

# **SUPPLEMENTAL**

## **BOARD MEETING OF JULY 18, 2011**

**C. Kent Conine, Chair**



Tom Gann, Vice-Chair  
Leslie Bingham Escareño, Member  
Juan Muñoz, Member  
Lowell Keig, Member  
J. Paul Oxer, Member

## BOARD ACTION REQUEST

July 18, 2011

### Recommended Action

Authorize and direct the Executive Director to Move Forward with the Procurement of a Provider to Perform a Phase 2 Analysis of Impediments (AI) to Fair Housing Choice for the State of Texas through a Request for Proposal (RFP).

**WHEREAS**, the State of Texas as a recipient of federal appropriations from the U.S. Department of Housing and Urban Development is required to have a current AI to fair housing choice;

**WHEREAS**, the Department, as the state agency statutorily directed to administer most state and federal housing programs, has been tasked with the responsibility of ensuring that the required analysis is performed;

**WHEREAS**, the Department received U.S. Department of Housing and Urban Development approval of the Phase 1 AI on May 13, 2011;

**WHEREAS**, this Board desires that the Department move as expeditiously as possible to complete the update to the AI and ensure that it is thorough and has comprehensive analysis; and

**WHEREAS**, this Board demands compliance with all applicable legal requirements and strongly supports developing a well-prepared and thoroughly-documented AI to fair housing choice

It is hereby:

**RESOLVED**, that the Executive Director and his designees and each of them be and they hereby are directed, authorized, and empowered, for and on behalf of this Department, to procure a qualified third party to perform Phase 2 of the AI to Fair Housing Choice as required by the U.S. Department of Housing and Urban Development; and

**FURTHER RESOLVED**, the Executive Director and his designees are authorized and empowered, for and on behalf of the Department, to take such actions; prepare and circulate such requests for proposal, bids, or similar procurement documents, generally consistent with the draft request for proposals presented to this meeting, together with such changes as they may deem necessary or advisable to address issues raised in discussion at this meeting, to promote the best interests of the state, or to comply with procurement requirements; execute and deliver such other contracts, documents, instruments, and writings; and perform such other acts and deeds as they or any of them may deem necessary or advisable to effectuate the foregoing; **PROVIDED**, however, that if the Executive Director at any time deems it not to be in the best interest of the Department to pursue such procurements or execute such contracts, the Executive Director may decline to proceed, and

**FURTHER RESOLVED**, that the Executive director shall provide the Board with updates on any action taken with regard to the foregoing; and

**FURTHER RESOLVED**, that the Executive Director is hereby requested to bring to this Board any necessary recommendations for adjustments to the Department's operating budget to provide for the funding of such procurement.

### **Background**

As part of the Consolidated Planning process, the U.S. Department of Housing and Urban Development (HUD) requires the State to certify that it will affirmatively further fair housing (AFFH). AFFH is defined by HUD as (1) preparing an AI to Fair Housing, (2) taking appropriate actions to overcome the effects of any impediments identified through the analysis, and (3) maintaining records reflecting the analysis and actions.

The AI is a review of impediments to fair housing choice. The analysis covers public and private policies, practices, and procedures affecting housing choice. Impediments to fair housing choice include, but are not limited to:

- Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin that restrict housing choices or the availability of housing choice; and
- Any actions, omissions, or decisions that have the effect of restricting housing choices or the availability of housing choices on the basis of race, color, religion, sex, disability, familial status, or national origin.

The AI serves as the basis for fair housing planning, provides essential information to policy makers, administrative staff, housing providers, lenders, and fair housing advocates, and assists in building public support for fair housing efforts.

As presented to the Board in January 2010, the Department last revised the AI to Fair Housing in January 2003. The 2003 AI was conducted in-house and required significant resources to develop. The Department started the process to update its AI in late 2010 and on March 24, 2011, the Department submitted an updated AI, known as the Phase 1, which covered a sixty-three (63) county area eligible to receive hurricane recovery funds as a result of hurricanes that occurred in 2008. The Phase 1 AI identified 16 impediments in four categories: education, training, planning, and enforcement, and received HUD approval on May 13, 2011.

TDHCA will release a RFP, consistent with the Phase 1 HUD approval letter, seeking a qualified firm that has experience in the development of AIs with which to contract for the preparation of the Phase 2 AI. The draft RFP presented to this meeting will be generally consistent with the final RFP, but may be revised as deemed necessary or advisable to address issues raised by the Governing Board, to promote the best interests of the state, or to comply with procurement requirements.





**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS  
REQUEST FOR PROPOSAL**

PROPOSAL NO. 332-RFP  
PROPOSAL DUE 4:00 P.M. 09/23/2011  
at 221 East 11<sup>th</sup> Street  
Austin, Texas 78701

**PREFERENCES: See Section 2.38 of the State of Texas Procurement Manual regarding preferences. Check below to claim a preference under 34 TAC § 20.38.**

- Goods produced or offered by a TX bidder that is owned by a Texas resident service-disabled veteran
- Goods produced or offered by a TX bidder that is not owned by a Texas resident service-disabled veteran
- Agricultural products grown in TX
- Agricultural products offered by TX bidder\*
- Services offered by a TX bidder that is owned by a Texas resident service-disabled veteran
- Services offered by a TX bidder that is not owned by a Texas resident service-disabled veteran
- Texas Vegetation Native to the Region
- USA produced supplies, materials or equipment
- Products of persons with mental or physical disabilities
- Products made of recycled, remanufactured, or environmentally sensitive materials including recycled steel
- Energy efficient products
- Rubberized asphalt paving material
- Recycled motor oil and lubricants
- Products produced at facilities located on formerly contaminated property
- Products and services from economically depressed or blighted areas
- Vendors that meet or exceed air quality standards
- Recycled or Reused Computer Equipment of Other Manufacturers
- Foods of Higher Nutritional Value

Delivery in \_\_\_\_\_ days, cash discount \_\_\_\_\_ % \_\_\_\_\_ days

**Award Notice:** The State reserves the right to make an award that will serve the best interest of the State and to reject any and all items in the sole discretion of the State. The State may choose to make no award, or upon making an award, may choose not to pursue the federal request for the activity to which this RFP relates.

**IF RESPONDING** - Each PROPOSAL must be placed in a separate envelope with PROPOSAL due date and PROPOSAL number annotated immediately below return address on SEALED OFFER ENVELOPE.

FAX NUMBER FOR RESPONDING: 1-512-475-2672

**IF RESPONDING, RETURN SEALED RESPONSES TO:**

Texas Department of Housing and Community Affairs

Attention: Purchasing

PO Box 13941, Austin, TX 78711-3941

**OR HAND DELIVER TO:** 221 East 11th Street (8am-5pm)

**OR OVERNIGHT/ EXPRESS MAIL TO:** 221 East 11th Street, Austin, TX 78701

**IF NOT RESPONDING DO NOT RETURN THIS FORM.**

QUOTE F.O.B. DESTINATION for shipment to TDHCA, 221 East 11<sup>th</sup> Street, Austin TX 78701

FOR ADDITIONAL INFORMATION REGARDING THIS RFP CONTACT: Julie M. Dumbeck @1-512-475-3991 or Sue A. Jaeger @1-512-475-3984 EMAIL: [julie.dumbeck@tdhca.state.tx.us](mailto:julie.dumbeck@tdhca.state.tx.us) or [sue.jaeger@tdhca.state.tx.us](mailto:sue.jaeger@tdhca.state.tx.us)

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# TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

## Request for Proposals for Vendor to Perform the Phase 2 Analysis of Impediments to Fair Housing Choice for the State of Texas

### I. PURPOSE OF THE REQUEST

The Texas Department of Housing and Community Affairs (may be referred to as the Department or TDHCA) is requesting proposals for the completion of the second part of a two-phase Analysis of Impediments to Fair Housing Choice (AI) for the State of Texas.

HUD, through the Consolidated Plan regulations (24 CFR Part 91), requires each state to submit an annual certification that it is affirmatively furthering fair housing (AFFH). This includes a requirement that each state conduct an AI. It also requires that states update their AIs from time to time to ensure that they are current. The State, as a recipient of a variety of funds from HUD, including the Community Development Block Grant Program (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grant Program (ESGP), and Housing Opportunities for Person with AIDS (HOPWA), must update its AI in accordance with HUD's Fair Housing Planning Guide.

An AI is a comprehensive tool that involves the compilation and analysis of demographic and economic data and the identification of impediments to fair housing choice in the public and private sector. The Department intends to use these tools to identify barriers to affordable housing choice so that it can be proactive in fashioning ways to help promote housing choice and achieve the objectives of the law. The AI will have the necessary analysis and possible solutions to barriers to AFFH to enable the State to evaluate whether the programs established and administered by its awardees are meeting the requirement to AFFH. AFFH should help identify and prevent discrimination against protected classes. Protected classes, defined by the Fair Housing Act, are groups of persons identified on the basis of race, color, religion, national origin, sex, familial status, and disability status. As defined by HUD, impediments to fair housing choice include, but are not necessarily limited to:

- A. Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin that restrict housing choices or the availability of housing choice; and
- B. Any actions, omissions, or decisions that have the effect of restricting housing choices or the availability of housing choices on the basis of race, color, religion, sex, disability, familial status, or national origin.

TDHCA submitted the Phase 1 AI to the U.S. Department of Housing and Urban Development (HUD) on March 28, 2011, and it was approved by HUD on May 13, 2011. The Phase 1 AI involved an AI for all areas within the geographic area defined as eligible for CDBG disaster recovery assistance relating to Hurricane Ike and Hurricane Dolly (Exhibit C). The Phase 2 AI will evaluate all areas of the State to include all 254 counties, but Phase 1 will remain in place.

## II. OBJECTIVE

The primary objective of this RFP is to identify a Vendor to conduct a comprehensive AI for the Department. The preparation of an acceptable AI will involve compiling and assessing data, identifying impediments to fair housing choice within the State of Texas, and offering affirmative measures that could be taken to address identified impediments.

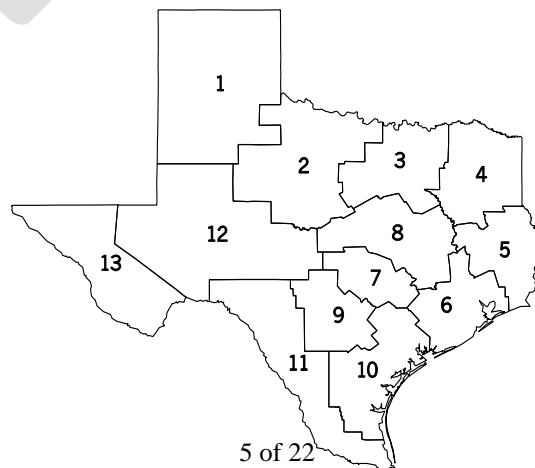
## III. MINIMUM REQUIREMENTS FOR CONSIDERATION

A qualified vendor (Vendor) is an organization that meets the minimum requirements of this request for proposal (RFP) and is ultimately selected under this RFP. The required experience, knowledge, skills, and abilities are as follows and documentation supporting that these requirements have been met must be included in the Vendor's response to this RFP:

- A. Experience in the development of at least one Analysis of Impediments to Fair Housing Choice.
- B. Project management experience of no less than five years.
- C. Research and reporting experience of no less than two years.
- D. Experience in at least two previous projects that included public outreach such as surveys, focus groups, or public meetings.
- E. Two years of legal experience with fair housing issues and/or laws.
- F. Two years experience working with HUD programs such as CDBG, HOME, ESGP, and HOPWA.

## IV. SCOPE OF WORK

- A. Locations to be investigated
  - 1. All areas of the State will be included in the Phase 2 AI. The areas to be analyzed will be grouped by TDHCA region. Vendor has the option to include a chapter on rural communities, a chapter on urban communities, and/or a chapter on cultural characteristics when multiple regions or areas within multiple regions have similarities. A map showing TDHCA regions is below:



## B. Outreach

As part of the development of the Phase 2 AI, the Vendor will conduct outreach services to a wide spectrum of organizations and individuals that will enable them to understand and consider a diversity of views and interests regarding issues which might impact fair housing. The Vendor will be responsible for coordinating all logistics including marketing, facility rental, and securing any needed facilitators. The Department will post information on the TDHCA website and distribute email notices.

1. Organizations included for feedback on this AI should include, but are not limited to, fair housing organizations, other government bodies, advocacy groups, housing providers, banks and other financial institutions, educational institutions, and the general public. The Vendor may propose to conduct sufficient interviews with a broad and representative group of subjects to support the AI.
2. Outreach to the general public must include at least five public hearings, ensuring that the solicitation of public input is designed to encourage input from a fair representation of stakeholders. The locations of these public hearings should be disseminated geographically across the state to maximize input and must be coordinated with Department staff. A public comment period must be determined and comment relating to the Phase 2 AI taken during that period.
3. Additional feedback for the development of the Phase 2 AI must be solicited through surveys. The surveys must be available on the internet and conducted via telephone at a minimum. Alternate forms of media will be considered during the Vendor's proposal review. The surveys must target feedback from low-income households and protected classes; must be accessible to persons with hearing, visual or other impairments; and must be conducted by a professional research company.
4. Other means of public involvement will be considered during the Vendor's proposal review.

## C. Development of Phase 2

TDHCA will require the selected Vendor to prepare, subject to the review and approval of TDHCA prior to submission to HUD, a Phase 2 AI that is fully compliant with HUD requirements and guidance in effect at the time of submission. The Vendor is expected to be familiar with the latest HUD guidance and to stay current as it develops, including guidance released after the Phase 2 AI contract is in place.

In addition to consideration of the Phase 1 AI, the selected Vendor will be expected to utilize HUD's Fair Housing Planning Guide, and TDHCA's most recent Consolidated Plan and State Low Income Housing Plan (SLIHP) as resource materials and sources of data. Additionally, maps and data tables must be included where appropriate. Data analysis should be categorized by the 13 TDHCA regions' boundaries.

The Vendor will be responsible for developing the Phase 2 AI based on the analysis and reporting of the following items related to fair housing in the State of Texas. The time period for these items is during the last five years, since 2006. If the Vendor anticipates or expects that the Department

will assist in the completion of any tasks or work identified below, the Vendor must identify these tasks in the response to the RFP.

1. Background Data

- a. The most current demographic, income, economic, and employment data analyzed by region.
- b. Examination of the State of Texas housing market by region.
- c. Evaluation of State of Texas' AI approved in 2003 and the Phase 1 AI approved in 2011.
- d. Fair housing programs, training material and curricula available in the public and private sector.
- e. Fair housing complaints or compliance reviews since 2006 where HUD or the Texas Workforce Commission issued a charge of or made a finding of discrimination in Texas.
- f. The nature, extent, and disposition of housing discrimination complaints, violations, or suits against private parties within the State; other evidence of private housing discrimination occurring within the State; information on any contract conditions related to fair housing considerations placed by HUD on the State; or information on any failure of the State in complying with its AFFH certification.
- g. Fair housing discrimination suits filed by the United States Department of Justice or private plaintiffs in Texas.

2. Impediments to Fair Housing Choice in the Public Sector

- a. State building, occupancy, health, and safety codes (including accessible design) that may affect the availability of housing for persons with disabilities and other protected classes.
- b. State policies and actions affecting the approval of sites and other building requirements used in the approval process for the construction of private housing, including equalization of municipal services and State tax policy.
- c. State policies concerning community development, such as displacement decisions pertaining to the removal of slums and blight, and housing activities, such as service delivery, multifamily rehabilitation and new construction sites and standards, accessibility standards for new construction and alterations, sale or demolition of subsidized housing and possible displacement of residents.
- d. State policies that inhibit the employment of minority persons and individuals with disabilities.
- e. Public policies that restrict the interdepartmental coordination between other State/local agencies in providing housing and community development resources to areas of protected class concentration, including persons with disabilities.
- f. State planning, financing, and administrative social actions related to the provision and siting of public transportation and social services that may inhibit or concentrate affordable housing developments for persons with disabilities.
- g. Review of the quality of municipal services provided to areas with high concentrations of protected classes.
- h. Policies and practices of state advisory boards, commissions, and committees that adversely affect protected classes.
- i. State policies concerning zoning and land use controls for evidence of restrictions that impede fair housing choice.

### 3. Impediments to Fair Housing Choice in the Private Sector

- a. State banking and insurance laws and regulations pertaining to the financing/refinancing, sale, purchase, rehabilitation, and rental of housing that may affect the achievement of fair housing choice within the State.
- b. State laws and regulations covering the sale of housing that may allow or promote real estate practices such as steering or blockbusting, deed restrictions, and discriminatory housing brokerage services.
- c. State laws and regulations covering housing rentals, trust or lease provisions, and conversions of apartments to all-adult units.
- d. State laws that conflict with the accessibility requirements of federal laws.
- e. State laws or other policies and practices that have the effect of restricting housing choices for persons with disabilities.
- f. Availability and dissemination of information on the availability of programs that may be used to provide financial assistance for modification to privately-owned housing to make such housing accessible to persons with disabilities and their families.
- g. Housing finance options for dwellings, such as discriminatory lending patterns, practices, and disclosures; discriminatory appraisal and insurance underwriting practices; and disinvestment and insurance redlining practices.

### 4. Nature and Sources of Housing Discrimination

- a. Evidence of segregated housing conditions, including areas historically known as “sundown towns,” and the housing desegregation plans or efforts of HUD or other federal agencies.
- b. Actions or omissions that are counter-productive to fair housing choice, such as Not-In-My-Backyard-ism (NIMBYism) including community resistance when protected classes first move into White and/or moderate- to high-income areas or housing to serve populations likely to include protected classes is proposed for siting in such areas.
- c. Environmental inequality, such as superfund sites, brownfields, greyfields or other areas determined to have significant environmental issues, near concentrations of protected classes.
- d. Other State laws, policies, and practices affecting the location, cost, and availability of housing.

## D. Recommended Actions and Timeframe

In addition to identification of impediments to fair housing, the Vendor will be responsible for developing possible recommended actions to include measurable results within a specified timeframe to overcome impediments identified in the analysis. This must include, but not be limited to, the following:

1. Summary of impediments identified through the analysis.
2. Recommendation of actions necessary by the State to address impediments to fair housing choice. Recommended actions must address any unlawful segregation or other housing discrimination determination by a court or a HUD Administrative Law Judge, or a finding of noncompliance with Title VI or the Fair Housing Act by HUD regarding assisted housing within the State.
3. Description of local, state and federal fair housing requirements and an outline of steps necessary to meet these requirements.

4. Strategy and implementing actions recommended to increase statewide awareness of fair housing issues. Strategy must include actions that have measurable results and associated timelines for implementation.
5. Recommendations for State-approved actions for State-funded jurisdictions. These State-approved actions will allow State-funded jurisdictions to have met their AFFH certification.

## V. DELIVERABLES

- A. Within 14 calendar days of contract execution, a detailed outreach plan addressing the proposed types of outreach, locations of events, marketing plans, facilitator experience (including languages other than English), stakeholder groups and sample content of outreach (*i.e.* types of questions to ask in survey, topics of discussion for focus groups).
- B. Within 30 days of contract execution, evidence that the Vendor has opened an office in Texas that will be utilized for the duration of the project if the Vendor does not have an office in Texas prior to responding to this RFP.
- C. Within 30 calendar days of completion of outreach, electronic documentation (transcripts, etc.) of, and written summaries of, all public outreach including hearings and stakeholder meetings.
- D. Prior to the submission of the draft Phase 2 AI, a document summarizing the public comments with reasoned responses explaining how the comment was incorporated into the final analysis, or why the comment was not incorporated into the final analysis, as appropriate.
- E. Within 12 months of contract execution, a draft Phase 2 Analysis of Impediments to Fair Housing Choice including all exhibits and appendices in electronic format submitted for Department review and approval.
- F. Within 14 calendars of receiving TDHCA approval, a draft of Phase 2 to be made available for public comment.
- G. By the date stated in the agreed timeline, a Phase 2 Analysis of Impediments to Fair Housing Choice in an ADA accessible electronic format for submission to HUD.
- H. Upon final approval by HUD, a final Phase 2 Analysis of Impediments to Fair Housing Choice submitted to the Department in an ADA accessible electronic format.
- I. The Vendor shall submit monthly, or as otherwise reasonable requested by the Department, progress reports to Department. The reports shall describe progress and status in a format prescribed by TDHCA.
- J. Periodic meetings with the Department to discuss project progress, as reasonably requested by the Department.
- K. The Vendor must provide presentations of the final Phase 2 AI to the Department's management and/or Governing Board as requested.



## VI. PERFORMANCE STANDARDS

- A. All deliverables will be submitted within the due dates. The awarded Vendor will coordinate timelines and due dates with the Department. Any exception must be requested in writing to the Department with good cause for the delay.
- B. All items described in the Scope of Work will be achieved in accordance with HUD and TDHCA requirements and guidance.
- C. Vendor must submit to oversight, monitoring and evaluation by the Department and other state and federal agencies, providing cooperation, assistance, and full access to records for a period of at least five years following completion of the Phase 2.
- D. Vendor must provide TDHCA access to materials, including research documentation and methodology, used to develop the Phase 2 AI for a period of five years in compliance with HUD record keeping requirements.
- E. Any report and public outreach must comply with TDHCA's Language Access Plan to reach persons with limited English proficiency, once the Language Access Plan is adopted by TDHCA's Governing Board, expected to occur in the fall of 2011.

## VII. RESPONSE TIME FRAME AND OTHER INFORMATION

Posting date for RFP:	August 23, 2011
Deadline for questions:	September 6, 2011 4:00PM (CST)
Response to RFP due date:	September 23, 2011 4:00PM (CST)
In-person presentation:	Week of , October 3, 2011
Estimated Evaluation Completion:	October 10, 2011

The above timeline is subject to change.

Proposals must comply with rules and statutes relating to purchasing in the State of Texas. Late, unsigned, or incomplete proposals will not be considered. The person submitting the proposal must have the authority to bind the organization in a contract. It is the sole responsibility of the Vendor to ensure that their proposal is physically in the offices of the Department prior to the due date. Submissions received after 4:00PM (CST) on the due date will not be considered.

One (1) original and three (3) hard copies of the proposal along with two (2) digital copies in PDF format on discs must be delivered to the following address (facsimiles will not be accepted):

### **Mailing Address:**

Texas Department of Housing and Community Affairs  
Attn: Purchasing #332-RFP  
PO Box 13941  
Austin, TX 78711-3941

**Overnight/Hand Delivery Address:**

Texas Department of Housing and Community Affairs  
Attn: Purchasing #332-RFP  
221 East 11th Street  
Austin, TX 78701

All costs directly or indirectly related to the preparation of a response to this RFP shall be the sole responsibility of and shall be borne by the person responding to the RFP. The Department will not reimburse or absorb any such costs. Once Vendor is selected but prior to finalization of a contract, the Department may, in its sole and absolute discretion, agree to compensate the selected Vendor in whole or in part for necessary costs and expenses to develop and finalize the contract.

It is the express policy of the Department that parties responding to this RFP refrain from initiating any direct contact or communication with members of the governing board of the Department with regard to this RFP during the selection process. Any violation of this policy will be considered a basis for disqualification.

Additional information regarding this RFP may be obtained from Julie Dumbeck at the Department. All requests must be in writing to [julie.dumbeck@tdhca.state.tx.us](mailto:julie.dumbeck@tdhca.state.tx.us) (email) or via facsimile (512) 475-2672. The deadline for questions is September 6, 2011 4:00PM (CST). All questions and responses will be made available via the Department's website ([www.tdhca.state.tx.us](http://www.tdhca.state.tx.us)) and via the Electronic State Business Daily at ([www.esbd.cpa.state.tx.us](http://www.esbd.cpa.state.tx.us)) and will be subject to disclosure under the Public Information Law.

The Department shall not be obligated to proceed with any action and may decide it is in the Department's best interest to refrain from pursuing any selection process. The Department may choose to award all, part, or none of the RFP, or decide that a multiple vendor award could be pursued.

TDHCA reserves the right to: reject any and all proposals received in response to this RFP; negotiate the fees contained in the RFP; negotiate for some or all of the services made the subject of this RFP; waive or modify any irregularities in proposals received; negotiate and award contracts in any manner necessary to serve the best interest of TDHCA, without obligation to accept a proposal based upon the lowest fee schedule; and to request additional information as determined necessary or request some or all vendors responding to make oral presentations.

**VIII. PROPOSAL FORMAT**

- A. Each and all items in *Section III. Minimum Requirements for Consideration* of this Request for Proposals must be addressed.
- B. A Table of Contents must be included.
- C. Identify the item to be addressed in the introduction to each response.
- D. Responses ARE LIMITED to 30 pages of text with additional information such as sample work, additional resumes, and references submitted in appendix form.
- E. Proposals must be submitted in:

1. Four hard copies (one original and three copies) submitted in three ring binders with tabs corresponding to the table of contents.
2. Two digital copies in PDF format on discs. Responsive documents and digital copies may NOT be submitted via email.

**PROPOSAL OPENING.** Proposals will be opened at the Department Headquarters located at 221 East 11th Street Austin, TX 78701 at 4:00 p.m. on September 23, 2011.

All submitted Proposals become the property of the Department after the RFP submittal deadline/due date. Proposals submitted shall constitute an offer for a period of ninety (90) days or until selection is made by the Department, whichever occurs earlier.

## **IX. PROPOSAL CONTENT**

The proposal must be organized in the following format and informational sequences.

### **A. Executive Summary**

Provide an Executive Summary of three (3) pages or less, which gives in brief and concise terms, a summation of the proposal.

### **B. Description and Experience**

Provide a written narrative statement describing Vendor's qualifications and experience providing AIs. The narrative must include, but is not limited to, the following:

1. The full name and address of the organization and identify the parent company if a subsidiary. Specify the branch office or other subordinate element, if any, that will perform, or assist in performing, work herein. Indicate operation as a partnership, corporation, or individual. Identify the State in which incorporated or licensed to operate and the organization's Federal tax ID number.
2. Most recent audited financial statement of the company.
3. Proposed approach and methodology for the Phase 2 AI consistent with the requirements presented in the Scope of Work. Provide sufficient detail and any additional information necessary to evaluate the proposal. In particular:
  - a. Provide a description of experience with federal fair housing laws and issues
  - b. Provide details related to the preparation of state and/or local analysis of impediments to fair housing choice requirements since 2000 including, but not limited to, the party(ies) for whom the report or services were provided, the nature and scope of those services, the dates on which such services began and ended and the name of the primary contact at each such party. Documentation should also include experience of analysis of impediments to fair housing choice for protected classes, including persons with disabilities. Copy(ies) of an AI(s) produced by Vendor required in Section III.A should be included in the appendix. TDHCA will accept web links in lieu of hard copies if they are posted on an accessible website.
  - c. Description of types of similar reports or projects performed by the Vendor since 2000. The list must demonstrate the minimum of five years of project management experience required in Section III. B and experience in projects involving public outreach. A complete list of reports performed is not necessary, but may be included in the appendix.

- d. Summary of legal experience related to fair housing laws and issues, including any areas of specialty or focus. Description of the Vendor's experience working with HUD programs such as CDBG, HOME, ESGP, and HOPWA.
- e. Summary of research experience, including any areas of specialty or focus.
4. Previous business relationships with the Department and/or any other Texas state agency(ies).
5. Description of the Vendor's equal employment opportunity and affirmative action policies and a description of any pending legal or administrative claims alleging any violations of equal employment laws.

#### C. Timeline and Work Plan

1. Describe the technical plan for accomplishing required work. Include time-related displays, graphs, and charts, if any, necessary to show tasks, sub-tasks, milestones, and decision points related to the Scope of Work and the plan for accomplishment. Specifically indicate:
  - a. The methodology and approach to conducting the Phase 2 Analysis of Impediments to Fair Housing Choice.
  - b. A timeline with specific dates for deliverables including a Phase 2 Analysis of Impediments of Fair Housing Choice outline, draft Phase 2 AI for TDHCA review, and final document. Describe a specific plan and timeline for providing the research, analysis, and outreach included in the Scope of Work that addresses what, when, and how the services will be performed and the timeframe for completion. This timeline should also detail any critical points at which corresponding activity or accommodation would be required from the Department.
  - c. Resources to be dedicated to this assignment through the steps of the work plan and the timeline.

#### D. Vendor References

1. Attach at least three (3) references to the Proposal that include company name, contact name, phone number, address, email, and a description of the business relationship. The Department will conduct checks of the references and the Vendor's key individuals.

#### E. Staff Qualifications

1. Identify the key individuals to be assigned to the work described in this RFP. Describe the level of staffing and services that the Department would receive, including the nature of the work that each person would perform, their role in the Vendor, and their related professional experience.
2. Specify which person would be designated the primary contact person for the Department.
3. Furnish resumes for each individual identified in this section and identify the locations of the offices of each individual.
4. Describe the level and location(s) of staff responsible for administration, research, public outreach, operations, data compilation and analysis, and legal analysis.

#### F. Cost and Fee Structure

1. Provide a proposed itemized cost and fee structure. Fee structure must correspond with the Timeline and Work Plan.

## G. Litigation, Administrative Proceedings, Investigations, Sanctions

1. Describe any pending or resolved material litigation, administrative proceedings, investigations, or complaints (including fair housing complaints filed with HUD or any other regulatory body or court (local, state or federal) in which the Vendor or any individuals that would be assigned to work with the Department, has been involved.

## H. Additional Qualifications

1. Provide additional qualifications deemed necessary that should be considered for this proposal.

## **X. IN-PERSON PRESENTATION**

An in-person presentation may be requested of the top proposals. Vendors will be notified of the date and time the presentation is scheduled. All presentations will be conducted at Department offices in Austin, Texas. Vendors will be responsible for their own travel expenses.

## **XI. SELECTION PROCEDURE**

Proposals are expected to be evaluated in two rounds for their RFP. The First Round will be a total possible score of 100 maximum points and the second round will be a total possible score of 50 maximum points. If the Department requests a Second Round, scores from the first round and second round will be added together to determine the Vendor with the highest score, out of a possible 150 maximum points. If the Department does not request a Second Round, the Vendor with the highest score from the First Round will be selected, out of a possible 100 maximum points. The evaluation panel will review proposals for compliance with the requirements set forth in this document. Proposals that meet the minimum requirements will be scored based upon the criteria described below for each round.

### A. Evaluation Scoring for the First Round

1. Experience and Qualifications. Preference is given for experience that includes state-level work in developing AIs. Preference is also given to vendors with experience analyzing the impediments to fair housing for the protected classes listed in the Scope of Work, including persons with disabilities. (25 points maximum)
  - a. Qualifications of the project manager and team for working on similar projects.
  - b. Prior experience researching and analyzing data. Preference will be given for research and analyses of issues pertaining to protected classes.
  - c. Demonstrated experience conducting interviews, facilitating stakeholder meetings, and framing sensitive issues as they relate to the production of housing and housing choices.
  - d. Demonstrated knowledge of HUD programs such as CDBG, HOME, ESGP, and HOPWA, including work in non-entitlement jurisdictions.
  - e. Examples of previously completed reports that are detailed and concisely written.
2. Organization and Approach. (25 points maximum)
  - a. Location of Vendor's headquarters. Organizations with headquarters in Texas will be given preference.

- b. Proposed methodology, approach, and timeline for conducting the Phase 2 AI.
  - c. Proposed outreach plan will be effective in maximizing participation and input on the Phase 2 AI.
  - d. Overall proposed quality, clarity, feasibility, and potential effectiveness in addressing the purposes described in the RFP.
3. References (10 points maximum)
    - a. Verification of work performed, level of satisfaction, timeliness, responsiveness, and overall recommendation.
  4. Cost and Fee Structure (40 points maximum)
    - a. The Cost and Fee Structure must be inclusive of all services, expenses and fees (*i.e.*, Payroll expenses – hours/rate/title, Administrative, Overhead, Travel, etc.). Cost and Fee Structure will be evaluated for completeness and competitiveness. The Department will not approve payment for any expense not listed in this section nor any expense in excess of the final approved amount, unless the Vendor receives prior written approval from the Department.

B. Evaluation and Scoring for the Second Round

An in-person presentation may be requested of the highest-scored proposals resulting from the First Round. The Department will choose a panel of reviewers for the presentations. The reviewers will score the presentations based on the following criteria. A total of 50 maximum points are possible for the Second Round.

1. Quality of Presentation (15 points maximum)
  - a. The presentation will be assessed on clarity, appropriate use of technology, and team dynamic.
2. Quality of Information (15 points maximum)
  - a. The information provided in the presentation will be assessed, including methodology, analysis proposed, and timeline.
3. Communication Skills (20 points maximum)
  - a. The Vendors will be judged based on the presentation and on the ability of the Vendor to communicate effectively with a broad spectrum of populations.

C. Vendor Past Performance

1. TDHCA shall award a contract(s) to a Respondent whose Proposal is considered to provide the best value to the State of Texas, as defined by Tex. Government Code, §2155.074. A Respondent's past performance will be measured based upon pass/fail criteria, in compliance with applicable provisions of §§2155.074, 2155.075, 2156.007, 2157.003, and 2157.125, Gov't Code. Respondents may fail this selection criterion for any of the following conditions:
  - a. A score of less than 90% in the Vendor Performance System,
  - b. Currently under a Corrective Action Plan through the CPA,
  - c. Having repeated negative Vendor Performance Reports for the same reason,
  - d. Having purchase orders that have been cancelled in the previous 12 months for non-performance (*i.e.* late delivery, etc.).

Vendor performance information is located on the CPA web site at: [http://www.window.state.tx.us/procurement/prog/contractor\\_performance/](http://www.window.state.tx.us/procurement/prog/contractor_performance/) CPA may conduct reference checks with other entities regarding past performance. In addition to evaluating performance through the Vendor Performance Tracking System (as authorized by 34 Texas Administrative Code §20.108), CPA may examine other sources of Vendor performance including, but not limited to, notices of termination, cure notices, assessments of liquidated damages, litigation, audit reports, and non-renewals of contracts. Any such investigations shall be at the sole discretion of CPA, and any negative findings, as determined by CPA, may result in non-award to the Respondent.

## **XII. INSURANCE**

Vendor represents and warrants that it will, within five (5) business days of executing this agreement, provide TDHCA with current certificates of insurance or other proof acceptable to TDHCA of the following insurance coverage: Standard Workers Compensation Insurance, covering all personnel who will provide services under this Contract; Automobile, Commercial General Liability Insurance, personal injury and advertising injury with, at a minimum, the following limits: \$500,000 minimum each occurrence; \$1,000,000 per general aggregate.

## **XIII. WORK MADE FOR HIRE**

All work performed pursuant to this agreement specifically including all deliverables developed or prepared for Department is the exclusive property of the State of Texas. All right, title and interest in and to said property shall vest in the State of Texas and shall be deemed to be a work made for hire and made in the course of the services rendered pursuant to this agreement. To the extent that title to any work may not, by operation of law, vest in the State of Texas or such work that may not be considered a work made for hire, all rights, title and interest therein are hereby irrevocably assigned to the State of Texas.

The Department and/or the State of Texas shall have the right to obtain and to hold in its own name, copyrights, registrations, or such other protection as may be appropriate to the subject matter, and any extensions and renewals thereof. Vendor agrees to give Department and/or the State of Texas and any person designated by the Department and/or the State of Texas, reasonable assistance required to assert the rights defined in this paragraph.

## **XIV. OPEN RECORDS**

Information submitted to the Department is public information and is available upon request in accordance with the Texas Public Information Act, chapter 552 of the Government Code (the Act). A Vendor submitting any information it considers confidential as to trade secrets or commercial or financial information, which it desires not to be disclosed, must clearly identify all such information in its proposal. If information so identified by a Vendor is requested from the Department, the Vendor will be notified and given an opportunity to present its position to the Texas Attorney General, who shall make the final determination as to whether such information is exempted from disclosure under the Act. Information not clearly identified as confidential will be deemed to be non-confidential and will be made available by the Department upon request.

## **XV. STANDARD TERMS AND CONDITIONS**

A. To be included in the final RFP released for response

DRAFT



**EXHIBIT A**

**EXECUTION OF PROPOSAL  
RFP #332-RFP**

***NOTE: THIS EXHIBIT MUST BE SIGNED AND RETURNED WITH THE PROPOSAL. PROPOSALS THAT DO NOT INCLUDE THIS EXHIBIT WILL BE DISQUALIFIED. THE PROPOSAL SHALL BE VOID IF FALSE STATEMENTS ARE CONTAINED IN THIS EXHIBIT.***

**By signature hereon, Vendor certifies that:**

All statements and information prepared and submitted in the response to this RFP are current, complete, and accurate. Vendor has not given, offered to give, nor intends to give at anytime hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted response.

Neither Vendor nor the firm, corporation, partnership, or institution represented by Vendor or anyone acting for such firm, corporation, or institution has (1) violated the antitrust laws of the State of Texas under Texas Business & Commerce Code, Chapter 15, or the federal antitrust laws; or (2) communicated the contents of this Proposal either directly or indirectly to any competitor or any other person engaged in the same line of business during the procurement process for this RFP.

When a Texas business address shown hereon that address is, in fact, the legal business address of Vendor and Vendor qualifies as a Texas Resident Bidder under 1 TAC §111.2. Under Government Code §2155.004, no person who prepared the specifications or this RFP has any financial interest in Vendor's Proposal. If Vendor is not eligible, then any contract resulting from this RFP shall be immediately terminated. Furthermore, "under §2155.004, of the Texas Government Code, the vendor [Vendor] certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate." Under Family Code §231.006, relating to child support obligations, Vendor and any other individual or business entity named in this solicitation are eligible to receive the specified payment and acknowledge that this contract may be terminated and payment withheld if this certification is inaccurate.

Any Proposal submitted under this RFP shall contain the names and social security numbers of person or entity holding at least a twenty-five percent (25%) ownership interest in the business entity submitting the Proposal.

Name: Social Security Number:

Name: Social Security Number:

Name: Social Security Number:

Under Government Code §669.003, relating to contracting with an executive of a state agency, Vendor represents that no person who, in the past four years, served as an executive of the Texas Department of Housing and Community Affairs (TDHCA) or any other state agency was involved with or has any interest in this Proposal or any contract resulting from this RFP. If Vendor employs or has used the services of a former executive head of Texas Department of Housing and Community Affairs or other state agency, then Vendor shall provide the following information: Name of former executive, name of state agency, date of separation from state agency, position with Vendor, and date of employment with Vendor.

Vendor agrees that any payments due under this contract will be applied towards any debt, including but not limited to delinquent taxes and child support that is owed to the State of Texas.

## EXHIBIT A

### Page 2

*TDHCA* is federally mandated to adhere to the directions provided in the President's Executive Order (EO) 13224, Executive Order on Terrorist Financing – Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism, effective 9/24/2001 and any subsequent changes made to it via cross-referencing Vendors/vendors with the Federal General Services Administration's Excluded Parties List System (EPLS, <http://www.epls.gov>), which is inclusive of the United States Treasury's Office of Foreign Assets Control (OFAC) Specially Designated National (SDN) list.

Vendor certifies that the responding entity and its principals are eligible to participate in this transaction and have not been subjected to suspension, debarment, or similar ineligibility determined by any federal, state or local governmental entity and that Vendor is in compliance with the State of Texas statutes and rules relating to procurement and that Vendor is not listed on the federal government's terrorism watch list as described in Executive Order 13224. Entities ineligible for federal procurement are listed at <http://www.epls.gov>. Under §2155.006(b) of the Texas Government Code, a state agency may not accept a bid or award a contract, including a contract for which purchasing authority is delegated to a state agency, that includes proposed financial participation by a person who, during the five-year period preceding the date of the bid or award, has been: (1) convicted of violating a federal law in connection with a contract awarded by the federal government for relief, recovery, or reconstruction efforts as a result of Hurricane Rita, as defined by §39.459, Utilities Code, Hurricane Katrina, or any other disaster occurring after September 24, 2005; or (2) assessed a penalty in a federal civil or administrative enforcement action in connection with a contract awarded by the federal government for relief, recovery, or reconstruction efforts as a result of Hurricane Rita, as defined by §39.459, Utilities Code, Hurricane Katrina, or any other disaster occurring after September 24, 2005.

Under §2155.006 of the Texas Government Code, the bidder certifies that the individual or business entity named in this bid is not ineligible to receive the specified contract and acknowledges that any contract resulting from this IFB may be terminated and payment withheld if this certification is inaccurate.

Pursuant to §2262.003 of the Texas Government Code, the state auditor may conduct an audit or investigation of the vendor or any other entity or person receiving funds from the state directly under this contract or indirectly through a subcontract under this contract. The acceptance of funds by the Vendor or any other entity or person directly under this contract or indirectly through a subcontract under this contract acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, the Vendor or other entity that is the subject of an audit or investigation by the state auditor must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit. Vendor will ensure that this clause concerning the authority to audit funds received indirectly by subcontractors through the vendor and the requirement to cooperate is included in any subcontract it awards.

Vendor represents and warrants that the individual signing this Execution of Proposal is authorized to sign this document on behalf of Vendor and to bind Vendor under any contract resulting from this Proposal.

# EXHIBIT A

Page 3

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**VENDOR (COMPANY) NAME**

---

**ADDRESS**

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**CITY/STATE/ZIP**

---

**TELEPHONE AND FACSIMILE NUMBERS**

---

**TEXAS IDENTIFICATION NUMBER (TIN)**

---

**AUTHORIZED SIGNATURE (INK)**

---

**NAME (TYPED/PRINTED)**

---

**TITLE**

---

**DATE**

## **EXHIBIT B**

HUB Subcontracting Form that is attached as separate document.

DRAFT

# EXHIBIT C



**Item 3: Appeals:**

a) Presentation, Discussion, and Possible Action on Multifamily Program Appeals:

11033	American GI Forum Village I & II	Robstown
11037	Spring Terrace <b>(Withdrawn)</b>	Spring
11045	Lexington Vista	Corpus Christi
11046	Buckhorn Place	Huntsville
11048	La Privada	Edinburg
11049	Palisades at Inwood	Houston
11050	Palm Gardens Apts.	Corpus Christi
11051	Sweetwater Bend	Galveston
11056	St. Paul Apartments <b>(Withdrawn)</b>	Dallas
11057	The Mercer <b>(Withdrawn)</b>	Bryan
11065	Robinson Seniors <b>(Withdrawn)</b>	Robinson
11066	Anson Park III	Abilene
11074	The Villas at Tuscany	Lubbock
11076	Saddlebrook Apts.	Burkburnett
11087	Tidwell Lakes Ranch	Spring
11090	Sutton Oaks II <b>(Withdrawn)</b>	San Antonio
11094	Mariposa at Hwy. 6 <b>(Withdrawn)</b>	Bryan
11097	RoseHill Ridge <b>(Withdrawn)</b>	Texarkana
11140	Villas of Giddings	Giddings
11142	Veteran's Place	Dallas
11156	Montabella Senior <b>(Withdrawn)</b>	San Antonio
11157	Andalusia Pointe <b>(Withdrawn)</b>	Combes
11169	Merritt Bryan Station Senior Village	Bryan
11178	Esperanza Cove Senior Apts. <b>(Withdrawn)</b>	Fort Worth
11195	Stonebridge of Lubbock	Lubbock
11214	Cobblestone Village	Bryan
11216	The Sierra on Pioneer Road	Mesquite
11232	River Valley Apartments	Harlingen
11237	Summercrest Senior Development	San Angelo
11241	Park Hudson Senior	Bryan

**Appeals Timely Filed**

11114	Green Haus on the Santa Fe Trail	Dallas
11072	The Landings at Westheimer Lakes	Houston
11185	Azure Pointe	Beaumont
11227	Dolphin's Landing	Corpus

**11033- American GI Forum  
Village Apts.**

**MULTIFAMILY FINANCE DIVISION  
BOARD ACTION REQUEST  
July 18, 2011**

**Requested Action**

Deny the appeal of the Qualification of the GI Forum Village Apartments Resident Association for points associated with Quantifiable Community Participation (QCP) for Application #11033, American GI Forum.

**WHEREAS**, a letter for QCP was received on February 10, 2011; and

**WHEREAS**, the President of the Resident Council is also a board member of the General Partner of the Applicant, thereby creating a conflict of interest between the Neighborhood Organization and the Applicant which violates §49.9(a)(2)(A)(viii) of the 2011 Qualified Allocation Plan (QAP); and

**WHEREAS**, no action was taken, such as a recusal, to address this conflict; therefore,

**BE IT RESOLVED**, that the appeal of the Qualification of the GI Forum Village Apartments Resident Association is hereby denied as presented in this meeting.

**Background**

Quantifiable Community Participation is the second highest scoring item in the Competitive Housing Tax Credit program which relates up to a maximum of twenty-four points. This organization submitted a letter for application #11033, American GI Forum.

In accordance with §49.9(a)(2)(viii) of the 2011 Qualified Allocation Plan, "The form from the Neighborhood Organization for the purposes of this subsection must be submitted to the Department by the Neighborhood Organization and not the Applicant." Mr. Rudy Blanco is a board member of the San Antonio Community Development Council, Inc. which is the 100% nonprofit sole member of the General Partner of the Applicant. Mr. Blanco is also the President of the GI Forum Village Apartments Resident Association. This conflict of interest between the Applicant and the Neighborhood Organization disqualifies the application from receiving the maximum potential twenty-four points under this scoring item.

The Applicant is appealing to the Board to allow Mr. Blanco to resign his position with the resident council in order to avoid any conflict of interest and allow the award of the full twenty-four points for §49.9(a)(2) of the 2011 QAP. However, at the time the application for the proposed development, and the support from the resident council were submitted to the Department a conflict of interest existed and the Department consistently and objectively applied



the 2011 rules in not awarding the requested points. Staff recommends the Board deny the appeal for Qualification of the GI Forum Village Apartments Resident Association.



U.S. Department of Housing and Urban Development  
Office of Housing, Multifamily Program Center  
San Antonio Field Office  
One Alamo Center  
106 South St. Mary's Street, Suite 405  
San Antonio, Texas 78205-3601  
Phone (210) 475-6831 FAX (210) 472-6897  
(<http://www.hud.gov/local/san/index.html>)

**JUL 06 2011**

Mr. Walter Martinez  
Authorized Representative  
American GI Forum Village I & II  
8610 N. New Braunfels, Suite 500  
San Antonio, TX 78217

Dear Mr. Martinez:

SUBJECT: American GI Forum I & II  
FHA No. 115-44046/115-35102  
Robstown, Texas

This letter serves to address some of the issues you raised regarding the pending application for the subject properties under the U.S. Department of Housing and Urban Development (HUD) Market to Market Program.

It is our position that the applicant's simultaneous pursuit of tax credit financing under the Low Income Housing Tax Credit Program (LIHTC), is compatible with your application for Market-to-Market restructuring. In fact, given the distressed physical condition of this forty year old property, it would be advantageous for the long term viability of the property and its residents to accomplish this simultaneous restructuring.

Although it may be difficult to effectuate a simultaneous award of tax credits and a Market-to-Market restructuring, it would appear possible by having the applicant work closely with the Office of Multifamily Housing Assistance Program (OAHP). In addition, the Department of Housing and Urban Development is prepared to work closely with the applicant in processing a new Section 8 twenty year Housing Assistance Program (HAP) Contract.

Finally, I am advised that the qualified non-profit applicant has taken steps to ensure resident participation by formally adopting changes in your organizational documents that have made it possible to include resident representation on the non-profit's board of directors. Since this concept is in keeping with the guidelines promulgated by HUD in furthering attractive and viable assisted housing communities, we are supportive of your efforts.

Please be advised if we can be of assistance as you proceed through this process.

Sincerely,

A handwritten signature in black ink, appearing to read "Priscilla J. Rocha".

Priscilla J. Rocha  
Supervisory Project Manager  
Multifamily Program Center



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

[www.tdhca.state.tx.us](http://www.tdhca.state.tx.us)

Rick Perry  
GOVERNOR

BOARD MEMBERS  
C. Kent Conine, *Chair*  
Tom H. Gann, *Vice Chair*  
Leslie Bingham-Escareño  
Lowell A. Keig  
Juan S. Muñoz, Ph.D  
J. Paul Oxer

June 21, 2011

(512) 475-1676

Email: [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us)

Mr. Walter Martinez  
Robstown Village, LP  
303 El Paso, Suite 208  
San Antonio, TX 78207

RE: Appeal of Scoring Notice for #11033, American GI Forum

Dear Mr. Martinez:

I have carefully reviewed the appeal received on June 6, 2011, by the Texas Department of Housing and Community Affairs (the "Department"), regarding your request to reinstate 12 points for Quantifiable Community Participation (QCP) pursuant to §49.9(a)(2) of the 2011 Qualified Allocation Plan and Rules (QAP). Points were not awarded for the QCP submission due to the conflict of interest between a member of the resident council and the applicant.

You appeal that Rudy Blanco's involvement as a low income board member of the General Partner as well as a volunteer representative of the recently formalized resident council were independent actions that occurred simultaneously, and that the application should not be penalized for the resulting conflict. You further appeal that Mr. Blanco has agreed to resign his position with the resident council in order to avoid any conflict of interest and allow the application to receive the full 24 points for the letter of support provided. The Department appreciates the input provided by the resident council on behalf of the subject application. However, the Department must also remain objective and apply the rules to all applicants in an equitable manner. The fact remains that at the time the application and the support from the resident council were submitted to the Department, a conflict of interest existed between the non-profit General Partner and the resident council.

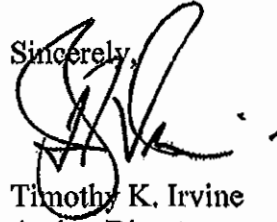
Your appeal is denied.

Pursuant to your request this item has been placed on the agenda for the July 18, 2011 TDHCA Board meeting. If you wish to provide additional documentation for the Board appeal, you must submit the documentation to the Department no later than 5:00 p.m. on Tuesday, June 28, 2011. If you have any

Appeal of Scoring Notice for #11033, American GI Forum  
June 21, 2011  
Page 2

questions, please do not hesitate to contact Raquel Morales at 512-475-1676 or [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us).

Sincerely,



Timothy K. Irvine  
Acting Director

rbm

cc: Filiberto Garcia



May 30, 2011

Texas Department of Housing and  
 Community Affairs  
 C. Kent Conine, Chairman  
 221 East 11<sup>th</sup> Street  
 Austin, Texas 78701

RE: American GI Forum Apartments  
 TDHCA #11033

Dear Chairman Conine:

This letter serves as an appeal to the letter dated April 29, 2011 wherein the department issued a ruling disallowing the additional points for Quantifiable Community Participation (QCP) for the American GI Forum Village Apartments, TDHCA #11033.

The basis for the disallowance is a conflict of interest cited by the department because Mr. Blanco, a retired military veteran and twenty-six year resident of the property, volunteered to serve as a low income board member of the General Partner of the non-profit applicant organization. The non-profit's intent in accepting Mr. Blanco's service on the Board was to ensure the entity qualified as a CHDO and to further ensure project input from an active and long time resident of the property. Rather than being penalized for the latter the applicants' willingness to accept resident input should be commended. It was very possible to obtain low income input on the board from a non-resident or unrelated party but, it made sense to foster project input and participation from a resident willing to provide it. Furthermore, Mr. Blanco has been supportive of the effort to rehabilitate the property since 2007 by attending various resident meetings, attending meetings of the Robstown City Council and providing general input in this process. It was a natural for the non-profit applicant to accept his offer to volunteer.

Finally, since the non-profit applicant is required under the department rules to avoid any direct involvement in the community participation process, we should not be penalized for the resulting conflict when Mr. Blanco volunteered as a representative of the recently formalized resident council. It appears these independent actions occurred almost simultaneously. In closing, we value the input and volunteerism offered by Mr. Blanco's service on the non-profit Board and since being informed of the departments concern, Mr. Blanco has offered to resign from his position with the resident council.

We respectfully appeal the ruling of the department in denying the QCP points and request that Mr. Blanco's resignation as resident council representative be accepted as an acceptable resolution to the conflict cited and that the QCP points be awarded to the applicant.

Sincerely,

Walter Martinez  
 Executive Director



**MULTIFAMILY FINANCE PRODUCTION DIVISION**  
**Housing Tax Credit Program - 2011 Application Round**  
**Scoring Notice - Competitive Housing Tax Credit Application**

**Appeal Election Form: 11033, American GJ Forum Village I & II**

I am in receipt of my 2011 scoring notice and am filing a formal appeal to the Executive Director on or before Wednesday, June 8, 2011.

**If my appeal is denied by the Executive Director,:**

I do wish to appeal to the Board of Directors and request that my application be added to the Department Board of Directors meeting agenda. My appeal documentation, which identifies my specific grounds for appeal, is attached. If no additional documentation is submitted, the appeal documentation to the Executive Director will be utilized.

I do not wish to appeal to the Board of Directors.

**Note: If you do not wish to appeal this notice, you do not need to submit this form.**

Signed Walter Martin  
Title Authorized Representative  
Date June 3, 2011

Please fax or email to the attention of Raquel Morales:  
Fax: (512) 475-0764 or (512) 475-1895  
Email: <mailto:raquel.morales@tdhca.state.tx.us>

June 6, 2011

Filiberto Garcia  
4614 Greensboro Drive  
Corpus Christi, Texas 78413

05-08-11 10:04:08 RCVD

Texas Department of Housing and Community Affairs  
Ms. Robbye Meyer, Director  
Multifamily Finance  
221 East 11<sup>th</sup> Street  
Austin, Texas 78701

RE: American GI Forum Village  
TDHCA # 11033

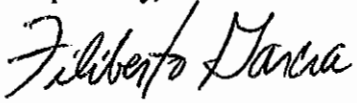
Dear Ms. Meyer,

I received your letter dated April 29, 2011 regarding Neighborhood Organization for Quantifiable Community Participation. As you may be aware, I have been working with the residents of the property as a housing advocate and have had the pleasure of working with Mr. Rudy Blanco and others who are very supportive of the much needed improvements at the property. I feel it is unfair to penalize this project by denying the applicable points that are awarded for the formation and participation of a resident's council for the property. I and others including Mr Blanco were not aware of his ineligibility to serve as president of the resident's council. There was no malice or intend to deceive TDHCA.

Mr. Blanco has a long history of participating as a resident at the property activities and celebrations. For the past four years, he has been supportive of the ongoing effort to secure funding for improving the physical condition of property. The effort to formalize the resident council was viewed as a way to have input in the process and to help make this project possible. We do not believe the project should be denied the QCP points because of a residents' willingness to volunteer. We ask that the QCP points be awarded for the resident council letter previously submitted. Mr. Blanco's resignation as president of the resident's council should after all eliminated any perceived conflict.

Thank you for your consideration of this request.

Respectfully,



Filiberto Garcia  
Housing Advocate

cc: Raul Blanco  
Myrta Ann Espinosa  
Walter Martinez.



Texas Department of Housing and Community Affairs  
Multifamily Finance Division  
2011 Quantifiable Community Participation

---

April 29, 2011

Primary Contact:

Contact Name: Filberto Garcia, Housing Advocate  
Contact Phone: (361) 816-2859  
Contact Fax: (361) 852-4620  
Contact E-Mail:

Second Contact:

Second Contact: Raul Blanco  
Second Phone: (361) 387-4579  
Second Fax:  
2nd E-Mail: [RBlanco2@stxrr.com](mailto:RBlanco2@stxrr.com)

Re: Neighborhood Organization for Quantifiable Community Participation  
TDHCA# 11033

Dear Filberto Garcia:

The Texas Department of Housing and Community Affairs (the "Department") received the letter you submitted for the purpose of scoring Quantifiable Community Participation (QCP) points, in accordance with §49.9(a)(2) of the Qualified Allocation Plan and Rules, for the above referenced application.

The Department has reviewed the letter and all documentation that was submitted and compared it to the requirements of the 2011 Qualified Allocation Plan (QAP) that governs the Housing Tax Credit Program.

During the Department's review of the resident council's submission, a conflict of interest between the resident council and the applicant was identified. The president of the resident council is also a Board member of the general partner of the applicant. Additionally, Mr. Blanco is a representative and contact for the resident council. Therefore, the letter submitted by the resident council is deemed ineligible for scoring purposes.

Unfortunately, your organization's letter will not be considered further for scoring. However, the Department values all public comment and while the Department will be unable to assign points to your letter, the Department will include your comment in the Application's file and provide the Department's Governing Board with a summary of your comment for their information when considering a final decision with regard to the award of funding.

The Department appreciates your participation in the public comment process. If you have any questions relating to the score awarded, please do not hesitate to contact Raquel Morales at 512.475.1676 or by email at <mailto:raquel.morales@tdhca.state.tx.us>

Sincerely,

*Robbye Meyer*

Robbye Meyer  
Director of Multifamily Finance



**11037- Spring Terrace  
(Withdrawn)**

**11045- Lexington Vista**

**MULTIFAMILY FINANCE DIVISION  
BOARD ACTION REQUEST  
July 18, 2011**

**Requested Action**

Deny the Applicant's appeal to reinstate three points to the final score for Application #11045, Lexington Vista.

**WHEREAS**, an application for tax credits was submitted for Lexington Vista on March 1, 2011; and

**WHEREAS**, the Applicant was not awarded three points for proposing a New Construction development located in an area that is part of a Community Revitalization Plan because the Applicant did not provide sufficient evidence to meet the definition of Community Revitalization Plan as defined in §49.2(8) or the requirements for scoring the points requested under §49.9(a)(13) of the 2011 Qualified Allocation Plan (QAP); therefore

**BE IT RESOLVED**, that the appeal of #11045, Lexington Vista is hereby denied.

**Background**

Lexington Vista is a proposed 100 unit new construction multifamily development targeted towards the elderly population in Corpus Christi, Texas.

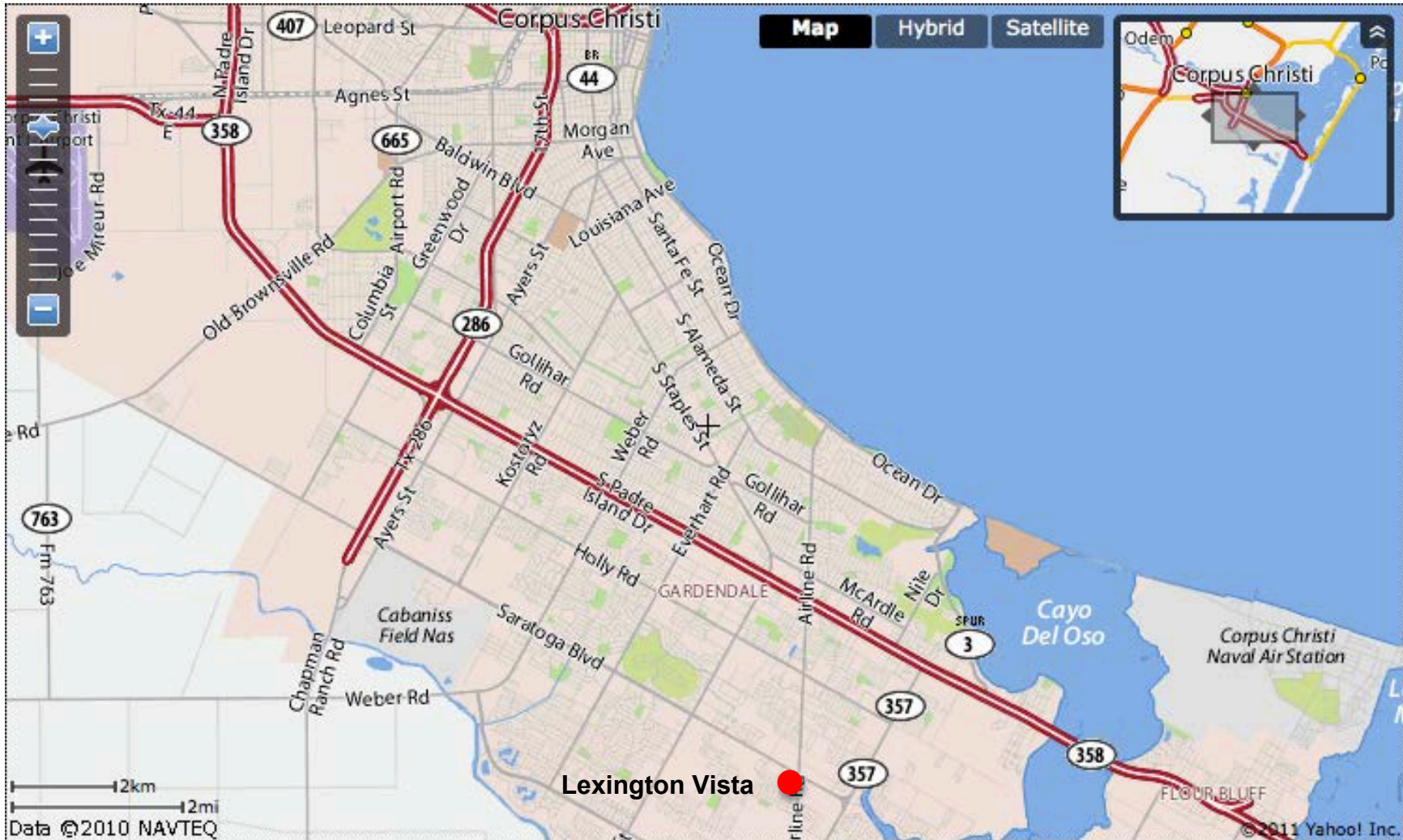
The Applicant was not awarded three points related to New Construction with Community Revitalization because it was determined after a re-evaluation of the points previously awarded that the planning document referenced did not meet the requirements of a Community Revitalization Plan. The Applicant appeals that the appropriate evidence as required by the Department was provided to support the point request. The Department does not dispute that a letter from an Appropriate Local Official would be sufficient to support the points requested. In fact, the Department's initial review and award of these points was based on acceptance of a letter from an Appropriate Local Official. However, this section of the QAP has become very controversial this competitive round as is evidenced by the number of challenges received to date. As a result of the challenges received the Department re-examined every Applicant that requested these three points. Re-examination included not only identifying a letter was provided, but also reviewing each planning document referenced in those letters to make sure it was consistent with both the intent and requirements of the QAP.

The Department's response to the challenges posed this year is that community revitalization involves a city, in a duly adopted official plan document, actually targeting an area which includes the proposed development, for some specific revitalization activity that includes housing development. As a result, it is not enough that a letter from an Appropriate Local

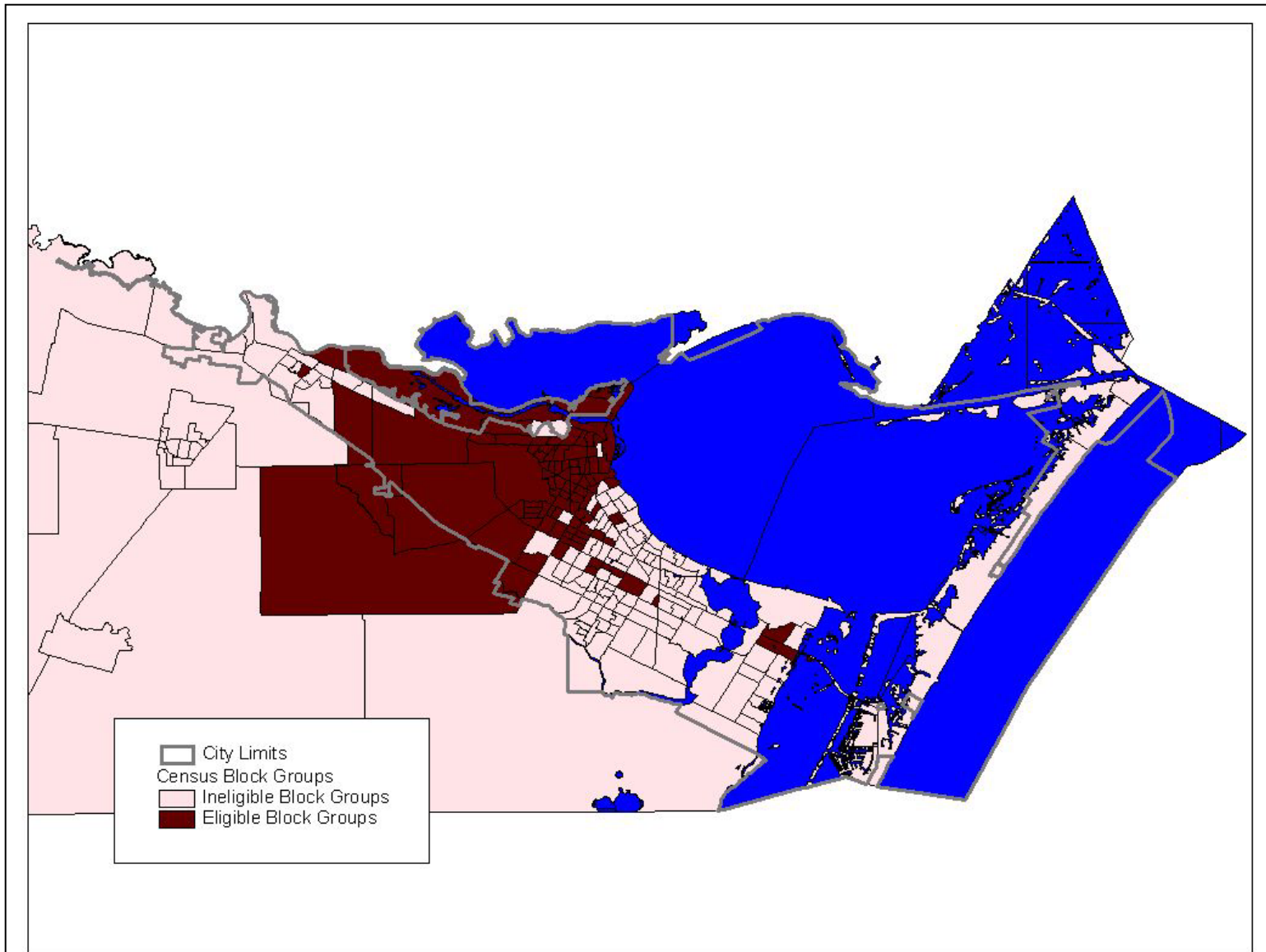
Official state that a specific area, or the entire city limits of an area, is targeted for revitalization and development of residential developments. The planning document on which the letter relies upon to support this claim must be able to document such statement.

In the case of Lexington Vista, the letter provided from the City of Corpus Christi states that the City of Corpus Christi Consolidated Plan for 2008-2012 is the city's plan for housing and community development needs, thus qualifying the document as a Community Revitalization Plan. To the extent that a consolidated plan qualifies as such, it still must meet the following criteria in order to meet the requirements and definition of a Community Revitalization Plan: (1) the document, under any name, was approved and adopted by the local Governing Body by ordinance, resolution or vote; and (2) the document targets specific geographic areas for revitalization and development of residential developments. The letter provided by the city confirms that the document was adopted by City Council. The letter also states that the entire city limits of Corpus Christi are targeted for revitalization and residential development. However, review of the actual consolidated plan reveals that the only areas targeted within the plan are those census block groups where use of CDBG, HOME and ESG funds will be concentrated. The proposed development does not fall within one of those targeted areas.

## Vol 2 Tab 1 Part C: Development in Relation to City Lexington Vista



Source: Yahoo Maps



**Map 15 – CDBG Eligible Census Block Groups, 2000 U.S. Census**

# COATS | ROSE

*A Professional Corporation*

BARRY J. PALMER

bpalmer@coatsrose.com  
Direct Dial  
(713) 653-7395  
Direct Fax  
(713) 890-3944

July 14, 2011

TDHCA Board Members  
Texas Department of Housing  
and Community Affairs  
221 East 11<sup>th</sup> Street  
Austin, TX 78701-2410

RE: Lexington Vista, Corpus Christi, Nueces County, Texas (TDHCA # 11045);  
Appeal of Denial of 3 Points under §49.9(a)(13).

Dear Board Members:

This letter appeals the denial of three (3) points requested by Lexington Vista for being 100 units of New Construction housing for the Elderly located in an area that is part of a Community Revitalization Plan under §49.9(a)(13). Because there has been so much controversy regarding this Selection Criterion this year, we think it is important to review the exact requirements carefully. Section 49.9(a)(3)(D) states:

(D) The Development is New Construction and is proposed to be located in an area that is part of a Community Revitalization Plan (3 points).

In the 2011 HTC Procedures Manual, for Volume 4, Tab 13, the requirements are shown on Exhibit A attached.

A Community Revitalization Plan is defined under §49.2(8) as follows:

**Community Revitalization Plan**--A published document under any name, approved and adopted by the local Governing Body or, if the Governing Body has lawfully assigned responsibility for oversight of communication or activities to a body created or sponsored by that Governing Body, the vote of the Governing Body so designated, by ordinance, resolution, or vote that targets specific geographic areas for revitalization and development of residential developments.

In the Application Form, the applicant is required to provide a letter from the Appropriate Local Official stating there is a Community Revitalization Plan in effect and the Development is within the area covered by the plan. In response, the Applicant provided the material shown in Exhibit B attached.

3 East Greenway Plaza, Suite 2000 Houston, Texas 77046-0307  
Phone: 713-651-0111 Fax: 713-651-0220  
Web: [www.coatsrose.com](http://www.coatsrose.com)

HOUSTON | CLEAR LAKE | AUSTIN | DALLAS | SAN ANTONIO | NEW ORLEANS

1634528.1/000001.000001

July 14, 2011

Page 2

In the Lexington Vista Application, the Applicant provided a letter from the Director of Planning of the City of Corpus Christi, in accordance with the terms of the Application requirements. The letter states that the City of Corpus Christi Consolidated Plan for 2008-2012 "... **targets the entire geographical area within the city limits of Corpus Christi for revitalization and the development of residential developments.** The letter goes on to specifically state "This property is located within the area covered by the Plan." (See Exhibit B). That letter meets the requirements to qualify for the three (3) points for a New Construction project. The points were denied to the project because:

*The planning document referenced in the letter from the appropriate local official identifies specific geographical area ("target areas"), but the proposed development is not located within one of those targeted area.*

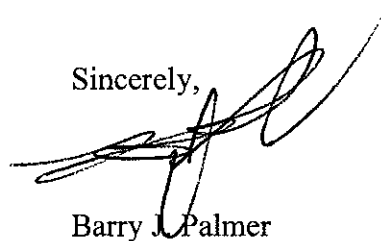
Letter from Timothy K. Irvine dated July 7, 2011 (Exhibit C attached).

Attached as Exhibit D is the City of Corpus Christi Consolidated Plan for 2008-2012 Executive Summary (the "Summary"), plus selected portions of the Consolidated Plan itself, provided here with pertinent portions marked, because the entire Consolidated Plan is too long for inclusion in this appeal. The Summary clearly shows that the Consolidated Plan encompasses all of the City of Corpus Christi. Likewise, the Strategic Plan (page 68), the Special Needs of the Elderly (page 76) and the Affordable Housing section (page 80 et seq.) all show that the revitalization plan is intended to encompass the entire City of Corpus Christi. While the Consolidated Plan does not necessarily provide funding for revitalization incentives throughout the City, the funding of the targeted area is not a requirement for a Community Revitalization Plan.

It is clear from the Summary and representative materials included in Exhibit D that the Consolidated Plan discusses the rehabilitation and revitalization of the City in general. While some areas may be discussed as being appropriate for certain kinds of funding, the Consolidated Plan is a Community Revitalization Plan that encompasses the entire City of Corpus Christi and includes the Lexington Vista project. It was never a requirement that an applicant qualify for targeted benefits pursuant to a Community Revitalization Plan, but only that the applicant be located in an area that benefits from such a plan.

We respectfully request that the three (3) requested points under Community Revitalization be provided to the Application.

Sincerely,

A handwritten signature in black ink, appearing to read "Barry J. Palmer", written over a horizontal line.

Barry J. Palmer



July 14, 2011  
Page 3

Enclosures

cc: Tim Irvine  
Tom Gouris  
Robbye Meyer  
Raquel Morales

# **EXHIBIT A**

❖ **Volume 4, Tab 13. (V4 T13) Community Revitalization, Historic Preservation or Rehabilitation (Maximum 6 points)**

- *Volume 2, Tab 1, Part B- 2011 Existing Residential Development Certification Form* must be present in Volume 2, and must be fully executed.
  - Community Revitalization
    - Submit a letter from the Appropriate Local Official stating that the Development Site is located within the area covered by the Community Revitalization Plan; or
    - Only if the Community Revitalization Plan has specific boundaries, a copy of the plan, adopted by the jurisdiction or its designee and a map showing that the Development is within the area covered by the Community Revitalization Plan.
    - Submit evidence that the Community Revitalization Plan has been adopted by the local Governing Body by ordinance, resolution or specific vote.
  - Historic Preservation
    - Developments proposing Rehabilitation (including Reconstruction) or Adaptive Reuse, which include the use of an existing building that is designated as historic by a federal or state Entity.
      - **The historic building itself must be part of the Development; points in this subparagraph are not available for Developments simply located within historic districts or areas that do not have a designation on the building. The Development must include the historic building.**
      - Submit proof of the historic designation from the appropriate Governmental Entity. As a resource, information regarding state and federal historic designations can be printed from the following site:  
<http://atlas.thc.state.tx.us/index.asp>.
    - Developments proposing solely Rehabilitation (includes Reconstruction), solely Reconstruction or solely Adaptive Reuse.
- New Construction Development proposed to be located in an area that is part of a Community Revitalization Plan (this item worth 3 points).

❖ **Volume 4, Tab 14. (V4 T14) Pre-Application Incentive Points (Maximum 6 points)**

- To be eligible for Pre-Application Incentive Points the Applicant must be able to affirm the following:
  - The site under control is identical to or is a reduced portion of the site as proposed in the Pre-Application; and
  - The Application has met the Pre-Application Threshold Criteria as determined by the Department; and
  - A certification must be included as part of the exhibit, signed by the Principals who signed the site control at Pre-Application, confirming that they are the same Principals at Application; and
  - The Development must serve the same target population (general or elderly) as indicated in the Pre-Application; and



# **EXHIBIT B**

COMMUNITY REVITALIZATION or HISTORIC PRESERVATION (§49.9(a)(13))

The Application proposes:

- Community Revitalization - the Development includes the use of an Existing Residential Development and proposes any Rehabilitation or any Reconstruction that is part of a Community Revitalization Plan. (§42(m)(1)(C)(iii))

Evidence to be provided to satisfy this requirement:

- Volume 2, Tab 1, Part B- 2011 Existing Residential Development Certification Form is present in Volume 2, and is fully executed.

AND

- A letter from the Appropriate Local Official stating there is a Community Revitalization Plan in effect and the Development is within the area covered by the plan.

If the Applicant is unable to obtain a letter from an Appropriate Local Official, then the following must be provided:

- If the Community Revitalization Plan has specific boundaries, a copy of the Plan adopted by the jurisdiction or its designee and a map showing that the Development is within the area covered by the Community Revitalization Plan.

- Historic Preservation - The Development includes the use of an existing building that is designated as historic by a federal or state Entity and proposes Rehabilitation (including Reconstruction) or Adaptive Reuse.

Evidence to be provided includes:

- The Development includes\* the use of an existing building that is designated as historic by a federal or state entity and proposes Rehabilitation (including reconstruction) or Adaptive Reuse.
Proof of the historic designation from the appropriate Governmental Body is included.
Letter from the Texas Historical Commission indicating the effect of the proposed rehabilitation on historical structure is included.

\*The Development itself must have the designation; points in this subparagraph are not available for Developments simply located within historic districts or areas that do not have a designation on the building. The Development must include the historic building.

- Rehabilitation - Application proposes to build solely Rehabilitation.
Reconstruction - Application proposes to build solely Reconstruction.
Adaptive Reuse - Application proposes to build solely Adaptive Reuse.

- X New Construction - the Development is New Construction and is proposed to be located in an area that is part of a Community Revitalization Plan.

Evidence to be provided includes one of the following:

Evidence to be provided to satisfy this requirement:

- X A letter from the Appropriate Local Official stating there is a Community Revitalization Plan in effect and the Development is within the area covered by the plan.

If the Applicant is unable to obtain a letter from an Appropriate Local Official, then the following must be provided:

- If the Community Revitalization Plan has specific boundaries, a copy of the Plan adopted by the jurisdiction or its designee and a map showing that the Development is within the area covered by the Community Revitalization Plan.



REMEMBER TO PLACE YOUR EVIDENCE BEHIND THIS FORM



# City of Corpus Christi

## DEVELOPMENT SERVICES

2406 Leopard  
First Floor  
Corpus Christi  
Texas 78408  
Phone 361-826-3290

Development Engineering  
Fax 361-826-3571

Planning  
Fax 361-826-3815

Project Management  
Fax 361-826-4506

Building  
Fax 361-826-3973

*Catching the  
Wave to a  
Brighter Future*

February 10, 2011

Ms. Raquel Morales  
9% Housing Tax Credit Administrator  
Texas Department of Housing and Community Affairs  
PO Box 13941  
Austin, TX 78711-3941

RE: Lexington Vista in Area covered by Community Revitalization Plan

Dear Ms. Morales:

The *City of Corpus Christi Consolidated Plan for 2008-2012* is the City of Corpus Christi's Plan for housing and community development needs. This Plan targets the entire geographic area within the city limits of Corpus Christi for revitalization and the development of residential developments. This Plan has been adopted by the City Council and is currently in effect. The proposed Lexington Vista development, whose property is described as:

Lot Three (3), Block Fourteen (14), Brighton Village Unit 2, a subdivision situated in the City of Corpus Christi, Nueces County, Texas, as shown on the map or plat thereof, recorded in Volume 51, Page 44, Map Records of Nueces County, Texas to which reference is here made for all pertinent purposes.

This property is located within the area covered by the Plan.

Please contact me if you have any questions.

Sincerely,

Faryce Goede-Macon  
Director of Planning  
City of Corpus Christi



# **EXHIBIT C**



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

[www.tdhca.state.tx.us](http://www.tdhca.state.tx.us)

Rick Perry  
GOVERNOR

BOARD MEMBERS  
C. Kent Conine, *Chair*  
Tom H. Gann, *Vice Chair*  
Leslie Bingham-Escareño  
Lowell A. Keig  
Juan S. Muñoz, Ph.D  
J. Paul Oxer

July 7, 2011

Writer's direct phone # 512-475-3296  
Email: [tim.irvine@tdhca.state.tx.us](mailto:tim.irvine@tdhca.state.tx.us)

Mark Lechner  
Downing Place, LP  
1900 Rolling Hills Trail  
Fishersville, KY 40023

RE: Community Revitalization Plan Point Loss Explanation, #11045 Lexington Vista

Dear Mr. Lechner:

The Department issued a final scoring notice for Application # 11045, on June 1, 2011. The Department has also received several of challenges with respect to specific scoring items, primarily points for New Construction with Community Revitalization pursuant to §49.9(a)(13) of the 2011 Qualified Allocation Plan. As a result, the Department has re-evaluated the points previously requested and awarded for this point item for all 2011 applications submitted under this competitive round. Staff has determined that the points previously awarded to the above referenced application should be deducted from the final application score for the reason(s) stated below:

- The planning document referenced in the letter from the appropriate local official identifies specific geographical areas ("target areas"), but the proposed development is not located within one of those targeted areas.

You may appeal the point deduction described above. In the interest of getting any scoring related appeals on the board agenda for the July 18, 2011 TDHCA Board meeting, please provide your Board appeal to the Department no later than 5:00PM on Thursday, July 14, 2011.

If you have any other questions or concerns please contact Raquel Morales at 512-475-1676 or by email at [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us).

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy K. Irvine".

Timothy K. Irvine  
Acting Director

rbm



# **EXHIBIT D**

## **Executive Summary**

The Consolidated Plan serves as a planning document meeting the federal government statutory requirements in 24 CFR 91.200-91.230, with revisions for preparing a consolidated plan and guiding the use of CDBG, HOME, HOPWA, and ESG funding based on applications to the U.S. Department of HUD. The major sections of the Consolidated Plan include a Housing Market Analysis, Housing and Homeless Needs Assessment, 5-year Strategic Plan, a 1-year Action Plan, and Consultation and Citizen Participation, with accompanying documentation relating to public comment. The Strategic Plan addresses specific needs that were identified in the data analysis, with specific goals and program targets for each category designated for funding. The Action Plan is a subset of the Strategic Plan, addressing funding options for the next fiscal year. The Consolidated Plan can be used by organizations in the community as a guide for identifying activities through which they can help the jurisdiction reach their housing and community development goals. The Consolidated Plan also serves as the baseline for measuring program effectiveness, as reported in the Consolidated Annual Performance and Evaluation Report (CAPER) required by HUD for each fiscal year's funding allocation.

Incorporated in the Consolidated Plan are an analysis of the local housing market and a review of housing and homeless needs in Corpus Christi as a means of defining the current environment in which federal funding is being used. The Consolidated Plan provides a strategic plan for meeting priority needs that were identified through the community participation process. The analytical parts of the document drew from the 2006 American Community Survey, along with 2000 U.S. Census and other information gathered locally, including a homeless survey conducted in Corpus Christi for the Continuum of Care, a survey of citizens to assist in prioritizing needs that was available on the City's website and was distributed at community meetings, real estate data provided by the Association

of Realtors and the Apartment Association, and building permit data compiled by the City of Corpus Christi.

### **Consultation and Citizen Participation**

The Citizen Participation Plan (CPP) was adapted for development of the 2008 - 2012 Consolidated Plan from the plan created in 2003 for the previous five-year plan. The CPP provides details for public notice for all meetings and the various stages of Consolidated Plan development, public hearings before the citizens of Corpus Christi and City Council, accommodations for persons with disabilities, and the conduct of public review of draft documents.

In addition to public hearings to receive comment from the citizens of Corpus Christi and City Council, City Staff held community meetings to provide citizens with information concerning the availability of Community Development Block Grant, HOME, and Emergency Shelter Grant funds and to incorporate their comments into the planning process. These included five technical assistance workshops which were held during the day or in the evening at community centers and one meeting held at City Hall for housing, homeless, and disability service providers. A survey to establish a community involvement process for prioritizing needs was distributed among workshop attendees and other interested individuals and was also posted on the City's website for enumeration online. Additional interviews were conducted with representatives of the housing and banking industry, non-profit organizations, and the community to further explore community needs and concerns.

### **Housing Market Analysis**

According to the 2006 American Community Survey (ACS), the population of Corpus Christi is 285,175, almost three percent more than reported in the 2000 U.S. Census. These residents were housed in 115,750 housing units, showing

growth of over seven percent from 2000. Homeownership fell to 59 percent in 2006, down a fraction from the 60 percent reported in 2000. The 2000 census reported that over 32 percent of the existing housing stock in Corpus Christi was built prior to 1960, and almost 8.5 percent of the housing stock was vacant. Over 71 percent of all housing units in Corpus Christi were either single-family or duplexes. The median value of owner-occupied housing in 2000 was \$72,100, compared to \$55,600 in 1990, with a 2007 median sales price of \$161,296. This is a dramatic increase from the \$92,500 reported for 2002 in the last Consolidated Plan.

The average rent for apartments in 2002 was \$627 with a 94.5 percent occupancy rate. The median gross rent, according to the 2000 Census, was \$555, up from \$373 in 1990.

The median income reported in the 2006 ACS was \$36,245, just a little below the 2000 Census figure of \$36,414. The unemployment rate in the Corpus Christi MSA in January 2008 was reported at 4.8 percent, considerably better than the 2000 census report of 7.2 percent, where there were higher rates for Hispanics (9%) and African-Americans (12.7%). The poverty rate in 2000 was shown as 17.55 percent, with 22.9 percent of Hispanics and 31.3 percent of African-Americans living below the poverty level. This population is primarily served by the Corpus Christi Housing Authority, which operates 1,836 public housing units and administers 1,234 Section 8 Vouchers as of early 2008.

### **Housing and Homeless Needs Assessment**

The Housing and Homeless Needs Assessment summarizes the available data on the current need for housing assistance for low -, moderate -, and other - income households. According to the CHAS data, 66 percent of extremely low - income households, those earning less than 30 percent of the Median Family Income [MFI], pay more than 30 percent of their income on housing expenses

and 51 percent pay more than 50 percent. Almost 66 percent of very low-income households, those earning between 30 and 50 percent of MFI, and 40 percent of low - income households, those earning between 50 and 80 percent of MFI, pay more than 30 percent of their income on housing expenses. Of the 98,661 households in Corpus Christi, the CHAS tables report that almost 34 percent had some kind of housing problem in 2000, which include being cost burdened or not have complete bathroom or kitchen facilities. The City of Corpus Christi has incorporated this HUD standard of cost burden in defining affordable housing for its community. That is, affordable housing is defined as owner occupied or rental occupied housing that is assessable to households at a cost that does not exceed 30 percent of their household income.

The Corpus Christi Housing Authority (CCHA) administers the public housing in Corpus Christi. In 2008, CCHA reported a total of 417 households on waiting lists for assisted housing. Of the 1,234 Section 8 Vouchers administered by CCHA, 1,074 were currently being used, and 45 households are holding the rights to vouchers in search of eligible housing.

Data from the 2002 Continuum of Care indicate that housing is needed for 56 individuals and 32 families with children who are mentally ill. It is estimated that there are 8,747 households with at least one person with a work disability. Out of the total number of persons that met the disability criteria for the Texas Rehabilitation Commission, about 110, or 7 percent of the population, had an alcohol or substance abuse problem. This compares to information gathered from the homeless shelters in the city where it was indicated that about 50 percent of the homeless experienced the same problem.

The 2002 Continuum of Care also indicated that there was an unmet housing need for 341 individuals and 51 families with children affected by HIV. Housing assistance is provided by the Coastal Bend AIDS Foundation, who provided

long-term and short-term help with rent and utility payments and works with clients to secure Section 8 assistance.

Out of a total of 72,362 units built prior to 1979, 59,869, or 59.7 percent of all housing units in the city, are estimated to contain lead-based paint. Of the total number of housing units containing lead-based paint, it was estimated that low-income households occupy 27,077, or over 45 percent, of these units.

### **Strategic Plan**

The Strategic Plan provides a framework for addressing the needs identified in the Housing Market Analysis and the Housing and Homeless Needs Assessment. The plan details the priorities assigned to the various types of services eligible for Community Development Block Grant funding and estimates the cost of meeting those needs. Within each major area of concern, Housing, Homelessness, Other Special Needs, Non-Housing Community Development, Barriers to Affordable Housing, Anti-Poverty Strategy, Lead-Based Paint, Institutional Structure, and Coordination, there are goals, objectives, and strategies established to move the City of Corpus Christi toward meeting the needs identified. These goals, objectives, and strategies are listed below, by area of concern.

### **Homelessness**

**Goal:** Expand housing and services offered to homeless families and individuals in Corpus Christi.

**Objective 1:** Work with non-profit organizations to assist them in the fundraising efforts.

**Strategy 1.1:** Support non-profit efforts to expand their public or private funding sources through letters of consistency with the Consolidated Plan.

**Objective 2:** Expand transitional and permanent housing opportunities for homeless families and individuals.

**Strategy 2.1:** Continue to submit Supportive Housing Program (SHP) grant applications, placing priority on proposals with a housing emphasis.

**Strategy 2.2:** Work with non-profit organizations to develop transitional and permanent housing projects, to be funded through SHP and/or private fundraising efforts.

**Objective 3:** Support permanent supportive housing units available to special needs populations.

**Strategy 3.1:** Work with non-profit organizations and other providers to develop additional permanent supportive housing units.

**Objective 4:** Expand services aimed at the prevention of homelessness.

**Strategy 4.1:** Fund tenant-based mortgage/rental assistance programs that provide temporary assistance to prevent evictions and ensuing homelessness.

**Objective 5:** Expand services provided to homeless families and individuals.

**Strategy 5.1:** Encourage non-profit agencies who submit proposals to the SHP grant application to provide additional supportive services to the homeless through partnerships and non-federal funding sources.

### **Other Special Needs**

**Goal:** Evaluate upcoming needs related to the non-homeless special needs populations.

**Strategy:**

1. Work with local providers to identify the needs of the non-homeless special needs population.

### **Housing**

**Goal:** Improve the condition and availability of affordable housing in Corpus Christi.

**Objective 1:** Improve the condition of housing for low-income homeowners.

**Strategy 1.1:** Provide emergency repairs to the elderly and/or disabled adults with urgent repair needs.

**Strategy 1.2:** Provide funding for major rehabilitation or reconstruction projects for low-income homeowners.



**Strategy 1.3:** Provide downpayment assistance to low-income homebuyers for existing housing units.

**Strategy 1.4:** Support alternative housing assistance efforts such as faith based initiatives, volunteer housing assistance programs, self help initiatives and neighborhood empowerment programs.

**Objective 2:** Increase the number of new homes available on the affordable housing market in Corpus Christi.

**Strategy 2.1:** Provide downpayment assistance, principle reductions, and interest rate buy downs to low-income homebuyers on new construction projects with an emphasis on green building.

**Strategy 2.2:** Support the development of alternative housing products such as modular housing, shared/intergenerational housing, and cottage/cluster housing for the elderly as a means of increasing the affordability and supply of housing.

**Objective 3:** Create initiatives that reduce mortgage defaults and foreclosure rates among low and moderate income home buyers.

**Strategy 3.1:** Create a maintenance and replacement reserve account for affordable home buyers assisted with federal funds to insure that funds are escrowed to help cover the cost of major repairs.

**Strategy 3.2:** Create a mortgage default and foreclosure prevention account for affordable home buyers assisted with federal funds to insure that funds are escrowed to help cover the cost of unexpected income/job loss and to write down interest rates.

**Strategy 3.3:** Implement post purchase support programs in conjunction with non profit development partners to provide housekeeping and preventive maintenance training, and organize neighborhood programming such as associations, crime watch and other initiatives aimed at strengthening and maintaining neighborhood stability.

**Objective 4:** Support the increase in the supply of housing available to low-income renters.

**Strategy 4.1:** Work with apartment development companies to identify opportunities to utilize Low-Income Housing Tax Credits (LIHTC) to build new apartments for low-income households. Identify and support one development application per year.

**Strategy 4.2:** Preserve affordable rental housing by providing rehabilitation funding of apartment complexes for low-income and Section 8 residents.

**Objective 5:** Provide technical assistance training to non-profits to help them build their capacity.

**Strategy 5.1:** Provide funding for an acquisition and rehabilitation program for rental or homeownership from which non-profits can make affordable houses available to low-income residents.

## **Non-Housing Community Development**

**Goal:** Improve living conditions in Corpus Christi by addressing non-housing community development needs.

**Objective 1:** Improve neighborhood conditions.

**Strategy 1.1:** Provide CDBG funding to maintain the Code Enforcement effort in low-income neighborhoods.

**Strategy 1.2:** Fund a housing demolition program to remove unsafe, dilapidated houses within CDBG eligible area.

**Strategy 1.3:** Provide improvements to neighborhood parks.

**Strategy 1.4:** Fight drug use and gang violence through continuation of the Weed and Seed Program.

**Objective 2:** Support Planning Department in neighborhood planning and update of development code.

**Strategy 2.1:** Provide funding to the Planning Department to update the Comprehensive Plan.

**Objective 3:** Remove barriers in accessing public facilities.

**Strategy 3.1:** Provide funding to remove barriers from public facilities in CDBG target areas.

**Objective 4:** Expand job development efforts by supporting economic development projects.

**Strategy 4.1:** Support the Business Resource Center's technical assistance efforts with small businesses.

**Strategy 4.2:** Support the Renewal Community (RC).

### **Barriers to Affordable Housing**

**Goal:** Address barriers to affordable housing development and availability in order to reduce the cost burden on low and moderate-income residents.

#### **Strategies:**

1. Work with insurance companies to identify a list of providers who can offer reasonably priced coverage to homebuyer program participants.
2. Initiate a building site development program where a City sponsored non-profit organization or an existing private non-profit corporation is provided CDBG funding to provide 30 lots per year for sale at subsidized prices to any builder interested in providing homes within homebuyer program price limits.

### **Lead-based Paint Hazards**

**Goal:** Increase the inventory of lead safe housing units.

#### **Strategies:**

1. Continue to meet HUD lead-based paint abatement standards in housing rehabilitation programs.

2. Continue to insure that housing units entering the Section 8 program meet lead-based paint guidelines found in HQS regulations.
3. Evaluate the Lead-based Paint Hazard Control Grant Program for possible development of a funding application by the City of Corpus Christi.
4. Expand the stock of lead safe housing units through continuation of the reconstruction program and other new home construction efforts.

### **Anti-poverty Strategy**

**Goal 1:** Expand employment opportunities and workforce capacity in Corpus Christi.

#### **Strategies:**

1. Increase employment opportunities in the Renewal Community and Enterprise Zone target areas by attracting new business development or relocations with tax credits and deductions and capital gains exclusions that are available through the Renewal Community designation.
2. Continue to support workforce development programs that train workers for positions that are made available through economic development efforts.

**Goal 2:** Increase childcare and educational opportunities for children from low-income families.

**Strategy:**

1. Provide funding in support of capital improvements for non-profit agencies that provide childcare, head start, and after-school services to low-income households.

**Goal 3:** Expand low-cost housing opportunities for lower-income families.

**Strategies:**

1. Work with apartment developers to identify opportunities for the use of Low-Income Housing Tax Credits in the development of apartment units for lower-income households.
2. The Corpus Christi Housing Authority should continue to work with landlords to identify housing opportunities for Section 8 recipients.

**Goal 4:** Improve the employability of lower-income persons.

**Strategy:**

1. Promote existing General Education Development (GED) programs that work with adults who did not complete their high school degrees.

**Institutional Structure**

**Goal:** Identify and address gaps in the institutional structure for the implementation of the housing and community development plan.

**Strategies:**

1. Support the Corpus Christi Housing Authority in its program initiatives and work with them to identify opportunities to expand programs and services.
2. Work with private industry to address important issues that hamper housing and community development efforts.

**Coordination**

**Goal:** Improve coordination between the City and other agencies and organizations committed to the improvement of housing and community development services in Corpus Christi.

**Strategies:**

1. Maintain participation in the Coastal Bend Housing Coalition, Homeless Issues Partnership, Committee for People with Disabilities, and Green Conference Committee.
2. Continue working in a cooperative spirit with the Corpus Christi Housing Authority, the Coastal Bend Council of Governments, and Nueces County.

## Strategic Plan

This Strategic Plan provides an overview of goals and objectives to be pursued over the course of a five-year period from 2008 through 2013. Programs and processes that work toward the resolution of pressing housing issues within the city are the primary focus of the City of Corpus Christi in its utilization of federal housing and community development program funds. The funding of public infrastructure projects in CDBG eligible census tracts will continue to be a City priority. Previously, funding for non-housing community services was limited to capital improvement projects for agencies with a proven financial capacity. The City now allows the use of CDBG and HOME funding to provide operating assistance to non-profit organizations, including rent, insurance, utilities, and furnishings.

City funding priorities are detailed by general category in Table 1 to the right. Additional detail is given to priorities in tables that breakdown these categories into more specific subcategories to be found in the discussions that follow. Housing is the highest funding priority for the use of the Community Development Block Grant, as mandated by City Council resolution.

The City continuously looks for opportunities to leverage federal funding, extending the ability of the federally funded programs to have an impact on community needs.

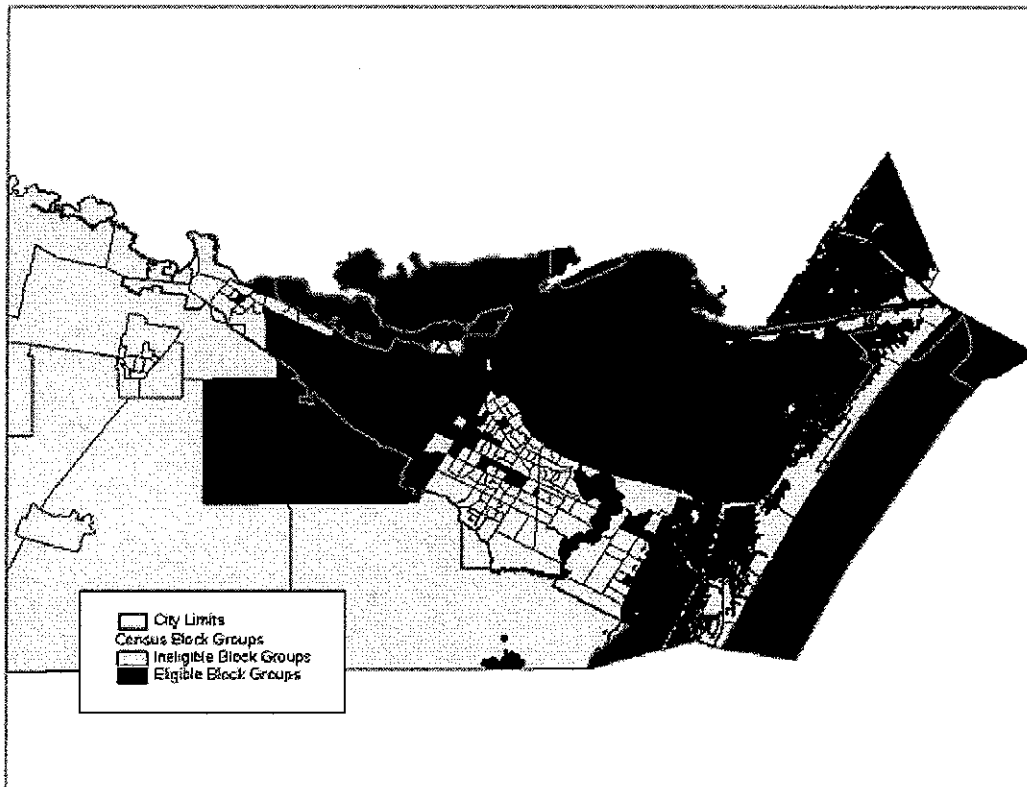
Funding Category	Priority Level
Homelessness	High
Other Special Needs	
Elderly	High
Frail Elderly	High
Severe Mental Illness	Medium
Developmentally Disabled	Medium
Physically Disabled	High
Alcohol/Other Drug Addictions	Low
HIV/AIDS	Low
Housing	High
Non-Housing Community Development	
Public Facility Needs	Medium
Infrastructure Improvement	Medium
Public Service Needs	Medium
Accessibility Needs	Medium
Historic Preservation Needs	Low
Economic Development Needs	Medium
Other Community Development Needs	High
Planning	High

**Table 1: Funding Priorities**



The City will continue to respond to Notices of Funding Availability issued by federal agencies to take advantage of any opportunity to secure additional federal funding for housing and community development activities and work to identify public/private partnerships with private non-profit and for-profit organizations.

Priorities outlined within the plan were established through a survey of interested individuals, including representatives of non-profit organizations, business owners, and citizens, both homeowners and renters, coupled with needs established through a series of interviews with knowledgeable individuals, active in community development and social service program delivery. Preferences indicated through the survey were adapted to the relevant subcategories in the tables that follow. The methodology for the development of these tables will be discussed as each is presented. Proposed accomplishments detailed in this plan



**Map 23: CDBG Eligible Block Groups**

project outcomes on a yearly basis.

Map 23, on the previous page, indicates those areas where the use of CDBG, HOME, and ESG funding will be concentrated, bounded by census block groups. Using 2000 Census data, these block groups have been identified as having more than 51 percent of the population with a household income of less than 80 percent of the citywide median household income. It is within these areas that CDBG funding can be utilized under the “area benefit” provisions of the CDBG regulations. Grant funding under the “individual benefit” provision is available anywhere in the city where the individual household meets the income guidelines of the program.

## **Homelessness**

Table 1A, on the following page, was taken from the Corpus Christi Continuum of Care, as presented in the 2007 Supportive Housing Program grant application to the U.S. Department of Housing and Urban Development. As detailed in the Continuum of Care, the methodology for gathering the data included:

- An annual point-in-time survey of the homeless conducted by the Homeless Issues Partnership on January 30, 2007. The survey gathered information about the needs of the homeless and provided a head-count.
- At the same time that the homeless survey was being conducted, the Homeless Issues Partnership gathered information from service providers to update the Current Inventory column of the table.
- Homeless Issues Partnership members conducted phone conferences and consultations with reliable sources to aid in the collection of information as required.
- An annual needs assessment survey of the membership of the Homeless Issues Partnership was conducted to prioritize areas of need.
- The Homeless Issues Partnership utilized national statistics to assist in some areas of the needs estimates.

Prioritization of needs was established through the survey conducted during the development of the Consolidated Plan. The survey was distributed at a Homeless Issues Partnership meeting, as well as at other public meetings and was available online, and the results were tabulated and adapted to the table as presented in the Continuum of Care. Given the extent of the need, the low levels shown in the current inventory, the attractiveness of Corpus Christi as a winter destination for the homeless, demand for CDBG funding for other purposes, and the relatively small allocation available through the Emergency Shelter Grant program, all issues dealing with homelessness received at least a medium level of priority, with most receiving a high level. Addressing the full range of needs

**Table 1A  
Homeless and Special Needs Populations**

**Continuum of Care: Housing Gap Analysis Chart**

		Current Inventory	Under Development	Unmet Need/ Gap
<b>Individuals</b>				
<b>Example</b>	<b>Emergency Shelter</b>	<b>100</b>	<b>40</b>	<b>26</b>
<b>Beds</b>	Emergency Shelter	281	16	-114
	Transitional Housing	88	16	48
	Permanent Supportive Housing	131	72	80
	<b>Total</b>	<b>500</b>	<b>104</b>	<b>14</b>
<b>Persons in Families With Children</b>				
<b>Beds</b>	Emergency Shelter	191	16	-149
	Transitional Housing	66	16	52
	Permanent Supportive Housing	0	0	165
	<b>Total</b>	<b>257</b>	<b>32</b>	<b>68</b>

**Continuum of Care: Homeless Population and Subpopulations Chart**

<b>Part 1: Homeless Population</b>	<b>Sheltered</b>		<b>Unsheltered</b>	<b>Total</b>
	<b>Emergency</b>	<b>Transitional</b>		
Number of Families with Children (Family Households):	12	12	8	32
1. Number of Persons in Families with Children	31	31	22	84
2. Number of Single Individuals and Persons in Households without children	50	51	92	193
<b>(Add Lines Numbered 1 &amp; 2 Total Persons)</b>	<b>81</b>	<b>82</b>	<b>114</b>	<b>277</b>
<b>Part 2: Homeless Subpopulations</b>	<b>Sheltered</b>		<b>Unsheltered</b>	<b>Total</b>
a. Chronically Homeless	98		46	144
b. Seriously Mentally Ill	34		23	57
c. Chronic Substance Abuse	38		31	69
d. Veterans	23		16	39
e. Persons with HIV/AIDS	0		0	0
f. Victims of Domestic Violence	16		11	27
g. Unaccompanied Youth (Under 18)	3		2	5

present in Corpus Christi will require an extensive expansion of funding available. Non-profit agencies operating in this arena are working to expand their own organizations' financial capacity, but systematic increases are needed as well.

Transitional housing provides temporary housing opportunities for homeless individuals and families. Residence at transitional housing facilities is limited, by

HUD regulations, to 24 months. Supportive housing programs include support services in conjunction with housing.

Supportive housing is provided to persons in special needs categories where independent living arrangements are likely to be unsuccessful. These categories include the mentally ill, chronic substance abusers, and persons with HIV/AIDS. Beds available for both transitional and supportive housing are in short supply, compared to the need as detailed in Table 1A.

**Goal:** Expand housing and services offered to homeless families and individuals in Corpus Christi.

**Objective 1:** Work with non-profit organizations to assist them in the fundraising efforts.

**Strategy 1.1:** Support non-profit efforts to expand their public or private funding sources through letters of consistency with the Consolidated Plan.

**Performance Goal:** Support fundraising efforts with 5 letters of recommendation per year.

**Objective 2:** Expand transitional and permanent housing opportunities for homeless families and individuals.

**Strategy 2.1:** Continue to submit Supportive Housing Program (SHP) grant applications, placing priority on proposals with a housing emphasis.

**Performance Goal:** Submit yearly applications to the Supportive Housing Program.

**Strategy 2.2:** Work with non-profit organizations to develop transitional and permanent housing projects, to be funded through SHP and/or private fundraising efforts.

**Performance Goal:** Add two units per year to the transitional and permanent housing supply.

**Objective 3:** Support permanent supportive housing units available to special needs populations.

**Strategy 3.1:** Work with non-profit organizations and other providers to develop additional permanent supportive housing units.

**Performance Goal:** Add two permanent supportive housing units per year.

**Objective 4:** Expand services aimed at the prevention of homelessness.

**Strategy 4.1:** Fund tenant-based mortgage/rental assistance programs that provide temporary assistance to prevent evictions and ensuing homelessness.

**Performance Goal:** Assist 10 families.

**Objective 5:** Expand services provided to homeless families and individuals.

**Strategy 5.1:** Encourage non-profit agencies who submit proposals to the SHP grant application to provide additional supportive services to the homeless through partnerships and non-federal funding sources.

**Performance Goal:** Expand services by five percent over five years.

Funding for homeless programs in Corpus Christi is provided primarily through the Supportive Housing Program and the Emergency Shelter Grant. Non-profit service providers also access CDBG funding to implement renovation and capital development activities.

## Other Special Needs

The information provided and 2000 census data dealing with physically and mentally impaired indicate that there is significant need of special services. Trends established by 1980, 1990, and, 2000 indicate that the number will continue to increase significantly in the cases of elderly, frail elderly, physically and mentally impaired, and persons with HIV/ AIDS. An integrated network of social, educational, job training, health, and food and welfare assistance programs must be developed. Otherwise the continued increase within these population groups places a considerable burden on the City to address affordable housing issues, too.

From the facilitation outline and data presented in the 2002 Regional Advisory Committee Annual Report, Supportive Services were placed in the 3<sup>rd</sup> priority out of 11 Community Affairs activities, which marks the significance of the services in the vision of the community.

### Elderly (High Priority)

Over the last two decades the population 60 to 64 years of age has grown at twice the rate of the city as a whole, while the population 65 years and older has grown at more than three times the city's rate. From 1970 to 1980, the age 60 to 64 population grew by over 1,253 as compared to an increase of over 6,500 for the population group 65 years and over. This compares to increases of 1,692 and 6,826 from 1980 to 1990, respectively for the same population groups. From the facilitation outline and data presented in the 2002 Regional Advisory Committee Annual Report, there is a strong agreement for the supportive services for low-income elderly persons in the city. The shortage of community support services to meet the ever increasing need and the community priority in the facilitations marked it as a high priority.



### Frail Elderly (High Priority)

The Texas Department of Human Services estimates there are 237 persons over the age of 60 that meet their criteria as frail. Support Services for elderly and frail elderly are given high priority as per the increasing number and community vision mentioned previously.

### Severe Mental Illness only (Medium Priority)

According to the 2000 Census, the number of mentally disabled in the city was 2,469 for the age groups under 15. The population of mentally disabled for the age group 16 to 65 was 7,750 and 3,937 for the ages 65 and above. The mentally ill are often time extremely impoverished. They typically are unable to work and are not connected to entitlement programs. The non-homeless mentally ill need services such as outreach, medication, specialized crisis services, and, often, substance abuse treatment. These individuals are in genuine need of long-term care. The shortage of community support services to meet the ever-increasing need has marked it in the medium priority.

### Developmentally Disabled (Medium Priority)

According to the 2000 census data, the number of developmentally disabled in the city was 519 for the age groups under 15. The population of disabled for the age group 16 to 65 was 3,835 and 3,535 for the ages 65 and above. The shortage of community support services to meet the ever-increasing need has marked it in the medium priority.

### Physically Disabled (High Priority)

According to the 2000 census data, the number of physically disabled persons in the city was 622 for the age groups under 15. The population of disabled for the

age group 16 to 65 was 13,116 and 9,824 for the ages 65 and above. Evidenced by the online survey responses and data presented in the 2002 Regional Advisory Committee Annual Report, there is recognition of the need for supportive services for low-income disabled persons in the city. The 2002 report indicated a shortage of community support services to meet the ever increasing need and, responses to the online survey featured on surveymonkey.com, conducted as part of the Consolidated Plan process, designated this need as a high priority.

#### Alcohol/Other Drug Addictions Only (Low Priority)

The National Institute on Alcohol Abuse and Alcoholism estimates the number of adult men and women with a drinking problem at 15 percent and that of adult women at 6 percent. These percentages applied to Corpus Christi would yield a population total of 28,858 persons. Those suffering from alcohol and drug addictions would need extensive medical care and treatment, rehabilitation programs, and counseling/support groups as part of their treatment and support. Additional assistance would be needed in addressing unemployment and the resulting loss of income/insurance coverage due to inability to perform job functions, and temporary assistance in meal preparation, housekeeping, and shopping (based upon the stage of the problem).

#### HIV/AIDS (Low Priority)

The Coastal Bend AIDS Foundation provides long and short-term care for persons and families affected by AIDS and HIV in the form of rental and utility assistance as clients wait for Section 8 assistance. The Texas Department of Health reported 905 cases of HIV/AIDS for Nueces County as of 2006, up from 644 cases reported in 2000. The 2002 Continuum of Care estimated an unmet need of 341 units for individuals affected by HIV/AIDS and 51 units for families with children.

**Goal:** Evaluate upcoming needs related to the non-homeless special needs populations.

**Strategies:**

1. Work with local providers to identify the needs of the non-homeless special needs population.

## **Affordable Housing**

Table 2A, presented on the following page, establishes the priority need for housing in Corpus Christi. The priorities are based on survey results and the extent of the need identified in terms of number of households and income level. In all cases, lower-income households have a higher priority than higher-income households. The estimated number of units was derived from CHAS data presented in the 2000 Census data. Percentages reported in the CHAS data for households with any housing problems were used to determine the number from the totals reported by income group. Priorities were determined by a survey of providers and residents which was made available through public meetings and on the City's website.

By resolution of the City Council, housing is the highest priority for funding through the Community Development Block Grant Program. While the lowest income households are the highest priority on Table 2A above, responsibility for addressing the needs of this group are divided between the City and other organizations. The Corpus Christi Housing Authority provides public housing units and Section 8 Vouchers, primarily to address housing issues among very low-income households. Non-profit organizations also assume some of the responsibility for meeting these needs. The City's housing programs typically address the needs of low and medium income households looking toward realizing the dream of homeownership.

Several specific issues were brought to light through the Housing Market Analysis and other research conducted in preparation of this document that can be addressed in this Strategic Plan. First, housing development costs have increased to the point where homebuilders are having a difficult time meeting the home price restrictions of the New Construction Home Buyers Program. To address this issue, the City should identify opportunities to achieve some cost saving adjustments in the program or process.

**Table 2A  
Priority Housing Needs/Investment Plan Table**

<b>PRIORITY HOUSING NEEDS (households)</b>		<b>Priority</b>		<b>Unmet Need</b>
<b>Renter</b>	Small Related	0-30%	High	2,229 households
		31-50%	Medium	1,937 households
		51-80%	Low	1,106 households
	Large Related	0-30%	High	935 households
		31-50%	Medium	780 households
		51-80%	Low	775 households
	Elderly	0-30%	High	971 households
		31-50%	Medium	674 households
		51-80%	Low	412 households
	All Other	0-30%	High	1,513 households
		31-50%	Medium	1,319 households
		51-80%	Low	1,265 households
<b>Owner</b>	Small Related	0-30%	High	915 households
		31-50%	Medium	960 households
		51-80%	Low	1,528 households
	Large Related	0-30%	High	437 households
		31-50%	Medium	619 households
		51-80%	Low	930 households
	Elderly	0-30%	High	1,443 households
		31-50%	Medium	907 households
		51-80%	Low	705 households
	All Other	0-30%	High	395 households
		31-50%	Medium	329 households
		51-80%	Low	424 households
<b>Non-Homeless Special Needs</b>	Elderly	0-80%	High	2,414 persons
	Frail Elderly	0-80%	High	237 persons
	Severe Mental Illness	0-80%	Medium	2,000 persons
	Physical Disability	0-80%	Medium	4,800 persons
	Developmental Disability	0-80%	Medium	1,400 persons
	Alcohol/Drug Abuse	0-80%	Low	5,600 persons
	HIV/AIDS	0-80%	Low	200 persons
Victims of Domestic	0-80%	High	200 persons	

The cost of a lot to build upon is another major factor facing the development of affordable housing. A ready source of inexpensive lots would spur housing development. The City should consider funding a non-profit development agency, charged with converting raw land into buildable lots. The agency would use

CDBG funding to purchase land and provide the infrastructure, then sell the lots at a subsidized price, reducing the cost to the homebuilder and the price to the buyer. This agency would also take charge of reclaiming vacant lots within established neighborhoods for inclusion in affordable housing programs.

Foreclosures have become a pressing issue across the country in recent years. The City should work with homeowners and lenders to devise a process through which homeowners at risk of falling into default on their home mortgages can find a way to preserve their positions.

Energy costs are becoming an increasing burden on homeowners and renters alike. Green building processes work to lessen that burden by creating new housing units that are more energy efficient, thus requiring less each month to heat or cool individual units. The City should help to educate builders about green building processes and look toward promoting those processes in future development.

The City should also investigate the introduction of alternative housing types into the local market. Housing rehabilitation programs typically find that many applicants, particularly single occupant elderly households, are in over-housed conditions. This issue, which is discussed in the Housing Needs Assessment, means that the major rehabilitation of a unit occupied by an elderly person is disproportionately higher than the amount per person for the rehabilitation of a family occupied unit. Alternative replacement housing for elderly home owners applying for rehabilitation funding should be considered as a means of addressing their needs and maximizing the use of federal funding. This option could include the recycling of the elderly applicants' unit to provide affordable family housing. Alternative housing types include cottage housing, where a group of small housing units are built together for sale or rent to the elderly or special needs population, and modular housing units, where pre-built housing

units are assembled on permanent foundations on residential lots. Both of these housing alternatives options present cost savings to the buyer and the program.

Another issue that needs to be addressed is the condition of rental housing in the city. A large portion of the population lives in rental housing, over 40 percent citywide. Approximately 20 percent of single-family housing is occupied by a renter household. City rehabilitation programs provide assistance to owner-occupied housing only. The City should investigate the possibility of establishing single-family rental repair and apartment repair programs to aid in improving the housing stock for rental households. Program assistance could be provisioned on the requirement that participating landlords open their properties to Section 8 clients, providing further opportunities to meet the needs of Section 8 voucher holders in need of housing that meets program guidelines.

Finally, non-profit housing development agencies in Corpus Christi are not producing the number of affordable housing units needed to meet the needs of lower-income households. Therefore, their organizational and development capacity needs to be enhanced. In order to enhance their production, we recommend the following programs. First, a capacity building program can be established that works with the nonprofit housing agencies to identify specific technical assistance needs and work with HUD funded technical assistance providers to address those needs. Second, public/private partnerships can be established where the City, non-profit development agencies, and financial, development, or corporate organizations team-up to complete specific development projects. These two strategies can work together to increase the effectiveness of the non-profit community, while providing a stronger development team through partnership efforts.

The following goals, objectives, and strategies were designed to address issues of housing availability and affordability.

**Goal:** Improve the condition and availability of affordable housing in Corpus Christi.

**Objective 1:** Improve the condition of housing for low-income homeowners.

**Strategy 1.1:** Provide emergency repairs to elderly and/or disabled adults with urgent repair needs.

**Performance Goal:** 30 housing units per year.

**Strategy 1.2:** Provide funding for major rehabilitation or reconstruction projects for low-income homeowners.

**Performance Goal:** 15 housing rehabs or reconstruction units per year.

**Strategy 1.3:** Provide down-payment assistance to low-income homebuyers for existing housing units.

**Performance Goal:** 40 units per year.

**Strategy 1.4:** Support alternative housing assistance efforts such as faith-based initiatives, volunteer housing assistance programs, self-help initiatives, weatherization and neighborhood empowerment programs.

**Performance Goal:** 35 households assisted per year.



**Objective 2:** Increase the number of new homes available on the affordable housing market in Corpus Christi.

**Strategy 2.1:** Provide down-payment assistance, principal reductions, and interest rate buy downs to low-income homebuyers on new construction projects with an emphasis on green building.

**Performance Goal:** 15 households assisted per year.

**Strategy 2.2:** Support the development of alternative housing products such as modular housing, shared/intergenerational housing, and cottage/cluster housing for the elderly as a means of increasing the affordability and supply of housing.

**Performance Goal:** Have a program in place by the end of the 2010-2011 program year designed to identify suitable properties and offer them through a Request for Proposals process to encourage new housing products.

**Objective 3:** Create initiatives that reduce mortgage defaults and foreclosure rates among low and moderate income home buyers.

**Strategy 3.1:** Create a maintenance and replacement reserve account for affordable home buyers assisted with federal funds to insure that funds are escrowed to help cover the cost of major repairs.

**Performance Goal:** Design a program and institute program guidelines by the end of the 2009-2010 program year.

**Strategy 3.2:** Create a mortgage default and foreclosure prevention account for affordable home buyers assisted with federal funds to insure that funds are escrowed to help cover the cost of unexpected income/job loss and to write down interest rates.

**Performance Goal:** Design a program and institute program guidelines by the end of the 2009-2010 program year.

**Strategy 3.3:** Implement post purchase support programs in conjunction with non-profit development partners to provide housekeeping and preventive maintenance training, and organize neighborhood programming such as associations, crime watch and other initiatives aimed at strengthening and maintaining neighborhood stability.

**Performance Goal:** Design a program and institute program guidelines by the end of the 2009-2010 program year.

**Objective 4:** Support the increase of the supply of housing available to low-income renters.

**Strategy 4.1:** Work with apartment development companies to identify opportunities to utilize Low-Income Housing Tax Credits (LIHTC) to build new apartments for low-income households.

**Performance Goal:** Identify one new LIHTC project per year and provide support to the developer in their LIHTC application to the State.

**Strategy 4.2:** Preserve affordable rental housing by providing rehabilitation funding of apartment complexes for low-income and or Section 8 residents.

**Performance Goal:** Provide funding for one major rehabilitation project per year.

**Objective 5:** Provide technical assistance training to non-profits to help them build their capacity.

**Strategy 5.1:** Provide funding for an acquisition and rehabilitation program for rental or homeownership from which non-profits can make affordable houses available to low-income residents.

**Performance Goal:** 5 houses per year.

Potential obstacles that may be faced in the realization of the performance goals presented above include:

- The need to establish public/private partnerships in the development and financing of housing projects,
- Resistance to the establishment of programs that fund rehabilitation activities on privately owned rental property, and
- Not enough funding to expand the range of programs offered.

Funding required to meet the objectives listed above would come from the CDBG and HOME Program entitlement grants. Proposals for the development of partnerships with private developers and homebuilders should include private

financial participation on the part of the partners, with the City providing gap financing and/or City endorsements where appropriate.



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

[www.tdhca.state.tx.us](http://www.tdhca.state.tx.us)

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July 7, 2011

*Writer's direct phone # 512-475-3296*  
*Email: [tim.irvine@tdhca.state.tx.us](mailto:tim.irvine@tdhca.state.tx.us)*

Mark Lechner  
Downing Place, LP  
1900 Rolling Hills Trail  
Fishersville, KY 40023

RE: Community Revitalization Plan Point Loss Explanation, #11045 Lexington Vista

Dear Mr. Lechner:

The Department issued a final scoring notice for Application # 11045, on June 1, 2011. The Department has also received several of challenges with respect to specific scoring items, primarily points for New Construction with Community Revitalization pursuant to §49.9(a)(13) of the 2011 Qualified Allocation Plan. As a result, the Department has re-evaluated the points previously requested and awarded for this point item for all 2011 applications submitted under this competitive round. Staff has determined that the points previously awarded to the above referenced application should be deducted from the final application score for the reason(s) stated below:

- The planning document referenced in the letter from the appropriate local official identifies specific geographical areas ("target areas"), but the proposed development is not located within one of those targeted areas.

You may appeal the point deduction described above. In the interest of getting any scoring related appeals on the board agenda for the July 18, 2011 TDHCA Board meeting, please provide your Board appeal to the Department no later than 5:00PM on Thursday, July 14, 2011.

If you have any other questions or concerns please contact Raquel Morales at 512-475-1676 or by email at [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us).

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy K. Irvine".

Timothy K. Irvine  
Acting Director

rbm

**11046- Buckhorn Place**

**MULTIFAMILY FINANCE DIVISION  
BOARD ACTION REQUEST  
July 18, 2011**

**Requested Action**

Deny the Applicant's appeal to reinstate three points to the final score for Application #11046, Buckhorn Place

**WHEREAS**, an application for tax credits was submitted for Buckhorn Place on March 1, 2011; and

**WHEREAS**, the Applicant was not awarded three points for proposing a New Construction development located in an area that is part of a Community Revitalization Plan because the Applicant did not provide sufficient evidence to meet the definition of Community Revitalization Plan as defined in §49.2(8) or the requirements for scoring the points requested under §49.9(a)(13) of the 2011 Qualified Allocation Plan (QAP); therefore

**BE IT RESOLVED**, that the appeal of #11046, Buckhorn Place is hereby denied.

**Background**

Buckhorn Place is a proposed 76 unit new construction multifamily development targeted toward the general population located in Huntsville, Texas.

The Applicant was not awarded three points related to New Construction with Community Revitalization because it was determined after a re-evaluation of the points previously awarded that the planning document referenced did not meet the requirements of a Community Revitalization Plan. This section of the QAP has become very controversial this competitive round as is evidenced by the number of challenges received to date. As a result of the challenges received the Department re-examined every Applicant that requested these three points. Re-examination included not only identifying a letter was provided, but also reviewing each planning document referenced in those letters to make sure it was consistent with both the intent and requirements of the QAP.

The Department's general response to the challenges posed this year is that community revitalization involves a city, in a duly adopted official plan document, actually targeting an area which includes the proposed development, for some specific revitalization activity that includes housing development. As a result, it is not enough that a letter from an Appropriate Local Official state that a specific area, or the entire city limits of an area, is targeted for revitalization and development of residential developments. The planning document on which the letter relies upon to support this claim must be able to document such statement.

In this case the planning document referenced in the letter from the appropriate local official, the Huntsville Horizon Comprehensive Plan, does not target specific areas within the city for revitalization and residential development. The city's Comprehensive Plan provides a description of the existing land use patterns and describes the city's goals with respect to those land use patterns, but does not specifically identify areas within the city that are targeted for those revitalization and residential development goals.

Staff recommends denial of the appeal.



11048- La Privada

**MULTIFAMILY FINANCE DIVISION  
BOARD ACTION REQUEST  
July 18, 2011**

**Requested Action**

Deny the Applicant's appeal to reinstate three points to the final score for Application #11048, la Privada.

**WHEREAS**, an application for tax credits was submitted for La Privada on March 1, 2011; and

**WHEREAS**, the Applicant was not awarded three points for proposing a New Construction development located in an area that is part of a Community Revitalization Plan because the Applicant did not provide sufficient evidence to meet the definition of Community Revitalization Plan as defined in §49.2(8) or the requirements for scoring the points requested under §49.9(a)(13) of the 2011 Qualified Allocation Plan (QAP); therefore

**BE IT RESOLVED**, that the appeal of #11048, La Privada is hereby denied.

**Background**

La Privada is a proposed 156 unit new construction multifamily development targeted toward the general population in Edinburg, Texas.

The Applicant was not awarded three points related to New Construction with Community Revitalization because it was determined after a re-evaluation of the points previously awarded that the planning document referenced did not meet the requirements of a Community Revitalization Plan. The Applicant appeals that the appropriate evidence as required by the Department was provided to support the point request. The Department does not dispute that a letter from an Appropriate Local Official would be sufficient to support the points requested. In fact, the Department's initial review and award of these points was based on acceptance of a letter from an Appropriate Local Official. However, this section of the QAP has become very controversial this competitive round as is evidenced by the number of challenges received to date. As a result of the challenges received the Department re-examined every Applicant that requested these three points. Re-examination included not only identifying a letter was provided, but also reviewing each planning document referenced in those letters to make sure it was consistent with both the intent and requirements of the QAP.

The Department's response to the challenges posed this year is that community revitalization involves a city, in a duly adopted official plan document, actually targeting an area which includes the proposed development, for some specific revitalization activity that includes housing development. As a result, it is not enough that a letter from an Appropriate Local Official state that a specific area, or the entire city limits of an area, is targeted for revitalization

and development of residential developments. The planning document on which the letter relies upon to support this claim must be able to document such statement.

In the case of La Privada, the letter provided from the City of Edinburg states that the *Rio Grande Valley Entitlement Communities Consolidated Plan and Strategy for 2010-2013* is the city's plan for housing and community development needs, thus qualifying the document as a Community Revitalization Plan. It should be noted that the planning document referenced in the letter from the city within the original application submission appears to be different from the planning document provided in the Applicant's board appeal material. The planning document provided in the Applicant's board appeal is specific to the City of Edinburg, whereas the document referenced in the application is a consolidated plan for the combined Rio Grande Valley Entitlement Communities. Staff has reviewed only that document referenced in the original application submission and has not verified the new information provided with the board appeal to determine if it meets the requirements of a Community Revitalization Plan.

In any case, to the extent that a consolidated plan qualifies as such, it still must meet the following criteria in order to meet the requirements and definition of a Community Revitalization Plan: (1) the document, under any name, was approved and adopted by the local Governing Body by ordinance, resolution or vote; and (2) the document targets specific geographic areas for revitalization and development of residential developments. The letter provided by the city confirms that the document was adopted by City Council. The letter also states that the entire city limits of Edinburg are targeted for revitalization and residential development. However, review of the actual consolidated plan reveals that the only areas targeted within the plan are those census block groups where use of federal funds such as CDBG and HOME will be concentrated. The proposed development does not fall within one of those targeted areas.

# COATS | ROSE

*A Professional Corporation*

BARRY J. PALMER

bpalmer@coatsrose.com  
Direct Dial  
(713) 653-7395  
Direct Fax  
(713) 890-3944

July 14, 2011

TDHCA Board Members  
Texas Department of Housing  
and Community Affairs  
221 East 11<sup>th</sup> Street  
Austin, TX 78701-2410

RE: La Privada, Edinburg, Hidalgo County, Texas (TDHCA # 11048);  
Appeal of Denial of 3 Points under §49.9(a)(13).

Dear Board Members:

This letter appeals the denial of three (3) points for being New Construction located in an area that is part of a Community Revitalization Plan under §49.9(a)(13). Because there has been so much controversy regarding this Selection Criterion this year, we think it is important to review the exact requirements carefully. Section 49.9(a)(3)(D) states:

(D) The Development is New Construction and is proposed to be located in an area that is part of a Community Revitalization Plan (3 points).

In the 2011 HTC Procedures Manual, for Volume 4, Tab 13, the requirements are shown on Exhibit A attached.

A Community Revitalization Plan is defined under §49.2(8) as follows:

**Community Revitalization Plan**--A published document under any name, approved and adopted by the local Governing Body or, if the Governing Body has lawfully assigned responsibility for oversight of communication or activities to a body created or sponsored by that Governing Body, the vote of the Governing Body so designated, by ordinance, resolution, or vote that targets specific geographic areas for revitalization and development of residential developments.

In the Application Form, the applicant is required to provide a letter from the Appropriate Local Official stating there is a Community Revitalization Plan in effect and the Development is within the area covered by the plan. In response, the Applicant provided the material shown in Exhibit B attached.

3 East Greenway Plaza, Suite 2000 Houston, Texas 77046-0307  
Phone: 713-651-0111 Fax: 713-651-0220  
Web: [www.coatsrose.com](http://www.coatsrose.com)

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July 14, 2011

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In the La Privada Application, the Applicant provided a letter from the Director of Community Development of the City of Edinburg, in accordance with the terms of the Application requirements. The letter states that Edinburg's Plan for housing and community development needs **targets the entire geographical area that includes the city limits of Edinburg for revitalization and the development of residential developments and the development is within the area covered by the Plan.** (See Exhibit B). That is the sum total of the requirements for the three (3) points for a New Construction project. The points were denied to the project because:

*The planning document referenced in the letter from the appropriate local official identified specific geographical area ("target areas"), but "the proposed development is not located within one of those targeted area.*

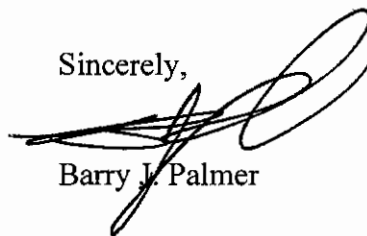
Letter from Timothy K. Irvine dated July 7, 2011 (Exhibit C attached).

Attached as Exhibit D is the Edinburg, TX Consolidated Plan Executive Summary (the "Summary"), provided here because the entire Consolidated Plan is too long for inclusion in this appeal. The Summary clearly shows that the Consolidated Plan encompasses all of the City of Edinburg. The Housing and Community Development Objectives and Priorities on the fifth page relate to the entire community. One objective is "To increase opportunities for low- and moderate-income (50% - 95% of median) homeownership, particularly for first time homebuyers and renters." The Summary further states "The City also believes that housing rehabilitation and re-construction is essential to maintaining (or increasing) a viable supply of decent, safe and sanitary affordable housing and should be a City-wide priority. Highest priority in rehabilitation will be given to neighborhoods occupied by very low- and low- income residents." Additionally, one of the resources discussed is Section 8 rental assistance which permits tenant households to seek rental housing anywhere in the City.

It is clear from the Summary that the Consolidated Plan discusses the rehabilitation and revitalization of the City in general. While some areas may be discussed as being appropriate for certain kinds of funding, the Consolidated Plan is a Community Revitalization Plan that encompasses the entire City of Edinburg and includes the La Privada project. It was never a requirement that an applicant qualify for targeted benefits pursuant to a Community Revitalization Plan, but that the applicant be located in an area that benefits from such a plan.

We respectfully request that the three (3) requested points under Community Revitalization be provided to the Application.

Sincerely,



Barry J. Palmer

July 14, 2011  
Page 3

Enclosures

cc: Tim Irvine  
Tom Gouris  
Robbye Meyer  
Raquel Morales

# **EXHIBIT A**

❖ **Volume 4, Tab 13. (V4 T13) Community Revitalization, Historic Preservation or Rehabilitation (Maximum 6 points)**

- *Volume 2, Tab 1, Part B- 2011 Existing Residential Development Certification Form* must be present in Volume 2, and must be fully executed.
  - Community Revitalization
    - Submit a letter from the Appropriate Local Official stating that the Development Site is located within the area covered by the Community Revitalization Plan; or
    - Only if the Community Revitalization Plan has specific boundaries, a copy of the plan, adopted by the jurisdiction or its designee and a map showing that the Development is within the area covered by the Community Revitalization Plan.
    - Submit evidence that the Community Revitalization Plan has been adopted by the local Governing Body by ordinance, resolution or specific vote.
  - Historic Preservation
    - Developments proposing Rehabilitation (including Reconstruction) or Adaptive Reuse, which include the use of an existing building that is designated as historic by a federal or state Entity.
      - **The historic building itself must be part of the Development; points in this subparagraph are not available for Developments simply located within historic districts or areas that do not have a designation on the building. The Development must include the historic building.**
      - Submit proof of the historic designation from the appropriate Governmental Entity. As a resource, information regarding state and federal historic designations can be printed from the following site:  
<http://atlas.thc.state.tx.us/index.asp>.
    - Developments proposing solely Rehabilitation (includes Reconstruction), solely Reconstruction or solely Adaptive Reuse.
- New Construction Development proposed to be located in an area that is part of a Community Revitalization Plan (this item worth 3 points).

❖ **Volume 4, Tab 14. (V4 T14) Pre-Application Incentive Points (Maximum 6 points)**

- To be eligible for Pre-Application Incentive Points the Applicant must be able to affirm the following:
  - The site under control is identical to or is a reduced portion of the site as proposed in the Pre-Application; and
  - The Application has met the Pre-Application Threshold Criteria as determined by the Department; and
  - A certification must be included as part of the exhibit, signed by the Principals who signed the site control at Pre-Application, confirming that they are the same Principals at Application; and
  - The Development must serve the same target population (general or elderly) as indicated in the Pre-Application; and





# **EXHIBIT B**

**COMMUNITY REVITALIZATION or HISTORIC PRESERVATION (§49.9(a)(13))**

The Application proposes:

- Community Revitalization**- the Development includes the use of an Existing Residential Development and proposes any Rehabilitation or any Reconstruction that is part of a Community Revitalization Plan. (§42(m)(1)(C)(iii))

**Evidence to be provided to satisfy this requirement:**

- Volume 2, Tab 1, Part B- 2011 Existing Residential Development Certification Form* is present in Volume 2, and is fully executed.

**AND**

- A letter from the Appropriate Local Official stating there is a Community Revitalization Plan in effect and the Development is within the area covered by the plan.

**If the Applicant is unable to obtain a letter from an Appropriate Local Official, then the following must be provided:**

- If the Community Revitalization Plan has specific boundaries, a copy of the Plan adopted by the jurisdiction or its designee and a map showing that the Development is within the area covered by the Community Revitalization Plan.

- Historic Preservation** - The Development includes the use of an existing building that is designated as historic by a federal or state Entity and proposes Rehabilitation (including Reconstruction) or Adaptive Reuse.

**Evidence to be provided includes:**

- The Development **includes\*** the use of an existing building that is designated as historic by a federal or state entity and proposes Rehabilitation (including reconstruction) or Adaptive Reuse.
- Proof of the historic designation from the appropriate Governmental Body is included.
- Letter from the Texas Historical Commission indicating the effect of the proposed rehabilitation on historical structure is included.

**\*The Development itself must have the designation; points in this subparagraph are not available for Developments simply located within historic districts or areas that do not have a designation on the building. The Development must include the historic building.**

- Rehabilitation** - Application proposes to build solely Rehabilitation.
- Reconstruction** - Application proposes to build solely Reconstruction.
- Adaptive Reuse** - Application proposes to build solely Adaptive Reuse.

- New Construction** - the Development is New Construction and is proposed to be located in an area that is part of a Community Revitalization Plan.

**Evidence to be provided includes one of the following:**

**Evidence to be provided to satisfy this requirement:**

- A letter from the Appropriate Local Official stating there is a Community Revitalization Plan in effect and the Development is within the area covered by the plan.

**If the Applicant is unable to obtain a letter from an Appropriate Local Official, then the following must be provided:**

- If the Community Revitalization Plan has specific boundaries, a copy of the Plan adopted by the jurisdiction or its designee and a map showing that the Development is within the area covered by the Community Revitalization Plan.



**REMEMBER TO PLACE YOUR EVIDENCE BEHIND THIS FORM**

# THE CITY OF EDINBURG

February 22, 2011

Ms. Raquel Morales  
Housing Tax Credit Administrator  
Texas Department of Housing and Community Affairs  
PO Box 13941  
Austin, TX 78711-3941

RE: La Privada in Area covered by Community Revitalization Plan

Dear Ms. Morales:

The *Rio Grande Valley Entitlement Communities Consolidated Plan and Strategy for 2010-2013* is the City of Edinburg's Plan for housing and community development needs. This Plan targets the entire geographic area that includes the city limits of Edinburg for revitalization and the development of residential developments. This Plan has been adopted by the City Council and is currently in effect. The proposed La Privada development is within the area covered by the Plan.

Please contact me if you have any questions at (956) 388-8206.

Sincerely,



Marissa Garza  
Director of Community Development

Cc: File



412 W. University Drive • P.O. Box 1079 • Edinburg, Texas 78540  
Phone: (956)388-8206 • Fax: (956) 292-2140



# **EXHIBIT C**



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

[www.tdhca.state.tx.us](http://www.tdhca.state.tx.us)

Rick Perry  
GOVERNOR

BOARD MEMBERS  
C. Kent Conine, *Chair*  
Tom H. Gann, *Vice Chair*  
Leslie Bingham-Escareño  
Lowell A. Keig  
Juan S. Muñoz, Ph.D  
J. Paul Oxer

July 7, 2011

Writer's direct phone # 512-475-3296  
Email: [tjm.irvine@tdhca.state.tx.us](mailto:tjm.irvine@tdhca.state.tx.us)

Scott Brian  
Neilquist Place, LP  
3510 Brook Hollow Dr.  
Louisville, KY 40220

RE: Community Revitalization Plan Point Loss Explanation, #11048, La Privada

Dear Mr. Brian:

The Department issued a final scoring notice for Application # 11048, on June 1, 2011. The Department has also received several of challenges with respect to specific scoring items, primarily points for New Construction with Community Revitalization pursuant to §49.9(a)(13) of the 2011 Qualified Allocation Plan. As a result, the Department has re-evaluated the points previously requested and awarded for this point item for all 2011 applications submitted under this competitive round. Staff has determined that the points previously awarded to the above referenced application should be deducted from the final application score for the reason(s) stated below:

- The planning document referenced in the letter from the appropriate local official identifies specific geographical areas ("target areas"), but the proposed development is not located within one of those targeted areas.

You may appeal the point deduction described above. In the interest of getting any scoring related appeals on the board agenda for the July 18, 2011 TDHCA Board meeting, please provide your Board appeal to the Department no later than 5:00PM on Thursday, July 14, 2011.

If you have any other questions or concerns please contact Raquel Morales at 512-475-1676 or by email at [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us).

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy K. Irvine".

Timothy K. Irvine  
Acting Director

rbm

# **EXHIBIT D**

# Edinburg, TX

## Consolidated Plan Executive Summary

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### Consolidated Plan Contact

## CITIZEN'S SUMMARY

*Edinburg is situated in the mid-southern portion of Hidalgo County. It is 226 miles south of San Antonio and 144 miles southwest of Corpus Christi. To the east of Edinburg, lies South Padre Island, some 70 miles. Mexico is only 20 miles south and offers a different perspective of the region. Edinburg is also chair to Hidalgo County, which is the seventh largest county in the State. In the area of higher education, the City is home to the University of Texas-Pan American, an accredited four year and graduate state university with approximately 13,900 enrollment.*

### **Action Plan**

The City of Edinburg has set forth a specific plan for activities that it expects to pursue using Community Development Block Grant (CDBG) funds. Each of these activities correlates directly with priorities stated in the Five-Year Strategy. The total amount available for 1995 through the CDBG Program including program income is \$1,004,803. These funds will be primarily spent on public facilities and improvements, affordable housing initiatives and housing rehabilitation and public services.

### **Citizen Participation**

The Consolidated Plan and Strategy (CPS) was developed through joint efforts of local, state, federal and residents from throughout the City.

The City of Edinburg, Community Development Department and the Community Development Council conducted four (4) public hearings throughout the City to gather input from residents regarding the needs of the community. All comments received during the these public hearings through use of a citizen questionnaire, in addition to, the application for funding, the Housing Needs Questionnaire and the CPS Survey, were used in the preparation of this document and specifically in the One-Year Action Plan.

The City of Edinburg announced the availability of the draft document at the City Commission meeting on May 16, 1995. On May 21, 1995, a notice was published advising the public that the draft document was available for review and comment for a period of 30 days, beginning on May 21, 1995 and ending on June 20, 1995. The plan was approved by City Commission on July 18, 1995.

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## COMMUNITY PROFILE

The City of Edinburg enjoys attractive neighborhoods, a rejuvenate business district and numerous facilities for recreation and shopping. It is located 10 miles northeast of McAllen and lies on the South Texas border, 20 miles north

of Reynosa, Mexico.

The population of the City of Edinburg has grown over the past ten years. In 1980, there were 24,075 residents in the City. By 1990, the population had increased to 29,885, an approximate 24% increase. Edinburg's Hispanic population represents 86% of the City's total population and the remaining minorities (White, African-American, Asian, etc.) represent 14% of the population. In 1990, the median family income in Edinburg is \$20,300.00.

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## HOUSING AND COMMUNITY DEVELOPMENT NEEDS

### Conditions

Seeking to repeat its 1968 victory, the City of Edinburg was fortunate to have been selected "All America City" in 1995. The City of Edinburg was one of ten cities selected from throughout the nation to receive this recognition. The City continues to develop and create new innovative ways to meet the community's needs including affordable housing, emergency shelter for the homeless, accessible transportation and services for frail elderly, youth centers, etc.

Edinburg has prospered in fields such as agriculture, industry, and retail. Tourist attractions include the Hidalgo County Historical Museum, U.S. wildlife refuges and the Annual Fiesta Hidalgo. Presently, there are 32 firms which include manufacturing, clothing, electronic computer boards, ethanol, food products, cabinetry, oil-field products, concrete products, agricultural chemicals as well as fruit and vegetable packing and shipping companies.

### Housing Needs

There are two critical housing needs identified in the Consolidated Plan: increasing the affordability of housing and rehabilitating the existing housing stock. To address housing quality/condition problems, funds are needed to help low-income persons maintain and repair their homes. Of low-income owner households, large families have the greatest housing need, followed by minority households, small families and the elderly. Among renter households, large families have the greatest need followed by minority households.

### Housing Market Conditions

Edinburg has a total of 9,206 dwelling units. Out of 9,206 units, 4,858 (53%) are owner-occupied households, 3,616 (39%) are rental units and 732 (8%) are unoccupied or vacant.

The price of new housing has a strong bearing on the demand for existing housing and subsequent vacancy levels. When the demand for housing exceeds the available supply, the vacancy rate will be low. A low vacancy rate ultimately will drive the cost of housing upward to the disadvantage of prospective low-income buyers and renters. The average vacancy rate falls between 4 - 7%.

### Affordable Housing Needs

The extremely low income minority household are households earning 30% or less of the McAllen-Edinburg-Mission MSA area median family income less than \$14,350 per year. In 1990, there were 1,820 households in Edinburg that could be defined as extremely low income households. Of the 1,820 extremely low-income households, 766 (42%) were paying more than 30% of their income for housing and 554 (30%) were paying more than 50% of their income for housing.

Very low-income Edinburg households are households between 31-50% of the median family income which is \$10,150 per year. In 1990, there were 1,084 households in Edinburg that could be defined as very low-income, representing



12% of households in the City. Of these very low-income households, 554 (51%) were renters and 530 (49%) were owners. The majority of Edinburg's very low income households (90%) are Hispanics while ten percent of very low income households white households.

Low-income households are households that have incomes between 51-80% of the median family income which is \$16,240. In 1990, there were 1,227 low-income households of which 644 (52%) were renters and 583 (48%) were owners. Hispanic households fall into this income category, 87% compared to 13% of all low income white households.

Moderate-income households are households that have income of between 80-95% of the median family income which is \$19,285 per year. In 1990, there were 4,170 moderate-income households of which 1,237 were renters and 2,933 were owners. The City of Edinburg has available sufficient rental units which are affordable to moderate-income households but not for very low- and low-income households.

## **Homeless Needs**

There is no accurate local counts regarding the extent of homelessness, however, it is believed that the percentage of the homeless that are families is increasing. The Edinburg Housing Authority's record of applications showed that 2,778 applications were made in these programs during a twelve month period. The waiting list no doubt shows that there are many in need of assistance than assistance is available.

Families or individuals may be threatened with homelessness if they are persons that might lose permanent housing due to mental illness, alcohol and drug abuse, domestic violence, overcrowded living conditions or because the families have incomes below 30% of median income and they pay more than 50% of their income on housing. Each of these individuals would be considered in jeopardy of homelessness.

According to the 1990 Census data, there are 1,042 rental units in the City that carry a rent affordable to households earning less than 30% of median income. The City will continue to provide support to the appropriate agencies to help minimize the number of Edinburg residents who might become homeless due to housing cost, income or special needs.

The most recent data available on this special need population is from the 1990 Census. The data indicates that there are 3,862 large family households among the City's total households (42% of all households).

Edinburg is increasingly concerned with extended families living in overcrowded conditions and will continue to pursue methods of increasing available affordable housing for large families.

## **Public and Assisted Housing Needs**

The City of Edinburg currently serves 1,286 households through public and assisted housing programs. Nonetheless, both programs presently have waiting lists. The public housing organization for the City of Edinburg is the Edinburg Housing Authority (EHA). EHA owns 465 public housing units with one (1) high-rise elderly/disabled development and other developments for larger families. EHA provides 547 certificates and 150 vouchers. The EHA continues to witness a large need for tenant-based rental assistance primarily for large families.

The Edinburg Housing Authority's, between May of 1994 and May of 1995, applications showed a total of 2,778 applicants for housing assistance. Of this total number of applications, 1,286 applicants were granted for housing assistance units within the City and 376 went to units out of the City. The remaining applications, a total of 1,116 are pending on a "stand-by" status.

The Edinburg Housing Authority will also continue to promote and support upward mobility opportunities for its current and future tenants so that they may become self-sufficient. The Edinburg Housing Authority has also expanded by providing supportive services to assist their residents in areas such as drug elimination programs, counseling, recreational and educational programs.

## **Barriers to Affordable Housing**

The City of Edinburg is aware of the important impact various government policies can have upon the availability of affordable housing within our community. We endorse the Federal Government's initiative in promoting the elimination of any public policies that might limit affordable housing.

The housing constraints that affect affordable housing in Edinburg are primarily economic. Rising costs within the construction industry, the cost and availability of financing and the high demand for a limited amount of land have combined to constrain housing production, particularly for low-and-moderate income persons.

Following is a listing of policies and regulations which may affect housing development in Edinburg:

- Building Code
- growth limit
- building fees
- subdivision regulation

Edinburg's policies and fees are reasonable. However, if fees such as impact fees and water connection fees were relaxed, affordable housing may become more obtainable. For the most part, the high cost of housing has stemmed from the high costs of land, construction and building materials. The City acknowledges that much must still be done to increase affordable housing opportunities. As a result, the City will continue to re-evaluate all development fees, regulation and program policies and procedures to determine whether any further revisions may be appropriate to enhance affordable housing for low-income minority residents of the City. However, the City believes that these do not constitute barriers to affordable housing.

## **Fair Housing**

The City, in conjunction with the Housing Authority, nonprofit and for-profit developers, social service providers, lenders, and the Board of Realtors will make every effort to insure that no individual or family is in any way discriminated against on the grounds of race, color, religion, sex, handicap, familial status or national origin. This program is city-wide and benefits those in all income categories, including extremely low-, very low-, low- and moderate-income renters. The City will conduct an analysis of impediments to fair housing choice during the next fiscal year.

## **Lead-Based Paint**

Though no accurate information about the incidence of lead-paint exists in the City of Edinburg, the City realizes that lead-based paint poses a serious threat and must be addressed. Edinburg has 4,691 owner units and 4,242 rental units built before 1980 and not all housing built before 1979 contains lead paint. Although no accurate analysis as the extent of lead paint is available, the Federal government requires that the City estimate the prevalence of lead-based paint in the community.

The City of Edinburg has consulted with officials regarding the dangers of lead-based paint poisoning. The City has implemented a plan of action in which applicants, who live in homes constructed prior to 1978 with a resident child under the age of seven, will be advised of testing if the structure is using CDBG funds for rehabilitation. Aside from the City, the Edinburg Housing Authority also constructed lead based paint testing to which none was found. The Housing Authority has also done a five year plan and is currently following regulations required by law.

## **Community Development Needs**

The City has identified the need to provide infrastructure improvements in low-income areas such as streets, street lights, drainage, sewer, water and sidewalks.

Although the Boy's and Girls Club provides constructive activities and well rounded social programs, the need for

youth centers and recreational activities was evident. Due to a rise in juvenile crime, the community emphasized the need for more youth centers and recreational activities, especially during the summer months when there is no school. It was expressed by members of the community that it is crucial to the future of our community that youths be provided with challenging activities and programs. The development of family oriented neighborhood facilities, particularly in the lower income areas, in the form of activity centers or parks.

Other needs identified by the community included the provision of affordable child care services for low-income residents while pursuing employment training or gainful employment; accessibility to elderly and handicapped individuals for affordable health services and transportation.

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# HOUSING AND COMMUNITY DEVELOPMENT STRATEGY

## Vision for Change

The overall goal of the community planning and development programs covered by this requirement is to develop viable urban communities by providing decent housing, a suitable living environment and expand economic opportunities principally for low and moderate income persons. The primary means toward this end is to extend and strengthen partnerships among all levels of government and the private sector, including for profit and nonprofit organizations, in the production and operation of affordable housing and other needs.

## Housing and Community Development Objectives and Priorities

The City of Edinburg, through consultations, observations, and analysis within the community, has identified five (5) key priorities to pursue on a policy and program basis over the next five years. These priorities reflect the policies and programs which will best meet the needs within the City and these priorities are:

- To preserve and rehabilitate the City's existing single family housing stock and assess the City's multi-family housing stock, primarily for extremely low, very low and low income families (0- 80% of median income).
- To improve the living conditions of extremely low, very low, and low income renters(0-80% of median income), including renter households threatened with loss of their permanent housing, to improve services to the City's residents that become homeless in order to return these families and individuals to independent living in permanent housing.
- To increase opportunities for low-and moderate-income (50%-95% of median) homeownership, particularly for first time homebuyers and renters.
- To preserve, provide and improve services for residents with special needs, particularly the elderly, the physically disabled and children who are troubled or at risk.
- To expand economic opportunities in the community, particularly for lower income residents.

The City of Edinburg has a long history of receiving housing and community development funds from the U.S. Department of Housing and Urban Development and the State (TDHCA and TWDB). The City continues to look forward to using CDBG funds to improve our community.

## Housing Priorities

In order to make homeownership an option for more of its lower income residents, an increase in the supply of

available affordable housing is necessary. The City also believes that housing rehabilitation and re-construction is essential to maintaining (or increasing) a viable supply of decent, safe and sanitary affordable housing and should be a City-wide priority. Highest priority in rehabilitation will be given to neighborhoods occupied by very low- and low-income residents.

*Priorities for Housing Rehabilitation* include placing high emphasis on rehabilitation of existing housing stock.

*Priorities Homeownership* include increasing the level of homeownership within the community by increasing the supply of affordable housing and reducing housing cost burden which will help promote neighborhood stability, improve community pride and property attractiveness.

*Priorities for Housing Assistance to Prevent Homelessness* include assisting those very low- income individuals and families that currently have rental housing but could fall into temporary homelessness unless certain public actions are undertaken; assisting those threatened with homelessness who are very low income families and individuals with incomes below 50% of median income who are paying more than 50% of their income in rent; assisting the special needs population ("at risk" residents) to assure that a serious homeless problem does not develop.

*Priorities for Permanent Supportive Housing* include assisting the frail elderly and physical disabled who require housing that is adapted for their particular needs.

## **Non-Housing Community Development Priorities**

*Priorities for community development activities* include public facilities improvements (parks, recreation, and youth centers), infrastructure improvements (street, sidewalk and sewer) and provision of public services.

## **Anti-Poverty Strategy**

Edinburg's Anti-Poverty Plan focuses on the most vulnerable groups in the City, primarily the very-low-income households with incomes between 0-30% of the median family income, those individuals in public or assisted housing and the uncouneted homeless individuals and families.

It is important to recognize that the Anti-Poverty Strategy is not a housing plan; it is an economic development plan that attempts to increase incomes and job opportunities for low- income households. The economic changes in Edinburg have lead to growth in the number of low as well as high paying jobs. The core of the plan to combat poverty must be the creation of secure, well paying jobs.

The City will refer all low and very low income minority households that require assistance to the job training programs, with the intentions of reducing the number of households with incomes below the poverty level.

## **Housing and Community Development Resources**

The City of Edinburg is in the 20th Year of administering the Community Development Block Grant program (CDBG). To date, the City of Edinburg has received a total of \$31,259,023 for activities which benefit low and moderate income persons, eliminate slum and blight in the community or address and urgent community development need. The City of Edinburg has utilized CDBG funds for a wide range of community activities, including water and sewer construction, streets and sidewalks, housing rehabilitation and re-construction, public facilities, park improvements and social services.

The Edinburg Housing Authority annually receives Section 8 rental assistance, which can be used by eligible low-income tenant households to obtain affordable rental housing. These certificates and housing vouchers are provided directly to the tenant households, who then may seek rental housing anywhere in the City.

The City has received \$1,162,000 through the Texas Department of Housing and Community Affairs Programs (TDHCA). Home Program funds may be used to support a variety of housing programs such as rehabilitation

assistance, new construction and first time homebuyer assistance for low and very low income families, The City has also received funds from Texas Water Development Board (TWDB) through the Colonia Plumbing Loan Program. To date, the City has received \$978,000 to provide plumbing improvements for Edinburg residents.

Local revenue in Edinburg is used to cover basic community services, but the City will continue to pursue locally-based housing initiative, such as a Community Housing Development Organization (CHDO) to develop affordable housing and assist with rehabilitation programs. In addition, the City actively pursues the expansion of economic opportunities for its residents. The Edinburg Chamber of Commerce along with Edinburg Public Works and the Economic Development Corporation, expend considerable efforts to create an environment attractive to new businesses and supportive to the growth of existing ones.

The City utilizes CDBG and HOME funds to leverage resources provided by the private sector. Local lending institutions will continue to be asked to actively participate in the implementation of this housing strategy. Local lenders -- NationsBank, First National Bank, San Benito Bank & Trust and International Bank of Commerce, have already demonstrated a commitment to forming solutions to the affordable housing dilemma in the City.

### **Coordination of Strategic Plan**

The City of Edinburg Community Development Department is responsible for the Consolidated Plan activities and, will strive to increase the strength, scope and effectiveness of the new network of community partnerships developed as a result of this process. Working closely with the County, the Housing Authority, service providers, employers, lenders, and the respected leaders of our lower income population, the City will serve as a resource for community-based initiatives.

---

## **ONE-YEAR ACTION PLAN**

### **Description of Key Projects**

The City of Edinburg One-Year Action Plan outlines the proposed use of approximately one million in CDBG and program income. These funds will be spent in the following manner:

- \$ 98,790 for reconstruction of streets for the relief of flooding in the Northeast neighborhood
- \$ 15,000 for upgrading existing and installation of new street lights
- \$ 23,813 for public services; Prevention and Youth Development program
- \$202,860 for development of Municipal Park
- \$311,640 for housing assistance to low/moderate income eligible residents including administration costs
- \$245,000 for Repayment of Section 108 Loan for the expansion of the wastewater treatment plant
- \$107,700 for Program Administration

### **Locations**

The City of Edinburg is addressing the low/moderate residential areas within the community. Funds allocated to these areas are spent mostly on public improvement and housing rehabilitation.

### **Housing Goals**

The City of Edinburg's Housing Assistance Department estimates providing housing assistance in the form of rehabilitation or reconstruction assistance to twenty five low/moderate income families residing within the community through the Community Development Block Grant. In addition, the City will be providing assistance through the Texas Department of Community Affairs, HOME Program to thirty-five low and moderate income families with reconstruction assistance and an additional fifteen low and moderate income families will be assisted with new construction assistance through the Single Family Border Housing Initiative Program.

## Maps

MAP 1 depicts points of interest in the jurisdiction.

MAP 2 depicts points of interest, low-moderate income areas, and minority concentration levels.

MAP 3 depicts points of interest, low-moderate income areas, and unemployment levels.

MAP 4 depicts a Neighborhood Segment and streets with proposed HUD funded projects; in addition, a table provides information about the project(s).

MAP 5 depicts a Neighborhood Segment and streets with proposed HUD funded projects. The table associated with Map 4 also contains information about the projects identified on this map.

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*To comment on Edinburg's Consolidated Plan, please contact:*

*Ms. Joanne Saldana  
CDBG Coordinator  
(210) 383-0104*

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Return to [Texas' Consolidated Plans](#).



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

[www.tdhca.state.tx.us](http://www.tdhca.state.tx.us)

Rick Perry  
GOVERNOR

**BOARD MEMBERS**  
C. Kent Conine, *Chair*  
Tom H. Gann, *Vice Chair*  
Leslie Bingham-Escareño  
Lowell A. Keig  
Juan S. Muñoz, Ph.D  
J. Paul Oxer

July 7, 2011

*Writer's direct phone # 512-475-3296*  
*Email: [tim.irvine@tdhca.state.tx.us](mailto:tim.irvine@tdhca.state.tx.us)*

Scott Brian  
Neilquist Place, LP  
3510 Brook Hollow Dr.  
Louisville, KY 40220

RE: Community Revitalization Plan Point Loss Explanation, #11048, La Privada

Dear Mr. Brian:

The Department issued a final scoring notice for Application # 11048, on June 1, 2011. The Department has also received several of challenges with respect to specific scoring items, primarily points for New Construction with Community Revitalization pursuant to §49.9(a)(13) of the 2011 Qualified Allocation Plan. As a result, the Department has re-evaluated the points previously requested and awarded for this point item for all 2011 applications submitted under this competitive round. Staff has determined that the points previously awarded to the above referenced application should be deducted from the final application score for the reason(s) stated below:

- The planning document referenced in the letter from the appropriate local official identifies specific geographical areas ("target areas"), but the proposed development is not located within one of those targeted areas.

You may appeal the point deduction described above. In the interest of getting any scoring related appeals on the board agenda for the July 18, 2011 TDHCA Board meeting, please provide your Board appeal to the Department no later than 5:00PM on Thursday, July 14, 2011.

If you have any other questions or concerns please contact Raquel Morales at 512-475-1676 or by email at [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us).

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy K. Irvine".

Timothy K. Irvine  
Acting Director

rbm

11049- Palisades at Inwood



**MULTIFAMILY FINANCE DIVISION  
BOARD ACTION REQUEST  
July 18, 2011**

**Requested Action**

Deny the Applicant's appeal to reinstate three points to the final score for Application #11049, Palisades of Inwood.

**WHEREAS**, an application for tax credits was submitted for Palisades of Inwood on March 1, 2011; and

**WHEREAS**, the Applicant requested three points for proposing New Construction to be located in an area that is part of a Community Revitalization Plan; and

**WHEREAS**, the Applicant did not provide sufficient evidence to meet the definition of Community Revitalization Plan as defined in §49.2(8) or the requirements for scoring the points requested under §49.9(a)(13) of the 2011 Qualified Allocation Plan (QAP); therefore

**BE IT RESOLVED**, that the appeal of #11049, Palisades of Inwood is hereby denied.

**Background**

Palisades of Inwood is a proposed Elderly development intended to consist of 127 units. The Applicant was denied three points under the Community Revitalization and Historic Preservation scoring item because the evidence provided of a Community Revitalization Plan did not meet the definition or the requirements as reflected in the 2011 QAP. The Applicant's original application submission included information for the Near Northwest Management District and its plans to develop the Near Northwest area of Houston. Staff researched the information provided as well as the website for the Near Northwest Management District to determine if this could qualify as a Community Revitalization Plan as defined the QAP. In keeping with the definition, a Community Revitalization Plan must meet the following criteria to qualify for the points requested under this item: (1) the document, under any name, was approved and adopted by the local Governing Body by ordinance, resolution or vote; and (2) the document targets specific geographic areas for revitalization and development of residential developments. The evidence provided in the application and with the appeal indicates that the Near Northwest Management District is the appropriate local governing body. The evidence also supports that there is a specific geographic area targeted for the Near Northwest Management District. However, there has been no evidence provided that a published document exists for the Near Northwest Management District that acts as its community revitalization plan, nor that such a published document has been approved and adopted by the Near Northwest Management District by

ordinance, resolution or vote. While the Applicant appeals that the District has a community revitalization plan, evidence of this plan was not provided with the appeal.

A copy of a letter from the District's Board Chair was also provided with the appeal indicating that the District has taken efforts specific to housing revitalization. However, the Board Chair also confirmed that while the board has taken several votes regarding these efforts within the boundaries of the District, the votes are not formalized except when required by an outside entity. The Board Chair also included copies of meeting minutes at its monthly meetings dating back to September 2010 and through April 2011 to document that action has been taken on housing revitalization efforts. However, review of the minutes provided with the appeal reveal that only board discussions have taken place of a Livable Centers Study Grant ("Study"), but that no specific action to approve the Study as the District's community revitalization plan has been voted on by the Board. Further, the Study appears to be a preliminary study.

Given that the Department has confirmed that all criteria required to meet the definition of a Community Revitalization Plan as defined in the 2011 QAP has been met except for the fact that a published document does not exist that was adopted and approved by the Near Northwest Management District, the application remains ineligible for the points requested.

Staff recommends denial of the appeal.

**HUNTJON, LLC**  
3040 Post Oak Blvd., Suite 1600  
Houston, Texas 77056  
713-968-1602 / 713-968-1601 Fax

June 28, 2011

**By Electronic Transmittal**

Mr. Timothy K. Irvine, Acting Executive Director  
TDHCA  
221 East 11<sup>th</sup> Street  
Austin, TX 78701

RE: Palisades of Inwood, TDHCA # 11049  
Scoring Notice – Additional Appeal Information

Dear Mr. Irvine:

This letter is written on behalf of Palisades of Inwood, LP ("Owner"). The Owner submitted a 2011 application for tax credits for the Palisades of Inwood (the "Project"). The Project is a proposed 127-unit senior development located in Houston, Texas. On June 1, 2011, the Owner received its Scoring Notice for the Project application notifying the Owner that the three (3) points for New Construction with Community Revitalization were not awarded. The Owner appealed the Scoring Notice and on June 21, 2011, received a letter denying its request to reinstate the three (3) points. This letter is written to request a hearing before the Board on July 18<sup>th</sup> and to provide supplemental information to the appeal.

The Owner would like to address the following issues raised in the Scoring Notice and Denial of Appeal:

- (1) The Scoring Notice indicated that "the district itself does not meet the definition of Community Revitalization Plan". The Owner disagrees with this statement because the Near Northwest Management District (the "NNMD") meets the definition of a governing body created by the City of Houston pursuant to Chapter 375 of the Texas Property Tax Code. Therefore, this entity is a Local Governing Body by definition. The District also has a community revitalization plan which addresses housing as evidenced by the attached letter signed by the President of the Board as the "Appropriate Local Official" of the District and as supported by past and current revitalization activities undertaken by the District. *Please see attached letter.*

(2) The Scoring Notice indicated that "while the District's mission is to promote and coordinate economic growth, creation and beautification of area green spaces and promote and supplement public security within its boundaries, there doesn't appear to be a focus on residential development within the District's boundaries". The definition as stated in the 2011 QAP indicates that the Local Governing Body should target specific geographic areas for revitalization and development of residential developments. It does not indicate that residential development must be a focus of the Local Governing Body but it must simply target residential development. The Near Northwest Management District has set out a specific geographic area as indicated in its enabling ordinance. In addition, the purpose for creation of the District as reflected in the ordinance is "to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the near northwest area of the city of Houston". Please see attached Enabling Legislation.


(3) "The District does not appear to have approved a document by ordinance, resolution or vote that targets specific geographic areas for both revitalization and development of residential developments". The NNWMD has voted on matters that target revitalization and development of residential development within its specific geographic boundary. This information is further confirmed by the letter from the NNWMD board. Please see attached.

The Owner believes that the interpretation by TDHCA staff regarding the adoption of a Community Revitalization Plan is incorrect. The staff failed to recognize a management district, which is created by state statute, as a governing body and therefore, failed to recognize board actions as sufficient to meet the definition as set out in the 2011.

Therefore, we ask for your favorable reconsideration of the decision to reinstate the three (3) points for Community Revitalization Plan for Palisades of Inwood.

Thank you very much for your consideration of this appeal. If you require additional information, please do not hesitate to call me at (713) 545-8840 or our tax credit counsel, Antoinette "Toni" Jackson at (713) 653-7392.

Very truly yours,

  
Marvalette Hunter  
Managing Partner

cc: Raquel Morales

# NNWMT Enabling Legislation

H.B. No. 3508

1 ASSESSMENTS, AND IMPACT FEES  
2 Sec. 3811.155. MAINTENANCE TAX  
3 Sec. 3811.156. ASSESSMENTS; LIENS FOR ASSESSMENTS  
4 Sec. 3811.157. PROPERTY EXEMPT FROM IMPACT FEES AND  
5 ASSESSMENTS  
6 Sec. 3811.158. OBLIGATIONS; APPROVAL BY CITY OF HOUSTON  
7 Sec. 3811.159. ELECTIONS REGARDING TAXES OR BONDS  
8 Sec. 3811.160. SALES AND USE TAX PROHIBITED  
9 [Sections 3811.161-3811.200 reserved for expansion]

10 SUBCHAPTER E. DISSOLUTION  
11 Sec. 3811.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
12 DEBT

\* 13 CHAPTER 3811. NEAR NORTHWEST MANAGEMENT DISTRICT

14 SUBCHAPTER A. GENERAL PROVISIONS

15 Sec. 3811.001. DEFINITIONS. In this chapter:

16 (1) "Board" means the board of directors of the  
17 district.

18 (2) "District" means the Near Northwest Management  
19 District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
20 77th Leg., R.S., Ch. 418.)

21 Sec. 3811.002. NEAR NORTHWEST MANAGEMENT DISTRICT. A  
22 special district known as the "Near Northwest Management District"  
23 is a governmental agency and political subdivision of this state.  
24 (Loc. Gov. Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch.  
25 418.)

\* 26 Sec. 3811.003. PURPOSE; DECLARATION OF INTENT. (a) The  
27 creation of the district is essential to accomplish the purposes of

1 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
2 Texas Constitution, and other public purposes stated in this  
3 chapter. By creating the district and in authorizing Harris  
4 County, the City of Houston, and other political subdivisions to  
5 contract with the district, the legislature has established a  
6 program to accomplish the public purposes set out in Section 52-a,  
7 Article III, Texas Constitution.

8 (b) The creation of the district is necessary to promote,  
9 develop, encourage, and maintain employment, commerce,  
10 transportation, housing, tourism, recreation, the arts,  
11 entertainment, economic development, safety, and the public  
12 welfare in the near northwest area of the city of Houston.

13 (c) This chapter and the creation of the district may not be  
14 interpreted to relieve Harris County or the City of Houston from  
15 providing the level of services provided as of May 28, 2001, to the  
16 area in the district or to release the county or the city from the  
17 obligations of each entity to provide services to that area. The  
18 district is created to supplement and not to supplant the county or  
19 city services provided in the area in the district. (Loc. Gov.  
20 Code, Secs. 376.451(c), 376.452, as added Acts 77th Leg., R.S., Ch.  
21 418.)

22 Sec. 3811.004. FINDINGS OF BENEFIT AND PUBLIC  
23 PURPOSE. (a) The district is created to serve a public use and  
24 benefit.

25 (b) All land and other property included in the district  
26 will benefit from the improvements and services to be provided by  
27 the district under powers conferred by Sections 52 and 52-a,

1 instrumentality of any private interest even though the district  
2 will benefit many private interests as well as the public. (Loc.  
3 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 418.)



4 Sec. 3811.005. DISTRICT TERRITORY. (a) The district is  
5 composed of the territory contained in the area bounded by T.C.  
6 Jester Boulevard on the east, Pinemont Drive on the south,  
7 Hollister Drive projected to State Road 249 on the west, and State  
8 Road 249 on the north, as those roads existed on May 28, 2001, and as  
9 that territory may have been modified under:

10 (1) Section 3811.104 or its predecessor statute,  
11 former Section 376.479, Local Government Code, as added by Section  
12 1, Chapter 418, Acts of the 77th Legislature, Regular Session,  
13 2001;

14 (2) Subchapter J, Chapter 49, Water Code; or

15 (3) other law.

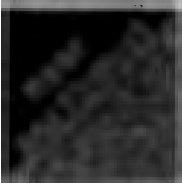
16 (b) The boundaries described by Subsection (a) form a  
17 closure. A mistake in the description in the legislative process  
18 does not in any way affect:

19 (1) the district's organization, existence, and  
20 validity;

21 (2) the district's right to issue any type of bond,  
22 including a refunding bond, for a purpose for which the district is  
23 created or to pay the principal of and interest on the bond;

24 (3) the district's right to impose and collect an  
25 assessment or tax; or

26 (4) the legality or operation of the district or the  
27 board. (Loc. Gov. Code, Secs. 376.454, 376.455, as added Acts 77th



June 27, 2011

Mr. Timothy K. Irvine, Acting Executive Director  
Texas Department of Housing and Community Affairs  
221 East 11<sup>th</sup> Street  
Austin, TX 78701

RE: Palisades at Inwood, TDHCA # 11049 – Appeal  
Community Revitalization Plan

Dear Mr. Irvine:

The Near Northwest Management District is pleased to provide this letter of support for The Palisades of Inwood Appeal – TDHCA #11049. The Owner filed an appeal to TDHCA's decision to deny points under the Community Revitalization Plan with New Construction. This scoring item represents three (3) points which are being denied the applicant. The Near Northwest Management District is supportive of the proposed project as it is located within the District's targeted geographic boundaries and is consistent with the District's Community Revitalization Plan.

The Near Northwest Management District was created in 2001 by the Texas Legislature with consent of the City of Houston. Our purpose is to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the near northwest area of the City of Houston. The proposed Palisades of Inwood is within the geographical boundaries of the district. The District is bounded by T.C. Jester Boulevard on the east, Pinemont Drive on the south, Hollister Drive project to State Road 249 on the west, and State Road 249 on the north.

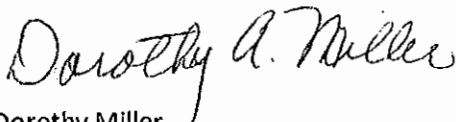
Over the past ten (10) years, the District has been actively engaged in promoting the revitalization of the Greater Inwood Community through economic and residential development. The District has undertaken several initiatives aimed at preserving, revitalizing and improving the quality of life for residents in our community, including a focus on residential development. The board has taken several votes regarding the targeting of residential developments within the service area. However, all votes taken are not formalized in a resolution except when the resolution is required by an outside entity. Our housing revitalization efforts to date have focused on the demolition of deteriorated, substandard apartment complexes and on replacing them with quality housing that will contribute to the viability and sustainability of the community. For your consideration, I have attached the minutes for several relevant meetings where votes were taken regarding our community and residential revitalization activities, including:



- Demolition/Rehabilitation of Apartments-currently involved in a multi-apartment project that affects over 1500 multi-family units in our area, over \$31million has been invested to date with another \$10 million being earmarked for the redevelopment & revitalization of said apartments;
- Weed & Seed Revitalization Strategy-a Department of Justice project in which the youth of the area of DeSoto and Holly View have been working in numerous programs to further their educational opportunities and better themselves as viable, contributing members of society;
- HGAC Livable Centers Study and Revitalization Plan- is in phase II and we have been actively seeking developers who have the same vision as we do to improve the area. The preliminary plans show a totally revitalized and reinvigorated Antoine from Tidwell to West Gulf Bank;
- City of Houston Housing Project-currently looking at ways to decrease the inventory of multi-family housing that have become slums on Tidwell and increase opportunities of home ownership in the area.

We respectfully request that the Near Northwest Management District's Community Revitalization activities be accepted as the Community Revitalization Plan in keeping with the District's stated purpose and that the three (3) points be reinstated to the Palisades of Inwood final score. Also, please note that a representative of our Board will be in attendance at the TDHCA Board Meeting on July 18, 2011 to speak in favor of the appeal. If I can be of any further assistance, please do not hesitate to contact me at 713-895-8021.

Sincerely,



Dorothy Miller  
Board Chair



**FORM FOR QUALIFIED NEIGHBORHOOD ORGANIZATIONS TO SUBMIT  
TO TDHCA FOR QUANTIFIABLE COMMUNITY PARTICIPATION**

**Texas Department of Housing and Community Affairs**

**Certify to each requirement by checking each box as required and accurately filling in all blanks. All attachments must be included in QCP submission package.**

**1.  This organization is submitting this form and attachments regarding the following proposed application:**

Development Name: The Palisades of Inwood TDHCA #: 11049  
 Development Location: 5800 West Mount Houston Road, Houston, Texas 77088  
 Development City: Houston, TX Development County: Harris

**2.  The persons signing this form have the authority to sign on behalf of this organization.**

Organization Name: Near Northwest Management District  
 1st Contact Name and Title: Dorothy Miller – Chairperson of Board  
 1st Contact Mailing Address: 5610 Cone Crest  
 1st Contact City: Houston, TX 1st Contact Zip Code: 77088  
 1st Contact Day Phone: 713-237-8682 1st Contact Fax: \_\_\_\_\_  
 1st Contact Evening Phone: 281-447-6584 1st Contact E-Mail: Dor1249@aol.com

**3.  This organization is also providing the following additional contact and information for our organization:**

2nd Contact Name: Rob Burchfield  
 2nd Contact Mailing Address: 6011 Pervin Ct.  
 2nd Contact City: Houston, TX 2nd Contact Zip Code: 77088  
 2nd Contact Day Phone: 713-922-8224 2nd Contact Fax: \_\_\_\_\_  
 2nd Contact Evening Phone: 281-931-0088 2nd Contact E-Mail: Rob@burchfieldcompanies.com

**4. Boundary Description and Map:** Provide a written description of the geographical boundaries of the neighborhood organization. (Example: North boundary is Main St, East boundary is a railroad track, South boundary is First St and West boundary is Jones Ave) Submit a boundary map. The boundary map should be legible, clearly marked with the geographical boundaries of the neighborhood organization, and indicate the location of the proposed development. The written description and boundary map should have the same geographical boundaries.

Written Boundary Description:  
Pinemont North on T.C. Jester W to Hwy 249  
249 West to Hollister  
Hollister South to Pinemont  
Pinemont East to T.C. Jester W

DSM  
 Initials of Signer

5.  This organization certifies that the boundaries of this organization include the proposed Development site in its entirety. This organization acknowledges that annexations after March 1, 2011 are not considered eligible boundaries and a site that is only partially within the boundaries will not satisfy the requirement that the boundaries contain the proposed Development site.

6.  This organization certifies that it meets the definition of "Neighborhood Organization"; defined as an organization of persons living near one another within the organization's defined boundaries that contain the proposed Development Site and that has a primary purpose of working to maintain or improve the general welfare of the neighborhood. This organization further certifies that it is a (must check one of the following boxes):

Homeowners Association

Property Owners Association

Resident Council and our members occupy the existing development

Other (Explain Management District -- (See attached description))

7. **Certification of Record:** Choose one box. Registration with the county or with the Secretary of State both requires proof of registration. All 3 selections require evidence of the organization's existence (ex. bylaws, newsletter, minutes, etc.) and the process to provide notice to persons living within the boundaries to join or participate in the affairs of the organization (ex: letter, posting notice, etc.).

This organization certifies that it was:

On record, as of March 1, 2011, with the county in which the development is proposed to be located. (Attach documentation from the county of registration and required documentation)

On record, as of March 1, 2011, with The Secretary of State as an incorporated entity in good standing. (Attach documentation from the Secretary of State of registration and required documentation)

Requesting to be on record, as of March 1, 2011, with The Texas Department of Housing and Community Affairs (the "Department"). (Attach required documentation)

The District is a political subdivision of the State of Texas and was created by the Texas Legislature.

8. **Statement of Support/Opposition:** (Choose only one box and clearly and concisely state at least one or more reason(s) for the organization's support/opposition; use additional sheets, as needed.)

This organization certifies that we:

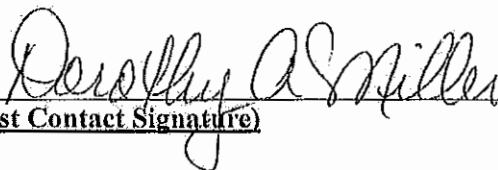
**Support** the application for Competitive Housing Tax Credits referenced above for the following reasons:  
This project fits the Antoine Redevelopment plan is in place to raise the standards for new construction and all renovations. The City of Houston has joined this effort at the request of State Representative Sylvester Turner and City Council member Brenda Stardig.

**Oppose** the application for Competitive Housing Tax Credits referenced above for the following reasons:  
\_\_\_\_\_

DSM  
Initials of Signer

9. Certify the following:

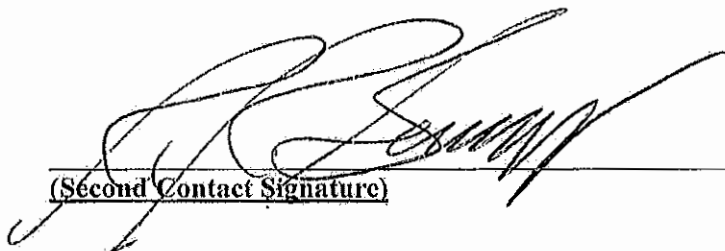
- This organization acknowledges that this form and attachments must be submitted **no later than March 1, 2011**
  
- This organization certifies that it was not formed by any Applicant, Developer or any employee or agent of any Applicant in the 2011 Competitive Housing Tax Credit Application Round; the organization, and any members, did not accept money or a gift to cause the neighborhood organization to take its position of support or opposition; the Applicant, Developer or any employee or agent of any Applicant has not provided any assistance, other than education and information sharing, to the neighborhood organization for any application in the Application Round (i.e. hosting a public meeting, providing the "TDHCA Information Packet for Neighborhoods" to the neighborhood organization, or referring the neighborhood organization to TDHCA staff for guidance are acceptable forms of assistance); and that the Applicant, Developer or any employee or agent of any Applicant has not provided any "production" assistance for any application in the Application Round (i.e. use of fax machines owned by the Applicant, use of legal counsel related to the Applicant, delivery of form or assistance drafting a form).
  
- This organization acknowledges that this completed form and required attachments must be submitted to Texas Department of Housing and Community Affairs, Attention: Director of Multifamily Finance, Neighborhood Input, P.O. Box 13941 (MC 332-10), Austin TX 78711-3941. For overnight or courier delivery use the following physical address: 221 East 11<sup>th</sup> Street, Austin TX 78701-2410. **Do not use P.O. Box address for overnight or courier delivery.** Form and Attachments may also be faxed to (512) 475-1895 or toll free at (800) 733-5120.
  
- This organization certifies that all certifications contained herein are true and accurate. **(First and Second Contacts must sign below):**

  
\_\_\_\_\_  
**(First Contact Signature)**

1/18/11  
\_\_\_\_\_  
**(Date)**

Dorothy A. Miller  
\_\_\_\_\_  
**(Printed Name)**

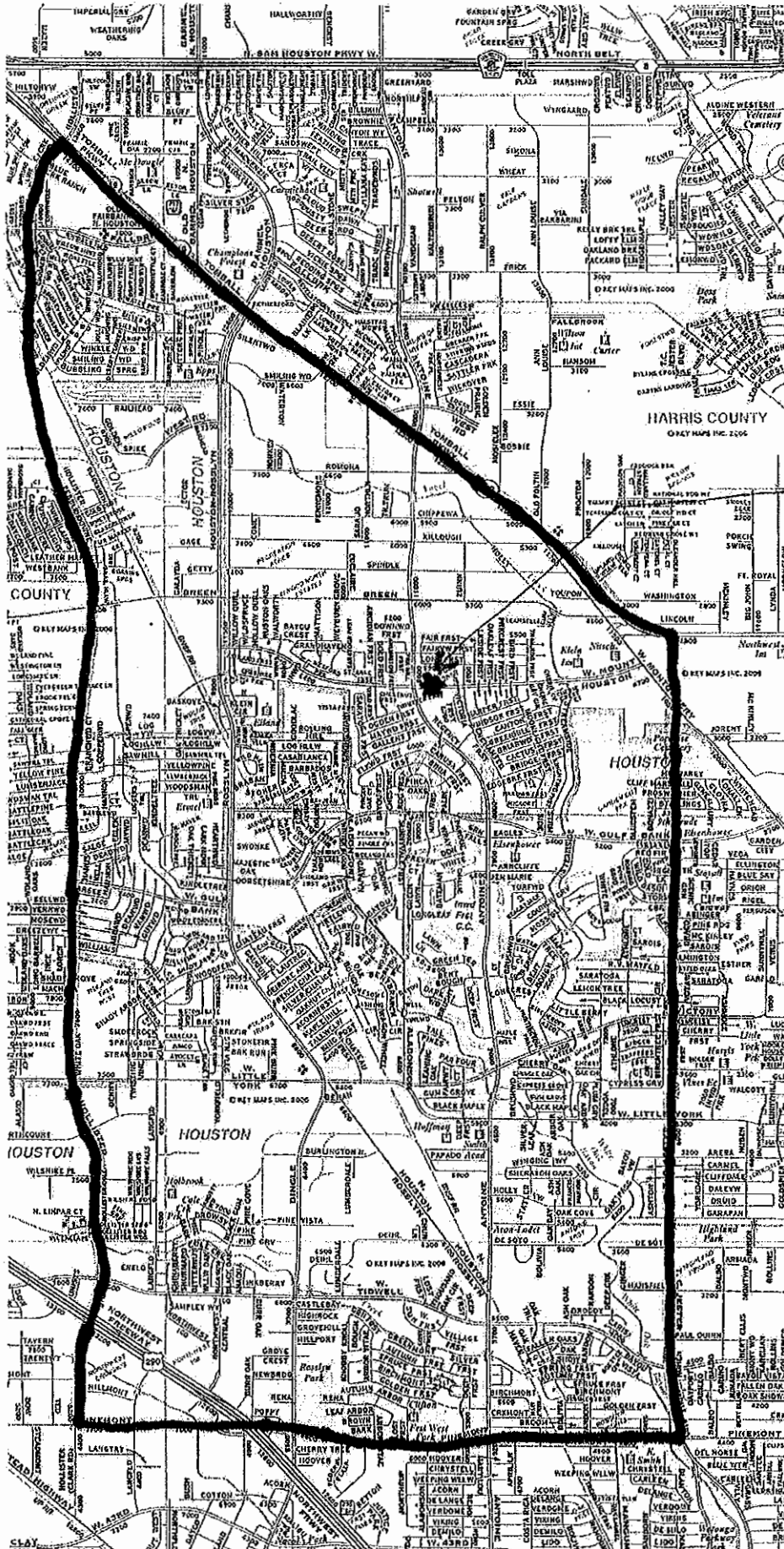
Board Chair  
\_\_\_\_\_  
**(Title)**

  
\_\_\_\_\_  
**(Second Contact Signature)**

1/18/11  
\_\_\_\_\_  
**(Date)**

Rob Burchfield  
\_\_\_\_\_  
**(Printed Name)**

Board Secretary  
\_\_\_\_\_  
**(Title)**



LOCATION  
NNWMD



RECEIVED  
R JUL 05 2011 D  
EXECUTIVE DIRECTOR

June 27, 2011

Mr. Timothy K. Irvine, Acting Executive Director  
Texas Department of Housing and Community Affairs  
221 East 11<sup>th</sup> Street  
Austin, TX 78701

RE: Palisades at Inwood, TDHCA # 11049 – Appeal  
Community Revitalization Plan

Dear Mr. Irvine:

The Near Northwest Management District is pleased to provide this letter of support for The Palisades of Inwood Appeal – TDHCA #11049. The Owner filed an appeal to TDHCA's decision to deny points under the Community Revitalization Plan with New Construction. This scoring item represents three (3) points which are being denied the applicant. The Near Northwest Management District is supportive of the proposed project as it is located within the District's targeted geographic boundaries and is consistent with the District's Community Revitalization Plan.

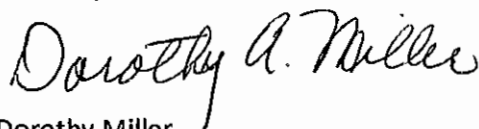
The Near Northwest Management District was created in 2001 by the Texas Legislature with consent of the City of Houston. Our purpose is to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the near northwest area of the City of Houston. The proposed Palisades of Inwood is within the geographical boundaries of the district. The District is bounded by T.C. Jester Boulevard on the east, Pinemont Drive on the south, Hollister Drive project to State Road 249 on the west, and State Road 249 on the north.

Over the past ten (10) years, the District has been actively engaged in promoting the revitalization of the Greater Inwood Community through economic and residential development. The District has undertaken several initiatives aimed at preserving, revitalizing and improving the quality of life for residents in our community, including a focus on residential development. The board has taken several votes regarding the targeting of residential developments within the service area. However, all votes taken are not formalized in a resolution except when the resolution is required by an outside entity. Our housing revitalization efforts to date have focused on the demolition of deteriorated, substandard apartment complexes and on replacing them with quality housing that will contribute to the viability and sustainability of the community. For your consideration, I have attached the minutes for several relevant meetings where votes were taken regarding our community and residential revitalization activities, including:

- Demolition/Rehabilitation of Apartments-currently involved in a multi-apartment project that affects over 1500 multi-family units in our area, over \$31million has been invested to date with another \$10 million being earmarked for the redevelopment & revitalization of said apartments;
- Weed & Seed Revitalization Strategy-a Department of Justice project in which the youth of the area of DeSoto and Holly View have been working in numerous programs to further their educational opportunities and better themselves as viable, contributing members of society;
- HGAC Livable Centers Study and Revitalization Plan- is in phase II and we have been actively seeking developers who have the same vision as we do to improve the area. The preliminary plans show a totally revitalized and reinvigorated Antoine from Tidwell to West Gulf Bank;
- City of Houston Housing Project-currently looking at ways to decrease the inventory of multi-family housing that have become slums on Tidwell and increase opportunities of home ownership in the area.

We respectfully request that the Near Northwest Management District's Community Revitalization activities be accepted as the Community Revitalization Plan in keeping with the District's stated purpose and that the three (3) points be reinstated to the Palisades of Inwood final score. Also, please note that a representative of our Board will be in attendance at the TDHCA Board Meeting on July 18, 2011 to speak in favor of the appeal. If I can be of any further assistance, please do not hesitate to contact me at 713-895-8021.

Sincerely,



Dorothy Miller  
Board Chair

September 10th, 2010

Mr. Norden next stated that the second Business Network Breakfast (the "Breakfast") had 44 attendees, half of whom were first time attendees. He then announced that the next Breakfast is set for December 2, 2010, and that each person planning to attend is requested to bring an unwrapped toy for the Precinct 1 toy drive.

Mr. Norden then reported that Congresswoman Sheila Jackson Lee recently had toured the DeSoto area of the District and hosted a press conference with the Assistant Secretary of Housing and Urban Development ("HUD") to discuss the work being done by the District and the crucial need to demolish Candlelight Trails, Candlewood Glen, Oakbrook and the Gables to build momentum for redevelopment of the area. He explained that Congresswoman Lee and the HUD Assistant Secretary encouraged the District to review its federal funding needs and to work through Congresswoman Lee's office to obtain same.

Director Dorothy Miller then discussed the demolition of Candlelight Trails, which occurred on September 16, 2010. She reported that the Mayor, Councilmember Stardig, Alvin Byrd with Councilmember Johnson's office and State Representative Sylvester Turner were at the demolition site.

**C. Website**

Mr. Norden stated that he had nothing additional to report on this agenda item.

**D. Graffiti Abatement**

Mr. Norden next reported that eleven (11) graffiti occurrences were abated during August at a cost of \$1,280. He noted that this is the smallest number of abatements in recent history.

**E. Street and Identification Signs**

Mr. Norden stated that he had nothing additional to report on this agenda item.

**F. Grant Proposals**

Ms. Eagan then discussed the Houston-Galveston Area Council ("HGAC")/Texas Department of Transportation ("TxDOT") Livable Centers Study Grant (the "Study"). She noted that the focus of the Study is to explore the creation of a Town Center in the Antoine/DeSoto area to attract business into the area and increase the area's livability for its residents. She added that improvements to the area's accessibility through the creation of pedestrian and biking trails, bike parking at bus stops, beautification elements, revitalization of vacant shopping centers, improvements existing parks and adaptation of the vacant golf course into a park, community center and wellness facility will help improve the business area in the District. Ms. Eagan next informed the Board that the District will be required to match 20% of the grant and pay a 3% fee to TxDOT.



Mr. Norden then informed the Board that he will be meeting with TBG Partners to drive the Antoine Corridor and discuss development plans.

#### **G. Approval of Contracts**

Director Kilpatrick then discussed a "Business Valuation" program being sponsored by the District. He explained that he and representatives of Lone Star College System will work with businesses in the District to establish their value.

#### **H. Administrative Matters**

There were no administrative matters presented for the Board's consideration.

### **COMMUNITY AFFAIRS DIRECTOR'S REPORT**

Ms. Fahey then presented the Community Affairs Director's Report for September 2010, a copy of which is attached hereto as Exhibit "D" and discussed the publication schedule for the prior week.

### **WEED & SEED DIRECTOR'S REPORT**

Ms. McGowen next presented the Weed and Seed Director's Report for September, 2010, a copy of which is attached hereto as Exhibit "E". She informed the Board that the District is making preparations for National Night Out on Tuesday, October 5 in the Kroger parking lot.

Ms. McGowen then reported on the Weed & Seed Prevention, Intervention and Treatment (the "PIIT") re-entry initiative. She reported that the first class consisted of six (6) individuals, and that the second class will begin in October.

Ms. McGowen next informed the Board that the grant writing workshop held on August 21 was a success.

### **DIRECTOR AND CONSULTANT REPORTS**

Mr. Norden then reported that Lone Star College System will hold a groundbreaking event on October 1 for its campus to be constructed in the District. He also informed the Board that the December 14 Board meeting will be held at Red Onion Taco Cantina.

Ms. Kilpatrick next informed the Board that the GIP meeting on October 26 will be held at Advent Lutheran Church, where Councilmember Castillo will be the featured speaker. She then stated that the GIP annual meeting and board of directors election will take place on November 5.

Director Dorothy Miller next discussed allocating \$50,000 to the Near Northwest Community Improvement Corporation (the "CIC"). After discussion, Director Burchfield motioned that the District allocate \$50,000 for the CIC and its related projects. Director Carpenter seconded the motion and it passed by unanimous vote.

October 2010

Director Dorothy Miller then discussed a recent email regarding the District's goals for the next one (1) to five (5) years.

Mr. Norden then discussed the job fair (the "Job Fair") that will be held on November 17 from 10:00 a.m. to 2:00 p.m. at Advent Lutheran Church. He informed the Board that employers are still needed to participate in the Job Fair.

**C. Website**

Mr. Norden stated that he had nothing additional to report on this agenda item.

**D. Graffiti Abatement**

Mr. Norden next reported that eighteen (18) graffiti occurrences were abated during September at a cost of \$640. He informed the Board that graffiti has decreased throughout the District.

**E. Street and Identification Signs**

Mr. Norden stated that he had nothing additional to report on this agenda item.

**F. Grant Proposals**

Mr. Norden then discussed the Houston-Galveston Area Council/Texas Department of Transportation Livable Centers Study Grant (the "Study"). He informed the Board that the Study will set into motion a long term redevelopment strategy for the area within and around the District.

**G. Approval of Contracts**

There were no contracts presented for the Board's consideration.

**H. Administrative Matters**

There were no administrative matters presented for the Board's consideration.

**COMMUNITY AFFAIRS DIRECTOR'S REPORT**

Ms. Fahey then presented the Community Affairs Director's Report for October 2010, a copy of which is attached hereto as Exhibit "D". She informed the Board that information was distributed at the National Night Out event about the Indie Film Campaign, which encourages people to email Cinemark regarding the establishment of a CineArts program at the Tinseltown movie complex on Highway 290.

**WEED & SEED DIRECTOR'S REPORT**

Ms. McGowen next presented the Weed and Seed Director's Report for October, 2010, a copy of which is attached hereto as Exhibit "E". She informed the Board that the YMCA after school program has returned to the Rancho Verde Apartments and that a

November 2010

Sergeant Frizzell next presented the monthly crime statistics and reported that a vehicle involved in a recent car jacking had been found abandoned at the Rancho Verde Apartments. He stated that the suspect of this felony robbery has not been apprehended. Sergeant Frizzell then reported that an Anti-Crime Initiative is planned for December and that five (5) other initiatives will take place between now and October 2011.

Discussion then ensued concerning alcohol violations by convenient stores. Mr. Norden informed the Board that Ken Barker, a resident of the District, and Mr. Sanchez will research the status of the District's problematic convenient stores and report back at the security meeting in December.

**B. Awareness**

Mr. Norden next discussed the next Business Network Breakfast (the "Breakfast") scheduled for December 2, 2010, and reminded the Board that all attendees are to bring an unwrapped toy for the Precinct 1 toy drive for distribution within the District. He then stated that Mark Wortham of CoStar Communications will present various uses of the Costar Group Software and that the President of Lone Star College will give an update on the new facilities at the Breakfast.

**C. Website**

Mr. Norden stated that he had nothing additional to report on this agenda item.

**D. Graffiti Abatement**

Mr. Norden next reported that twenty-one (21) graffiti occurrences were abated during October at a cost of \$1,280. He informed the Board that graffiti has decreased throughout the District.

**E. Street and Identification Signs**

Mr. Norden stated that he had nothing additional to report on this agenda item.

**F. Grant Proposals**

Mr. Norden then discussed the grant from the Houston-Galveston Area Council/Texas Department of Transportation Livable Centers Study (the "Study"). He informed the Board that the request for proposals to prepare the Study was advertised and that approximately thirty architectural firms attended the recent pre-bid conference as well as he and Director Miller. He further informed the Board that the proposals must be submitted by December 1.

**G. Approval of Contracts**

There were no contracts presented for the Board's consideration.

December 2010

**F. Grant Proposals**

Mr. Norden then discussed the grant from the Houston-Galveston Area Council ("HGAC")/Texas Department of Transportation Livable Centers Study (the "Study"). He informed the Board that he and Director Dorothy Miller had scored the Study proposals received, will submit the scores to HGAC tomorrow and that HGAC then will interview the top three (3) architectural firms.

**G. Approval of Contracts**

There were no contracts presented for the Board's consideration.

**H. Administrative Matters**

There were no administrative matters presented for the Board's consideration.

**COMMUNITY AFFAIRS DIRECTOR'S REPORT**

Ms. Fahey next presented the Community Affairs Director's Report for December 2010, a copy of which is attached hereto as Exhibit "D". She reported that the District's first entertainment e-newsletter was distributed on December 10 and that future editions will be released monthly or as needed. Ms. Fahey then informed the Board that she, Ms. Egan and Director Sheesley are collaborating to establish a community garden ("Urban Garden") in the Arbor Oaks neighborhood (the "Urban Garden Project") and have met with Dr. Joe Novak from Texas A&M University to discuss the benefits of an Urban Garden in the District. She also noted that Harris County Flood Control will be contacted regarding the adoption of lots in the Arbor Oaks neighborhood for the Urban Garden Project.

**WEED AND SEED DIRECTOR'S REPORT**

Ms. McGowen next presented the Weed and Seed Director's Report for November 2010, a copy of which is attached hereto as Exhibit "E". She reported that the recent job fair at Advent Lutheran Church on November 17 was a success and that over 200 job seekers attended.

**BUSINESS DEVELOPMENT DIRECTOR'S REPORT**

Ms. Egan next presented the Business Development Director's Report for December, 2010, a copy of which is attached hereto as Exhibit "F". She informed the Board that invitations will be mailed to manufacturers in the area for the coffee event on January 18, 2011, hosted by Exterran.

Director Sheesley then discussed the Urban Garden Project. She explained that the Urban Garden will be grown by apartment residents in the area and the produce will be sold at a farmer's market. Director Sheesley then reported that she toured vacant lots in the Arbor Oaks neighborhood for potential sites and that 200 lots are available.

January 2011

Lieutenant Torres next presented the monthly crime statistics and discussed crime at Antoine and West Little York. Mr. Tom Miller informed the Security Committee that crime on his property has dropped by almost 80% from 2008 to 2010.

Mr. Sanchez reported to the Security Committee that he will continue to stay in touch with officers from the Texas Alcohol and Beverage Commission ("TABC") regarding the investigation of convenience stores in the area and hopes that the TABC will be available to give a report at next month's Security Committee meeting.

**B. Awareness**

Mr. Norden next discussed the next Business Network Breakfast scheduled for March 3, 2011, and informed the Board that Constable Jack F. Abercia of Precinct 1 will be the guest speaker.

**C. Website**

Mr. Norden stated that he had nothing additional to report on this agenda item.

**D. Graffiti Abatement**

Mr. Norden next reported that twenty-one (21) graffiti occurrences were abated during December at a cost of \$1,280.

**E. Street and Identification Signs**

Mr. Norden stated that he had nothing additional to report on this agenda item.

**F. Grant Proposals**

Mr. Norden next discussed the grant from the Houston-Galveston Area Council ("HGAC")/Texas Department of Transportation Livable Centers Study (the "Study"). He informed the Board that the interviewing of the top three (3) architectural firms is complete and that Looney Ricks Kiss ("LRK") was selected to lead the Study. Mr. Norden then stated that selection of LRK will be approved by the HGAC Board on January 29 and by the Houston City Council in February, with the Study to begin by February 15.

Mr. Norden next informed the Board that the Weed & Seed Program will end in September, 2011, due to the end of federal funding.

**G. Approval of Contracts**

The Board then discussed participation in the Buy Board purchasing cooperative. Ms. Sechrist explained that The Local Government Purchasing Cooperative (the "Cooperative") was created to increase the purchasing power of government entities and to simplify their purchasing by using a customized electronic

**MINUTES OF BOARD OF DIRECTORS MEETING  
NEAR NORTHWEST MANAGEMENT DISTRICT**

**February 15, 2011**

**DRAFT**

The Board of Directors (the "Board") of the Near Northwest Management District (the "District") met in regular session, open to the public, on February 15, 2011, at 5300 Hollister, Suite 100, Houston, Texas 77040. The meeting was called to order, and the roll was called of the duly constituted officers and members of the Board of Directors, to-wit:

Position 1	Kenneth Miller	Position 6	James Kilpatrick
Position 2	Dorothy Miller	Position 7	Robert Pierre
Position 3	Rafael Galindo	Position 8	Larry Rideaux, Jr.
Position 4	Heidi Sheesley	Position 9	Robert Burchfield
Position 5	Mike Carpenter	Position 10	Vacant

and all of said persons were present except Director Pierre, thus constituting a quorum.

Also present during all or a portion of the meeting were Wayne Norden, President and Chief Executive Officer of the District; Evelyn Craft, bookkeeper for the District; Eileen Egan, Business Development Director for the District; Melanie Fahey, Community Affairs Director for the District; Ruby Glass, Project Assistant for the District; Terrie Sechrist, attorney, of Sechrist·Duckers LLP; Marvin Warren, assessment advisor, of Interstate Tax Management Services, Ltd.; Sergeant W.J. Frizzell of the Harris County Constable's Office Precinct 1 ("Precinct 1"); Julie Grothues, a resident of the District; Joanne Ferguson, a member of the Board of Directors of the Near Northwest Community Improvement Corporation (the "CIC"); Carole Kilpatrick of Greater Inwood Partnership ("GIP"); Steve Spillette of CDS Spillette; Bill Odle of TBG Landscape Architects; and Rick Gunther of Looney Ricks Kiss, Inc. Architects/Planners ("L RK").

Evidence was presented that public notice of the meeting was given in compliance with the law, and the meeting was called to order.

**INTRODUCTIONS**

Director Dorothy Miller introduced the guests in attendance.

**PUBLIC COMMENTS**

In connection with the Houston-Galveston Area Council ("HGAC")/Texas Department of Transportation Livable Centers Study (the "Study"), Mr. Gunther next distributed LRK's qualification submittal to the HGAC and a timeline for the Study. He informed the Board that the kick-off dinner with the Advisory Committee will be held at Seafood y Mas at 6:30 p.m. on February 22, 2011, with approximately 25 to 30 attendees, including the following: (i) State Representative Sylvester Turner, (ii) the Board, (iii) representatives of GIP, (iv) the CIC, (v) businesses on Antoine, (vi) apartment managers,

(vii) the City of Houston (the "City"), (viii) Metro, (xi) the City Parks Board, (x) HGAC, and (xi) Texas Department of Transportation.

### MINUTES

The Board then considered approving the minutes of its meeting held on January 18, 2011. After discussion, a motion was made by Director Ken Miller to approve the minutes of the January 18, 2011, Board meeting, as amended. The motion was seconded by Director Kilpatrick and carried unanimously.

### ASSESSMENT REPORT

Mr. Warren then presented the Assessment Levy & Collections Report as of February 11, 2011 (the "Assessment Report"), a copy of which is attached hereto as Exhibit "A". He reported that 48.97 % of the District's 2010 assessment levy has been collected since January 31, 2011, and 72% of the District's 2010 assessment levy has been collected since February 15, 2011. After discussion, Director Kilpatrick made a motion to approve the Assessment Report. Director Burchfield seconded the motion and it carried unanimously.

### 2010 AUDIT REPORT

The Board concurred to address this agenda item at the March Board meeting.

### BOARD OF DIRECTORS

Ms. Sechrist next informed the Board that Section 49.052(h) of the Texas Water Code provides that a director is considered to have resigned if he/she misses three (3) consecutive Board meetings, but that a majority of the remaining Board members may waive the resignation if fairness requires that the absences be excused on the basis of illness or other good cause. She then informed the Board that the January 18, 2011, Board meeting was the second time that Director Pierre had missed three consecutive meetings. After discussion, the Board concurred not to reappoint Director Pierre.

### BOOKKEEPER'S REPORT

Ms. Craft then presented a Summary of Cash Transactions, a Summary of Investments and a Statement of Revenues and Expenditures - General Fund as of January 31, 2011 (collectively, the "Bookkeeper's Report"), a copy of which is attached hereto as Exhibit "B". After discussion, Director Ken Miller made a motion to accept the Bookkeeper's Report and authorize payment of all disbursements listed therein or otherwise presented at the meeting. The motion was seconded by Director Kilpatrick, which carried unanimously.

### PRESIDENT'S REPORT

Mr. Norden next presented the President's Report for February, a copy of which is attached hereto as Exhibit "C".

**A. Security Report**

Mr. Norden reported that a Security Committee meeting was held on February 8, at which Agent Wendy Shields of the Texas Alcoholic Beverage Commission ("TABC") discussed how to review liquor licenses and how to report them for violations.

Sergeant Frizzell next presented the monthly crime statistics and reported that a Precinct 1 officer visited the offices of some of the attendees of the manufacturers coffee event held at Exterran on January 18 (the "Coffee").

**B. Awareness**

Mr. Norden then discussed the next Business Network Breakfast scheduled for March 3, 2011, at Red Onion Mexican Grill and informed the Board that Constable Jack F. Abercia of Precinct 1 will be the guest speaker.

**C. Website**

Mr. Norden stated that he had nothing additional to report on this agenda item.

**D. Graffiti Abatement**

Mr. Norden next reported that twenty (20) graffiti occurrences were abated during January at a cost of \$1,280 and that the Greater East End Management District has signed a contract with the City to provide City-wide graffiti abatement service.

**E. Street and Identification Signs**

Mr. Norden stated that he had nothing additional to report on this agenda item.

**F. Grant Proposals**

Mr. Norden then discussed the HGAC grant for the Study. He informed the Board that the selection of LRK to lead the Study was approved by the HGAC Board on January 29 and is scheduled to be approved by Houston City Council this month. Mr. Norden then reported that an Advisory Committee for the Study has been selected and its first meeting will be on February 22. He also reported that Stakeholder Committees are being formed and that a stakeholders meeting will be held on February 24 from 4 p.m. to 6 p.m. at Advent Lutheran Church (the "Stakeholders Meeting").

Mr. Norden next informed the Board that the Weed & Seed Program will focus on recognizable programs such as the Boy Scouts of America, the YMCA, the Houston Astros Major League Baseball Urban Youth Academy ("MLB Urban Youth Academy") and the Urban League (collectively, the "Weed & Seed Program Revisions"). After discussion, a motion was made by Director Burchfield to approve the Weed & Seed Program Revisions. Director Ken Miller seconded the motion, which carried unanimously.



March 2011

**WEED AND SEED REPORT**

Ms. Craft then presented the Weed and Seed Report for February 2011, a copy of which is attached hereto as part of **Exhibit "C"**. She reported that the Weed & Seed reports required to date have been filed with the Department of Justice.

Ms. Glass next discussed a Weed & Seed initiative with Eisenhower High School to get young men and women interested in working with the children in the District.

**PRESIDENT'S REPORT**

Mr. Norden next presented the President's Report for March, a copy of which is attached hereto as part of **Exhibit "C"**.

**A. Security Report**

Mr. Norden reported that a Security Committee meeting was held on March 8, with 28 business leaders and community members in attendance.

**B. Awareness**

Mr. Norden then discussed the Business Network Breakfast held on March 3, 2011 (the "**Breakfast**"). He informed the Board that the Breakfast was a success, with over fifty (50) guests in attendance. Mr. Norden also reported that Constable Abercia announced at the Breakfast that the District will be the home of a K9 unit and Alvin Byrd from Councilmember Jarvis Johnson's office announced a redistricting meeting at Acres Homes Multi-Service Center on Tuesday, March 29. He informed the Board that the next Breakfast will be held on June 2, at which Rick Guenther of Looney Ricks Kiss, Inc. Architects/Planners ("**LRK**") will give an update on the Study.

**C. Website**

Mr. Norden stated that he had nothing additional to report on this agenda item.

**D. Graffiti Abatement**

Mr. Norden next reported that twenty-nine (29) graffiti occurrences were abated during February at a cost of \$1,280.

**E. Street and Identification Signs**

Mr. Norden stated that he had nothing additional to report on this agenda item.

**F. Grant Proposals**

Mr. Boecher next discussed the Study. He reported that thirty (30) guests were in attendance at the February 24 stakeholders meeting, at which LRK presented its plans for the Study (the "**Study Plans**"). Mr. Boecher then informed the Board that

additional stakeholder meetings will take place on April 26 and April 28 at Advent Lutheran Church and will focus on obtaining public feedback and review of the status of the Study Plans.

Mr. Norden then reported that the Study's Advisory Committee met with LRK on February 22.

Mr. Norden next reported that the City will be focusing on the Antoine Corridor in its presentation at the Urban Land Institute's November National Convention in Los Angeles, California.

#### **G. Approval of Contracts**

Mr. Norden stated that he had nothing additional to report on this agenda item.

#### **H. Administrative Matters**

There were no administrative matters presented for the Board's consideration.

### **COMMUNITY AFFAIRS DIRECTOR'S REPORT**

Ms. Fahey then presented the Community Affairs Director's Report for March 2011, a copy of which is attached hereto as Exhibit "D". She informed the Board that there has been increased attendance at the apartment manager and security meetings. She also reported that the website for the CIC has been finalized.

Ms. Fahey next informed the Board that Director Ken Miller and Mr. Norden recently testified in Austin, Texas regarding clarification of the language relating to apartments and condominiums in proposed eminent domain bills.

Ms. Egan then discussed upcoming public hearings on March 17 and March 24 to discuss the use of federal funds to demolish blighted buildings.

### **BUSINESS DEVELOPMENT DIRECTOR'S REPORT**

Ms. Egan next presented the Business Development Director's Report for February, 2011, a copy of which is attached hereto as Exhibit "E". She then discussed a meeting between Directors Sheesley and Rideaux and Dr. Joe Novak with Texas A&M University regarding the proposed community garden in the Arbor Oaks neighborhood.

Ms. Glass then discussed the District's small and entrepreneurial business plan program.

### **DIRECTOR AND CONSULTANT REPORTS**

Ms. Sechrst advised the Board that each year it is statutorily required to review the prevailing wage rates applicable to construction projects in the District. The Board then considered authorizing the District's attorney to prepare a survey of prevailing wage rates for construction projects in the District ("Wage Rate Survey"). After discussion, Director

April 2011

**B. Awareness**

Mr. Norden then discussed the City of Houston's (the "City") purchase of the former Inwood Forest Golf Club property (the "Property") and informed the Board that he is in possession of the keys to the Property. Director Dorothy Miller next reported that the initial priorities will be preparing the pool area and offices for the constables for use as soon as possible.

**C. Website**

Mr. Norden stated that he had nothing additional to report on this agenda item.

**D. Graffiti Abatement**

Mr. Norden next reported that thirty (30) graffiti occurrences were abated during March at a cost of \$960.

**E. Street and Identification Signs**

Mr. Norden stated that he had nothing additional to report on this agenda item.

**F. Grant Proposals**

Mr. Norden next discussed the Houston-Galveston Area Council ("HGAC")/Texas Department of Transportation Livable Centers Study (the "Study"). He discussed the stakeholder meetings scheduled for April 26 and April 28 at Advent Lutheran Church that will focus on obtaining public feedback of the plans for the Study. Mr. Norden stated that the Mayor, City Council and potential investors/developers have been invited to the stakeholder meetings.

Mr. Norden next reported that the City and the Urban Land Institute ("ULI") met with the District regarding a study of the Antoine Corridor (the "ULI Study") and discussed ways to intertwine the ULI Study with the Study. He then informed the Board that the ULI Study will be presented at the Urban Land Institute's October National Convention in Los Angeles, California.

**G. Approval of Contracts**

Mr. Norden stated that he had nothing additional to report on this agenda item.

**H. Administrative Matters**

There were no administrative matters presented for the Board's consideration.

**I. Staff Reports**

Ms. Glass then presented the Small and Entrepreneurial Business Liaison Report for March 2011, a copy of which is attached hereto as part of Exhibit "D". She



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

[www.tdhca.state.tx.us](http://www.tdhca.state.tx.us)

Rick Perry  
GOVERNOR

**BOARD MEMBERS**  
C. Kent Conine, *Chair*  
Tom H. Gann, *Vice Chair*  
Leslie Bingham-Becareño  
Lowell A. Keig  
Juan S. Muñoz, Ph.D.  
J. Paul Ozer

June 21, 2011

*Writer's direct # (512) 475-1676*  
*Email: [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us)*

Ms. Marvalette Hunter  
Palisades of Inwood, LP  
2040 Post Oak Blvd., Ste. 1600  
Houston, TX 77056

RE: Appeal of Scoring Notice for #11049, Palisades of Inwood

Dear Ms. Hunter:

I have carefully reviewed the appeal received on June 2, 2011, by the Texas Department of Housing and Community Affairs (the "Department"), regarding your request to reinstate 3 points for New Construction with Community Revitalization pursuant to §49.9(a)(13) of the 2011 Qualified Allocation Plan and Rules (QAP).

Your appeal states that a deficiency response submitted on May 19<sup>th</sup> relative to the Near Northwest Management District Livable Centers Study and the Harris County Consolidated Plan was provided to the Department. At that time you requested that the Consolidated Plan be accepted as the Community Revitalization Plan for the target area. The Department issued a deficiency dated May 9, 2011 requesting that you provide evidence that the Community Revitalization Plan submitted with your application was adopted by the City of Houston via ordinance, resolution or vote. The deficiency did not request that you provide a substitute Community Revitalization Plan for purposes of securing the points requested. Since the requested clarification was not provided and, instead, a new Community Revitalization Plan was submitted without a request from the Department, the new information was not taken into consideration. Further, if the Harris County Consolidated Plan was determined to qualify as a Community Revitalization Plan for purposes of the points requested, no evidence has been submitted to show that the proposed development is located within one of the Harris County target areas as described in the plan. While a letter and certificate of consistency from Harris County was provided, the letter certifies only that the development is located within the Harris County Community Services Department service area, not within one of the targeted areas of the Consolidated Plan.

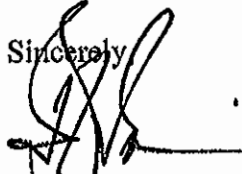
Based on the information presented your appeal is denied.

Pursuant to your request your appeal will be placed on the agenda for the July 18<sup>th</sup> Board meeting. If you wish to submit additional documentation for the Board appeal, please submit that

Appeal of Scoring Notice for #11049, Palisades at Inwood  
June 21, 2011  
Page 2

information to the Department no later than 5:00 p.m. on June 28, 2011. If you have any questions, please do not hesitate to contact Raquel Morales at 512-475-1676 or [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us).

Sincerely

A handwritten signature in black ink, appearing to be 'TKI', written over a horizontal line.

Timothy K. Irvine  
Acting Director

rbm

**HUNTJON, LLC**  
3040 Post Oak Blvd., Suite 1600  
Houston, Texas 77056  
713-968-1602 / 713-968-1601 Fax

June 2, 2011

Mr. Michael Gerber, Executive Director  
Texas Department of Housing and Community Affairs  
221 East 11<sup>th</sup> Street  
Austin, Texas 78701

RE: #11049 Palisades of Inwood Appeal

Dear Mr. Gerber

On behalf of Huntjon, LLC, this letter is to request an appeal of TDHCA's decision to deny points requested by the applicant under 49.9(a)(13) – New Construction w/Community Revitalization (3 pts).

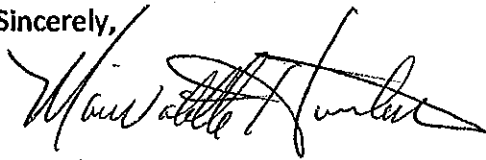
On May 19, 2011, in response to a deficiency notice, the applicant submitted documentation relative to the Near Northwest Management District's (NNWMD) Livable Centers Study and the Harris County Consolidated Plan. The Applicant requested that the Consolidated Plan be accepted as the community revitalization plan for the target area. No response was received regarding this request, as staff's letter denying the points requested only addresses the NNWMD Livable Centers Study and not the Harris County Consolidated Plan.

Based on the definition of the Community Revitalization Plan, the Harris County Consolidated Plan meets the requirements of Vol 4 Tab 13. The goal of the Harris County Consolidated Plan is to promote safe and affordable housing in targeted low and moderate income communities throughout Harris County. Increasing the supply of affordable rental housing was identified in the Consolidated Plan as a critical need and is a high priority for Harris County. Also, please note that the subject site is located in a Harris County CSD service area where more than 51% of the population earns less than 80% of the median area income. The applicant also provided a copy of the Harris County Consolidated Plan letter of consistency which established the need for affordable housing in the target area. (See attached).

Mr. Gerber  
TDHCA #11049 – The Palisades of Inwood Appeal  
Page 2

Huntjon, LLC respectfully requests that TDHCA consider the Harris County Consolidated Plan as the revitalization plan for the targeted area, as it has been adopted by the governing municipality and serves as the basis for revitalization efforts approved and enacted upon by the NNWMD Board of Directors.

Sincerely,

A handwritten signature in black ink, appearing to read "Marvalette Hunter". The signature is fluid and cursive, with a large, sweeping initial "M".

Marvalette Hunter  
Managing Partner

Enclosure



**HARRIS COUNTY, TEXAS**  
**COMMUNITY SERVICES DEPARTMENT**

David B. Turkel  
Director

8410 Lantern Point Drive  
Houston, Texas 77054  
Tel (713) 578-2000  
Fax (713) 578-2090

January 7, 2011

Ms. Marvalette Hunter  
3040 Post Oak Blvd., Suite 1600  
Houston, Texas 77056

**SUBJECT:** The Palisades of Inwood Proposed Development  
Low Income Housing Tax Credit (LIHTC) Program  
Exhibit 202(A), Consolidated Plan, Exhibit 103(B)

Dear Ms. Hunter:


For the purposes of applying for tax credits, the Harris County Community Services Department (CSD) confirms receipt of your request for a waiver to the Harris County Housing Concentration Policy. Based on the information provided by your organization, the proposed Palisades of Inwood development has been granted a waiver to the Harris County Housing Concentration Policy by demonstrating that there is an immediate need for affordable housing in the subject area. With the granting of the waiver, a Certification of Consistency has been issued for the Palisades of Inwood development to be used in conjunction with your organization's application for Low Income Housing Tax Credits (LIHTC) with the Texas Department of Housing and Community Affairs (TDHCA).

Note, this Certification does not denote support by the county for the individual project or developer, but confirms that the general scope of the project meets the county's 2008-2012 Consolidated Plan goal of promoting safe and affordable housing. Increasing the supply of affordable rental housing was identified as a critical need, and is a high priority for Harris County in its Consolidated Plan. Harris County encourages your organization to consider, as potential tenants, those households on the Harris County Housing Authority's waiting list for assisted or affordable housing.

Your project, The Palisades of Inwood, located at 5800 West Mount Houston Road in Houston, Texas 77088, is located in the CSD service area. If awarded tax credits, the apartments proposed by your organization will contribute to the number of affordable housing units in Harris County.

If you need additional information, please contact Jared Briggs at (713) 578-2238.

Sincerely,

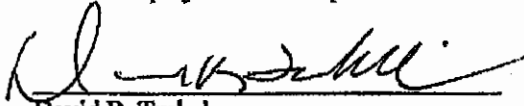
  
David B. Turkel  
Director

DT/DL/CL/jb



**CERTIFICATION OF CONSISTENCY WITH  
THE CONSOLIDATED PLAN**

Harris County, Texas certifies that the proposed 120 senior unit apartment complex to be located at 5800 West Mount Houston Road, Houston, Texas 77056, named The Palisades of Inwood, is consistent with the 2008-2012 Consolidated Plan for Harris County which establishes the need for affordable, rental housing in the county. This certification does not denote support for the individual project or developer.



David B. Turkel  
Director  
Harris County Community Services Department

1/7/11  
Date

11050- Palm Gardens Apts.

**MULTIFAMILY FINANCE DIVISION  
BOARD ACTION REQUEST  
July 18, 2011**

**Requested Action**

Deny the Applicant's appeal to reinstate three points to the final score for Application #11050, Palm Gardens.

**WHEREAS**, an application for tax credits was submitted for Palm Gardens on March 1, 2011; and

**WHEREAS**, the Applicant was not awarded three points for proposing a New Construction development located in an area that is part of a Community Revitalization Plan because the Applicant did not provide sufficient evidence to meet the definition of Community Revitalization Plan as defined in §49.2(8) or the requirements for scoring the points requested under §49.9(a)(13) of the 2011 Qualified Allocation Plan (QAP); therefore

**BE IT RESOLVED**, that the appeal of #11050, Palm Gardens is hereby denied.

**Background**

Palm Gardens is a proposed 156 unit new construction multifamily development targeted toward the general population located in Corpus Christi, Texas.

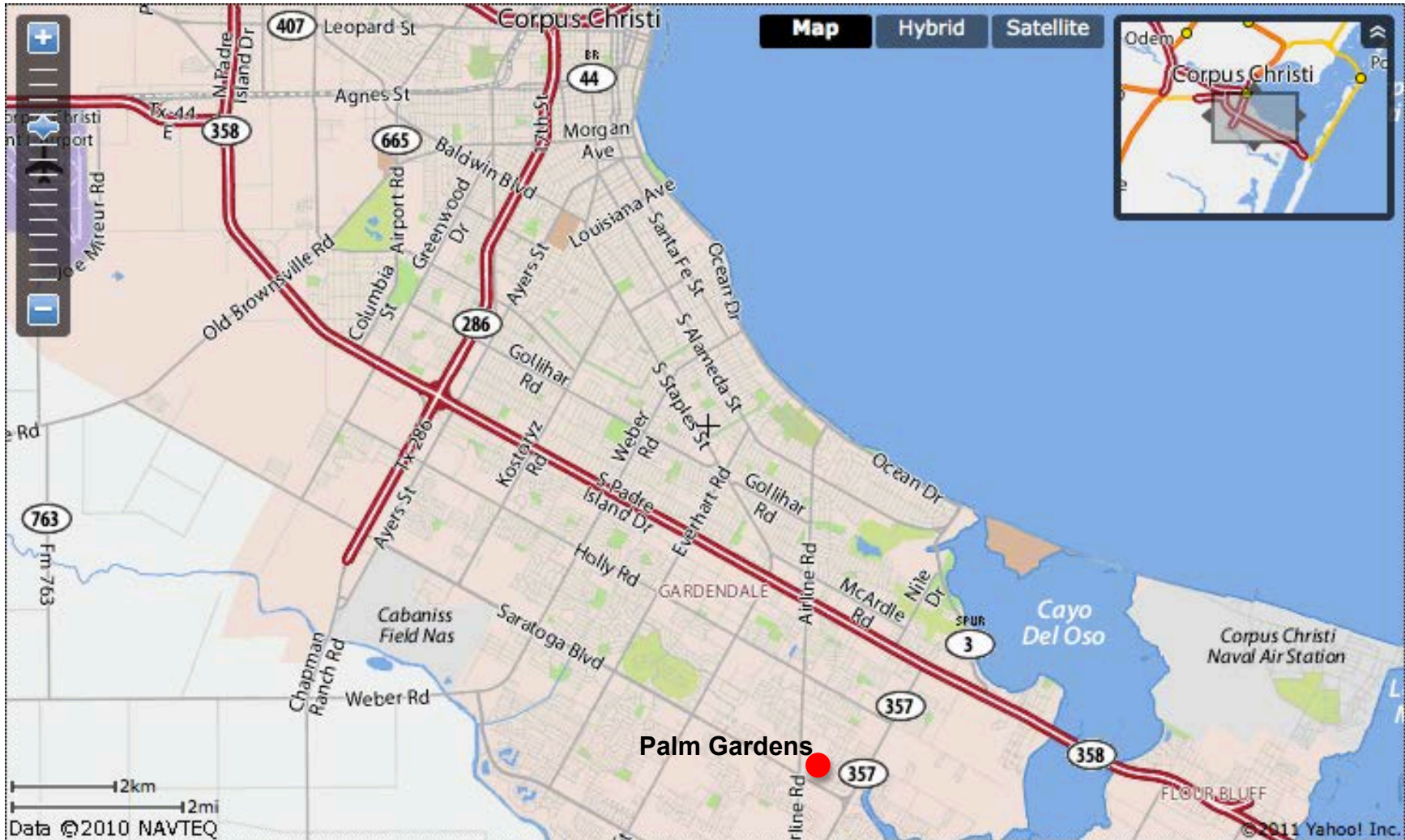
The Applicant was not awarded three points related to New Construction with Community Revitalization because it was determined after a re-evaluation of the points previously awarded that the planning document referenced did not meet the requirements of a Community Revitalization Plan. This section of the QAP has become very controversial this competitive round as is evidenced by the number of challenges received to date. As a result of the challenges received the Department re-examined every Applicant that requested these three points. Re-examination included not only identifying a letter was provided, but also reviewing each planning document referenced in those letters to make sure it was consistent with both the intent and requirements of the QAP.

The Department's general response to the challenges posed this year is that community revitalization involves a city, in a duly adopted official plan document, actually targeting an area which includes the proposed development, for some specific revitalization activity that includes housing development. As a result, it is not enough that a letter from an Appropriate Local Official state that a specific area, or the entire city limits of an area, is targeted for revitalization and development of residential developments. The planning document on which the letter relies upon to support this claim must be able to document such statement.

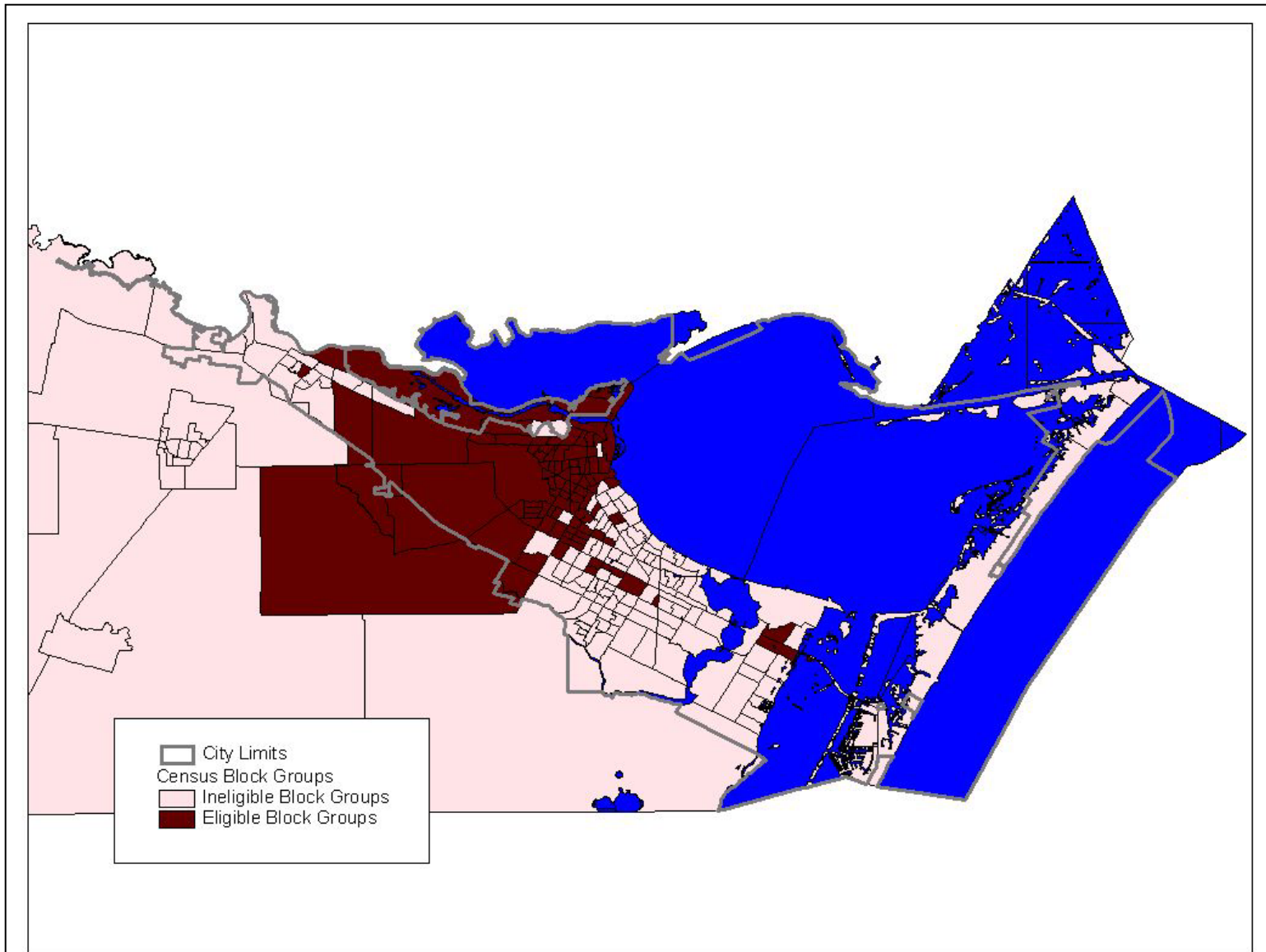
In this case the planning document referenced in the letter from the appropriate local official is the Corpus Christi Consolidated Plan. To the extent that the consolidated plan targets any area, it targets those areas of the city where federal funding such as CDBG or HOME will be concentrated for purposes of meeting the city's housing and community development needs. The proposed development does not fall within one of those targeted areas.

Staff recommends denial of the appeal.

## Vol 2 Tab 1 Part C: Development in Relation to City Palm Gardens



Source: Yahoo Maps



**Map 15 – CDBG Eligible Census Block Groups, 2000 U.S. Census**



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

[www.tdhca.state.tx.us](http://www.tdhca.state.tx.us)

Rick Perry  
GOVERNOR

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J. Paul Oxer

July 7, 2011

*Writer's direct phone # 512-475-3296*  
*Email: [tim.irvine@tdhca.state.tx.us](mailto:tim.irvine@tdhca.state.tx.us)*

Mark Lechner  
Sandra Place, LP  
1900 Rolling Hills Trail  
Fishersville, KY 40023

RE: Community Revitalization Plan Point Loss Explanation, #11050, Palm Gardens

Dear Mr. Lechner:

The Department issued a final scoring notice for Application # 11050, on June 1, 2011. The Department has also received several of challenges with respect to specific scoring items, primarily points for New Construction with Community Revitalization pursuant to §49.9(a)(13) of the 2011 Qualified Allocation Plan. As a result, the Department has re-evaluated the points previously requested and awarded for this point item for all 2011 applications submitted under this competitive round. Staff has determined that the points previously awarded to the above referenced application should be deducted from the final application score for the reason(s) stated below:

- The planning document referenced in the letter from the appropriate local official identifies specific geographical areas ("target areas"), but the proposed development is not located within one of those targeted areas.

You may appeal the point deduction described above. In the interest of getting any scoring related appeals on the board agenda for the July 18, 2011 TDHCA Board meeting, please provide your Board appeal to the Department no later than 5:00PM on Thursday, July 14, 2011.

If you have any other questions or concerns please contact Raquel Morales at 512-475-1676 or by email at [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us).

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy K. Irvine".

Timothy K. Irvine  
Acting Director

rbm

11051- Sweetwater Bend



**MULTIFAMILY FINANCE DIVISION  
BOARD ACTION REQUEST  
July 18, 2011**

**Requested Action**

Deny the Applicant's appeal of the termination of Application #11051, Sweetwater Bend Apartments and the Applicant's appeal to reinstate a total 19 points to the final score for the application.

**WHEREAS**, an application for tax credits was submitted for Sweetwater Bend on March 1, 2011; and

**WHEREAS**, it has been revealed that the true amount of deferred developer fee for Sweetwater Bend is 58.01%; and

**WHEREAS**, §49.4(b)(11) of the 2011 Qualified Allocation Plan considers an application ineligible if more than 50% of the developer fee is deferred; and

**WHEREAS**, if the Board approves the Applicant's appeal of the termination of the application, the Applicant further appeals the loss of a total of 19 points to the final score as a result of exceeding the cost per square foot standard (10 points), not meeting the requirements of a Community Revitalization Plan (3 points) and not proving up the pre-application score (6 points); therefore

**BE IT RESOLVED**, that the appeal of termination of Application #11051, Sweetwater Bend and the appeal of the 19 point loss for Sweetwater Bend are hereby denied.

**Background**

Sweetwater Bend is a proposed 76 unit new construction multifamily development targeted towards the general population in Galveston, Texas.

The calculation of the deferred developer fee in the application originally did not exceed the 50% restriction as required by §49.4(b)(11) of the 2011 Qualified Allocation Plan. However, a challenge against the Sweetwater Bend application was presented to the Department, specifically citing that the one year loan from Strategic Housing Finance Corporation included as a permanent source of funding will be paid from developer fee. In response to the challenge, the Department asked the Applicant to confirm how the one year loan from Strategic HFC would be paid. The Applicant responded that the loan would be paid from developer fee. As a result, the Department determined that the

combined amount of the Strategic HFC loan (\$627,905) and deferred developer fee already reflected (\$108,847) equal to more than 50% of the developer fee being deferred.

Subsequent to the challenge, the Applicant provided a revised financing structure which removed the permanent Strategic HFC loan and replaced the funds with an interim loan of an equal amount from Capital Area Housing Finance Corporation. However, the Department did not accept the Applicant's change as one that would meet the initial eligibility requirement because it was not a clarification for that requirement. Additionally, the Board did not allow another competing application the opportunity to change their financing structure to correct the same ineligibility issue and remain eligible. Therefore, consistent with the rules in place and previous Board action staff recommends denial of the appeal to the termination.

If the Board determines that the application for Sweetwater Bend may remain eligible for consideration, the Applicant further appeals the loss of points associated with the application. Each of those point losses are explained more fully below.

The Applicant appeals to reinstate ten points associated with cost per square foot pursuant to §49.9(a)(8) of the 2011 QAP. The Department did not award the points because the development does not consist of a high rise building with four or more stories. The Applicant appeals that the QAP does not require that there be residential units or NRA on all of the floors of a four story building. Additionally the Applicant appeals that the higher cost is justified due to the more expensive construction techniques required to build in an area where hurricanes and floods are prevalent. The language in this section of the QAP that allows a high rise building with four or more stories to include the elevator served interior corridors in the NRA calculation was not intended to apply to developments that did not consist entirely of four story buildings. Additionally, it was not included for the purposes of high cost developments located in hurricane or flood areas.

The Applicant also appeals to reinstate three points related to New Construction with Community Revitalization pursuant to §49.9(a)(13) of the 2011 QAP. In keeping with the definition, a Community Revitalization Plan must meet the following criteria to qualify for the points requested under this item: (1) the document, under any name, was approved and adopted by the local Governing Body by ordinance, resolution or vote; and (2) the document targets specific geographic areas for revitalization and development of residential developments. A challenge was presented to the Department for the subject application in which the challenger contends that the Galveston Consolidated Plan is intended for disaster recovery and specifically references revitalization of non-housing related community development activities, thus not meeting the intended purpose of this item. The challenger further contends that to the extent the Consolidated Plan targets any area, it targets those areas of the city where federal funding such as CDBG and HOME will be concentrated to further the City's housing and community development goals. The Department agrees that with the challenger in this respect, and has verified that the proposed development is not located within the City of Galveston's Consolidated Plan CDBG Target Areas.

Finally, the Applicant appeals to reinstate six points related to Pre-Application Participation pursuant to §49.9(a)(14) of the 2011 QAP. These points were deducted from the application's final score as a result of the loss of the ten points related to cost per square foot. The Applicant appeals to reinstate the cost per square foot points which would then result in the final application score to be not more than 5% higher or lower than the final pre-application score. This would likewise keep the applicant eligible for the pre-application points requested. Staff recommends denial of the appeals for all three point issues.

# COATS | ROSE

*A Professional Corporation*

BARRY J. PALMER

bpalmer@coatsrose.com  
Direct Dial  
(713) 653-7395  
Direct Fax  
(713) 890-3944

July 14, 2011

TDHCA Board Members  
Texas Department of Housing  
and Community Affairs  
221 East 11<sup>th</sup> Street  
Austin, TX 78701-2410

RE: Sweetwater Bend, Galveston, Galveston County, Texas (TDHCA # 11051);  
Appeal of Termination under §49.4(b)(11);  
Appeal of Denial of 10 Points under §49.9(a)(8); 6 Points under §49.9(a)(14); and 3  
points under §49.9(a)(13).

Dear Board Members:

This letter appeals (i) the termination of the Sweetwater Bend tax credit application for having more than 50% deferred developer fee pursuant to §49.4(b)(11) of the 2011 QAP; (ii) the denial of ten (10) points for having a Cost Per Square Foot of less than \$87 under §49.9(a)(8); (iii) the denial of six (6) points for not varying by more than +/- 5% from the Self-Scoring shown in the Pre-application under §49.9(a)(14); and (iv) the denial of three (3) points for being New Construction located in an area that is part of a Community Revitalization Plan under §49.9(a)(13).

## **I. Termination for Deferring More than 50% of the Developer Fee.**

At the time that the Applicant submitted its tax credit application, it had applied to the Strategic Housing Finance Corporation for a \$627,905 loan (the "Strategic Loan") in order to obtain 18 points for the Commitment of Development Funding by Governmental Instrumentality under §49.9(a)(5) of the QAP. One means of qualifying for those points requires (i) that the applicant provide a statement with regard to the loan amount and specific loan terms to be applied for, and (ii) that the funding entity provide a letter indicating that the award of funds with respect to the funding cycle for which the applicant intends to apply will be made by August 1, 2011. This evidence was provided in the Application. Please note, however, that the applicant is not required to provide a firm commitment for the funding until the Commitment Notice is accepted, and that §49.9(a)(5)(A)(iii) states "An Applicant may substitute any source in response to an

3 East Greenway Plaza, Suite 2000 Houston, Texas 77046-0307  
Phone: 713-651-0111 Fax: 713-651-0220  
Web: [www.coatsrose.com](http://www.coatsrose.com)

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July 14, 2011

Page 2

Administrative Deficiency Notice or after the Application has been submitted to the Department.”

On July 7, 2011, the TDHCA sent a termination notice to the applicant, indicating that because the financial structure included a \$627,905 permanent loan with a one-year term, which was anticipated to be prepaid in one year from the developer fee, the amount should have been included in determining whether more than 50% of the developer fee is being deferred. When the \$627,905 loan was added to the \$108,847 in deferred developer fee, the project showed more than 50% of the developer fee being deferred, which makes the project ineligible under §49.4(b)(11).

We point out that the Strategic Loan was included in the application as a possible source of the Governmental Instrumentality funding and that the Applicant retained the right to substitute any source after the Application was submitted. We concur that the initial Sources and Uses mistakenly included the Strategic Loan in both the Construction Period and the Permanent Period, even though the stated term was to be the later of one year or the placed in service date, per the requirements of the QAP, and therefore clearly matures during the Construction Period and does not extend to the Permanent Period.

On June 6, Raquel Morales posed the following question to Justin Hartz by email:

*On another note, I also wanted to ask you about the \$627K SHFC amount reflected in your Sources and Uses. It appears that while it is reflected as both an interim and permanent source of funding, the permanent amount has a term of only 1 year. How is this going to be paid in that timeframe and from what source?*

Justin Hartz responded:

*Lastly to answer your question on the \$627K SHFC loan. The loan will be utilized as construction and permanent financing. The permanent amount will be prepaid as of year one term by developer fee.*

(See the email attached as Exhibit A). Please note that Mr. Hartz simply indicated that the Strategic Loan would be prepaid by developer fee. The intent is that the \$627K loan will be paid by the Developer, MBL DerbyCity Development, LLC, out of developer fee paid to the Developer during the first year of the development process. This payment will therefore not increase the deferred developer fee.

On June 22, 2011, the Applicant filed a revised financial structure with the TDHCA pursuant to §49.9(a)(5)(A)(iii) showing a new \$627,905 loan at AFR from Capital Area Housing Finance Corporation with maturity at the later of one year or the Placed in Service date (the “CAHFC Loan”). In conjunction with the substitution of the source, the Applicant included a revised set of financial information which properly showed the CAHFC Loan as being an interim loan during the Construction Period only. The developer fee that will be deferred will be \$140,613 out of a \$1,270,000 developer fee or 11% of the fee. This is well within the requirements of the QAP.

In summary, the Applicant has until acceptance of a Commitment Notice during which it can change its source of funding by a Governmental Instrumentality. On June 22, 2011, the

Applicant provided notice to the TDHCA of a proposed change, and provided updated financial information, including all changes made at the request of David Burrell in the Real Estate Analysis Division during underwriting. The CAHFC Loan will have the maturity required by the QAP and is anticipated to be paid off by the Developer out of paid developer fee during the Construction Period. This financial structure is consistent with the requirements for the 18 points for Commitment of Development Funding by Governmental Instrumentality and results in a deferred developer fee well below the 50% limit established by the QAP. We respectfully suggest that the Sweetwater Bend project is eligible under the QAP and request that this Application be reinstated and that the 18 points be awarded to the project.

## **II. Denial of Ten (10) Points for Cost Per Square Foot Under §49.9(a)(8).**

NOTE: The June 21, 2011 letter from the Acting Director mistakenly refers to §49.9(a)(7) as the section providing 10 points for The Cost of the Development by Square Foot, but the reference is actually to §49.9(a)(8).

If a project has direct construction costs, as presented in the Development Cost Schedule, which do not exceed certain specified costs per square foot of Net Rentable Area (“NRA”), the project can qualify for ten (10) points. If a building is in a Qualified Elderly Development with an elevator or a high rise building with four or more stories serving any population, the NRA may include elevator served interior corridors which are enclosed, heated and/or cooled and otherwise finished space. The Applicant requested points for having a development cost not exceeding \$87 per square foot, which is the cost limit for a project located in a “First Tier County”. Galveston County is a First Tier County.

The Application as initially presented has four buildings, two of which are elevator-served and have four floors. The Building Floor Plans in the Application show floor plans for four floors (see Exhibit B). There was some disparate information in the Application because the project is being built in Galveston, and the architect assumed that the reviewer would realize that the residential units are located only on the second, third and fourth floors, due to the need to elevate residential space to avoid flood issues. For that reason the architect did not show the piers in the elevations, but this was clarified in the deficiency resolution process.

Please note that the QAP does not require that there be residential units or NRA on all of the floors of a four-story building. A four-story building with commercial space on the first floor could also qualify for the points, even though there would be no NRA on the first floor. [(NRA is defined, in part, as unit space that is available exclusively to the tenant.)] In the case of Sweetwater Bend, the higher permitted cost is justified due to the more expensive construction techniques required to build in an area where hurricanes and floods are prevalent.

In calculating the cost per square foot, the Applicant is using the 80,476 square feet of NRA in the units, plus 3,872 sf of climate controlled interior corridors served by elevators in the four-story buildings and enclosed from the exterior by plate glass windows. The interior corridors for the two (2) three-story buildings is not included.

$$\$7,304,360 \text{ divided by } 84,348 \text{ sf} = \$86.60 \text{ psf (rounded up)}$$

This results in a cost per square foot of \$86.60, which qualifies for points under §49.9(a)(8). We request that those points be granted.

### **III. Denial of Six (6) Pre-Application Participation Incentive Points under §49.9(a)(14).**

The TDHCA Staff has denied the Applicant six (6) points for filing a Pre-Application because the score for the Application deviated by more than 5% from the Pre-Application Self-Scoring Form. The Applicant indicated in the Application that a score of 175 points, not including the 24 points for Quantifiable Community Participation and the 14 points for Local Elected Official Support, both of which were received by the project. With the denial of ten (10) points for the Cost Per Square Foot, which we assert should have been awarded, the Application scored only 159 points on the Self-Scoring Form, instead of 175 points. If the Cost Per Square Foot points are awarded, then the Application should have a score of 169, and that score is within 5% of the 175 points originally estimated. Accordingly, the six (6) Pre-Application Participation Incentive Points should be restored if the Cost Per Square Foot point are awarded. We respectfully request that these points be restored.

### **IV. Denial of Three (3) Points for Community Revitalization under §49.9(a)(13).**

The Applicant requested three (3) points for a New Construction Project located in an area that is part of a Community Revitalization Plan. Because there has been so much controversy regarding this Selection Criterion this year, we think it is important to review the exact requirements carefully. Section 49.9(a)(3)(D) states:

(D) The Development is New Construction and is proposed to be located in an area that is part of a Community Revitalization Plan (3 points).

In the 2011 HTC Procedures Manual, for Volume 4, Tab 13, the requirements are shown on Exhibit C attached.

A Community Revitalization Plan is defined under §49.2(8) as follows:

**Community Revitalization Plan**--A published document under any name, approved and adopted by the local Governing Body or, if the Governing Body has lawfully assigned responsibility for oversight of communication or activities to a body created or sponsored by that Governing Body, the vote of the Governing Body so designated, by ordinance, resolution, or vote that targets specific geographic areas for revitalization and development of residential developments.

In the Application Form, the requirements for these points are shown on Exhibit D attached and the applicant is advised that if unable to obtain a letter from an Appropriate Local Official, then the following must be provided:

If the Community Revitalization Plan has specific boundaries, a copy of the Plan adopted by the jurisdiction or its designee and a map showing that the Development is within the area covered by the Community Revitalization Plan.

In the Sweetwater Bend Application, a complete copy of the City of Galveston 2010-2012 3-Year Consolidated Plan (the "Plan") was attached, and the Applicant marked relevant parts of

July 14, 2011

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the Plan to show the revitalization element. The Plan clearly encompasses the entirety of the City of Galveston. The statistical data included is for the entire City of Galveston. We attach as Exhibit E the Table of Contents for the Plan and the pertinent portion that deals with Specific Housing Objectives, which begins on page 84. It shows that Priority 1 is to provide and expand the supply of safe, decent and affordable housing through the rehabilitation of existing residential properties and the construction of new residential properties. Speaking of the City as a whole, the Plan states on page 85 that Strategy 3 is to rehabilitate or construct new rental units including single and multi-family housing:

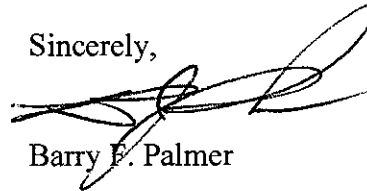
Due to the limited available land in Galveston, multi-family housing becomes an attractive mechanism for providing affordable new units. The Grants and Housing Department will use Ike Recovery funds to facilitate the rehabilitation of destroyed units and will encourage the development of new multi-family projects.

The Plan is clearly a document that meets the requirements of the definition of a Community Revitalization Plan. The targeted area is the City of Galveston. The Sweetwater Bend project, being located on Galveston Island, within the City of Galveston, is on Galveston Island is plainly located within the area covered by the Plan. For this reason, we request that the Board award three (3) points to Sweetwater Bend for being a New Construction project located in an area that is part of a Community Revitalization Plan.

#### **Summary.**

In conclusion, we request that the Board reinstate this Application because it does meet the 50% deferred developer fee test, and that the Board grant the Application ten (10) points for Cost Per Square Foot, six (6) points for Pre-Application Participation Incentive, and three (3) points for being New Construction located in an area that is part of a Community Revitalization Plan.

Sincerely,



Barry F. Palmer

Enclosures

cc: Tim Irvine  
Tom Gouris  
Robbye Meyer  
Raquel Morales



# **EXHIBIT A**

**From:** Raquel Morales [mailto:raquel.morales@tdhca.state.tx.us]  
**Sent:** Monday, June 06, 2011 7:04 PM  
**To:** Justin Hartz  
**Cc:** William Walter; Robbye Meyer  
**Subject:** RE: 11051 Sweetwater Bedn Scoring Notice

Justin,

Robbye and I just tried calling you to touch base on Sweetwater Bend. I wanted to discuss in more detail the reasons for the changes to the floor plans that I previously asked you about. Nonetheless, based on the new floor plans submitted in response to the deficiency issued to you on March 16<sup>th</sup>, it appears that only one of the building types will be an all 4-story structure. Additionally, the elevator served interior corridors must be a corridor that is heated and/or cooled and otherwise finished space. According to the newer plans provided, the areas look to be open and more of a breezeway than it does an interior corridor.

On another note, I also wanted to ask you about the \$627K SHFC amount reflected in your Sources and Uses. It appears that while it is reflected as both an interim and permanent source of funding, the permanent amount has a term of only 1 year. How is this going to be paid in that timeframe and from what source?

I'll try to get a hold of you tomorrow during the day if you're available so that we can discuss in more detail. Thank you.

**Raquel Morales**

9% Housing Tax Credit Administrator  
Texas Department of Housing and Community Affairs  
221 E. 11th Street | Austin, TX 78701  
Office: 512.475.1676  
Fax: 512.475.0764



**From:** Justin Hartz  
**Sent:** Tuesday, June 07, 2011 10:44 AM  
**To:** 'Raquel Morales'  
**Cc:** 'Robbye Meyer'; William Walter; Justin Hartz  
**Subject:** FW: 11051 Sweetwater Bedn Scoring Notice  
**Importance:** High

Dear Raquel,

Sorry about missing your call last night.

The plans as originally submitted did not change and there are two four story building types. (Type 1 and Type 2). See items 1 and 2 below and attached:

1. Sheets A -104 and A-108 of the original application. These are the fourth floor plans for the 4 story buildings.
2. Sheet A – 109 of the original application. You will have to blow up the chart at the bottom. It shows different bedroom unit mixes for the 4 story plans.

This is just a representation of 2 sheets that showed 4 story plans that were originally submitted to TDHCA. The complete architectural package submitted has other references to four story.

Per my email sent on Friday June 3, I stated the elevator served interior corridors are heated and/ or cooled finished space. Per the architects intention, the interior corridors are enclosed by large tempered picture windows.

We did not change the plans significantly as of March 16. The only thing that was changed was the elevation. The original floor plans and site plans did not change. The architect assumed that everyone knew that due to the proximity to the Gulf that everything would need to be on piers and that they did not need to show the piers on the elevations even though they showed 4 story on the other building plans submitted.

Additionally, the building design is more expensive to build on Galveston Island per the building code because of storm surge and hurricanes.

[ Lastly to answer your question on the \$627K SHFC loan. The loan will be utilized as construction and permanent financing. The permanent amount will be prepaid as of year one term by developer fee. ]

Thank You,

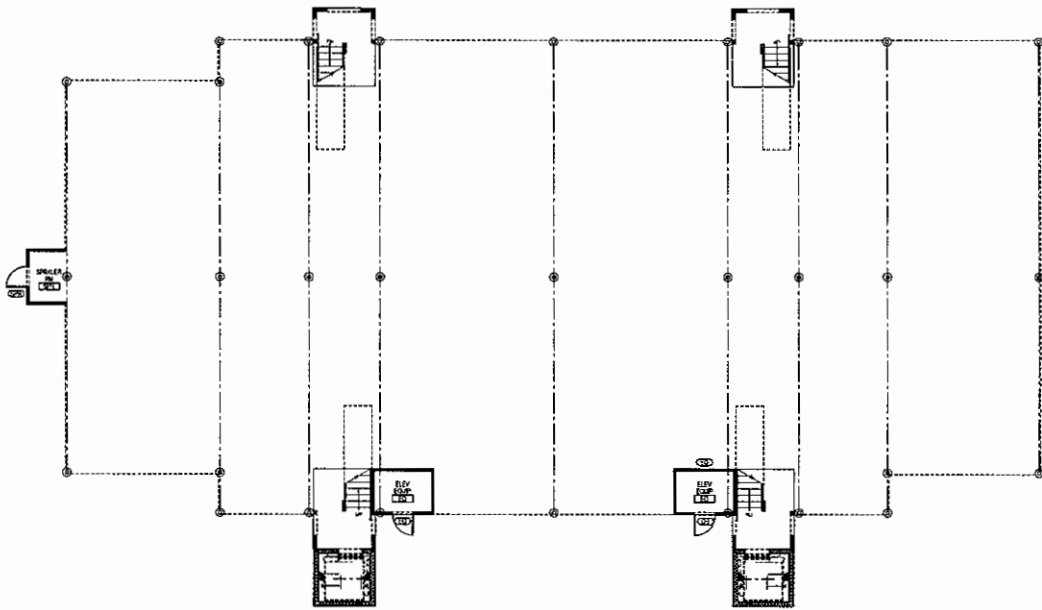
Justin Hartz

**LDG Development**  
1469 South 4<sup>th</sup> Street  
Louisville, KY 40208  
502-638-0534 Ext.29  
502-931-5795 Cell  
502-638-9197 Fax

# **EXHIBIT B**

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15

O  
P  
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M  
L  
K  
J  
H  
G  
F  
E  
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A



**BUILDING TYPE W  
GROUND FLOOR PLAN**  
SCALE 1/8" = 1'-0"

Area Type Summary																							
Name: An Excelsior units to be added to an existing building unless otherwise noted																							
Area Type	No. of Units	Level	Area (sq. ft.)	Floor Area	Sq. Ft./Unit	Description	Shop 1				Shop 2				Shop 3				Total				
							1st Floor	2nd Floor	3rd Floor	4th Floor	1st Floor	2nd Floor	3rd Floor	4th Floor	1st Floor	2nd Floor	3rd Floor	4th Floor					
1B-1	2	A	850	850	425	1 Bed, 1 Bath																	
1B-2	2	A	1050	1050	525	2 Bed, 2 Bath																	
1B-2	2	B	1050	1050	525	2 Bed, 2 Bath																	
1B-2	2	C	1050	1050	525	2 Bed, 2 Bath																	
1B-2	2	D	1050	1050	525	2 Bed, 2 Bath																	
1B-2	2	E	1050	1050	525	2 Bed, 2 Bath																	
1B-2	2	F	1050	1050	525	2 Bed, 2 Bath																	
1B-2	2	G	1050	1050	525	2 Bed, 2 Bath																	
1B-2	2	H	1050	1050	525	2 Bed, 2 Bath																	
1B-2	2	I	1050	1050	525	2 Bed, 2 Bath																	
1B-2	2	J	1050	1050	525	2 Bed, 2 Bath																	
1B-2	2	K	1050	1050	525	2 Bed, 2 Bath																	
1B-2	2	L	1050	1050	525	2 Bed, 2 Bath																	
1B-2	2	M	1050	1050	525	2 Bed, 2 Bath																	
1B-2	2	N	1050	1050	525	2 Bed, 2 Bath																	
1B-2	2	O	1050	1050	525	2 Bed, 2 Bath																	
Total	24																						

**KEY NOTES:**

- 1. DOOR PLACEMENT: UNLESS OTHERWISE DIMENSIONED ON PLANS, INSTALL DOORS FOR THE FOLLOWING PRE-DEFINITIONS LISTED BELOW (FACE OF CASE TO FACE OF CASE):
  - 2. FINISH WINDOW & EXTERIOR DOOR LOCATIONS ARE FINISH FOR REFERENCE ONLY. FOR EXACT WINDOW & DOOR LOCATIONS PLEASE REFER TO FLOOR DIMENSIONED PLANS.
  - 3. ALL INTERIOR LIGHT WALLS TO BE TYPE PE UNLESS OTHERWISE NOTED ON PLANS.
- KEY PLAN**
- 
- KEY NOTES:**
1. DIMENSIONS ON PLANS ARE FROM FACE OF STUD FRAMING TO FACE OF STUD TO FACE OF STUD.
  2. FINISH WINDOW & EXTERIOR DOOR LOCATIONS ARE FINISH FOR REFERENCE ONLY. FOR EXACT WINDOW & DOOR LOCATIONS PLEASE REFER TO FLOOR DIMENSIONED PLANS.
  3. ALL INTERIOR LIGHT WALLS TO BE TYPE PE UNLESS OTHERWISE NOTED ON PLANS.
- KEY PLAN**
- 
- KEY NOTES:**
1. DIMENSIONS ON PLANS ARE FROM FACE OF STUD FRAMING TO FACE OF STUD TO FACE OF STUD.
  2. FINISH WINDOW & EXTERIOR DOOR LOCATIONS ARE FINISH FOR REFERENCE ONLY. FOR EXACT WINDOW & DOOR LOCATIONS PLEASE REFER TO FLOOR DIMENSIONED PLANS.
  3. ALL INTERIOR LIGHT WALLS TO BE TYPE PE UNLESS OTHERWISE NOTED ON PLANS.

**ARCHITECT**

*Adm*

**ARCHITECT OF RECORD**

Kentucky Architecture Studio LLC  
1101 4th Street  
Nashville, TN 37203

**CONSULTANT**

Sweetwater Bend Apartments  
Columbus, TX

**NOT FOR CONSTRUCTION**

DESIGNED BY: [ ] CHECKED BY: [ ]  
DRAWN BY: [ ] DATE: 02.25.2011

BUILDING: BLDG 1 GROUND FLOOR  
PROJECT NO. STA-11W505  
SHEET NO. A101

**KEY NOTES:**

- 1. GENERAL REQUIREMENTS
  - A. FINISHES
  - B. SEE FINISH SCHEDULE
- 2. CONCRETE
  - A. PREPARED CONCRETE SHALL BE CAST AND CURED ACCORDING TO CONCRETE TYPING AND CURING PRACTICES.
  - B. CONCRETE SHALL BE CAST AND CURED ACCORDING TO CONCRETE TYPING AND CURING PRACTICES.
  - C. CONCRETE TYPING, REFER TO STRUCTURAL DRAWINGS FOR ADDITIONAL INFORMATION.
  - D. SEE SPECIFICATIONS.
  - E. CONTINGENCY FOR COMPLETION OF CONCRETE SHALL BE AS STATED.
  - F. CONCRETE SHALL BE CAST AND CURED ACCORDING TO CONCRETE TYPING AND CURING PRACTICES.
  - G. PREPARED CONCRETE SHALL BE CAST AND CURED ACCORDING TO CONCRETE TYPING AND CURING PRACTICES.
  - H. 3/4" LIGHTWEIGHT CONCRETE TYPING SHALL BE CAST AND CURED ACCORDING TO CONCRETE TYPING AND CURING PRACTICES.
- 3. FINISHES
  - A. FINISHES SHALL BE CAST AND CURED ACCORDING TO CONCRETE TYPING AND CURING PRACTICES.
  - B. FINISHES SHALL BE CAST AND CURED ACCORDING TO CONCRETE TYPING AND CURING PRACTICES.
  - C. FINISHES SHALL BE CAST AND CURED ACCORDING TO CONCRETE TYPING AND CURING PRACTICES.
  - D. FINISHES SHALL BE CAST AND CURED ACCORDING TO CONCRETE TYPING AND CURING PRACTICES.
  - E. FINISHES SHALL BE CAST AND CURED ACCORDING TO CONCRETE TYPING AND CURING PRACTICES.
- 4. METALS
  - A. METALS SHALL BE CAST AND CURED ACCORDING TO CONCRETE TYPING AND CURING PRACTICES.
  - B. METALS SHALL BE CAST AND CURED ACCORDING TO CONCRETE TYPING AND CURING PRACTICES.
  - C. METALS SHALL BE CAST AND CURED ACCORDING TO CONCRETE TYPING AND CURING PRACTICES.
  - D. METALS SHALL BE CAST AND CURED ACCORDING TO CONCRETE TYPING AND CURING PRACTICES.
  - E. METALS SHALL BE CAST AND CURED ACCORDING TO CONCRETE TYPING AND CURING PRACTICES.
- 5. GLASS
  - A. GLASS SHALL BE CAST AND CURED ACCORDING TO CONCRETE TYPING AND CURING PRACTICES.
  - B. GLASS SHALL BE CAST AND CURED ACCORDING TO CONCRETE TYPING AND CURING PRACTICES.
  - C. GLASS SHALL BE CAST AND CURED ACCORDING TO CONCRETE TYPING AND CURING PRACTICES.
  - D. GLASS SHALL BE CAST AND CURED ACCORDING TO CONCRETE TYPING AND CURING PRACTICES.
  - E. GLASS SHALL BE CAST AND CURED ACCORDING TO CONCRETE TYPING AND CURING PRACTICES.

**NOTE:**  
DOOR PLACEMENT: UNLESS OTHERWISE DIMENSIONED ON PLANS, INSTALL DOORS PER THE FOLLOWING PRACTICES LISTED BELOW (FACE OF GWS TO FACE OF GWS)

**NOTE:**  
1. DIMENSIONS ON PLANS ARE FROM FACE OF STUD TO FACE OF STUD TO FACE OF STUD.  
2. FRAMING WINDOW & EXTERIOR DOOR LOCATIONS ARE SHOWN FOR REFERENCE ONLY. FOR EXACT WINDOW & DOOR LOCATIONS PLEASE REFER TO ALL DOOR DIMENSION PLANS.  
3. ALL INTERIOR LIGHT WALLS TO BE TYPE P UNLESS OTHERWISE NOTED ON PLAN

**KEY PLAN**

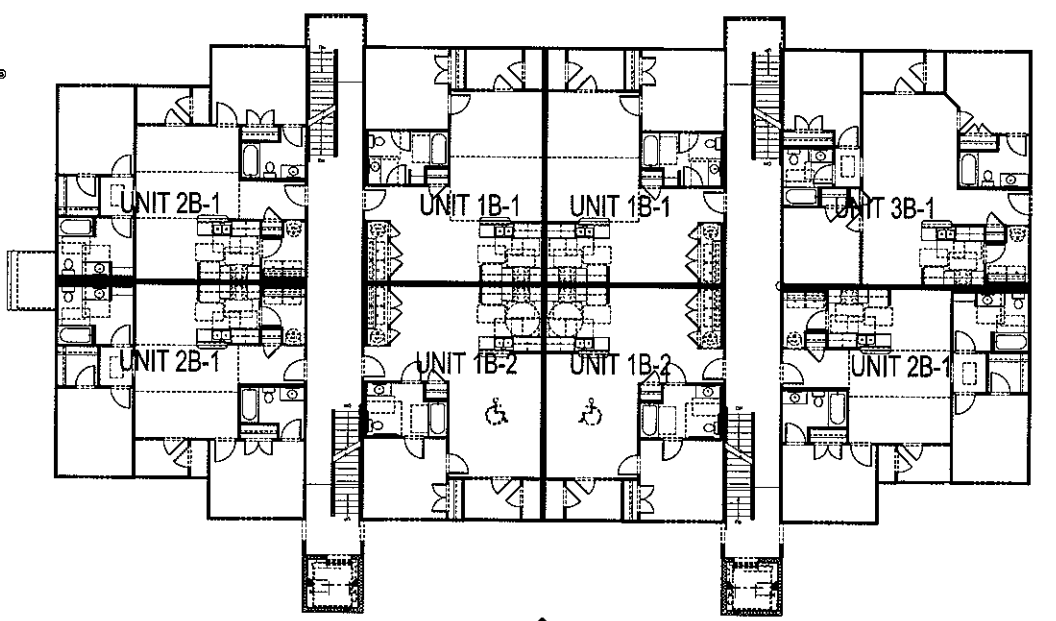
ARCHITECT  
*Abel*  
 Kentuck Architecture Studio LLC  
 1025 N. 11th Street, Suite 101, Lexington, KY 40505  
 PHONE: 606.254.8888 FAX: 606.254.8889

CONTRACT NO.  
 PROJECT TITLE  
**Sweetwater Bend Apartments**  
 Danvers, KY

**NOT FOR CONSTRUCTION**

DESIGNED BY  
 DRAWN BY  
 CHECKED BY  
 DATE: 02.25.2011

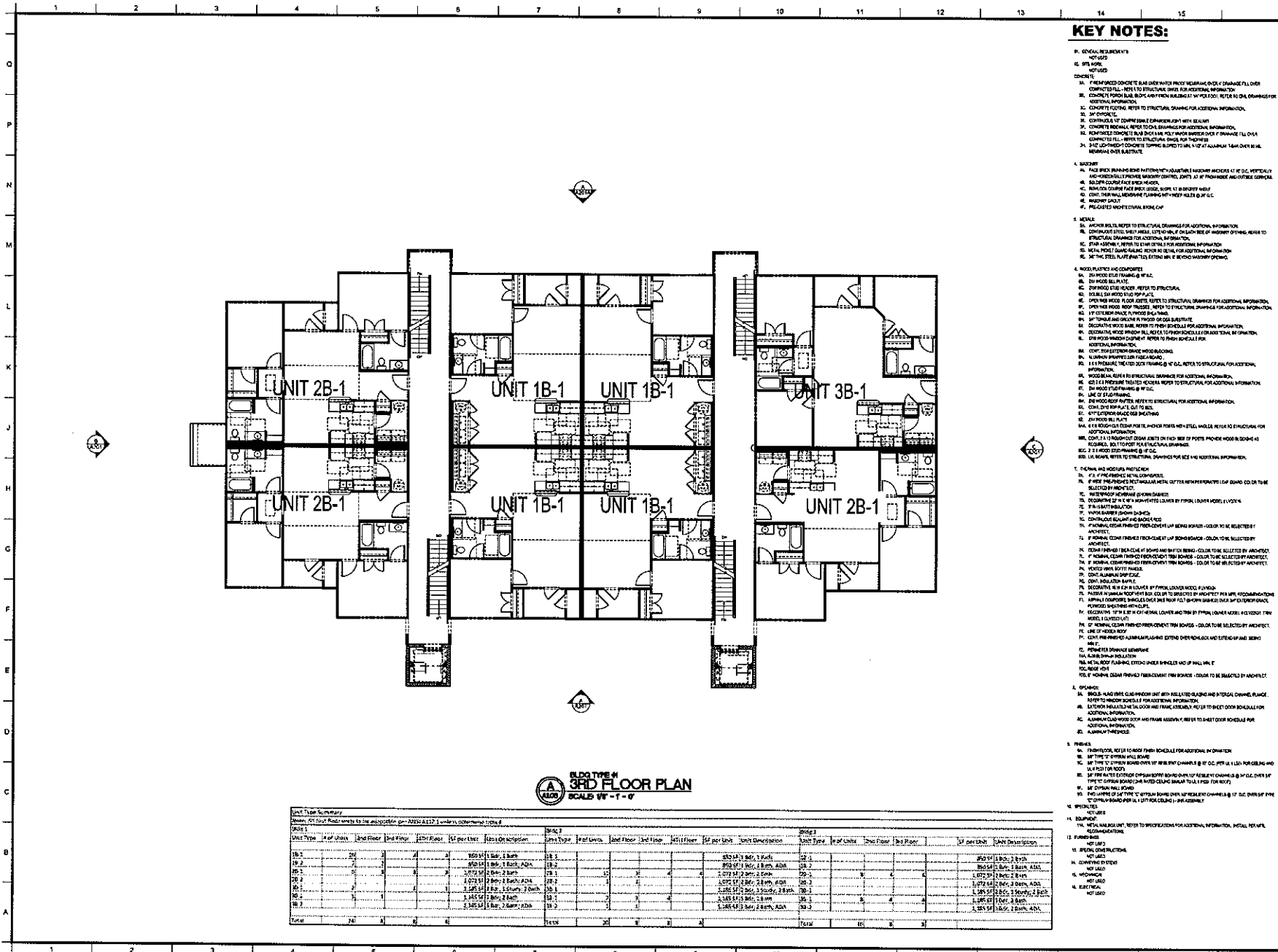
SHEET NO. **BLDG 1 2ND FLOOR**  
 PRODUCT NO.  
 STA-11WB06  
**A102**



**BLDG TYPE 4 2ND FLOOR PLAN**  
 SCALE 1/8" = 1'-0"

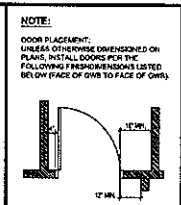
Unit Type Summary

Unit Type	# of Units	Floor Area (sq ft)	Area (sq ft)	# of Beds	Baths	Kitchens	2nd Floor		Total Area (sq ft)	Total Units	# of Beds	Total Beds (sq ft)
							Area (sq ft)	# of Units				
1B-1	20	850	1,200	1	1	1	1	1	17,000	20	20	17,000
1B-2	20	850	1,200	1	1	1	1	1	17,000	20	20	17,000
2B-1	20	1,000	1,500	1	2	1	1	1	18,000	20	20	18,000
3B-1	20	1,000	1,500	1	2	1	1	1	18,000	20	20	18,000
<b>Total</b>	<b>80</b>	<b>3,500</b>	<b>5,000</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>68,000</b>	<b>80</b>	<b>80</b>	<b>68,000</b>

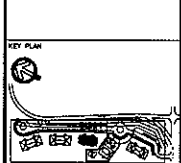


**KEY NOTES:**

1. GENERAL REQUIREMENTS
  - a. 4" MIN. THICK
  - b. 8" MIN. THICK
2. CONCRETE
  - a. PREPARED CONCRETE SHALL BE WITH PROOF REINFORCING (CHANGE FOLLOWER CONTRACT SHALL HAVE TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION)
  - b. CONCRETE SHALL BE 4000 PSI AND SHALL BE CAST AT 100% MOISTURE AND 100% COMPACTED
  - c. CONCRETE FINISHING REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - d. 3" OF FINISH
  - e. CONCRETE SHALL BE COMPRESSIVE STRENGTH 4000 PSI WITH 8% BULK
  - f. CONCRETE SHALL BE CAST TO THE FINISHING HEIGHTS AND FINISHES
  - g. REINFORCED CONCRETE SHALL BE CAST WITH 1/2" MINIMUM BARS OVER 1/4" DIA. CONCRETE SHALL BE REINFORCED WITH 1/2" MINIMUM BARS OVER 1/4" DIA.
  - h. 3/4" DIA. UNFINISHED CONCRETE TOPPING SHALL BE 1/4" MINIMUM THICK OVER 1/4" MINIMUM OVER BARS/STEEL
3. MASONRY
  - a. FACE BRICK FINISHING SHALL BE 1/2" MINIMUM BARS OVER 1/4" DIA. VERTICALLY AND HORIZONTALLY PROVIDE MASONRY CONTROL JOINTS AT 16" FROM CORNER AND OTHER CORNERS
  - b. SOLID CONCRETE FINISHING
  - c. 1/2" MINIMUM CORNER FACE BRICK, 1/2" MINIMUM BARS OVER 1/4" DIA.
  - d. CONCRETE SHALL BE REINFORCED WITH 1/2" MINIMUM BARS OVER 1/4" DIA.
  - e. MASONRY SHALL BE
  - f. FINISHED HORIZONTAL BRICK OF
4. METALS
  - a. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - b. CONCRETE SHALL BE REINFORCED WITH 1/2" MINIMUM BARS OVER 1/4" DIA. REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - c. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - d. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - e. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - f. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - g. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - h. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - i. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - j. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - k. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - l. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - m. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - n. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - o. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - p. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - q. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - r. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - s. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - t. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - u. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - v. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - w. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - x. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - y. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - z. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
5. FINISHES
  - a. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - b. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - c. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - d. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - e. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - f. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
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  - v. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - w. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - x. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - y. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION
  - z. 1/2" MINIMUM THICKNESS REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION



- NOTE:**
1. DIMENSIONS ON PLANS ARE FROM FACE OF STUD TO FACE OF STUD.
  2. FINISHING WINDOW & EXTERIOR DOOR LOCATIONS ARE SHOWN FOR REFERENCE ONLY. FOR EXACT WINDOW & DOOR LOCATIONS PLEASE REFER TO FLOOR DIMENSION PLANS.
  3. ALL INTERIOR UNIT WALLS TO BE TYPE P UNLESS OTHERWISE NOTED ON PLANS.



SCALE

1" = 10'-0"	1/4" = 3'-0"
1/2" = 6'-0"	3/8" = 4'-6"
5/8" = 6'-0"	1" = 12'-0"

ARCHITECT OF RECORD

*Adm*

Kentucky Architecture Studio LLC

CONSULTANT

Kentucky Architecture Studio LLC

PROJECT TITLE

Sweetwater Bend Apartments

Galveston, TX

NOT FOR CONSTRUCTION

DESIGNED BY: [Signature]

CHECKED BY: [Signature]

DRAWN BY: [Signature]

DATE: 02.25.2011

SHEET NO: BLDG 1 3RD FLOOR

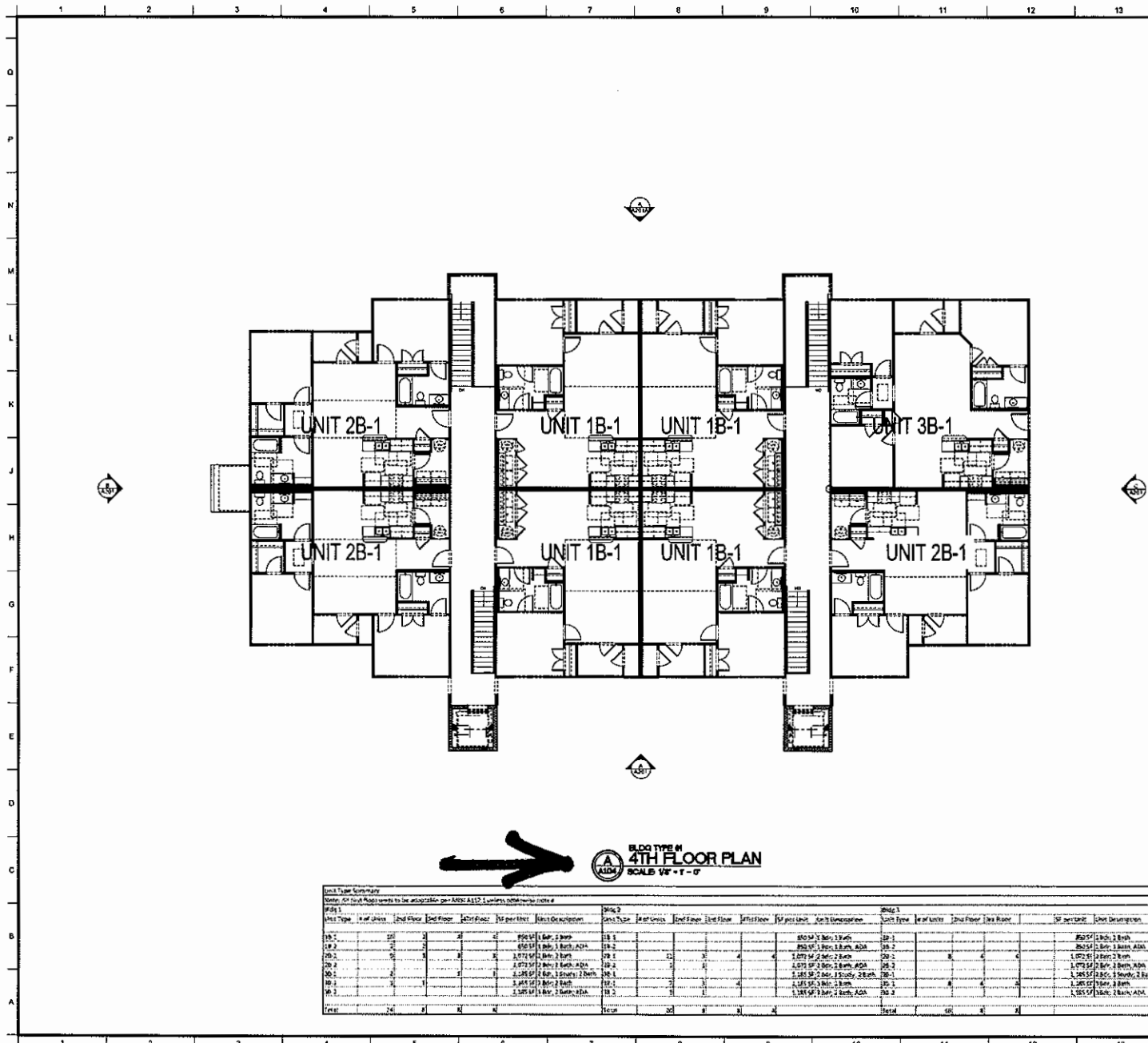
PROJECT NO: STA-11WB06

SHEET NO: A103

**UNIT TYPE SUMMARY**

Scale: 1/8" = 1'-0"

Unit Type	No. of Units	Total Floor Area (sq. ft.)	Total Volume (cu. ft.)	Total Floor Area (sq. ft.)	Total Volume (cu. ft.)	Total	
						Area	Volume
Unit 1	24	1,800	14,400	1,800	14,400	1,800	14,400
Unit 2	12	900	7,200	900	7,200	900	7,200
Unit 3	6	450	3,600	450	3,600	450	3,600
<b>Total</b>	<b>42</b>	<b>3,150</b>	<b>25,200</b>	<b>3,150</b>	<b>25,200</b>	<b>3,150</b>	<b>25,200</b>



**BLDG TYPE M  
4TH FLOOR PLAN  
SCALE 1/8" = 1'-0"**

Block Type Summary

Notes: All load requirements to be adaptable per ASCE 7-10, unless otherwise noted.

Block Type	# of Units	1st Floor	2nd Floor	3rd Floor	4th Floor	5th Floor	6th Floor	7th Floor	8th Floor	9th Floor	10th Floor	11th Floor	12th Floor	13th Floor	14th Floor	15th Floor
1B-1	3															
2B-1	2															
3B-1	2															
<b>Total</b>	<b>7</b>															

**KEY NOTES:**

- I. GENERAL NOTES
  1. SEE NOTES
  2. SEE NOTES
  3. SEE NOTES
  4. SEE NOTES
  5. SEE NOTES
  6. SEE NOTES
  7. SEE NOTES
  8. SEE NOTES
  9. SEE NOTES
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  100. SEE NOTES

**NOTE:**

1. DIMENSIONS ON PLANS ARE FROM FACE OF STUD FRAMING TO FACE OF STUD TO FACE OF STUD.

2. FRAMING WINDOW & EXTERIOR DOOR LOCATIONS ARE SHOWN FOR REFERENCE ONLY. FOR EXACT WINDOW & DOOR LOCATIONS PLEASE REFER TO FLOOR DIMENSION PLANS.

3. ALL INTERIOR PART WALLS TO BE TYPE 10 UNLESS OTHERWISE NOTED ON PLANS.

**KEY PLAN**

**SCALE**

**ARCHITECT**

*Adm*

**ARCHITECT OF RECORD**

**Kentucky Architecture Studio LLC**

1000 11th Street, Louisville, KY 40202  
502.581.1111

**DATE**

02.26.2011

**PROJECT TITLE**

**Sweetwater Bend Apartments**  
Galveston, TX

**NOT FOR CONSTRUCTION**

DESIGNED BY: [ ] CHECKED BY: [ ]

DRAWN BY: [ ] DATE: 02.26.2011

SHEET TITLE: **BLDG 14TH FLOOR**

PROJECT NO.: STA-11W806

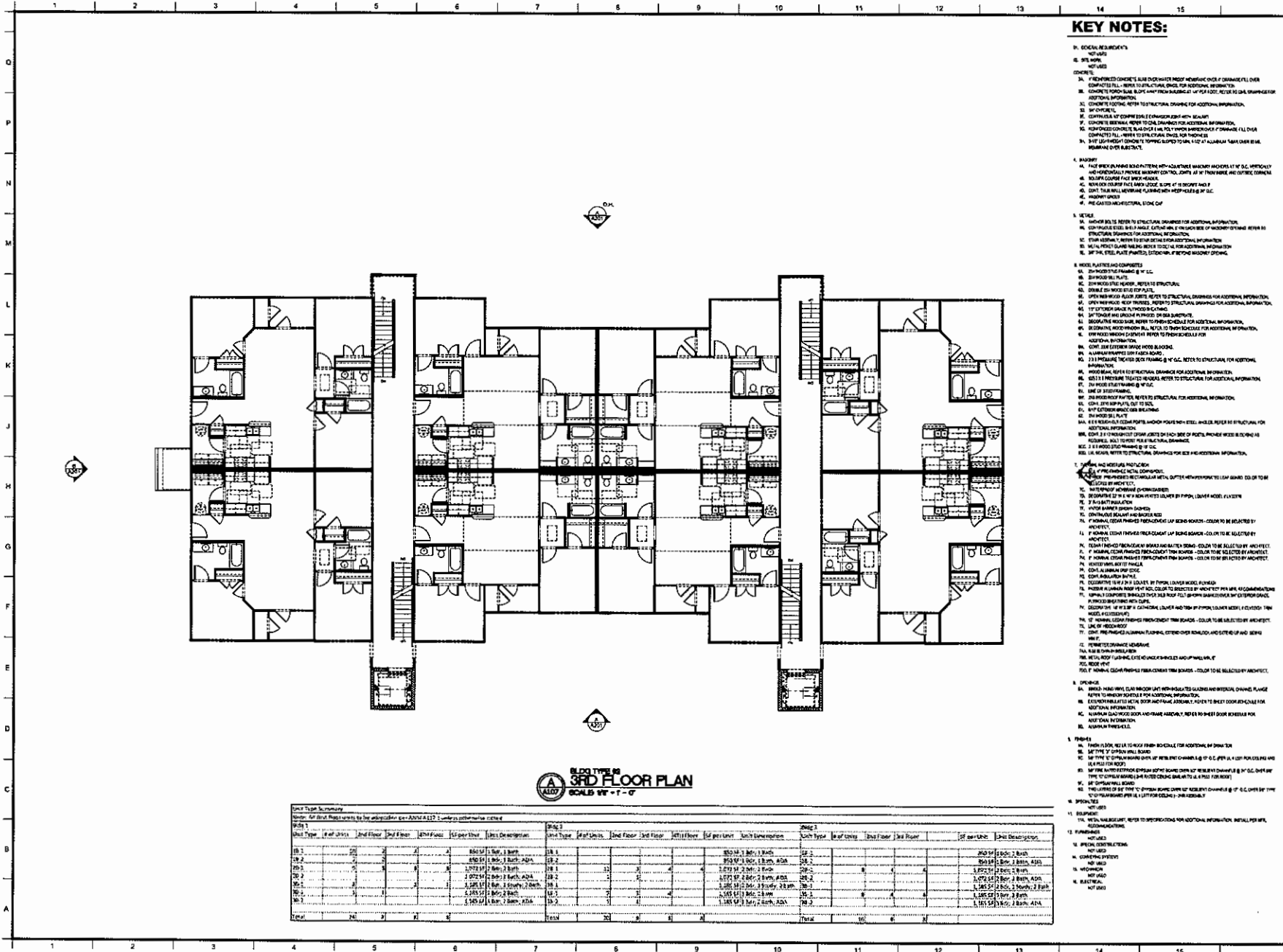
SHEET NO.: **A104**











**KEY NOTES:**

1. DOOR PLACEMENT: UNLESS OTHERWISE DIMENSIONED ON PLANS, INSTALL DOORS FOR THE FOLLOWING FINISH DIMENSIONS LISTED BELOW (FACE OF DOOR TO FACE OF CASE).
  2. FRAMING WINDOW & EXTERIOR DOOR LOCATIONS ARE SHOWN FOR REFERENCE ONLY. FOR EXACT WINDOW & DOOR LOCATIONS PLEASE REFER TO FLOOR DIMENSION PLANS.
  3. ALL INTERIOR LIFT WALLS TO BE TYPE #1 UNLESS OTHERWISE NOTED ON PLANS.
1. DOOR PLACEMENT: UNLESS OTHERWISE DIMENSIONED ON PLANS, INSTALL DOORS FOR THE FOLLOWING FINISH DIMENSIONS LISTED BELOW (FACE OF DOOR TO FACE OF CASE).
  2. FRAMING WINDOW & EXTERIOR DOOR LOCATIONS ARE SHOWN FOR REFERENCE ONLY. FOR EXACT WINDOW & DOOR LOCATIONS PLEASE REFER TO FLOOR DIMENSION PLANS.
  3. ALL INTERIOR LIFT WALLS TO BE TYPE #1 UNLESS OTHERWISE NOTED ON PLANS.
1. DOOR PLACEMENT: UNLESS OTHERWISE DIMENSIONED ON PLANS, INSTALL DOORS FOR THE FOLLOWING FINISH DIMENSIONS LISTED BELOW (FACE OF DOOR TO FACE OF CASE).
  2. FRAMING WINDOW & EXTERIOR DOOR LOCATIONS ARE SHOWN FOR REFERENCE ONLY. FOR EXACT WINDOW & DOOR LOCATIONS PLEASE REFER TO FLOOR DIMENSION PLANS.
  3. ALL INTERIOR LIFT WALLS TO BE TYPE #1 UNLESS OTHERWISE NOTED ON PLANS.

**BLDG TYPE #1  
3RD FLOOR PLAN  
SCALE 1/8" = 1'-0"**

Sheet Title Summary

Number: Air duct floor plans to be submitted per AIAA 117.1 under submittal items

Sheet No.	Sheet Title	Area				Volume				Weight			
		1st Floor	2nd Floor	3rd Floor	Total	1st Floor	2nd Floor	3rd Floor	Total	1st Floor	2nd Floor	3rd Floor	Total
101	1st Floor	101	101	101	101	101	101	101	101	101	101	101	101
102	2nd Floor	102	102	102	102	102	102	102	102	102	102	102	102
103	3rd Floor	103	103	103	103	103	103	103	103	103	103	103	103
104	4th Floor	104	104	104	104	104	104	104	104	104	104	104	104
105	5th Floor	105	105	105	105	105	105	105	105	105	105	105	105
106	6th Floor	106	106	106	106	106	106	106	106	106	106	106	106
107	7th Floor	107	107	107	107	107	107	107	107	107	107	107	107
108	8th Floor	108	108	108	108	108	108	108	108	108	108	108	108
109	9th Floor	109	109	109	109	109	109	109	109	109	109	109	109
110	10th Floor	110	110	110	110	110	110	110	110	110	110	110	110
111	11th Floor	111	111	111	111	111	111	111	111	111	111	111	111
112	12th Floor	112	112	112	112	112	112	112	112	112	112	112	112
113	13th Floor	113	113	113	113	113	113	113	113	113	113	113	113
114	14th Floor	114	114	114	114	114	114	114	114	114	114	114	114
115	15th Floor	115	115	115	115	115	115	115	115	115	115	115	115
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125	25th Floor	125	125	125	125	125	125	125	125	125	125	125	125
126	26th Floor	126	126	126	126	126	126	126	126	126	126	126	126
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148	48th Floor	148	148	148	148	148	148	148	148	148	148	148	148
149	49th Floor	149	149	149	149	149	149	149	149	149	149	149	149
150	50th Floor	150	150	150	150	150	150	150	150	150	150	150	150

**NOTE:**

UNLESS OTHERWISE DIMENSIONED ON PLANS, INSTALL DOORS FOR THE FOLLOWING FINISH DIMENSIONS LISTED BELOW (FACE OF DOOR TO FACE OF CASE).

**NOTE:**

1. DIMENSIONS ON PLANS ARE FROM FACE OF STUD FRAMING TO FACE OF STUD TO FACE OF STUD.
2. FRAMING WINDOW & EXTERIOR DOOR LOCATIONS ARE SHOWN FOR REFERENCE ONLY. FOR EXACT WINDOW & DOOR LOCATIONS PLEASE REFER TO FLOOR DIMENSION PLANS.
3. ALL INTERIOR LIFT WALLS TO BE TYPE #1 UNLESS OTHERWISE NOTED ON PLANS.

**KEY PLAN**

**SEALED**

**ARCHITECT**

*Handwritten signature*

**ARCHITECT OF RECORD**

**Kentucky Architecture Studio LLC**

**CONSULTANT**

**PROJECT TITLE**

**Sweetwater Bend Apartments**  
Dunwoody, TX

**NOT FOR CONSTRUCTION**

REMOVED BY: \_\_\_\_\_ CHECKED BY: \_\_\_\_\_

DRAWN BY: \_\_\_\_\_ DATE: 02.25.2011

**SHEET TITLE**

**BLDG 2 3RD FLOOR**

**PROJECT NO.**

STA-11WB06

**A107**

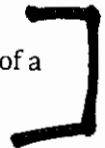




# **EXHIBIT C**

❖ **Volume 4, Tab 13, (V4 T13) Community Revitalization, Historic Preservation or Rehabilitation (Maximum 6 points)**

- *Volume 2, Tab 1, Part B- 2011 Existing Residential Development Certification Form* must be present in Volume 2, and must be fully executed.
  - Community Revitalization
    - Submit a letter from the Appropriate Local Official stating that the Development Site is located within the area covered by the Community Revitalization Plan; or
    - Only if the Community Revitalization Plan has specific boundaries, a copy of the plan, adopted by the jurisdiction or its designee and a map showing that the Development is within the area covered by the Community Revitalization Plan.
    - Submit evidence that the Community Revitalization Plan has been adopted by the local Governing Body by ordinance, resolution or specific vote.
  - Historic Preservation
    - Developments proposing Rehabilitation (including Reconstruction) or Adaptive Reuse, which include the use of an existing building that is designated as historic by a federal or state Entity.
      - **The historic building itself must be part of the Development; points in this subparagraph are not available for Developments simply located within historic districts or areas that do not have a designation on the building. The Development must include the historic building.**
      - Submit proof of the historic designation from the appropriate Governmental Entity. As a resource, information regarding state and federal historic designations can be printed from the following site:  
<http://atlas.thc.state.tx.us/index.asp>.
  - Developments proposing solely Rehabilitation (includes Reconstruction), solely Reconstruction or solely Adaptive Reuse.
  - New Construction Development proposed to be located in an area that is part of a Community Revitalization Plan (this item worth 3 points).



❖ **Volume 4, Tab 14, (V4 T14) Pre-Application Incentive Points (Maximum 6 points)**

- To be eligible for Pre-Application Incentive Points the Applicant must be able to affirm the following:
  - The site under control is identical to or is a reduced portion of the site as proposed in the Pre-Application; and
  - The Application has met the Pre-Application Threshold Criteria as determined by the Department; and
  - A certification must be included as part of the exhibit, signed by the Principals who signed the site control at Pre-Application, confirming that they are the same Principals at Application; and
  - The Development must serve the same target population (general or elderly) as indicated in the Pre-Application; and





# **EXHIBIT D**

COMMUNITY REVITALIZATION or HISTORIC PRESERVATION (§49.9(a)(13))

The Application proposes:

- Community Revitalization**- the Development includes the use of an Existing Residential Development and proposes any Rehabilitation or any Reconstruction that is part of a Community Revitalization Plan. (§42(m)(1)(C)(iii))

Evidence to be provided to satisfy this requirement:

- Volume 2, Tab 1, Part B- 2011 Existing Residential Development Certification Form* is present in Volume 2, and is fully executed.

AND

- A letter from the Appropriate Local Official stating there is a Community Revitalization Plan in effect and the Development is within the area covered by the plan.

If the Applicant is unable to obtain a letter from an Appropriate Local Official, then the following must be provided:

- If the Community Revitalization Plan has specific boundaries, a copy of the Plan adopted by the jurisdiction or its designee and a map showing that the Development is within the area covered by the Community Revitalization Plan.

- Historic Preservation** - The Development includes the use of an existing building that is designated as historic by a federal or state Entity and proposes Rehabilitation (including Reconstruction) or Adaptive Reuse.

Evidence to be provided includes:

- The Development **includes\*** the use of an existing building that is designated as historic by a federal or state entity and proposes Rehabilitation (including reconstruction) or Adaptive Reuse.
- Proof of the historic designation from the appropriate Governmental Body is included.
- Letter from the Texas Historical Commission indicating the effect of the proposed rehabilitation on historical structure is included.

**\*The Development itself must have the designation; points in this subparagraph are not available for Developments simply located within historic districts or areas that do not have a designation on the building. The Development must include the historic building.**

- Rehabilitation** - Application proposes to build solely Rehabilitation.
- Reconstruction** - Application proposes to build solely Reconstruction.
- Adaptive Reuse** - Application proposes to build solely Adaptive Reuse.

- New Construction** - the Development is New Construction and is proposed to be located in an area that is part of a Community Revitalization Plan.

Evidence to be provided includes one of the following:

Evidence to be provided to satisfy this requirement:

- A letter from the Appropriate Local Official stating there is a Community Revitalization Plan in effect and the Development is within the area covered by the plan.

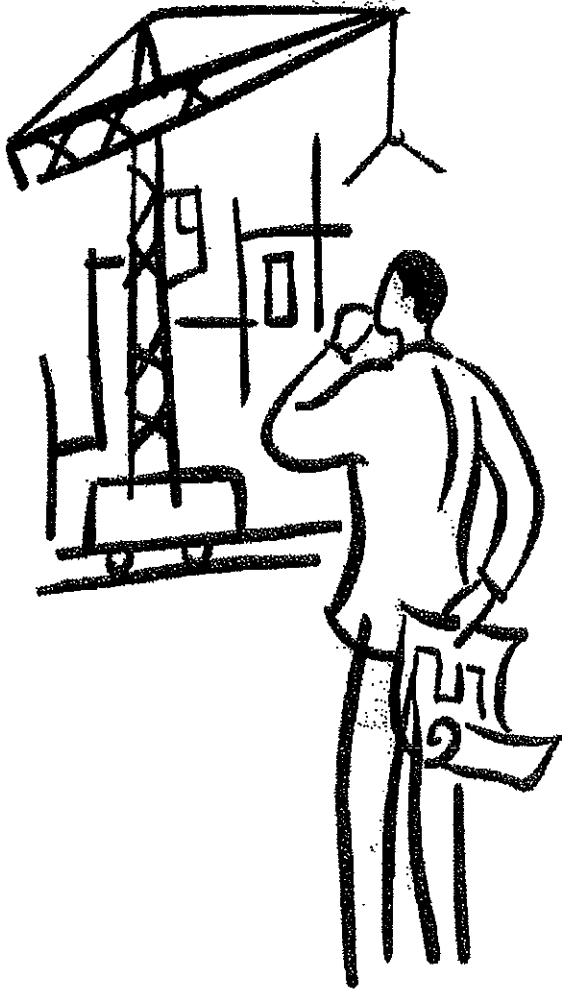
If the Applicant is unable to obtain a letter from an Appropriate Local Official, then the following must be provided:

- If the Community Revitalization Plan has specific boundaries, a copy of the Plan adopted by the jurisdiction or its designee and a map showing that the Development is within the area covered by the Community Revitalization Plan.



REMEMBER TO PLACE YOUR EVIDENCE BEHIND THIS FORM

# **EXHIBIT E**



**CITY  
OF  
GALVESTON**

**2010 - 2012  
3-YEAR CONSOLIDATED PLAN**

**Community Development Block Grant (CDBG) &  
HOME Investment Partnerships Program (HOME)**

Prepared by:  
Grants & Housing Department  
905 - 25<sup>th</sup> Street  
Galveston, TX 77550  
(409) 797-3820  
(409) 797-3888 FAX

**CITY OF GALVESTON, TEXAS**  
**3-YEAR STRATEGIC PLAN**  
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## Specific Housing Objectives (91.215 (b))

### 1. Describe the priorities and specific objectives the jurisdiction hopes to achieve over a specified time period.

During the next 3 years, most of the focus for the City of Galveston will continue to be recovery from Hurricane Ike, which struck the Texas Gulf Coast in September, 2008. The City of Galveston has developed a number of strategies/objectives within five priorities for addressing the specific housing issues in Galveston. The priorities are:

IKE  
REHABILITATION

- To provide and expand the supply of safe, decent and affordable housing through the rehabilitation of existing residential properties and the construction of new residential properties;
- To provide and expand homeownership opportunities for low- and moderate-income homebuyers;
- To reduce the number of housing units containing lead based paint;
- To expand the number of housing subsidies throughout Galveston; and
- To identify and eliminate barriers to affordable housing and impediments to fair housing.

#### **Priority 1: High Priority – To provide and expand the supply of safe, decent and affordable housing through the rehabilitation of existing residential properties and the construction of new residential properties**

- Strategy 1: Rehabilitation of damaged and deteriorating owner-occupied housing

Based on the 2000 Census and the Galveston County Appraisal District, there are at least 2,375 owner-occupied housing units that are in need of some level of rehabilitation. Of these, 1,847 are owned by individuals with incomes less than 80 percent of the area's median income. As a result, there is a need for various levels of rehabilitation to be provided, from exterior painting to re-roofing, leveling, new plumbing, new electrical wiring, interior wall repairs, and floor repairs. Many homeowners, particularly elderly homeowners, cannot afford to maintain or repair their homes.

New  
REHABILITATION  
CONSTRUCTION

In addition, many of the housing units identified in 2000 as needing some level of rehabilitation as well as many units that were sound in 2000 received significant damage during Hurricane Ike. Of the 24,525 housing units inspected after Ike, 13,320 were in need of rehabilitation greater than or equal to 30% of their value, while 10,146 had less damage ranging from very minimal to 30% of their value. The Grants and Housing Department is committed to assisting the low- to moderate-income homeowners in repairing, rehabilitating and rebuilding their damaged, destroyed or deteriorating homes.

- Strategy 2: Construct new owner-occupied housing to replace housing destroyed by Hurricane Ike.

Approximately 1,059 homes were destroyed by Hurricane Ike and the City is committed to assisting low- to moderate-income owners in replacing their homes. In addition, the City is committed to assisting in the construction of new affordable housing to expand, not simply replace, the housing stock. New housing that is being constructed is outside the affordable range for moderate-income residents.

Additionally, approximately 6,472 renters likely will not be in a financial position to purchase even a subsidized home. Of these, approximately 4,800 are living in housing with structural problems based on pre-Ike Census enumeration. Another 1,150 low-income homeowners are living in housing with problems. Therefore, safe, decent and affordable housing is needed in Galveston to replace the deteriorating stock. These new units will: (1) provide housing which does not cause an undue cost burden for target residents; (2) add new units for the growing number of extremely low-, very low-, low- and moderate-income residents; and (3) provide transitional and permanent supportive housing to the homeless and disabled. The Galveston Housing Authority has been successful in developing a limited number of units for homeownership and scattered-site public housing. GHA plans to continue this trend but additional resources are needed and the plans for new owner-occupied housing have been put on hold until the 569 units of destroyed public housing can be replaced. The Grants and Housing Department will assist the Galveston Housing Authority, qualified CHDOs (state and local), other non-profits and private developers in acquiring affordable lots through the foreclosure of tax-delinquent properties or other means. In addition, the department will work with the Planning Department to facilitate the platting of lots and permitting of structures.

- Strategy 3: Rehabilitate or construct new rental units including single and multi-family housing

Due to the limited available land in Galveston, multi-family housing becomes an attractive mechanism for providing affordable new units. Many condo units and rental units were damaged or destroyed in Ike. The Grants and Housing Department will use Ike Recovery funds to facilitate the rehabilitation of destroyed units and will encourage the development of new multi-family projects. The department will work with the various agencies serving the homeless, veterans, people with AIDS and disabled to provide technical assistance, platting/permitting facilitation, assistance in accessing other funding, and CDBG/HOME funds for the construction of new affordable transitional or permanent housing. The department will assist the developers in identifying publicly-owned properties that can be acquired and converted to residential use.

- Strategy 4: Assist Galveston Housing Authority in fund procurement, land assembly, renovation, construction

The Galveston Housing Authority is continuing the process of demolishing obsolete public housing, constructing new public housing, constructing new housing for homeownership and renovating existing facilities. Currently, the GHA is applying for a HOPE VI grant and submitting a low income housing tax credit application to the State of Texas. These funds, along with their current funding, special Ike Recovery funding and CDBG/HOME funds will support the completion of 569 replacement units of public housing. Once the public housing has been replaced, GHA will be seeking assistance from the City of Galveston for additional single family housing for homeownership, infill housing and the construction of housing for the elderly and disabled, preferably in scattered site duplexes. The City of Galveston is supporting these projects through funding, technical assistance and infrastructure improvements.

- Strategy 5: Paint Partnership Program  
Several nonprofit and volunteer groups are committed to painting the exterior of the homes of indigent elderly or other low- to moderate-income residents.
- Strategy 6: Ramp Construction  
According to the CHAS Database, there are 4,492 households with residents that have a mobility or self-care disability. Of these, 1,001 are occupied by low- to moderate-income families or individuals. The City of Galveston places a high priority on constructing ramps into the homes of the disabled.
- Strategy 7: Code Enforcement Minor Rehabilitation Program  
The City is committed to assisting homeowners who cannot afford to bring their residential properties up to code compliance. This program addresses code violations that are identified in owner-occupied residential housing units by Code Enforcement staff in an expedient manner. The assistance is provided in the form of a grant up to a maximum of \$10,000.00.

**Priority 2: High Priority – To provide and expand homeownership opportunities for low- and moderate-income residents**

- Strategy 1: Provide down payment and closing cost assistance to first-time homebuyers  
Homeownership is the dream of most Americans – a dream that can't be realized by the majority of the renters in Galveston without the provision of some form of subsidies. In a tourist community, such as Galveston, rents often exceed mortgage payments though lack of down payment and closing cost funds and lack of education in homeownership responsibilities prevent the moderate-income from being able to purchase and maintain a home. Additionally, the lack of subsidies for the development of new housing prevents the low-income from being able to afford to purchase and maintain a home. Therefore, the City of Galveston plans to continue to use HOME funds to provide down payment and closing cost assistance to first-time homebuyers. The Grants and Housing Department will assist renters in purchasing their first homes when available cash is all that stands in their way.
- Strategy 2: Provide technical assistance to prospective homebuyers  
Nearly one-half of all residential loan applications were denied in Galveston due to credit history, debt-to-income ratio or employment history. Additionally, most renters do not understand the on-going costs of homeownership in terms of maintenance, taxes and the like. Therefore, the City of Galveston is committed to providing and supporting workshops for prospective homebuyers to assist them in rectifying financial short-comings and preparing not only for a successful loan application, but also for successful homeownership.
- Strategy 3: Assist in acquiring and providing at a below-market price tax-delinquent lots to CHDOs, nonprofit developers and/or the Galveston Housing Authority to help underwrite the cost of developing affordable housing for homeownership  
The City of Galveston is an island, therefore land availability is limited and finite. Land costs are based on availability, making most of the in-



fill lots and large parcels cost prohibitive for developing affordable housing. Therefore, the City of Galveston will work through the Tax Foreclosure Committee to make residential properties that are delinquent in ad valorem taxes equivalent to 75% or more of the value of the property available to CHDOs, non-profit developers and/or the Galveston Housing Authority for the development of affordable owner occupied housing.

- Strategy 4: Provide funds to qualified CHDOs to cover a portion of the predevelopment costs for the development of new owner-occupied housing  
As with the cost of land for housing, the predevelopment costs can cause the construction to be priced out of the reach of the low- to moderate-income buyers. Using HOME funds, the City of Galveston will provide funds to qualified CHDOs to cover initial development costs such as land assembly, environmental assessments, and architectural fees.

- Strategy 5: Provide technical assistance to qualified CHDOs, nonprofit agencies and private developers to promote awareness of existing homeownership assistance programs

One of the barriers to the provision of affordable housing in Galveston is the limited institutional capacity of the CHDOs and other nonprofit organizations. The Grants and Housing Department will work with HUD to provide technical assistance to potential affordable housing developers in accessing other existing homeownership assistance programs.

**Priority 3: High Priority – To reduce the number of housing units containing lead-based paint and other lead hazards**

- Strategy 1: Assess lead levels during rehabilitation of properties  
Based on the Westat's report and sample data entitled *National Survey of Lead and Allergens in Housing* applied to Galveston's total household counts for 2000, there were approximately 10,194 occupied units with lead-based paint and 3,208 with lead-based paint hazards, defined as deteriorated paint. When the Grants and Housing Department contracts for the rehabilitation of residential properties it will continue to require a lead level assessment, with the appropriate amelioration conducted.
- Strategy 2: Assess the potential for securing grant funds for abatement  
Lead-based paint is not the only cause of elevated blood lead levels in children. During 2003, 797 children were tested for lead poisoning and 153 had blood lead levels above 10 ug/dL. Therefore, the Grants and Housing Department will work with the Health Department to identify houses that contain lead and have children under six years of age living in them. The Grants and Housing Department also will investigate the potential for Galveston to receive additional Lead-based Paint and Childhood Lead Poisoning Abatement grants. If feasible, the department will work with agencies in applying for these funds.

**Priority 4: High Priority – To expand the number of housing subsidies throughout Galveston**

- Strategy 1: Promote and stimulate funding for rental assistance programs  
The City of Galveston will continue to assist Galveston Housing Authority in securing additional Section 8 general population and

Special Purpose housing choice vouchers. In addition, the City will encourage other agencies to apply locally and to the State and federal government for tenant-based rental assistance funding.

- Strategy 2: Assist nonprofits in building internal capacity and applying to the City for HOME funds to be used for tenant-based rental assistance. The City will work with existing nonprofits to help them develop capacity, establish/implement tenant-based rental assistance programs and apply for/receive HOME funds, specifically ones that address the housing needs of the special needs or homeless populations.

**Priority 5: High Priority – To identify and eliminate barriers to affordable housing and impediments to fair housing**

- Strategy 1: On-going review of the public policies to ensure no new impact on affordable or fair housing

The City of Galveston has reviewed its public policies to determine their impact on affordable housing. The City found that, except for the post-Ike mitigation on redevelopment, there were no policies that contributed to the concentration of racial/ethnic minorities or no city building codes or ordinances that would limit the development or improvement of affordable housing in Galveston. In addition, the City will conduct an analysis of impediments to fair housing choice and develop a Fair Housing Plan in conjunction with this Consolidated Plan. The Fair Housing Plan will include appropriate actions to remedy any impediments identified. Complaints regarding Fair Housing Issues can be made to the Grants and Housing Department. The City will continue to review policies to ensure that no new ordinances are passed that will negatively impact affordable or fair housing or that changes in the economy and development practices don't render existing policies as adversely affecting fair and affordable housing choice.

- Strategy 2: Continue to conduct fair housing workshops and place informational brochures and advertisements about federal fair housing laws in public places

While public policies do not impede affordable housing and fair housing choice, the private marketplace can be responsible for violations of equal housing opportunity laws. The U.S. Department of HUD places the responsibility to investigate and rule on potential violations in the hands of their own agency, not of the local governments. Therefore, the role of the City in fair housing issues is to receive and forward complaints and to educate the consumers on the law and avenues for filing complaints. The City will receive fair housing complaints and forward them to the Houston HUD office. The City of Galveston posts the HUD Fair Housing toll-free hotline number and periodically includes public service announcements in the general-circulation newspaper.

**2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the strategic plan.**

Due to the destruction by Hurricane Ike, the City was declared a federal disaster area and considerable federal funds have and will continue to be provided to rebuild

FEDERAL  
DISASTER  
AREA

and rehabilitate the housing in Galveston. Currently, more than \$267M has come to the City through the Ike Recovery CDBG program and an additional \$189M is anticipated. In addition, the Galveston Housing Authority will be receiving more than \$63,000,000 in additional public funds to combine with an anticipated \$25,000,000 of the Ike Recovery CDBG funds, insurance, tax credits and private funding to rebuild the 569 public housing units.

The City and agencies of Galveston employ Community Development Block Grant, HOME Investment Partnership and HUD Continuum of Care (McKinney-Vento Homeless Act) funds to provide affordable housing for residents. In addition, United Way and local foundations assist in supporting housing efforts in the City of Galveston. Currently, several new initiatives are underway to access financial resources and expertise for the development of new affordable housing and the rehabilitation of existing housing, particularly historically significant homes.

As the Galveston Historic Foundation, Galveston Housing Finance Corp., the existing CHDOs and other housing development agencies increase capacity and are able to secure non-HUD funding; more resources will be used to address the housing issues in Galveston. In addition, successful regional and state CHDOs are being solicited to come to Galveston and develop Low Income Housing Tax Credit, HOME and Section 202 properties.



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

[www.tdhca.state.tx.us](http://www.tdhca.state.tx.us)

Rick Perry  
GOVERNOR

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Lowell A. Keig  
Juan S. Muñoz, Ph.D  
J. Paul Oxer

July 7, 2011

*Writer's direct phone # (512) 475-3296*  
*Email: [tim.irvine@tdhca.state.tx.us](mailto:tim.irvine@tdhca.state.tx.us)*

Mr. Mark Lechner  
Stewart Crossing, LP  
1900 Rolling Hills Trail  
Fishersville, KY 40023

RE: Application #11051, Sweetwater Bend

Dear Mr. Lechner:

The Department received your 2011 Housing Tax Credit application for the above referenced development on March 1, 2011. During the course of the review staff identified the application as ineligible pursuant to §49.4(b)(11) of the 2011 Qualified Allocation Plan.

Specifically, the application's financing structure includes a \$627K permanent loan from Strategic Housing Finance Corporation with a 1 year term. In email correspondence from your consultant on June 7, 2011, it was confirmed that this source of funding would be prepaid in one year from developer fee. Therefore, this amount should have been included in the application test to determine if more than 50% of the developer fee is being deferred. This \$627,905 plus the \$108,847 reflected as deferred developer fee together amount to 58.01% or more than 50% of the deferred developer fee. According to §49.4(b)(11) an application is considered ineligible if more than 50% of the developer fee is deferred. Additionally, while you have provided a revised financing structure to address a challenge against this application addressing this exact issue, the Department cannot allow a change to the application without a direct request from the Department. Therefore, Sweetwater Bend is no longer eligible for consideration in the 2011 Housing Tax Credit Application Cycle.

You may appeal the termination described above. In the interest of getting appeals on the board agenda for the July 18, 2011 TDHCA Board meeting, please provide your Board appeal to the Department no later than 5:00PM on Thursday, July 14, 2011. If you have any questions, please do not hesitate to contact Raquel Morales at 512-475-1676 or [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us).

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy K. Irvine".

Timothy K. Irvine  
Acting Director

rbm

cc: Justin Hartz



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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Rick Perry  
GOVERNOR

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Tom H. Gann, *Vice Chair*  
Leslie Bingham-Escareño  
Lowell A. Keig  
Juan S. Muñoz, Ph.D  
J. Paul Oxer

July 7, 2011

*Writer's direct phone # (512) 475-3296*  
*Email: [tim.irvine@tdhca.state.tx.us](mailto:tim.irvine@tdhca.state.tx.us)*

Mark Lechner  
Stewart Crossing, LP  
1900 Rolling Hills Trail  
Fishersville, KY 40023

RE: Community Revitalization Plan Point Loss for #11051, Sweetwater Bend

Dear Mr. Lechner:

The Department issued a final scoring notice for Application # 11051, Sweetwater Bend on June 1, 2011. The Department has also received several of challenges with respect to specific scoring items, primarily points for New Construction with Community Revitalization pursuant to §49.9(a)(13) of the 2011 Qualified Allocation Plan. As a result, the Department has re-evaluated the points previously requested and awarded for this point item for all 2011 applications submitted under this competitive round. Staff has determined that the points previously awarded to the above referenced application should be deducted from the final application score for the reason(s) stated below:

- There has been no evidence provided from the City of Galveston confirming that Galveston 3-Year Consolidated Plan acts as the city's Community Revitalization Plan. Further, to the extent that the Plan targets specific geographic areas for revitalization and residential development, the only areas targeted within the Consolidated Plan are those areas identified as "CDBG Target Areas." The proposed Sweetwater Bend does not appear to be located within one of the designated CDBG Target Areas.

Please note that this letter does not rescind the termination letter for the subject application previously sent to you. However, in the interest of presenting the appeal for the termination and scoring deductions for this application at the July 18, 2011 TDHCA Board meeting, please provide your Board appeal to the Department no later than 5:00PM on Thursday, July 14, 2011.

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy K. Irvine".

Timothy K. Irvine  
Acting Director

rbm

cc: Justin Hartz



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

[www.tdhca.state.tx.us](http://www.tdhca.state.tx.us)

Rick Perry  
GOVERNOR

**BOARD MEMBERS**  
C. Kent Conine, *Chair*  
Tom H. Gann, *Vice Chair*  
Leslie Bingham-Escarcño  
Lowell A. Keig  
Juan S. Muñoz, Ph.D  
J. Paul Oxer

June 21, 2011

*Writer's direct # (512) 475-1676*  
*Email: [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us)*

Mr. Mark Lechner  
Stewart Crossing, LP  
1900 Rolling Hills Trail  
Fishersville, KY 40023

RE: Appeal of Scoring Notice for #11051, Sweetwater Bend

Dear Mr. Lechner:

I have carefully reviewed the appeal received on June 8, 2011, by the Texas Department of Housing and Community Affairs (the "Department"), regarding your request to reinstate 10 points for Cost per Square Foot pursuant to §49.9(a)(7), and 6 points for Pre-Application Participation pursuant to §49.9(a)(14) of the 2011 Qualified Allocation Plan and Rules (QAP).

You appeal that the development plans for Sweetwater Bend include two of the total four buildings to be 4-story buildings containing 3,872 square feet of elevator served interior corridors. You further appeal that the interior corridor space should be included in the Net Rentable Area (NRA) calculation because buildings with 4-stories are allowed to include this square footage in the NRA calculation per the QAP. The section of the QAP that you appeal allows the inclusion of interior corridor space in the NRA calculation is copied below:

**"For the purposes of this paragraph only, if a building is in a Qualified Elderly Development with an elevator or a high rise building with four or more stories serving any population, the NRA may include elevator served interior corridors."**

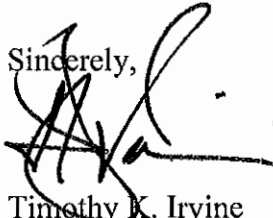
The proposed development is not a high rise building with four or more stories. Based on the original application submission the architectural drawings and elevations provided reflect only 3-story buildings, which is consistent with information provided in other areas of the application. However, during the administrative deficiency process architectural drawings for the development that were originally omitted from the application were provided. While these revised drawings reflect three of the four buildings with four floors, in actuality there are only 3 floors with residential units, while the ground floors of the 4-story buildings appear to be elevated space. There's no indication within the application that the ground floors of the 4-story buildings contain parking garages and, in fact, detached parking garages are reflected on the site plan. Given the fact that the development does not consist of a

high rise building with four or more stories, and that not all of the buildings within the development are four stories, staff did not include the elevator served interior corridor space in the NRA calculation.

Your appeal is denied.

Pursuant to your request your appeal will be placed on the agenda for the July 18<sup>th</sup> Board meeting. If you wish to submit additional documentation for the Board appeal, please submit that information to the Department no later than 5:00 p.m. on June 28, 2011. If you have any questions, please do not hesitate to contact Raquel Morales at 512-475-1676 or [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us).

Sincerely,

A handwritten signature in black ink, appearing to be 'Timothy K. Irvine', written over a horizontal line.

Timothy K. Irvine  
Acting Director

rbm

cc: Justin Hartz

Texas Department of Housing and Community Affairs  
221 East 11<sup>th</sup> Street  
Austin, TX 7870-2410

June 8, 2011

RE: Sweetwater Bend #11051 Appeal of Final Scoring Notice

Dear TDHCA Executive Director and Staff,

This letter serves as an appeal of the final scoring notice issued for Sweetwater Bend, TDHCA #11051. TDHCA came to a difference between points requested by the applicant and points awarded by the department. The following scoring items are being appealed:

- 49.9(a)(7)-Cost per Square Foot(10pts): Applicant incorrectly included common area in calculation. Only developments that are SRO can include common area in this calculation. Applicant selected costs to not exceed \$87 per sq.ft. Total Direct Cost of \$7,304,360/Total NRA=\$90.76
- 49.9(a)(14)-Pre-App Points (6pts): Due to the 10 points loss for Cost per square foot described previously the final adjusted score (165) is more than 5% lower than their final pre-application score. [ $175 \times 0.95=166.25$ ] Therefore Applicant is not eligible for the pre-app points.

The Sweetwater Bend plans identify two four story building types containing 3,872 sq.ft. of elevator served interior corridors. The interior corridor square footage area should be included in the NRA calculation since the buildings are four stories, served by elevators, and interior corridors are heated/cooled finished areas. Please refer to 49.9(a)(8) indicating the NRA of 3,872 sq.ft. should be included in the total NRA calculation. Cost per Square Foot calculation should reflect as follows: TDC of 7,304,360 / Total NRA of 84,348=\$86.5979.

See attached architectural sheets A-104 and A-108 of the original application indicating four story buildings.

Because the Sweetwater Bend Cost per Square Foot is lower than the \$87 per sq.ft. threshold, the application should receive a restoration of the 16 points deducted per the TDHCA scoring notice.

Please do not hesitate to contact me at 502-639-8032 or email at [mlechner1@bellsouth.net](mailto:mlechner1@bellsouth.net).

Sincerely,

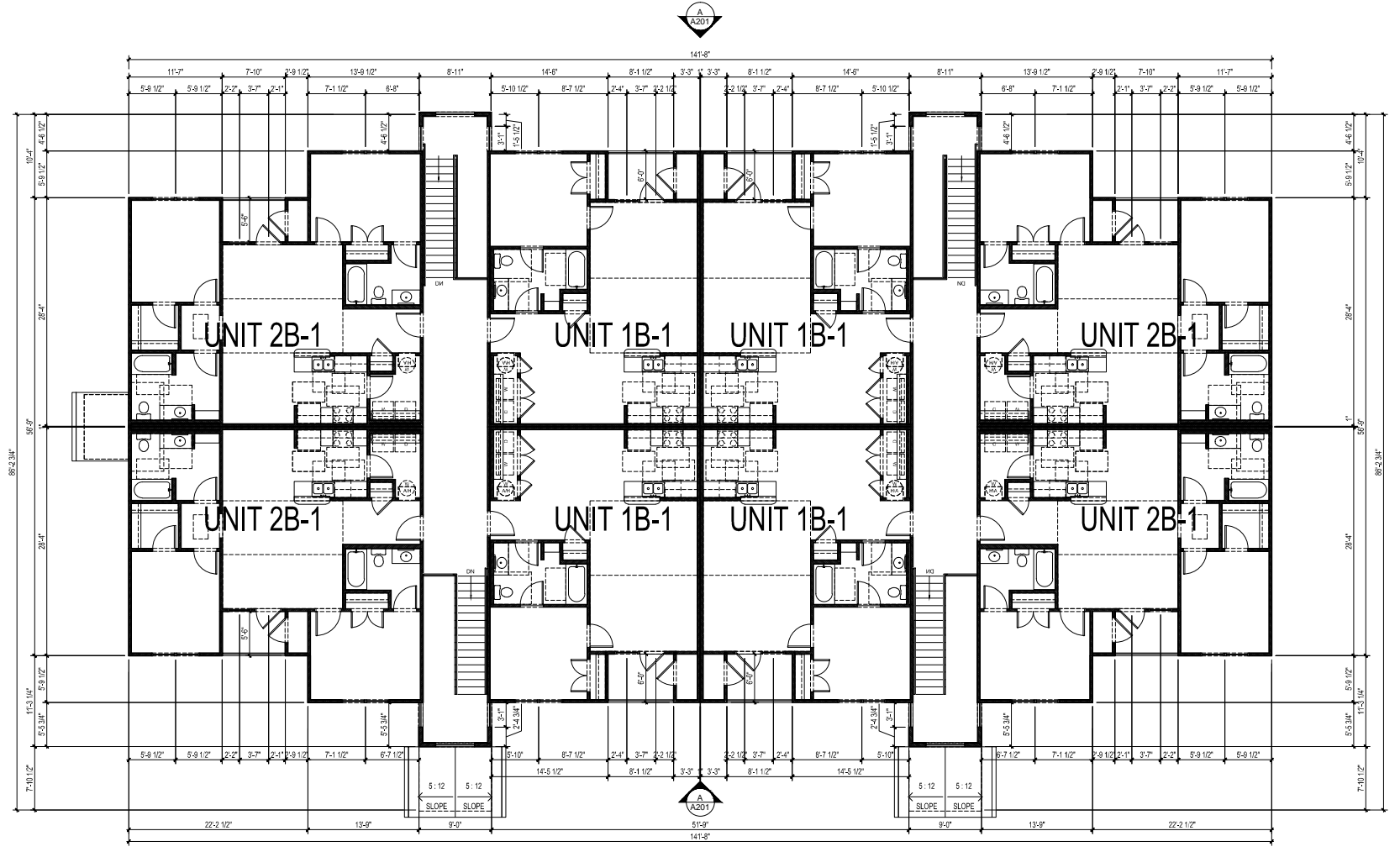


Mark Lechner  
Manager



### KEY NOTES:

- GENERAL REQUIREMENTS: NOT USED
- SITE WORK: NOT USED
- CONCRETE:
  - 4" REINFORCED CONCRETE SLAB OVER WATER PROOF MEMBRANE OVER 4" DRAINAGE FILL OVER COMPACTED FILL - REFER TO STRUCTURAL DRGS. FOR ADDITIONAL INFORMATION
  - CONCRETE FLOOR SLAB SLOPE AWAY FROM BUILDING AT 1/4" PER FOOT. REFER TO CIVIL DRAWINGS FOR ADDITIONAL INFORMATION.
  - CONCRETE FOOTING. REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION.
  - 3/4" CONCRETE
  - CONTINUOUS 1/2" COMPRESSIBLE EXPANSION JOINT WITH SEALANT
  - CONCRETE SIDEWALK. REFER TO CIVIL DRAWINGS FOR ADDITIONAL INFORMATION.
  - REINFORCED CONCRETE SLAB OVER 6 MIL POLY VAPOR BARRIER OVER 4" DRAINAGE FILL OVER COMPACTED FILL - REFER TO STRUCTURAL DRGS. FOR THE DETAILS
  - 2-1/2" LIGHTWEIGHT CONCRETE TOPPING SLOPED TO MIN. 1/4" AT ALUMINUM T-BAR OVER 6 MIL MEMBRANE OVER SUBSTRATE.
- MASONRY:
  - FACE BRICK (RUNNING BOND PATTERN) WITH ADJUSTABLE MASONRY ANCHORS AT 16" O.C. VERTICALLY AND HORIZONTALLY PROVIDE MASONRY CONTROL JOINTS AT 16" FROM INSIDE AND OUTSIDE CORNERS.
  - SOLER COURSE FACE BRICK HEADS
  - ROWLOCK COURSE FACE BRICK LEADS. SLOPE AT 15 DEGREE ANGLE
  - CONT. THUR WALL MEMBRANE FLASHING WITH WEEP HOLES @ 24" O.C.
  - MASONRY GROUT
  - PRE-CAST ARCHITECTURAL STONE CAP
- METALS:
  - ANCHOR BOLTS. REFER TO STRUCTURAL DRAWINGS FOR ADDITIONAL INFORMATION.
  - CONTINUOUS STEEL SHELF ANGLE. EXTEND MIN. 8" ON EACH SIDE OF MASONRY OPENING. REFER TO STRUCTURAL DRAWINGS FOR ADDITIONAL INFORMATION.
  - STAR ASSEMBLY. REFER TO STAR DETAILS FOR ADDITIONAL INFORMATION
  - METAL PICKET GUARD RAILING. REFER TO DETAIL FOR ADDITIONAL INFORMATION
  - 3/8" THK STEEL PLATE (PAINTED). EXTEND MIN. 8" BEYOND MASONRY OPENING.
- WOOD, PLASTICS AND COMPOSITES:
  - 2X4 WOOD STUD FRAMING @ 16" O.C.
  - 2X4 WOOD SILL PLATE.
  - 2X6 WOOD STUD-HEADER. REFER TO STRUCTURAL
  - DOUBLE 2X4 WOOD STUD TOP PLATE.
  - OPEN WEB WOOD FLOOR JOISTS. REFER TO STRUCTURAL DRAWINGS FOR ADDITIONAL INFORMATION.
  - OPEN WEB WOOD ROOF TRUSSES. REFER TO STRUCTURAL DRAWINGS FOR ADDITIONAL INFORMATION.
  - 1/2" EXTERIOR GRADE PLYWOOD SHEATHING.
  - 3/4" TONGUE AND GROOVE PLYWOOD OR OSB SUBSTRATE.
  - DECORATIVE WOOD BASE. REFER TO FINISH SCHEDULE FOR ADDITIONAL INFORMATION.
  - DECORATIVE WOOD WINDOW SILL. REFER TO FINISH SCHEDULE FOR ADDITIONAL INFORMATION.
  - 1X6 WOOD WINDOW CASEMENT. REFER TO FINISH SCHEDULE FOR ADDITIONAL INFORMATION.
  - CONT. 2X6 EXTERIOR GRADE WOOD BLOCKING.
  - ALUMINUM WRAPPED 2X6 FASCIA BOARD.
  - 2 X 8 PRESSURE TREATED DECK FRAMING @ 16" O.C. REFER TO STRUCTURAL FOR ADDITIONAL INFORMATION.
  - WOOD BEAM. REFER TO STRUCTURAL DRAWINGS FOR ADDITIONAL INFORMATION.
  - (2) 2 X 8 PRESSURE TREATED HEADERS. REFER TO STRUCTURAL FOR ADDITIONAL INFORMATION.
  - 2X4 WOOD STUD FRAMING @ 16" O.C.
  - LINE OF STUD FRAMING.
  - 2X6 WOOD ROOF RAFTER. REFER TO STRUCTURAL FOR ADDITIONAL INFORMATION.
  - CONT. 2X10 TOP PLATE. CUT TO SIZE.
  - 1/2" EXTERIOR GRADE OSB SHEATHING
  - 2X4 WOOD SILL PLATE
  - 6 X 6 ROUGH CUT CEDAR POSTS. ANCHOR POSTS WITH STEEL ANGLES. REFER TO STRUCTURAL FOR ADDITIONAL INFORMATION.
  - CONT. 2 X 12 ROUGH CUT CEDAR JOISTS ON EACH SIDE OF POSTS. PROVIDE WOOD BLOCKING AS REQUIRED. BOLT TO POST PER STRUCTURAL DRAWINGS.
  - 2 X 8 WOOD STUD FRAMING @ 16" O.C.
  - 1X6 BEAMS. REFER TO STRUCTURAL DRAWINGS FOR SIZE AND ADDITIONAL INFORMATION.
- THERMAL AND MOISTURE PROTECTION:
  - 1/2" X 1/2" PRE-FINISHED METAL DOWNSPOUT.
  - 2" WIDE PRE-FINISHED RECTANGULAR METAL GUTTER WITH PERFORATED LEAF GUARD. COLOR TO BE SELECTED BY ARCHITECT.
  - WATERPROOF MEMBRANE (SHOWN DASHED)
  - DECORATIVE 3/4" W X 1/2" H HORIZONTAL LOUVER BY FYPON LOUVER MODEL # LV20X18
  - 2" R-15 BATT INSULATION
  - VAPOR BARRIER (SHOWN DASHED)
  - CONTINUOUS SEALANT AND BACKER ROD
  - 4" NOMINAL CEDAR FINISHED FIBER-CEMENT LAP SIDING BOARDS - COLOR TO BE SELECTED BY ARCHITECT.
  - 8" NOMINAL CEDAR FINISHED FIBER-CEMENT LAP SIDING BOARDS - COLOR TO BE SELECTED BY ARCHITECT.
  - CEAR FINISHED FIBER-CEMENT BOARD AND BATTEN SIDING - COLOR TO BE SELECTED BY ARCHITECT.
  - 4" NOMINAL CEDAR FINISHED FIBER-CEMENT TRIM BOARDS - COLOR TO BE SELECTED BY ARCHITECT.
  - 4" NOMINAL CEDAR FINISHED FIBER-CEMENT TRIM BOARDS - COLOR TO BE SELECTED BY ARCHITECT.
  - VENTED VINYL SOFFIT PANELS.
  - CONT. ALUMINUM DWP EDGE.
  - CONT. INSULATION BAFFLE.
  - DECORATIVE 16 W X 24 H LOUVER BY FYPON LOUVER MODEL # LV16X24
  - PASSIVE ALUMINUM ROOF VENT BOX. COLOR TO BE SELECTED BY ARCHITECT PER MFR. RECOMMENDATIONS
  - ASPHALT COMPOSITE SHINGLES OVER XDLB ROOF FELT (SHOWN DASHED) OVER 3/4" EXTERIOR GRADE PLYWOOD SHEATHING WITH CLIPS.
  - DECORATIVE 16" W X 37" H CATHEDRAL LOUVER AND TRIM BY FYPON LOUVER MODEL # CLV20X31 TRIM MODEL # LV20X31
  - 4" NOMINAL CEDAR FINISHED FIBER-CEMENT TRIM BOARDS - COLOR TO BE SELECTED BY ARCHITECT.
  - LINE OF HIDDEN ROOF
  - CONT. PRE-FINISHED ALUMINUM FLASHING. EXTEND OVER ROWLOCK AND EXTEND UP AND SIDING MIN 6"
  - PERIMETER DRAINAGE MEMBRANE
  - R-8 BLOWN IN INSULATION
  - METAL ROOF FLASHING. EXTEND UNDER SHINGLES AND UP WALL MIN. 6"
  - RIDGE VENT
  - 4" NOMINAL CEDAR FINISHED FIBER-CEMENT TRIM BOARDS - COLOR TO BE SELECTED BY ARCHITECT.
- OPENINGS:
  - SINGLE-HUNG ALUMINUM CLAD WINDOW UNIT WITH INSULATED GLAZING AND INTERNAL CHANNEL FLASHING. REFER TO WINDOW SCHEDULE FOR ADDITIONAL INFORMATION.
  - EXTERIOR INSULATED METAL DOOR AND FRAME ASSEMBLY. REFER TO SHEET DOOR SCHEDULE FOR ADDITIONAL INFORMATION.
  - ALUMINUM CLAD WOOD DOOR AND FRAME ASSEMBLY. REFER TO SHEET DOOR SCHEDULE FOR ADDITIONAL INFORMATION.
  - ALUMINUM THRESHOLD.
- FINISHES:
  - FINISH FLOOR. REFER TO ROOF FINISH SCHEDULE FOR ADDITIONAL INFORMATION
  - 5/8" TYPE "X" GYPSUM WALL BOARD
  - 5/8" TYPE "C" GYPSUM BOARD OVER 1/2" RESILIENT CHANNELS @ 12" O.C. (PER UL #151) FOR CEILING AND UL # P333 FOR ROOF
  - 5/8" FIRE RATED EXTERIOR GYPSUM SOFFIT BOARD OVER 1/2" RESILIENT CHANNELS @ 24" O.C. OVER 5/8" TYPE "C" GYPSUM BOARD (2HR RATED CEILING SIMILAR TO UL # P333 FOR ROOF)
  - 5/8" GYPSUM WALL BOARD
  - TWO LAYERS OF 5/8" TYPE "C" GYPSUM BOARD OVER 1/2" RESILIENT CHANNELS @ 12" O.C. OVER 5/8" TYPE "C" GYPSUM BOARD (PER UL #151) FOR CEILING) - 2HR ASSEMBLY
- SPECIALTIES: NOT USED
- EQUIPMENT:
  - METAL MAILBOX UNIT. REFER TO SPECIFICATIONS FOR ADDITIONAL INFORMATION. INSTALL PER MFR. RECOMMENDATIONS.
- FURNISHINGS: NOT USED
- SPECIAL CONSTRUCTIONS: NOT USED
- CONVEYING SYSTEMS: NOT USED
- MECHANICAL: NOT USED
- ELECTRICAL: NOT USED



**BLDG TYPE #1  
FOURTH FLOOR PLAN**  
SCALE: 1/8" = 1'-0"

Unit Type Summary													
Note: All first floor units to be adaptable per ANSI A117.1 unless otherwise noted													
Bldg 1							Bldg 2						
Unit Type	# of Units	2nd Floor	3rd Floor	4th Floor	SF per Unit	Unit Description	Unit Type	# of Units	2nd Floor	3rd Floor	4th Floor	SF per Unit	Unit Description
1B-1	11	3	4	4	839 SF	1 Bdr; 1 Bath	1B-1					839 SF	1 Bdr; 1 Bath
1B-2	1	1			839 SF	1 Bdr; 1 Bath; ADA	1B-2					839 SF	1 Bdr; 1 Bath; ADA
2B-1	12	4	4	4	1,060 SF	2 Bdr; 2 Bath	2B-1	12	4	4	4	1,060 SF	2 Bdr; 2 Bath
2B-2					1,060 SF	2 Bdr; 2 Bath; ADA	2B-2	1	1			1,060 SF	2 Bdr; 2 Bath; ADA
3B-1					1,185 SF	3 Bdr; 2 Bath	3B-1	7	3	4		1,185 SF	3 Bdr; 2 Bath
3B-2					1,185 SF	3 Bdr; 2 Bath; ADA	3B-2	1	1			1,185 SF	3 Bdr; 2 Bath; ADA
<b>Total</b>	<b>24</b>	<b>8</b>	<b>8</b>	<b>8</b>			<b>Total</b>	<b>20</b>	<b>8</b>	<b>8</b>	<b>4</b>		

KEY PLAN

SEAL

ARCHITECT

ARCHITECT OF RECORD

CONSULTANT

PROJECT TITLE

**Sweetwater Bend Apartments**  
Galveston, TX

NOT FOR CONSTRUCTION

DESIGNED BY \_\_\_\_\_ CHECKED BY \_\_\_\_\_

DRAWN BY \_\_\_\_\_ DATE 02.25.2011

SHEET TITLE: **BLDG 1 FOURTH FLOOR**

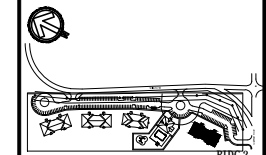
PROJECT NO. \_\_\_\_\_ SHEET NO. \_\_\_\_\_

STA-11WB06 **A104**

### KEY NOTES:

- GENERAL REQUIREMENTS: NOT USED
- SITE WORK: NOT USED
- CONCRETE:
  - 4" REINFORCED CONCRETE SLAB OVER WATER PROOF MEMBRANE OVER 4" DRAINAGE FILL OVER COMPACTED FILL. REFER TO STRUCTURAL DRGS. FOR ADDITIONAL INFORMATION
  - CONCRETE POOR SLAB SLOPE AWAY FROM BUILDING AT 1/4" PER FOOT. REFER TO CIVIL DRAWINGS FOR ADDITIONAL INFORMATION.
  - CONCRETE FOOTING. REFER TO STRUCTURAL DRAWING FOR ADDITIONAL INFORMATION.
  - 3/4" CONCRETE.
  - CONTINUOUS 1/2" COMPRESSIBLE EXPANSION JOINT WITH SEALANT
  - CONCRETE SIDEWALK. REFER TO CIVIL DRAWINGS FOR ADDITIONAL INFORMATION.
  - REINFORCED CONCRETE SLAB OVER 6 MIL POLY VAPOR BARRIER OVER 4" DRAINAGE FILL OVER COMPACTED FILL. REFER TO STRUCTURAL DRGS. FOR THE DETAILS.
  - 2-1/2" LIGHTWEIGHT CONCRETE TOPPING SLOPED TO MIN. 1/2" AT ALUMINUM T-BAR OVER 6 MIL MEMBRANE OVER SUBSTRATE.
- MASONRY:
  - FACE BRICK (RUNNING BOND PATTERN) WITH ADJUSTABLE MASONRY ANCHORS AT 16" O.C. VERTICALLY AND HORIZONTALLY PROVIDE MASONRY CONTROL JOINTS AT 16" FROM INSIDE AND OUTSIDE CORNERS.
  - SOLIER COURSE FACE BRICK HEADS.
  - ROWLOCK COURSE FACE BRICK LEDES. SLOPE AT 15 DEGREE ANGLE
  - CONT. THUR WALL MEMBRANE FLASHING WITH WEEP HOLES @ 24" O.C.
  - MASONRY GROUT
  - PRE-CASTED ARCHITECTURAL STONE CAP
- METALS:
  - ANCHOR BOLTS. REFER TO STRUCTURAL DRAWINGS FOR ADDITIONAL INFORMATION.
  - CONTINUOUS STEEL SHELF ANGLE. EXTEND MIN. 8" ON EACH SIDE OF MASONRY OPENING. REFER TO STRUCTURAL DRAWINGS FOR ADDITIONAL INFORMATION.
  - STEEL ASSEMBLY. REFER TO SFR DETAILS FOR ADDITIONAL INFORMATION.
  - METAL PICKET GUARD RAILING. REFER TO DETAIL FOR ADDITIONAL INFORMATION.
  - 3/8" THK. STEEL PLATE (PAINTED). EXTEND MIN. 8" BEYOND MASONRY OPENING.
- WOOD, PLASTICS AND COMPOSITES:
  - 2X4 WOOD STUD FRAMING @ 16" O.C.
  - 2X4 WOOD SILL PLATE.
  - 2X4 WOOD STUD HEADER. REFER TO STRUCTURAL
  - DOUBLE 2X4 WOOD STUD TOP PLATE.
  - OPEN WEB WOOD FLOOR JOISTS. REFER TO STRUCTURAL DRAWINGS FOR ADDITIONAL INFORMATION.
  - OPEN WEB WOOD ROOF TRUSSES. REFER TO STRUCTURAL DRAWINGS FOR ADDITIONAL INFORMATION.
  - 1/2" EXTERIOR GRADE PLYWOOD SHEATHING.
  - 3/4" TONGUE AND GROOVE PLYWOOD OR OSB SUBSTRATE.
  - DECORATIVE WOOD BASE. REFER TO FINISH SCHEDULE FOR ADDITIONAL INFORMATION.
  - DECORATIVE WOOD WINDOW SILL. REFER TO FINISH SCHEDULE FOR ADDITIONAL INFORMATION.
  - 1X6 WOOD WINDOW CASEMENT. REFER TO FINISH SCHEDULE FOR ADDITIONAL INFORMATION.
  - CONT. 2X6 EXTERIOR GRADE WOOD BLOCKING.
  - ALUMINUM WRAPPED 2X6 FASCIA BOARD.
  - 2 X 8 PRESSURE TREATED DECK FRAMING @ 16" O.C. REFER TO STRUCTURAL FOR ADDITIONAL INFORMATION.
  - WOOD BEAM. REFER TO STRUCTURAL DRAWINGS FOR ADDITIONAL INFORMATION.
  - (2) 2 X 8 PRESSURE TREATED HEADERS. REFER TO STRUCTURAL FOR ADDITIONAL INFORMATION.
  - 2X4 WOOD STUD FRAMING @ 16" O.C.
  - LINE OF STUD FRAMING.
  - 2X6 WOOD ROOF RAFTER. REFER TO STRUCTURAL FOR ADDITIONAL INFORMATION.
  - CONT. 2X12 TOP PLATE. CUT TO SIZE.
  - 6" EXTERIOR GRADE OSB SHEATHING
  - 2X4 WOOD SILL PLATE
  - 6 X 6 ROUGH CUT CEDAR POSTS. ANCHOR POSTS WITH STEEL ANGLES. REFER TO STRUCTURAL FOR ADDITIONAL INFORMATION.
  - CONT. 2 X 12 ROUGH CUT CEDAR JOISTS ON EACH SIDE OF POSTS. PROVIDE WOOD BLOCKING AS REQUIRED. BOLT TO POST PER STRUCTURAL DRAWINGS.
  - 2 X 8 WOOD STUD FRAMING @ 16" O.C.
  - 1X6 BEAMS. REFER TO STRUCTURAL DRAWINGS FOR SIZE AND ADDITIONAL INFORMATION.
- THERMAL AND MOISTURE PROTECTION:
  - 1/2" X 1/2" PRE-FINISHED METAL DOWNSPOUT.
  - 8" WIDE PRE-FINISHED RECTANGULAR METAL GUTTER WITH PERFORATED LEAF GUARD. COLOR TO BE SELECTED BY ARCHITECT.
  - WATERPROOF MEMBRANE (SHOWN DASHED)
  - DECORATIVE 3/4" W X 1/2" H NOMINATED LOUVER BY FYPON, LOUVER MODEL # LV22X16
  - 2" R-5 BATT INSULATION
  - VAPOR BARRIER (SHOWN DASHED)
  - CONTINUOUS SEALANT AND BACKER ROD
  - 4" NOMINAL CEDAR FINISHED FIBER-CEMENT LAP SIDING BOARDS - COLOR TO BE SELECTED BY ARCHITECT.
  - 8" NOMINAL CEDAR FINISHED FIBER-CEMENT LAP SIDING BOARDS - COLOR TO BE SELECTED BY ARCHITECT.
  - CEAR FINISHED FIBER-CEMENT BOARD AND BATTEN SIDING - COLOR TO BE SELECTED BY ARCHITECT.
  - NOMINAL CEDAR FINISHED FIBER-CEMENT TRIM BOARDS - COLOR TO BE SELECTED BY ARCHITECT.
  - NOMINAL CEDAR FINISHED FIBER-CEMENT TRIM BOARDS - COLOR TO BE SELECTED BY ARCHITECT.
  - VENTED VINYL SOFFIT PANELS.
  - CONT. ALUMINUM DWP EDGE.
  - CONT. INSULATION BAFFLE.
  - DECORATIVE 16 W X 24 H LOUVER BY FYPON, LOUVER MODEL # LV16X24
  - PASSIVE ALUMINUM ROOF VENT BOX. COLOR TO BE SELECTED BY ARCHITECT PER MFR. RECOMMENDATIONS
  - ASPHALT COMPOSITE SHINGLES OVER 3/8" ROOF FELT (SHOWN DASHED) OVER 3/4" EXTERIOR GRADE PLYWOOD SHEATHING WITH CLIPS.
  - DECORATIVE 16" W X 30" H CATHEDRAL LOUVER AND TRIM BY FYPON, LOUVER MODEL # CLV23X16, TRIM MODEL # CLV23X16F
  - NOMINAL CEDAR FINISHED FIBER-CEMENT TRIM BOARDS - COLOR TO BE SELECTED BY ARCHITECT.
  - LINE OF HIDDEN ROOF
  - CONT. PRE-FINISHED ALUMINUM FLASHING. EXTEND OVER ROWLOCK AND EXTEND UP AND SIDING MIN. 6"
  - PERIMETER DRAINAGE MEMBRANE
  - R-8 BLOWN IN INSULATION
  - METAL ROOF FLASHING. EXTEND UNDER SHINGLES AND UP WALL MIN. 6"
  - RISC RISER VENT
  - NOMINAL CEDAR FINISHED FIBER-CEMENT TRIM BOARDS - COLOR TO BE SELECTED BY ARCHITECT.
- OPENINGS:
  - SINGLE-HUNG ALUMINUM CLAD WINDOW UNIT WITH INSULATED GLAZING AND INTERNAL CHANNEL FLASHING. REFER TO WINDOW SCHEDULE FOR ADDITIONAL INFORMATION.
  - EXTERIOR INSULATED METAL DOOR AND FRAME ASSEMBLY. REFER TO SHEET DOOR SCHEDULE FOR ADDITIONAL INFORMATION.
  - ALUMINUM CLAD WOOD DOOR AND FRAME ASSEMBLY. REFER TO SHEET DOOR SCHEDULE FOR ADDITIONAL INFORMATION.
  - ALUMINUM THRESHOLD.
- FINISHES:
  - FINISH FLOOR. REFER TO ROOF FINISH SCHEDULE FOR ADDITIONAL INFORMATION
  - 5/8" TYPE "X" GYPSUM WALL BOARD
  - 5/8" TYPE "C" GYPSUM BOARD OVER 1/2" RESILIENT CHANNELS @ 12" O.C. (PER UL #152) FOR CEILING AND UL # P533 FOR ROOF
  - 5/8" FIRE RATED EXTERIOR GYPSUM SOFFIT BOARD OVER 1/2" RESILIENT CHANNELS @ 24" O.C. OVER 5/8" TYPE "C" GYPSUM BOARD (2HR RATED CEILING SIMILAR TO UL # P533 FOR ROOF)
  - 5/8" GYPSUM WALL BOARD
  - TWO LAYERS OF 5/8" TYPE "C" GYPSUM BOARD OVER 1/2" RESILIENT CHANNELS @ 12" O.C. OVER 5/8" TYPE "C" GYPSUM BOARD (PER UL #152) FOR CEILING) - 2HR ASSEMBLY
- SPECIALTIES: NOT USED
- EQUIPMENT:
  - METAL MAILBOX UNIT. REFER TO SPECIFICATIONS FOR ADDITIONAL INFORMATION. INSTALL PER MFR. RECOMMENDATIONS.
- FURNISHINGS: NOT USED
- SPECIAL CONSTRUCTIONS: NOT USED
- CONVEYING SYSTEMS: NOT USED
- MECHANICAL: NOT USED
- ELECTRICAL: NOT USED

KEY PLAN



SEAL

ARCHITECT



ARCHITECT OF RECORD



CONSULTANT

PROJECT TITLE

Sweetwater Bend Apartments  
Galveston, TX

NOT FOR CONSTRUCTION

DESIGNED BY \_\_\_\_\_ CHECKED BY \_\_\_\_\_

DRAWN BY \_\_\_\_\_ DATE 02.25.2011

SHEET TITLE BLDG 2 FOURTH FLOOR

PROJECT NO. \_\_\_\_\_ SHEET NO. \_\_\_\_\_

STA-11WB06 A108

### BLDG TYPE #2 FOURTH FLOOR PLAN SCALE 1/8" = 1'-0"

Unit Type Summary													
Note: All first floor units to be adaptable per ANSI A117.1 unless otherwise noted													
Bldg 1					Bldg 2								
Unit Type	# of Units	2nd Floor	3rd Floor	4th Floor	SF per Unit	Unit Description	Unit Type	# of Units	2nd Floor	3rd Floor	4th Floor	SF per Unit	Unit Description
1B-1	11	3	4	4	839 SF	1 Bdr; 1 Bath	1B-1					839 SF	1 Bdr; 1 Bath
1B-2	1	1			839 SF	1 Bdr; 1 Bath; ADA	1B-2					839 SF	1 Bdr; 1 Bath; ADA
2B-1	12	4	4	4	1,060 SF	2 Bdr; 2 Bath	2B-1	12	4	4	4	1,060 SF	2 Bdr; 2 Bath
2B-2					1,060 SF	2 Bdr; 2 Bath; ADA	2B-2	1	1			1,060 SF	2 Bdr; 2 Bath; ADA
3B-1					1,185 SF	3 Bdr; 2 Bath	3B-1	7	3	4		1,185 SF	3 Bdr; 2 Bath
3B-2					1,185 SF	3 Bdr; 2 Bath; ADA	3B-2	1	1			1,185 SF	3 Bdr; 2 Bath; ADA
<b>Total</b>	<b>24</b>	<b>8</b>	<b>8</b>	<b>8</b>			<b>Total</b>	<b>20</b>	<b>8</b>	<b>8</b>	<b>4</b>		

11056- St. Paul Apartments  
(withdrawn)

11057- The Mercer  
(Withdrawn)

11065- Robinson Seniors  
(Withdrawn)

11066- Anson Park III

**MULTIFAMILY FINANCE DIVISION  
BOARD ACTION REQUEST  
July 18, 2011**

**Requested Action**

Deny the Applicant's appeal to reinstate a total of six points to the final score for Application #11066, Anson Park III.

**WHEREAS**, an application for tax credits was submitted for Anson Park III on March 1, 2011; and

**WHEREAS**, the Applicant was not awarded six points for §49.9(a)(14)- Pre-Application Participation because the site acreage increased between pre-application and application; therefore

**BE IT RESOLVED**, that the appeal to reinstate six points for application #11066, Anson Park III is hereby denied.

**Background**

Anson Park III is a proposed 80 unit new construction multifamily development targeted toward the general population in Abilene, Texas.

The Applicant was not awarded six points for Pre-Application Participation because the development site increased in acreage from 5.43 acres to 6.8 acres, an approximate 25% increase in size. The Applicant appeals that the points should be reinstated because the increase is due to a city requirement as a condition of receiving the requested zoning change. Additionally the Applicant asserts that the increase in acreage has not changed the location of the site and has resulted in a positive impact on the overall layout and functionality of the development.

The Department does not believe that the increase in acreage was outside the control of the Applicant and could have been prevented prior to submitting the Application if the zoning issues had already been taken care of prior to application submission.

Staff recommends denial of the appeal.



June 30, 2011

Mr. Jay Collins  
Anson Park III LP  
8455 Lyndon Lane  
Austin, Texas 78729

RE: Anson Park III

Mr. Collins,

We will need to amend the site plan boundary for the layout on Anson Park III. During the zoning review, it was determined by the Abilene Fire Department that there was an issue concerning the fire lane coverage around building 2B. We revised the site plan layout and increased the property to allow proper fire coverage for the clubhouse and all buildings. Please let me know if you have any questions.

Regards,

Cross Architects, PLLC



Brian Burnsey, NCARB



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# CROSS ENGINEERING CONSULTANTS

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I N C O R P O R A T E D

June 27,2011

Mr. Jay Collins  
Anson Park III, L.P.  
8455 Lyndon Lane  
Austin, TX 78729

Re: Anson Park III

Mr. Jay Collins:

There will need to be an amendment to the site layout for Anson Park III, from what was submitted at Pre-Application time due to what transpired at the Zoning change hearings. During the review for Zoning change, it was determined by the Abilene Fire Department that there was a safety issue concerning fire lane coverage around Building 2B. This necessitated that the site plan be revised, and the site area be increased slightly to allow for a dead-end fire lane with parking on both sides to be placed between this building and the Clubhouse. This change should allow for proper fire lane coverage for all buildings within this phase of the project, as per the City of Abilene Fire Department requirements.

Please call if you have any questions.

Thank You!

Sincerely,

CROSS ENGINEERING CONSULTANTS, INC.



Jon David Cross, P.E.  
President



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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June 21, 2011

*Writer's direct # (512) 475-1676*  
*Email: [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us)*

Mr. Jay Collins  
Anson Park III, LP  
8455 Lyndon Lane  
Austin, TX 78729

RE: Appeal of Scoring Notice for #11066, Anson Park III

Dear Mr. Lang:

I have carefully reviewed the appeal received on June 3, 2011, by the Texas Department of Housing and Community Affairs (the "Department"), regarding your request to reinstate 6 points for Pre-Application Participation pursuant to §49.9(a)(14) of the 2011 Qualified Allocation Plan and Rules (QAP).

Your appeal states that the increase in acreage has not changed the location of the site and has resulted in a positive impact on the overall layout and functionality of the development. Despite your appeal that the 25% increase in size is due to the city's requirement as a condition of receiving the zoning change requested, the Department does not believe that this was outside the control of the Applicant and could have been prevented prior to submitting the Application.

Your appeal is denied.

Pursuant to your request your appeal will be placed on the agenda for the July 18<sup>th</sup> Board meeting. If you wish to submit additional documentation for the Board appeal, please submit that information to the Department no later than 5:00 p.m. on June 28, 2011. If you have any questions, please do not hesitate to contact Raquel Morales at 512-475-1676 or [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us).

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy K. Irvine".

Timothy K. Irvine  
Acting Director

rbm

116664

# ANSON PARK III LP

8455 Lyndon Lane  
Austin, TX 78729  
Office (512) 249-6240 Fax (512) 249-6660

June 2, 2011

Michael Gerber  
Executive director – TDHCA  
221 E 11<sup>th</sup> St  
Austin, TX 78701

RE: Appeal of scoring for 11066 Anson Park III

Mr. Gerber,

In response to the scoring notice received on June 1, 2011 for application 11066 Anson Park III, I respectfully request that points be restored to the Application's final score for the following:

§49.9(a)(14) - Pre-application Participation (6 pts): At full application the site acreage increased from 5.43 to 6.8 acres making it ineligible for the pre-app points.

*The site acreage in the pre-application was submitted as a 5.43 acre tract. As a condition of receiving the zoning change to accommodate the development, the City of Abilene had required us to increase the lot size to the 6.8 acres listed in the application. The 1.37 acres of additional has not changed the location of the site and has had a positive impact on the overall layout and functionality of the development.*

Thank you for your time and consideration.

Regards,



Jay Collins  
G. P. of Anson Park III LP

# 11072- The Landings at Westheimer Lakes

**MULTIFAMILY FINANCE DIVISION  
BOARD ACTION REQUEST  
July 18, 2011**

**Requested Action**

Deny the Applicant's appeal to reinstate three points to the final score for Application #11072, The Landings at Westheimer Lakes.

**WHEREAS**, an application for tax credits was submitted for The Landings at Westheimer Lakes on March 1, 2011; and

**WHEREAS**, the Applicant was not awarded three points for proposing a New Construction development located in an area that is part of a Community Revitalization Plan because the Applicant did not provide sufficient evidence to meet the definition of Community Revitalization Plan as defined in §49.2(8) or the requirements for scoring the points requested under §49.9(a)(13) of the 2011 Qualified Allocation Plan (QAP); therefore

**BE IT RESOLVED**, that the appeal of #11072, The Landings at Westheimer Lakes is hereby denied.

**Background**

The Landings at Westheimer Lakes is a proposed 96 unit new construction multifamily development targeted toward the general population located in Houston, Texas.

The Applicant was not awarded three points related to New Construction with Community Revitalization because it was determined after a re-evaluation of the points previously awarded that the planning document referenced did not meet the requirements of a Community Revitalization Plan. This section of the QAP has become very controversial this competitive round as is evidenced by the number of challenges received to date. As a result of the challenges received the Department re-examined every Applicant that requested these three points. Re-examination included not only identifying a letter was provided, but also reviewing each planning document referenced in those letters to make sure it was consistent with both the intent and requirements of the QAP.

The Department's response to the challenges posed this year is that community revitalization involves a city, in a duly adopted official plan document, actually targeting an area which includes the proposed development, for some specific revitalization activity that includes housing development. Specifically, the planning document referenced in the letter from the appropriate local official, the Fort Bend County Consolidated Plan, does not target specific areas within the county for revitalization and residential development.

Staff recommends denial of the appeal.

11074- The Villas at Tuscany

**MULTIFAMILY FINANCE DIVISION  
BOARD ACTION REQUEST  
July 18, 2011**

**Requested Action**

Deny the Applicant's appeal to reinstate a total of sixteen points to the final score for Application #11074, The Villas at Tuscany.

**WHEREAS**, an application for tax credits was submitted for The Villas at Tuscany on March 1, 2011; and

**WHEREAS**, the Applicant was not awarded ten points for §49.9(a)(8)- Cost per Square Foot because the calculation to test the eligibility of this item utilizing the Applicant's original development cost schedule and net rentable area resulted in costs of \$95.0015 which exceeds the \$95 threshold; and

**WHEREAS**, as a result of the ten point loss described above the Applicant's final application score is more than 5% lower than the final pre-application score resulting in an additional six point loss pursuant to §49.9(a)(14)- Pre-application Participation; therefore

**BE IT RESOLVED**, that the appeal to reinstate sixteen points for application #11074, The Villas at Tuscany is hereby denied.

**Background**

The Villas at Tuscany is a proposed 80 unit new construction multifamily development targeted toward the elderly population in Lubbock, Texas.

The Applicant was not awarded the ten points requested for Cost per Square Foot because the Department calculated that, based on the Applicant's originally submitted development cost schedule and net rentable square footage, the per unit costs equaled \$95.0015, which exceeds the \$95 per unit maximum. The Applicant appeals that the development is eligible for the point selection made, explaining that when preparing the application prior to submission the file was formatted to use a two decimal place setting. However, despite this contention the Applicant revised the development cost schedule in order to cure the issue. Additionally, while the Department notified the Applicant of the ineligibility for the points via a deficiency notice, there was no specific request in that notice for a revision of any sort to allow the applicant to become eligible for the point request. The calculation to determine the \$95 cost per square foot is a simple and straightforward calculation that is tested based on the information provided originally in the application. The Applicant appeals that while a specific request for a revision was not made, the fact that the item was addressed in an administrative deficiency automatically allows an Applicant to provide a cure. The Applicant also appeals that that the Net Rentable Area (NRA) as reflected in the application to date is incorrect; however, no correction to this

information has been made or communicated to the Department prior to this appeal. The Applicant contends that the net rentable square footage does not include the measurement of the units to the studs nor does it include the storage closets that are depicted on the architectural drawings. The Department would not consider the inclusion of the storage unit space in the NRA calculation since it is not heated and cooled. Moreover, it is not clear from the information provided how much of the increase, if any, would be attributed to the measurement of the unit to the studs. Despite this, since this error has not previously been identified and, to date, no revision to the net rentable square footage to correct the error has been provided to the Department, this would not cure the loss of points in this matter.

With the loss of these points the Applicant's total score differs by more than 5% from their pre-application score. This causes a secondary point loss which is in place to address applications that overstate their anticipated score in order to dissuade others from applying or moving forward with their lesser scoring application.

Staff recommends denial of the appeal.





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Juan S. Muñoz, Ph.D.  
J. Paul Ozer

June 23, 2011

Writer's direct # (512) 475-1676  
Email: [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us)

Mr. Brett Johnson  
OPG Tuscany Villa Partners, LLC  
2850 SW Mission Woods Dr.  
Topeka, KS 66614

RE: Appeal of Scoring Notice for #11074, The Villas at Tuscany

Dear Mr. Johnson:

I have carefully reviewed the appeal received on June 8, 2011, by the Texas Department of Housing and Community Affairs (the "Department"), regarding your request to reinstate 10 points for Cost per Square Foot pursuant to §49.9(a)(8) of the 2011 Qualified Allocation Plan (QAP).

The points requested were not awarded because the Applicant's originally submitted development costs did not support the point request. You first appeal that you are qualified for the points requested when using the standard two decimal places setting for currency. If using this setting you appeal that the development's cost per square foot amount to \$95.00 versus the Department's calculation of \$95.0015. However, the Department notified you via a deficiency dated April 6, 2011 that the point request was not supported based on the information within the application. While the Department did not request a revised development cost schedule, a revised exhibit was provided with the following explanation:

"It appears that an older version of the development cost schedule was submitted with the application that did not reflect final decisions and calculations on the project costs. The costs for this development should be closer to the costs for the applicant's other application, Saddlebrook Apartments. Please find a revised development cost schedule with a cost per square foot under \$95 along with the related documents that have been corrected."

If, in fact, your contention that the original development cost schedule was correct and supported the points requested using the standard two decimal place setting, there would not have been a reason for you to revise your cost schedule at all. At this time, the Department has not accepted the revisions made to the cost schedule to date due to several inconsistencies between the revised costs and other information within the application. For example, the originally submitted costs reflected site work costs totaling \$1,036,041 or \$12,950 per unit. These original site work costs were further certified by a third party engineer/architect. The revised cost schedules reflect site work costs of \$890,190 or \$11,127 per unit, without any explanation as to the reduced amount or a re-certification from an engineer/architect.

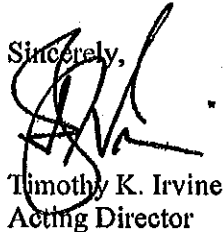
Finally, you also appeal that the Net Rentable Area (NRA) as reflected in the application to date is incorrect; however, no correction to this information has been made or communicated to the Department prior to

your appeal to the scoring notice. The application currently reflects a total NRA of 63,135 square feet. You appeal that this square footage does not include the measurement of the units to the studs nor does it include the storage closets that are depicted on the architectural drawings. While the storage closet is not heated and cooled, you believe that it should be included in the total NRA calculation because it is for the exclusive use of the tenant. As a result, the true NRA for this development is 69,170 square feet as opposed to the 63,135 square feet that is currently reflected in the application. Utilizing this correct NRA and the original development costs would result in a cost per square foot of \$86.71 or under the \$95 per square foot requirement for purposes of scoring the points requested. Since the storage area is not heated and cooled, the Department would not consider the inclusion of the storage unit space in the NRA calculation. Moreover, it is not clear from the information provided how much of the increase, if any, would be attributed to the measurement of the unit to the studs. Additionally, given that this revision has not been submitted to the Department and was not part of the original application, it would not cure the loss of points in this matter.

Based on the information presented your appeal is denied.

Pursuant to your request your appeal will be placed on the agenda for the July 18<sup>th</sup> Board meeting. If you wish to submit additional documentation for the Board appeal, please submit that information to the Department no later than 5:00 p.m. on June 29, 2011. If you have any questions, please do not hesitate to contact Raquel Morales at 512-475-1676 or [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us).

Sincerely,



Timothy K. Irvine  
Acting Director

rbm



June 8, 2011

Mr. Michael Gerber  
Executive Director, TDHCA  
221 E. 11<sup>th</sup> St.  
Austin, TX 78701

*Re: The Villas at Tuscany, LIHTC Application #11074*

Dear Mr. Gerber:

On behalf of OPG Tuscany Villa Partners, LLC, I am writing to file an appeal of the Scoring Notice for the above referenced project as issued by TDHCA on June 1, 2011.

The score requested by the applicant for The Villas at Tuscany was 175 points, while the score awarded for the project by the Department was 159. The loss of 16 points is related to one ten (10) point item: Cost per Square Foot of the Development and the subsequent loss of six (6) points for Pre-Application Participation.

Per §49.9(a)(8), "Developments qualify for 10 points if their construction costs do not exceed \$95 per square foot for Qualified Elderly." The full application that was submitted to the Department had the cost per square foot calculated at \$95.00. On April 6, 2011, this application received an administrative deficiency that stated the following:

**Vol 4 Tab 8 Cost per Square Foot.** The hard cost per square foot exceeds the \$95 maximum, i.e. it is \$95.001536. (10 points requested, 0 awarded).

During our initial financial evaluation of this project, our spreadsheets were formatted at two decimal places for currency. Considering that the QAP language only states "\$95" and not "95.000," we did not anticipate that the Department would perform this calculation past the normally accepted two decimal places for currency. Section 49.9(a) does state "Unless otherwise stated, do not round calculations," however, there is no explicit standard for how calculations are computed and how many decimal places should be used. Because this could be described as a number formatting issue (and one that is not adequately addressed in the QAP), we believe that an administrative deficiency would be the most appropriate way to address the item.

And in fact, an administrative deficiency was exactly what we received. The deficiency notice issued on April 6, 2011, specifically states "The following Administrative Deficiencies were identified in your Selection Criteria documentation" and under that sentence is the statement above regarding Vol 4 Tab 8.

According to the HTC Consolidated Definitions, the definition of Administrative Deficiency is as follows:

*Administrative Deficiencies--Information requested by the Department that is required to clarify or correct inconsistencies in an Application that in the Department's reasonable judgment, may be cured by supplemental information or explanation which will not necessitate a substantial reassessment or re-evaluation of the Application.*

The deficiency notice dated April 6, 2011, clearly states that the issue regarding Vol 4 Tab 8 Cost per Square Foot is an "Administrative Deficiency." The definition for Administrative Deficiency states that the deficiency "may be cured by supplemental information or explanation."

In response to the deficiency notice for this item, we reviewed our initial submission and discovered that there was an error with the Development Cost Schedule submitted with the full application. Because, per the definition, an Administrative Deficiency may be cured by supplemental information or explanation, we explained that an incorrect Development Cost Schedule was submitted with the application and supplied a corrected Development Cost Schedule in response to the deficiency on April 12, 2011.

At no time prior to the receipt of the final scoring notice was there any indication that our explanation and additional information did not cure the deficiency. In fact, we had reason to believe that the Department accepted our correction. On May 17, 2011, we received a call from Blake Hopkins in the Real Estate Analysis Division. He mentioned a few questions that he had and sent a written RFI for the project later that day. The RFI clearly referenced the Development Cost Schedule that was submitted to cure the Vol 4 Tab 8 Cost per Square Foot Administrative Deficiency item.

The final scoring notice issued by the Department states that points were not awarded for this item because of the following:

*The Applicant's originally submitted development cost schedule does not support the points requested under this item. Staff notified the Applicant that the points selected were not supported, and in response the Applicant provided a revised Development Cost Schedule. Staff did not request a revised cost schedule to cure a deficiency with respect to this item. Therefore the Applicant is not eligible for the points requested under the originally submitted cost schedule.*

While the deficiency notice did not explicitly request a revision in response to this item, the item was listed as an "Administrative Deficiency" in the deficiency notice dated April 6, 2011. Per the definition of "Administrative Deficiency," information is requested by the Department to clarify or correct inconsistencies. With the submission of a corrected Development Cost Schedule, we corrected the inconsistencies with the scoring item, as per the definition of Administrative Deficiency.

Application,” “staff will not award points for that item, even if points were requested in the Applicant's Self Scoring Form.” This section also states that “for information missing in part from the Application,” “staff will request the missing information via an Administrative Deficiency and award points provided the information submitted in response to the Administrative Deficiency is satisfactory to the Department.”

We received an Administrative Deficiency for this scoring item. Based on the QAP language, because we received an Administrative Deficiency for the item, we should be able to provide information to correct the inconsistency. The information for this scoring item was not “missing” from the application—the information contained in the application needed to be corrected because of an inconsistency. Page 65 of the 2011 HTC Procedures Manual clearly states that Administrative Deficiencies “will ONLY be issued for clarification or correction of information originally submitted in the Application.” Page 65 also states that for scoring items where “evidence and/or exhibits are not submitted with the original Application,” that “points will not be awarded for that item and staff will not issue an Administrative Deficiency to allow the Applicant to submit the documentation post submission.” Again, we received an “Administrative Deficiency” for this item. Because the Real Estate Analysis Division was using the correct Development Cost Schedule that we submitted in response to the deficiency, it can be reasonably assumed that the information submitted was satisfactory to the Department.

While we elected to correct the Development Cost Schedule in response to the Administrative Deficiency that was issued for this scoring item, we can also address the discrepancy based on Net Rentable Area (NRA).

According to the HTC Consolidated Definitions, the definition of NRA is as follows:

*Net Rentable Area (NRA)--The unit space that is available exclusively to the tenant and is typically heated and cooled by a mechanical HVAC system. NRA is measured to the outside of the studs of a unit or to the middle of walls in common with other units. NRA does not include common hallways, stairwells, elevator shafts, janitor closets, electrical closets, balconies, porches, patios, or other areas not actually available to the tenants for their furnishings, nor does NRA include the enclosing walls of such areas.*

In the application, the architect listed the NRA only for the “heated” square footage of the units. The definition of NRA states that while the unit space is typically heated and cooled, NRA is measured to the outside of the studs and/or the middle of the walls and is space that is available exclusively to the tenant.

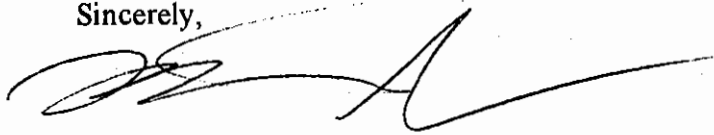
The original application had unit square footages of 684 sf and 837 sf, but this was only the “heated” space and did not include the measurement to the studs or the storage closets that are depicted on the architectural plans submitted with the application. While the storage closet is not heated and cooled, it is “available exclusively to the tenant” for their furnishings and can thus be considered a part of NRA per the definition.

Re-calculating the NRA using the definition that includes the studs and the storage closet, the NRA for a one-bedroom and two-bedroom unit should be 756 sf and 914 sf, respectively, making the total NRA 69,170 square feet and making the cost per square foot as submitted with the original application \$86.71. This calculation is under \$95 per square foot per the requirements of the scoring item.

Because the objective is to request the minimum number of housing tax credits that are necessary, when we realized the error in the Development Cost Schedule, we corrected the Development Cost Schedule in response to the Administrative Deficiency rather than explaining that the studs and storage areas should be included in the NRA calculation. We believe that both of these explanations satisfy the purpose of an "Administrative Deficiency" and should be allowed to "clarify or correct" the inconsistency with this scoring item. We respectfully request that the points for Cost per Square Foot of the Development and Pre-Application Participation be reconsidered for this application.

Thank you for your consideration in this matter. Please do not hesitate to contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Brett Johnson', with a long horizontal flourish extending to the right.

Brett Johnson  
Overland Property Group



**Texas Department of Housing and Community Affairs  
Housing Tax Credit Program  
2011 Application Deficiency Notice**

Deficiency Notice Date: April 06, 2011

**THIS NOTICE WILL ONLY BE  
TRANSMITTED VIA EMAIL**

Primary Contact:

Contact Name: Brett Johnson  
Contact Phone: (913) 693-7970  
Contact Fax: (913) 693-7799  
Contact E-Mail: [brett@ovpgrp.com](mailto:brett@ovpgrp.com)

Second Contact:

Second Contact: Alyssa Carpenter  
Second Phone: (512) 789-1295  
Second Fax: (512) 233-2269  
Second E-Mail: [ajcarpen@gmail.com](mailto:ajcarpen@gmail.com)

Regarding: TDHCA Number 11074, The Villas at Tuscany

The Texas Department of Housing and Community Affairs (the "Department") appreciates your participation in the Housing Tax Credit Program. During the Department's review of the above referenced application documentation, an Administrative Deficiency was identified. The Department is requesting the following:

I. The following Administrative Deficiencies were identified in your Threshold Criteria documentation.

Threshold: Vol 3 Tab 3 Part A Site Information form. Regarding Flood Zone, the responses are inconsistent.

Vol 3 Tab 3 Part A Site Information form. Regarding Flood Zone, the ESA states that the westernmost part of the site is in zone AE.

ESA. Certify that the recommendation of the ESA will be implemented.

ESA. Submit a certification from the provider that the report conforms with Guideline 1.35 of the Real Estate Analysis Rules.

**II. The following Administrative Deficiencies were identified in your Selection Criteria documentation.**

Selection: Vol 4 Tab 5 Funding from Unit of General Local Government. The prospective lender does not have authority from the local jurisdiction. Therefore, if the development receives an award, an interlocal agreement must be submitted providing the lender with said authority and the agreement must be submitted at the time the commitment notice for tax credits is due. (This deficiency does not affect scoring, currently.)

**Vol 4 Tab 8 Cost per Square Foot. The hard cost per square foot exceeds the \$95 maximum (ie. it is \$95.00/536 (10 points requested, 0 awarded))**

In accordance with §49.7(2)(A) of the 2011 Qualified Allocation Plan, if Administrative Deficiencies are not clarified or corrected to the satisfaction of the Department by 5:00 p.m. CST on the fifth business day following the date of the deficiency notice, then for competitive Applications under the State Housing Credit Ceiling, five points shall be deducted from the final score for each additional day the deficiency remains unresolved. If Administrative Deficiencies are not clarified or corrected by 5:00 p.m. CST on the seventh business day following the date of the deficiency notice, then the Application shall be terminated. The time period for responding to a deficiency notice begins at the start of the next business day following the deficiency notice date.



**Texas Department of Housing and Community Affairs**  
**Housing Tax Credit Program**  
**2011 Application Deficiency Notice**

All documentation should be submitted as a whole using the Department's File Transfer Protocol (FTP) server. Once the documents are submitted to the Department via the FTP server, email the staff member issuing this notice at the address below. If you have questions regarding the FTP submission process, contact Jason Burr at [jason.burr@tdhca.state.tx.us](mailto:jason.burr@tdhca.state.tx.us) or by phone at (512) 475-3986.

Submission of documentation in response to this notice that was originally omitted from the application does not ensure the application will meet the Threshold requirements or that the application will receive the points associated with the supporting documentation.

Sincerely,

Ben Sheppard  
Multifamily Housing Specialist

Phone Number: (512) 475-2122

Email: [ben.sheppard@tdhca.state.tx.us](mailto:ben.sheppard@tdhca.state.tx.us)



**From:** Sarah Andre <sarah@s2adevelopment.com>  
**Subject:** Fwd: Lubbock  
**Date:** June 8, 2011 12:13:19 PM CDT  
▶ 2 Attachments, 472 KB

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**From:** "Debra Edwards" <dedwards@jgrarchitects.com>  
**Date:** June 6, 2011 3:08:24 PM CDT  
**To:** "Sarah Andre" <sarah@s2adevelopment.com>  
**Cc:** "Matt Gillam" <matt@ovpgroup.com>, "Alyssa Carpenter" <ajcarpen@gmail.com>, "Sarah Anderson" <sarah@sarahandersonconsulting.com>, "Brett Johnson" <brett@ovpgroup.com>, "Jeff Gillam" <jgillam@jgrarchitects.com>  
**Subject:** RE: Lubbock

Thank you Sarah. This helps a lot.  
It clearly states that porches are not included.

So *without* the porches, *with* the exterior closets and per the NRA definition...

Unit A 9/45sf  
Unit B 7/56sf

I have attached the revised unit plans and site plan.

If need anything else please do not hesitate to call.

Thank you,

**Debra Edwards**

Jones Gillam Renz Architects, Inc.

(735) 827-0386

[www.jgrarchitects.com](http://www.jgrarchitects.com)

---

**From:** Sarah Andre [mailto:sarah@s2adevelopment.com]  
**Sent:** Monday, June 06, 2011 2:18 PM  
**To:** Debra Edwards  
**Cc:** Matt Gillam; Alyssa Carpenter; Sarah Anderson; Brett Johnson  
**Subject:** Re: Lubbock

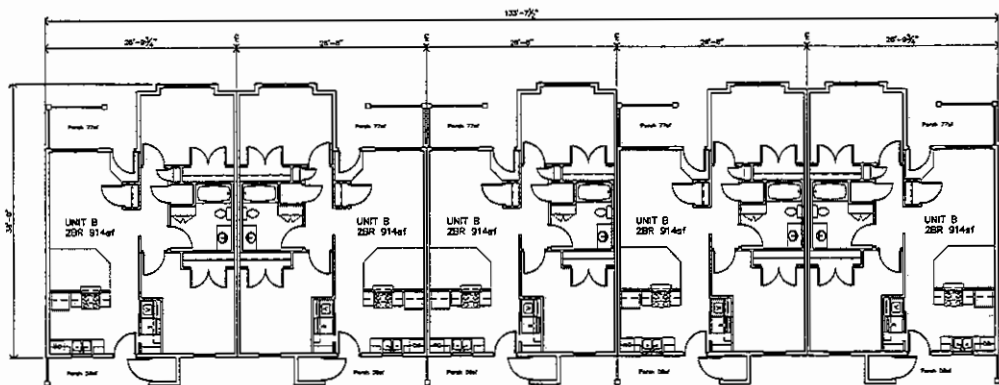
Team -

Here is the definition of NRA from the HTC manual:

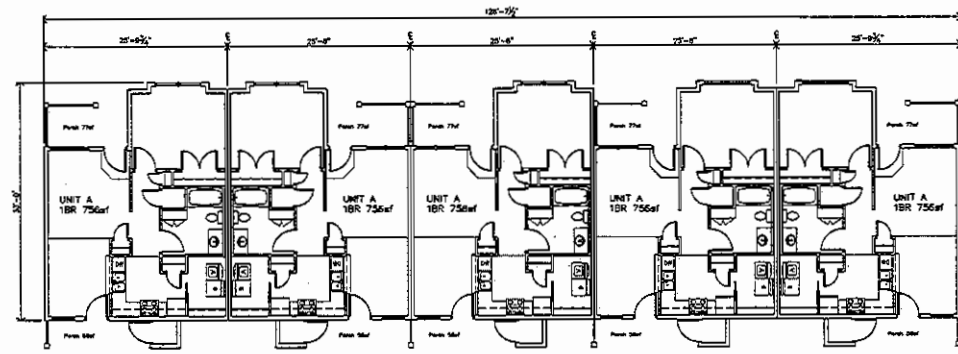
**Net Rentable Area (NRA)**--The unit space that is available exclusively to the tenant and is typically heated and cooled by a mechanical HVAC system. NRA is measured to the outside of the studs of a unit or to the middle of walls in common with other units. NRA does not include common hallways, stairwells, elevator shafts, janitor closets, electrical closets, balconies, porches, patios, or other areas not actually available to the tenants for their furnishings, nor does NRA include the enclosing walls of such areas.

Sarah Andre  
S2A Development Consulting, LLC  
1305 East 6th, Suite 12  
Austin, Texas 78702  
612/698-3369 mobile  
612/233-2269 facsimile

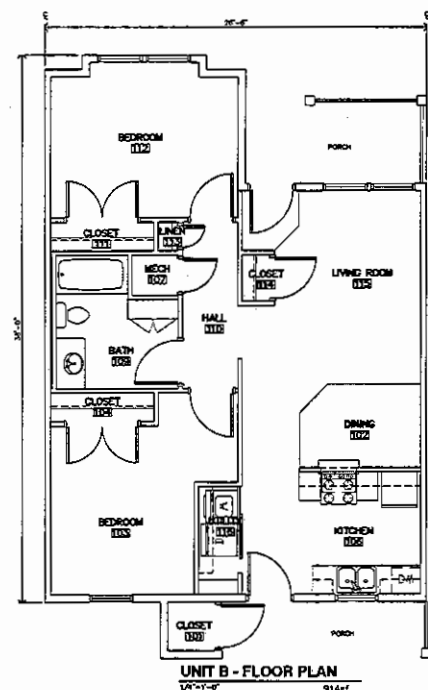
On Jun 6, 2011, at 11:29 AM, Matt Gillam wrote:



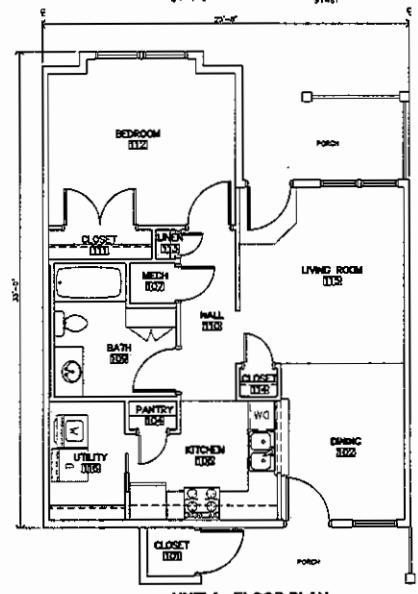
**BUILDING TYPE 2 FLOOR PLAN**  
1/4"=1'-0"



**BUILDING TYPE 1 FLOOR PLAN**  
1/4"=1'-0"



**UNIT B - FLOOR PLAN**  
1/4"=1'-0" 914sf



**UNIT A - FLOOR PLAN**  
1/4"=1'-0" 756sf

**JONES GILLAM RENZI**  
Architectural Planning & Construction  
7502 S. Mack, Suite 2000, Dallas, TX 75249  
Phone: 972.242.1100 Fax: 972.242.1101  
jgr@jgr-rentals.com



**VILLAS AT TUSCANY**  
NEW APARTMENT COMPLEX  
LUBBOCK, TEXAS



DATE: 2-7-2011  
JOB: 11-2418  
PROJECT:

COPYRIGHT ©  
**A2.1**

11076- Saddlebrook Apts.

**MULTIFAMILY FINANCE DIVISION  
BOARD ACTION REQUEST  
July 18, 2011**

**Requested Action**

Deny the Applicant's appeal to reinstate three points to the final score for Application #11076, Saddlebrook Apartments.

**WHEREAS**, an application for tax credits was submitted for Saddlebrook Apartments on March 1, 2011; and

**WHEREAS**, the Applicant was not awarded three points for proposing a New Construction development located in an area that is part of a Community Revitalization Plan because the Applicant did not provide sufficient evidence to meet the definition of Community Revitalization Plan as defined in §49.2(8) or the requirements for scoring the points requested under §49.9(a)(13) of the 2011 Qualified Allocation Plan (QAP); therefore

**BE IT RESOLVED**, that the appeal of #11076, Saddlebrook Apartments is hereby denied.

**Background**

Saddlebrook Apartments is a proposed 80 unit new construction multifamily development targeted toward the general population located in Burkburnett, Texas.

The Applicant was not awarded three points related to New Construction with Community Revitalization because it was determined after a re-evaluation of the points previously awarded that the planning document referenced did not meet the requirements of a Community Revitalization Plan. This section of the QAP has become very controversial this competitive round as is evidenced by the number of challenges received to date. As a result of the challenges received the Department re-examined every Applicant that requested these three points. Re-examination included not only identifying a letter was provided, but also reviewing each planning document referenced in those letters to make sure it was consistent with both the intent and requirements of the QAP.

The Department's response to the challenges posed this year is that community revitalization involves a city, in a duly adopted official plan document, actually targeting an area which includes the proposed development, for some specific revitalization activity that includes housing development. As a result, it is not enough that a letter from an Appropriate Local Official state that a specific area, or the entire city limits of an area, is targeted for revitalization and development of residential developments. The planning document on which the letter relies upon to support this claim must be able to document such statement.

In this case the planning document referenced in the letter from the appropriate local official, the Burkburnett Comprehensive Plan, does not target specific areas within the county for revitalization and residential development. Further, to the extent that any areas of the city are targeted, the plan describes four housing strategies and identifies specific areas within the city where those strategies will likely be encouraged. However, the area in which the proposed Saddlebrook Apartments is to be located appears to be inconsistent with the strategy targeted for this area of the city or not located within an area targeted for either of the strategies identified.

Staff recommends denial of the appeal.

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# COMPREHENSIVE PLAN 2000

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CITY OF BURKBURNETT, TEXAS

Adopted February, 2000

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# HOUSING STRATEGIES

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One of the primary reasons people or business move into or remain within an area is the availability of quality housing and residential neighborhoods. Burkburnett is a community of people who care about their homes and their neighborhoods. The maintenance and quality of housing within neighborhoods is a primary reflection of the attitudes of the people toward their community. Property owner neglect and community disinterest are two of the major factors causing deteriorated areas and poor housing conditions. The economic ability to provide and maintain reasonable housing conditions and adequate housing in terms of space and facilities also has an influence upon community quality, environment, and sustainability.

Where private citizens of the municipality take an active part in advancing overall community interests, substantial improvement can be achieved, the quality of existing housing can be maintained, and a good environment for future housing can be assured. This section of the Comprehensive Plan is intended to focus upon the present and future character and quality of neighborhoods and housing within the existing and future areas of the City of Burkburnett.

## HOUSING AND NEIGHBORHOOD AREAS

Often thought of as the basic geographic unit by which urban residential areas are defined, a neighborhood is much more than simply the sum of all physical structures (e.g., homes), public facilities, and infrastructure within a certain area. It is also defined in more abstract terms by the sense of community and the quality of life enjoyed by the people who live and play there. Well-designed neighborhoods provide a setting for residents to develop a strong sense of belonging, which is promoted by their interactions with one another. The form and quality development can create a distinctive image and identity for Burkburnett and for each of its unique neighborhood areas.

The quality and livability of Burkburnett neighborhoods are integral components of the community's overall character. The key to a successful neighborhood is creating a sustainable environment where the ongoing investment in property is supported by public investment in schools, parks, and greenbelts; opportunities for social interaction; accessibility for pedestrians, bicyclists, and vehicles; and distinctive characteristics which give an area a unique identity.

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Upkeep and maintenance of both private and public property is critical to neighborhood viability and sustainability. Programs which encourage owner-occupied housing and continued efforts to revitalize aging housing units are also important to the long-term viability of neighborhoods. In summary, neighborhood livability may be quantified in terms of the following characteristics:

- ♦ Physical condition of housing units;
- ♦ Opportunities for social interaction;
- ♦ Careful and strategic placement of retail uses and other appropriate uses within the neighborhood area;
- ♦ Continued investment in public and private property to stabilize property values;
- ♦ High level of owner-occupancy of dwelling units;
- ♦ Condition of public facilities and infrastructure serving the area;
- ♦ A sense of “community” and “belonging” among residents; and,
- ♦ Existence of a balanced housing stock (i.e., single-family, multi-family, etc.).

There are valid reasons for dividing an urban area into smaller geographic units for evaluation, for functional planning, and for organizational purposes. The attachment of an individual and/or family to their place of residence is universal. Likewise, a long-term, well-faring community, and quality of the place of residence, is the result of the relationship of a wide variety of factors which are not necessarily a direct part of the individual dwelling unit. The delineation of neighborhood areas also provides a basis for the planning of logical units of a city in an orderly, step-by-step process as the city grows and matures over the years.

There are many ways in which a neighborhood can be defined, and questions have been raised regarding whether the neighborhood concept is still viable in our highly mobile society. For the purposes of urban planning, a neighborhood unit is considered to be a geographic area of the community which is predominately residential in nature and which is bounded by thoroughfares or streets, or by some other natural features such as railroads, industrial areas or topographic features. The area encompassed by a neighborhood may vary from approximately 300 acres to 900 acres, with approximately 600 acres as the average.



A neighborhood unit should contain some park and playground features, and should be served by schools. Some convenient shopping and various other facilities, such as churches, are also appropriate as part of a typical neighborhood unit. Changes in school service concepts do not recognize the neighborhood as an urban unit. Despite such concepts, the neighborhood unit still provides the most logical basis for detailed planning and for studying the housing needs of the community. Several areas of Burkburnett have developed, probably by coincidence, in this manner, while others do not appear to contribute to the neighborhood unit in concept.

## RECOMMENDED HOUSING STRATEGIES

In Burkburnett, the major thoroughfare network, areas of nonresidential use, and other physical features of the community were used to create and define future neighborhood areas. Each of the existing neighborhood areas has its own specific character/identity, conditions and problems. The existing character and physical character and physical condition of Burkburnett's existing housing units and neighborhoods were documented and analyzed in the "Existing Housing" section of the Baseline Analysis. It is generally in the public interest to maintain the highest possible housing quality and environmental character within each neighborhood area. Cooperative action by property owners, tenants, landlords, the municipality, and others will be required to maintain an upgrade the quality of housing within Burkburnett. The City should encourage and utilize volunteer efforts wherever possible when addressing neighborhood clean-up and light maintenance strategies.

To achieve improvement in the overall condition and quality of housing within the community, four actions, or strategies are considered appropriate:

- (1) Neighborhood Conservation;
- (2) Housing Rehabilitation and Maintenance;
- (3) Property Clearance and Redevelopment; and
- (4) Development Guidance.

One or more of these strategies will be appropriate for neighborhood areas within Burkburnett. The various housing strategies are summarized as follows:

- **Neighborhood Conservation**

Within areas where quality housing units exist and where a reasonable complement of community facilities are available, a conservation-type of housing strategy is appropriate. The fundamental purpose of neighborhood conservation is to preserve and protect existing desirable conditions by upholding local regulations such as building codes, and any other applicable codes and ordinances which are intended to protect the public health, safety, and welfare. A Zoning Ordinance can also provide the City with a significant tool in facilitating preservation efforts. Neighborhood groups, peer pressure, and non-governmental groups can also be effective in maintaining homes in good overall condition. Neighborhood conservation also involves the provision and maintenance of adequate utilities and community facilities, parks, playgrounds, school, and street paving. This strategy, if closely followed, should eliminate the necessity for a future rehabilitation program, as will be discussed below. Neighborhood conservation efforts can be implemented by municipal government as part of their normal planning and community development processes.

- **Housing Rehabilitation and Maintenance**

This strategy is appropriate when a substantial number of housing units within an area are structurally sound, but are in need of minor repairs which can be done without excessive cost to the property owners. As noted in the housing survey in the Baseline Analysis, approximately 27 percent of Burkburnett's housing units are within this "Type 2" category. Within an area that is appropriate for rehabilitation efforts, some units may be in such a state of decline that the clearance action (as described below) is necessary. Since housing rehabilitation efforts should be conducted as an area-wide program, basic considerations are necessary prior to initiation of the program. Community support must be ensured for the program by:

- (1) *establishing an organized structure/process to accomplish program goals;*
- (2) *making financial assistance available at a reasonable interest rate, preferably from local sources;*
- (3) *consulting with property owners requiring help to organize their individual programs; and*
- (4) *establishing a process by which continued contact with area property owners can be maintained to further educate them in code enforcement matters and in various methods of conservation.*

- **Property Clearance and Redevelopment**

Whenever housing units reach an advanced stage of deterioration and obsolescence which makes it impractical and uneconomical to attempt to rehabilitate them, the redevelopment strategy becomes necessary. In general, redevelopment is the removal of existing structures from the land, and preparing the land for construction of new facilities in their place. Through the redevelopment process, the same type of land use generally replaces former uses. In some cases, however, other forms of land use could be located on the redeveloped parcel. The removal of obsolete or deteriorated structures can be accomplished most easily by code enforcement. Analysis of the housing survey results indicate that some obsolete dwelling units do exist within Burkburnett. As of the date of the parcel-by-parcel survey, 52 structures were identified for this type of housing strategy. In addition, approximately seven percent (241 units) are in need of major repair. If these units are neglected for another decade, they could regress into a dilapidated condition. Even now many of the structures needing major repair will be difficult to rehabilitate.

• Development Guidance

Future residential growth within Burkburnett will encourage new areas of residential construction, as well as improvements to vacant lots and tracts within presently developed areas. The standards for new housing improvements should be maintained at a level where it will not be necessary to require other forms of corrective housing strategies other than to encourage proper maintenance of the structures and the preservation of neighborhood amenities. The proper application of the City's subdivision regulations, building codes and minimum housing standards, as well as the encouragement of good housing and neighborhood design, will result in the creation of residential neighborhoods of lasting value with a favorable physical environment. As aforementioned, the implementation of a Zoning Ordinance in Burkburnett would also help encourage quality development within the City. Each future neighborhood area, as designated on the Future Land Use Plan, which is now vacant should receive careful development guidance consideration.

Each subdivision submitted within the future land use context should be considered as an element of the neighborhood, and not simply as a vacant parcel of land upon which housing structures are to be constructed. All land subject to development guidance by the City at the time of any municipal approval process provides a basis for initiating good neighborhood design and helping to ensure the continuity and quality of the neighborhood. Nearly all of the areas outside of the existing City limits that are planned for residential use should be considered for this type of housing strategy.

## SPECIFIC HOUSING ACTIONS

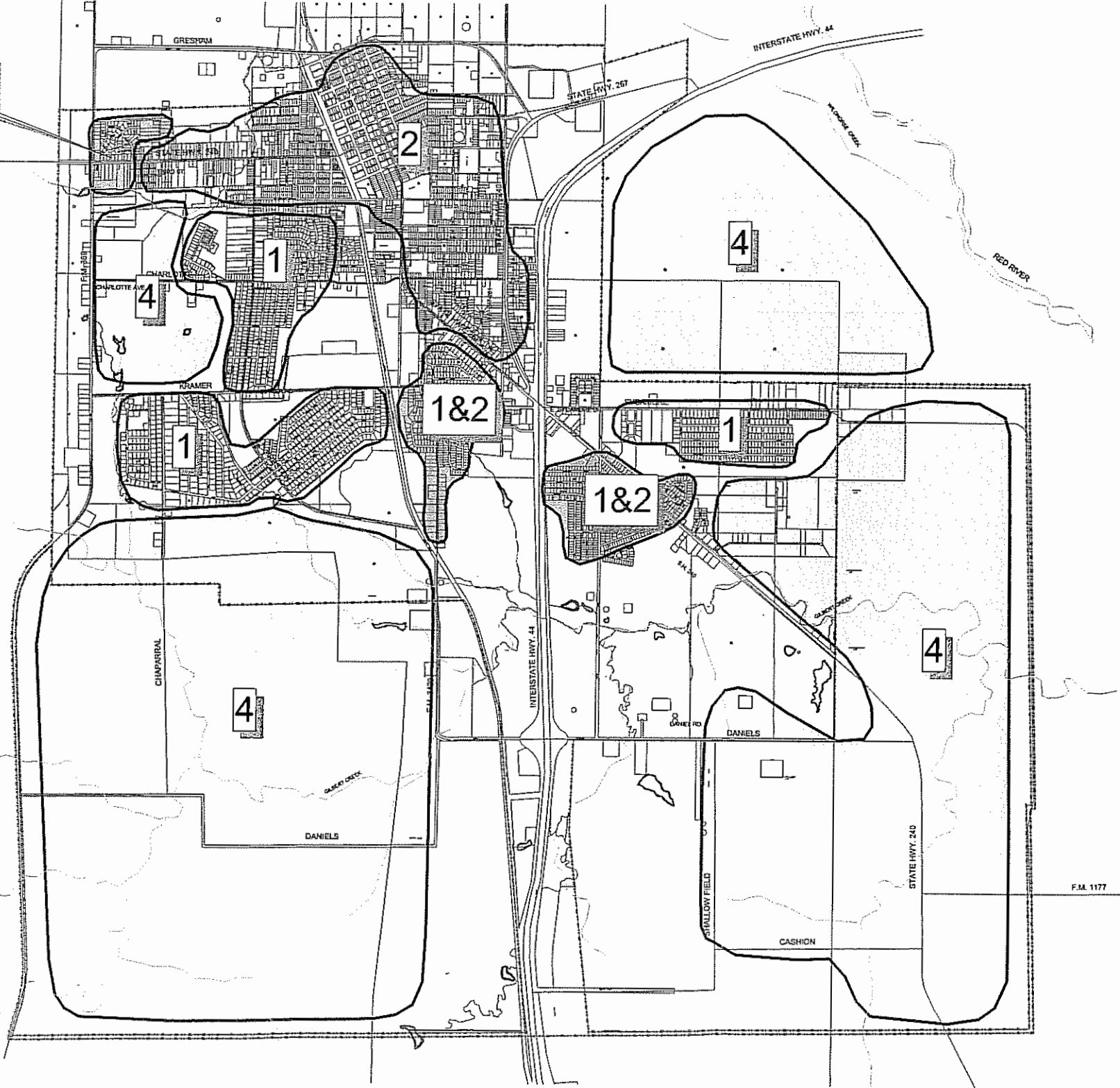
Plate 6 shows the recommended housing strategies for Burkburnett. Each area has been delineated based upon one or more of the four suggested strategies for housing listed above. As previously noted, most of the housing areas in Burkburnett are of the Type 1 or Type 2 condition, so severe housing strategies based upon clearance and redevelopment are generally not necessary. Plate 4 (in the "Baseline Analysis" component) shows the overall condition of housing units within Burkburnett. Due to the fact that most of the housing in Burkburnett was determined to be Type 1 (approximately 64%), the preponderance of housing strategies for Burkburnett that are applicable are the "Neighborhood Conservation" and "Development Guidance" strategies. It is important to recognize that several areas of varying sizes have been recommended for the "Rehabilitation and Maintenance" housing strategy. Although the percentage of housing units classified as Type 2 is relatively small at approximately 27 percent of the total, there are still about 946 units that exist in this category. It is recommended that the City concentrate upon these areas for several reasons:

- The housing within these areas will represent a major contribution to affordable housing in the future, and therefore should be protected for future residents. New housing can never be built within the price ranges of the units that exist in these areas today.
- These areas can, over a period of years, progress into a deteriorated state where this recommended housing strategy will be hard to achieve.
- The longer these areas are allowed to exist without attention, the more difficult it will be to implement programs to reverse the trend of deterioration.
- Some of the programs necessary to address these areas can be coordinated by the City, but implemented by volunteers or other civic organizations.

# RECOMMENDED HOUSING STRATEGIES

Comprehensive Plan 2000  
City of Burkburnett, Texas

1&2



### Legend

- 1 - Neighborhood Conservation
- 2 - Housing Rehabilitation & Maintenance
- 3 - Clearance and/or Redevelopment
- 4 - Development Guidance



PLATE 6

11087- Tidwell Lakes Ranch

**MULTIFAMILY FINANCE DIVISION  
BOARD ACTION REQUEST  
July 18, 2011**

**Requested Action**

Deny the Applicant's appeal to reinstate three points to the final score for Application #11087, Tidwell Lakes Ranch.

**WHEREAS**, an application for tax credits was submitted for Tidwell Lakes Ranch on March 1, 2011; and

**WHEREAS**, the Applicant was not awarded three points for New Construction with Community Revitalization pursuant to §49.9(a)(13) of the 2011 QAP because the proposed development is not located within one of the specific geographical target areas of the consolidated plan; therefore

**BE IT RESOLVED**, that the appeal of #11087, Tidwell Lakes Ranch is hereby denied.

**Background**

Tidwell Lakes Ranch is a proposed 95 unit new construction single family development targeting the general population in Harris County, Texas. The application was not awarded three points requested for §49.9(a)(13) because the proposed development is not located within one of the specific geographic target areas stated in the Harris County Consolidated Plan or 2011 Action Plan..

As a result of numerous challenges, including one directed at this application and one this Applicant's counsel directed at another application questioning the use of a Consolidated Plan as a Revitalization Plan, staff re-reviewed and evaluated all applications that requested points for this scoring item.

The Applicant originally submitted excerpts from the Harris County 2008-2012 Consolidated Plan stating a housing goal to create the opportunity for adequate, affordable, accessible housing for low to moderate income persons through rehabilitation of single-family and multi-family housing and new construction, along with an updated reference for census data for the census tract that the proposed development was located.

Subsequent to the challenges and after a more thorough review of the plan, it was determined and confirmed that the proposed development was not in a "target area" as defined by the 2008-2012 Consolidated Plan or as updated by the 2011 Action Plan. Staff does concede that it may be in a low to moderate-income area. However, it does not meet the requirements of the QAP which are:



- The planning document referenced was in effect as of March 1, 2011;
- The planning document referenced was approved and adopted by the local Governing Body by ordinance, resolution or vote;
- The planning document referenced identifies specific geographical areas (“target areas”) and the proposed development is located within one of those targeted areas.

The Tidwell Lakes Ranch development fails the last test. It is not located in the “target area” as published in the plan. Staff applied the same test across all applications for this scoring item.

Staff recommends the Board deny the appeal



Locke Lord Bissell & Liddell LLP

Attorneys & Counselors

100 Congress, Suite 300  
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

July 14, 2011

Mr. Tim Irvine  
Interim Executive Director  
Texas Department of Housing and Community Affairs  
221 East 11th Street  
Austin, Texas 78701

Re: Tidwell Lakes Ranch (Houston)  
TDHCA No. 11087  
**Appeal for Scoring**

Dear Tim:

We represent Tidwell Lakes Ranch, Ltd. (our "**Client**"), which is the Applicant for tax credits for Tidwell Lake Ranch in Houston (the "**Development**"), bearing application number 11087. In a scoring notice dated July 8, 2011, TDHCA has rescinded three (3) points previously awarded to the Application for location in an area that is part of a Community Revitalization Plan under Section 49.9(a)(13) of the Qualified Allocation Plan ("the "**QAP**").<sup>1</sup> This rescission is based on a challenge submitted by a competitor. Our Client hereby appeals this determination and requests that the three (3) points be reinstated.

### Statement of Position

**Using a preponderance of the evidence standard, as required by Section 49.10(e) of the QAP, sufficient evidence to override TDHCA's previous determination that the Development is located in an area that is part of a Community Revitalization Plan was not provided.**

### Background

The Development is located in an unincorporated area of Harris County. Therefore, it is subject to Harris County's Consolidated Plan, which is a five-year document. The Consolidated Plan is updated by an Annual Action Plan, required by HUD. The Consolidated Plan uses population data from 2000, while the Amended Action Plan uses more current data from 2009

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<sup>1</sup> Capitalized terms used but not defined in this letter will have the meanings given them in the QAP.

and 2010. In its Application, our Client submitted excerpts from the Consolidated Plan to establish that: (1) the Consolidated Plan is a "Community Revitalization Plan," as defined by the QAP and (2) the Development is located within an area targeted by the Community Revitalization Plan, along with data to show the Development site is in a low-income population area.

In the scoring review, TDHCA staff issued an Administrative Deficiency to our Client on April 8. This Administrative Deficiency directed our Client:

"Please clarify the location, within the excerpts provided, of the specific geographical areas covered by the consolidated plan."

Our Client responded with additional pages from the Consolidated Plan, the Administrative Deficiencies were cleared on April 13, and the points were awarded.

On June 15, a competitor submitted a challenge to our Client's Application, alleging that the Development is not located in an area targeted by the Consolidated Plan. The targeted areas referenced in the Consolidated Plan are based on 2000 data. We responded, submitting additional excerpts from the Consolidated Plan, along with excerpts from the current 2011 Annual Action Plan supplement. The information submitted included a map of the Harris County Service Area, identifying locations that have a population that is greater than 51% low- or moderate-income based on recent 2009 data. The map was marked to show the Development site within one of those low- to moderate-income areas.

On the morning of July 8, our Client received an email from TDHCA staff, indicating that the challenge had caused them to investigate the matter further. Staff concluded that the Consolidated Plan was a "Community Revitalization Plan," within the meaning of the QAP, but that the points would be rescinded because staff had "received confirmation from Harris County that the Tidwell development is not in one of the Target Areas or in an area within 51% or greater low to moderate income persons." Later that morning, TDHCA staff received an email from Harris County stating that the County's prior correspondence was inaccurate and that "it is possible that it may be in an area with 51% or greater low-to-moderate income persons." Then, on the afternoon of July 11, Harris County responded to TDHCA staff further that "the area is low-to moderate-income." (emphasis added)

Despite the confirmation from Harris County that the Development site is in a low- to moderate-income area, TDHCA staff posted the challenge log in the Board Book on July 11, stating that:

The Harris County's Plan targets areas of low- and moderate-income. In addition, the 2011 Action Plan, which uses the concentration of low-income persons as a criterion to determine priorities, includes a map that identifies areas with 51% or greater low-income population. However, Harry [sic] County confirmed that the development is not located within the target area of Harris County as published.

This was followed by our Client's receipt of a revised scoring notice (dated July 8 but delivered on July 12) that stated:

The planning document referenced in the letter from the appropriate local official identifies specific geographical areas ("target areas"), but the proposed development is not located within one of those targeted areas.

Note that the language of the revised scoring notice and the language of the challenge log are different as to the standards being applied. Given the timing recited above, it is possible that TDHCA staff did not receive the final statement from Harris County in time for it to be posted in the Board Book.

### Considerations for Appeal

**A preponderance of the evidence supports that these points should be awarded, not that these points should be rescinded.** Because the points are being rescinded pursuant to a challenge, the QAP states that a preponderance of the evidence is needed to overturn staff's original determination that the points should be awarded. That means for a challenge to be effective that a majority of the evidence submitted by the challenger must show that the Development did not meet the criteria for granting these points. Consider the evidence already submitted by our Client to TDHCA:

- Executive Summary for Consolidated Plan, page i. (Exhibit A)

"In determining the needs of the community, particularly the low-income individuals residing in the unincorporated areas of the county and smaller 'cooperative cities' that together comprise the Harris County 'service area,' Harris County has prepared the goals and measurable objectives to achieve over the five year life of the plan." (emphasis added)

- 2011 Annual Action Plan, page 2. (Exhibit B)

"Resources available through the County are almost exclusively dedicated toward improving the living conditions for low-income individuals. Low-income is defined as earning less than 80 percent of the median family income (MFI)." (emphasis added)

- 2011 Annual Action Plan, page 36. (Exhibit C)

"Factors considered include concentration of low-income persons . . . ."

"Harris County defines a concentration of low-income persons as a block group in which at least 51 percent or more of the total population is low-income according to HUD guidelines." (emphasis added)

- Map: PY 2011 Proposed Projects and Low Income Areas (Exhibit D)

The dark pink areas reflect the areas with 51% or greater low- or moderate-income population. The red arrow shows the Development site location within a dark pink area.

- Census Data for the Development Location (Exhibit E)

HUD and FFEIC Data, identifying the Development site in Tract 2323.

FFEIC Data showing Tract 2323 has a median family income of \$48,858 versus a median family income of \$65,100 for the MSA. This is 75% of the median family income, which meets the criteria for a low-income area, as described on page 2 of the Annual Action Plan.

- Correspondence from Harris County (Exhibit F)

". . . the area is low- to moderate-income."

Now consider the evidence received by TDHCA that refutes the Development being within a priority area of a Community Revitalization Plan.

- An email from Harris County, indicating that the site is not in a low- to moderate-income area.

*This was subsequently reversed by Harris County. "The email sent to you yesterday afternoon regarding Tidwell Lakes Ranch was inaccurate." (Exhibit G)*

- A challenge from a competitor claiming "The Consolidated Plan is a service area wide document and the site is not located in one of Harris County's Target Areas (see attached map) and also references specific Revitalization Areas (copy attached) of which the Applicant's site is in neither."

*The Consolidated Plan prioritizes both Target Areas and areas with 51% of greater low to moderate income persons. This was confirmed in an email from TDHCA staff on July 8. (Exhibit H) The target areas provided by the challenger were based on 2000 data and did not include the low-income areas updated by the more current data in the 2011 Annual Action Plan submitted by the Applicant.*

Clearly, the preponderance of evidence supports that the Development is in a location that is prioritized within the Community Revitalization Plan.

**Our Client actively sought guidance as to what would qualify for these points, early in the Application process.** Our Client submitted Applications for proposed developments in both Houston and Harris County. Each jurisdiction has a Consolidated Plan. Upon inquiry and encouragement from our Client and others, the City of Houston worked with TDHCA staff to determine what kind of evidence would be acceptable to qualify for the Community Revitalization Plan points in the City of Houston. Based upon discussions with TDHCA, City of Houston staff advised Applicants:

The Houston Consolidated Plan addresses that the low-moderate income areas are part of our revitalization efforts (page 66) and the map on page 71 identifies the low-moderate income area. You need only to identify your site on the map page with a copy of page 66 defining multi-family/new construction revitalization

efforts. If your property is in the green area (51% - 100% LM), then you do not need a letter from us. (Exhibit I)

The Harris County Consolidated Plan, upon which our Client relies, is equivalent to the Houston Consolidated Plan in that the Harris County Consolidated Plan also prioritizes areas with a concentration of low-income residents. The Harris County Consolidated Plan, as supplemented by the Annual Action Plan, also contains a map, identifying these low-income areas. In this case, the appropriate color is dark pink. Our Client submitted a map, showing that the Development site is in the dark pink area with a concentration of low- to moderate-income persons. If being in a green low-income area works for the City of Houston, then being in a dark pink low-income area in Harris County meets the same standard.

### Summary

We appreciate that each Community Revitalization Plan is unique. Therefore, it is difficult to apply uniform standards in evaluating whether a published document fits the definition of a Community Revitalization Plan and, if it does, whether the proposed development site is located within a priority area. TDHCA has clearly spent much time analyzing each situation. When interpretation is required, it is imperative to the competitive process that an Applicant be required to meet the plain language of the rules and that all Applicants be treated similarly. To qualify for these points, Volume 4, Tab 13 required an Applicant to submit either:

A letter from the Appropriate Local official stating there is a Community Revitalization Plan in effect and the Development is within the area covered by the plan.

Or

If the Community Revitalization Plan has specific boundaries, a copy of the Plan adopted by the jurisdiction or its designee and a map showing that the Development is within the area covered by the Community Revitalization Plan.

In this case, TDHCA evaluated the evidence and determined that our Client was entitled to these points. After receiving the challenge, TDHCA can revoke the points only if a preponderance of evidence from the challenger shows that TDHCA wrongfully granted the points. The evidence provided by the challenger upon which TDHCA has relied to rescind our Client's points is insufficient to meet this standard provided by the challenger.

We respectfully request that this appeal be granted by the Interim Director. If administrative approval is not possible, we will be happy to present this issue at the July 18 Board meeting.

Mr. Tim Irvine  
July 14, 2011  
Page 6

Thank you, and feel free to contact me with any questions.

Sincerely,



Cynthia L. Bast

cc: Robbye Meyer & Raquel Morales  
*TDHCA*

Barry Kahn & Ryan Hettig  
*Hettig-Kahn Development*

Exhibit A - Harris County Consolidated Plan, Executive Summary, page i  
Exhibit B - 2011 Annual Action Plan, page 2  
Exhibit C - 2011 Annual Action Plan, page 36  
Exhibit D - Map: PY 2011 Proposed Projects and Low Income Areas  
Exhibit E - Census Data for the Development Location  
Exhibit F - Email dated July 11, 2011 from David Turkel of Harris County to Robbye Meyer  
Exhibit G - Email dated July 8, 2011 from Jared Briggs of Harris County to Robbye Meyer  
Exhibit H - Email dated July 8, 2011 from Robbye Meyer to Barry Kahn and Ryan Hettig  
Exhibit I - Email dated February 24, 2011 from Eta Paransky of City of Houston to Barry Kahn

EXHIBIT A



## **Harris County 2008 – 2012 Consolidated Plan Executive Summary**

Harris County is the third most populous county in the U.S. and has the second fastest growth rate among the ten most populous counties in the country. However, the changing characteristics of Harris County's population, as reported in the 2000 U.S. Census and the 2006 American Community Survey (ACS), have placed the county at a crossroads. Dr. Stephen Murdock, State Demographer, notes that current trends in the population of Texas, including Harris County, are creating a future scenario in which the Harris County labor pool may lack the educational attainment and job skills necessary to obtain high wage, high skill jobs. Meanwhile the overall population is expected to be older, larger and in need of increased public services. The mixture of increased demand for service and the potential limited capacity of the labor pool may create a situation in which taxable income is outpaced by need. The result could impact all aspects of community development as strained local resources may make it difficult to improve the living conditions of Harris County residents, particularly those that are low- and moderate-income.

To avoid these trends, Harris County must continue to change, but in ways that anticipate and address community needs. In fact, some statistics indicate that the population has already begun to adapt. Others, however, indicate that much remains to be accomplished. The 2008-2012 Consolidated Plan for Harris County is a tool for addressing the issues faced by the Harris County population of today in anticipation of the needs of tomorrow. In determining the needs of the community, particularly the low-income individuals residing in the unincorporated areas of the county and smaller "cooperative cities" that together comprise the Harris County "service area," Harris County has prepared goals and measurable objectives to achieve over the five year life of the plan. Further, Harris County has determined specific activities to undertake in upcoming program year 2008 to begin to meet these measurable objectives.

### **Citizen Participation**

To identify the nature and level of needs within Harris County, a community survey was distributed to residents and organizations in our target areas, cooperative cities, citizen groups, service organizations, non-profit organizations, civic clubs, and citizen groups operating in Harris County. The community survey was completed by citizens and organizations throughout the county including all the precinct areas. A series of focus group meetings were also held in each precinct.

The community survey reflects the needs and concerns of Harris County. The survey was created to evaluate existing conditions, concerns and opinions, and recorded the level of concern for issues in Housing, Social Services, Transportation, Senior Services, Children/Youth Services, Parks, Homelessness, Public Facilities/Infrastructure, Health, and Education.

Focus group meetings were held at the precinct level to help identify and evaluate characteristics, strengths, and weaknesses of the four precincts. The results of the meetings helped us recognize the needs, goals, and objectives of the services needed in Harris County.

EXHIBIT B

## Introduction

The AAP is the annual update to the five-year Consolidated Plan, which sets forth Harris County's long-term community development goals and strategies. Program Year 2011 will be the fourth year of the Consolidated Plan for Harris County. The AAP process has been specifically created to assist in mapping one-year actions for community development and making good use of available federal, state, and local resources.

In addition, the AAP details the allocation of Harris County resources and entitlement grants, allocated by HUD, toward improving the quality of life for Harris County residents. Resources reported in this document will be available between March 1, 2011 and February 28, 2012.

The majority of these resources are utilized within Harris County's Service Area (Map 1), which includes unincorporated Harris County and fifteen smaller cities within the County which have signed cooperative agreements with Harris County. The cities of Baytown, Houston and Pasadena utilize their own community development resources and, therefore, are not within the Harris County service area.

Resources available through the County are almost exclusively dedicated toward improving the living conditions for low-income individuals. Low-income is defined as earning less than 80 percent of the median family income (MFI). The MFI for the Houston, Texas, Primary Metropolitan Statistical Area is \$61,100 for a family of four. Table 1 denotes MFI limits for FY2010.

Table 1: FY 2010 Median Family Income (MFI) Limits\*

Income Levels*	% of MFI	Amount
Extremely Low Income	0-30%	\$19,550
Very-Low Income	31-50%	\$32,550
Low Income	51-80%	\$52,100

\*Based on a family of four

U.S. Department of Housing and Urban Development,

<http://www.huduser.org/datasets/il/il2010/2010summary.odn>

EXHIBIT C

comply with affirmative marketing requirements will be found out of compliance and may be unable to receive future federal assistance until corrective action is taken. If the project sponsor fails to take corrective action in a timely manner, one or all of the following actions may result:

- a. Expended funds will be due and payable upon demand
- b. The withholding of federal funds for current projects/funds for projects will be de-obligated.
- c. Compliance/affordability period extension.
- d. Exclusion from participation in future Requests for Proposal process.

The following table details the number of minority households estimated to be assisted with HCCSD's DAP in PY2011. This information is based upon data collected during the previous program year.

Ethnicity	Number	Percentage
Asian	6	4.4%
Black	57	41.6%
Hispanic	53	38.7%
White	16	11.7%
<b>Totals</b>	<b>137</b>	<b>100%</b>

### Geographic Distribution

When selecting projects to receive funding, HCCSD considers geographic location to ensure equitable distribution of resources throughout Harris County. Factors considered include concentration of low-income persons, concentration of minorities, proximity to other similar projects, proximity to amenities and consistency with community needs.

#### Concentration of Low-Income Persons

Harris County defines a concentration of low-income persons as a block group in which at least 51 percent or more of the total population is low-income according to HUD guidelines. Forty-two (42) areas within the County meet this criterion, and HUD has designated these areas as Target Areas for community development. Priority consideration is given to projects that impact these target areas, particularly those that provide local impact, such as infrastructure projects and community centers.

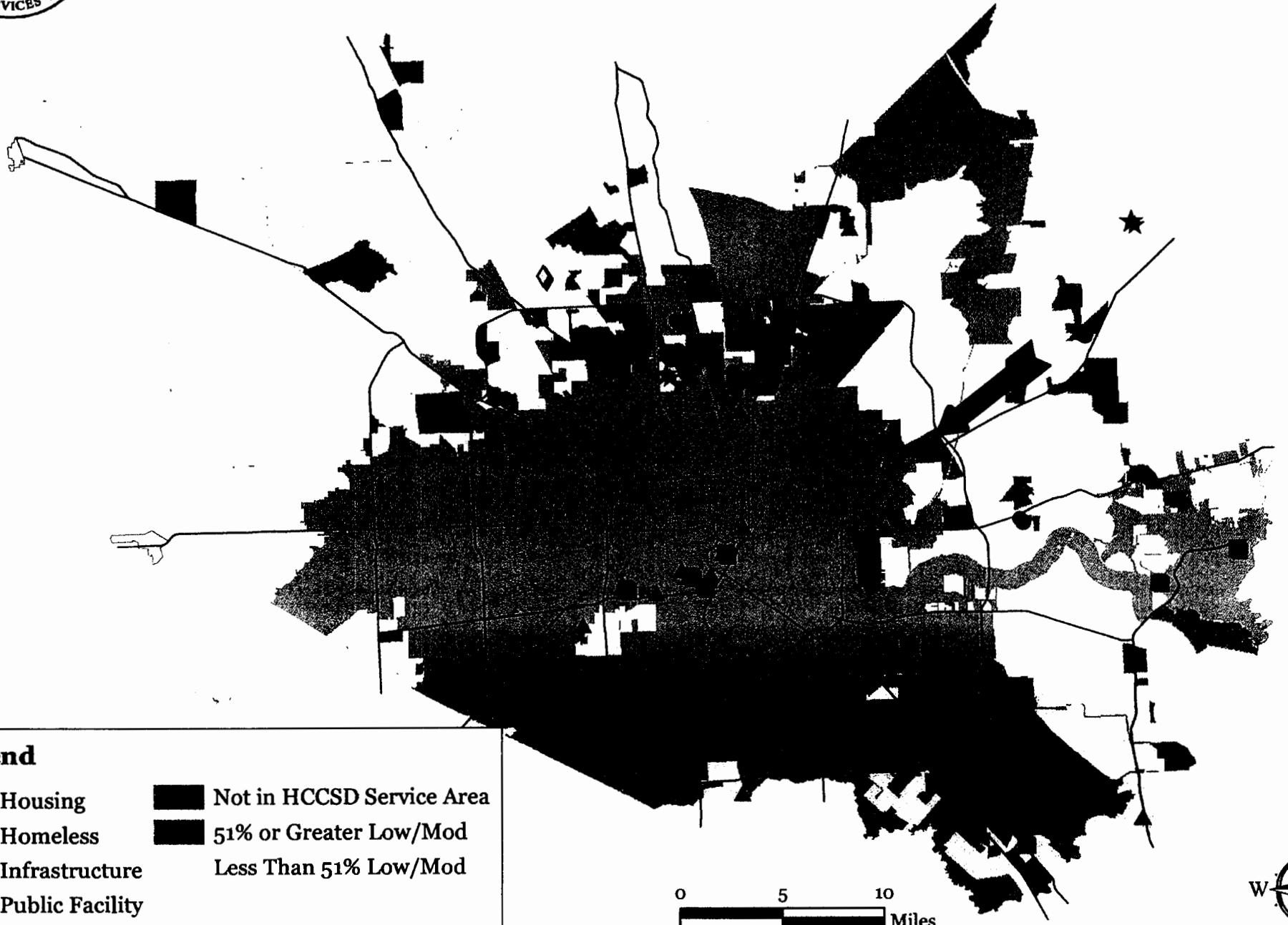
For PY2011, ten projects were selected to specifically meet infrastructure and public facility needs in nine (9) of the 42 target areas, including Aldine, Channelview, Crosby, Jacinto City, Greenwood Heights, Granada, McNair, Northington-Kenwood and Woodsdale.

Appendix D contains a map illustrating all proposed projects in relation to the low-income areas of the county.

EXHIBIT D



# PY 2011 Proposed Projects and Low-Income Areas



**Legend**

◆ Housing	■ Not in HCCSD Service Area
■ Homeless	■ 51% or Greater Low/Mod
● Infrastructure	■ Less Than 51% Low/Mod
★ Public Facility	
▲ Public Service	

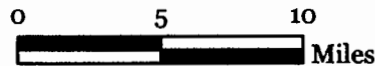
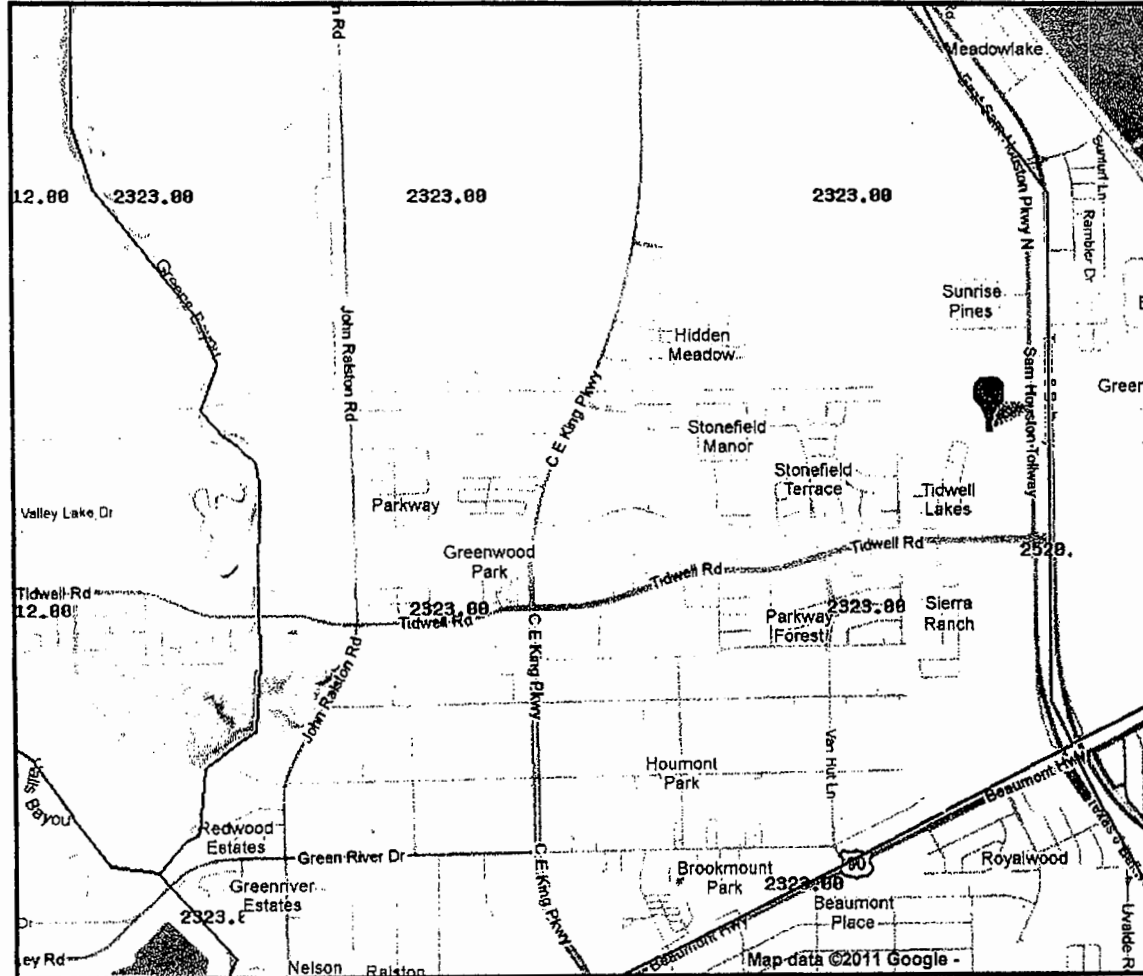


EXHIBIT E





U.S. Department of Housing and Urban Development  
Office of Policy Development and Research



**SEARCH**

Map options - Clear|Reset

Tract

48201232300

Search

**SELECT LAYERS TO BE DRAWN**

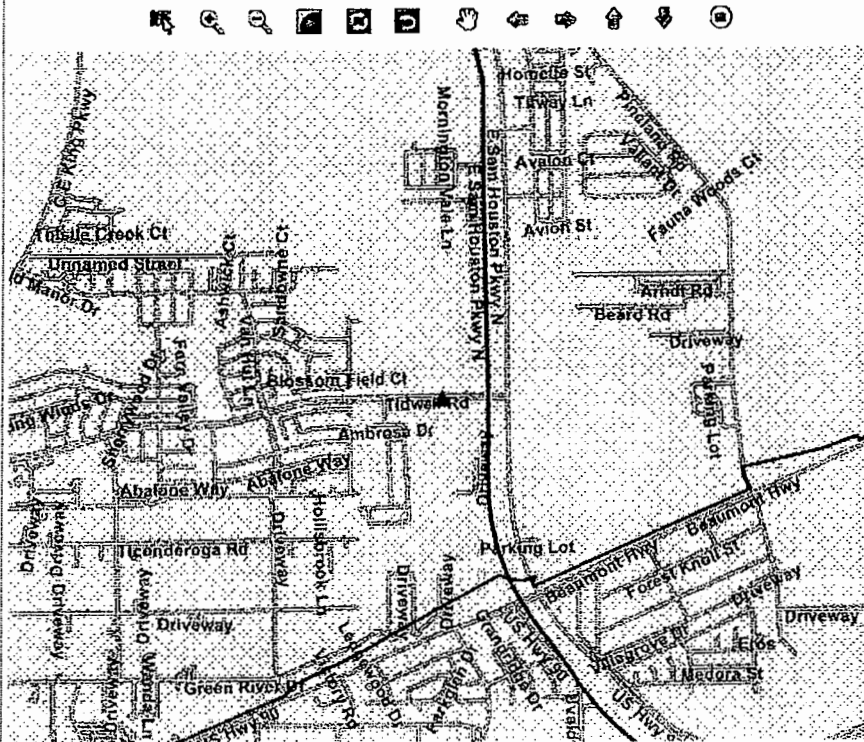
- 14 Current Zoom Level
- Show Tracts Outline (Zoom 11+)
- Show LIHTC Projects (Zoom 11+)
- Color Qualified Tracts

**CENSUS TRACT QUALIFICATIONS**

- Tract Outline
- Qualified Census Tracts (2010-2011)

MF RCVD 6/27/11 1:34

Version 5.0



2010 Information	
Street Address	13400 TIDWELL RD
City Name	HOUSTON
State Abbr	TX
Zip Code	77044
MSA/MD Code	26420
State Code	48
County Code	201
Tract Code	2323.00

[Get Census Demographic](#)

[Print Map](#)

Legend

- Highway
- Tract
- Street

Note: Click the map -- Re-center Map



[GET STREET MAP](#)
[Help on Data](#)
[Back to Geocode](#)
[Search](#)
[Contact Us](#)
[Privacy Policy](#)
[Disclaimer](#)
[FFIEC Main](#)

Geocoding System

MSA Code: <u>26420</u>	State Code: <u>48</u>	County Code: <u>201</u>	Tract Code: <u>2323.00</u>
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Summary Census Demographic Information

Tract Income Level	Moderate	Tract Population	10105
Underserved or Distressed Tract	No	Tract Minority %	68.64
2010 HUD Estimated MSA/MD/non-MSA/MD Median Family Income	\$65,100	Minority Population	6936
2010 Est. Tract Median Family Income	\$48,858	Owner-Occupied Units	2178
2000 Tract Median Family Income	\$38,601	1- to 4-Family Units	3138
Tract Median Family Income %	75.05		

[CENSUS DATA](#) | 
 [INCOME DATA](#) | 
 [POPULATION DATA](#) | 
 [HOUSING DATA](#)

Last update: 08/04/2010 07:30 AM

Maintained by the [FFIEC](#). For suggestions regarding this site, [Contact Us](#).



Geocoding System

MSA Code: <u>26420</u>	State Code: <u>48</u>	County Code: <u>201</u>	Tract Code: <u>2323.00</u>
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Census Income Information

Tract Income Level	Moderate	Tract Median Family Income %	75.05
2004 MSA/MD/statewide non-MSA/MD Median Family Income	\$51,431	2000 Tract Median Family Income	\$38,601
2010 HUD Estimated MSA/MD/non-MSA/MD Median Family Income	\$65,100	2010 Estimated Tract Median Family Income	\$48,858
% below Poverty Line	18.83	2000 Tract Median Household Income	\$35,804

[CENSUS DATA](#) | [INCOME DATA](#) | [POPULATION DATA](#) | [HOUSING DATA](#)

Last update: 08/04/2010 07:30 AM

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EXHIBIT F

**Bast, Cynthia L.**

---

**From:** Barry Kahn [bkahn@hettig-kahn.com]  
**Sent:** Monday, July 11, 2011 3:23 PM  
**To:** Bast, Cynthia L.; John Hettig; Ryan Hettig; Sam Ganeshan  
**Subject:** Fw: Tidwell Lakes Ranch

---

**From:** Turkel, David (CSD)  
**Sent:** Monday, July 11, 2011 3:04 PM  
**To:** 'Robbye Meyer'  
**Cc:** Lambright, Christy (CSD); Briggs, Jared (CSD)  
**Subject:** RE: Tidwell Lakes Ranch

**From:** Lambright, Christy (CSD)  
**Sent:** Monday, July 11, 2011 2:56 PM  
**To:** Turkel, David (CSD)  
**Cc:** Briggs, Jared (CSD)  
**Subject:** Tidwell Lakes Ranch

Although not in a Harris County Target Area ("pink" area), the area is low- to moderate-income. The median income for Harris County is \$63,800 (2009). Moderate income is defined by HUD as 80% of median income or \$51,040 for Harris County. Based on the Census ACS 2009 data for Tract 2323 in which Tidwell Lake Ranch is sited: the tract median income was \$43,987, well below the moderate income level for the county. Further, 2,521 persons of the 4,451 (or 56.6%) living in this tract make less than the moderate income level.

Christy Lambright  
Assistant Director of Planning & Development  
Harris County  
Community Services Department  
Office of Housing and Community Development  
8410 Lantern Point  
Houston, Texas 77054  
713-578-2000

EXHIBIT G

**Bast, Cynthia L.**

---

**From:** Barry Kahn [Bkahn@hettig-kahn.com]

**Sent:** Friday, July 08, 2011 11:43 AM

**To:** 'Turkel, David (CEDD)'

**Subject:** FW: Tidwell Lakes Ranch

---

**From:** Briggs, Jared (CSD)

**Sent:** Friday, July 08, 2011 11:35 AM

**To:** Robbye Meyer

**Cc:** Turkel, David (CSD); Lambright, Christy (CSD)

**Subject:** Tidwell Lakes Ranch

Robbye,

The email sent to you yesterday afternoon regarding Tidwell Lakes Ranch was inaccurate. While the proposed development's location is not in one of Harris County's designated Target Areas, it is possible that it may be in an area with 51% or greater low-to-moderate income persons. This possibility is based on data provided by the Federal Financial Institutions Examination Council (FFIEC) for Census Tract 2323.00, within which Tidwell Lakes Ranch is located.

Thanks,

**Jared Briggs**

Planner I

Harris County Community Services Department

Phone: (713) 578-2238

[Jared.briggs@csd.hctx.net](mailto:Jared.briggs@csd.hctx.net)



EXHIBIT H

**Bast, Cynthia L.**

---

**From:** Barry Kahn [Bkahn@hettig-kahn.com]  
**Sent:** Friday, July 08, 2011 9:14 AM  
**To:** Bast, Cynthia L.  
**Subject:** FW: 11087 Tidwell Lakes Ranch

**From:** Robbye Meyer [mailto:robbye.meyer@tdhca.state.tx.us]  
**Sent:** Friday, July 08, 2011 8:47 AM  
**To:** Barry Kahn; rhettig@hettig-kahn.com  
**Subject:** 11087 Tidwell Lakes Ranch

Barry,

I tried every angle but I received confirmation from Harris County that the Tidwell development is not in one of the Target Areas or in an area with 51% or greater low to moderate income persons.

The Department, in response to the number and types of challenges received this year for the applications submitted, has gone back and re-reviewed the evidence provided for all applications that selected the 3 points related to New Construction with Community Revitalization, pursuant to 49.9(a)(13) of the 2011 QAP. As a result of the additional research, for all applications that provided us with a letter from the appropriate local official to verify that the local planning document referenced in that letter actually exists, and that it meets the definition and intent of both the defined term of a Community Revitalization Plan as well as the rule itself as it pertains to the point item. For this particular application, we've been able to verify that the document referenced in the letter does exist and that the plan being utilized was approved and adopted by the local governing body. In reviewing the plan, it identifies and targets specific geographic areas where federal funds such as CDBG, HOME and ESG will be concentrated and targeted. However, the proposed Tidwell development is not in one of the Target Areas or in an area with 51% or greater low to moderate income persons. In order to qualify for the points the plan must target specific geographic areas for the purpose of revitalization and residential development and the development must fall within that targeted area. Therefore, the three points originally awarded will be rescinded and a revised scoring notice will be issued.

You will receive a formal letter of rescission and revised scoring notice this afternoon and you will have the opportunity to appeal.

We do apologize for the inconvenience of the rush. Due to the short timeframe before awards are to be recommended, we will add Tidwell Lakes Ranch to the agenda as a place holder on the agenda. We are trying to enable all affected participants to be in front of the Board at the July 18<sup>th</sup> meeting. Should you choose not to appeal, we will withdraw it at the meeting.

**Robbye G. Meyer**

Director of Multifamily Finance  
Texas Department of Housing and Community Affairs  
221 E. 11th Street | Austin, TX 78701  
Office: 512.475.2213  
Fax: 512.475.0764

7/14/2011

EXHIBIT I

**Bast, Cynthia L.**

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**From:** Barry Kahn [Bkahn@hettig-kahn.com]  
**Sent:** Saturday, February 26, 2011 1:26 PM  
**To:** Bast, Cynthia L.  
**Subject:** Revitalization points.

---

**From:** Paransky, Eta - HCD [mailto:Eta.Paransky@houstontx.gov]  
**Sent:** Thursday, February 24, 2011 7:25 PM  
**To:** 'Barry Kahn'  
**Subject:** RE: Genoa Ranch TDHCA # 11137

Barry,

We researched your suggestion and ultimately spoke with Robbye Meyer at TDHCA who offered the following:

The Houston Consolidated Plan addresses that the low/moderate income areas are part of our revitalization efforts (page 66) and the map on page 71 identifies the low/moderate income areas. You need only to identify your site on the map page with a copy of page 66 defining multi-family/new construction revitalization efforts. If your property is in the green area (51%-100% LMI), then you do not need a letter from us.

If it is not in the green areas, then being in an enterprise zone does not qualify for points for revitalizations.

Hope you're in the green area.

Eta



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

[www.tdhca.state.tx.us](http://www.tdhca.state.tx.us)

Rick Perry  
GOVERNOR

BOARD MEMBERS  
C. Kent Conine, *Chair*  
Tom H. Gann, *Vice Chair*  
Leslie Bingham-Escareño  
Lowell A. Keig  
Juan S. Muñoz, Ph.D  
J. Paul Oxer

July 8, 2011

Writer's direct phone # 512-475-3296  
Email: [tim.irvine@tdhca.state.tx.us](mailto:tim.irvine@tdhca.state.tx.us)

Mr. W. Barry Kahn  
Tidwell Lakes Ranch, Ltd.  
5325 Katy Freeway, Suite One  
Houston, Texas 77007

RE: Community Revitalization Plan Point Loss Explanation, #11087, Tidwell Lakes Ranch

Dear Mr. Kahn:

The Department issued a final scoring notice for Application # 11087, on June 1, 2011. The Department has also received several challenges with respect to specific scoring items, primarily points for New Construction with Community Revitalization pursuant to §49.9(a)(13) of the 2011 Qualified Allocation Plan. As a result, the Department has re-evaluated the points previously requested and awarded for this point item for all 2011 applications submitted under this competitive round. Staff has determined that the points previously awarded to the above referenced application should be deducted from the final application score for the reason(s) stated below:

- The planning document referenced in the letter from the appropriate local official identifies specific geographical areas ("target areas"), but the proposed development is not located within one of those targeted areas.

You may appeal the point deduction described above. In the interest of getting any scoring related appeals on the board agenda for the July 18, 2011 TDHCA Board meeting, please provide your Board appeal to the Department no later than 5:00PM on Thursday, July 14, 2011.

If you have any other questions or concerns please contact Raquel Morales at 512-475-1676 or by email at [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us).

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy K. Irvine".

Timothy K. Irvine  
Acting Director

rbm

**From:** Turkel, David (CSD)  
**To:** Robbye Meyer;  
**cc:** Lambright, Christy (CSD);  
Briggs, Jared (CSD);  
**Subject:** RE: Tidwell Lakes Ranch  
**Date:** Monday, July 11, 2011 3:05:25 PM

---

**From:** Lambright, Christy (CSD)  
**Sent:** Monday, July 11, 2011 2:56 PM  
**To:** Turkel, David (CSD)  
**Cc:** Briggs, Jared (CSD)  
**Subject:** Tidwell Lakes Ranch

Although not in a Harris County Target Area ("pink" area), the area is low-to moderate-income. The median income for Harris County is \$63,800 (2009). Moderate income is defined by HUD as 80% of median income or \$51,040 for Harris County. Based on the Census ACS 2009 data for Tract 2323 in which Tidwell Lake Ranch is sited: the tract median income was \$43,987, well below the moderate income level for the county. Further, 2,521 persons of the 4,451 (or 56.6%) living in this tract make less than the moderate income level.

Christy Lambright

Assistant Director of Planning & Development

Harris County

Community Services Department

Office of Housing and Community Development

8410 Lantern Point

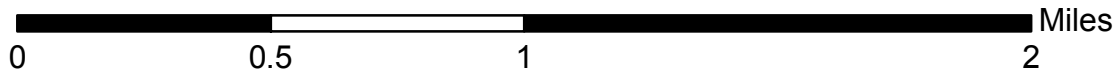
Houston, Texas 77054

# Tidwell Lakes Ranch - 12900 Block of Tidwell, Houston, Texas 77044



## 2011 LIHTC Applicant Sites

- Type**
- General MF
  - Senior
  - TDHCA\_2010\_Senior\_Elderly\_Property\_LT\_10\_Yrs\_Old\_Harris\_County
  - TDHCA\_2010\_General\_Family\_Property\_LT\_10\_Yrs\_Old\_Harris\_County
  - Parcels
  - 51% or Greater Low/Mod



Precinct 1



11090- Sutton Oaks II  
(Withdrawn)



11094- Mariposa at Hwy. 6  
(Withdrawn)

11097- RoseHill Ridge  
(withdrawn)

# 11114- Green Haus on the Santa Fe Trail

**MULTIFAMILY FINANCE DIVISION  
BOARD ACTION REQUEST  
July 18, 2011**

**Requested Action**

Deny the Applicant's appeal of the termination of Application #11114, Green Haus on the Santa Fe Trail.

**WHEREAS**, an application for tax credits was submitted for Green Haus on the Santa Fe Trail on March 1, 2011; and

**WHEREAS**, the unit sizes as proposed in the application did not meet the minimum unit size requirements pursuant to §49.8(5)(B) of the 2011 Qualified Allocation Plan (QAP); and

**WHEREAS**, the proposed development, as originally submitted, did not include the use of Single Room Occupancy units which would provide an exemption to the minimum unit size restrictions; and

**WHEREAS**, the application, as submitted, appears based on a preliminary review, to have significant program issues and underwriting deficiencies and inconsistencies; and

**WHEREAS**, on June 16, 2011 each Board member of the Department received a packet of information directly from the Applicant in reference to the Green Haus application, violating §2306.1113 of the Texas Government Code, *ex parte* communication and rendering the application ineligible for consideration under §49.4(b) of the 2011 QAP; therefore

It is hereby:

**RESOLVED**, that the appeal of termination of Application #11114, Green Haus on the Santa Fe Trail is hereby denied.

**Background**

Green Haus on the Santa Fe Trail is a proposed new construction, supportive housing development consisting of 24 units targeted towards homeless families in Dallas, Texas. The development narrative provided in the application indicates that this development will offer 24 Single Room Occupancy/Efficiency units. However, review of the application reveals that the units proposed actually consist of one and two-bedroom units. The unit plans do not meet the minimum unit size requirements of the QAP.

The appeal was originally presented to the Board at its May 5, 2011 meeting. At that time, the Board tabled the appeal and instructed staff to engage in dialogue with the Applicant to try to find an amenable way to resolve the existing design issues in order to meet the QAP requirements, rather than adapting or waiving the rules to fit the design of the development. Staff held several conference calls with the Applicant to discuss the design of the development and the Applicant's vision and mission for the development. Several revisions to the design of the development have been proposed by the Applicant in order to design the development in accordance with program rules. Option D (architectural rendering is provided in the board materials) meets the unit size requirements. This option reflects a unit re-designed to meet the Department's current definition of a Single Room Occupancy unit. However, it should be noted, that while the Applicant has now offered a unit that meets the current definition of a SRO unit, the re-designed unit should be appropriate for the intended residents. At the last board meeting and in the application, the Applicant's description of the proposed development indicated a very specific type of population, namely single parents or guardians with children. The re-designed unit does not appear to provide sleeping areas that are separate from the living and kitchen area.

On June 16, 2011, the Applicant sent written materials relating to Green Haus to all members of the Governing Board. This presented two areas of possible concern:

- Prohibited *ex parte* communication
- Texas Open Meetings laws

With regard to the former, Tex. Gov't. Code, §2306.1113 prohibits board members' communications with applicants during the tax credit round. A common sense reading of this prohibition would indicate that if the applicant provides information to the board outside of a posted meeting, even if the board does not respond, a communication occurred. The statute does not specifically create or provide for a consequence to such an action, but the qualified allocation plan provides that if any applicant does this, their application is deemed ineligible. This result may be waived by the Board "to fulfill the purposes or policies of Chapter 2306, Texas Government Code, or for other good cause, as determined by the Board." Possible issues that might be considered in arriving at a determination whether good cause for waiver of ineligibility is or is not present might include:

- **Appropriateness of the result:** The Board, in the 2011 QAP, has stated by rule that if an *ex parte* communication occurs, the application is ineligible. This sends a strong message that applicants must follow the prescribed public processes. While it might be appropriate to direct staff to draft revisions in the upcoming QAP, it would not be appropriate to read the current QAP as allowing for flexibility that is not there. The only flexibility under the QAP is the waiver provision described above, found at 10 TAC §49.16(a).
- **Cure:** The statute does not address the possibility of curing a prohibited *ex parte* communication. It simply states that they are prohibited. Although not articulated in the QAP, there are some other (non-QAP) situations where *ex parte* violations may, in effect, be cured, chiefly where a judge simply permits the improperly provided materials to be disclosed to the opposing side.

- **Larger implicated policy issues:** If this application is not eligible, Green Haus would not be eligible to be considered for a forward allocation.

With regard to the latter, these materials may or may not have been read or considered by the board member recipients. Staff has no reason to believe they were. However, they may not be considered unless they are made public in accordance with the rules and other requirements relating to board materials. They are reproduced in their entirety as an Attachment to this item.

11140- Villas of Giddings

## **RESPONSE OF SHARED HOUSING CENTER, INC.**

**July 11, 2011**

### Alleged Violation Of Ex Parte Rules

Shared Housing Center, Inc. ("SHC") does not believe that there was a violation of the Ex Parte rules that requires disqualification under Section 49.4(b)(5) of the QAP. But even if there was, the board can waive the disqualification under Section §49.16 (a) of the QAP.

The Board has two independent basis for the waiver. First, the Board may waive any rule in the QAP if the Board finds that a waiver is appropriate to fulfill the purposes or policies of Chapter 2306, Texas Government Code. Section 2306.001 (2) of the Texas Government Code states the one of the purposes of the department (TDHCA) is to "provide for the housing needs of individuals and families of low, very low, and extremely low income and families of moderate income." This purpose as applied to SHC's waiver request is supported by the public testimony at the May 5, 2011 board meeting and by the contents of the tax credit application itself (#11114).

Second, the Board can waive any rule in the QAP for "other good cause" as determined by the Board. SHC believes that good cause exists because: (1) It was responding to the request for information from a Board member, (2) that any violation was not intentional, and (3) that no harm or prejudice resulted to any party.

### Appeal of the Design Disqualification

At the May 5th board meeting, the Board instructed the TDHCA staff and SHC to meet to see if a design could be developed that met the requirements of the QAP. After numerous conference calls and several designs, a design (Option D) was created that meets the requirements of the QAP.

By letter dated June 22, 2011, Timothy K. Irvine wrote to Chris Luna (SHC representative). In that letter, in the second paragraph, stated:" Although the Department appreciates your vision and the way that it would help the homeless transition their lives, staff still has concerns that this re-design, even though it might now meet the technical design requirements of the QAP...".

Further in the board packet for the June 30, 2011 board meeting, the board materials stated, in the first paragraph on page 2: "Option D (architectural rendering is provided in the board materials) meets the unit size requirements. This option reflects a unit re-designed to meet the Department's current definition of a Single Room Occupancy unit."

It is undisputed that Option D meets the requirements of the QAP. SHC respectfully requests that the board grant the appeal.





June 3, 2011

SHARED HOUSING CENTER, INC.

Kent Bedell  
Multifamily Housing Specialist  
c/o [kent.bedell@tdhca.state.tx.us](mailto:kent.bedell@tdhca.state.tx.us)

RE: TDHCA #11114, Green Haus on the Santa Fe Trail  
Deficiency Response for letter dated May 26, 2011

Dear Kent:

This letter is to summarize what was sent via the FTP - Filezilla program. We submitted the following documents/forms at various times and portions. We apologize for this type of delivery, but we wanted to let you know that we have been working on this the second we received the letter.

**I Threshold**

1. Volume 3, Tab 3, Part A Site Information
2. Volume 1, Tab 8 Part A Relevant Development Information and Vol 3, Tab 1 Part B
3. ESA Letter addressing all of the details as stated in your letter.
4. Appraisal Letter responding to the request in your letter.

**II Selection**

1. Volume 4, Tab 3 (corrected by hand)
2. Volume 4, Tab 5 HOME letter from City (uploaded with this letter)
3. Volume 4, Tab 7 (uploaded with this letter)
4. Volume 4, Tab 23 (Form and certificate)
5. Volume 4, Tab 24 – corrected: letter of revitalization was sent with original application
6. Volume 4, Tab 26 – corrected and while the letter from TREC states \$75,000, we spent \$10,000 during the 2010 HTC Program process.

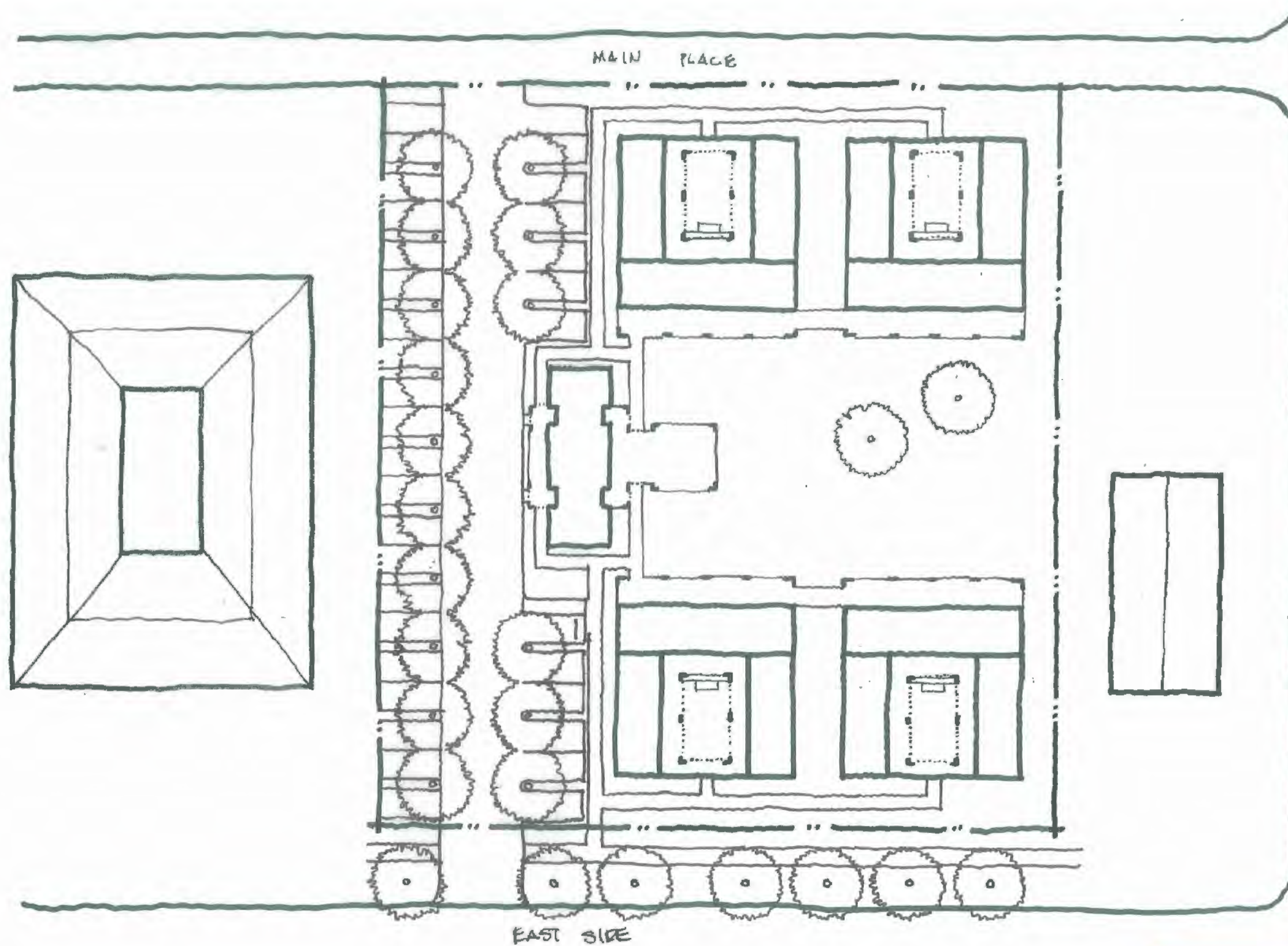
As stated briefly on the telephone today, we have been working with TDHCA staff to address several layers of concerns regarding our application.

We also worked on many revisions, but to best address the needs of our clients, we are committed to the SRO concept. Therefore, we have included revised floor-plans (C & D) in addition to the requested files.

Thank you for your attention and assistance during this week. And please pass along my thanks to Jason Burr – for helping me understand the “tech-stuff.”

Cordially,

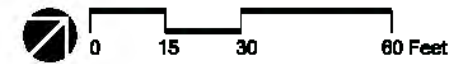
Maria Machado  
Executive Director



GreenHaus at the Santa Fe Trail

Shared Housing Center  
Dallas, Texas

Site Plan Option C



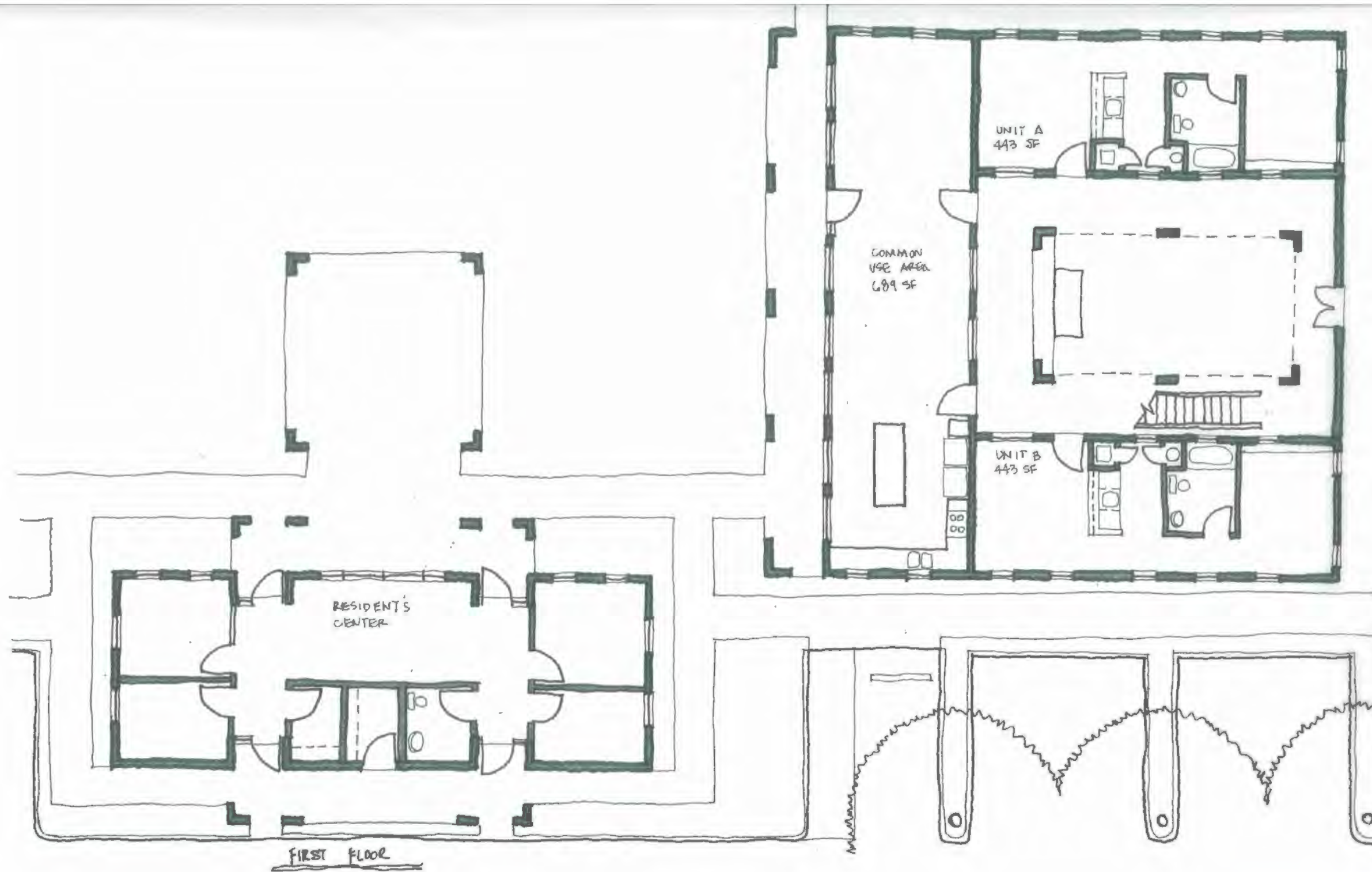
**Good Fulton & Farrell Architects**

2808 Fairmount Street  
Suite 300  
Dallas, Texas 75201

214.303.1500/Tel  
214.303.1512/Fax  
www.gff.com

Date: May 31, 2011



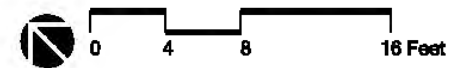


GreenHaus at the Santa Fe Trail

Shared Housing Center  
Dallas, Texas

Date: May 31, 2011

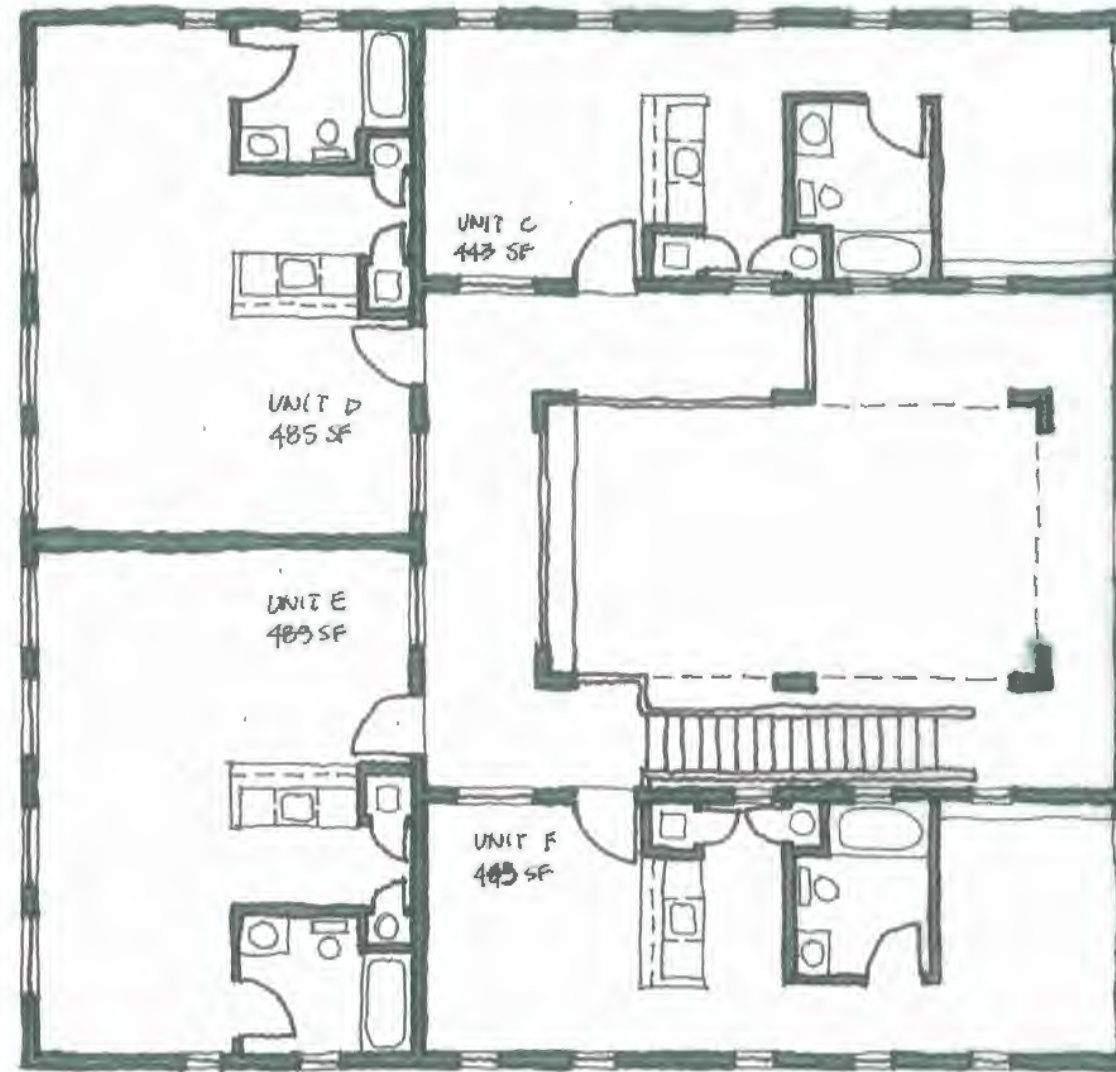
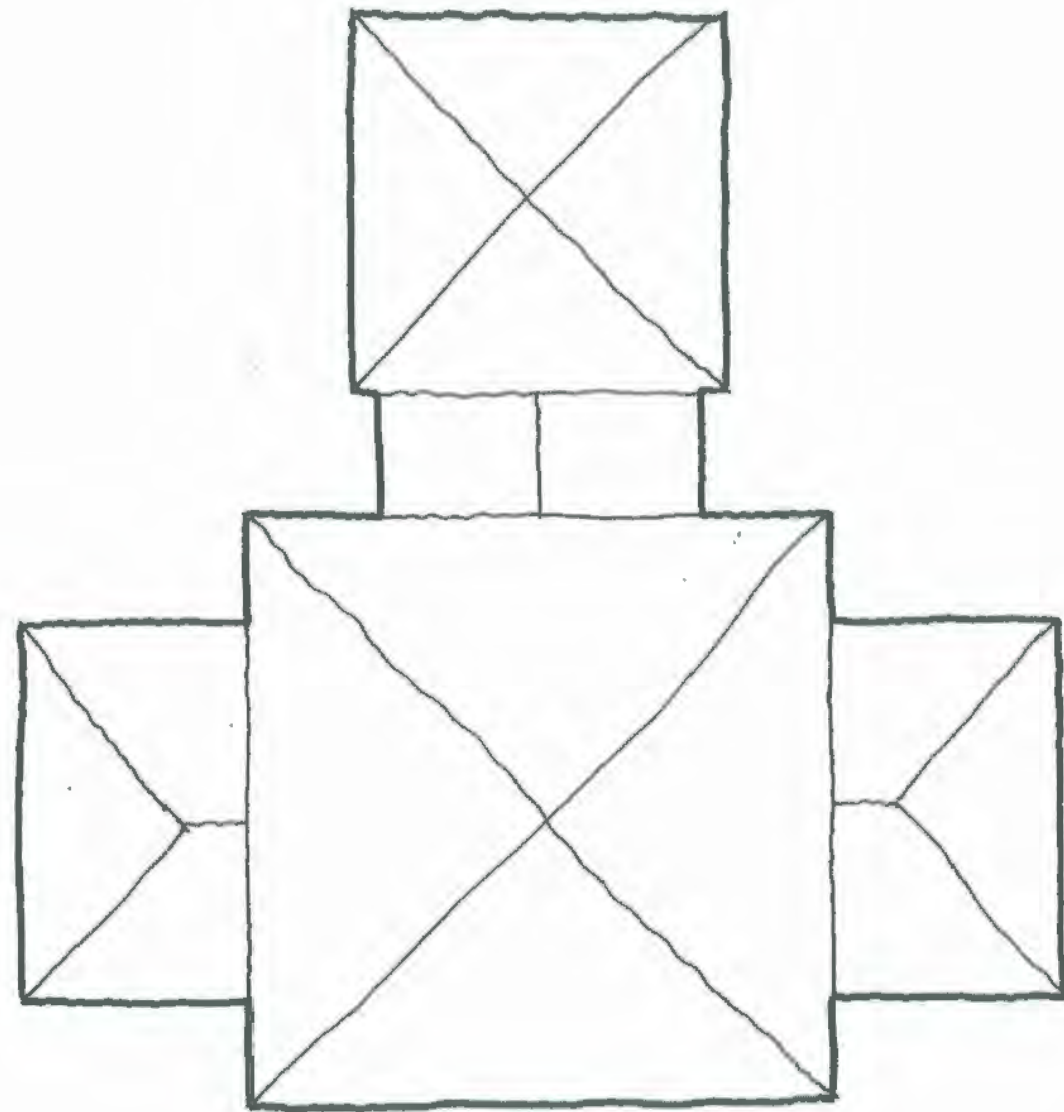
Residents Center & First Floor Unit Plan - Option C



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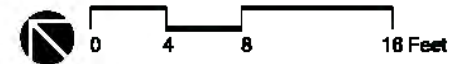


GreenHaus at the Santa Fe Trail

Shared Housing Center  
Dallas, Texas

Date: May 31, 2011

Second Floor Unit Plan - Option C

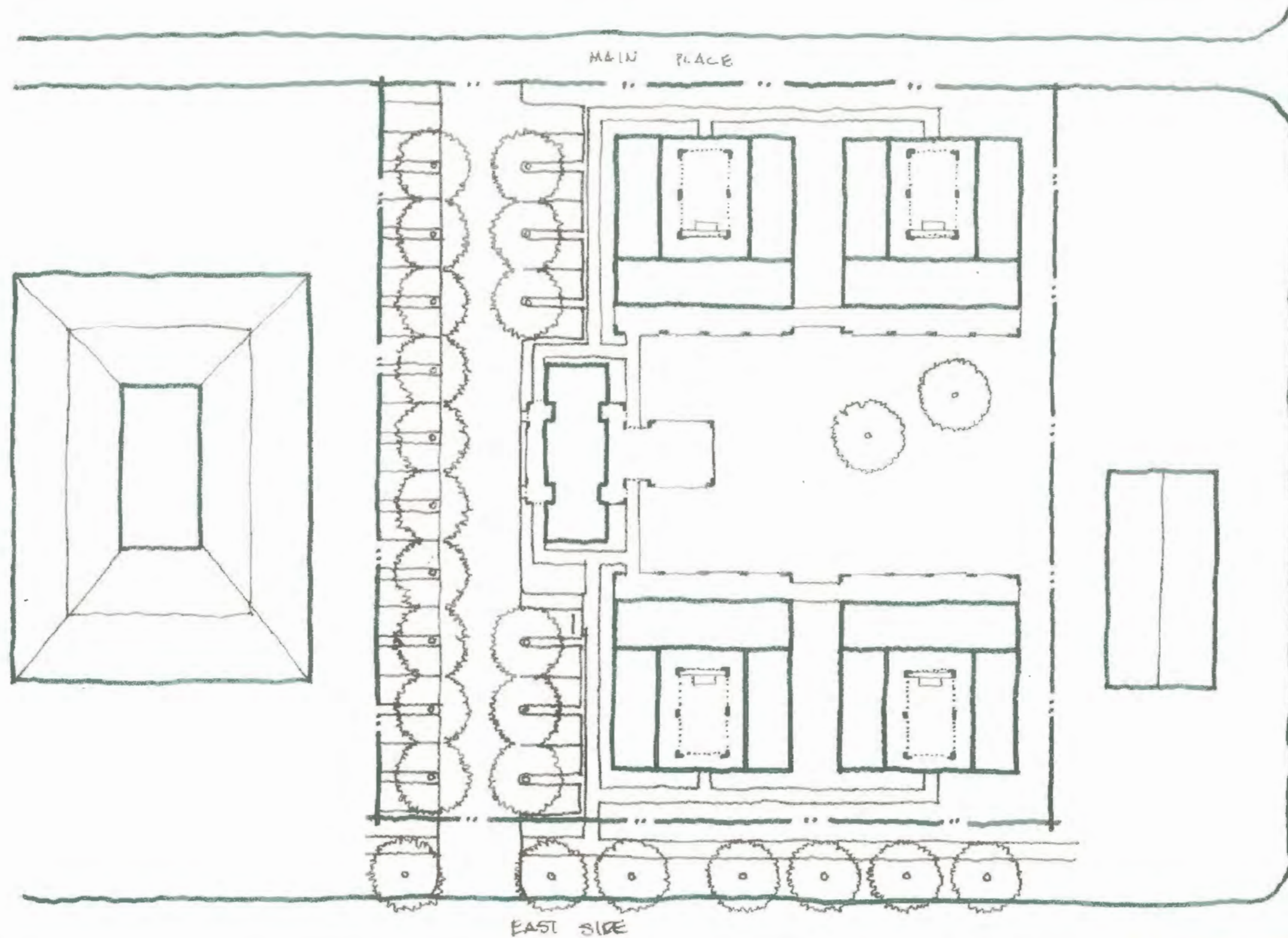


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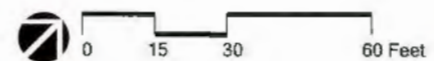




GreenHaus at the Santa Fe Trail

Shared Housing Center  
Dallas, Texas

Site Plan Option D



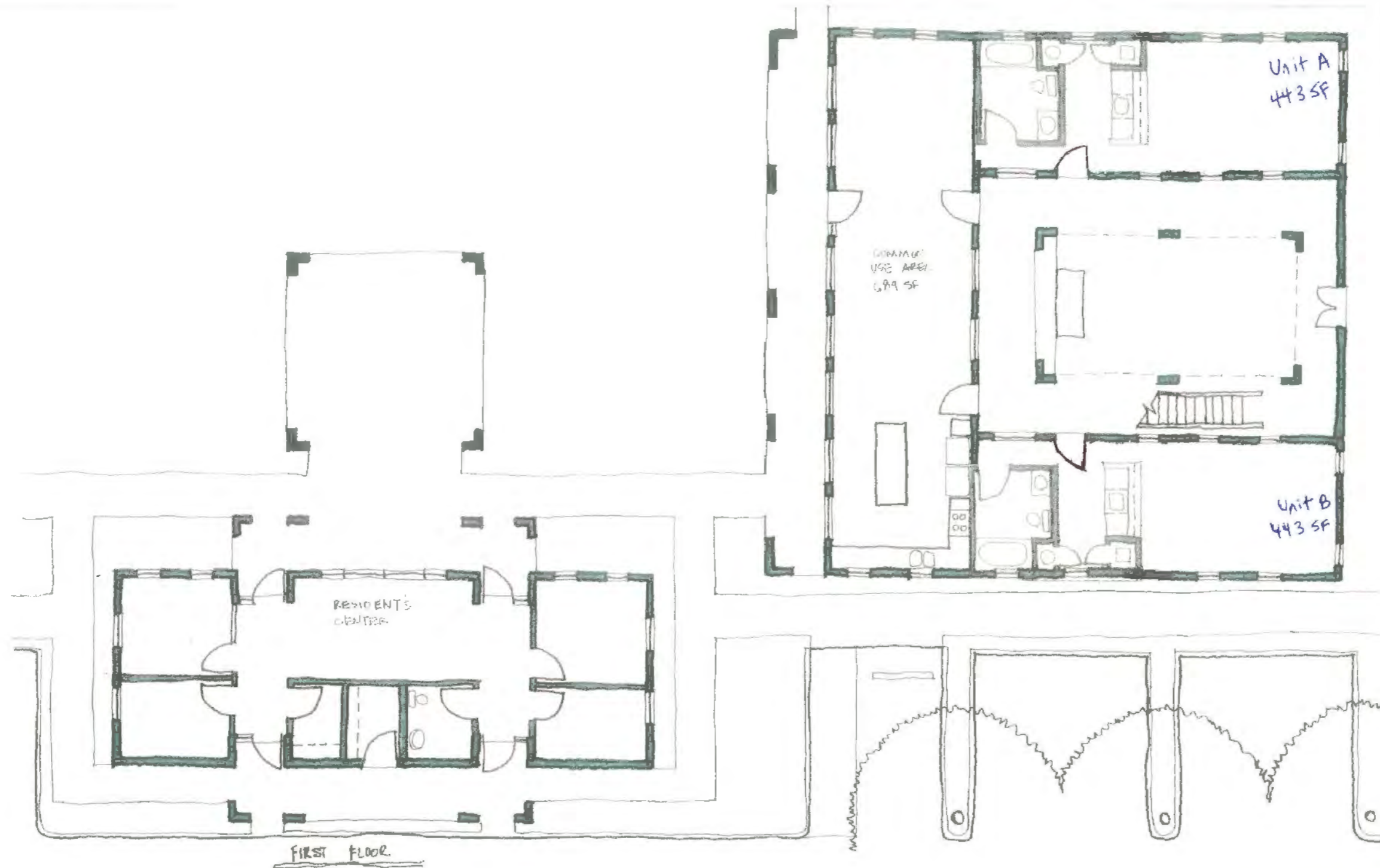
Date: May 31, 2011



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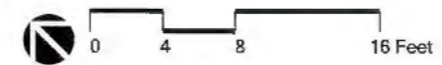


GreenHaus at the Santa Fe Trail

Shared Housing Center  
Dallas, Texas

Date: May 31, 2011

Residents Center & First Floor Unit Plan - Option D

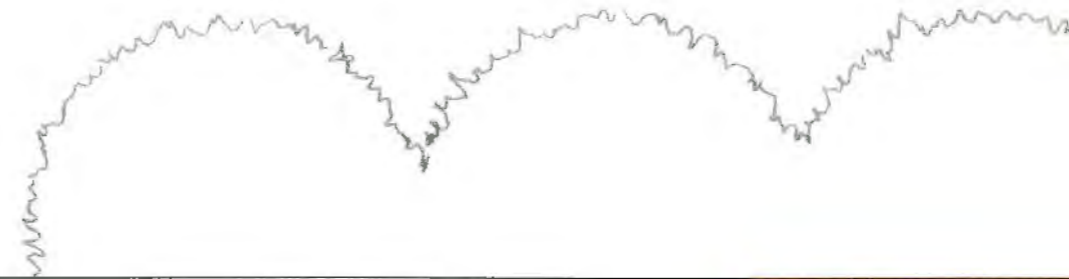
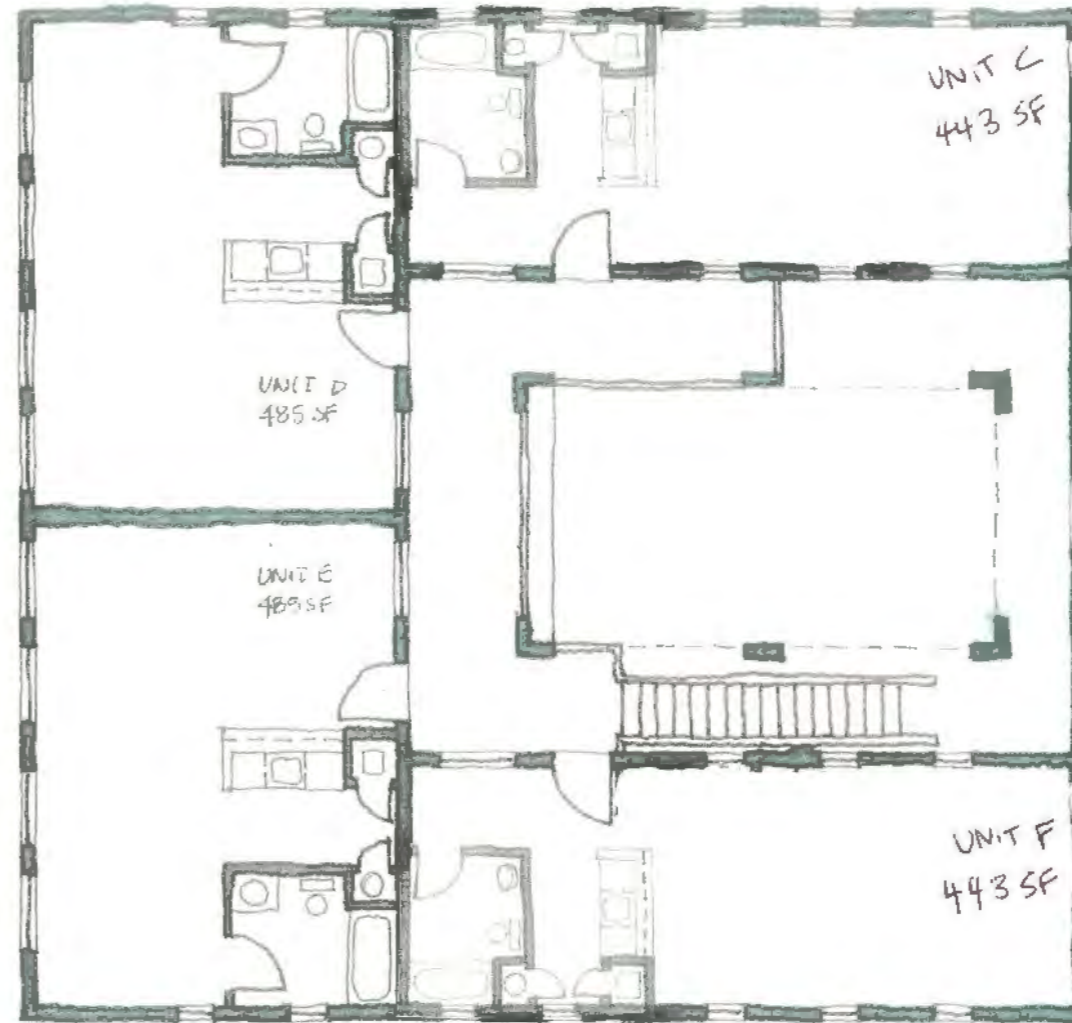
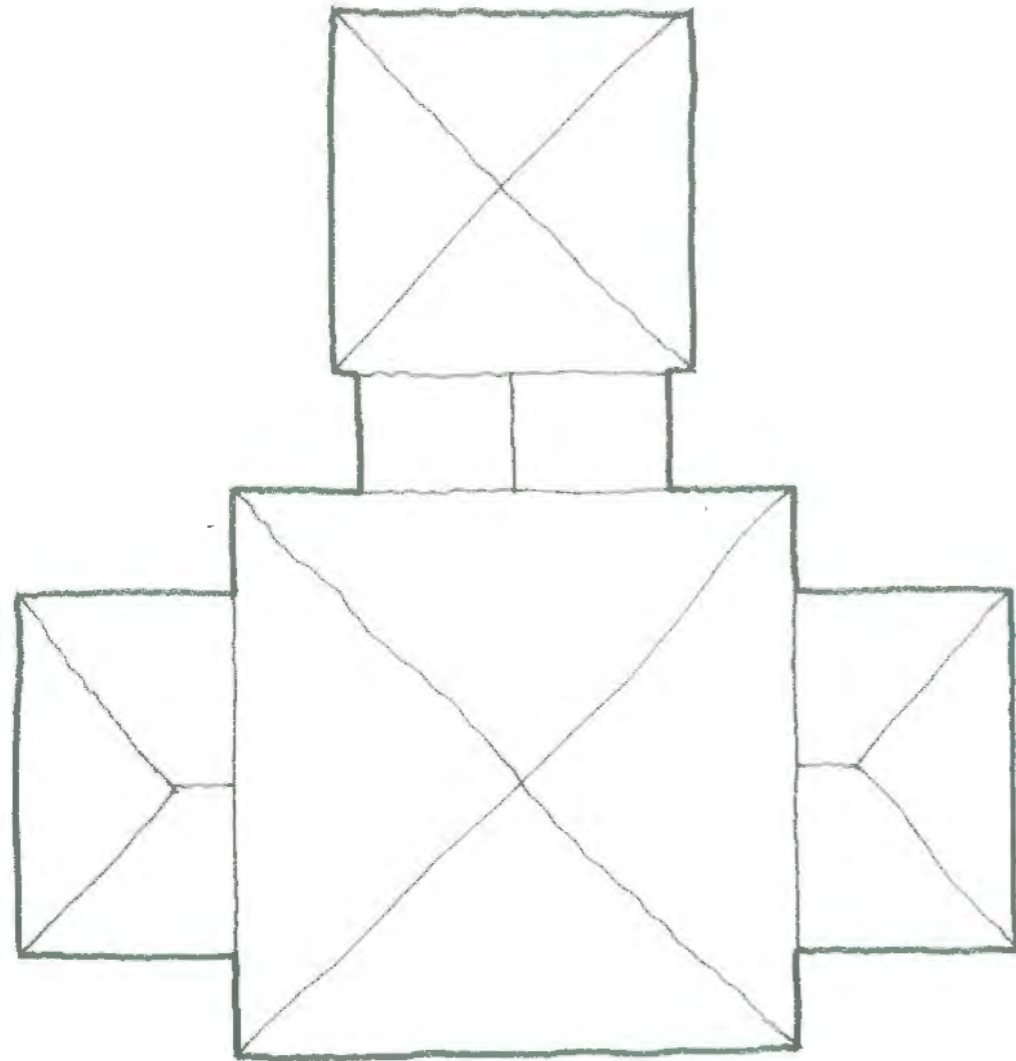


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GreenHaus at the Santa Fe Trail

Shared Housing Center  
Dallas, Texas

Date: May 31, 2011

Second Floor Unit Plan - Option D



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Lastly, as the property in Private Letter Ruling 9814006 did, Green Haus would need to provide a determination from HUD that excluding men would not violate the Fair Housing Act.

TDHCA certainly commends your dedication to helping others become an active part of society. However, the requirements and conditions needed for your program to be successful do not appear to conform with the Housing Tax Credit Program. If you wish to continue pursuing an allocation of credit for Green Haus, please submit a Program Manual Guide specific to Green Haus describing how services will be offered/provided in a manner that does not violate Section 42. After review of the revised manual, TDHCA may require the applicant to obtain a Private Letter Ruling, or directly request guidance from the Internal Revenue Service or Treasury Department.

Thank you for your interest in the Housing Tax Credit Program. TDHCA offers compliance training on the Housing Tax Credit program through the Texas Apartment Association. The next training in your area is May 25, 2011. I encourage you to attend and learn more about compliance with the program. Registration and more information is available at [www.taa.org](http://www.taa.org). I can be reached at (512) 475-3140 or at [patricia.murphy@tdhca.state.tx.us](mailto:patricia.murphy@tdhca.state.tx.us) if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Patricia Murphy', with a stylized flourish at the end.

Patricia Murphy  
Chief of Compliance and Asset Oversight



# TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

*www.tdhca.state.tx.us*

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April 28, 2011

Ms. Maria Machado  
SH Community, L.P.  
402 N. Good Latimer Expressway  
Dallas, TX 75204  
Email: [mmachado@sharedhousing.org](mailto:mmachado@sharedhousing.org)

Re: Application #11114, Green Haus on the Santa Fe Trail

Dear Ms. Machado:

## Appeal Review

I have carefully reviewed the appeal received April 25, 2011, wherein you appeal the termination of application #11114, Green Haus on the Santa Fe Trail and request reinstatement of the application. The proposal within the application for Green Haus on the Santa Fe Trail indicates that the development will offer a total of 24 Single Room Occupancy and/or Efficiency units; however, architectural drawings for the proposed development reflect units with distinguishable and separate bedrooms. Given that the units as currently designed do not meet the definitions of Single Room Occupancy or Efficiency Unit, the proposed unit sizes for all of the units do not meet the minimum required per §49.8(5)(B) of the 2011 Qualified Allocation Plan (QAP).

The currently proposed unit mix includes a total of 20 one-bedroom/one and a half bathroom units at 490 net rentable square feet, and 4 two-bedroom/two-bath units at 700 net rentable square feet. You appeal that the 20 one bedroom units do not have a separately enclosed bedroom. The floor plans for the one bedroom units reflect a two-story design wherein the first floor contains the living area, kitchenette area and a half bath. The second floor of this one-bedroom unit contains the bedroom and one full bath. Although the floor plans for this unit type do not reflect a door at the entrance of the second floor bedroom area, the lack of a door does not mean it is not separately enclosed. Furthermore, you appeal that the bedroom doors in the 4 two-bedroom units would result in no separately enclosed bedrooms and, thus, qualifying these units as Single Room Occupancy or Efficiency Units. The lack of doors in and of itself does not change the characteristic of this unit having a separately enclosed bedroom because walls exist between the rooms in this unit to distinguish them as separate rooms

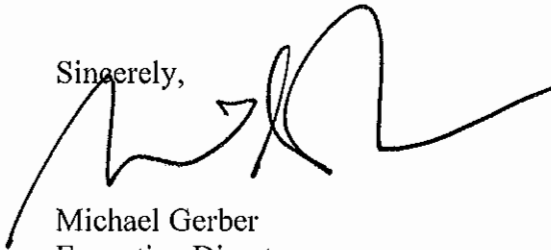
within the unit, therefore having no doors would not change this characteristic and would not qualify the unit as a SRO Unit.

**Appeal Determination**

After a careful review of all the facts, your appeal is denied.

If you have any questions, please do not hesitate to contact Raquel Morales at 512.475.1676 or [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us).

Sincerely,

A handwritten signature in black ink, appearing to be 'M Gerber', written over the word 'Sincerely,'.

Michael Gerber  
Executive Director

MFF/rbm



SHARED HOUSING CENTER, INC.

April 25, 2011

Mr. Mike Gerber  
Executive Director  
Texas Department of Housing and Community Affairs  
221 East 11<sup>th</sup> Street  
Austin, TX 78711

RE: Formal Appeal

Dear Mr. Gerber:

This brief cover letter is to inform you that SH Community, L.P. (an affiliate of Shared Housing Center) is filing a formal appeal to you. Enclosed with this cover letter are the following documents:

- 1) SH Community, L.P. appeal letter
- 2) A copy of the architect plans as described in the above letter
- 3) 2011 Housing Tax Credit Appeal Election Form

Thank you for your time and attention.

Sincerely,

Maria Machado  
Executive Director

cc: Mike Sugrue; J. Chris Luna; J. Killingsworth; B. Mitchell  
C. Palmer; SHC Officers



**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS**

**2011 HOUSING TAX CREDIT APPEAL ELECTION FORM**

This form is to notify the Department that I am filing a formal appeal to the Executive Director for processing. My appeal documentation, which identifies my specific grounds for appeal, is attached.

**If my appeal is denied by the Executive Director, I: (check one)**

Do wish to appeal to the Board of Directors and request that my application be added to the May 5, 2011 Board of Directors meeting agenda. I understand that my Board appeal documentation must be submitted by 5:00 p.m. Monday, April 26, 2011 to be placed in the May 5, 2011 Board materials. If no further documentation is submitted, the appeal documentation to the Executive Director will be utilized.

Do not wish to appeal to the Board of Directors.

Development Name:	SH Community, L.P.
Development Address:	402 N. GOOD Latimer Expwy Dallas TX 75204
Signer's Name	MARIA Machado
Signer's Title:	Executive Director
Date:	04-25-2011

Signed: Maria Machado





SHARED HOUSING CENTER, INC.

April 25, 2011

*VIA EMAIL AND FEDERAL EXPRESS*

Michael Gerber  
Executive Director  
Texas Department of Housing and Community Affairs  
P.O. Box 13941  
Austin, TX 78711-3941

RE: Application #11114, Green Haus on the Santa Fe Trail, Dallas, TX (the "Project")

Dear Mr. Gerber:

SH Community, L.P. (the "Owner") was informed by letter dated April 19, 2011 (the "Letter") that our 2011 Housing Tax Credit Application was terminated on the grounds of nonconforming unit sizes as required by §49.8(5)(B) of the 2011 Qualified Allocation Plan ("QAP"). In accordance with Section 49.10(d) of the QAP of the Texas Department of Housing and Community Affairs ("TDHCA"), this letter is to formally appeal the termination of the above-referenced application from the 2011 Housing Tax Credit Application Cycle.

The Letter states that the Project includes "twenty 1-bedroom, 1 ½ bath units and four 2-bedroom, 2-bath units, all with a separately enclosed bedroom." This statement is inaccurate. The plans for the Project do include twenty, one bedroom units (the "Twenty Units"), but none of the Twenty Units include separately enclosed bedrooms. The four other units (the "Four Disability Units") do include a door on the first level of these units that would serve to enclose the lower floor as a bedroom, but that was an error in the plans on the Owner's part, and Owner will remove these doors from the plans and from the ultimate built Project. Without the doors included in the Four Disability Units, these units would also not include a separately enclosed bedroom. We respectfully request that TDHCA reconsider the plans to permit Owner to remove the four (4) doors that would otherwise enclose the downstairs area in the Four Disability Units, and also reconsider the conclusion that the Twenty Units include a separately enclosed bedroom. Should such considerations be adopted into the TDHCA's application review process for the Project, it necessarily follows that the Project is in fact offering SRO units, and is therefore "eligible for an exception to the minimum unit sizes that are available to developments proposing Rehabilitation or Single Room Occupancy" (statement taken from the Letter).

#### **Shared Housing Center Background**

The Owner of the Project is an affiliate of Shared Housing Center, Inc. ("Shared Housing") a 501(C)(3) non-profit that has provided housing, education and supportive services to the homeless community in Dallas, Texas for twenty-seven years. The mission of Shared Housing is all about sharing ~ which includes both the living environment and our clients' lives. For more than twenty years, we have successfully operated group homes with a very similar footprint and design as proposed in our application for tax credits. During our existence, we have assisted over 17,000 homeless single parent families and older adults. The basic premise of our design and key to our success has been a "shared housing" environment in which each single parent with small children has their own private living space with bath, but the residents share common kitchen and living area. This design teaches our residents to learn the value of inter-dependent relationships (rather than co-dependency) and the value of sharing and negotiating.



## 2011 Tax Credit Application

In general terms, the plans for the Project include a twenty-four (24) unit development, designed to provide transitional housing to homeless women and their children and adult seniors. In furtherance of our mission, we believe it is important to provide not only housing but a sense of community to our clientele. Rather than simply construct a multi-family apartment complex and provide housing, we have developed a model which provides for community living and dining. In the proposed Project, you will see that we have four buildings. Each building contains 6 units for occupancy and a separate large common room for dining, school work and socializing.

In the Letter we received from TDHCA, it is stated that our application was terminated for not meeting the definition of Single Room Occupancy ("SRO"), which is described in the letter as "an efficiency unit which must not contain a separately enclosed bedroom". The plans submitted with our application and attached to this letter, include twenty (20) units that contain 405 net square feet on two levels. The upper level may be considered a "separate room", but it is not "enclosed" since it does not have a door. The lower level has an efficiency type kitchenette for keeping cold beverages and warming food, but not for cooking full meals. These amenities were included so that we could comply with QAP requirements. There are four units with a larger floor plan and full bath on the lower level. This is necessary to accommodate disabled tenants. The goal is to have the tenants using the common area as their primary living space. There is no reason (other than the fact the plans included a door enclosing the downstairs) to characterize these units as anything other than SRO units, which we have previously addressed in second paragraph of this letter

### Further Discussion of What Constitute and SRO Unit

Nowhere in the QAP is an SRO unit defined as having only one room. The only requirement is that an SRO based application comply with Section 42(i)(3)(B)(iii) and (IV) of the IRS Code:

(iii) Transitional housing for homeless. For purposes of clause (i), a unit shall be considered to be used other than on a transient basis if the unit contains sleeping accommodations and kitchen and bathroom facilities and is located in a building--

(I) which is used exclusively to facilitate the transition of homeless individuals (within the meaning of section 103 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11302), as in effect on the date of the enactment of this clause) to independent living within 24 months, and

(II) in which a governmental entity or qualified nonprofit organization (as defined in subsection (h)(5)) provides such individuals with temporary housing and supportive services designed to assist such individuals in locating and retaining permanent housing.

(iv) Single-room occupancy units. For purposes of clause (i), a single-room occupancy unit shall not be treated as used on a transient basis merely because it is rented on a month-by-month basis.

The Project that we have proposed does meet those criteria. In many definitions (including the primary definition in Wikipedia which is taken from the definition used by many Housing Authorities) SRO is actually defined as "single resident occupancy" and the most common definition of SRO is as follows:

A single room occupancy (more commonly SRO, sometimes called single resident occupancy) is a multiple tenant building that houses one or two people in individual rooms (sometimes two rooms, or two rooms with a bathroom or half bathroom), or to the single room dwelling itself. SRO tenants typically share bathrooms and / or kitchens, while some SRO rooms may include kitchenettes,

bathrooms, or half-baths. Although many are former hotels, SROs are primarily rented as a permanent residence.

#### **Previous Discussions with TDHCA Staff**

In January 2011, Owner's developer called the TDHCA and spoke with the Deputy Executive Director for Housing Programs. The developer explained the reason for the call and where we stood with the current product design, how it might fit into the tax credit program, and to get TDHCA's thoughts on the application. To our understanding, thus type of design had not been proposed before.

After discussing the design plans, the Deputy Executive Director shared that this product design should work as SRO or supportive housing since Shared Housing was going to provide services to prospective tenants. While he did not commit that the design product was approved, he did give us reason to feel that we could proceed due to the supportive services and the tenants to be served. At no time did he object to the product design or express any concerns or reservations. Had there been any negative feedback, we would not have submitted it the way that we did. It would be unfair to now penalize Shared Housing.

#### **Relief Requested**

For the reasons stated in this letter, it is our firm belief that the Project should be considered a SRO based application, eligible for further consideration under the application process. As such, we respectfully request that our 2011 Tax Credit application be re-instated as submitted, with the one change for the removal of the bedroom doors on the Four Disability Units..


#### **Conclusion**

We also request that you review the application file to see the board based civic, community, and governmental support for the Project.

We understand that this Project may not be a typical tax credit project. It is, however, innovative and designed to meet the needs of a particular tenant population. It is definitely filling a need not met by other developments. We are a small non-profit attempting to serve a fast growing population using very limited resources. The receipt of a tax credit allocation is the only way we can build this type of housing and fill this ever growing need.

We thank you for your time and consideration.

Sincerely,



Maria Machado  
Executive Director





TYPICAL BUILDING & UNIT PLAN - FIRST FLOOR

GreenHaus at the Santa Fe Trail

Shared Housing Center  
Dallas, Texas

First Floor Plan

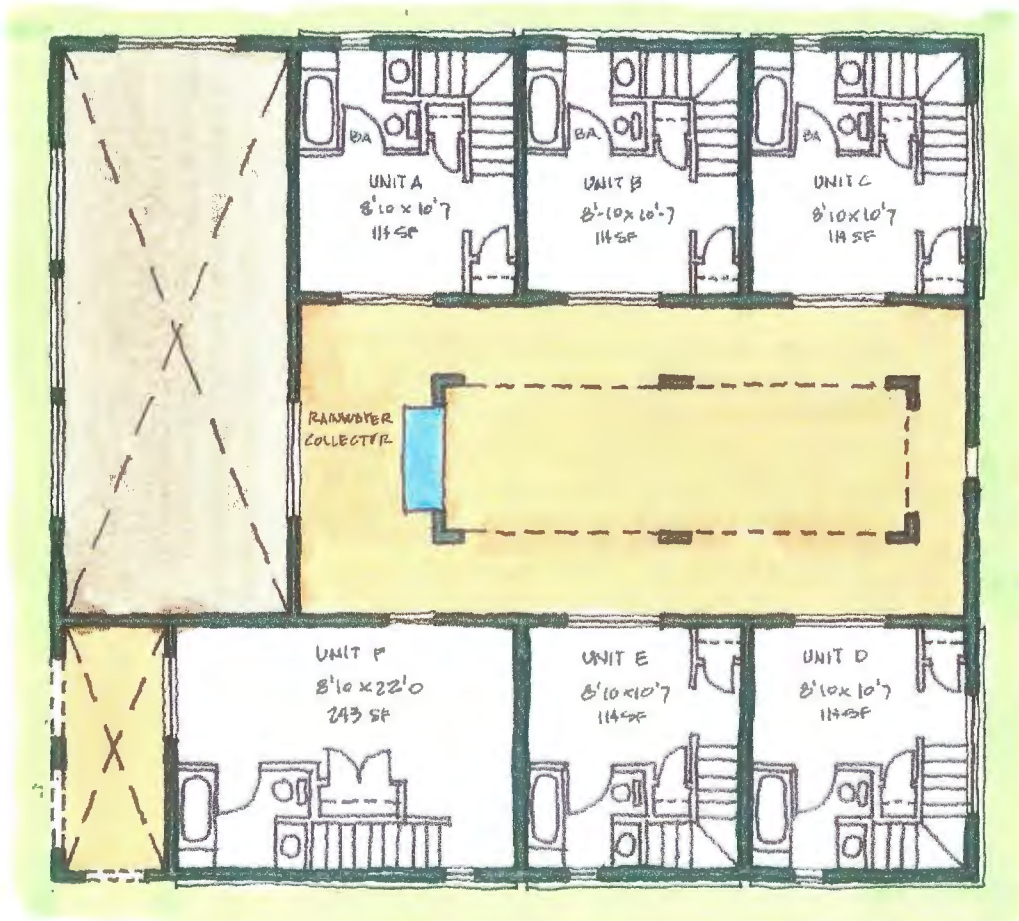


Good Fulton & Farrell Architects

2808 Fairmount Street  
Suite 300  
Dallas, Texas 75201

214.303.1500/Tel  
214.303.1512/Fax  
www.gff.com

Date: February 25, 2011



TYPICAL BUILDING UNIT PLAN - SECOND FLOOR

GreenHaus at the Santa Fe Trail  
 Shared Housing Center  
 Dallas, Texas

Second Floor Plan



Date: February 25, 2011

**gff** Good Fulton & Farrell Architects  
 2808 Fairmount Street  
 Suite 300  
 Dallas, Texas 75201  
 214.303.1500/td  
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## TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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J. Paul Oxer

April 19, 2011

Ms. Maria Machado  
SH Community, L.P.  
402 N. Good Latimer Expressway  
Dallas, TX 75204  
Email: [mmachado@sharedhousing.org](mailto:mmachado@sharedhousing.org)

Re: Application #11114, Green Haus on the Santa Fe Trail

Dear Ms. Machado:

The Texas Department of Housing and Community Affairs (the "Department") appreciates your participation in the 2011 Housing Tax Credit program. Staff reviews every application thoroughly to ensure eligibility and compliance with Department and program rules. During the course of the Department's review of your application it was identified that the proposed development includes non-conforming unit sizes as required by §49.8(5)(B) of the 2011 Qualified Allocation Plan (QAP).

While not identified as a Supportive Housing development, certain portions of the application describe a plan to offer Single Room Occupancy (SRO)/efficiency units to families transitioning from homelessness. By definition, Single Room Occupancy is an efficiency unit which must not contain a separately enclosed bedroom. Further review of the unit floor plans provided in your application confirm that you have twenty 1-bedroom, 1½-bath units and four 2-bedroom, 2-bath units, all with a separately enclosed bedroom. Given that this development is not offering SRO units, it is not eligible for an exception to the minimum unit sizes that are available to developments proposing Rehabilitation or Single Room Occupancy. Additionally, it is worth noting that a brief review of the selection portion of your application reveals your assumption of qualifying as an SRO in requesting points for specific items.

As a result, the application for Green Haus on the Santa Fe Trail is no longer eligible for consideration for the 2011 Housing Tax Credit Application Cycle.

An Appeals Policy exists for the Housing Tax Credit Program. The restrictions and requirements relating to the filing of an appeal can be found in §49.10(d) of the 2011 QAP. If you choose to appeal this determination, you must first submit an appeal to the Executive Director no later than 5:00 pm on **April 26, 2011**. In the event an appeal is denied by the Executive Director, you may appeal directly in writing to the Board, provided that an appeal filed with the Board is received by **April 26, 2011**.

If you have any questions, please do not hesitate to contact Raquel Morales at 512-475-1676 or [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us).

Sincerely,



Robbye G. Meyer  
Director of Multifamily Finance

MFF/rbm

cc: Mike Sugrue  
Email: [msugrue@hotmail.com](mailto:msugrue@hotmail.com)

**MULTIFAMILY FINANCE DIVISION  
BOARD ACTION REQUEST  
July 18, 2011**

**Requested Action**

Deny the Applicant's appeal to reinstate four points to the final score for Application #11140, Villas of Giddings.

**WHEREAS**, an application for tax credits was submitted for Villas of Giddings on March 1, 2011; and

**WHEREAS**, points were requested in the Application under §49.9(a)(18) of the 2011 Qualified Allocation Plan (QAP) for Developments Located in Census Tracts With No Other Existing Same Type Developments Supported by HTC; and

**WHEREAS**, the points were not awarded because another HTC Development that targets the same population exists within the same census tract; therefore,

**BE IT RESOLVED**, that the appeal of Application #11140, Villas of Giddings is hereby denied as presented in this meeting.

**Background**

Villas of Giddings is a proposed 36-unit new construction development consisting of three and four-bedroom single family homes in Giddings. While the Applicant requested points under §49.9(a)(18) of the QAP for Developments located in a census tract where there are no other existing same type developments; during staff's review of the Application it was determined the Application was not eligible for the points because there is another HTC Development that targets the same population within the same census tract.

The Applicant's appeal stated that although the Department has generally interpreted "same type of household" as being either General or Elderly, the QAP leaves room for other interpretations. Specifically, the appeal indicated that despite there being another existing HTC development in the same census tract as the subject application, the proposal for Villas of Giddings is clearly not targeting the same type of household. Villas of Giddings differs in that it will offer three and four bedroom, single family homes with garages for larger families whereas the other existing HTC development offers one and two bedroom, multifamily style units for individuals or smaller families.

The Department's Housing Tax Credit Site Demographics Report currently does not differentiate developments on the basis of being targeted to larger families versus smaller families. The intent of this point item is to not concentrate developments funded by tax credits in specific census

tracts, particularly not in census tracts that already have an existing HTC development serving the same population.

Staff recommends denial of the appeal.



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

[www.tdhca.state.tx.us](http://www.tdhca.state.tx.us)

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GOVERNOR

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Juan S. Muñoz, Ph.D  
J. Paul Oxer

June 23, 2011

*Writer's direct # (512) 475-1676*  
*Email: [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us)*

Mr. Dru Childre  
GS Old Denton Housing, LP  
2608 Eastland Avenue, #105  
Greenville, TX 75402

RE: Appeal of Scoring Notice for #11140, Villas of Giddings

Dear Mr. Childre:

I have carefully reviewed the appeal received on June 8, 2011, by the Texas Department of Housing and Community Affairs (the "Department"), regarding your request to reinstate 4 points for Developments in Census Tracts With No Other Existing Same Type Developments Supported by HTC pursuant to §49.9(a)(18) of the 2011 Qualified Allocation Plan and Rules (QAP).

The points requested were not awarded because another HTC development that targets the same population exists within the same census tract, thereby making the Applicant ineligible for the points. You appeal that although the Department has generally interpreted "same type of household" as being either General or Elderly, the QAP leaves room for other interpretations. You indicate that despite another existing HTC development is located in the same census tract the proposal for Villas of Giddings is clearly not targeting the same type of household because the subject application will offer three and four bedroom, single family homes with garages for larger families whereas the other existing development offers one and two bedroom, multifamily style units for individuals or smaller families.

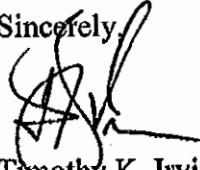
The Department's Housing Tax Credit Site Demographics Report currently does not differentiate developments on the basis of being targeted to larger families versus smaller families. The intent of this point item is to not concentrate developments funded by tax credits in specific census tracts, particularly not in census tracts that already have an existing development serving the same population. Therefore, in keeping with the QAP staff made the correct determination that this application is not eligible for the points requested.

Your appeal is denied.

Pursuant to your request your appeal will be placed on the agenda for the July 18<sup>th</sup> Board meeting. If you wish to submit additional documentation for the Board appeal, please submit that

information to the Department no later than 5:00 p.m. on June 29, 2011. If you have any questions, please do not hesitate to contact Raquel Morales at 512-475-1676 or [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us).

Sincerely,



Timothy K. Irvine  
Acting Director

Rbm

cc: Jeff Spicer  
Kelly Garrett  
John Shackelford



Villas of Giddings  
GS Old Denton Housing, LP

**Appeal Request**

---

June 8, 2011

Ms. Robbye Meyer  
Director of Multifamily Finance  
Texas Department of Housing and Community Affairs  
221 East 11<sup>th</sup> Street  
Austin, Texas 78701

RE: TDHCA #11140, Villas of Giddings

Dear Ms. Meyer,

Please accept this letter as a formal Appeal to Staff's decision to not award Villas of Giddings application the 4 points requested for Selection Criteria category §49.9(a)(18) – Development in Census Tracts with no Other Existing Same Type Developments Supported by HTC.

In the 2011 QAP, the Selection Criteria description for this category states that an "Applicant may receive 4 points if the proposed Development is located in a census tract in which there are no other existing Developments supported by Housing Tax Credits that serve the same type of household". The wording "same type of household" is undefined by the QAP. For purposes of convenience staff has generally interpreted this as being either General or Elderly. However the QAP leaves room for other interpretations of 'Same type of household'.

Even though there is another General target population development (Windmill Apartments) supported by tax credits within the same census tract, Villas of Giddings is clearly NOT the "same type of household" as the Windmill Apartments. The Villas of Giddings development will consist of 36 three and four bedroom, single-family houses with garages located on individual lots within a single-family subdivision that targets large families that require the space needed for living. These individual homes are very different than the one and two bedroom multi-family style complex that the Windmill Apartments offers. One development serves LARGE FAMILIES while the other serves individuals or small families. These are clearly not the same type of household.

The need for good quality affordable housing that targets the larger families that consist of 2 or more kids in the City of Giddings is great and that is clearly supported by the overwhelming support from the City and the surrounding community (please see attached support letters). These families with 2 or more kids would have a difficult time living within the confined quarters of a one and two bedroom multi-family complex.

The consideration of awarding Villas of Giddings the requested 4 points for the Development in Census Tracts with no Other Existing Same Type Developments Supported by HTC would be greatly appreciated by the many larger families that would benefit from the Villas of Giddings homes.

Please contact me at 214-850-2842 or [dru@statestreethousing.com](mailto:dru@statestreethousing.com) if you need any additional information.

Sincerely,

A handwritten signature in black ink that reads "Dru Childre". The signature is written in a cursive, flowing style.

Dru Childre  
Authorized Representative  
GS Old Denton Housing, LP

cc: Raquel Morales (via email)  
Jeff Spicer (via email)  
Kelly Garrett (via email)  
John Shackelford (via email)  
Tim Irvine (via email)

**MULTIFAMILY FINANCE PRODUCTION DIVISION  
Housing Tax Credit Program - 2011 Application Round  
Scoring Notice - Competitive Housing Tax Credit Application**

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**Appeal Election Form: 11140, Villas of Giddings**

I am in receipt of my 2011 scoring notice and am filing a formal appeal to the Executive Director on or before Wednesday, June 8, 2011.

**If my appeal is denied by the Executive Director,:**

I do wish to appeal to the Board of Directors and request that my application be added to the Department Board of Directors meeting agenda. My appeal documentation, which identifies my specific grounds for appeal, is attached. If no additional documentation is submitted, the appeal documentation to the Executive Director will be utilized.

I do not wish to appeal to the Board of Directors.

**Note: If you do not wish to appeal this notice, you do not need to submit this form.**

Signed Keeg Ramirez  
Title Developer  
Date 6-1-11

Please fax or email to the attention of Raquel Morales:  
Fax: (512) 475-0764 or (512) 475-1895  
Email: <mailto:raquel.morales@tdhca.state.tx.us>

**TIM KLEINSCHMIDT**

STATE REPRESENTATIVE

DISTRICT 17



State of Texas  
House of Representatives  
Austin

CAPITOL OFFICE

P.O. BOX 2910

AUSTIN, TEXAS 78768-2910

(512) 463-0682

FAX: (512) 463-5896

March 28, 2011

Mr. Michael Gerber, Executive Director  
Texas Department of Housing and Community Affairs  
211 E. 11<sup>TH</sup> Street  
Austin, TX 78701

Villas of Giddings – TDHCA #11140

Dear Mr. Gerber:

I want to take this opportunity to explain to you the dire situation that is going on in Giddings right now. It has come to my attention that many indigent people in Giddings have been falling through the cracks and have no decent and affordable options for housing at the moment. Entire families have been forced to be crammed into tiny, single apartments merely for lack of another affordable place to go.

This is causing much suffering for low-income families, and I believe that this is not healthy for the people or for the town's future growth. There has been no new affordable housing built in over ten years in Giddings. I assert that the present infrastructure is obviously extremely inadequate to support either the present or future needs of these low-income families. In short, the old infrastructure is crumbling quickly and needs to be addressed. In addition, if this housing is not built in the proposed lots, those lots will only continue to foster vagrancy, garbage and vandalism. I would like to point out that there has been only one other housing structure in town that was built over a decade ago, and nothing has been put in place or done since.

There has been so much recent growth and expansion in Giddings, and so many of these larger families that have to relocate to Giddings for jobs are now stuck in a situation without adequate or affordable places to live. Some of them are even forced to rent two apartments just to have enough room. Basically they either wind up having to cram multiple people, children, and elderly into tiny apartments, or to live far out of town and commute. Neither of these are good options.

COMMITTEES:

LAND & RESOURCE MANAGEMENT, VICE-CHAIR • AGRICULTURE & LIVESTOCK

**TIM KLEINSCHMIDT**

STATE REPRESENTATIVE

DISTRICT 17



State of Texas  
House of Representatives  
Austin

CAPITOL OFFICE  
P.O. BOX 2910  
AUSTIN, TEXAS 78768-2910  
(512) 463-0682  
FAX: (512) 463-5896

I have communicated with the people of Giddings about this issue and the city is completely on board to approve the housing. In fact, a similar construction was successfully built recently in South Dallas. I implore you to grant the approval of the tax credits to be used for the development of the 36-unit single-family rental development to provide housing for these destitute families in need in Giddings. I have reviewed and analyzed the development plans closely and I believe the quality single-family rental development they propose will be of immeasurable benefit to not only the families in need, but also for the betterment of the whole community.

Thank you in advance for your support,

A handwritten signature in cursive script that reads "Tim Kleinschmidt".

Tim Kleinschmidt

COMMITTEES:

LAND & RESOURCE MANAGEMENT, VICE-CHAIR • AGRICULTURE & LIVESTOCK

FORM FOR QUALIFIED NEIGHBORHOOD ORGANIZATIONS TO SUBMIT  
TO TDHCA FOR QUANTIFIABLE COMMUNITY PARTICIPATION

Texas Department of Housing and Community Affairs



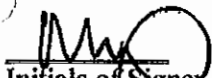
02-23-11 P01:30 IN

Certify to each requirement by checking each box as required and accurately filling in all blanks. All attachments must be included in QCP submission package.

1.  This organization is submitting this form and attachments regarding the following proposed application:  
Development Name: Rolling Oaks TDHCA #: \_\_\_\_\_  
Development Location: Giddings  
Development City: Texas Development County: Lee
  
2.  The persons signing this form have the authority to sign on behalf of this organization.  
Organization Name: Rolling Oaks Neighborhood Organization  
1st Contact Name and Title: Michael Oller, President  
1st Contact Mailing Address: 100 Mossy Oaks  
1st Contact City: Giddings 1st Contact Zip Code: 78942  
1st Contact Day Phone: (817) 313-8158 1st Contact Fax: None  
1st Contact Evening Phone: (817) 313-8158 1st Contact E-Mail: michaeloller.1@gmail.com
  
3.  This organization is also providing the following additional contact and information for our organization:  
2nd Contact Name: David Ramos  
2nd Contact Mailing Address: 831 Rolling Oaks Drive  
2nd Contact City: Giddings 2nd Contact Zip Code: 78942  
2nd Contact Day Phone: (512) 677-8352 2nd Contact Fax: None  
2nd Contact Evening Phone: (512) 677-8352 2nd Contact E-Mail: dr.dave@verizon.net
  
4. **Boundary Description and Map:** Provide a written description of the geographical boundaries of the neighborhood organization. (Example: North boundary is Main St, East boundary is a railroad track, South boundary is First St and West boundary is Jones Ave) Submit a boundary map. The boundary map should be legible, clearly marked with the geographical boundaries of the neighborhood organization, and indicate the location of the proposed development. The written description and boundary map should have the same geographical boundaries.

Written Boundary Description:

Rolling Oaks, Blocks 1,2,3 & 4 bounded by Oakbend Lane to the North, Lazy Oaks to the East, Moosy Oaks to the South and Rolling Oaks Drive to the West. Located in Lee County, Giddings, Texas. See attached street map. Note: Boundaries are highlighted in green and development area is highlighted in red.

  
Initials of Signer

5.  This organization certifies that the boundaries of this organization include the proposed Development site in its entirety. This organization acknowledges that annexations after March 1, 2011 are not considered eligible boundaries and a site that is only partially within the boundaries will not satisfy the requirement that the boundaries contain the proposed Development site.

6.  This organization certifies that it meets the definition of "Neighborhood Organization"; defined as an organization of persons living near one another within the organization's defined boundaries that contain the proposed Development Site and that has a primary purpose of working to maintain or improve the general welfare of the neighborhood. This organization further certifies that it is a (must check on of the following boxes):

Homeowners Association

Property Owners Association

Resident Council and our members occupy the existing development

Other

7. **Certification of Record:** Choose one box. Registration with the county or with the Secretary of State both requires proof of registration. All 3 selections require evidence of the organization's existence (ex. bylaws, newsletter, minutes, etc.) and the process to provide notice to persons living within the boundaries to join or participate in the affairs of the organization (ex: letter, posting notice, etc.).

This organization certifies that it was:

On record, as of March 1, 2011, with the county in which the development is proposed to be located. (Attach documentation from the county of registration and required documentation)

On record, as of March 1, 2011, with The Secretary of State as an incorporated entity in good standing. (Attach documentation from the Secretary of State of registration and required documentation)

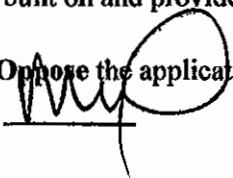
Requesting to be on record, as of March 1, 2011, with The Texas Department of Housing and Community Affairs (the "Department"). (Attach required documentation)

8. **Statement of Support/Opposition:** (Choose only one box and clearly and concisely state at least one or more reason(s) for the organization's support/opposition; use additional sheets, as needed.)

This organization certifies that we:

**Support** the application for Competitive Housing Tax Credits referenced above for the following reasons:  
We support the proposed new housing in our neighborhood and look forward to welcoming the new families that will consider Rolling Oaks their home. It will be great to see that these long time vacant lots will be built on and provide much needed housing in our community and improve the quality of our neighborhood.

**Oppose** the application for Competitive Housing Tax Credits referenced above for the following reasons:

  
\_\_\_\_\_  
Initials of Signer

9. Certify the following:

- This organization acknowledges that this form and attachments must be submitted **no later than March 1, 2011**
- This organization certifies that it was not formed by any Applicant, Developer or any employee or agent of any Applicant in the 2011 Competitive Housing Tax Credit Application Round; the organization, and any members, did not accept money or a gift to cause the neighborhood organization to take its position of support or opposition; the Applicant, Developer or any employee or agent of any Applicant has not provided any assistance, other than education and information sharing, to the neighborhood organization for any application in the Application Round (i.e. hosting a public meeting, providing the "TDHCA Information Packet for Neighborhoods" to the neighborhood organization, or referring the neighborhood organization to TDHCA staff for guidance are acceptable forms of assistance); and that the Applicant, Developer or any employee or agent of any Applicant has not provided any "production" assistance for any application in the Application Round (i.e. use of fax machines owned by the Applicant, use of legal counsel related to the Applicant, delivery of form or assistance drafting a form).
- This organization acknowledges that this completed form and required attachments must be submitted to Texas Department of Housing and Community Affairs, Attention: Director of Multifamily Finance, Neighborhood Input, P.O. Box 13941 (MC 332-10), Austin TX 78711-3941. For overnight or courier delivery use the following physical address: 221 East 11<sup>th</sup> Street, Austin TX 78701-2410. **Do not use P.O. Box address for overnight or courier delivery.** Form and Attachments may also be faxed to (512) 475-1895 or toll free at (800) 733-5120.
- This organization certifies that all certifications contained herein are true and accurate. **(First and Second Contacts must sign below):**



(First Contact Signature)

2-22-11

(Date)

Michael Oller  
(Printed Name)

President  
(Title)



(Second Contact Signature)

2-22-11

(Date)

Dave Ramos  
(Printed Name)

Treasurer and Secretary  
(Title)



Corporations Section  
P.O.Box 13697  
Austin, Texas 78711-3697



Hope Andrade  
Secretary of State

Office of the Secretary of State  
Packing Slip

February 18, 2011  
Page 1 of 1

Michael Oller  
PO Box 658  
Mansfield, TX 76063

**Batch Number:** 35543540

**Batch Date:** 02-18-2011

**Client ID:** 337327085

**Return Method:** Delivery Service  
Walker Michael Oller

**Phone No:** 8173138158

Document Number	Document Detail	Filing Number / Name	Page Count	Fee
355435400002	Expedited	Rolling Oaks Neighborhood Organization	0	\$25.00
355435400002	Certificate of Formation	Rolling Oaks Neighborhood Organization	0	\$25.00
			<b>Total Document Fees</b>	<b>\$50.00</b>

Payment Type	Payment Status	Payment Reference	Amount	
Check	Received	2566	\$50.00	
			<b>Total Payments Received</b>	<b>\$50.00</b>
			<b>Total Amount Charged to Client Account</b>	<b>\$0.00</b>
			<b>Total Amount Credited to Client Account</b>	<b>\$0.00</b>

**Note:** This is not a bill. Please do not send any payments until the monthly statement is received.  
Any amount credited to Client Account may be refunded upon request.  
Refunds (if applicable) will be processed within 10 business days.  
Acknowledgement of Filing Document(s) (if present) is attached.

User ID: VTOBIAS

Come visit us on the Internet @ <http://www.sos.state.tx.us/>

Phone:(512) 463-5555

FAX (512) 463-5709

Dial: 7-1-1 for Relay Services



## Office of the Secretary of State

February 18, 2011

Michael Oller  
PO Box 658  
Mansfield, TX 76063 USA

RE: Rolling Oaks Neighborhood Organization  
File Number: 801386089

It has been our pleasure to file the certificate of formation and issue the enclosed certificate of filing evidencing the existence of the newly created nonprofit corporation.

Nonprofit corporations do not automatically qualify for an exemption from federal and state taxes. Shortly, the Comptroller of Public Accounts will be contacting the corporation at its registered office for information that will assist the Comptroller in setting up the franchise tax account for the corporation. Information about franchise tax, and contact information for the Comptroller's office, is available on their web site at <http://window.state.tx.us/taxinfo/franchise/index.html>. For information on state tax exemption, including applications and publications, visit the Comptroller's Exempt Organizations web site at <http://window.state.tx.us/taxinfo/exempt/index.html>. Information on exemption from federal taxes is available from the Internal Revenue Service web site at [www.irs.gov](http://www.irs.gov).

Nonprofit corporations do not file annual reports with the Secretary of State, but do file a report not more often than once every four years as requested by the Secretary. It is important for the corporation to continuously maintain a registered agent and office in Texas as this is the address to which the Secretary of State will send a request to file a periodic report. Failure to maintain a registered agent or office in Texas, failure to file a change to the agent or office information, or failure to file a report when requested may result in the involuntary termination of the corporation. Additionally, a nonprofit corporation will file documents with the Secretary of State if the corporation needs to amend one of the provisions in its certificate of formation. If we can be of further service at any time, please let us know.

Sincerely,

Corporations Section  
Business & Public Filings Division  
(512) 463-5555  
Enclosure



## Office of the Secretary of State

### CERTIFICATE OF FILING OF

Rolling Oaks Neighborhood Organization  
File Number: 801386089

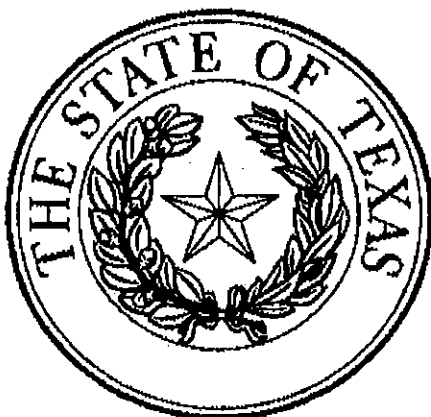
The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Nonprofit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 02/18/2011

Effective: 02/18/2011



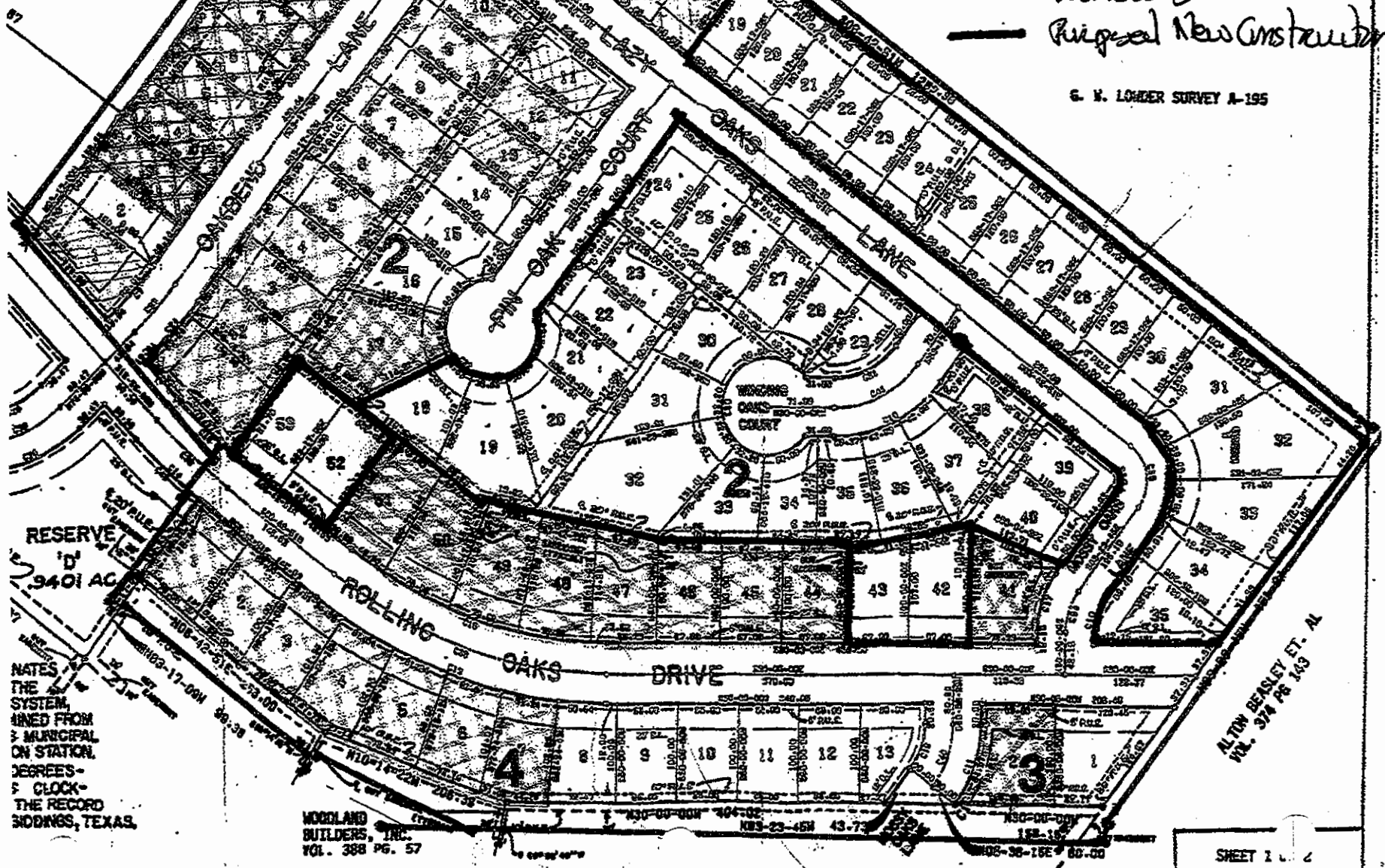
A handwritten signature in black ink, appearing to read "Hope Andrade".

Hope Andrade  
Secretary of State

21	89,470	32,324	71,835	73,178	000-00-00	567-00-00
22	552,970	29,978	87,870	87,888	000-00-00	512-00-00
23	722,000	48,781	92,284	92,273	011-00-00	512-22-00
31	327,970	27,492	84,292	84,284	000-00-00	515-00-00
32	883,482	55,580	104,582	104,583	000-12-00	511-18-00
33	489,980	182,278	308,281	313,278	000-00-51	511-38-00
34	85,928	21,771	41,538	42,081	000-00-18	878-18-00
35	45,500	44,814	87,528	70,588	000-00-24	878-38-00
36	44,500	44,808	87,638	70,588	000-00-24	878-38-00
37	802,182	32,415	84,817	84,888	000-11-00	878-41-00
38	128,420	49,901	89,220	85,288	042-10-15	878-00-00
39	142,830	72,181	130,288	134,273	061-30-40	878-40-00
40	104,900	34,289	85,287	88,284	000-00-17	878-18-00
41	108,730	88,082	88,412	102,083	063-17-00	878-38-00
42	118,830	16,221	24,287	23,288	014-18-48	878-00-00
43	889,480	45,718	81,222	81,293	007-39-15	512-00-00
44	302,000	29,882	88,078	88,124	011-13-38	515-18-12
45	302,000	29,783	81,482	81,600	022-00-24	878-40-12

TOWN MAP  
 1" = 2000'

S.R. MAYER  
 VOL. 183, PG. 217-218



Property Owners Organization  
 Bombardier  
 Proposed New Construction

G. W. LINDER SURVEY A-195

RESERVE  
 17.9401 AC

NOTES:  
 THE SYSTEM  
 LINED FROM  
 MUNICIPAL  
 ON STATION  
 DEGREES-  
 5 CLOCK-  
 THE RECORD  
 BIDDING, TEXAS.

WOODLAND  
 BUILDERS, INC.  
 VOL. 388 PG. 57

ALTON BEASLEY ET. AL  
 VOL. 374 PG. 143

SHEET 1 OF 2

## **Neighborhood Organization Bylaws**

### **Bylaws of the**

## **Rolling Oaks Neighborhood Organization**

### **A Texas Nonprofit Corporation**

#### **Article I. Name and Purpose**

**Section 1.01: NAME.** The NAME of this organization shall be the Rolling Oaks Neighborhood Organization, Inc. hereafter referred to as THE ORGANIZATION. It shall be a nonprofit organization incorporated under the laws of the State of Texas.

**Section 1.02: PURPOSE:** The Bylaws shall govern the Corporation and its members and facilitate the fulfillment of the purposes provided in the Articles of Incorporation.

The general purposes for which the Organization is organized are for the efficient preservation and improvement of the values within the community and subdivision of Rolling Oaks, County of Lee, Giddings, State of Texas. The specific purposes for which the organization is organized are as follows:

- (a) To protect existing protective covenants of record relating to the subdivision and facilitate enforcement of city ordinances affecting the subdivision.
- (b) To serve in disseminating communications of notices of matters of common interest to the members of this organization.
- (c) To formulate and recommend for consent and enforcement by the members of the Organization any policies, standards or regulations relating to the improvement, maintenance and preservation of private property owned by said members which might further the general purposes above described and to prevent community deterioration.
- (d) To collect and disburse membership assessments and charges to further any of the above described general or specific purposes.

#### **Article II. MEMBERSHIP.**

**SECTION 2.01: ELIGIBILITY FOR MEMBERSHIP.** Any owner of property in, the Rolling Oaks Addition, Blocks 1,2,3,4 and Property described as: RC262621 A195 LOWDER, G.W. TRACT C012, and/or bounded by Oakbend Lane to the North, Lazy Oaks to the East, Mossy Oaks to the South and Rolling Oaks Drive to the west, Lee County, Giddings, Texas, is eligible for Membership in the Organization upon [full payment of the annual dues, and] completion of an Application for Membership form.

**Section 2.02: HONORARY MEMBERSHIP.** Any person may acquire Honorary membership in the Organization upon full payment of the membership dues, by a majority vote of the Membership at a regularly scheduled meeting. Honorary Membership entitles the person to all corespondents and free participation in neighborhood events for one year from the date of membership. Honorary Membership does not, however, include voting rights.

**Section 2.03: ANNUAL DUES.** The amount required for annual dues shall be \$ 25.00 each year, unless changed by a majority vote of the members in attendance at an annual meeting. Membership enrollment will take place each January. Full payment of the annual dues will entitle the Property Owner to full membership privileges for one year. Dues may, on occasion, be paid by donation of comparable products or services to the Organization, by prior approval of the Officers of the Organization.

**Section 2.04: VOTING RIGHTS.** The full payment of the annual dues will entitle one person over age eighteen in the Member's household (excluding Honorary Members) or if such case exists that a person or entity has multiple properties to one vote per home/lot in Organization elections.

**Section 2.05: TERMINATION OF MEMBERSHIP.** Membership in the Organization is automatically terminated whenever the Member is in default of payment of the annual dues. A member may also be removed by a majority vote of the membership.

**Section 2.06: RESIGNATION.** Any Member may resign by filing a written resignation with the Secretary of the Organization. Such resignation shall not relieve the resigning Member of the obligation to pay any dues, assessments, or other charges theretofore accrued and unpaid. Upon resignation, however, the resigning Member will be refunded any unaccrued dues on a pro-rated basis. And/Or, when the Member moves from the neighborhood.

### **ARTICLE III. OFFICERS.**

**Section 3.01: OFFICERS.** The Organization shall have the following officers:

- 1) President,
- 2) Vice-President,
- 3) Treasurer, and Secretary.

**Section 3.02: ELECTION OF OFFICERS.** The Officers shall be elected by majority vote at the annual meeting of the full membership.

**Section 3.03: TERM OF OFFICE.** The Officers shall serve a one-year term, with no limitations on future terms.

Section 3.04: DUTIES. The duties of the Officers are as follows:

- 1) The **PRESIDENT** shall be the principal executive officer of the Organization and shall preside over all meetings, represent the Organization on public occasions, and make such committee appointments from the membership as shall be deemed advisable for the effective conduct of the work of the Organization.
- 2) The **VICE-PRESIDENT** shall assist the President as the President requests, and represent the Organization on appropriate occasions. The Vice-President shall also, in the absence or disability of the President, perform the duties and exercise the powers of the President of the Organization.
- 3) The **TREASURER** shall collect, safeguard, disburse and make periodic reports of all funds collected in the name of the Organization.
- 4) The **SECRETARY** shall keep attendance records and record the proceedings of all meetings, maintain adequate records of the Organizations activities, and conduct such official correspondence as shall be required.
- 5) The duties of the officers shall not be limited as enumerated above, but they may discharge in addition such duties as are assigned by the Organization Membership.
- 6) Unless so authorized, no officer shall have any power or authority to bind the Organization by any contract or engagement, to pledge its credit, or to render if liable pecuniarily for any purpose or in any amount.

Section 3.05: VACANCIES AND REMOVAL FROM OFFICE. Any Officer may be removed by a majority vote of the members of the Organization (excluding the Officer to be removed). Upon the death, removal, resignation, or incapacity of an Officer of the Organization, a majority of the Organization shall elect a successor.

Section 3.06: MANAGEMENT. The Organization shall be managed by the Officers so elected, with powers consistent with the Articles of Incorporation and these Bylaws of the Organization.

#### ARTICLE IV. MEETINGS OF MEMBERS.

Section 4.01: PLACE OF MEETINGS. Meetings of the Members shall be held at the principal business office of the Organization or at any other place the President or a majority of the Members may from time to time select.

Section 4.02: REGULAR MEETINGS. Regular meetings of the Organization shall be held semi annually at a time and place designated by the President.

**Section 4.03: ANNUAL MEETING.** An annual meeting of the Members shall be held in the month of January of each year, if possible. At such meeting, the Members shall elect the Officers of the Organization, receive reports on the affairs of the Organization, and transact any other business which is within the power of the Members. If an annual meeting has not been called and held within six months after the time designated for it, any Member may call the annual meeting.

**Section 4.04: SPECIAL MEETINGS.** Special meetings of the Members may be called by the President, or by a majority of the Officers of the Organization.

**Section 4.05: NOTICE OF MEETINGS.** A written or printed notice of each meeting, stating the place, day, and hour of the meeting, shall be given by the Secretary of the Organization, or by the person authorized to call the meeting, to each Member of record entitled to vote at the meeting. This notice shall be given at least seven (7) days before the date named for the meeting, with the exception of Regular Monthly Meetings for which, once a firm date, time and place have been publicized to all the members, no further notice shall be required.

**Section 4.06: QUORUM.** The Members present at any properly announced meeting shall constitute a quorum at such meeting.

#### **ARTICLE V. VOTING.**

**Section 5.01: VOTING.** All issues shall be decided by a majority vote of members present at the meetings.

**Section 5.02: VOTING BY MAIL.** Where Officers are to be elected by Members, or any changes in the Bylaws are to be voted on, or any other election is to be made whereby a count of the votes of all members may be desired, such election may be conducted by mail or by distribution ballot in such manner as the officers of the Organization shall determine advisable.

#### **ARTICLE VI. COMMITTEES.**

**Section 6.01: AUTHORIZATION TO ESTABLISH COMMITTEES.** The Organization may establish committees as deemed necessary to pursue its stated objectives. Members of Committees shall be appointed by the President.

#### **ARTICLE VII. FINANCES.**

**Section 7.01: EXPENDITURES.** Expenditures of funds amounting to over Five Hundred Dollars (\$500) in any month must be approved by majority vote of the Membership present at any properly-announced meeting of the Membership. Printing of Notices, Directories and Newsletters etc. are exempt by this rule.



**Section 7.02: FINANCIAL REPORTS.** Semi Annual and Annual Financial Reports shall be prepared by the Treasurer and presented to the Members at the quarterly and annual meetings.

#### **ARTICLE VII. AMENDMENTS.**

**Section 8.01: PROCEDURE.** These Bylaws may be amended by a two-thirds majority vote of those present at any regular meeting of the Members of the Organization, provided seven days written notice of the proposed amendment and of the meeting is given.

#### **ARTICLE IX. ACCEPTANCE OF BYLAWS**

**Section 9.01: VOTING.** Acceptance of these Bylaws shall be by a two-thirds majority vote of those present at any regular meeting of the Members of the Organization, provided written copies of the Bylaws and written notice of the meeting is given to all Members at least seven days prior to the meeting.

#### **ARTICLE X. NON-COMPLIANCE WITH BYLAWS.**

**Section 10.01: NON-COMPLIANCE PENALTIES.** Noncompliance with the Bylaws of the Organization may result in termination of membership for the offender, upon a two-thirds majority vote by the membership of the Organization. Under no circumstance will noncompliance with any section of these Bylaws constitute the forfeiture of the rights of the Organization to exist or the rights of the Organization to enforce the Bylaws of the Organization.

**Rolling Oaks Neighborhood Organization**  
**New Membership / Renewal Application**

Membership dues are payable each year by January 1<sup>st</sup>. The amount for annual membership is \$25.00. Please complete to following information and make your checks payable to: Rolling Oaks Neighborhood Organization. You will be notified by the board and members on your acceptance.

NAME /NAMES: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

PHONE NUMBERS: Home \_\_\_\_\_ Cell: \_\_\_\_\_

EMAIL: \_\_\_\_\_

**Do you wish to have your name and number in the community directory? Yes No (please circle)**

In an effort to keep the Organization's emergency contact information current please provide us with your most recent information: **THIS IS VOLUNTARY**

Emergency contact name: \_\_\_\_\_

Relationship: \_\_\_\_\_

Emergency Number: \_\_\_\_\_

Comments or Suggestions:

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After completing this application, present the form along with the required annual dues to a board member or bring the application to a scheduled board member meeting. Thank you in advance for making the effort to improve our community



# CITY OF GIDDINGS

118 E. RICHMOND STREET, GIDDINGS, TX 78942

979 540-2710 FAX 979 542-0950

November 3, 2010

Mr. Michael Gerber, Executive Director  
Texas Department of Housing and Community Affairs  
211 E. 11<sup>th</sup> Street  
Austin, TX 78701

Re: Villas of Rolling Oaks

Dear Mr. Gerber:

I would like to express my support for the development of the Villas of Rolling Oaks, which I understand is located on 13 lots in the Rolling Oaks subdivision in Giddings, Texas.

I have met with a representative of the developer and believe the quality development they propose will be a benefit to the surrounding neighborhood and city as a whole. I believe the City of Giddings is in need of additional single-family rental housing that benefits our working families. The use of State HOME funding to finance this development supports the city by bringing in outside funding to bolster the city's limited resources for advancing the housing needs of the community.

If you have any questions, you may contact me at (979) 540-2710 or [charliebrown@giddings.net](mailto:charliebrown@giddings.net). Thank you for your consideration of this development.

Sincerely,

A handwritten signature in black ink, appearing to be 'MB', followed by a horizontal line extending to the right.

Mayor Brown

City of Giddings, Texas

**RESOLUTION NO. 292-2011**

**WHEREAS**, GS Old Denton Housing, LP has proposed a development for affordable rental housing at up to 40 lots in the Rolling Oaks Subdivision named Villas of Giddings in the City of Giddings, Texas;

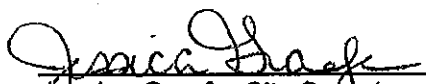
**WHEREAS**, GS Old Denton Housing, LP intends to submit a joint application to the Texas Department of Housing and Community Affairs (TDHCA) for 2011 Housing Tax Credits and HOME Investment Partnership Program funds for Villas of Giddings;

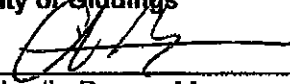
**WHEREAS**, §49.9(a)(5), Texas Administrative Code, which gives Housing Tax Credit points for the commitment of development funding by local political subdivisions, states that the TDHCA HOME Program funds will not qualify for points in this category "unless a resolution is submitted with the application from the Local Political Subdivision authorizing that the Applicant act on behalf of the Local Political Subdivision in applying for HOME or Housing Trust Funds from TDHCA for the particular application."

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GIDDINGS:**

City of Giddings, appoints GS Old Denton Housing, LP to act on its behalf in applying for TDHCA HOME funds for Villas of Giddings.

**PASSED, APPROVED, AND RESOLVED** this 7<sup>th</sup> day of March 2011.

  
\_\_\_\_\_  
Jessica Graefe, City Secretary

City of Giddings  
  
\_\_\_\_\_  
Charlie Brown, Mayor



**11142- Veteran's Place**

**MULTIFAMILY FINANCE DIVISION  
BOARD ACTION REQUEST  
July 18, 2011**

**Requested Action**

Deny the Applicant's appeal to reinstate four points for Application #11142, Veteran's Place.

**WHEREAS**, an application for tax credits was submitted for Veteran's Place on March 1, 2011; and

**WHEREAS**, points were requested in the Application under §49.9(a)(16)(E) of the 2011 Qualified Allocation Plan (QAP) for Developments considered to be located in a High Opportunity Area, particularly including the use of a four story or greater building with structural parking that is located within one quarter mile of existing major bus transfer centers, regional or local commuter rail transportation stations, and/or Transit Oriented Districts; and

**WHEREAS**, the submitted Application did not include structural parking component as required in order to be considered a High Opportunity area; therefore,

**BE IT RESOLVED**, that the appeal of #11142, Veteran's Place is hereby denied as presented in this meeting.

**Background**

Veteran's Place is a proposed 149-unit New Construction Development targeting the general population in Dallas.

The Applicant requested points under §49.9(a)(16)(E) of the QAP for Development Location; specifically, developments located in a high opportunity area. However, staff determined through review of the application that the Applicant was ineligible for the points requested because the development plan included all of the components required to qualify for being in a high opportunity with the exception of the structural parking for the development. The application for Veteran's Place includes the use of a four story building but also includes surface parking associated specifically with the development.

The Applicant's appeal stated that Veteran's Place is part of a much larger development plan that will include structured parking in the form of a parking garage to be available to everyone who uses the facilities planned in this larger development. The appeal further states that designated parking spaces for the residents of the tax credit Development will be provided. While it indicates that the larger development will include the structured parking component that will qualify for the points requested under this item, the Department has not received any information regarding this larger development plan. Additionally, a Memorandum of Understanding or other

formal agreement between the master developer and the tax credit Applicant to provide the structured parking to residents free of charge was not included in the application submission. It is also worth noting that the cost associated with the structural parking required for the point request is not reflected in the development costs for Veteran's Place which is in part why preference would be given to such a higher cost development. Therefore, providing points for an amenity not accounted for in the development's costs provides the Applicant with an unfair advantage over other Applicants who selected points for the exact same item and included the structural parking, along with the corresponding cost of constructing such parking, in their development plan.

Staff recommends denial of the appeal.



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

[www.tdhca.state.tx.us](http://www.tdhca.state.tx.us)

Rick Perry  
GOVERNOR

BOARD MEMBERS  
C. Kent Conine, *Chair*  
Tom H. Gann, *Vice Chair*  
Leslie Bingham-Escareffo  
Lowell A. Keig  
Juan S. Muñoz, Ph.D  
J. Paul Oxer

June 23, 2011

Writer's direct # (512) 475-1676  
Email: [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us)

Mr. Dru Childre  
Sapphire Road Development-Patriot Crossing South, LLC  
P.O. Box 797648  
Dallas, TX 75379-7648

RE: Appeal of Scoring Notice for #11142, Veteran's Place

Dear Mr. Childre:

I have carefully reviewed the appeal received on June 8, 2011, by the Texas Department of Housing and Community Affairs (the "Department"), regarding your request to reinstate 4 points for Development Location pursuant to §49.9(a)(16)(E) of the 2011 Qualified Allocation Plan and Rules (QAP).

The points requested were not awarded because the proposal submitted in the tax credit application does not include structural parking as required in order to be considered a High Opportunity area. The application for Veteran's Place includes the use of a four story building but also includes surface parking associated specifically with the tax credit development.

You appeal that Veteran's Place is part of a much larger development plan that will include structured parking in the form of a parking garage to be available to everyone who uses the facilities planned in this larger development. You indicate that designated parking spaces for the residents of the tax credit application will be provided. While you indicate that the larger development will include the structured parking component that will qualify for the points requested under this item, the Department has not received any information regarding this larger development plan. Additionally, a Memorandum of Understanding or other formal agreement between the master developer and the tax credit Applicant to provide the structured parking to residents free of charge was not included in the application submission. It is also worth noting that the cost associated with the structural parking required for the point request is not reflected in the development costs for Veteran's Place. Therefore, providing points for an amenity not accounted for in the development's costs provides the Applicant with an unfair advantage over other Applicants who selected points for the exact same item and included the structural parking, along with the corresponding cost of constructing such parking, in their development plan.

Your appeal is denied.



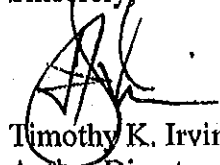
Appeal of Scoring Notice for #11142, Veteran's Place

June 23, 2011

Page 2

Pursuant to your request your appeal will be placed on the agenda for the July 18<sup>th</sup> Board meeting. If you wish to submit additional documentation for the Board appeal, please submit that information to the Department no later than 5:00 p.m. on June 29, 2011. If you have any questions, please do not hesitate to contact Raquel Morales at 512-475-1676 or [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us).

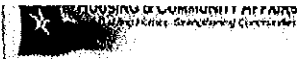
Sincerely,



Timothy K. Irvine  
Acting Director

Rbm

cc:



Housing Tax Credit Program - 2011 Application Round  
Scoring Notice - Competitive Housing Tax Credit Application

**Appeal Election Form: 11142, Veterans Place**

I am in receipt of my 2011 scoring notice and am filing a formal appeal to the Executive Director on or before Wednesday, June 8, 2011.

**If my appeal is denied by the Executive Director,:**

I do wish to appeal to the Board of Directors and request that my application be added to the Department Board of Directors meeting agenda. My appeal documentation, which identifies my specific grounds for appeal, is attached. If no additional documentation is submitted, the appeal documentation to the Executive Director will be utilized.

I do not wish to appeal to the Board of Directors.

Note: If you do not wish to appeal this notice, you do not need to submit this form.

Signed \_\_\_\_\_  
Title MANAGER  
Date 6-1-11

Please fax or email to the attention of Raquel Morales:  
Fax: (512) 475-0764 or (512) 475-1895  
Email: <mailto:raquel.morales@tdhca.state.tx.us>

Veterans Place  
Sapphire Road Development Patriot Crossing South, LLC

June 8, 2011

Mr. Michael Gerber  
Texas Department of Housing and Community Affairs  
221 East 11<sup>th</sup> Street  
Austin, Texas 78701

RE: TDHCA #11142, Veterans Place

Dear Mr. Gerber,

Please accept this letter as a formal Appeal to Staff's decision to not award Veteran's Place application the 4 points requested for Selection category §49.9(a)(16) – Development Location.

We are claiming 4 points under the Development Location category based on the Development being located in a High Opportunity area. Developments located in a High Opportunity area must consist of a four story or greater living facility with structural parking that is proposed to be located within one-quarter mile of existing major bus transfer centers and/or Transit Oriented Districts. Veteran's Place will provide every one of these categories.

As evidenced by the attached Master Development, Veteran's Place is part of a much larger development that will service and honor the Veterans of the United States that live in the Dallas area. It will consist of affordable housing for Veterans and their families, a Veterans Museum, a Pedestrian sky-bridge that will provide easy, comfortable access to the VA Hospital, and much needed medical office space, along with a retail and restaurant component. In addition to all of the facilities, Veteran's Place Master Development will provide structured parking that will be available to everyone who uses any and all of these facilities.

While dealing with the City of Dallas and complying with their parking ordinance, Veteran's Place affordable housing will provide the required parking spaces for the residence of Veteran's Place apartment living. These designated parking spaces will be available to, and only to, the residence and will have a separate entrance gate specific to the residents.

TDHCA Staff decided to remove the requested 4 points because they feel that Veteran's Place does not qualify as a High Opportunity area because of the structured parking situation. Veteran's Place will in fact include structural parking and that was explained in our Deficiency Response packet submitted on April 21, 2011 (included).

The consideration and approval of adding the 4 points back to the Veteran's Place scoring summary would be greatly appreciated by not only the residents that will live at Veteran's Place but all the individuals that will benefit from the overall Master Development.

Sincerely,



Dru Childre  
Authorized Representative  
Sapphire Road Development Patriot Crossing South, LLC



**MULTIFAMILY FINANCE PRODUCTION DIVISION**  
**Housing Tax Credit Program - 2011 Application Round**  
**Scoring Notice - Competitive Housing Tax Credit Application**

Sapphire Road Development - Patriot Crossing South, LLC  
 Yigal Lelah  
 P.O. Box 797648  
 Dallas, TX 75379-7648  
 Phone #: (214) 232-7700  
 Fax #: (972) 381-9400  
 Email: [yigal@veteransplace.net](mailto:yigal@veteransplace.net)

Date Issued: June 01, 2011

**THIS NOTICE WILL ONLY BE TRANSMITTED VIA EMAIL**

Second Email: [vspicer@statestreethousing.com](mailto:vspicer@statestreethousing.com)

**RE: 2011 Competitive Housing Tax Credit (HTC) Application for Veterans Place, TDHCA Number: 11142**

Attention: Yigal Lelah

The Texas Department of Housing and Community Affairs (the "Department") has completed its Eligibility and Selection Criteria Review of the Application referenced above as further described in the 2011 Qualified Allocation Plan ("QAP"). Below, a summary is provided of the score requested, as calculated by the Applicant, followed by the score requested, as calculated by the Department. The two numbers differ if the Applicant's calculation was incorrect. The next score shown is the score awarded to the Application by the Department, followed by the difference between the score requested (as calculated by the Department) and the score awarded. An explanation of the reason(s) for any differences, including points denied, is provided at the top of the second page of this notice. The next scoring items show the number of points awarded for each of the three categories for which points could not be requested by the applicant: §49.9(a)(2) Quantifiable Community Participation (QCP); §49.9(a)(6) Level of Community Support from State Representative or State Senator; §49.9(a)(11) Demonstration of Community Input other than QCP. This is followed, in bold, by the final cumulative number of points awarded by the Department to the Application.

Please note that if you were awarded points under §49.9(a)(5), or (26) of the 2011 QAP this notice only provides an explanation of any point deductions for those items. In addition, note that should this application receive an award of tax credits, at the time the executed Commitment Notice is required to be submitted, the Applicant or Development Owner must provide evidence of a commitment approved by the governing body of a local political subdivision for the sufficient local funding and a commitment approved by a qualifying private, state, or federal source to the Department. Qualifying sources other than those submitted in the Application may be submitted to the Department at the time the executed Commitment Notice is required to be submitted pursuant to §49.9(a)(5) and (26) of the 2011 QAP.

To the extent that a threshold review is not yet completed for this application the final score may still change, in which case you will be notified.

Allocation: Urban                                      Set Asides:     USDA     Non Profit     At Risk

Score Requested by Applicant (Does not include points for §§49.9(a)(2), (6) or (11) of the 2011 QAP):	172
Score Requested as Calculated by Department (Does not include points for §§49.9(a)(2), (6) or (11) of the 2011 QAP):	172
Score Awarded by Department (Does not include points for §§49.9(a)(2), (6) or (11) of the 2011 QAP):	168
Difference between Requested and Awarded (Does not include points for §§49.9(a)(2), (6) or (11) of the 2011 QAP):	4
Points Awarded for §49.9(a)(2), Quantifiable Community Participation:	24
Points Awarded for §49.9(a)(6), Input from State Senator or Representative:	0
Points Awarded for §49.9(a)(11), Community Input Other than QCP:	0
<b>Final Score Awarded to Application by Department:</b>	<b>192</b>



**MULTIFAMILY FINANCE PRODUCTION DIVISION**  
**Housing Tax Credit Program - 2011 Application Round**  
**Scoring Notice - Competitive Housing Tax Credit Application**

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**Page 2 of Final Scoring Notice: 11142, Veterans Place**

**Explanation for Difference between Points Requested and Points Awarded by the Department (explanation does not include points for §§49.9(a)(2), (6) and (11)):**

§49.9(a)(16) - Development Location (4 pts): Applicant requested points for being in a High Opportunity area as defined in 49.5(d)(3)(i); however, while the proposed development includes the use of a four story building it does not include structural parking. The site plan submitted with the application reflects surface parking only associated with the tax credit development. Applicant has indicated that a parking garage will be built in the future and not related to the tax credit application; however, points requested and awarded must be associated to the tax credit application rather than future unrelated development.

A formal appeals policy exists for the Competitive HTC Program. If you wish to appeal this scoring notice (including Set-Aside eligibility), you must file your appeal with the Department no later than 5:00 p.m. (CST), Wednesday, June 8, 2011. If an appeal is denied by the Executive Director, an Applicant may appeal to the Department's Board.

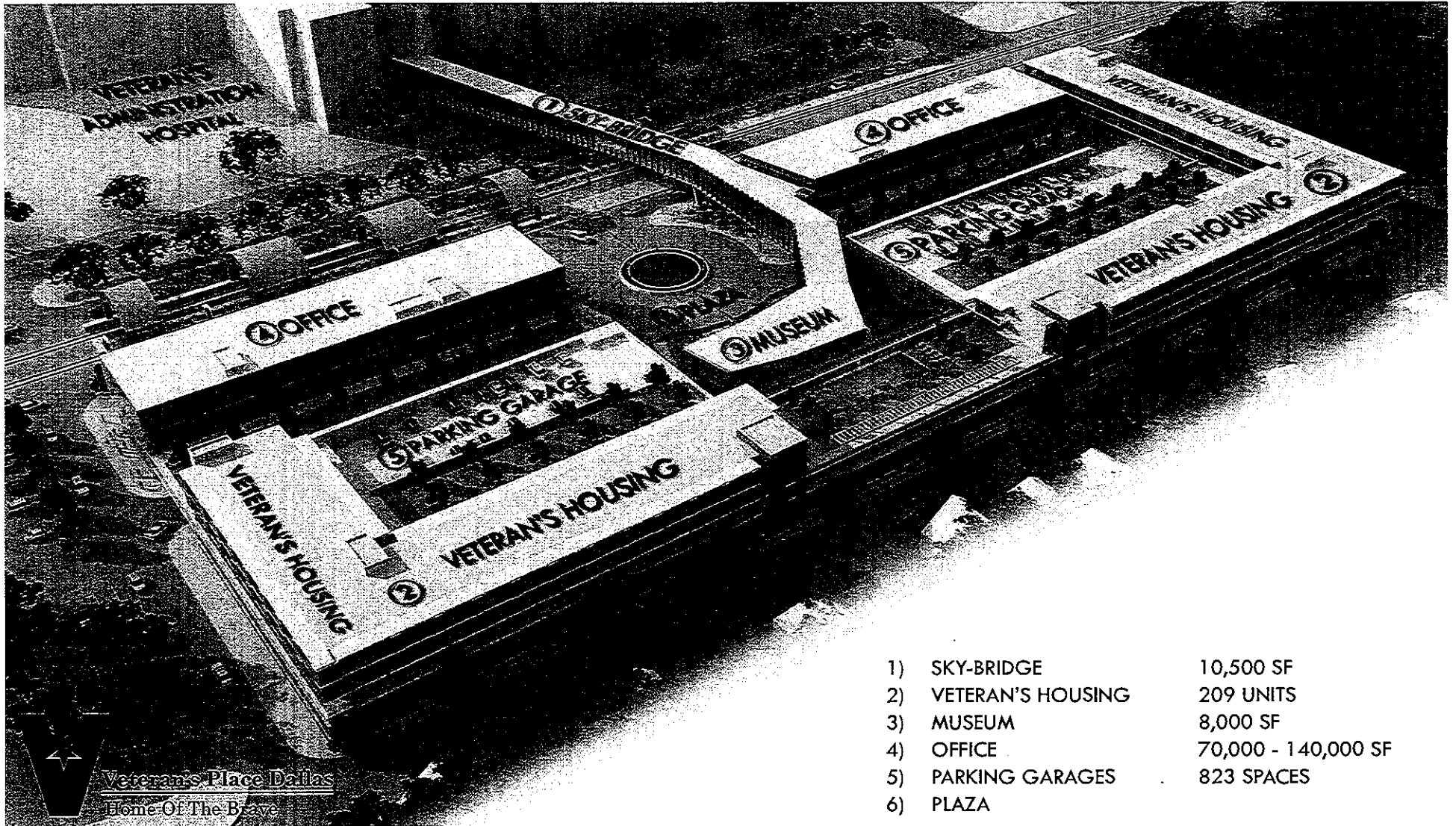
In an effort to increase the likelihood that Board appeals related to scoring and Set-Asides are heard at the Board meeting, the Department has provided an Appeal Election Form for all appeals submitted to the Executive Director. In the event an appeal is denied by the Executive Director, the form requests that the appeal automatically be added to the Board agenda.

If you have any concerns regarding potential miscalculations or errors made by the Department, please contact Raquel Morales by facsimile at (512) 475-0764 or by email at [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us).

Sincerely,

*Robbye Meyer*

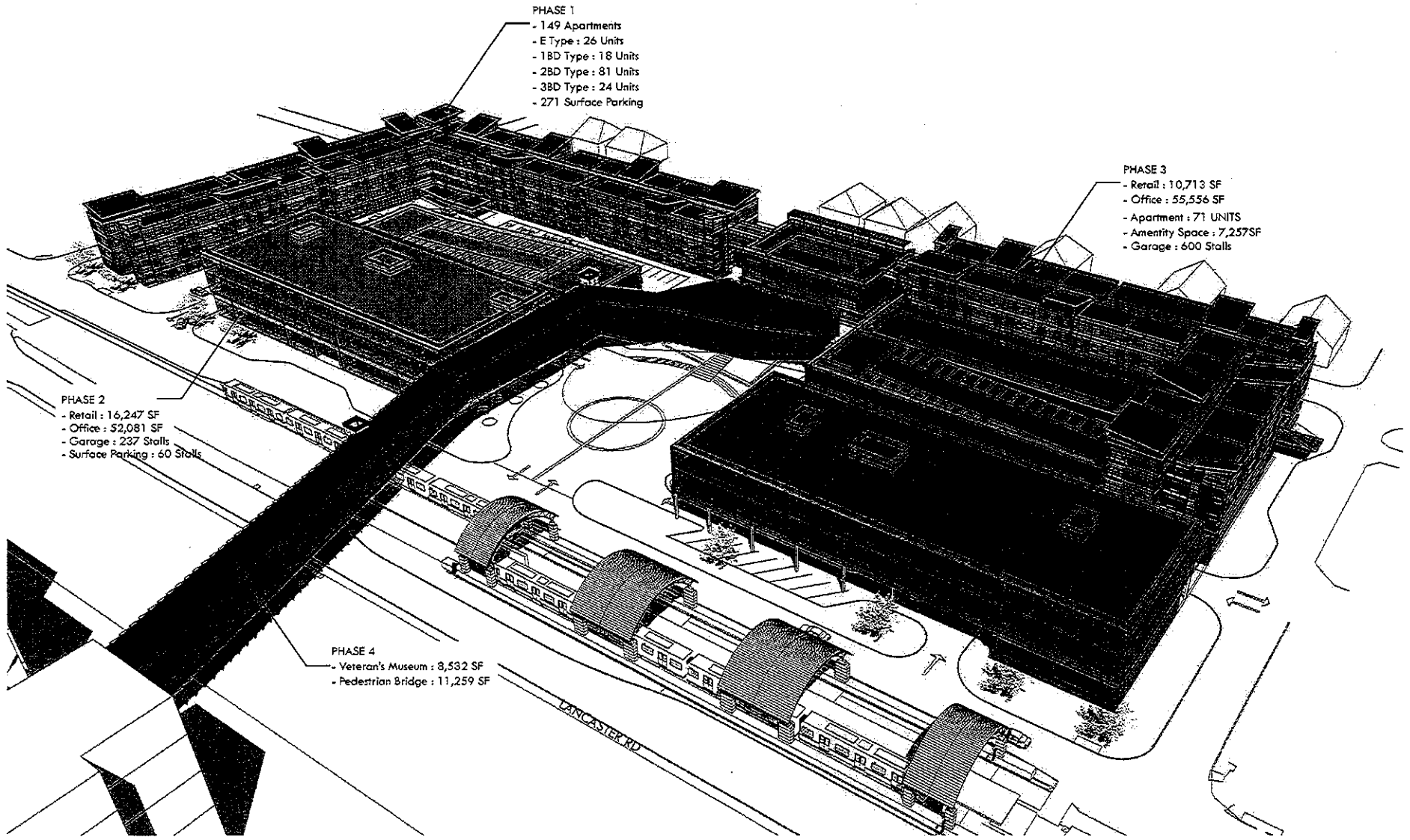
Robbye Meyer  
Director of Multifamily Finance



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1)	SKY-BRIDGE	10,500 SF
2)	VETERAN'S HOUSING	209 UNITS
3)	MUSEUM	8,000 SF
4)	OFFICE	70,000 - 140,000 SF
5)	PARKING GARAGES	823 SPACES
6)	PLAZA	

**Veteran's Place Dallas**  
Home Of The Brave



- PHASE 1
- 149 Apartments
  - E Type : 26 Units
  - 1BD Type : 18 Units
  - 2BD Type : 81 Units
  - 3BD Type : 24 Units
  - 271 Surface Parking

- PHASE 3
- Retail : 10,713 SF
  - Office : 55,556 SF
  - Apartment : 71 UNITS
  - Amenity Space : 7,257SF
  - Garage : 600 Stalls

- PHASE 2
- Retail : 16,247 SF
  - Office : 52,081 SF
  - Garage : 237 Stalls
  - Surface Parking : 60 Stalls

- PHASE 4
- Veteran's Museum : 8,532 SF
  - Pedestrian Bridge : 11,259 SF

Veterans Place  
Sapphire Road Development Patriot Crossing South, LLC

**Deficiency Response**

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April 21, 2011

TDHCA  
Liz Cline  
TDHCA – Multifamily Housing Specialist  
(512) 475-3227  
liz.cline@tdhca.state.tx.us

RE: TDHCA #11142, Veterans Place; Deficiency Notice dated April 15, 2011

Liz,

This letter is in response to your Deficiency Notice dated April 15, 2011. Below I have listed each item and provided its respective response labeled underneath.

Eligibility:

Request: 1. Volume 1, Tab 2, Rent Schedule:  
Response: **Enclosed is a revised Rent Schedule and all applicable exhibits indicating the correct percentage breakdown of units.**

Request: 2. Volume 3, Tab 2, Design Items:  
Response: **Revised floor plans labeling the location of the elevators are enclosed.**

Request: 3. ESA:  
Response: **A statement from the ESA report provider is enclosed.**

Request: 4. ESA:  
Response: **A statement from the ESA report provider is enclosed.**

Request: 5. Appraisal:  
Response: **A statement from the Appraisal report provider is enclosed.**

Selection:

Request: 1. Volume 4, Tab 7, Rent Levels of Units:  
Response: **A revised Rent Schedule indicating the correct number of units at the 30% or 50% levels and all the applicable exhibits are enclosed.**

Request: 2. Volume 4, Tab 11, Input Other Than QCP:  
Response: **Evidence of the services provided and the area serviced by the organization is enclosed.**

Request: 3. Volume 4, Tab 13, Community Revitalization:  
Response: **A revised exhibit indicating the correct option the Applicant is intending to request points under is enclosed.**



**Request:**

**4. Volume 4, Tab 16, Development Location:**

**Response:**

The proposed Veterans Place development consists of one, four story residential building with the structured parking as a separate building. The site plan does not reflect the "future parking garage" due to the fact that it will not be constructed using Tax Credit proceeds within the financing. Veterans Place proposed housing development is one component of a larger Planned Development coordinated with the City of Dallas that will service Veterans, and more specifically disabled Veterans, that require periodic visits to the Veterans Hospital. The "future parking garage" will be constructed at the same time as the Veterans Place affordable housing community.

**Request:**

**5. Volume 4, Tab 26, Leveraging of Private, State, & Federal Resources:**

**Response:**

A statement that from the resource provider is enclosed.

Please contact me at 214-850-2842 or [dru@statestreethousing.com](mailto:dru@statestreethousing.com) if you need any additional information.

Sincerely,

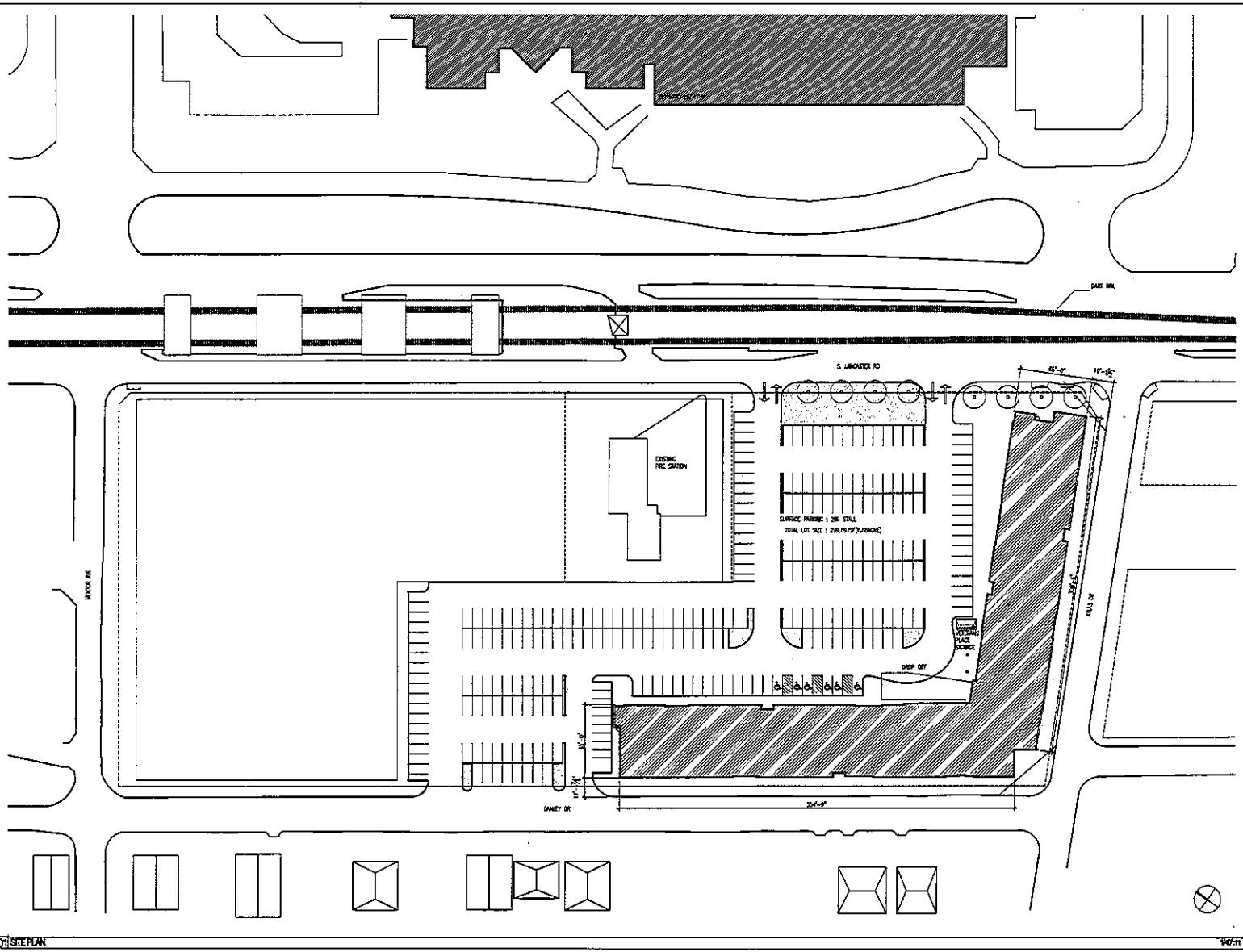


Dru Childre

Authorized Representative

Sapphire Road Development Patriot Crossing South, LLC

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Original Site Plan provided in Application

REV	DATE	ISSUE/TITLE
1	11/13/18	PRELIMINARY SITE PLAN
2	11/13/18	REVISED SITE PLAN
3	11/13/18	REVISED SITE PLAN
4	11/13/18	REVISED SITE PLAN
5	11/13/18	REVISED SITE PLAN
6	11/13/18	REVISED SITE PLAN
7	11/13/18	REVISED SITE PLAN
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49	11/13/18	REVISED SITE PLAN
50	11/13/18	REVISED SITE PLAN

INCOMPLETE DOCUMENTS FOR INTERIM REVIEW ONLY.  
 NOT FOR REGULATORY APPROVAL,  
 PERMIT, OR CONSTRUCTION.

DATE: 11/13/18  
 VETERANS PLACE  
 DALLAS, TEXAS  
 SITE PLAN

WOODS PROJECT NUMBER: A01.00

Pages from Original Application



11156- Montabella Senior  
(Withdrawn)

11157- Andalusia Pointe  
(withdrawn)

11169- Merritt Bryan Station  
Senior Village

**MULTIFAMILY FINANCE DIVISION  
BOARD ACTION REQUEST  
July 18, 2011**

**Requested Action**

Deny the Applicant's appeal to reinstate fourteen points to the final score for Application #11169, Merritt Bryan Station Senior Village.

**WHEREAS**, an application for tax credits was submitted for Merritt Bryan Station Senior Village on March 1, 2011; and

**WHEREAS**, the Applicant was not awarded fourteen points for Community Support from a State Representative or Senator pursuant to §49.9(a)(16) because the support letter originally submitted by the State Representative was subsequently withdrawn prior to the June 1<sup>st</sup> deadline; therefore

**BE IT RESOLVED**, that the appeal of #11169, Merritt Bryan Station Senior Village is hereby denied.

**Background**

Merritt Bryan Station Senior Village is a proposed 144 unit new construction multifamily development targeted towards the elderly population in Bryan, Texas.

State Representative Fred Brown provided letters of support for this and other applications submitted during the 2011 competitive cycle. On March 30, 2011, two days prior to the April 1 initial deadline for support or opposition letters, Representative Brown's office contacted the Department and requested that support letters previously submitted on behalf of Representative Brown be withdrawn, with the exception of a support letter for another competing application. Given that this request was done prior to the June 1<sup>st</sup> withdrawal deadline provided for in the QAP, the Department complied with the Representative's request. The QAP provides a timeframe for legislators who have previously submitted a support or opposition letter for any application to withdraw that support or opposition as long as it is done prior to June 1<sup>st</sup>, bringing the legislator's position on the issue neutral. It does not, however, provide a legislator the opportunity to withdraw a previously withdrawn letter as is the case with this appeal.

The Applicant appeals that on March 30<sup>th</sup>, Representative Brown's office sent the Department an email asking that all of his support letters be withdrawn except for the letter expressing support for Application #11214, Cobblestone Village. The Applicant notes that this email does not specifically refer to withdrawing support for the subject application. However, while the email does not specifically list each application for which the Representative expressed a wish to withdraw support for, the letter clearly indicates his wish to support only one development. Additionally, staff confirmed this was the case through verbal communication with Representative Brown's office.

Since staff has no ability in the QAP to reinstate a withdrawn letter after the initial deadline, which has past, staff recommends denial of the appeal.





TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

[www.tdhca.state.tx.us](http://www.tdhca.state.tx.us)

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Lowell A. Keig  
Juan S. Muñoz, Ph.D  
J. Paul Oxer

June 24, 2011

Writer's direct # (512) 475-3296  
Email: [t.k.irvine@tdhca.state.tx.us](mailto:t.k.irvine@tdhca.state.tx.us)

Ms. Cynthia Bast  
Locke Lord Bissell & Liddell  
100 Congress, Suite 300  
Austin, TX 78701

RE: Appeal of Scoring Notice for #11169, Merritt Bryan Station Senior Village

Dear Ms. Bast:

I have carefully reviewed the appeal received on June 8, 2011, by the Texas Department of Housing and Community Affairs (the "Department"), regarding your request to reinstate 14 points for Community Support from State Representative/Senator pursuant to §49.9(a)(6) of the 2011 Qualified Allocation Plan and Rules (QAP).

The Department received a letter of support from Representative Fred Brown, dated January 26, 2011, for the proposed development prior to the April 1<sup>st</sup> deadline. However, on March 30<sup>th</sup> staff from Representative Brown's office contacted the Department via email and requested that all support letters previously submitted be withdrawn with the exception of one. Staff complied with Representative Brown's request since it was before the June 1, 2011 deadline. Thereafter, on May 11, 2011, Department staff was again contacted by Representative Brown's office asking that we re-instate his support letter for this particular application. Although the request to reinstate the letter was prior to the June 1<sup>st</sup> deadline, the withdrawal of the support was prior to the April 1<sup>st</sup> deadline. It is staff's view that the QAP does not contemplate or provide for reinstatement of a withdrawn letter.

Based on the information presented, your appeal to reinstate the points associated with Community Support from a State Representative or Senator is denied.

Pursuant to your request your appeal will be placed on the agenda for the July 18<sup>th</sup> Board meeting. If you wish to submit additional documentation for the Board appeal, please submit that information to the Department no later than 5:00 p.m. on June 29, 2011. If you have any questions, please do not hesitate to contact Raquel Morales at 512-475-1676 or [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us).

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy K. Irvine".

Timothy K. Irvine  
Acting Director

rbm

11169

# LLB&L

Locke Lord Bissell & Liddell LLP

Attorneys & Counselors

100 Congress, Suite 300  
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

June 8, 2011

Mr. Michael Gerber  
Executive Director  
Texas Department of Housing and Community Affairs  
221 East 11th Street  
Austin, Texas 78701

Re: Merritt Bryan Station Senior Village (Bryan), TDHCA No. 11169 (the "Apartment Community")  
**Appeal for Scoring**

Dear Mike:

We represent DDC Bryan TC, Ltd. ("Applicant"), which applied for low-income housing tax credits in the 2011 application round for the Apartment Community listed above. Applicant requested points under Section 49.9(a)(6) of the Qualified Allocation Plan (the "QAP")<sup>1</sup> for the receipt of a letter of support from State Representative Fred Brown, the representative of the district within which the Apartment Community is located. These points were not awarded.

### Request

On behalf of Applicant, we request that Applicant receive fourteen (14) points under Section 49.9(a)(6) of the QAP (the "Support Points").

### Background

On January 26, 2011, Representative Brown executed and submitted a letter of support for the Apartment Community. A copy of this letter of support is attached as Exhibit A. TDHCA does not dispute receipt of this letter. Representative Brown submitted letters of support for other proposed Developments within his district, as well.

On March 30, 2011, Representative Brown's office sent an email to TDHCA, indicating that he wanted all of his letters of support to be withdrawn except for the letter expressing his support for Application 11214 Cobblestone Village. A copy of this email is attached as Exhibit B. Note this email does not specifically refer to withdrawing support for Application 11169 Merritt Bryan Station Senior Village.

<sup>1</sup> Capitalized terms used but not defined in this letter shall have the meanings given them in the QAP.

Subsequently, between April 1 and May 25, Representative Brown's office sent multiple email communications to TDHCA, indicating it wanted to withdraw certain support letters and reinstate others. After a conversation with Executive Director Gerber, this communication ended with a final email communication on May 25, 2011, in which Representative Brown expressed his clear intent that his support letter for the Applicant's Apartment Community receive Support Points under the QAP. A copy of that final email communication is attached as Exhibit C.

Notwithstanding the clear intent of Representative Brown expressed in the referenced email, TDHCA has not accepted Representative Brown's request for reinstatement of his letter of support for the Apartment Community.

### **Analysis of Appeal**

In order to receive Support Points, a State Representative or State Senator must submit a letter of support for an Application by April 1. Once a letter is submitted, the QAP provides the legislators a two-month window in which to change their minds. Specifically, Section 49.9(a)(6) allows a legislator to withdraw any letter submitted prior to April 1, if such withdrawal is submitted in writing by June 1. A legislator is not allowed to change or replace a letter that was submitted prior to April 1.

In this case, Representative Brown's letter of support for the Apartment Community was submitted before the April 1 deadline. The purported withdrawal email was submitted before the June 1 deadline, however, it is not clear whether such withdrawal email was intended to apply to the Apartment Complex as it did not specifically refer to the Apartment Community, the Applicant, or its Application. What is clear is that: (a) Representative Brown experienced some confusion about which Applications he had expressed support for in accordance with the QAP and (b) TDHCA was specifically notified of this confusion. It is also clear that Representative Brown clarified the confusion and expressed his clear intent to support the Apartment Community. This clarification was submitted in writing prior to the June 1 deadline, satisfying the requirements set forth in Section 49.9(a)(6). Representative Brown did not take any action to change or replace any letters of support; he simply tried to clarify which letters of support he intended to receive Scoring Points and which letters of support he intended to withdraw.

We believe that Representative Brown's letter of support for the Apartment Community should be accepted, and accordingly, the Apartment Community should be given Support Points. The QAP does not specifically address the situation where a legislator purportedly withdraws a letter of support and then subsequently wants to reinstate it. However, the intent of Section 49.9(a)(6) is clear. TDHCA wanted to give legislators a period of time to reconsider their positions but also needed to impose a firm deadline, after which the legislators' positions are irrevocable, in order to ensure the fairness of the scoring process.

Although Representative Brown waived and expressed some confusion between April 1 and May 25, his final position was made clear prior to the June 1 deadline. That position was submitted in writing and consistent with TDHCA rules. The original support letter dated January 26 should be allowed to stand, and the Applicant should receive the Support Points.

Mr. Michael Gerber  
June 8, 2011  
Page 3

### Summary

We respectfully request that this appeal be granted by the Executive Director. If administrative approval is not possible, we request that this appeal be heard at the next available Board meeting.

Thank you, and feel free to contact me with any questions.

Sincerely,



Cynthia L. Bast

cc: Robbye Meyer  
Raquel Morales  
*TDHCA*

Colby Denison  
*Denison Development*

Exhibit A – Representative Brown's Letter of Support  
Exhibit B -- March 30, 2011 Email  
Exhibit C – May 25, 2011 Email

**EXHIBIT A**

**Letter of Support**



*Fred Brown*  
*State Representative*  
*District 14*

P.O. BOX 2910  
AUSTIN, TEXAS 78768-2910  
512/463-0698  
FAX: 512/463-5109  
CAPITOL OFFICE ROOM:  
E2.606

1820 WEST VILLA MARIA ROAD  
SUITE 303  
BRYAN, TEXAS 77807  
979/822-9797  
FAX 979/822-7878

January 26, 2011.

Mr. Michael Gerber  
Executive Director  
Texas Department of Housing and Community Affairs  
P.O. Box 13941  
Austin, Texas 78711-3941  
FAX: (512) 469-9606

Re: Application by DDC BRYAN TC, Ltd., to the Texas Department of Housing and Community Affairs for a Housing Tax Credit Allocation to Build Affordable Housing for Independent Living Seniors on Old Reliance in Bryan, Texas.

Dear Mr. Gerber:

This letter is in support of the request for tax credits issued by the Texas Department of Housing and Community Affairs for the proposed Merritt Bryan Station in Bryan (TDHCA #11169), to be located on Old Reliance in Bryan. The application will be made by DDC BRYAN TC, Ltd. for the new construction of up to 160 units for low and moderate income seniors.

This new apartment community will contribute significantly in assisting the need for quality, safe, clean and affordable housing for the senior residents of Bryan and Brazos County. I trust the Merritt at Bryan Station will be given favorable consideration.

Sincerely,

A handwritten signature in cursive script that reads "Fred Brown".

Fred Brown

*Committees:*

*Higher Education, Budget and Oversight, Chair • Appropriations • Chair, Sub-Committee on Regulatory*

**EXHIBIT B**

Email dated March 30, 2011

-----Original Message-----

**From:** MeLissa Nicholas [mailto:Melissa.Nicholas@house.state.tx.us]

**Sent:** Wednesday, March 30, 2011 4:55 PM

**To:** Robbye Meyer

**Subject:** RE: Letters of Support

**Importance:** High

**Dear Ms. Meyer:**

**I am respectfully requesting that the other support letters be withdrawn. The application that I truly support is #11214 Cobblestone Village. Thank you for your time and consideration.**

**Fred Brown**

**State Representative**

**EXHIBIT C**

Email dated May 25, 2011

**From:** Melissa Nicholas <Melissa.Nicholas@house.state.tx.us>  
**Date:** Wed, 25 May 2011 20:01:09 -0500  
**To:** "robbye.meyer@tdhca.state.tx.us" <robbye.meyer@tdhca.state.tx.us>  
**Cc:** "michael.gerber@tdhca.state.tx.us" <michael.gerber@tdhca.state.tx.us>  
**Subject:** Letters of support from Rep. Brown

***Dear Robbye:***

***I have spoken at length with my boss about this ordeal and he has come to the conclusion that we MUST do what is necessary to reinstate our support for the Merritt Bryan Station in Bryan, (TDHCA #11169). The Representative or I will be available to appear before the board or whatever process we have to go through to make sure that the attached Merritt Letter of support is reinstated. I am very sorry for all the confusion and we have learned a lesson about this process, but feel we need to make sure Bryan's interest are best represented. This absolutely will be the only letter we will be reinstating. \****

***Thank you for your time and cooperation.***

***Sincerely,***

***MeLissa Nicholas***

***Chief of Staff***

***Office of Rep. Fred Brown***

***512-463-0698 (office)***

\* -- Emphasis added.

11178- Esperanza Cove  
(Withdrawn)



11185- Azure Pointe

**MULTIFAMILY FINANCE DIVISION  
BOARD ACTION REQUEST  
July 18, 2011**

**Requested Action**

Deny the Applicant's appeal to reinstate three points to the final score for Application #11185 Azure Pointe.

**WHEREAS**, an application for tax credits was submitted for Azure Pointe on March 1, 2011; and

**WHEREAS**, the Applicant was not awarded three points for proposing a New Construction development located in an area that is part of a Community Revitalization Plan because the Applicant did not provide sufficient evidence to meet the definition of Community Revitalization Plan as defined in §49.2(8) or the requirements for scoring the points requested under §49.9(a)(13) of the 2011 Qualified Allocation Plan (QAP); therefore

**BE IT RESOLVED**, that the appeal of #11185, Azure Pointe is hereby denied.

**Background**

Azure Pointe is a proposed 140 unit new construction multifamily development targeted toward the general population located in Beaumont, Texas.

The Applicant was not awarded three points related to New Construction with Community Revitalization because it was determined after a re-evaluation of the points previously awarded that the planning document referenced did not meet the requirements of a Community Revitalization Plan. This section of the QAP has become very controversial this competitive round as is evidenced by the number of challenges received to date. As a result of the challenges received the Department re-examined every Applicant that requested these three points. Re-examination included not only identifying a letter was provided, but also reviewing each planning document referenced in those letters to make sure it was consistent with both the intent and requirements of the QAP.

The Department's response to the challenges posed this year is that community revitalization involves a city, in a duly adopted official plan document, actually targeting an area which includes the proposed development, for some specific revitalization activity that includes housing development. As a result, it is not enough that a letter from an Appropriate Local Official state that a specific area, or the entire city limits of an area, is targeted for revitalization and development of residential developments. The planning document on which the letter relies upon to support this claim must be able to document such statement.

In this case, the Department was not provided with and has been unable to locate on line a copy of the Beaumont Consolidated Plan, the planning document referenced in the Resolution provided as evidence for the points requested. As a result, review and confirmation that this planning document meets the requirements of a community revitalization plan could not be verified and, therefore, staff could not determine that the points previously awarded were justified.

Staff recommends denial of the appeal.

11195- Stonebridge of Lubbock

**MULTIFAMILY FINANCE DIVISION  
BOARD ACTION REQUEST  
July 18, 2011**

**Requested Action**

Deny the Applicant's appeal to reinstate three points to the final score for Application #11195, Stonebridge of Lubbock.

**WHEREAS**, an application for tax credits was submitted for Stonebridge of Lubbock on March 1, 2011; and

**WHEREAS**, the Applicant was not awarded three points for proposing a New Construction development located in an area that is part of a Community Revitalization Plan because the Applicant did not provide sufficient evidence to meet the definition of Community Revitalization Plan as defined in §49.2(8) or the requirements for scoring the points requested under §49.9(a)(13) of the 2011 Qualified Allocation Plan (QAP); therefore

**BE IT RESOLVED**, that the appeal of #11195, Stonebridge of Lubbock is hereby denied.

**Background**

Stonebridge of Lubbock is a proposed 152 unit new construction multifamily development targeted towards the general population in Lubbock, Texas.

The Applicant was not awarded three points related to New Construction with Community Revitalization because the documentation provided did not meet the requirements of the QAP. In keeping with the definition, a Community Revitalization Plan must meet the following criteria to qualify for the points requested under §49.9(a)(13) of the 2011 QAP: (1) the document, under any name, was approved and adopted by the local Governing Body by ordinance, resolution or vote; and (2) the document targets specific geographic areas for revitalization and development of residential developments.

The original application included a plat along with a copy of a Drainage Analysis Report as the only evidence provided to qualify the application for the points requested. A deficiency was sent to the Applicant asking for clarification of how the submitted documentation evidenced a Community Revitalization Plan consistent with the definition in the 2011 QAP. The Applicant's response included a Certification of Consistency from the city whereby the Mayor certifies that the proposed development is consistent with and located within the boundaries of the city's Consolidated Plan. Staff did not accept the response because the Applicant provided new information for purposes of qualifying for the points rather than clarify to the Department how the original information provided met the intent and requirements of §49.9(a)(13).

The Applicant appeals that plat provided in the application was a Master Site Plan that was approved by the City of Lubbock. However, evidence of the city's approval of this master site plan along with evidence that the city approved the master site plan as its Community Revitalization Plan was not provided. In fact, the certification of consistency states plainly that the City of Lubbock's Consolidated Plan acts as its Community Revitalization Plan. Finally, the master site plan does not show that a specific area of the city was targeted for revitalization and development of residential developments.

Finally, staff has not been able to confirm the details of the consolidated plan to find that the site is located within any targeted revitalization area.

Staff recommends denial of the appeal.



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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Lowell A. Keig  
Juan S. Muñoz, Ph.D  
J. Paul Oxer

June 24, 2011

Writer's direct # (512) 475-3296  
Email: [tim.irvine@tdhca.state.tx.us](mailto:tim.irvine@tdhca.state.tx.us)

Mr. Dru Childre  
GS 71, LP  
7110 Baxtershire Drive  
Dallas, TX 75230

RE: Appeal of Scoring Notice for #11195, Stonebridge of Lubbock

Dear Mr. Childre:

I have carefully reviewed the appeal received on June 8, 2011, by the Texas Department of Housing and Community Affairs (the "Department"), regarding your request to reinstate 3 points for New Construction with Community Revitalization pursuant to §49.9(a)(13) of the 2011 Qualified Allocation Plan and Rules (QAP).

The Department did not award the points because the information provided in the original application was insufficient to meet the requirements of a Community Revitalization Plan. A deficiency was issued to you on April 1<sup>st</sup> requesting that you indicate where the supporting documentation was in the original application submission. What you provided in response was not the location of information within the original application, but new information in the form of a Certification of Consistency signed by the Mayor of Lubbock on April 6, 2011. You appeal that the original submission included a plat of a master site plan that was approved by the City of Lubbock and that the proposed development is located within the boundaries of that master site plan. You further appeal that the City of Lubbock approved this master site plan, although no evidence of that approval was provided within the application or with your appeal.

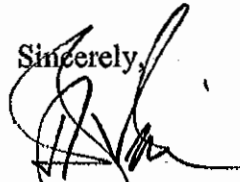
In keeping with the definition, a Community Revitalization Plan must meet the following criteria to qualify for the points requested under this item: (1) the document, under any name, was approved and adopted by the local Governing Body by ordinance, resolution or vote; and (2) the document targets specific geographic areas for revitalization and development of residential developments. If you appeal that the original information satisfied these criteria, there was no evidence to document that the master site plan alone had been approved by the local governing body in any form. Further, the master site plan does not show that a specific area of the city was targeted for revitalization and development of residential developments. The certification of consistency that was provided in response to a deficiency does not make mention of this master site plan or that the master site plan acts as the city's Community Revitalization Plan. In fact, the certification of consistency indicates plainly that the city's Consolidated

Plan acts as the Community Revitalization Plan. Since your original application did not include a copy of the city's Consolidated Plan or even a certification of consistency from the Mayor signed prior to March 1, 2011, the application is not eligible for the points requested.

Based on the information presented, your appeal to reinstate the 3 points for New Construction with Community Revitalization is denied.

Pursuant to your request your appeal will be placed on the agenda for the July 18<sup>th</sup> Board meeting. If you wish to submit additional documentation for the Board appeal, please submit that information to the Department no later than 5:00 p.m. on June 29, 2011. If you have any questions, please do not hesitate to contact Raquel Morales at 512-475-1676 or [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us).

Sincerely,



Timothy K. Irvine  
Acting Director

rbm

cc: Jeff Spicer  
Victoria Spicer  
John Shackelford



Stonebridge of Lubbock  
GS Housing 71, LP

**Appeal Request**

---

June 8, 2011

Ms. Robbye Meyer  
Director of Multifamily Finance  
Texas Department of Housing and Community Affairs  
221 East 11<sup>th</sup> Street  
Austin, Texas 78701

RE: TDHCA #11195, Stonebridge of Lubbock

Dear Ms. Meyer,

Please accept this letter as a formal Appeal to Staff's decision to not award Stonebridge of Lubbock application the 3 points requested for Selection category §49.9(a)(13) – New Construction with Community Revitalization.

Evidence provided in the original application submission was a Plat of a Master Site Plan that was approved by the City of Lubbock. This Master Site Plan encompassed a large area that included a public middle school, public elementary school, single-family homes, a medical facility, a fire station, retail, commercial facilities, fast-food, an auto-dealership, office complexes and multi-family living. Stonebridge of Lubbock is located within this Master Site Plan. Evidence that this Master Site Plan was approved by the City of Lubbock confirms that it is consistent with the City's Consolidated Plan, "Revitalization Plan".

In a Deficiency Notice dated April 1, 2011, TDHCA Staff requested clarification of where the supporting documentation was. At that time, we obtained an additional letter from the City stating that the site is located within the City's Consolidated Plan, "Revitalization Plan".

Please consider reinstatement of the requested 3 points for evidence of Community Revitalization for the Stonebridge of Lubbock application.

Please contact me at 214-850-2842 or [dru@statestreethousing.com](mailto:dru@statestreethousing.com) if you need any additional information.

Sincerely,



Dru Childre  
Authorized Representative  
GS Housing 71, LP

cc: Raquel Morales (via email)  
Jeff Spicer (via email)  
Victoria Spicer (via email)  
John Shackelford (via email)  
Tim Irvine (via email)



**MULTIFAMILY FINANCE PRODUCTION DIVISION**  
**Housing Tax Credit Program - 2011 Application Round**  
**Scoring Notice - Competitive Housing Tax Credit Application**

**Appeal Election Form: 11195, Stonebridge of Lubbock**

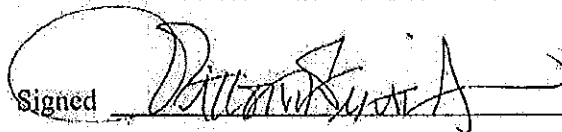
I am in receipt of my 2011 scoring notice and am filing a formal appeal to the Executive Director on or before Wednesday, June 8, 2011.

**If my appeal is denied by the Executive Director,:**

I do wish to appeal to the Board of Directors and request that my application be added to the Department Board of Directors meeting agenda. My appeal documentation, which identifies my specific grounds for appeal, is attached. If no additional documentation is submitted, the appeal documentation to the Executive Director will be utilized.

I do not wish to appeal to the Board of Directors.

**Note: If you do not wish to appeal this notice, you do not need to submit this form.**

Signed 

Title Managing General Partner

Date 06/07/2011

Please fax or email to the attention of Raquel Morales:

Fax: (512) 475-0764 or (512) 475-1895

Email: <mailto:raquel.morales@tdhca.state.tx.us>

11214- Cobblestone Village

**MULTIFAMILY FINANCE DIVISION  
BOARD ACTION REQUEST  
July 18, 2011**

**Requested Action**

Deny the Applicant's appeal to reinstate three points to the final score for Application #11214 Cobblestone Village.

**WHEREAS**, an application for tax credits was submitted for Cobblestone Village on March 1, 2011; and

**WHEREAS**, the Applicant was not awarded three points for proposing a New Construction development located in an area that is part of a Community Revitalization Plan because the Applicant did not provide sufficient evidence to meet the definition of Community Revitalization Plan as defined in §49.2(8) or the requirements for scoring the points requested under §49.9(a)(13) of the 2011 Qualified Allocation Plan (QAP); therefore

**BE IT RESOLVED**, that the appeal of #11214, Cobblestone Village is hereby denied.

**Background**

Cobblestone Village is a proposed 68 unit new construction multifamily development targeted towards the elderly population in Bryan, Texas.

The Applicant was not awarded three points related to New Construction with Community Revitalization because the documentation provided did not meet the requirements of the QAP. In keeping with the definition, a Community Revitalization Plan must meet the following criteria to qualify for the points requested under §49.9(a)(13) of the 2011 QAP: (1) the document, under any name, was approved and adopted by the local Governing Body by ordinance, resolution or vote; and (2) the document targets specific geographic areas for revitalization and development of residential developments.

The Applicant's original submission included a letter from the City of Bryan stating only that the proposed development is located within the boundaries of Tax Increment Reinvestment Zone #22. Staff did not request further clarification from the Applicant because the Department was able to locate and review Ordinance No. 1658 which designates a tract of land within Bryan, Texas as a Tax Increment Reinvestment Zone #22. The ordinance further resolves that creation of this reinvestment zone is "a means of financing the installation of public improvements including but not limited to roads, water lines, sewer lines and drainage facilities" to encourage "orderly growth, private investment and development and expansion of the tax base within the zone." Based upon the Department's review of the ordinance, staff was able to confirm that the TIRZ #22 met the first of the two criteria stated previously in meeting the definition of a

Community Revitalization Plan. While the ordinance targets a specific area of the city of Bryan for the purpose of financing the installation of public improvements, it does not target a specific area for revitalization and the development of residential development and therefore does not meet the requirements of a community revitalization plan.

Staff recommends denial of the appeal.



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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Lowell A. Keig  
Juan S. Muñoz, Ph.D.  
J. Paul Oxer

June 24, 2011

Writer's direct # (512) 475-3296  
Email: [tim.irvine@tdhca.state.tx.us](mailto:tim.irvine@tdhca.state.tx.us)

Mr. Emanuel H. Glockzin, Jr.  
Cobblestone Village, Ltd.  
4500 Carter Creek Parkway, Suite 101  
Bryan, TX 77802

RE: Appeal of Scoring Notice for #11214, Cobblestone Village

Dear Mr. Glockzin:

I have carefully reviewed the appeal received on June 8, 2011, by the Texas Department of Housing and Community Affairs (the "Department"), regarding your request to reinstate 3 points for New Construction with Community Revitalization pursuant to §49.9(a)(13) and 6 points for Pre-Application Participation pursuant to §49.9(a)(14) of the 2011 Qualified Allocation Plan and Rules (QAP).

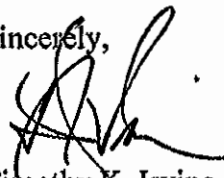
The Department did not award the points for Community Revitalization Plan because the evidence provided was insufficient to show that the Tax Increment Reinvestment Zone utilized for this point request met the requirements of the QAP. In keeping with the definition, a Community Revitalization Plan must meet the following criteria to qualify for the points requested under this item: (1) the document, under any name, was approved and adopted by the local Governing Body by ordinance, resolution or vote; and (2) the document targets specific geographic areas for revitalization and development of residential developments. You appeal that a letter from the Deputy City Manager of Bryan confirming that the development is located within TIRZ #22 was provided and have since provided another letter from the City of Bryan clarifying that the TIRZ 22 Plan is specific to the geographic area identified in the application and that the TIRZ serves as a tool for the community and the city for revitalization efforts specific to this location. Despite this additional letter, no other information has been provided for the Department to validate the statements made by city. Furthermore, the Department has been able to receive a copy of an ordinance that creates another TIRZ in the City of Bryan, and upon further review of that information it does not appear that the TIRZ meets the requirement of a Community Revitalization Plan. Based on the information provided with your appeal, the Department cannot determine that the TIRZ #22 was created for anything other than reinvestment, and while this may be interpreted to mean the same thing as revitalization, it still does not address the development of residential development as required by the QAP.

You also appeal the loss of 6 points for Pre-Application Participation, citing that at pre-application you had contracts on two adjoining sites, Site A and Site B. Site A was under a "Back-up Contract" because it was already under a separate contract with another competing Applicant. You further appeal that your site control was amended to eliminate the site that was under the "Back-up Contract" and that the remaining site was under control from pre-application to full application. Therefore, since the site under control was for a reduced portion of the Development site which is allowed in order to be eligible for the points requested under this item, the points should be reinstated.

As a result of the information presented your appeal to reinstate the 3 points for New Construction with Community Revitalization is denied. Your appeal to reinstate the 6 points for Pre-Application Participation is granted. A revised scoring notice reflecting the points reinstated as a result of this appeal is enclosed.

Pursuant to your request your appeal will be placed on the agenda for the July 18<sup>th</sup> Board meeting. If you wish to submit additional documentation for the Board appeal, please submit that information to the Department no later than 5:00 p.m. on June 29, 2011. If you have any questions, please do not hesitate to contact Raquel Morales at 512-475-1676 or [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us).

Sincerely,



Timothy K. Irvine  
Acting Director

**COBBLESTONE VILLAGE, LTD.**

4800 Cartor Creek Parkway, Suite 101, Bryan, TX 77802  
(979) 846-8878 phone • (979) 846-8380 fax

June 8, 2011

Texas Department of Housing and  
Community Affairs  
P. O. Box 13941  
Austin, TX 78701

Attn: Mr. Michael Gerber – Executive Director  
Re: Cobblestone Village #11214

Dear Mr. Gerber:

We are writing this letter to appeal two items on the TDHCA Final Scoring Notice for Cobblestone Village #11214.

The first item is in relation to §49.9(a)(13) – New Construction with Community Revitalization for 3 points. The reason stated for the deduction in points is "Letter provided from Deputy City Manger of Bryan that development is located within TIRZ #22 and map of TIRZ 22 boundaries provided. Letter does not affirm that a Community Revitalization Plan exists or that the TIRZ acts as the City's Community Revitalization Plan." During the application review for scoring by TDHCA we did not receive a deficiency to provide additional documentation for this scoring item. We requested a letter and received the response attached (see copy) from the City of Bryan which states "the TIRZ Plan is specific to this geographic area and serves as a tool for the community and the city for revitalization efforts specific to this location."

The second item we would like to appeal is §49.9(a)(14) Pre-Application Participation for 6 points. The reason stated for the deduction in points is that "At pre-application the Applicant had a site control contract that included a "back-up" contract for a tract of land that was under control by another competing application; therefore the Applicant did not have site control and is not eligible for the points requested under this item.

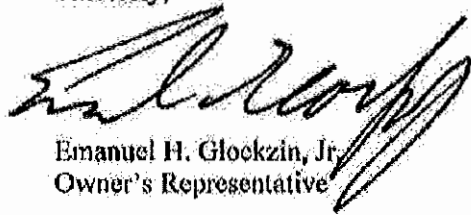
The Applicant, Cobblestone Village had contracts on two adjoining sites, Block A and Block B which together contained approximately 15.57 acres. Block A, the 8.5 acre tract was under a Back-up Contract and Block B, the 7.07 acre tract was not under site control by another competing application. This Block B tract was under contract and remained under contract by the Applicant from Pre-Application through Application phase. The Commercial Real Estate Contract was amended to eliminate the Block A back-up contract (8.5 acre tract) which reduced the number of units from 150 to 68. Per the Volume 4, Tab 14, Pre-Application Incentive Points, the site under control in the Application is for the identical Development Site, or a reduced portion of the Development site as the proposed Development Site under control in the Pre-Application. The 7.07 acre site is the same site as proposed at Pre-Application, and was not a back-up contract; therefore the applicant has had site control of the 7.07 tract from Pre-Application until the approximate closing date of August 16, 2011. In conclusion, we did not change development sites, we eliminated the Back-up contract and reduced the number of units to 68.



We would hereby appreciate your consideration of these two scoring items as we believe that the documentation submitted meets the requirement of the points requested. This development as it would greatly benefit the senior population of this area, and is fully supported by the City of Bryan as well as Senator Steve Ogden and Representative Fred Brown. The development is also supported by area residents and a property owners association, and there has been no negative response to the proposed application.

Please review the attached documentation, and let me know if you need any additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Emanuel H. Glockzin, Jr.", written over the typed name and title.

Emanuel H. Glockzin, Jr.  
Owner's Representative



**MULTIFAMILY FINANCE PRODUCTION DIVISION**  
**Housing Tax Credit Program - 2011 Application Round**  
**Scoring Notice - Competitive Housing Tax Credit Application**

**Appeal Election Form: 11214, Cobblestone Village**

I am in receipt of my 2011 scoring notice and am filing a formal appeal to the Executive Director on or before Wednesday, June 8, 2011.

**If my appeal is denied by the Executive Director,:**

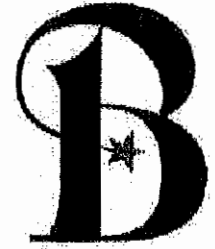
I do wish to appeal to the Board of Directors and request that my application be added to the Department Board of Directors meeting agenda. My appeal documentation, which identifies my specific grounds for appeal, is attached. If no additional documentation is submitted, the appeal documentation to the Executive Director will be utilized.

I do not wish to appeal to the Board of Directors.

**Note: If you do not wish to appeal this notice, you do not need to submit this form.**

Signed *E. L. Mochly*  
 Title *Developer*  
 Date *6/8/11*

Please fax or email to the attention of Raquel Morales:  
 Fax: (512) 475-0764 or (512) 475-1895  
 Email: <mailto:raquel.morales@tdhca.state.tx.us>



CITY OF BRYAN  
*The Good Life, Texas Style*

June 7, 2011

Re: Clarification on purpose of TIRZ #22

To Whom It May Concern:

The Proposed Cobblestone Village is located within the Highland Hills Planned Development. This Planned Development is part of the Tax Increment Reinvestment Zone (TIRZ) #22. For clarification purposes, the TIRZ 22 Plan is specific to this geographic area and serves as a tool for the community and the city for revitalization efforts specific to this location.

If you have any questions or need any additional information, please let me know.

Sincerely,

Lindsey Guindl  
Assistant Director  
Development Services  
City of Bryan  
979.209.5100

ORDINANCE NO. 1658

**AN ORDINANCE DESIGNATING A TRACT OF LAND CONSISTING OF 282 ACRES ALONG THE EAST SIDE OF STATE HIGHWAY 6 BYPASS AND BRIARCREST DRIVE WITHIN THE CORPORATE LIMITS OF THE CITY OF BRYAN, TEXAS AS A TAX INCREMENT FINANCING DISTRICT TO BE KNOWN AS "REINVESTMENT ZONE NUMBER 22, CITY OF BRYAN, TEXAS", ESTABLISHING A BOARD OF DIRECTORS FOR SUCH REINVESTMENT ZONE, AND ORDAINING OTHER MATTERS RELATING THERETO.**

WHEREAS, the City of Bryan, Texas (the "City") has received a petition submitted by the owners of property constituting at least 50 percent of the appraised value of the property described in the petition, according to the most recent certified appraisal roll for Brazos County, the county in which the property is located, requesting that an area consisting of 282 acres along State Highway 6 Bypass and Briarcrest Drive be designated as a reinvestment zone by the City, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, Vernon's Texas Codes Annotated (the "Act"); and

WHEREAS, the City has received a preliminary reinvestment zone financing plan, a true and correct copy of which is attached to this Ordinance, and has presented the plan to the governing body of each taxing unit that levies taxes on real property in the proposed reinvestment zone; provided notice to each such taxing unit of the creation of the proposed reinvestment zone; and made a formal presentation to representatives of each such taxing unit pursuant to Section 311.003 of the Act, after receiving waivers from each such taxing unit of the 60 day notice requirement as set forth in Section 311.003(e) of the Act; and

WHEREAS, the preliminary reinvestment zone financing plan provides that the ad valorem taxes of the City constituting its tax increment are to be deposited into the hereinafter created Tax Increment Fund, and that ad valorem taxes of Brazos County, Texas constituting its tax increment may also be utilized for the purposes described in the preliminary financing plan; and

WHEREAS, in compliance with the Act, the City has called a public hearing to hear public comments on the creation of the proposed reinvestment zone and its benefits to the City and the property in the proposed reinvestment zone; and

WHEREAS, in compliance with the Act, notice of such public hearing was published in the *Bryan-College Station Eagle*, a daily paper of general circulation in the City, such publication date being not later than seven (7) days prior to the date of the public hearing; and

WHEREAS, such hearing was convened at the time and place mentioned in the published notice, to-wit, on the 23rd day of January, 2007, at 6:00 o'clock p.m., at the City Hall of the City, which hearing was conducted and then closed; and

WHEREAS, the City, at such hearing, invited any interested person, or the attorney thereof, to appear and contend for or against the creation of the reinvestment zone, the boundaries of the proposed reinvestment zone, whether all or part of the territory should be included in such proposed reinvestment zone, the concept of tax increment financing and the appointment of a board of directors for the proposed reinvestment zone; and

WHEREAS, all owners of property located within the proposed reinvestment zone and all other taxing units and other interested persons were given the opportunity at such public hearing to protest the creation of the proposed reinvestment zone and/or the inclusion of their property in such reinvestment zone; and

WHEREAS, the proponents of the reinvestment zone offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the reinvestment zone, and opponents, if any, of the reinvestment zone appeared to contest creation of the reinvestment zone;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BRYAN, TEXAS:

SECTION 1: That the facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct.

SECTION 2: That the City Council, after conducting such hearing and having heard such evidence and testimony, hereby makes the following findings and determinations based on the evidence and testimony presented to it:

- (a) That the public hearing on adoption of the reinvestment zone has been properly called, held and conducted and that notice of such hearing has been published as required by law and delivered to all taxing units overlapping the territory inside the proposed reinvestment zone.
- (b) That creation of the proposed reinvestment zone will result in benefits to the City, its residents and property owners, in general, and to the property, residents and property owners in the reinvestment zone.
- (c) That the reinvestment zone meets the criteria for the creation of a reinvestment zone as set forth in the Act in that:
  - (1) It is a contiguous geographic area located wholly within the corporate limits of the City..
  - (2) The area meets the requirements of Section 311.005 of the Act, specifically Section 311.005(a)(2), because of the existence of the following conditions:
    - a. the area is predominantly open, unproductive and underdeveloped;
    - b. the area lacks adequate public roads necessary to allow the area to develop;
    - c. the area lacks water and sewer infrastructure necessary to allow the area to develop;
    - d. the area contains landlocked parcels because of inadequate platting, which impairs development of the area;
    - e. these conditions will continue to impair the growth of this portion of the City of Bryan unless the City stimulates development by creating a reinvestment zone as a means of financing the installation of public improvements including but not limited to roads, water lines, sewer lines and drainage facilities;
- (d) That the total appraised value of all taxable real property in the proposed reinvestment zone according to the more recent appraisal rolls of the City, together with the total appraised value of taxable real property in all other

existing reinvestment zones within the City, according to the most recent appraisal rolls of the City, does not exceed fifteen (15) percent of the current total appraised value of taxable real property in the City and in the industrial districts created by the City, if any.

- (e) That the proposed reinvestment zone does not contain more than fifteen (15) percent of the total appraised value of real property taxable by a county or school district.
- (f) That the improvements proposed to be implemented in the proposed reinvestment zone will significantly enhance the value of all taxable real property in the proposed reinvestment zone.
- (g) That the development or redevelopment of the property in the proposed reinvestment zone will not occur solely through private investment in the reasonable foreseeable future.
- (h) That creation of the reinvestment zone and the installation of public improvements to be financed thereby will encourage orderly growth, private investment, and development and expansion of the tax base within the zone.

**SECTION 3:** That the City hereby creates a tax increment reinvestment zone over the 282 acre area described in Exhibits "A" and "B", which shall hereafter be identified as "Reinvestment Zone Number 22, City of Bryan, Texas" (the "Zone" or the "Reinvestment Zone"). The Zone is designated under Section 311.005(a)(5) of the Act.

**SECTION 4:** That there is hereby established a board of directors for the Zone (the "Board") which shall consist of nine (9) members. The Board of the Zone shall be appointed as follows:

- (a) The respective governing bodies of the Bryan Independent School District (the "School District" and the County each may appoint one (1) member to the board; provided, however, that if either the School District or the County waives its right to appoint a member of the board, the City may appoint such board member in its stead. In addition, one (1) member of the board shall be appointed by the state senator representing State Senate District 5, the State Senate District in which the Zone is located (the "State Senator") and one member of the board shall be appointed by the state representative representing State House District 14, the State House District in which district the Zone is located (the "State Representative"). Under the provisions of Section 311.009(e) of the Act, the remaining members of the board are to be appointed by the City Council of the City. The members to the initial board of directors to be appointed by the School District and the County shall be appointed by resolution of the respective governing bodies of the School District and the County within sixty (60) days of the passage of this Ordinance or within a reasonable time thereafter. The members to the initial board of directors to be appointed by the State Representative and the State Senator shall be designated in writing to the City within sixty (60) days of the passage of this Ordinance or within a reasonable time thereafter. The members to the initial board of directors to be appointed by the City shall be appointed by resolution of the City Council within sixty (60) days of the passage of this Ordinance or within a reasonable time thereafter. All

members appointed to the board shall meet eligibility requirements as set forth in the Act.

- (b) The terms of the Board members shall be for two year terms. The City Council shall designate a member of the Board to serve as chairman of the Board, and the Board shall elect from its members a vice chairman and other officers as it sees fit.
- (c) The Board shall make recommendations to the City Council concerning the administration of the Zone. It shall prepare and adopt a project plan and reinvestment zone financing plan for the Zone and must submit such plans to the City Council for its approval. The Board shall possess all powers necessary to prepare, implement and monitor such project plan for the Reinvestment Zone as the City Council considers advisable, including the submission of an annual report on the status of the Zone.

SECTION 5: That the Zone shall take effect immediately upon the passage of this Ordinance, and that the termination of the Zone shall occur on December 31, 2027, or at an earlier time designated by subsequent ordinance of the City Council in the event the City determines in its sole discretion that the Zone should be terminated due to insufficient private investment, accelerated private investment or other good cause, or at such time as all project costs and tax increment bonds, if any, and the interest thereon, have been paid in full.

SECTION 6: That the Tax Increment Base for the Zone, which is the total appraised value of all taxable real property located in the Zone, is to be determined as of January 1, 2007, the date on which the Zone was designated a reinvestment zone.

SECTION 7: That there is hereby created and established a Tax Increment Fund for the Zone which may be divided into such accounts and subaccounts as may be authorized by subsequent resolution or ordinance, into which all Tax Increments, less any of the amounts not required to be paid into the Tax Increment Fund pursuant to the Act, are to be deposited. Any expenditure to be made from the Tax Increment Fund in excess of \$35,000, or any contract related thereto, must be approved by the City Council prior to such expenditure being made or contract being executed. The Tax Increment Fund and any accounts or subaccounts are to be maintained in an account at the City's depository bank and shall be secured in the manner prescribed by law of Texas cities. In addition, all revenues from the sale of any tax increment bonds and notes hereafter issued by the City, revenues from the sale of any property acquired as part of the tax increment financing plan and other revenues to be dedicated to and used in the Zone shall be deposited into such fund or account or subaccount from which money will be disbursed to pay project costs for the Zone or to satisfy the claims of holders of tax increment bonds or notes issued for the Zone.

SECTION 8: That the City Council hereby finds that the creation of the Zone and the expenditure of moneys on deposit in the Tax Increment Fund necessary or convenient to the creation of the Zone or to the implementation of the project plan for the Zone constitutes a program to promote local economic development and to stimulate business and commercial activity in the City.

SECTION 9: That the City Council hereby authorizes the Board of the Zone to exercise any of the City's powers with respect to the administration, management, or operation of the Zone or the implementation of the project plan for the Zone, except for the following powers:

- (a) the Board may not issue bonds;
- (b) the Board may not impose taxes or fees;

- (c) the Board may not exercise the power of eminent domain; and
- (d) the Board may not give final approval to the project plan.

SECTION 10: That if any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

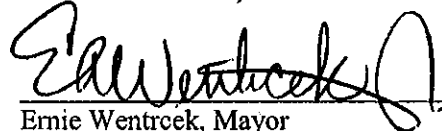
SECTION 11: This Ordinance shall take effect immediately upon its passage.

PRESENTED AND GIVEN first reading the 23 day of Jan., 2007, at a regular meeting of the City Council of the City of Bryan, Texas; and given second reading, passed and approved on the 13 day of February, 2007, by a vote of 4 ayes and 0 nays at a regular meeting of the City Council of the City of Bryan, Texas.

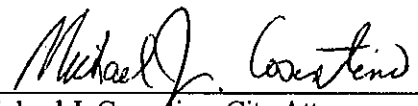
ATTEST:

  
Mary Lynne Stratta, City Secretary

CITY OF BRYAN, TEXAS:

  
Ernie Wentreck, Mayor

APPROVED AS TO FORM:

  
Michael J. Cosentino, City Attorney



# 11216- The Sierra on Pioneer Road

**MULTIFAMILY FINANCE DIVISION  
BOARD ACTION REQUEST  
July 18, 2011**

**Requested Action**

Deny the Applicant's appeal to reinstate three points to the final score for Application #11216, The Sierra on Pioneer Road.

**WHEREAS**, an application for tax credits was submitted for The Sierra on Pioneer Road on March 1, 2011; and

**WHEREAS**, the Applicant was not awarded three points for proposing a New Construction development located in an area that is part of a Community Revitalization Plan because the Applicant did not provide sufficient evidence to meet the definition of Community Revitalization Plan as defined in §49.2(8) or the requirements for scoring the points requested under §49.9(a)(13) of the 2011 Qualified Allocation Plan (QAP); therefore

**BE IT RESOLVED**, that the appeal of #11216, The Sierra on Pioneer Road is hereby denied.

**Background**

The Sierra on Pioneer Road is a proposed 92 unit new construction multifamily development targeted toward the elderly population located in Mesquite, Texas.

The Applicant was not awarded three points related to New Construction with Community Revitalization because it was determined after a re-evaluation of the points previously awarded that the planning document referenced did not meet the requirements of a Community Revitalization Plan. This section of the QAP has become very controversial this competitive round as is evidenced by the number of challenges received to date. As a result of the challenges received the Department re-examined every Applicant that requested these three points. Re-examination included not only identifying a letter was provided, but also reviewing each planning document referenced in those letters to make sure it was consistent with both the intent and requirements of the QAP.

The Department's response to the challenges posed this year is that community revitalization involves a city, in a duly adopted official plan document, actually targeting an area which includes the proposed development, for some specific revitalization activity that includes housing development. As a result, it is not enough that a letter from an Appropriate Local Official state that a specific area, or the entire city limits of an area, is targeted for revitalization and development of residential developments. The planning document on which the letter relies upon to support this claim must be able to document such statement.

In this case the planning document referenced in the letter from the City of Mesquite, the Mesquite Comprehensive Plan, appears only to describe the existing land use areas within the city, but does not discuss these areas with respect to encouragement of a particular type of development or redevelopment within those areas.

Staff recommends denial of the appeal.

**11227- Dolphin's Landing**

**MULTIFAMILY FINANCE DIVISION  
BOARD ACTION REQUEST  
July 18, 2011**

**Requested Action**

Deny the Applicant's appeal to reinstate fourteen points to the final score for Application #11227, Dolphin's Landing Apartments.

**WHEREAS**, an application for tax credits was submitted for Dolphin's Landing Apartments on March 1, 2011; and

**WHEREAS**, the Applicant was not awarded one point for Leveraging of Private, State and Federal Resources pursuant to §49.9(a)(26) and one point for Third Party Funding Outside of Qualified Census Tracts pursuant to §49.9(a)(27) because the application reflects the source of the funding for both point items is Arlington Capital Corporation. Mr. Whaley is an owner of Arlington Capital Corporation and is a Board member of the Applicant non-profit; therefore

**BE IT RESOLVED**, that the appeal of #11227, Dolphin's Landing Apartments is hereby denied.

**Background**

Dolphin's Landing Apartments is a proposed 218 unit Acquisition/Rehabilitation multifamily development targeted towards the general population in Corpus Christi, Texas.

The Applicant included financing from Arlington Capital Corporation which is owned by Richard Whaley. The Applicant certified that this financing was made by a third party in order to garner points under Section 49.9(a)(26) and (27). These points were challenged because Mr. Whaley is a board member of Atlantic Housing Foundation the 49% co-general partner of the Applicant. The Applicant has responded to the challenge that Mr. Whaley is not the Applicant, Developer, Consultant, Related Party or Guarantor and points to many specific examples of what Mr. Whaley is not responsible for with regard to those roles. However, the definition of Applicant includes that of an Affiliate and an Affiliate is defined by the QAP in part as one who controls either directly or indirectly or under common Control with any Person or Individual. Additionally, Control is defined by the QAP as having the power or authority to (among other things) manage, direct, govern, administer or oversee. The Applicant confirms that Mr. Whaley is one of eight Board members of the non-profit portion of the General Partner of the Applicant. The Applicant does not contend that the non-profit does not in some way Control the Applicant. The Applicant implies that Mr. Whaley does not directly or indirectly or under common Control with any Person have the power or authority to manage, direct, govern, administer or oversee the non-profit even though he is a board member of the non-profit. The Applicant contends that the non-profit is run by two individuals, its Chairman Mr. French and its President/CEO, Mr. Nguyen while the other volunteer board members only provide semi-annual advise to the corporation on matters of policy and priority. Staff believes

that even this limited activity provides sufficient evidence of Control of the non-profit for Mr. Whaley to be considered an Affiliate of the Applicant and therefore the funds provided by Mr. Whaley are not eligible for the 2 points.



Locke Lord Bissell & Liddell LLP

Attorneys & Counselors

100 Congress, Suite 300  
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

July 14, 2011

Mr. Tim Irvine  
Interim Executive Director  
Texas Department of Housing and Community Affairs  
221 East 11th Street  
Austin, Texas 78701

Re: Tidwell Lakes Ranch (Houston)  
TDHCA No. 11087  
**Appeal for Scoring**

Dear Tim:

We represent Tidwell Lakes Ranch, Ltd. (our "**Client**"), which is the Applicant for tax credits for Tidwell Lake Ranch in Houston (the "**Development**"), bearing application number 11087. In a scoring notice dated July 8, 2011, TDHCA has rescinded three (3) points previously awarded to the Application for location in an area that is part of a Community Revitalization Plan under Section 49.9(a)(13) of the Qualified Allocation Plan ("the "**QAP**").<sup>1</sup> This rescission is based on a challenge submitted by a competitor. Our Client hereby appeals this determination and requests that the three (3) points be reinstated.

### **Statement of Position**

**Using a preponderance of the evidence standard, as required by Section 49.10(e) of the QAP, sufficient evidence to override TDHCA's previous determination that the Development is located in an area that is part of a Community Revitalization Plan was not provided.**

### **Background**

The Development is located in an unincorporated area of Harris County. Therefore, it is subject to Harris County's Consolidated Plan, which is a five-year document. The Consolidated Plan is updated by an Annual Action Plan, required by HUD. The Consolidated Plan uses population data from 2000, while the Amended Action Plan uses more current data from 2009

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<sup>1</sup> Capitalized terms used but not defined in this letter will have the meanings given them in the QAP.

and 2010. In its Application, our Client submitted excerpts from the Consolidated Plan to establish that: (1) the Consolidated Plan is a "Community Revitalization Plan," as defined by the QAP and (2) the Development is located within an area targeted by the Community Revitalization Plan, along with data to show the Development site is in a low-income population area.

In the scoring review, TDHCA staff issued an Administrative Deficiency to our Client on April 8. This Administrative Deficiency directed our Client:

"Please clarify the location, within the excerpts provided, of the specific geographical areas covered by the consolidated plan."

Our Client responded with additional pages from the Consolidated Plan, the Administrative Deficiencies were cleared on April 13, and the points were awarded.

On June 15, a competitor submitted a challenge to our Client's Application, alleging that the Development is not located in an area targeted by the Consolidated Plan. The targeted areas referenced in the Consolidated Plan are based on 2000 data. We responded, submitting additional excerpts from the Consolidated Plan, along with excerpts from the current 2011 Annual Action Plan supplement. The information submitted included a map of the Harris County Service Area, identifying locations that have a population that is greater than 51% low- or moderate-income based on recent 2009 data. The map was marked to show the Development site within one of those low- to moderate-income areas.

On the morning of July 8, our Client received an email from TDHCA staff, indicating that the challenge had caused them to investigate the matter further. Staff concluded that the Consolidated Plan was a "Community Revitalization Plan," within the meaning of the QAP, but that the points would be rescinded because staff had "received confirmation from Harris County that the Tidwell development is not in one of the Target Areas or in an area within 51% or greater low to moderate income persons." Later that morning, TDHCA staff received an email from Harris County stating that the County's prior correspondence was inaccurate and that "it is possible that it may be in an area with 51% or greater low-to-moderate income persons." Then, on the afternoon of July 11, Harris County responded to TDHCA staff further that "the area is low-to moderate-income." (emphasis added)

Despite the confirmation from Harris County that the Development site is in a low- to moderate-income area, TDHCA staff posted the challenge log in the Board Book on July 11, stating that:

The Harris County's Plan targets areas of low- and moderate-income. In addition, the 2011 Action Plan, which uses the concentration of low-income persons as a criterion to determine priorities, includes a map that identifies areas with 51% or greater low-income population. However, Harry [sic] County confirmed that the development is not located within the target area of Harris County as published.

This was followed by our Client's receipt of a revised scoring notice (dated July 8 but delivered on July 12) that stated:



The planning document referenced in the letter from the appropriate local official identifies specific geographical areas ("target areas"), but the proposed development is not located within one of those targeted areas.

Note that the language of the revised scoring notice and the language of the challenge log are different as to the standards being applied. Given the timing recited above, it is possible that TDHCA staff did not receive the final statement from Harris County in time for it to be posted in the Board Book.

### Considerations for Appeal

**A preponderance of the evidence supports that these points should be awarded, not that these points should be rescinded.** Because the points are being rescinded pursuant to a challenge, the QAP states that a preponderance of the evidence is needed to overturn staff's original determination that the points should be awarded. That means for a challenge to be effective that a majority of the evidence submitted by the challenger must show that the Development did not meet the criteria for granting these points. Consider the evidence already submitted by our Client to TDHCA:

- Executive Summary for Consolidated Plan, page i. (Exhibit A)

"In determining the needs of the community, particularly the low-income individuals residing in the unincorporated areas of the county and smaller 'cooperative cities' that together comprise the Harris County 'service area,' Harris County has prepared the goals and measurable objectives to achieve over the five year life of the plan." (emphasis added)

- 2011 Annual Action Plan, page 2. (Exhibit B)

"Resources available through the County are almost exclusively dedicated toward improving the living conditions for low-income individuals. Low-income is defined as earning less than 80 percent of the median family income (MFI)." (emphasis added)

- 2011 Annual Action Plan, page 36. (Exhibit C)

"Factors considered include concentration of low-income persons . . . ."

"Harris County defines a concentration of low-income persons as a block group in which at least 51 percent or more of the total population is low-income according to HUD guidelines." (emphasis added)

- Map: PY 2011 Proposed Projects and Low Income Areas (Exhibit D)

The dark pink areas reflect the areas with 51% or greater low- or moderate-income population. The red arrow shows the Development site location within a dark pink area.

- Census Data for the Development Location (Exhibit E)

HUD and FFEIC Data, identifying the Development site in Tract 2323.

FFEIC Data showing Tract 2323 has a median family income of \$48,858 versus a median family income of \$65,100 for the MSA. This is 75% of the median family income, which meets the criteria for a low-income area, as described on page 2 of the Annual Action Plan.

- Correspondence from Harris County (Exhibit F)

". . . the area is low- to moderate-income."

Now consider the evidence received by TDHCA that refutes the Development being within a priority area of a Community Revitalization Plan.

- An email from Harris County, indicating that the site is not in a low- to moderate-income area.

*This was subsequently reversed by Harris County. "The email sent to you yesterday afternoon regarding Tidwell Lakes Ranch was inaccurate." (Exhibit G)*

- A challenge from a competitor claiming "The Consolidated Plan is a service area wide document and the site is not located in one of Harris County's Target Areas (see attached map) and also references specific Revitalization Areas (copy attached) of which the Applicant's site is in neither."

*The Consolidated Plan prioritizes both Target Areas and areas with 51% of greater low to moderate income persons. This was confirmed in an email from TDHCA staff on July 8. (Exhibit H) The target areas provided by the challenger were based on 2000 data and did not include the low-income areas updated by the more current data in the 2011 Annual Action Plan submitted by the Applicant.*

Clearly, the preponderance of evidence supports that the Development is in a location that is prioritized within the Community Revitalization Plan.

**Our Client actively sought guidance as to what would qualify for these points, early in the Application process.** Our Client submitted Applications for proposed developments in both Houston and Harris County. Each jurisdiction has a Consolidated Plan. Upon inquiry and encouragement from our Client and others, the City of Houston worked with TDHCA staff to determine what kind of evidence would be acceptable to qualify for the Community Revitalization Plan points in the City of Houston. Based upon discussions with TDHCA, City of Houston staff advised Applicants:

The Houston Consolidated Plan addresses that the low-moderate income areas are part of our revitalization efforts (page 66) and the map on page 71 identifies the low-moderate income area. You need only to identify your site on the map page with a copy of page 66 defining multi-family/new construction revitalization

efforts. If your property is in the green area (51% - 100% LM), then you do not need a letter from us. (Exhibit I)

The Harris County Consolidated Plan, upon which our Client relies, is equivalent to the Houston Consolidated Plan in that the Harris County Consolidated Plan also prioritizes areas with a concentration of low-income residents. The Harris County Consolidated Plan, as supplemented by the Annual Action Plan, also contains a map, identifying these low-income areas. In this case, the appropriate color is dark pink. Our Client submitted a map, showing that the Development site is in the dark pink area with a concentration of low- to moderate-income persons. If being in a green low-income area works for the City of Houston, then being in a dark pink low-income area in Harris County meets the same standard.

### Summary

We appreciate that each Community Revitalization Plan is unique. Therefore, it is difficult to apply uniform standards in evaluating whether a published document fits the definition of a Community Revitalization Plan and, if it does, whether the proposed development site is located within a priority area. TDHCA has clearly spent much time analyzing each situation. When interpretation is required, it is imperative to the competitive process that an Applicant be required to meet the plain language of the rules and that all Applicants be treated similarly. To qualify for these points, Volume 4, Tab 13 required an Applicant to submit either:

A letter from the Appropriate Local official stating there is a Community Revitalization Plan in effect and the Development is within the area covered by the plan.

Or

If the Community Revitalization Plan has specific boundaries, a copy of the Plan adopted by the jurisdiction or its designee and a map showing that the Development is within the area covered by the Community Revitalization Plan.

In this case, TDHCA evaluated the evidence and determined that our Client was entitled to these points. After receiving the challenge, TDHCA can revoke the points only if a preponderance of evidence from the challenger shows that TDHCA wrongfully granted the points. The evidence provided by the challenger upon which TDHCA has relied to rescind our Client's points is insufficient to meet this standard provided by the challenger.

We respectfully request that this appeal be granted by the Interim Director. If administrative approval is not possible, we will be happy to present this issue at the July 18 Board meeting.

Mr. Tim Irvine  
July 14, 2011  
Page 6

Thank you, and feel free to contact me with any questions.

Sincerely,



Cynthia L. Bast

cc: Robbye Meyer & Raquel Morales  
*TDHCA*

Barry Kahn & Ryan Hettig  
*Hettig-Kahn Development*

Exhibit A - Harris County Consolidated Plan, Executive Summary, page i  
Exhibit B - 2011 Annual Action Plan, page 2  
Exhibit C - 2011 Annual Action Plan, page 36  
Exhibit D - Map: PY 2011 Proposed Projects and Low Income Areas  
Exhibit E - Census Data for the Development Location  
Exhibit F - Email dated July 11, 2011 from David Turkel of Harris County to Robbye Meyer  
Exhibit G - Email dated July 8, 2011 from Jared Briggs of Harris County to Robbye Meyer  
Exhibit H - Email dated July 8, 2011 from Robbye Meyer to Barry Kahn and Ryan Hettig  
Exhibit I - Email dated February 24, 2011 from Eta Paransky of City of Houston to Barry Kahn

EXHIBIT A

## **Harris County 2008 – 2012 Consolidated Plan Executive Summary**

Harris County is the third most populous county in the U.S. and has the second fastest growth rate among the ten most populous counties in the country. However, the changing characteristics of Harris County's population, as reported in the 2000 U.S. Census and the 2006 American Community Survey (ACS), have placed the county at a crossroads. Dr. Stephen Murdock, State Demographer, notes that current trends in the population of Texas, including Harris County, are creating a future scenario in which the Harris County labor pool may lack the educational attainment and job skills necessary to obtain high wage, high skill jobs. Meanwhile the overall population is expected to be older, larger and in need of increased public services. The mixture of increased demand for service and the potential limited capacity of the labor pool may create a situation in which taxable income is outpaced by need. The result could impact all aspects of community development as strained local resources may make it difficult to improve the living conditions of Harris County residents, particularly those that are low- and moderate-income.

To avoid these trends, Harris County must continue to change, but in ways that anticipate and address community needs. In fact, some statistics indicate that the population has already begun to adapt. Others, however, indicate that much remains to be accomplished. The 2008-2012 Consolidated Plan for Harris County is a tool for addressing the issues faced by the Harris County population of today in anticipation of the needs of tomorrow. In determining the needs of the community, particularly the low-income individuals residing in the unincorporated areas of the county and smaller "cooperative cities" that together comprise the Harris County "service area," Harris County has prepared goals and measurable objectives to achieve over the five year life of the plan. Further, Harris County has determined specific activities to undertake in upcoming program year 2008 to begin to meet these measurable objectives.

### **Citizen Participation**

To identify the nature and level of needs within Harris County, a community survey was distributed to residents and organizations in our target areas, cooperative cities, citizen groups, service organizations, non-profit organizations, civic clubs, and citizen groups operating in Harris County. The community survey was completed by citizens and organizations throughout the county including all the precinct areas. A series of focus group meetings were also held in each precinct.

The community survey reflects the needs and concerns of Harris County. The survey was created to evaluate existing conditions, concerns and opinions, and recorded the level of concern for issues in Housing, Social Services, Transportation, Senior Services, Children/Youth Services, Parks, Homelessness, Public Facilities/Infrastructure, Health, and Education.

Focus group meetings were held at the precinct level to help identify and evaluate characteristics, strengths, and weaknesses of the four precincts. The results of the meetings helped us recognize the needs, goals, and objectives of the services needed in Harris County.

EXHIBIT B

## Introduction

The AAP is the annual update to the five-year Consolidated Plan, which sets forth Harris County's long-term community development goals and strategies. Program Year 2011 will be the fourth year of the Consolidated Plan for Harris County. The AAP process has been specifically created to assist in mapping one-year actions for community development and making good use of available federal, state, and local resources.

In addition, the AAP details the allocation of Harris County resources and entitlement grants, allocated by HUD, toward improving the quality of life for Harris County residents. Resources reported in this document will be available between March 1, 2011 and February 28, 2012.

The majority of these resources are utilized within Harris County's Service Area (Map 1), which includes unincorporated Harris County and fifteen smaller cities within the County which have signed cooperative agreements with Harris County. The cities of Baytown, Houston and Pasadena utilize their own community development resources and, therefore, are not within the Harris County service area.

Resources available through the County are almost exclusively dedicated toward improving the living conditions for low-income individuals. Low-income is defined as earning less than 80 percent of the median family income (MFI). The MFI for the Houston, Texas, Primary Metropolitan Statistical Area is \$61,100 for a family of four. Table 1 denotes MFI limits for FY2010.

Table 1: FY 2010 Median Family Income (MFI) Limits\*

Income Levels*	% of MFI	Amount
Extremely Low Income	0-30%	\$19,550
Very-Low Income	31-50%	\$32,550
Low Income	51-80%	\$52,100

\*Based on a family of four

U.S. Department of Housing and Urban Development,

<http://www.huduser.org/datasets/il/il2010/2010summary.odn>



EXHIBIT C

comply with affirmative marketing requirements will be found out of compliance and may be unable to receive future federal assistance until corrective action is taken. If the project sponsor fails to take corrective action in a timely manner, one or all of the following actions may result:

- a. Expended funds will be due and payable upon demand
- b. The withholding of federal funds for current projects/funds for projects will be de-obligated.
- c. Compliance/affordability period extension.
- d. Exclusion from participation in future Requests for Proposal process.

The following table details the number of minority households estimated to be assisted with HCCSD's DAP in PY2011. This information is based upon data collected during the previous program year.

Ethnicity	Number	Percentage
Asian	6	4.4%
Black	57	41.6%
Hispanic	53	38.7%
White	16	11.7%
<b>Totals</b>	<b>137</b>	<b>100%</b>

### Geographic Distribution

When selecting projects to receive funding, HCCSD considers geographic location to ensure equitable distribution of resources throughout Harris County. Factors considered include concentration of low-income persons, concentration of minorities, proximity to other similar projects, proximity to amenities and consistency with community needs.

#### Concentration of Low-Income Persons

Harris County defines a concentration of low-income persons as a block group in which at least 51 percent or more of the total population is low-income according to HUD guidelines. Forty-two (42) areas within the County meet this criterion, and HUD has designated these areas as Target Areas for community development. Priority consideration is given to projects that impact these target areas, particularly those that provide local impact, such as infrastructure projects and community centers.

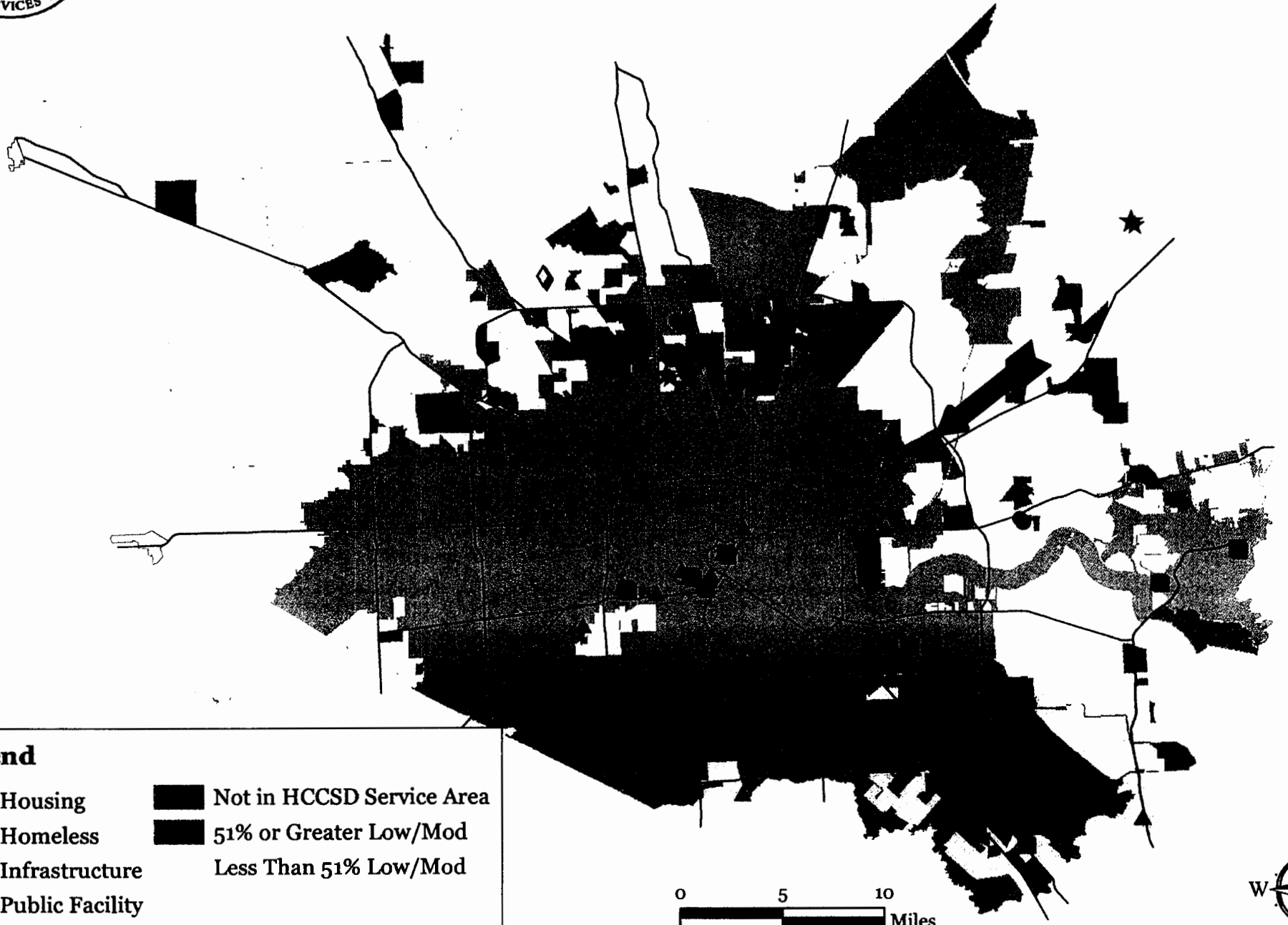
For PY2011, ten projects were selected to specifically meet infrastructure and public facility needs in nine (9) of the 42 target areas, including Aldine, Channelview, Crosby, Jacinto City, Greenwood Heights, Granada, McNair, Northington-Kenwood and Woodsdale.

Appendix D contains a map illustrating all proposed projects in relation to the low-income areas of the county.

EXHIBIT D



# PY 2011 Proposed Projects and Low-Income Areas



**Legend**

◆ Housing	■ Not in HCCSD Service Area
■ Homeless	■ 51% or Greater Low/Mod
● Infrastructure	■ Less Than 51% Low/Mod
★ Public Facility	
▲ Public Service	

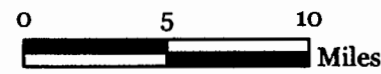
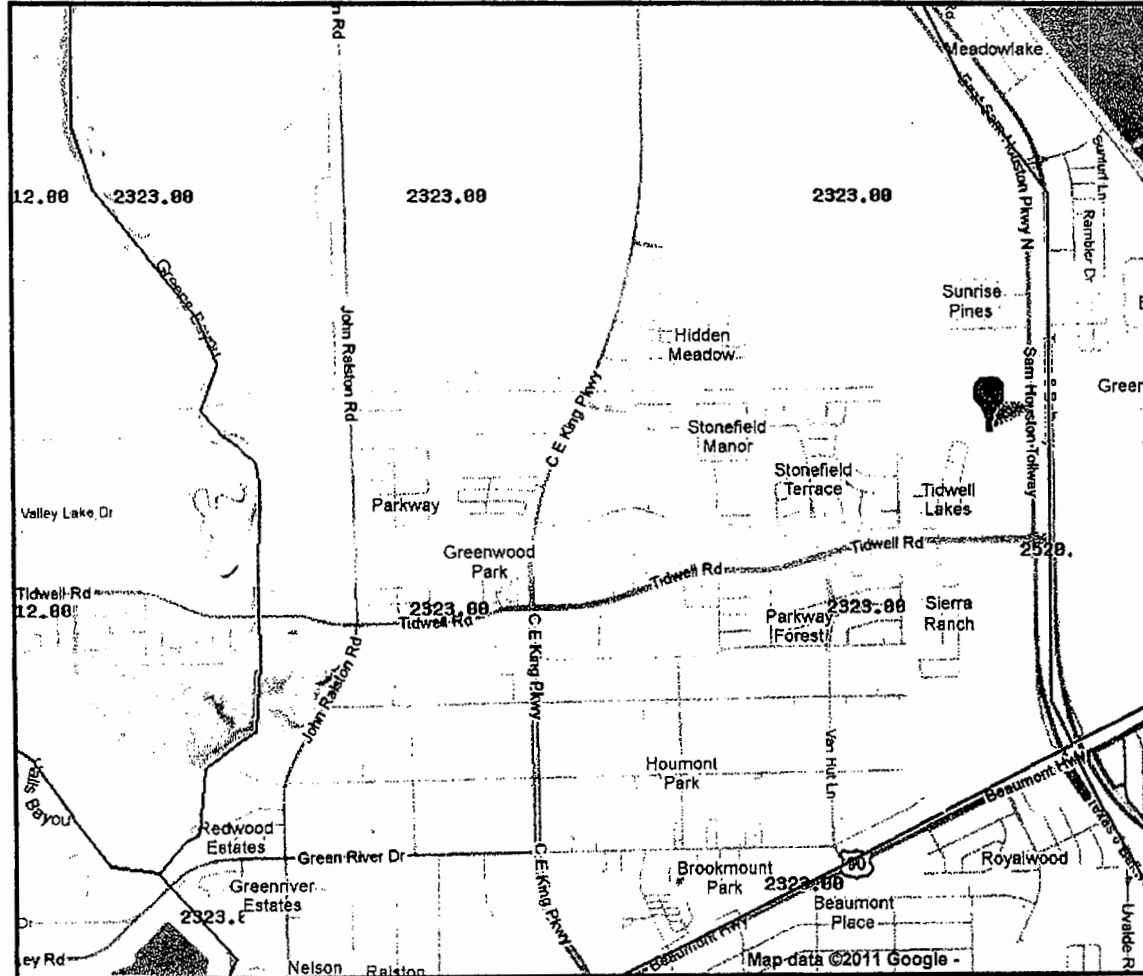


EXHIBIT E



U.S. Department of Housing and Urban Development  
Office of Policy Development and Research



**SEARCH**

Map options - Clear|Reset

Tract

48201232300

Search

**SELECT LAYERS TO BE DRAWN**

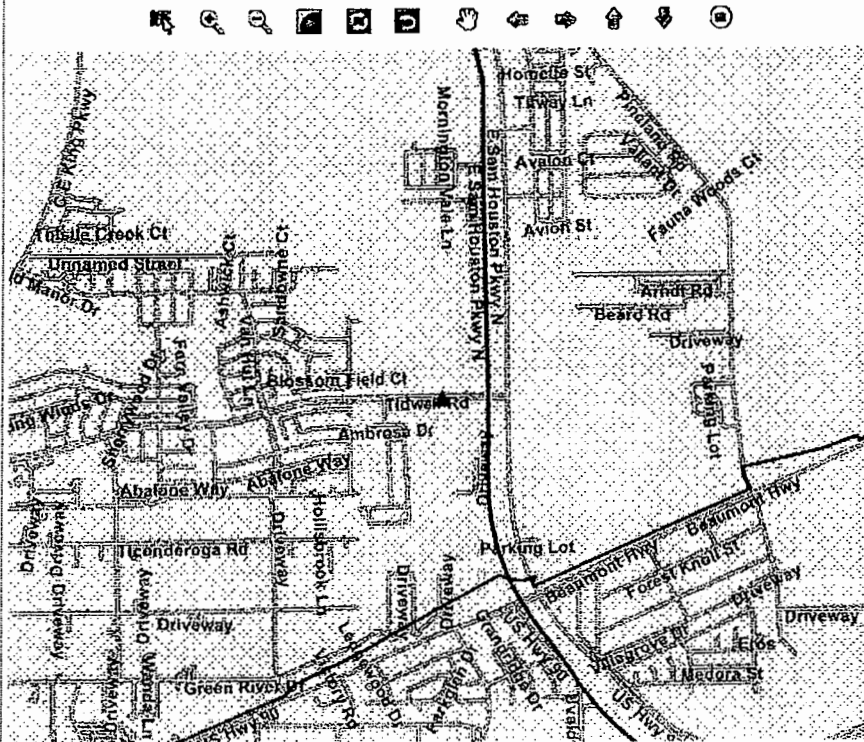
- 14 Current Zoom Level
- Show Tracts Outline (Zoom 11+)
- Show LIHTC Projects (Zoom 11+)
- Color Qualified Tracts

**CENSUS TRACT QUALIFICATIONS**

- Tract Outline
- Qualified Census Tracts (2010-2011)

MF RCVD 6/27/11 1:34

Version 5.0



2010 Information	
Street Address	13400 TIDWELL RD
City Name	HOUSTON
State Abbr	TX
Zip Code	77044
MSA/MD Code	26420
State Code	48
County Code	201
Tract Code	2323.00

[Get Census Demographic](#)

[Print Map](#)

Legend

- Highway
- Tract
- Street

Note: Click the map -- Re-center Map



[GET STREET MAP](#)
[Help on Data](#)
[Back to Geocode](#)
[Search](#)
[Contact Us](#)
[Privacy Policy](#)
[Disclaimer](#)
[FFIEC Main](#)

Geocoding System

MSA Code: <u>26420</u>	State Code: <u>48</u>	County Code: <u>201</u>	Tract Code: <u>2323.00</u>
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Summary Census Demographic Information

Tract Income Level	Moderate	Tract Population	10105
Underserved or Distressed Tract	No	Tract Minority %	68.64
2010 HUD Estimated MSA/MD/non-MSA/MD Median Family Income	\$65,100	Minority Population	6936
2010 Est. Tract Median Family Income	\$48,858	Owner-Occupied Units	2178
2000 Tract Median Family Income	\$38,601	1- to 4-Family Units	3138
Tract Median Family Income %	75.05		

[CENSUS DATA](#) | 
 [INCOME DATA](#) | 
 [POPULATION DATA](#) | 
 [HOUSING DATA](#)

Last update: 08/04/2010 07:30 AM

Maintained by the [FFIEC](#). For suggestions regarding this site, [Contact Us](#).





Geocoding System

MSA Code: <u>26420</u>	State Code: <u>48</u>	County Code: <u>201</u>	Tract Code: <u>2323.00</u>
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Census Income Information

Tract Income Level	Moderate	Tract Median Family Income %	75.05
2004 MSA/MD/statewide non-MSA/MD Median Family Income	\$51,431	2000 Tract Median Family Income	\$38,601
2010 HUD Estimated MSA/MD/non-MSA/MD Median Family Income	\$65,100	2010 Estimated Tract Median Family Income	\$48,858
% below Poverty Line	18.83	2000 Tract Median Household Income	\$35,804

[CENSUS DATA](#) | [INCOME DATA](#) | [POPULATION DATA](#) | [HOUSING DATA](#)

Last update: 08/04/2010 07:30 AM

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EXHIBIT F

**Bast, Cynthia L.**

---

**From:** Barry Kahn [bkahn@hettig-kahn.com]  
**Sent:** Monday, July 11, 2011 3:23 PM  
**To:** Bast, Cynthia L.; John Hettig; Ryan Hettig; Sam Ganeshan  
**Subject:** Fw: Tidwell Lakes Ranch

---

**From:** Turkel, David (CSD)  
**Sent:** Monday, July 11, 2011 3:04 PM  
**To:** 'Robbye Meyer'  
**Cc:** Lambright, Christy (CSD); Briggs, Jared (CSD)  
**Subject:** RE: Tidwell Lakes Ranch

**From:** Lambright, Christy (CSD)  
**Sent:** Monday, July 11, 2011 2:56 PM  
**To:** Turkel, David (CSD)  
**Cc:** Briggs, Jared (CSD)  
**Subject:** Tidwell Lakes Ranch

Although not in a Harris County Target Area ("pink" area), the area is low- to moderate-income. The median income for Harris County is \$63,800 (2009). Moderate income is defined by HUD as 80% of median income or \$51,040 for Harris County. Based on the Census ACS 2009 data for Tract 2323 in which Tidwell Lake Ranch is sited: the tract median income was \$43,987, well below the moderate income level for the county. Further, 2,521 persons of the 4,451 (or 56.6%) living in this tract make less than the moderate income level.

Christy Lambright  
Assistant Director of Planning & Development  
Harris County  
Community Services Department  
Office of Housing and Community Development  
8410 Lantern Point  
Houston, Texas 77054  
713-578-2000

7/14/2011

EXHIBIT G

**Bast, Cynthia L.**

---

**From:** Barry Kahn [Bkahn@hettig-kahn.com]

**Sent:** Friday, July 08, 2011 11:43 AM

**To:** 'Turkel, David (CEDD)'

**Subject:** FW: Tidwell Lakes Ranch

---

**From:** Briggs, Jared (CSD)

**Sent:** Friday, July 08, 2011 11:35 AM

**To:** Robbye Meyer

**Cc:** Turkel, David (CSD); Lambright, Christy (CSD)

**Subject:** Tidwell Lakes Ranch

Robbye,

The email sent to you yesterday afternoon regarding Tidwell Lakes Ranch was inaccurate. While the proposed development's location is not in one of Harris County's designated Target Areas, it is possible that it may be in an area with 51% or greater low-to-moderate income persons. This possibility is based on data provided by the Federal Financial Institutions Examination Council (FFIEC) for Census Tract 2323.00, within which Tidwell Lakes Ranch is located.

Thanks,

**Jared Briggs**

Planner I

Harris County Community Services Department

Phone: (713) 578-2238

[Jared.briggs@csd.hctx.net](mailto:Jared.briggs@csd.hctx.net)

EXHIBIT H

**Bast, Cynthia L.**

---

**From:** Barry Kahn [Bkahn@hettig-kahn.com]  
**Sent:** Friday, July 08, 2011 9:14 AM  
**To:** Bast, Cynthia L.  
**Subject:** FW: 11087 Tidwell Lakes Ranch

**From:** Robbye Meyer [mailto:robbye.meyer@tdhca.state.tx.us]  
**Sent:** Friday, July 08, 2011 8:47 AM  
**To:** Barry Kahn; rhettig@hettig-kahn.com  
**Subject:** 11087 Tidwell Lakes Ranch

Barry,

I tried every angle but I received confirmation from Harris County that the Tidwell development is not in one of the Target Areas or in an area with 51% or greater low to moderate income persons.

The Department, in response to the number and types of challenges received this year for the applications submitted, has gone back and re-reviewed the evidence provided for all applications that selected the 3 points related to New Construction with Community Revitalization, pursuant to 49.9(a)(13) of the 2011 QAP. As a result of the additional research, for all applications that provided us with a letter from the appropriate local official to verify that the local planning document referenced in that letter actually exists, and that it meets the definition and intent of both the defined term of a Community Revitalization Plan as well as the rule itself as it pertains to the point item. For this particular application, we've been able to verify that the document referenced in the letter does exist and that the plan being utilized was approved and adopted by the local governing body. In reviewing the plan, it identifies and targets specific geographic areas where federal funds such as CDBG, HOME and ESG will be concentrated and targeted. However, the proposed Tidwell development is not in one of the Target Areas or in an area with 51% or greater low to moderate income persons. In order to qualify for the points the plan must target specific geographic areas for the purpose of revitalization and residential development and the development must fall within that targeted area. Therefore, the three points originally awarded will be rescinded and a revised scoring notice will be issued.

You will receive a formal letter of rescission and revised scoring notice this afternoon and you will have the opportunity to appeal.

We do apologize for the inconvenience of the rush. Due to the short timeframe before awards are to be recommended, we will add Tidwell Lakes Ranch to the agenda as a place holder on the agenda. We are trying to enable all affected participants to be in front of the Board at the July 18<sup>th</sup> meeting. Should you choose not to appeal, we will withdraw it at the meeting.

**Robbye G. Meyer**

Director of Multifamily Finance  
Texas Department of Housing and Community Affairs  
221 E. 11th Street | Austin, TX 78701  
Office: 512.475.2213  
Fax: 512.475.0764

7/14/2011

EXHIBIT I



**Bast, Cynthia L.**

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**From:** Barry Kahn [Bkahn@hettig-kahn.com]  
**Sent:** Saturday, February 26, 2011 1:26 PM  
**To:** Bast, Cynthia L.  
**Subject:** Revitalization points.

---

**From:** Paransky, Eta - HCD [mailto:Eta.Paransky@houstontx.gov]  
**Sent:** Thursday, February 24, 2011 7:25 PM  
**To:** 'Barry Kahn'  
**Subject:** RE: Genoa Ranch TDHCA # 11137

Barry,

We researched your suggestion and ultimately spoke with Robbye Meyer at TDHCA who offered the following:

The Houston Consolidated Plan addresses that the low/moderate income areas are part of our revitalization efforts (page 66) and the map on page 71 identifies the low/moderate income areas. You need only to identify your site on the map page with a copy of page 66 defining multi-family/new construction revitalization efforts. If your property is in the green area (51%-100% LMI), then you do not need a letter from us.

If it is not in the green areas, then being in an enterprise zone does not qualify for points for revitalizations.

Hope you're in the green area.

Eta

11232- River Valley Apartments

**MULTIFAMILY FINANCE DIVISION  
BOARD ACTION REQUEST  
July 18, 2011**

**Requested Action**

Deny the Applicant's appeal to reinstate one point to the final score for Application #11232, River Valley Apartments.

**WHEREAS**, an application for tax credits was submitted for River Valley Apartments on March 1, 2011; and

**WHEREAS**, one point was requested in the Application under §49.9(a)(27) of the 2011 Qualified Allocation Plan (QAP) for Third Party Funding Outside of Qualified Census Tracts; and

**WHEREAS**, the scoring item requires the funding equal at least 2% or greater of the total development costs without rounding; and

**WHEREAS**, the submitted Application did not reflect the 2% of the total development costs required; therefore,

**BE IT RESOLVED**, that the appeal of #11232, River Valley Apartments is hereby denied as presented in this meeting.

**Background**

River Valley Apartments is a proposed 104-unit Reconstruction Development targeting the general population in Harlingen. While the Applicant requested points under §49.9(a)(27) of the QAP for Third Party Funding Outside of QCT, during staff's review of the Application it was determined the Application was not eligible for the points. The scoring item requires that the third party funding equal at least 2% or greater of the total development costs without rounding. The point was denied by staff because the amount of funds utilized for this request did not amount to 2% or greater of the total development costs.

The Applicant's appeal stated that the amount of the third party loan used for this point request fell just short of the required benchmark as a result of a discrepancy that occurred when the Applicant adjusted its total development costs during the course of preparing the Application. Specifically, the Applicant failed to make a corresponding adjustment to the amount of the third party loan to support the point request made. The Applicant states that the Department's template in the application for Volume 4, Tab 27 is flawed in that it automatically calculates the percentage of the third party funds used for this point request through links imbedded within the template, and rounds the result despite the fact that no rounding is allowed. Furthermore, the appeal stated that because the Department's template was not developed properly, it led the Applicant to believe the amount of the third party loan was sufficient to score the points.

The Department's application template has been changed in the last couple of years in order to provide the development community a more user friendly application, with auto-fill and auto-calculate functions imbedded throughout the application template as a check. However, the application was not created in its current format to be the sole verification mechanism for purposes of ensuring the points selected are, in fact, justified. The Applicant is expected to verify the information entered into the template, as well as any supporting documentation, is correct and supports the representations made in the application. Ultimately, it is the Applicant's responsibility when adjustments are made to one part of the application, that the Applicant has made the necessary corresponding adjustment to any other part of the application that is affected.

The appeal further states that the Applicant and the third party lender were trying to abide by the QAP and the Department's rules. The commitment letter between the Applicant and the Lender indicates the loan commitment will be for the specified amount of \$225K "or approximately 2 percent of the total development costs of the project." Had this issue been addressed through the Administrative Deficiency process, the lender would have adjusted the loan amount in order to comply with the rules for the requested points. However, staff did not issue an Administrative Deficiency in this case because there was no clarification required. The calculation for determining whether the point request was justified is simple and straightforward and any deficiency related to this item would result in a change to the application that would not be necessary had the Applicant independently verified the amount of the third party loan to ensure compliance with the requirements for the point requested.

Staff recommends denial of the appeal.



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

[www.tdhca.state.tx.us](http://www.tdhca.state.tx.us)

Rick Perry  
GOVERNOR

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Lowell A. Keig  
Juan S. Muñoz, Ph.D.  
J. Paul Oser

June 21, 2011

(512) 475-1676

Email: [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us)

Ms. Cynthia L. Bast  
Locke Lord Bissell & Liddell  
100 Congress, Suite 300  
Austin, TX 78701

RE: Appeal of Scoring Notice for #11232, River Valley Apartments

Dear Ms. Bast:

I have carefully reviewed the appeal received on June 7, 2011, by the Texas Department of Housing and Community Affairs (the "Department"), regarding your request to reinstate 1 point to the final scoring for the application referenced above for Third Party Funding Outside of Qualified Census Tracts pursuant to §49.9(a)(27) of the 2011 Qualified Allocation Plan and Rules (QAP).

One point was requested for this item but denied because the amount of funds utilized for this request did not amount to 2% or greater of the total development cost without rounding. You appeal that the amount of the third party loan used for this point request fell just short of the required benchmark as a result of a discrepancy that occurred when the Applicant adjusted its total development costs during the course of preparing the Application. The Applicant failed to make a corresponding adjustment to the amount of the third party loan to support the point request made. However, you appeal that the Department's template in the application for Volume 4, Tab 27 is flawed in that it automatically calculates the percentage of the third party funds used for this point request through links imbedded within the template, and rounds the result despite the fact that no rounding is allowed. Further, you appeal that because the Department's template was not developed properly, it led the Applicant to believe the amount of the third party loan was sufficient to score the points.

The Department's application template has been changed in the last couple of years in order to provide the development community a more user friendly application, with auto-fill and auto-calculate functions imbedded throughout the application template as a check. However, the application was not created in its current format to be the sole verification mechanism for purposes of ensuring the points selected are, in fact, justified. The Applicant is expected to verify the information entered into the template, as well as any supporting documentation, is correct and supports the representations made in the application. Ultimately, it is the Applicant's responsibility when adjustments are made to one part of the application, that the Applicant has made the necessary corresponding adjustment to any other part of the application that is affected.

Finally, you appeal that the Applicant and the third party lender were trying to abide by the QAP and the Department's rules. The commitment letter between the Applicant and the Lender indicates the loan commitment will be for the specified amount of \$225K "or approximately 2 percent of the total development costs of the project." Had this issue been addressed through the Administrative Deficiency process, the lender would have adjusted the loan amount in order to comply with the rules for the requested points. However, staff did not issue

an Administrative Deficiency in this case because there was no clarification required. The calculation for determining whether the point request was justified is rather simple and any deficiency related to this item would result in a change to the application that would not be necessary had the Applicant independently verified the amount of the third party loan to ensure compliance with the requirements for the point requested.

Based on the information presented, your appeal requesting reinstatement of 1 point for Third Party Funding Outside of Qualified Census Tracts is denied.

Pursuant to your request your appeal will be placed on the agenda for the July 18<sup>th</sup> Board meeting. If you wish to submit additional documentation for the Board appeal, please submit that information to the Department no later than 5:00 p.m. on June 28, 2011. If you have any questions, please do not hesitate to contact Raquel Morales at 512-475-1676 or [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us).

Sincerely,



Timothy K. Irvine  
Acting Director

rbm

cc: Rick Deyoe  
John Boyd

# LLB&L

Locke Lord Bissell & Liddell LLP

Attorneys & Counselors

100 Congress, Suite 300  
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

June 7, 2011

Mr. Michael Gerber  
Executive Director  
Texas Department of Housing and Community Affairs  
221 East 11th Street  
Austin, Texas 78701

Re: River Valley Apartments (Harlingen), TDHCA No. 11232  
**Appeal for Scoring**

Dear Mike:

We represent LV Housing, Ltd. ("Client"), which applied for low-income housing tax credits in the 2011 application round for the Development listed above. Client requested points under Section 49.9(a)(27) of the Qualified Allocation Plan (the "QAP")<sup>1</sup> for the receipt of third party funding outside a qualified census tract. The points were not awarded.

### Request

On behalf of Client, we request that Client receive one (1) point under Section 49.9(a)(27) of the QAP.

### Background

For any Development located outside of a qualified census tract, an Applicant may receive one point for showing evidence of funding from a third party, in the amount of 2% of the total development costs. The rules are clear that **rounding should not be used** for this calculation. Client submitted evidence of a third party loan in the amount of "\$225,000 or approximately 2 percent of the total development costs of the project." A copy of this evidence is attached as Exhibit A.

Client's final total development costs were \$11,329,703. If the third party loan were calculated at \$225,000, it would constitute 1.99% of the total development costs, just shy of the benchmark. This discrepancy occurred when Client adjusted its total development costs during the course of preparing its Application but did not make a corresponding adjustment to the amount of the third party loan.

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<sup>1</sup> Capitalized terms used but not defined in this letter shall have the meanings given them in the QAP.

While Client recognizes that a loan of \$225,000 does not constitute 2% of the total development costs, as required by the QAP, there are mitigating circumstances in this instance that must be considered and constitute good cause to grant this appeal.

### Reasons for Appeal

The first, and most critical, element of Client's appeal is that **TDHCA's own application template for Volume 4, Tab 27 is flawed**. Attached to this letter as Exhibit B is a screenshot of the template for Volume 4, Tab 27 from Client's Application, evidencing the flaw. You can see it shows Client's third party loan of \$225,000 being 2% of the total development costs.

The problem is derived as follows. When an Applicant inserts the amount of its third party loan under "Total Amount," the line item for "Percentage of Development Cost" is automatically calculated and inserted by TDHCA's application template (the "Template"). The Template divides the "Total Amount" that is inserted by an Applicant by the total development costs calculated in an earlier part of the Application. Then, **the Template rounds the result**, despite the fact that the rules prohibit rounding. For example, if an Applicant has \$3,000,000 of total development costs and inserts \$59,000 under "Total Amount" in Volume 4, Tab 27, the Template will calculate and display the "Percentage of Development Cost" as 2%.<sup>2</sup>

This flaw creates a misleading situation for Applicants. Because the various cells in the Template are linked, a change made in one cell can affect other cells throughout an Application. When Client changed its total development costs during the process of submitting its Application, the change did not trigger a corresponding change in Volume 4, Tab 27 because the Template was using an inappropriate rounding convention. Had the Template been developed properly, namely, to show the actual Percentage of Total Development Cost without rounding and using decimal places, Client would have received a visual trigger that the amount of the third party loan needed to be increased. The Percentage of Development Cost should have appeared on the Template as "1.99%."

Moreover, it is clear that Client and its proposed lender ("Lender") were trying to abide by the QAP and TDHCA's rules. The commitment letter between Client and Lender indicates a loan commitment of \$225,000 "or approximately 2 percent of the total development costs of the project." This language indicates that both Client and Lender were aware of the 2% threshold and were attempting to comply with it. Given Client's total development costs, in order to comply with the 2% threshold, the loan commitment should have been \$226,595 – just \$1,595 more than Lender's commitment. Given the intent expressed in the commitment letter to provide "2 percent of the total development costs of the project" and given that only a relatively small increase in the loan commitment would be required to comply with the 2% threshold, it is reasonable to assume that Lender would have increased the loan commitment as needed to meet the 2% threshold. To support that assumption, Lender has offered a revised commitment, showing its willingness to increase the loan to \$228,000. See the letter attached as Exhibit C.

This situation could have been capably resolved in an Administrative Deficiency process. An Administrative Deficiency is defined in the QAP as "[i]nformation requested by the Department that is required to clarify or correct inconsistencies in an Application that in the

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<sup>2</sup> The author performed this hypothetical herself and confirmed the Template's performance.



Mr. Michael Gerber  
June 7, 2011  
Page 3

Department's reasonable judgment, may be cured by supplemental information or explanation which will not necessitate a substantial reassessment or re-evaluation of the Application."

Here, where the loan commitment was only \$1,595 short of satisfying the 2% threshold; the commitment letter indicated Client's and Lender's understanding of the 2% threshold and their intent to comply with it; and the Template provided by TDHCA rounded the results, despite rules to the contrary, resulting in Client's failure to realize it was not in compliance with the 2% threshold, it would have been reasonable for TDHCA staff to ask Client to cure this inconsistency with an Administrative Deficiency. They did not do so.

### Summary

A flaw in TDHCA's Template for Volume 4, Tab 27 led to Client's error with regard to its submission for this point item. TDHCA staff knows that an Applicant often changes numbers in its Application during the weeks leading up to the date the final Application is submitted. When a change in Volume 1, Tab 3, Part A (Development Cost Schedule) can affect Volume 4, Tab 27, positioned **62 tabs later** in the spreadsheet, it is imperative that the calculations be precise so that the Applicant can identify any consequences derived from any of the changes made.

Client and Lender were clearly trying to abide by the rules of the QAP and expressed an intent to provide 2% of the total development costs. When Client's calculation came in at 1.99%, an Administrative Deficiency should have been issued to allow for correction.

Accordingly, we respectfully request that this appeal be granted by the Executive Director. If administrative approval is not possible, we request that this appeal be heard at the next available Board meeting.

Thank you, and feel free to contact me with any questions.

Sincerely,



Cynthia L. Bast

cc: Robbye Meyer  
Raquel Morales  
TDHCA

Rick Deyoe  
John Boyd  
Henry Flores  
*Realtex Development Corporation*

Exhibit A – Volume 4, Tab 27  
Exhibit B – Loan Commitment  
Exhibit C – Updated Loan Commitment

## EXHIBIT A

Volume 4, Tab 27

### THIRD-PARTY FUNDING COMMITMENT OUTSIDE OF QUALIFIED CENSUS TRACTS (§49.9(a)(27))

Complete the following information for 1 point under §49.9(a)(27) of the 2011 QAP. Use additional pages if necessary. For all sources, submit the funding commitment behind this tab. All sources must be included in the Volume 1, Tab 4, Part A, Summary of Sources and Uses form and Volume 1, Tab 4, Part B, Financing Narrative. Funding must equal at least 2% of the Total Housing Development Costs, without rounding, reflected in the Volume 1, Tab 3, Part A, Development Cost Schedule. The Development must be located outside a qualified census tract and have at least 10% of the units in the Development serving households at 30% AMGI or below. The funding source can not be a commercial lender. Funds from the Department's HOME and Housing Trust Fund sources are not eligible for these points.

Funding Source: Generation Housing Development, LLC  
Total Amount: \$225,000  
Percentage of Development Cost: 2%

- Copy of commitment of funds is attached. The commitment must include a statement that the provider of funds is not the Applicant, the Developer, Consultant, Related Party or any individual or entity acting on behalf of the proposed Application and that none of the funds committed were first provided to the entity by the Applicant, the Developer, Consultant, Related Party or any individual or entity acting on behalf of the proposed Application.



REMEMBER TO SUBMIT EVIDENCE BEHIND THIS FORM

**EXHIBIT B**



February 16, 2010

LV Housing, Ltd.  
1101 S. Capital of Texas Hwy, Suite F200  
Austin, Texas 78746  
Attention: Rick J. Deyoe

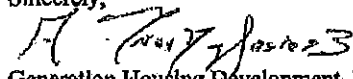
RE: Private Funding Commitment, TCHCA Application #11232 (River Valley Apartments)

Dear Mr. Deyoe,

Per the 2011 QAP (§49.9(b) Section (27) 3<sup>rd</sup> Party Funding Outside QCT) please consider this to be a formal commitment of private funds to the above referenced application to be located in Harlingen, Texas. The commitment amount is TWO HUNDRED TWENTY FIVE THOUSAND DOLLARS AND NO/00 (\$225,000.00) or approximately 2 percent of the total development cost of the project. The repayment term of the loan is expected to last one year, the terms of which will be determined should the application receive an award from TDHCA.

Please note that I am not the Applicant, the Developer, Consultant, Related Party, or any individual acting on behalf of the proposed Application and that none of the funds that I have committed were first provided to me by the Applicant, the Developer, Consultant, Related party or any individual or entity acting on behalf of the proposed Application.

Sincerely,

  
Generation Housing Development, LLC  
Adrian Iglesias, President

CC:  
Texas Department of Housing and Community Affairs  
P.O. Box 13941  
Austin, Texas 78701  
Attention: Robbye Meyer

9600 Escarpment Blvd Suite 745-101 • Austin, Texas 78749 • P- (512)971-9127 F- (512) 961-8048

**EXHIBIT C**



June 7, 2011

LV Housing, Ltd.  
1101 S. Capital of Texas Hwy, Suite F200  
Austin, Texas 78746  
Attention: Rick J. Deyoe

RE: Private Funding Commitment, TCHCA Application #11232 (River Valley Apartments)

Dear Mr. Deyoe,

Per the 2011 QAP (§49.9(b) Section (27) 3<sup>rd</sup> Party Funding Outside QCT) please consider this to be a formal commitment of private funds to the above referenced application to be located in Harlingen, Texas. The commitment amount is TWO HUNDRED TWENTY EIGHT THOUSAND DOLLARS AND NO/00 (\$228,000.00) or approximately 2 percent of the total development cost of the project. The repayment term of the loan is expected to last one year, the terms of which will be determined should the application receive an award from TDHCA.

Please note that I am not the Applicant, the Developer, Consultant, Related Party, or any individual acting on behalf of the proposed Application and that none of the funds that I have committed were first provided to me by the Applicant, the Developer, Consultant, Related party or any individual or entity acting on behalf of the proposed Application.

Sincerely,

A handwritten signature in black ink that reads "Adrian Iglesias". The signature is stylized and includes a large flourish at the end.

Generation Housing Development, LLC  
Adrian Iglesias, President

CC:  
Texas Department of Housing and Community Affairs  
P.O. Box 13941  
Austin, Texas 78701  
Attention: Robbye Meyer

**EXHIBIT C**



June 7, 2011

LV Housing, Ltd.  
1101 S. Capital of Texas Hwy, Suite F200  
Austin, Texas 78746  
Attention: Rick J. Deyoe

RE: Private Funding Commitment, TCHCA Application #11232 (River Valley Apartments)

Dear Mr. Deyoe,

Per the 2011 QAP (§49.9(b) Section (27) 3<sup>rd</sup> Party Funding Outside QCT) please consider this to be a formal commitment of private funds to the above referenced application to be located in Harlingen, Texas. The commitment amount is TWO HUNDRED TWENTY EIGHT THOUSAND DOLLARS AND NO/00 (\$228,000.00) or approximately 2 percent of the total development cost of the project.

The Loan will be subject to the following described terms and conditions:

**LOAN TERMS SUMMARY**

<b>Borrower:</b>	LV Housing, Ltd.
<b>Maximum Loan Amount:</b>	\$228,000.00 or approximately 2% of total Development Cost of Project
<b>Purpose of Loan:</b>	Interim Development Cost and Construction
<b>Term:</b>	The repayment term of the loan is expected to last one year, the terms of which will be determined should the application receive an award from TDHCA.
<b>Source of Funds:</b>	Private Funds
<b>TDHCA Certification:</b>	Lender hereby certifies that it is not the Applicant, the Developer, Consultant, Related Party, or any individual acting on behalf of the proposed Application and that none of the funds that have been committed were first provided to the entity by the Applicant, the Developer, Consultant, Related party or any individual or entity acting on behalf of the proposed Application (as such terms are defined in the 2011 Texas Qualified Allocation Plan).

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**EXHIBIT C**

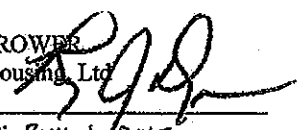
Page 2 of 2

The acceptance of this commitment letter shall be indicated by Borrower's signature below.

**LENDER:**

By:   
Name: Adrian Iglesias, Generation Housing Development, LLC  
Title: President

**ACCEPTED:**

BORROWER  
LV Housing, Ltd  
By:   
Name: Rick J. DWYER  
Title: Auth. Rep. of LV HOUSING, LLC, GP

**CC:**  
Texas Department of Housing and Community Affairs  
P.O. Box 13941  
Austin, Texas 78701  
Attention: Robbye Meyer

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11237- Summer Crest Senior  
Development  
(Withdrawn)

11241- Park Hudson Senior



**MULTIFAMILY FINANCE DIVISION  
BOARD ACTION REQUEST  
July 18, 2011**

**Requested Action**

Deny the Applicant's appeal to reinstate fourteen points to the final score for Application #11241, Park Hudson Senior.

**WHEREAS**, an application for tax credits was submitted for Park Hudson Senior on March 1, 2011; and

**WHEREAS**, the Applicant was not awarded fourteen points for Community Support from a State Representative or Senator pursuant to §49.9(a)(16) because the support letter originally submitted by the State Representative was subsequently withdrawn prior to the June 1<sup>st</sup> deadline; therefore

**BE IT RESOLVED**, that the appeal for reinstatement of fourteen points for application #11241, Park Hudson Senior is hereby denied.

**Background**

Park Hudson Senior is a proposed 90 unit new construction multifamily development targeted towards the elderly population in Bryan, Texas.

The Applicant was not awarded fourteen points related to Community Support from a State Representative. State Representative Fred Brown provided a letter of support for Park Hudson Senior prior to the April 1<sup>st</sup> deadline. Subsequent to that submission, Representative Brown's office contacted the Department and requested that the support letter be withdrawn in order to keep his position neutral on this particular application. Subsequent to that request Representative Brown's office contacted the Department and indicated his support again for the subject application. However, while the Department's QAP allows for a legislator to submit a letter of support or opposition and subsequently withdraw that support or opposition prior to the withdrawal deadline, it does not provide for a legislator to withdraw a previous withdrawal and reinstate a support or opposition letter.

The Applicant appeals that Representative Brown has confirmed his support for the subject application. However, at the TDHCA Board's June 30<sup>th</sup> meeting, State Representative Fred Brown provided testimony with respect to the letters of support submitted by his office. Representative Brown confirmed his support for two HTC applications submitted during the 2011 application round, and the subject application was not one of the two mentioned.

Staff recommends denial of the appeal.



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

[www.tdhca.state.tx.us](http://www.tdhca.state.tx.us)

Rick Perry  
GOVERNOR

BOARD MEMBERS  
C. Kent Conine, *Chair*  
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Leslie Bingham-Escareño  
Lowell A. Keig  
Juan S. Muñoz, Ph.D  
J. Paul Oxer

June 24, 2011

Writer's direct # (512) 475-3296  
Email: [tim.irvine@tdhca.state.tx.us](mailto:tim.irvine@tdhca.state.tx.us)

Mr. Paul Milosevich  
Park Hudson Seniors, LP  
5307 E. Mockingbird Lane, Ste. 1010  
Dallas, TX 75206

RE: Appeal of Scoring Notice for #11241, Park Hudson Senior

Dear Mr. Milosevich:

I have carefully reviewed the appeal received on June 8, 2011, by the Texas Department of Housing and Community Affairs (the "Department"), regarding your request to reinstate 3 points for New Construction with Community Revitalization pursuant to §49.9(a)(13) and 14 points for Community Support from State Representative/Senator pursuant to §49.9(a)(6) of the 2011 Qualified Allocation Plan and Rules (QAP).

The Department received a letter of support from Representative Fred Brown, dated March 24, 2011, for the proposed development prior to the April 1<sup>st</sup> deadline. However, on March 30<sup>th</sup> staff from Representative Brown's office contacted the Department via email and requested that all support letters previously submitted be withdrawn with the exception of one. Staff complied with Representative Brown's request since it was before the June 1, 2011 deadline. Thereafter, on May 10, 2011, Department staff was again contacted by Representative Brown's office asking that we re-instate his support letter for this particular application. Although the request to reinstate the letter was prior to the June 1<sup>st</sup> deadline, the withdrawal of the support was prior to the April 1<sup>st</sup> deadline. It is staff's view that the QAP does not contemplate or provide for reinstatement of a withdrawn letter.

With respect to the Community Revitalization Plan, the Department did not award the points for Community Revitalization Plan because the evidence provided was insufficient to show that the Tax Increment Reinvestment Zone met the requirements of the QAP. In keeping with the definition, a Community Revitalization Plan must meet the following criteria to qualify for the points requested under this item: (1) the document, under any name, was approved and adopted by the local Governing Body by ordinance, resolution or vote; and (2) the document targets specific geographic areas for revitalization and development of residential developments. You appeal that when you approached the City of Bryan about whether Park Hudson was in any "revitalization" areas. They responded that the development would be located in TIRZ #8 and that the purpose of the TIRZ was to promote "reinvestment" which is similar to revitalization. The documentation provided included a copy of the

ordinance that created TIRZ #8 and that information does not contain any reference to the TIRZ being created for both revitalization and the development of residential development. Therefore, based on the definition of a Community Revitalization Plan in the QAP, the TIRZ #8 does not appear to meet the requirements necessary to be eligible for the points requested.

Based on the information presented your appeal to reinstate the 3 points for New Construction with Community Revitalization and the 14 points for Support from State Representative/Senator is denied.

Pursuant to your request your appeal will be placed on the agenda for the July 18<sup>th</sup> Board meeting. If you wish to submit additional documentation for the Board appeal, please submit that information to the Department no later than 5:00 p.m. on June 29, 2011. If you have any questions, please do not hesitate to contact Raquel Morales at 512-475-1676 or [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us).

Sincerely,



Timothy K. Irvine  
Acting Director

PARK HUDSON SENIORS, LP  
5307 E. Mockingbird Lane, Ste 1010  
Dallas, Texas 75206  
817.742.1851 x14 817.742.1852 fax

June 8, 2011

Mr. Michael Gerber  
Executive Director  
Texas Department of Housing and Community Affairs  
221 East 11<sup>th</sup> Street  
Austin, Texas 78701

RE: Park Hudson Senior (TDHCA #11241) – Final Scoring Appeal

Dear Mr. Gerber:

Please allow this letter to serve as an official request to review the scoring for the above referenced development. We are appealing two scoring items that did not receive points: Input from State Senator or Representative (14 points) and New Construction with Community Revitalization (3 points).

**Input from State Senator or Representative**

The Park Hudson Senior Development received a letter of support from Representative Fred Brown. The original letter of support is attached. This letter of support was submitted by Sarah Anderson on March 30, 2011, at 12:22 pm and also by Christina Schwartz on April 1, 2011, at 3:40 pm. At no time was there any indication that the letter was not accepted by TDHCA or withdrawn by Representative Brown. In fact, in response to Ms. Schwartz's submission, TDHCA staff acknowledged receipt of the letter stating, "I have received your letter," on April 1, 2011, at 3:46 pm. As of April 1, 2011, at 5 pm, the date and time that the legislative letters were due for the 2011 HTC application round, we believed that we had submitted a letter of support for the development that was accepted by TDHCA.

On May 9, 2011, we reviewed the "List of Letters Received from State Elected Officials" PDF file that was posted on the TDHCA website and realized that TDHCA did not record our letter of support from Representative Brown. We immediately emailed TDHCA staff and forwarded the email confirming receipt of our support letter, as we thought there was a mistake. Robbye Meyer then responded that Representative Brown had withdrawn his letter of support on March 30, 2011, and that "Misael was not aware, at the time, the letter had already been withdrawn when she confirmed receipt." This correspondence is attached.

We then contacted Representative Brown, as we had no idea that his letter had been withdrawn. Representative Brown indicated that he supported the Park Hudson Senior Development and that he was always in support of the development. Representative Brown indicated that he had a telephone discussion with Ms. Meyer who stated, "if you want points to matter only one deal needs to be supported." It is our understanding from discussions with the Representative Brown's staff that he believed that Ms. Meyer was directing him to support only one application and he did

not choose Park Hudson. We informed Representative Brown that multiple applications *could* be supported by a legislator and that there are other scoring criteria that is factored into a final score for an application. In response to this information Representative Brown then sent an email to Ms. Meyer on May 10, 2011, reiterating the fact that he always supported Park Hudson and stated that he expected that the application would received 14 points for his support. This correspondence is attached.

On May 17, 2011, we emailed Ms. Meyer to confirm that she received Representative Brown's email regarding his support of Park Hudson. Ms. Meyer stated that Representative Brown was "informed that since the letter was withdrawn prior to April 1<sup>st</sup> that the rules did not allow for reinstatement after April 1<sup>st</sup>."

Section 49.9(a)(6) states that letters will be accepted "on or before the Input from State Senator or Representative Delivery Date as identified in §49.3 of this chapter," which is April 1, 2011. This section further states that "A State Representative or State Senator may withdraw (in writing), but may not change or replace a letter that is submitted by the April 1st deadline on or before the Withdraw Deadline for State Senator or Representative Letters as identified in §49.3 of this chapter but may not submit a new letter." The "withdraw" deadline was June 1, 2011.

We have difficulty with this situation for many reasons.

First, we question the appropriateness of TDHCA staff's conversation with Representative Brown. The Park Hudson Senior Development is one of only two HTC applications in Bryan that received a resolution of support from the City. This resolution and the letter of support are attached. After the City of Bryan's resolution of support was passed, the City contacted Representative Brown requesting that he only support the developments that the City supported in their resolution. At that time, Representative Brown contacted TDHCA to rescind his support for the other applications that the City did not support. It was during this telephone conversation with Ms. Meyer that Representative Brown believed he was directed to only support one application for the round. He indicated that when Ms. Meyer said, "if you want points to matter only one deal needs to be supported," he thought she meant that he needed to pick only one application. It was not until our conversation with him on May 9 did he fully understand that he did not have to choose only one application and that he could have supported both applications. We believe that staff's comments regarding this matter amount to "coaching" and were inappropriate. There was no reason for Representative Brown to withdraw his support for Park Hudson if the City, just a few days prior, specifically told him that they supported the application. Representative Brown has graciously agreed to take time out of his schedule and discuss this situation with the Executive Director directly as needed.

Second, we believe that staff should have informed us, prior to the letter deadline, that Representative Brown withdrew his support letter on March 30, 2011. The deadline for the submission of legislative letters was April 1, 2011, at 5 pm. TDHCA staff indicated that Representative Brown withdrew his letter of support on March 30, but did not inform us of this fact when we submitted his letter of support on April 1, 2011. If TDHCA staff informed us that the letter was withdrawn, rather than stating that our letter was received, on April 1, 2011, at 3:46 pm, there was time before 5 pm for Representative Brown to contact TDHCA and confirm that he supported the application. Though Representative Brown emailed TDHCA staff about this situation on May 10, TDHCA staff indicated that his opinion would not be considered because the email was received after the April 1, 2011, deadline. Again, had TDHCA staff correctly told us on April 1 that the letter was previously withdrawn, there was time for the Representative to

contact TDHCA prior to 5 pm that same day. We find this especially troubling because Representative Brown withdrew his initial letter based on direction from TDHCA staff.

Third, while TDHCA staff received an email from Representative Brown on March 30 withdrawing his letter of support that was sent previously, we question why staff does not consider the support letter submitted by the Applicant on April 1 as a replacement of the withdrawal request. The letter of support was submitted by the Applicant on April 1, 2011, which is 2 days *after* Representative Brown's withdrawal email. It would make sense for TDHCA staff to either (1) ask the applicant to confirm that the support letter was current, considering the Representative withdrew his support a couple days prior or (2) confirm with Representative Brown directly whether he changed his mind and wanted his support letter on record. Neither was done by staff.

We have confirmed that Representative Brown has always supported the Park Hudson application. Based on our conversations with his staff, Representative Brown believes that he was inappropriately directed by TDHCA to only choose one application. We believe the inconsistencies and missteps regarding the handling of this matter call for a reconsideration of the points for this scoring item. Additionally, we encourage the Executive Director to have a direct conversation with the Representative regarding this matter to ensure that that a situation like this does not happen again.

#### **New Construction with Community Revitalization**

Section 49.9(a)(13)(D) states that an application may receive 3 points if "The Development is New Construction and is proposed to be located in an area that is part of a Community Revitalization Plan." For this scoring item, we submitted a letter from the City of Bryan that confirms that the development is located within Tax Increment Reinvestment Zone #8. Points were not awarded by TDHCA according to the following reasons:

*Letter provided from Assistant Director of Development Services of Bryan that development is located within TIRZ #8 and map of TIRZ #8 boundaries provided. Letter does not state that a Community Revitalization Plan is in effect, that TIRZ #8 acts as the City's Community Revitalization Plan. The TIRZ #8 is not a published document.*

The City of Bryan has passed an ordinance regarding TIRZ #8, so it is a published document that has been approved by City Council. This ordinance is attached. The ordinance states that the TIRZ is in effect from January 1, 1999, until December 31, 2019, so it is currently in effect. The TIRZ is a targeted area within the City of Bryan, as confirmed by the map of the TIRZ. When we initially approached the City of Bryan about whether Park Hudson was in any "revitalization" areas, they informed us that the development was in TIRZ #8 and would provide a letter stating such. A TIRZ is created for the purpose of "reinvestment," which is similar to revitalization, so we believe the TIRZ qualifies as a Community Revitalization Plan. We ask that points be reconsidered for this scoring item.

We would like to note that these issues were never raised by the Department during the review of the application and should have been addressed through the deficiency process rather than being released through the final scoring process, leaving us to work through an appeal for scoring points at this late date in the process.

Thank you in advance for your consideration of this request. Please let me know if any additional information is necessary.

Sincerely,

A handwritten signature in black ink, appearing to read 'Paul Milosevich', written in a cursive style.

Paul Milosevich



**FRED BROWN**  
**STATE REPRESENTATIVE**  
**DISTRICT 14**

STATE CAPITOL  
P.O. BOX 2910  
AUSTIN, TEXAS 78768-2910  
512/463-0698  
FAX: 512/463-5109  
CAPITOL OFFICE ROOM  
1N.09

March 24, 2011

DISTRICT  
1920 WEST VILLA MARIA ROAD  
SUITE 303  
BRYAN, TEXAS 77807  
979/822-9797  
FAX: 979/822-7979

Texas Department of Housing and Community Affairs  
Multi-Family Finance Production Division  
Attn: Ms. Robbye Meyer, Director  
P.O. Box 13941  
Austin, Texas 78711-3941

Re: Park Hudson Senior Development, TDHCA #11241

Dear Ms. Meyer,

It gives me great pleasure to write a letter on behalf of Park Hudson Senior Development slated for development beginning in 2011. This development will fulfill a need for safe, decent and affordable housing for our growing senior population in Bryan, College Station. By providing affordable housing to senior constituents, their mission not only includes community enrichment, but also numerous other services to our community and especially our seniors.

I offer my unconditional support for Park Hudson Senior Development and recommend them for an award in this 2011 allocation cycle. If you have any questions, please feel free to contact me anytime.

Best personal regards,

A handwritten signature in black ink that reads "Fred Brown".

Fred Brown  
State Representative  
District 14

*Committees:*

*Chair, Joint Committee on Oversight and HHS Eligibility System • Higher Education • Land and Resource Management*



**From:** Sarah Anderson [mailto:[sarah@sarahandersonconsulting.com](mailto:sarah@sarahandersonconsulting.com)]  
**Sent:** Wednesday, March 30, 2011 12:22 PM  
**To:** 'Raquel Morales'  
**Cc:** 'Misael Arroyo'  
**Subject:** submission of legislative letters

Raquel,

I've been asked to forward the attached legislative support letters:

- 11050: Palm Gardens
- 11045: Lexington Vista
- 11048: La Privada
- 11076: Saddlebrook Apartments
- 11200: Silvercreek I (2)
- 11249: Silvercreek II (2)
- 11227: Dolphins Landing
- 11241: Park Hudson

Regards,

*Sarah Anderson*

S. Anderson Consulting

1305 E. 6th St., #12

Austin, TX 78702

512-554-4721

fax: 512-233-2269

6 attachments -- [Download all attachments](#)

 **corpus Legislative Support 2011.pdf**

102K [View](#) [Download](#)

 **Legislative Support Letters mixed 2011 Deals.pdf**


278K [View](#) [Download](#)

 **Mike Robinson Legislative Support 2011.pdf**

191K [View](#) [Download](#)

 **Overland Burkburnett Legislative Support 2011.pdf**

97K [View](#) [Download](#)

 **Park Hudson Legislative Support 2011.pdf**

130K [View](#) [Download](#)

 **Silver Creek I and II Support Letters 2011-03-30.pdf**

909K [View](#) [Download](#)

----- Forwarded message -----

From: "Robbye Meyer" <robbye.meyer@tdhca.state.tx.us>  
To: "misael.arroyo@tdhca.state.tx.us" <misael.arroyo@tdhca.state.tx.us>  
Date: Wed, 30 Mar 2011 23:41:12 +0000  
Subject: FW: Letters of Support

Misael,

This is the withdrawal for Rep. Fred Brown Support Letters. He is withdrawing support from #11241, 11094, 11057. Will you make the necessary changes and make copies of this email for each file.

**Robbye G. Meyer**

Director of Multifamily Finance

Texas Department of Housing and Community Affairs

221 E. 11th Street | Austin, TX 78701

Office: 512.475.2213

Fax: 512.475.0764

#### **About TDHCA**

The Texas Department of Housing and Community Affairs is the state agency responsible for affordable housing, community services, energy assistance, colonia housing programs, and disaster recovery housing programs. It currently administers over \$3 billion through for-profit, nonprofit, and local government partnerships to deliver local housing and community-based opportunities and assistance to Texans in need. For more information please visit [www.tdhca.state.tx.us](http://www.tdhca.state.tx.us).

**From:** MeLissa Nicholas [mailto:[Melissa.Nicholas@house.state.tx.us](mailto:Melissa.Nicholas@house.state.tx.us)]  
**Sent:** Wednesday, March 30, 2011 4:55 PM  
**To:** Robbye Meyer  
**Subject:** RE: Letters of Support  
**Importance:** High

**Dear Ms. Meyer:**

**I am respectfully requesting that the other support letters be withdrawn. The application that I truly support is #11214 Cobblestone Village. Thank you for your time and consideration.**

**Fred Brown**

**State Representative**

**From:** Robbye Meyer [mailto:[robbye.meyer@tdhca.state.tx.us](mailto:robbye.meyer@tdhca.state.tx.us)]  
**Sent:** Wednesday, March 30, 2011 4:37 PM  
**To:** Robbye Meyer; MeLissa Nicholas  
**Cc:** Robbye Meyer  
**Subject:** RE: Letters of Support

Melissa,

We just received one more from an applicant.

#11241 Park Hudson Senior Development

**Robbye G. Meyer**

Director of Multifamily Finance

Texas Department of Housing and Community Affairs

221 E. 11th Street | Austin, TX 78701

Office: [512.475.2213](tel:512.475.2213)

Fax: [512.475.0764](tel:512.475.0764)

**From:** Robbye Meyer  
**Sent:** Wednesday, March 30, 2011 3:45 PM  
**To:** [melissa.nicholas@house.state.tx.us](mailto:melissa.nicholas@house.state.tx.us)  
**Cc:** Robbye Meyer  
**Subject:** Letters of Support

Melissa,

We have received letters of support from the Representative for the following applications:

#11094 Mariposa at Highway 6

#11214 Cobblestone Village

#11057 The Mercer

Let me know if you need any other information.

**Robbye G. Meyer**

Director of Multifamily Finance

Texas Department of Housing and Community Affairs

221 E. 11th Street | Austin, TX 78701

Office: 512.475.2213

Fax: 512.475.0764

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From: Robbye Meyer [<mailto:robbye.meyer@tdhca.state.tx.us>]  
Sent: Monday, May 09, 2011 5:20 PM  
To: Christina Schwartz; [marroyo@tdhca.state.tx.us](mailto:marroyo@tdhca.state.tx.us)  
Cc: Robbye Meyer  
Subject: RE: Park Hudson - Support Letter

Ms. Schwartz,

We did receive the letter you sent. However, Representative Brown withdrew that letter on March 30, 2011. Misael was not aware, at the time, the letter had already been withdrawn when she confirmed receipt.

Robbye G. Meyer

Director of Multifamily Finance

Texas Department of Housing and Community Affairs

221 E. 11th Street | Austin, TX 78701

Office: [512.475.2213](tel:512.475.2213)

Fax: [512.475.0764](tel:512.475.0764)

About TDHCA

The Texas Department of Housing and Community Affairs is the state agency responsible for affordable housing, community services, energy assistance, colonia housing programs, and disaster recovery housing programs. It currently administers over \$3 billion through for-profit, nonprofit, and local government partnerships to deliver local housing and community-based opportunities and assistance to Texans in need. For more information please visit [www.tdhca.state.tx.us](http://www.tdhca.state.tx.us) <<http://www.tdhca.state.tx.us/>> .

From: Christina Schwartz [<mailto:CSchwartz@integratedreg.com>]  
Sent: Monday, May 09, 2011 5:05 PM  
To: Misael Arroyo ([marroyo@tdhca.state.tx.us](mailto:marroyo@tdhca.state.tx.us))  
Cc: Robbye Meyer; Nicole Fisher ([nicole.fisher@tdhca.state.tx.us](mailto:nicole.fisher@tdhca.state.tx.us))  
Subject: FW: Park Hudson - Support Letter

Hello Misael,

According to TDHCA's log, Park Hudson didn't receive legislative points. Please see the below email

confirming your receipt of the letter April 1, 2011. I've attached a copy of the letter for your reference.

Please let me know if you have any questions regarding this matter.

Best regards,

Christina Schwartz

Development Assistant

3110 West Southlake Boulevard, Suite 120

Southlake, Texas 76092

817.742.1851 x 15

817.742.1852 fax

From: Misael Arroyo [<mailto:misael.arroyo@tdhca.state.tx.us>]  
Sent: Friday, April 01, 2011 3:46 PM  
To: Christina Schwartz  
Subject: RE: Park Hudson - Support Letter

I have received your letter.

Thanks,

Misael Arroyo

Administrative Assistant

Texas Department of Housing and Community Affairs

221 E. 11th Street | Austin, TX 78701

Office: 512.475.2596

Fax: 512.475.0764

#### About TDHCA

The Texas Department of Housing and Community Affairs is the state agency responsible for affordable housing, community services, energy assistance, colonia housing programs, and disaster recovery housing programs. It currently administers over \$3 billion through for-profit, nonprofit, and local government partnerships to deliver local housing and community-based opportunities and assistance to Texans in need. For more information please visit [www.tdhca.state.tx.us](http://www.tdhca.state.tx.us) <<http://www.tdhca.state.tx.us/>> .

From: Christina Schwartz [<mailto:CSchwartz@integratedreg.com>]  
Sent: Friday, April 01, 2011 3:40 PM  
To: Misael Arroyo ([marroyo@tdhca.state.tx.us](mailto:marroyo@tdhca.state.tx.us))  
Subject: Park Hudson - Support Letter  
Importance: High

Misael,

Attached is the support letter for Park Hudson Senior, TDHCA #11241. Please confirm receipt.

Thank you in advance.

Christina Schwartz

Development Assistant

3110 West Southlake Boulevard, Suite 120

Southlake, Texas 76092

817.742.1851 x 15

817.742.1852 fax



**From:** MeLissa Nicholas [mailto:[Melissa.Nicholas@house.state.tx.us](mailto:Melissa.Nicholas@house.state.tx.us)]  
**Sent:** Tuesday, May 10, 2011 10:27 AM  
**To:** [robbye.meyer@tdhca.state.tx.us](mailto:robbye.meyer@tdhca.state.tx.us)  
**Cc:** Michael Warner; Fred Brown  
**Subject:** Support for Park Hudson  
**Importance:** High

*Please let it be known that I am, and have always been in support of TDHCA Application # 11241 (Park Hudson Seniors). I understand that there has been some confusion regarding this matter, but I want it on the record that I am in support of this application and expect that it will receive the full 14 points per the QAP.*

*Thank you for your time and consideration.*

*Sincerely,*

*Fred Brown*

=

From: Robbye Meyer [<mailto:robbye.meyer@tdhca.state.tx.us>]  
Sent: Wednesday, May 18, 2011 11:57 AM  
To: Christina Schwartz  
Subject: RE: Park Hudson - Support Letter

Christina,

The Representative's office did send notice to the Department requesting reinstatement of the original letter. The Representative was informed that since the letter was withdrawn prior to April 1st that the rules did not allow for reinstatement after April 1st.

The letter cannot be reinstated at this time. There is no additional information that is needed.

Robbye G. Meyer

Director of Multifamily Finance

Texas Department of Housing and Community Affairs

221 E. 11th Street | Austin, TX 78701

Office: [512.475.2213](tel:512.475.2213)

Fax: [512.475.0764](tel:512.475.0764)

From: Christina Schwartz [<mailto:CSchwartz@integratedreg.com>]  
Sent: Tuesday, May 17, 2011 8:21 AM  
To: 'Robbye Meyer'  
Subject: RE: Park Hudson - Support Letter

Ms. Meyer,

I am following up to confirm your receipt of the documentation from Representative Brown's office regarding their original intent to support Park Hudson Senior Development and the mistake that occurred regarding the withdrawal of their original letter.

Please let me know if additional information is needed from ourselves or Rep. Brown's office and we will help facilitate.

Best regards,

Christina Schwartz

Development Assistant

3110 West Southlake Boulevard, Suite 120

Southlake, Texas 76092

817.742.1851 x 15

817.742.1852 fax

From: Robbye Meyer [<mailto:robbye.meyer@tdhca.state.tx.us>]

Sent: Monday, May:09, 2011 6:35 PM

To: Christina Schwartz

Cc: [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us)

Subject: RE: Park Hudson - Support Letter

Christina,

I am not sure of what "mistake" you are referring to. Representative Brown was specific when the letter was withdrawn. He was only supporting one development in Bryan and that was Cobblestone Village.

Since the letter was withdrawn prior to April 1st, the Department considers it as no letter received.

Robbye G. Meyer

Director of Multifamily Finance

Texas Department of Housing and Community Affairs

221 E. 11th Street | Austin, TX 78701

Office: 512.475.2213

Fax: 512.475.0764

#### About TDHCA

The Texas Department of Housing and Community Affairs is the state agency responsible for affordable housing, community services, energy assistance, colonia housing programs, and disaster recovery housing programs. It currently administers over \$3 billion through for-profit, nonprofit, and local government partnerships to deliver local housing and community-based opportunities and assistance to Texans in need. For more information please visit [www.tdhca.state.tx.us](http://www.tdhca.state.tx.us) <<http://www.tdhca.state.tx.us/>> .

From: Christina Schwartz [<mailto:CSchwartz@integratedreg.com>]

Sent: Monday, May 09, 2011 5:26 PM

To: 'Robbye Meyer'; [marroyo@tdhca.state.tx.us](mailto:marroyo@tdhca.state.tx.us)

Subject: RE: Park Hudson - Support Letter

Robbye,

There must be some confusion as this was one of only two developments that received approval from the City Council to proceed. The City contacted each legislature requesting that they only support developments that the City supported. We were not informed of this mistake or we would have corrected it prior to the deadline.

Are we able to contact Representative Brown regarding reinstatement of the letter?

Christina Schwartz

Development Assistant

3110 West Southlake Boulevard, Suite 120

Southlake, Texas 76092

817.742.1851 x 15

817.742.1852 fax

March 24, 2011

Michael Gerber, Executive Director  
Texas Department of Housing and Community Affairs  
221 E 11<sup>th</sup> St.  
P.O. Box 13941  
Austin, TX 78711-3941



Re: City of Bryan Support of Housing Tax Credit Application

Dear Mr. Gerber:

Please accept this letter in support of the housing tax credit application as submitted by:

Park Hudson Senior

for an affordable, multifamily Housing Tax Credit development proposed to be located in Bryan, Texas.

Per the enclosed resolution, the City of Bryan supports this development, and the application for Housing Tax Credits.

We strongly urge you to consider this application positively.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ann Horton', written in a cursive style.

Ann Horton, Mayor Pro Tempore  
City of Bryan

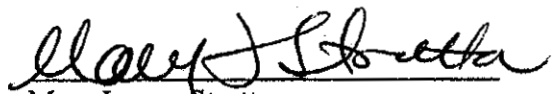
Enc Resolution of Support  
Cc: Fred Brown, State Representative, District 14  
Stephen Ogden, State Senator, District 5

STATE OF TEXAS        )  
COUNTY OF BRAZOS    )

I, Mary Lynne Stratta, City Secretary of the City of Bryan, Texas, have legal custody of the written instrument(s) of record referred to herein, which are available for inspection, and I do hereby certify that the copy of such written instrument(s) of record attached to this Certificate are a true and correct copy of the original as same appears in the records of this office. The written instrument(s) or record(s) referred to herein and attached to this Certificate are described as follows:

Resolution No. 3345, approved by the Bryan City Council on March 24, 2011

In testimony whereof, I subscribed my name hereto officially under the corporate seal of the City of Bryan, Texas, on this the 24<sup>th</sup> day of March, 2011.

  
Mary Lynne Stratta  
City Secretary  
CITY OF BRYAN, TEXAS

(SEAL)

**RESOLUTION NO. 3345**

**A RESOLUTION OF THE CITY OF BRYAN, TEXAS, DECLARING SUPPORT FOR THE COBBLESTONE VILLAGE AND PARK HUDSON SENIOR DEVELOPMENT HOUSING TAX CREDIT APPLICATIONS TO THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS FOR THE YEAR 2011; AUTHORIZING THE MAYOR PRO TEMPORE TO EXECUTE LETTERS OF SUPPORT; AND PROVIDING AN EFFECTIVE DATE.**

WHEREAS, the City of Bryan, Texas ("City") is a home rule municipality duly incorporated and chartered under the Constitution and laws of Texas; and

WHEREAS, the City has the objective of providing for the development of low-to-moderate-income housing for citizens of the City; and

WHEREAS, the construction of affordable rental housing is in accordance with the City of Bryan 2010-2014 Consolidated Plan which demonstrates a need for this type development; and

WHEREAS, Cobblestone Village and Park Hudson Senior, ("Applicants"), share this common goal with the City; and have proposed developments for affordable rental housing located at Highpoint Drive near Briarcrest Drive, Bryan, Brazos County, Texas, for the development named Cobblestone Village, and located at the southwest corner of Cross Park and FM 158, Bryan, Brazos County, Texas, for the development named Park Hudson Senior, respectively; and

WHEREAS, the Applicants have submitted Housing Tax Credit applications to the Texas Department of Housing and Community Affairs (TDHCA) for 2011 Housing Tax Credits;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BRYAN, TEXAS:

**SECTION 1**

That the City Council of the City of Bryan, Texas, hereby declares support of the applications to the Texas Department of Housing and Community Affairs.

**SECTION 2**

That the developments fulfill a need for additional affordable rental housing in accordance with the City of Bryan 2010-2014 Consolidated Plan.

**SECTION 3**

That the Mayor Pro Tempore is authorized to execute the attached letters of support.

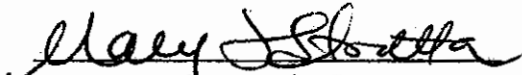
**SECTION 4**

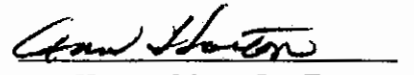
That this Resolution shall become effective immediately upon adoption.

PASSED, APPROVED AND ADOPTED on this 24th day of March, 2011 at a Special meeting of the City Council of the City of Bryan, Texas, which meeting was held in compliance with the Open Meetings Act, *Texas Government Code §551.001*, et. seq., at which meeting a quorum was present.

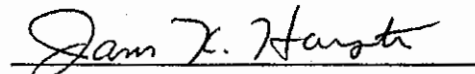
ATTEST:

CITY OF BRYAN

  
Mary Lynne Stratta, City Secretary

  
Ann Horton, Mayor Pro Tempore

APPROVED AS TO FORM:

  
Janis K. Hampton, City Attorney



ORDINANCE NO. 1152

**AN ORDINANCE DESIGNATING A CERTAIN AREA WITHIN THE JURISDICTION OF THE CITY AS A TAX INCREMENT FINANCING DISTRICT TO BE KNOWN AS "REINVESTMENT ZONE NUMBER EIGHT, CITY OF BRYAN, TEXAS", ESTABLISHING A BOARD OF DIRECTORS FOR SUCH REINVESTMENT ZONE, AND OTHER MATTERS RELATING THERETO; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT THEREWITH; PROVIDING A SAVINGS CLAUSE; FINDING AND DETERMINING THAT THE MEETINGS AT WHICH ORDINANCE IS PASSED ARE OPEN TO THE PUBLIC AS REQUIRED BY LAW; AND PROVIDING AN EFFECTIVE DATE.**

WHEREAS, the City Council of the City of Bryan, Texas (the "City") has received a petition submitted by the owners of property constituting at least fifty (50) percent of the appraised value of a certain contiguous geographic area within the jurisdiction of the City, requesting the creation of a reinvestment zone by the City, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, Vernon's Texas Codes Annotated (the "Act"); and

WHEREAS, the City has prepared a preliminary reinvestment zone financing plan, a true and correct copy of which is attached to this Ordinance, and has presented the plan to the governing body of each taxing unit that levies taxes on real property in the proposed reinvestment zone; provided notice to each such taxing unit of the creation of the proposed reinvestment zone; and made a formal presentation to representatives of each such taxing unit pursuant to Section 311.003 of the Act, after receiving waivers from each such taxing unit of the 60 day notice requirement as set forth in Section 311.003(e) of the Act; and

WHEREAS, the preliminary reinvestment zone financing plan provides that the ad valorem taxes of the City constituting its tax increment are to be deposited into the hereinafter created Tax Increment Fund, and that ad valorem taxes of the other taxing units constituting their respective tax increments may also be utilized for the purposes described in the preliminary financing plan; and

WHEREAS, in compliance with the Act, the City has called a public hearing to hear public comments on the creation of the proposed reinvestment zone and its benefits to the City and the property in the proposed reinvestment zone; and

WHEREAS, in compliance with the Act, notice of such public hearing was published in the *Bryan-College Station Eagle*, a daily paper of general circulation in the City, such publication date being not later than seven (7) days prior to the date of the public hearing; and

WHEREAS, such hearing was convened at the time and place mentioned in the published notice, to-wit, on the 15th day of December, 1998, at 6 o'clock p.m., at the City Hall of the City, which hearing was conducted and then closed; and

WHEREAS, the City, at such hearing, invited any interested person, or the attorney thereof, to appear and contend for or against the creation of the reinvestment zone, the boundaries of the proposed reinvestment zone, whether all or part of the territory (which is described by the metes and bounds description attached hereto as Exhibit "A" and depicted in the map attached hereto as Exhibit "B") should be included in such proposed reinvestment zone, the concept of tax increment financing and the appointment of a board of directors for the proposed reinvestment zone; and

WHEREAS, all owners of property located within the proposed reinvestment zone and all other taxing units and other interested persons were given the opportunity at such public hearing to protest the creation of the proposed reinvestment zone and/or the inclusion of their property in such reinvestment zone; and

WHEREAS, the proponents of the reinvestment zone offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the reinvestment zone, and opponents, if any, of the reinvestment zone appeared to contest creation of the reinvestment zone;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BRYAN, TEXAS:

SECTION 1: That the facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct.

SECTION 2: That the City Council, after conducting such hearing and having heard such evidence and testimony, hereby makes the following findings and determinations based on the evidence and testimony presented to it:

(a) That the public hearing on adoption of the reinvestment zone has been properly called, held and conducted and that notice of such hearing has been published as required by law and delivered to all taxing units overlapping the territory inside the proposed reinvestment zone.

(b) That creation of the proposed reinvestment zone with boundaries as described in Exhibits "A" and "B" will result in benefits to the City, its residents and property owners, in general, and to the property, residents and property owners in the reinvestment zone.

(c) That the reinvestment zone, as defined in Exhibits "A" and "B", meets the criteria for the creation of a reinvestment zone as set forth in the Act in that:

(1) It is a contiguous geographic area located wholly within the corporate limits of the City.

(2) The area is as described in a petition requesting that the area be designated by a reinvestment zone, and that such petition was found to be submitted by the owners of property constituting at least fifty (50) percent of the appraised value of the property in said area according to the most recent certified appraisal roll for Brazos County.

(d) That the total appraised value of all taxable real property in the proposed reinvestment zone according to the more recent appraisal rolls of the City, together with the total appraised value of taxable real property in

all other existing reinvestment zones within the City, according to the most recent appraisal rolls of the City, does not exceed fifteen (15) percent of the current total appraised value of taxable real property in the City and in the industrial districts created by the City, if any.

(e) That the proposed reinvestment zone does not contain more than fifteen (15) percent of the total appraised value of real property taxable by a county or school district.

(f) That the improvements proposed to be implemented in the proposed reinvestment zone will significantly enhance the value of all taxable real property in the proposed reinvestment zone.

(g) That the development or redevelopment of the property in the proposed reinvestment zone will not occur solely through private investment in the reasonably foreseeable future.

SECTION 3: That the City hereby creates a reinvestment zone over the area described by the metes and bounds in Exhibit "A" attached hereto and depicted in the map attached hereto as Exhibit "B" and such reinvestment zone shall hereafter be identified as "Reinvestment Zone Number Eight, City of Bryan, Texas" (the "Zone" or the "Reinvestment Zone").

SECTION 4: That there is hereby established a board of directors for the Zone which shall consist of nine (9) members. The board of directors of the Zone shall be appointed as follows:

(a) The respective governing bodies of the Bryan Independent School District and Brazos County each may appoint one (1) member to the board; provided, however, that if either the School District or the County waives its right to appoint a member of the board, the City may appoint such board member in its stead. In addition, one (1) member of the board shall be appointed by State Senator Steve Ogden or his designee and one member of the board shall be appointed by the State Representative Fred

Brown or his designee. Under the provisions of Section 311.009(e) of the Act, the remaining members of the board shall be appointed by the Bryan City Council within sixty (60) days of the passage of this Ordinance or within a reasonable time thereafter. The members to the initial board of directors to be appointed by the School District and the County shall be appointed by resolution of the respective governing bodies of the School District and the County within sixty (60) days of the passage of this Ordinance or within a reasonable time thereafter. The members to the initial board of directors to be appointed by the State Representative and the State Senator shall be designated in writing to the City within sixty (60) days of the passage of this Ordinance or within a reasonable time thereafter. All members appointed to the board shall meet eligibility requirements as set forth in the Act.

(b) The terms of the board members shall be for two years. Each year the City Council shall designate a member of the board to serve as chairperson of the board of directors, for a term of one year that begins on January 1 of the following year. The board may elect from its members a vice-chairperson to serve in the absence of the chairperson or when there is a vacancy in the office of chairperson. The board may elect other officers as it sees fit.

(c) The board of directors shall make recommendations to the City Council concerning the administration of the Zone. It shall prepare and adopt a project plan and reinvestment zone financing plan for the Zone and must submit such plans to the City Council for its approval. The board of directors shall possess all powers necessary to prepare, implement and monitor such project plan for the Reinvestment Zone as the

City Council considers advisable, including the submission of an annual report on the status of the Zone.

SECTION 5: That the Zone shall take effect on January 1, 1999, and that the termination of the Zone shall occur on December 31, 2019, or at an earlier time designated by subsequent ordinance of the City Council in the event the City determines in its sole discretion that the Zone should be terminated due to insufficient private investment, accelerated private investment or other good cause, or at such time as all project costs and tax increment bonds, if any, and the interest thereon, have been paid in full.

SECTION 6: That the Tax Increment Base for the Zone, which is the total appraised value of all taxable real property located in the Zone, is to be determined as of January 1, 1998, the year in which the Zone was designated a reinvestment zone. For detailed information involving the appraised value of the property see attached Exhibit "C".

SECTION 7: That there is hereby created and established a Tax Increment Fund for the Zone which may be divided into such accounts and subaccounts as may be authorized by subsequent resolution or ordinance, into which all Tax Increments, less any of the amounts not required to be paid into the Tax Increment Fund pursuant to the Act, are to be deposited. Any expenditure to be made from the Tax Increment fund in excess of \$15,000, or any contract related thereto, must be approved by the City Council prior to such expenditure being made or contract being executed. The Tax Increment Fund and any accounts or subaccounts are to be maintained in an account at the City's depository bank and shall be secured in the manner prescribed by law for Texas cities. In addition, all revenues from the sale of any tax increment bonds and notes hereafter issued by the City, revenues from the sale of any property acquired as part of the tax increment financing plan and other revenues to be dedicated to and used in the Zone shall be deposited into such fund or account or sub-account from which money will be disbursed to pay project costs for the Zone or to satisfy the claims of holders of tax increment bonds or notes issued for the Zone.

SECTION 8: That in accordance with the provisions of Section 311.004(c) of the Act, the City Council hereby specifies that the Zone is designated under Section 311.005(a) of the Act. In addition, the City Council further finds that the creation of the Zone and the expenditure of moneys on deposit in the Tax Increment Fund necessary or convenient to the creation of the Zone or to the implementation of the project plan for the Zone constitutes a program to promote local economic development and to stimulate business and commercial activity in the City.

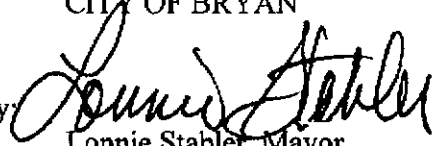
SECTION 9: That if any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 10: This Ordinance shall go into effect immediately upon its final reading.

PRESENTED AND GIVEN first reading the 15th day of December, 1998, at a regular meeting of the City Council of the City of Bryan, Texas; and given second reading, passed and approved on the 16th day of December, 1998, by a vote of 7 yeases and 2 noes at a special meeting of the City Council of the City of Bryan, Texas.

ATTEST:

  
Mary Lynne Stratta, City Secretary

CITY OF BRYAN  
By:   
Lonnie Stabler, Mayor

APPROVED AS TO FORM:

  
Michael J. Cosentino, City Attorney

**PROPERTY (INCLUDING ANY IMPROVEMENTS):**

Being all that certain tract or parcel of land lying and being situated in the J.W. SCOTT SURVEY, Abstract No. 49 and the RICHARD CARTER SURVEY, Abstract No. 8 in Bryan, Brazos County, Texas, being: (1) Part of the 1530 acres described in the deed from Bert Wheeler's Inc. to M.D. Wheeler, Ltd. recorded in Volume 3008, page 1 of the Official Records of Brazos County, Texas and (2) All of the 111.11 acres described in the deed from Bert Wheeler's, Inc. to M.D. Wheeler, Ltd. recorded in Volume 3008, page 5 of the Official Records of Brazos County; and being more particularly described by metes and bounds as follows:

**BEGINNING:** at a found concrete monument marking the most southerly cutback corner at the intersection of the westerly right-of-way line of F.M. 60 (based on a variable width right-of-way and recorded in Volume 405, page 623, B.C.D.R.) and the south right-of-way line of F.M. 168 (based on a 100-foot width as described in Volume 131, page 164, B.C.D.R.);

**THENCE:** S 25° 28' 10" E (called S 22° 20' 35" E) for a distance of 63.44 feet along the said variable width F.M. 60 right-of-way to a found concrete monument for corner;

**THENCE:** 797.32 feet in a clockwise direction along the arc of a curve in the northwest right-of-way line of said F.M. 60 (based on a 120-foot width at this location), said curve having a central angle of 09° 38' 16", a radius of 4740.00 feet, a tangent of 399.60 feet and a long chord bearing S 37° 21' 04" W (called S 40° 28' 39" W) at a distance of 798.38 feet to a 1/2" iron rod set for corner, from whence a found concrete monument for reference bears S 60° 18' 28" W at a distance of 0.83 feet;

**THENCE:** S 42° 10' 12" W (called S 45° 17' 47" W) continuing along said F.M. 60 line for a distance of 3370.82 feet to a set 1/2" iron rod for the Point of Curvature of a curve to the right, from whence a found concrete monument for reference bears S 5° 03' 22" E at a distance of 0.38 feet;

**EXHIBIT "A"**



THENCE: 888.06 feet along the arc of said curve having a central angle of  $09^{\circ} 18' 16''$ , a radius of 6084.43 feet, a tangent of 495.12 feet and a long chord bearing  $S 46^{\circ} 49' 20'' W$  (called  $S 49^{\circ} 56' 55'' W$ ) at a distance of 986.97 feet to a set  $1/2''$  iron rod for the Point of Tangency, from whence a found concrete monument for reference bears  $S 47^{\circ} 38' 57'' W$  at a distance of 1.34 feet;

THENCE:  $S 51^{\circ} 28' 28'' W$  (called  $S 54^{\circ} 35' 03'' W$ ) for a distance of 300.00 feet to a set  $1/2''$  iron rod an angle point in said F.M. 60 right-of-way line, from whence a found concrete monument for reference bears  $N 63^{\circ} 33' 34'' E$  at a distance of 2.97 feet;

THENCE:  $S 54^{\circ} 20' 12'' W$  (called  $S 57^{\circ} 27' 47'' W$ ) along a width transition in the said F.M. 60 right-of-way for a distance of 300.37 feet to a  $1/2''$  iron rod set for corner, from whence a found concrete monument for reference bears  $S 22^{\circ} 40' 33'' W$  at a distance of 0.53 feet;

THENCE:  $S 51^{\circ} 28' 27'' W$  (called  $S 54^{\circ} 35' 03'' W$ ) along the F.M. 60 right-of-way (based on a 150-foot width) for a distance of 160.59 feet to a found  $1/2''$  iron rod marking the east corner of the Jim Sowell Construction Co., Inc. 145.00 acre tract described in Volume 2653, page 318;

THENCE: along the common line of this tract and the northeast lines of the said 145.00 acre tract for the following four (4) calls:

1.  $N 38^{\circ} 31' 18'' W$  for a distance of 1254.02 feet (called  $N 38^{\circ} 32' 35'' W - 1253.73'$ ) to a found  $1/2''$  iron rod for corner;
2.  $S 42^{\circ} 28' 58'' W$  for a distance of 903.18 feet (called  $S 42^{\circ} 29' 06'' W - 903.20'$ ) to a found  $1/2''$  iron rod for corner;
3.  $N 48^{\circ} 47' 49'' W$  for a distance of 511.14 feet (called  $N 48^{\circ} 47' 54'' W - 511.12'$ ) to a found  $1/2''$  iron rod for corner and
4.  $N 41^{\circ} 38' 45'' W$  for a distance of 819.13 feet (called  $N 41^{\circ} 39' 43'' W - 820.05'$ ) to a 12" creosote post fence corner, said fence corner also marking the south corner of the 147.13 acre John A. Bradshaw tract as recorded in Volume 784, page 640 (O.R.B.C.);

THENCE:  $N 42^{\circ} 03' 11'' E$  (called  $N 45^{\circ} 10' 27'' E$ ) along the said 147.13 acre Bradshaw tract, at 1581.68 feet pass a found concrete monument marking the south corner of Copperfield Drive right-of-way (based on an 80-foot width), and continuing along said line for a total distance of 2727.01 feet (called 2727.18') to a found  $1/2''$  iron rod at an angle point in the southeast line of Lot 1, Block 1, Tiffany Park Subdivision as recorded in Volume 2146, page 160, (O.R.B.C.);

THENCE: continuing along said Tiffany Park Subdivision for the following three (3) calls:

1.  $N 23^{\circ} 20' 32'' E$  (called  $N 26^{\circ} 27' 48'' E$ ) for a distance of 181.47 feet to a found  $1/2''$  iron rod for corner,
2.  $N 09^{\circ} 39' 29'' W$  (called  $N 06^{\circ} 32' 13'' W$ ) for a distance of 995.00 feet to a found  $1/2''$  iron rod for corner, and
3.  $N 44^{\circ} 20' 32'' E$  (called  $N 47^{\circ} 27' 48'' E$ ) along said line, at 309.48 feet pass a found  $1/2''$  iron rod marking the common east corner of Lots 11 and 12, Block 1 of said Tiffany Park Subdivision and continuing along said subdivision line for a total distance of 737.36 feet (called 740.25') to a set  $1/2''$  iron rod for corner, said iron rod also being in the beforementioned south right-of-way line of F.M. 158 and from whence a fence corner for reference bears  $N 16^{\circ} 32' 18'' W$  at a distance of 5.01 feet;

THENCE: 109.84 feet in a counter-clockwise direction along the arc of a curve in said F.M. 158 line, said curve having a central angle of  $04^{\circ} 14' 44''$ , a radius of 1482.38 feet, a tangent of 54.85 feet and a long chord bearing  $S 69^{\circ} 08' 08'' E$  at a distance of 109.82 feet to a  $1/2''$  iron rod set for the Point of Tangency;

THENCE: S 71° 15' 30" E (called S 68° 39' E) for a distance of 201.42 feet to a set 1/2" iron rod for corner, said iron rod also marking the northwest corner of the City of Bryan 4.697 acre tract described in Volume 336, page 167 (B.C.O.R.);

THENCE: S 18° 25' 44" W (called S 21° 47' 51" W) for a distance of 462.00 feet along the northwest line of said 4.697 acre tract to a set 1/2" iron rod for corner;

THENCE: S 71° 21' 37" E (called S 67° 59' 30" E) for a distance of 448.52 feet along the southwest line of said 4.697 acre tract to a set 1/2" iron rod corner;

THENCE: N 18° 28' 31" E (called N 21° 48' 32" E) for a distance of 461.25 feet along the southeast line of said 4.697 acre tract to a set 1/2" iron rod for corner, said iron rod also being in the beforementioned south line of F.M. 158 right-of-way;

THENCE: 348.11 feet in a counter-clockwise direction along the arc of a curve in said F.M. 158 line, said curve having a central angle of 06° 50' 34", a radius of 2914.79 feet, a tangent of 174.26 feet and a long chord bearing S 75° 00' 10" E, at a distance of 347.91 feet to a set 1/2" iron rod for the Point of Tangency;

THENCE: S 78° 25' 27" E for a distance of 4.76 feet (called S 78° 00' E - 7.9) to a set 1/2" iron rod for the Point of Curvature of a curve to the left;

THENCE: 364.59 feet along the arc of said curve having a central angle of 07° 10' 00", a radius of 2914.79 feet, a tangent of 182.53 feet and a long chord bearing S 82° 00' 27" E at a distance of 364.35 feet to a set 1/2" iron rod for the Point of Tangency;

THENCE: S 85° 35' 27" E continuing along said F.M. 158 line for a distance of 527.97 feet (called S 83° 50' E - 467.4) to a set 1/2" iron rod for the Point of Curvature of a curve to the right;

THENCE: 25.13 feet along the arc of said curve having a central angle of 00° 15' 13", a radius of 6679.58 feet, a tangent of 12.67 feet and a long chord bearing S 85° 27' 51" E at a distance of 25.13 feet to a set 1/2" iron rod for the Point of Tangency;

THENCE: S 85° 20' 13" E for a distance of 1018.99 feet (called S 82° 37' E - 1136.4) to a set 1/2" iron rod for the Point of Curvature of a curve to the right;

THENCE: 214.50 feet along the arc of said curve having a central angle of 02° 09' 50", a radius of 6679.58 feet, a tangent of 107.26 feet and a long chord bearing S 84° 18' 18" E at a distance of 214.49 feet to a set 1/2" iron rod for the Point of Tangency;

THENCE: S 83° 10' 23" E (called S 80° 32' E) continuing along said F.M. 158 line for a distance of 926.52 feet to the POINT OF BEGINNING and containing 351.933 acres of land, more or less.

**SAVE AND EXCEPT:**

Being all that certain tract or parcel of land lying and being situated in the J.W. SCOTT SURVEY, Abstract No. 49 and the RICHARD CARTER SURVEY, Abstract No. 8 in Bryan, Brazos County, Texas, being: (1) Part of the 1530 acres described in the deed from Ben Wheeler's, Inc. to M.D. Wheeler, Ltd. recorded in Volume 3008, page 1 of the Official Records of Brazos County (O.R.B.C.) and (2) Part of the 111.11 acres described in the deed from Ben Wheeler's, Inc. to M.D. Wheeler, Ltd., recorded in Volume 3008, page 5 of the Official Records of Brazos County (O.R.B.C.) and being more particularly described by notes and bounds as follows:

**BEGINNING:** at a found 1/2" iron rod marking the east corner of the Jim Sowell Construction Co., Inc. 145.00 acre tract described in Volume 2653, page 318 (O.R.B.C.), said corner also being in the northwest right-of-way line of F.M. 60 (based on a 150-foot width and recorded under County Clerk's File No. 149523);

**THENCE:** N 38° 31' 18" W along the northeast line of said 145.00 acre tract for a distance of 849.25 feet for corner;

**THENCE:** N 08° 43' 32" E for a distance of 1636.15 feet for corner;

**THENCE:** S 83° 32' 04" E for a distance of 135.17 feet to the Point of Curvature of a curve to the right;

**THENCE:** 1121.69 feet along the arc of said curve having a central angle of 35° 42' 18", a radius of 1800.00 feet, a tangent of 679.73 feet and a long chord bearing S 65° 40' 56" E at a distance of 1103.63 feet to the Point of Tangency;

**THENCE:** S 47° 49' 48" E for a distance of 800.00 feet for corner in the before-said northwest right-of-way line of F.M. 60;

**THENCE:** S 42° 10' 12" W along said F.M. 60 line for a distance of 155.60 feet to the Point of Curvature of a curve to the right;

**THENCE:** 988.06 feet along the arc of said curve having a central angle of 09° 18' 18", a radius of 6084.43 feet, a tangent of 485.12 feet and a long chord bearing S 45° 49' 20" W (called S 49° 58' 55" W) at a distance of 986.97 feet to a set 1/2" iron rod for the Point of Tangency;

**THENCE:** S 61° 28' 28" W (called S 64° 38' 03" W) for a distance of 300.00 feet to a set 1/2" iron rod at an angle point in said F.M. 60 right-of-way line;

**THENCE:** S 54° 20' 12" W (called S 57° 27' 47" W) along a width transition in the said F.M. 60 right-of-way for a distance of 300.37 feet to a 1/2" iron rod set for corner;

**THENCE:** S 51° 28' 27" W (called S 54° 38' 03" W) continuing along the F.M. 60 right-of-way for a distance of 160.58 feet to the POINT OF BEGINNING and containing 62.500 acres of land, more or less.

**FURTHER SAVE AND EXCEPT:**

Being all that certain tract or parcel of land lying and being situated in the J.W. SCOTT SURVEY, Abstract No. 49 in Bryan, Brazos County, Texas, being: (1) Part of the 1530 acres described in the deed from Bert Wheeler's, Inc. to M.D. Wheeler, Ltd. recorded in Volume 3008, page 1 of the Official Records of Brazos County (O.R.B.C.) and (2) Part of the 111.11 acres described in the deed from Bert Wheeler's, Inc. to M.D. Wheeler, Ltd., recorded in Volume 3008, page 5 of the Official Records of Brazos County (O.R.B.C.) and being more particularly described by metes and bounds as follows:

**COMMENCING:** at a found concrete monument marking the most southerly cutback corner at the intersection of the westerly right-of-way line of F.M. 60 (based on a variable width right-of-way and recorded under County Clerk's File No. 149523) and the south right-of-way line of F.M. 156 (based on a 100-foot width as described in Volume 131, page 184 of the Brazos County Deed Records (B.C.D.R.);

**THENCE:** 797.32 feet in a clockwise direction along the arc of a curve in the northwest right-of-way line of said F.M. 60 (based on a 120-foot width at this location), said curve having a central angle of 09° 38' 18", a radius of 4740.00 feet, a tangent of 399.60 feet and a long chord bearing S 37° 21' 04" W (called S 40° 28' 39" W) at a distance of 786.38 feet to a 1/2" iron rod set for corner.

from whence a found concrete monument for reference bears S 68° 16' 28" W at a distance of 0.83 feet;

THENCE: S 42° 10' 12" W (called S 45° 17' 47" W) continuing along said F.M. 60 line for a distance of 642.83 feet to the POINT OF BEGINNING of this 50,000 acre tract;

THENCE: S 42° 10' 12" W continuing along said F.M. 60 line for a distance of 1250.00 feet for the most southerly corner of this 50,000 acre tract;

THENCE: Into the interior of the said 1500 acre and the 111.11 acre tracts for the following three (3) calls:

- (1) N 47° 49' 48" W for a distance of 1845.83 feet,
- (2) N 42° 10' 12" E for a distance of 1109.82 feet and
- (3) S 52° 10' 12" E for a distance of 1851.13 feet to the POINT OF BEGINNING and containing 50,000 acres of land, more or less.

#### RESERVATIONS FROM AND EXCEPTIONS TO CONVEYANCE AND WARRANTY:

- (1) Right-of-Way Easement from H. P. Dansby Estate to Magnolia Pipe Line Co., Inc., dated October 29, 1948, recorded in Volume 127, page 422, Deed Records of Brazos County, Texas; defined as a 60' wide easement in Partial Release Agreement dated March 24, 1981, recorded in Volume 111, page 571, Release Records of Brazos County, Texas; and as shown on survey plat dated August 24, 1998, prepared by Michael R. McClure, Registered Professional Land Surveyor, State of Texas, No. 2859.
- (2) Right-of-Way Easement from R.H. Carroll, et ux to Magnolia Pipe Line Co., Inc., dated October 30, 1948, recorded in Volume 127, page 423, Deed Records of Brazos County, Texas; defined as a 60' wide easement in Partial Release Agreement dated August 17, 1998, recorded in Volume 3231, page 198, Official Records of Brazos County, Texas; and as shown on survey plat dated August 24, 1998, prepared by Michael R. McClure, Registered Professional Land Surveyor, State of Texas, No. 2859.
- (3) 20' Easement, parallel to FM 158, from Bert Wheeler's Beverage Stores, Inc. to Wixon Water Supply Corp., dated November 1, 1971, recorded in Volume 310, page 118, Deed Records of Brazos County, Texas; and as shown on survey plat dated August 24, 1998, prepared by Michael R. McClure, Registered Professional Land Surveyor, State of Texas, No. 2859.
- (4) Right-of-Way Easement from Robert L. Carroll, et ux to Texas Municipal Power Agency, dated June 28, 1979, recorded in Volume 427, page 106, Deed Records of Brazos County, Texas; and as shown on survey plat dated August 24, 1998, prepared by Michael R. McClure, Registered Professional Land Surveyor, State of Texas, No. 2859.
- (5) Right-of-Way Easement from Bert Wheeler's, Inc. to Texas Municipal Power Agency, dated March 1, 1985, recorded in Volume 773, page 402, Official Records of Brazos County, Texas; and as shown on survey plat dated August 24, 1998, prepared by Michael R. McClure, Registered Professional Land Surveyor, State of Texas, No. 2859.
- (6) 30' Right-of-Way Easements from Bert Wheeler's, Inc. to Ferguson-Burlason County Gas Gathering System, dated July 14, 1992, recorded in Volume 1722, page 336, and Volume 1723, pages 7 and 11, Official Records of Brazos County, Texas; and as shown on survey plat dated August 24, 1998, prepared by Michael R. McClure, Registered Professional Land Surveyor, State of Texas, No. 2859.

- (7) 80' Drainage Easement from Bert Wheeler Beverage Stores, Inc. to the City of Bryan, dated June 11, 1993, recorded in Volume 1821, page 262, Official Records of Brazos County, Texas; and as shown on survey plat dated August 24, 1998, prepared by Michael R. McClure, Registered Professional Land Surveyor, State of Texas, No. 2859.
- (8) 30' Public Utility Easement from Bert Wheeler Beverage Stores Inc. to the City of Bryan, dated June 11, 1993, recorded in Volume 1821, page 265, Official Records of Brazos County, Texas; and corrected in Instrument August 24, 1993, recorded in Volume 1890, page 205, Official Records of Brazos County, Texas; and as shown on survey plat dated August 24, 1998, prepared by Michael R. McClure, Registered Professional Land Surveyor, State of Texas, No. 2859.
- (9) 50' Drainage Easement from Bert Wheeler Beverage Stores, Inc. to the City of Bryan, dated June 11, 1993, recorded in Volume 1821, page 268, Official Records of Brazos County, Texas; and as shown on survey plat dated August 24, 1998, prepared by Michael R. McClure, Registered Professional Land Surveyor, State of Texas, No. 2859.
- (10) 30' Public Utility Easement from Bert Wheeler Beverage Stores, Inc. to the City of Bryan, dated June 11, 1993, recorded in Volume 1821, page 271, Official Records of Brazos County, Texas; and as shown on survey plat dated August 24, 1998, prepared by Michael R. McClure, Registered Professional Land Surveyor, State of Texas, No. 2859.
- (11) 20' Public Utility Easement from Bert Wheeler Beverage Stores, Inc. to the City of Bryan, dated November 9, 1993, recorded in Volume 1889, page 16, Official Records of Brazos County, Texas; and as shown on survey plat dated August 24, 1998, prepared by Michael R. McClure, Registered Professional Land Surveyor, State of Texas, No. 2859.
- (12) 5' Easement and Right-of-Way, parallel to FM 60, from Bert Wheeler's, Inc. to GTE Southwest Incorporated, dated October 20, 1994, recorded in Volume 2276, page 283, Official Records of Brazos County, Texas; and as shown on survey plat dated August 24, 1998, prepared by Michael R. McClure, Registered Professional Land Surveyor, State of Texas, No. 2859.
- (13) 20' Right-of-Way Easement, parallel to FM 158, from M.D. Wheeler, Ltd. to The City of Bryan, dated July 15, 1998, recorded in Volume 3192, page 318, Official Records of Brazos County, Texas; and as shown on survey plat dated August 24, 1998, prepared by Michael R. McClure, Registered Professional Land Surveyor, State of Texas, No. 2859.
- (14) 150' Right-of-Way Easement from M.D. Wheeler, Ltd. to The City of Bryan, dated July 15, 1998, recorded in Volume 3192, page 322, Official Records of Brazos County, Texas; and as shown on survey plat dated August 24, 1998, prepared by Michael R. McClure, Registered Professional Land Surveyor, State of Texas, No. 2859.
- (15) 40' Electrical Easement, parallel to FM 158, from M.D. Wheeler, Ltd. to The City of Bryan, dated July 15, 1998, recorded in Volume 3192, page 328, Official Records of Brazos County, Texas; and as shown on survey plat dated August 24, 1998, prepared by Michael R. McClure, Registered Professional Land Surveyor, State of Texas, No. 2859.
- (16) 20' Right-of-Way Easement, parallel to FM 60, from M.D. Wheeler, Ltd. to The City of Bryan, dated July 15, 1998, recorded in Volume 3192, page 334, Official Records of Brazos County, Texas; and as shown on survey plat dated August 24, 1998, prepared by Michael R. McClure, Registered Professional Land Surveyor, State of Texas, No. 2859.

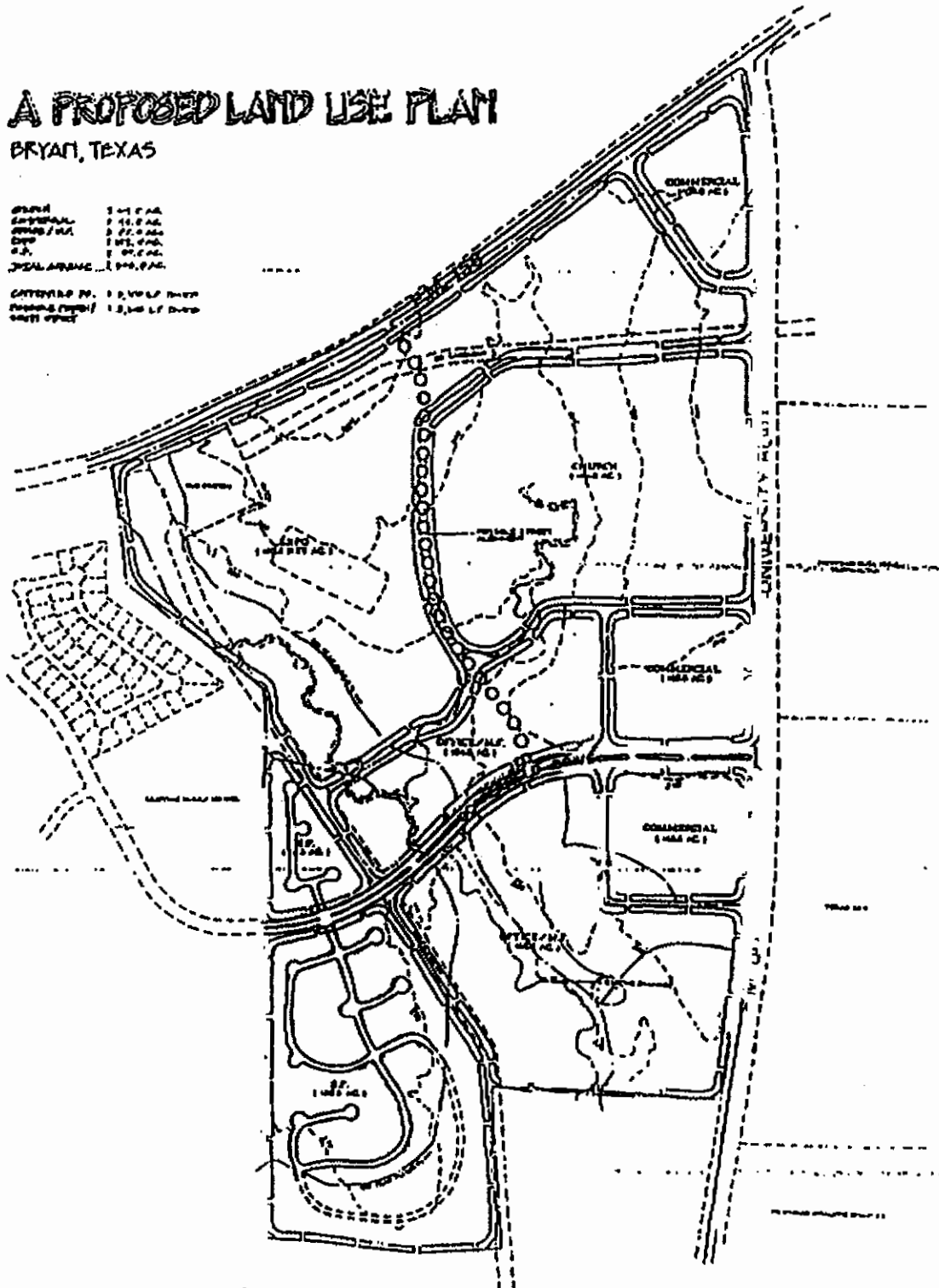
- (17) 20' Right-of-Way Easement from M.D. Wheeler, Ltd. to The City of Bryan, dated July 15, 1998, recorded in Volume 3192, page 340, Official Records of Brazos County, Texas; and as shown on survey plat dated August 24, 1998, prepared by Michael R. McClure, Registered Professional Land Surveyor, State of Texas, No. 2859.
- (18) Service utilities as shown on survey plat dated August 24, 1998, prepared by Michael R. McClure, Registered Professional Land Surveyor, State of Texas, No. 2859.
- (19) Royalty reservation in Deed from The Carroll Family Partnership, et al to Bert Wheeler's, Inc. executed August 31, 1983 as to be effective September 12, 1983, recorded in Volume 602, page 781, Official Records of Brazos County, Texas; corrected in Instrument dated July 14, 1992, recorded in Volume 1552, page 208, Official Records of Brazos County, Texas.
- (20) Mineral and/or Royalty Deed from Hattie Caldwell to M. F. Dansby, dated August 21, 1929, recorded in Volume 76, page 289, Deed Records of Brazos County, Texas.
- (21) Mineral and/or Royalty Deed from Hattie Caldwell to Roy W. Nunn, acknowledged June 28, 1930, recorded in Volume 77, page 572, Deed Records of Brazos County, Texas.
- (22) Mineral Deed from Bert Wheeler's, Inc. to M. D. Wheeler, Ltd., dated December 19, 1997, recorded in Volume 3007, page 327, Official Records of Brazos County, Texas.
- (23) Estate created by Oil and Gas Lease from Bert Wheeler's, Inc. a/w/a Bert Wheeler, Inc. to J.L. Schnalder and Company, dated April 5, 1991, recorded in Volume 1248, page 278, Official Records of Brazos County, Texas; Amended and ratified in Instruments recorded in Volume 1438, page 74; Volume 1466, page 182; Volume 1552, page 208; and Volume 1579, page 280, Official Records of Brazos County, Texas.
- (24) All oil, gas and other minerals in and under the herein described property, together with any rights of ingress and egress, mining or drilling privileges heretofore reserved or conveyed by predecessors in title.
- (25) **SAVE AND EXCEPT**, Grantor hereby reserves unto itself, its successors and assigns, all of the oil, gas and other minerals in, on and under and that may be produced from the above described property, provided however, Grantor hereby waives and releases unto Grantee any and all rights of Grantor, Grantor's successors and assigns, in and to the surface of the subject property and the right of ingress, egress and regress on, over or across the surface of the above described property for any purposes whatsoever, including the purposes of mining for or conducting any operations for oil, gas or other minerals or using the same for storage or for the transporting of oil, gas and other minerals. Further, Grantor covenants and agrees for itself, its successors and assigns that when the existing wells are plugged there will be no further surface activity of any kind and any and all future leases will not provide for any surface use whatsoever.

# A PROPOSED LAND USE PLAN

BRYAN, TEXAS

OFFICE	1-11 P.A.C.
RESIDENTIAL	1-11 P.A.C.
COMMERCIAL	1-11 P.A.C.
IND.	1-11 P.A.C.
UNIVERSITY	1-11 P.A.C.
RECREATION	1-11 P.A.C.

UNIVERSITY BLVD. 1/2 MILE WEST  
 UNIVERSITY BLVD. 1/2 MILE EAST  
 SOUTH STREET



Brazos County Appraisal District  
 1673 Delacrest Dr., Suite A-101  
 Bryan, Texas 77802  
 (409) 774-4100  
 Fax (409) 774-4196



Gerald L. "Buddy" Winn  
 Chief Appraiser

November 13, 1998

By Facsimile to: 409-361-3895

Mr. Tom Coyle  
 Director of Development Services  
 P. O. Box 1000  
 Bryan, TX 77808

Re: 351.933 acres, J. W. Scott Abat. 49; Proposed Tax  
 Increment Finance Zone - Reinvestment Zone #8  
 R13531; 0004901-0043-0000  
 R103319; 0004901-0043-0010  
 R103320; 0004901-0043-0010

Dear Mr. Coyle:

I have reviewed the records of the Brazos County Appraisal District concerning the above described property. Tentative values, as of January 1, 1999, for these properties are as follows:

		Market Value	Taxable Value
R13531:	249.433acs farm bldg	\$1,746,030 \$ 800	\$29,930 (ag value) 800
	Total	\$1,746,830	\$30,730
R103319:	52.50 acs	\$ 367,500	\$ 6,300
	Total	\$ 367,500	\$ 6,300
R103320	50.00 acs	\$ 350,000	\$ 6,000
	Total	350,000	\$ 6,000
	TOTAL FOR ZONE	\$2,463,530	\$43,030

It is my understanding that an investment zone created during 1998 would take effect on January 1, 1999 (ie the year following the year in which the ordinance is adopted) per Section 311.004(a)(3). Therefore, the 1999 value of the zone will determine the base year value from which captured value amounts will be calculated in future years as per Section 311.012(c).

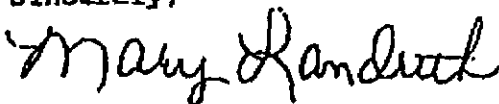
EXHIBIT "C"



Please bear in mind that 1999 values are preliminary at this time. This is a reappraisal year for this type property and the appraisers are still working on site inspections and value analysis.

If you need any additional information, I may be reached at the above telephone number.

Sincerely,



Mary Landreth, RPA  
Administrative Assistant

aug/MISC.LTR/nd.11.kopa