permits related to the Property;
 - (5) Seller's interest in all third party warranties or guaranties, if transferable, relating to the Property or any fixtures;
 - (6) Seller's interest in any trade names, if transferable, used in connection with the Property; and
 - (7) all Seller's tangible personal property located on the Property that is used in connection with the Property's operations except: N/A.
- Any personal property not included in the sale must be removed by Seller prior to closing.

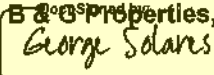
*(Describe any exceptions, reservations, or restrictions in Paragraph 12 or an addendum.)
(If mineral rights are to be reserved an appropriate addendum should be attached.)
(If the Property is a condominium, attach Commercial Contract Condominium Addendum (TAR-1930).)*

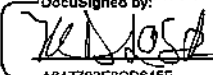
3. **SALES PRICE:** At or before closing, Buyer will pay the following sales price for the Property:

A. Cash portion payable by Buyer at closing.....\$1,084,717.00

(TAR-1801) 1-1-16 Initialed for Identification by Seller DS
GS and Buyer DS
[Signature] Page 1 of 19

READ THIS CONTRACT CAREFULLY. The brokers and agents make no representation or recommendation as to the legal sufficiency, legal effect, or tax consequences of this document or transaction. **CONSULT** your attorney **BEFORE** signing.

Seller: **B & O Properties, Inc.**
By (signature) 
Printed Name: George Solares
Title: Registered Agent

Buyer: **O-SDA Industries, LLC**
By (signature) 
Printed Name: Megan Lasch
Title: President

**AMENDMENT AND RATIFICATION OF
COMMERCIAL CONTRACT – IMPROVED PROPERTY**

(2108 Annex Avenue, Dallas, Texas 75204)

THIS AMENDMENT AND RATIFICATION OF COMMERCIAL CONTRACT – IMPROVED PROPERTY (this “**Ratification**”) is made February 13, 2022, but effective as of **December 22, 2021** (the “**Effective Date**”), by and among WORLDALLAS PROPERTIES, INC., a Texas corporation (“**Seller**”), and O-SDA INDUSTRIES, LLC, a Texas limited liability company, and/or assigns (“**Buyer**”).

RECITALS:

WHEREAS, B&G Properties Inc (“**B&G**”) and Buyer are parties to that certain Commercial Contract – Improved Property dated on or around December 22, 2021 (the “**Contract**”), as supplemented and modified by that certain Addendum to Commercial Contract – Improved Property of even date therewith (the “**Addendum**”, together with the Contract, collectively, the “**Agreement**”) pertaining to the conveyance of certain real property located at **2108 Annex Avenue, Dallas, Texas 75204** (the “**Property**”), as more particularly described in the Agreement;

WHEREAS, the Property is in fact owned by Seller, and B&G was inadvertently identified as the seller under the Agreement, and Seller and Buyer wish to correct that error;

WHEREAS, Seller, a Texas corporation, is the fee simple owner of the Property;

WHEREAS, Seller desires to ratify and confirm the Agreement, and all of Seller’s obligations thereunder, on the terms and conditions set forth herein;

NOW THEREFORE, in consideration of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the parties, Seller and Buyer agree as follows:

1. Recitals. The above recitals are true and correct and incorporated into this Ratification by this reference.

2. Definitions. Any capitalized terms not defined in this Ratification shall have the meaning given to such term in the Agreement.

3. Seller. The term “Seller” as defined in the Agreement is hereby amended to mean “WORLDALLAS PROPERTIES, INC., a Texas corporation.” Seller’s signature block in the Agreement is revised to be as shown in the Seller’s signature to this Ratification.

4. Ratification of Contract. Seller hereby ratifies, confirms and reaffirms the Agreement in all respects as if a duly qualified and appointed officer of Seller originally signed the Agreement on behalf of Seller, and Seller acknowledges, agrees, represents and warrants that the Agreement constitutes a valid and binding obligation of the Seller, remains in full force and effect and, except as specifically set forth herein, has not been modified.

5. Conflicts. Except as expressly amended by this Ratification, the Agreement shall govern the relationship between the parties with respect to the Property. In the event of any conflict between the provisions of the Agreement and this Ratification, the provisions of this Ratification shall be controlling. All references to the Agreement shall mean the Agreement as amended by this Ratification.

6. Counterparts; Electronic Delivery. This Ratification may be executed in more than one counterpart, each of which shall be deemed an original, and all of which shall constitute but one instrument. Notwithstanding anything to the contrary in the Agreement, this Ratification may be delivered via facsimile, PDF or other electronic transmission.

7. Entire Agreement. The Agreement, as amended by this Ratification, embodies and constitutes the entire understanding between the parties with respect to the transaction contemplated herein, and all prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into the Agreement, as amended by this Ratification.

[SIGNATURE AND PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto hereby execute this Ratification as of the Effective Date.

SELLER:

WORLDALLAS PROPERTIES, INC., a
Texas corporation

By: Michael A. Solares

Name: Michael A. Solares

Title: Director

By: Beatrice Solares

Name: Beatrice Solares

Title: President

BUYER:

O-SDA INDUSTRIES, LLC,
a Texas limited liability company, and/or
assigns

By: Megan Lasch

Megan Lasch, President



2202 Annex Ave.
Commercial Contract and Signature Page
submitted with Pre-application

TEXAS ASSOCIATION OF REALTORS®

COMMERCIAL CONTRACT - IMPROVED PROPERTY

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS® IS NOT AUTHORIZED.
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1. **PARTIES:** Seller agrees to sell and convey to Buyer the Property described in Paragraph 2. Buyer agrees to buy the Property from Seller for the sales price stated in Paragraph 3. The parties to this contract are:

Seller: Charles Orosco
Address: PO Box 720932, Dallas, TX 75372
Phone: _____
Email: georgesolaes@yahoo.com

Buyer: O-SDA Industries, LLC and/or Assigns
Address: 5501 – A Balcones Drive #302, Austin, Texas 78731
Phone: 512-383-5470
Email: megan@o-sda.com & lisa@saigebrook.com

2. **PROPERTY:**

A. "Property" means that real property situated in Dallas County, Texas at 2202 Annex Ave Dallas, TX (address) and that is legally described on the attached Exhibit A or as follows:

B. Seller will sell and convey the Property together with:


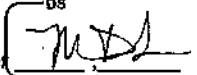
- (1) all buildings, improvements, and fixtures;
- (2) all rights, privileges, and appurtenances pertaining to the Property, including Seller's right, title, and interest in any minerals, utilities, adjacent streets, alleys, strips, gores, and rights-of-way;
- (3) Seller's interest in all leases, rents, and security deposits for all or part of the Property;
- (4) Seller's interest in all licenses and permits related to the Property;
- (5) Seller's interest in all third party warranties or guaranties, if transferable, relating to the Property or any fixtures;
- (6) Seller's interest in any trade names, if transferable, used in connection with the Property; and
- (7) all Seller's tangible personal property located on the Property that is used in connection with the Property's operations except: N/A.

Any personal property not included in the sale must be removed by Seller prior to closing.

*(Describe any exceptions, reservations, or restrictions in Paragraph 12 or an addendum.)
(If mineral rights are to be reserved an appropriate addendum should be attached.)
(If the Property is a condominium, attach Commercial Contract Condominium Addendum (TAR-1930).)*

3. **SALES PRICE:** At or before closing, Buyer will pay the following sales price for the Property:

A. Cash portion payable by Buyer at closing.....\$ \$1,274,720.00

(TAR-1801) 1-1-16 Initialed for Identification by Seller  and Buyer  Page 1 of 19

READ THIS CONTRACT CAREFULLY. The brokers and agents make no representation or recommendation as to the legal sufficiency, legal effect, or tax consequences of this document or transaction. CONSULT your attorney BEFORE signing.

Seller: Charles Orosco
By (signature) George Solares
658845F1E4F0EA...
Printed Name: George Solares
Title: Registered Agent

Buyer: O-SDA Industries, LLC
By (signature) Megan Lasch
AB47703F8CD645E...
Printed Name: Megan Lasch
Title: President

(TAR-1801) 1-1-16 Initialed for Identification by Seller GS and Buyer MJL Page 17 of 19

**AMENDMENT AND RATIFICATION OF
COMMERCIAL CONTRACT – IMPROVED PROPERTY**

(2202 Annex Avenue, Dallas, Texas 75204)

THIS AMENDMENT AND RATIFICATION OF COMMERCIAL CONTRACT – IMPROVED PROPERTY (this “**Ratification**”) is made February 13, 2022, but effective as of December 22, 2021 (the “**Effective Date**”), by and among CHARLES OROSCO and DIANA OROSCO (collectively, “**Seller**”), and O-SDA INDUSTRIES, LLC, a Texas limited liability company, and/or assigns (“**Buyer**”).

RECITALS:

WHEREAS, Charles Orosco and Buyer are parties to that certain Commercial Contract – Improved Property dated on or around December 22, 2021 (the “**Contract**”), as supplemented and modified by that certain Addendum to Commercial Contract – Improved Property of even date therewith (the “**Addendum**”, together with the Contract, collectively, the “**Agreement**”) pertaining to the conveyance of certain real property located at 2202 Annex Avenue, Dallas, Texas 75204 (the “**Property**”), as more particularly described in the Agreement;

WHEREAS, Charles Orosco and Diana Orosco, collectively, are the fee simple owners of the Property;

WHEREAS, the Agreement was executed by George Solares, as Charles Orosco’s attorney-in-fact, as seller, although said attorney-in-fact inadvertently identified his capacity as “Registered Agent”;

WHEREAS, Seller desires to ratify and confirm the Agreement and all of Seller’s obligations thereunder, on the terms and conditions set forth herein;

WHEREAS, the Agreement as executed did not reflect the correct title of the signatory signing same and Seller and Buyer wish to correct that error;

NOW THEREFORE, in consideration of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the parties, Seller and Buyer agree as follows:

1. **Recitals.** The above recitals are true and correct and incorporated into this Ratification by this reference.
2. **Definitions.** Any capitalized terms not defined in this Ratification shall have the meaning given to such term in the Agreement.
3. **Ratification of Contract.** Seller hereby ratifies, confirms and reaffirms the Agreement in all respects as if Seller had each been the original signatory to the Agreement, and Seller acknowledges, agrees, represents and warrants that the Agreement remains in full force and effect and, except as specifically set forth herein, has not been modified.

4. References to Seller. All references in the Agreement to “Seller” shall be deemed to mean and refer to Charles Orosco and Diana Orosco, collectively.

5. Attorney-in-Fact. All references in the Agreement to George Solares as “Registered Agent” for Charles Orosco shall be deemed to mean and refer to George Solares as “attorney-in-fact” for Charles Orosco. A true, correct and complete copy of the Power of Attorney (the “POA”) is attached hereto as Exhibit “A”, and such POA was in full force and effect on the Effective Date of the Agreement and remains unmodified and in full force and effect on the date hereof.

6. Conflicts. Except as expressly amended by this Ratification, the Agreement shall govern the relationship between the parties with respect to the Property. In the event of any conflict between the provisions of the Agreement and this Ratification, the provisions of this Ratification shall be controlling. All references to the Agreement shall mean the Agreement as amended by this Ratification.

7. Counterparts; Electronic Delivery. This Ratification may be executed in more than one counterpart, each of which shall be deemed an original, and all of which shall constitute but one instrument. Notwithstanding anything to the contrary in the Agreement, this Ratification may be delivered via facsimile, PDF or other electronic transmission.

8. Entire Agreement. The Agreement, as amended by this Ratification, embodies and constitutes the entire understanding between the parties with respect to the transaction contemplated herein, and all prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into the Agreement, as amended by this Ratification.

[SIGNATURE AND PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto hereby execute this Ratification as of the Effective Date.

SELLER:




Charles Orosco



Diana Orosco

BUYER:

O-SDA INDUSTRIES, LLC,
a Texas limited liability company, and/or
assigns

By: 

Megan Lasch, President



TEXAS ASSOCIATION OF REALTORS®

COMMERCIAL CONTRACT - IMPROVED PROPERTY

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS® IS NOT AUTHORIZED.
©Texas Association of REALTORS®, Inc. 2016

1. **PARTIES:** Seller agrees to sell and convey to Buyer the Property described in Paragraph 2. Buyer agrees to buy the Property from Seller for the sales price stated in Paragraph 3. The parties to this contract are:

Seller: Solidallas Properties Inc
Address: 5203 Junius St, Dallas Tx 75214
Phone: _____
Email: georgesolares@yahoo.com

Buyer: O-SDA Industries, LLC and/or Assigns
Address: 5501 – A Balcones Drive #302, Austin, Texas 78731
Phone: 512-383-5470
Email: megan@o-sda.com & lisa@saigebrook.com

2. **PROPERTY:**

A. "Property" means that real property situated in Dallas County, Texas at 2206 Annex Ave Dallas, TX (address) and that is legally described on the attached Exhibit A or as follows:

B. Seller will sell and convey the Property together with:

- (1) all buildings, improvements, and fixtures;
- (2) all rights, privileges, and appurtenances pertaining to the Property, including Seller's right, title, and interest in any minerals, utilities, adjacent streets, alleys, strips, gores, and rights-of-way;
- (3) Seller's interest in all leases, rents, and security deposits for all or part of the Property;
- (4) Seller's interest in all licenses and permits related to the Property;
- (5) Seller's interest in all third party warranties or guaranties, if transferable, relating to the Property or any fixtures;
- (6) Seller's interest in any trade names, if transferable, used in connection with the Property; and
- (7) all Seller's tangible personal property located on the Property that is used in connection with the Property's operations except: N/A.

Any personal property not included in the sale must be removed by Seller prior to closing.

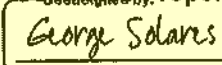

*(Describe any exceptions, reservations, or restrictions in Paragraph 12 or an addendum.)
(If mineral rights are to be reserved an appropriate addendum should be attached.)
(If the Property is a condominium, attach Commercial Contract Condominium Addendum (TAR-1930).)*


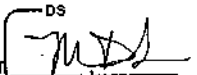
3. **SALES PRICE:** At or before closing, Buyer will pay the following sales price for the Property:

A. Cash portion payable by Buyer at closing.....\$ \$1,105,986.00

(TAR-1801) 1-1-16 Initialed for Identification by Seller GS and Buyer [Signature] Page 1 of 19

READ THIS CONTRACT CAREFULLY. The brokers and agents make no representation or recommendation as to the legal sufficiency, legal effect, or tax consequences of this document or transaction. CONSULT your attorney BEFORE signing.

Seller:	Solidallas Properties, Inc	Buyer:	O.S.A. Industries, LLC
By (signature)		By (signature)	
Printed Name:	George Solares	Printed Name:	Megan Lasch
Title:	Registered Agent	Title:	President

(TAR-1801) 1-1-16 Initialed for Identification by Seller  and Buyer  Page 17 of 19

RATIFICATION OF COMMERCIAL CONTRACT – IMPROVED PROPERTY

(2206 Annex Avenue, Dallas, Texas 75204)

THIS RATIFICATION OF COMMERCIAL CONTRACT – IMPROVED PROPERTY (this “**Ratification**”) is made February 13, 2022, but effective as of December 22, 2021 (the “**Effective Date**”), by and among SOLIDALLAS PROPERTIES, INC., a Texas corporation (“**Seller**”), and O-SDA INDUSTRIES, LLC, a Texas limited liability company, and/or assigns (“**Buyer**”).

RECITALS:

WHEREAS, Seller and Buyer are parties to that certain Commercial Contract – Improved Property dated on or around December 22, 2021 (the “**Contract**”), as supplemented and modified by that certain Addendum to Commercial Contract – Improved Property of even date therewith (the “**Addendum**”, together with the Contract, collectively, the “**Agreement**”) pertaining to the conveyance of certain real property located at 2206 Annex Avenue, Dallas, Texas 75204 (the “**Property**”), as more particularly described in the Agreement;

WHEREAS, Seller, a Texas corporation, is the fee simple owner of the Property;

WHEREAS, the Agreement was executed by George Solares (“**Solares**”), on behalf of Seller, as Seller’s Registered Agent;

WHEREAS, Seller desires to ratify and confirm the acts of Solares, the Agreement, and all of Seller’s obligations thereunder, on the terms and conditions set forth herein;

NOW THEREFORE, in consideration of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the parties, Seller and Buyer agree as follows:

1. **Recitals.** The above recitals are true and correct and incorporated into this Ratification by this reference.

2. **Definitions.** Any capitalized terms not defined in this Ratification shall have the meaning given to such term in the Agreement.

3. **Ratification of Solares’ Acts.** Seller hereby ratifies, confirms and reaffirms that Solares was granted and maintains specific authority to act on behalf of Seller with respect to the Property, including, without limitation, the power to grant, bargain, sell and convey the Property, and to execute and deliver any and all instruments, documents, certificates and agreements to effect such power and authority, and that Solares’ execution of the Agreement constitutes a valid and binding action of the Seller.

4. **Ratification of Contract.** Seller hereby ratifies, confirms and reaffirms the Agreement in all respects as if a duly qualified and appointed officer of Seller originally signed the Agreement on behalf of Seller, and Seller acknowledges, agrees, represents and warrants that

the Agreement constitutes a valid and binding obligation of the Seller, remains in full force and effect and, except as specifically set forth herein, has not been modified.

5. Conflicts. Except as expressly amended by this Ratification, the Agreement shall govern the relationship between the parties with respect to the Property. In the event of any conflict between the provisions of the Agreement and this Ratification, the provisions of this Ratification shall be controlling. All references to the Agreement shall mean the Agreement as amended by this Ratification.

6. Counterparts; Electronic Delivery. This Ratification may be executed in more than one counterpart, each of which shall be deemed an original, and all of which shall constitute but one instrument. Notwithstanding anything to the contrary in the Agreement, this Ratification may be delivered via facsimile, PDF or other electronic transmission.


7. Entire Agreement. The Agreement, as amended by this Ratification, embodies and constitutes the entire understanding between the parties with respect to the transaction contemplated herein, and all prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into the Agreement, as amended by this Ratification.

[SIGNATURE AND PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto hereby execute this Ratification as of the Effective Date.

SELLER:

SOLIDALLAS PROPERTIES, INC., a
Texas corporation

By: 
Name: Beatrice Solare
Title: President

BUYER:

O-SDA INDUSTRIES, LLC,
a Texas limited liability company, and/or
assigns

By: 
Megan Lasch, President

22291

-

The Zeisel

-

**Request for Administrative
Deficiency**

May 6, 2022

Mr. Cody Campbell
Director of Multifamily Programs
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701
Email: cody.campbell@tdhca.state.tx.us

Re: Third Party Request for Administrative Deficiency (“RFAD”), §11.10 of 2022 Qualified Allocation Plan (“QAP”) – 22291 The Zeisel

Dear Mr. Campbell,

Please accept this letter as a Third Party Request for Administrative Deficiency (“RFAD”) pursuant to §11.10 of 2022 Qualified Allocation Plan (“QAP”) for application 22291 The Zeisel.

Application 22291 The Zeisel is deficient related to the following 2022 QAP sections and we respectfully request the issuance of an Administrative Deficiency Notice related to these items. Further, as described below, the following actions are warranted:

- Deduction of seven (7) total points from the application related to §11.9(d)(7) of the QAP, Concerted Revitalization Plan for failure to provide required documentation, specifically a qualifying concerted revitalization plan.

Summary of Scoring Deficiencies

In order to receive points under QAP §11.9(d)(7), the Development Site must be “geographically located within an area for which a concerted revitalization plan (plan or CRP) has been developed and published by the municipality.” Further, the QAP states “city- or countywide comprehensive plan... does not equate to a concerted revitalization plan unless evidence is presented that additional efforts have been undertaken...”

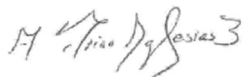
- Comprehensive Plan – The application included a letter dated 2/4/2022 from the City of Denton planning staff stating the site is within a “Focus Area” outlined in the Denton Plan 2030, and future Denton Plan 2040. Denton Plan 2030, the plan used by the applicant to claim CRP points is a Comprehensive Plan, which is disallowed by the QAP for points unless additional efforts are demonstrated. Denton Plan 2030 appears to include no specific efforts underway within the Focus Area.
- Lack of Defined Boundaries – The map provided in the application, and within the Denton Plan 2030 includes no outline of specific boundaries that allow verification that The Zeisel is actually located within a “Focus Area” (see Exhibit A).
- Focus Area Does Not Constitute Area Targeted for Revitalization – According to both the Denton Plan 2030 and Denton Plan 2040, “Focus Areas” are general areas of the city, with no specific boundaries, that may be considered in the future to become “Area Plans.”

- Contrast with Area Plans – References to revitalization within the Denton Plan 2030 are in the context of “Small Area Plans” and “Area Plans” which are developed following more extensive planning efforts than are used to designate “Focus Areas.” Focus Areas concept versus Small Area Plans are shown in Exhibit B and summarized below:
 - Creating “focused plans for areas... in need of revitalization” is accomplished by “[Creating] Small Area Plans.” See page 117, items 4.12 and 4.12.1.
 - “Small Area Plans” are described on page 256 of the attached Denton Plan 2030 exhibit: “A small area plan that is developed for a clearly delineated area that addresses specific issues and challenges with more detailed action and strategies than is provided in Denton Plan 2030.” This acknowledges that the Comprehensive Plan does not equate to a concerted revitalization plan.
 - The process of creating “Area Plans” from “Focus Areas,” which distinguishes the two from one another, is described on page 269, items 13 and 14.
 - “Focus Areas” are outlined as a preliminary stage that occurs in advance of creating “Small Area Plans.” See page 119, item 4.12.4.
 - City planning staff issued an email, included as Exhibit C, with additional clarification on the difference between “Focus Areas” and “Area Plans” and confirmed the above interpretations of the City’s Comprehensive Plans. City planning staff confirms that Focus Areas “are the initial conceptual location for future “Area Plans” that have not yet been created.”
 - Furthermore, the City Planning Staff provided the City’s current “Area Plans” (see Exhibit D for Boundary Maps). None of these current Area Plans include the site location for The Zeisel.

In summary, the plan used to claim points under §11.9(d)(7) of the QAP is a city-wide comprehensive plan, which does not qualify for points unless additional revitalization efforts have been undertaken. No specific efforts related to “Focus Areas” can be found in the Denton 2030 Comprehensive Plan. The application is applying for 7 total points for being located in a “Focus Areas,” which lacks the planning efforts to qualify as a concerted revitalization plan area. The Zeisel is not located in any of the City of Denton’s “Small Area Plans” which do equate to concerted revitalization plan areas. Based on these facts, The Zeisel does not qualify for points under §11.9(d)(7), Concerted Revitalization Plan.

If you have any questions, please feel free to reach me directly at (512) 971-9127 or via email at aiglesias@ghdevelopment.com.

Sincerely,



Adrian Iglesias
Authorized Representative

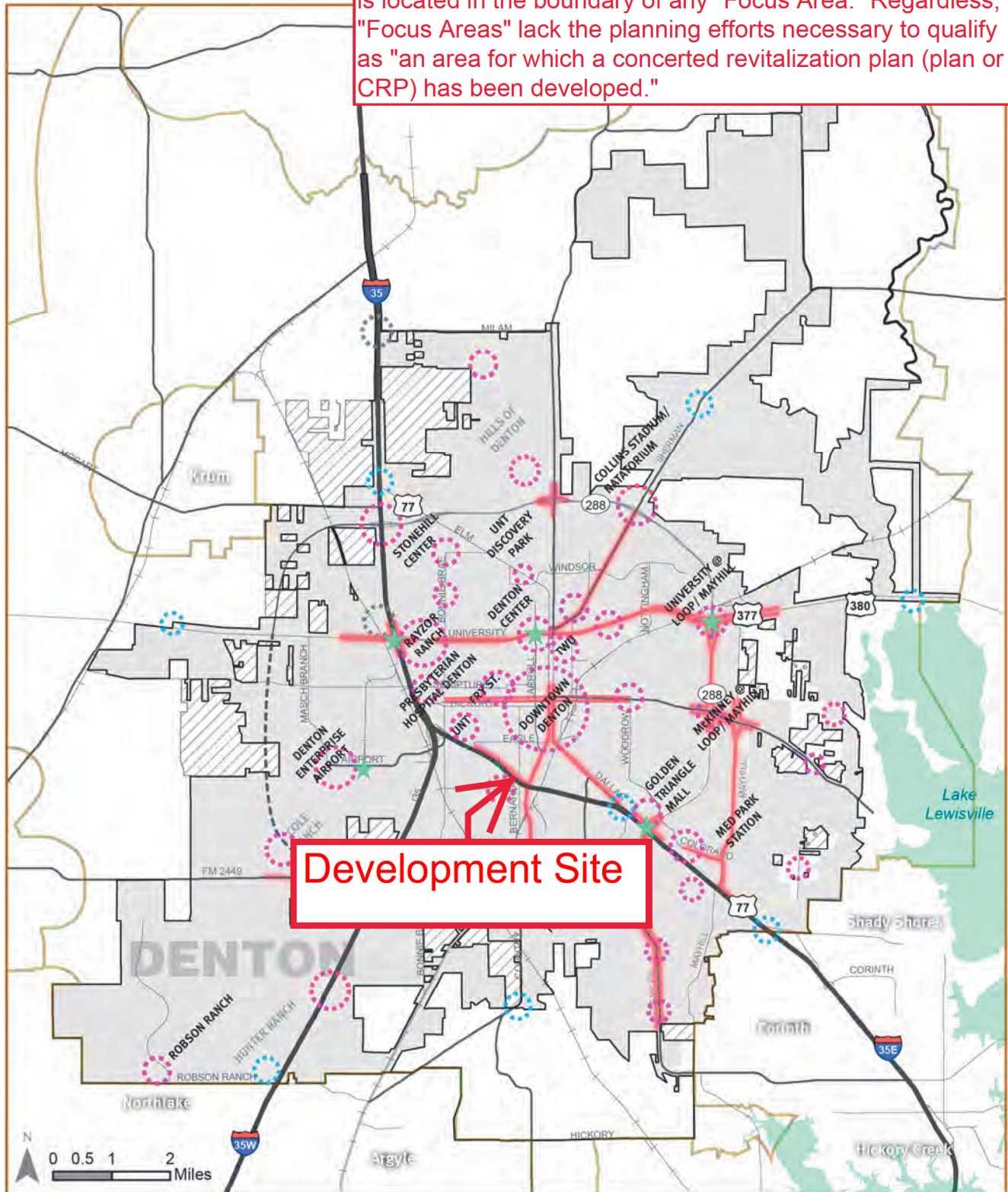
Exhibit "A"

Map Provided in Application

Exhibit "A"

FIGURE 4.1: Focus Areas Concept

Map provided in application. It is impossible to verify based on the very general nature of the map, that the development site is located in the boundary of any "Focus Area." Regardless, "Focus Areas" lack the planning efforts necessary to qualify as "an area for which a concerted revitalization plan (plan or CRP) has been developed."



Development Site

Source: City of Denton

- Center Focus Area
- Corridor Focus Area
- Gateway Focus Area
- Travel Center Focus Area
- Branding Station
- Municipal Boundaries
- City of Denton
- ETJ

Exhibit "B"

Denton 2030 Plan

**"Small Area Plans" and "Area Plans"
VS
"Focus Areas"**

Key centers and corridors were established in the creation of the Preferred Growth Concept based on the location of important community identifiers, a concentration of employment or community hubs, or opportunities for densification, public realm improvements, and infill development. These areas were further refined in the creation of the Future Land Use Map (FLUM). Other focus areas include gateways, branding stations, and travel centers, which themselves are unique and thus require specific attention. Due to the differences among these focus areas, it is recommended that those that are a priority should be the subject of Small Area Plans to identify unique recommendations for land use, urban design, circulation and public realm improvements, and development programming, representing the diversity of Denton's neighborhoods. Following the preparation of the Small Area Plans, it may be appropriate to adopt corresponding Overlay Districts to apply particular development standards to key centers, corridors and infill areas that will be administered through the DDC. The guidelines of this Element will serve to create consistency and a foundation for the development of those specific regulations. All Focus Areas are illustrated on Figure 4.1: Focus Areas Concept and discussed below.

4.11 Create new guiding policy to integrate urban design objectives with other planning mechanisms, such as land use, zoning and subdivision regulations, historic preservation, economic development, and environmental protection. (DP p. 61).

- 4.11.1 Prepare an *Urban Design Plan* for Denton that is consistent with revised future land use designations and urban design goals and that provides a citywide approach to visual quality and image (DP p. 75). Incorporate

policies from Denton Plan 2030 as the framework for this Plan.

- 4.11.2 Revise the Denton Development Code to be consistent with Denton Plan 2030, the *Urban Design Plan*, and the recommendations of the Denton Development Code Assessment to ensure that new developments and projects adhere to citywide urban design policies and that the development review process is streamlined.
- 4.11.3 Include urban design review early in the development review process. Ensure that City government will exert a leadership role in ensuring adherence to the principles of good urban design as essential for economic development. (DP p.61)
- 4.11.4 Work with DCTA and other transit-oriented organizations to further the expansion of transit links throughout Denton, and for the creation of station area plans. (M 6.19.2)
- 4.12 Elevate community character in Denton by creating focused plans for areas undergoing new development, in need of revitalization, and established neighborhoods.**
- 4.12.1 Create Small Area Plans for established neighborhoods and future development areas to ensure adherence to urban design policy and preserve and enhance the character of distinct areas.
- 4.12.2 Create a *Downtown Compatibility Area Small Area Plan* and *Neighborhood/University Compatibility Area Small*

Legal Authority

Texas law provides basic guidance to municipalities for developing and applying comprehensive plans. Chapter 213 of the Local Government Code (LGC), grants local municipalities discretionary powers to define the content and organization of a comprehensive plan for the promotion of sound development and the protection of public health, safety and welfare. While the wording of Chapter 213, that a municipality may adopt a comprehensive plan, could be interpreted that adoption of a comprehensive plan is non-compulsory by local governments, Chapter 211 of the LGC recognizes the importance of comprehensive planning and stipulates requirements. Consequently Texas municipalities that adopt zoning must also have a comprehensive plan to base it on. Further, Section 212.010 of the LGC also includes conformance with a municipality's "general plan for extension" as one of the requirements for approval of development plats.

Principles

Upon adoption, Denton Plan 2030 replaces the 1999 Denton Plan and will become a key policy document, separate and distinct from zoning, but to which future zoning and regulations in the Denton Development Code (DDC) shall be made consistent. The following are more specific principles that the City will be following to assure compliance, as well as to amend, monitor, and update Denton Plan 2030.

Principle 1: Plan Hierarchy – Consistency of All City Plans with Denton Plan 2030

With the adoption of Denton Plan 2030 it will become the overarching policy document, establishing the Community Vision as well and the policies and strategies pertaining to all aspects of the city's development. This plan hierarchy is as follows.

Denton Plan 2030

Denton Plan 2030 is the policy reference for all subsequent plans which will be developed in a manner to implement the provisions of Denton Plan 2030.

City-wide Topical Plans

These include plans that pertain to a specific subject area or aspect of the city's functionality applicable city wide. Revisions to current plans and the creation of new plans will be made in conformance with Denton Plan 2030. These include, but are not limited to the following:

- Mobility Plan
- Capital Improvement Plan
- Infrastructure Plan (water, sewer, stormwater)
- Urban Design Plan (CC 4.11.1)

Small Area Plans

A small area plan is a plan that is developed for a clearly delineated area that addresses specific issues and challenges with more detailed actions and strategies than is provided in Denton Plan 2030. A methodology to prioritize the need for small area plans and a template for how to carry out small area planning is provided below. Small area plans include the following.

- Downtown Master Plan / DTIP (LU 2.6.1)
- Downtown Compatibility Area (LU 2.6.2, CC 4.12.2, HN 7.1.2)
- Neighborhood/ University Compatibility Area (LU 2.7.1, CC 4.12.2, HN 7.1.4)
- Centers and Corridors (LU 2.8.1, CC 4.12.3, HN 7.1.6)
- Neighborhood Plans (HN 7.7.3, CC 4.12.1)

Table 10.2: Denton 2030 Action Plan (continued)

	Key Action	Referenced Actions and Related Items	Action Type (Planning; Regulation; Program; Capital; Outreach; Partnerships)	Timeframe (Short-term, Mid-term, Long-term, Ongoing)	Responsible Department or Agency (bold represents lead Dept. or Agency)	Partners
13	Create Small Area Plans for priority corridors and centers and existing character areas consistent with the Focus Areas Concept. Engage the community in the creation of these plans. Consider developing Small Area Plans around existing and future DCTA rail stations.	2.8.1; 2.17.2; 4.12.1; 4.12.3; 7.1.6; 6.18.2	Planning	Mid	Planning & Development and Economic Development	DCTA
14	Create a prioritization of centers, corridors, and other focus areas in order to streamline and direct the process of creating of Small Area Plans .	4.12.4	Planning	Mid	Planning & Development	DCTA
15	Establish Overlay Districts or new zoning districts as a result of Small Area Plans that apply revised development standards tailored to specific corridors and centers.	2.8.2; 4.12.5; 7.1.7;	Regulation	Long	Planning & Development	
16	Through the city’s Capital Improvement Program (CIP), prioritize investments in designated corridors and centers based on mobility recommendations and street standards.	2.8.3; 6.1.2	Regulation	On-going	Transportation and Planning & Development	Mobility Committee
17	Conduct an inventory to identify areas of infill potential within established neighborhoods.	2.9.1	Planning	Short	Planning & Development	
18	Establish criteria to identify the characteristics of compatible infill development and identify and remove impediments.	2.9.2; 2.9.3; 7.8.3; 7.8.4	Planning / Regulation	Short	Planning & Development and Environmental Services	
19	Revise zoning districts in the Denton Development Code for consistency with Future Land Use categories and to apply new development standards to ensure proper transitions and buffers between conflicting land use, scale and intensities, and improve development quality of commercial and employment areas.	2.2.2; 2.9.4; 2.10.2; 3.3.6; 4.6.3; 2.16.1; 7.8.5; 7.8.6	Planning / Regulation	Short	Planning & Development	

Area Plans to ensure that urban design principles are followed in development projects within those areas. (DP p.62, LU 2.6.2, LU 2.7.1)

- 4.12.3 Partner with and collaborate with the community in the formulation of Small Area Plans to ensure their reflection of neighborhood character and priorities in future development. (LU 2.8.1, LU 2.17.2, DP p.62)

- 4.12.4 **Create a prioritization of centers, corridors, and other focus areas to streamline and direct the process of creating Small Area Plans.**

Prioritization should be based on ripeness of development potential, level of community support, existence of threatened historic resources, economic development catalysts, and other sensitive issues.



Focused urban infill and revitalization, Dallas

- 4.12.5 Adopt Overlay Districts following the creation of Small Area Plans as needed to ensure that appropriate guidelines are followed. (LU 2.8.2)

Design of the Public Realm:

“The city’s urban design strategies will be guided by the principle that the spaces between buildings are just as important as the buildings themselves. The form of public spaces should support their intended functions, and their visual qualities should communicate the values we feel are important. (DP p.62)”

The community’s development fabric is composed of two distinct, yet inter-related components: the “public” realm and the “private” realm. The public realm consists primarily of the publicly-owned street rights-of-way and other publicly accessible open spaces such as parks, squares, plazas, courtyards, and alleys. The private realm consists of privately-owned areas, in large part developed with buildings and associated improvements, and is more limited in its accessibility to the public.

The public realm plays a critical role in an area’s character and function, serving overlapping roles, including circulation and access, development framework, public open space, and visual interest.

The aforementioned guiding policy documents, such as the *Urban Design Plan*, updated DDC, and Small Area Plans will include recommendations and requirements for the public realm. In addition,

Exhibit "C"

City of Denton Planning Staff Correspondence

Travis Barber

From: Menguita, Ron P. <Ron.Menguita@cityofdenton.com>
Sent: Wednesday, May 4, 2022 4:14 PM
To: Travis Barber
Cc: Adrian Iglesias; Chris Applequist
Subject: RE: Denton Comprehensive Plan - Area Plans vs Focus Areas

Travis, please see my responses below in [green](#). Thanks. RONM

From: Travis Barber <Travis.Barber@ghdevelopment.com>
Sent: Wednesday, May 4, 2022 3:52 PM
To: Menguita, Ron P. <Ron.Menguita@cityofdenton.com>
Cc: Adrian Iglesias <aiglesias@ghdevelopment.com>; Chris Applequist <chris.applequist@ghdevelopment.com>
Subject: RE: Denton Comprehensive Plan - Area Plans vs Focus Areas

Ron,

Thanks for providing this helpful information. It looks like Section 10 is helpful, but we had a couple clarification questions below:

- Page 10-3 describes an “Area Plan” specifically as “[A plan that is developed for a clearly delineated area that addresses specific issues and challenges with more detailed action and strategies than is provide in the Comprehensive Plan.](#)” Can you confirm if a “Focus Area” is the same as an “Area Plan”? Can you describe the difference? [Focus Areas area described and illustrated in the Comp Plan with the ultimate goal of creating a Area Plan for each Focus Area.](#)
- According to page 10-17 item 13, creating “Area Plans” for priority corridors and centers are based initially on the locations of “Focus Areas”. Is this indicating that “Focus Areas” are the initial conceptual location for future “Area Plans” that have not yet been created? [Correct.](#)
- Can you provide a list of the City’s active “Area Plans”?

[Downtown Master Plan](#)
[Denia Area Plan](#)
[Oak Gateway Area Plan](#)

[We also have several Overlay Districts, which is a step further after Area Plans.](#)

Thanks,

Travis Barber | Development Associate



**GENERATION
HOUSING
PARTNERS**

Generation Housing Partners, LLC

17440 North Dallas Parkway, Suite 120

Dallas, Texas 75287

Ph. (214) 613-6569 x2 | Mb. (806) 577-0292

From: Menguita, Ron P. <Ron.Menguita@cityofdenton.com>
Sent: Wednesday, May 4, 2022 9:44 AM
To: Travis Barber <Travis.Barber@ghdevelopment.com>
Subject: RE: Denton Comprehensive Plan Supplemental Letter

Travis, good morning. Per our discussion yesterday below is a link to our recently updated Comprehensive Plan.

<https://www.cityofdenton.com/DocumentCenter/View/5237/Exhibit-2---Draft-Denton-2040-Comprehensive-Plan-PDF?bidId=>

Refer to Element 4 – Community Character and Urban Design (starting on page 4-1) for more information on Focus Areas and implementation.

Refer to Element 10 – Implementation and Monitoring (starting on page 10-7) for more information on Area Plans and instructions on how they are created.

Thanks. RONM

Ron Menguita, AICP | Principal Planner
Department of Development Services | Planning Division
Office: (940) 349-8328 | Fax: (940) 349-7707
[401 N Elm Street, Denton, Texas 76201](https://www.cityofdenton.com)
www.cityofdenton.com



Please help us improve your service by taking a 2 minute [survey](#)

From: Travis Barber <Travis.Barber@ghdevelopment.com>
Sent: Tuesday, May 3, 2022 9:59 AM
To: Menguita, Ron P. <Ron.Menguita@cityofdenton.com>
Subject: RE: Denton Comprehensive Plan Supplemental Letter

Ron,

I left you a voicemail this morning. Please give me a call back when you're available.

Thanks!

Travis Barber | Development Associate



**GENERATION
HOUSING
PARTNERS**

Generation Housing Partners, LLC

17440 North Dallas Parkway, Suite 120

Dallas, Texas 75287

Ph. (214) 613-6569 x2 | Mb. (806) 577-0292

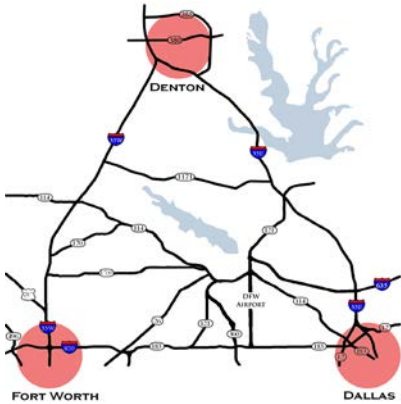
Exhibit "D"

City of Denton Active Area Plan Boundaries

Denton Downtown Area Plan (22291 not in map)

A. Purpose of the Plan

The purpose for creating the Downtown Implementation Plan (DTIP) for Denton is to develop a set of physical plans and detailed recommendations to increase economic development in downtown Denton. The DTIP defines specific action items to be taken to implement the recommendations, and it establishes strategies for when and how these action items should be implemented. The DTIP is divided into five elements: land use, parking, parks/open space, architectural guidelines, and street standards, which help to organize and detail the recommendations.



Regional Area Map
Exhibit 1.0



Study Area Map
Exhibit 1.1



NEIGHBORHOOD DESCRIPTION

Denia Neighborhood Boundary (22291 not in map)

BOUNDARY

The study area for the Denia Neighborhood Small Area Plan is bounded by I-35 E to the north, Fort Worth Drive and the T&P railroad tracks to the east, Roselawn Drive to the south, and Bonnie Brae to the west. (**Figure 2a, 2b, 2c.**)

The study area boundary was defined by Denia residents at the first Denia Neighborhood Small Area Plan meeting. The Denia neighborhood is located one mile southwest of downtown Denton, directly across I-35 E from the University of North Texas. The Denia study area covers approximately 936 acres of land.

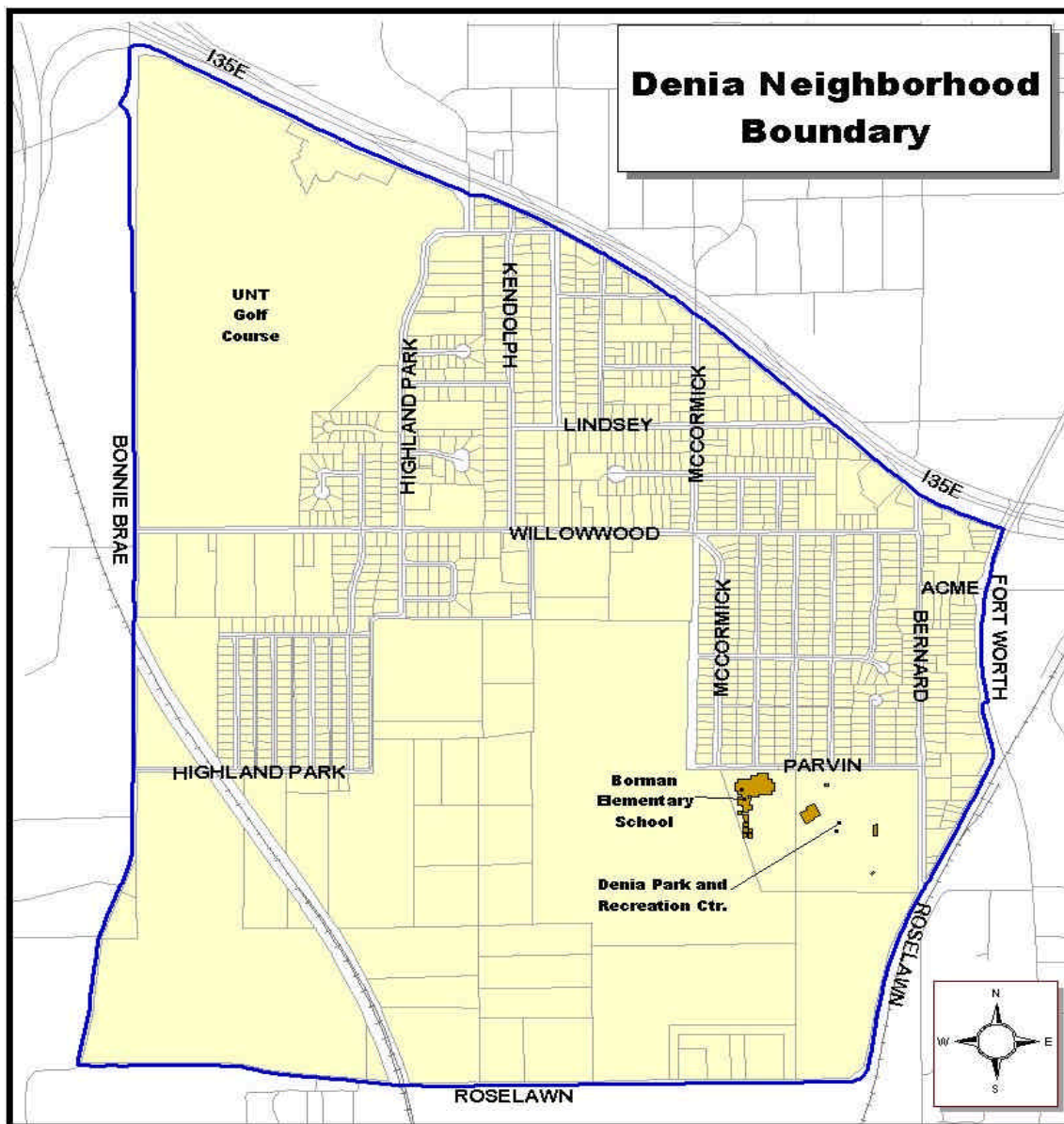
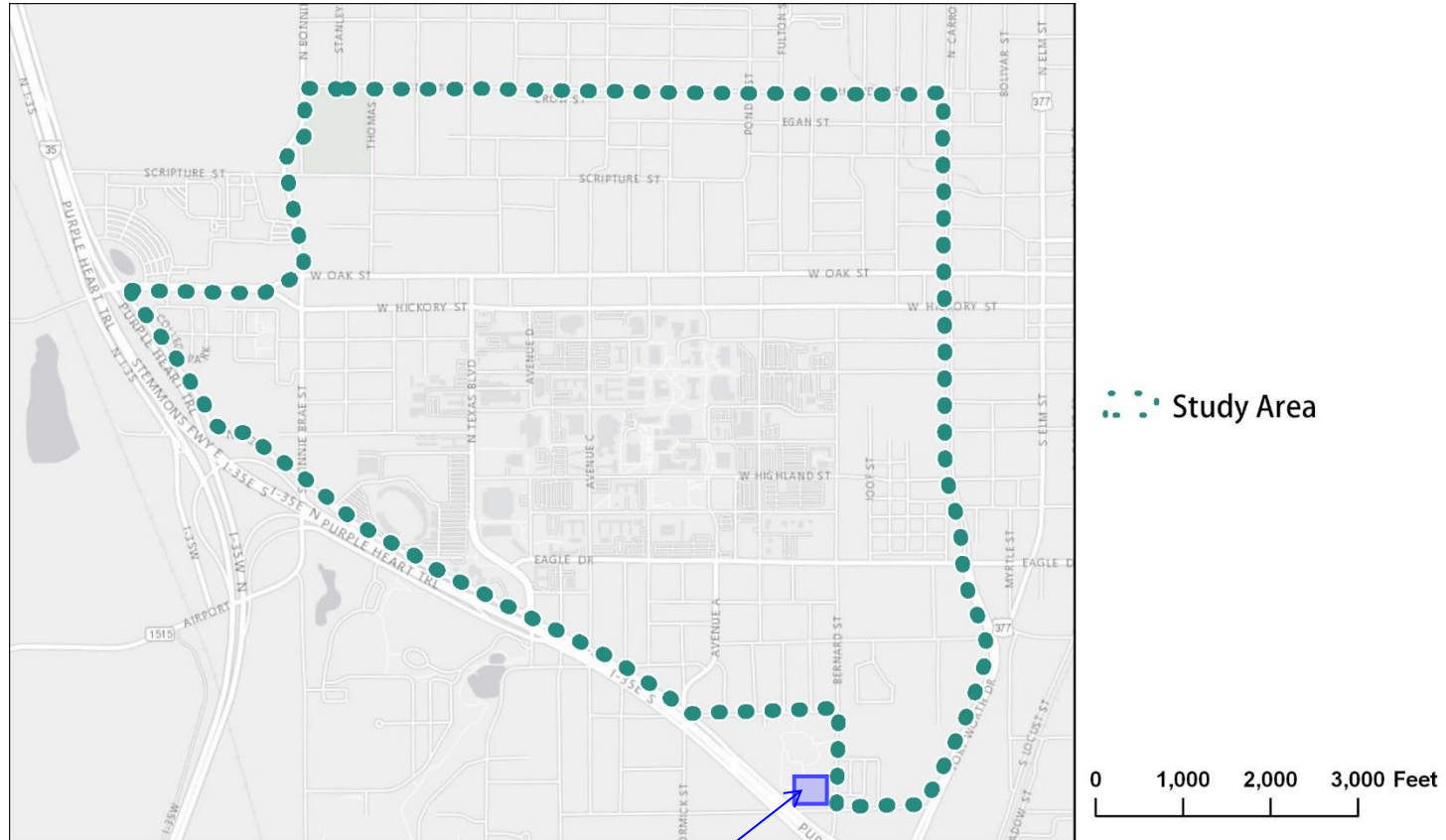


Figure 2a.

Study Area

Oak Gateway Area Plan



22291 Site Location

22291

-

The Zeisel

-

**Request for Administrative
Deficiency**

McKinney Virginia Parkway, Ltd

May 6, 2022
Mr. Cody Campbell
Director of Multifamily Programs
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701
Email: cody.campbell@tdhca.state.tx.us

Re: Third Party Request for Administrative Deficiency (“RFAD”), §11.10 of 2022 Qualified Allocation Plan (“QAP”) – 22291 The Zeisel

Dear Mr. Campbell,

Please accept this letter as a Third Party Request for Administrative Deficiency (“RFAD”) pursuant to §11.10 of 2022 Qualified Allocation Plan (“QAP”) for application 22291 The Zeisel.

It is our position the Applicant failed to provide the documentation required to satisfy §11.9(d)(7) – Community Revitalization Plan of the 2022 Qualified Allocation Plan. A copy of this RFAD is being delivered concurrently to representatives of the The Zeisel.

§11.9(d)(7) states:

the Development Site must be “geographically located within an area for which a concerted revitalization plan (plan or CRP) has been developed and published by the municipality.” Further, the QAP states “city- or countywide comprehensive plan... does not equate to a concerted revitalization plan unless evidence is presented that additional efforts have been undertaken...”

- Comprehensive Plan – The application included a letter dated 2/4/2022 from the City of Denton planning staff stating the site is within a “Focus Area” outlined in the Denton Plan 2030, and future Denton Plan 2040. Denton Plan 2030, the plan used by the applicant to claim CRP points is a Comprehensive Plan. Denton Plan 2030 appears to include no specific efforts underway within the Focus Area.
- Focus Area Does Not Constitute Area Targeted for Revitalization – According to both the Denton Plan 2030 and Denton Plan 2040, “Focus Areas” are general areas of the city, with no specific boundaries, that may be considered in the future to become “Area Plans”.
- Contrast with Area Plans – References to revitalization within the Denton Plan 2030 are in the context of “Small Area Plans” and “Area Plans” which are developed following more extensive planning efforts than are used to designate “Focus Areas.” Focus Areas concept versus Small Area

Plans are shown in Exhibit B and summarized below:

- Creating “focused plans for areas... in need of revitalization” is accomplished by “[Creating] Small Area Plans.” See page 117, items 4.12 and 4.12.1.
- “Small Area Plans” are described on page 256 of the attached Denton Plan 2030 exhibit: “A small area plan that is developed for a clearly delineated area that addresses specific issues and challenges with more detailed action and strategies than is provided in Denton Plan 2030.” This acknowledges that the Comprehensive Plan does not equate to a concerted revitalization plan.
- The process of creating “Area Plans” from “Focus Areas,” which distinguishes the two from one another, is described on page 269, items 13 and 14.
- “Focus Areas” are outlined as a preliminary stage that occurs in advance of creating “Small Area Plans.” See page 119, item 4.12.4.

Based on the above information it is our position the Applicant does not meet the requirement in §11.9(d)(7) of the QAP and therefore does not qualify for the 7 points the applicant claimed for this item.

If you have any questions or would like additional information, please do not hesitate to contact me.

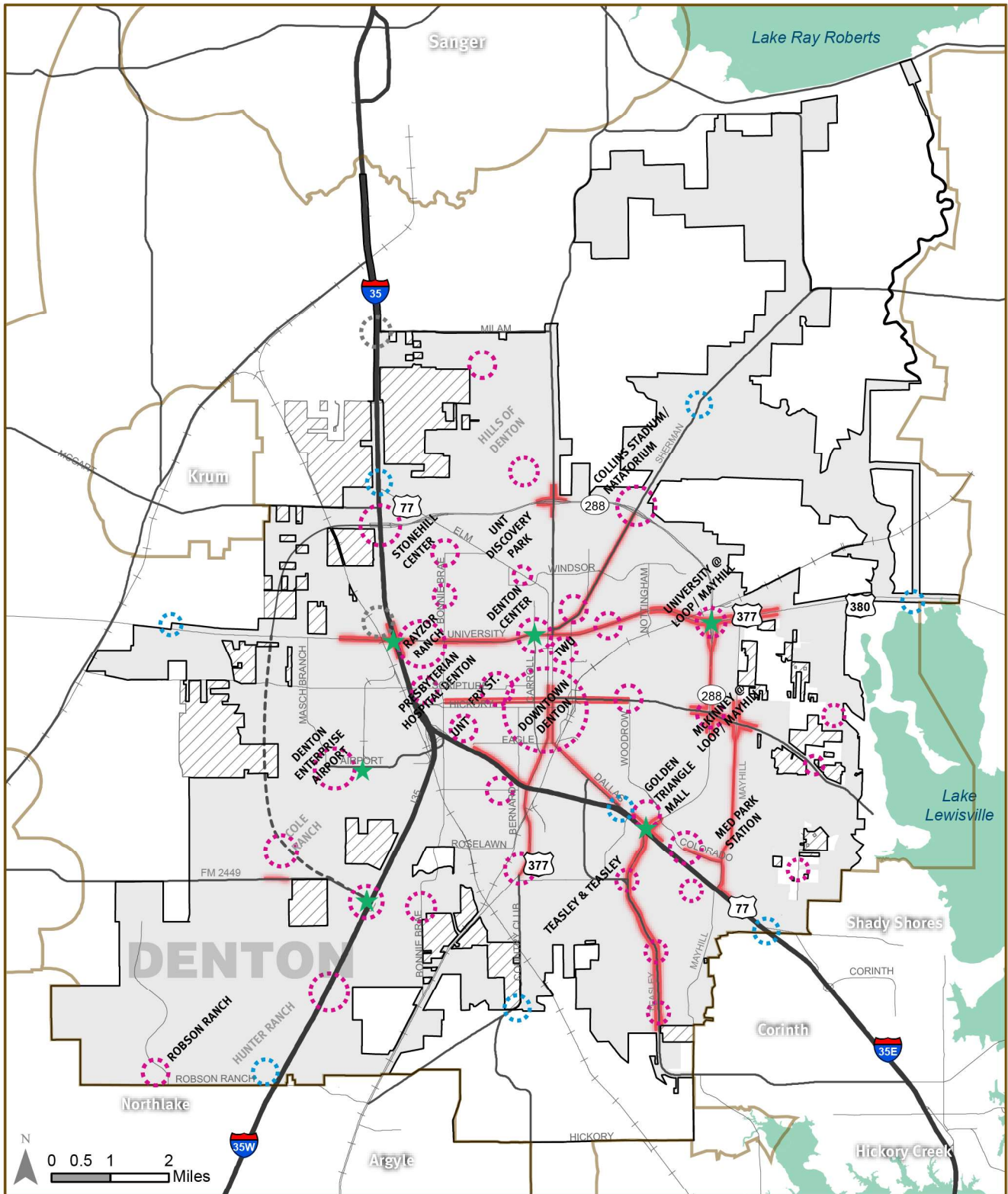
Sincerely,



Thomas E. Huth
McKinney Virginia Parkway, Ltd.
Authorized Representative
13455 Noel Road, Suite 400
Dallas, TX 75240
thuth@palladiumusa.com

cc: Lisa Stephens – lisa@saigebrook.com

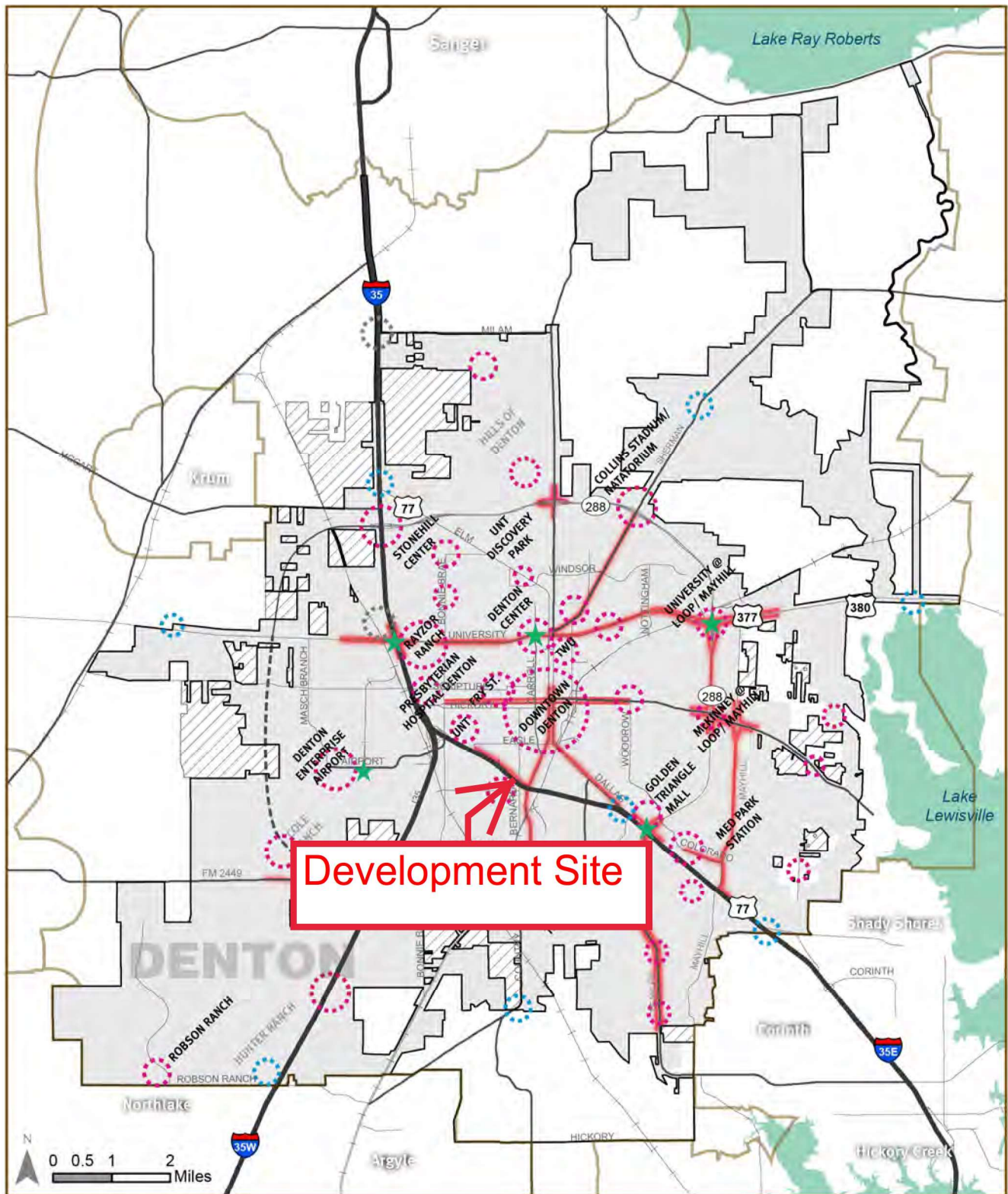
FIGURE 4.1: Focus Areas Concept



Source: City of Denton

- Center Focus Area
- Gateway Focus Area
- Travel Center Focus Area
- Corridor Focus Area
- Municipal Boundaries
- City of Denton
- ETJ
- Branding Station

FIGURE 4.1: Focus Areas Concept



Source: City of Denton

- Center Focus Area
- Corridor Focus Area
- Gateway Focus Area
- Travel Center Focus Area
- ★ Branding Station
- Municipal Boundaries
- City of Denton
- ETJ

Key centers and corridors were established in the creation of the Preferred Growth Concept based on the location of important community identifiers, a concentration of employment or community hubs, or opportunities for densification, public realm improvements, and infill development. These areas were further refined in the creation of the Future Land Use Map (FLUM). Other focus areas include gateways, branding stations, and travel centers, which themselves are unique and thus require specific attention. Due to the differences among these focus areas, it is recommended that those that are a priority should be the subject of Small Area Plans to identify unique recommendations for land use, urban design, circulation and public realm improvements, and development programming, representing the diversity of Denton's neighborhoods. Following the preparation of the Small Area Plans, it may be appropriate to adopt corresponding Overlay Districts to apply particular development standards to key centers, corridors and infill areas that will be administered through the DDC. The guidelines of this Element will serve to create consistency and a foundation for the development of those specific regulations. All Focus Areas are illustrated on Figure 4.1: Focus Areas Concept and discussed below.

4.11 Create new guiding policy to integrate urban design objectives with other planning mechanisms, such as land use, zoning and subdivision regulations, historic preservation, economic development, and environmental protection. (DP p. 61).

- 4.11.1 Prepare an *Urban Design Plan* for Denton that is consistent with revised future land use designations and urban design goals and that provides a citywide approach to visual quality and image (DP p. 75). Incorporate

policies from Denton Plan 2030 as the framework for this Plan.

- 4.11.2 Revise the Denton Development Code to be consistent with Denton Plan 2030, the *Urban Design Plan*, and the recommendations of the Denton Development Code Assessment to ensure that new developments and projects adhere to citywide urban design policies and that the development review process is streamlined.
- 4.11.3 Include urban design review early in the development review process. Ensure that City government will exert a leadership role in ensuring adherence to the principles of good urban design as essential for economic development. (DP p.61)
- 4.11.4 Work with DCTA and other transit-oriented organizations to further the expansion of transit links throughout Denton, and for the creation of station area plans. (M 6.19.2)

4.12 Elevate community character in Denton by creating focused plans for areas undergoing new development, in need of revitalization, and established neighborhoods.

- 4.12.1 Create Small Area Plans for established neighborhoods and future development areas to ensure adherence to urban design policy and preserve and enhance the character of distinct areas.
- 4.12.2 Create a *Downtown Compatibility Area Small Area Plan* and *Neighborhood/University Compatibility Area Small*

Legal Authority

Texas law provides basic guidance to municipalities for developing and applying comprehensive plans. Chapter 213 of the Local Government Code (LGC), grants local municipalities discretionary powers to define the content and organization of a comprehensive plan for the promotion of sound development and the protection of public health, safety and welfare. While the wording of Chapter 213, that a municipality may adopt a comprehensive plan, could be interpreted that adoption of a comprehensive plan is non-compulsory by local governments, Chapter 211 of the LGC recognizes the importance of comprehensive planning and stipulates requirements. Consequently Texas municipalities that adopt zoning must also have a comprehensive plan to base it on. Further, Section 212.010 of the LGC also includes conformance with a municipality's "general plan for extension" as one of the requirements for approval of development plats.

Principles

Upon adoption, Denton Plan 2030 replaces the 1999 Denton Plan and will become a key policy document, separate and distinct from zoning, but to which future zoning and regulations in the Denton Development Code (DDC) shall be made consistent. The following are more specific principles that the City will be following to assure compliance, as well as to amend, monitor, and update Denton Plan 2030.

Principle 1: Plan Hierarchy – Consistency of All City Plans with Denton Plan 2030

With the adoption of Denton Plan 2030 it will become the overarching policy document, establishing the Community Vision as well and the policies and strategies pertaining to all aspects of the city's development. This plan hierarchy is as follows.

Denton Plan 2030

Denton Plan 2030 is the policy reference for all subsequent plans which will be developed in a manner to implement the provisions of Denton Plan 2030.

City-wide Topical Plans

These include plans that pertain to a specific subject area or aspect of the city's functionality applicable city wide. Revisions to current plans and the creation of new plans will be made in conformance with Denton Plan 2030. These include, but are not limited to the following:

- Mobility Plan
- Capital Improvement Plan
- Infrastructure Plan (water, sewer, stormwater)
- Urban Design Plan (CC 4.11.1)

Small Area Plans

A small area plan is a plan that is developed for a clearly delineated area that addresses specific issues and challenges with more detailed actions and strategies than is provided in Denton Plan 2030. A methodology to prioritize the need for small area plans and a template for how to carry out small area planning is provided below. Small area plans include the following.

- Downtown Master Plan / DTIP (LU 2.6.1)
- Downtown Compatibility Area (LU 2.6.2, CC 4.12.2, HN 7.1.2)
- Neighborhood/ University Compatibility Area (LU 2.7.1, CC 4.12.2, HN 7.1.4)
- Centers and Corridors (LU 2.8.1, CC 4.12.3, HN 7.1.6)
- Neighborhood Plans (HN 7.7.3, CC 4.12.1)

Table 10.2: Denton 2030 Action Plan (continued)

	Key Action	Referenced Actions and Related Items	Action Type (Planning; Regulation; Program; Capital; Outreach; Partnerships)	Timeframe (Short-term, Mid-term, Long-term, Ongoing)	Responsible Department or Agency (bold represents lead Dept. or Agency)	Partners
13	Create Small Area Plans for priority corridors and centers and existing character areas consistent with the Focus Areas Concept. Engage the community in the creation of these plans. Consider developing Small Area Plans around existing and future DCTA rail stations.	2.8.1; 2.17.2; 4.12.1; 4.12.3; 7.1.6; 6.18.2	Planning	Mid	Planning & Development and Economic Development	DCTA
14	Create a prioritization of centers, corridors, and other focus areas in order to streamline and direct the process of creating of Small Area Plans.	4.12.4	Planning	Mid	Planning & Development	DCTA
15	Establish Overlay Districts or new zoning districts as a result of Small Area Plans that apply revised development standards tailored to specific corridors and centers.	2.8.2; 4.12.5; 7.1.7;	Regulation	Long	Planning & Development	
16	Through the city’s Capital Improvement Program (CIP), prioritize investments in designated corridors and centers based on mobility recommendations and street standards.	2.8.3; 6.1.2	Regulation	On-going	Transportation and Planning & Development	Mobility Committee
17	Conduct an inventory to identify areas of infill potential within established neighborhoods.	2.9.1	Planning	Short	Planning & Development	
18	Establish criteria to identify the characteristics of compatible infill development and identify and remove impediments.	2.9.2; 2.9.3; 7.8.3; 7.8.4	Planning / Regulation	Short	Planning & Development and Environmental Services	
19	Revise zoning districts in the Denton Development Code for consistency with Future Land Use categories and to apply new development standards to ensure proper transitions and buffers between conflicting land use, scale and intensities, and improve development quality of commercial and employment areas.	2.2.2; 2.9.4; 2.10.2; 3.3.6; 4.6.3; 2.16.1; 7.8.5; 7.8.6	Planning / Regulation	Short	Planning & Development	

Area Plans to ensure that urban design principles are followed in development projects within those areas. (DP p.62, LU 2.6.2, LU 2.7.1)

4.12.3 Partner with and collaborate with the community in the formulation of Small Area Plans to ensure their reflection of neighborhood character and priorities in future development. (LU 2.8.1, LU 2.17.2, DP p.62)

4.12.4 **Create a prioritization of centers, corridors, and other focus areas to streamline and direct the process of creating Small Area Plans.** Prioritization should be based on ripeness of development potential, level of community support, existence of threatened historic resources, economic development catalysts, and other sensitive issues.

4.12.5 Adopt Overlay Districts following the creation of Small Area Plans as needed to ensure that appropriate guidelines are followed. (LU 2.8.2)

Design of the Public Realm:

“The city’s urban design strategies will be guided by the principle that the spaces between buildings are just as important as the buildings themselves. The form of public spaces should support their intended functions, and their visual qualities should communicate the values we feel are important. (DP p.62)”

The community’s development fabric is composed of two distinct, yet inter-related components: the “public” realm and the “private” realm. The public realm consists primarily of the publicly-owned street rights-of-way and other publicly accessible open spaces such as parks, squares, plazas, courtyards, and alleys. The private realm consists of privately-owned areas, in large part developed with buildings and associated improvements, and is more limited in its accessibility to the public.

The public realm plays a critical role in an area’s character and function, serving overlapping roles, including circulation and access, development framework, public open space, and visual interest.

The aforementioned guiding policy documents, such as the *Urban Design Plan*, updated DDC, and Small Area Plans will include recommendations and requirements for the public realm. In addition,



Focused urban infill and revitalization, Dallas

22297

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Lapiz Flats

-

**Request for Administrative
Deficiency**



Mr. Colin Nickells
Administrator 9% Competitive Housing Tax Credit Program
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

Via: Email

RE: *Lapiz Flats, Grand Prarie #22297*

Dear Mr. Nickells:

Please accept this Request for an Administrative Deficiency for the above referenced application. The required documentation for the Proximity to Jobs category is dated after the Pre-Application deadline in this Application. The QAP and the 2022 Multifamily Programs Application Procedures Manual are clear about what documentation is required and when the data must be dated by. Additionally, Tab 10 of the application explicitly states that the documentation detailed in the 2022 Application Manual is required to be inserted in the application.

The 2022 Multifamily Programs Application Procedures Manual states that one of the functions of the Census on the Map PDF report is to provide a time stamp so that staff can confirm the report was generated on or after October 1, 2021 but before the Pre-Application final delivery date. The time stamp on the Census on the Map PDF report are dated after the Pre-Application Delivery Date.

For reference, I have attached excerpts from the QAP, the 2022 Multifamily Programs Application Procedures Manual, and the Application detailing the documentation that is required to be submitted to claim Proximity to Job Areas points.

Thank you for assessing this request. Please let us know if you have any further questions or require any additional documentation by contacting me at (513) 964-1141 or brian.mcgeady@mvahpartners.com. Thank you for your consideration

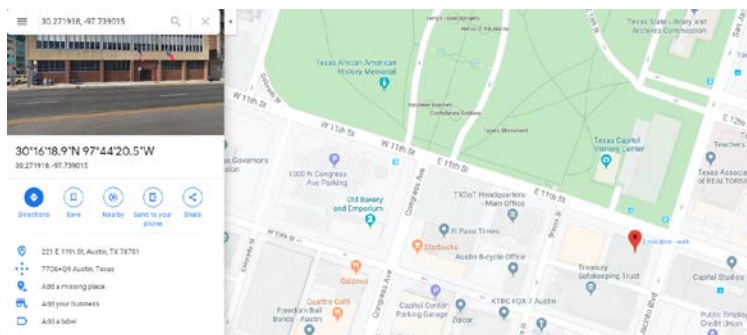
Sincerely,

A handwritten signature in black ink, appearing to read 'Brian McGeady', written over a light blue horizontal line.

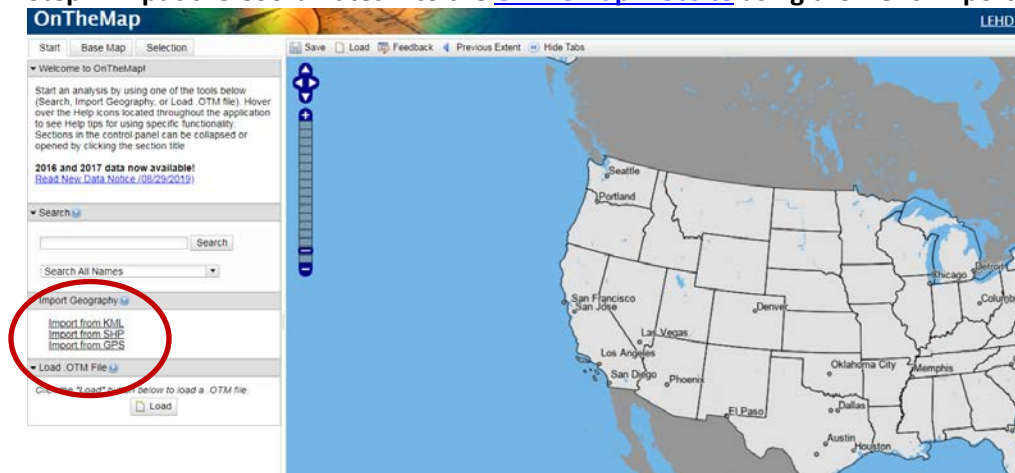
Brian McGeady
Authorized Signer of the Applicant

Instructions for using the OnTheMap tool for Proximity to Jobs:**Step 1: Provide the GPS coordinates that clearly fall within the boundaries of the Development Site.**

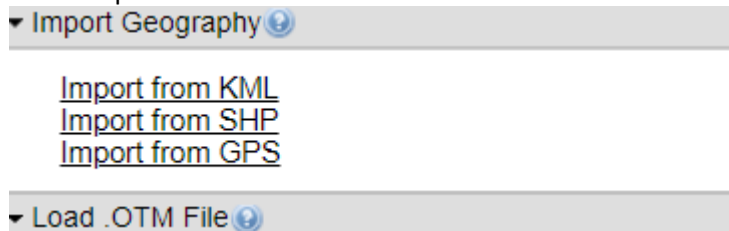
An Application may have coordinates on the survey provided to meet the requirements of 10 TAC §11.204(15)(D), however this is not required. Staff will accept Applicant verification of GPS coordinates through an online map like Google Maps or Google Earth, but it must be clear to staff that the GPS coordinates are tied to a spatial point that unequivocally falls within the boundaries of the Development Site.



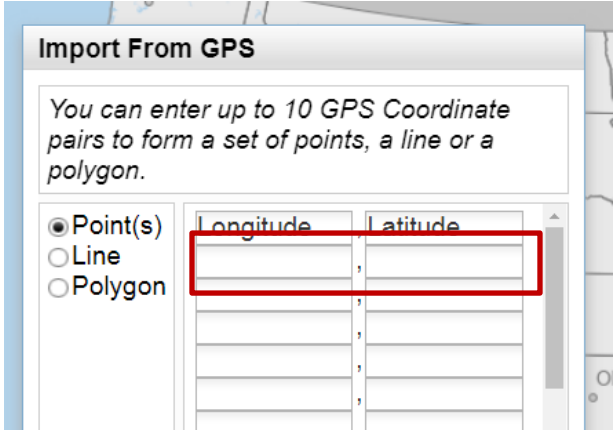
If using Google Maps or Google Earth or a similar mapping program/software, evidence similar to what is seen above must be placed in the Application.

Step 2: Input the Coordinates into the [OnTheMap website](#) using their GPS Import function.

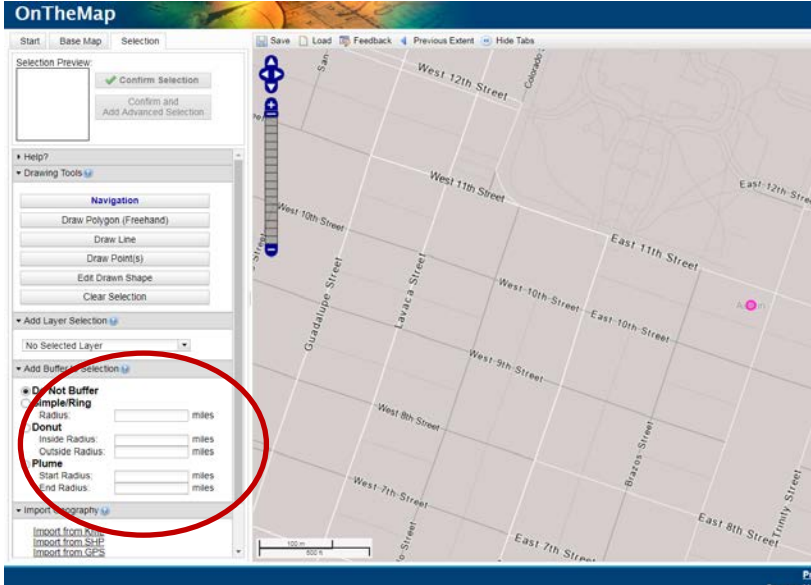
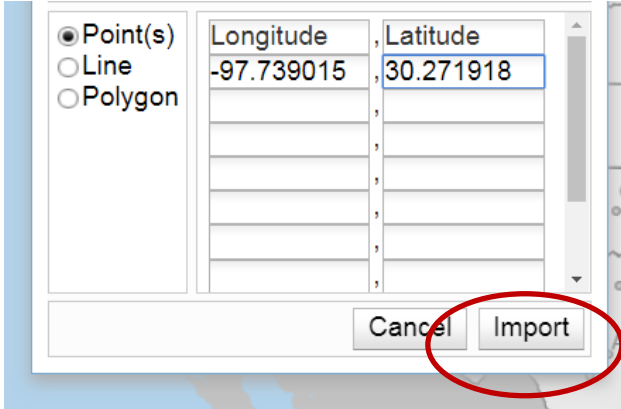
Click "Import from GPS" in the area circled above:



Input the Longitude and Latitude coordinates.



Once inputted, click "Import." As an example, here are coordinates for the TDHCA headquarters.



After clicking "Import," you will see a screen similar to above, with your GPS coordinates now represented as a spatial point. In the area circled above, you now specify that you will look at jobs within a 1 mile radius of the spatial point.

▼ Add Buffer to Selection

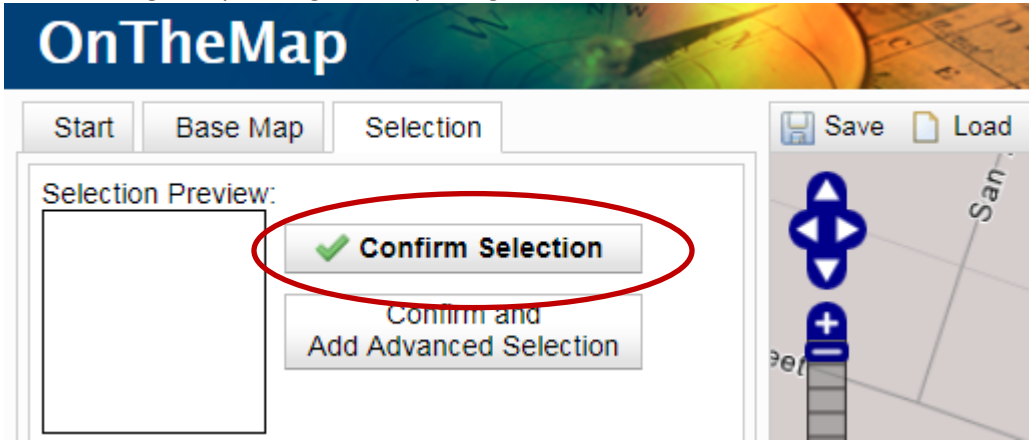
Do Not Buffer

Simple/Ring
Radius: miles

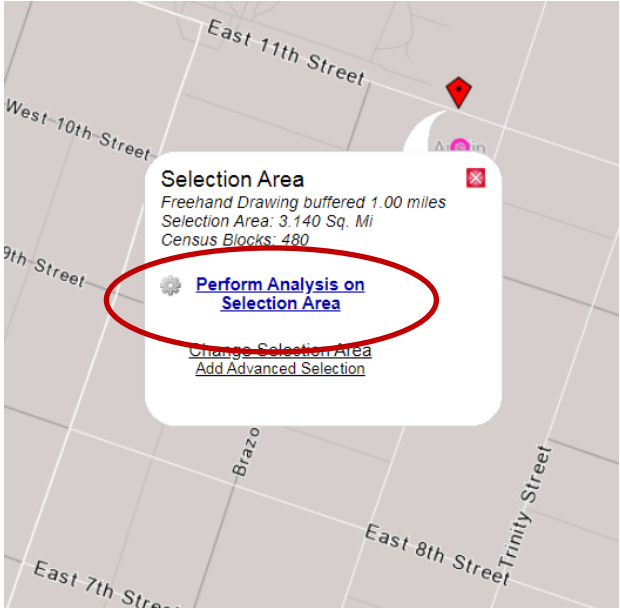
Donut
Inside Radius: miles
Outside Radius: miles

Plume
Start Radius: miles
End Radius: miles

After clicking “Simple/Ring” and inputting “1” for miles, click “Confirm Selection.”

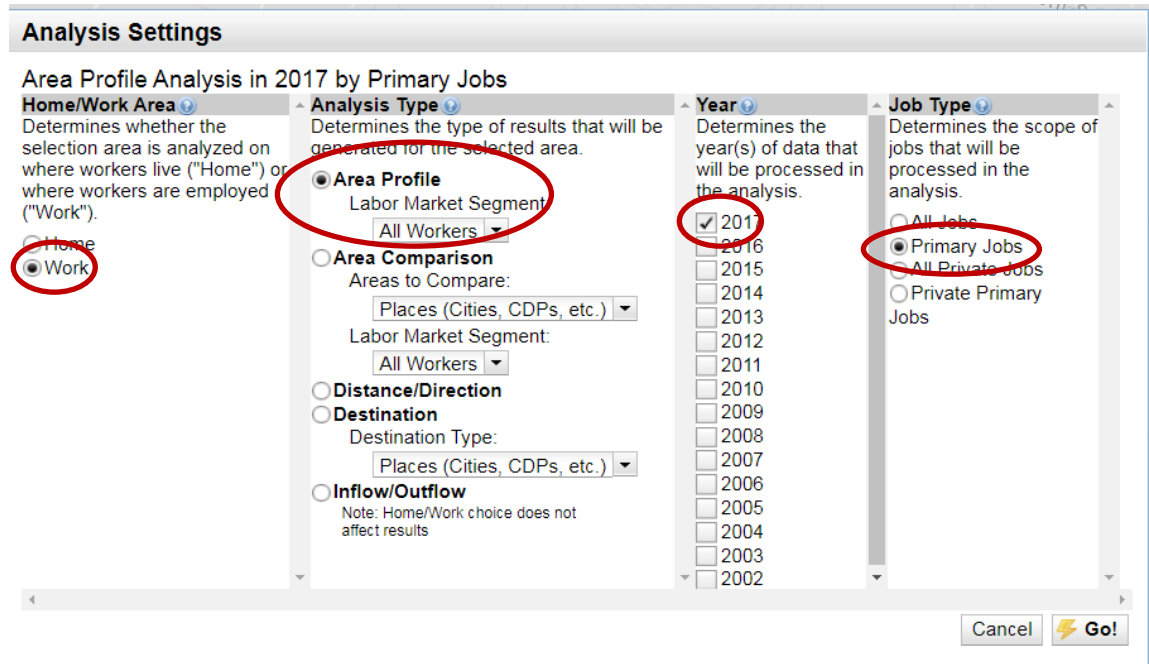


Then click “Perform Analysis on Selection Area”

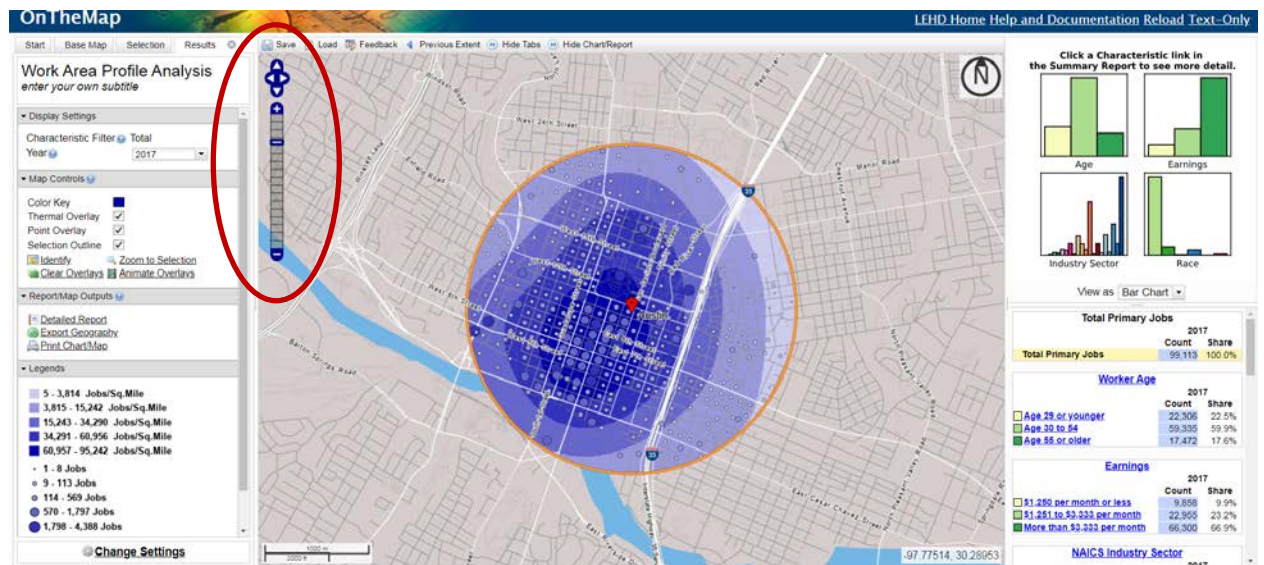


Then check the following boxes for certain categories: “Work” in column 1; “Area Profile” and “All Workers” in column 2; “2018” in column 3; and “Primary Jobs” in column 4. **Instead of 2017, you**

will choose 2018. While 2019 data may be available, it was not available prior to October 1, 2021 as required by the QAP.



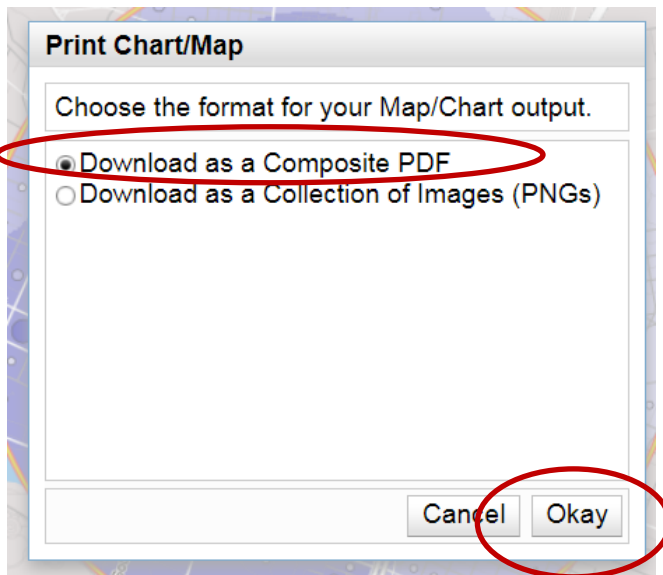
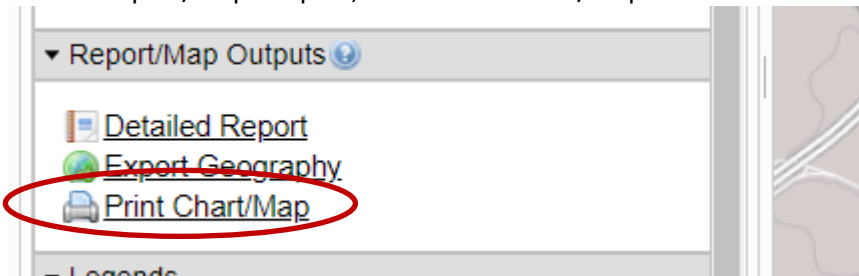
Click "Go." You will then see a screen showing the jobs analysis, similar to this:



Be sure to zoom out, using the zoom tools circled above, so that the entire 1 mile radius can be seen around the spatial point.

IMPORTANT: take a screen shot at this point to show evidence of the coordinates ("ctrl, PrtScn" on the keyboard, then paste to a blank document, format as needed, then pdf). Include the screenshot behind Tab 2 in the pdf application.

Under “Report/Map Outputs,” click “Print Chart/Map.”



Select “Download as a Composite PDF” and then click “Okay.”



Work Area Profile Report Primary Jobs for All Workers in 2017

Created by the U.S. Census Bureau's OnTheMap <https://onthemap.ces.census.gov> on 10/24/2019

Counts and Density of Primary Jobs in Work Selection Area in 2017 All Workers

This produces a PDF report, with the map and the total job count. This report also has a time stamp so that staff can confirm that the report was generated on or after October 1, 2021 but before the Pre-Application Final Delivery Date. **Include this report plus the screen shot in the pdf application.**

Proof that the Census on the Map Report is required to be printed on or after October 1, 2021 but before the Pre-Application Final Delivery Date.

- **Part 4 – Concerted Revitalization:** If claiming points, be sure that no points are being claimed under the Opportunity Index. Complete the appropriate boxes and select amenities in the Urban or Rural section of Opportunity Index. **The CRP Packet is required for Urban and Rural Applications requesting these points, and must be included behind Tab 10.** Make sure supporting documentation is included in the

Excerpt from the 2022 QAP stating required documentation associated with Proximity to Jobs Areas point category.

required to continue to specifically market Units to Persons with Special Housing Needs. (2 points)

(B) If the Development has committed units under §11.9(c)(6)(A), the Development must commit at least an additional 2% of the total Units to Persons referred from the Continuum of Care or local homeless service providers to be made available for those experiencing homelessness. Rejection of an applicant's tenancy for those referred may not be for reasons of credit history or prior rental payment history. Throughout the Compliance Period, unless otherwise permitted by the Department, the Development Owner agrees to specifically market the 2% of Units through the Continuum of Care and other homelessness providers local to the Development Site. In addition, the Department will require an initial minimum twelve-month period in Urban subregions, and an initial six-month period in Rural subregions, during which Units must either be occupied by Persons referred from the Continuum of Care or local homeless service providers, or held vacant, unless the Units receive HOME funds from any source. After the initial twelve-month or six-month period, the Development Owner will no longer be required to hold Units vacant but will be required to continue to provide quarterly notifications to the Continuum of Care and other homeless service providers local to the Development Site on the availability of Units at the Development Site. Developments are not eligible under this paragraph unless points have also been selected under §11.9(c)(6)(A). (1 point)

(C) If the Development is located in a county with a population of 1 million or more, but less than 4 million, and is located not more than two miles from a veteran's hospital, veteran's affairs medical center, or veteran's affairs health care center, (which include all providers listed under the Veteran's Health Administration categories, excluding Benefits Administration offices, listed at this link https://www.va.gov/directory/guide/fac_list_by_state.cfm?State=TX&dnum=ALL) and agrees to provide a preference for leasing units in the Development to low income veterans. (1 point)

(7) Proximity to Job Areas. (§42(m)(1)(C)(i)) An Application may qualify to receive up to six (6) points if the Development Site is located in one of the areas described in subparagraphs (A) or (B) of this paragraph, and the Application contains evidence substantiating qualification for the points. The data used will be based solely on that available through US Census' OnTheMap tool. Jobs counted are limited to those based on the work area, all workers, and all primary jobs. Only the 2018 data set will be used, unless a newer data set is posted to the US Census website on or before October 1, 2021. The Development will use OnTheMap's function to import GPS coordinates that clearly fall within the Development Site, and the OnTheMap chart/map report submitted in the Application must include the report date. This scoring item will not apply to Applications under the At-Risk or USDA Set-Aside.

(A) Proximity to Jobs. For Development Sites within the boundaries of a municipality of 500,000 or more, or the unincorporated areas of a county with a population of 1 million or more, A Development may qualify for points under this subparagraph if it meets one of the criteria in clauses (i) - (vi) of this subparagraph.

(i) The Development is located within 2 miles of 16,500 jobs. (6 points)

(ii) The Development is located within 2 miles of 13,500 jobs. (5 points)

(iii) The Development is located within 2 miles of 10,500 jobs. (4 points)

22302

-

Gray Park Villas

-

**Request for Administrative
Deficiency**



May 6, 2022

Mr. Cody Campbell
Director of Multifamily Programs
Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701
Email: cody.campbell@tdhca.state.tx.us

Re: Third Party Request for Administrative Deficiency (“RFAD”), §11.10 of 2022 Qualified Allocation Plan (“QAP”) – 22302 Gray Park Villas

Dear Mr. Campbell,

Please accept this letter as a Third Party Request for Administrative Deficiency (“RFAD”) pursuant to §11.10 of 2022 Qualified Allocation Plan (“QAP”) for application 22302 Gray Park Villas.

Application 22302 Gray Park Villas is deficient related to the following 2022 QAP sections and we respectfully request the issuance of an Administrative Deficiency Notice related to these items. Further, as described below, the following actions are warranted:

- Deduction of five (5) points from the application related to §11.9(c)(5) of the QAP, Underserved Area for failure to meet the requirement that all contiguous census tracts do not have another Development that was awarded less than 15 years ago; and
- Deduction of six (6) points from the application related to §11.9(e)(3) Pre-Application Participation because the application final score varies by more than four (4) points from the pre-application self score after the necessary deduction under §11.9(c)(5) Underserved Area (5 points).

Underserved Area, QAP §11.9(c)(5)(F)

The application claimed points for being “located entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago.”

The applicant did not provide evidence that all contiguous census tracts met the requirement. One census tract that is contiguous to the subject census tract contains a development that received a 2017 award of tax credits, which is less than 15 years ago, and disqualifies 22302 Gray Park Villas from receiving 5 points for Underserved Area.

- Census Tract 48439121605, Northeast of Subject Census Tract - Application 17605 Nuestro Hogar was awarded in September 2017

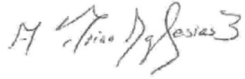
Pre-Application Participation, QAP §11.9(e)(3)

In order to receive points under QAP §11.9(e)(3), “The Application final score (inclusive of only scoring items reflected on the self score form) does not vary by more than four (4) points from what was reflected in the pre-application self score.” Because points for 11.9(c)(5)(F) Underserved Area (5 points) are not

justified, the application final score varies by five (5) points from the pre-application self score, and thus the development does not qualify for six (6) Pre-Application Participation points.

If you have any questions, please feel free to reach me directly at (512) 971-9127 or via email at aiglesias@ghdevelopment.com.

Sincerely,

A handwritten signature in black ink that reads "Adrian Iglesias". The signature is written in a cursive style with a large, stylized "A" and "I".

Adrian Iglesias
Authorized Representative



2021 and 2022 Small DDAs and QCTs

48439122500

Go

Select a State

Select a County

Go

Map Options : Clear | Reset | Full Screen

QCT Legend:

Tract Outline

LIHTC Project

2022 Qualified Census Tracts

SADDA Legend:

FMR Boundary

2022 Small DDA

Non Metro DDA

Hide the overview

The 2022 Qualified Census Tracts (QCTs) and Difficult Development Areas (DDAs) are effective January 1, 2022. The 2022 designations use data from the 2010 Decennial census. The designation methodology is explained in the federal Register notice published September 9, 2021

Map Options

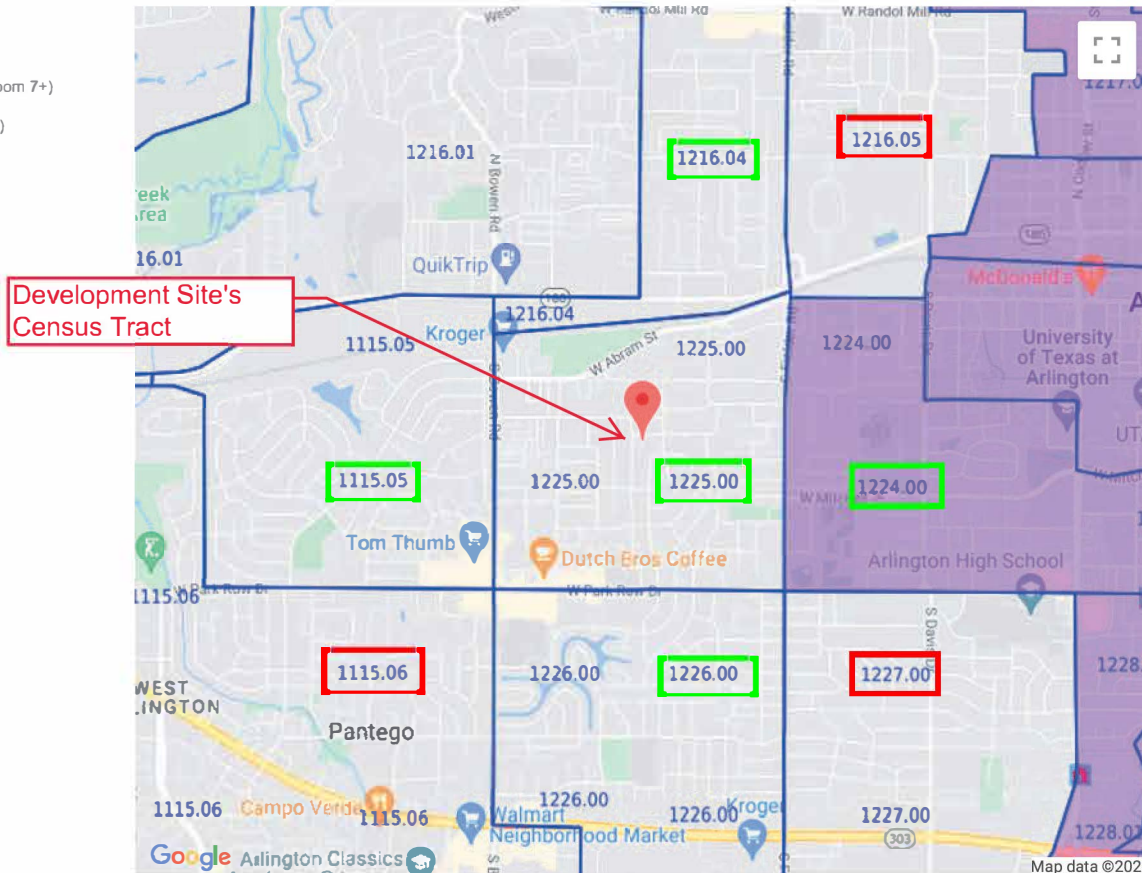
14 Current Zoom Level

- Show Difficult Development Areas (Zoom 7+)
- Color QCT Qualified Tracts (Zoom 7+)
- Show Tracts Outline (Zoom 11+)
- Show FMR Outlines (Zoom 4+)
- Show LIHTC Projects (Zoom 11+)

[Click here for full screen map](#)

Select Year

- 2022
- 2021



QCT for 2022

Tract	1225.00
County	Tarrant County
State	TX
Status (2022)	
Full Tract Number	48439122500

PD&R Events

HUDUser Archives

HUD Secretary's Awards

Webstore

Required census tracts to evaluate for 5 point underserved include:

- 48439121604
- 48439121605 NOT evaluated by applicant. Contains 2017 development
- 48439122400
- 48439122700 NOT evaluated by applicant
- 48439122600
- 48439111506 NOT evaluated by applicant
- 48439111505



2021 and 2022 Small DDAs and QCTs

48439122500

Go

Select a State

Select a County

Go

Map Options : Clear | Reset | Full Screen

QCT Legend:

Tract Outline

LIHTC Project

2022 Qualified Census Tracts

SADDA Legend:

FMR Boundary

2022 Small DDA

Non Metro DDA

Hide the overview

The 2022 Qualified Census Tracts (QCTs) and Difficult Development Areas (DDAs) are effective January 1, 2022. The 2022 designations use data from the 2021 designation methodology is explained in the federal Register notice published September 9, 2021

Census tract 48439121605 is clearly adjacent to the development site's census tract

Map Options

16 Current Zoom Level

Show Difficult Development Areas (Zoom 7+)

Color QCT Qualified Tracts (Zoom 7+)

Show Tracts Outline (Zoom 11+)

Show FMR Outlines (Zoom 4+)

Show LIHTC Projects (Zoom 11+)

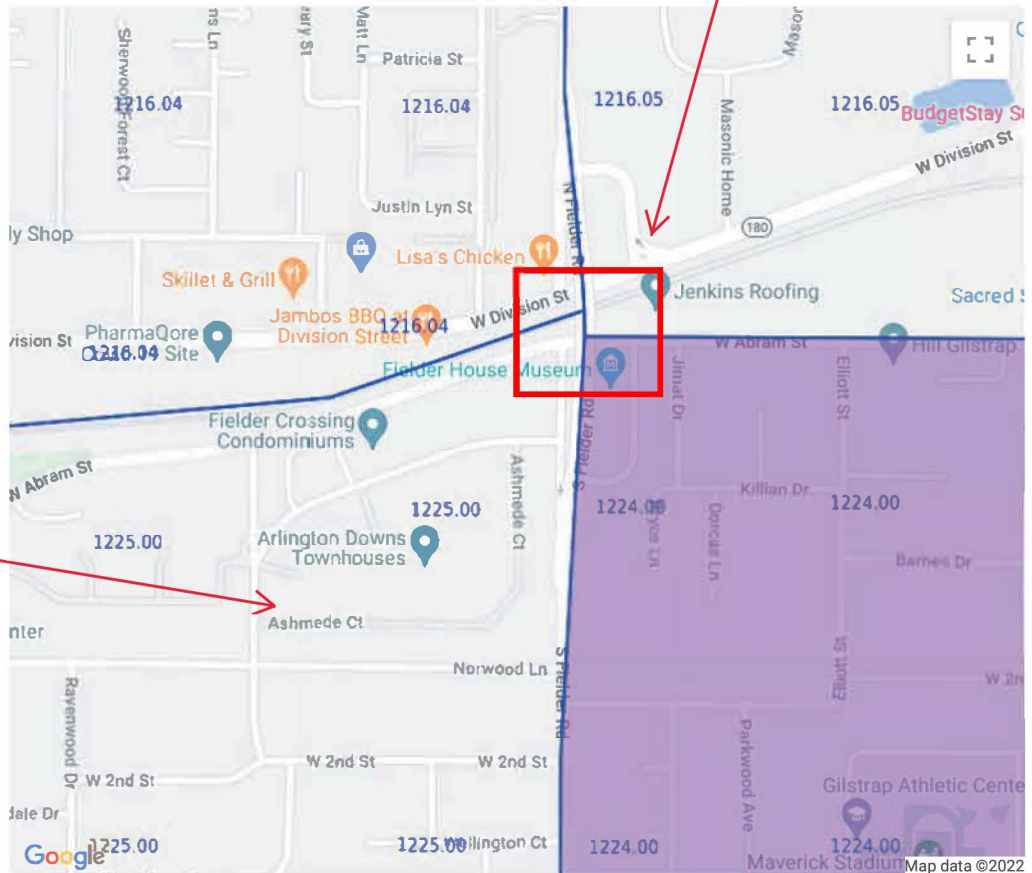
Click here for full screen map

Select Year

2022

2021

Development site's census tract.



1.9K

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(X) Development Site is within 4 miles of an indoor recreation facility available to the public. Examples include, but are not limited to, a gym, health club, a bowling alley, a theater, or a municipal or county community center. A facility that is primarily a restaurant or bar with recreational facilities is not eligible. (1 point).

(XI) Development Site is within 4 miles of an outdoor, dedicated, and permanent recreation facility available to the public. Examples include, but are not limited to, swimming pools or splash pads, tennis courts, golf courses, softball fields, or basketball courts. (1 point).

(XII) Development Site is within 4 miles of community, civic or service organizations that provide regular and recurring substantive services, beyond exclusively congregational or member-affiliated activities, available to the entire community (this could include religious organizations or organizations like the Kiwanis or Rotary Club as long as they make services available without regard to affiliation or membership). (1 point).

(XIII) Development Site is in the current service area of Meals on Wheels or similar nonprofit service that provides regular visits and meals to individuals in their homes. (1 point).

(XIV) Development Site is located in the attendance zone of a general enrollment public school rated A or B by TEA for the most recently available rating. (1 point).

(5) **Underserved Area.** (§§2306.6725(a)(4) and (b)(2); 2306.127(3), 42(m)(1)(C)(ii)). Points are not cumulative and an Applicant is therefore limited to selecting one subparagraph. If an Application qualifies for points under paragraph §11.9(c)(4) of this subsection, then the Application is not eligible for points under subparagraphs (A) and (B) of this paragraph. Years are measured by deducting the most recent year of award on the property inventory of the Site Demographic Characteristics Report from January 1 of the current year. The Application must include evidence that the Development Site meets the requirements. An Application may qualify to receive up to five (5) points if the Development Site meets any one of the criteria described in subparagraphs (A) - (H) of this paragraph:

(A) The Development Site is located wholly or partially within the boundaries of a colonia as such boundaries are determined by the Office of the Attorney General and within 150 miles of the Rio Grande River border. For purposes of this scoring item, the colonia must lack water, wastewater, or electricity provided to all residents of the colonia at a level commensurate with the quality and quantity expected of a municipality and the proposed Development must make available any such missing water, wastewater, and electricity supply infrastructure physically within the borders of the colonia in a manner that would enable the current dwellings within the colonia to connect to such infrastructure (2 points);

(B) The Development Site is located entirely within the boundaries of an Economically Distressed Area that has been awarded funds by the Texas Water Development Board in the previous five years ending at the beginning of the Application Acceptance Period (1 point);

(C) The Development Site is located entirely within a census tract that does not have another Development that was awarded less than 30 years ago according to the Department's property

inventory in the Site Demographic Characteristics Report (4 points);

(D) For areas not scoring points for subparagraph (C), the Development Site is located entirely within a census tract that does not have another Development that was awarded less than 20 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report (3 points);

(E) For areas not scoring points for subparagraphs (C) or (D) of this paragraph, the Development Site is located entirely within a census tract that does not have another Development that was awarded less than 15 years ago according to the Department's property inventory in the Site Demographic Characteristics Report (2 points);

(F) The Development Site is located entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 100,000 or more, and will not apply in the At-Risk Set-Aside; (5 points)

(G) The Development Site is located entirely within a census tract where, according to American Community Survey 5-year Estimates, the population share of persons below 200% federal poverty level decreased by 10% or more and where the total number of persons at or above 200% federal poverty level had increased by 15% or more between the years 2012 and 2019. This measure is referred to as the Affordable Housing Needs Indicator in the Site Demographic Characteristics Report. (3 points); or

(H) An At-risk or USDA Development placed in service 25 or more years ago, that is still occupied, and that has not yet received federal funding, or LIHTC equity, for the purposes of Rehabilitation for the Development. If the Application involves multiple sites, the age of all sites will be averaged for the purposes of this scoring item. (3 points).

(6) Residents with Special Housing Needs. (§2306.6710(b)(4); §42(m)(1)(C)(v)) An Application may qualify to receive up to three (3) points by serving Residents with Special Housing Needs by selecting points under any combination of subparagraphs (A), (B), or (C).

(A) The Development must commit at least 5% of the total Units to Persons with Special Housing Needs. The Units identified for this scoring item may not be the same Units identified previously for the Section 811 PRA Program. For purposes of this subparagraph, Persons with Special Housing Needs is defined as a household where one or more individuals have alcohol or drug addictions, is a Colonia resident, a Person with a Disability, has Violence Against Women Act Protections (domestic violence, dating violence, sexual assault, and stalking), HIV/AIDS, homeless, veterans, and farmworkers. Throughout the Compliance Period, unless otherwise permitted by the Department, the Development Owner agrees to specifically market Units to Persons with Special Housing Needs. In addition, the Department will require an initial minimum twelve-month period during which Units must either be occupied by Persons with Special Housing Needs or held vacant, unless the Units receive HOME funds from any source. After the initial twelve-month period, the Development Owner will no longer be required to hold Units vacant for Persons with Special Housing Needs, but will be

22302

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Gray Park Villas

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**Request for Administrative
Deficiency**

May 6, 2022

Colin Nickells
Texas Department of Housing and Community Affairs
21 E 11th Street
Austin, Texas 78701

Re: HTC Application 22302 Gray Park Villas

Dear Mr. Nickells:

Please consider this a formal request for a Third Party Request for Administrative Deficiency for TDHCA Application 22302 Gray Park Villas. This RFAD concerns points claimed for Underserved Area.

11.9(c)(5) Underserved Area

This section of the QAP specifies point values for Development Sites meeting certain criteria. Subparagraph (F) states that 5 points may be awarded if a “(F) The Development Site is located entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 100,000 or more, and will not apply in the At-Risk Set-Aside; (5 points)”

Application 22302 is located in census tract 48439122500 in Tarrant County. On Site Information Form Part II in the Application, for Underserved Area, only 4 contiguous census tracts are listed. Page 102 of the Application includes a map showing the contiguous census tracts, but only highlighting and listing 4. The Applicant has put a note on Page 102 that says “For this purpose our understanding of contiguous census tracts are tracts that share boundaries.” This is an assumption that is incorrect and not how TDHCA Staff has historically interpreted this scoring item. A common definition of “contiguous” is “sharing a common border or touching.” When asking for clarification on this language, the term “contiguous,” and whether a census tract touching at a point only is contiguous, TDHCA staff confirmed in the attached email from 2017 that “If they touch at all, they are contiguous.”

There are actually 7 census tracts that are contiguous to the Development’s census tract that touch at a point or more than a point. One of these contiguous census tracts is 1216.05, which shares more than a point and actually shares part of the boundary. Even the map submitted with the Application shows that census tract 1225 overlaps with census tract 1216.05 for more than a point. The Applicant cannot even use their own “understanding” to argue that tract 1216.05 is not contiguous to tract 1225 because 1216.05 does indeed share a boundary.

The attached maps from the HUD QCT website and the US Census website clearly show that tract 1225 shares a boundary with tract 1216.05 at the northeast corner of tract 1225 between the railroad track and W Abram St.

According to the Site Demographic Characteristics Report, HTC 17605 Nuestro Hogar located at 709 Magnolia Street is located in census tract 1216.05. This property was awarded HTCs in 2017, which is less than 15 years ago. This property is now called The Magnolia. That property is mapped on the attached HUD and Census maps and is located on the east side of Magnolia St, north of W Sanford St

in census tract 1216.05. Documentation from the online TDHCA Vacancy Clearinghouse confirms that the property is an active HTC development at that location.

The Site Demographic Characteristics Report includes HTC 17605 Nuestro Hogar (now called The Magnolia) in a contiguous census tract to Application 22302. Application 22302 Gray Park Villas is not eligible for 5 points for 11.9(c)(5) Underserved Area and should be re-scored accordingly.

Thank you for your attention and please contact me with any questions.

Regards,

A handwritten signature in blue ink, consisting of a stylized, cursive 'A' followed by a long, sweeping horizontal line that tapers to the right.

Alyssa Carpenter

Site Information Form Part II

Self Score Total: 139

Part 1 entries are related to Concerted Revitalization Plan, and Opportunity Index points are not requested. If yes, skip down to select amenities under Urban or Rural, as applicable.

1. Opportunity Index (Competitive HTC and Direct Loan Applications Only) (10 TAC §11.9(c)(4); 10 TAC §13.6(1))

X Development Site is located entirely within a census tract that has a poverty rate that is less than 20% or that is less than the median poverty rate for the region, whichever is higher.

AND

The census tract has a median household income rate in the two highest quartiles within the region (2 points).

OR

X The census tract has a median household income in the third quartile within the region, and is contiguous to a census tract in the first or second quartile for median household income that has a poverty rate of less than the greater of 20% or the median poverty rate for the region, without physical barriers such as (but not limited to) highways or rivers between, and the Development Site is no more than 2 miles from the boundary between the census tracts. A map showing the Development Site, location of the border, scale showing distance, and other applicable evidence is included (1 point).

Contiguous Census Tract # 48439111505 Contiguous Tract Quartile 2q

X Development is Urban and Development Site is within the required radius of eligible amenities or services, pursuant to §11.9(c)(4)(B)(i) of the QAP. A map showing the Development Site, scale showing radius, location of the amenities, and evidence that the amenity meets all applicable requirements of the rule, is included.

NOTE: Applicants seeking points under 10 TAC §11.9(c)(4)(B)(i)(I) or (II) related to distance from a playground or transit stop must provide a map that clearly illustrates the accessible route and distance.

- full service grocery store (1 point)(2 miles)
university or community college (1 point)(6 miles)
pharmacy (1 point)(2 miles)
outdoor recreation facility available to public (1 point)
public library (1 point)(2 miles)
A or B-rated public school (1 point)
public hike/bike trail or park w/playground (1 point)
community, civic or service organization (1 point)(2 miles)
licensed center serving children (1 point)(3 miles)
delivered meals service (1 point)
health-related facility (1 point)(4 miles)
census tract with ≥27% associate degrees adults ≥25 (
indoor recreation facility available to public (1 point)

Development is Rural or USDA and Development Site is within the required distance of eligible amenities or services pursuant to §11.9(c)(4)(B)(ii) of the QAP. A map showing the Development Site, scale showing radius, location of the amenities, and evidence that the amenity meets all applicable requirements of the rule, is included.

- Empty boxes for listing amenities and distances for Rural or USDA development.

X No members of the Applicant or Affiliates had an ownership position in a selected amenity or served on the board or staff of a nonprofit that owned or managed a selected amenity within the year preceding the Pre-Application Final Delivery Date.

Application is seeking points for Opportunity Index. Total Points Claimed: 7

If necessary, provide a brief summary of how the Development Site is justifying the points selected:

2. Underserved Area (Competitive HTC and Direct Loan Applications Only) (10 TAC §11.9(c)(5); 10 TAC §13.6(3))

Applications may qualify for up to five (5) points for proposed Developments located in ONE of the following areas:

- Wholly or partially within a Colonia (2 points);
(Note: Not eligible if application qualifies for Opportunity Index points)
- Entirely within the boundaries of an Economically Distressed Area (1 point);
(Note: Not eligible if application qualifies for Opportunity Index points)
- Entirely within a census tract that does not have another Development that was awarded less than 30 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report (4 points);
- For areas that did not score above, entirely within a census tract that does not have another Development that was awarded less than 20 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report (3 points);
- For areas that did not score above, entirely within a census tract that does not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report (2 points);

Yes Entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 100,000 or more, and will not apply in the At-Risk Set-Aside (5 points);

Contiguous Census Tract	48439111505	Contiguous Census Tract #	48439122600
Contiguous Census Tract	48439121604	Contiguous Census Tract #	
Contiguous Census Tract	48439121604	Contiguous Census Tract #	

- Entirely within a census tract where, according to American Community Survey 5-year Estimates, the population share of persons below the 200% federal poverty level decreased by 10% or more and where the total number of persons at or above the 200% poverty level increased by 15% or more from 2012 to 2019. This measure is referred to as the Affordable Housing Needs Indicator in the Site Demographic Characteristics Report (3 points);
- An At-risk or USDA Development placed in service 25 or more years ago, that is still occupied, and that has not yet received federal funding, or LIHTC equity, for the purposes of Rehabilitation for the Development. (3 points).

Application is seeking points for Underserved Area. Total Points Claimed:

3. Proximity to Job Areas (Competitive HTC Applications Only) (10 TAC §11.9(c)(7))

Application is *not* in the At-Risk *or* USDA Set-Aside; **AND**

A. **Development Site is within the boundaries of a municipality of 500,000 or more or the unincorporated areas of a county with a population of 1 million or more.**

- The Development is located within 2 miles of 16,500 jobs. (6 points)
- The Development is located within 2 miles of 13,500 jobs. (5 points)
- The Development is located within 2 miles of 10,500 jobs. (4 points)
- The Development is located within 2 miles of 7,500 jobs. (3 points)
- The Development is located within 2 miles of 4,500 jobs. (2 points)
- The Development is located within 2 miles of 2,000 jobs. (1 point)

B. **Development Site is within the boundaries of a municipality of 499,999 or less or the unincorporated areas of a county with a population of less than 1 million.**

- The Development is located within 4 miles of 16,500 jobs. (6 points)
- The Development is located within 4 miles of 13,500 jobs. (5 points)
- The Development is located within 4 miles of 10,500 jobs. (4 points)
- The Development is located within 4 miles of 7,500 jobs. (3 points)
- The Development is located within 4 miles of 4,500 jobs. (2 points)
- The Development is located within 4 miles of 2,000 jobs. (1 point)

Application is seeking points for Proximity to Job Areas Total Points Claimed:

4. **Concerted Revitalization Plan (Competitive HTC Applications Only) (10 TAC §11.9(d)(7))**

Region:

Application is claiming points for a Concerted Revitalization Plan (CRP). (Up to 7 points).

No points were claimed for Opportunity Index.

The CRP Packet has been completed and is included behind Tab 10.

Application is seeking points for Concerted Revitalization. Total Points Claimed: 

5. **Declared Disaster Area (Competitive HTC Applications ONLY) (10 TAC §11.9(d)(3))**

Development is located in an area that qualifies as a Declared Disaster Area as defined in §11.9(d)(3). (10 points)

Application is seeking points for Declared Disaster Area. Total Points Claimed:

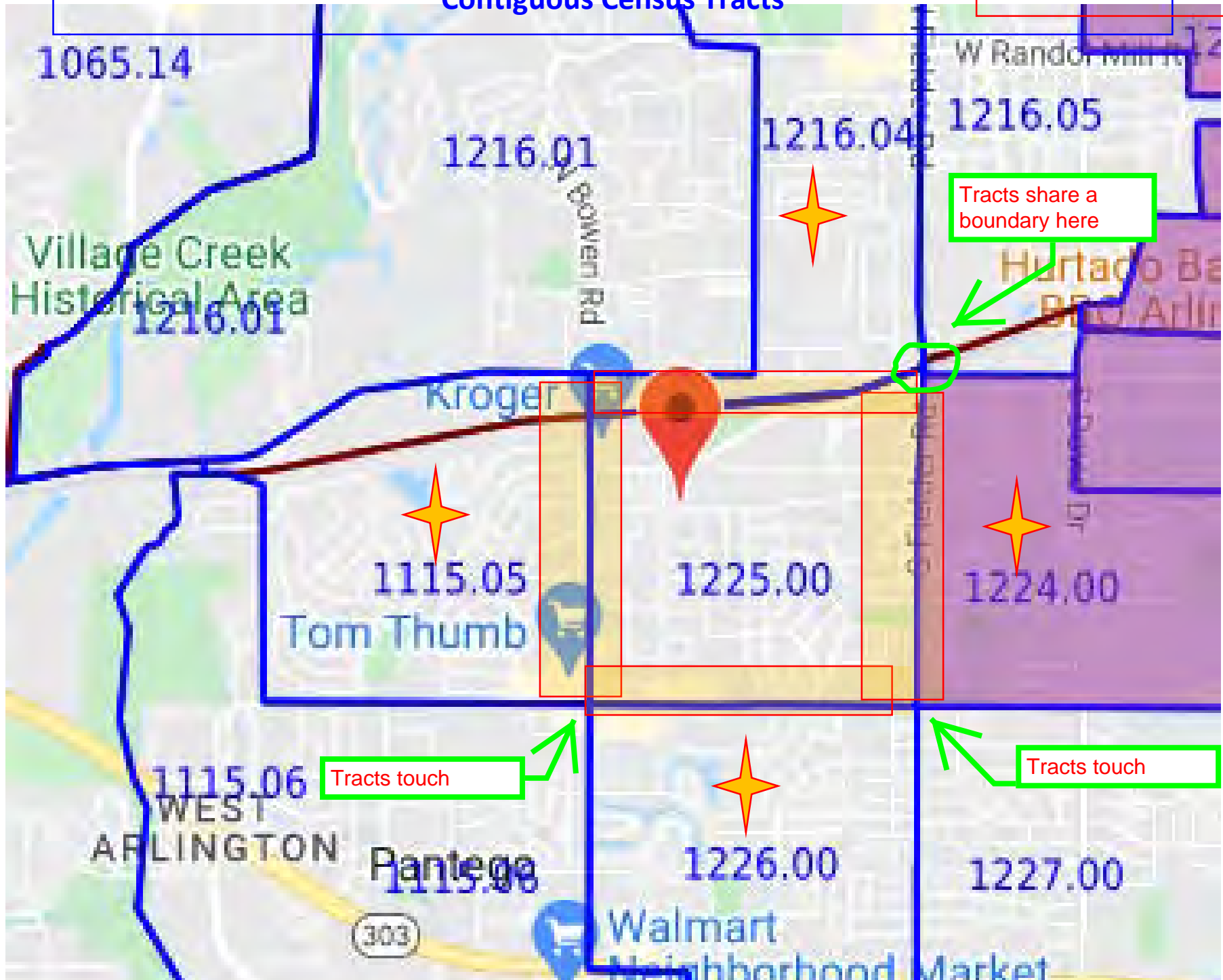
6. **Readiness to Proceed in Disaster Impacted Counties (Competitive HTC Applications ONLY) (10 TAC §11.9(c)(8))**

Due to uncertainty linked to the COVID-19 pandemic, scoring for all Applicants under this item is suspended (no points may be requested, nor will they be awarded) for 2022 HTC Applications.

Gray Park Villas- 48439122500

For this purpose our understanding of contiguous census tracts are tracts that share boundaries.

Contiguous Census Tracts



contiguous census tract question

Sharon Gamble <sharon.gamble@tdhca.state.tx.us>

Thu, Nov 16, 2017 at 11:56 AM

To: Alyssa Carpenter <ajcarpen@gmail.com>, Marni Holloway <marni.holloway@tdhca.state.tx.us>

Alyssa:

That is correct. If they touch at all, they are contiguous.

Regards,

Sharon D. Gamble MSW, PMP
Competitive Housing Tax Credit Program Administrator
Texas Department of Housing and Community Affairs
(512) 936-7834

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 (Also see 10 TAC §10.2(a)).

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

-----Original Message-----

From: Alyssa Carpenter [mailto:ajcarpen@gmail.com]

Sent: Thursday, November 16, 2017 7:08 AM

To: Sharon Gamble; Marni Holloway

Subject: contiguous census tract question

Hi, Sharon and Marni:

Can you please confirm that your interpretation of "contiguous" census tracts is the same as last year, and that it would include those census tracts that are touching another at a point only (like with census tracts in a checkerboard-type position)? Thank you!

Regards,

Alyssa Carpenter

HUD Maps

HUD QCT Map

Shared boundary of 1225 and 1216.05 outlined in Green

Location of HTC 17605 in tract 1216.05 is shown as Red marker.

2021 and 2022 Small DDAs and QCTs

709 Magnolia St Arlington tx Go Select a State Select a County Go

Map Options : Clear | Reset | Full Screen

QCT Legend: Tract Outline LIHTC Project 2022 Qualified Census Tracts

SADDA Legend: FMR Boundary ZCTA Boundary 2022 Small DDA Part DDA Non Metro DDA

Hide the overview

The 2022 Qualified Census Tracts (QCTs) and Difficult Development Areas (DDAs) are effective January 1, 2022. The 2022 designations use data from the 2010 Decennial census. The designation methodology is explained in the federal Register notice published September 9, 2021

Map Options
14 Current Zoom Level
 Show Difficult Development Areas (Zoom 7+)
 Color QCT Qualified Tracts (Zoom 7+)
 Show Tracts Outline (Zoom 11+)
 Show FMR Outlines (Zoom 4+)
 Show LIHTC Projects (Zoom 11+)

Click here for full screen map

Select Year
 2022
 2021

Map Satellite

1216.01 1216.04 1216.05 1217.03 1217.04

1222.00 1223.00 1224.00 1225.00

1115.05 1216.01 1216.04 1216.05 1217.03 1217.04

1115.05 1225.00 1225.00 1224.00 1224.00

1216.05

App 22302

Google Keyboard shortcuts Map data ©2021 Terms of Use Report a map error

HUD QCT Map detailed satellite view
 Shared boundary of 1225 and 1216.05 outlined in Green
 Overlaps from railroad to W Abram St

2021 and 2022 Small DDAs and QCTs

Map Options : [Clear](#) | [Reset](#) | [Full Screen](#)

QCT Legend:

- Tract Outline
- LIHTC Project
- 2022 Qualified Census Tracts

SADDA Legend:

- FMR Boundary
- 2022 Small DDA
- Non Metro DDA

[Hide the overview](#)

The 2022 Qualified Census Tracts (QCTs) and Difficult Development Areas (DDAs) are effective January 1, 2022. The 2022 designations use data from the 2010 Decennial census. The designation methodology is explained in the federal Register notice published September 9, 2021

Map Options

18 Current Zoom Level

- Show Difficult Development Areas (Zoom 7+)
- Color QCT Qualified Tracts (Zoom 7+)
- Show Tracts Outline (Zoom 11+)
- Show FMR Outlines (Zoom 4+)
- Show LIHTC Projects (Zoom 11+)

[Click here for full screen map](#)

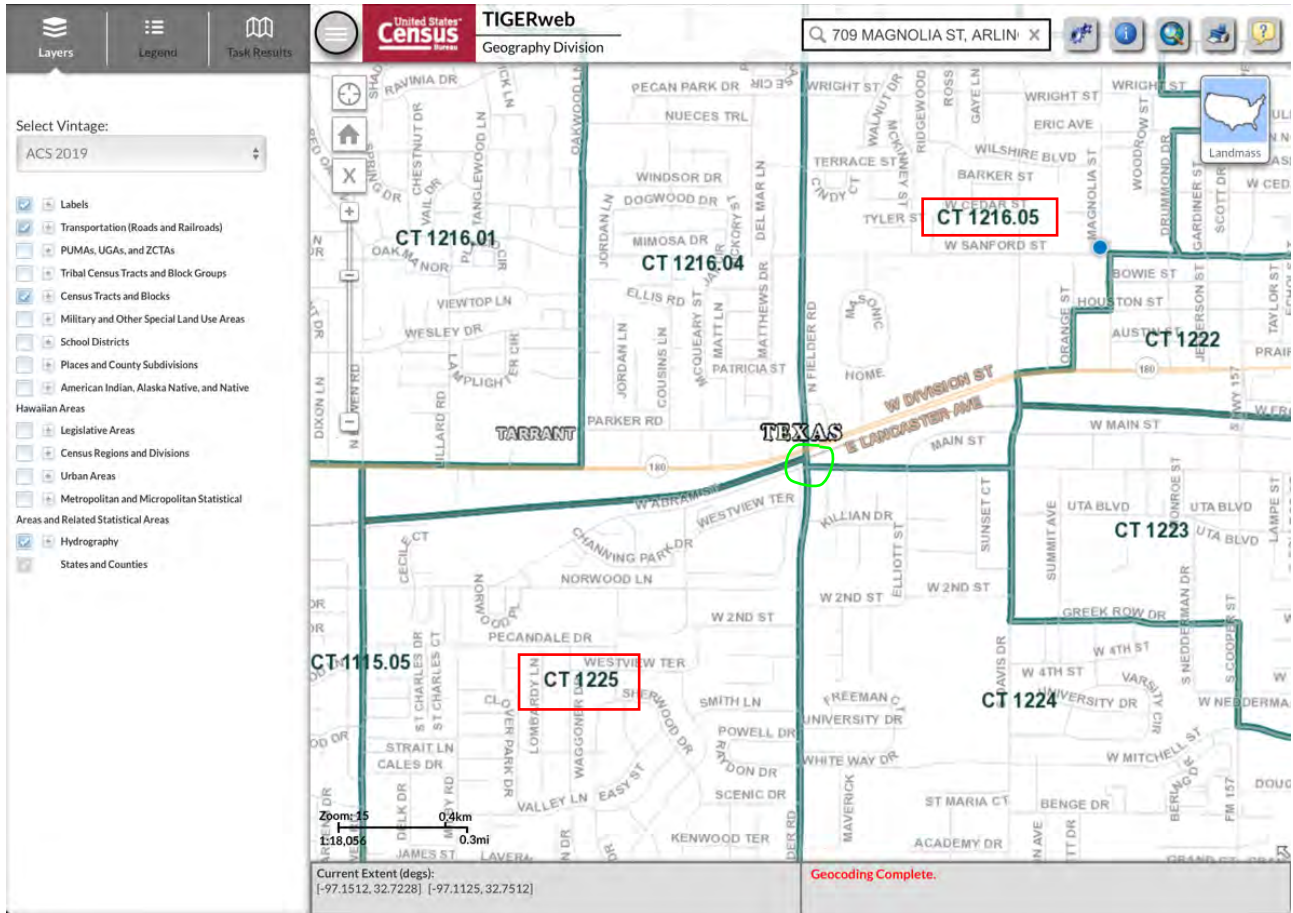
Select Year

- 2022
- 2021

Map data ©2022 Imagery ©2022, Maxar Technologies, U.S. Geological Survey | [Terms of Use](#) | [Report a map error](#)

US Census Map

Shared boundary of 1225 and 1216.05 outlined in Green
Location of HTC 17605 in tract 1216.05 is shown as blue dot.




TDHCA Property Information

The Property Inventory Tab of the TDHCA Site Demographic Characteristics Report indicates HTC 17605 Nuestro Hogar located at 709 Magnolia Street is located in census tract 1216.05.

TDHCA#	Program Type	Original TDHCA#	Year	Board Approval	Development Name	Project Address	Project City	Project County	Zip Code	LIHTC Amt. Awarded	Total Units	LIHTC Units	Population Served	Ap# Phone #	Census Tract
17605	4%HTC		2017	9/7/17	Nuestro Hogar	709 Magnolia St	Arlington	Tarrant	76012	\$194,510	65	65	Elderly Preference	(830) 693-4521	48439121605

This property is now called The Magnolia on the online TDHCA Vacancy Clearinghouse search and is an active development.



**Texas Department of Housing
and Community Affairs**

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Programs
Support & Services
Board
Manufactured Housing

Property Information

The Magnolia	
CMTS ID:	5285
Type:	Elderly Preference
Building Configuration:	Apartment
Dwelling Type:	Multi Family Residential
Total Units:	65
Total Program Units:	65
Total 811 Units:	0

Address Detail	
Line 1:	709 Magnolia St
Line 2:	
City:	Address Detail
State:	TX
Zip:	76012
County:	TARRANT

Contact Information for Property	
Email	themagnolia@related.com
Business Phone	(817) 261-0608

Contact Information for Owner	
Owner Name	Mark Mayfield
Owner Phone	1 - (830) 693-4521
Owner Email	mmayfield@bchf.org

Contact Information for Management Company	
Management Company Name	Kristina David
Management Company Phone	
Management Company Email	rmctexas@related.com

Program Participation ¹			
Program	File Number	Year	
LIHTC	17605	2017	
BOND	17605B	2017	

¹ Refer to the [Low-Income rent limits](#) for the participating program(s) or call the property for more specific information about these units.

22302

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Gray Park Villas

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**Request for Administrative
Deficiency**

McKinney Virginia Parkway, Ltd.

May 6, 2022

Mr. Cody Campbell
 Director of Multifamily Finance
 Texas Department of Housing and Community Affairs
 221 E. 11th Street
 Austin, TX 78701

RE: Request for Administrative Deficiency TDHCA #22302 – Gray Park Investments, LP

Dear Mr. Campbell:

McKinney Virginia Parkway, Ltd. respectfully requests this letter serve as our Third-Party Request for Administrative Deficiency (RFAD) of 10 TAC §11.9(c)(5)(F) – Applicants request for 5 Underserved Points for Gray Park Investments, LP for their application #22302 – Gray Park Villas. It is our position the Applicant failed to include a contiguous census tract required by the rule. A copy of this RFAD is being delivered concurrently to representatives of the Gray Park Villas.

§11.9(c)(5)(F) states:

(5) Underserved Area. (§§2306.6725(a)(4) and (b)(2); 2306.127(3), 42(m)(1)(C)(ii)). Points are not cumulative and an Applicant is therefore limited to selecting one subparagraph. If an Application qualifies for points under paragraph §11.9(c)(4) of this subsection, then the Application is not eligible for points under subparagraphs (A) and (B) of this paragraph. Years are measured by deducting the most recent year of award on the property inventory of the Site Demographic Characteristics Report from January 1 of the current year. The Application must include evidence that the Development Site meets the requirements. An Application may qualify to receive up to five (5) points if the Development Site meets any one of the criteria described in subparagraphs (A) - (H) of this paragraph:

(F) The Development Site is located entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 100,000 or more, and will not apply in the At-Risk Set-Aside; (5 points)

Criteria to Serve and Support Texans Most In Need		
Point Item Description	QAP Reference	Points Selected
Income Levels of Residents	§11.9(c)(1)	15
Rent Levels of Residents	§11.9(c)(2)	11
Resident Supportive Services	§11.9(c)(3)	11
Opportunity Index	§11.9(c)(4)	7
Underserved Area	§11.9(c)(5)	5
Residents with Special Housing Needs	§11.9(c)(6)	3
Proximity to Job Areas	§11.9(c)(7)	6
Serve and Support Texans Most in Need Total		58

Applicant's site location is in CT 48439122500:

Site Information Form Part I

Development Name (All Programs) Self Score Total: **139**
 Gray Park Villas

1. Development Address (All Programs)
 2205 Pecandale Drive Arlington ETJ? No
 Address City
 3 76013 Tarrant Urban Rural via §11.204(5)(B) Rural
 Region Zip County Rural/Urban Designation

2. Census Tract Information (All Programs)
 No Median Household Income: Quartile: Poverty Rate:
 11-digit Census Tract Number QCT? The poverty rate for the Census Tract is above 40% (55% for Regions 11 or 13), and the Governing Body resolution has been submitted behind Tab 8.

McKinney Virginia Parkway, Ltd.

Applicant listed the following census tracts as being contiguous to the site location census tract:

Characteristics Report (2 points),

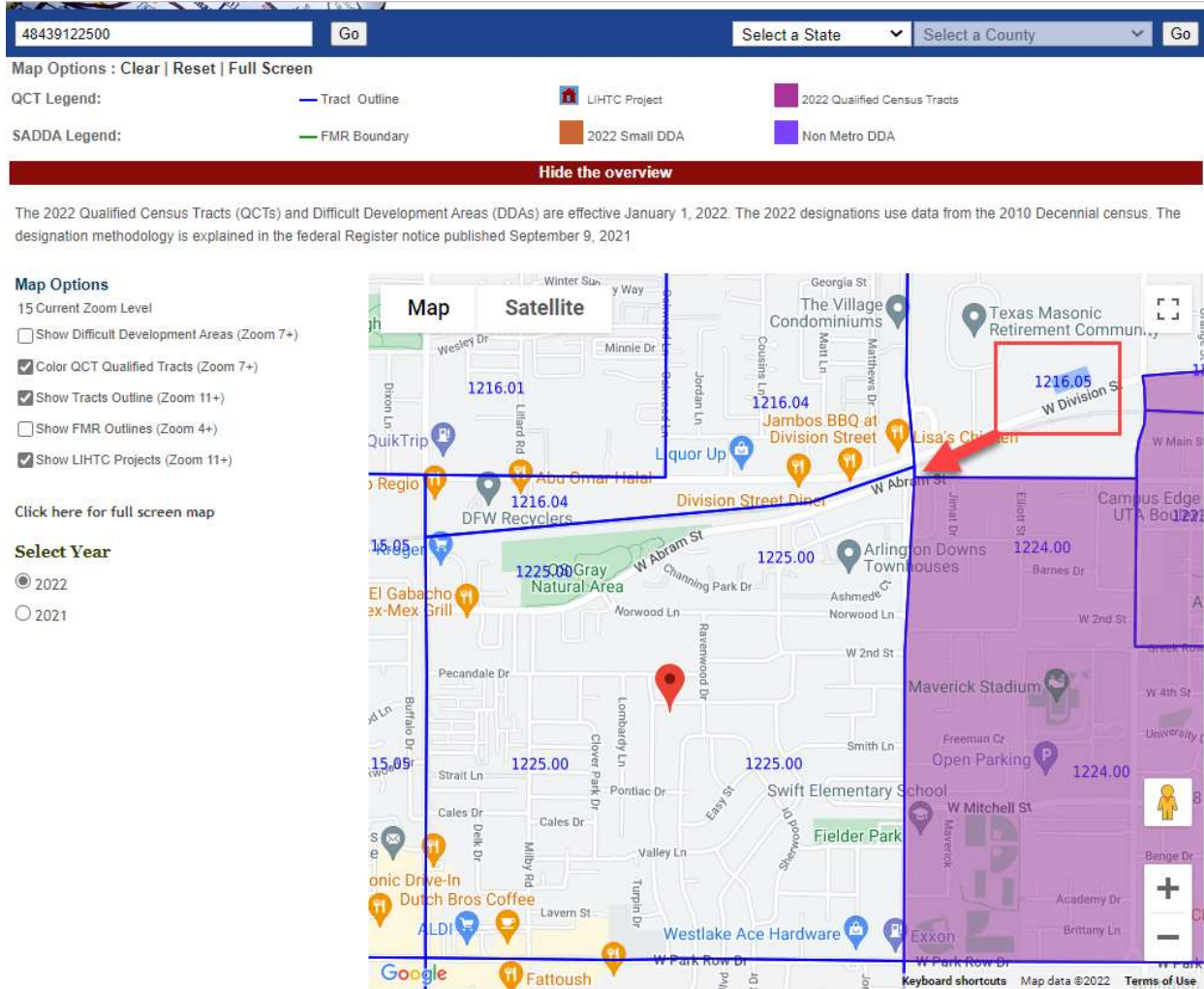
Yes Entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 100,000 or more, and will not apply in the At-Risk Set-Aside (5 points);

Contiguous Census Tract **48439111505** Contiguous Census Tract # **48439122600**

Contiguous Census Tract **48439121604** Contiguous Census Tract #

Contiguous Census Tract **48439121604** Contiguous Census Tract #

Per the HUD 2021 and 2022 Census Tract maps there is an additional contiguous Census Tract (48439121605) to Census Tract 48439122500:



Per the Site Demographics report there is an existing HTC development in Census Tract 48439121605 approved by the TDHCA Board in 2017:

TDHCA#	Program Type	Original TDHCA#	Year	Board Approval	Development Name	Project Address	Project City	Project County	Zip Code	LIHTC Amt Awarded	Total Units	LIHTC Units	Population Served	Age# Phone #	Census Tract
03455	4% HTC		2003	12/11/2003	Parkview Townhomes	1200 West Sublet	Arlington	Tarrant	76001	\$714,733	248	248	General	(972) 238-8500	48439111543
03461	4% HTC		2003	1/13/2004	Addison Park Apartments	6500 Hwy 287	Arlington	Tarrant	76001	\$620,571	224	224	General	(601) 321-7600	48439111408
03463	4% HTC		2003	1/13/2004	Providence at Raak Creek II	6000 Bacara Lane	Arlington	Tarrant	76001	\$438,609	144	144	General	(210) 694-2223	48439111543
04483	4% HTC		2004	1/7/2005	Providence at Prairie Oaks	2700 Prairie Oaks Drive	Arlington	Tarrant	76010	\$773,619	206	206	General	(972) 238-8500	48439121904
11406	4% HTC		2011	11/10/2011	Chatham Green Village	3532 Chatham Green Lane	Arlington	Tarrant	76014	\$332,418	234	234	General	(816) 303-4500	48439111525
12600	4% HTC	03455	2012	4/12/2012	Parkview Townhomes	1201 Mineral Springs Rd	Arlington	Tarrant	76001	REFUNDING	0	0	General	(972) 238-8500	48439111543
17012	9% HTC		2017	7/27/2017	Secretariat Apartments	East of York Beach Place	Arlington	Tarrant	76002	\$1,243,264	74	05	Elderly Limitation	(210) 487-7878	48439111310
17281	9% HTC		2017	7/27/2017	The Residence at Arbor Grove	1118 Gibbins Rd	Arlington	Tarrant	76011	\$1,430,132	126	107	Elderly Preference	(913) 396-6310	48439121703
17505	4% HTC		2017	9/7/2017	Narsetro Hogar	709 Magrolla St	Arlington	Tarrant	76012	\$194,510	65	65	Elderly Preference	(830) 693-4521	48439121605
19244	9% HTC		2019	7/25/2019	Manosha Apartment Homes at Hami Road	NE of South Cooper Street and West Hami Road	Arlington	Tarrant	76001	\$1,500,000	180	99	Elderly	(512) 220-9000	48439111544
19319	9% HTC		2019	7/25/2019	Bardin Apartments	NW of W Bardin Rd and Mallock Rd.	Arlington	Tarrant	76018	\$1,500,000	112	86	Elderly	(913) 396-6310	48439111516
19443	4% HTC	93038	2019	12/12/2019	Spanish Park	420 West Park Row Drive	Arlington	Tarrant	76010	\$2,047,817	350	350	General	(424) 222-8278	48439122801

McKinney Virginia Parkway, Ltd.

Based on the above information we believe the Applicant is not eligible for five (5) Underserved Points and should be awarded four (4) points under §11.9(c)(5)(C):

(C) The Development Site is located entirely within a census tract that does not have another Development that was awarded less than 30 years ago according to the Department's property inventory in the Site Demographic Characteristics Report (4 points);

If you have any questions or would like additional information, please do not hesitate to contact me.

Sincerely,



Thomas E. Huth
McKinney Virginia Parkway, Ltd.
Authorized Representative
13455 Noel Road, Suite 400
Dallas, TX 75240
thuth@palladiumusa.com

cc: Tekevwe Okobiah – tekevwe@sdcus.com

22302

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Gray Park Villas

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**Request for Administrative
Deficiency**



Mr. Colin Nickells
Administrator 9% Competitive Housing Tax Credit Program
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

Via: Email

RE: *Gray Park Villas, Arlington #22302*

Dear Mr. Nickells:

Please accept this Request for an Administrative Deficiency for the above referenced application. The Applicant has requested the incorrect number of points for Underserved Areas and the required documentation for the Proximity to Jobs category is dated after the Pre-Application deadline in this Application.

Underserved

The Applicant has requested 5 points for Underserved Areas, which requires the Development site is located in a census tract in which “all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago according to the Department’s property inventory tab of the Site Demographic Characteristics Report”. The Applicant did not list all contiguous census tracts on Tab 10 of their application, however one of the contiguous census tracts has a Development that was awarded in 2017, TDHCA #17605. Since 2017 is less than 15 years ago, the subject census tract does not qualify for 5 Underserved Areas Points. Please see a list of the Development site’s contiguous census tracts below:

- 48439122500 - *Development Site’s Census Tract*
- **48439121605 – Contiguous tract with Development awarded in 2017**
- 48439121604
- 48439111505
- 48439111506
- 48439122600
- 48439122700
- 48439122400

Please see the attached documentation for more information on the Development Site’s contiguous census tracts.

Proximity to Job Areas

The QAP and the 2022 Multifamily Programs Application Procedures Manual are clear about what documentation is required and when the data must be dated by. Additionally, Tab 10 of the application explicitly states that the documentation detailed in the 2022 Application Manual is required to be inserted in the application.



The 2022 Multifamily Programs Application Procedures Manual states that one of the functions of the Census on the Map PDF report is to provide a time stamp so that staff can confirm the report was generated on or after October 1, 2021 but before the Pre-Application final delivery date. The time stamp on the Census on the Map PDF report are dated after the Pre-Application Delivery Date.

For reference, I have attached excerpts from the QAP, the 2022 Multifamily Programs Application Procedures Manual, and the Application detailing the documentation that is required to be submitted to claim Proximity to Job Areas points.

Thank you for assessing this request. Please let us know if you have any further questions or require any additional documentation by contacting me at (513) 964-1141 or brian.mcgeady@mvahpartners.com. Thank you for your consideration

Sincerely,

A handwritten signature in black ink, appearing to read 'B. McGeady', with a long, sweeping underline.

Brian McGeady
Authorized Signer of the Applicant

inventory in the Site Demographic Characteristics Report (4 points);

(D) For areas not scoring points for subparagraph (C), the Development Site is located entirely within a census tract that does not have another Development that was awarded less than 20 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report (3 points);

(E) For areas not scoring points for subparagraphs (C) or (D) of this paragraph, the Development Site is located entirely within a census tract that does not have another Development that was awarded less than 15 years ago according to the Department's property inventory in the Site Demographic Characteristics Report (2 points);

(F) The Development Site is located entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 100,000 or more, and will not apply in the At-Risk Set-Aside; (5 points)

(G) The Development Site is located entirely within a census tract where, according to American Community Survey 5-year Estimates, the population share of persons below 200% federal poverty level decreased by 10% or more and where the total number of persons at or above 200% federal poverty level had increased by 15% or more between the years 2012 and 2019. This measure is referred to as the Affordable Housing Needs Indicator in the Site Demographic Characteristics Report. (3 points); or

(H) An At-risk or USDA Development placed in service 25 or more years ago, that is still occupied, and that has not yet received federal funding, or LIHTC equity, for the purposes of Rehabilitation for the Development. If the Application involves multiple sites, the age of all sites will be averaged for the purposes of this scoring item. (3 points).

(6) Residents with Special Housing Needs. (§2306.6710(b)(4); §42(m)(1)(C)(v)) An Application may qualify to receive up to three (3) points by serving Residents with Special Housing Needs by selecting points under any combination of subparagraphs (A), (B), or (C).

(A) The Development must commit at least 5% of the total Units to Persons with Special Housing Needs. The Units identified for this scoring item may not be the same Units identified previously for the Section 811 PRA Program. For purposes of this subparagraph, Persons with Special Housing Needs is defined as a household where one or more individuals have alcohol or drug addictions, is a Colonia resident, a Person with a Disability, has Violence Against Women Act Protections (domestic violence, dating violence, sexual assault, and stalking), HIV/AIDS, homeless, veterans, and farmworkers. Throughout the Compliance Period, unless otherwise permitted by the Department, the Development Owner agrees to specifically market Units to Persons with Special Housing Needs. In addition, the Department will require an initial minimum twelve-month period during which Units must either be occupied by Persons with Special Housing Needs or held vacant, unless the Units receive HOME funds from any source. After the initial twelve-month period, the Development Owner will no longer be required to hold Units vacant for Persons with Special Housing Needs, but will be

2. Underserved Area (Competitive HTC and Direct Loan Applications Only) (10 TAC §11.9(c)(5); 10 TAC §13.6(3))

Applications may qualify for up to five (5) points for proposed Developments located in ONE of the following areas:

- Wholly or partially within a Colonia (2 points);
(Note: Not eligible if application qualifies for Opportunity Index points)
- Entirely within the boundaries of an Economically Distressed Area (1 point);
(Note: Not eligible if application qualifies for Opportunity Index points)
- Entirely within a census tract that does not have another Development that was awarded less than 30 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report (4 points);
- For areas that did not score above, entirely within a census tract that does not have another Development that was awarded less than 20 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report (3 points);
- For areas that did not score above, entirely within a census tract that does not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report (2 points);

Yes Entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have another Development that was awarded less than 15 years ago according to the Department's property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 100,000 or more, and will not apply in the At-Risk Set-Aside (5 points);

Applicant did not list all contiguous census tracts in the Application

Contiguous Census Tract	48439111505	Contiguous Census Tract #	48439122600
Contiguous Census Tract	48439121604	Contiguous Census Tract #	
Contiguous Census Tract	48439121604	Contiguous Census Tract #	

- Entirely within a census tract where, according to American Community Survey 5-year Estimates, the population share of persons below the 200% federal poverty level decreased by 10% or more and where the total number of persons at or above the 200% poverty level increased by 15% or more from 2012 to 2019. This measure is referred to as the Affordable Housing Needs Indicator in the Site Demographic Characteristics Report (3 points);
- An At-risk or USDA Development placed in service 25 or more years ago, that is still occupied, and that has not yet received federal funding, or LIHTC equity, for the purposes of Rehabilitation for the Development. (3 points).

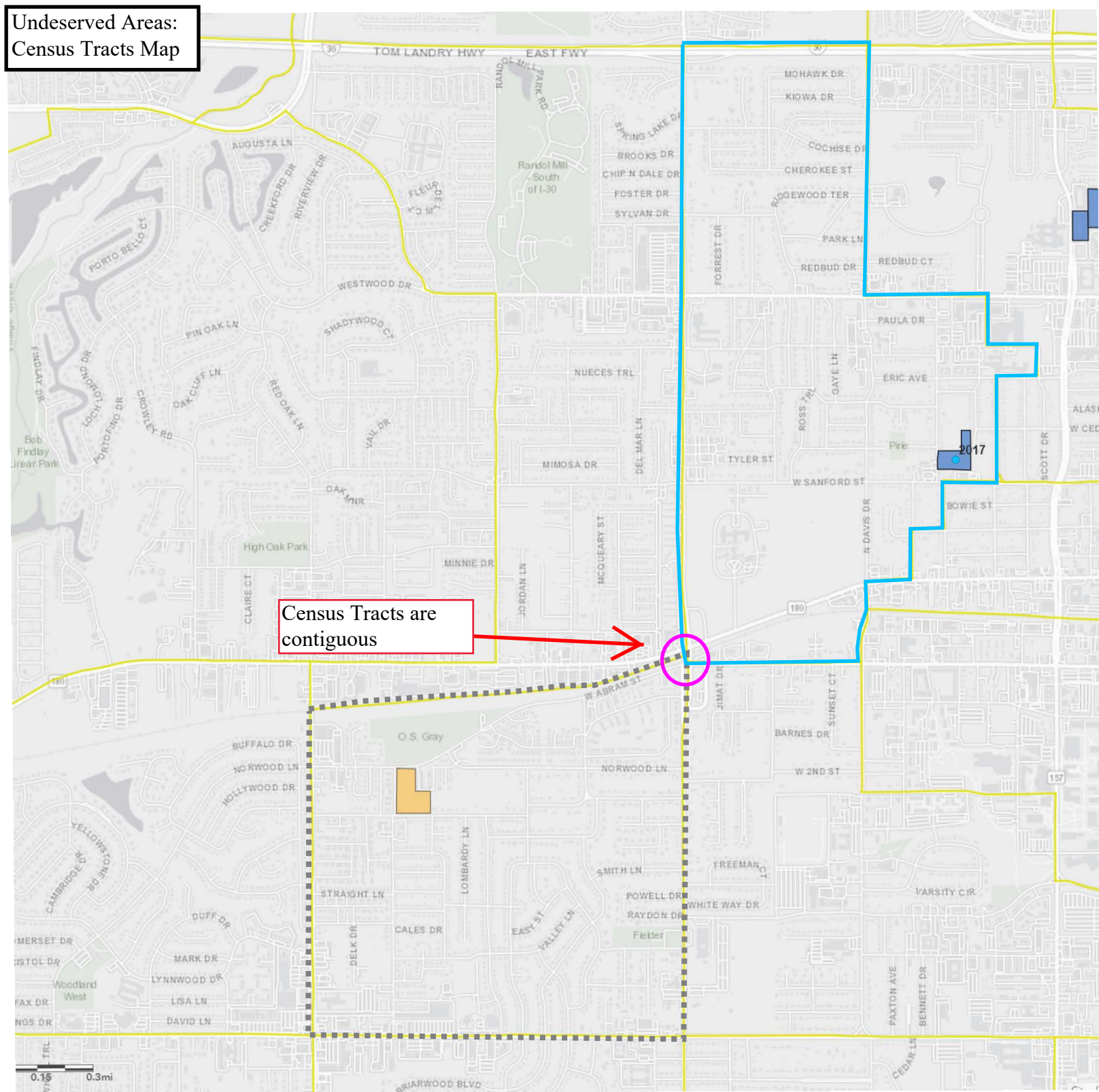
Application is seeking points for Underserved Area. Total Points Claimed:

3. Proximity to Job Areas (Competitive HTC Applications Only) (10 TAC §11.9(c)(7))


- Application is *not* in the At-Risk *or* USDA Set-Aside; **AND**
 - A. **Development Site is within the boundaries of a municipality of 500,000 or more or the unincorporated areas of a county with a population of 1 million or more.**
 - The Development is located within 2 miles of 16,500 jobs. (6 points)
 - The Development is located within 2 miles of 13,500 jobs. (5 points)
 - The Development is located within 2 miles of 10,500 jobs. (4 points)
 - The Development is located within 2 miles of 7,500 jobs. (3 points)
 - The Development is located within 2 miles of 4,500 jobs. (2 points)
 - The Development is located within 2 miles of 2,000 jobs. (1 point)
 - B. **Development Site is within the boundaries of a municipality of 499,999 or less or the unincorporated areas of a county with a population of less than 1 million.**
 - The Development is located within 4 miles of 16,500 jobs. (6 points)
 - The Development is located within 4 miles of 13,500 jobs. (5 points)
 - The Development is located within 4 miles of 10,500 jobs. (4 points)
 - The Development is located within 4 miles of 7,500 jobs. (3 points)
 - The Development is located within 4 miles of 4,500 jobs. (2 points)
 - The Development is located within 4 miles of 2,000 jobs. (1 point)

Application is seeking points for Proximity to Job Areas Total Points Claimed:

Undesired Areas: Census Tracts Map



Census Tracts are contiguous

 #22302 Development Site

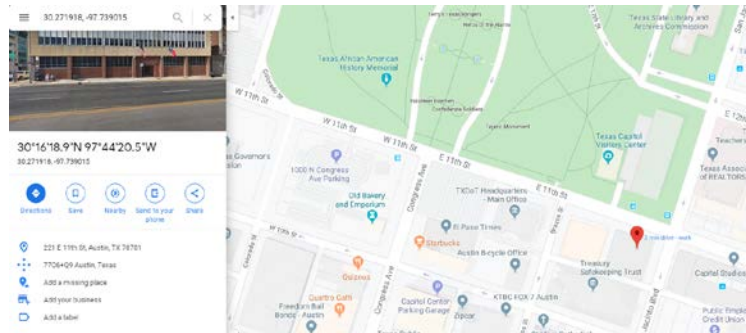
 Subject Site's Census Tract: 48439122500

 LIHTC Development TDHCA #17605

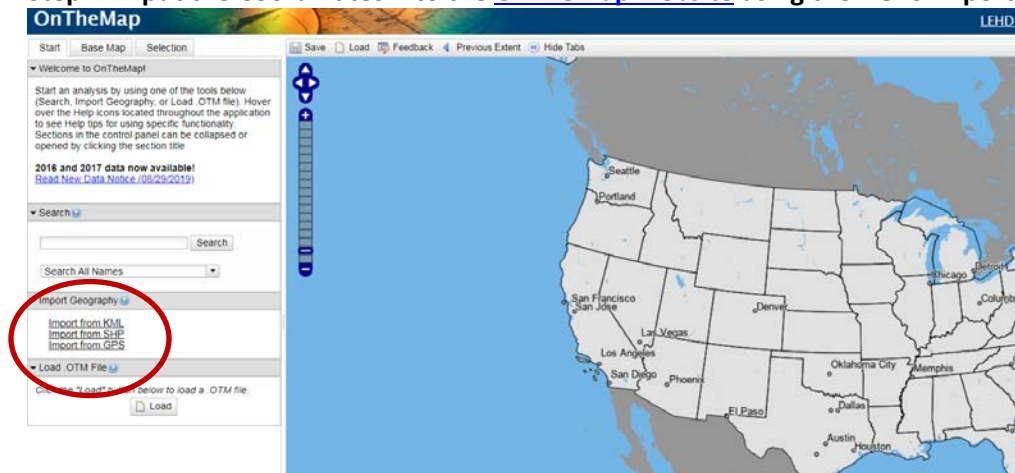
 Contiguous Census Tract: 48439121605

Instructions for using the OnTheMap tool for Proximity to Jobs:**Step 1: Provide the GPS coordinates that clearly fall within the boundaries of the Development Site.**

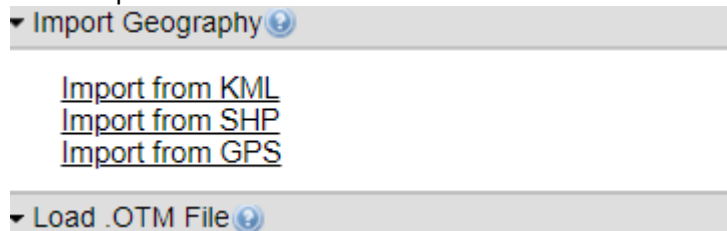
An Application may have coordinates on the survey provided to meet the requirements of 10 TAC §11.204(15)(D), however this is not required. Staff will accept Applicant verification of GPS coordinates through an online map like Google Maps or Google Earth, but it must be clear to staff that the GPS coordinates are tied to a spatial point that unequivocally falls within the boundaries of the Development Site.



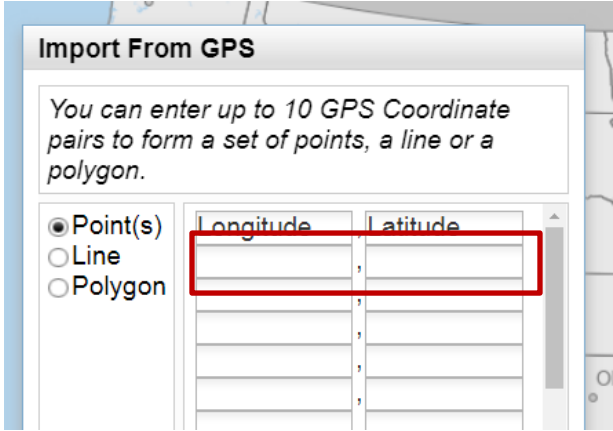
If using Google Maps or Google Earth or a similar mapping program/software, evidence similar to what is seen above must be placed in the Application.

Step 2: Input the Coordinates into the [OnTheMap website](#) using their GPS Import function.

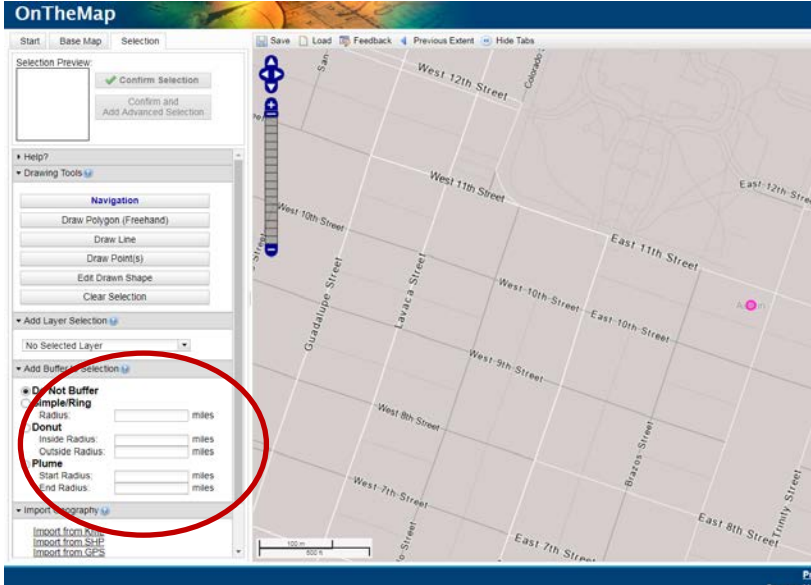
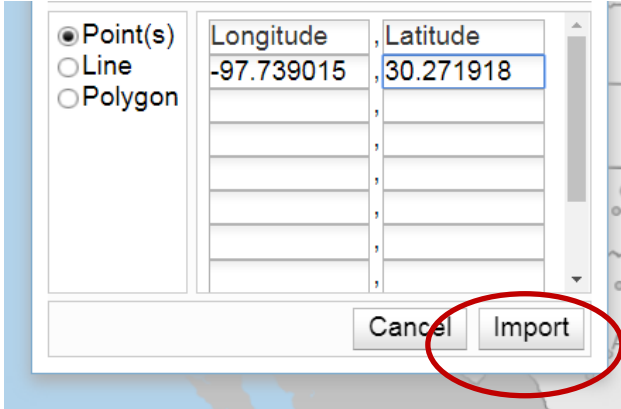
Click "Import from GPS" in the area circled above:



Input the Longitude and Latitude coordinates.



Once inputted, click "Import." As an example, here are coordinates for the TDHCA headquarters.



After clicking "Import," you will see a screen similar to above, with your GPS coordinates now represented as a spatial point. In the area circled above, you now specify that you will look at jobs within a 1 mile radius of the spatial point.

▼ Add Buffer to Selection

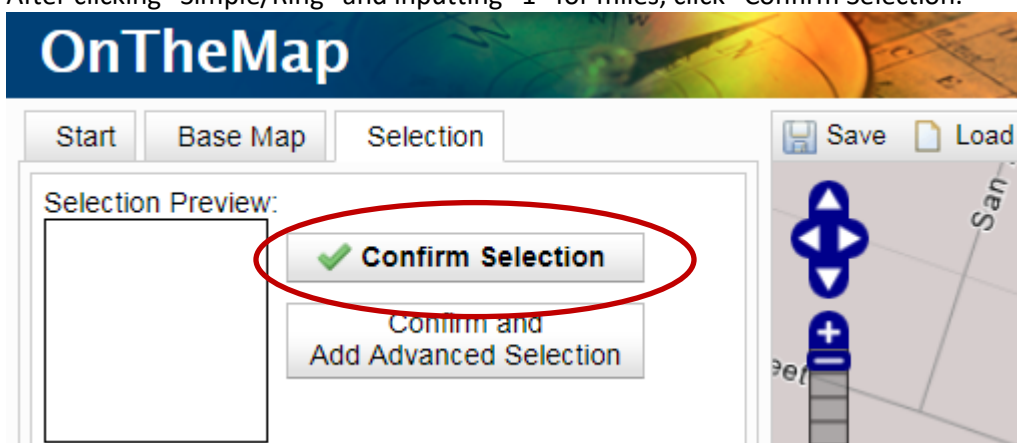
Do Not Buffer

Simple/Ring
 Radius: miles

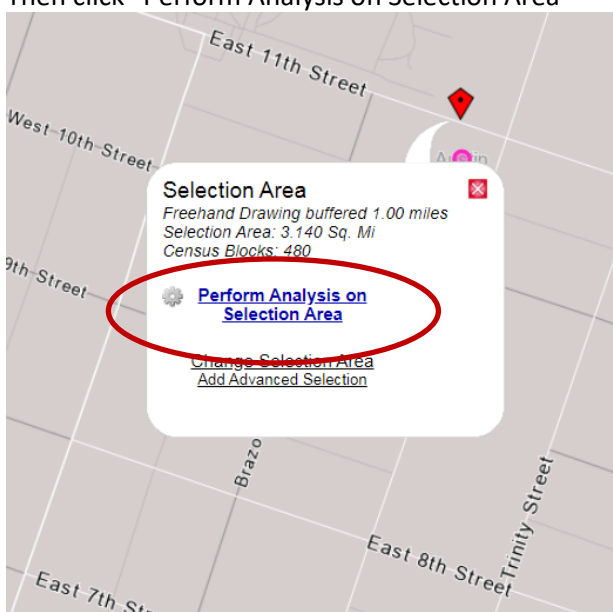
Donut
 Inside Radius: miles
 Outside Radius: miles

Plume
 Start Radius: miles
 End Radius: miles

After clicking “Simple/Ring” and inputting “1” for miles, click “Confirm Selection.”

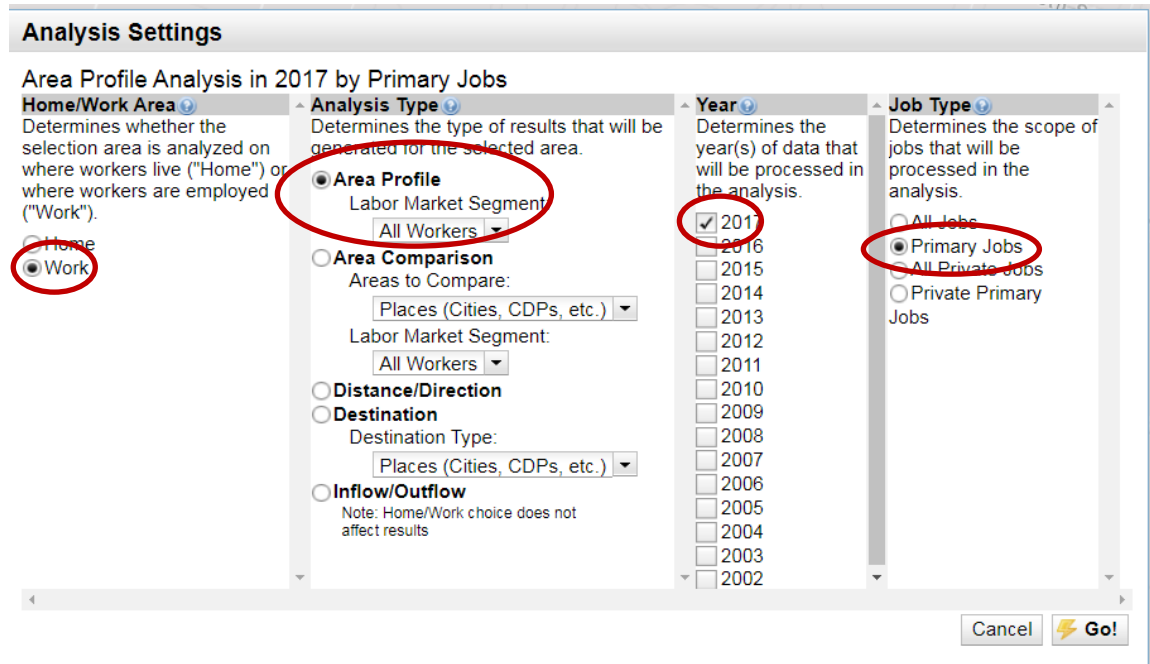


Then click “Perform Analysis on Selection Area”

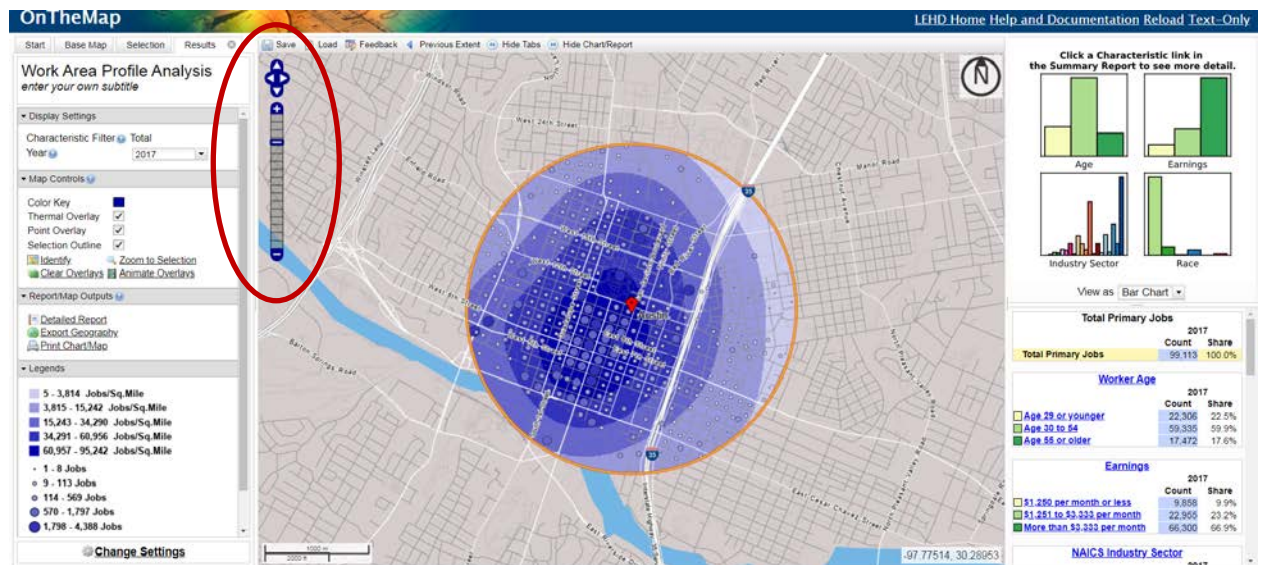


Then check the following boxes for certain categories: “Work” in column 1; “Area Profile” and “All Workers” in column 2; “2018” in column 3; and “Primary Jobs” in column 4. **Instead of 2017, you**

will choose 2018. While 2019 data may be available, it was not available prior to October 1, 2021 as required by the QAP.



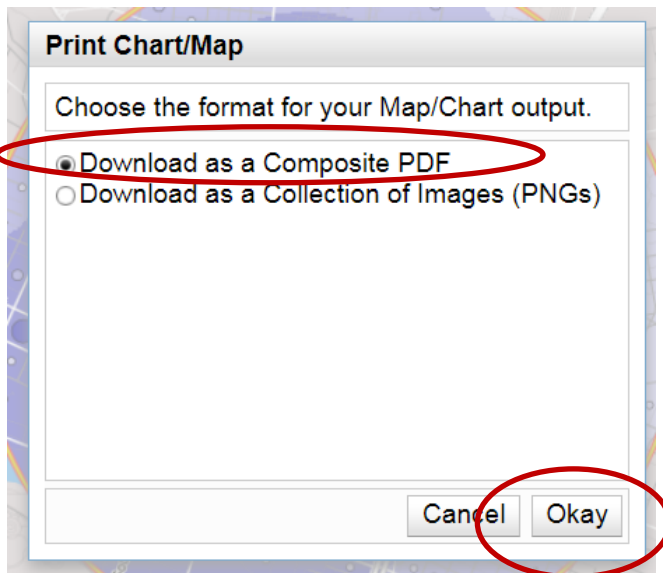
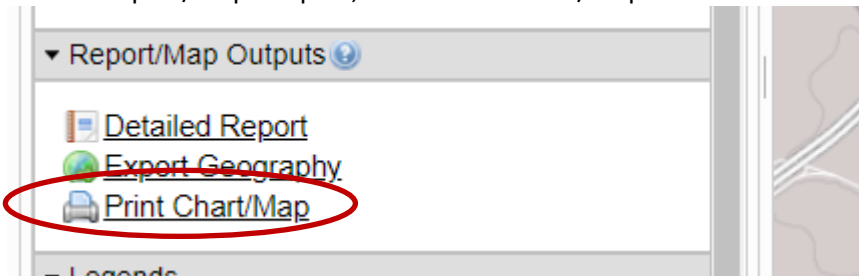
Click "Go." You will then see a screen showing the jobs analysis, similar to this:



Be sure to zoom out, using the zoom tools circled above, so that the entire 1 mile radius can be seen around the spatial point.

IMPORTANT: take a screen shot at this point to show evidence of the coordinates ("ctrl, PrtScn" on the keyboard, then paste to a blank document, format as needed, then pdf). Include the screenshot behind Tab 2 in the pdf application.

Under “Report/Map Outputs,” click “Print Chart/Map.”



Select “Download as a Composite PDF” and then click “Okay.”



Work Area Profile Report Primary Jobs for All Workers in 2017

Created by the U.S. Census Bureau's OnTheMap <https://onthemap.ces.census.gov> on 10/24/2019

Counts and Density of Primary Jobs in Work Selection Area in 2017 All Workers

This produces a PDF report, with the map and the total job count. This report also has a time stamp so that staff can confirm that the report was generated on or after October 1, 2021 but before the Pre-Application Final Delivery Date. **Include this report plus the screen shot in the pdf application.**

Proof that the Census on the Map Report is required to be printed on or after October 1, 2021 but before the Pre-Application Final Delivery Date.

- Part 4 – Concerted Revitalization:** If claiming points, be sure that no points are being claimed under the Opportunity Index. Complete the appropriate boxes and select amenities in the Urban or Rural section of Opportunity Index. **The CRP Packet is required for Urban and Rural Applications requesting these points, and must be included behind Tab 10.** Make sure supporting documentation is included in the

Excerpt from the 2022 QAP stating required documentation associated with Proximity to Jobs Areas point category.

required to continue to specifically market Units to Persons with Special Housing Needs. (2 points)

(B) If the Development has committed units under §11.9(c)(6)(A), the Development must commit at least an additional 2% of the total Units to Persons referred from the Continuum of Care or local homeless service providers to be made available for those experiencing homelessness. Rejection of an applicant's tenancy for those referred may not be for reasons of credit history or prior rental payment history. Throughout the Compliance Period, unless otherwise permitted by the Department, the Development Owner agrees to specifically market the 2% of Units through the Continuum of Care and other homelessness providers local to the Development Site. In addition, the Department will require an initial minimum twelve-month period in Urban subregions, and an initial six-month period in Rural subregions, during which Units must either be occupied by Persons referred from the Continuum of Care or local homeless service providers, or held vacant, unless the Units receive HOME funds from any source. After the initial twelve-month or six-month period, the Development Owner will no longer be required to hold Units vacant but will be required to continue to provide quarterly notifications to the Continuum of Care and other homeless service providers local to the Development Site on the availability of Units at the Development Site. Developments are not eligible under this paragraph unless points have also been selected under §11.9(c)(6)(A). (1 point)

(C) If the Development is located in a county with a population of 1 million or more, but less than 4 million, and is located not more than two miles from a veteran's hospital, veteran's affairs medical center, or veteran's affairs health care center, (which include all providers listed under the Veteran's Health Administration categories, excluding Benefits Administration offices, listed at this link https://www.va.gov/directory/guide/fac_list_by_state.cfm?State=TX&dnum=ALL) and agrees to provide a preference for leasing units in the Development to low income veterans. (1 point)

(7) Proximity to Job Areas. (§42(m)(1)(C)(i)) An Application may qualify to receive up to six (6) points if the Development Site is located in one of the areas described in subparagraphs (A) or (B) of this paragraph, and the Application contains evidence substantiating qualification for the points. The data used will be based solely on that available through US Census' OnTheMap tool. Jobs counted are limited to those based on the work area, all workers, and all primary jobs. Only the 2018 data set will be used, unless a newer data set is posted to the US Census website on or before October 1, 2021. The Development will use OnTheMap's function to import GPS coordinates that clearly fall within the Development Site, and the OnTheMap chart/map report submitted in the Application must include the report date. This scoring item will not apply to Applications under the At-Risk or USDA Set-Aside.

(A) Proximity to Jobs. For Development Sites within the boundaries of a municipality of 500,000 or more, or the unincorporated areas of a county with a population of 1 million or more, A Development may qualify for points under this subparagraph if it meets one of the criteria in clauses (i) - (vi) of this subparagraph.

(i) The Development is located within 2 miles of 16,500 jobs. (6 points)

(ii) The Development is located within 2 miles of 13,500 jobs. (5 points)

(iii) The Development is located within 2 miles of 10,500 jobs. (4 points)

22302

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Gray Park Villas

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**Request for Administrative
Deficiency**



Mr. Colin Nickells
Administrator 9% Competitive Housing Tax Credit Program
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

Via: Email

RE: *Gray Park Villas, Arlington #22302*

Dear Mr. Nickells:

Please accept this Request for an Administrative Deficiency for the above referenced application. The required documentation for the Proximity to Jobs category is dated after the Pre-Application deadline in this Application. The QAP and the 2022 Multifamily Programs Application Procedures Manual are clear about what documentation is required and when the data must be dated by. Additionally, Tab 10 of the application explicitly states that the documentation detailed in the 2022 Application Manual is required to be inserted in the application.

The 2022 Multifamily Programs Application Procedures Manual states that one of the functions of the Census on the Map PDF report is to provide a time stamp so that staff can confirm the report was generated on or after October 1, 2021 but before the Pre-Application final delivery date. The time stamp on the Census on the Map PDF report are dated after the Pre-Application Delivery Date.

For reference, I have attached excerpts from the QAP, the 2022 Multifamily Programs Application Procedures Manual, and the Application detailing the documentation that is required to be submitted to claim Proximity to Job Areas points.

Thank you for assessing this request. Please let us know if you have any further questions or require any additional documentation by contacting me at (513) 964-1141 or brian.mcgeady@mvahpartners.com. Thank you for your consideration

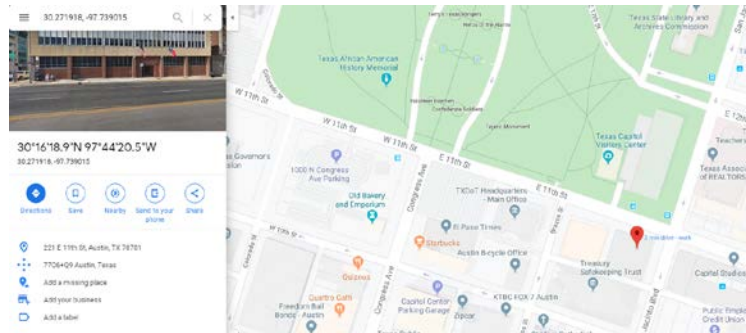
Sincerely,

A handwritten signature in black ink, appearing to read 'Brian McGeady', written over a light blue horizontal line.

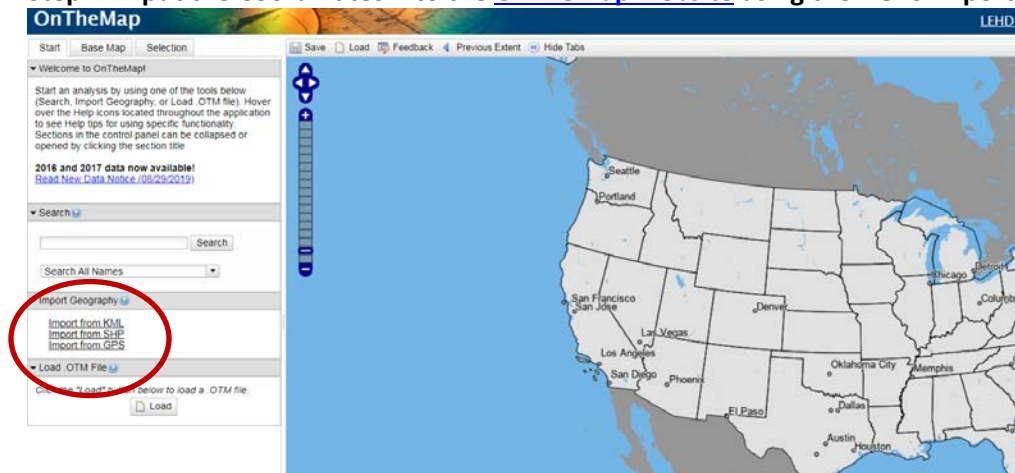
Brian McGeady
Authorized Signer of the Applicant

Instructions for using the OnTheMap tool for Proximity to Jobs:**Step 1: Provide the GPS coordinates that clearly fall within the boundaries of the Development Site.**

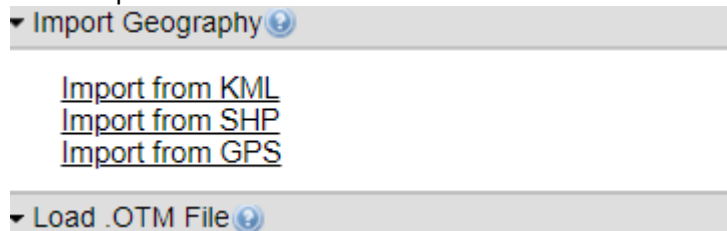
An Application may have coordinates on the survey provided to meet the requirements of 10 TAC §11.204(15)(D), however this is not required. Staff will accept Applicant verification of GPS coordinates through an online map like Google Maps or Google Earth, but it must be clear to staff that the GPS coordinates are tied to a spatial point that unequivocally falls within the boundaries of the Development Site.



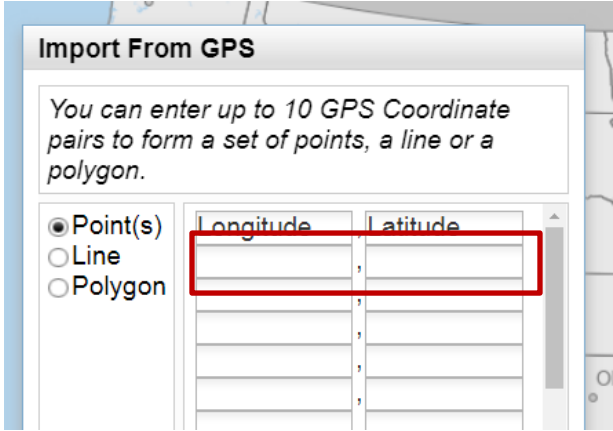
If using Google Maps or Google Earth or a similar mapping program/software, evidence similar to what is seen above must be placed in the Application.

Step 2: Input the Coordinates into the [OnTheMap website](#) using their GPS Import function.

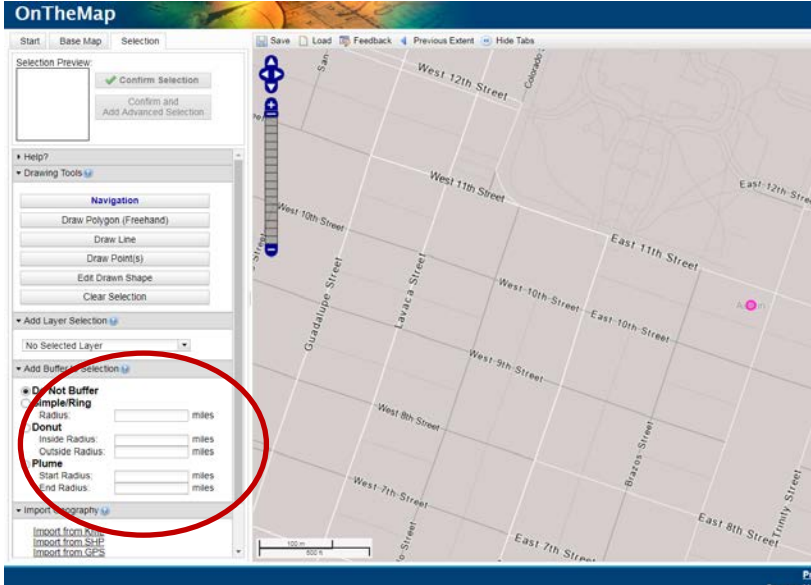
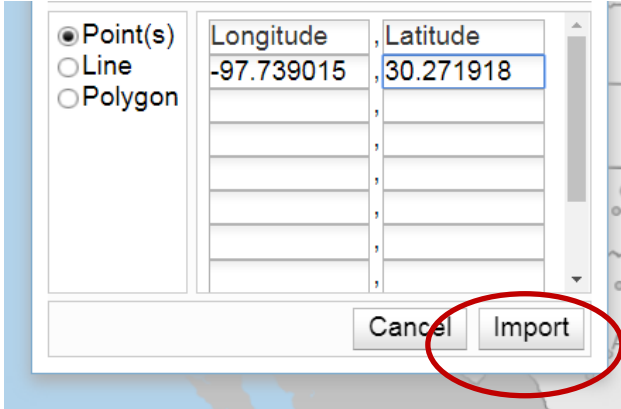
Click "Import from GPS" in the area circled above:



Input the Longitude and Latitude coordinates.



Once inputted, click "Import." As an example, here are coordinates for the TDHCA headquarters.



After clicking "Import," you will see a screen similar to above, with your GPS coordinates now represented as a spatial point. In the area circled above, you now specify that you will look at jobs within a 1 mile radius of the spatial point.

▼ Add Buffer to Selection

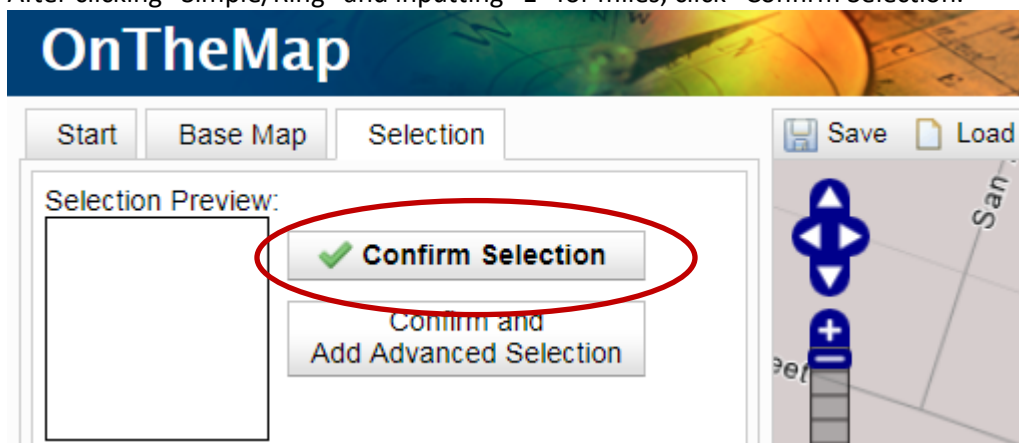
Do Not Buffer

Simple/Ring
 Radius: miles

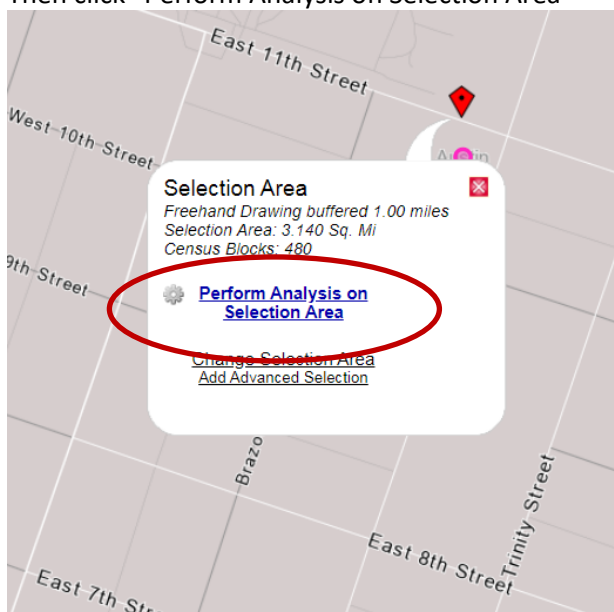
Donut
 Inside Radius: miles
 Outside Radius: miles

Plume
 Start Radius: miles
 End Radius: miles

After clicking “Simple/Ring” and inputting “1” for miles, click “Confirm Selection.”

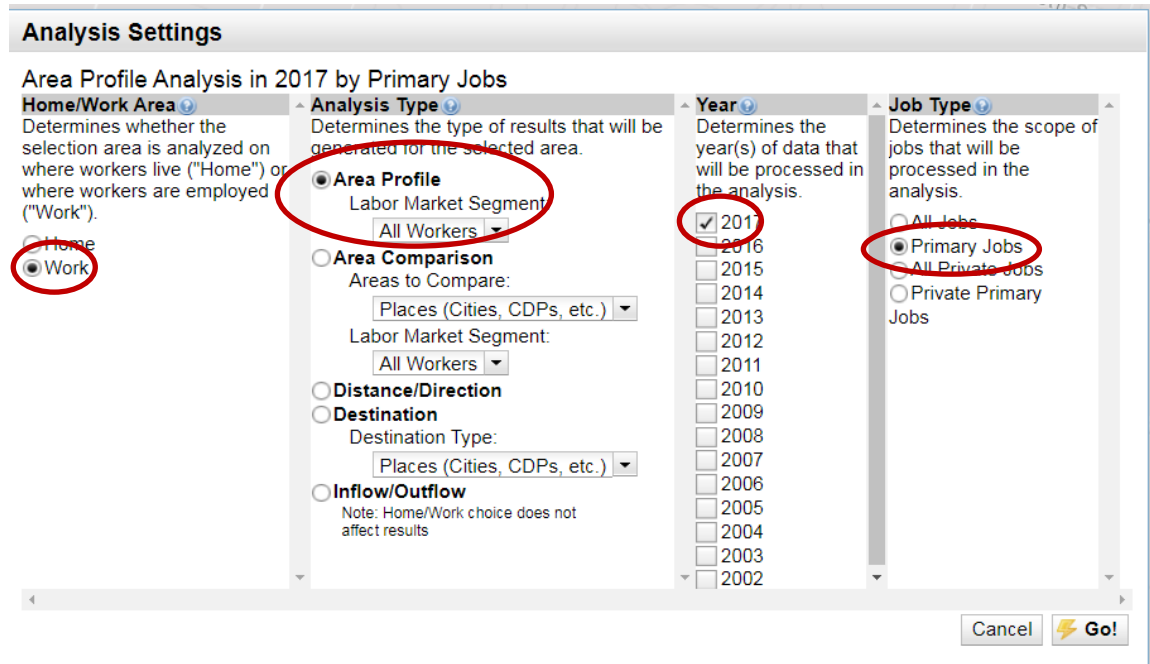


Then click “Perform Analysis on Selection Area”

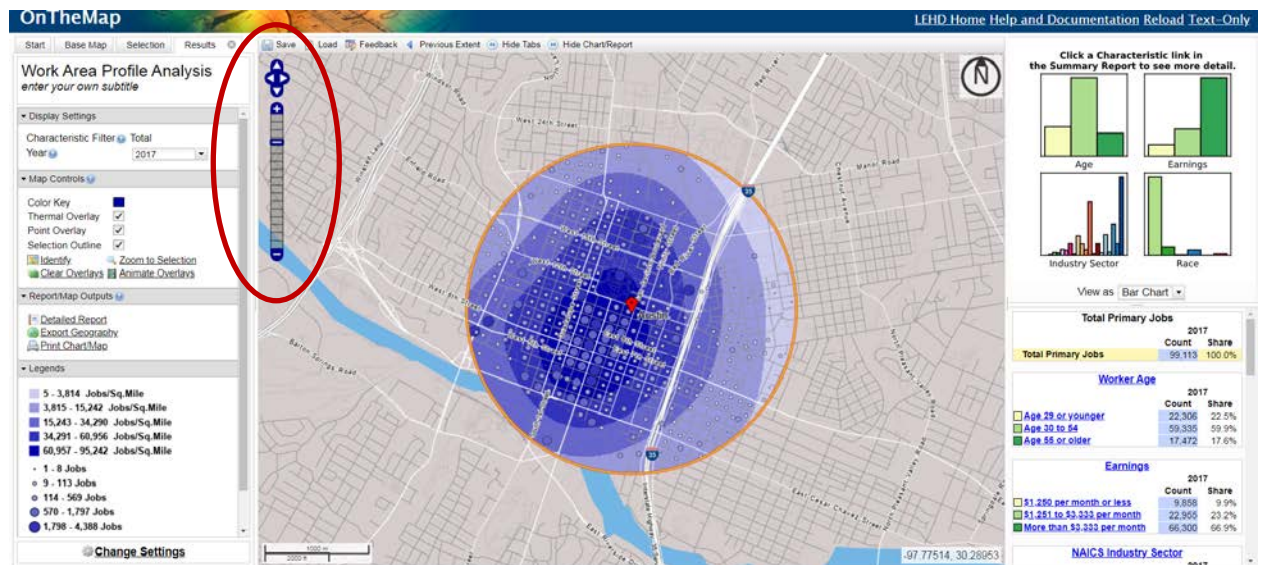


Then check the following boxes for certain categories: “Work” in column 1; “Area Profile” and “All Workers” in column 2; “2018” in column 3; and “Primary Jobs” in column 4. **Instead of 2017, you**

will choose 2018. While 2019 data may be available, it was not available prior to October 1, 2021 as required by the QAP.



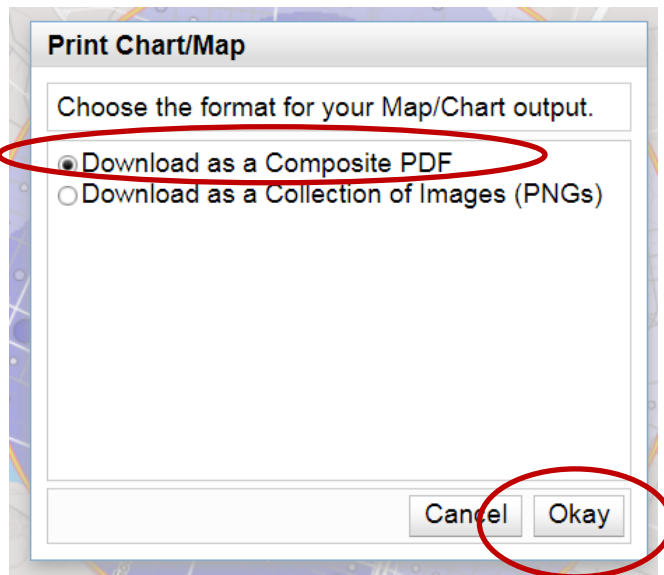
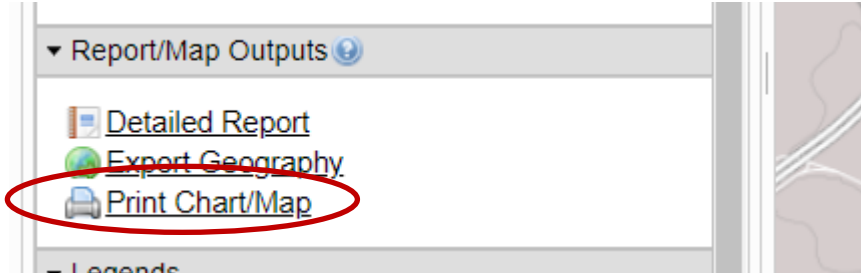
Click "Go." You will then see a screen showing the jobs analysis, similar to this:



Be sure to zoom out, using the zoom tools circled above, so that the entire 1 mile radius can be seen around the spatial point.

IMPORTANT: take a screen shot at this point to show evidence of the coordinates ("ctrl, PrtScn" on the keyboard, then paste to a blank document, format as needed, then pdf). Include the screenshot behind Tab 2 in the pdf application.

Under “Report/Map Outputs,” click “Print Chart/Map.”



Select “Download as a Composite PDF” and then click “Okay.”



Work Area Profile Report Primary Jobs for All Workers in 2017

Created by the U.S. Census Bureau's OnTheMap <https://onthemap.ces.census.gov> on 10/24/2019

Counts and Density of Primary Jobs in Work Selection Area in 2017

All Workers

This produces a PDF report, with the map and the total job count. This report also has a time stamp so that staff can confirm that the report was generated on or after October 1, 2021 but before the Pre-Application Final Delivery Date. **Include this report plus the screen shot in the pdf application.**

Proof that the Census on the Map Report is required to be printed on or after October 1, 2021 but before the Pre-Application Final Delivery Date.

- **Part 4 – Concerted Revitalization:** If claiming points, be sure that no points are being claimed under the Opportunity Index. Complete the appropriate boxes and select amenities in the Urban or Rural section of Opportunity Index. **The CRP Packet is required for Urban and Rural Applications requesting these points, and must be included behind Tab 10.** Make sure supporting documentation is included in the

Excerpt from the 2022 QAP stating required documentation associated with Proximity to Jobs Areas point category.

required to continue to specifically market Units to Persons with Special Housing Needs. (2 points)

(B) If the Development has committed units under §11.9(c)(6)(A), the Development must commit at least an additional 2% of the total Units to Persons referred from the Continuum of Care or local homeless service providers to be made available for those experiencing homelessness. Rejection of an applicant's tenancy for those referred may not be for reasons of credit history or prior rental payment history. Throughout the Compliance Period, unless otherwise permitted by the Department, the Development Owner agrees to specifically market the 2% of Units through the Continuum of Care and other homelessness providers local to the Development Site. In addition, the Department will require an initial minimum twelve-month period in Urban subregions, and an initial six-month period in Rural subregions, during which Units must either be occupied by Persons referred from the Continuum of Care or local homeless service providers, or held vacant, unless the Units receive HOME funds from any source. After the initial twelve-month or six-month period, the Development Owner will no longer be required to hold Units vacant but will be required to continue to provide quarterly notifications to the Continuum of Care and other homeless service providers local to the Development Site on the availability of Units at the Development Site. Developments are not eligible under this paragraph unless points have also been selected under §11.9(c)(6)(A). (1 point)

(C) If the Development is located in a county with a population of 1 million or more, but less than 4 million, and is located not more than two miles from a veteran's hospital, veteran's affairs medical center, or veteran's affairs health care center, (which include all providers listed under the Veteran's Health Administration categories, excluding Benefits Administration offices, listed at this link https://www.va.gov/directory/guide/fac_list_by_state.cfm?State=TX&dnum=ALL) and agrees to provide a preference for leasing units in the Development to low income veterans. (1 point)

(7) Proximity to Job Areas. (§42(m)(1)(C)(i)) An Application may qualify to receive up to six (6) points if the Development Site is located in one of the areas described in subparagraphs (A) or (B) of this paragraph, and the Application contains evidence substantiating qualification for the points. The data used will be based solely on that available through US Census' OnTheMap tool. Jobs counted are limited to those based on the work area, all workers, and all primary jobs. Only the 2018 data set will be used, unless a newer data set is posted to the US Census website on or before October 1, 2021. The Development will use OnTheMap's function to import GPS coordinates that clearly fall within the Development Site, and the OnTheMap chart/map report submitted in the Application must include the report date. This scoring item will not apply to Applications under the At-Risk or USDA Set-Aside.

(A) Proximity to Jobs. For Development Sites within the boundaries of a municipality of 500,000 or more, or the unincorporated areas of a county with a population of 1 million or more, A Development may qualify for points under this subparagraph if it meets one of the criteria in clauses (i) - (vi) of this subparagraph.

(i) The Development is located within 2 miles of 16,500 jobs. (6 points)

(ii) The Development is located within 2 miles of 13,500 jobs. (5 points)

(iii) The Development is located within 2 miles of 10,500 jobs. (4 points)

22320

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Lavaca Bay

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**Request for Administrative
Deficiency**

5/3/2022

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

RE: §11.10 Third Party Request for Administrative Deficiency
TDHCA Application #22320

To Whom It May Concern,

Pursuant to §11.10 of the 2022 Qualified Allocation Plan (the “QAP”), please let this letter serve as our Third-Party Request for Administrative Deficiency (“RFAD”) with regards to Application #22320 (the “Lavaca Bay Apartments application”). A copy of this request is being delivered concurrently to representatives of the Lavaca Bay Apartments Application.

In order to qualify for 12 points under §11.9 (e)(2) of the QAP relating to “Cost of Development per Square Foot”, the voluntary Eligible Building Cost must be less than \$82.67 as shown below.

(B) Applications proposing New Construction or Reconstruction or Adaptive Reuse will be eligible for twelve (12) points if one of the following conditions is met:

(i) the voluntary Eligible Building Cost per square foot is less than \$82.67 per square foot;

Based on the Development Cost Schedule submitted in the application, the applicant’s voluntary eligible building costs exceeds \$82.67 and the rule specifically states it must be less than in order to receive 12 points under this section. Therefore, 1 point should be deducted.

Additionally, Tab 47 relating to Third Party Reports identifies that the Market Analyst used was Novogradac Consulting, LLP. The Texas Secretary of State shows that there are 9 legal entities relating to the name “Novogradac” but the only one approved by TDHCA is Novogradac & Company, LLP, not any of the others, specifically not “Novogradac Consulting, LLP”. Therefore, market study shouldn’t be allowed because entity performing the study wasn’t approved by TDHCA.

List of Approved Market Analysts

Updated: October 19, 2021

Consultant	Website
Affordable Housing Analysts	
Allen & Associates	www.allenadvisors.com
Apartment Market Data	
Bowen National Research	www.bowennational.com
Community Development Strategies	www.cdsmr.com
Evergreen Valuation Services	www.evergreenvaluation.com
Gibson Consulting Group	www.fgibsonconsulting.com
Gill Group	www.gillgroup.com
Jack Poe Company Incorporated	www.poeco.net
JLL	www.jll.com
Kinetic Valuation Group	www.kineticvaluationgroup.com
Novogradac & Company, LLP	www.novoco.com
The Powers Group	
Valbridge Property Advisors, Inc.	www.valbridge.com
Vogt Strategic Insights	www.vsinsights.com



This search was performed with the following search parameter:

ENTITY NAME : novogradac

Mark	Filing Number	Name	Entity Type	Entity Status	Name Type	Name Status
<input type="radio"/>	500363729	NOVOGRADAC & COMPANY LLP	Foreign Limited Liability Partnership (LLP)	Expired	Legal	Inactive
<input type="radio"/>	500622429	NOVOGRADAC & COMPANY LLP	Foreign Limited Liability Partnership (LLP)	Expired	Legal	Inactive
<input type="radio"/>	801964123	NOVOGRADAC & COMPANY, LLP	Foreign Limited Liability Partnership (LLP)	Expired	Legal	Inactive
<input type="radio"/>	802421335	Novogradac & Company LLP	Foreign Limited Liability Partnership (LLP)	In existence	Legal	In use
<input type="radio"/>	802421335	Novogradac & Company LLP	Foreign Limited Liability Partnership (LLP)	In existence	Legal	Inactive
<input type="radio"/>	801859934	NOVOGRADAC ACCOUNTING SERVICES LLP	Foreign Limited Liability Partnership (LLP)	In existence	Legal	In use
<input type="radio"/>	801859934	NOVOGRADAC ACCOUNTING SERVICES LLP	Foreign Limited Liability Partnership (LLP)	In existence	Legal	Inactive
<input type="radio"/>	801993232	Novogradac Consulting Services LLP	Foreign Limited Liability Partnership (LLP)	In existence	Legal	In use
<input type="radio"/>	801993232	Novogradac Consulting Services LLP	Foreign Limited Liability Partnership (LLP)	In existence	Legal	Inactive

[Return to Order](#) [New Search](#)

Thank you for your consideration of these matters. If you require any further information or clarification, please feel free to contact me.

Sincerely,

Rick Deyoe

QAP requires that the Voluntary Eligible Building Costs must be LESS than \$82.67 for 12 points to be awarded. The total here is not LESS than \$82.67 and in fact is \$82.670028. Therefore Applicant should lose 1 point.

Individually itemize costs below:

Detached Community Facilities/Building
 Carports and/or Garages
 Lead-Based Paint Abatement
 Asbestos Abatement (Rehabilitation Only)
 Structured Parking
 Commercial Space Costs

174,700		174,700
\$5,721,990	\$0	\$5,721,990

e.g. Community spaces not exclusively used by tenants/guests

Other (specify) - see footnote 1

Subtotal Building Costs Before 11.9(e)(2)

Voluntary Eligible Building Costs (After 11.9(e)(2))*
 Enter amount to be used to achieve desired score.

\$82.67 psf \$4,708,222

If NOT seeking to score points under §11.9(e)(2), E77:E78 should remain BLANK. True eligible building cost should be entered in line items E33:E74. If requesting points under §11.9(e)(2) related to Cost of Development per Square Foot, enter the true or voluntarily limited costs in E77:E78 that produces the target cost per square foot in D77:D78. Enter Requested Score for §11.9(e)(2) at the bottom of the schedule in D202.

TOTAL BUILDING COSTS & SITE WORK (including site amenities)

\$6,913,498	\$0	\$5,476,222
-------------	-----	-------------

Contingency	4.99%	\$345,000		345,000
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TOTAL HARD COSTS

\$7,258,498	\$0	\$5,821,222
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OTHER CONSTRUCTION COSTS

%THC

%EHC

General requirements (<6%)	5.92%	430,000		348,000	5.98%
Field supervision (within GR limit)					
Contractor overhead (<2%)	1.98%	144,000		115,000	1.98%
G & A Field (within overhead limit)					
Contractor profit (<6%)	5.92%	430,000		348,000	5.98%

TOTAL CONTRACTOR FEES

\$1,004,000	\$0	\$811,000
-------------	-----	-----------

TOTAL CONSTRUCTION CONTRACT

\$8,262,498	\$0	\$6,632,222
-------------	-----	-------------

Before 11.9(e)(2)

Voluntary Eligible "Hard Costs" (After 11.9(e)(2))*
 Enter amount to be used to achieve desired score.

\$0.00 psf

If NOT seeking to score points under §11.9(e)(2), E96:E97 should remain BLANK. True eligible cost should be entered in line items E83 and E87:E91. If requesting points under §11.9(e)(2) related to Cost of Development per Square Foot, enter the true or voluntarily limited costs in E96:E97 that produces the target cost per square foot in D96:D97. Enter Requested Score for §11.9(e)(2) at the bottom of the schedule in D202.

SOFT COSTS³

Architectural - Design fees
 Architectural - Supervision fees
 Engineering fees
 Real estate attorney/other legal fees
 Accounting fees
 Impact Fees
 Building permits & related costs
 Appraisal
 Market analysis
 Environmental assessment
 Soils report
 Survey
 Marketing
 Hazard & liability insurance
 Real property taxes
 Personal property taxes
 Tenant Relocation

60,000		60,000
32,400		32,400
105,000		75,000
60,000		60,000
15,000		15,000
5,000		5,000
46,000		46,000
6,000		6,000
6,500		6,500
10,000		10,000
14,000		14,000
20,000		20,000
10,500		10,500
16,868		16,868
78,000		78,000
\$485,268	\$0	\$455,268

FF&E

Other (specify) - see footnote 1

Other (specify) - see footnote 1

Subtotal Soft Cost

(C) If the Development is Supportive Housing and meets the requirements of §11.1(d)(126)(E)(i), it will receive twenty-six (26) points; or

(D) If the Development is part of the USDA set-aside and meets the requirements of §11.5(2) and the letter is from the Third Party construction lender, and evidences review of the Development and the Principals, it will receive twenty-six (26) points; or

(E) If the Department is the only permanent lender, and the Application includes the evaluation of the Request for Preliminary Determination submitted under §11.8(d), it will receive twenty-six (26) points.

(2) Cost of Development per Square Foot. (§2306.6710(b)(1)(F); §42(m)(1)(C)(iii)) For the purposes of this scoring item, Eligible Building Costs will be defined as Building Costs voluntarily included in Eligible Basis for the purposes of determining a Housing Credit Allocation. Eligible Building Costs will exclude structured parking or commercial space that is not included in Eligible Basis, and voluntary Eligible Hard Costs will include general contractor overhead, profit, and general requirements. The square footage used will be the Net Rentable Area (NRA). The calculations will be based on the cost listed in the Development Cost Schedule and NRA shown in the Rent Schedule. If the proposed Development is a Supportive Housing Development, the NRA will include Common Area up to 75 square feet per Unit, of which at least 50 square feet will be conditioned.

(A) A high cost development is a Development that meets one or more of the following conditions:

(i) the Development is elevator served, meaning it is either an Elderly Development with an elevator or a Development with one or more buildings any of which have elevators serving four or more floors;

(ii) the Development is more than 75% single family design;

(iii) the Development is Supportive Housing; or

(iv) the Development Site qualifies for a minimum of five (5) points under subsection (c)(4)(A) and (B) of this section, related to Opportunity Index, and is located in an Urban Area.

(B) Applications proposing New Construction or Reconstruction or Adaptive Reuse will be eligible for twelve (12) points if one of the following conditions is met:

(i) the voluntary Eligible Building Cost per square foot is less than \$82.67 per square foot;

(ii) the voluntary Eligible Building Cost per square foot is less than \$88.58 per square foot, and the Development meets the definition of a high cost development;

(iii) the voluntary Eligible Hard Cost per square foot is less than \$106.29 per square foot; or

(iv) the voluntary Eligible Hard Cost per square foot is less than \$118.10 per square foot, and the Development meets the definition of high cost development.

(C) Applications proposing New Construction or Reconstruction will be eligible for eleven (11) points

22320

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Lavaca Bay

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**Request for Administrative
Deficiency**



MILLPOND LIVING AT ROBSTOWN, LP

May 6, 2022

Via Email

Cody Campbell, Director of Multifamily Finance – cody.campbell@tdhca.state.tx.us
Colin Nickells, 9% HTC Administrator – colin.nickells@tdhca.state.tx.us
Texas Department of Housing and Community Affairs
221 E 11th Street
Austin, Texas 78701

Re: §11.10. Third Party Request for Administrative Deficiency;
TDHCA Application #22320 – Lavaca Bay Apartments, Port Lavaca, Texas

Dear Mr. Campbell and Mr. Nickells,

Pursuant to §11.10 of the 2022 Qualified Allocation Plan (the "QAP"), please let this letter serve as our Third-Party Request for Administrative Deficiency ("RFAD") with regards to Application # 22320 ("The Application"). A copy of this request is being delivered simultaneously to representatives of The Application.

We have identified the following areas where the Application failed to meet threshold and/or failed to substantiate eligibility of points requested.

§11.201. Procedural Requirements for Application Submission of the QAP outline the requirements for Application submission and, in Subsection (1)(A) state that "**An Application must be complete (including all required exhibits and supporting materials)** and submitted by the required program deadline". The Threshold issues identified below relate to this applications failure to meet application requirements.

Application Threshold Issue #1

The application failed to meet threshold in that site control does not contain all of the Multifamily Direct Loan language required by the Texas Administrative Code, Title 10, Part 1, Chapter 13, Rule §13.5(d) Required Site Control Agreement Provisions. This application is for an allocation of Federal tax credits and the award of a Multifamily Direct Loan in the amount of \$3,850,000. In accordance with §13.5(d), all Applicants for MFDL funds must include the following provisions in the purchase contract or site control agreement if the subject property is not already owned by the Applicant:

(1) "Notwithstanding any other provision of this Contract, Purchaser shall have no obligation to purchase the Property, and no transfer of title to the Purchaser may occur, unless and until the Department has provided Purchaser and/or Seller with a written notification that:

(A) It has completed a federally required environmental review and its request for release of federal funds has been approved and, subject to any other Contingencies in this Contract,

MillPond Living at Robstown, LP • 500 N. Capital of Texas Hwy, Bld 8, Suite 100, Austin, TX 78746
Phone: 512-970-3889

- (i) the purchase may proceed, or (ii) the purchase may proceed only if certain conditions to address issues in the environmental review shall be satisfied before or after the purchase of the property; or
- (B) It has determined that the purchase is exempt from federal environmental review and a request for release of funds is not required."; and

(2) "The Buyer does not have the power of eminent domain relating to the purchase and acquisition of the Property. The Buyer may use federal funds from the U.S. Department of Housing and Urban Development (HUD) to complete this purchase. HUD will not use eminent domain authority to condemn the Property. All parties entered this transaction voluntarily and the Buyer has notified the Seller of what it believes the value of the Property to be in accordance with 49 CFR Part 24 Appendix A. If negotiations between both parties fail, Buyer will not take further action to acquire the Property."

The Applicant included a Commercial Contract – Unimproved Property dated January 7, 2022, consistent with the site control submitted at Pre-Application. At Full Application submission, the Applicant failed to include all of the language required under §13.5(d) (bolded above).

Site Control Documentation

- Evidence of Site Control as described in 10 TAC §11.204(10) (NOTE: Evidence not required for Tax-Exempt Bond Development's with a local issuer and do not include a request for MFDL)
- Recorded warranty deed, includes corresponding executed settlement statement (or functional equivalent).
- Contract or option for lease (must include language required by 10 TAC §13.5(e) if requesting Direct Loan funds).
- Contract for sale or option for purchase (must include language required by 10 TAC §13.5(e) if requesting Direct Loan funds).
- If other form of site control, complete documentation is provided
- If Identity of Interest, includes documentation described in 10 TAC §11.302, as applicable.

Scoring Issue #1: Cost of Development per Square Foot – Not eligible for 12 points

§11.9(e)(2)(B) of the QAP states, "Applications proposing New Construction or Reconstruction or Adaptive Reuse will be eligible for twelve (12) points if one of the following conditions is met:

- (i) ***the voluntary Eligible Building Cost per square foot is less than \$82.67 per square foot;***
- (ii) ***the voluntary Eligible Building Cost per square foot is less than \$88.58 per square foot, and the Development meets the definition of a high cost development;***
- (iii) ***the voluntary Eligible Hard Cost per square foot is less than \$106.29 per square foot; or***
- (iv) ***the voluntary Eligible Hard Cost per square foot is less than \$118.10 per square foot, and the Development meets the definition of high cost development."***

Lavaca Bay Apartments applied under the General set-aside (non-elderly) and is located in a rural area (Region 10/Rural). The Applicant chose to voluntarily reduce Eligible Building Cost per square foot to achieve 12 points under §11.9(e)(2)(B)(i). However, the Development Cost Schedule of the Application (Tab 30, Pg 263 of the pdf) shows the reduction of Voluntary Eligible Building Costs at \$82.67 psf when the rule clearly states that the cost must be restricted to "less than \$82.67 per square foot". As calculated below, Total Voluntary Eligible Building Costs of \$4,708,222 divided by the Net Rentable Square Foot of 56,952 (from Rent Schedule) equals \$82.67 which is equal to but not "less than" \$82.67 to claim 12 points. The application qualifies for 11 points in accordance with §11.9(e)(2)(C); less than \$84.36 per square foot.

22327

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Abbington at Gordon Lake

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**Request for Administrative
Deficiency**

Burkburnett Royal Gardens, LLC (TBF)

Burkburnett, Texas

May 6, 2022

Via Email

Cody Campbell, Director of Multifamily Finance – cody.campbell@tdhca.state.tx.us
Colin Nickells, 9% HTC Administrator – colin.nickells@tdhca.state.tx.us
Texas Department of Housing and Community Affairs
221 E 11th Street
Austin, Texas 78701

Re: §11.10. Third Party Request for Administrative Deficiency;
TDHCA Application #22327 – Abbington at Gordon Lake, Iowa Park, Texas;

Dear Mr. Campbell and Mr. Nickells,

Pursuant to §11.10 of the 2022 Qualified Allocation Plan (the “QAP”), please let this letter serve as our Third-Party Request for Administrative Deficiency (“RFAD”) with regards to Application #22327 (the “Abbington at Gordon Lake”). A copy of this RFAD is being delivered concurrently to representatives of the Abbington at Gordon Lake.

I. Utility Allowance Method threshold concerns

Per §11.204(8)(B) of the QAP, “...Where the Applicant uses any method that requires Department review, documentation indicating that the requested method has been granted by the Department must be included in the application.” In their application, Abbington at Gordon Lake included the HUD Utility Schedule Model, as provided by Zeffert & Associates dated February 11, 2022, however there was no documentation included of the Department’s approval. §10.614(g)(3) includes the HUD Utility Model Schedule as a method that requires annual review and approval from the Department. Instructions in the HTC application Tab 25 (Exhibit A), state at the top of the page, “Where the Applicant uses any method that requires Department review, such review must have been requested prior to submission of the Application.” It is further evidenced in the 2022 Multifamily Programs Application Procedure Manual (Exhibit B), the HUD Utility Schedule Model requires pre-approval from TDHCA prior to application submission. Lastly, see email correspondence with TDHCA Compliance Staff (Exhibit C), that confirms applicants are required to obtain approval prior to using the HUD Utility Model Schedule in an application.

Additionally, their HUD Utility Schedule Model dated February 11, 2022 did not allow the statute required minimum 21 days for Department review and approval as outlined in §10.614(k)(5)(A).

Finally, the Unit Type included in the provided HUD Utility Schedule Model was incorrect. The Abbington at Gordon Lake is comprised of 8-unit and 10-unit buildings that require the development to use the “Larger Apartment Bldgs. (5+ units)” designation.

The Abbington at Gordon Lake has thus presented an application that does not meet the threshold documentation requirement at the time of application submission.

Burkburnett Royal Gardens, LLC (TBF)

Burkburnett, Texas

II. The Development is Infeasible

Per §11.302(i) of the QAP, "Feasibility Conclusion. A Development will be characterized as infeasible if paragraph (1) or (2) of this subsection applies." §11.302(i)(2) states, "Deferred Developer Fee. Applicants requesting an allocation of tax credits where the estimated Deferred Developer Fee, based on underwritten capitalization structure, is not repayable from Cash Flow within the first 15 years of the long term pro forma." Abbington at Gordan Lake presented an application that included a Deferred Developer fee of \$475,060 as part of the permanent financing structure. However, in the 15-year pro forma, the Development demonstrated cumulative net cash flow of only \$321,934 through year 15, and leaves a remaining \$153,126 of Deferred Developer Fee unpaid in year 15. The Abbington at Gordan Lake has thus presented an application that does not meet feasibility requirements as outlined in the QAP.

To summarize, in our review of the Abbington at Gordan Lake application we have identified instances of threshold violations, and feasibility concerns. We respectfully request staff take into consideration our aforementioned concerns and hope these identified items assist in staff's review of the Abbington at Gordan Lake application.

If you have any questions or would like to discuss these items further, please do not hesitate to contact me directly at (469) 855-6662 or via email at noorjooma@gmail.com any time.

Sincerely,

Noor Jooma
Manager of Burkburnett Royal Gardens, LLC (TBF)

CC: Lora Myrick, Michael Beard, Breck Kean, Eric Buffenbarger

Utility Allowances [§10.614]

Applicant must attach documentation to this form to support the "Utility Allowance" estimate used in completing the Rent Schedule provided in the Application. Where the Applicant uses any method that requires Department review, including applications for Direct Loan, such review must have been requested prior to submission of the Application. Please see 10 TAC §10.614(k). This exhibit must clearly indicate which utility costs are included in the estimate.

If tenants will be required to pay any other mandatory fees (e.g. renter's insurance) please provide an estimate, description and documentation of those as well.

Utility	Who Pays	Energy Source	0BR	1BR	2BR	3BR	4BR	Source of Utility Allowance & Effective Date
Heating	Tenant			\$ 26.73	\$ 30.14			Zeffert UA Model 2-11-2022
Cooking	Tenant			\$ 6.42	\$ 9.29			Zeffert UA Model 2-11-2022
Other Electric	Tenant			\$ 29.57	\$ 41.14			Zeffert UA Model 2-11-2022
Air Conditioning	Tenant			\$ 16.44	\$ 23.05			Zeffert UA Model 2-11-2022
Water Heater	Tenant			\$ 18.96	\$ 24.20			Zeffert UA Model 2-11-2022
Water	Landlord							
Sewer	Landlord							
Trash	Landlord							
Flat Fee	Tenant							
Other	Tenant							
Total Paid by Tenant			\$ -	\$ 99.0	\$ 128.0	\$ -	\$ -	



Other (Describe)

If a revised form is submitted, date of submission:

- A number, even if it is zero, must be entered in the box for “Number of 30% Units used for 30% boost.”
- The average will not calculate unless a number is entered for the boost Units and the table is completed.
- If this does not apply to you, skip this section.

If a revised form is submitted during the application review process, indicate the date of submission at the bottom of the form.

Tab 25 – Utility Allowances:

- Where the Applicant uses any method that requires Department review, including applications for Direct Loan, such review must have been requested prior to submission of the Application.
- Drop down lists are provided to identify “Who Pays” for the utility service and what type of “Energy Source” will be used.
- If Development is **all bills paid**, utilities and energy source is still required.
- The “Total paid by tenant” calculates only those energy sources for which it is indicated the tenant pays.
- **Remember to include your support documentation:**
 - Current PHA utility allowances sheet
 - USDA Rural Housing Services utility schedule (for RHS-regulated buildings)
 - HUD utility schedule (for HUD-regulated buildings)
 - TDHCA ***pre-approval*** of the following *is required prior to application submission (10 TAC §10.614(k))*:
 - HUD Utility Schedule Model
 - Written Local Estimate
 - Energy Consumption Model
 - Actual Use Method/Agency Estimate

NOTE: More information can be found at: <http://www.tdhca.state.tx.us/pmcomp/utility-allowance.htm>

If a revised form is submitted during the application review process, indicate the date of submission at the bottom of the form.

Tab 26 – Annual Operating Expenses:

- Fill in all yellow highlighted cells.
- You must describe any “Other” cost included in any of the expense categories. “Misc” and “Etc.” are not acceptable descriptions. The cells state “describe” in red to remind you to enter a description.
- Annual Debt Service should be consistent with information provided in the *Summary of Sources and Uses of Funds* form as well as the *15 Year Pro Forma*.
- Expense per Unit, Expense to Income ratio, and Debt Service Ratio will be calculated automatically. Applicants should familiarize themselves with the underwriting rules (Subchapter D of the QAP) regarding thresholds for these items.
- **If Bond Trustee or bond compliance fees are included elsewhere in the Application, provide an explanation of where and why.**

Andrea Sivells <andrea@betcohousinglab.com>

RE: Utility Allowance Question

1 message

Cara Pollei <cara.pollei@tdhca.state.tx.us>

Thu, May 5, 2022 at 2:50 PM

To: Andrea Sivells <andrea@betcohousinglab.com>Cc: Lora Myrick <lora@betcohousinglab.com>, Michael Beard <michael@betcohousinglab.com>

Hi Andrea,

Thank you for your email. The Application section of the rule references back to the sections that address each individual methodology. The only one that does not require annual approval of the method is the PHA method, so this one is not required to be approved by the Compliance Division at the time of application. Since all others require annual approval, they must also be approved for use at application.

I hope this helps, if you have more questions please let me know and I will be happy to assist further.

Best,

Cara Pollei

Compliance Monitor

(512) 475-3821

From: Andrea Sivells <andrea@betcohousinglab.com>**Sent:** Thursday, May 5, 2022 2:01 PM**To:** Cara Pollei <cara.pollei@tdhca.state.tx.us>**Cc:** Lora Myrick <lora@betcohousinglab.com>; Michael Beard <michael@betcohousinglab.com>**Subject:** Utility Allowance Question

You don't often get email from andrea@betcohousinglab.com. [Learn why this is important](#)

Hi Cara,

We just had a quick question regarding utility allowances. Where in the rule does it state an applicant needs TDHCA approval to use the HUD-Utility Model in an HTC application?

Thank you,

Andrea Sivells, CPA

Development Consultant

812 San Antonio, Suite L-20

Austin, Texas 78701

(512) 656-4811

www.betcohousinglab.com

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22331

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Pinehurst Villas

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**Request for Administrative
Deficiency**



3700 Buffalo Speedway, Suite 1010
Houston, TX 77098
P: 713.963.8660 F: 713.963.8164

May 6, 2022

Sent Via Email: cody.campbell@tdhca.state.tx.us
colin.nickells@tdhca.state.tx.us

Texas Department of Housing and Community Affairs
Attn: Cody Campbell
Director of Multifamily Programs
221 East 11th Street
Austin, TX 78701

and

Texas Department of Housing and Community Affairs
Attn: Colin Nickells
9% Competitive Housing Tax Credit Program
221 East 11th Street
Austin, TX 78701

Re: 3rd Party Request for Administrative Deficiency
TDHCA Ap # 22331, Pinehurst Villas

Dear Mr. Campbell and Mr. Nickells,

The following letter, per the 2022 Qualified Allocation Plan (the "QAP") section 10 TAC Chapter 11.10, is a Third Party Request for Administrative Deficiency (the "RFAD") in reference to Application 22331, Pinehurst Villas located at 4066 W Park Avenue, Pinehurst, Orange County, Texas 77630.


Application 22331 submitted a market study completed by Novogradac Consulting, LLP. Attached as **Exhibit A** are the opening letter and certification which both reference this entity name. Novogradac Consulting, LLP is not an approved provider on the Texas Department of Housing and Community Affairs' (the "TDHCA") October 19, 2021 List of Approved Market Analysts, attached as **Exhibit B**. The closest similar entity listed on Exhibit A is Novogradac & Company, LLP which is not the same as the entity within the report. Furthermore, the Novogradac Consulting, LLP entity is not listed with the Texas Secretary of State (SOS) as an entity that can do business in Texas, attached as **Exhibit C** are the list of entities from the SOS.

The QAP requires that the market study be completed by a qualified market analyst and TDHCA approved, which is outlined in the Texas Government Code 2306.67055, attached as **Exhibit D**, and 11.303(C), attached as **Exhibit E**.

The market study for Application 22331 was not completed by an approved market analyst and does not meet the requirements for the QAP or the statute. Therefore the market study should not be accepted by TDHCA, nor should a new version be allowed for resubmission due to it being a material change. This should result in Application 22331 being disqualified for not having a valid market study.

I appreciate your time and consideration in reviewing this RFAD.

Sincerely,

DocuSigned by:

CA72646D23AF4DF...
Christopher A. Akbari
The ITEX Group, LLC
832-941-5343
Chris.Akbari@itexgrp.com

cc: Vaughn C. Zimmerman, Applicant, via email at vczdevelop@wilhoitproperties.com
Jeff Beckler, Second Contact, via email at jbeckler@wilhoitproperties.com

Exhibit A



March 23, 2022

Vaughn Zimmerman
VCZ Development, LLC
1329 East Lark Street
Springfield, MO 65804

And

Texas Department of Housing & Community Affairs (TDHCA)
221 East 11th Street
Austin, Texas 78701

Re: Pinehurst Villas
4066 W. Park Avenue
Pinehurst, Orange County, Texas 77630

Dear Mr. Zimmerman:

At your request, **Novogradac Consulting LLP** has performed a study of the rental market in the Pinehurst, Orange County, Texas area relative to the above-referenced proposed new construction age-restricted project known as Pinehurst Villas (Subject).

The purpose of this market study is to assess the viability of the Subject, a proposed low income housing tax credit (LIHTC)/HOME age-restricted new construction multifamily development. The Subject will offer a total of 60 units restricted to senior households age 55 and older earning 30, 50, and 60 percent of the area median income (AMI) or below; further, 22 units will also be HOME units. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. Zachary Barry inspected the Subject site on March 2, 2022; this serves as the effective date of the report. The scope of this report includes the following:

- Inspection of the Subject, Comparable Properties and Neighborhood
- Project Description
- Delineation of the Market Area(s)
- Market Area Economy and Demographic Summary
- A Competitive Rental Market Analysis
- Demand Analysis
- Recommendations/Conclusions
- Photographs
- Market Analyst Qualifications

This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The depth of discussion contained in the report is specific to the needs of the client and the requirements of the TDHCA. The report and the conclusions are subject to the *Assumptions and Limiting Conditions* attached.

Pinehurst Villas
March 23, 2022
Page 2

Novogradac Consulting LLP adheres to market study guidelines promulgated by the National Council of Housing Market Analysts (NCHMA). NCHMA is a professional organization chartered to promote the development of high-quality market analysis for the affordable housing industry. Novogradac is a charter member of this organization. NCHMA has compiled model content standards for market studies. This report, which Novogradac certifies as a NCHMA-compliant comprehensive market analysis full narrative report, conforms to those standards; any slight modifications or departures from those standards are considered incidental. Novogradac is a disinterested third party. The report and the conclusions are subject to the Assumptions and Limiting Conditions attached. Additionally, Novogradac is an approved Qualified Market Analyst as defined by TDHCA.

VCZ Development, LLC. is the client of this report and TDHCA is granted full authority to rely on the findings of the report. Novogradac Consulting LLP is a disinterested party and will not materially benefit from the Development in any other way than receiving a fee for performing the Market Analysis, and the fee is in no way contingent upon the outcome of the Market Analysis.

The authors of this report certify that we are not part of the development team, owner of the Subject property, general contractor, nor are we affiliated with any member of the development team engaged in the development of the Subject property or the development's partners or intended partners. Any person signing this Report acknowledges that the Department may publish the full report on the Department's website, release the report in response to a request for public information, and make other use of the report as authorized by law. All persons signing this report have read and understand the requirements of the Texas Department of Housing and Community Affairs (TDHCA) Real Estate Analysis Rules and Guidelines particularly Section 11.303. We have read and understood the requirements of Subchapter D – Underwriting and Loan Policy section. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. Zachary Barry inspected the Subject on March 2, 2022, which will serve as the effective date of this report. The scope of this report includes the following:

Please do not hesitate to contact us if there are any questions regarding the report or if **Novogradac Consulting LLP** can be of further assistance. It has been our pleasure to assist you with this assignment.

Respectfully submitted,
Novogradac Consulting LLP



Rebecca S. Arthur, MAI
Partner
Rebecca.Arthur@Novoco.com
913-312-4615



Lawson Short
Manager
Lawson.Short@novoco.com
214-236-0750



Matthew Wargo
Senior Analyst
Matthew.Wargo@Novoco.com
469-329-5213



Zachary Barry
Junior Analyst

CERTIFICATION

The undersigned hereby certify that:

We have no present or contemplated future interest in the real estate that is the subject of this market study; the opinions expressed in this report are not based in whole or part upon race, color, or national origin of the current/prospective owners or occupants; We have no personal interest or bias with respect to the subject matter of this market study report or the parties involved.

Our compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event; The assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

This consulting report sets forth all of the limiting conditions (imposed by the terms of this assignment or by the undersigned) affecting the analyses, opinions, and conclusions contained in this report; our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

Zachary Barry has personally inspected the Subject property. Matthew Wargo and Lawson Short also provided much of the research in this report. Rebecca S. Arthur, MAI, has reviewed all of the comparable market data, provided oversight and completed the final review of this Market Study. All referenced parties are competent to perform such analyses.

Novogradac Consulting LLP certifies it is in good standing with the State of Texas as evidenced by being an approved service provider by the TDHCA.



Rebecca S. Arthur, MAI
Partner
Rebecca.Arthur@Novoco.com
913-312-4615



Lawson Short
Manager
Lawson.Short@novoco.com
214-236-0750



Matthew Wargo
Senior Analyst
Matthew.Wargo@Novoco.com
469-329-5213



Zachary Barry
Junior Analyst

Exhibit B

Site Search: GO

Home » REA » Approved Market Analysts

Real Estate Analysis
REA Archive
Contact List
Related Websites

Approved Market Analysts

26 USC Section 42 (m)(1)(A)(iii): a comprehensive market study of the housing needs of low-income individuals in the area to be served by the project is conducted before the credit allocation is made and at the developer's expense by a disinterested party who is approved by such agency.

Free file viewers
(To view and print PDF, DOC, XLS, PPT and PPS files)

List of Approved Market Analysts

Updated: October 19, 2021

Consultant	Website
Affordable Housing Analysts	
Allen & Associates	www.allenadvisors.com
Apartment Market Data	
Bowen National Research	www.bowennational.com
Community Development Strategies	www.cdsmr.com
Evergreen Valuation Services	www.evergreenvaluation.com
Gibson Consulting Group	www.fgibsonconsulting.com
Gill Group	www.gillgroup.com
Jack Poe Company Incorporated	www.poeco.net
JLL	www.jll.com
Kinetic Valuation Group	www.kineticvaluationgroup.com
Novogradac & Company, LLP	www.novoco.com
The Powers Group	
Valbridge Property Advisors, Inc.	www.valbridge.com
Vogt Strategic Insights	www.vsinsights.com

To be included on the approved list, market analysts must provide a response to the Request for Qualifications to Provide Market Study/Analysis. In addition, submitted market analyses must comply with the Department's Market Analysis Rules and Guidelines. These documents can be accessed from <https://www.tdhca.state.tx.us/rea/#mktanalysis>.

For more information, contact Tom Cavanagh (tom.cavanagh@tdhca.state.tx.us) at 512 475-0322

Site Policies



Top of Page

Exhibit C

TEXAS SECRETARY of STATE
JOHN B. SCOTT

FIND ENTITY NAME SEARCH

This search was performed with the following search parameter:

ENTITY NAME : novogradac

Mark	Filing Number	Name	Entity Type	Entity Status	Name Type	Name Status
<input type="radio"/>	500363729	NOVOGRADAC & COMPANY LLP	Foreign Limited Liability Partnership (LLP)	Expired	Legal	Inactive
<input type="radio"/>	500622429	NOVOGRADAC & COMPANY LLP	Foreign Limited Liability Partnership (LLP)	Expired	Legal	Inactive
<input type="radio"/>	801964123	NOVOGRADAC & COMPANY, LLP	Foreign Limited Liability Partnership (LLP)	Expired	Legal	Inactive
<input type="radio"/>	802421335	Novogradac & Company LLP	Foreign Limited Liability Partnership (LLP)	In existence	Legal	In use
<input type="radio"/>	802421335	Novogradac & Company LLP	Foreign Limited Liability Partnership (LLP)	In existence	Legal	Inactive
<input type="radio"/>	801859934	NOVOGRADAC ACCOUNTING SERVICES LLP	Foreign Limited Liability Partnership (LLP)	In existence	Legal	In use
<input type="radio"/>	801859934	NOVOGRADAC ACCOUNTING SERVICES LLP	Foreign Limited Liability Partnership (LLP)	In existence	Legal	Inactive
<input type="radio"/>	801993232	Novogradac Consulting Services LLP	Foreign Limited Liability Partnership (LLP)	In existence	Legal	In use
<input type="radio"/>	801993232	Novogradac Consulting Services LLP	Foreign Limited Liability Partnership (LLP)	In existence	Legal	Inactive

Return to Order

New Search

Instructions:

- To view additional information pertaining to a particular filing select the number associated with the name.
- To place an order for additional information about a filing select the radial button listed under 'Mark' that is associated with the entity and press the 'Order' button.

Exhibit D

Added by Acts 2001, 77th Leg., ch. 1367, Sec. 8.01, eff. Sept. 1, 2001. Amended by Acts 2003, 78th Leg., ch. 330, Sec. 20, eff. Sept. 1, 2003.

Sec. 2306.67055. MARKET ANALYSIS. (a) A market analysis submitted in conjunction with an application for housing tax credits must:

- (1) **be prepared by a market analyst approved by the department;** and
- (2) include an assessment of other developments that are supported by housing tax credits within the market area.

(b) The department, through the qualified allocation plan, shall develop:

- (1) a process for approving market analysts; and
- (2) a methodology for determining the market area to be examined in a market analysis.

Added by Acts 2003, 78th Leg., ch. 330, Sec. 21, eff. Sept. 1, 2003.

Sec. 2306.6706. ADDITIONAL APPLICATION REQUIREMENT: NONPROFIT SET-ASIDE ALLOCATION. (a) In addition to the information required by Section **2306.6705**, an application for a housing tax credit allocation from the nonprofit set-aside, as defined by Section 42(h)(5), Internal Revenue Code of 1986 (26 U.S.C. Section 42(h)(5)), must contain the following written, detailed information with respect to each development owner and each general partner of a development owner:

- (1) Internal Revenue Service documentation of designation as a Section 501(c)(3) or 501(c)(4) organization;
- (2) evidence that one of the exempt purposes of the nonprofit organization is to provide low income housing;
- (3) a description of the nonprofit organization's participation in the construction or rehabilitation of the development and in the ongoing operations of the development;
- (4) evidence that the nonprofit organization prohibits a member of its board of directors, other than a chief staff member

Exhibit E

(5) Exceptions. The infeasibility conclusions will not apply if:

(A) The Executive Director of the Department finds that documentation submitted by the Applicant at the request of the Underwriter will support unique circumstances that will provide mitigation.

(B) Developments not meeting the requirements of one or more of paragraphs (3)(A) or (4) of this subsection will be re-characterized as feasible if one or more of clauses (i) - (v) of this subparagraph apply. A Development financed with a Direct Loan will not be re-characterized as feasible with respect to (4)(B). The Development:

(i) will receive Project-based Section 8 Rental Assistance or the HUD Rental Assistance Demonstration Program for at least 50% of the Units and a firm commitment, with terms including Contract Rent and number of Units, is submitted at Application;

(ii) will receive rental assistance for at least 50% of the Units in association with USDA financing;

(iii) will be characterized as public housing as defined by HUD for at least 50% of the Units;

(iv) meets the requirements under §11.1(126)(E)(i) as Supportive Housing and there is an irrevocable commitment, as evidenced by resolution from the sponsor's governing board, to fund operating deficits over the entire Affordability Period;; or

(v) has other long term project based restrictions on rents for at least 50% of the Units that allow rents to increase based upon expenses and the Applicant's proposed rents are at least 10% lower than both the Net Program Rent and Market Rent.

§11.303. Market Analysis Rules and Guidelines.

(a) General Provision. A Market Analysis prepared for the Department must evaluate the need for decent, safe, and sanitary housing at rental rates or sales prices that eligible tenants can afford. The analysis must determine the feasibility of the subject Development rental rates or sales price, and state conclusions as to the impact of the Development with respect to the determined housing needs. The Market Analysis must include a statement that the report preparer has read and understood the requirements of this section. The Market Analysis must also include a statement that the person or company preparing the Market Analysis is a disinterested party and will not materially benefit from the Development in any other way than receiving a fee for performing the Market Analysis, and that the fee is in no way contingent upon the outcome of the Market Analysis. The report must also include the following statement, "any person signing this Report acknowledges that the Department may publish the full report on the Department's website, release the report in response to a request for public information and make other use of the report as authorized by law."

(b) Self-Contained. A Market Analysis prepared for the Department must allow the reader to understand the market data presented, the analysis of the data, and the conclusions derived from such data. All data presented should reflect the most current information available and the report must provide a parenthetical (in-text) citation or footnote describing the data source. The analysis must clearly lead the reader to the same or similar conclusions reached by the Market Analyst. All steps leading to a calculated figure must be presented in the body of the report.

(c) Market Analyst Qualifications. A Market Analysis submitted to the Department must be prepared and certified by an approved Qualified Market Analyst. (§2306.67055) The Department will maintain an approved Market Analyst list based on the guidelines set forth in paragraphs (1) - (2) of this subsection.

(1) The approved Qualified Market Analyst list will be updated and published annually on or about November 1st. If not listed as an approved Qualified Market Analyst by the Department, a Market Analyst may request approval by submitting items in subparagraphs (A) - (F) of this paragraph at least 30 calendar days prior to the first day of the competitive tax credit Application Acceptance Period or 30 calendar days prior to submission of any other application for funding for which the Market Analyst must be approved. An already approved Qualified Market Analyst will remain on the list so long as at least one (1) Market Analysis has been submitted to the Department in the previous 12 months or items (A), (B), (C) and (E) are submitted prior to October 1st. Otherwise, the Market Analyst will automatically be removed from the list. Submission items include:

(A) Franchise Tax Account Status from the Texas Comptroller of Public Accounts (not applicable for sole proprietorships);

(B) A current organization chart or list reflecting all members of the firm who may author or sign the Market Analysis. A firm with multiple offices or locations must indicate all members expected to be providing Market Analysis;

(C) Resumes for all members of the firm or subcontractors who may author or sign the Market Analysis;

(D) General information regarding the firm's experience including references, the number of previous similar assignments and timeframes in which previous assignments were completed;

(E) Certification from an authorized representative of the firm that the services to be provided will conform to the Department's Market Analysis Rules and Guidelines, as described in this section, in effect for the Application Round in which each Market Analysis is submitted; and

(F) A sample Market Analysis that conforms to the Department's Market Analysis Rules and Guidelines, as described in this section, in effect for the year in which the sample Market Analysis is submitted.

(2) During the underwriting process each Market Analysis will be reviewed and any discrepancies with the rules and guidelines set forth in this section may be identified and require timely correction. Subsequent to the completion of the Application Round and as time permits, staff or a review appraiser will re-review a sample set of submitted market analyses to ensure that the Department's Market Analysis Rules and Guidelines are met. If it is found that a Market Analyst has not conformed to the Department's Market Analysis Rules and Guidelines, as certified to, the Market Analyst will be notified of the discrepancies in the Market Analysis and will be removed from the approved Qualified Market Analyst list.

(A) In and of itself, removal from the list of approved Market Analysts will not invalidate a Market Analysis commissioned prior to the removal date and at least 90 days prior to the first day of the

22274

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Cady Lofts

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**Request for Administrative
Deficiency**

May 2, 2022

TDHCA
Colin Nickells
221 East 11th Street
Austin, TX 78701

RE: TDHCA Application #22274 (Cady Lofts)

Dear Mr. Nickells,

I've let the Neighborhood Association challenge the most cut-and-dry items but I am still concerned about a couple of points. I request that Staff considers them and summarizes my concerns to the board for consideration:

1. **Input from Community Organizations.** Neither Any Baby Can nor Capital IDEA are relevant to the target population. Although TAC does not provide a mechanism for rescinding letters, it makes no sense to award points based on the letter from these organizations.

This facility is not family or child oriented. I suppose TDHCA could award points to a letter from the Red Cross if they chose to but I hope that you consider the relevance of the organization to the development and this is not just a checkbox in a rule-bound process.

2. **Supportive Services.** New Hope Housing appears to be excellent based on our very brief interactions with them. However, we feel like there is a disconnect between what they aspire to do and what they can deliver with respect to Cady Lofts. They are based in Houston and do not have a service and support network in Austin.

The typical requirement is that the service non-profit is local but Cady Loft skirts that by using AAHC (HACA) as a 'qualified non-profit' and calling NHH a 'coordinator'.

Only \$20,000 per year is listed under supportive services in Annual expenses. A paltry \$16/mo per person – less than an hour of labor -- for a facility that charges close to \$1,000/mo in rent. Where does the rest of the money come from?

I specifically challenge the services points on the grounds that (a) they are supposed to be provided by a local non-profit (b) TDHCA is tasked with assessing the ability to provide quality services based on evidence in the application rather than relying on promises and reputation and (c) the services are woefully under-funded relative to what is promised by the applicant which makes the pro-forma inaccurate.

By statute, the points awarded must be proportional to the services provided.

3. Austin Affordability Housing Corporation. AAHC significantly overstates its involvement in the project. AAHC is a finance operation not an operator. To quote from the application:

3) Describe the nonprofit's participation in the operation of the Development throughout the Compliance and/or extended use period:

Austin Affordable Housing Corporation will be the sole member of the managing member as well as the sole member of the Co-Developer, overseeing development and construction of property as well as all aspects of long-term operation including but not limited to day-to-day operations and oversight, financial reviews, management reviews, and marketing and compliance.

In a very narrow sense, it may be true but it is misleading. The only way this statement is true and correct is, on paper, they will have legal authority to replace the people who are the managing member in a traditional sense. The language about "long-term operation" and "day-to-day" operations is to redirect your attention away from the word "overseeing".

In reality, the facility will be run by the developers throughout the compliance period. AAHC will look at their finances once per month. They have no expertise in items they claim to oversee outside of finance. There will be no meaningful oversight unless something goes wrong and they intervene to protect their reputation. Specifically, they will act like a passive investor in a for-profit company that has majority control but is content to let the managing partner do all the work.

I bring this to your attention for three reasons. First, I think you are probably unaware of this arrangement. Second, I want the State to prioritize non-profits that are directly involved. Third, I believe that AAHC would fail the legal definition of being a 'managing member' according to the courts and I want to give you the opportunity to address this issue pre-award.

After talking extensively to the principals, I think I understand what happened. Originally, the developers had a local non-profit lined up to provide services but that fell through because the developers didn't want to change their building design for economic reasons. They turned to New Hope Housing at the last minute but NHH does not have a local presence. So, the developers decided to put their financial partner on the application instead.

Activists I have talked to warned me that it is important that the services story is solid because it is harder to fund services than construct buildings. I am all for providing supportive housing for people who need it. I am willing to have it near me even. But I want it to work.

Additional information is provided below for your consideration.

Joshua Ellinger

Additional Detail

Insufficient evidence of supportive services

New Hope Housing, an excellent organization out of Houston, has been engaged to coordinate rather than directly provide services.

Cady Lofts will be developed through a partnership between SGI and AAHC to contribute to the City of Austin's pressing goal of delivering supportive housing units to reduce the number of people experiencing homelessness in Austin. In addition, New Hope Housing ("NHH"), nationally known for its expertise in developing and operating permanent supportive housing for the chronically homeless in Houston, will be a key member of the management team as a third-party supportive services coordinator. NHH will also

126. (B)(i) About New Hope Housing—Third Party PSH Development Consultant and Supportive Services Coordinator

New Hope Housing develops, owns, and operates affordable, permanent Housing and Services for people who live on modest incomes. Since 1993 our high-quality product has offered a platform for individuals and families to improve their lives. NHH is the preeminent supportive housing and PSH provider in the State of Texas. In 2020 NHH expanded its mission to serve other nonprofits and advise developers in the design, construction, and management of supportive housing communities across Texas. Presently, NHH

As you are probably aware, supportive services are expensive and the people who provide them are routinely underfunded. If we were in Houston, where New Hope Housing has an established networks of supporting vendors and strong fund-raising capabilities, we should not be concerned about the delivery of services.

However, we are in Austin where NHH do not have a presence. Austin is a very difficult and expensive labor market to find people to provide services. The application does not identify a single local non-profit that could potentially provide services and simply relies on the reputation of NHH as a basis that it will be able to deliver on its commitments.

The enabling statute requires that TDHCA consider the ability to provide quality support services. The application provides no evidence that the developer will this but rather indicates that the developer expects other unidentified non-profits to provide services with no financial commitment from the development. If there is evidence in other documents, it needed to be included in the application materials for public consideration prior to the March 1st final submission deadline.

The Applicant does promise "enough resident supportive services, at no charge to the residents, be accessible to all residents (market rate and low-income), and be maintained throughout the Affordability Period, to meet the required minimum number of points as further described in 10 TAC §11.101(b)(7), and offered in accordance with 10 TAC §10.619"

(3) Resident Supportive Services. (§2306.6710(b)(3) and (1)(G), and §2306.6725(a)(1)) A Development may qualify to receive up to eleven (11) points.

(A) The Applicant certifies that the Development will provide a combination of resident supportive services, which are listed in §11.101(b)(7) of this chapter (relating to Development Requirements and Restrictions) and meet the requirements of that section. (10 points).

(B) The Applicant certifies that the Development will contact **local** nonprofit and governmental providers of services that would support the health and well-being of the Department's residents, and will make Development community space available to them on a regularly-scheduled basis to provide outreach services and education to the tenants. Applicants may contact service providers on the Department list, or contact other providers that serve the general area in which the Development is located. (1 point).

(<https://casetext.com/statute/texas-codes/government-code/title-10-general-government/subtitle-g-economic-development-programs-involving-both-state-and-local-governments/chapter-2306-texas-department-of-housing-and-community-affairs/subchapter-dd-low-income-housing-tax-credit-program/section-23066725-scoring-of-applications>)

New Hope Housing collects a \$500,000 development fee that could be used towards providing services. However, it would then run afoul of the (B) section about. At best, NHH will use its fee to establish a local presence. All we really have is a promise with no evidence of adequate funding.

From Section 2306.6725 - Scoring Of Applications

(a) In allocating low income housing tax credits, the department shall score each application using a point system based on criteria adopted by the department that are consistent with the department's housing goals, including criteria addressing the **ability** of the proposed project to:

(1) provide **quality** social support services to residents;

(d) For each scoring criterion, the department shall use a range of points to evaluate the degree to which a proposed project satisfies the criterion. The department may not award:

(1) a number of points for a scoring criterion that is disproportionate to the degree to which a proposed project complies with that criterion; or

This fails to satisfy the requirement that the TDHC insures that the developer provides quality services.

22274

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Cady Lofts

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**Request for Administrative
Deficiency**

May 6, 2022

TDHCA
Colin Nickells
221 East 11th Street
Austin, TX 78701

RE: TDHCA Application #22274 (Cady Lofts)

Dear Mr. Nickells,

This is a supplemental (additional) Request for Third Party for Review related to items requested by the Hancock Neighborhood Association (HNA). I am providing additional information and context based upon our discussions, as well as a few additional items that I believe are relevant after studying the process as defined by TAC.

I am requesting a review of four additional items for which Cady Lofts claimed points in Application #22274 for 9% federal tax credits under the process defined by Texas Administrative Code §11.9 to implement Texas Governmental Code Chapters 2306, Code §42.

1. **Qualified Community Participation §11.9 (d) (4).** Coan Dillahunty, president of the HNA, has provided TDHCA a resolution of opposition to the proposed development. The resolution, combined with declarations in the application, are sufficient to meet all the requirements set forth in Texas Administrative Code for consideration.

However, you have advised us that there was a March 1st deadline to submit this opposition for it to be included in scoring. We were never informed of this deadline. You cited a graphic (pdf) located at <https://texreg.sos.state.tx.us/fids/202104795-1.pdf> and appear to believe that this is grounds for excluding the HNA from the scoring process.

I do not believe this March 1st deadline is enforceable. I am not convinced that the schedule is legally part of TAC, as it appears to be a per-year schedule added by administrative staff rather than a definition of policy, thus should not be given the same weight as the published TAC or Governmental Code and should not be allowed to impose early deadline on the HNA.

I find no evidence in either TAC or Texas Governmental Code that there was an intention to apply the same deadline for the State Representatives to the Neighborhood Associations. Instead, each group has its own explicitly defined deadlines, with no deadlines indicated in §11.9 (d) (4). I find strong direction to incorporate feedback from adjacent property owners in the scoring process, even to the extent of providing special mechanisms for areas without neighborhood associations.

In addition, TDHCA has a duty to “provide information” to the HNA under §2306.6717 (b) which was not met. The HNA was not informed of the March 1st deadline or even the opening/closing dates for applications as explicitly called for in the statute.

I have included details surrounding the notice requirements at the end of this letter.

Given that the scoring has not been finalized, it is not a particular burden on TDHCA staff to include our feedback nor is it unfair to the applicant. Considering the lack of textual support in TAC and the notification deficiencies, I request that TDHCA staff count the HNA resolution as part of the scoring process.

From a practical point of view, I think important consideration for the TDHA board is that the award is likely to be contested/appealed if the deciding factor comes down to the QCP.

2. **Input from Community Organizations** §11.9 (d) (6). Due to opposition from the Hancock Neighborhood Association, the application is not allowed to claim points for letters of support from community organizations.

Even if TDHCA does not accept our ability to participate under §11.9 (d) (4), TDHCA is still required to strip the application of all points under this section based on the letter of opposition. There is no language that couples the two sections and the deadline that you cited is explicitly with respect to §11.9 (d) (4).

3. **Concerted Revitalization Plan** §11.9 (d) (7). The neighborhood plan cited by the City of Austin does not meet the statutory requirements for a concerted revitalization plan. Indeed, to the extent that the neighborhood plan cited is relevant, the proposed development works against said plan.

As a resident of Austin, you are no doubt aware that the Austin housing crisis is a consequence of its economic success rather than failures that lead to the need for revitalization.

Coan's request covers these items in sufficient detail. I am repeating the request in case to ensure it is submitted before the deadline. The requirements for defined a revitalization plan is defined in TAC §11.9 (7) (B) (i) (I-IV).

If TDHCA staff reads the neighborhood plan, it will be obvious that it does not qualify. TDHCA cannot consider the City-wide goals provided in James May's letter as they are not cited in the provided plan.

4. **Per-Application Participation** §11.9 (e) (3) (E). If the application score changes by more than four points, the application forfeits the six points it claims from the pre-application for Unit Size. Points for Unit size must be claimed on the pre-application because the unit sizes are less than the minimum allowed size for efficiency units.

I am call this out for completeness.

Thank you for your work in insuring that the best developments get built with the limited funds available. I hope that there is future application in our neighborhood that we will be able to support.

Joshua Ellinger

Notification Requirements

TDHCA has a strict duty to provide information to us under §2306.6717 (b).

- (b) The department shall make available on the department's website information regarding the low income housing tax credit program, including notice regarding public hearings, meetings, the opening and closing dates for applications, submitted applications, and applications approved for underwriting and recommended to the board, and shall provide that information to:
- (1) locally affected community groups;

“Providing information” is a different (higher) standard than “making it available”. The statute requires that TDHCA do both. It would be an indefensibly narrow reading to claim that the act of publishing the required information to the department's website in a non-searchable hard-to-find link is sufficient to consider it “provided”.

Independent of interpretation, the only notice that the HNA received on January 7th. It does not satisfy notification requirements under §2306.6717 (b) because it does

- (1) not provide us with the opening and closing dates of the application process;
- (2) includes a misleading deadline for public comment without mentioning any deadline for submitting information about the QFP; and
- (3) came from a third party when the statute requires that the department provides that information.

This is the text of the letter:

Dear Official:

Cady Lofts, LLC is making an application for the Housing Tax Credit Program and possibly the Multifamily Direct Loan Program with the Texas Department of Housing and Community Affairs (TDHCA) for Cady Lofts to be located at the NWQ of E 39th St and N IH 35, Austin, TX 78751 in Travis County. The residential density of the Development, i.e., the number of Units per acre, is estimated at a maximum of 176.6. This proposed new construction development is an apartment community that will be a maximum of 130 units of which 120 units will be reserved for residents at or below 60% of Area Median Income or averaging up to 60% of Area Median Income. The proposed development will serve permanent supportive housing residents.

In the spring, TDHCA will hold public hearings in various locations around the state or virtually to gather input on Competitive Housing Tax Credit applications. The hearing schedule along with contact information for written public comment will be posted on TDHCA's Public Comment Center website (<http://www.tdhca.state.tx.us/public-comment.htm>) later this year. An interested party or Neighborhood Organization can provide comments on any and all applications at each hearing, or can provide written comments to the Department by email at HTCPC@tdhca.state.tx.us, or by mail at: Texas Department of Housing and Community Affairs, Public Comment - Multifamily Finance Division, P.O. Box 13941, Austin, TX 78711-3941.

Note that in order for input on Competitive Housing Tax Credit applications to be included in the materials relating to presentation for awards to be provided to the Governing Board of TDHCA, such input must be received by TDHCA by 5:00 p.m., Austin TX local time, on June 1, 2022.

Sincerely,

Lisa Stephens
Consultant, Saigebrook Development LLC
Representative for Cady Lofts, LLC
5501-A Balcones Dr. #302
Austin, TX 78731
Phone: (352) 213-8700

22274

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Cady Lofts

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**Request for Administrative
Deficiency**

From: Joshua Ellinger
To: Coan Dillahunt; Cody Campbell
Cc: Colin Nickells; Bart Whalley; Bruce H. Fairchild; Laura T.
Subject: Re: TDHCA Application #22274 (Cady Lofts) (called "the Application") concerning placing a Housing Project of 100 units onto property that is not presently zoned for such a project (the "Project")
Date: Thursday, May 5, 2022 7:37:34 PM
Attachments: Hancock Neighborhood Association-100p cropped.png

Colin/Cody,

In case it was not clear, Coan intended an additional "Request from Third Party for Review" with respect to the QCP and the "Qualified Revitalization Plan". Please let us know if you need additional confirmation before processing his request.

We realize that your declared deadline with respect for feedback from the Neighborhood was March 1st but contend that the deadline is unenforceable due to the fact that we were never notified of it, we should not be expected to know about it since this is the first application for this area in 30+ years, and that it is unreasonable to expect us to find it in the TDHCA website. As you recall, I was not actually able to find it after taking several hours to look for it and had to ask you for where it was located. I plan to make this argument to your board on March 12 and hope that the board has the authority to grant us an exception.

I will send in a second (additional) request in the morning covering the same points in more detail in the morning and add a few more that I think need consideration. Coan is the HNA president and I have been working closely with him but, to be clear, he speaks for the neighborhood while I am just a concerned citizen.

Thanks,

Josh

On Thu, May 5, 2022 at 5:12 PM Coan Dillahunt <coan.dillahunt@gmail.com> wrote:



May 5, 2022

TDHCA
Colin Nickells, Competitive Housing Tax Credit Manager
221 East 11th Street
Austin, TX 78701

RE: TDHCA Application #22274 (Cady Lofts) (called "the Application") concerning placing a Housing Project of 100 units onto property that is not presently zoned for such a project (the "Project")

Dear Mr. Nickells,

On behalf of the Hancock Neighborhood Association ("HNA"), we respectfully request that your agency review certain items in the Application mentioned above – some of which we list below. In addition, we would respectfully request that HNA be permitted additional time in which to submit other comments about the Project Application. Please note that the HNA has not, until a few weeks ago, received any meaningful or adequate notice about key details of the Project. HNA is learning more each day.

We understand the importance of your agency to the people of Texas and its role in creating affordable housing – which our HNA supports. The HNA believes, however, that applications for certain large projects such as this are worthy of attention for their contents and also to assure compliance with applicable laws and regulations. We appreciate your efforts to analyze applications in a fair manner. It is our understanding that transparency and input from local neighborhood associations is an important factor. We would also appreciate your consideration and feedback on the following with respect to the Application and the Project (and I would be happy to meet in person if you prefer):

1. At the outset, we wish to point out the applicant has not completed the purchase of the land for the Project at this time – they have merely paid a modest earnest money deposit under a contract for the land, submitted the Application to you, arranged for letters from various City of Austin agencies and staff about the Project, and filed an application with the City of Austin to change the Neighborhood Plan and zoning classifications that have been in effect for about 20 years. [Please that if the project were to proceed, it would be situated on land which is presently not zoned for such a project and would require a zoning change, which is opposed by the HNA].
2. Approximately two months after the Application was submitted to your agency in February 2022, the HNA finally began to realize the scope of the Project and what was transpiring. The HNA called a special meeting for all members on April 20th concerning the Project, and a Resolution was passed whereby 87.5% of the voting members of the HNA opposed the Project. Please see that Resolution attached.
3. Recently, the HNA began to review the Application – for example, it noticed that a Phase 1 Environmental Report was conducted by Phase Engineering that recommended additional items (the site for the Project is a half block from a Shell gas station). We asked the applicants for a copy of the Phase 1 report, but they did not provide it. HNA also noticed that the Application showed that 39th Street would be one of the main streets used by people living in the Housing Project, but 39th street is a busy traffic street with no sidewalks. We also asked if there were any deed restrictions that we might review. We asked other questions of the applicants as well.
4. Also, when HNA reviewed the Application, it noticed certain statements about a "Concerted Revitalization Plan" (§11.9 (d) (7)). I believe those comments were in a letter from a City staff member of the City Housing Department. It is the present opinion of the HNA, subject to its further review by an expert to be retained, that the neighborhood planning area, location, district, and area for the Project (referenced in the letter) does not meet the statutory requirements for the definition of a "concerted revitalization plan." As can be seen from the HNA's Resolution, the Project is inconsistent with the Hancock community, Imagine Austin, and the present neighborhood plan. Kindly consider the following:
 - Per section (A) (ii), the plan must be submitted as part of the Application. The City chose to select *Central Austin Combined Neighborhood Plan* (https://www.austintexas.gov/sites/default/files/files/Housing_%26_Planning/Adopted%20Neighborhood%20Planning%20Areas/03_CentralAustinCombined/ca-combined-np.pdf)
 - In the opinion of the HNA, the letter from the City staff referred to unrelated plans as reasons for support of the Project – and in any event, without sufficient supporting evidence.
 - HNA strongly believes in its opinion that the facts do not show there is an "Acceptable Concerted Revitalization Plan."
 - The Hancock Neighborhood plan is, in fact, focused on the preservation of the neighborhood rather than revitalization and explicitly sought to maintain the current SF-3 zoning on one of the lots that the applicant has included in their site plan.
 - HNA strongly believes in its opinion that the neighborhood plan meets none of the criteria defined in TAC §11.9 (7) (B) (i) (I-IV). (https://texreg.sos.state.tx.us/public/readactSext.TacPage?sl=1&app=9&p_dir=F&p_rloc=181617&p_tloc=44700&p_ploc=29738&pg=7&p_tac=&ti=10&pt=1&ch=11&rl=8)
5. The HNA understands that there is a scoring system for applications. HNA understands that if the application score changes by more than a certain number of points, then there is a larger point deduction. HNA has heard that the "Unit" size is also an important criterion (i.e., is it the case that points for unit size must be claimed on the pre-application and if under the minimum size for an efficiency, then there is an effect?)
6. Kindly also refer to the two brief Supplemental Paragraphs below for further information about our neighborhood area.

Thank you in advance for your professional consideration of these matters. Please do not hesitate to contact me if you have any questions.

Sincerely,

Coan Dillahunty, as President of the HNA

Supplemental Paragraphs

About the Hancock Neighborhood

This area is a moderately affluent, economically-diverse single-family neighborhood near a wealthy historic district (Hyde Park) and I-35. There is no heavy industry or large adverse environmental conditions. Property values have been skyrocketing throughout the area. As cited in the Application, it has excellent public transport, is near several hospitals, has minimal crime, is close to one of the best elementary schools in Austin, and has ample employment opportunities.

Nothing about it needs revitalization.

The Hancock Neighborhood Association plan is preservation-oriented.

The plan was adopted in 2004. It has no funding or timetable. It has no goals related to revitalization. In fact, the word "revitalize" appears only once in the document in the context of a historical narrative.

There are no ongoing goals (outside of preservation of SF-3 zoning) associated with Hancock. There is no public official who oversees the plan because there is nothing to oversee.

The designation of SF-3 zoning on the 1004 E. 39TH St lot is a carefully considered and core goal of the neighborhood plan.

8f

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