

**BOARD BOOK OF
MAY 23, 2019**



J. B. Goodwin, Chair

Leslie Bingham Escareño, Vice-Chair

Paul Braden, Member

Asusena Reséndiz, Member

Sharon Thomason, Member

Leo Vasquez, III, Member

Texas Department of Housing and Community Affairs

PROGRAMMATIC IMPACT IN FISCAL YEAR 2018

The Texas Department of Housing and Community Affairs (TDHCA) is the State of Texas' lead agency responsible for affordable housing and administers a statewide array of programs to help Texans become more independent and self-sufficient. Short descriptions and key impact measures for these programs – including the total number of households/individuals that were served and total funding either administered or pledged for Fiscal Year 2018 (September 1, 2017 through August 31, 2018) – are set out below:

Multifamily New Construction & Rehabilitation:

Provides mechanisms to attract investment capital and to make available significant financing for the construction and rehabilitation of affordable rental housing through the Housing Tax Credit, Multifamily Bond, and Multifamily Direct Loan programs.

Total Households Served: 14,832
Total Funding: \$1,460,067,840

Single Family Homebuyer Assistance, New Construction, Rehabilitation, Bootstrap, and Contract for Deed:

Assists with the purchase, construction, repair, or rehabilitation of affordable single family housing by providing grants and loans through the HOME Single Family Development, HOME Homeowner Rehabilitation Assistance, HOME Homebuyer Assistance, Amy Young Barrier Removal, and Texas Bootstrap programs. Stabilizes homeownership in colonias through the HOME Contract for Deed program.

Total Households Served: 257
Total Funding: \$15,545,196

Single Family Homeownership Program:

Provides down payment and closing cost assistance, mortgage loans, and mortgage credit certificates to eligible households through the My First Texas Home and Mortgage Credit Certificates programs.

Total Households Served: 8,018
Total Funding: \$1,279,041,464

Rental Assistance:

Provides rental, security, and utility deposit assistance through HOME Tenant Based Rental Assistance, and rental assistance payments through HUD Section 8 Housing Choice Vouchers and Section 811 Project Based Rental Assistance.

Total Households Served: 1,729
Total Funding: \$10,145,027

Weatherization Assistance Program:

Provides funding to help low-income households control energy costs through the installation of energy efficient materials and through energy conservation education.

Total Households Served: 2,667
Total Funding: \$21,395,454

Homelessness:

Funds local programs and services for individuals and families at risk of homelessness or experiencing homelessness. Primary programs are the Homeless Housing and Services program and the Emergency Solutions Grants program.

Total Individuals Served: 48,886
Total Funding: \$12,811,075

Comprehensive Energy Assistance Program:

Provides energy utility bill assistance to households with an income at or below 150% federal poverty guidelines.

Total Households Served: 151,141
Total Funding: \$108,351,163

Community Services Block Grant:

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

Total Individuals Served: 385,869
Total Funding: \$37,322,167

Sources: this data comes from the TDHCA 2019 State Low Income Housing Plan and Annual Report draft. Multifamily New Construction & Rehab data come from the most recent award logs from FY2018 for 4%, 9%, and Direct Loan Applications. Because Multifamily logs are updated on a monthly basis to reflect the changing status of Applications, this impact statement will also be updated on a monthly basis.

Note: Some households may be served by more than one TDHCA program.



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
GOVERNING BOARD MEETING

A G E N D A
8:00 AM
MAY 23, 2019

Dewitt C. Greer State Highway Building
Ric Williamson Hearing Room
125 E. 11th Street
Austin, Texas 78701

CALL TO ORDER

ROLL CALL

J.B. Goodwin, Chair

CERTIFICATION OF QUORUM

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

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

Resolution recognizing June as *Homeownership Month*

CONSENT AGENDA

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

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

EXECUTIVE

- a) Presentation, discussion, and possible action on Board meeting minutes summary for January 17, 2019

J. Beau Eccles
General Counsel

FINANCIAL ADMINISTRATION

- b) Presentation, discussion, and possible action to adopt a resolution regarding designating signature authority and superseding previous resolutions in this regard

Ernie Palacios
Director of Financial
Administration

LEGAL

- c) Presentation, discussion, and possible action regarding the adoption of an Agreed Final Order concerning Northwood Apartments (HTC 11081 / HOME 1001590 / CMTS 1303)

Jeffrey T. Pender
Deputy General Counsel

HOUSING RESOURCE CENTER

- d) Presentation, discussion, and possible action on the final 2019 State of Texas Consolidated Plan: One-Year Action Plan

Elizabeth Yevich
Director of
Housing Resource Center

HOME AND HOMELESSNESS PROGRAMS

- e) Presentation, discussion, and possible action to authorize the issuance of the 2019 Emergency Solutions Grants Program Notice of Funding Availability and publication in the *Texas Register*

Abigail Versyp
Director of
HOME and
Homelessness Programs

COMMUNITY AFFAIRS

- f) Presentation, discussion, and possible action on the reprogramming of Program Year 2018 Community Services Block Grant Administrative and Discretionary funds

Michael DeYoung
Director of
Community Affairs

OCI-HTF-NSP DIVISION

- g) Presentation, discussion, and possible action authorizing extensions to Neighborhood Stabilization Program 3 Contract and Program Income Reservation Agreement
- h) Presentation, discussion, and possible action to amend the 2019 Amy Young Barrier Removal Program Statewide Allocation Notice of Funding Availability and publication of the Notice of Funding Availability in the *Texas Register*

Raul Gonzales
Director of
OCI/HTF/NSP

BOND FINANCE

- i) Presentation, discussion, and possible action on Resolution No. 19-033 authorizing the filing of one or more applications for reservation with the Texas Bond Review Board with respect to qualified mortgage bonds, authorizing state debt application, and containing other provisions relating to the subject

Monica Galuski
Director of
Bond Finance

MULTIFAMILY FINANCE

- j) Presentation, discussion, and possible action on the Second Amendment to the 2019-1 Multifamily Direct Loan Notice of Funding Availability
- k) Presentation, discussion and possible action on an extension for AHA! at Briarcliff, Application #17511
- l) Presentation, discussion, and possible action on a Determination Notice for Housing Tax Credits with another Issuer

Marni Holloway
Director of
MF Finance

19421	Hampton Homes	Texarkana
19422	HATT Scattered Sites	Texarkana
19423	Robison Terrace	Texarkana
19424	Williams Homes	Texarkana
19425	Bright Street	Texarkana
19403	Mesa West	San Antonio
19404	Legacy Ranch at Dessau East	Austin

ASSET MANAGEMENT

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

97104	Oak Meadows Townhomes	Commerce
98191	Casa Pointe Villas	San Antonio
99147	Ridgecrest Inn Apartments	Livingston
- n) Presentation, discussion, and possible action regarding waiver

15251	Casa Verde Apartments	Laredo
16197	Taylor Senior Village	Mission
- o) Presentation, discussion, and possible action regarding a material amendment to the Housing Tax Credit Application

16098	Parkdale Villas	Denison
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- p) Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application and changes to the Direct Loan

18036	Clyde Ranch	Clyde
18040	Farmhouse Row	Slaton
- q) Presentation, discussion, and possible action regarding an increase to the Housing Tax Credit amount

13428	Village at Palm Center	Houston
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Rosalio Banuelos
Director of
Asset Management

- r) Presentation, discussion, and possible action regarding a Placed in Service deadline extension for a development located in a Major Disaster Area
16258 Provision at West Bellfort Houston

CONSENT AGENDA REPORT ITEMS

ITEM 2: THE BOARD ACCEPTS THE FOLLOWING REPORTS:

- a) TDHCA Outreach Activities, (April-May)
- b) 2020 QAP Planning Project report
- c) Report on proceedings to remove the eligible entity status and terminate CSBG contracts and funding for Cameron and Willacy Counties Community Projects, Inc.
- d) Quarterly Report on Texas Homeownership Activity

Michael Lyttle
Director of
External Affairs
Marni Holloway
Director of
MF Finance
Patricia Murphy
Director of
Compliance
Cathy Gutierrez
Director of
Texas Homeownership

ACTION ITEMS

ITEM 3: HOUSING RESOURCE CENTER

Presentation, discussion, and possible action on the draft 2020 Regional Allocation Formula Methodology

Elizabeth Yevich
Director of
Housing Resource Center

ITEM 4: OCI-HTF-NSP DIVISION

Presentation, discussion, and possible action on the Maverick County Colonia Self-Help Center Program Contract in accordance with Tex. Gov't Code Chapter 2105 and 10 TAC, Chapter 1, Subchapter D, §1.411(f)(1)(F)

Raul Gonzales
Director of
OCI/HTF/NSP

ITEM 5: RULES

Presentation, discussion, and possible action on the proposed new 10 TAC Chapter 23 Subchapter H, Homebuyer Assistance with New Construction (HANC) or Rehabilitation, and directing its publication for public comment in the *Texas Register*

Abigail Versyp
Director of
HOME and
Homelessness Programs

ITEM 6: BOND FINANCE

Presentation, discussion, and possible action regarding the Issuance of Multifamily Housing Revenue Bonds Series 2019 Resolution No. 19-034 and a Determination Notice of Housing Tax Credits for Northgate Village (#19603) in Dallas

Teresa Morales
Manager of
Multifamily Bonds

ITEM 7: MULTIFAMILY FINANCE

- a) Presentation, discussion, and possible action regarding changes to the capital structure for Highlander Senior Village (HTC #18019/HOME Contract #1002875)
- b) Presentation, discussion and possible action regarding an Award of Direct Loan funds from the 2018-1 Multifamily Direct Loan Notice of Funding Availability
18506 Golden Trails West
18137 New Hope Housing Dale Carnegie Houston
18369 The Residence at Canyon Lake Canyon Lake
- c) Presentation, discussion and possible action regarding an Award of Direct Loan funds from the 2019-1 Multifamily Direct Loan Notice of Funding Availability
19504 Avanti at Sienna Palms Legacy Weslaco
- d) Presentation, discussion, and possible action on a Determination Notice for Housing Tax Credits with another Issuer, an Award of Direct Loan Funds, and a waiver of 10 TAC §10.613(i)
19409 Grim Hotel Texarkana

Marni Holloway
Director of
MF Finance

- e) Presentation, discussion, and possible action regarding the Issuance of Multifamily Housing Revenue Bonds Series 2019 Resolution No. 19-035, a Determination Notice of Housing Tax Credits, and on an Award of Direct Loan Funds for McMullen Square Apartments (#19601) in San Antonio
- f) Presentation, discussion, and possible action on staff recommendations regarding Application disclosure under 10 TAC §11.101(a)(2) related to Undesirable Site Features
- | | | |
|-------|------------------------|---------|
| 19180 | St. Elmo Commons | Austin |
| 19185 | Edgewood Villas | Killeen |
| 19225 | Rosewood Senior Villas | Tyler |
- g) Presentation, discussion and possible action on staff recommendations regarding Application disclosure under 10 TAC §11.101(a)(3) related to Neighborhood Risk Factors
- | | | |
|-------|--------------------------------|-------------|
| 19013 | Our Lady of Charity Apartments | San Antonio |
| 19050 | Wayman Manor | Temple |
| 19125 | Alice Lofts | Alice |
| 19133 | Alazan Lofts | San Antonio |
| 19227 | Reserve at Risinger | Fort Worth |
| 19299 | 2222 Pierce | Houston |
- h) Presentation, discussion and possible action on timely filed appeals
- | | | |
|-------|------------------------|------------|
| 19368 | Sweetwater Springs | Sweetwater |
| 19229 | Hacienda Santa Barbara | Socorro |
| 19189 | Lakewood Crossing | Granbury |
- i) Report on Requests for Administrative Deficiency
- | | | |
|-------|---|-------------|
| 19013 | Our Lady of Charity Apartments | San Antonio |
| 19063 | Residences at Lake Waco | Waco |
| 19079 | Provision at Patriot Parkway | Venus |
| 19100 | Carver Ridge Apartments | Midland |
| 19189 | Lakewood Crossing | Granbury |
| 19225 | Rosewood Senior Villas | Tyler |
| 19244 | Mariposa Apartment Homes at Harris Road | Arlington |
| 19250 | Cypress Creek Apartment Homes at Waxahachie | Waxahachie |
| 19266 | County Line Lofts | Venus |
| 19277 | Cielo Place | Fort Worth |
| 19301 | Prince Hall | Port Arthur |
| 19307 | Briarwest Apartments | Houston |
| 19315 | Hammack Creek Apartments | Kennedale |
| 19319 | Bardin Apartments | Arlington |
| 19365 | Heritage Estates at Huntsville | Huntsville |

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

EXECUTIVE SESSION

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

J.B. Goodwin
Chair

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

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

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

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

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

OPEN SESSION

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

ADJOURN

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

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

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

NOTICE AS TO HANDGUN PROHIBITION DURING THE OPEN MEETING OF A GOVERNMENTAL ENTITY IN THIS ROOM ON THIS DATE:

Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun.

De acuerdo con la sección 30.06 del código penal (ingreso sin autorización de un titular de una licencia con una pistola oculta), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola oculta.

Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly.

De acuerdo con la sección 30.07 del código penal (ingreso sin autorización de un titular de una licencia con una pistola a la vista), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola a la vista.

NONE OF THESE RESTRICTIONS EXTEND BEYOND THIS ROOM ON THIS DATE AND DURING THE MEETING OF THE GOVERNING BOARD OF THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

Texas Department of Housing and Community Affairs

RESOLUTION

WHEREAS, June 2019 is Homeownership Month in Texas;

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

WHEREAS, this year, the Department is Texas' only state housing finance agency;

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

WHEREAS, since 1981, the Department has served as the State's housing finance agency, providing a choice of mortgage products and services to accommodate market opportunities and buyer needs as appropriate;

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

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

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

NOW, therefore, it is hereby

RESOLVED, that in the pursuit of the goal of affordable homeownership opportunities for all, the Governing Board of the Texas Department of Housing and Community Affairs, does hereby celebrate June 2019 as Homeownership Month in Texas and encourages all Texas individuals and organizations, public and private, to join and work together in this observance of Homeownership Month.

Signed this Twenty-Third Day of May 2019.



J. B. Goodwin, Chair

Leslie Bingham Escareño, Vice Chair

Paul Braden, Member

Sharon Thomason, Member

Asusena Reséndiz, Member

Leo Vasquez, Member

David Cervantes, Acting Director

CONSENT AGENDA

1a

BOARD ACTION REQUEST

BOARD SECRETARY

MAY 23, 2019

Presentation, discussion, and possible action on Board meeting minutes summary for January 17, 2019

RECOMMENDED ACTION

Approve the Board meeting minutes summary for January 17, 2019.

RESOLVED, that the Board meeting minutes summary for January 17, 2019, is hereby approved as presented.

Texas Department of Housing and Community Affairs Governing Board
Board Meeting Minutes Summary
January 17, 2019

On Thursday, the seventeenth day of January 2019, at 8:00 a.m., the regular meeting of the Governing Board (Board) of the Texas Department of Housing and Community Affairs (“TDHCA” or the “Department”) was held in the Ric Williamson Hearing Room, Dewitt C. Greer State Highway Building, 125 E. 11th Street, Austin, Texas.

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

- J.B. Goodwin
- Lesley Bingham-Escareño
- Paul A. Braden
- Asusena Reséndiz
- Sharon Thomason

J.B. Goodwin served as Chair, and James “Beau” Eccles, TDHCA General Counsel, served as secretary.

- 1) The Board unanimously approved the Consent Agenda and Report Items as presented.
- 2) Action Item 3(a) – Presentation, discussion, and possible action on Resolution No. 19-022 authorizing the issuance, sale and delivery of Texas Department of Housing and Community Affairs Residential Mortgage Revenue Bonds, Series 2019A, approving the form and substance of related documents, authorizing the execution of documents and instruments necessary or convenient to carry out the purposes of this resolution, and containing other provisions relating to the subject – was presented by Monica Galuski, TDHCA Director of Bond Finance. The Board unanimously approved staff recommendation to approve the resolution.
- 3) Action Item 3(b) – Presentation, discussion, and possible action on Resolution No. 19-025 authorizing the form and substance of amendments to the Residential Mortgage Revenue Bond Trust Indenture, authorizing the execution of an Amended and Restated Residential Mortgage Revenue Bond Trust Indenture and other documents and instruments relating to the foregoing, making certain findings and determinations in connection therewith, and containing other provisions relating to the subject – was presented by Ms. Galuski. The Board unanimously approved staff recommendation to approve the resolution.
- 4) Action Item 3(c) – Presentation, discussion, and possible action on Resolution No. 19-024 authorizing the implementation of Texas Department of Housing and Community Affairs Mortgage Credit Certificate Program 92, approving the form and substance of the program manual and program summary, authorizing the execution of documents and instruments necessary or convenient to carry out Mortgage Credit Certificate Program 92, and containing other provisions relating to the subject – was presented by Ms. Galuski. The Board unanimously approved staff recommendation to approve the resolution.

5) Action 3(d) – Presentation, discussion, and possible action regarding the Issuance of Multifamily Housing Revenue Bonds Series 2019 Resolution No. 19-021 and a Determination Notice of Housing Tax Credits for McMullen Square Apartments in San Antonio – was presented by Teresa Morales, TDHCA Manager of Multifamily Bonds, with additional information from Ms. Galuski. The Board unanimously approved staff recommendation to approve the resolution and issue the credits.

6) Action Item 4(a) – Presentation, discussion, and possible action on initiation of proceedings to remove the eligible entity status of Galveston County Community Action Council, Inc. and terminate the 2019 Community Services Block Grant contract and future funding – was presented by Earnest Hunt, TDHCA Director of Subrecipient Monitoring, with additional information from David Cervantes, TDHCA Acting Director, Mr. Eccles, and Michael DeYoung, TDHCA Director of Community Affairs. Following public comment (listed below), the Board unanimously approved a motion to table this item to the meeting scheduled for April 25, 2019, and directed staff to identify benchmarks of achievement for Galveston County Community Action Council.

- Melvin Williams, Galveston County Community Action Council, testified in opposition to staff recommendation
- Joe Compian, Galveston County Community Action Council, testified in opposition to staff recommendation
- The following individuals signed cards in opposition to staff recommendation: Tammy Russell, Ester Abrego, Rosalyn Preacher, Rev. Robert L. Tubbs, Sandy S. Compian, Robert M. Quintero, Carl A. Aldridge, Phyllis French, Renia Brooks, Manuela Peña, Barbara Coleman, Luella Norman, Maria R. Riojas, Dee Nora Gonzalez, Delsi Garcia, Rosa Buentello, Sabrena Lowe, Jo'Lesica Mosley, Susan Patina, Maricela Castro, Kristen Williams, Tamika R. Horton, Gerald Marsh, Alyssa Ashton, Monica Mack, Lauria Brown, Rosa Martinez, and Latanya Turner.

7) Action Item 4(b) – Presentation, discussion, and possible action regarding termination of Program Year 2019 Low Income Home Energy Assistance Program Comprehensive Energy Assistance Program award to Galveston County Community Action Council, Inc.; award of 24.99% of the Program Year 2019 Comprehensive Energy Assistance Program awards for each of the specific service areas covered by Galveston County Community Action Council, Inc., to alternate providers; the commencement of the 30-day notification period required by Tex. Gov't Code §2105.203 and §2105.301; and the authorization of staff to identify a provider, through release and subsequent award of a Request for Application or through a direct designation, to temporarily and permanently administer the Comprehensive Energy Assistance Program in Brazoria, Fort Bend, Galveston, and Wharton counties (the areas served by Galveston County Community Action Council, Inc.) – was presented by Mr. Hunt with additional information from Mr. Cervantes and Mr. Eccles. Following public comment (listed below), the Board unanimously approved a motion to table this item to the meeting scheduled for April 25, 2019.

- Melvin Williams, Galveston County Community Action Council, testified in opposition to staff recommendation

8) Action Item 5(a) – Presentation, discussion, and possible action on a request for changes to Direct Loan terms for 17511 AHA! at Briarcliff Austin – was presented by Mr. Andrew Sinnott, TDHCA Multifamily Loan Programs Administrator. The Board unanimously approved staff recommendation to make changes to the loan terms.

9) During the Public Comment portion of the meeting, the following individuals presented:

- Joy Horak-Brown, New Hope Housing, thanked the Board for TDHCA providing funding for New Hope Housing at Reid.

Except as noted otherwise, all materials presented to and reports made to the Board were approved, adopted, and accepted. These minutes constitute a summary of actions taken. The full transcript of the meeting, reflecting who made motions, offered seconds, etc., questions and responses, and details of comments, is retained by TDHCA as an official record of the meeting.

There being no further business to come before the Board, the meeting adjourned at 9:47 a.m. The next meeting is set for Thursday, February 21, 2019.

Secretary

Approved:

Chair

1b

BOARD ACTION REQUEST

FINANCIAL ADMINISTRATION DIVISION

MAY 23, 2019

Presentation, discussion, and possible action to adopt a resolution regarding designating signature authority and superseding previous resolutions in this regard

RECOMMENDED ACTION

WHEREAS, the Texas Department of Housing and Community Affairs (the Department), a public and official governmental agency of the State of Texas, was created and organized pursuant to and in accordance with the provisions of Tex. Gov't Code, Chapter 2306 (the Code), as amended;

WHEREAS, the Code authorizes the Department, among other things: (a) to make and acquire and finance, and to enter into advance commitments to make and acquire and finance, mortgage loans and finance, participating interests therein, secured by mortgages on residential housing in the State of Texas (the State); (b) to issue its bonds, for the purpose of, among other things, obtaining funds to acquire or finance such mortgage loans, to establish necessary reserve funds and to pay administrative and other costs incurred in connection with the issuance of such bonds; and (c) to pledge all or any part of the revenues receipts or resources of the Department, including the revenues and receipts to be received by the Department from such single family mortgage loans of participating interests, and to mortgage, pledge or grant security interests in such mortgages of participating interests, mortgage loans or other property of the Department, to secure the payment of the principal or redemption price of and interest on such bonds;

WHEREAS, on November 8, 2018, the Governing Board adopted a resolution designating signature authority to reflect the structure of the Department; and

WHEREAS, organizational and working title changes have occurred such that the Governing Board has now determined that its resolution adopted November 8, 2018, designating signature authority, should be superseded by a new resolution designating signature authority in order to conform to the Department's current organizational structure, working titles, and operations;

NOW, THEREFORE, it is hereby

RESOLVED that the Governing Board makes changes to its resolution adopted November 8, 2018, as shown below.

BACKGROUND

This Resolution updates and designates signature authority to reflect the current organizational structure of the Department and the current working titles for the positions designated.

SECTION 1- Supersession of the Prior Signature Authority. The Governing Board hereby supersedes its prior resolution, adopted November 8, 2018, designating signature authority by adopting this new resolution.

SECTION 2 – Designation of Signature Authority for Bond and Indentured-Related Transactions. The Governing Board hereby authorizes and designates the Board Secretary, the Assistant Board Secretary, the Acting Director, the Director of Administration, the Director of Financial Administration, the Director of Bond Finance and Chief Investment Officer, the Director of Texas Homeownership, and each of them as signatories for single family and multifamily bond and indenture-related transactions as well as transactions under the Department’s “to be announced” or TBA program including, but not limited to letters of instruction, officer's certificates, bond transactional documents and all other documents and certificates executed in connection with such transactions. In addition, the Governing Board authorizes and designates the Manager of Single Family Finance and Senior Bond Financial Analysts within the Bond Finance division as signatories for day-to-day operations activities related to advances taken through the Federal Home Loan Bank of Dallas (FHLB) for the purchase of loan participations from the Idaho Housing and Finance Association (IHFA), the Department’s Master Servicer, including directing the wiring of such advances from FHLB to IHFA.

SECTION 3 – Designation of Signatory Authority for Real Estate Transactions. The Governing Board hereby authorizes and designates the following persons holding the positions described and each of them to execute and deliver, as specified, earnest money contracts, deeds or conveyances of title, leases of real property, settlement statements on purchase or sale of real property, deposits and disbursements on agency bank accounts, real estate transactional documents and all other documents executed in connection with real estate or real estate-related transactions:

- (a) Acting Director, Director of Programs, Director of Program Controls and Oversight, Director of Administration, Board Secretary, and Assistant Board Secretary: All real estate or real estate related transactions;
- (b) Director of Financial Administration: All real estate or real estate-related transactions administered by the Financial Administration Division;

- (c) Director of Multifamily Finance: All real estate or real estate-related transactions administered by the Multifamily Finance Division;
- (d) Director of Multifamily Asset Management: All real estate or real estate-related transactions administered by the Multifamily Asset Management Division;
- (e) Director of Bond Finance and Chief Investment Officer: All real estate or real estate-related transactions administered by the Bond Finance and Texas Homeownership Divisions;
- (f) Director of Texas Homeownership: All real estate or real estate-related transactions administered by the Texas Home Ownership Division;
- (g) Director of the HOME and Homelessness Programs and Director of HOME and Homelessness and Special Initiatives: All real estate or real estate-related transactions administered under the HOME and Homelessness Programs;
- (h) Director of Neighborhood Specialization Program (NSP), Housing Trust Fund (HTF) and Office of Colonia Initiatives (OCI): All real estate or real estate-related transactions administered under the NSP, HTF an OCI Division; and
- (i) Signatory authority on deposits and disbursements on agency bank accounts is limited to those persons designated on the applicable signature cards, as specified by the Acting Director; provided however, that no person may be so designated other than the Acting Director, Director of Administration, or a Director.
- (j) Every reference to a signatory office or title herein includes any person serving in an acting or interim capacity.

SECTION 4 – Designation of Signatory Authority for Fund Transfers. The Governing Board hereby authorizes and designates the following persons and each of them to execute and deliver any necessary fund transfer documents, including letters of instruction, in the manner prescribed below.

Fund transfers require dual signatures, consisting of one signatory from each of the following two groups:

- (a) Director of Administration, or Director of Financial Administration; and
- (b) Acting Director, Director of Program Controls and Oversight, or Director of Programs.

SECTION 5 – Execution of Documents. The Governing Board hereby authorized the Acting Director, or in his absence the Director of Administration, the Director of Programs or the Director of Program Controls and Oversight, to execute, on behalf of the Department, any and all documents, instruments reasonably deemed necessary to effectuate this resolution.

SECTION 6 – Effective Date. This Resolution shall be in full force and effect from and upon its adoption until and unless it is revoked or superseded.

Incumbency Certificate

I, James "Beau" Eccles, the duly appointed and serving Secretary of the Texas Department of Housing and Community Affairs (the Department), do hereby certify that David Cervantes is the duly appointed Acting Director of the Department, appointed by its governing board on November 8, 2018, and set forth below opposite his name is his true and correct signature:

David Cervantes _____

Executed and seal of the Department affixed this ____ day of _____, 2019 at Austin, Texas.

James "Beau" Eccles

(S E A L)

Certificate

I, David Cervantes, the duly appointed Acting Director of the Texas Department of Housing and Community Affairs (the Department), do hereby certify that set forth below is a true and correct listing setting forth specific positions within the Department, the name of the person currently designated by me to hold each such position, and, opposite their name, their true and correct signature. Each person listed currently holds the position indicated:

Board Secretary	_____
	James "Beau" Eccles
Assistant Board Secretary	_____
	Michael Lyttle
Director of Administration	_____
	David Cervantes
Director of Financial Administration	_____
	Ernesto Palacios, III
Director of Bond Finance/Chief Investment Officer	_____
	Monica Galuski
Director of Multifamily Finance	_____
	Margaret L. Holloway
Director of Texas Homeownership	_____
	Cathy Gutierrez
Director of Programs	_____
	Brooke Boston
Director of HOME and Homelessness and Special Initiatives	_____
	Tom Gouris
Director of Multifamily Asset Management	_____
	Rosalio Banuelos
Director of HOME and Homelessness Programs	_____
	Abigail Versyp
Director of Program Controls and Oversight	_____
	Homero V. Cabello, Jr.
Director of NSP, HTF and OCI	_____
	Raul Gonzales

Executed this ____ day of _____, 2019 at Austin, Texas.

David Cervantes, Acting Director
Texas Department of Housing and Community Affairs

1c

BOARD ACTION REQUEST

LEGAL DIVISION

MAY 23, 2019

Presentation, discussion, and possible action regarding the adoption of an Agreed Final Order concerning Northwood Apartments (HTC 11081 / HOME 1001590 / CMTS 1303)

RECOMMENDED ACTION

WHEREAS, Northwood Apartments, owned by PK Northwood Apartments, LP (“Owner”), had uncorrected compliance findings relating to the applicable land use restriction agreement and the associated statutory and rule requirements;

WHEREAS, all findings that had been referred for an administrative penalty were resolved informally before consideration by the Enforcement Committee;

WHEREAS, representatives of the ownership group previously attended an informal conference on November 27, 2018, and signed a prior Agreed Final Order for related properties, Cottonwood Apartments (HTC 12048 / HOME 1001677 / CMTS 544) and Elmwood Apartments (HTC 12045 / HOME 1001679 / CMTS 1130);

WHEREAS, the prior Agreed Final Order related to uncorrected findings for failure to provide evidence of material participation of a qualified Historically Underutilized Business at both properties, and corrected findings at Elmwood for failure to provide complete: written tenant selection criteria, Affirmative Marketing Plan and evidence of outreach marketing, and evidence that supportive services were being provided as required;

WHEREAS, under the prior Agreed Final Order, a \$500 administrative penalty was paid at signing and a probated administrative penalty of \$1,500 was forgiven when the terms of the Order were met;

WHEREAS, TDHCA identified findings of noncompliance during its 2018 onsite monitoring review at Northwood Apartments, and referred them for an administrative penalty when they were not timely corrected;

WHEREAS, Northwood Apartments was subsequently referred for an administrative penalty for failure to provide complete: written tenant selection criteria, Affirmative Marketing Plan and evidence of outreach marketing, and evidence that supportive services were being provided as required;

WHEREAS, all findings that had been referred for an administrative penalty were resolved informally before consideration by the Enforcement Committee;

WHEREAS, on April 30, 2019, Owner’s representatives participated in an informal conference with the Enforcement Committee and agreed, subject to Board approval, to enter into an Agreed Final Order assessing an administrative penalty of \$1,500; and

WHEREAS, staff has based its recommendations for an Agreed Final Order on the Department's rules for administrative penalties and an assessment of each and all of the statutory factors to be considered in assessing such penalties, applied specifically to the facts and circumstances present in this case.

NOW, therefore, it is hereby

RESOLVED, that an Agreed Final Order assessing an administrative penalty of \$1,500 for noncompliance at Northwood Apartments (HTC 11081 / HOME 1001590 / CMTS 1303), substantially in the form presented at this meeting, and authorizing any non-substantive technical corrections, is hereby adopted as the order of this Board.

BACKGROUND

PK Northwood Apartments, LP (Owner) is the owner of Northwood Apartments (Property), a low income apartment complex composed of forty-eight units, located in Navasota, Grimes County. Records of the Texas Secretary of State list the following members and/or officers of the general partner, Megan & Associates XII, LLC: Ronald Potterpin. CMTS lists Ronald Potterpin as the primary contact for Owner, and Pete Potterpin has been a primary contact for the administrative penalty referral. The property is self-managed via PK Housing and Management Company, with Shanna Spurgeon listed in CMTS as its primary contact.

The Property is subject to two land use restriction agreements (collectively the LURAs) signed in 2012 and 2013, respectively, in consideration for a HOME loan in the amount of \$618,170, and a housing tax credit allocation in the annual amount of \$326,845, to acquire, rehabilitate and operate the Property.

The Property has not been referred for an administrative penalty previously, but the ownership group has a history of referrals. Referrals for the ownership group prior to 2017 were closed with full corrections and no penalty assessment. A referral for a related property, North Court Village (HTC 11004 / CMTS 4772) was closed with a warning letter in October of 2017, indicating that any future referrals for that property or any related properties would result in mandatory consideration by the Enforcement Committee unless deemed unnecessary by the Committee Secretary. The ownership group was then referred for an administrative penalty for noncompliance at related properties, Cottonwood Apartments (HTC 12048 / HOME 1001677 / CMTS 544) and Elmwood Apartments (HTC 12045 / HOME 1001679 / CMTS 1130). An informal conference was held November 27, 2018, to consider an administrative penalty referral for failure to provide evidence of material participation of a qualified Historically Underutilized Business at both properties, and for failure to provide for Elmwood: written tenant selection criteria, Affirmative Marketing Plan and evidence of outreach marketing, and evidence that supportive services were being provided as required. An Agreed Final Order was recommended and approved, requiring a \$500 penalty to be paid at signing, and a probated \$1,500 penalty to be forgiven if the corrective terms of the Order were met. The terms of that Order were met.

The ownership group was subsequently referred for an administrative penalty for Northwood Apartments on December 21, 2018, when it failed to submit any corrective documentation in response to an onsite file monitoring letter. Findings included failure to provide complete: written tenant selection criteria, Affirmative Marketing Plan and associated evidence of outreach marketing, and evidence that supportive services were being provided as required. The final findings were ultimately corrected on March 4, 2019, after intervention by the Enforcement Committee. Owner representatives then participated in an informal conference on April 30, 2019, where they agreed to sign an Agreed Final Order for a \$1,500 administrative penalty to be paid on or before June 24, 2019, representing the maximum potential administrative penalty available under the matrix at 10 TAC §2.302(j). The primary factor discussed by the Committee in determining this amount was the amount necessary to deter future violations, given the repeated nature of the findings for this ownership group.

Consistent with direction from the Department's Enforcement Committee, an administrative penalty in the amount of \$1,500 is recommended. This will be a reportable item of consideration under previous participation for any new award to the principals of the Owner.

ENFORCEMENT ACTION AGAINST	§	BEFORE THE
PK NORTHWOOD APARTMENTS, LP	§	TEXAS DEPARTMENT OF
	§	HOUSING AND COMMUNITY
WITH RESPECT TO	§	AFFAIRS
NORTHWOOD APARTMENTS (HTC #	§	
11081 / HOME 1001590 / CMTS # 1303)	§	

AGREED FINAL ORDER

General Remarks and official action taken:

On this 23rd day of May 2019, the Governing Board (“Board”) of the Texas Department of Housing and Community Affairs (“TDHCA” or “Department”) considered the matter of whether enforcement action should be taken against **PK NORTHWOOD APARTMENTS, LP**, a Texas limited partnership (“Respondent”).

This Agreed Order is executed pursuant to the authority of the Administrative Procedure Act (“APA”), Tex. Gov’t Code §2001.056, which authorizes the informal disposition of contested cases. In a desire to conclude this matter without further delay and expense, the Board and Respondent agree to resolve this matter by this Agreed Final Order. The Respondent agrees to this Order for the purpose of resolving this proceeding only and without admitting or denying the findings of fact and conclusions of law set out in this Order.

Upon recommendation of the Enforcement Committee, the Board makes the following findings of fact and conclusions of law and enters this Order:

WAIVER

Respondent acknowledges the existence of their right to request a hearing as provided by Tex. Gov’t Code §2306.044, and to seek judicial review, in the District Court of Travis County, Texas, of any order as provided by Tex. Gov’t Code §2306.047. Pursuant to this compromise and settlement, the Respondent waives those rights and acknowledges the jurisdiction of the Board over Respondent.

FINDINGS OF FACT (“FOF”)

Jurisdiction:

1. During 2011, Respondent was awarded an allocation of Low Income Housing Tax Credits by the Board, in an annual amount of \$326,845, along with HOME loan funds in the amount of \$618,170, to acquire, rehabilitate, and operate Northwood Apartments

("Property") (HTC file No. 11081 / HOME File No. 1001590 / CMTS No. 1303 / LDLD No. 838).

2. Respondent signed two land use restriction agreements (collectively "LURAs") regarding the Property. The first was a Land Use Restriction Agreement ("HOME LURA"), dated as of November 27, 2012, and filed of record at Volume 1442, Page 409 of the Official Public Records of Real Property of Grimes County, Texas ("Records"). The second was a Declaration of Land Use Restrictive Covenants / Land Use Restriction Agreement for Low Income Housing Credits ("HTC LURA"), dated as of November 3, 2013, and filed of record at Volume 1486, Page 705 of the Records, as amended by that first amendment dated as of September 29, 2014, and filed of record at Volume 1525, Page 72 of the Records.
3. Respondent is subject to the regulatory authority of TDHCA.

Compliance Violations¹:

4. An on-site monitoring review was conducted on March 1, 2018, to determine whether Respondent was complying with LURA requirements to lease units to low income households and maintain records demonstrating eligibility. The monitoring review found violations of the LURA and TDHCA rules. Notifications of noncompliance were sent and an extended corrective action deadline was set for December 4, 2018, however, the following violations were not resolved before that corrective action deadline:
 - a. Respondent failed to maintain complete written tenant selection criteria, a violation of 10 TAC §10.610 (Written Policies and Procedures), which requires all developments to establish written tenant selection criteria that meet minimum TDHCA requirements. Acceptable corrective documentation was submitted on February 5, 2019, 63 days past the deadline, after intervention by the Enforcement Committee.
 - b. Respondent failed to provide a compliant affirmative marketing plan and evidence of outreach marketing, a violation of 10 TAC §10.617 (Affirmative Marketing Requirements), which requires developments to maintain an affirmative marketing plan that meets minimum requirements and to distribute marketing materials to selected marketing organizations that reach groups identified as least likely to apply and to the disabled. Acceptable corrective documentation was submitted on February 5, 2019, 63 days past the deadline, after intervention by the Enforcement Committee.
 - c. Respondent failed to provide evidence that required supportive services were being provided, a violation of Appendix A of the HTC LURA and 10 TAC §10.619

¹ Within this Agreed Final Order, all references to violations of TDHCA Compliance Monitoring rules at 10 TAC Chapter 10 refers to the versions of the code in effect at the time of the compliance monitoring reviews and/or inspections that resulted in recording each violation. All past violations remain violations under the current code and all interim amendments.

(Monitoring for Social Services). Acceptable corrective documentation was submitted on March 4, 2019, 90 days past the deadline, after intervention by the Enforcement Committee.

5. All violations listed above are considered resolved at the time of this Order.

CONCLUSIONS OF LAW

1. The Department has jurisdiction over this matter pursuant to Tex. Gov't Code §§2306.041-.0503, and 10 TAC Chapter 2, as of November 19, 2014.
2. Respondent is a "housing sponsor" as that term is defined in Tex. Gov't Code §2306.004(14).
3. Pursuant to IRC §42(m)(1)(B)(iii), housing credit agencies are required to monitor for noncompliance with all provisions of the IRC and to notify the Internal Revenue Service of such noncompliance.
4. Respondent violated 10 TAC §10.610 in 2018, by not maintaining written tenant selection criteria meeting TDHCA requirements.
5. Respondent violated 10 TAC §10.617 in 2018, by failing to provide a complete affirmative marketing plan.
6. Respondent violated 10 TAC §10.619 in 2018, by failing to provide evidence of required supportive services.
7. Because Respondent is a housing sponsor with respect to the Property, and has violated TDHCA rules, the Board has personal and subject matter jurisdiction over Respondent pursuant to Tex. Gov't Code §2306.041 and §2306.267.
8. Because Respondent is a housing sponsor, TDHCA may order Respondent to perform or refrain from performing certain acts in order to comply with the law, TDHCA rules, or the terms of a contract or agreement to which Respondent and TDHCA are parties, pursuant to Tex. Gov't Code §2306.267.
9. Because Respondent has violated rules promulgated pursuant to Tex. Gov't Code §2306.053 and has violated agreements with the Agency to which Respondent is a party, the Agency may impose an administrative penalty pursuant to Tex. Gov't Code §2306.041.
10. An administrative penalty of \$1,500 is an appropriate penalty in accordance with 10 TAC Chapter 2.

Based upon the foregoing findings of fact and conclusions of law, and an assessment of the factors set forth in Tex. Gov't Code §2306.042 to be considered in assessing such penalties as applied specifically to the facts and circumstances present in this case, the Governing Board of the Texas Department of Housing and Community Affairs orders the following:

IT IS HEREBY ORDERED that Respondent is assessed an administrative penalty in the amount of \$1,500.

IT IS FURTHER ORDERED that Respondent shall pay and is hereby directed to pay the \$1,500 administrative penalty by check payable to the "Texas Department of Housing and Community Affairs" on or before June 24, 2019, to the following address

If via overnight mail (FedEx, UPS):	If via USPS:
TDHCA Attn: Ysella Kaseman 221 E 11 th St Austin, Texas 78701	TDHCA Attn: Ysella Kaseman P.O. Box 13941 Austin, Texas 78711

IT IS FURTHER ORDERED that Respondent shall follow the requirements of 10 TAC §10.406, a copy of which is included at Exhibit 1, and obtain approval from the Department prior to consummating a sale of the property, if contemplated.

IT IS FURTHER ORDERED that the terms of this Agreed Final Order shall be published on the TDHCA website.

[Remainder of page intentionally blank]

Approved by the Governing Board of TDHCA on May 23, 2019.

By: _____
Name: J.B. Goodwin
Title: Chair of the Board of TDHCA

By: _____
Name: James "Beau" Eccles
Title: Secretary of the Board of TDHCA

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

Before me, the undersigned notary public, on this 23rd day of May, 2019, personally appeared J.B. Goodwin, proved to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

(Seal)

Notary Public, State of Texas

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

Before me, the undersigned notary public, on this 23rd day of May, personally appeared James "Beau" Eccles, proved to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

(Seal)

Notary Public, State of Texas

STATE OF TEXAS §
§
COUNTY OF _____ §

BEFORE ME, _____ (*notary name*), a notary public in and for the State of _____, on this day personally appeared _____ (*person signing document*), known to me or proven to me through circle one: personally known / driver's license / passport to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that (he/she) executed the same for the purposes and consideration therein expressed, who being by me duly sworn, deposed as follows:

1. "My name is _____, I am of sound mind, capable of making this statement, and personally acquainted with the facts herein stated.
2. I hold the office of _____ for Respondent. I am the authorized representative of Respondent, owner of the Property, which is subject to a Land Use Restriction Agreement monitored by the TDHCA in the State of Texas, and I am duly authorized by Respondent to execute this document.
3. Respondent knowingly and voluntarily enters into this Agreed Final Order, and agrees with and consents to the issuance and service of the foregoing Agreed Order by the Governing Board of the Texas Department of Housing and Community Affairs."

RESPONDENT:

PK NORTHWOOD APARTMENTS, LP, a Texas limited partnership

By: _____

Name: _____

Title: _____

Given under my hand and seal of office this _____ day of _____, 2019.

Signature of Notary Public

Printed Name of Notary Public

NOTARY PUBLIC IN AND FOR THE STATE OF _____

My Commission Expires: _____

Exhibit 1
Texas Administrative Code

TITLE 10 COMMUNITY DEVELOPMENT
PART 1 TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
CHAPTER 10 UNIFORM MULTIFAMILY RULES
SUBCHAPTER E POST AWARD AND ASSET MANAGEMENT REQUIREMENTS
RULE §10.406 Ownership Transfers (§2306.6713)

(a) Ownership Transfer Notification. All multifamily Development Owners must provide written notice and a completed Ownership Transfer packet, if applicable, to the Department at least 45 calendar days prior to any sale, transfer, or exchange of the Development or any portion of or Controlling interest in the Development. Except as otherwise provided herein, the Executive Director's prior written approval of any such transfer is required. The Executive Director may not unreasonably withhold approval of the transfer requested in compliance with this section.

(b) Exceptions. The following exceptions to the ownership transfer process outlined herein apply:

(1) A Development Owner shall be required to notify the Department but shall not be required to obtain Executive Director approval when the transferee is an Affiliate of the Development Owner with no new Principals or the transferee is a Related Party who does not Control the Development and the transfer is being made for estate planning purposes.

(2) Transfers that are the result of an involuntary removal of the general partner by the investment limited partner do not require advance approval but must be reported to the Department as soon as possible due to the sensitive timing and nature of this decision. In the event the investment limited partner has proposed a new general partner or will permanently replace the general partner, a full Ownership Transfer packet must be submitted.

(3) Changes to the investment limited partner, non-Controlling limited partner, or other non-Controlling partners affiliated with the investment limited partner do not require Executive Director approval. A General Partner's acquisition of the interest of the investment limited partner does not require Executive Director approval, unless some other change in ownership is occurring as part of the same overall transaction.

(4) Changes resulting from foreclosure do not require advance approval but acquiring parties must notify the Department as soon as possible of the revised ownership structure and ownership contact information.

(c) General Requirements.

(1) Any new Principal in the ownership of a Development must be eligible under §11.202 of Subchapter C (relating to Ineligible Applicants and Applications). In addition, Principals will be reviewed in accordance with Chapter 1, Subchapter C of this title (relating to Previous Participation and Executive Award Review and Advisory Committee).

(2) Changes in Developers or Guarantors must be addressed as non-material amendments to the application under §10.405 of this subchapter.

(3) To the extent an investment limited partner or its Affiliate assumes a Controlling interest in a Development Owner, such acquisition shall be subject to the Ownership Transfer requirements set forth herein. Principals of the investment limited partner or Affiliate will be considered new Principals and will be reviewed as stated under paragraph (1) of this subsection.

(4) Simultaneous transfer or concurrent offering for sale of the General Partner's and Limited Partner's control and interest will be subject to the Ownership Transfer requirements set forth herein and will trigger a Right of First Refusal, if applicable.

(d) Transfer Actions Warranting Debarment. If the Department determines that the transfer, involuntary removal, or replacement was due to a default by the General Partner under the Limited Partnership Agreement, or other detrimental action that put the Development at risk of failure or the Department at risk for financial exposure as a result of non-compliance, staff may make a recommendation to the Board for the debarment of the entity and/or its Principals and Affiliates pursuant to the Department's debarment rule. In

addition, a record of transfer involving Principals in new proposed awards will be reported and may be taken into consideration by the Executive Award and Review Committee, in accordance with Chapter 1, Subchapter C of this title (relating to Previous Participation and Executive Award Review and Advisory Committee), prior to recommending any new financing or allocation of credits.

(e) Transfers Prior to 8609 Issuance or Construction Completion. Prior to the issuance of IRS Form(s) 8609 (for Housing Tax Credits) or the completion of construction (for all Developments funded through other Department programs) an Applicant may request an amendment to its ownership structure to add Principals. The party(ies) reflected in the Application as having Control must remain in the ownership structure and retain Control, unless approved otherwise by the Executive Director. A development sponsor, General Partner or Development Owner may not sell the Development in whole or voluntarily end their Control prior to the issuance of 8609s.

(f) Nonprofit Organizations. If the ownership transfer request is to replace a nonprofit organization within the Development ownership entity, the replacement nonprofit entity must adhere to the requirements in paragraph (1) or (2) of this subsection.

(1) If the LURA requires ownership or material participation in ownership by a Qualified Nonprofit Organization, and the Development received Tax Credits pursuant to §42(h)(5) of the Code, the transferee must be a Qualified Nonprofit Organization that meets the requirements of §42(h)(5) of the Code and Tex. Gov't Code §2306.6706, if applicable, and can demonstrate planned participation in the operation of the Development on a regular, continuous, and substantial basis.

(2) If the LURA requires ownership or material participation in ownership by a nonprofit organization or CHDO, the Development Owner must show that the transferee is a nonprofit organization or CHDO, as applicable, that complies with the LURA.

(3) Exceptions to the above may be made on a case by case basis if the Development is past its Compliance Period/Federal Affordability Period, was not reported to the IRS as part of the Department's Nonprofit Set Aside in any HTC Award year, and follows the procedures outlined in §10.405(b)(1) - (5) of this chapter (relating to LURA Amendments that require Board Approval). The Board must find that:

(A) The selling nonprofit is acting of its own volition or is being removed as the result of a default under the organizational documents of the Development Owner;

(B) The participation by the nonprofit was substantive and meaningful during the full term of the Compliance Period but is no longer substantive or meaningful to the operations of the Development; and

(C) The proposed purchaser is an affiliate of the current Owner or otherwise meets the Department's standards for ownership transfers.

(g) Historically Underutilized Business (HUB) Organizations. If a HUB is the general partner or special limited partner of a Development Owner and it determines to sell its ownership interest, after the issuance of 8609's, the purchaser of that partnership interest or the general or special limited partner is not required to be a HUB as long as the procedure described in §10.405(b)(1) of this chapter (relating to Non-Material LURA Amendments) has been followed and approved.

(h) Documentation Required. A Development Owner must submit documentation requested by the Department to enable the Department to understand fully the facts and circumstances pertaining to the transfer and the effects of approval or denial. Documentation must be submitted as directed in the Post Award Activities Manual, which includes but is not limited to:

(1) A written explanation outlining the reason for the request;

(2) Ownership transfer information, including but not limited to the type of sale, amount of Development reserves to transfer in the event of a property sale, and the prospective closing date;

(3) Pre and post transfer organizational charts with TINs of each organization down to the level of natural persons in the ownership structure as described in §11.204(13)(A) of Subchapter C;

(4) A list of the names and contact information for transferees and Related Parties;

(5) Previous Participation information for any new Principal as described in §11.204(13)(B) of Subchapter C;

(6) Agreements among parties associated with the transfer;

(7) Owners Certifications with regard to materials submitted further described in the Post Award Activities Manual;

(8) Detailed information describing the organizational structure, experience, and financial capacity of any party holding a controlling interest in any Principal or Controlling entity of the prospective Development Owner;

(9) Evidence and certification that the tenants in the Development have been notified in writing of the proposed transfer at least 30 calendar days prior to the date the transfer is approved by the Department. The ownership transfer approval letter will not be issued until this 30 day period has expired;

(10) Any required exhibits and the list of exhibits related to specific circumstances of transfer or Ownership as detailed in the Post Award Activities Manual.

(i) Once the Department receives all necessary information under this section and as required under the Post Award Activities Manual, staff shall initiate a qualifications review of a transferee, in accordance with Chapter 1, Subchapter C of this title (relating to Previous Participation and Executive Award Review and Advisory Committee), to determine the transferee's past compliance with all aspects of the Department's programs, LURAs and eligibility under this chapter and §11.202 of Subchapter C (relating to Ineligible Applicants and Applications).

(j) Credit Limitation. As it relates to the Housing Tax Credit amount further described in §11.4(a) of this title (relating to Tax Credit Request and Award Limits), the credit amount will not be applied in circumstances described in paragraphs (1) and (2) of this subsection:

(1) In cases of transfers in which the syndicator, investor or limited partner is taking over ownership of the Development and not merely replacing the general partner; or

(2) In cases where the general partner is being replaced if the award of credits was made at least five years prior to the transfer request date.

(k) Penalties, Past Due Fees and Underfunded Reserves. The Development Owner must comply with any additional documentation requirements as stated in Subchapter F of this chapter (relating to Compliance Monitoring). The Development Owner, as on record with the Department, will be liable for any penalties or fees imposed by the Department even if such penalty can be attributable to the new Development Owner unless such ownership transfer is approved by the Department. In the event a transferring Development has a history of uncorrected UPCS violations, ongoing issues related to keeping housing sanitary, safe, and decent, an account balance below the annual reserve deposit amount as specified in §10.404(a) (relating to Replacement Reserve Accounts), or that appears insufficient to meet capital expenditure needs as indicated by the number or cost of repairs included in a PCA, the prospective Development Owner may be required to establish and maintain a replacement reserve account or increase the amount of regular deposits to the replacement reserve account by entering into a Reserve Agreement with the Department. The Department may also request a plan and timeline relating to needed repairs or renovations that will be completed by the departing and/or incoming Owner as a condition to approving the Transfer.

(l) Ownership Transfer Processing Fee. The ownership transfer request must be accompanied by the corresponding ownership transfer fee as outlined in §11.901 of this chapter (relating to Fee Schedule, Appeals, and other Provisions).

Source Note: The provisions of this §10.406 adopted to be effective January 5, 2017, 41 TexReg 10569; amended to be effective January 4, 2018, 42 TexReg 7610; amended to be effective December 30, 2018, 43 TexReg 8297

1d

BOARD ACTION REQUEST
HOUSING RESOURCE CENTER
MAY 23, 2019

Presentation, discussion, and possible action on the final 2019 State of Texas Consolidated Plan: One-Year Action Plan

RECOMMENDED ACTION

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) requires the submission of a One-Year Action Plan in accordance with 24 CFR §91.320;

WHEREAS, the Department has developed the draft 2019 State of Texas Consolidated Plan: One-Year Action Plan (the Plan), which reports on the intended use of funds received by the State of Texas from HUD for Program Year (PY) 2019, beginning on February 1, 2019, and ending on August 31, 2020;

WHEREAS, a public comment period was open from October 15, 2018, through November 15, 2018, and a public hearing was held on October 25, 2018, to garner input on the One-Year Action Plan;

WHEREAS, on February 13, 2019, HUD's Office of Community Planning and Development (CPD) issued Notice CPD-19-01 with guidance and submission timeframe for the 2019 One-Year Action Plan, instructing the Department not to submit the final Plan until up to 60 days after the final 2019 allocation amounts are released by HUD, but not later than August 16, 2019; and

WHEREAS, HUD announced the 2019 allocations for the CPD formula programs on April 15, 2019, and staff has included these released amounts in this final version presented at this meeting;

NOW, therefore, it is hereby

RESOLVED, that the 2019 State of Texas Consolidated Plan: One-Year Action Plan, in the form presented to this meeting, is hereby approved and the Acting Director and his designees are each hereby authorized, empowered and directed, for and on behalf of the Department, to submit the 2019 State of Texas Consolidated Plan: One-Year Action Plan to HUD and, in connection therewith, to make such nonsubstantive grammatical and technical changes as they deem necessary or advisable.

BACKGROUND

The Texas Department of Housing and Community Affairs (TDHCA), Texas Department of Agriculture (TDA), and Texas Department of State Health Services (DSHS) prepared the draft 2019 State of Texas Consolidated Plan: One-Year Action Plan (Plan) in accordance with 24 CFR §91.320. TDHCA coordinates the preparation of the State of Texas Consolidated Plan documents. The Plan covers the State's administration of the Community Development Block Grant Program (CDBG) by TDA, the Housing Opportunities for Persons with AIDS Program (HOPWA) by DSHS, the Emergency Solutions Grant (ESG) Program, the HOME Investment Partnerships (HOME) Program, and the National Housing Trust Fund (NHTF) Program by TDHCA.¹

The Plan reflects the intended uses of funds received by the State of Texas from HUD for Program Year (PY) 2019. The Program Year begins on February 1, 2019, and ends on August 31, 2020. The Plan also illustrates the State's strategies in addressing the priority needs and specific goals and objectives identified in the 2015-2019 State of Texas Consolidated Plan.

The HUD PY used by the state of Texas' Community Planning and Development Programs (CPD) will be changing from a February – January cycle to a September – August cycle. The CPD programs include the ESG, HOME, and NHTF programs administered by TDHCA; the CDBG program administered by TDA; and the HOPWA program administered by DSHS. The purpose of this change is to align with State Fiscal year reporting, and the recent timeframe of the Congressional Appropriations process. To accomplish this change, Texas will lengthen its PY 2019 by seven months, running from February 1, 2019, through August 31, 2020. Thus, Texas' PY 2020 will be the first PY on the new September - August cycle and will run from September 1, 2020, through August 31, 2021. Per 24 CFR §91.10, Texas submitted written notification to the HUD's CPD Office, Fort Worth, and received confirmation of this notification from that office on November 23, 2018.

A draft of the Plan, containing estimated allocation amounts, was approved by the TDHCA Governing Board for release for public comment from Monday, October 15, 2018, through Thursday, November 15, 2018, and a public hearing was held on October 25, 2018. The State received no comments.

Per 24 CFR §91.15(a)(1), the Plan is required to be submitted to HUD on December 15, 2018, which is at least 45 days before the start PY 2019. However, on November 23, 2018, the Department received written approval from HUD of an initial request to extend the submission date to the end of PY 2018, on January 31, 2019. The purpose of this extension was to allow enough time for the State of Texas to receive notice of 2019 allocation amounts, while adhering to the HUD-approved State of Texas Citizen Participation Plan. The Department requested a second extension on January 31, 2019, as Congress had not yet completed their annual appropriations process during this extended time period. This second extension requested to extend the due date of the 2019 Plan from January 31, 2019, until 60 days after Congress completed their process and announced HUD's FY2019 allocation amounts, or until the HUD

¹ The Texas General Land Office (GLO) is the responsible entity for developing the State Community Development Block Grant Disaster Recovery Program (CDBG-DR) Action Plan and submitting any required amendments to the Consolidated Plan in accordance with HUD guidelines. CDBG-DR planning documents are available at <http://recovery.texas.gov/action-plans/index.html>.

released a notice specifying a different deadline. HUD reviewed and approved this second extension on February 7, 2019.

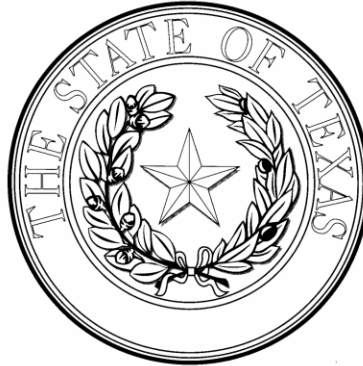
The board approved a Minor Amendment to the 2018 OYAP on January 17, 2019 and at that time approved this amendment language for inclusion in the 2019 OYAP. This Amendment updated Section AP-90, allowing TDHCA to award PY 2018 HOME funds to multifamily developments that are proposing refinancing with lower rehabilitation costs than would otherwise be allowed in 10 TAC Chapter 11 (10 TAC §11.101(b)(3)) as a result of the Preservation set-aside being included in the 2019-1 Multifamily Direct Loan Annual NOFA

On February 13, 2019, HUD issued Notice CPD-19-01 with guidance and submission timeframe for the Plan, allowing the delay of submission of the final Plan to HUD until 60 days after the date allocations are announced, or until August 16, 2019 (whichever comes first).

HUD CPD announced the 2019 allocations for the CPD formula programs on April 15, 2019, and staff has included these released amounts in this final version presented at this meeting. A copy of the Plan to be approved by the Board for submission to HUD can be found online at TDHCA's Board Meeting Information Center website at <http://www.tdhca.state.tx.us/board/meetings.htm>.

This action seeks approval to submit the Plan to HUD upon approval by the Board and prior to any deadline identified by HUD in their allocation announcement letter dated April 15, 2019. Staff recommends approval of this action.

2019 State of Texas Consolidated Plan One-Year Action Plan



Final as presented to the Board on May 23, 2019.

Prepared by:

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Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

This One Year Action Plan (OYAP) identifies the contemplated possible use of funds received by the State of Texas from the U.S. Department of Housing and Urban Development (HUD) for Program Year (PY) 2019. This PY 2019 OYAP applies to those actions of the Texas Department of Housing and Community Affairs (TDHCA), the Texas Department of Agriculture (TDA), and the Texas Department of State Health Services (DSHS), relating to the activities of those three state agencies involving the administration of ongoing HUD Community Planning and Development (CPD) programs. Those agencies, being all of the agencies that administer HUD CPD programs for the state of Texas (other than Community Development Block Grant Disaster Recovery funds designated specifically by HUD for disaster recovery efforts), are collectively referred to herein as the “State.” This OYAP is for the HOME Investment Partnerships (HOME) Program, the Emergency Solutions Grant (ESG) Program, the Community Development Block Grant (CDBG) Program, the Housing Opportunities for Persons with AIDS (HOPWA) Program, and the National Housing Trust Fund (NHTF). The 2019 PY for HUD program activity begins on February 1, 2019, and ends on August 31, 2020. The performance report on PY 2017 funds was submitted to HUD in April 2018, and approved by HUD in August 2018.

The HUD Program Year (PY) used by the state of Texas’ Community Planning and Development Programs (CPD) will be changing from a February – January cycle to a September – August cycle. The CPD programs include the Emergency Solutions Grant Program, the HOME Investment Partnerships Program and the National Housing Trust Fund Program administered by the Texas Department of Housing of Community Affairs; the Community Development Block Grant Program administered by the Texas Department of Agriculture; and the Housing Opportunities for Persons with AIDS Program administered by the Department of State Health Services. The purpose of this change is to align with State Fiscal year reporting, and the recent timeframe of the Congressional Appropriations process. To accomplish this change, Texas will lengthen its PY 2019 by seven months, running from February 1, 2019, through August 31, 2020. Thus, Texas’ PY 2020 will be the first PY on the new September - August cycle, and will run from September 1, 2020, through August 31, 2021. Per 24 CFR §91.10, Texas submitted written notification to the HUD Office of Planning and Community Development, Fort Worth, and received confirmation of this notification from that office on November 23, 2018.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The 2019 OYAP:

1. Reports on the intended use of funds received by the State from HUD for PY 2019;
2. Explains the State's method for distributing CDBG, ESG, HOME, HOPWA, and NHTF program funds; and,
3. Provides opportunity for public input on the development of this OYAP.

The State's progress in achieving the goals put forth in the OYAP will be measured according to HUD guidelines (24 CFR §91.520) and outlined in the Consolidated Annual Performance and Evaluation Report (CAPER), submitted to HUD by May 1 each year.

In accordance with the guidelines from HUD, the State utilizes the CPD Outcome Performance Measurement System through the use of HUD's Integrated Disbursement and Information System (IDIS) to develop the OYAP and CAPER each year. Program activities are categorized into the objectives and outcomes listed throughout the OYAP. The estimated performance figures are based on planned performance during the PY (February 1st through January 31st) of contracts committed and projected households to be served based on estimated availability of funds. In contrast, the performance measures reported to the Texas Legislative Budget Board for the State Fiscal Year (SFY) which is September 1st through August 31st, are based on anticipated units and households at time of award.

The objectives, outcomes, and activity budgets in this OYAP will be proportionally adjusted from the estimated levels included herein once the PY 2019 allocation notice is received from HUD.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The information below is for HOME, ESG, NHTF, CDBG, and HOPWA for PY 2017 (February 1, 2017 to January 31, 2018). Because NHTF was a new program for PY2016, past performance data is limited to award activities.

HOME Evaluation of Past Performance

TDHCA's HOME program expended \$32,490,905 in program funds through six different HOME Program activities in PY 2017, representing completed assistance to 584 households that achieved 94% of expected program year goals.

ESG Evaluation of Past Performance

During PY 2017, TDHCA's ESG Program expended \$15,751,230, including 2017 ESG funding, reallocated and unexpended balances of ESG funds from 2011-2016, as well as matching funds. With the expended funding, ESG served 922 households with rapid re-housing, 14,492 persons with overnight shelter assistance, and 2,048 persons with homelessness prevention.

NHTF Evaluation of Past Performance

TDHCA's NHTF program committed \$4,578,947.60 PY 2016 funds and \$2,885,873.80 PY 2017 funds, with the remaining expected to be committed by mid-2019. TDHCA anticipates committing PY 2018 funds beginning early 2020.

TDHCA's NHTF program expended \$2,365,467.03 PY 2016 funds and anticipates expending PY 2017 funds by the end of 2021. All funds thus far have been used for the new construction of multifamily rental housing.

CDBG Evaluation of Past Performance

During PY 2017, the Texas CDBG Program committed a total of \$70,220,988 through 241 awarded contracts. For contracts that were awarded in PY 2017, 372,087 persons were anticipated to receive service. The Colonia Self Help centers, overseen by TDHCA's Office of Colonia Initiatives, awarded two contracts in 2017, totaling \$1,488,785 and benefitting 3,565 persons.

HOPWA Evaluation of Past Performance

In PY 2017, the DSHS HOPWA program served 468 households with TBRA (100% of the OYAP goal set at 477 households), 479 households with STRMU assistance (111% of the OYAP goal set at 433 households), and 52 households with Permanent Housing Placement (PHP) assistance (208% of the OYAP goal set at 25 households) for a total of 943 unduplicated households. Of the 943 households served, 940 households also received HOPWA-funded Supportive Services (104% of the OYAP goal set at 900.) All HOPWA clients receive housing supportive services at some level, but some costs were leveraged with other funding sources. Client outcome goals for housing stability, reducing homelessness risk, and improving access to care were also achieved.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The State is committed to reaching out to and engaging with the public in order to develop programmatic activities that are responsive to the various affordable housing needs of Texans. The State also solicits and receives input from governmental bodies, nonprofits, and community and faith-based groups. More information on the citizen participation, consultation, and public comment are included in the Consultation and Participation sections of the Plan.

The 2015-2019 Consolidated Plan (as adopted) substantial amendments, the OYAP, and the Consolidated Plan Annual Performance and Evaluation Report (CAPER) are available to the public online at <http://www.tdhca.state.tx.us> and materials are accessible to persons with disabilities, upon request.

The State recognizes that public participation and consultation are ongoing processes. During the development of the 2015-2019 Consolidated Plan, comprehensive outreach was conducted to gather input. This outreach continues through the development of each Annual Action Plan within the 5-year consolidated planning process. Following the release of HUD's Final Rule to Affirmatively Further Fair Housing (AFFH), the State updated the Citizen Participation Plan and Language Access Plan; those updated plans are now being used as the State develops an updated Analysis of Impediments to Fair Housing Choice (AI).

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

Following the release of the Draft 2019 OYAP, the Public Comment period was open from Monday, October 15, 2018 through Thursday November 15, 2018, and a public hearing was held on Thursday, October 25, 2018, in Austin, TX. There were no public comments received.

6. Summary of comments or views not accepted and the reasons for not accepting them

No public comment was received for the 2019 One Year Action Plan.

7. Summary

The consolidated planning process occurs once every five years, so creating a comprehensive 2015-2019 Consolidated Plan was vital for CDBG, HOME, ESG, HOPWA, and NHTF. Because of the Consolidated Plan's authority to govern these programs, research from multiple sources, including other government plans, peer-reviewed journals, news sources, and fact sheets were used. Valuable public input was gathered through roundtable meetings, council/workgroup meetings, public hearings, online surveys, and an online forum. An expansive public input process was included in the development of the Consolidated Plan. The 2015-2019 Consolidated Plan is now carried out through Annual Action Plans, which provide a concise summary of the actions, activities, and the specific federal and non-federal resources that the State plans to use each year to address the priority needs and specific goals identified by the Consolidated Plan.

PR-05 Lead & Responsible Agencies - 91.300(b)

- 1. Agency/entity responsible for preparing/administering the Consolidated Plan**
The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Department/Agency
CDBG Administrator	Texas Department of Agriculture
HOPWA Administrator	Texas Department of State Health Services
HOME Administrator	Texas Department of Housing and Community Affairs
ESG Administrator	Texas Department of Housing and Community Affairs
NHTF Administrator	Texas Department of Housing and Community Affairs

Table 1 – Responsible Agencies

Narrative

TDHCA administers the ESG, NHTF, and the HOME Programs; TDA administers the CDBG Program; and DSHS administers the HOPWA Program. All of these programs, known collectively as CPD Programs, are covered in the 2019 OYAP. TDHCA coordinates development of the OYAP among itself, TDA, and DSHS.

Key Organizational Events

In 1991, the 72nd Texas Legislature created TDHCA. TDHCA's enabling legislation combined programs from the Texas Housing Agency, the Texas Department of Community Affairs, and the Community Development Block Grant Program from the Texas Department of Commerce. Effective September 1, 2002, in accordance with Senate Bill 322, the Manufactured Housing Division became an independent entity administratively attached to TDHCA.

At that time the CDBG Program was transferred from TDHCA to the newly-created Office of Rural Community Affairs, later called the Texas Department of Rural Affairs, and was then subsequently moved to TDA. As of October 1, 2011, the program is administered by TDA. Through an interagency agreement with TDA, TDHCA administers 2.5% of the CDBG funds which are designated for the Colonia Self Help Centers (SHCs) along the Texas-Mexico border.

DSHS, which administers HOPWA, is an agency of Texas Health and Human Services (HHS). In 2015, HHS began a reorganization to produce a more efficient, effective, and responsive system. In September of 2016, the first phase of that effort became operational, and a second phase occurred September 1, 2017.

The goals of the transformation were to create a system that is easier to navigate for people who need information, benefits, or services; aligns with the HHS mission, business, and statutory responsibilities; breaks down operational silos to create greater program integration; creates clear lines of accountability within the organization; and develops clearly defined and objective performance metrics for all areas of the organization. Foremost as it relates to HOPWA, DSHS contract oversight and support functions have transferred to HHS. For more information about the HHSC transformation, visit <https://hhs.texas.gov/about-hhs/hhs-transformation>.

On March 12, 2016, TDHCA was designated by Governor Abbott as the state agency responsible for the administration of funds provided through the NHTF.

TDHCA, TDA, and DSHS administer their assigned CPD programs and services through a network of organizations across Texas and do not typically fund assistance to individuals directly. Depending on the program, organizations include units of local government, councils of governments, nonprofit organizations, for-profit organizations, Administrative Agencies (AA), Public Housing Authorities (PHAs), and Community Housing Development Organizations (CHDOs).

Consolidated Plan Public Contact Information

ESG, HOME, and NHTF Contact Information:

Texas Department of Housing and Community Affairs
PO Box 13941, Austin, TX 78711-3941. (800) 525-0657
<http://www.tdhca.state.tx.us/>

CDBG Contact Information:

Texas Department of Agriculture, Office of Rural Affairs
PO Box 12847, Austin, TX 78711-2847. (800) 835-5832
<http://texasagriculture.gov/Home/ContactUs.aspx>

HOPWA Contact Information:

DSHS HIV/STD Prevention and Care Branch, HIV Care Services Group, HOPWA Program
PO Box 149347, Mail Code 1873, Austin, TX 78714-9347. (512) 533-3000.
<https://www.dshs.texas.gov/hivstd/hopwa>

AP-10 Consultation - 91.110, 91.300(b); 91.315(l)

1. Introduction

In an effort to gather information from as many diverse audiences as possible, TDHCA uses different forms of technology to communicate efficiently, including online surveys, forums, social media, and email distribution. Online surveys foster an increased response rate of participants as well as facilitating data analysis. Also, online forums are used in the development of program rules and distribution methods. Online forums are advertised at workgroups and committees as well as on social media. The availability of all these methods is communicated primarily via the TDHCA website, opt-in email distribution lists, social media, and through announcements at meetings and conferences.

An online presence allows TDHCA to reach out to encourage participation and consultation. The Policy and Public Affairs Division of TDHCA has implemented a social media presence, specifically through Twitter, Facebook, YouTube, and Flickr. Numerous tweets and posts are sent out during the public input process on the development of the Plan. Furthermore, TDHCA sends out notices via voluntary email lists, where subscribed individuals and entities can receive email updates on TDHCA information, announcements, and trainings. Use of technology allows fast communication to a large audience.

In the consolidated planning process, the State encourages the participation of public and private organizations, including broadband internet service providers, organizations engaged in narrowing the digital divide, agencies whose primary responsibilities include the management of flood prone areas, public land or water resources, and emergency management agencies in the process of developing the consolidated plan.

Provide a concise summary of the state's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).

The Texas Legislature has created the Housing and Health Services Coordinating Council which meets not less than quarterly and carries out a variety of coordinating, educational, analytical, and training efforts. This council is chaired by TDHCA's executive director and has representation from a wide array of agencies that provide health related services, as well as developers and advocates in different relevant sectors. It is supported administratively by TDHCA staff.

The State works to enhance coordination between public and assisted housing providers, and private and governmental health, mental health, and service agencies. For example, TDHCA staff routinely attends inter- and intra-agency meetings to educate and coordinate housing and services, as described in the following sections of the 2015-2019 Consolidated Plan: Strategic Plan Section 35, Anticipated Resources,

and Action Plan Section 65, Homeless and Other Special Needs. The State is also a subrecipient of Money Follows the Persons funds via the Texas Health and Human Services, of Section 811 funds, and of Mainstream Vouchers – in all three programs intensive coordination and collaboration is occurring relating to the interplay between health services and housing.

DSHS contracts with seven AAs across the State to provide administrative support in implementing the State's HOPWA formula program. AAs work with HIV Planning Councils in major metropolitan areas and with other organizations and stakeholders outside the major metropolitan areas to develop comprehensive HIV Services plans and needs assessments, which are developed through consultation with clients and other stakeholders through interviews, surveys, focus groups, and/or public hearings. AAs must communicate with stakeholders through disseminating written copies of services plans, posting the plans on the internet, town hall meetings, and advisory groups. Project Sponsors work closely with the local public housing authority offices to identify and establish relationships with other organizations that may have available resources. This ongoing collaboration provides access to organizations and programs, such as the housing choice vouchers; Continuum of Care (CoC); community health clinics; churches and private foundations; and Ryan White and HIV Planning Councils.

TDHCA continues to use its fair housing email list to share fair housing-related news, event information, and announcements with interested persons and organizations.

TDA consults with local governments both in person and through web-based meetings. As a part of the traditional CDBG planning process, public hearings were held in each of the 24 Council of Government planning regions during PY 2016. Each Regional Review Committee, composed of local elected officials, discussed local funding priorities for the Community Development Fund and adopted scoring criteria, which were applied to the Community Development Fund in PY 2017 to implement those priorities. Additionally, the Texas Rural Health and Economic Development Advisory Council (TRHED) met on May 1, 2017, and October 31, 2017, to discuss rural policy issues, as well as receive updates and proposed program changes for the state CDBG program.

Provide a concise summary of the state's activities to enhance coordination with local jurisdictions serving Colonias and organizations working within Colonias communities.

The Colonia SHC Program funds specific Texas-border county governments with four-year contracts. Awards and funding associated with this program are reviewed and recommended by a Colonia Resident Advisory Group (C-RAC). On a very frequent basis—weekly or more often—TDHCA provides guidance and oversight to the county governments with which TDHCA has executed Colonia SHC contracts. TDHCA also provides guidance and technical assistance to the housing subgrantees with which respective counties have contracted to achieve specific deliverables per their individualized SHC subcontracts. Periodically, TDHCA convenes a meeting with the C-RAC, which is a group of colonia residents who live in the specific colonias served by the centers. This grass-roots-style committee recommends approval of and

amendments to contracts, evaluates county recommendations and provides TDHCA and the counties with guidance on programming and activities in the colonias. Lastly, approximately every two years, TDHCA updates its Colonia SHC Program rules, and initiates this process by first soliciting comment from the public at large for suggestions for changes.

As a part of the processes discussed above, TDA met with elected officials from counties serving colonia areas. The local leaders discussed funding priorities for the Community Development Fund, including projects that could serve colonia areas.

TDHCA and TDA are committed to working with other state and federal regulatory and funding agencies. Agency coordination continues through the Texas Water Infrastructure Coordinating Committee (TWICC), which includes many of the same agencies and addresses concerns throughout the state, including those in colonias.

Further, to promote greater supply of rental housing for colonia residents and to enhance the availability of municipal services to colonias, TDHCA has scoring criteria in its Qualified Allocation Plan (QAP) for properties proposed in colonias.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

TDHCA works to coordinate with Continuum of Care (CoC) lead agencies on many levels. Several CoC lead agencies attend the Texas Interagency Council for the Homeless (TICH) which has two representatives from TDHCA, as well as many other state agencies. In addition, the TICH supports a contract with the Texas Homeless Network (THN) to build on pilot projects for collaboration between CoCs and Local Workforce Development Boards that is currently underway and due for completion by August 31, 2019.

In order to better coordinate with CoCs to address the needs of homeless persons and persons at-risk of homelessness, TDHCA works closely with the CoCs during the awarding of ESG funds. ESG funds are released by Notice of Funding Availability (NOFA) for an amount of available funding within each CoC region. For the competition for 2019 ESG funds, applicants within each CoC region will either submit an application for ESG funding directly to TDHCA, or to one of the CoC Lead Agencies approved by TDHCA to run a local competition for ESG funds. If applications are submitted to the CoC Lead Agency, the CoC recommends applications for award to TDHCA for their region. Both applicants to TDHCA and to the local CoCs are required to consult with the CoC as a threshold application requirement, and the CoC must confirm that the application will meet the priorities of the CoC, if funded.

Describe consultation with the Continuum(s) of Care that serves the State in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

To prepare for future funding competitions, TDHCA has codified the selection criteria utilized to prioritize applications for award in administrative rules, which underwent a public comment period from November 23, 2018 to January 2, 2019. Stakeholder feedback from the CoCs was specifically solicited during the drafting of rules, both at roundtables and through an online forum.

The proposed rules may include a threshold requirement that the applicant for ESG funds submit confirmation from the CoC that the proposed activities within the application align with CoC priorities. Additionally, a proposed scoring item may prioritize applications, which are recommended for funding by the CoC. The proposed rules also may include a mechanism for the CoC lead agencies to request to manage the competition for funding allocated to their CoC. In prior years, four of the eleven CoC regions in Texas chose to manage their own competition and make recommendations to TDHCA for funding within their CoC.

TDHCA's ESG Subrecipients are required to use the established HMIS or HMIS-comparable databases in their CoC regions. This requirement enables ESG Subrecipients to supply exports for HUD's Sage HMIS Repository Reporting system needed for the CAPER. In addition, the use of HMIS or an HMIS-comparable database holds ESG Subrecipients to standards of reporting set by the HMIS leads in their CoC regions.

2. Agencies, groups, organizations and others who participated in the process and consultations

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	TICH
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Victims of Domestic Violence Services-Homeless Services-Health Services-Education Services-Employment Service-Fair Housing Services - Victims Health Agency Child Welfare Agency Other government - Federal Other government - State Other government - County Other government - Local
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Anti-poverty Strategy

	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>Input on the 2019 OYAP may be sought at the January 2019 quarterly meeting of the Texas Interagency Council for the Homeless (TICH) and details of this consultation may be included in the final 2019 OYAP. TDHCA regularly informs the TICH of ESG methods of distribution, goals, and activities. The function of the TICH is to coordinate the state's resources and services to address homelessness. TICH serves as an advisory committee to TDHCA. Representatives from eleven state agencies sit on the council along with members appointed by the governor, lieutenant governor, and speaker of the house of representatives.</p>
2	<p>Agency/Group/Organization</p>	<p>Rural Health and Economic Development Advisory Council</p>
	<p>Agency/Group/Organization Type</p>	<p>Housing Services - Housing Services-Health Other government - State Other government - County Other government - Local Regional organization Planning organization Business and Civic Leaders</p>
	<p>What section of the Plan was addressed by Consultation?</p>	<p>Economic Development Anti-poverty Strategy CDBG Method of Distribution</p>

<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>Details on the Rural Health and Economic Development Advisory Council fall meeting will be included in the final 2019 OYAP. Consisting of nine members, this council is tasked with identifying rural policy priorities and reviewing the effectiveness of existing rural programs. The council's Rural Policy plan focused on strategic initiatives for economic and community development, improvements to existing rural health care systems and recommendations for the use and allocation of Community Development Block Grant funding, which is used to make improvements in rural communities across Texas.</p>
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3	Agency/Group/Organization	HIV Administrative Agencies
	Agency/Group/Organization Type	Services-Persons with HIV/AIDS
	What section of the Plan was addressed by Consultation?	HOPWA Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	<p>DSHS engages in ongoing consultation with HOPWA stakeholders by collecting qualitative data from HIV Administrative Agencies (AAs) and using it for planning and evaluation. AAs work with HIV Planning Councils in major metropolitan areas and with other organizations and stakeholders outside the major metropolitan areas to develop comprehensive HIV Services plans and needs assessments, which are developed through consultation with clients and other stakeholders through interviews, surveys, focus groups, and/or public hearings. AAs must communicate with stakeholders through disseminating written copies of services plans, posting the plans on the internet, town hall meetings, and advisory groups. AA contact information and planning area maps are located at https://www.dshs.texas.gov/hivstd/services/aa.shtm.</p>
4	Agency/Group/Organization	HOPWA Project Sponsors
	Agency/Group/Organization Type	Services-Persons with HIV/AIDS
	What section of the Plan was addressed by Consultation?	HOPWA Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	<p>DSHS engages in ongoing consultation with HOPWA stakeholders by collecting qualitative data from HOPWA Project Sponsors and using it for planning and evaluation. Project Sponsors provide narrative performance output and outcome data; offer program strategies for improved performance and strategies that contributed to successes; describe efforts to coordinate resources and efforts; assess housing barriers and make recommendations; request technical assistance, and supply other discussion items (i.e., feedback, ideas, other recommendations).</p>

Identify any Agency Types not consulted and provide rationale for not consulting

As indicated in the Introduction, during the ongoing consultation and public participation process, Texas seeks input from the widest possible range of agency types.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Texas Homeless Network	Texas Homeless Network (THN) is a non-profit membership-based organization helping Texas communities prevent and end homelessness. THN provides training and technical assistance around the state of Texas helping service providers and communities better serve the homeless population with the end goal of preventing and ending homelessness.
Pathways Home	TICH	Pathways Home presents findings which indicate that greater coordination of employment and health service resources with local housing programs would expand the State's capacity to prevent and end episodes of homelessness. In response to the study findings, Pathways Home proposes a framework to help more of the State's most vulnerable citizens to enter and remain in safe housing. A report is generated annually by the TICH that serves as a supplement to Pathways Home.

Table 3 – Other local / regional / federal planning efforts

Narrative

Since the consolidated planning process is an ongoing effort, the State continues to consult with agencies, groups, and organizations through the program year cycles for CDBG, ESG, HOME, NHTF, and HOPWA, and the development of HUD required fair housing documents, including the AI.

The State of Texas is following the Citizen Participation Plan requirements under 24 CFR §91.110, §91.115, and §5.158 related to outreach and consultation for an Assessment of Fair Housing (AFH). States are not currently required to submit an AFH, but must continue to comply with requirements that existed prior to the AFFH rule, which required conducting an AI.

In the development of the updated AI, the State consulted with housing agencies administering public housing, Public Housing Authorities (PHAs), state-based and regionally-based organizations that represent protected class members, and organizations that enforce fair housing laws, including agencies that participate in HUD’s Fair Housing Initiatives Program (FHIP) and HUD’s Fair Housing Assistance Program (FHAP). From May through August 2018, the State conducted over 40 separate consultations in order to garner input for the initial draft AI. Thirty of those meetings were conducted around the state and were advertised to the public and to stakeholders alike, and four of the thirty public consultation meetings were

public hearings that were published in the *Texas Register*, and were posted on TDHCA's external website. E-mail blasts were used to contact local officials, advocacy groups, stakeholder groups, and the public at large, inviting them to provide input on fair housing issues in their community for consideration in developing the draft AI. Overall there were 495 individuals that attended consultations and meetings, and an additional 15 parties submitted written input. The draft AI was approved to be released for public comment by the TDHCA Board on March 21, 2019, and was out for public comment from March 25, 2019, through May 6, 2019. The State anticipates bringing a final AI to a TDHCA Board meeting in the summer of 2019.

Further, the State made available on TDHCA's website links to HUD-provided data and supplemental information which the State intends to incorporate into the AI.

Language needs

The State conducted an analysis of eligible program participants with Limited English Proficiency (LEP). The analysis was performed for households at 200% poverty, roughly equivalent to 80% area median income statewide in Texas. The overwhelming need, at 74% of LEP persons, was for Spanish language translation. The state will translate vital documents into Spanish. The state will analyze market areas for program beneficiaries to determine if documents should be translated into additional languages. The state will apply four-factor analysis to consider the resources available and costs considering the frequency with which LEP persons come into contact with the program and the nature and importance of the program, activity, or service. The State will make reasonable efforts to provide language assistance to ensure meaningful access to participation by non-English speaking persons.

AP-12 Participation - 91.115, 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation; Summarize citizen participation process and how it impacted goal-setting

Encouragement of Public Participation

To reach minorities and non-English speaking residents, the Plan outreach follows the State's Language Access Plan. Also, the notices are available in Spanish and English, per Tex. Gov't Code Chapter 2105. Translators will be made available at public meetings, if requested.

The State encourages the involvement of individuals of low incomes and persons with disabilities in the allocation of funds and planning process through regular meetings, including community-based institutions, consumer workgroups, and councils (many of these meetings are listed in the Strategic Plan Section 35 of the 2015-2019 Consolidated Plan). All public hearing locations are accessible to all who choose to attend. Comments can be submitted either at a public hearing or in writing via mail, fax, or email. Reasonable notice by publication on TDHCA's website at <http://www.tdhca.state.tx.us> will be given, and comments will be received for no less than 30 days after notice is given.

The State notifies residents in areas where CDBG funds are proposed for use by distributing information on public hearings through the CDBG email list from TDA. Information related to the Plan and opportunities for feedback are provided through webinars and web discussions that allowed participation by residents of rural areas without requiring travel to a central location. Regional public hearings held as part of the Regional Review Committee process also encouraged participation by CDBG stakeholders.

Public hearings

Public hearing schedules are published in the *Texas Register* and on TDHCA's website at <http://www.tdhca.state.tx.us> and are advertised by opt-in email distribution and during various workgroups and committee meetings. During the public comment period, printed copies of draft plans are available from TDHCA, and electronic copies may be available for download from TDHCA's website. Constituents are encouraged to provide input regarding all programs in writing or at the public hearings. See the Citizen Participation Outreach table below for details of annual outreach.

Criteria for Amendment to the Consolidated Plan

Substantial amendments will be considered if a new activity is developed for any of the funding sources, or if there is a change in method of distribution. If a substantial amendment is needed, reasonable notice by publication on TDHCA's website at <http://www.tdhca.state.tx.us> will be given, and comments will be received for no less than 30 days after notice is given. A public hearing will be optional.

Performance Report

The annual CAPER will analyze the results of the previous program year OYAP. Due to the short 90-day turnaround time of the end of the State's Program Year (1/31) and the due date of the CAPER, the public will be given reasonable notice by publication on TDHCA's website at <http://www.tdhca.state.tx.us>. Comment will be accepted for a minimum of 15 days. A public hearing will be optional.

One Year Action Plan

The draft One Year Action Plan (OYAP) was released for public comment prior to HUD's release of actual annual allocation amounts, and the draft OYAP reflected estimated allocation amounts. Once HUD released actual annual allocation amounts and prior to submission to HUD, proposed activities' budgets were increased or decreased from the estimated funding levels to match actual allocation amounts, and proposed program goals were adjusted proportionally, or as otherwise described in the final OYAP.

Complaints related to the Consolidated planning process follow the TDHCA complaint process, as defined by 10 TAC §1.2.

For details on the development of or amendments to the AI, see the AP10 Narrative section above.

2. Summary citizen participation process and efforts made to broaden citizen participation in Colonias

The Colonia SHC Program funds El Paso, Cameron/Willacy, Hidalgo, Starr, Webb, Maverick, and Val Verde counties with four-year contracts. Awards and funding associated with this program are reviewed and recommended by a Colonia Resident Advisory Group (C-RAC), which is a group of colonia residents who live in the specific service area served by the centers.

TDHCA provides guidance, technical assistance and oversight to the units of local government with which TDHCA has executed Colonia SHC contracts. Technical assistance includes program administration, guidelines, and best practices needed to fulfill contractual requirements in serving colonia residents with CDBG funding. Periodically, TDHCA convenes a meeting with C-RAC. This grass-roots-style committee considers contract proposals, recommends approval of and amendments to contracts, evaluates county recommendations, and provides TDHCA and the counties guidance on programming and activities in the colonias. Lastly, approximately every two years, TDHCA updates its Colonia SHC Program rules, and initiates this process by first soliciting comment from the public at large for critiques of the current rules and suggestions for changes.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
1	Public Meeting – TDHCA Board Meeting	Non-targeted/ broad community	TDHCA’s board agenda and information is filed with the Texas Office of the Secretary of State (SOS) in advance of each meeting, in accordance with the Texas Open Meetings Act. The Draft 2019 OYAP was presented at the TDHCA Board meeting of October 11, 2018, and the Board approved its release for public comment.	Public comments are accepted at each meeting of the TDHCA Board in accordance with §2306.032(f) and §2306.066(d) of the Tex. Gov’t Code.	n/a	Board materials are posted at http://www.tdhca.state.tx.us/board/meetings.htm .
2	Public Comment Period	Non-targeted/ broad community	The Draft 2018 OYAP was released for a 32-day public comment period from October 15, 2018 to November 15, 2018.	No public comment was received.	n/a	http://www.tdhca.state.tx.us/public-comment.htm

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
3	Public Hearing	Non-targeted/ broad community	A public hearing was held on Thursday, October 25, 2018, in Austin, TX.	No comment was received.	n/a	http://www.tdhca.state.tx.us/public-comment.htm
4	Internet Outreach	Non-targeted/ broad community	TDHCA has a centralized webpage for public comment on all plans, reports, and program rules.	n/a	n/a	http://www.tdhca.state.tx.us/public-comment.htm

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.320(c)(1,2)

Introduction

CPD funding is governed by this Consolidated Plan, but the State also works to collaborate, coordinate, and layer non-CPD funding sources in order to reach more Texans and more efficiently use available funds. Programs listed in the anticipated resources narrative sections below could be used to leverage CPD funds.

- These include:
- 4% Housing Tax Credit (HTC)/Private Activity Bond (PAB) Program;
- 9% HTC Program;
- Multifamily Direct Loan Program;
- Homeless and Housing Services Program (HHSP);
- State Ending Homelessness Fund (EH Fund);
- State Housing Trust Fund Program;
- Texas Mortgage Credit Certificate (TX MCC) Program;
- First time homebuyer loan programs, including the My First Texas Home Program;
- Neighborhood Stabilization Program - Program Income (NSP PI);
- Section 8 Housing Choice Voucher (HCV) Program;
- Section 811 Project Rental Assistance (Section 811 PRA) Program; and
- Tax Credit Assistance Program Repayment Funds (TCAP RF).

The expected future funding amounts of the above programs, to the extent known, are in the planning documents governing those programs. These documents can be found online at <http://www.tdhca.state.tx.us/>. The anticipated resources below are focused on CPD Programs.

TDHCA participates in numerous committees, workgroups, and councils which help inform TDHCA of other potential resources to address affordable housing needs. Relationships with other federal and state agencies and local governments are extremely valuable, helping Texas agencies to coordinate housing and services to serve all Texans efficiently and effectively. TDHCA's committee involvement promotes identification and pursuit of federal funding opportunities. TDHCA actively seeks engagement and input from community advocates, funding recipients, potential applicants for funding, and others to obtain input regarding the development of effective policies, programs and rules. Changes to funding plans are

made periodically based on feedback received through these avenues.

TDHCA is the lead agency for the following workgroups:

C-RAC: C-RAC is a committee of colonia residents appointed by the TDHCA Governing Board. It advises TDHCA regarding the needs of colonia residents and the types of programs and activities which should be undertaken by the Colonia SHCs. The Colonia SHCs funds are provided to seven pre-determined counties.

Disability Advisory Workgroup (DAW): The DAW augments TDHCA's formal public comment process, affording staff the opportunity to interact more informally and in greater detail with various stakeholders and to get feedback on designing more successful programs, with a specific focus on gaining insight on issues impacting persons with disabilities.

Housing and Health Services Coordination Council (HHSCC): HHSCC is established by Tex. Gov't Code §2306.1091. Its duties include promoting coordination of efforts to offer Service-Enriched Housing and focusing on other cross-agency efforts.

Texas Interagency Council for the Homeless (TICH): The TICH was statutorily created in 1989 to coordinate the State's homeless resources and services. The TICH consists of representatives from nine state agencies. TDHCA, as the primary source for state homelessness funding, provides administrative and planning support to the TICH.

The descriptions of the collaborations for DSHS and TDA are in the Discussion question of this section below.

As noted in AP-05 the HUD Program Year (PY) used by the state of Texas' Community Planning and Development Programs (CPD) will be changing from a February – January cycle to a September – August cycle. The purpose of this change is to align with State Fiscal year reporting, and the recent timeframe of the Congressional Appropriations process. To accomplish this change, Texas will lengthen its PY 2019 by seven months, running from February 1, 2019, through August 31, 2020.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	57,727,264	1,165,108	3,770,296	62,662,668	57,727,264	TDA's CDBG Program funds community and economic development, including program income collected by the state, and program income retained by local subgrantees, excluding the colonia set-aside. Communities may also coordinate CDBG funding with U.S. Department of Agriculture's (USDA) Rural Development funds or Texas Water Development Board's (TWDB) State Revolving Fund. Program Income of \$1,165,108 will be allocated to TDA's State Revolving Loan Fund, which supports economic development.
CDBG Colonias Set-aside	public - federal	Acquisition Admin and Planning Homebuyer assistance Homeowner rehab Public Improvements Public Services	8,246,752	0	0	8,246,752	8,246,752	The Colonia Set-Aside is used both by TDA and TDHCA for goals described in the Strategic Plan Section 45. The Colonia Economically Distressed Areas Program (CEDAP) Legislative Set - Aside leverages funding from the TWDB's Economically Distressed Areas Program. TDHCA's Office of Colonia Initiatives (OCI) administers a portion of the CDBG Colonia Set-Aside through its Colonia SHCs.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	31,556,262	10,121,729	0	41,668,991	41,668,991	TDHCAs HOME program goals are described in the Strategic Plan Section 45 for multifamily and single family activities. Matching funds may be provided by HOME state recipients, subrecipients, and coordinated by developers of HOME projects based on the population of the community in which the project is located and the needs of the project. HOME multifamily development funds may be leveraged with 4% and 9% HTC's. Starting in 2015, TDHCAs TCAP RF and NSP PI may be used to supplement or support multifamily and single family HOME, and for TCAP RF to generate match. Match is also generated by provision of private below market interest rate loans to HOME multifamily projects.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA Resource Identification Housing Information Services	4,422,464	0	1,420,548	5,843,012	5,843,012	DSHS' HOPWA state formula funds the following activities: TBRA; STRMU; Facility-Based Housing Subsidy Assistance; PHP; Supportive Services, Resource Identification, and Housing Information Services. Project Sponsors leverage available funds from Ryan White and State Services grants to assist clients with housing needs, medical and non-medical case management, emergency utility assistance, mental health, transportation, and nutritional services to address the needs of eligible clients. The prior year resources include the 2017 fund balance of \$362,223 and the 2018 fund balance of \$1,058,325 for a total of \$1,420,548 in prior year resources.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	9,127,824	0	0	9,127,824	9,127,824	TDHCA's ESG funds are awarded via contract to Subrecipient agencies that provide emergency shelter, homelessness prevention, rapid rehousing, and Homeless Management Information Systems (HMIS) activities. HHSP is Texas state general revenue funding for the largest cities to provide flexibility to undertake activities that complement ESG activities. Note that not all ESG direct recipients in Texas are HHSP grantees. Use of funds also includes Administration. The EH Fund, projected to accrue approximately \$140,000 per year, provides funds to counties and municipalities to combat homelessness.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Housing Trust Fund	public - federal	Multifamily rental new construction	10,956,435	0	0	10,956,435	10,956,435	TDHCA's NHTF Program goals are described in the Strategic Plan Section 45 for multifamily and single family activities. NHTF Multifamily Development Funds can be layered with 4% HTC's and 9% HTC's, and TDHCA Multifamily Direct Loan funds, including HOME, HOME-CHDO, and TCAP RF. In addition, Section 811 PRA, a project-based supportive housing program for persons with disabilities, and TDHCA's Section 8 HCV may be used within NHTF developments.

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

HOME

HOME multifamily development is often used to leverage with the HTC Program, which authorizes 9% low-income housing tax credits of \$2.70 per capita for each state, and 4% HTC in amounts linked to the usage of the state's cap for issuance of tax exempt PABs to finance affordable housing development. In Texas, this equates to approximately \$76,700,000 in 9% tax credits available to be awarded annually. These credits may be claimed each year for ten years and represents potential tax credit value on the magnitude of \$767,000,000. The credits are syndicated to limited partner investors to yield cash for use in eligible development activities. Currently typical syndication rates range between 88% and 92%. TDHCA's Qualified Allocation Plan (QAP) identifies the criteria used for selection of eligible developments to provide housing for low-income tenants. HOME provides increased leverage, allowing property owners to utilize fewer tax credits and less private debt and local funding, thus providing more efficient use of resources. Other leveraging sources may include United States Department of Agriculture (USDA) operating subsidies and loans, and conventional and FHA-insured loans. Match requirements for the HOME Multifamily Direct Loan Program will in part be met through Rules that establish awardees' minimum amount of match as 5% of the award amount. In addition to match provided as part of the developer's obligation, TCAP RF may be utilized as HOME match, and THDCA calculates to below market interest rates on eligible loans provided to the HOME development which is included in the match funds reported in the CAPER. TDHCA requires Subrecipients and state recipients to provide match of up to 15% of the project hard costs for some single family activities.

ESG

To meet the ESG match requirement, TDHCA includes the provision of evidence of proposed match as part of the ESG application process. TDHCA awards additional points to applicants that commit to provide match in excess of the requirements. Subrecipients that also administer HHSP funds or funds from the EH Fund may utilize those funds as match for ESG if they are otherwise eligible to be counted as match.

HOPWA

Texas HOPWA does not have program income but leverages funds whenever possible. Project Sponsors leverage available funds from Ryan White and State Services grants, private funding sources, foundations, and local assistance to help clients. AAs do not receive administrative funds from DSHS, so those costs are leveraged from other funding sources. Texas is not required to match the HOPWA formula award.

Due to IDIS character limits, CDBG and NHTF Leveraging is described in the question below.

If appropriate, describe publically owned land or property located within the jurisdiction that

may be used to address the needs identified in the plan

CDBG Leverages

More than 80% of TX CDBG grants include local match fund commitments. Matching funds are required for certain grants, while other grants award points to encourage local match; a sliding scale allows smaller communities to contribute less match funding than larger communities. Match funds may be provided by the applicant, or by a water or sewer utility benefiting from the project. Economic development (ED) projects benefiting private business require 1-for-1 match commitment, with the business most often providing this substantial match.

NHTF Program Leverages

NHTF multifamily development may be used to leverage with the HTC Program, which was created by the Tax Reform Act of 1986 and authorizes 9% low-income housing tax credits in the amount of \$2.70 per capita for each state, and 4% low-income housing tax credits in amounts linked to the usage of the state's cap for issuance of tax exempt bond to finance affordable housing development. In Texas, this equates to approximately \$76,700,000 in 9% tax credits available to be awarded by TDHCA annually.

These credits may be claimed each year for ten years and this represents potential tax credit value on the magnitude of \$767,000,000. The tax credits are syndicated to limited partner investors to yield cash for use in eligible development activities. Currently typical syndication rates range between 88% and 92%. TDHCA must develop a Qualified Allocation Plan (QAP) for the selection of eligible developments to provide housing for the low-income tenants. NHTF provides increased leverage, allowing the property owners to utilize fewer tax credits and less private debt and local funding, therefore providing more efficient use of resources.

State Owned Land

The Texas General Land Office manages state owned lands and mineral rights totaling approximately 13 million acres. Much of this is leased for the benefit of the Permanent School Fund, an endowment fund established in 1876 for the benefit of Texas public school education. There is currently no plan to use state owned land for affordable housing or community development goals; however, local jurisdictions occasionally donate land or property in support of activities designed to address the needs identified in the plan as part of their contribution to locally administered programs.

Discussion

HOPWA: Continuing with the discussion of collaboration begun in the Introduction of this section, DSHS is the lead for several HIV-related councils and workgroups which provide opportunities for collaboration and resource sharing across agencies, providers, and other pertinent stakeholders to assist PLWH in Texas. Some of the initiatives are the Inter-Agency Council on HIV & Hepatitis, the Texas Black Women's Initiative, the Test Texas Coalition, and the Texas HIV Syndicate. The Texas HIV Syndicate is an integrated

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HIV prevention and care planning body made up of roughly 100 organizational leaders representing the full continuum of HIV engagement. The Texas HIV Syndicate uses the Texas HIV Plan as a framework to develop strategies that enhance and expand on prevention and care activities across the State. Texas HIV Syndicate members develop policy recommendations, best practice models, coordination strategies, and promote innovation in HIV prevention and treatment. DSHS also holds a biennial HIV/Sexually Transmitted Disease (STD) conference, attended by all DSHS contractors and subrecipients in addition to community leaders, health and HIV professionals, and many other essential stakeholders. Many of the DSHS contractors are also HOPWA providers. The next conference will be held in 2020. The goal of the Texas HIV/STD Conference is to enhance the responsiveness of people and systems supporting the spectrum of HIV/STD prevention and treatment services in Texas, including: Awareness; Targeted Prevention; Diagnosis; Linkage to Care; Maintenance in Care; and Suppression of Disease.

DSHS' Epidemiology and Surveillance Branch is responsible for reporting HIV/AIDS, STD, and tuberculosis (TB) surveillance and epidemiologic data for the State of Texas, which includes data submission to the Centers for Disease Control and Prevention (CDC). This data is subsequently used by HUD to determine HOPWA formula allocations. This data is also leveraged to provide support to planning, development, implementation, and evaluation of HIV/AIDS, STD, and TB prevention and services programs, including HOPWA.

Finally, TDA participates in the following workgroups:

Texas Water Infrastructure Coordination Committee (TWICC): TWICC is a voluntary organization of federal and state funding agencies and technical assistance providers that address water and wastewater needs throughout the State. TDA participates in TWICC to coordinate efforts to leverage funds.

Drought Preparedness Council: The Council was authorized and established by the 76th Texas Legislature in 1999, and is responsible for assessment and public reporting of drought monitoring and water supply conditions, along with other duties.

Main Street Interagency Council. The Main Street Interagency Council evaluates and ranks Main Street applications and makes recommendations to the Commission for new Main Street designations.

Texas Joint Housing Solutions Workgroup. The Texas Joint Housing Solutions Workgroup is a collection of state and federal agencies and organizations who work to identify resources that can address temporary unmet housing needs and solutions that allow disaster survivors to transition to permanent housing. TDHCA and TDA both participate in this workgroup.

These workgroups, committees, and councils help to strengthen communication between state agencies as well as provide opportunities to layer or combine funding sources.

With the block grants and the layering resources listed above, there are also CDBG Disaster Recovery (DR) funds for Hurricanes Rita, Dolly, Ike, and Harvey and Wildfires. Hurricane Rita Disaster Recovery for housing and non-housing recovery is in 29 counties. Ike Disaster Recovery for housing and non-housing recovery is in 62 counties. Wildfire Recovery non-housing recovery is in 65 counties. More details can be found at <http://recovery.texas.gov/action-plans/index.html>

Annual Goals and Objectives

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Homeless Goals	2015	2019	Homeless	State of Texas	Emergency shelter and transitional housing Homelessness Prevention Rapid Re-housing	ESG: \$9,127,824	Tenant-based rental assistance / Rapid Rehousing: 918 Households Assisted Homeless Person Overnight Shelter: 11,132 Persons Assisted Homelessness Prevention: 3,080 Persons Assisted
2	Construction of single family housing	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Production of new units	HOME: \$1,000,000	Homeowner Housing Added: 8 Household Housing Unit
3	Rehabilitation of single family housing	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Rehabilitation of housing	HOME: \$12,061,427	Homeowner Housing Rehabilitated: 101 Household Housing Unit
4	Homebuyer assistance with possible rehabilitation	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Acquisition of existing units Rehabilitation of housing	HOME: \$777,829	Direct Financial Assistance to Homebuyers: 15 Households Assisted
5	Tenant-Based Rental Assistance with HOME funding	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Rental Assistance	HOME: \$5,727,940	Tenant-based rental assistance / Rapid Rehousing: 260 Households Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	HOME Households in new/rehabbed multifamily units	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Production of new units Rehabilitation of housing	HOME: \$18,026,363	Rental units constructed: 131 Household Housing Unit Rental units rehabilitated: 56 Household Housing Unit
7	HOPWA Tenant-Based Rental Assistance	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Supportive Services for Persons with HIV/AIDS	HOPWA: \$3,106,645	Tenant-based rental assistance / Rapid Rehousing: 706 Households Assisted
8	HOPWA Short-Term Rent, Mortgage, & Utilities Asst	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Supportive Services for Persons with HIV/AIDS	HOPWA: \$791,720	Homelessness Prevention: 541 Persons Assisted
9	HOPWA Permanent Housing Placement Assistance	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Supportive Services for Persons with HIV/AIDS	HOPWA: \$138,804	Public service activities other than Low/Moderate Income Housing Benefit: 149 Persons Assisted
10	HOPWA-Funded Supportive Services	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Supportive Services for Persons with HIV/AIDS	HOPWA: \$953,242	Public service activities other than Low/Moderate Income Housing Benefit: 1,271 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
11	CDBG Other Construction	2015	2019	Non-Housing Community Development	State of Texas	Public Improvements and Infrastructure Public facilities Public services	CDBG: \$44,136,617	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 227843 Persons Assisted
12	CDBG Economic Development	2015	2019	Non-Housing Community Development Economic Development	State of Texas	Economic development Public Improvements and Infrastructure Public facilities Public services	CDBG: \$10,851,686	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 14122 Persons Assisted
13	CDBG Planning / Capacity Building	2015	2019	Non-Housing Community Development	State of Texas	Public Improvements and Infrastructure Public facilities Public services	CDBG: \$659,740	Other: 37412 Other
14	CDBG Disaster Relief / Urgent Need	2015	2019	Non-Housing Community Development	State of Texas	Public Improvements and Infrastructure Public facilities	CDBG: \$0	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 132248 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
15	CDBG Colonia Set-Aside	2015	2019	Affordable Housing Non-Housing Community Development	State of Texas	Acquisition of existing units Production of new units Public Improvements and Infrastructure Public facilities Public services Rehabilitation of housing	CDBG Colonias Set-aside: \$6,597,402	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 3348 Persons Assisted
16	CDBG Colonia Self-Help Centers	2015	2019	Self-Help Centers	State of Texas	Public services	CDBG: \$1,649,350	Other: 14491 Other
17	CDBG Administration	2015	2015	Administration/Technical Assistance	State of Texas	Economic development Public Improvements and Infrastructure Public facilities Public services Rehabilitation of housing	CDBG: \$2,079,220	Other: 0 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
18	HOME Administration	2015	2019	HOME Administration	State of Texas	Acquisition of existing units Production of new units Rehabilitation of housing Rental Assistance	HOME: \$4,075,432	Other: 0 Other
19	NHTF households in new multifamily units	2016	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Production of new units	Housing Trust Fund: \$9,860,792	Rental units constructed: 58 Household Housing Unit
20	NHTF Administration	2016	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Production of new units	Housing Trust Fund: \$1,095,643	Other: 0 Other
21	HOPWA Facility-Based Housing Subsidy Assistance	2018	2019	Affordable Housing Homeless Non-Homeless Special Needs	State of Texas	Emergency shelter and transitional housing Rental Assistance	HOPWA: \$349,499	HIV/AIDS Housing Operations / Homelessness Prevention: 93 households assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
22	HOPWA Resource Identification	2018	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Rental Assistance Supportive Services for Persons with HIV/AIDS Homelessness Prevention Emergency shelter and transitional housing	HOPWA: \$14,000	Other: Activities that establish, coordinate, and develop housing assistance resources for eligible households (including preliminary research and expenditures necessary to determine the feasibility of specific housing-related initiatives)
23	HOPWA Housing Information Services	2019	2019	Affordable Housing Non-Homeless Special Needs	State of Texas	Supportive Services for Persons with HIV/AIDS	HOPWA: \$12,568	Public service activities other than Low/Moderate Income Housing Benefit: 80 Persons Assisted

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Homeless Goals
	Goal Description	Funds will be utilized to provide Administration, HMIS services, emergency shelter, rapid re-housing, homeless prevention and street outreach to eligible persons who are experiencing homelessness or at-risk of homelessness. Actual funding amounts will be determined based on applications for funding received, which are prioritized in part by the recommendation provided by the applicable CoC. The estimates for the funding amount per activity type and number of persons served are extrapolated from data collected over the prior three years. Regardless of the CoC recommendations, TDHCA limits the amount of funding available for street outreach and emergency shelter to not more than 60% of the total ESG funding available. Likewise, funds for administration and HMIS are limited within the TDHCA allocation to ensure that the regulatory caps for these expenditures are not exceeded.
2	Goal Name	Construction of single family housing
	Goal Description	Funds are programmed for the implementation of a Homebuyer Assistance New Construction pilot project, which would allow an estimated 8 homebuyers to work with Subrecipients to select lots for purchase, and provide financing for construction of a new unit of housing on the selected lot. Funds programmed for this pilot which are not utilized may be reprogrammed to other HOME eligible activities that evidence greater demand for HOME funds. TDHCA does not plan to have a 2019 HOME Program goal for single family development activities performed by a Community Housing Development Organization (CHDO) for the construction of new single family housing, but may amend program income, or use deobligated funding or other available HOME funding for such an activity. PY 2019 CHDO set aside funding is initially targeted for multifamily development activities as reflected under the Households in new/rehabilitated multifamily units strategic plan goal, but may be revised to program some funding for Single Family Development activities if TDHCA identifies future interest in the program. Single family development activities will remain an eligible activity that may be funded in the event future CHDO funding becomes available.
3	Goal Name	Rehabilitation of single family housing
	Goal Description	The 2019 goal for HOME Program rehabilitation and reconstruction activities is to provide assistance to a minimum of 101 households through a statewide network of units of general local governments, and nonprofit organizations. These entities qualify applicants to receive assistance for the repairs and reconstruction necessary to make their homes decent, safe, sanitary, and accessible.
4	Goal Name	Homebuyer assistance with possible rehabilitation
	Goal Description	The 2019 goals for HOME Program acquisition activities is to provide assistance to a minimum of 15 households with downpayment and closing costs assistance, as well as downpayment with possible rehabilitation assistance for households with a member with a disability, or for construction financing for substantial rehabilitation of a unit prior to occupancy.

5	Goal Name	Tenant-Based Rental Assistance with HOME funding
	Goal Description	The 2019 goal for HOME Program TBRA activity is to provide on-going rental assistance or stand-alone rental security deposit assistance to an estimated 260 households through a statewide network of units of general local governments, public housing agencies, Local Mental Health Authorities (LMHAs), and other non-profit organizations. These entities qualify applicants to receive assistance and may extend assistance if the household continues to meet eligibility requirements.
6	Goal Name	HOME Households in new/rehabbed multifamily units
	Goal Description	The 2019 goal for HOME Multifamily Program is creating/rehabilitating over 187 multifamily rental units. TDHCA's HOME Multifamily Development Programs awards HOME funds as low-interest loans to CHDOs, for-profit, and nonprofit developers. These loans leverage other public and private financing including housing tax credits, United States Department of Agriculture (USDA) operating subsidies and loans, and conventional and Federal Housing Administration-insured loans. The end result is safe, decent, and affordable multifamily rental housing.
7	Goal Name	HOPWA Tenant-Based Rental Assistance
	Goal Description	HOPWA TBRA provides tenant-based rental assistance to eligible households until they are able to secure other affordable and stable housing. The annual goal includes 706 households assisted. The estimated funding and number of individuals served may fluctuate depending on HUD's final allocation amounts and based on the target percentages identified in Action Plan Section 25.
8	Goal Name	HOPWA Short-Term Rent, Mortgage, & Utilities Asst
	Goal Description	STRMU provides short-term rent, mortgage, and utility assistance to eligible households for a maximum of 21 weeks of assistance in a 52-week period. The annual goal is to assist 541 persons. The estimated funding and number of individuals served may fluctuate depending on HUD's final allocation amounts and based on the target percentages identified in Action Plan Section 25.
9	Goal Name	HOPWA Permanent Housing Placement Assistance
	Goal Description	PHP provides assistance for housing placement costs which may include application fees, related credit checks, and reasonable security deposits necessary to move persons into permanent housing. The annual goal is to assist 149 persons. The estimated funding and number of persons served may fluctuate depending on HUD's final allocation amounts and based on the target percentages identified in Action Plan Section 25.
10	Goal Name	HOPWA-Funded Supportive Services
	Goal Description	Supportive Services include case management, basic telephone service and assistance to purchase smoke detectors to eligible households. The annual goal is to assist 1,271 persons. The estimated funding and number of households served may fluctuate depending on HUD's final allocation amounts and based on the target percentages identified in Action Plan Section 25.

11	Goal Name	CDBG Other Construction
	Goal Description	The Texas CDBG encourages the use of funds not only to improve existing locations but to provide facilities in other areas to accommodate residential opportunities that will benefit low and moderate income persons. Applicants are encouraged to provide for infrastructure and housing activities that will improve opportunities for low and moderate income persons. When considering projects and designing projects, applicants must continue to consider affirmatively furthering fair housing, which includes providing basic infrastructure, such as water, sewer, and roads that benefit residential housing and other housing activities. Funding allocated includes annual allocation in addition to previously deobligated funds. The annual goal includes 227,843 persons assisted. The estimated funding and number of persons served may fluctuate depending on HUD's final allocation amounts and based on the target percentages identified in Action Plan Section 25.
12	Goal Name	CDBG Economic Development
	Goal Description	This economic development funding is used for projects that will create or retain permanent employment opportunities, primarily for low to moderate income persons and for downtown revitalization activities for rural communities. Funding allocated includes annual allocation in addition to previously deobligated funds and program income. The annual goal is to assist 14,122 persons. The estimated funding and number of persons served may fluctuate depending on HUD's final allocation amounts and based on the target percentages identified in Action Plan Section 25.
13	Goal Name	CDBG Planning / Capacity Building
	Goal Description	This fund is available to assist eligible cities and counties in conducting planning activities that assess local needs, develop strategies to address local needs, build or improve local capacity, or that include other needed planning elements (including telecommunications and broadband needs). Funding allocated includes annual allocation in addition to previously deobligated funds. The annual goal is 37,412 persons benefiting from community planning projects (this may show as other in the chart above). The estimated funding and number of persons served may fluctuate depending on HUD's final allocation amounts and based on the target percentages identified in Action Plan Section 25.
14	Goal Name	CDBG Disaster Relief / Urgent Need
	Goal Description	Disaster Relief (DR) assistance is available through this fund as needed for eligible activities in relief of disaster situations where either the governor has proclaimed a state disaster declaration, drought disaster declaration, or the president has issued a federal disaster declaration. CDBG may prioritize throughout the program year the use of DR assistance funds based on the type of assistance or activity under consideration and may allocate funding throughout the program year based on assistance categories. Funding allocated includes annual allocation in addition to previously deobligated funds. The annual goal is to assist 132,248 persons. The estimated funding and number of persons served may fluctuate depending on HUD's final allocation amounts and based on the target percentages identified in Action Plan Section 25.

15	Goal Name	CDBG Colonia Set-Aside
	Goal Description	This fund is available to eligible county applicants for projects in severely distressed unincorporated areas which meet the definition of a “colonia” under this fund. Funding allocated includes annual allocation. The annual goal is to assist 3,348 benefiting from public facility or infrastructure activities (other than low/moderate income housing benefit) and 14,491 "other", which equates to the number of colonia residents receiving direct assistance. The estimated funding and number of persons served may fluctuate depending on HUD’s final allocation amounts and based on the target percentages identified in Action Plan Section 25.
16	Goal Name	CDBG Colonia Self-Help Centers
	Goal Description	Colonia residents receiving direct assistance through Colonia Self-Help centers.
17	Goal Name	CDBG Administration
	Goal Description	CDBG Administrative costs including Technical Assistance
18	Goal Name	HOME Administration
	Goal Description	HOME Administrative expenses based on HOME allocation and program income received in PY 2018 that is being programmed in the 2019 Action Plan.
19	Goal Name	NHTF households in new multifamily units
	Goal Description	The 2019 goal for Housing Trust Fund is creating 58 multifamily rental units based on the performance period of February 1, 2019, through August 31, 2020.
20	Goal Name	NHTF Administration
	Goal Description	NHTF Administrative funds for PY 2019.
21	Goal Name	HOPWA Facility-Based Housing Subsidy Assistance
	Goal Description	HOPWA Facility-Based Housing Subsidy Assistance activities will include Short-term supportive housing (STSH) and Transitional supportive housing (TSH). STSH provides temporary housing assistance to eligible individuals to prevent homelessness and allow an opportunity to develop an individualized housing and service plan to guide the client’s linkage to permanent housing. TSH provides up to 24 cumulative months of facility-based rental assistance to households that are homeless or at risk of homelessness, including assistance for shared housing arrangements. The annual goal includes 93 households assisted. The estimated funding and number of individuals served may fluctuate depending on HUD’s final allocation amounts and based on the target percentages identified in Action Plan Section 25.

22	Goal Name	HOPWA Resource Identification
	Goal Description	Resource Identification is used for establishing, coordinating and developing housing assistance resources for eligible persons (including conducting preliminary research and making expenditures necessary to determine the feasibility of specific housing-related initiatives). The estimated funding may fluctuate depending on HUD’s final allocation amounts and based on the target percentages identified in Action Plan Section 25.
23	Goal Name	HOPWA Housing Information Services
	Goal Description	Housing information services including, but not limited to, counseling, information, and referral services to assist an eligible person to locate, acquire, finance, and maintain housing. This may also include fair housing guidance for eligible persons who may encounter discrimination on the basis of race, color, religion, sex, age, national origin, familial status, or handicap. Housing counseling, as defined in 24 CFR §5.100, that is funded with or provided in connection with HOPWA funds must be carried out in accordance with §5.111. When grantees provide housing services to eligible persons (including persons undergoing relocation) that are incidental to a larger set of holistic case management services, these services do not meet the definition of Housing counseling, as defined in §5.100, and therefore are not required to be carried out in accordance with the certification requirements of §5.111. The annual goal is to assist 37 persons. The estimated funding and number of households served may fluctuate depending on HUD’s final allocation amounts and based on the target percentages identified in Action Plan Section 25.

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b)

Based on the goal descriptions for HOME in the table above, it is estimated that the State will provide affordable housing to 630 extremely low-income, low-income, and moderate-income families.

AP-25 Allocation Priorities – 91.320(d)

Introduction:

The CPD Programs serve special needs populations and meet the 13 Priority Needs found in Strategic Plan 25 of the 2015-2019 Consolidated Plan. These Needs in Strategic Plan 25 are correlated with Goals in Action Plan 20 to show which activities will serve which priority needs. The goals from Action Plan 20 are listed below with allocation percentages. Percentages in the chart below are estimated and may change depending on funding received from HUD, legislative priorities, and funding requests from administrators or subrecipients. Due to software restrictions, allocations are rounded to the nearest whole number and do not reflect precise percentages.

Also, for the other programs listed in the anticipated resources (Action Plan 15) that could be used to leverage funds (including 4% HTC, 9% HTC, Multifamily Direct Loan Program, HHSP, State Housing Trust Fund, TX MCC, and My First Texas Home Program, NSP PI, Section 8 HCV programs, Section 811 PRA, and TCAP RF), goals are tailored to each program in the planning documents governing those programs. These documents can be found at <http://www.tdhca.state.tx.us>. In addition to meeting the priority needs, the CPD Programs works to serve special needs populations as described in this section. HOME and ESG's special needs populations are discussed in the introduction, and HOPWA and CDBG's are included in the discussion below.

HOME Serves Special Needs

TDHCA has determined that administrators may request to establish a preference to serve the following special needs populations: persons with disabilities, persons with substance use disorders, persons living with HIV/AIDS (PLWH), persons with Violence Against Woman Act (VAWA) protections, colonia residents, farmworkers, homeless populations, veterans, wounded warriors (as defined by the Caring for Wounded Warriors Act of 2008), public housing residents, persons transitioning out of incarceration, and persons transitioning out of foster care and nursing facilities.

For administrators with programs that are designed to limit assistance to certain populations, TDHCA will only approve program designs that limit assistance to households that include a member within the following populations if necessary to provide as effective housing, aid, benefit, or services as those provided to others in accordance with 24 CFR §8.4(b)(1)(iv): PLWH, mental illness, substance use disorders, or households that would qualify under the TDHCA's Project Access program as defined in 10 TAC §5.801. Otherwise, administrators may only give preference to populations described in the special needs section.

For HOME or NHTF rental housing, TDHCA will allow development of housing that meets requirements under the Housing for Older Persons Act. TDHCA may also consider permitting rental housing owners to give a preference or limitation as indicated in this section and may allow a preference or limitation that is not described in this section to encourage leveraging of federal or state funding, provided that another federal or state funding source for the rental housing requires a limitation or preference. TDHCA may put

further guidelines on development of specific types of rental housing by rule or NOFA.

Funding Allocation Priorities

	Homeless Goals (%)	Construction of single family housing (%)	Rehabilitation of single family housing (%)	Homebuyer assistance with possible rehabilitation (%)	Tenant-Based Rental Assistance with HOME funding (%)	HOME Households in new/rehabbed multifamily units (%)	HOPWA Tenant-Based Rental Assistance (%)	HOPWA Short-Term Rent, Mortgage, & Utilities Asst (%)	HOPWA Permanent Housing Placement Assistance (%)	HOPWA-Funded Supportive Services (%)	HOPWA Facility-Based Housing Subsidy Assistance (%)	HOPWA Resource Identification (%)	HOPWA Housing Information Services (%)	CDBG Other Construction (%)	CDBG Economic Development (%)	CDBG Planning / Capacity Building (%)	CDBG Disaster Relief / Urgent Need (%)	CDBG Colonia Set-Aside (%)	CDBG Colonia Self-Help Centers (%)	CDBG Administration (%)	HOME Administration (%)	NHTF households in new multifamily units (%)	NHTF Administration (%)	Colonias Set-Aside (%)	Total (%)
CDBG	0	0	0	0	0	0	0	0	0	0	0	0	0	67	16	1	0	10	2	3	0	0	0	0	100
CDBG Colonias Set-aside	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	100	100
HOME	0	3	32	2	15	48	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	100
HOPWA	0	0	0	0	0	0	58	14	2	18	6	1	1	0	0	0	0	0	0	0	0	0	0	0	100
ESG	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	100
Housing Trust Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	90	10	0	100

Table 7 – Funding Allocation Priorities

Reason for Allocation Priorities

HOME

TDHCA prioritizes HOME funding for multifamily, single-family, and Set-Aside activities. Multifamily activities were historically allocated a higher percent of funds to address the priority needs of Rental Assistance and Production of New Units, promote tax credit leveraging, and because they account for a large portion of HOME's program income. TDHCA now has access to TCAP RF, which are loan repayments from original TCAP funded developments, as a source of multifamily financing, as well as the ability to allocate program income to this activity based on the amount actually received in the prior program year, so these priorities will continue to have funds directed toward them while likely reducing the portion of HOME annual allocation funds directed towards multifamily activities.

Beginning in PY 2017, funding for single family activities increased overall as TDHCA began to program all non-CHDO set-aside multifamily HOME activities to be funded with program income, thereby increasing the amount of the annual funding programmed for single family activities. The funding increase received in FY 2018 allowed for TDHCA to program \$4,000,000 of the allocation into multifamily activities, without a subsequent reduction in funds programmed for single family activities. Funding for single family activities from the 2019 annual allocation is anticipated to be awarded based on TDHCA's Regional Allocation Formula, through the Reservation System, contract awards, or a combination of the two allowing local administrators to prioritize single family activities on a household-by-household basis for:

- Homebuyer Assistance, which addresses Acquisition of Existing Units and Rehabilitation of Existing Units priority needs;
- A pilot project allowing Homebuyer Assistance to be utilized to assist a homebuyer with purchase a land or a substandard housing unit, which will be either rehabilitated or newly constructed with HOME funds;
- Homeowner Rehabilitation Assistance, which addresses Rehabilitation of Existing Units priority need; and
- TBRA, which addresses Rental Assistance priority need.

These priorities are a result of the consolidated planning process and significant public input.

ESG

ESG does not have specific allocations for priority needs. ESG funds can be used for all eligible purposes within limitations set by ESG regulations and guided by local Continuum of Care (CoC) direction, including:

- Street outreach;
- Emergency shelter;
- Rapid re-housing;
- HMIS activities; and
- Homelessness prevention.

HOPWA

HOPWA provides the following activities in line with priority needs:

- TBRA, which addresses Rental Assistance priority needs;
- STRMU, which addresses Homelessness Prevention priority needs;
- Facility-Based Housing Subsidy Assistance, which addresses emergency shelter and transitional housing rental assistance needs;

- Supportive Services Program, which addresses Supportive Services for PLWH priority needs; and
- PHP, which addresses Homelessness Prevention priority needs.

CDBG

The CDBG Program offers the following activities relating to the corresponding priority needs. The majority of CDBG funds are used to meet basic human needs. These projects, in addition to being among the most critical needs in the state, are prioritized locally by regional review committees and local communities. Colonia funding allocation is reflected in "Colonias Set-Aside" column.

- The majority of funds are awarded to address basic human needs including improvements to water and sewer systems and roads for low and moderate income (LMI) communities.
- Economic development activities are funded to create and retain jobs primarily for LMI persons, and to revitalize downtown areas in rural communities.
- Public facilities such as community centers and public safety facilities are less common activities, but are valuable to LMI communities.
- Colonias SHC activities provide public services and housing funds for residents living in the designated colonias of El Paso, Hidalgo, Cameron/Willacy, Webb, Starr, Maverick and Val Verde counties.

NHTF

The NHTF Program activities for PY 2019 will be limited to construction of multifamily housing to address the priority needs of Rental Assistance and Production of New Units, and to promote leveraging of other fund sources. As this is a new fund source and a new program, the administrative burden of implementation is mitigated by using the funds within the well-established multifamily finance structure.

How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?

The special needs populations for HOME are described in the Introduction. ESG, HOPWA and CDBG discuss special needs populations below.

ESG Serves Special Needs

ESG does not have funding allocation priorities for special needs populations. However, the 2019 ESG NOFA may include selection criteria related to proposals serving persons with higher barriers to housing including persons with serious mental illness, persons recently released from institutions, persons with substance use disorders, veterans, survivors of domestic violence, youth aging out of foster care, and

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persons transitioning out of incarceration.

TDHCA requires ESG subrecipients to comply with HUD Final Rule Implementing Violence Against Women Reauthorization Act of 2013 (VAWA). Forms and information are required to be distributed to applicants and program participants for short- and medium-term rental assistance in accordance with 24 CFR §5.2005(e). Also pursuant to 24 CFR §5.2005(e), ESG Subrecipients are required to develop and follow an Emergency Transfer Plan.

HOPWA Serves Special Needs

Texas HOPWA serves PLWH and their household members, all of whom are at or below 80% of the AMI, and most of whom fall into the extremely-low-income category. As previously noted, allocations generally mirror the Ryan White Program allocation formula, which takes into account population of PLWH, HIV incidence, number of PLWH accessing Ryan White services, percent of PLWH eligible for Medicaid and other considerations. The allocations are then adjusted based on unmet need, prior performance and expenditures, geographic-specific data provided by Project Sponsors, and any other relevant factors. After allocations to each HIV Service Delivery Area (HSDA) are determined, it is then up to the Project Sponsor to allocate between activities of TBRA, STRMU, Facility-Based Housing Subsidy Assistance, PHP, Supportive Services, Housing Information Services, Resource Identification, and administrative expenses (not to exceed 7% of their allocation) and submit those to their Administrative Agents (AAs) and DSHS for approval. Project Sponsors base allocations on many factors, including but not limited to, number of clients projected to continue into the next year, area unmet need, rental costs, prior number of clients served, average expenditures per client, and changes in HIV population living in poverty, etc. Funds are also reallocated during the year within HSDAs under each AA as needed.

CDBG Serves Special Needs

CDBG provides more than 85% of available funds for projects that primarily benefit low-to moderate-income persons through basic infrastructure, housing, job creation and other activities as identified at the local level. Among those projects, CDBG sets aside 12.5% of funds to specifically benefit colonia residents through planning activities, infrastructure and housing construction, self-help center services, construction activities, and public services. Funding for community development projects in colonias and other LMI communities is a critical element in the well-being of these communities.

In 1996, in an effort to place more emphasis on addressing the needs of colonias, the OCI at TDHCA was created and charged with the responsibility of coordinating all TDHCA's legislative initiatives involving border and colonia issues and managing a portion of TDHCA's existing programs targeted at colonias. The fundamental goal of the OCI is to improve the living conditions and lives of border and colonia residents and to educate the public regarding the services that the Department has to offer. As part of its plan to improve the living conditions in colonias, the OCI operates Border Field Offices in Pharr, Laredo, and El Paso to provide technical assistance to border counties, Colonia SHCs, and Bootstrap Program

participants.

AP-30 Methods of Distribution – 91.320(d)&(k)

Introduction:

Given that Texas is the second largest state in the nation by total area, the method of distribution of its funds has to take into account a very large area. To serve this large area it is necessary for the State to use subrecipients to administer the programs funded under CPD. The selection processes for these entities are generally described below.

Distribution Methods

Table 8 - Distribution Methods by State Program

1	State Program Name:	Colonia Economically Distressed Areas Program (CEDAP)
	Funding Sources:	CDBG CDBG Colonias Set-aside
	Describe the state program addressed by the Method of Distribution.	Colonia Economically Distressed Areas Program (CEDAP) Legislative Set-Aside fund provides funding to eligible cities and counties to assist colonia residents that cannot afford the cost of service lines, service connections, and plumbing improvements associated with being connected to a TWDB Economically Distressed Area Program or similar water or sewer system improvement project.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The TDA will evaluate the following factors prior to awarding CEDAP funds: <ul style="list-style-type: none"> • The proposed use of the CDBG funds including the eligibility of the proposed activities and the effective use of the funds to provide water or sewer connections/yard lines to water/sewer systems funded through Economically Distressed Area Program or similar program; • The ability of the applicant to utilize the grant funds in a timely manner; • The availability of funds to the applicant for project financing from other sources; • The applicant's past performance on previously awarded CDBG contracts; • Cost per beneficiary; and • Proximity of project site to entitlement cities or metropolitan statistical areas (MSAs).
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov .

	Describe how resources will be allocated among funding categories.	The allocation is distributed on an as-needed basis.
	Describe threshold factors and grant size limits.	Maximum \$1,000,000/Minimum \$75,000
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
2	State Program Name:	Colonia Planning and Construction Funds
	Funding Sources:	CDBG CDBG Colonias Set-aside
	Describe the state program addressed by the Method of Distribution.	<p>The Colonia Planning Fund (CPF) funds planning activities that either targets a specific colonia(s) (Colonia Area Planning) or that provides a countywide comprehensive plan (Colonia Comprehensive Planning). In order to qualify for the Colonia Area Planning activities, the county applicant must have completed a Colonia Comprehensive Plan that prioritizes problems and colonias for future action. The targeted colonia must be included in the Colonia Comprehensive Plan.</p> <p>The goal of the Colonia Fund Construction (CFC) fund is to develop viable communities by providing decent housing, viable public infrastructure, and a suitable living environment, principally for persons residing within a community or area that meets the definition of a colonia. An eligible county applicant may submit an application for the following eligible construction activities:</p> <p>Assessments for Public Improvements - The payment of assessments (including any charge made as a condition of obtaining access) levied against properties owned and occupied by persons of low and moderate income to recover the capital cost for a public improvement.</p> <p>Other Improvements - Other activities eligible under 42 USC Section 5305 designed to meet the needs of colonia residents.</p>

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Colonia Fund: Construction. The selection criteria for the Colonia Fund: Construction will focus upon the following factors: community distress; percentage of people living in poverty; per capita income; percentage of housing units without complete plumbing; unemployment rate; benefit to LMI persons; project priorities; project design; matching funds; and past performance.</p> <p>Colonia Fund: Planning (Area). The selection criteria for the Colonia Fund: Planning will focus upon the following factors: community distress; percentage of people living in poverty; per capita income; percentage of housing units without complete plumbing; unemployment rate; project design; the severity of need within the colonia area(s) and how clearly the proposed planning effort will remove barriers to the provision of public facilities to the colonia area(s) and result in the development of an implementable strategy to resolve the identified needs; the planning activities proposed in the application; whether each proposed planning activity will be conducted on a colonia-wide basis; the extent to which any previous planning efforts for colonia area(s) have been accomplished; the CDBG cost per LMI beneficiary; the availability of funds to the applicant for project financing from other sources; the applicant's past performance on previously awarded CDBG contracts; benefit to LMI persons; and matching funds.</p> <p>Colonia Fund: Planning (Comprehensive). The selection criteria for the Colonia Fund: Planning will focus upon the following factors: community distress; percentage of people living in poverty; per capita income; percentage of housing units without complete plumbing; unemployment rate; project design; the severity of need for the comprehensive colonia planning effort and how effectively the proposed comprehensive planning effort will result in a useful assessment of colonia populations, locations, infrastructure conditions, housing conditions, and the development of short-term and long term strategies to resolve the identified needs; the extent to which any previous planning efforts for colonia area(s) have been accomplished; whether the applicant has provided any local matching funds for the planning or preliminary engineering activities; the applicant's past performance on previously awarded CDBG contracts; and award history (an applicant that has previously received a CDBG comprehensive planning award would receive lower priority for funding).</p>
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<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>The State CDBG allocation 6.75% (approximately) is allocated to the Colonia Fund. Of the yearly CDBG allocation to the Colonia Construction and Planning Fund, 97.5% (approximately) of those funds are to award grants through the CFC and 2.5% (approximately) are to award grants through the CFP. Subsequent to awarding funds, any portion of the CFC allocation that is unable to be awarded (i.e., fund an application in the minimum amount of \$75,000, etc.) may be used to fund additional eligible CFP applications, and conversely, any portion of the CFP allocation that is unable to be awarded may be used to fund additional eligible CFC applications.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>CFP Maximum \$100,000/Minimum \$0 CFC Maximum \$100,000/Minimum \$75,000</p>
<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>Activities Benefiting LMI Persons</p>
<p>3</p> <p>State Program Name:</p> <p>Funding Sources:</p> <p>Describe the state program addressed by the Method of Distribution.</p>	<p>Colonia SHC Legislative Set-Aside (administered by TDHCA)</p> <p>CDBG CDBG Colonias Set-aside</p> <p>Administered by TDHCA and funded through CDBG, the Colonia SHC Program serves colonias along the Texas-Mexico border. Colonia SHCs provide concentrated on-site technical assistance to low- and very low-income individuals and families in a variety of ways including housing, community development activities, infrastructure improvements, outreach and education. Key services include: housing rehabilitation; new construction; surveying and platting; construction skills training; tool library access for self-help construction; housing finance; credit and debt counseling; grant writing; infrastructure construction and access; contract-for-deed conversions; and capital access for mortgages.</p>

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Approximately 40,180 residents live in the targeted colonias served by the Colonia SHC Program. The Colonia SHCs process applications from income eligible households on a first-come, first-served basis. Eligible households must reside in a targeted colonia, which has been preselected by each county and approved by C-RAC. Households must earn less than 80% of AMI.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Colonia SHCs are statutorily required to establish SHCs in Cameron/Willacy, El Paso, Hidalgo, Starr and Webb counties. Statute allows for additional Colonia SHCs to be established if any other county if TDHCA deems it necessary and appropriate and if the county is designated an economically distressed area under statute. In 2001, TDHCA established additional Colonia SHCs in Maverick and Val Verde counties. Each Colonia SHC must serve five targeted colonias within the county it serves. The Colonia SHCs and TDHCA's Border Field Offices both conduct outreach activities throughout the contract period to inform colonia residents of program benefits and eligibility criteria and to provide application assistance.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>Of the State CDBG allocation, 2.5% (approximately) is allocated to this fund. Resources are allocated after analysis and input from each community. Counties that are statutorily designated to participate in the Colonia SHC Program conduct a needs assessment before proposing which target colonias should receive concentrated attention and the scope of program activities and funding. Each Colonia SHC designs a proposal unique to the needs of a specific community. After the C-RAC, composed of residents from previously participating colonias, reviews and approves the proposals from the counties, the proposals are then reviewed and approved by the TDHCA Governing Board for implementation. Funds deobligated from prior Colonia SHC Program grant years and any program income recovered from Colonia SHC funds shall be used by TDHCA for the Colonia SHC Program.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>Maximum \$1,000,000/Minimum \$500,000 For the Colonia SHC, program rules limit the assistance to up to \$1,000,000 per Colonia SHC per contract period. If there are insufficient funds available to fully fund an application, the Administrator may accept the amount available and wait for remaining funds to be committed the next program year. Each program activity, such as new construction, rehabilitation, and tool library operation, for example, are limited to specific dollar amounts. TDHCA, at its discretion and in coordination with the county, may amend a contract to increase the budget amount based on Colonia SHC performance and other factors.</p>

	What are the outcome measures expected as a result of the method of distribution?	For the Colonia SHC Program, outcomes include: colonia residents assisted, housing units assisted or created, instances of technical assistance provided, and instances of information delivered. In general, these are Activities Benefiting LMI Persons.
4	State Program Name:	Colonias to Cities Initiative Program
	Funding Sources:	CDBG CDBG Colonias Set-aside
	Describe the state program addressed by the Method of Distribution.	The Colonia to Cities Initiative (CCIP) provides funding for basic infrastructure considered necessary for a colonia area to be annexed by an adjoining city. Priority is given to colonias that have received prior CDBG funding. Both the county and city must submit a multi-jurisdictional pre-application for the project that includes a resolution from each jurisdiction. The city's resolution must include a firm commitment to annex the colonia upon completion of the project. Failure to annex the colonia may result in a requirement to repay the CDBG funding to TDA.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The TDA will evaluate the following factors prior to awarding CCIP funds: <ul style="list-style-type: none"> • the proposed use of the TxCDBG funds including the eligibility of the proposed activities; • the ability of the community to utilize the grant funds in a timely manner; • the availability of funds to the community for project financing from other sources; • the community's past performance on previously awarded TxCDBG contracts, if applicable; • cost per beneficiary; and • commitment by the city to annex the colonia area within one year of project completion. If applications exceed the available funding, the Department may use the scoring factors established for the Colonia Fund-Construction component.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Eligible applicants will be notified if funds become available.

	Describe how resources will be allocated among funding categories.	If there are an insufficient number of projects ready for CEDAP funding, the CEDAP funds may be transferred to the Colonias to Cities Initiative.
	Describe threshold factors and grant size limits.	Minimum \$100,000/Maximum \$1,000,000
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting Low and Moderate Income (LMI) Persons
5	State Program Name:	Community Development Fund
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Community Development (CD) Fund is available on a biennial basis through a competition in each of the State's 24 planning regions. The goal of the CD Fund is to develop viable communities by providing decent housing, viable public infrastructure, and a suitable living environment, principally for persons of low to moderate income. Applicants are encouraged to provide for infrastructure and housing activities that will improve opportunities for LMI persons. When considering and designing projects, applicants must continue to consider project activities that will affirmatively further fair housing, which includes project activities that provide basic infrastructure (such as water, sewer, and roads) that will benefit residential housing and other housing activities.

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>CD applicants are scored using a shared system with 90% of the scoring criteria established by Regional Review Committees (RRC) and 10% established by the state's scoring criteria. There is a Regional Review Committee in each of the 24 State planning regions. Each RRC will be comprised of 12 members appointed at the pleasure of the Texas Commissioner of Agriculture. A quorum of seven members is required for all public hearings. Each RRC is responsible for determining local project priorities and objective scoring criteria for its region for the CD Fund in accordance with the requirements in this Action Plan. Additionally, the RRC shall establish the numerical value of the points assigned to each scoring factor and determine the total combined points for all RRC scoring criteria. The Regional Review Committees are responsible for convening public hearings to discuss and select the objective scoring criteria that will be used to score and rank applications at the regional level. The public must be given an opportunity to comment on the priorities and the scoring criteria considered. The final selection of the scoring criteria is the responsibility of each RRC and must be consistent with the requirements in this Action Plan. The RRC may not adopt scoring factors that directly negate or offset the State's scoring factors. Each RRC shall develop a RRC Guidebook, in the format provided by TDA, to notify eligible applicants of the objective scoring criteria and other RRC procedures for the region. The Guidebook must be submitted to TDA and approved at least ninety days prior to the application deadline.</p> <p>The state scoring will be based on the following:</p> <ol style="list-style-type: none"> 1. Past Performance- 16 points. 2. All project activities within the application would provide basic infrastructure or housing activities - 4 points. (Basic infrastructure - the basic physical shared facilities serving a community's population consisting of water, sewage, roads and flood drainage. Housing activities - as defined in 24 Code of Federal Regulations (CFR) Part 570.)
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>66.9% (approximately) of the State CDBG allocation is allocated to this fund. In addition, deobligated funds may be allocated to the CD Fund according to the procedures described in the Additional Detail on Method of Distribution section following this table.</p>

	Describe threshold factors and grant size limits.	Minimum \$75,000/Maximum \$800,000, regions may establish additional grant amount limits.
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
6	State Program Name:	Fire, Ambulance, & Services Truck (FAST) Fund
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Fire, Ambulance, & Services Truck (FAST) Fund provides funds for eligible vehicles to provide emergency response and special services to rural communities.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Applications will be scored and ranked based on: <ul style="list-style-type: none"> • Poverty Rate (Census data) • Past performance on TxCDBG grants (see CD Fund State scoring factors)
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov .
	Describe how resources will be allocated among funding categories.	All deobligated funds from fund year 2015 and earlier will be made available for the FAST Fund on the first day of the program year. This amount may be increased as additional funds are deobligated during the program year.
	Describe threshold factors and grant size limits.	Minimum \$100,000/Maximum \$500,000

	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
7	State Program Name:	Disaster Relief Funds
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	<p>Disaster Relief (DR) Fund assistance is available as needed for eligible activities in relief of disaster situations where either a state or federal disaster declaration has been issued.</p> <p>Declaration other than Drought: Priority for the use of these funds is for repair and restoration activities that meet basic human needs (such as water and sewer facilities, housing, and roads), and may not include funding to construct public facilities that did not exist prior to the occurrence of the disaster.</p> <p>Declaration for Drought: Funding in response to a Governor’s drought disaster declaration covering the area that would benefit from project activities must include new facilities to improve water supply, subject to the conditions set forth in Title 4, Part 1, Chapter 30, Subchapter A of the Texas Administrative Code.</p>
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	<p>To qualify for the DR Fund:</p> <ol style="list-style-type: none"> a. The situation addressed by the applicant must be both unanticipated and beyond the control of the local government. b. The problem being addressed must be of recent origin. For DR Fund assistance, this means that the application for assistance must be submitted no later than 12 months from the date of the state or federal disaster declaration. c. Funds will not be provided under Federal Emergency Management Agency's (FEMA's) Hazard Mitigation Grant Program for buyout projects unless TDA receives satisfactory evidence that the property to be purchased was not constructed or purchased by the current owner after the property site location was officially mapped and included in a designated flood plain area. d. Each applicant must demonstrate that adequate local funds are not available, i.e., the entity has less than six months of unencumbered general operations funds available in its balance as evidenced by the last available audit required by state statute, or funds from other state or federal sources are not available to completely address the problem. e. TDA may consider whether funds under an existing CDBG contract are available to be reallocated to address the situation. f. The distribution of these funds will be coordinated with other state agencies.

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov .
	Describe how resources will be allocated among funding categories.	Up to \$3,000,000 may be transferred from CD deobligated funds, as needed
	Describe threshold factors and grant size limits.	Maximum \$350,000/Minimum \$50,000
	What are the outcome measures expected as a result of the method of distribution?	Meet other community development needs of particular urgency which represent an immediate threat to the health and safety of residents of the community.
8	State Program Name:	General HOME Funds for Single-Family Activities
	Funding Sources:	HOME
	Describe the state program addressed by the Method of Distribution.	TDHCA awards single-family activity funds as grants and loans through a network of local administrators for Homeowner Rehabilitation (HRA), Homebuyer Assistance (HBA), and Tenant Based Rental Assistance (TBRA). Assistance length and term depends on the type of activity. Non set-side funds are initially being made available on a regional basis in accordance with state statute. Remaining funds are made available statewide on a first-come, first-served Reservation System, a contract-based system or some combination of these two methods. The method will be described in NOFAs and is informed by needs analysis, oversubscription for the activities, and public input.

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Applicants must comply with requirements stated in NOFAs, the Single-Family Programs Umbrella Rule, and State HOME Program Rules in effect at the time they receive their award.</p> <p>Review of Applications All programs will be operated through direct administration by TDHCA, reallocation of deobligated funding and program income, or through the release NOFA with an emphasis on geographic dispersion of funds, particularly in rural areas of the state, using a Regional Allocation Formula (RAF) which uses objective measures to determine rural housing needs such as poverty and substandard housing. For NOFAs, applicants must submit a complete application to be considered for funding or eligibility to access the Reservation System, along with a nominal application fee determined by TDHCA. Applications received by TDHCA will be reviewed for applicable threshold, eligibility and/or scoring criteria in accordance with the Department’s rules and application review procedures published in the NOFA and/or application materials. Information related to NOFAs, application requirements and fees, and application review procedures and materials is available at http://www.tdhca.state.tx.us/home-division/index.htm.</p> <p>Selection Process Qualifying applications for funding are recommended for funding to TDHCA’s Board based on the Department’s rules and any additional requirements established in the NOFA. Applications for participation in the Reservation System are submitted to the TDHCA Board for approval, but are subject to all other review requirements. Should TDHCA reprogram unutilized HOME funds for development activities, applications submitted for development activities will also receive a review for financial feasibility, underwriting, and compliance under the HOME Final Rule as well as the Department’s existing previous participation review process.</p> <p>The state may select subrecipients or state recipients as described in program rules and NOFAs, or may conduct a portion of HOME activities directly in accordance with §92.201.</p> <p>When administrators have not successfully expended the HOME funds within their contract period, TDHCA de-obligates the funds and pools the dollars for redistribution according to TDHCA’s Reallocation of Financial Assistance rule at 10 TAC §1.19, and consistent with the reservation system and any open NOFAs. TDHCA may also reallocate these funds through a competitive NOFA process resulting in an award of funds.</p>
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	Describe how resources will be allocated among funding categories.	TDHCA announces the annual allocation of HOME Single-Family funds through a NOFA and specifies that the funds will initially be made available using a Regional Allocation Formula (RAF) which divides funds among 26 sub-regions as required by state statute. The allocation method is developed based on a formula which considers need and funding availability. After a period of several months, regional allocations collapse. Following the release of the annual allocation through the RAF, TDHCA periodically adds HOME program income and deobligated funds to the funds available via the Reservation System and either allocates a specific amount of funds per activity based on funding priorities or may allow HOME administrator's requests for funding through the system to determine how the funds are finally allocated among fund categories. TDHCA may specify the maximum amount of funds that will be released for each activity type and may allocate funds via a first come, first served Reservation System or alternate method based on public comment.
	Describe threshold factors and grant size limits.	Applicants must comply with requirements stated in the HOME NOFA and State HOME Program Rules in effect the year they receive their award. These sources provide threshold limits and grant size limits per activity type.
	What are the outcome measures expected as a result of the method of distribution?	Assistance to LMI households.
9	State Program Name:	HOME Multifamily Development
	Funding Sources:	HOME
	Describe the state program addressed by the Method of Distribution.	The HOME Multifamily Direct Loan Program awards loans to for-profit and nonprofit multifamily developers to construct and rehabilitate affordable rental housing. These loans typically carry a 0% to 5% interest rate and have terms ranging from 15 years to 40 years. The vast majority of the loans are made in conjunction with awards of 4% or 9% HTCs.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	TDHCA's Texas Administrative Code Chapters 10, 11, and 13 set forth a minimum set of requirements that document a project owner's readiness to proceed with the development as evidenced by site control, notification of local officials, the availability of permanent financing, appropriate zoning for the site, and a market and environmental study. Additionally, the development must be near certain community assets. After a period of Regional Allocation, HOME Multifamily Direct Loan Program funds are typically awarded on a first-come, first-served basis, as long as the criteria above are met. After a certain date, for HOME Multifamily Development applications layered with 9% HTCs, the highest scoring applications in the 9% cycle that also request HOME funds are prioritized according to 9% criteria.

	Describe how resources will be allocated among funding categories.	Typically, of the HOME Multifamily Funds, 85% is available for general activities and 15% for Community Housing Development Organizations (CHDOs). However, the HOME Multifamily Direct Loan Program may make funds available annually or through a special purpose NOFA under the General, Supportive Housing/Soft Repayment, and CHDO Set-Asides, or may choose to have a preference or limitation for Persons with Disabilities.
	Describe threshold factors and grant size limits.	TDHCA's Uniform Multifamily Rules and Qualified Allocation Plan set forth a minimum set of requirements that document a project owner's readiness to proceed with the development as evidenced by site control, notification of local officials, the availability of permanent financing, experience of the developer, appropriate zoning for the site, and a market and environmental study. Additionally, the development must be near certain community assets such as a full service grocery, financial institution, pharmacy, or medical office and have certain unit amenities and common amenities. Awards of HOME Multifamily Direct Loan Program funds range from approximately \$300,000 to \$4,000,000 per application in the form of a loan.
	What are the outcome measures expected as a result of the method of distribution?	Assistance to LMI households.
10	State Program Name:	Local Revolving Loan Funds
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	TxCDBG allows communities that received Texas Capital Fund awards to support job creation or retention, and that created a local revolving loan fund, prior to implementation of the interim rule published November 12, 2015, to retain the program income generated by the economic development activities and to reinvest the funds to support job creation/retention activities.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Criteria are established by local subrecipients, with guidance from the TxCDBG Revolving Loan Fund Information Guide provided by TDA.

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	The TxCDBG Revolving Loan Fund Information Guide is provided directly to subrecipients that have established revolving loan funds.
	Describe how resources will be allocated among funding categories.	Program Income generated by a local RLF is retained by that community or returned to TDA for distribution according to the Action Plan. See "Grantee Unique Appendices" for table of local revolving loan funds.
	Describe threshold factors and grant size limits.	Parameters for minimum or maximum loan amounts may be established by the subrecipient.
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefitting LMI Persons through Job Creation/Retention
11	State Program Name:	National Housing Trust Fund
	Funding Sources:	Housing Trust Fund
	Describe the state program addressed by the Method of Distribution.	It is planned that the NHTF Program will award loans to for-profit and nonprofit multifamily developers to construct multifamily affordable housing. Because the NHTF is required to benefit ELI households at 30% of AMI or less, the units will likely not be able to service a debt payment. The constraints on NHTF dictate that the funds typically be available as 0% interest, deferred payment loan, or as 0% interest cash flow loans, if required, to leverage with tax credits or other financing mechanisms.

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>TDHCA's Texas Administrative Code Chapters 10, 11, and 13 set forth a minimum set of requirements that document a project owner's readiness to proceed with the development as evidenced by site control, notification of local officials, the availability of permanent financing, appropriate zoning for the site, and market and environmental studies. Additionally, the development must be near certain community assets. TDHCA Multifamily Direct Loan (MFDL) Program funds are typically awarded on a first-come, first-served basis, as long as the criteria above are met.</p> <p>TDHCA will review and recommend NHTF (referred to under the umbrella term MFDL below) applications in accordance with the Multifamily Direct Loan Rule as follows:</p> <p>(1) Priority 1: Applications not layered with current year 9% HTC that are received prior to the current year Market Analysis Delivery Date as described in 10 TAC §11.2 Program Calendar for Competitive Housing Tax Credits. Priority 1 applications will be prioritized based on score within their respective set-aside and subregion or region during the initial allocation period in accordance with the RAF, to the extent that two or more Applications are received in the same set-aside that request less than or equal to the amount available in the subregion or region. Once the RAF period has ended, applications will be reviewed on a first-come first served basis within their set- aside, or as reflected in the NOFA.</p> <p>(2) Priority 2: Applications layered with current year 9% HTC will be prioritized based on their recommendation status for an HTC allocation. All Priority 2 applications will be deemed received on the Market Analysis Delivery Date as described in 10 TAC §11.2 Program Calendar. In order for an MFDL application layered with 9% HTC to be considered complete, Applications for both programs must be timely received. Priority 2 applications will be recommended for approval at the same meeting when the Board approves the 9% HTC allocations. Applications that are on the waiting list for a 9% HTC allocation are not guaranteed the availability of MFDL funds. If the applicable NOFA is over-subscribed for MFDL funds, the Applicant will be notified and may amend their Application to accommodate another funds source.</p> <p>(3) Priority 3: Applications that are received after the Market Analysis Delivery Date, as described in 10 TAC §11.2 Program Calendar for Competitive Housing Tax Credits, on a first come first served basis for any remaining funds, until the final deadline identified in the annual NOFA or as identified in a NOFA.</p> <p>Applications that will create new ELI units without preexisting vouchers or other rental subsidy may be prioritized, and additional criteria may be imposed for applications not layered with tax credits.</p>
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	Describe how resources will be allocated among funding categories.	NHTF will not be allocated among funding categories. The requirement to serve ELI households already meets a set aside category in TDHCA Multifamily programs.
	Describe threshold factors and grant size limits.	TDHCA's Uniform Texas Administrative Code Chapters 10, 11, and 13 set forth a minimum set of requirements that document a project owner's readiness to proceed with the development as evidenced by site control, notification of local officials, the availability of permanent financing, experience of the developer, appropriate zoning for the site, and a market and environmental study. Additionally, the development must be near certain community assets such as a bank, pharmacy, or medical office and have certain unit amenities and common amenities. Awards of NHTF will be integrated into the TDHCA Multifamily Direct Loan Program. Award funds may range up to \$4,000,000 per application in the form of a loan for this program.
	What are the outcome measures expected as a result of the method of distribution?	Assistance to ELI households.
12	State Program Name:	Planning/Capacity Building Fund
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Planning/Capacity Building (PCB) Fund is available to assist eligible cities and counties in conducting planning activities that assess local needs, develop strategies to address local needs, build or improve local capacity, or that include other needed planning elements (including telecommunications and broadband needs).
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The selection criteria for the PCB Fund will focus upon the following factors: a. Community Distress; a. Percentage of persons living in poverty; b. Per capita income; c. Unemployment rate; b. Benefit to LMI Persons; c. Project Design; d. Program Priority; e. Base Match; f. Area-wide Proposals; and g. Planning Strategy and Products.

<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>1.0% (approximately) of the State CDBG allocation is allocated to this fund. In addition, deobligated funds may be allocated to this fund according to the procedures described in the Additional Detail on Method of Distribution section following this table.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>Minimum \$0/Maximum \$55,000</p>
<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>Activities Benefiting LMI Persons</p>
<p>13 State Program Name:</p>	<p>State Mandated Contract for Deed Conversion Set-Aside</p>
<p>Funding Sources:</p>	<p>HOME</p>
<p>Describe the state program addressed by the Method of Distribution.</p>	<p>Rider 6 of the TDHCA bill pattern within the General Appropriations Act for Fiscal Years 2018-19 requires TDHCA to identify funding sources and estimated funding levels for contract for deed conversions and other activities for families that reside in a colonia and earn 60 percent or less of the applicable area median family income (AMFI) and the home converted must be their primary residence.</p>
<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Administrators must meet HOME Program threshold requirements to access funding. Funding is made available to contract for deed administrators on a first-come, first-served basis, in addition to threshold requirements outlined in the State HOME Program Rule, through the Reservation System.</p>

	Describe how resources will be allocated among funding categories.	Beginning in FY 2018, TDHCA will set aside \$1,000,000 for Contract for Deed activities annually and will release the funds through the reservation system as a method of distribution.
	Describe threshold factors and grant size limits.	Applicants must meet the thresholds provided in the NOFA and State HOME Program Rules in effect the year in which they receive their award. Administrators are not awarded a grant following a successful application. Rather funds are awarded on a household by household basis.
	What are the outcome measures expected as a result of the method of distribution?	Assistance to households with incomes at or below 60% AMFI.
14	State Program Name:	TCF Main Street and Downtown Revitalization Programs
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Texas Capital Fund (TCF) Main Street and Downtown Revitalization Programs award grant funds for public infrastructure to foster and stimulate economic development in rural downtown areas.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	<p>The selection criteria for the TCF Main Street Program for eligible Texas Main Street communities will focus upon the following factors:</p> <ul style="list-style-type: none"> a. Applicant Need criteria, including poverty rate, median income, unemployment rate, and community need; b. Project criteria, including leverage, economic development consideration, sidewalks projects and Americans with Disabilities Act (ADA) compliance, broad-based public support, emphasis on benefit to LMI persons, and grant application training; and c. Main Street program criteria, including National Main Street program recognition, Main Street program participation, historic preservation ethic impact. <p>The selection criteria for the TCF Downtown Revitalization Program will focus upon the following factors:</p> <ul style="list-style-type: none"> a. Applicant Need criteria, including poverty rate, median income, unemployment rate, and community need; b. Project criteria, including leverage, economic development consideration, sidewalks projects, and ADA compliance, broad-based public support, emphasis on benefit to LMI persons, and grant application training; and c. Past Performance.

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov .
	Describe how resources will be allocated among funding categories.	4.7% of the State CDBG allocation is allocated to the TCF Main Street and Downtown Revitalization Programs; in addition, deobligated funds may be allocated for the these programs, up to a total funding amount of \$3,500,000 . Program income funds may be transferred to this category on August 1 if such funds have not been utilized by other TCF programs (if available).
	Describe threshold factors and grant size limits.	Maximum \$250,000/Minimum \$50,000
	What are the outcome measures expected as a result of the method of distribution?	Eliminate or prevent slum and blight conditions.
15	State Program Name:	TCF Real Estate and Infrastructure Development Programs
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Texas Capital Fund (TCF) Real Estate and Infrastructure Development Programs provides grants and/or loans for Real Estate and Infrastructure Development to create or retain permanent jobs in primarily rural communities and counties.

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>The selection criteria for the TCF Real Estate and Infrastructure Development will focus upon the following factors:</p> <ul style="list-style-type: none"> a. Job creation criteria: <ul style="list-style-type: none"> i. Cost-per-job, ii. Job impact, iii. Wage impact, and iv. Primary jobs created/retained; b. Unemployment rate; and c. Return on Investment. <p>Once applications are evaluated and determined to be in the funding range the projects will be reviewed upon the following additional factors:</p> <ul style="list-style-type: none"> a. History of the applicant community in the program; b. Strength of the business or marketing plan; c. Evaluation of the business and the business' principal owners credit; d. Evaluation of community and business need; and e. Justification of minimum necessary improvements to serve the project.
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>11.9% of the State CDBG allocation is allocated to the Real Estate and Infrastructure Development Programs. In addition, program income funds generated by TCF projects and not otherwise allocated are made available for the Real Estate and Infrastructure Development Programs on the first day of a program year.</p> <p>In accordance with 24 CFR 570.479(e)(ii), the State has determined that program income generated by TCF during PY 2017 must be returned to the State for redistribution to new economic development activities. TCF awards are made for a specific project, based on the minimum necessary work to support the creation or retention of specific jobs, which must be completed prior to close out of the TCF contract. Therefore the community is unlikely to continue funding the same activity in the near future as described in the new regulation.</p>

	Describe threshold factors and grant size limits.	Maximum \$1,000,000/Minimum \$100,000
	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
16	State Program Name:	TCF Small and Micro Enterprise Revolving Fund
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Texas Capital Fund (TCF) Small and Micro Enterprise Revolving Fund provides grants to local partnerships of communities and non-profit organizations to establish a local revolving loan fund, providing loans to local small businesses that commit to create or retain permanent jobs.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The TCF Small and Micro Enterprise Revolving Fund will be offered as a component of the Main Street and Downtown Revitalization Programs.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov .
	Describe how resources will be allocated among funding categories.	Up to \$1,200,000 in program income will be made available for the SMRF Fund.
	Describe threshold factors and grant size limits.	\$100,000 per award

	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
17	State Program Name:	Utility U Program
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	Utility U provides funds to cities and counties, in coordination with water and wastewater utilities, to provide job training opportunities in the utility field. Both classroom and on-site training methods provided by a community based development organization (CBDO) or similar organization shall provide critical utility industry skills to current and newly hired employees to create or enhance job opportunity.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The Utility U Program will be available to cities and counties only upon recommendation by two or more state or federal regulatory or funding agencies. These agencies are expected to evaluate the need for job training for a specific utility or group of utilities prior to making a recommendation to TDA. The utility must agree to employ the trainee for a minimum of two years following completion of the training.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Guidelines, applications and additional program documentation are available upon request.
	Describe how resources will be allocated among funding categories.	\$0 of allocation is made available for the Utility U Program on the first day of the program year. If an eligible project is recommended for funding, up to \$100,000 may be transferred from other fund categories as needed.
	Describe threshold factors and grant size limits.	Maximum \$100,000/Minimum \$30,000

	What are the outcome measures expected as a result of the method of distribution?	Activities Benefiting LMI Persons
18	State Program Name:	Texas ESG Program
	Funding Sources:	ESG
	Describe the state program addressed by the Method of Distribution.	<p>The ESG Program is currently a competitive grant that awards funds to private nonprofit organizations, cities, and counties in the State of Texas to provide the services necessary to help persons who are experiencing or at-risk of homelessness quickly regain stability in permanent housing. To prioritize geographic dispersion of funds, funding is allocated to each CoC based on an allocation formula that includes population and other data as described in the State ESG rules. At the discretion of the CoC and upon approval by TDHCA, applicants for ESG apply either directly to TDHCA for an award of funding or may apply to the CoC in a local competition for funds. Award authority for all ESG funds remains with TDHCA’s Board, and TDHCA contracts directly with all subrecipients regardless of method of application.</p> <p>TDHCA may elect to conduct application cycles for either one or two years of funding. When applications are accepted for funding years for which the funding amount is not yet determined, TDHCA retains the right to make adjustments to awards in relation to the amount of funding received. When subrecipient has not successfully expended the ESG funds within their contract period, TDHCA may de-obligate the funds and pool the dollars for redistribution according to TDHCA’s Reallocation of Financial Assistance rule at 10 TAC §1.19, or as described in the State Rules or NOFA.</p> <p>Any funds returned to the Department from prior to 2018 ESG funds, will be redistributed in accordance with the 2017/2018 NOFA, or as otherwise approved by the TDHCA Board.</p>

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>In the competitive process with TDHCA, applications are selected based on requirements stated in the ESG NOFA and State ESG Program Rules in effect the year they receive their award. These sources provide threshold requirements, which must be met prior to an application being considered for an award, and selection criteria, which are utilized to rank applications and determine the order in which applications may be funded.</p> <p>Threshold requirements include current status of required single audits and submission of an audit certification form; information necessary to conduct a previous participation review, and documentation sufficient to determine that the subrecipient has adequate capacity to administer the ESG funds.</p> <p>Selection criteria include items related to program design, including the type and quality of services offered and performance outcomes.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>For the competitive process, TDHCA will release a NOFA prior to receipt of ESG funding. The NOFA may include the option for the subrecipient to apply for both an award of 2019 ESG funds and anticipated 2020 funds. A two-year award cycle allows Subrecipients to offer up to 24 months of assistance for medium-term rental assistance (previously Subrecipients were limited to the number of months within their contracts, which is 12 months or fewer), and to spend more time on program activities than applying for funds. TDHCA encourages collaboration among homeless service providers by including selection criteria related to collaboration with the CoC.</p> <p>Eligible applicant organizations are Units of General Purpose Local Government, including cities, counties and metropolitan cities; urban counties that receive ESG funds directly from HUD; and a consolidation of units of general purpose local governments, like a Council of Governments. Other instrumentalities of a city or county, like a Local Mental Health Authority, may be eligible and should seek guidance from TDHCA to determine if they may apply. Governmental organizations such as Public Housing Authorities (PHAs) and housing finance agencies are not eligible and cannot apply directly for ESG funds.</p> <p>Eligible applicants also include private nonprofit organizations that are secular or religious organizations described in section 501(c) of the Internal Revenue Code of 1986, are exempt from taxation under subtitle A of the Code, have an acceptable accounting system and a voluntary board, and practice non-discrimination in the provision of assistance. Faith-based organizations receiving ESG funds, like all organizations receiving HUD funds, must serve all eligible beneficiaries without regard to religion.</p>

	Describe how resources will be allocated among funding categories.	ESG funds may be used for six program components: street outreach, emergency shelter, homelessness prevention, rapid re-housing assistance, HMIS or HMIS-comparable database, and administrative activities. In order for TDHCA to meet the requirement of no more than 60% of funds expended in street outreach and emergency shelter per 24 CFR §576.100(b), TDHCA reserves the right to remove applications proposing street outreach and emergency shelter from competition when 60% of ESG funds have been awarded to higher ranking applications proposing these activities. A CoC lead agency that elects to run a local competition must ensure that the combined amount recommended for ESG awards in the CoC will not exceed 60% in street outreach and emergency shelter.
	Describe threshold factors and grant size limits.	<p>The Department intends to propose the following in state rules. Applications for ESG funding may include a requirement for funding for multiple service types. Each service type proposed in an application will be individually considered for an award of funds. Applicants may be awarded an amount not to exceed \$350,000 street outreach activities, rapid re-housing, homeless prevention, and emergency shelter activities. Funds for HMIS are limited to 10% of the total award amount, and funds for administration are limited to 3% of the total award amount.</p> <p>Threshold requirements include current status of required single audits and submission of an audit certification form; information necessary to conduct a previous participation review, and documentation sufficient to determine that the subrecipient has adequate capacity to administer the ESG funds.</p>
	What are the outcome measures expected as a result of the method of distribution?	The expected outcome is that funds will be awarded to organizations that have the administrative and performance capacity to provide the services needed in their communities, with a broad distribution of funding to reach as many areas of the state with quality services as possible. The expected outcome of TDHCA's plan to allow local competitions is that the same will be accomplished, but with CoC-wide planning rather than with only State planning.
19	State Program Name:	Texas HOPWA Program
	Funding Sources:	HOPWA
	Describe the state program addressed by the Method of Distribution.	DSHS selects seven AAs across the state through a combination of competitive Requests for Proposal (RFP) and intergovernmental agency contracts. The AAs act as an administrative arm for DSHS by administering the HOPWA program locally. The AAs do not receive any HOPWA administrative funds from DSHS; all AA administrative costs are leveraged from other funding sources. The AAs, in turn, select HOPWA Project Sponsors to cover all 26 HSDAs through local competitive processes.

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Information on grant applications, available funding opportunities, application criteria, etc. can be found on the DSHS website: http://www.dshs.texas.gov/fic/default.shtm. Contracting and procurement services for DSHS HOPWA is overseen by Texas Health and Human Services Procurement and Contracting Services (PCS) Division. This division handles the solicitation, contract development, contract execution, and is the office of record for DSHS' contracting needs. Evaluation Criteria as noted in the most recent RFP process for AAs for Ryan White/State Services and HOPWA programs were: Respondent Background = 30%; Assessment Narrative = 15%; Performance Measures = 10%; Work Plan = 35%; and Budget = 10%.</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>The AAs select HOPWA Project Sponsors to cover all 26 HSDAs through local competitive processes. Community-based organizations, minority organizations, minority providers, grassroots and faith-based organizations are encouraged to apply. Historically, many of the agencies that have provided services to TDHCA's client population are grassroots, community-based, and minority organizations.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>Texas HOPWA funding allocations are geographically distributed across the state to the 26 HSDAs based on factors such as population of PLWH and unmet need. Texas HOPWA serves PLWH and their household members, all of whom are at or below 80% of AMI, and most fall into the extremely low-income category. Allocations generally mirror the Ryan White Program allocation formula, which takes into account population of PLWH, HIV incidence, number of PLWH accessing Ryan White services, percent of PLWH eligible for Medicaid, and other considerations. The allocations are then adjusted based on unmet need, prior performance and expenditures, geographic-specific data provided by Project Sponsors, and any other relevant factors. After allocations to each HSDA are determined, it is then up to the Project Sponsor to allocate between activities of TBRA, STRMU, Facility-Based Housing Subsidy Assistance, PHP, Supportive Services, Housing Information Services, Resource Identification, and administrative expenses (not to exceed 7% of their allocation) and submit those to their AA and DSHS for approval. Project Sponsors base allocations on many factors, including but not limited to, number of clients projected to continue into the next year, area unmet need, rental costs, prior number of clients served, average expenditures per client, and changes in HIV population living in poverty, etc. Funds are also reallocated during the year within HSDAs under each AA as needed when needs change.</p>

	Describe threshold factors and grant size limits.	Texas HOPWA serves PLWH and their household members, all of whom are at or below 80% of AMI. The majority of HOPWA clients are classified as extremely low income, which is between 0% and 30% of AMI.
	What are the outcome measures expected as a result of the method of distribution?	TBRA, STRMU, Facility-Based Housing Subsidy Assistance, and Supportive Service activities each have their own outcome measures. TBRA measures housing stability by assessing a household's destination at the end of the service. STRMU measures housing stability by assessing a household's housing status at the end of the service. Facility-Based Housing Subsidy Assistance measures housing stability by assessing a household's destination at the end of the service. Supportive Services measures access to health care and supportive services outcomes at the end of the service.
21	State Program Name:	Urgent Need Fund
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	Urgent Need (UN) Fund assistance is available for activities that will restore water and/or sewer infrastructure whose sudden failure has resulted in death, illness, injury, or poses an imminent threat to life or health within the affected applicant's jurisdiction. The infrastructure failure must not be the result of a lack of maintenance and must be unforeseeable. An application for UN Fund assistance will not be accepted until discussions between the potential applicant and representatives of TDA, TWDB, and the Texas Commission on Environmental Quality (TCEQ) have taken place. Through these discussions, a determination shall be made whether the situation meets eligibility requirements and if a potential applicant should be invited to submit an application for the UN Fund. Construction on an UN Fund project must begin within ninety (90) days from the start date of the CDBG contract. TDA may de-obligate the funds under an UN Fund contract if the grantee fails to meet this requirement.

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>To qualify for the UN Fund:</p> <ol style="list-style-type: none"> 1. The situation addressed by the applicant must not be related to a proclaimed state or federal disaster declaration. 2. The situation addressed by the applicant must be both unanticipated and beyond the control of the local government (e.g., not for facilities or equipment beyond their normal, useful life span). 3. The problem being addressed must be of recent origin. For UN assistance, this means that the situation first occurred or was first discovered no more than 30 days prior to the date that the potential applicant provides a written request to the TDA for UN assistance. UN funds cannot fund projects to address a situation that has been known for more than 30 days or should have been known would occur based on the applicant's existing system facilities. 4. Each applicant for these funds must demonstrate that local funds or funds from other state or federal sources are not available to completely address the problem. 5. The applicant must provide documentation from an engineer or other qualified professional that the infrastructure failure cannot have resulted from a lack of maintenance or been caused by operator error. 6. UN funds cannot be used to restore infrastructure that has been cited previously for failure to meet minimum state standards. 7. The infrastructure requested by the applicant cannot include back-up or redundant systems. 8. The UN Fund will not finance temporary solutions to the problem or circumstance. 9. TDA may consider whether funds under an existing CDBG contract are available to be reallocated to address the situation, if eligible. 10. The distribution of these funds will be coordinated with other state agencies. <p>Each applicant for UN Funds must provide matching funds. If the applicant's most recent Census population is equal to or fewer than 1,500 persons, the applicant must provide matching funds equal to 10 percent of the CDBG funds requested. If the applicant's most recent Census population is over 1,500 persons, the applicant must provide matching funds equal to 20 percent of the CDBG funds requested. For county applications where the beneficiaries of the water or sewer improvements are located in unincorporated areas, the population category for matching funds is based on the number of project beneficiaries.</p>
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<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>No funds will be allocated on the first day of the Program Year; however, the amount for this funding category may be adjusted during the 2019 PY as needed.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>Maximum \$250,000/Minimum \$25,000</p>
<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>Meet other community development needs of particular urgency which represent an immediate threat to the health and safety of residents of the community</p>
<p>21 State Program Name:</p>	<p>State Revolving Fund</p>
<p>Funding Sources:</p>	<p>CDBG</p>
<p>Describe the state program addressed by the Method of Distribution.</p>	<p>TxCDBG retains the program income generated by economic development activities and reinvests the funds to continue supporting economic development activities.</p>
<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Application Guides for the Texas Capital Fund Real Estate and Infrastructure Development Programs, Main Street / Downtown Revitalization Programs and the Small and Micro Enterprise Revolving Fund can be found on the TDA website.</p>

<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Application Guides for the Texas Capital Fund Real Estate and Infrastructure Development Programs, Main Street / Downtown Revitalization Programs and the Small and Micro Enterprise Revolving Fund can be found on the TDA website.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>Program Income generated by the State Revolving Fund will be allocated to the Texas Capital Fund Real Estate and Infrastructure Development Programs, Main Street / Downtown Revitalization Programs and the Small and Micro Enterprise Revolving Fund.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>The amount of program income generated will determine the amount of funds available.</p>
<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>Activities Benefitting LMI Persons through Job Creation/Retention and the elimination of slum and blight conditions.</p>

Discussion:

The distribution process for 4% HTC Program, 9% HTC Program, HHSP, State Housing Trust Fund Program, MCC Program, My First Texas Home Program, NSP PI Program, Section 8 HCV Program, Section 811 PRA Program, and TCAP RF can be found in the documents that govern these programs, all available at <http://www.tdhca.state.tx.us/>. The CDBG Colonia Set-Aside Methods of Distribution will be included in Action Plan Section 48, which is specifically about colonias.

Along with selecting appropriate entities to administer funding, the State must ensure that the funding is appropriately spent. For example, in addition to an output measure of the number of clients/households supported with HOPWA housing subsidies assistance, AAs routinely monitor Project Sponsors' for compliance and performance. DSHS monitors the AAs and annually compiles AAs' and Project Sponsors program progress reports and reviews cumulative data for number of households assisted compared to goals, expenditures, and stability outcomes of households served. More information on CPD Programs monitoring efforts are described in Strategic Plan Section 80, Monitoring.

Additional information for Allocation of CDBG program income and deobligated funds has been provided as an attachment.

AP-35 Projects – (Optional)

Introduction:

Per the IDIS Desk Guide, Project-level detail is not required for a state grantee’s Annual Action Plan. Once a state grantee has allocated funding via its Method of Distribution, the state grantee will use the Projects sub-menu in IDIS Online to add its projects for the program year. However, in order for accomplishments to associate to the goals listed in the plan, projects must be entered in the Action Plan template. Given this, it will be necessary to amend the plan and resubmit it after the projects have been added. As such, Texas will enter projects as amendments to the 2019 OYAP as necessary.

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Because no projects have been entered to date in this section, this section is not applicable. Allocation priorities are discussed in Action Plan Section 25, which also includes meeting special needs. Actions to meeting underserved needs are found in Action Plan Section 85.

CDBG-DR allocation priorities can be found in the CDBG-DR Action Plans at:

<http://recovery.texas.gov/action-plans/index.html>

AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)

Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?

No

Available Grant Amounts

Not applicable.

Acceptance process of applications

Not applicable.

AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)

Will the state allow units of general local government to carry out community revitalization

strategies?

Yes

State's Process and Criteria for approving local government revitalization strategies

TDA's CDBG program operates five programs that stimulate job creation/retention activities that primarily benefit LMI persons, prevent/eliminate slum and blight conditions, and support community planning efforts.

The TCF Real Estate and Infrastructure Development Programs provides grants and/or loans for Real Estate and Infrastructure Development to create or retain permanent jobs in primarily rural communities and counties.

The Downtown Revitalization Program and Main Street Development Program are intended to stimulate economic growth through the funding of public infrastructure improvements to aid in the elimination of slum and blight conditions in the historic downtown areas of rural communities; the Main Street component is available to communities designated as an official Texas Main Street City by the Texas Historical Commission. The programs are only available to "non-entitlement" city governments. Non-entitlement cities do not receive direct funding from HUD and typically include cities with a population of less than 50,000. Awarded cities receive funds to make public infrastructure improvements in the designated historic, downtown business district. Projects must meet the national objective of aiding in the elimination of slum and/or blighted conditions identified by city resolution. The improvements must directly support the revitalization of the city's designated downtown area. Awarded cities may also request Small and Microenterprise Revolving Fund (SMRF) funding to provide loans to downtown businesses that commit to create or retain jobs.

The Planning and Capacity Building Fund is a competitive grant program for local public facility and housing planning activities. Localities apply for financial assistance to prepare a "comprehensive plan" or any of its components. Typical activities regard topics such as: Base Mapping, Land Use, Housing, Population, Economic Development and/or Tourism, Central Business District, Street Conditions, Thoroughfares, Parks and Recreation, Water Distribution and Supply, Wastewater Collection and Treatment, Drainage (streets & flood hazard areas), Gas or Electric Systems (if owned by the locality), Community Facilities, Capital Improvements Program, Zoning Ordinance, Subdivision Regulation. Section 105(a) of the Housing and Community Development Act of 1974, as amended, outlines all the generally

eligible activities.

AP-48 Method of Distribution for Colonias Set-aside – 91.320(d)&(k)

Introduction

Distribution Methods

State Program Name	Funding Sources
Colonia Economically Distressed Areas Program (CEDAP)	CDBG CDBG Colonias Set-aside
Colonia Planning and Construction Funds	CDBG CDBG Colonias Set-aside
Colonia SHC Legislative Set-Aside (administered by TDHCA)	CDBG CDBG Colonias Set-aside
Colonias to Cities Initiative Program	CDBG CDBG Colonias Set-aside
Community Development Fund	CDBG
Community Enhancement Fund	CDBG
Disaster Relief Funds	CDBG
General HOME Funds for Single-Family Activities	HOME
HOME Multifamily Development	HOME
Local Revolving Loan Funds	CDBG
National Housing Trust Fund	Housing Trust Fund
Planning/Capacity Building Fund	CDBG
State Mandated Contract for Deed Conversion Set-Aside	HOME
TCF Main Street and Downtown Revitalization Programs	CDBG
TCF Real Estate and Infrastructure Development Programs	CDBG
TCF Small and Micro Enterprise Revolving Fund	CDBG
Texas ESG Program	ESG
Texas HOPWA Program	HOPWA
Texas Small Towns Environment Program Fund	CDBG
Urgent Need Fund	CDBG
Utility U Fund	CDBG

Table 9 - Distribution Methods by State Program for Colonias Set-aside

State Programs Addressed

Colonia Economically Distressed Areas Program (CEDAP) Legislative Set-Aside fund provides funding to eligible cities and counties to assist colonia residents that cannot afford the cost of service lines, service

connections, and plumbing improvements associated with being connected to a TWDB Economically Distressed Area Program or similar water or sewer system improvement project.

Criteria and their importance

The TDA will evaluate the following factors prior to awarding CEDAP funds:

- The proposed use of the CDBG funds including the eligibility of the proposed activities and the effective use of the funds to provide water or sewer connections/yard lines to water/sewer systems funded through Economically Distressed Area Program or similar program;
- The ability of the applicant to utilize the grant funds in a timely manner;
- The availability of funds to the applicant for project financing from other sources;
- The applicant's past performance on previously awarded CDBG contracts;
- Cost per beneficiary; and
- Proximity of project site to entitlement cities or metropolitan statistical areas (MSAs).

CDBG only: Access of application manuals

Guidelines, applications and additional program documentation can be found on TDA's website at www.texasagriculture.gov.

Resource Allocation among Funding Categories

The allocation is distributed on an as-needed basis.

Threshold Factors and Grant Size Limits

Maximum \$1,000,000/Minimum \$75,000

Outcome Measures expected as results of Distribution Method

Activities Benefiting LMI Persons

Discussion

Texas has the largest number of colonias and the largest colonia population of all the border states. The method of distribution for funds set aside to serve colonias relies on subgrantees along the Texas-Mexico border as well as interagency cooperation between TDHCA, TDA, TWDB, the Office of the Attorney General, and others. The majority of the funding that assists colonias is through infrastructure development, but funds are also available to address housing, community planning, economic revitalization and disaster relief. TDHCA's role in administering colonia funding is limited to the Colonia SHCs (2.5% set-aside of all Texas' CDBG funds) and HOME colonia set-aside. TDHCA has strategically placed Border Field Offices along the Texas-Mexico Border that supports Colonia SHC staff and counties with problem solving and training. The Border Field Offices exist to provide local technical assistance directly to both colonia residents and the organizations that serve colonia residents.

The majority of the funding that assists colonias is through the CDBG Program. However, HOME has a

specific set-aside for colonias. In addition, ESG and HOPWA may also provide funding in that area, as described in Action Plan Section 30.

AP-50 Geographic Distribution – 91.320(f)

Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

HOME/NHTF Addresses Geographic Areas for Assistance

TDHCA does not provide priorities for allocation of investment geographically to areas of minority concentration; however, the geographic distribution of HOME/NHTF funds to minority populations is analyzed annually. TDHCA is statutorily required by the Texas Government Code to provide a comprehensive statement of its activities through the State of Texas Low Income Housing Plan and Annual Report. Part of this document describes the ethnic and racial composition of families and individuals receiving assistance from each housing program.

HOME/NHTF funds used for multifamily development are typically paired with tax-exempt bond and/or HTC. TDHCA rules that govern the HTC Program include incentives for developments utilizing the competitive 9% HTC in high opportunity areas, which are defined as high-income and low-poverty areas, and are not typically minority-concentrated except in majority-minority areas of the state. It also provides competitive incentive to develop in colonias or economically distressed areas. Developments using tax-exempt bond financing and 4% HTCs are more frequently located in qualified census tracts due to federal guidelines that cause these to be more financially viable.

ESG Addresses Geographic Areas for Assistance

Assistance provided by ESG funds will be directed statewide, according to the 11 HUD-designated CoC regions. TDHCA does not provide priorities for allocating investment geographically to areas of minority concentration as described in 24 CFR §91.320(f).

HOPWA Addresses Geographic Areas for Assistance

The Texas HOPWA funding allocations are geographically distributed according to the 26 HIV HSDAs. Allocations are based on several factors, including past performance of Project Sponsors and unmet need, with the majority of Texas HOPWA clients (90% in 2017) classified as extremely low and very low income. Allocations generally mirror the Ryan White Program allocation formula, which takes into account population of PLWH, HIV incidence, number of PLWH accessing Ryan White services, percent of PLWH eligible for Medicaid, and other considerations. The allocations are then adjusted based on unmet need, prior performance and expenditures, geographic-specific data provided by Project Sponsors, and any other relevant factors. Many of these individuals reside in areas of minority concentration and a

disproportionate number of PLWH are racial and ethnic minorities, so the program allocates funding to meet the needs of PLWH in Texas.

CDBG Addresses Geographic Areas for Assistance

TDA does not provide priorities for allocation of funds geographically to areas of minority concentration as described in Section 91.320(f). CDBG funds are allocated across the state in three ways.

1. The CD Fund assigns a percentage of the annual allocation to each of the 24 Regional COGs, ensuring that each region of the state receives a portion of the funds.
2. The Colonia Fund directs funding to communities within 150 miles of the Texas-Mexico border. All remaining funds are distributed through state-wide competitions without geographic priorities.
3. Colonia SHCs are established along the Texas-Mexico border in Cameron/Willacy, Hidalgo, Starr, Webb, Maverick, Val Verde, and El Paso counties. The Colonia SHC Program serves approximately 35 colonias in seven border counties, which are comprised of primarily Hispanic households and have concentrations of very low-income households.

NHTF Geographic Priorities description is added to Discussion section text below.

Geographic Distribution

Target Area	Percentage of Funds
State of Texas	100

Table 10 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

HOME Addresses Geographic Investments

HOME funds are allocated geographically using a regional allocation formula (RAF), as described in Strategic Plan Section 10. This process directs funds to areas of the State that demonstrate high need. At least 95% of TDHCA-administered HOME funds are used in areas that are not Participating Jurisdictions (PJs) per statute. This results in more HOME funds in smaller communities than in larger Metropolitan Statistical Areas (MSAs) that receive HOME funds directly from HUD. The current RAF is online at <http://www.tdhca.state.tx.us/housing-center/pubs-plans.htm>.

ESG Addresses Geographic Investments

ESG allocates ESG funds to each CoC region based on an allocation formula. This formula includes factors such as homeless population, people living in poverty, cost burden of renters, point in time counts and ESG funds available from federal and state sources.

HOPWA Addresses Geographic Investments

At the end of 2016, there were 86,669 people living with HIV in Texas. The number of Texans living with HIV increases each year and in order to meet the needs of low-income PLWH in Texas, many of whom live

in areas of minority concentration, the HOPWA funding allocations are geographically distributed across the State and are allocated based on several factors, including unmet need.

Six cities in Texas have a population of over 500,000 (Austin, Dallas, Fort Worth, El Paso, Houston, and San Antonio) in MSAs funded directly from HUD for HOPWA. The Texas HOPWA program can operate in any area of the State, but mostly serves counties not covered under the MSAs' jurisdictions, with some overlap of counties between the State and the MSAs. As a result, Texas HOPWA covers all of the rural areas of the State, where many low-income HOPWA clients reside, and funding prioritization is based on areas with greater unmet need for PLWH.

CDBG Addresses Geographic Investments

Texas CDBG Funds for projects under the CD Fund are allocated by formula to 24 regions based on the methodology that HUD uses to allocate CDBG funds to the non-entitlement state programs (21.71% of annual allocation), along with a state formula based on poverty and unemployment (40% of annual allocation). 12.5% of the annual allocation is allocated to projects under the Colonia Fund categories, which must be expended within 150 miles of the Texas-Mexico border.

For the Colonia SHCs, state legislative mandate designates five centers along the Texas-Mexico border in Cameron/Willacy, Hidalgo, Starr, Webb, and El Paso counties to address the long history of poverty and lack of institutional resources. In 2001, TDHCA added two additional Colonia SHCs in Maverick and Val Verde counties. These seven counties collectively have approximately 40,180 colonia residents who may qualify to access center services.

NHTF Geographic Investments description is added to Discussion section text below.

Discussion

Many of the Target Areas available in the Integrated Disbursement and Information System (IDIS), HUD's electronic system in which this Plan has been entered, were too detailed for use at the macro-level; therefore, the State entered the "State of Texas" as a Target Area in Strategic Plan Section 10. Within Texas, each program relies on a formula to distribute funds geographically.

NHTF Geographic Priorities

The Texas NHTF will distribute NHTF funds through a competitive NOFA process. The funds will initially be available geographically, based on the proportion of Extremely Low Income Renter households to the total population of Renter Households in each of thirteen State Service Regions. A minimum will be calculated for each region as a ratio of the available allocation divided by thirteen, and available

competitively within each region prior to collapse into a statewide competition.

NHTF Addresses Geographic Investments

NHTF funds are allocated geographically using a Regional Allocation Formula, as described in Strategic Plan Section 10. Acknowledging that all regions of the State have a need to create housing for ELI households, the formula provides opportunity for access to NHTF. This process directs funds to areas of the State that demonstrate high need.

Affordable Housing

AP-55 Affordable Housing – 24 CFR 91.320(g)

Introduction:

Affordable Housing goals for PY 2019 are indicated in the table below for the number of homeless, non-homeless, and special needs households, and for the number of affordable housing units that will be provided by program type, including rental assistance, production of new units, rehabilitation of existing units, utility connections for existing units, or acquisition of existing units. Note that goals entered for ESG are only for Rapid Re-housing. The HOME goals include multifamily and single family activities.

One Year Goals for the Number of Households to be Supported	
Homeless	918
Non-Homeless	571
Special-Needs	799
Total	2,288

Table 11 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	1,884
The Production of New Units	197
Rehab of Existing Units	157
Acquisition of Existing Units	15
Total	2,253

Table 12 - One Year Goals for Affordable Housing by Support Type

Discussion:

The one year goals for TDHCA's HOME Program include homebuyer assistance with possible rehabilitation for accessibility, TBRA, homeowner rehabilitation assistance, rehabilitation of multifamily units, and construction of single-family and multifamily units.

The one year goals for TDHCA's NHTF program include construction of new multifamily units.

TDHCA's ESG Program provides Rapid Re-housing assistance to help homeless individuals and households quickly regain stability in housing. Homelessness Prevention and Emergency Shelter outcome indicators are counted as persons, not households, so is not added into the chart above. ESG also provides street outreach, but as this does not directly equate to affordable housing, it is not counted above.

DSHS' HOPWA Program provides TBRA, STRMU, Facility-Based Housing Subsidy Assistance, PHP,

Supportive Services, and Housing Information Services to assist low-income HIV-positive clients and their households to establish or maintain affordable, stable housing, reduce the risk of homelessness, and improve access to health care and other services. HOPWA serves households with 80% or less of area median income, but a majority of Texas HOPWA households are under 30% AMI and lack of affordable housing is an ongoing issue. DSHS estimates that the HOPWA program will assist 1,116 unduplicated, income-eligible households with housing subsidy assistance.

Currently, Texas CDBG funds primarily support affordable housing through water and sewer infrastructure for housing. The CDBG funding provides a cost savings for housing when used to install water and sewer yard lines and pay impact and connection fees for qualifying residents. Housing rehabilitation projects are prioritized in several fund categories. CDBG funds also help communities study affordable housing conditions, providing data on affordable housing stock and planning tools for expanding affordable housing. CDBG provides approximately 250 utility connections per year, which are not reflected in the chart above, but could prove essential to obtaining or maintaining housing.

Colonia residents are considered “Special Needs” households who are supported through the production, rehab or acquisition of units. The Colonia SHCs continue to address affordable housing needs in border counties by assisting qualifying colonia residents to improve or maintain a safe home in suitable areas, with the contribution of the residents’ sweat-equity which is required in all housing activities at the SHC. In addition, the Colonia SHCs provide other development opportunities that support the creation of affordable housing for beneficiaries, such as tool lending and training in home construction and repair, financial literacy, and homeownership skills.

AP-60 Public Housing - 24 CFR 91.320(j)

Introduction:

TDHCA believes that the future success of PHAs will center on ingenuity in program design, emphasis on resident participation towards economic self-sufficiency, and partnerships with other organizations to address the needs of this population. While TDHCA does not have any direct or indirect jurisdiction over the management or operations of PHAs, it is important to maintain a relationship with these service providers.

Actions planned during the next year to address the needs to public housing

TDHCA, acting as a small PHA itself, works with other PHAs around the State to port vouchers when necessary. This is especially true for Project Access, a TDHCA program that uses Section 8 HCV vouchers to serve people with disabilities living in certain institutions by transitioning them into residences in the community, described fully in Action Plan Section 65. For the Project Access Program, an applicant is

issued a voucher from TDHCA. To port the voucher, TDHCA works with the Receiving Public Housing Authority (RPHA) to transfer the documents and the voucher. The voucher holder is briefed and given an introduction on the RPHAs program rules. At this time, the RPHA can decide to absorb the voucher or bill the Initial PHA (IPHA). If the RPHA absorbs the voucher, the RPHA will send notice to the IPHA for documentation. This allows TDHCA to use another HCV for another applicant on the Project Access waiting list. If the RPHA bills the IPHA, the RPHA is required to submit a billing notice within an allotted time to the IPHA so payment can be received. In this way, TDHCA and local PHAs work closely together.

HOME/NHTF Addresses PHA Needs

TDHCA provides notices of funding availability under the HOME Program to interested parties around the State, including PHAs. Furthermore, staff of PHAs, especially those receiving HOME funds and those with Section 8 Homeownership programs, are targeted by TDHCA's Texas Statewide Homebuyer Education Program for training to provide homebuyer education opportunities and self-sufficiency tools for PHA residents. In addition, PHAs may also administer HOME TBRA funds, for either on-going rental assistance or as a stand-alone program which provides security deposits with TBRA funds, enabling them to provide households with rental assistance and services to increase self-sufficiency.

Regarding HOME/NHTF Multifamily Development that is also financed with the HTC Program, PHAs are incentivized in the QAP to either provide leverage in developments that they own or to provide financing as evidence of support from Local Political Subdivisions for developments which they do not own.

ESG Addresses PHA Needs

PHA residents are eligible to receive assistance and services from ESG Subrecipients, as long as the assistance does not violate 24 CFR §576.105(d) of HUD's ESG rules regarding use of funds with other subsidies. Fostering public housing resident initiatives is not an initiative for which TDHCA provides funding or that TDHCA tracks for the ESG Program.

HOPWA Addresses PHA Needs

The HOPWA program administered by DSHS does not provide public housing assistance. However, Project Sponsors coordinate closely with local housing authorities for client referrals and to address local housing issues. HOPWA clients who move into public housing are no longer eligible to receive HOPWA housing subsidy assistance but are offered HOPWA Supportive Services as needed for transition and if eligible, may continue to receive services through the Ryan White/State Services program.

CDBG Addresses PHA Needs

The Texas CDBG Program serves public housing areas through various funding categories as residents of PHAs qualify as low- to moderate-income beneficiaries for CDBG projects.

CDBG grant recipients must also comply with local Section 3 policies, including outreach to public housing residents and other qualified Section 3 persons in any new employment, training, or contracting

opportunities created during the expenditure of CDBG funding.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

HOME, ESG, HOPWA, NHTF, and CDBG are subject to 24 CFR Part 135 which requires that HUD funds invested in housing and community development construction contribute to employment opportunities for low-income persons living in or near the HUD-funded project. These requirements, called Section 3 requirements, are covered at trainings for Subrecipients; persons who may benefit from employment opportunities include PHA residents.

HOME Addresses Public Housing Resident Initiatives

PHAs are eligible to apply to administer HOME funds to provide homebuyer assistance in their areas. PHAs also provide services to increase self-sufficiency, which may include homebuyer counseling services. In addition, TDHCA targets its Texas Statewide Homebuyer Education Program to PHAs, among other groups, which provide homebuyer education training opportunities and self-sufficiency tools for PHA residents.

ESG Addresses Public Housing Resident Initiatives

PHA residents are eligible to receive assistance and services from ESG Subrecipients, as long as the assistance does not violate Section 576.105(d) of the ESG rules regarding use of funds with other subsidies.

HOPWA Addresses Public Housing Resident Initiatives

The HOPWA program administered by DSHS does not provide public housing assistance. However, Project Sponsors coordinate closely with local PHAs for client referrals and to address local housing issues.

CDBG Addresses Public Housing Resident Initiatives

The CDBG Program serves public housing areas through various funding categories as residents of PHAs qualify as low- to moderate-income beneficiaries for CDBG projects.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

TDHCA has worked to promote programs that will rehabilitate and bring substandard housing into compliant condition and will develop additional affordable housing units. For example, most of the PHA applications for HTCs are for rehabilitation and the applications for new construction usually include a demolition of the existing units. TDHCA also offers a variety of funding sources for assistance. Most PHAs that apply are usually from larger Metropolitan Statistical Areas which are usually PJs and, as such, are limited by state law in the HOME funding they may receive through TDHCA. Consistent with fair housing objectives, TDHCA seeks ways to accomplish these activities in a manner that disperses the placement of

PHA units including dispersion into areas of greater opportunity and not into areas that involve unacceptable site and area features.

TDHCA has a history of assisting troubled housing authorities and has absorbed vouchers from several PHAs that were having difficulties. HUD identified, in two separate instances, public housing authorities that it thought might be well-advised to have its voucher programs absorbed by TDHCA. The Navasota Housing Authority and the Alamo Area Council of Governments (which was operating as a PHA) each contacted TDHCA to discuss the possibility of absorbing their housing choice voucher programs. During a series of meetings with HUD staff and the PHAs, discussion resulted in multiple on-site visits. Ultimately, the Navasota Housing Authority and the Alamo Area Council of Governments transferred their voucher programs to TDHCA and HUD reassigned the files' PHA codes.

To expand its work with PHAs, TDHCA has developed a relationship with the Texas Housing Association and the Texas chapter of the National Association of Housing and Redevelopment Officials (NAHRO), which serve the PHAs of Texas. Whenever possible, the State will communicate to PHAs the importance of serving special needs populations.

Discussion:

To address PHA needs, TDHCA has designated PHAs as eligible participants in some of its programs, such as the HTC Program, and HOME Program. PHAs have successfully administered HTC funds to rehabilitate or develop affordable rental housing. The PHA needs to submit an application and be awarded in order to access funding.

There are also federal sources available for PHAs that can be paired with HOME/NHTF. Also through HUDs Rental Assistance Demonstration (RAD) Program, PHAs can use public housing operating subsidies along with HTC Program once the older PHA units are demolished and replaced with new housing.

AP-65 Homeless and Other Special Needs Activities – 91.320(h)

Introduction

TDHCA will address requirements in 24 CFR §91.320 by using funds to reduce and end homelessness. Each ESG Applicant is required to coordinate with the lead agency of the CoC, which provides services and follows a centralized or coordinated assessment process; has written policies and procedures in place as described by 24 CFR §578.7(a)(8) and (9); and follows a written standard to provide street outreach, emergency shelter, rapid re-housing, and homelessness prevention assistance. To assist low-income individuals and families to avoid becoming homeless, TDHCA requires each ESG Subrecipient to set performance targets that are part of its scoring criteria for the NOFA. A Subrecipient must address the

housing and supportive service needs of individuals assisted with ESG funds in a plan to move the client toward housing stability.

ESG is one of several programs that work to help transition persons out of institutions, such as the HOPWA Program, Section 811 PRA Program, Project Access Program, Money Follows the Person Program, and the Mainstream Voucher Program. The HHSCC also works to enhance coordination between housing and service agencies to assist persons transitioning from institutions into community-based settings.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The Texas ESG Program provides funds to service providers for outreach to unsheltered homeless persons in order to connect them to emergency shelter, housing, or critical services; and to provide urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or other appropriate facilities. Of critical importance is assisting the unsheltered homeless with emergency shelter or other placement. Subrecipients serving clients through street outreach will be measured against their targets to help persons experiencing homelessness move into temporary, transitional or permanent housing. Subrecipients conducting street outreach may provide case management, such as assessing housing and service needs; arranging, coordinating, and monitoring the delivery of services; and planning a path to permanent housing stability.

ESG Subrecipients are required to describe how they provide outreach to sheltered and unsheltered homeless persons in the ESG application.

For clients receiving emergency shelter, rapid re-housing, or homelessness prevention, clients will be required to receive case management services with exceptions pursuant to the VAWA and the Family Violence Prevention and Services Act (FVPSA). Subrecipients are required to develop a plan to assist program participants to retain permanent housing after the ESG assistance ends.

Addressing the emergency shelter and transitional housing needs of homeless persons

The ESG Program provides support to organizations that provide emergency services and shelter to homeless persons and households.

If assisting persons experiencing homelessness that are in an emergency shelter, Subrecipients will be measured against their annual targets serve clients with essential services and to help persons experiencing homelessness move into temporary, transitional or permanent housing. If assisting persons

with rapid re-housing or homelessness prevention, Subrecipients will be measured against their annual targets to help persons experiencing or at-risk of homelessness maintain housing for 3 months or more, exit to a permanent housing destination, or gain a higher income.

In addition, the State considers transitional housing as having characteristics associated with instability and an increased risk of homelessness, which may allow clients living in transitional housing to access Homelessness Prevention services.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

Per 24 CFR 576.106, ESG funds can be used for short-term and medium-term rental assistance (24 CFR 576.106) and for a variety of housing relocation and stabilization services such as rental application fees, security deposits, utility deposits, utility payments, and moving costs for homeless individuals or persons at risk of homelessness (24 CFR 576.106). Funds can also be used for housing service costs related to housing search and placement, housing stability case management, mediation, legal services, and credit repair. ESG funds can also be used to pay for essential service costs including case management, child care, education services, employment assistance and job training, outpatient health services, legal services, life skills training, mental health services, substance abuse treatment services, transportation, and costs related to serving special populations. It should be noted that, while the assistance listed above are eligible under ESG, an ESG Subrecipient may choose to not provide all the assistance listed. ESG Subrecipients specify in their written standards which services they will provide.

Subrecipients that request an award of funds must set targets within their application for funding intended to reduce the length of time from program intake to placement in permanent housing for persons experiencing homelessness, as well as targets for the percentage of persons served that maintain housing for three or more months after existing the program. These targets will be scored, and will be a factor in funding decisions.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services,

employment, education, or youth needs

ESG funds promote coordination with community providers and integration with mainstream services to gather available resources. One possible performance measure for Subrecipients is their ability to help increase non-cash benefits for program participants; the Subrecipients help program participants obtain non-ESG resources, such as veterans benefits or food stamps.

Individuals eligible for the State's HOPWA Program who are exiting from an institution receive a comprehensive housing plan and linkage and referrals to health professionals from a case manager. The State HOPWA Program provides TBRA, which can be used to transition persons from institutions into stable housing. Some project sponsors also provide rental deposits and application fees. Other programs included in this Plan also provide Facility-Based Housing Subsidy Assistance to address the temporary housing assistance needs of persons transitioning from institutions.

TDHCA has received awards totaling more than \$24 million for the Section 811 PRA Program, which will provide more than 600 new integrated supportive housing units in eight areas of the state for extremely low-income individuals with disabilities and their families. The target population includes individuals transitioning out of institutions, people with severe mental illness, and youth and young adults with disabilities transitioning out of the state's foster care system. Individuals in the Section 811 PRA Target Population are eligible for assistance from the Texas Health and Human Services agencies, are Medicaid-eligible, and could be at-risk of housing instability and/or homelessness.

Coordination between housing and the Health and Human Services (HHS) agencies is exemplified by the Project Access and Money Follows the Person programs. Project Access uses Section 8 Housing Choice Vouchers administered by TDHCA to assist low-income persons with disabilities transitioning from nursing homes and Intermediate Care Facilities (ICFs) to the community while using the Money Follows the Person Program to provide services by HHS agencies. The TDHCA Governing Board has approved changes to Project Access since it began in 2002 based on input from advocates and the HHS agencies including incremental increases to vouchers from 35 to 140 and creation of a pilot program with DSHS for persons with disabilities transitioning out of State Psychiatric Hospitals. In September 2018, TDHCA received an additional 50 vouchers, awarded by HUD through the Mainstream Voucher Program, for the Project Access program.

TDHCA offers TBRA to individuals on the Project Access Wait List, allowing them to live in the community until they can utilize a Project Access voucher. TDHCA conducted outreach and technical assistance to Texas Health and Human Services (HHS) Relocation Specialists and HOME TBRA administrators to help them serve individuals on the Project Access wait list.

To further address the needs of individuals transitioning from institutions, HHSCC seeks to increase coordination of housing and health services by supporting agencies to pursue funding, such as Relocation

Contractor services for people with behavioral health challenges and Intellectual and Developmental Disabilities; Medicaid waiver programs; vouchers from PHAs for people with disabilities and aging Texans; housing resources from the Texas Department of Criminal Justice for people with criminal histories transitioning to the community; and DSHS’ rental assistance program. HHSCC also encourages the coordination between TDHCA and DSHS for DSHS’ new Home and Community-Based Services: Adult Mental Health Program. This program will serve individuals with Serious Mental Illness who have long-term or multiple stays in the State’s Mental Health Facilities.

Discussion

The Texas ESG Program is designed to assist, assess and, where possible, shelter the unsheltered homeless; to quickly re-house persons who have become homeless and provide support to help them maintain housing; and to provide support that helps persons at risk of becoming homeless maintain their current housing. Other special needs populations are described in Action Plan Section 25.

AP-70 HOPWA Goals – 91.320(k)(4)

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	541
Tenant-based rental assistance	706
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	93
Total	1,340

AP-75 Barriers to affordable housing – 91.320(i)

Introduction:

The Analysis of Impediments (AI) identifies impediments to fair housing choice in the State of Texas and action steps that the State intends to take to address identified impediments. The State of Texas is currently operating under the 2013 Phase 2 AI and anticipates completing the 2019 AI by Summer 2019. The 2013 AI describes state and local regulatory and land use barriers in detail and may be accessed at <https://www.tdhca.state.tx.us/fair-housing/policy-guidance.htm>. Information on the development of the 2019 AI is available at <https://www.tdhca.state.tx.us/fair-housing/analysis-impediments.htm>.

TDHCA staff utilizes a database to track agency goals, efforts, and progress made under the AI. The Fair Housing Tracking database provides the Department with an ability to pull basic metrics and provide

reports by AI Goals, Impediments, Action Items, and other meaningful search criteria. This assists the state in identifying areas of improvement and success under its HUD related obligation to affirmatively further fair housing choice. The content of the database is maintained on an ongoing basis with quarterly reports shared with TDHCA's governing board.

The 2013 AI included several suggestions on countering negative effects in two areas – land use and zoning and attitudes referred to as “Not-In-My-Backyard” (NIMBYism). In order to avoid the difficulty, expense, and uncertainty that NIMBYism can engender, developers often focus on areas where their proposed developments are less likely to meet with such resistance. Changes in the scoring of the State's HTC Program provide incentives to develop in opportunity areas. Opportunity areas include places with lower poverty rates, higher income areas, and a menu of other community amenities such as access to public transportation, parks, libraries, grocery stores, and recreational facilities.

To assist the State in gathering data on how development patterns can be impacted by NIMBYism sentiments and to help the State in countering NIMBY messaging, TDHCA periodically outsources with universities and private consulting firms for studies, market analyses, and special projects. Guidance and resources to support affordable housing are provided through TDHCA's Fair Housing website, along with the Fair Housing listserv and community events calendar

TDHCA and the Texas Workforce Commission Civil Rights Division (TWC CRD) annually collaborate on a Fair Housing webinar series. The series includes training sessions providing general fair housing information and specific sessions on HUD's guidance, how to respond to reasonable accommodation requests, and best practices in fair housing. The webinars are available for free 24/7 on TDHCA's website at: <https://www.tdhca.state.tx.us/fair-housing/presentations.htm>. In addition, effective April 2017, all TDHCA staff will complete a fair housing training module biennially. The HUD-approved training is provided online through TWC CRD.

For CDBG and HOPWA, see additional information in AP-80.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

TDHCA reviews all guiding documents, rules, and practices internally to determine if known barriers or impediments to fair housing choice can be addressed through actions within TDHCA's power. The Department's Fair Housing, Data Management, and Reporting group continues ongoing interviews with Division Directors to work collaboratively on tools, rules, and other initiatives to address possible barriers to housing choice. TDHCA has been making and will continue to make a concerted effort to review and

move forward to increase staff and subrecipient education to ensure that all programs are providing best practices guidance to recipients and the general public.

The State is currently conducting the AI to Fair Housing Choice. The AI analyzes possible barriers to fair housing choice for protected classes in Texas. This review includes reviewing statewide rules, regulations, and policies that affect housing options for persons in protected classes. The AI is required for recipients of certain grant funds from HUD, including states and local governments, with actions undertaken as part of their obligation to affirmatively further fair housing (AFFH) under the Fair Housing Act. The AI is conducted prior to beginning the five-year Consolidated Plan for 2020-2024. This process is conducted under the final Affirmatively Furthering Fair Housing Rule (AFFH) adopted on August 17, 2015. AFFH requires that Units of Government take “meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics.” The state AFH tool is not currently available, therefore under 24 CFR §5.160(a)(3)(2017) the State shall continue to conduct an analysis of impediments in accordance with requirements in effect prior to August 17, 2015.

Discussion:

Effective August 24, 2017, the Department promulgated a Fair Housing, Affirmative Marketing and Reasonable Accommodations rule under the single family programs umbrella rule. The rule requires administrators to have an affirmative marketing plan which identifies the least likely to apply populations and methods of affirmative marketing. The rule requires administrators to accept applications for a 30 day period and select applications via a neutral, random selection process. This selection process helps to level the playing field and provide equal access for all households, regardless of disability status or language proficiency. Also included in the rule are specific provisions related to Limited English Proficiency to provide meaningful access and an equal opportunity to participate in services, activities, programs, and other benefits.

A current collaboration between federal funding recipients known as the Texas State Fair Housing Workgroup began in May 2014, and continues to meet. This workgroup is assisting State agencies in adopting a coordinated approach to Fair Housing issues and providing streamlined direction to essential Fair Housing information and best practices. To date, the workgroup has looked at sharing language assistance contracts, has generated ideas on streamlining Fair Housing discrimination complaint information and resources, has collaborated on Fair Housing month activities, and has served as a vehicle for comparing internal Fair Housing tracking and record keeping measures.

The Fair Housing Team at TDHCA has taken a leadership role in these meetings as directed under the 2013 Analysis of Impediments; the Fair Housing Team has shared both its Fair Housing Tracking Database and its Fair Housing website section. The Fair Housing Team has shared its demographic database, which is being created with the long-range goal of standardizing demographics collected in each TDHCA program

area and analyzing these demographics to identify trends; make policy recommendations; and map service areas.

The Fair Housing Team has over 250 action steps tracked in TDHCA's Fair Housing Tracking Database in various stages of research, planning, and implementation to affirmatively further fair housing.

Finally, the State has a Fair Housing website section, including fair housing information for a variety of audiences (renters and homebuyers, owners and administrators, real estate agents, and local governments and elected officials) and includes fair housing toolkits and resources, links to the Fair Housing email list and community events calendar, and a consumer survey. A portion of the available toolkits are tailored to elected officials and local governments in an effort to encourage best practices in zoning and land use and addressing community concerns. Through this education and outreach, the State is hoping to make its best practices guidance widely known and to integrate such guidance with other state resource information.

AP-80 Colonias Actions – 91.320(j)

Introduction

Based on a 2014 assessment by the Texas Office of the Secretary of State's Colonia Initiatives Program, an estimated 500,000 people live in 2,294 colonias in Texas. Six Texas counties (El Paso, Maverick, Webb, Starr, Hidalgo, and Cameron) have the largest population of colonias and are home to an estimated 369,500 people. Texas' colonias lie outside of city limits in the rural areas of their respective counties, where few to no local building codes exist to protect the households that seek affordable and sanitary housing solutions. Egregious housing conditions persist while residents also endure substandard infrastructure, inadequate potable water and waste water systems, and a host of public health, environmental and employment risks.

As discussed in Action Plan Section 48, the majority of the funding that assists colonias is through the CDBG Program, which funds both state agencies working to develop infrastructure and water services, as well as subgrantees at the local government level who work in concert with nonprofit service providers for housing, community affairs, and economic development. The OCI focuses on Texas colonias to offer technical assistance in applying for TDHCA housing programs and accessing other resources. The HOME Program also has a specific set-aside for the development of housing opportunities in the colonias.

Actions planned to address obstacles to meeting underserved needs

The State dedicates 12.5% of CDBG funds annually for colonia areas, and additional funds are also awarded for colonia projects through other competitive fund categories. Basic human needs, including water and sewer infrastructure and housing rehabilitation, are prioritized for colonia set-aside funding,

with a particular emphasis on connecting colonia households to public utilities. Colonia planning funds are available to research and document characteristics and needs for colonia communities.

The Colonia SHCs experience the obstacle of wavering capacity to meet the needs of extremely under resourced colonia residents. The typical challenges that nonprofits face, such as high-turnover, lack of succession planning, lack of long-term funding opportunities, limited access to high quality training, and limited access to continuing education resources, are all exacerbated for subgrantees serving border colonias. In response, TDHCA has strategically placed Border Field Offices along the Texas-Mexico border that support Colonia SHC staff with problem solving and training. The Border Field Offices exist to provide local technical assistance directly to both colonia residents and the organizations that serve colonia residents.

Colonia residents may also receive benefit through the HOME Program, which provides rental assistance, rehabilitation or reconstruction of owner-occupied units with or without refinancing, down payment and closing cost assistance with optional rehabilitation for the acquisition of affordable single family housing, single family and multifamily development, and rental housing preservation of existing affordable or subsidized developments.

Actions the state plans to take to reduce the number of poverty-level families

Colonia set-aside funding is intended to improve the living conditions of low and moderate income families in colonias, including basic human needs. As with all CPD funds, Section 3 goals encourage job, contracting, and training opportunities for qualifying residents when such opportunities become available as a result of grant funding.

The Colonia SHCs provides 35 targeted colonias in seven border counties with a multitude of opportunities to create a one-stop-shop for low-income colonia families to gain a foothold out of poverty. The Colonia SHCs provide housing services in the form of new construction, reconstruction, rehabilitation, small repairs, tool lending, construction skills training and utility connections. Colonia SHC community development activities include homeownership education, access to and training in computers/technology, consumer rights education and financial literacy, and solid waste disposal assistance. While the above listed services are limited only to residents of pre-identified colonias in the Colonia SHC Program, the centers themselves are open to all who wish to use the meeting space for activities beneficial to the community or simply to seek information on locating other services. By creating an accessible and consistent manner for which services and information are disseminated among colonias, more households can become beneficiaries of multiple kinds of assistance that build their self-sufficiency

over time.

Actions the state plans to take to develop the institutional structure

TDHCA and TDA are committed to working with other state and federal regulatory and funding agencies. Agency coordination continues through the Texas Water Infrastructure Coordinating Committee (TWICC). TWICC includes many of the same agencies and addresses concerns throughout the state, including those in colonias. The information sharing within the group facilitates delivery for multiple programs besides affordable housing, and proactively addresses potential obstacles that could affect large areas of the state, including the Texas–Mexico border.

The state legislature has also set aside a portion of the CDBG administration funding for technical assistance and administrative support provided by the regional Councils of Government (COGs). This funding can provide institutional structure and assistance to small communities without administrative resources.

Specific actions the state plans to take to enhance coordination between public and private house and social service agencies

In addition to the cooperation among various state agencies that help to support and develop colonias, TDHCA has three strategically-placed Border Field Offices along the Texas-Mexico border, where the vast majority of colonias are situated. The Border Field Officers support administrators, disseminate funding information, and problem solve with administrators and colonia residents. This requires facilitating communication with other service providers, the private sector (such as colonia land owners, title companies, lenders), and other government agencies. Locally placed Border Field Officers increase the efficiency with which TDHCA can apply solutions and build institutional knowledge in the community.

In addition, TDA field representatives are available to provide general information on potential resources to communities and residents.

AP-85 Other Actions – 91.320(j)

Introduction:

The actions listed below are Other Actions taken by TDHCA, TDA, and DSHS to meet the requirements of 24 CFR §91.320(j). Other Actions include Meeting Underserved Needs, Fostering and Maintaining Affordable Housing, Lead-Based Paint Hazard Mitigation, Reducing Poverty-Level Households, Developing Institutional Structure, and Coordination of Housing and Services. The HOME, NHTF, ESG, HOPWA, and

CDBG programs address the other actions in concert with other federal, state, and local sources.

Actions planned to address obstacles to meeting underserved needs

HOME/NHTF

Obstacles to meeting underserved needs with HOME or NHTF funds, particularly multifamily activities, include NIMBYism, a lack of understanding of federal requirements surrounding the use of HOME funds, and staff observation that program administrators may have more strict tenant or household selection criteria than other locally-run programs. TDHCA works to overcome these obstacles by educating developers and the communities where affordable housing is being proposed, as well as by offering HOME/NHTF funds as grants or low-interest loans, with rates as low as 0%.

ESG

Lack of facilities and services for persons experiencing homelessness in rural areas is ESG's greatest underserved need. TDHCA has included a provision in the ESG funding allocation formula to include a minimum amount of \$100,000 per ESG CoC region, which includes underserved areas of the State that have not received ESG funds from TDHCA in several funding cycles. The minimum amount of funding in prior funding cycles has been an effort to encourage greater participation in these areas. TDHCA intends to propose that ESG Subrecipients will serve previously underserved areas may be prioritized for awards of funding. In addition, TDHCA has used Community Services Block Grant discretionary funds to provide training and technical support to organizations in the Balance of State CoC. Shelters in the Balance of State CoC have limited funds for operations and maintenance, with little access to federal funds which often require substantial organizational capacity less common in smaller organizations. ESG and TDHCA's HHSP, which is state-funded only in some urban areas, and, in the future, the state's Ending Homelessness Fund, may supplement federal funds in operational support.

HOPWA

Some significant obstacles to addressing underserved needs for PLWH are the inability to obtain or maintain medical insurance, maintain income, and especially obtain employment, which are partially due to limited opportunities in conjunction with rising costs of living (rent, deposits, utilities, food, transportation, etc.), unemployment, lack of access to health insurance and/or decreased access to other affordable housing such as the HCV program. The inability to access HCVs is due to long or closed waiting lists, and in some cases, client non-compliance and ineligibility.

DSHS' HOPWA program helps meet the needs of this underserved population throughout the State by providing essential housing and utilities assistance as part of a comprehensive medical and supportive services system. As a result, PLWH and their households are able to maintain safe and affordable housing, reduce their risk of homelessness, and access medical care and supportive services. DSHS will reallocate funding to address changing needs to maximize and target HOPWA funding to HSDAs that are in greatest

need.

CDBG

TDA encourages projects addressing underserved community development needs. In PY 2019 CDBG funds will be available through five different grant categories to provide water or sewer services on private property for low- and moderate-income households by installing yard lines and paying impact and connection fees. Regional competition for funding allows each area of the state to determine its highest priority needs, which may vary from first-time water service to drought relief to “drainage” projects.

Since the first legislative reforms in the 1990s, service providers in colonias have made gains in their capacity to address colonias’ issues, but unmet needs still exist and the Texas-Mexico border population growth is still increasing. OCI's main obstacle in addressing colonias’ housing needs is the varying capacities of subrecipients to administer assistance. TDHCA has established Border Field Offices along the Texas-Mexico border to readily provide technical assistance and on-going training to organizations and local governments that use TDHCA's CDBG funding.

Actions planned to foster and maintain affordable housing

HOME Addresses Affordable Housing

The HOME Program provides grants, deferred forgivable loans, and repayable loans to households or developments assisted by or through entities including units of local government, public organizations, nonprofit and for-profit organizations, CHDOs and PHAs. These funds are used to foster and maintain affordable housing by providing rental assistance, rehabilitation or reconstruction of owner-occupied housing units with or without refinancing, down payment and closing cost assistance with optional rehabilitation for the acquisition of affordable single family housing, single family development and funding for rental housing preservation of existing affordable or subsidized developments. HOME funds may also be used in conjunction with the HTC Program or Bond Program to construct or rehabilitate affordable rental housing.

ESG Addresses Affordable Housing

TDHCA’s ESG Subrecipients have a relatively even distribution among street outreach and emergency shelter compared to homelessness prevention and rapid re-housing. However, fostering the creation or maintenance of affordable housing is not an initiative TDHCA provides funding for or monitors in relation to the ESG Program.

HOPWA Addresses Affordable Housing

The cost of living continues to rise while clients may have no income or their income does not change or decreases. HOPWA makes housing more affordable for low-income clients so they can maintain housing, adhere to medical treatment, and work towards healthier outcomes. Project Sponsors address long-term goals with clients to help them establish a financial plan that can assist them in maintaining their housing.

Affordable housing needs are high among PLWH. DSHS will continue to update funding allocations to address the changing needs of local communities and maximize and target HOPWA funding to HSDAs in greatest need. DSHS will consider a variety of factors including HIV/AIDS morbidity, poverty level, housing costs and needs, and program waitlists and expenditures. Funds are reallocated between HOPWA activities within HSDAs to meet changing needs during the project year.

CDBG Addresses Affordable Housing

CDBG funds primarily support affordable housing through water and sewer infrastructure for housing. The CDBG funding provides a cost savings for housing when used to install water and sewer yard lines and pay impact and connection fees for eligible residents. Housing rehabilitation projects are prioritized in several fund categories and TDA encourages each region to set aside a percentage of their allocation for housing rehabilitation projects. CDBG helps communities study affordable housing conditions, providing data on affordable housing stock and planning tools for expanding affordable housing. The Colonia SHCs continue to address affordable housing needs in border counties by assisting qualifying colonia residents to improve or maintain a safe, suitable home in suitable areas. The OCI serves as a liaison to the Colonia SHCs to assist with securing funding and carrying out activities such as low-interest mortgages, grants for self-help programs, revolving loan funds for septic tanks, and tool lending.

NHTF Addresses Affordable Housing

NHTF funds are provided to developments assisted by or through entities including public organizations, nonprofit and for-profit organizations, and PHAs. These funds are primarily used to foster and maintain affordable housing by providing funding for preservation of existing affordable developments or construction of new affordable developments.

Credits awarded through the HTC program can be layered with awarded funds from the NHTF program and/or the HOME Multifamily Direct Loan program. When more than one source of funds is used in an affordable housing project, the State is able to provide more units of affordable housing than with one funding source alone.

Actions planned to reduce lead-based paint hazards

HOME Addresses Lead-based Paint

The HOME Program requires lead screening in housing built before 1978 for all HOME eligible activities in accordance with 24 CFR §92.355 and 24 CFR Part 35, subparts A, B, J, K, M, and R. Furthermore, single-family and multifamily development activities in HOME increase the access to lead-based-paint-free housing through the construction of new housing or reconstruction of an existing housing unit. There is significant training, technical assistance, and oversight of this requirement on each activity funded under

the HOME Program.

ESG Addresses Lead-based Paint

For ESG, TDHCA requires Subrecipients to evaluate and reduce lead-based paint hazards as part of its habitability review. ESG-funded Subrecipients must determine if a housing unit was built prior to 1978, for households seeking ESG funded rent or rent deposit assistance whose household has a family member(s) six year of age or younger. If the housing unit is built prior to 1978, the ESG Subrecipient will notify the household of the hazards of lead-based paint. In addition, ESG Subrecipients utilizing ESG funds for renovation, rehabilitation or conversion must comply with the Lead-Based Paint Poisoning and Prevention Act and the Residential Lead-Based Paint Hazard Reduction Act of 1992. Through renovation, rehabilitation or conversion, ESG increases access to shelter without lead-based paint hazards. TDHCA evaluates, tracks, and reduces lead-based hazards for conversion, renovation, leasing or rehabilitation projects.

HOPWA Addresses Lead-Based Paint

HUD requires that Project Sponsors give all HOPWA clients utilizing homes built before 1978 the pamphlet entitled, "Protect Your Family from Lead in Your Home" during the intake process. The client's case record must include documentation that a copy of the pamphlet was given to the client and the case manager must make a certification regarding lead-based paint that includes actions and remedies if a child under age six or a pregnant woman will reside at the property.

CDBG Addresses Lead-Based Paint

Lead-based paint mitigation is an activity eligible under housing rehabilitation that is funded under the CPF, CFC, and Community Development Funds. Each contract awarded requires the sub-grantee to conform to Section 302 of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4831(b)) and procedures established by TDA's CDBG in response to the Act.

NHTF Addresses Lead-based Paint

The NHTF Program will not fund rehabilitation activities with PY 2019 funds; therefore, this section is not applicable.

Actions planned to reduce the number of poverty-level families

HOME Addresses Poverty-Level Households

Through the HOME TBRA Program, TDHCA assists households with rental subsidy, security deposits, and utility deposit assistance for an initial term not to exceed 24 months. Provision of security deposits may be offered as a stand-alone program. As a condition to receiving rental assistance, households must participate in a self-sufficiency program, which can include job training, General Education Development (GED) classes, or drug dependency classes. The HOME Program enables households to receive rental assistance while participating in programs that will enable them to improve employment options and

increase their economic independence and self-sufficiency. Additionally, TDHCA allocates funding toward the rehabilitation and construction of affordable housing, incentivizing units to assist very low-income households, and assists very low-income households within 150 miles of the international border of Texas and Mexico by promoting the conversion of contract for deed arrangements to traditional mortgages.

ESG Addresses Poverty-Level Households

The ESG Program funds activities that provide shelter and essential services for persons experiencing homelessness, as well as intervention services for persons threatened with homelessness. Essential services for persons experiencing homelessness can include medical and psychological counseling, employment counseling, substance abuse treatment, transportation, and other services. While TDHCA supports the use of ESG funds to help ESG clients lift themselves above the poverty line, it is not a specific initiative for which TDHCA earmarks ESG funding or that TDHCA monitors for the ESG Program.

For individuals threatened with homelessness, homelessness prevention funds can be used for short-term subsidies to defray rent and utility arrearages, and security deposits.

HOPWA Addresses Poverty-Level Households

The DSHS HOPWA Program serves households in which at least one person is living with HIV based on income eligibility criteria of no more than 80% of AMI with adjustments household size, as determined by HUD income limits. With varying poverty levels and housing needs in each HSDA across the State, funds are allocated and reallocated throughout the program year to maximize and target HOPWA resources to those with the most need. While many HOPWA households assisted may be at poverty-level, this is not a requirement under 24 CFR §574.3.

CDBG Addresses Poverty-Level Households

A substantial majority of TDA's CDBG funds, more than 85%, are awarded to principally benefit low and moderate income persons. In addition, the formula used to distribute CD funds among regions includes a variable for poverty to target funding to the greatest need. CDBG economic development funds create and retain jobs through assistance to businesses. LMI persons access these jobs, which may include training, fringe benefits, opportunities for promotion, and services such as child care.

NHTF Addresses Poverty-Level Households

NHTF allocates funding toward the construction of affordable housing restricted to serve ELI households with affordable rents. These affordable units will allow households to have greater housing security and stability, and will ameliorate some of the negative impacts of living in poverty through provision of decent, safe, and affordable housing.

Actions planned to develop institutional structure

HOME Addresses Institutional Structure

The HOME Program encourages partnerships in order to improve the provision of affordable housing.

Organizations receiving Homebuyer Assistance funds are required to provide homebuyer education classes to households directly, or coordinate with a local organization that will provide the education. In addition, organizations administering an ongoing rental assistance program with TBRA funds must provide self-sufficiency services directly, or coordinate with a local organization that will provide the services. Finally, partnerships with CHDOs and nonprofit and private-sector organizations facilitate the development of quality rental housing developments and assist in the rehabilitation or reconstruction of owner-occupied housing.

ESG Addresses Institutional Structure

TDHCA encourages ESG Subrecipients to coordinate services with housing and other service agencies. TDHCA may allow applicants for ESG funds to obtain a higher score, and therefore receive funding priority, when the application is recommended for funding by the CoC lead agency. Additionally, CoCs may select a lead agency to administer a funding competition within their respective CoC, allowing local organizations to determine the best use of ESG funds within their communities. All CoCs, regardless of whether they choose to administer a local competition, are required to coordinate services within their CoC region allowing greater visibility of and access to services to assisted persons.

HOPWA Addresses Institutional Structure

DSHS contracts with seven AAs, which contract directly with Project Sponsors serving all 26 HSDAs in the State to administer the HOPWA program under DSHS oversight. AAs also administer the delivery of other HIV health and social services, including the Ryan White and State Services HIV funds. This structure ensures the coordination of all agencies serving PLWH, avoids duplication, saves dollars, and provides the comprehensive supportive services for PLWH in each local community.

CDBG Addresses Institutional Structure

Each CDBG applicant must invite local housing organizations to provide input into the project selection process. TDA coordinates with state and federal agencies, regional Councils of Governments, and other partners to further its mission in community and economic development. TDA also uses conference calls and webinars to provide training and technical assistance throughout the state. On-site project reviews may be conducted based on risk and other factors.

NHTF Addresses Institutional Structure

The NHTF Program encourages partnerships in order to improve the provision of affordable housing. Partnerships with nonprofit and private-sector organizations facilitate the development of quality rental housing developments. Development owners are required to provide tenant services to address the needs of ELI households living in the development.

Actions planned to enhance coordination between public and private housing and social

service agencies

TDHCA has staff members that participate in several State advisory workgroups and committees. The workgroups and committees that TDHCA leads are listed in Action Plan Section 15. The groups in which TDHCA participates include, but are not limited to the Community Resource Coordination Groups, led by the Health and Human Services Commission (HHSC); the Statewide Behavioral Health Coordinating Council, led by HHSC; Reentry Task Force, led by Texas Department of Criminal Justice; Money Follows the Person Demonstration Project, led by HHSC; and Texas State Independent Living Council, led by HHSC.

TDHCA's participation in HUD's Section 811 PRA Program requires linkages between housing and services through a partnership with TDHCA, and the State Medicaid Agency (i.e., HHSC). Because the program is designed so that an individual can access both affordable housing and services in the community, TDHCA staff and HHSC staff meet regularly to ensure both housing and services are coordinated for the program. TDHCA and HHSC have responsibilities to execute the program. TDHCA will use units for the program in multifamily housing financed by TDHCA and the services will be provided by a network of local service providers coordinated by the HHSC enterprise agencies.

The HHSCC is codified in Texas Government Code §2306.1091. The purpose of the Council is to increase state efforts to offer Service-Enriched Housing through increased coordination of housing and health services. The Council seeks to improve interagency understanding and increase the number of staff in state housing and health services agencies that are conversant in both housing and services. Service-Enriched Housing is defined in Title 10 Texas Administrative Code, Part 1, Chapter 1, Subchapter A, §1.11 as: integrated, affordable, and accessible housing that provides residents with the opportunity to receive on-site or off-site health-related and other services and supports that foster independence in living and decision-making for individuals with disabilities and older Texans.

Council members meet quarterly and provide direction to the staff to prepare a Biennial Report of Findings and Recommendations that is submitted to the Legislative Budget Board and the Office of the Governor on August 1 each even numbered year. This Report along with a Biennial Plan is available to the public on the TDHCA website at <http://www.tdhca.state.tx.us/hhsc/biennial-plans.htm>.

Discussion:

In addition to the program actions mentioned above, TDHCA strives to meet underserved needs by closely monitoring affordable housing trends and issues as well as conducting its own research. TDHCA also makes adjustments to address community input gathered through roundtable discussions, web-based discussion forums and public hearings held throughout the State.

To foster and maintain affordable housing, TDHCA, TDA, and DSHS provide funds for nonprofit and for-profit organizations and public organizations to develop and maintain affordable housing. Funding sources

include grants, low-interest loans, housing tax credits, and mortgage loans.

For lead-based paint hazard mitigation, DSHS has been charged with oversight of the Texas Environmental Lead Reduction Rules (TELRR). TELRR cover areas of lead-based paint activities in target housing (housing constructed prior to 1978) and child-occupied facilities, including the training and certification of persons conducting lead inspections, risk assessments, abatements, and project design. For all projects receiving over \$25,000 in federal assistance, contractors need to follow inspections and abatements standards overseen by DSHS. By following these standards, the State is increasing the access to housing without lead-based paint hazards. The adherence to inspection and abatement standards is related to the extent of lead-based paint in that a majority of the housing in need of rehabilitation is likely housing built before 1978.

Furthermore, TDHCA, DSHS, and TDA's programs are aimed at reducing the number of Texans living in poverty, thereby providing a better quality of life for all Texans. The departments provide long-term solutions to the problems facing people in poverty and focus resources to those with the greatest need. Regarding institutional structure, TDHCA, DSHS, and TDA are primarily pass-through funding agencies and distribute federal funds to local entities that in turn provide assistance to households. Because of this, the agencies work with many partners, including consumer groups, community based organizations, neighborhood associations, community development corporations, councils of governments, community housing development organizations, community action agencies, real estate developers, social service providers, local lenders, investor-owned electric utilities, local government, nonprofits, faith-based organizations, property managers, state and local elected officials, and other state and federal agencies. Because the agencies do not fund individuals directly, coordination with outside entities is essential to the success of their programs. By structuring its operations this way, the State shares its risk and commits funds in correlation with local needs, local partners are able to concentrate specifically on their area of expertise and gradually expand to offering a further array of programs.

Finally, to enhance coordination between public and private housing and social service agencies, State agencies chief function is to distribute program funds to local providers that include units of local government, nonprofit and for-profit organizations, community-based organizations, private sector organizations, real estate developers and local lenders. The private housing and social service funds available for priority needs may include loans or grant programs through private banks, for-profit or nonprofit organizations; this source of funding varies from year to year.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

Introduction:

Program specific requirements as referenced in 24 CFR 91.320 (k)(1,2,3) are described below for the CDBG, HOME, and ESG programs.

For the CDBG Program, it is expected that the total amount of program income for PY 2018 and that has not yet been reprogrammed will be \$2,000,000, including \$520,000 program income collected by the state and program income retained by local subgrantees. The amount of CDBG urgent need activities is estimated to be \$3,500,000. The 85% of CDBG funds to benefit persons of low to moderate income includes PY 2015-2018.

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	2,000,000
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	2,000,000

Other CDBG Requirements

1. The amount of urgent need activities	3,000,000
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	85.00%

HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.320(k)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The State is not proposing to use any form of investment in its HOME Program that is not already listed as eligible for investment in 24 CFR §92.205(b).

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in §92.254, is as follows:

If the participating jurisdiction intends to use HOME funds for homebuyers, the guidelines for resale or recapture must be described as required in 24 CFR §92.254(a)(5). Recapture provisions are not applicable for HOME-assisted multifamily rental projects; in the case of default, sale, short sale, and/or foreclosure, the entire HOME investment must be repaid.

TDHCA has elected to utilize the recapture provision under 24 CFR §92.254(a)(5)(ii) as its primary method of recapturing HOME funds under any program the State administers that is subject to this provision. The following methods of recapture would be acceptable to TDHCA and will be identified in the note prior to closing.

A. Recapture the amount of the HOME investment reduced on a pro rata share based on the time the homeowner has owned and occupied the unit measured against the required affordability period.

The amount subject to recapture will be calculated by determining number of complete years that the affordability requirements were met regardless of any additional months, and deducting that number from the number of years in the affordability period. The total HOME subsidy will be divided by the number of years of the affordability period; the result will then be multiplied by the number of years resulting from the calculation above. The calculation would appear as follows:

$(\text{Number of years in affordability period} - \text{Number of complete years affordability was met}) \times (\text{Total HOME subsidy} / \text{Number of years in affordability period}) = \text{Amount subject to recapture}$

B. The recapture amount is subject to available net proceeds in the event of sale or foreclosure of the housing unit. In the event of sale or foreclosure of the housing unit, if the net proceeds (i.e., the sales price minus closing costs; any other necessary transaction costs; and loan repayment, other than HOME funds) are less than the HOME investment that is subject to recapture, then the Department will recapture the available amount of net proceeds. If there are no net proceeds from the sale, no repayment will be required of the homebuyer and the balance of the loan shall be forgiven. TDHCA will not recapture more than the amount available through net proceeds.

C. The household can sell the unit to any willing buyer at any price.

D. In the event that the ownership of assisted property is not transferred, and the assisted property is rented or leased, or otherwise ceases to be the principal residence of the initial household prior to the end of the affordability period, the entire HOME investment is subject to recapture.

E. In the event of sale to a subsequent low-income purchaser of a HOME-assisted homeownership

unit, the low-income purchaser may assume the existing HOME loan and recapture obligation entered into by the original buyer if no additional HOME assistance is provided to the subsequent homebuyer. In cases in which the subsequent homebuyer needs HOME assistance in excess of the balance of the original HOME loan, the HOME subsidy (the direct subsidy as described in §92.254) to the original homebuyer must be recaptured. A separate HOME subsidy must be provided to the new homebuyer, and a new affordability period must be established based on that assistance to the buyer.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR §92.254(a)(4) are as follows:

In certain limited instances, TDHCA may choose to utilize the resale provision at 24 CFR §92.254(a)(5)(i) under any activity the State administers that is otherwise subject to this provision. The following method of resale would be acceptable to TDHCA and will be identified in the note prior to closing:

A. Resale is defined as the continuation of the affordability period upon the sale or transfer, rental or lease, refinancing, or if the initial Household is no longer occupying the property as their Principal Residence.

B. Resale requirements must ensure that, if the housing does not continue to be the principal residence of the family for the duration of the period of affordability, the housing is made available for subsequent purchase at an affordable price to a reasonable range of low- or very low-income homebuyers that will use the property as their principal residence. Affordable to a reasonable range of low-income buyers is defined as targeting Households that have income between 70 and 80 percent of the area median family income and meet all program requirements.

C. The resale requirement must ensure that the price at resale provides the original HOME-assisted owner a fair return on investment. Fair return on investment is defined as the sum of down payment and closing costs paid from the initial seller's cash at purchase, closing costs paid by the seller at sale, the principal payments only made by the initial homebuyer in excess of the amount required by the loan, and any documented capital improvements in excess of \$500. Fair return on investment is paid to the seller at sale once first mortgage debt is paid and all other conditions of the initial written agreement are met. In the event there are no funds for fair return, then fair return does not exist. In the event there are partial funds for fair return, then fair return shall remain in force.

D. The initial homebuyer's investment of down payment and closing costs divided by TDHCA's HOME investment equals the percentage of appreciated value that shall be paid to the initial homebuyer. The balance of appreciated value shall be paid to TDHCA. If appreciated value is zero, or less than zero, then no appreciated value exists. The HOME loan balance will be transferred to the subsequent buyer and the affordability period will remain in effect. The period of affordability is based on the total amount of HOME funds invested in the housing.

E. In the event that a federal affordability period is required and the assisted property is rented or leased, or no member of the Household has it as the Principal Residence, the HOME investment must be repaid. In the event that a federal affordability period is required and the assisted property is sold or transferred in lieu of foreclosure to a qualified low income buyer at an affordable price, the HOME

loan balance shall be transferred to the subsequent qualified buyer and the affordability period shall remain in force to the extent allowed by law.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR §92.206(b), are as follows:

TDHCA may use HOME funds to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds as described in 24 CFR §92.206(b)(2). TDHCA shall use its underwriting and evaluation standards, site and development requirements, and application and submission requirements found in 10 TAC, Chapter 1011, for refinanced properties in accordance with its administrative rules. TDHCA may allow for lower per-unit rehabilitation costs than those required in 10 TAC §11.101(b)(3), potentially allowing rehabilitation costs as low as \$1,000 per unit provided (1) those minimal rehabilitation costs can be supported in a Property Condition Assessment and/or Capital Needs Assessment, (2) the request is in accordance with this plan, TDHCA's rules, and the applicable NOFA, and (3) TDHCA's Board agrees to waive the minimum rehabilitation costs in 10 TAC §11.101(b)(3). At a minimum, this requires the following:

- That rehabilitation is the primary eligible activity for developments involving refinancing of existing debt by requiring that the HOME eligible rehabilitation costs – whether funded entirely or partially by TDHCA's HOME funds – are greater than the refinancing costs (i.e. payoff amount plus closing and title costs);
- That a minimum funding level – minimal rehabilitation costs as described above, or the applicable per unit costs in 10 TAC §11.101(b)(3) – is set for rehabilitation on a per unit basis;
- That a review of management practices is required to demonstrate that disinvestments in the property has not occurred;
- That long-term needs of the project can be met;
- That the financial feasibility of the development will be maintained over an extended affordability period;
- That whether new investment is being made to maintain current affordable units and/or creates additional affordable units is stated;
- That the required period of affordability is specified;
- That the HOME funds may be used throughout the entire jurisdiction (except as TDHCA may be limited by the Texas Government Code) is specified; and
- That HOME funds cannot be used to refinance multifamily loans made or insured by any Federal program, including CDBG, is stated.

Discussion:

For HOME, the State is not proposing to use any form of investment in its HOME Program that is not already listed as an eligible for investment in 24 CFR §92.205(b). As described above, TDHCA may use HOME funds to refinance existing debt secured by multifamily housing that is being rehabilitated as described in 24 CFR §92.206(b). TDHCA shall use its underwriting and evaluation standards, site and development requirements, and application and submission requirements found in 10 Texas

Administrative Code, Chapters 10, 11, and 13, for refinanced properties in accordance with its administrative rules.

**Emergency Solutions Grant (ESG)
Reference 91.320(k)(3)**

1. Include written standards for providing ESG assistance (may include as attachment)

ESG Written Standards are evaluated based on questions that are in the 2018 One Year Action Plan. These questions will be maintained for the 2019 program year but re-evaluated in 2020.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

Each of the 11 CoCs in Texas has a different centralized or coordinated assessment system. TDHCA ensures that its Subrecipients participate in the local CoC's coordinated assessment. Applicants for ESG funding are required to certify their participation in the CoC centralized or coordinated assessment system. ESG Subrecipients are required to use this process per 24 CFR §576.400(d), with an exception for victim service providers. ESG Subrecipients are also required to certify that they have written standards that are consistent with the CoC's screening, assessment and referral of ESG program participants, or to certify that the Subrecipient is a victim services provider and not required to participate in coordinated assessment/entry.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

In the competitive process with TDHCA, applications are selected based on: Program Description and Capacity; Proposed Performance; Proposed Budget and Match; CoC Participation and Coordination; and Contract History of Subrecipients in ESG Expenditure and Reporting. The allocation amounts available in each CoC region are established by formula.

For the competitive process, TDHCA will release a NOFA in anticipation of the State's receipt of ESG funding. The NOFA will award ESG 2019 funds. Eligible applicant organizations include Units of General Purpose Local Government, including cities, counties and metropolitan cities; urban counties that receive ESG funds directly from HUD; and a consolidation of units of general purpose local governments, like a Council of Governments. Other instrumentalities of a city or county, like a Local Mental Health Authority, may be eligible and should seek guidance from TDHCA to determine if they can apply. Governmental organizations such as Public Housing Authorities (PHAs) and housing finance agencies are not eligible and cannot apply directly for ESG funds.

Eligible applicants also include private nonprofit organizations that are secular or religious organizations exempt from taxation under Section 501(c) of the Internal Revenue Code of 1986, have an acceptable accounting system and a voluntary board, and practice non-discrimination in the provision of assistance. Faith-based organizations receiving ESG funds, like all organizations receiving HUD funds, must serve all eligible beneficiaries without regard to religion.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

As a State recipient, TDHCA is not required to provide for the participation of a homeless individual or formerly homeless individual on the board of directors or other equivalent policy-making entity. However, TDHCA may prioritize funding for Subrecipients by allocating points if they have participation of homeless or formerly homeless individuals in their programs.

5. Describe performance standards for evaluating ESG.

TDHCA has transitioned from evaluating performance based on whole numbers of persons or households served to percentages of persons or households served who achieve particular outcomes.

Subrecipients providing street outreach will be required to meet contractual performance targets for the percentage of assisted persons placed in temporary or transitional housing.

Subrecipients providing emergency shelter and transitional shelter will be required to meet contractual performance targets for the provision of essential services and the percentage of assisted persons who will exit to temporary, transitional housing destinations or permanent housing destinations.

Subrecipients providing homelessness prevention and rapid re-housing assistance will be required to meet contractual performance targets for the percentage of assisted persons receiving higher income at exit than at entry, the percentage of persons who will exit to permanent housing destinations and, the percentage of persons who will maintain housing three months or more as a result of receiving ESG assistance.

Housing Trust Fund (HTF)
Reference 24 CFR 91.320(k)(5)

1. How will the grantee distribute its HTF funds? Select all that apply:

- Applications submitted by eligible recipients
- Subgrantees that are State Agencies
- Subgrantees that are HUD-CPD entitlement grantees

2. If distributing HTF funds through grants to subgrantees, describe the method for distributing HTF funds through grants to subgrantees and how those funds will be made available to state agencies and/or units of general local government. If not distributing funds through grants to subgrantees, enter "N/A".

N/A

3. If distributing HTF funds by selecting applications submitted by eligible recipients, a. Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR § 93.2). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

The state will distribute NHTF funds to eligible recipients as described in applicable sections of the TDHCA rules at Chapter 11 of the Texas Administrative Code, Subchapter C, Application Submission Requirements, Ineligibility Criteria, Board Decisions and Waiver of Rules (10 TAC §11.201 through 207), which sets forth the minimum requirements for applicant eligibility to participate in TDHCA Multifamily programs. TDHCA will require evidence of experience and capacity through the Experience Requirement at 10 TAC §11.204(6) or 10 TAC §13.5(h)(1), as applicable. See attachments for full text of referenced TDHCA TAC rules. Updates to citations of Texas Administrative Code Rules that are currently out for public comment will be updated in the final 2019 OYAP.

Regarding Question 3a, for both:

- the responsibility of the Grantee to address the requirement that a recipient make acceptable assurances to the grantee that it will comply with the requirements of the HTF program during the entire period that begins upon selection of the recipient to receive HTF funds, and ending upon the conclusion of all HTF-funded activities, and
- the responsibility of the Grantee to address the requirement that a recipient have familiarity and understanding of the Federal, State, and local housing programs used in conjunction with HTF funds to ensure compliance with all applicable program requirements and regulations, please see the attached 2019 Multifamily Direct Loan Certification that is executed by an Applicant upon applying for Direct Loan funds (including NHTF). Also, all NHTF recipients must execute a Contract and

Land Use Restriction Agreement that remain in effect for a minimum of 30 years. The Land Use Restriction Agreement contains language that makes it superior to any other instruments filed on the property.

Regarding Question 3a and the responsibility of the Grantee to address the requirement that a recipient demonstrate the ability and financial capacity to undertake, comply and manage the eligible activity, please see the attached 10 TAC §13.8(c), which discuss requirements associated with applications for various Direct Loan amounts and situations.

In the event that NHTF is not the only source of Department funding, 4% or 9% housing tax credits are also being requested, meaning that other lenders' and equity providers' due diligence of the Applicant would be included to ensure the Applicant's financial capacity is sufficient to undertake, comply, and manage the eligible activity. Furthermore, if 9% credits are requested, nearly all applicants elect points under 10 TAC §11.9(e)(1) which requires a lender approval letter evidencing review of the Principals.

Furthermore, all Applications must meet the Underwriting requirements at 10 TAC §11.302, including acceptable pro forma projections through year 30, minimum 1.15 Debt Coverage Ratio, and minimum replacement reserve requirements. The attached 10 TAC §11.302(f)(1) specifically discusses developer capacity requirements.

Finally, Applicants must provide evidence of experience in owning and operating multifamily housing as required in 10 TAC §11.204(6) – which applies to all Applicants of TDHCA funding – or the alternative experience requirement in 10 TAC §13.5(h)(1).

Regarding Question 3a and the responsibility of the Grantee to address the requirement that a recipient have demonstrated experience and capacity to conduct an eligible HTF activity as evidenced by its ability to own, construct or rehabilitate and manage and operate an affordable multifamily rental housing development, Applicants may meet the experience requirement of the Qualified Allocation Plan (10 TAC §11.204(6)) – which applies to all Applicants of TDHCA funding – or the alternative experience requirement in 10 TAC §13.5(h)(1), which states that applicants requesting MFDL (such as NHTF) as the only source of Department funding may meet the Experience Requirement under Chapter 13.5(h)(1) by providing evidence of the successful development and operation for at least 5 years of twice as many affordability restricted units as requested in the application. The minimum number of units for any application for funding that is submitted to TDHCA is 16 units, so the minimum number of affordability restricted units that would be subject to the successful development and operation for at least 5 years would be 32. An applicant applying for both MFDL and another TDHCA source or sources would have to meet the requirement in 10 TAC §11.204(6). The lower MFDL-only threshold for experience came about as a result of public comment the Department received in response to the draft 2016 NHTF Allocation Plan. Many mission-driven nonprofits that wanted to utilize NHTF were unable to meet the experience requirement in 10 TAC §11.204(6) and suggested this alternative experience requirement.

For more information, please see the attached 2019 Multifamily Direct Loan Certification and Table of Corresponding Requirements in 24 CFR §93.2 and State Rules.

b. Describe the grantee’s application requirements for eligible recipients to apply for HTF funds. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Texas' application requirements can be found in 10 TAC Chapter 1, Administration; Subchapter C: Application Submission Requirements, Ineligibility Criteria, Board Decisions and Waiver of Rules or Pre-Clearance for Applications of 10 TAC Chapter 11 (Qualified Allocation Plan); as well as 10 TAC Chapter 13 (Multifamily Direct Loan Rule). See attached Rules.

c. Describe the selection criteria that the grantee will use to select applications submitted by eligible recipients. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Selection criteria typically only applies when funds are oversubscribed; in cases where the application is layered with 9% Housing Tax Credits, for instance, scoring in 10 TAC §11.9 would be applicable. To the extent that two or more applications for NHTF have the same received by date, the scoring criteria listed in the attached 2019 Multifamily Direct Loan Rule (10 TAC Chapter 13), as amended will apply.

If applications for NHTF are not combined with 9% HTC or do not need to be prioritized in a regional allocation formula, they will be prioritized based on the date received and reviewed to ensure the Department's threshold criteria, which takes into account all of the selection criteria in 24 CFR §91.320(k)(5)(i) is met.

The Texas Department of Housing and Community Affairs’ Multifamily Division awards or allocates more than \$1 billion annually of debt and equity in an efficient and compliant manner. Our processes for Application selection are comprehensive, and assure that the resulting Developments meet the highest standards for financial feasibility and long-term stability. Our Compliance Monitoring Division assures that all properties meet these standards for the duration of their affordability period, and is frequently cited as one of the best Compliance divisions nationally. Our threshold requirements for site selection assure that projects will be located in safe communities with ample opportunity for residents, and our stringent underwriting requirements assure they will be viable throughout the affordability period.

There is a well-developed set of requirements within the Texas Administrative Code that have the force of law. These requirements have been crafted over decades of work with the development community, advocates, and other stakeholders. The Uniform Multifamily Rules, Qualified Allocation Plan, and Multifamily Direct Loan Rule are all updated annually through an extensive public input process. Additionally, the QAP is approved annually by the Governor. All of the selection criteria described in §91.320(k)(5)(i) are met by some portion of our rules, although they will not all be contained in a single

section dedicated to NHTF. We endeavor to hold all Applications for multifamily funds to the same strict standards through the application of consistent requirements across all fund sources.

All Applications for NHTF funds must meet threshold criteria in 10 TAC Chapter 11, Subchapters A through D, and the Multifamily Direct Loan Rule, which address Definitions, Site and Development requirements, Applicant and Application requirements, and loan structure and underwriting requirements. Without meeting all of the applicable criteria in these 120+ pages of rules, the Application will not be successful. Therefore, the selection criteria applied to NHTF Applications will be met by passing multiple review points – threshold state and federal program reviews, underwriting reviews, and compliance/ previous participation reviews – that confirm these rules are being met.

d. Describe the grantee’s required priority for funding based on geographic diversity (as defined by the grantee in the consolidated plan). If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Priority based upon geographic diversity

As described in SP-10 Geographic Priorities the Texas NHTF will distribute NHTF funds through a competitive NOFA process. The funds will initially be available geographically, based on the proportion of Extremely Low Income Renter households to the total population of Renter Households in each of thirteen State Service Regions. A minimum will be calculated for each region as a ratio of the available allocation divided by thirteen, and available competitively within each region prior to collapse into a statewide competition.

The State of Texas will rely on 10 TAC §13.4(b) in making funds available geographically based on the proportion of ELI renter households to the total population of renter households in each of the thirteen State Service Regions for at least the first 30 days after the NOFA is published. Thereafter, consideration of geographic diversity will not be a factor in evaluating applications. Please see attached Multifamily Direct Loan Rule for text of 10 TAC §13.4(b). Also attached are estimated Regional Allocation amounts based on the 2018 NHTF Allocation as well as a map of the Uniform State Service Regions.

e. Describe the grantee’s required priority for funding based on the applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Applicant’s ability to obligate HTF funds and undertake eligible activities in a timely manner:

Applicants must provide evidence of their experience in developing and managing multifamily developments as required under 10 TAC §11.204(6) if layered with other fund sources, or 10 TAC §13.5(d)(1) if MFDL only. Both 10 TAC §11.204(6) or 10 TAC §13.5(d)(1) are mentioned in the table HTF Funding Priorities Question 3a.

Application criteria including readiness to proceed as evidenced by site control, appropriate zoning, architectural plans, and evidence of financing will be considered.

Furthermore, 10 TAC §13.11(d) through (e) states:

“(d) Direct Loan awardees must execute a Contract within sixty (60) days of environmental clearance being obtained, or, if environmental clearance is not required, within 60 days after the Board approval date.

(e) Loan closing must occur and construction must begin no later than three (3) months from the effective date of a Contract.”

Execution of a Contract fulfills the Commitment definition in 24 CFR §93.2 in that the Contract is the “legally binding written agreement (that includes the date of the signature of each person signing the agreement) with an eligible recipient for a project that meets the definition of ‘commit to a specific local project.’” Additionally, 10 TAC §13.11(m) states: “Termination of the Direct Loan award and repayment of all disbursed funds will be required for any Development that is not completed within four (4) years of the effective date of a Direct Loan Contract.” Finally, the Department may impose a 2-year ban on applying for MFDL for any applicant that fails to meet commitment and/or expenditure requirements in accordance with 10 TAC §13.11(b), which states: “If a Direct Loan award is returned after Board approval, or if the Applicant or Affiliates fail to timely close the loan, begin and complete construction, or leave a portion of the Direct loan award unexpended, penalties may apply under 10 TAC § 11.9(f) or the Department may prohibit the Applicant and all Affiliates from applying for MFDL funds for a period of 2 years.” See attachments for full text of referenced TDHCA 10 TAC rules.

f. Describe the grantee’s required priority for funding based on the extent to which the rental project has Federal, State, or local project-based rental assistance so that rents are affordable to extremely low-income families. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Of highest priority in the evaluation of applications will be the creation of new units serving ELI households that would not otherwise exist. While the availability of project-based rental assistance will be considered, only applications that demonstrate the ability to meet Underwriting requirements will be funded.

The State of Texas will consider project based rental assistance to the extent that the existence of it allows or the lack of it does not allow an application to meet TDHCA’s underwriting requirements. A development that would otherwise be characterized as infeasible may be deemed feasible if the following criteria, as described in 10 TAC §11.302(i)(6)(B) are applicable. See attached text of 10 TAC §11.302(i)(6)(B).

For Applications layered with 9% credits, leveraging is a scoring item under 10 TAC §11.9(e)(4). See attached text of 10 TAC §11.9(e)(4):

If an application is not layered with 9% credits, it must have other sources of funding, such as project based vouchers, in order to be viable over the affordability period.

The attached 10 TAC §13.8 from the Multifamily Direct Loan Rule and 10 TAC §§11.301 through .306 of the Uniform Multifamily Rule will comprise TDHCA's underwriting requirements.

g. Describe the grantee's required priority for funding based on the financial feasibility of the project beyond the required 30-year period. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

No priority for funding based on the feasibility of the project beyond the required 30-year period will be given except in instances where a first-lien loan ahead of an NHTF loan or grant has a term greater than 30 years that would result in the NHTF loan or grant having a term greater than 30 years. It is the Department's experience that affordability periods longer than 30 years are not reasonable without a guaranteed source of financing for a comprehensive rehabilitation within that affordability period. Texas Government Code §2306.185(c) further limits the length of the affordability period that the State can impose, stating: "The department shall require that a recipient of funding maintains the affordability of the multifamily housing development for households of extremely low, very low, low, and moderate incomes for the greater of a 30-year period from the date the recipient takes legal possession of the housing or the remaining term of the existing federal government assistance. In addition, the agreement between the department and the recipient shall require the renewal of rental subsidies if available and if the subsidies are sufficient to maintain the economic viability of the multifamily development." In other words, unless an FHA-insured loan or similar type of federal government-insured loan with a term greater than 30 years is part of the financing, the longest affordability period that the State can impose is 30 years.

h. Describe the grantee's required priority for funding based on the merits of the application in meeting the priority housing needs of the grantee (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development features, or housing that serves special needs populations). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

The State of Texas will prioritize HTF funding for the needs of ELI households in accordance with its Analysis of Impediments (AI) and high opportunity measures of the QAP. Goal No. 1 of the AI states: "Create greater mobility and improve housing opportunities for low income households and members of protected classes."

Threshold requirements for all multifamily projects are found in 10 TAC §11 Subchapter B, which include criteria such as Mandatory Development Amenities, Common Amenities, Unit Requirements, Tenant Supportive Services requirements, and Development Accessibility Requirements. 10 TAC §11 Subchapter B also includes threshold requirements such as Undesirable Site Features and Undesirable Neighborhood

Characteristics. Additionally, Applications layered with 9% Tax Credits are scored on proximity to desirable community features, as are Direct Loan Applications if the fund source or set-aside is over-subscribed.

NHTF applicants are allowed to claim points as detailed in §13.6(a) of the Multifamily Direct Loan Rule and under 10 TAC §11.9(c)(4) related to the Opportunity Index. See attached text of the Multifamily Direct Loan Rule 10 TAC §11.9(c)(4).

i. Describe the grantee’s required priority for funding based on the extent to which the application makes use of non-federal funding sources. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Generally, the State of Texas prefers applications proposing developments utilizing the highest proportion of non-federal contributions. It is anticipated that Applications for NHTF will require multiple funding sources in order to meet threshold feasibility requirements. While the State plans on providing NHTF funds as deferred forgivable loans or similarly soft repayment loans, other sources will be required to meet both development and operating needs. Additionally, if NHTF is oversubscribed, the amount of subsidy per unit is a scoring factor as described in 10 TAC §13.6(4), thereby requiring less NHTF funding. See the attached 2018 Multifamily Direct Loan Rule for text of 10 TAC §13.6(4).

Without other fund sources, this range of subsidy level will not be possible, so other funding sources – whether owner equity if NHTF is the only source of Department funding or, more likely, Housing Tax Credits since NHTF works best as gap financing – are required. Finally, although not federally required, 10 TAC §11.204(7)(E) discusses documentation requirements for Match funds exceeding 5 percent of requested Direct Loan funds. See attached Rules for text of 10 TAC §11.204(7)(E).

Applications layered with 9% Housing Tax Credits will be subject to scoring in 10 TAC §11.9(e)(4) - Leveraging of Private, State, and Federal Resources - which states:

- (A) An Application may qualify to receive up to three (3) points if at least five (5) percent of the total Units are restricted to serve households at or below 30 percent of AMGI (restrictions elected under other point items may count) and the Housing Tax Credit funding request for the proposed Development meet one of the levels described in clauses (i) - (iv) of this subparagraph: (i) the Development leverages CDBG Disaster Recovery, HOPE VI, RAD, or Choice Neighborhoods funding and the Housing Tax Credit Funding Request is less than 9 percent of the Total Housing Development Cost (3 points). The Application must include a commitment of such funding; or
- (ii) If the Housing Tax Credit funding request is less than seven (7) eight (8) percent of the Total Housing Development Cost (3 points); or
- (iii) If the Housing Tax Credit funding request is less than eight (8) nine (9) percent of the Total Housing Development Cost (2 points); or
- (iv) If the Housing Tax Credit funding request is less than nine (9) ten (10) percent of the Total Housing Development Cost (1 point).

(B) The calculation of the percentages stated in subparagraph (A) of this paragraph will be based strictly on the figures listed in the Funding Request and Development Cost Schedule. Should staff issue an Administrative Deficiency that requires a change in either form, then the calculation will be performed again and the score adjusted, as necessary. However, points may not increase based on changes to the Application. In order to be eligible for points, no more than 50 percent of the developer fee can be deferred. Where costs or financing change after completion of underwriting or award (whichever occurs later), the points attributed to an Application under this scoring item will not be reassessed unless there is clear evidence that the information in the Application was intentionally misleading or incorrect.

4. Does the grantee’s application require the applicant to include a description of the eligible activities to be conducted with HTF funds? If not distributing funds by selecting applications submitted by eligible recipients, select “N/A”.

- Yes
- No
- N/A

5. Does the grantee’s application require that each eligible recipient certify that housing units assisted with HTF funds will comply with HTF requirements? If not distributing funds by selecting applications submitted by eligible recipients, select “N/A”.

- Yes
- No
- N/A

6. Performance Goals and Benchmarks. The grantee has met the requirement to provide for performance goals and benchmarks against which the grantee will measure its progress, consistent with the grantee’s goals established under 24 CFR 91.315(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.

- Yes
- No

7. Maximum Per-unit Development Subsidy Amount for Housing Assisted with HTF Funds. Enter or attach the grantee’s maximum per-unit development subsidy limits for housing assisted with HTF funds. The limits must be adjusted for the number of bedrooms and the geographic location of the project. The limits must also be reasonable and based on actual costs of developing non-luxury housing in the area.

If the grantee will use existing limits developed for other federal programs such as the Low Income Housing Tax Credit (LIHTC) per unit cost limits, HOME’s maximum per-unit subsidy amounts, and/or

Public Housing Development Cost Limits (TDCs), it must include a description of how the HTF maximum per-unit development subsidy limits were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements specified above.

TDHCA adopted Basic Statutory Mortgage Limits for Calendar Year 2018 and the Annual Base City High Cost Percentage and High Cost Area Revisions for 2018 Mortgagee Letter 2018-04, will be the limits used for NHTF awards made out of the 2019 NOFA. However, if updates are published by HUD TDHCA may adopt these limits for 2019 PY awards made through the Multifamily 2020 NOFA. The attached limits do not vary based on geographic location in Texas since the limits were approved by HUD for use throughout the state. They will be used statewide for ease of use both for applicants and TDHCA staff.

Additional limits may apply if the NHTF funds are used in conjunction with other affordable housing programs. Also, these subsidy limits may be subject to stricter limits in NOFAs.

See the attached justification as to why the State will not establish separate maximum limitations on the total amount of NHTF.

8. Rehabilitation Standards. The grantee must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project completion. The grantee's description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The grantee must attach its rehabilitation standards below.

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; and Capital Needs Assessments (if applicable).

N/A. State will not use NHTF funds for rehabilitation of housing in PY 2019.

9. Resale or Recapture Guidelines. Below, the grantee must enter (or attach) a description of the guidelines that will be used for resale or recapture of HTF funds when used to assist first-time homebuyers. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".

N/A

10. HTF Affordable Homeownership Limits. If the grantee intends to use HTF funds for homebuyer assistance and does not use the HTF affordable homeownership limits for the area provided by HUD, it must determine 95 percent of the median area purchase price and set forth the information in

accordance with §93.305. If the grantee will not use HTF funds to assist first-time homebuyers, enter “N/A”.

- The grantee will use the HUD issued affordable homeownership limits.
- The grantee has determined its own affordable homeownership limits using the methodology described in § 93.305(a)(2) and the limits are attached.
- N/A

11. Grantee Limited Beneficiaries or Preferences. Describe how the grantee will limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population to serve unmet needs identified in its consolidated plan or annual action plan. If the grantee will not limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population, enter “N/A.”

Any limitation or preference must not violate nondiscrimination requirements in § 93.350, and the grantee must not limit or give preferences to students. The grantee may permit rental housing owners to limit tenants or give a preference in accordance with § 93.303(d)(3) only if such limitation or preference is described in the action plan.

The State will limit beneficiaries and/or give preferences to the following segments of the extremely low-income population in accordance with AP-25 of the 2018 One Year Action Plan.

12. Refinancing of Existing Debt. Enter or attach the grantee’s refinancing guidelines below. The guidelines describe the conditions under which the grantee will refinance existing debt. The grantee’s refinancing guidelines must, at minimum, demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. If the grantee will not refinance existing debt, enter “N/A.”

N/A

Attachments

General OYAP Attachments:

- CDBG Allocation of CDBG program income and deobligated funds
- ESG Written Standards
- Submittal Letter, SF424s and Certifications (to be provided with the Final 2019 OYAP, after Board approval)

AP-90 NHTF Attachments:

- 2019 Multifamily Rules
 - [10 TAC Chapter 1, Administration](#)
 - [10 TAC Chapter 11, 2019 Qualified Allocation Plan \(PDF\)](#)
 - [10 TAC Chapter 13, 2019 Multifamily Direct Loan Rule \(PDF\)](#)
- 2019 Multifamily Direct Loan Certification
- AP-90 Question 3a – Table of Corresponding Requirements in 24 CFR §93.2 and State Rules AP-90 Question 3d – Estimated Regional Allocation Amounts and Map of the Uniformed State Service Regions
- AP-90 Question 7 – Justification Documentation for Maximum Per-unit Development Subsidy Limits

Attachment: Allocation of CDBG program income and deobligated funds

Deobligated Funds:

On the first day of the program year, deobligated funds will be made available to the fund categories as described in Table 4. Any unallocated deobligated funds will be allocated to the Community Development Fund.

Program Income:

Program income is defined as gross income received by a state, a unit of general local government, or a subrecipient of a unit of general local government that was generated from the use of CDBG funds. When program income is generated by an activity that is only partially funded with CDBG funds, the income shall be prorated to reflect the percentage of CDBG funds used. Any remaining program income must be returned to the State.

The State may use up to the maximum allowable percentage of the amount recaptured and reportable to HUD each year for administrative expenses under the CDBG Program. This amount will be matched by the State on a dollar-for-dollar basis.

TCF and Revolving Loan Fund ("RLF") Program Income

Funds retained in any existing local RLF must be committed within three years of the original CDBG contract programmatic close date. At least one eligible loan/award from the local RLF must be made every three years. Every award from the RLF must be used to fund the same type of activity from which such income was derived. A local RLF may retain a cash balance not greater than 33% of its total cash and outstanding loan balance. All activities funded with RLF funds must comply with CDBG regulations and rules and guidelines. If a local government does not comply with the RLF requirements, all program income retained in the local RLF and any future program income received from the proceeds of the RLF must be returned to the State.

To the extent there are eligible applications, program income derived from the TCF real estate projects will be used to fund awards under the TCF. Other available program income shall be allocated based on the methodology used to allocate Deobligated Funds.

Additional detail for Geographic Allocation:

Funds for projects under the CD Fund are allocated among the 24 State planning regions based on the following:

The original CD formula is used to allocate 40% of the annual State CDBG allocation.

- Original CD formula (40%) factors:
 - a. Non-Entitlement Population 30%
 - b. Number of Persons in Poverty 25%
 - c. Percentage of Poverty Persons 25%
 - d. Number of Unemployed Persons 10%
 - e. Percentage of Unemployed Persons 10%

- To the extent possible, the information used to calculate the regional allocations through these factors will be based on the eligible non-entitlement applicants within each region. The population and poverty information used is from the current available decennial census data. The unemployment information used is the current available annual average information. TDA does not provide priorities for allocation of funds geographically to areas of minority concentration as described in Section 91.320(f). The HUD formula is used to allocate 21.71% of the annual State CDBG allocation.

- The formula is the same methodology that HUD uses to allocate CDBG funds among the States for use in non-entitlement areas. The HUD factors, percentages, and methodology are specified in 42 USC. §5306(d). TDA will use available data to calculate the allocations to each region.

- Using the HUD methodology, the allocation for each region shall be the greater of an amount that bears the same ratio to the allocation for all 24 regions available as either:

(A) the average of the ratios between:

- o the population of the non-entitlement areas in that region and the population of the nonentitlement areas of all 24 regions (counted one time - 25% weight);
 - o the extent of poverty in the non-entitlement areas in that region and the extent of poverty in the non-entitlement areas of all 24 regions (counted two times - 50% weight); and
 - o the extent of housing overcrowding in the non-entitlement areas in that region and the extent of housing overcrowding in the non-entitlement areas of all 24 regions (counted one time - 25% weight);
- OR

(B) the average of the ratios between:

- o the age of housing in the non-entitlement areas in that region and the age of housing in the nonentitlement areas in all 24 regions (counted two and one half times - 50% weight);
- o the extent of poverty in the non-entitlement areas in that region and the extent of poverty in the non-entitlement areas of all 24 regions (counted one and one half times - 30% weight); and
- o the population of the non-entitlement areas in that region and the population of the nonentitlement areas of all 24 regions (counted one time - 20% weight).

And Unobligated:

Unobligated Funds

For an award that is withdrawn from an applicant, the TDA follows different procedures for the use of those recaptured funds depending on the fund category in which the award is withdrawn.

1. The CD Fund – funds from the withdrawal of an award shall be offered to the next highest ranked applicant from that region that was not recommended to receive an award due to depletion of the region’s allocation. A marginal amount may be offered to the next highest ranked applicant as long as the amount of funds still available exceeds the minimum CD Fund grant amount. Any funds remaining from a regional allocation that are not accepted by an applicant, that are not offered to an applicant, or remain due to lack of additional, unfunded applications, may be allocated among regions with eligible, unfunded applications. If unallocated to another region, they are then subject to the procedures used to allocate Deobligated Funds.

2. The PCB Fund – funds from the withdrawal of a PCB award are offered to the next highest ranked applicant that was not recommended to receive an award due to depletion of the fund’s annual allocation. A marginal amount may be offered to the next highest ranked applicant as long as the amount of funds still available exceeds the minimum grant amount. Any funds remaining from the allocation that are not accepted by an applicant from the statewide competition or that are not offered to an applicant from the statewide competition may be used for other CDBG fund categories and, if unallocated to another fund, are then subject to the procedures used to allocate Deobligated Funds.

3. The Colonia Funds – funds from the withdrawal of any Colonia Fund award remain available to potential Colonia Fund applicants during that program year. If unallocated within the Colonia Fund, funds then may be used for other CDBG fund categories to fund eligible projects or activities that assist colonia residents. Remaining unallocated funds are then subject to the procedures used to allocate Deobligated Funds.

4. DR/UN Funds - funds from the withdrawal of a DR/UN award remain available to potential DR/UN Fund applicants during that program year. If unallocated within the DR/UN Fund, the funds are subject to the procedures used to allocate Deobligated Funds.

5. The TCF – funds from the withdrawal of a Main Street, Downtown Revitalization or Small and Micro Enterprise Revolving Fund award shall be offered to the next highest ranked application that was not recommended to receive an award due to depletion the program’s allocation. Funds from the withdrawal of a Real Estate and Infrastructure award shall be made available in the next round of competition. Any unallocated TCF funds are then subject to the procedures used to allocate Deobligated Funds.

ESG Written Standards

TDHCA requires that its Subrecipients establish and implement written standards for providing ESG assistance. TDHCA reviews the standards to ensure they answer the following questions.

1. Evaluation (24 CFR §576.400(e)(3)(i))

- a. Are the definitions of homeless or at-risk of homelessness included in the evaluation?
- b. Are there standard policies and procedures for evaluating individual and household eligibility for ESG?
- c. Are priority populations listed?
- d. Are the priority populations listed the same as the Continuum of Care priority populations?

2. Targeting - 24 CFR §576.400(e)(3)(ii),(iv)

- a. Are there standards for targeting and providing essential services related to street outreach?
- b. Are there standards determining how providers will assess, prioritize, and reassess participant's needs for essential services related to emergency shelter?

3. Evaluation for Emergency Shelter - 24 CFR §576.400(e)(3)(iii)

- a. Is there a description of:
 - i. Clients that will be admitted?
 - ii. Clients that will be diverted?
 - iii. Clients that will be referred?
 - iv. Clients will be discharged?
- b. Are there safeguards to secure safety (if applicable)?
- c. Are reasonable accommodations for persons with disabilities included?

4. Coordination - 24 CFR §576.400(e)(3)(v)

- a. Are there policies and procedures for coordination among:
 - i. Emergency shelter providers?
 - ii. Essential service providers?
 - iii. Homelessness prevention providers?
 - iv. Rapid re-housing assistance providers?
 - v. Other homeless assistance providers?
 - vi. Mainstream services and housing providers?

5. Assistance Levels - 24 CFR §576.400(e)(3)(vi)

- b. Is there a description of:
 - i. Which clients will receive rapid re-housing or homelessness prevention?
 - ii. Whether a percentage or amount of rent will be paid by client?
 - iii. Whether a percentage or amount of utilities will be paid by client?
 - iv. How long will client receive rental assistance?

- v. How or if rental assistance be adjusted over time?
- vi. What is amount of assistance will be provided?
- vii. How will the duration of assistance be determined?
- viii. What happens after a break in service (*i.e.*, Program participant stops receiving assistance one month)?
- ix. What unit sizes are appropriate for rapid re-housing?
- x. What data sources/formats are used for rent reasonableness?

6. Housing Stability Case Management/Relocation Services – 24 CFR §576.400(e)(3)(ix)

- a. Is there a description of:
 - i. What types of services offered and not offered?
 - ii. What amounts are offered for the services?
 - iii. How long will case management/relocation services last?
- b. Does case management include monthly meetings to assist with housing stability? (n/a for Domestic Violence providers)
- c. Does case management include development for participant to retain permanent housing once ESG assistance ends? (n/a for Domestic Violence providers)
- d. Does case management include assistance for program participants' access supportive services for which they may be eligible? (n/a for Domestic Violence providers)

7. Relocation Services: Financial – 24 CFR §576.105(a)

- a. Do the written standards specify when the following financial assistance is offered or not offered:
 - i. Rental application fees
 - ii. Security deposits/Last month's rent
 - iii. Utility deposits/payments
 - iv. Moving costs
 - v. Storage fees (3 months maximum)

8. Service Costs (Include if services are offered and which community organizations can act as a referral source, if applicable) – 24 CFR §576.105(b)(3)-(5)

- a. Do the written standards specify when the following services are offered or not offered, and which community resources can be used?
 - i. Mediation
 - ii. Legal Services
 - iii. Credit Repair

9. Denials 24 CFR §576.402

- a. Are there policies and procedures for terminating assistance?
- b. Does the appeal process include notification of denial?
- c. Does the appeal process include the household's process to appeal the decision?
- d. Does the appeal process include record keeping process for denial requests?

Multifamily Direct Loan Certification

I (We) hereby make application to the Texas Department of Housing and Community Affairs (the "Department") for an award of Multifamily Direct Loan funds, which may be composed of HOME Investment Partnerships Program ("HOME"), Tax Credit Assistance Program Repayment Funds "TCAP RF," Neighborhood Stabilization Program Round 1 Program Income ("NSP1 PI"), and/or National Housing Trust Fund ("NHTF"). The undersigned hereby acknowledges that an award by the Department does not warrant that the Development is deemed qualified to receive such award. I (We) agree that the Department or any of its directors, officers, employees, and agents will not be held responsible or liable for any representations made to the undersigned or its investors relating to the Multifamily Direct Loan; therefore, I (We) assume the risk of all damages, losses, costs, and expenses related thereto and agree to indemnify and save harmless the Department and any of its officers, employees, and agents against any and all claims, suits, losses, damages, costs, and expenses of any kind and of any nature that the Department may hereinafter suffer, incur, or pay arising out of its decision concerning this application for Multifamily Direct Loan funds or the use of information concerning the Multifamily Direct Loan.

On behalf of the Applicant and all affiliates of the Applicant (hereinafter "Applicant"), I (We) hereby certify that the Applicant is familiar with the state Rules, as published in 10 TAC Chapters 1, 2, 11, and 13, as well as Chapter 12 as applicable. I (We) hereby acknowledge that this Application is subject to disclosure under Chapter 552, Texas Government Code, the Texas Public Information Act, unless a valid exception exists.

I (We) hereby assert that the information contained in this Application as required or deemed necessary by the materials governing the Multifamily Direct Loan are true and correct and that I (We) have undergone sufficient investigation to affirm the validity of the statements made and the Department may rely on any such statements.

Further, I (We) hereby assert that I (We) have read and understand all the information contained in the application. By signing this document, I (We) affirm that all statements made in this government document are true and correct under penalty of Chapter 37 of the Texas Penal Code titled Perjury and Other Falsification and subject to criminal penalties as defined by the State of Texas. TEX. PENAL CODE ANN. §37.01 et seq. (Vernon 2011).

I (We) understand and agree that if false information is provided in this Application which has the effect of increasing the Applicant's competitive advantage, the Department will disqualify the Applicant and may hold the Applicant ineligible to apply for Multifamily Direct Loan funds or until any issue of restitution is resolved. If false information is discovered after the award of

Multifamily Direct Loan funds, the Department may terminate the Applicant's written agreement and recapture all Multifamily Direct Loan funds expended.

I (We) shall not, in the provision of services, or in any other manner discriminate against any person on the basis of age, race, color, religion, sex, national origin, familial status, or disability. Verification of any of the information contained in this application may be obtained from any source named herein.

I (We) have written below the name of the individual authorized to execute the Multifamily Direct Loan agreement and any and all future Multifamily Direct Loan commitments and contracts related to this application. If this individual is replaced by the organization, I (We) must inform the Department within 30 days of the person authorized to execute agreements, commitment and/or contracts on behalf of the Applicant.

I (We) certify that no person or entity that would benefit from the award of Multifamily Direct Loan funds has committed to providing a source of match.

I (We) certify that I (We) will meet, Texas Minimum Construction Standards, 2010 ADA Standards for Accessible Design, as well as the Fair Housing Accessibility Standards and Section 504 of the Rehabilitation Act of 1973 as further detailed in 10 TAC Chapter 1, Subchapter B. I (We) certify that the Development will meet all local building codes or standards that may apply as well as the Uniform Physical Conditions Standards in 24 CFR §5.705

I (We) certify that if Department funds have a first lien position in the project for which assistance is being requested, assurance of completion of the development will be provided in the form of payment and performance bonds in the full amount of the construction contract, running to the Department as obligee, or equivalent guarantee in the sole determination of the Department.

I (We) certify that if refinancing is a component of the proposed development the Applicant must confirm that Multifamily Direct Loan funds will not be used to replace loans, grants or other financing by any other Federal program, or in violation of the provisions of 10 TAC §13.3(e).

I (We) certify that if other federal or governmental assistance is used in the financing of this development I (We) will notify the Texas Department of Housing and Community Affairs.

I (We) certify that I (We) do not and will not knowingly employ an undocumented worker, where "undocumented worker" means an individual who, at the time of employment, is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in that manner in the United States.

If, after receiving a public subsidy, I (We), am convicted of a violation under 8 U.S.C Section 1324a (f), I (We) shall repay the amount of the public subsidy with interest, at the rate and according to the other terms provided by an agreement under Texas Government Code Section 2264.053, not later than the 120th day after the date TDHCA notifies Name of Applicant of the violation.

On behalf of the Applicant, I (We) hereby certify that the Applicant is familiar with the provisions of the federal HOME Final Rule, as published in 24 CFR Part 92, and other related administrative rules and regulations and court rulings issued by the Federal government or State of Texas with respect to the HOME Investment Partnerships Program and all Developments eligible to receive HOME funds will comply with such rules during the application process and, in the event of award of HOME funds, for the duration of the proposed Development.

If applying under the Supportive Housing/Soft Repayment set-aside, on behalf of the Applicant, I (We) hereby certify that the Applicant is familiar with the provisions of the interim Housing Trust Fund rule, as published in 24 CFR Part 93, and other related administrative rules and regulations and court rulings issued by the Federal government or State of Texas with respect to the NHTF and all Developments eligible to receive NHTF funds will comply with such rules during the application process and, in the event of award of NHTF funds, for the duration of the proposed Development

Lead Based Paint

I (We) certify that documentation of compliance with the Texas Environmental Lead Reduction Rules in 25 TAC Chapter 295, Subchapter I or 24 CFR Part 35 (Lead Safe Housing Rule), as applicable, will be maintained in project files. I (We) understand that for Developments subject to 24 CFR Part 25, standard forms are available in the Federal Register , as indicated by the sources noted below.

- 1) Applicability 24 CFR §35.115 – A copy of a statement indicating that the property is covered by or exempt from Lead Safe Housing Rule.
 - a) If the property is exempt, the file should include the reason for the exemption and no further documentation is required.
 - b) if the property is covered by the Rule, the file should include the appropriate documentation to indicate basic compliance, as listed below:
 - i) Summary Paint Testing Report or Presumption Notice 24 CFR §35.930(a) – A copy of any report to indicate the presence of lead-based paint (LBP) for projects receiving up to \$5,000 per unit in rehabilitation assistance. If no testing was performed, then LBP is presumed to be on all disturbed surfaces;

- ii) Notice of Evaluation 24 CFR §35.125(a) – A copy of a notice demonstrating that an evaluation summary was provided to residents following a lead-based-paint inspection, risk assessment or paint testing;
- iii) Clearance Report 24 CFR §35.930(b) (3) – A report indicating a “clearance examination” was performed of the work site upon completion; and
- iv) Notice of Hazard Reduction Completion 24 CFR §35.125(b) – Upon completion, a copy of a notice to show that a LBP remediation summary was provided to residents.

Threshold Certification

On behalf of the Applicant and all affiliates of the Applicant (hereinafter “Applicant”), I (We) hereby certify that the Applicant is familiar with the provisions and requirements of the Multifamily Direct Loan Notice of Funding Availability (NOFA) approved by the Department’s Governing Board on December 6, 2018, for which I (We) am applying.

I (We) understand that housing units subsidized by Multifamily Direct Loan funds must be affordable to low, very low or extremely low-income persons. I (We) understand that mixed income rental developments may only receive funds for units that meet the Multifamily Direct Loan affordability standards. I (We) understand that all Applications intended to serve persons with disabilities must adhere to the Department’s Integrated Housing Rule at 10 TAC §1.15.

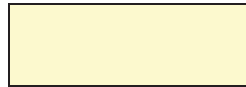
I (We) understand that, pursuant to 10 TAC §13.11(p), all contractors, consulting firms, Borrowers, Development Owners and Contract Administrators must sign and submit the appropriate documentation with each draw to attest that each request for payment of Multifamily Direct Loan funds is for the actual cost of providing a service and that the service does not violate any conflict of interest provisions in 24 CFR Part 92.

I (We) certify that I (We) am eligible to apply for funds or any other assistance from the Department. I (We) certify that all audits are current at the time of application. I (We) certify that any Audit Certification Forms have been submitted to the Department in a satisfactory format on or before the application deadline for funds or other assistance pursuant to 10 TAC §1.3(b). I (We) certify that, the Development will meet the broadband infrastructure requirements of 81 FR 92626, and that these costs are included in the Application.

All applicants applying under the 2019-1 Multifamily Direct Loan Notice of Funding Availability (NOFA) must read and initial after each of the following sections regarding federal cross cutting requirements in the boxes below.

HUD Section 3

I (We) hereby agree that the work to be performed in connection with any award of HOME or NHTF funds is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (“Section 3”). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing. I (We) agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. For more information about HUD Section 3, please reference the TDHCA website dedicated to Section 3 at: <http://www.tdhca.state.tx.us/program-services/hud-section-3/index.htm>



(initial)

Environmental

I (We) understand that the environmental effects of each activity carried out with an award of HOME funds must be assessed in accordance with the provisions of National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. §4321 et seq.) and the related activities listed in HUD’s implementing regulations at 24 C.F.R. parts 50, 51, 55 and 58 (NEPA regulations). Each such activity must have an environmental review completed and support documentation prepared complying with the NEPA and NEPA regulations. **No loan may close or funds be committed to an activity before the completion of the environmental review process, including the requirements of 24 CFR Part 58, and the Department has provided written clearance.**

The Department as the Responsible Entity must ensure that environmental effects of the property are assessed in accordance with the provisions of the National Environmental Policy Act of 1969 and the related authorities listed in HUD’s implementing regulations at 24 CFR Parts 50 and 58.

I (We) certify that all parties involved in any aspect of the development process began the project with no intention of using Federal assistance.

I (We) certify that as of the date of the Multifamily Direct Loan application all project work, other than as allowed in 24 CFR. Part 58, has ceased.

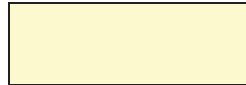
I (We) understand that the environmental effects of each activity carried out with an award of NHTF funds must be assessed in accordance with the provisions of CPD Notice 16-14.

I (We) certify that I (we) have read and understand the requirements in 24 CFR §58.22 or CPD Notice 16-14, and I (we) understand that **acquisition of the site, even with non-HUD funds, prior to completion of the environmental review process will jeopardize any federal funding.**

I (We) certify that we will not engage in any choice limiting actions until the site has achieved Environmental Clearance as required in CPD Notice 16-14 or 24 CFR. Part 58, as applicable.

Choice-limiting activities include but are not limited to these examples:

- Acquisition of land, except through the use of an option agreement, regardless of funding source;
- Closing on loans including loans for interim financing;
- Signing a construction contract.



(initial)

Relocation and Anti-Displacement

The property proposed for this Application is _____ is not _____ occupied. (check one)

If occupied, the occupant(s) are owners _____ tenants _____

Displacement of Existing Tenants

I (We) certify that that the work to be performed in connection with any award of federal funds is subject to Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (“URA”), as amended, and implementing regulations at 49 CFR Part 24. Consistent with the goals and objectives of activities assisted under the Act and HUD Handbook 1378, if the Development is eligible for federal funds the Applicant must prepare and submit the following to TDHCA with the Multifamily Uniform Application:

- 1) A detailed explanation of the reasons for displacement relocation;
- 2) A detailed plan of the relocation, including evidence of comparable replacement housing;
- 3) A copy of the General Information Notice (signed by the tenant or sent Certified Mail, return recipient requested) sent to all tenants on the Rent Roll listed with the Multifamily Direct Loan Application, and
- 4) Estimated costs and funding sources available to complete the permanent relocation.

Demolition and Conversion

I (We) certify that that the work to be performed in connection with any award of federal funds is subject to 24 CFR Part 42 and Development Owner will replace all occupied and vacant occupiable low-income housing that is demolished or converted to a use other than low-income housing as a direct result of the project. All replacement housing will be provided within three (3) years after the commencement of the demolition or conversion. Before receiving a

commitment of federal funds for a project that will directly result in demolition or conversion, the project owner will make the information public in accordance with 24 CFR Part 42 and submit the information to TDHCA along with the following information in writing at application:

- 1) The location map, address, and number of dwelling units by bedroom size of lower income housing that will be demolished or converted to use other than as lower income housing as a direct result of the project;
- 2) A time schedule for the commencement and completion of the demolition and conversion;
- 3) To the extent known, the location, map, address, and number of dwelling units by bedroom size of the replacement housing that has been or will be provided;
- 4) The amount and source of funding and a time schedule for the provision of the replacement housing;
- 5) The basis for concluding that the replacement housing will remain lower income housing beyond the date of initial occupancy;
- 6) Information demonstrating that any proposed replacement of housing units with similar dwelling units (e.g. a 2-bedroom unit with two 1-bedroom units) or any proposed replacement of efficiency or SRO units with units of a different size is appropriate and consistent with the housing needs of the community; and
- 7) The name and title of the person or persons responsible for tracking the replacement of lower income housing and the name and title of the person responsible for providing relocation payments and other relocation assistance to any lower-income person displaced by the demolition of any housing or the conversion of lower-income housing to another use.

(initial)

Applications for Developments Previously Awarded Department Funds

This Application has _____ has not _____ previously received Department funds. (check one)

If this Application has previously received Department funds and construction has already started or been completed, and acquisition and rehabilitation is not being proposed, a letter from the Applicant that seeks to explain why this Application should be found eligible in accordance with 10 TAC §13.5(h)(2) is provided behind this tab.

(initial)

By: _____

Signature of Authorized Representative

Printed Name

Title

Date

THE STATE OF TEXAS §

§

COUNTY OF _____ §

§

Before me, a notary public, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared and certified that the statements therein contained are true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____,

(Seal)

Notary Public Signature

Question 3a: Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR §93.2).

The State of Texas will distribute FY 2019 Housing Trust Fund (“HTF”) Program funds by selecting applications submitted by eligible recipients as defined in §93.2 (definition of recipient) through the Application Submission Requirements, Ineligibility Criteria, Board Decisions, and Waiver of Rules for Applications provisions found in Chapter 11 of the Texas Administrative Code (“TAC”), Subchapter C (10 TAC §§11.201 through 11.207). The State of Texas will not limit recipients to a specific category such as nonprofits. Please see the table below for the requirements in §93.2 and the corresponding requirements found in state rules at 10 TAC Chapter 11 and 10 TAC Chapter 13.

Recipient requirements in §93.2	State Rules
<p>(1) Make acceptable assurances to the grantee that it will comply with the requirements of the HTF program during the entire period that begins upon selection of the recipient to receive HTF funds, and ending upon the conclusion of all HTF-funded activities</p> <p>(2) Demonstrate its familiarity with the requirements of other Federal, State, or local housing programs that may be used in conjunction with HTF funds to ensure compliance with all applicable requirements and regulations of such programs;</p>	<p>10 TAC §11.204. Required Documentation for Application Submission. The purpose of this section is to identify the documentation that is required at the time of Application submission, unless specifically indicated or otherwise required by Department rule. If any of the documentation indicated in this section is not resolved, clarified or corrected to the satisfaction of the Department through either original Application submission or the Administrative Deficiency process, the Application will be terminated. Unless stated otherwise, all documentation identified in this section must not be dated more than six (6) months prior to the close of the Application Acceptance Period or the date of Application submission as applicable to the program. The Application may include, or Department staff may request, documentation or verification of compliance with any requirements related to the eligibility of an Applicant, Application, Development Site, or Development.</p> <p>(A) Certification, Acknowledgement and Consent of Development Owner. A certification of the information in this subchapter as well as Subchapter B of this chapter must be executed by the Development Owner and addresses the specific requirements associated with the Development. The Person executing the certification is responsible for ensuring all individuals referenced therein are in compliance with the certification, that they have given it with all required authority and with actual knowledge of the matters certified.</p> <p>(B) The Development will adhere to the Texas Property Code relating to security devices and other applicable requirements for residential tenancies, and will adhere to local building codes or, if no local building codes are in place, then to the most recent version of the International Building Code.</p> <p>(C) This Application and all materials submitted to the Department constitute records of the Department subject to Tex. Gov’t Code, Chapter 552. All persons who have a property interest in the Application, along with all plans and third-party reports, must acknowledge that the Department may publish them on the Department’s website, release them in response to a request for public information, and make other use of the information as authorized by law.</p>

- (D) All representations, undertakings and commitments made by Applicant in the Application process for Development assistance expressly constitute conditions to any Commitment, Determination Notice, Carryover Allocation, or Direct Loan Commitment for such Development which the Department may issue or award, and the violation of any such condition shall be sufficient cause for the cancellation and rescission of such Commitment, Determination Notice, Carryover Allocation, or Direct Loan Commitment by the Department. If any such representations, undertakings and commitments concern or relate to the ongoing features or operation of the Development, they shall each and all shall be enforceable even if not reflected in the Land Use Restriction Agreement. All such representations, undertakings and commitments are also enforceable by the Department and the residents of the Development, including enforcement by administrative penalties for failure to perform, in accordance with the Land Use Restriction Agreement.
- (E) The Development Owner has read and understands the Department's fair housing educational materials posted on the Department's website as of the beginning of the Application Acceptance Period.
- (F) The Development Owner agrees to implement a plan to use Historically Underutilized Businesses (HUB) in the development process consistent with the Historically Underutilized Business Guidelines for contracting with the State of Texas. The Development Owner will be required to submit a report of the success of the plan as part of the cost certification documentation, in order to receive IRS Forms 8609 or, if the Development does not have Housing Tax Credits, release of retainage.
- (G) The Applicant will attempt to ensure that at least 30 percent of the construction and management businesses with which the Applicant contracts in connection with the Development are Minority Owned Businesses as further described in Tex. Gov't Code, §2306.6734.
- (H) The Development Owner will specifically market to veterans through direct marketing or contracts with veteran's organizations. The Development Owner will be required to identify how they will specifically market to veterans and report to the Department in the annual housing report on the results of the marketing efforts to veterans. Exceptions to this requirement must be approved by the Department.
- (I) The Development Owner will comply with any and all notices required by the Department.
- (J) If the Development has an existing LURA with the Department, the Development Owner will comply with the existing restrictions.
- (2) Applicant Eligibility Certification.** A certification of the information in this subchapter as well as Subchapter B of this chapter must be executed by any individuals required to be listed on the

organizational chart and also identified in 10 TAC §11.1(d)(30), the definition of Control. The certification must identify the various criteria relating to eligibility requirements associated with multifamily funding from the Department, including but not limited to the criteria identified under §11.202 of this chapter (relating to Ineligible Applicants and Applications).

- (3) **Architect Certification Form.** The certification, addressing all of the accessibility requirements applicable to the Development Site, must be executed by the Development engineer or accredited architect after careful review of the Department's accessibility requirements. (§2306.6722; §2306.6730) The certification must include a statement describing how the accessibility requirements relating to Unit distribution will be met and certification that they have reviewed and understand the Department's fair housing educational materials posted on the Department's website as of the beginning of the Application Acceptance Period. The certification must also include the following statement, "all persons who have a property interest in this plan hereby acknowledge that the Department may publish the full plan on the Department's website, release the plan in response to a request for public information, and make other use of the plan as authorized by law." An acceptable, but not required, form of such statement may be obtained in the Multifamily Programs Procedures Manual.

10 TAC §13.1

13.1 Purpose

- (a) **Authority.** The rules in this Chapter apply to the funds provided to Multifamily Developments through the Multifamily Direct Loan Program (MFDL or Direct Loan Program) by the Texas Department of Housing and Community Affairs (the Department). Notwithstanding anything in this Chapter to the contrary, loans and grants issued to finance the Development of multifamily rental housing are subject to the requirements of the laws of the State of Texas, including but not limited to Tex. Gov't Code, Chapter 2306 (sometimes referred to as the State Act), and federal law pursuant to the requirements of Title II of the Cranston-Gonzalez National Affordable Housing Act, Division B, Title III of the Housing and Economic Recovery Act (HERA) of 2008 - Emergency Assistance for the Redevelopment of Abandoned and Foreclosed Homes, Section 1497 of the Dodd-Frank Wall Street Reform and Consumer Protection Act: Additional Assistance for Neighborhood Stabilization Programs, Title I of the Housing and Economic Recovery Act of 2008, Section 1131 (Public Law 110-289) and the implementing regulations 24 CFR Part 91, Part 92, Part 93, and Part 570 as they may be applicable to a specific fund source. The Department is authorized to administer Direct Loan Program funds pursuant to Tex Gov't Code §2306, Subchapter I, Housing Finance Division.
- (b) **General.** This Chapter applies to an award of MFDL funds by the

	<p>Department and establishes the general requirements associated with the application and award process for such funds. Applicants pursuing MFDL assistance from the Department are required to certify, among other things, that they have familiarized themselves with all applicable rules that govern that specific program including, but not limited to this Chapter, Chapter 1 of this title (relating to Administration), Chapter 2 of this title (relating to Enforcement), Chapter 8 of this title (relating to Section 811 PRA Program), and Chapter 10 of this title (relating to Uniform Multifamily Rules), Chapter 11 of this title (relating to Housing Tax Credit Program Qualified Allocation Plan (QAP)) and Chapter 12 of this title (relating to Multifamily Housing Revenue Bond Rules) will apply if MFDL funds are layered with those other Department programs. The Applicant is also required to certify that it is familiar with any other federal, state, or local financing sources that it identifies in its Application. Any conflict with rule of other programs or with federal regulations will be resolved on a case by case basis that allows for compliance with all requirements. Conflicts that cannot be resolved may result in Application ineligibility.</p> <p>(c) Waivers. Requests for waivers of any program rules or requirements must be made in accordance with 10 TAC §11.207 of this title (relating to Waiver of Rules). In no instance will the Department consider a waiver request that would violate federal program requirements or state or federal statute.</p> <p>(d) Applications for Multifamily Direct Loan funds must meet all applicable eligibility and threshold requirements of Chapter 11 of this title (relating to the Qualified allocation Plan).</p>
<p>(3) Demonstrate the ability and financial capacity to undertake, comply, and manage the eligible activity;</p> <p>(4) Have demonstrated experience and capacity to conduct an eligible HTF activity as evidenced by its ability to:</p> <p>(i) Own, construct, or rehabilitate, and manage and operate an affordable multifamily rental housing development; or</p> <p>(ii) Design, construct, or rehabilitate, and market affordable housing for homeownership.</p> <p>(iii) Provide forms of assistance, such as down payments, closing costs, or interest rate buy downs for purchasers.</p>	<p>10 TAC §13.5(h)(1) Applicants requesting MFDL as the only source of Department funds may meet the Experience Requirement under 10 TAC §11.204(6) of this title (relating to Required Documentation for Application Submission) or by providing evidence of the successful development, and operation for at least 5 years, of at least twice as many affordability restricted units as requested in the Application.</p> <p>10 TAC §11.204. Required Documentation for Application Submission.</p> <p>(6) Experience Requirement. Evidence that meets the criteria as stated in subparagraph (A) of this paragraph must be provided in the Application, unless an experience certificate was issued by the Department in the years 2014 through 2018, which may be submitted as acceptable evidence of this requirement. Experience of multiple parties may not be aggregated to meet this requirement.</p> <p>(A) A natural Person, with control of the Development who intends and has the ability to remain in control through placement in service, who is also a Principal of the Developer, Development Owner, or General Partner must establish that they have experience that has included the development and placement in service of 150 units or more. Applicants requesting Multifamily Direct Loan funds only may</p>

meet the alternative requirement at §13.5(h)(1) of this title.

Acceptable documentation to meet this requirement shall include any of the items in clauses (i) - (ix) of this subparagraph:

- (i) American Institute of Architects (AIA) Document (A102) or (A103) 2007 - Standard Form of Agreement between Owner and Contractor;
- (ii) AIA Document G704--Certificate of Substantial Completion;
- (iii) AIA Document G702--Application and Certificate for Payment;
- (iv) Certificate of Occupancy;
- (v) IRS Form 8609 (only one per development is required);
- (vi) HUD Form 9822;
- (vii) Development agreements;
- (viii) Partnership agreements; or
- (ix) other documentation satisfactory to the Department verifying that a Principal of the Development Owner, General Partner, or Developer has the required experience.

(i) – (ix) of this paragraph must reflect that the individual seeking to provide experience is a Principal of the Development Owner, General Partner, or Developer as listed in the Application. For purposes of this requirement any individual attempting to use the experience of another individual or entity must demonstrate they had the authority to act on their behalf that substantiates the minimum 150 unit requirement.

(B) The names on the forms and agreements in subparagraph

(C) If a Principal is determined by the Department to not have the required experience, an acceptable replacement for that Principal must be identified prior to the date the award is made by the Board.

(D) Notwithstanding the foregoing, no person may be used to establish such required experience if that Person or an Affiliate of the Person would not be eligible to be an Applicant themselves.

(7) Financing Requirements.

(A) Non-Department Debt Financing. Interim and permanent financing sufficient to fund the proposed Total Housing Development Cost less any other funds requested from the Department must be included in the Application. For any Development that is a part of a larger development plan on the same site, the Department may request and evaluate information related to the other components of the development plan in instances in which the financial viability of the Development is in whole or in part dependent upon the other portions of the development plan. Any local, state or federal financing identified in this section which restricts household incomes at any level that is lower than restrictions required or elected in accordance with this Chapter or Chapter 13 of this title (relating to Multifamily Direct Loan) must be identified in the rent schedule and the local, state or federal income restrictions must

include corresponding rent levels in accordance with Code §42(g) if the Development will receive housing tax credits. The income and corresponding rent restrictions will be memorialized in a recorded LURA and monitored for compliance. Financing amounts must be consistent throughout the Application and acceptable documentation shall include those described in clauses (i) and (ii) of this subparagraph.

(i) Financing is in place as evidenced by:

- I. a valid and binding loan agreement; and
- II. a valid recorded deed(s) of trust lien on the Development in the name of the Development Owner as grantor in favor of the party providing such financing and covered by a lender's policy of title insurance in their name;

(ii) Term sheets for interim and permanent loans issued by a lending institution or mortgage company that is actively and regularly engaged in the business of lending money must:

- I. have been signed by the lender;
- II. be addressed to the Development Owner or Affiliate;
- III. for a permanent loan, include a minimum loan term of fifteen (15) years with at least a thirty (30) year amortization;
- IV. include either a committed and locked interest rate, or the currently projected interest rate and the mechanism for determining the interest rate;
- V. include all required Guarantors, if known;
- VI. include the principal amount of the loan;
- VII. include an acknowledgement of the amounts and terms of all other anticipated sources of funds and if the Application reflects an intent to elect income averaging there must be an acknowledgement to that effect in the term sheet; and
- VIII. include and address any other material terms and conditions applicable to the financing. The term sheet may be conditional upon the completion of specified due diligence by the lender and upon the award of tax credits, if applicable; or

(iii) For Developments proposing to refinance an existing USDA Section 514, 515, or 516 loan, a letter from the USDA confirming that it has been provided with the Preliminary Assessment Tool.

(iv) For Direct Loan Applications or Tax-Exempt Bond Development Applications utilizing FHA financing, the Application shall include the applicable pages from the HUD Application for Multifamily Housing Project. If the HUD Application has not been submitted at the time the Application is submitted then a statement to the effect should be included in the Application along with an estimated date for submission. Applicants should be aware that staff's underwriting of an Application will not be finalized and presented to the Board until staff has evaluated the HUD Application relative to the Application.

(B) Gap Financing. Any anticipated federal, state, local or private gap

financing, whether soft or hard debt, must be identified and described in the Application. Applicants must provide evidence that an application for such gap financing has been made. Acceptable documentation may include a letter from the funding entity confirming receipt of an application or a term sheet from the lending agency which clearly describes the amount and terms of the financing. Other Department funding requested with Housing Tax Credit Applications must be on a concurrent funding period with the Housing Tax Credit Application, and no term sheet is required for such a request. Permanent loans must include a minimum loan term of fifteen (15) years with at least a thirty (30) year amortization or for non-amortizing loan structures a term of not less than thirty (30) years. A term loan request must also comply with the applicable terms of the NOFA under which an Applicant is applying.

(C) Owner Contributions. If the Development will be financed in part with a capital contribution by the General Partner, Managing General Partner, any other partner or investor that is not a partner providing the syndication equity, a Guarantor or a Principal in an amount that exceeds 5 percent of the Total Housing Development Cost, a letter from a Third Party CPA must be submitted that verifies the capacity of the contributor to provide the capital from funds that are not otherwise committed or pledged. Additionally, a letter from the contributor's bank(s) or depository(ies) must be submitted confirming sufficient funds are readily available to the contributor. The contributor must certify that the funds are and will remain readily available at Commitment and until the required investment is completed. Regardless of the amount, all capital contributions other than syndication equity will be deemed to be a part of and therefore will be added to the Deferred Developer Fee for feasibility purposes under §11.302(i)(2) of this chapter (relating to Underwriting Rules and Guidelines) or where scoring is concerned, unless the Development is a Supportive Housing Development, the Development is not supported with Housing Tax Credits, or the ownership structure includes a nonprofit organization with a documented history of fundraising sufficient to support the development of affordable housing.

(D) Equity Financing. (§2306.6705(2) and (3)) If applicable to the program, the Application must include a term sheet from a syndicator that, at a minimum, includes:

- (i) an estimate of the amount of equity dollars expected to be raised for the Development;
- (ii) the amount of Housing Tax Credits requested for allocation to the Development Owner;
- (iii) pay-in schedules;
- (iv) syndicator consulting fees and other syndication costs.

No syndication costs should be included in the Eligible Basis; and

- (v) include an acknowledgement of the amounts and terms of all other anticipated sources of funds and if the Application reflects

an intent to elect income averaging there must be an acknowledgement to that effect in the term sheet.

(E) Financing Narrative. (§2306.6705(1)) A narrative must be submitted that describes all aspects of the complete financing plan for the Development, including but not limited to, the sources and uses of funds; construction, permanent and bridge loans, rents, operating subsidies, project-based assistance, and replacement reserves; and the status (dates and deadlines) for applications, approvals and closings, etc. associated with the commitments for all funding sources. For applicants requesting Direct Loan funds, Match, as applicable, must be documented with a letter from the anticipated provider of Match indicating the provider's willingness and ability to make a financial commitment should the Development receive an award of Direct Loan funds. The information provided must be consistent with all other documentation in the Application.

(8) Operating and Development Cost Documentation

- (A) 15-year Pro forma. All Applications must include a 15-year pro forma estimate of operating expenses, in the form provided by the Department. Any "other" debt service included in the pro forma must include a description.
- (B) Utility Allowances. This exhibit, as provided in the Application, must be submitted along with documentation from the source of the utility allowance estimate used in completing the Rent Schedule provided in the Application. This exhibit must clearly indicate which utility costs are included in the estimate and must comply with the requirements of §10.614 of this chapter (relating to Utility Allowances), including deadlines for submission. Where the Applicant uses any method that requires Department review, documentation indicating that the requested method has been granted by the Department must be included in the Application.
- (C) Operating Expenses. This exhibit, as provided in the Application, must be submitted indicating the anticipated operating expenses associated with the Development. Any expenses noted as "other" in any of the categories must be identified. "Miscellaneous" or other nondescript designations are not acceptable.
- (D) Rent Schedule. This exhibit, as provided in the Application, must indicate the type of Unit designation based on the Unit's rent and income restrictions. The rent and utility limits available at the time the Application is submitted should be used to complete this exhibit. Gross rents cannot exceed the maximum rent limits unless documentation of project-based rental assistance is provided and rents are consistent with such assistance and applicable legal requirements. The unit mix and net rentable square footages must be consistent with the site plan and architectural drawings. For Units restricted in connection with Direct Loans, the restricted Units will generally be designated "floating" unless specifically disallowed under the program specific rules. For Applications that propose

utilizing Direct Loan funds, at least 90 percent of the Units restricted in connection with the Direct Loan program must be available to households or families whose incomes do not exceed 60 percent of the Area Median Income. For Applications that propose to elect income averaging, Units restricted by any fund source other than housing tax credits must be specifically identified, and all restricted Units, regardless of fund source, must be included in the average calculation.

(E) Development Costs. This exhibit, as provided in the Application, must include the contact information for the person providing the cost estimate and must meet the requirements of clauses (i) and (ii) of this subparagraph.

(i) Applicants must provide a detailed cost breakdown of projected Site Work costs (excluding site amenities), if any, prepared by a Third Party engineer or cost estimator. If Site Work costs (excluding site amenities) exceed \$15,000 per Unit and are included in Eligible Basis, a letter must be provided from a certified public accountant allocating which portions of those site costs should be included in Eligible Basis.

(ii) If costs for Off-Site Construction are included in the budget as a line item, or embedded in the site acquisition contract, or referenced in the utility provider letters, then the Off-Site Cost Breakdown prepared by a Third Party engineer must be provided. The certification from a Third Party engineer must describe the necessity of the off-site improvements, including the relevant requirements of the local jurisdiction with authority over building codes. If any Off-Site Construction costs are included in Eligible Basis, a letter must be provided from a certified public accountant allocating which portions of those costs should be included in Eligible Basis. If off-site costs are included in Eligible Basis based on PLR 200916007, a statement of findings from a CPA must be provided which describes the facts relevant to the Development and affirmatively certifies that the fact pattern of the Development matches the fact pattern of the Development matches the fact pattern in PLR 200916007.

(F) Rental Assistance/Subsidy. (§2306.6705(4)) If rental assistance, an operating subsidy, an annuity, or an interest rate reduction payment is proposed to exist or continue for the Development, any related contract or other agreement securing those funds or proof of application for such funds must be provided. Such documentation shall, at a minimum, identify the source and annual amount of the funds, the number of units receiving the funds, and the term and expiration date of the contract or other agreement.

(G) Occupied Developments. The items identified in clauses (i)-(vi) of this subparagraph must be submitted with any Application where any structure on the Development Site is occupied at any time

after the Application Acceptance Period begins or if the Application proposes the demolition of any housing occupied at any time after the Application Acceptance Period begins. If the Application includes a request for Direct Loan funds, Applicant must follow the requirements of the Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970 ("URA") and other HUD requirements including Section 104(d) of the Housing and Community Development Act. HUD Handbook 1378 provides guidance and template documents. Failure to following URA or 104(d) requirements will make the proposed Development ineligible for Direct Loan funds and may lead to penalty under 10 TAC §13.11(b). If the current property owner is unwilling to provide the required documentation then a signed statement from the Applicant attesting to that fact must be submitted. If one or more of the items described in clauses (i) - (vi) of this subparagraph is not applicable based upon the type of occupied structures on the Development Site, the Applicant must provide an explanation of such non-applicability.

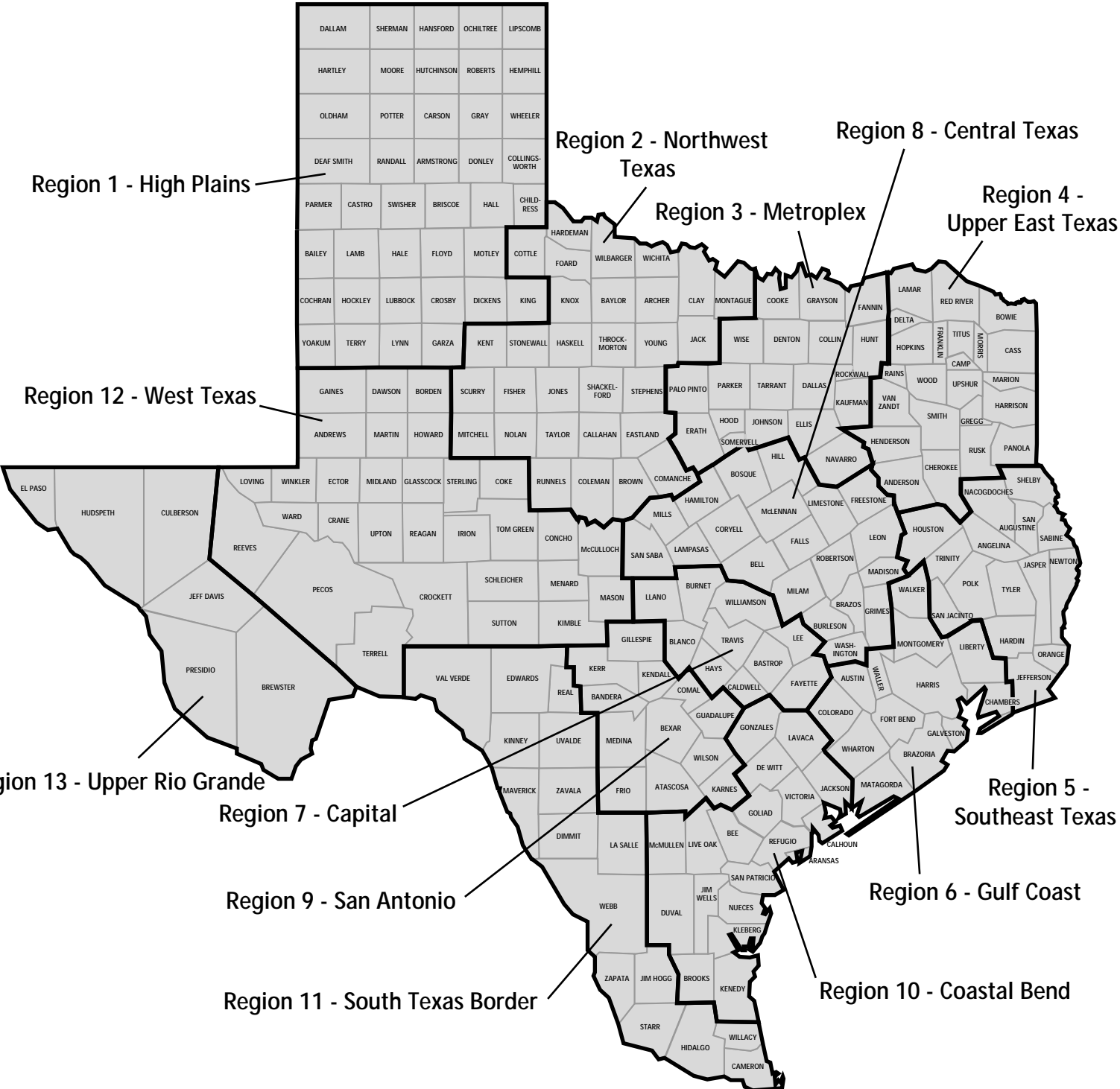
Applicant must submit:

- (i) at least one of the items identified in subclauses (I) - (IV) of this clause:
 - I. historical monthly operating statements of the Existing Residential Development for twelve (12) consecutive months ending not more than three (3) months from the first day of the Application Acceptance Period;
 - II. the two (2) most recent consecutive annual operating statement summaries;
 - III. the most recent consecutive six (6) months of operating statements and the most recent available annual operating summary; or
 - IV. all monthly or annual operating summaries available; and
- (ii) a rent roll not more than six (6) months old as of the first day the Application Acceptance Period that discloses the terms and rate of the lease, rental rates offered at the date of the rent roll, Unit mix, and tenant names or vacancy;
- (iii) a written explanation of the process used to notify and consult with the tenants in preparing the Application;
- (iv) a relocation plan outlining relocation requirements and a budget with an identified funding source; (§2306.6705(6))
- (v) any documentation necessary for the Department to facilitate, of advise an Applicant with respect to or to ensure compliance with the Uniform Relocation Act and any other relocation laws or regulations as may be applicable; and
- (vi) if applicable, evidence that the relocation plan has been submitted to all appropriate legal or governmental agencies or bodies. (§2306.6705(6))

Housing Trust Fund
State of Texas
2019 Allocation Formula

Region	ELI Households	Renter Households	Sum of Need Variables	Allocation percentage	Regional Allocation
1	25,695	114703	140,398	3%	\$ 317,070.79
2	13,455	64922	78,377	2%	\$ 177,004.36
3	218,695	1040120	1,258,815	29%	\$ 2,842,871.50
4	26,770	121446	148,216	3%	\$ 334,726.74
5	21,890	87155	109,045	2%	\$ 246,264.08
6	200,095	919328	1,119,423	26%	\$ 2,528,072.62
7	64,850	312390	377,240	9%	\$ 851,947.94
8	38,115	168674	206,789	5%	\$ 467,006.31
9	65,885	308694	374,579	9%	\$ 845,938.41
10	22,069	102135	124,204	3%	\$ 280,498.73
11	53,889	166135	220,024	5%	\$ 496,895.86
12	11,564	69088	80,652	2%	\$ 182,142.15
13	23,984	104583	128,567	3%	\$ 290,352.01
Total	786,956	3,542,096	4,366,329	100%	\$ 9,860,791.50

13 Uniform State Service Regions of Texas



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-6103-N-01]

Annual Indexing of Basic Statutory Mortgage Limits for Multifamily Housing Programs

AGENCY: Office of the Assistant Secretary for Housing—Federal Housing Commissioner, HUD.

ACTION: Notice.

SUMMARY: In accordance with the National Housing Act, HUD has adjusted the Basic Statutory Mortgage Limits for Multifamily Housing Programs for Calendar Year 2018.

DATES: January 1, 2018.

FOR FURTHER INFORMATION CONTACT: Patricia M. Burke, Acting Director, Office of Multifamily Development, Department of Housing and Urban Development, 451 Seventh Street SW, Washington, DC 20410-8000, telephone (202) 402-5693 (this is not a toll-free number). Hearing or speech-impaired individuals may access this number through TTY by calling the toll-free Federal Relay Service at (800) 877-8339.

SUPPLEMENTARY INFORMATION: The FHA Down Payment Simplification Act of 2002 (Pub. L. 107-326, approved December 4, 2002) amended the National Housing Act by adding a new Section 206A (12 U.S.C. 1712a). Under Section 206A, the following are affected:

- I. Section 207(c)(3)(A) (12 U.S.C. 1713(c)(3)(A));
- II. Section 213(b)(2)(A) (12 U.S.C. 1715e(b)(2)(A));
- III. Section 220(d)(3)(B)(iii)(I) (12 U.S.C. 1715k(d)(3)(B)(iii)(I));
- IV. Section 221(d)(4)(ii)(I) (12 U.S.C. 1715l(d)(4)(ii)(I));
- V. Section 231(c)(2)(A) (12 U.S.C. 1715v(c)(2)(A)); and
- VI. Section 234(e)(3)(A) (12 U.S.C. 1715y(e)(3)(A)).

The Dollar Amounts in these sections are the base per unit statutory limits for FHA's multifamily mortgage programs collectively referred to as the 'Dollar Amounts.' They are adjusted annually (commencing in 2004) on the effective date of the Consumer Financial Protection Bureau's (CFPB's) adjustment of the \$400 figure in the Home Ownership and Equity Protection Act of 1994 (HOEPA) (Pub. L. 103-325, approved September 23, 1994). The adjustment of the Dollar Amounts shall be calculated using the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) as applied by the CFPB for purposes of the above-described HOEPA adjustment.

The percentage change in the CPI-U used for the HOEPA adjustment is 2.1

percent and the effective date of the HOEPA adjustment is January 1, 2018. The Dollar Amounts under Section 206A have been adjusted correspondingly and have an effective date of January 1, 2018.

The adjusted Dollar Amounts for Calendar Year 2018 are shown below:

Basic Statutory Mortgage Limits for Calendar Year 2018

Multifamily Loan Program

Section 207—Multifamily Housing
Section 207 Pursuant to Section 223(F)—Purchase or Refinance Housing

SECTION 220—HOUSING IN URBAN RENEWAL AREAS

Bedrooms	Non-elevator	Elevator
0	\$52,658	\$61,421
1	58,332	68,056
2	69,677	83,450
3	85,882	104,517
4+	97,227	118,179

SECTION 213—COOPERATIVES

Bedrooms	Non-elevator	Elevator
0	\$57,067	\$60,764
1	65,800	68,843
2	79,357	83,714
3	101,578	108,300
4+	113,164	118,883

SECTION 234—CONDOMINIUM HOUSING

Bedrooms	Non-elevator	Elevator
0	\$58,232	\$61,281
1	67,143	70,250
2	80,976	85,424
3	103,652	110,512
4+	115,473	121,307

SECTION 221(D)(4)—MODERATE INCOME HOUSING

Bedrooms	Non-elevator	Elevator
0	\$52,405	\$56,609
1	59,489	64,896
2	71,908	78,914
3	90,256	102,087
4+	101,987	112,062

SECTION 231—HOUSING FOR THE ELDERLY

Bedrooms	Non-elevator	Elevator
0	\$49,824	\$56,609
1	55,700	64,896
2	66,515	78,914
3	80,047	102,087

SECTION 231—HOUSING FOR THE ELDERLY—Continued

Bedrooms	Non-elevator	Elevator
4+	94,108	112,062

Section 207—Manufactured Home Parks per Space—\$24,175

Per Unit Limit for Substantial Rehabilitation for Calendar Year 2018

The 2016 Multifamily Accelerated Processing (MAP) Guide established a base amount of \$15,000 per unit to define substantial rehabilitation for FHA insured loan programs. Section 5.1.D.2 of the MAP guide requires that this base amount be adjusted periodically based on the percentage change published by the CFPB or other inflation cost index published by HUD. Applying the HOEPA adjustment the base amount, the 2018 base amount per dwelling unit to determine substantial rehabilitation for FHA insured loan programs is \$15,636.

Environmental Impact

This issuance establishes mortgage and cost limits that do not constitute a development decision affecting the physical condition of specific project areas or building sites. Accordingly, under 24 CFR 50.19(c)(6), this notice is categorically excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321).

Dated: May 25, 2018.

Dana T. Wade,
General Deputy Assistant Secretary for Housing.

[FR Doc. 2018-11854 Filed 6-1-18; 8:45 am]

BILLING CODE 4210-67-P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-7001-N-26]

30-Day Notice of Proposed Information Collection: CDBG Urban County Qualification/New York Towns Qualification/Requalification Process

AGENCY: Office of the Chief Information Officer, HUD.

ACTION: Notice.

SUMMARY: HUD is seeking approval from the Office of Management and Budget (OMB) for the information collection described below. In accordance with the Paperwork Reduction Act, HUD is requesting comment from all interested parties on the proposed collection of information. The purpose of this notice

234 Condo Limit (225% High Cost Adjustment as allowed for all jurisdictions in Fort Worth HUB except Dallas-Plano-Irving)

	Bedrooms	Non-elevator	Elevator	Non-elevator x 225%	Elevator x 225%
Effective and published in 6/4/18 Fed. Reg.	0	\$58,232	\$61,281	\$131,022	\$137,882
	1	\$67,143	\$70,250	\$151,072	\$158,063
	2	\$80,976	\$85,424	\$182,196	\$192,204
	3	\$103,652	\$110,512	\$233,217	\$248,652
	4	\$115,473	\$121,307	\$259,814	\$272,941

From: [Abigail Versyp](#)
To: [Marni Holloway](#); [Andrew Sinnott](#)
Subject: FW: 2018 HOME maximum per unit subsidy limit for Fort Worth Field Office PJ's----SHARE WITH YOUR ASSIGNED PJ's
Date: Wednesday, July 25, 2018 11:57:22 AM

FYI.

From: Jensen, Gerald R [mailto:Gerald.R.Jensen@hud.gov]
Sent: Wednesday, July 25, 2018 10:33 AM
To: Abigail Versyp
Subject: FW: 2018 HOME maximum per unit subsidy limit for Fort Worth Field Office PJ's----SHARE WITH YOUR ASSIGNED PJ's

From: Henley, Shirley J
Sent: Wednesday, July 25, 2018 10:14 AM
To: Pless, Phillip A <Phillip.Pless@hud.gov>; Hadawi, Kristin D <Kristin.D.Hadawi@hud.gov>; Carreras, Robert H <Robert.H.Carreras@hud.gov>; Roy, Mark C <Mark.C.Roy@hud.gov>; Peppers, Cecelia A <cecilia.a.peppers@hud.gov>; Avery, Gail D <Gail.D.Avery@hud.gov>
Cc: Jensen, Gerald R <Gerald.R.Jensen@hud.gov>; Henley, Shirley J <Shirley.J.Henley@hud.gov>; Melendez, Ellen M <Ellen.M.Melendez@hud.gov>
Subject: 2018 HOME maximum per unit subsidy limit for Fort Worth Field Office PJ's----SHARE WITH YOUR ASSIGNED PJ's

The 2018 HOME maximum per unit subsidy limits for Fort Worth Field Office PJs have been calculated in accordance with current CPD guidance, and are included below. These limits are effective as of June 4, 2018.

FY 2018 Maximum Subsidy Limits for All FWFO PJs EXCEPT those in the Dallas-Plano-Irving Metropolitan Area

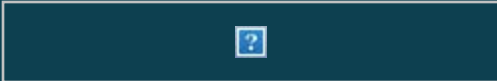
Bedrooms	Section 234 Elevator Limits	High Cost Percentage	HOME Maximum Per-Unit Subsidy Limit
0	\$ 61,281	225%	\$ 137,882
1	\$ 70,250	225%	\$ 158,063
2	\$ 85,424	225%	\$ 192,204
3	\$ 110,512	225%	\$ 248,652
4+	\$ 121,307	225%	\$ 272,941

FY 2018 Maximum Subsidy Limits for PJs in the Dallas-Plano-Irving Metropolitan Area (Dallas, Dallas County, Denton, Garland, Grand Prairie, Irving, Plano)

Bedrooms	Section 234 Elevator Limits	High Cost Percentage	HOME Maximum Per-Unit Subsidy Limit
0	\$ 61,281	229%	\$ 140,333
1	\$ 70,250	229%	\$ 160,873

2	\$ 85,424	229%	\$ 195,621
3	\$ 110,512	229%	\$ 253,072
4+	\$ 121,307	229%	\$ 277,793

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HUD Publishes New 2018 Limits for HOME Maximum Per-Unit Subsidies

In accordance with Section 206A of the National Housing Act, HUD has adjusted the basic statutory mortgage limits for Multifamily Housing Programs for calendar year 2018. These limits are effective for the HOME Investment Partnerships Program (HOME) on June 4, 2018, until such date that the basic statutory mortgage limits for Multifamily Housing Programs for calendar year 2019 are published in the Federal Register.

[View the 2018 Section 234 limits and guidance on the HOME maximum per-unit subsidy limits.](#)

Due to the discontinuation of the Section 221(d)(3) mortgage insurance program, alternate maximum per-unit subsidy limits must be used for the HOME program. HUD is required to undertake rulemaking to establish new maximum per-unit subsidy limits for the HOME Program because it is no longer updating and publishing limits for the Section 221(d)(3) mortgage insurance program.

Until a new rule can be published, HUD published [CPD Notice 15-003: Interim Policy on Maximum Per-Unit Subsidy Limits for the HOME Program](#) establishing an interim policy that Field Office staff and participating jurisdictions (PJs) must follow directing PJs to use the Section 234-Condominium Housing basic mortgage limits, for elevator-type projects, as an alternative to the Section 221(d)(3) limits in order to determine the maximum amount of HOME funds a PJ may invest on a per-unit basis in HOME-assisted housing projects. This interim policy remains in effect until the effective date of the new final rule provisions, amending the existing provisions of 24 CFR 92.250(a). HUD also issued [HOMEfires - Vol. 12 No. 1, May 2015: Guidance on Using the Base City High Cost Percentages to Determine the Maximum Per-Unit Subsidy Limits for HOME](#). The HOMEfires provides guidance on if HUD will allow a PJ that is not listed on the published list of "Base City High Cost Percentages" to use the high-cost percentage of its HUD Multifamily Hub to determine the maximum per-unit subsidy limits for HOME.

1e

BOARD ACTION REQUEST

HOME AND HOMELESSNESS PROGRAMS DIVISION

MAY 23, 2019

Presentation, discussion, and possible action to authorize the issuance of the 2019 Emergency Solutions Grants Program Notice of Funding Availability and publication in the *Texas Register*

RECOMMENDED ACTION

WHEREAS, the Texas Department of Housing and Community Affairs (TDHCA or the Department) has been allocated \$9,127,824.00 of Emergency Solutions Grants (ESG) Program funds by the U.S. Department of Housing and Urban Development (HUD);

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

WHEREAS, per 10 TAC §7.34, the Department may procure ESG Coordinators to administer a Local Competition for ESG funds within each of the 11 Continuum of Care (CoC) regions;

WHEREAS, the Department wishes to release a Notice of Funding Availability (NOFA) for the ESG Program totaling \$8,717,072.00 in accordance with the 10 TAC §7.33 concerning an Allocation Formula, retention of \$410,752.00 by the Department for administrative purposes, and federally mandated caps; and

WHEREAS, the Department will accept Applications from eligible Applicants for CoC regions without an ESG Coordinator;

NOW, therefore, it is hereby

RESOLVED, that the Acting Director and his designees be and each of them hereby are authorized, empowered, and directed, for and on behalf of the Department, to post on the Department's website and to publish a notification in the *Texas Register* a 2019 ESG NOFA for the amount of \$8,717,072.00, and to make any technical corrections or perform such other acts as may be necessary to effectuate the foregoing.

BACKGROUND

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

The Department received notice of an allocation of \$9,127,824 from HUD for 2019. The Department will retain \$410,752 retained by the Department for administrative purposes. The remaining \$8,717,072 will be made available for awards to subrecipients through the 2019 ESG NOFA.

Some of the awards made through the NOFA may be as a result of the recommendation of ESG Coordinators, which are contractors procured to administer a Local Competition on behalf of the Department. The Department has released a Request for Proposal for ESG Coordinators, and will post the list of ESG Coordinators and CoC regions with Local Competitions at <https://www.tdhca.state.tx.us/home-division/esgp/applications.htm>.

Federal program rules require the Department to commit all funds within 60 days of receipt of an award letter from HUD; the Department anticipates receipt of each letter during the late summer or fall of 2019. The contract period is subject to receipt of funds from the annual ESG allocation. The Department's anticipated Contract Term for Program Year (PY) 2019 ESG will be October 1, 2019, through September 30, 2020, subject to receipt of adequate funding and any additional terms and conditions from HUD.

Applicants may request up to \$345,000 in ESG funds, per 10 TAC §7.33(d). Applicants must meet the minimum threshold requirements established in 10 TAC §7.36 to be considered for award.

The availability and use of these funds are subject to the Department's rules governing under Title 10, Part 1, Chapter 1, Administration; Chapter 2, Enforcement; and Chapter 7, Homeless Programs, Subchapter A, General Policies and Procedures, and Subchapter C, Emergency Solutions Grants (ESG) of the Texas Administrative Code. For Units of Local Government, the Uniform Grant Management Standards (UGMS) as outlined in Chapter 783 in the Texas Local Government Code also govern the availability and use of these funds. Federal laws and regulations that apply to these funds include the Homeless Emergency Assistance and Rapid Transition to Housing Act (42 U.S.C. §11302 *et. seq.*), as amended; the HUD regulations codified in 24 Code of Federal Regulations (CFR) Part 576; 24 CFR Part 58, for environmental requirements; 2 CFR Part 200 for Uniform Administrative Requirements; 24 CFR §135.38 for Section 3 requirements; and 24 CFR Part 5, Subpart A for fair housing.

Details on the award selection process, handling of administrative deficiencies, funding limitations, eligible and ineligible applicants and activities, threshold requirements, award selection criteria, and application submission requirements are included in the NOFA provided with this action item and, upon approval, will be posted to the Department's website with notification of the NOFA posting in the *Texas Register*.

Applications for areas without Local Competitions will be accepted statewide beginning June 7, 2019, at 8:00 a.m. Austin local time, until Friday, June 21, 2019, at 5:00 p.m. Austin local time.



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

**2019 ESG Competition
Notice of Funding Availability (NOFA)**

1) Summary.

- a) The Texas Department of Housing and Community Affairs (the Department or TDHCA) announces an annual NOFA of approximately \$8,717,072.00 in Emergency Solutions Grants (ESG) funds for street outreach, emergency shelter, homeless prevention, rapid re-housing, Homeless Management Information System (HMIS), and Administration.
- b) Applicants proposing activities in the Continuum of Care (CoC) regions with Local Competitions should not apply to the Department. The Department will not review ESG Applications for activities in CoC regions that have Local Competitions. The CoC regions with Local Competitions will be posted online no later than June 6, 2019.
- c) The Contract Term for funds awarded under this NOFA will be 12 months, and is anticipated to start in the fall of 2019, subject to receipt of adequate funding and any additional terms and conditions from the U.S. Department of Housing and Urban Development (HUD).
- d) Applicants must familiarize themselves with all of the applicable state and federal rules that govern the ESG Program. The availability and use of ESG funds are subject, but not limited to the following:
 - i) State rules under Title 10, Part 1, Chapter 1, Chapter 2 and Chapter 7, Subchapter A; and Subchapter C of the Texas Administrative Code, and for Units of Local Government, the Uniform Grant Management Standards (UGMS) as outlined in Chapter 783 in the Texas Local Government Code (collectively, the ESG State Rules); and

- ii) Federal laws and regulations including the Homeless Emergency Assistance and Rapid Transition to Housing Act (42 U.S.C. §11302 *et. seq.*), as amended; the HUD regulations codified in 24 Code of Federal Regulations (CFR) Part 576; 24 CFR Part 58, for environmental requirements; 2 CFR Part 200 for Uniform Administrative Requirements; 24 CFR §135.38 for Section 3 requirements; and 24 CFR Part 5, Subpart A for fair housing (collectively, the Federal Rules and Regulations).
- e) Capitalized terms in this NOFA have the meanings defined herein or as defined in ESG State Rules or the Federal Rules and Regulations.

2) Allocation of Funds.

- a) The initial amount of funds in this NOFA are made available through the Department’s 2019 annual ESG allocation from HUD. The Department, in its sole discretion, may also release under this NOFA unallocated ESG funds from prior years, deobligated funds, voluntarily returned funds, and Program Income, as allowable and available. Some regions will be allocated through the Local Competition, and thus the amounts represented below in those regions would be available only through such Local Competition. The Department, in its sole discretion, also reserves the right to cancel or modify the amount available in this NOFA.
- b) The initial amount made available under this NOFA is subject to an Allocation Formula utilizing the methodology outlined at 10 TAC §7.33 as follows:

CoC Number	CoC Name	Initial Anticipated Allocation Formula Funding
TX500	San Antonio/ Bexar County	\$679,715
TX503	Austin/Travis County	\$537,301
TX600	Dallas City & County/ Irving	\$1,247,103
TX601	Fort Worth/Arlington/ Tarrant County	\$597,993
TX603	El Paso City & County	\$267,556
TX604	Waco/McLennan County	\$127,804
TX607	Texas Balance of State	\$3,332,143
TX611	Amarillo	\$154,050
TX624	Wichita Falls/Wise, Palo Pinto, Wichita, Archer Counties	\$132,757
TX700	City of Houston/Harris County	\$1,447,557
TX701	Bryan/College Station/Brazos Valley	\$193,093
Total:		\$8,717,072

Refer to the ESG Allocation Formula tables located on the Department’s website at <https://www.tdhca.state.tx.us/home-division/esgp/applications.htm> for the applicable

allocation calculations for each CoC region and for updates prior to submitting an Application.

- c) If the Department adds funds to the NOFA after the start of the Application acceptance period, the funds will, unless otherwise required by HUD, and except as described in 10 TAC §7.33(a), be distributed statewide in accordance with 10 TAC §7.33(e), and updated on the Department's website.

3) Eligible Applicants.

- a) Eligible Applicants are Units of Local Government as defined by HUD in CPD Notice 17-10 or Private Nonprofit Organizations. Public Housing Authorities and Local Redevelopment Agencies are not federally eligible Applicants.
- b) Per 10 TAC §7.34(c), an Applicant that applies in a Local Competition for ESG funding is not eligible to be awarded funding in the TDHCA funding competition. The list of CoC regions with a Local Competition will be posted online before the start of the Application acceptance period.
- c) Applicants are required to familiarize themselves with the Department's certification and debarment policies prior to Application submission.

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

- a) **Street outreach.** The street outreach component includes engagement, case management, emergency health services, emergency mental health services, and transportation. Specific program guidelines can be found at 10 TAC §7.32(f), and 24 CFR §576.101(a).
- b) **Emergency shelter.** The emergency shelter component program participant services include case management to coordinate individualized services, child care, education services, employment assistance and job training services, outpatient health services, legal services, life skills, outpatient mental health services, outpatient substance abuse treatment services up to 30 days, excluding inpatient treatment, transportation. Emergency shelter eligible costs also include renovation, rehabilitation, or conversion of buildings to use as emergency shelter, certain costs for operations of emergency shelters, and assistance required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. More specific program guidelines can be found at 10 TAC §7.32(g), and 24 CFR §576.102.

- c) **Homelessness prevention.** The homelessness prevention component includes housing relocation and stabilization for financial assistance, housing relocation and stabilization services, and non-duplicative rental assistance provided to persons at-risk of homelessness. More specific program guidelines can be found at 10 TAC §7.32(h), and 24 CFR §576.103.
 - d) **Rapid re-housing.** The rapid re-housing component includes housing relocation and stabilization for financial assistance, housing relocation and stabilization services, and non-duplicative rental assistance to persons experiencing homelessness. More specific program guidelines can be found at 10 TAC §7.32(h), and 24 CFR §576.104.
 - e) **HMIS.** The HMIS component includes hardware, software, equipment, office space, utility costs; Salary and staff costs for operation of HMIS, including technical support; HMIS training and overhead costs, including travel to HUD sponsored and approved HMIS training programs and travel costs for staff to conduct intake; HMIS participation fees charged by the HMIS lead agency; HMIS-comparable databases for victim services providers or legal services providers. More specific program guidelines can be found at 10 TAC §7.32(i), and 24 CFR §576.107.
 - f) **Administration.** Administration includes general management and oversight of the ESG award, excluding the cost to purchase office space; provision of ESG training and costs to attend HUD-sponsored ESG training; and costs to carry out required environmental reviews. More specific program guidelines can be found at 10 TAC §7.32(j), and 24 CFR §576.108.
 - g) Prohibited activities include, but are not limited to, acquisition of real property; new construction; legal services for immigration and citizenship matters, and issues relating to mortgages; inpatient detoxification and other inpatient drug or alcohol treatment; payment of temporary storage fees in arrears; payment or modification of a debt; rehabilitation of structures to the extent that those structures are used for inherently religious activities; mortgage payments, and any activity not specifically performed as allowed under Federal Rules and Regulations and ESG State Rules.
- 5) Limitation on Funds.** Applications for ESG awards must comply with the limitations set forth in 10 TAC §7.36(a)(2) and §7.33(d) as follows:
- a) The maximum amount requested under each ESG Application, including all Program Participant Services, funds for HMIS, and Administrative funds may not exceed the amount of funding available in the CoC region under which the Application is submitted;
 - b) The minimum amount requested under each ESG Application, including all Program Participant Services, funds for HMIS, and Administrative funds, must be of at least

\$50,000, and not more than \$300,000 for all Program Participant services proposed in the Application;

- c) Funds requested for HMIS are limited to 12% of the amount of funds requested for each Program Participant service; and
- d) Funds requested for Administrative activities are limited to three percent of the amount of funds requested for each Program Participant service.

6) Application Review Process.

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

7) Application Submission.

- a) The Application acceptance period starts on June 7, 2019, at 8:00 a.m. Austin local time, and ends on the Application Deadline of **Friday, June 21, 2019, at 5:00 p.m. Austin local time. Applications received after the Application submission deadline will not be considered for an award.** The NOFA will expire the earlier of the date the Department's Governing Board of Directors awards all of the funds under the NOFA, or the deadline described in 24 CFR §576.203(a)(1)--subject to any extensions granted by HUD.
- b) An Applicant must submit a completed Application, required documentation, and associated application materials, as described in this NOFA and as detailed in the 2019 ESG Application Submission Procedures Manual (ASPM). All scanned copies must be scanned in accordance with the guidance provided in the ASPM.
- c) All Application materials including this NOFA, program guidelines, and Federal Rules and Regulations and ESG State Rules are available on the Department's website at <https://www.tdhca.state.tx.us/home-division/esgp/applications.htm>. Applications will be required to adhere to the threshold requirements in effect at the start of the Application acceptance period. The Application must be on Application forms published online at the above reference site provided by the Department which cannot be altered or modified, and must be in final form before they are submitted to the Department.
- d) This NOFA does not include text of the various applicable regulatory provisions that may be important to the ESG Program. For proper completion of the Application, the Department strongly encourages potential Applicants to review the Federal Rules and Regulations and the ESG State Rules. Please contact the HOME and Homelessness Programs Division for guidance and assistance.

8) Award Selection Process.

- a) Applications submitted directly to the Department for consideration in CoC areas for which there is not an ESG Coordinator will receive points based on experience, program design, budget, previous performance, collaboration, and performance measures as more fully provided for in 10 TAC §7.40. Applications will be scored and ranked for award recommendation in accordance with the provisions of 10 TAC §7.38.
- b) Application review priority will be determined based on Applicant self-score and CoC region funding availability. Applications with the highest self-scores for which total funding requested is less than or equal the amount of funding available within the CoC region under which the Application is submitted will be reviewed as priority Applications.
- c) An Application for which the self-score precludes the possibility of award will not be

reviewed, unless an Application with a higher self-score is determined to be ineligible or incorrectly self-scored. An application log, which includes, at a minimum, the Applicant name, CoC region, self-score of the Application, and the review priority, will be published on the Department's website at <https://www.tdhca.state.tx.us/home-division/esgp/applications.htm>.

- d) The Department may decline to consider any Application if the proposed activities would not, in the Department's sole determination, represent a prudent use of the Department's funds. The Department is not obligated to proceed with any action pertaining to any Applications that are received, and may decide it is in the Department's best interest to refrain from pursuing any selection process or making awards. The Department reserves the right to request clarification on individual elements of any Application.
- e) Funding recommendations of Awards will be presented to the Department's Governing Board of Directors based on eligibility and score, with the Executive Award Review Advisory Council's recommendation. Recommendations are limited by the total amount of funds available under this NOFA, and the maximum award amount limitations for each component type.
- f) In accordance with Tex. Gov't Code §2306.082 and 10 TAC §1.17, it is the Department's policy to encourage the use of appropriate alternative dispute resolution procedures (ADR) under the Governmental Dispute Resolution Act, Tex. Gov't Code Chapter 2009, to assist in resolving disputes under the Department's jurisdiction.
- g) An Applicant may appeal decisions made by staff in accordance with 10 TAC §1.7.

For questions regarding this NOFA, please contact Naomi Cantu, Coordinator of Homeless Programs and Policy, at 512-475-3975, or esg@tdhca.state.tx.us.

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BOARD ACTION REQUEST
COMMUNITY AFFAIRS DIVISION
MAY 23, 2019

Presentation, discussion, and possible action on the reprogramming of Program Year 2018 Community Services Block Grant Administrative and Discretionary funds

RECOMMENDED ACTION

WHEREAS, Community Services Block Grant (CSBG) funds are awarded annually to the State of Texas by the U.S. Department of Health and Human Services (HHS);

WHEREAS, upon the Texas Department of Housing and Community Affairs (the Department) receipt of the State's annual award of CSBG funds, it reserves 90% of the allotment for CSBG eligible entities to provide services/assistance to the low-income population in all 254 counties; 5% for state administration expenses; and the remaining 5% for state discretionary use;

WHEREAS, on June 29, 2017, the Board approved the usage of 2018 CSBG discretionary (CSBG-D) funds for historically based uses and other focus areas designed to support eligible entities in the administration and implementation of the CSBG;

WHEREAS, the funding activities identified in June 29, 2017, have not resulted in the full utilization of CSBG-D funds, and there is also an unused balance of Department administrative funds;

WHEREAS, the Department has determined that there remains \$550,041 in unexpended Program Year (PY) 2018 CSBG-D funds and \$390,721 in Department administrative funds;

WHEREAS, the Department wishes to expend the funds prior to the expenditure deadline of September 30, 2019, and therefore the funds warrant prompt reprogramming, and staff is recommending that the funds be used for direct client assistance; and

WHEREAS, 20 CSBG eligible entities recommended in this action have achieved expenditure rates on their annual CSBG allocation of 90% or above within the original contract period and are therefore in a position to spend additional funds, and are being recommended for an award of these reallocated funds subject to an acceptable previous participation review by the Compliance Division;

NOW, therefore, it is hereby

RESOLVED, that the Board approves of the reprogramming of remaining 2018 CSBG funds totaling \$940,762 to provide direct client assistance funds to the 20 CSBG eligible entities enumerated in this action for the provision of services to low-income individuals and communities;

FURTHER RESOLVED, that the Acting Director and his designees each of them be and they hereby are, authorized, empowered, and directed, for and on behalf of the Department, to issue contracts for these funds, only upon confirmation of acceptable previous participation review by the Compliance Division, consistent with the policy noted herein; and

FURTHER RESOLVED, that should any funds designated for these or other 2018 CSBG-D activities remain unused after August 31, 2019, those funds, along with any additional unused CSBG-D or CSBG Administrative funds from 2018 or prior years, may also be redistributed to these entities at the discretion of the Acting Director or designee, or used for the Department’s Administrative activities.

BACKGROUND

At the Board meeting of June 29, 2017, the Board approved utilizing approximately \$1,600,000 in PY 2018 CSBG-D funds for the activities listed in the table below. The table reflects the adjusted allocated amount (\$1,740,995), the amounts that have been committed or contracted, and the amount of CSBG-D available for reobligation. In addition to the funds reflected in the table below, \$390,721 in Department administrative funds is also available for reprogramming.

Use of PY 2018 CSBG-D Funds	Original Plan 2018	Contracted/ Committed	Available for Reobligation
Direct Client Assistance	\$365,189	\$365,189	\$0
Intensive CAA Support Assessments	\$100,000	\$100,000	\$0
Network Transitions Fund	\$130,000	\$0	\$130,000
Network Training and Technical Assistance	\$150,000	\$130,800	\$19,200
Migrant Seasonal Farmworker & Native American Employment and Educational Funds	\$300,000	\$300,000	\$0
Housing Voucher Program Support	\$130,000	\$20,154	\$109,846
Disaster Recovery	\$150,000	\$0	\$150,000
Unobligated	\$140,995	\$	\$140,995
Balance of State Continuum of Care	\$50,000	\$50,000	\$0
Network Operational Investments	\$224,811	\$224,811	\$0
Subtotal	\$1,740,995	\$1,190,954	\$550,041
Total Balance for Reprogramming:			\$550,041

* The table above does not include the \$390,721 in Department administrative funds

Proposed Use of Unexpended Funds

Staff recommends that these funds should be directed only to those entities who have expended the greatest proportion of their existing eligible entity contracts, as they not only have a proven track record for expending the funds, but also have the least remainder of their current contract

to still expend. This approach of identifying the eligible entities with the highest expenditures on their current contracts to receive the reallocated funds has been used consistently in prior years. The Department recommends re-programming the \$940,762 to CSBG eligible entities that had expended 90% or greater of their contracted PY2018 CSBG funds by the original end date in contract. All eligible entities must also have had their previous participation approved pursuant to 10 TAC, Chapter 1, Subchapter C, §1.302 prior to contract execution. Funds will be directed to be utilized for the provision of services to low-income individuals and communities, with the requirement that full expenditure of the funds must be achieved by August 31, 2019. The list of the twenty entities meeting these criteria is in the table below with the approximate amounts, based on their 2018 proportional share among the awarded recipients, to be distributed to each entity.

The Previous Participation Rule (10 TAC, Chapter 1, Subchapter C, §1.302) includes a review of CSBG-D awards prior to contract execution. At the time of Board Book posting, seven of the 20 awards have undergone the Previous Participation Review (PPR) and are recommended for an award by the Executive Award Review and Advisory Committee (EARAC) without conditions. Thirteen of the 20 awards are still in the PPR review process and these awards are conditioned on their PPR being cleared before issuance of a contract. See the table below; entries with an asterisk are still pending review.

PY 2018 CSBG Reprogrammed Discretionary Awards

	Eligible Entity	Amount
1	Aspermont Small Business Development Center, Inc.	\$9,612
2	Big Bend Community Action Committee, Inc.	\$9,612
3	Brazos Valley Community Action Programs	\$68,559
4	Central Texas Opportunities, Inc.*	\$11,790
5	City of Austin, Austin Public Health	\$70,623
6	City of Fort Worth	\$117,037
7	City of Lubbock*	\$25,347
8	City of San Antonio, The Department of Human Services*	\$131,436
9	Combined Community Action, Inc.	\$12,909
10	Community Action Committee of Victoria, Texas*	\$17,548
11	Community Action Social Services & Education, Inc.	\$9,612
12	Community Council of Greater Dallas, Inc.*	\$198,448
13	Community Services of Northeast Texas, Inc.*	\$27,563
14	Community Services, Inc.*	\$96,711
15	Economic Action Committee of The Gulf Coast*	\$9,612
16	Panhandle Community Services*	\$35,490
17	Pecos County Community Action Agency*	\$9,612
18	Rolling Plains Management Corporation*	\$29,758
19	Texas Neighborhood Services*	\$28,545
20	Williamson-Burnet County Opportunities, Inc.*	\$20,938
	Total Balance to be Reprogrammed	\$940,762

*Award conditioned on PPR being cleared

1g

BOARD ACTION REQUEST
OCI, HTF, and NSP DIVISION
MAY 23, 2019

Presentation, discussion, and possible action authorizing extensions to Neighborhood Stabilization Program 3 Contract and Program Income Reservation Agreement for Community Development Corporation of Brownsville, Inc.

RECOMMENDED ACTION

WHEREAS, the Texas Department of Housing and Community Affairs (the Department) entered into a Neighborhood Stabilization Program 3 (NSP3) contract and Neighborhood Stabilization Program 3 Program Income (NSP3-PI) Reservation Agreement with Community Development Corporation of Brownsville, Inc. (CDCB), which will expire on August 31, 2019;

WHEREAS, CDCB completed the construction of 21 homes on vacant properties purchased through the NSP3 Program and has converted them to their final eligible use, with sufficient funds remaining to construct an additional seven homes;

WHEREAS, the Board approved an \$180,000 contract increase in June 28, 2018, to CDCB's NSP3-PI Reservation Agreement in order for CDCB to assist the seven additional households with closing costs expenses;

WHEREAS, staff recommends that an amendment be made to extend the end dates of CDCB's NSP3 contract and NSP3-PI Reservation Agreement for one year to August 31, 2020;

WHEREAS, staff continues to work closely with CDCB to provide technical assistance toward contract completion and actively monitors its progress; and

WHEREAS, the NSP3 Contract and NSP3-PI Reservation Agreement have exhausted all extensions that may be authorized by staff, and the extensions requested require approval by the Department's Board;

NOW, therefore, it is hereby

RESOLVED, that the Acting Director or his designee are hereby authorized, empowered, and directed, for and on behalf of this Board to approve extensions of not more than one additional year to the NSP3 contract and NSP3-PI Reservation Agreement to enable full, timely, and compliant contract completion and in connection therewith to execute, deliver, and cause to be performed such amendments, documents, and other writings as they or any of them may deem necessary or advisable to effectuate the foregoing;

and

FURTHER RESOLVED, that these extensions will be for the following NSP3 Contract and NSP3-PI Reservation Agreement:

- 77110000105 and 77110003105, CDCB

BACKGROUND

The Neighborhood Stabilization Program (NSP) is a U.S. Department of Housing and Urban Development (HUD)-funded program authorized by the Housing and Economic Recovery Act of 2008, as a supplemental allocation to the Community Development Block Grant (CDBG) Program through an amendment to the existing State of Texas 2008 CDBG Action Plan. The purpose of the program is to redevelop, or acquire and hold, abandoned and foreclosed properties in areas with the greatest need for arresting declining property values resulting from excessive foreclosures.

In 2018, CDCB made significant progress in their NSP3 Contract and assisted 21 households within the contract budget such that an additional seven homes will be able to be constructed with the remaining funds.

CDCB's NSP3 Contract and NSP3-PI Reservation Agreement for purchase and rehabilitation activities both expire on August 31, 2019, and it requires an extension to continue qualifying additional homebuyers and constructing these units. Since the last contract extension approved by the Board on June 28, 2018, CDCB has contracted with two of seven households. CDCB anticipates completing construction within six months after closing the interim construction loan with the Department, which is scheduled to close at the end of May 2019.

1h

BOARD ACTION REQUEST
OCI, HTF, and NSP DIVISION
MAY 23, 2019

Presentation, discussion, and possible action to amend the 2019 Amy Young Barrier Removal Program Statewide Allocation Notice of Funding Availability and publication of the Notice of Funding Availability in the *Texas Register*

RECOMMENDED ACTION

WHEREAS, the Texas Department of Housing and Community Affairs (the Department) is required by Rider 9(c) of the General Appropriations Act (GAA) to produce a plan outlining its use of the General Revenue appropriated for the Housing Trust Fund (HTF) for the 2018-2019 biennium;

WHEREAS, the plan approved by the Board on June 29, 2017, authorized the use of any HTF funds from loan repayments, interest earnings, deobligations, and any other additional HTF funds as allowed by statute in excess of those funds required under Rider 8, to be programmed into activities approved in the HTF plan;

WHEREAS, in the plan, the Board authorizes staff to proceed with issuing Notices of Funding Availability (NOFAs) to expedite the commitment and expenditure of funds;

WHEREAS, on January 17, 2019, the Board authorized staff to issue the 2019 Amy Young Barrier Removal (AYBR) Program Statewide Allocation Notice of Funding Availability announcing \$1,618,332.42 of loan repayments and deobligated funds available on a statewide basis starting February 19, 2019; and

WHEREAS, staff recommends amending the 2019 AYBR Program Statewide Allocation NOFA in order to further expedite the commitment of funds and the amended notice is to be published in the *Texas Register* on June 7, 2019;

NOW, therefore, it is hereby

RESOLVED, that 2019 AYBR Program Statewide Allocation NOFA will be amended; and

FURTHER RESOLVED, the Acting Director and staff as designated by the Acting Director are authorized, empowered, and directed, for and on behalf of the Department to execute such documents, instruments and writings and perform such acts and deeds as may be necessary to effectuate the foregoing.

BACKGROUND

On February 19, 2019, HTF staff made \$1,618,332.42 available through the 2019 Amy Young Barrier Removal (AYBR) Program Statewide Allocation NOFA. The AYBR Program provides one-time grants of up to \$20,000 to Persons with Disabilities in a Household qualified as Low-Income (earning up to 80% Area Median Family Income). Grants are for home modifications that increase accessibility, eliminate life-threatening hazard, and correct unsafe conditions allowing persons with disabilities to remain in their homes. Administrators receive up to an additional \$2,000 in administration funds per household activity. This release of additional funding was estimated to assist 61 households with barrier removal modifications.

To date, \$1,271,210 remains available and uncommitted to eligible households. To expedite commitment and expenditure of funds, staff would like to make the following amendments to the NOFA:

- Remove the requirement that only Administrators with 2 years of previous participation in the AYBR Program are eligible to reserve these statewide funds. The reason is if new Administrators can otherwise demonstrate sufficient housing rehab experience and capacity, they should be able to participate in the program.
- Slightly reduce the maximum amount of reservations experienced Administrators may have at one time from 15 to 10. The reason is that with more entities wanting to participate, there should be a lower maximum amount of reservations.
- Some additional grammatical and contextual edits to increase clarity.

All Applications awarded under this amended NOFA will continue to be subject to the requirements of 10 TAC Chapter 20 (the Single Family Programs Umbrella Rule), 10 TAC Chapter 21 (Minimum Energy Efficiency Requirements for Single Family Construction Activities), and 10 TAC Chapter 26 (the Housing Trust Fund Rule). All Applications must also continue to meet the applicable requirements in 10 TAC Chapters 1 and 2 (Administration and Enforcement, respectively). It should be noted that while the annual allocation of HTF funds programmed for the AYBR Program is allocated regionally over time to allow all areas of the state to access funds, this statewide release of funds is not allocated regionally. It is immediately available to any region in the state that has eligible clients with disabilities awaiting assistance.

The Department anticipates publishing notice of the amended NOFA in the *Texas Register* on June 7, 2019, with an effective date of June 7, 2019.



Texas Department of Housing and Community Affairs
Housing Trust Fund
Fiscal Year 2019 Amy Young Barrier Removal Program
Statewide Allocation
Notice of Funding Availability
February 1, 2019
Amendment One Effective June 7, 2019



Sections

1. Program Overview
2. Eligible Administrators
3. Definitions
4. Program Requirements
5. Property and Construction Guidelines
6. Reservation System Guidelines
7. Reservation Process, Stage 1: Household Eligibility Review
8. Reservation Process, Stage 2: Initial Inspection, Work Write-Up and Cost Estimate Review
9. Reservation Process, Stage 3: Construction Contract and Bid Review
10. Reservation Process, Stage 4: Project Costs Draw and Administration Fee Draw Review
11. For More Information

1. Program Overview

The Amy Young Barrier Removal Program (the Program or AYBR) provides one-time grants of up to \$20,000 to Persons with Disabilities in a Household qualified as Low-Income. Grants are for home modifications that increase accessibility, eliminate life-threatening hazards, and correct unsafe conditions. Construction standards and guidelines are further described in the Program Manual.

The Administrator must comply with Chapter 2306 of the Texas Government Code, and Title 10 of the Texas Administrative Code, including but not limited to: Chapter 1, Administration; Chapter 2, Enforcement; Chapter 20, Single Family Program Umbrella Rule; Chapter 21, Minimum Energy Efficiency Requirements for Single Family Construction Activities; and Chapter 26, Texas Housing Trust Fund Rule.

With this NOFA, the Texas Department of Housing and Community Affairs (the Department) announces \$1,618,332 in funding from the Housing Trust Fund (HTF): \$1,471,210.91 in Project funds and \$147,121.09 in Administrative funds. The funds will be available for Program Reservation Setups beginning Tuesday, February 19, 2019, at 10:00 a.m. Austin local time (the Reservation start date)- on a first-come, first-served basis.

~~Only Administrators with an executed and valid 2019 AYBR Program Statewide Allocation Reservation System Agreement will have access to the online Reservation System for the purpose of reserving the funds described in this NOFA. On the Reservation start date, funds will be available on the Department's online Reservation System on a first-come, first-served basis. Reservations submitted prior to the Reservation start date per the Reservation System time stamp will not be considered.~~

~~After the Reservation start date, additional~~ Additional Program funding may become available from cancellations of reservations. The Department will release any available funds from cancellations on Tuesdays, at or after 10:00 a.m. Austin local time. If the Department is closed on a Tuesday, the funds will be released the next business day on which the Austin office is open.

2. Eligible Administrators

- a) The Department is accepting applications from eligible Administrators seeking access to funding pertaining to this NOFA.
- b) The following entities are eligible to access the funding pertaining this NOFA:
 - i. Units of Local Government;
 - ii. Councils of Government;
 - iii. Colonia Self-Help Centers;
 - iv. Nonprofit Organizations;
 - v. Local Mental Health Authorities; and
 - vi. Public Housing Authorities.

- c) Participating Jurisdictions (*i.e.*, cities and counties) that receive a direct award of HOME funding from the U.S. Department of Housing and Urban Development are *ineligible* to be an Administrator of the Program.
- d) Eligible entities must ~~have at least 2 years of previous participation as an Administrator for the AYBR Program or~~ provide the Department documentation in the form of descriptions of staff experience and current or previous contracts with the Department or other funders to show the following:
 - i. Experience of at least 2 years in providing housing rehabilitation services to Low-Income Households in Texas;
 - ii. Experience with accessibility standards, applicable building codes, and construction serving the needs of Persons with Disabilities; and
 - iii. Qualifications of Administrator's housing inspector(s), according to the Qualified Inspection Certification form on the Program website.
- e) Partnership with another entity that meets the above requirements is acceptable, but must be documented with a contract or memorandum of understanding, subject to Department approval. Letters of support or intent will not be accepted.
- f) Administrators seeking access to funding pertaining to this NOFA must complete the Reservation System Access Application available on the Program website, including a Previous Participation Review (see 10 TAC Chapter 1 Subchapter C). ~~The Department will accept Previous Participation Reviews prior to the release of this NOFA.~~ The Department will accept Reservation System Access Applications on an ongoing basis.

3. Definitions

- a) Any capitalized terms that appear in this NOFA but are not defined in this section are defined in Chapter 2306 of the Texas Government Code or in the Department Rules.
- b) This NOFA also uses the following definition:
Reservation Setup – The submission of all required documents to the online Reservation System in order to reserve Program funds for an eligible Household.

4. Program Requirements

- a) Administrators must follow the processes and procedures as required by the Department through its governing statute (Chapter 2306 of the Texas Government Code), Department Rules, reservation agreements, Program Manual, forms, and this NOFA.
- b) The maximum amount of Program assistance per Household is a one-time grant of up to \$20,000 in Project Costs (combined Hard and Soft Costs).
- c) The Department will pay the Administrator an Administration Fee equal to 10% of the Project Costs upon successful completion of the project. The Administration Fee is paid in addition to the \$20,000 maximum assistance permitted per Household. Generally, submission of the Administration Fee draw request will be sufficient to receive the Administration Fee. The Department may request additional information if necessary.

5. Property and Construction Guidelines

- a) Owner-occupied homes and rental units are eligible for Program assistance in accordance with 10 TAC §26.26.
- b) In rental units, all Household occupants, including the Person with Disability, must be named on the Intake Application and Household Income Certification. The unit must be free of hazardous and unsafe conditions prior to participation in the Program.
- c) Administrators must follow the construction requirements in Department Rules.
- d) Administrators must follow all applicable sections of their local building codes and ordinances. In the absence of local building code, Administrators must adhere to the construction standards and guidelines detailed in the Program Manual.

6. Reservation System Guidelines

- a) An Administrator with at least 2 years of previous participation in the AYBR Program may have up to 10~~may have up to 15~~ reservations in “active” status from the current NOFA at any one time. All other Administrators may have up to 5 reservations in “active” status from the current NOFA at any one time. Completed activities that are undergoing processing of the draw request (in “pending accounting approval” status) do *not* count towards the limits of active reservations. Reservations from any other Department or HTF Program NOFAs will not limit the number of Reservations under this NOFA.
- b) The Department reserves the right to suspend or limit access to the Reservation System for Administrators out of compliance with Program requirements such as past due Single Audits or Audit certification forms; late responses to Compliance monitoring or Audit Management letters, Administrator ineligibility, inadequate staffing or inadequate capacity, complaints, etc. Administrator access may be restored upon the Department’s acceptance of required documentation.
- c) The Department may de-authorize access to the Reservation System by an Administrator and terminate their AYBR Program Reservation System Agreement if the Administrator does not meet requirements in this NOFA, violates the Department Rules, or violates the AYBR Program Reservation System Agreement.

7. Reservation Process, Stage 1: Household Eligibility Review

- a) Administrators shall market the Program in accordance to 10 TAC §20.9, complete application intake, and qualify Households for participation. Details on determining income eligibility and preparing and submitting Reservation Setups are provided in the Program Manual and the Reservation System User Guide.
- b) After collecting and verifying the required Household income and property eligibility documentation, the Administrator shall enter the Reservation Setup information into the online Reservation System, upload and submit all required forms as described in the Program Manual and Reservation System User Guide, and reserve up to the maximum of \$20,000 in Project Costs per Household.
- c) Reservation Setups will be processed in the order submitted on the Reservation System. Submission of a Reservation Setup on behalf of a Household does not guarantee funding.

- d) The Department will attempt to review the Reservation Setup documentation within 10 calendar days of submission by the Administrator.
- e) If the Reservation Setup is incomplete, as defined in the Program Manual, it will be set back to "pending" status and funds will be released and available for other reservation requests. If the documentation needs correction or additional information, the Department will notify the Administrator of the deficiencies in writing. **If any deficiencies remain uncured 10 calendar days after notification, the Department may cancel the reservation.** No extensions to Reservation Setups will be granted but the Administrator may resubmit the Reservation Setup, if funds are available.
- f) Once the Department reviews and approves the Reservation Setup, the Department will reserve up to the maximum of \$20,000 in Project Costs and an Administration Fee equal to 10% of the Project Costs in the Reservation System on behalf of the Household. The Department will notify the Administrator of the successful completion of Stage 1 ("Stage 1 Notification") and instruct the Administrator to proceed to Stage 2 of the reservation process.

8. Reservation Process, Stage 2: Initial Inspection, Work Write-Up and Cost Estimate Review

- a) When the Department approves the Reservation Setup and sets it to "active" status in the Reservation System, Project Costs and Administration Fee will be reserved for the Household for a period of **60 calendar days**. During this time, the Administrator must complete the initial inspection, "before" photos, work write-up and cost estimation forms and upload and submit all required documentation as described in the Program Manual.
- b) The Department will attempt to review the Stage 2 documentation within 10 calendar days of submission by the Administrator.
- c) If documentation needs correction or additional information, the Department will notify the Administrator of the deficiencies. **If any deficiencies remain uncured 10 calendar days after notification, the Department may cancel the reservation.** No extensions will be granted but the Administrator may resubmit the Reservation Setup, if funds are available.
- d) Once the Department completes its review and approves the Stage 2 submission, the Department will notify the Administrator of the successful completion of Stage 2 (Stage 2 Notification) and instruct the Administrator to proceed to Stage 3 of the reservation review process.

9. Reservation Process, Stage 3: Construction Contract Bid Review

- a) Within **60 calendar days** of the Stage 2 Notification, (described in section 8d), the Administrator must upload and submit the line item bid selected for contract award and other required documentation as described in the Program Manual.
- b) The Department will attempt to review the Stage 3 documentation within 10 calendar days of submission by the Administrator.
- c) If documentation needs correction or additional information, the Department will notify the Administrator of the deficiencies. **If any deficiencies remain uncured 10 calendar days**

- after notification, the Department may cancel the reservation.** No extensions will be granted but the Administrator may resubmit the Reservation Setup, if funds are available.
- d) Once the Department completes its review and approves the Stage 3 submission, the Department will notify the Administrator of the successful completion of Stage 3 (Stage 3 Notification) and instruct the Administrator to proceed with construction.

10. Reservation Process, Stage 4: Project Costs Draw and Administration Fee Draw Review

- a) The Administrator has **90 calendar days** from the Stage 3 Notification (described in section 9d) to complete all construction activities and upload and submit both the Project Costs and Administration Fee draw requests. Details on preparing documents required and uploading draw requests are provided in the Program Manual and the Reservation System User Guide. If the Administrator fails to meet this deadline, the Reservation may be canceled.
- b) The Department may grant a one-time extension of 30 calendar days to the project completion deadline due to extenuating circumstances. Administrators must submit a written request explaining the extenuating circumstances to justify the extension prior to the project completion deadline.

11. For More Information

Please contact Diana Velez at (512) 475-4828 or htf@tdhca.state.tx.us.

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BOARD ACTION REQUEST
BOND FINANCE DIVISION
MAY 23, 2019

Presentation, discussion, and possible action on Resolution No. 19-033 authorizing the filing of one or more applications for reservation with the Texas Bond Review Board with respect to qualified mortgage bonds, authorizing state debt application, and containing other provisions relating to the subject

RECOMMENDED ACTION

Adopt the attached resolution.

BACKGROUND

On March 19, 2019, the Department closed its Residential Mortgage Revenue Bonds, Series 2019A in the amount of \$166,350,000. Funds were made available to Participating Lenders for reservation beginning February 11, 2019, and bond proceeds have been fully committed. Staff has been working with the Department's Financial Advisor, Bond Counsel, and Underwriters to evaluate various single family mortgage revenue bond (SFMRB) structures. Based on current market conditions, staff is requesting Board authorization to begin moving forward with the issuance of up to \$175 million in tax exempt SFMRBs (the 2019 Series A Bonds). The bonds are expected to price in July 2019 and to close in August 2019.

To begin the issuance of tax exempt SFMRBs, the Department must submit an application to the Texas Bond Review Board to draw down private activity bond authority, also known as volume cap. Staff is requesting authorization to apply for an amount not-to-exceed \$175 million in single family private activity bond authority, and anticipates that the 2019 Series A Bonds will use volume cap that has been carried forward by the Department for this purpose.

The Underwriters for this transaction will be J.P. Morgan as the Senior Manager, with Jefferies, Piper Jaffray & Co., Ramirez & Co., Inc., and RBC Capital Markets serving as Co-Managers. Exhibit A lists the Department's current underwriting team, and Exhibit B details the recent history of underwriter roles for the Department's single family bond issues.

At this time, staff is not seeking nor is the Board granting, final approval of a bond issue with respect to the financing structure, target mortgage rates, timing, and/or size of the issue. Staff will return to the Board with those specifics, and with substantially final documents, at a later date for final Board approval before pricing and selling the bonds.

Exhibit A

Texas Department of Housing and Community Affairs Current Underwriting Team

Underwriter	Eligible Role
Fidelity Capital Markets	Co Manager
J.P. Morgan	Senior or Co Manager
Jefferies	Senior or Co Manager
Piper Jaffray & Co.	Co Manager
Ramirez & Co., Inc.	Senior or Co Manager
RBC Capital Markets	Senior or Co Manager

The term of the current Underwriting Team expires August 31, 2019, and may be extended in one year increments until August 31, 2020.

Exhibit B

Texas Department of Housing and Community Affairs Underwriting Roles, Recent History

Current Underwriting Team				
Indenture	SFMRB	SFMRB	RMRB	SFMRB
Issue Size	\$133,700,952	\$143,995,000	\$166,350,000	\$150,000,000 - \$175,000,000
Series and Description	2017 Series A Tax-Exempt New Money and 2017 Series B Taxable Refunding and 2017 Series C Taxable New Money	2018 Series A Tax-Exempt New Money	Series 2019A Tax-Exempt New Money	2019 Series A Tax-Exempt New Money
Date Issued	6/22/2017	9/12/2018	3/19/2019	8/29/2019 (preliminary)
Underwriter Fidelity Capital Markets J.P. Morgan Jefferies Piper Jaffray & Co. Ramirez & Co., Inc. RBC Capital Markets	Role on Transaction N/A N/A Co Manager N/A Senior Manager Co Manager	Role on Transaction N/A Co Manager Co Senior Manager N/A N/A Senior Manager	Role on Transaction N/A Co Manager Senior Manager Co Manager Co Manager Co Manager	Role on Transaction N/A Senior Manager Co Manager Co Manager Co Manager Co Manager

RESOLUTION NO. 19-033

RESOLUTION AUTHORIZING THE FILING OF ONE OR MORE APPLICATIONS FOR RESERVATION WITH THE TEXAS BOND REVIEW BOARD WITH RESPECT TO QUALIFIED MORTGAGE BONDS; AUTHORIZING STATE DEBT APPLICATION; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT

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

WHEREAS, the Act authorizes the Department: (a) to make, acquire and finance, and to enter into advance commitments to make, acquire and finance, mortgage loans and participating interests therein, secured by mortgages on residential housing in the State of Texas (the “State”); (b) to issue its bonds, for the purpose, among others, of obtaining funds to acquire or finance such mortgage loans, to establish necessary reserve funds and to pay administrative and other costs incurred in connection with the issuance of such bonds; and (c) to pledge all or any part of the revenues, receipts or resources of the Department, including the revenues and receipts to be received by the Department from such single family mortgage loans or participating interests, and to mortgage, pledge or grant security interests in such mortgages or participating interests, mortgage loans or other property of the Department, to secure the payment of the principal or redemption price of and interest on such bonds; and (d) to issue its revenue bonds for the purpose of refunding any bonds theretofore issued by the Department; and

WHEREAS, Section 103 and Section 143 of the Internal Revenue Code of 1986, as amended (the “Code”), provide that the interest on obligations issued by or on behalf of a state or a political subdivision thereof the proceeds of which are to be used to finance owner-occupied residences will be excludable from gross income of the owners thereof for federal income tax purposes if such issue meets certain requirements set forth in Section 143 of the Code; and

WHEREAS, Section 146(a) of the Code requires that certain “private activity bonds” (as defined in Section 141(a) of the Code) must come within the issuing authority’s private activity bond limit for the applicable calendar year in order to be treated as obligations the interest on which is excludable from the gross income of the holders thereof for federal income tax purposes; and

WHEREAS, the private activity bond “State ceiling” (as defined in Section 146(d) of the Code) applicable to the State is subject to allocation, in the manner authorized by Section 146(e) of the Code, pursuant to Chapter 1372, Texas Government Code, as amended (the “Allocation Act”); and

WHEREAS, the Allocation Act requires the Department, in order to reserve a portion of the State ceiling for qualified mortgage bonds (the “Reservation”) and satisfy the requirements of Section 146(a) of the Code, to file an application for reservation (the “Application for Reservation”) with the Texas Bond Review Board (the “Bond Review Board”), stating the maximum amount of the bonds requiring an allocation, the purpose of the bonds and the section of the Code applicable to the bonds; and

WHEREAS, the Allocation Act and the rules promulgated thereunder by the Bond Review Board (the “Allocation Rules”) require that the Application for Reservation be accompanied by a certified copy of the resolution of the issuer authorizing the filing of the Application for Reservation; and

WHEREAS, the Board has determined to authorize the filing of one or more Applications for Reservation in the maximum aggregate amount of \$175,000,000 with respect to qualified mortgage bonds; and

WHEREAS, the Board further desires to approve an application to the Bond Review Board for approval of state bonds;

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

ARTICLE 1

APPROVAL OF CERTAIN ACTIONS

Section 1.1 Applications for Reservation. The Board hereby authorizes Bracewell LLP, as Bond Counsel to the Department, to file on its behalf with the Bond Review Board one or more Applications for Reservation in the maximum aggregate amount of \$175,000,000 with respect to qualified mortgage bonds, together with any other documents and opinions required by the Bond Review Board as a condition to the granting of one or more Reservations.

Section 1.2 State Debt Application. The Board hereby authorizes and approves the submission of the application for approval of state bonds to the Bond Review Board on behalf of the Department in accordance with Chapter 1231, Texas Government Code.

Section 1.3 Authorization of Certain Actions. The Authorized Representatives of the Department named in this Resolution are hereby authorized to take such actions on behalf of the Department as may be necessary to carry out the purposes of this Resolution, including the submission of any carryforward designation requests for such Reservations.

Section 1.4 Authorized Representatives. The following persons are hereby named as authorized representatives of the Department for purposes of executing, attesting, affixing the Department's seal to, and delivering the documents and instruments and taking the other actions referred to in this Article 1: the Chair or Vice Chair of the Board, the Executive Director or Acting Director of the Department, the Director of Administration of the Department, the Director of Bond Finance and Chief Investment Officer of the Department, the Director of Texas Homeownership of the Department, and the Secretary or any Assistant Secretary to the Board. Such persons are referred to herein collectively as the "Authorized Representatives." Any one of the Authorized Representatives is authorized to act individually as set forth in this Resolution.

ARTICLE 2

GENERAL PROVISIONS

Section 2.1 Notice of Meeting. This Resolution was considered and adopted at a meeting of the Board that was noticed, convened, and conducted in full compliance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, and with §2306.032 of the Texas Government Code, regarding meetings of the Board.

Section 2.2 Effective Date. This Resolution shall be in full force and effect from and upon its adoption.

PASSED AND APPROVED this 23rd day of May, 2019.

Chair, Governing Board

ATTEST:

Secretary to the Governing Board

(SEAL)

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BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
MAY 23, 2019

Presentation, discussion, and possible action on the Second Amendment to the 2019-1 Multifamily Direct Loan Notice of Funding Availability

RECOMMENDED ACTION

WHEREAS, the Board approved the 2019-1 Multifamily Direct Loan Notice of Funding Availability (2019-1 NOFA) on December 6, 2018, which included \$11.5 million in Tax Credit Assistance Program loan repayments (TCAP Repayment Funds or TCAP RF), \$9,638,041 in National Housing Trust Fund (NHTF), \$8,919,756 in HOME funds, and \$4.5 million in NSP Round 1 Program Income (NSP1 PI);

WHEREAS, the Board approved the First Amendment to the 2019-1 NOFA on April 25, 2019, which added \$6,023,465 in de-obligated HOME funds and \$3,660,000 in TCAP RF to the General set-aside, while reprogramming \$2,000,000 in unrequested TCAP RF from the Preservation set-aside and \$6,115,058 in unrequested HOME funds from the Community Housing Development Organization (CHDO) set-aside to the General set-aside, resulting in \$14,443,221 in HOME funds, \$11.16 million in TCAP RF, and \$4.5 million in NSP1 PI currently available under the General set-aside;

WHEREAS, 10 of the 27 Applications submitted under the General set-aside of the 2019-1 NOFA layered with 2019 9% Housing Tax Credits (HTC) with Development Sites in HOME-eligible areas of the state are currently considered to be priority Applications, with requests totaling \$22,845,000 in Direct Loan funds;

WHEREAS, adding up to \$8,401,779 in additional HOME funds to the 2019-1 NOFA would provide sufficient funding to satisfy the funding requests of those 10 priority Applications under the General set-aside if those Applications were ultimately awarded tax credits;

WHEREAS, sufficient HOME Program Income (PI) was collected between February 1, 2018, and January 31, 2019, to satisfy the additional requests and is scheduled to be made available for the 2020 state fiscal year beginning this fall after approval by HUD of the 2019 One Year Action Plan (OYAP) and setting up the financial mechanisms to allow expenditure of the funds by TDHCA, reprogrammed HOME funds as they may become available (including but not limited to de-obligated funding or existing multifamily Applicants not being awarded funds under the 2018-1 NOFA); ;

WHEREAS, staff is recommending using this portion of 2019 HOME PI, as proposed herein, to be made available for the potential oversubscribed 9% multifamily priority applications, but this recommendation must be conditioned on HUD approval of the 2019 OYAP and setting up the financial mechanisms to allow expenditure of the funds by the Department;

WHEREAS, the final amount of additional HOME funds to be added to the 2019-1 NOFA will be determined only once 9% HTC-layered HOME eligible Applications under the General set-aside are awarded, with the program year of HOME funds subject to change should reprogrammed HOME funds become available over the next several months;

WHEREAS, Texas will lengthen its federal program year 2019 by seven months, running from February 1, 2019, through August 31, 2020, as further described in Item XXX on this agenda; and

WHEREAS, the award of additional HOME funds to the 2019-1 NOFA and the lengthened federal program year 2019, will likely reduce the availability of HOME funds for the 2020 Multifamily Direct Loan; and

NOW, therefore, it is hereby

RESOLVED, that up to \$8,401,779 in HOME PI and reprogrammed HOME funds be conditionally added to the 2019-1 NOFA under the General set-aside, subject to HUD approval of the 2019 OYAP and staff setting up the financial mechanisms to allow expenditure of the funds by the Department,

FURTHER RESOLVED, that the amount conditionally added to the 2019-1 NOFA in this Second Amendment will be exclusively for the award to 2019 9% HTC-layered Direct Loan Applications, which is reflected in the amendment that will become effective on or before the allocation date of the 2019 9% tax credits; and

FURTHER RESOLVED, the Acting Director and staff as designated by the Acting Director are authorized, empowered, and directed, for and on behalf of the Department to execute such documents, instruments, and writings and perform such acts and deeds as may be necessary to effectuate the foregoing.

BACKGROUND

On December 21, 2018, the 2019-1 NOFA was published in the *Texas Register* announcing the availability of up to \$34,557,797, composed of \$11.5 million in TCAP RF, \$9,638,041 in NHTF, \$8,919,756 in HOME funds, and \$4.5 million in NSP1 PI – for the development of affordable multifamily rental housing. Of the total NOFA amount of \$34,557,797, \$12,304,698 was made available under the General set-aside.

On May 10, 2019, the First Amendment to the 2019-1 NOFA was published in the *Texas Register* announcing the availability of up to \$44,241,262, composed of \$15,160,000 in TCAP RF, \$9,638,041 in NHTF, \$14,943,221 in HOME funds, and \$4,500,000 in NSP1 PI. Of the total NOFA amount of \$44,241,262, \$30,103,221 was made available under the General set-aside, \$14,443,221 of which was HOME funds.

The Department currently has 27 9% Applications requesting \$69,826,000 of HOME funds under the General set-aside, resulting in an oversubscription of \$39,722,779. While several Applications under the General set-aside are currently not priority Applications, staff anticipates needing additional HOME funds to meet the demand among Applicants who are currently highest scoring and could be recommended for awards under the General set-aside. To meet this demand, the Department is recommending conditionally adding up to \$8,401,779 in HOME funds from HOME PI that has been collected, but for which allocation in accordance with the OYAP is pending HUD approval, or from reprogrammed HOME funds that may become available. HOME PI collected February 1, 2018, through January 31, 2019 and totaling \$10,112,758, was originally projected to be awarded through the 2020 NOFA after approval of the 2019 OYAP by HUD. This additional funding would be sufficient to fund all 10 currently competitive 2019 9% HTC-layered Direct Loan Applications with Development Sites that would be eligible for HOME. The final amount and the source (PI or de-obligated prior year HOME allocations) of additional HOME funds will be determined after competitive 2019 9% HTC-layered Applications have been underwritten, but prior to or at the July 25, 2019, Board meeting.

Should the amount of additional funds needed after underwriting be less than \$8,401,779 to fully fund all HOME-eligible and 2019 9% HTC-layered Applications awarded under the General Set-Aside, the total amount of HOME funds added will be reduced and the remaining funds will be reserved for the 2020 NOFA, as originally planned. Further, should any deobligated multifamily HOME funds become available prior to commitment of the contemplated awards, such funds may replace the PI funds and allow the PI to return to their prior anticipated use for the 2020 NOFA. Finally, any funds awarded from this additional PI source will necessarily be conditioned until and upon HUD's final acceptance of the OYAP, and their release of TDHCA funding.

The purpose of this action is to provide the HOME eligible competitive applicants for 2019-1 Multifamily Direct Loan Funding with reasonable assurance that additional HOME funds proposed in this action will be made available so that they do not need to begin sourcing other gap funding based on the current anticipated sources and uses in their application.

The proposed amendment will not add the additional HOME funds to the 2019-1 NOFA, rather it reserves the funds for specific Applications that have applied under the NOFA. The amendment will become effective, and funds will be available for those Applications at or before the Board meeting on July 25, 2019, with the award of the accompanying 9% tax credits. The award to the Applicant will likely be conditioned upon HUD approval of the 2019 OYAP, and setting up the financial mechanisms to allow expenditure of the funds by the Department. The final amount of the amendment will be likely presented to the Board at that same meeting.

Staff will continue to monitor the demand for Direct Loan funds, and may recommend further amendments to the NOFA if necessary.



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
MULTIFAMILY DIRECT LOAN
2019-1 NOTICE OF FUNDING AVAILABILITY (NOFA)
ANNUAL NOFA
SECOND AMENDMENT

THIS PROPOSED AMENDMENT CONDITIONALLY ADDS UP TO \$8,401,779 IN HOME FUNDS TO THE GENERAL SET-ASIDE FOR THE EXCLUSIVE USE OF 2019 9% HOUSING TAX CREDIT (HTC) LAYERED APPLICATIONS. THE FINAL AMOUNT OF HOME FUNDS ADDED TO THIS NOFA WILL BE DETERMINED ONCE 2019 9% HTC-LAYERED APPLICATIONS HAVE BEEN UNDERWRITTEN BY DEPARTMENT STAFF. AS A RESULT, NO CHANGES ARE BEING MADE TO THE 2019-1 NOFA THAT WOULD MAKE THE FUNDS AVAILABLE FOR OTHER APPLICATIONS. THE PURPOSE OF THIS AMENDMENT IS STRICTLY TO CONVEY TO 2019 9% HTC-LAYERED APPLICATIONS WITH DEVELOPMENT SITES IN AREAS OF THE STATE THAT ARE ELIGIBLE FOR HOME THAT, SHOULD THOSE APPLICATIONS BE RECOMMENDED FOR DIRECT LOAN AWARDS, HOME FUNDS WILL BE AVAILABLE UP TO THE AMOUNT ALREADY IN THE 2019-1 NOFA AND IN AN AMOUNT PROPOSED TO BE ADDED BY THIS AMENDMENT.

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BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
MAY 23, 2019

Presentation, discussion, and possible action on an extension for AHA! at Briarcliff (NHTF Contract #82600017511/ TCAP RF Contract #131600017511)

RECOMMENDED ACTION

WHEREAS, AHA! at Briarcliff (Application #17511) received an award of Direct Loan funds composed of \$210,529 in National Housing Trust Fund (NHTF) and \$1,281,671 in Tax Credit Assistance Program Repayment Funds (TCAP RF) at the Board meeting of February 22, 2018;

WHEREAS, the award was made under the 2017-1 Multifamily Direct Loan Notice of Funding Availability (2017-1 NOFA) and was therefore subject to the 2017 Multifamily Direct Loan Rule (10 TAC Chapter 13), which required Direct Loan awardees to obtain environmental clearance within 180 days after award and execution of the Direct Loan Contract within nine months after award;

WHEREAS, despite a good faith effort by Accessible Housing Austin, or AHA!, (the awardee) to obtain environmental clearance for the NHTF within 180 days after award, environmental clearance was not issued by the Department until October 30, 2018;

WHEREAS, on November 20, 2018, the Department granted an extension to the environmental clearance deadline to October 30, 2018, and an extension to the contract execution deadline to February 22, 2019, in accordance with 10 TAC §13.12;

WHEREAS, in December 2018, AHA! submitted a request to change the loan structure of the Direct Loan award from partial repayable and partial deferred forgivable to all deferred forgivable while also requesting to change the Department's lien position from first lien to parity first lien with a Texas State Affordable Housing Corporation (TSAHC) loan;

WHEREAS, at the Board meeting of January 17, 2019, the Board approved AHA!'s requests to change the loan structure and lien position of the Direct Loan award;

WHEREAS, while the NHTF and TCAP RF contracts were being finalized in February 2019, staff discovered a condominium declaration on the property in the title commitment that required additional due diligence in order to ensure the Department could move forward with the Direct Loan award;

WHEREAS, the Department recently granted the final extension to the contract execution deadline that is permissible without Board approval under the 2017 Multifamily Direct Loan Rule, extending the contract execution deadline to May 22, 2019; and

WHEREAS, the Department is continuing to work through the condominium declaration issue and recommends extending the contract execution deadline to July 22, 2019, or 17 months after award;

NOW, therefore, it is hereby

RESOLVED, that the Acting Director or his designee be and each of them hereby are authorized, empowered, and directed, for and on behalf of this Board to extend the contract execution deadline up to 17 months after award.

BACKGROUND

AHA! received an award of Direct Loan funds under the 2017-1 NOFA composed of \$210,529 in National Housing Trust Fund (NHTF) and \$1,281,671 in Tax Credit Assistance Program Repayment Funds (TCAP RF) at the Board meeting of February 22, 2018. In order to achieve a debt coverage ratio of less than 1.35, \$155,000 of the Direct Loan award was to be structured as a hard repayable loan while \$1,337,200 was to be structured as a deferred forgivable loan. All \$1,492,200 of the award was to be in first lien position. The Direct Loan award was subject to the 2017 Multifamily Direct Loan Rule, which required AHA! to obtain environmental clearance within six months of award, and to execute Direct Loan contracts (NHTF and TCAP RF) within nine months of award.

AHA! was unable to obtain environmental clearance until October 30, 2018 – a little over eight months after award – as a result of staff working with the City of Austin, which issued the environmental clearance for its HOME investment in 2017, to determine what was needed for the NHTF environmental clearance that was not considered for the City’s HOME environmental clearance. On November 20, 2018, the Department granted an extension to the environmental clearance deadline to October 30, 2018, and an extension to the contract execution deadline to February 22, 2019. Subsequent to the extensions being granted, AHA! submitted requests to change the loan structure and lien position of the Direct Loan award. At the Board meeting of January 17, 2019, the Board approved AHA!’s requests to change the loan structure to all deferred forgivable and the lien position to parity first lien.

Once the loan structure and lien position were finalized, staff began drafting the NHTF and TCAP RF contracts. In drafting the contracts, staff discovered a condominium declaration on the title commitment that led staff to request more information about the ownership interest that AHA! had in the property. AHA! indicated that the condominium declaration would not be removed, which has required AHA! to request that the condominium declaration be amended in order for the Development to move forward because otherwise it does not meet the requirements of the Direct Loan program. Staff

is currently engaged in resolving all remaining issues regarding the amended condominium declaration, and a new legal description that satisfies Department requirements.

The recommendation to extend the contract execution to July 22, 2019, is made in consideration of the Department's deadline to commit Program Year 2016 NHTF, of which AHA! at Briarcliff is expected to use \$210,529, by August 1, 2019.

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BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
MAY 23, 2019

Presentation, discussion and possible action on a Determination Notice for Housing Tax Credits with another Issuer (#19421 Hampton Homes, Texarkana)

RECOMMENDED ACTION

WHEREAS, Hampton Homes was previously approved at the Board meeting of April 26, 2018, but did not close by the deadline associated with the original Certificate of Reservation due to delays associated with the extensive underwriting with the lender and the management company which delayed some HUD approvals, and the subsequent federal government shutdown delayed the transaction further;

WHEREAS, a new Certification of Reservation from the Texas Bond Review Board was issued on February 4, 2019, and will expire on July 4, 2019;

WHEREAS, the proposed issuer of the bonds is the Texarkana Public Facility Corporation;

WHEREAS, there were changes from the prior underwriting that did not allow the applicant to utilize the certification process outlined in 10 TAC §11.201(3) of the Qualified Allocation Plan (QAP) such that the Determination Notice could be administratively re-issued;

WHEREAS, pursuant to 10 TAC §11.101(a)(3) of the QAP, applicants are required to disclose the presence Neighborhood Risk Factors and such factor applicable to this property is a crime rate for the census tract that exceeds the threshold of 18 per 1,000 persons annually which was not applicable when this application was approved by the Board in April 2018; and

WHEREAS, staff has conducted a further review of the proposed development site and surrounding neighborhood and based on the documentation provided and discussed herein relating to the crime rate, recommends the proposed site be found eligible under 10 TAC §11.101(a)(3) of the QAP;

NOW, therefore, it is hereby

RESOLVED, that the site for Hampton Homes is found to be eligible; and

FURTHER RESOLVED, that the issuance of a Determination Notice of \$194,050 in 4% Housing Tax Credits, subject to underwriting conditions that may be applicable as found in the Real Estate Analysis report posted to the Department's website for Hampton Homes is hereby approved as presented to this meeting.

BACKGROUND

General Information: Hampton Homes, proposed to be located at 3301 West 15th Street and 1400 Jenkins Street in Texarkana, Bowie County, involves the acquisition and rehabilitation of 50 units; all of which will be rent and income restricted at 60% of Area Median Family Income. Hampton Homes is one of five properties currently owned by the Housing Authority of Texarkana that are to be converted from public housing to Section 8 rental assistance through the Rental Assistance Demonstration (RAD) program administered by HUD. The other properties include the HATT Scattered Sites, Robison Terrace, Williams Homes, and Bright Street, all of which are also on the agenda for consideration. Each of the five properties will be owned by the partnership, will be financed using one investor and lender, and have one bond reservation. Hampton Homes will serve a general population and the site conforms to current zoning.

Site Analysis: The Applicant has disclosed the presence of a Neighborhood Risk Factor, specifically crime, which exceeds the threshold identified in the rule. Staff notes that crime was not an issue when the application was evaluated and approved by the Board in April 2018. Hampton Homes is in a census tract with a crime rate of 19.34 per 1,000 persons annually, as reported by Neighborhood Scout.

The applicant provided a letter from Shawn Fitzgerald, Assistant Chief of Police, that explained the programs in place within the community and with community leaders to combat crime and further stated that there has been a difference in crime trends. Actual data provided by the Texarkana Police Department reflected a total of eight instances of violent crimes in 2017, and four instances of violent crimes in 2018. When factoring in the population of the subject census tract, the actual crime rate is 1.64 per 1,000 persons for 2017 and 0.82 per 1,000 persons in 2018. Staff does not believe the neighborhood risk factor relating to the crime rate is of a nature or severity that should render the proposed development ineligible and recommends the site be found eligible under 10 TAC §11.101(a)(3) of the QAP.

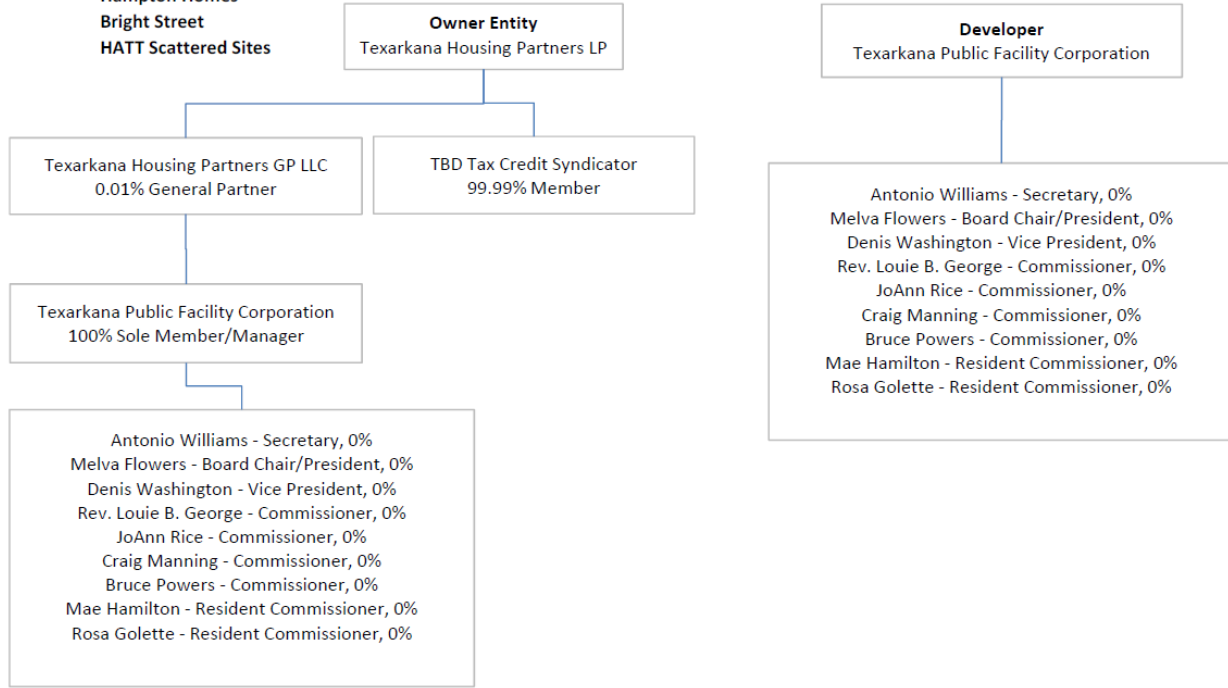
Organizational Structure and Previous Participation: The Borrower is Texarkana Housing Partners LP, and includes the entities and principals as illustrated in Exhibit A. The applicant's portfolio is considered a Category 1 and the previous participation was deemed acceptable by EARAC.

Public Comment: The Department received a letter of support from State Representative Gary VanDeaver and no letters of opposition have been received.

EXHIBIT A

Organizational Structure For:

Robison Terrace
Williams Homes
Hampton Homes
Bright Street
HATT Scattered Sites



Guarantor:

Texarkana Public Facility Corporation



Addendum to Underwriting Report

TDHCA Application #: **19421** Program(s): **4% HTC**

Hampton Homes

Address/Location: 3301 W. 15th St and 1400 Jenkins St

City: Texarkana County: Bowie Zip: 75501

APPLICATION HISTORY	
Report Date	PURPOSE
05/09/19	Re-issue Determination Notice
04/19/18	New Application - Initial Underwriting

ALLOCATION

TDHCA Program	Previous Allocation				RECOMMENDATION				
	Amount	Rate	Amort	Term	Amount	Rate	Amort	Term	Lien
LIHTC (Annual)	\$192,386				\$194,050				

CONDITIONS STATUS

- 1 Receipt and acceptance before Determination Notice:
 - Executed CHAP or similar agreement with HUD approved rents and operating budgets.
Status: Condition Satisfied. Applicant submitted CHAP with HUD approved rents and budgets.
- 2 Receipt and acceptance by Cost Certification:
 - Certification of comprehensive testing for asbestos, lead-based paint, and lead in drinking water; that any appropriate abatement procedures were implemented by a qualified abatement company; and that any remaining asbestos-containing materials, lead-based paint, or lead in drinking water are either replaced or managed in accordance with an acceptable Operations and Maintenance (O&M) program.

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

ANALYSIS

Application was underwritten in 2018 under TDHCA #18402 Hampton Homes as part of 5 developments by the Texarkana Housing Authority to convert public housing to Section 8 rental assistance housing under the HUD RAD program. The project did not close and has returned for a reissue of Determination Notice. Applicant has updated the scope of work and has provided the G702 contract from their General Contractor. The project has gone through the HUD procurement process and the construction contract represents a more accurate cost estimate than would an updated PCA.

All five applications will close under a single permanent loan through Citi. Applicant included a term sheet from Citi confirming the debt structure.

Operating Pro Forma

Applicant submitted the approved rents through HUD's Rental Assistance Program (CHAP). The approved rents are higher than estimated and results in a \$44K increase in net rent from previous underwriting. The annual expenses remain constant except for the management fee which increased with the higher rents.

NOI increased by \$41K as a result of the increased rents. Applicant's NOI is within 2% of Underwriter's estimate therefore feasibility is based on the Applicant's pro forma.

Development Cost

The current budget reflects the actual bid figures from the General Contractor for the scope of work. Actual Hard Cost for construction decreased by \$69K. But tenant relocation expense, normally reported as Soft Cost, increased from \$50K to \$112K, and has been included in the construction contract. So the Applicant's cost schedule indicates a net increase of \$44K to Hard Cost.

In the underwritten cost schedule, tenant relocation is re-allocated to Soft Cost.

According to the IRS Audit Technique Guide, the costs attributable to moving tenants and providing temporary housing during rehabilitation (e.g.; legal costs, tenant moving expenses, costs for temporarily storing a tenants' property, and temporary housing costs) are expensed as ordinary and necessary business expenses under IRC §162. Based on this, tenant relocation expense is excluded from eligible basis.

Total Development Costs have increased by \$247K with the biggest increases in Construction Loan Financing (\$174K) and Developer Fees (\$30K).

This is an acquisition rehab project. The Underwriter's Development Cost Schedule (based on the G702 for hard costs) will be used to determine the capital structure.

Sources of Funds

The increased costs are being offset by an increase in equity pricing from \$0.84 to \$0.90 (\$120K increase in equity proceeds) and deferring \$129K in developer fee.

Application previously included a cash flow loan from the Texarkana Public Housing Finance Corp, that loan is no longer place.

Applicant stated that no existing reserves are being transferred.

Applicant's pro forma produced a DCR exceeding the 1.35 maximum. Underwriter assumes (for purposes of tax credit sizing) that the HATT Seller Note be partially amortized to bring the DCR below the 1.35 times threshold. Underwriter reduced seller note by \$775,000 for credit sizing purposes. The assumed debt structure is for tax credit sizing purposes only and not a condition of the recommendation.

Conclusion

Recommended tax credit allocation is limited to \$194,050 as determined by the Eligible Basis.

Underwriter:

Duc Nguyen

Manager of Real Estate Analysis:

Thomas Cavanagh

Director of Real Estate Analysis:

Brent Stewart

UNIT MIX/RENT SCHEDULE
Hampton Homes, Texarkana, 4% HTC #19421

LOCATION DATA	
CITY:	Texarkana
COUNTY:	Bowie
Area Median Income	\$52,200
PROGRAM REGION:	4

UNIT DISTRIBUTION							
# Beds	# Units	% Total	Assisted	MDL	Income	# Units	% Total
Eff	-	0.0%	0	0	30%	-	0.0%
1	10	20.0%	10	0	40%	-	0.0%
2	14	28.0%	14	0	50%	-	0.0%
3	26	52.0%	26	0	60%	50	100.0%
4	-	0.0%	0	0	MR	-	0.0%
TOTAL	50	100.0%	50		TOTAL	50	100.0%

Pro Forma ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	100%
APP % Acquisition	3.39%
APP % Construction	3.39%
Average Unit Size	804 sf

UNIT MIX / MONTHLY RENT SCHEDULE																					
HTC		RENT ASSISTED UNIT		UNIT MIX				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS				TDHCA PRO FORMA RENTS				MARKET RENTS		
Type	Gross Rent	Type	Gross Rent	# Units	# Beds	# Baths	NRA	Gross Rent	Utility Allow	Max Net Program Rent	Delta to Max	Rent psf	Net Rent per Unit	Total Monthly Rent	Total Monthly Rent	Rent per Unit	Rent psf	Delta to Max	Underwritten	Mrkt Analyst	
TC 60%	\$636	RAD	\$624	10	1	1	564	\$624	\$28	\$596	\$0	\$1.06	\$596	\$5,960	\$5,960	\$596	\$1.06	\$0	\$650	\$1.15	\$650
TC 60%	\$763	RAD	\$686	14	2	1	736	\$686	\$58	\$628	\$0	\$0.85	\$628	\$8,792	\$8,792	\$628	\$0.85	\$0	\$730	\$0.99	\$730
TC 60%	\$882	RAD	\$820	26	3	1	933	\$820	\$86	\$734	\$0	\$0.79	\$734	\$19,084	\$19,084	\$734	\$0.79	\$0	\$850	\$0.91	\$850
TOTALS/AVERAGES:				50			40,202				\$0	\$0.84	\$677	\$33,836	\$33,836	\$677	\$0.84	\$0	\$776	\$0.97	\$776

ANNUAL POTENTIAL GROSS RENT:	\$406,032	\$406,032
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STABILIZED PRO FORMA

Hampton Homes, Texarkana, 4% HTC #19421

STABILIZED FIRST YEAR PRO FORMA

	COMPARABLES		APPLICANT				PRIOR REPORT		TDHCA				VARIANCE	
	Database	Previous Year Actual	% EGI	Per SF	Per Unit	Amount	Applicant	TDHCA	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT				\$0.84	\$677	\$406,032	\$359,400	\$359,237	\$406,032	\$677	\$0.84		0.0%	\$0
Vending, Maintenance Charges						\$8.00	4,800							
Total Secondary Income						\$8.00		4,800	\$4,800	\$8.00			0.0%	\$0
POTENTIAL GROSS INCOME						\$410,832	\$364,200	\$364,037	\$410,832				0.0%	\$0
Vacancy & Collection Loss						5.0% PGI	(20,542)	(18,210)	(18,202)	(20,542)	5.0% PGI		0.0%	-
Rental Concessions						-	0						0.0%	-
EFFECTIVE GROSS INCOME						\$390,290	\$345,990	\$345,835	\$390,290				0.0%	\$0

General & Administrative	\$16,860	\$337/Unit	\$36,870	\$737	6.22%	\$0.60	\$485	\$24,270	\$24,270	\$16,860	\$16,860	\$337	\$0.42	4.32%	43.9%	7,410
Management	\$25,828	9.5% EGI	27,961	\$559	5.26%	\$0.51	\$411	\$20,542	\$17,300	\$17,292	\$19,515	\$390	\$0.49	5.00%	5.3%	1,027
Payroll & Payroll Tax	\$42,094	\$842/Unit	63,078	\$1,262	10.41%	\$1.01	\$813	\$40,630	\$40,630	\$42,094	\$42,094	\$842	\$1.05	10.79%	-3.5%	(1,464)
Repairs & Maintenance	\$34,637	\$693/Unit	55,478	\$1,110	7.38%	\$0.72	\$576	\$28,800	\$28,800	\$32,500	\$32,500	\$650	\$0.81	8.33%	-11.4%	(3,700)
Electric/Gas	\$7,030	\$141/Unit	7,755	\$155	1.51%	\$0.15	\$118	\$5,900	\$5,900	\$7,755	\$7,755	\$155	\$0.19	1.99%	-23.9%	(1,855)
Water, Sewer, & Trash	\$20,319	\$406/Unit	23,642	\$473	4.95%	\$0.48	\$386	\$19,300	\$19,300	\$23,642	\$23,642	\$473	\$0.59	6.06%	-18.4%	(4,342)
Property Insurance	\$13,213	\$0.33 /sf	7,884	\$158	2.90%	\$0.28	\$226	\$11,300	\$11,300	\$11,300	\$11,300	\$226	\$0.28	2.90%	0.0%	-
Property Tax (@ 0%) 2.6674	\$15,653	\$313/Unit	6,377	\$128	0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	-
Reserve for Replacements	\$13,958	\$279/Unit	-	\$0	4.74%	\$0.46	\$370	\$18,500	\$18,500	\$18,500	\$18,500	\$370	\$0.46	4.74%	0.0%	-
Supportive Services			10,247	\$205	0.32%	\$0.03	\$25	\$1,250	\$1,250	\$1,250	\$1,250	\$25	\$0.03	0.32%	0.0%	-
TDHCA LIHTC/HOME Compliance Fees			-	\$0	0.51%	\$0.05	\$40	\$2,000	\$2,000	\$2,000	\$2,000	\$40	\$0.05	0.51%	0.0%	-
Security			12,289	\$246	3.07%	\$0.30	\$240	\$12,000	\$12,000	\$12,000	\$12,000	\$240	\$0.30	3.07%	0.0%	-
Ground lease payment			-	\$0	0.03%	\$0.00	\$2	\$100	\$100	\$100	\$100	\$2	\$0.00	0.03%	0.0%	-
TOTAL EXPENSES			\$251,581	\$5,032	47.30%	\$4.59	\$3,692	\$ 184,592	\$181,350	\$185,293	\$187,515	\$3,750	\$4.66	48.05%	-1.6%	\$ (2,923)
NET OPERATING INCOME ("NOI")					52.70%	\$5.12	\$4,114	\$205,698	\$164,641	\$160,543	\$202,775	\$4,056	\$5.04	51.95%	1.4%	\$ 2,923

CONTROLLABLE EXPENSES							\$2,378/Unit						\$2,457/Unit			
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Hampton Homes, Texarkana, 4% HTC #19421

DEBT / GRANT SOURCES																					
APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE										AS UNDERWRITTEN DEBT/GRANT STRUCTURE											
DEBT (Must Pay)	Fee	Cumulative DCR		Pmt	Rate	Amort	Term	Principal	Principal	Prior Underwriting		Principal	Term	Amort	Rate	Pmt	Cumulative				
		UW	App							Applicant	TDHCA						DCR	LTC			
Citibank (Freddie Mac perm loan)		1.73	1.75	117,500	5.26%	35	20	\$1,878,000	\$1,715,000	\$1,715,000	\$1,878,000	20	35	5.26%	\$117,500	1.75	33.6%				
HATT Seller Note (Hard Debt)		1.73	1.75	-	2.89%	35	0	\$0		\$350,000	\$775,000	0	35	2.89%	\$35,223	1.35	13.9%				
CASH FLOW DEBT / GRANTS																					
HATT Seller Note (Soft Debt)		1.73	1.75		2.89%	0	50	\$1,783,000	\$2,000,000	\$1,650,000	\$1,008,000	50	0	2.89%		1.35	18.0%				
TPFC Cash Flow Loan		1.73	1.75		0.00%	0	50	\$0		\$9,997	\$0	50	0	0.00%		1.35	0.0%				
				\$117,500	TOTAL DEBT / GRANT SOURCES				\$3,704,827			\$3,704,827	TOTAL DEBT SERVICE				\$152,723	1.35	66.3%		
NET CASH FLOW		\$85,275	\$88,198											APPLICANT NET OPERATING INCOME	\$205,698	\$52,975	NET CASH FLOW				

EQUITY SOURCES															
APPLICANT'S PROPOSED EQUITY STRUCTURE							AS UNDERWRITTEN EQUITY STRUCTURE								
EQUITY / DEFERRED FEES	DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Amount	Prior Underwriting		Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method	
							Applicant	TDHCA							Total Developer Fee:
Hunt Capital Partners	LIHTC Equity	32.7%	\$202,130	0.90	\$1,828,086	\$1,635,118	\$1,635,116	\$1,755,185	\$0.9045	\$194,050	31.4%	\$3,881	Eligible Basis		
Texarkana Public Facility Corporation	Deferred Developer Fees	1.4%	(16% Deferred)		\$78,803	\$4,177	\$4,181	\$129,134		(26% Deferred)	2.3%		\$500,031		
Additional (Excess) Funds Req'd		0.0%						\$0			0.0%				
TOTAL EQUITY SOURCES		34.1%			\$1,906,889	\$1,639,295	\$1,649,294	\$1,884,319			33.7%				
TOTAL CAPITALIZATION						\$5,611,716	\$5,364,293	\$5,364,294	\$5,589,146					15-Yr Cash Flow after Deferred Fee:	\$923,082

DEVELOPMENT COST / ITEMIZED BASIS														
APPLICANT COST / BASIS ITEMS					TDHCA COST / BASIS ITEMS				COST VARIANCE					
	Eligible Basis		Total Costs	Total Costs	Prior Underwriting		Total Costs	Eligible Basis		%	\$			
	Acquisition	New Const. Rehab			Applicant	TDHCA		New Const. Rehab	Acquisition					
Land Acquisition			\$2,000 / Unit	\$100,000	\$100,000	\$100,000	\$100,000	\$2,000 / Unit		0.0%	\$0			
Building Acquisition	\$2,000,000		\$40,000 / Unit	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$40,000 / Unit	\$2,000,000	0.0%	\$0			
			\$0	\$5,000	\$5,000	\$0	\$0	\$0			\$0			
Off-Sites			\$ / Unit	\$0	\$0	\$0	\$0	\$ / Unit		0.0%	\$0			
Site Work		\$26,118	\$522 / Unit	\$26,118	\$98,144	\$98,144	\$26,118	\$522 / Unit	\$26,118	0.0%	\$0			
Site Amenities		\$86,236	\$1,725 / Unit	\$86,236	\$67,434	\$67,434	\$86,236	\$1,725 / Unit	\$86,236	0.0%	\$0			
Building Cost		\$1,329,011	\$35.87 /sf	\$28,837/Unit	\$1,441,860	\$1,344,859	\$1,344,861	\$1,329,011	\$26,580/Unit	\$33.06 /sf	\$1,329,011	8.5%	\$112,849	
Contingency		\$144,136	10.00%	9.27%	\$144,136	\$151,043	\$151,043	\$144,136	10.00%	10.00%	\$144,136	0.0%	\$0	
Contractor Fees		\$285,389	18.00%	16.80%	\$285,389	\$232,605	\$232,605	\$285,389	18.00%	18.00%	\$285,389	0.0%	\$0	
Soft Costs	0	\$252,496		\$5,050 / Unit	\$252,496	\$288,867	\$288,867	\$365,345	\$7,307 / Unit		\$252,496	\$0	-30.9%	(\$112,849)
Financing	0	\$263,920		\$11,448 / Unit	\$572,404	\$402,139	\$402,139	\$572,404	\$11,448 / Unit		\$263,920	\$0	0.0%	\$0
Developer Fee	\$0	\$500,031	20.95%	20.00%	\$500,031	\$469,884	\$469,884	\$477,461	20.00%	20.00%	\$477,461	\$0	4.7%	\$22,570
Reserves				\$4,061 / Unit	\$203,046	\$204,318	\$204,318	\$203,046	\$4,061 / Unit				0.0%	\$0
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED B)	\$2,000,000	\$2,887,337		\$112,234 / Unit	\$5,611,716	\$5,364,293	\$5,364,294	\$5,589,146	\$111,783 / Unit		\$2,864,767	\$2,000,000	0.4%	\$22,570
Acquisition Cost	\$0				\$0									
Contingency		\$0			\$0									
Contractor's Fee		\$0												
Interim Interest		\$0												
Developer Fee	\$0	(\$22,570)			\$0									
Reserves					\$0									
ADJUSTED BASIS / COST	\$2,000,000	\$2,864,767		\$112,234/unit	\$5,611,716			\$5,589,146	\$111,783/unit		\$2,864,767	\$2,000,000	0.4%	\$22,570
TOTAL HOUSING DEVELOPMENT COSTS BASED ON 3RD PARTY PCA/CNA						\$5,589,146								

CAPITALIZATION / DEVELOPMENT COST BUDGET / ITEMIZED BASIS ITEMS

Hampton Homes, Texarkana, 4% HTC #19421

CREDIT CALCULATION ON QUALIFIED BASIS				
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction Rehabilitation
ADJUSTED BASIS	\$2,000,000	\$2,864,767	\$2,000,000	\$2,864,767
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$2,000,000	\$2,864,767	\$2,000,000	\$2,864,767
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$2,000,000	\$3,724,197	\$2,000,000	\$3,724,197
Applicable Fraction	100.00%	100.00%	100.00%	100.00%
TOTAL QUALIFIED BASIS	\$2,000,000	\$3,724,197	\$2,000,000	\$3,724,197
Applicable Percentage	3.39%	3.39%	3.39%	3.39%
ANNUAL CREDIT ON BASIS	\$67,800	\$126,250	\$67,800	\$126,250
CREDITS ON QUALIFIED BASIS	\$194,050		\$194,050	

Method	ANNUAL CREDIT CALCULATION BASED ON TDHCA BASIS		FINAL ANNUAL LIHTC ALLOCATION		
	Annual Credits	Proceeds	Credit Price \$0.9045	Variance to Request	
			Credit Allocation	Credits	Proceeds
Eligible Basis	\$194,050	\$1,755,185	\$194,050	(\$8,080)	(\$73,081)
Needed to Fill Gap	\$208,327	\$1,884,319	----	----	----
Applicant Request	\$202,130	\$1,828,266	----	----	----

50% Test for Bond Financing for 4% Tax Credits					
Tax-Exempt Bond Amount	\$3,060,000		Percent Financed by Tax-Exempt Bonds	Applicant	TDHCA
Aggregate Basis Limit for 50% Test	\$6,120,000				
	Applicant	TDHCA			
Land Cost	\$100,000	\$100,000	amount aggregate basis can increase before 50% test fails	\$1,519,845	\$1,519,845
Depreciable Bldg Cost	\$4,500,155	\$4,500,155			
Aggregate Basis for 50% Test	\$4,600,155	\$4,600,155			

Long-Term Pro Forma

Hampton Homes, Texarkana, 4% HTC #19421

	Growth Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	Year 35
EFFECTIVE GROSS INCOME	2.00%	\$390,290	\$398,096	\$406,058	\$414,179	\$422,463	\$466,433	\$514,980	\$568,579	\$627,758	\$693,095	\$765,233
TOTAL EXPENSES	3.00%	\$184,592	\$189,924	\$195,413	\$201,061	\$206,875	\$238,598	\$275,245	\$317,588	\$366,520	\$423,074	\$490,048
NET OPERATING INCOME ("NOI")		\$205,698	\$208,172	\$210,646	\$213,118	\$215,588	\$227,836	\$239,735	\$250,991	\$261,237	\$270,021	\$275,185
EXPENSE/INCOME RATIO		47.3%	47.7%	48.1%	48.5%	49.0%	51.2%	53.4%	55.9%	58.4%	61.0%	64.0%
MUST -PAY DEBT SERVICE												
Citibank (construction loan)			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Citibank (Freddie Mac perm loan)		\$117,500	\$117,500	\$117,500	\$117,500	\$117,500	\$117,500	\$117,500	\$117,500	\$117,500	\$117,500	\$117,500
HATT Seller Note (Hard Debt)		\$35,223	\$35,223	\$35,223	\$35,223	\$35,223	\$35,223	\$35,223	\$35,223	\$35,223	\$35,223	\$35,223
TOTAL DEBT SERVICE		\$152,723	\$152,723	\$152,723	\$152,723	\$152,723	\$152,723	\$152,723	\$152,723	\$152,723	\$152,723	\$152,723
DEBT COVERAGE RATIO		1.35	1.36	1.38	1.40	1.41	1.49	1.57	1.64	1.71	1.77	1.80
ANNUAL CASH FLOW												
ANNUAL CASH FLOW		\$52,975	\$55,449	\$57,923	\$60,395	\$62,865	\$75,113	\$87,012	\$98,268	\$108,514	\$117,298	\$122,462
Deferred Developer Fee Balance		\$76,159	\$20,710	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$37,213	\$97,608	\$160,473	\$511,628	\$923,082	\$1,392,234	\$1,914,800	\$2,484,411	\$3,088,224

BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
MAY 23, 2019

Presentation, discussion and possible action on a Determination Notice for Housing Tax Credits with another Issuer (#19422 HATT Scattered Sites, Texarkana)

RECOMMENDED ACTION

WHEREAS, HATT Scattered Sites, an application that involves four multifamily properties, was previously approved at the Board meeting of April 26, 2018, but did not close by the deadline associated with the original Certificate of Reservation due to delays associated with the extensive underwriting with the lender and the management company which delayed some HUD approvals, and the subsequent federal government shutdown delayed the transaction further;

WHEREAS, a new Certification of Reservation from the Texas Bond Review Board was issued on February 4, 2019, and will expire on July 4, 2019;

WHEREAS, the proposed issuer of the bonds is the Texarkana Public Facility Corporation;

WHEREAS, there were changes from the prior underwriting that did not allow the applicant to utilize the certification process outlined in 10 TAC §11.201(3) of the Qualified Allocation Plan (QAP) such that the Determination Notice could be administratively re-issued;

WHEREAS, pursuant to 10 TAC §11.101(a)(3) of the QAP related to Neighborhood Risk Factors, staff has re-evaluated the poverty rate that exceeds 40% for individuals for one of the subject properties in the HATT Scattered Sites application;

WHEREAS, two of the four subject properties are located in census tracts that have a crime rate that exceeds the threshold of 18 per 1,000 persons annually as allowed under the rule; and

WHEREAS, staff has conducted a further review of the proposed development site(s) and surrounding neighborhood and based on the documentation provided and discussed herein relating to the poverty and crime rates, recommends the proposed site be found eligible under 10 TAC §11.101(a)(3) of the QAP;

NOW, therefore, it is hereby

RESOLVED, that the site for HATT Scattered Sites is hereby found to be eligible; and

FURTHER RESOLVED, that the issuance of a Determination Notice of \$140,338 in 4% Housing Tax Credits, subject to underwriting conditions that may be applicable as found in the Real Estate Analysis report posted to the Department’s website for HATT Scattered Sites is hereby approved as presented to this meeting.

BACKGROUND

General Information: The HATT Scattered Sites consists of four non-contiguous sites, proposed to be located at 115 Akins Road, 2001 Allen Lane, 2001 Pine Street, and 2001 Wood Street in Texarkana, Bowie County. The application proposes the acquisition and rehabilitation of a total of 42 units; all of which will be rent and income restricted at 60% of Area Median Family Income. HATT Scattered Sites is one of five properties currently owned by the Housing Authority of Texarkana that are to be converted from public housing to Section 8 rental assistance through the Rental Assistance Demonstration (RAD) program administered by HUD. The other properties include Robison Terrace, Williams Homes, Hampton Homes, and Bright Street, all of which are also on the agenda for consideration. Each of the five properties will be owned by the partnership, will be financed using one investor and lender, and have one bond reservation. HATT Scattered Sites will serve the elderly population (elderly preference) and each site conforms to current zoning. The census tracts containing each of the sites, median household incomes, and poverty rates are listed in the following table.

Address	Census Tract	Median Household Income	Poverty Rate
115 Akins Road (22 units)	48037010800	\$23,683	36.3%
2001 Allen Lane (8 units)	48037010400	\$24,138	44.6%
2001 Pine Street (4 units)	48037010100	\$33,707	27.1%
2001 Wood Street (8 units)	48037010100	\$33,707	27.1%

Site Analysis: The Applicant has disclosed the presence of two Neighborhood Risk Factors, crime and poverty, both of which exceed the threshold identified in the rule. Staff notes that crime was not an issue when the application was evaluated and approved by the Board in April 2018. As it relates to the poverty rate, the property located at 2001 Allen Lane is in a census tract (104.00) that has a poverty rate of 44.6%.

All of the sites are located within a few miles of one another and the surrounding area is described as being a mixed use of single-family homes and retail. The poverty rate of one of the contiguous census tracts to the subject property is 11.2% (111.00). The applicant reports that the median household income has been increasing since 2014 in the census tract in which 2001 Allen Lane is located and staff

notes that there has been a 4% increase in those households earning between \$75,000 and \$99,000 annually over the past five years, despite an increase in the overall poverty rate.

A letter from Shirley Jaster, City Manager for the City of Texarkana, states that the property lies within a Community Development Block Grant program (CDBG) qualifying census tract that has received investment, including Home Buyer Assistance and Housing Rehabilitation. CDBG funds are stated as being utilized for park improvements and additional infrastructure and sidewalk improvements are planned to be targeted in the future. The letter also summarized steps being taken to bring new industry and jobs to the area while also returning two Superfund sites to productive industrial use. The City Manager states that Texarkana will continue efforts to revitalize the neighborhood as well as surrounding neighborhoods in the area of the subject property.

As it relates to crime, the properties located at 2001 Allen Lane and 115 Akins Road, which are in different census tracts, have crime rates that exceed the threshold of 18 per 1,000 persons annually as identified in the rule. Specifically, the crime rate associated with 2001 Allen Lane is 19.34 per 1,000 persons annually and the crime rate associated with 115 Akins Road has a crime rate of 20.24 per 1,000 persons annually, as reported on Neighborhood Scout.

The applicant provided a letter from the Assistant Chief of Police, Shawn Fitzgerald that explained the programs in place within the community and with community leaders to combat crime and further stated that there has been a difference in crime trends. Actual data provided by the Texarkana Police Department for 115 Akins Road reflected a total of 8 instances of violent crimes in 2017 and 4 instances of violent crimes in 2018. When factoring in the population of the subject census tract, the actual crime rate is 1.64 per 1,000 persons for 2017 and 0.82 per 1,000 persons in 2018. As for the 2001 Allen Lane property, actual data provided by the Texarkana Police Department revealed 1 instance of violent crime in 2017 and no instances in 2018, making the crime rate 0.23 and 0 per 1,000 persons annually, respectively, when factoring in the population of the census tract.

Staff does not believe the neighborhood risk factors relating to poverty and crime rates are of a nature or severity that should render the proposed development ineligible and recommends the site be found eligible under 10 TAC §11.101(a)(3).

As was noted with the original award, staff desires to reiterate the common amenities that will be provided in conjunction with this development. Although the confirmation of which common amenities will be provided is not something staff has historically required at application, the fact that this development includes scattered sites with fairly small unit sizes warrants attention. Pursuant to 10 TAC §11.101(b)(5) of the QAP, non-contiguous scattered site developments are to provide enough common amenities to meet the threshold of points based on the number of units at each site. The rule does not contemplate a site smaller than 16 units because that is the minimum size of a development (encompassing all sites, provided they are scattered). Through discussions with the applicant, it was confirmed that they will be providing four points (the minimum threshold for a 16 unit development) worth of common amenities at each of the development sites.

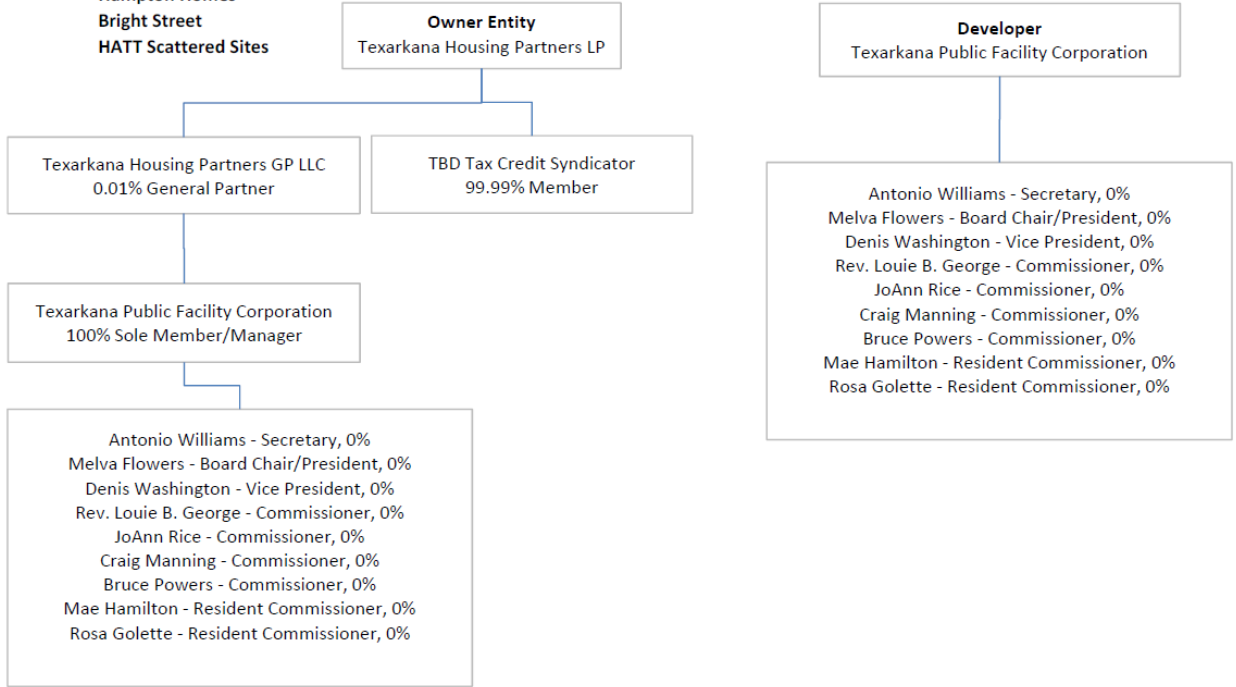
Organizational Structure and Previous Participation: The Borrower is Texarkana Housing Partners LP, and includes the entities and principals as illustrated in Exhibit A. The applicant's portfolio is considered a Category 1 and the previous participation was deemed acceptable by EARAC.

Public Comment: The Department received a letter of support from State Representative Gary VanDeaver and no letters of opposition have been received.

EXHIBIT A

Organizational Structure For:

Robison Terrace
Williams Homes
Hampton Homes
Bright Street
HATT Scattered Sites



Developer
Texarkana Public Facility Corporation

Antonio Williams - Secretary, 0%
Melva Flowers - Board Chair/President, 0%
Denis Washington - Vice President, 0%
Rev. Louie B. George - Commissioner, 0%
JoAnn Rice - Commissioner, 0%
Craig Manning - Commissioner, 0%
Bruce Powers - Commissioner, 0%
Mae Hamilton - Resident Commissioner, 0%
Rosa Golette - Resident Commissioner, 0%

Guarantor:

Texarkana Public Facility Corporation



Addendum to Underwriting Report

TDHCA Application #: 19422 Program(s): 4% HTC

HATT Scattered Sites

Address/Location: 115 Akins Rd, 2001 Allen Ln, 2001 Pine St, 2001 Wood St

City: Texarkana County: Bowie Zip: 75501

APPLICATION HISTORY	
Report Date	PURPOSE
05/13/19	Reissue of Determination Notice
04/19/18	New Application - Initial Underwriting

ALLOCATION

TDHCA Program	Previous Allocation				RECOMMENDATION				
	Amount	Rate	Amort	Term	Amount	Rate	Amort	Term	Lien
LIHTC (Annual)	\$123,946				\$140,338				

CONDITIONS STATUS

- Receipt and acceptance before Determination Notice:
 - Executed CHAP or similar agreement with HUD approved rents and operating budgets.
Status: Condition Satisfied. CHAP was submitted with approved rents and budgets.
- Receipt and acceptance by Cost Certification:
 - Certification of comprehensive testing for lead in drinking water at 115 Akins Rd; that any appropriate abatement procedures were implemented by a qualified abatement company.

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

ANALYSIS

Application was underwritten in 2018 under TDHCA #18403 HATT Scattered Sites as part of 5 developments by the Texarkana Housing Authority to convert public housing to Section 8 rental assistance housing under the HUD RAD program. The project did not close and has returned for a reissue of Determination Notice. Applicant has updated the scope of work and has provided the G702 contract from their General Contractor. The project has gone through the HUD procurement process and the contract represent a more accurate cost estimate than would an updated PCA.

All five applications will close under a single permanent loan through Citi. Applicant included a term sheet from Citi confirming the debt structure.

Operating Pro Forma

Applicant submitted the approved rents through HUD's Rental Assistance Program (CHAP). The approved rents are higher than estimated and results in a \$47K increase in net rent from previous underwriting.

Applicant updated the operating expenses with increases to the Payroll (\$17K) and Utilities (\$9.6K) line items to reflect expected budget post rehabilitation. This is the only one of the five developments where the Payroll and the Utilities figures were increased. Applicant submitted a revised staffing plan to document their \$17K increase to \$51K a year. Applicant has historically allotted a high amount of payroll to this scattered site development.

NOI increased by \$18.5K as a result of the increased rents. Applicant's NOI is within 2% of Underwriter's estimate therefore feasibility is based on the Applicant's pro forma.

Development Cost

The current budget reflects the actual bid figures from the General Contractor for the scope of work. Actual Hard Cost for construction increased by \$156K. Tenant relocation expense, normally reported as Soft Cost, increased from \$42K to \$94K, and has been included in the construction contract. So the Applicant's cost schedule indicates a net increase of \$251K to Hard Cost. The current scope of work which adds in new items such as replacements of all roofs (\$107K), expanded scope of cabinetry (\$94K), ADA renovations (\$43K), and additional HVAC work (\$122K) among other rehabilitation work.

In the underwritten cost schedule, tenant relocation is re-allocated to Soft Cost.

According to the IRS Audit Technique Guide, the costs attributable to moving tenants and providing temporary housing during rehabilitation (e.g.; legal costs, tenant moving expenses, costs for temporarily storing a tenants' property, and temporary housing costs) are expensed as ordinary and necessary business expenses under IRC §162. Based on this, tenant relocation expense is excluded from eligible basis.

Total Development Costs have increased by \$571K with the biggest increases in Construction Loan Financing (\$133K) and Developer Fees (\$85K).

This is an acquisition rehab project. The capital structure is determined by the Underwriter's Development Cost Schedule (based on the G702 for hard costs).

Sources of Funds

The increased costs are being offset by an increase in equity pricing from \$0.84 to \$0.90 (\$215K increase in equity proceeds) and deferring \$107K in developer fee.

Applicant has stated that no reserves are being transferred.

Applicant's pro forma produced a DCR exceeding the 1.35 maximum. Underwriter assumes (for purposes of tax credit sizing) that the HATT Seller Note be partially amortized to bring the DCR below the 1.35 times threshold. Underwriter reduced seller note by \$210,000 for credit sizing purposes. The assumed debt structure is for tax credit sizing purposes only and not a condition of the recommendation.

Conclusion

Recommended tax credit allocation is limited to \$140,338 as determined by the Eligible Basis.

Underwriter:	<u>Duc Nguyen</u>
Manager of Real Estate Analysis:	<u>Thomas Cavanagh</u>
Director of Real Estate Analysis:	<u>Brent Stewart</u>

UNIT MIX/RENT SCHEDULE
HATT Scattered Sites, Texarkana, 4% HTC #19422

LOCATION DATA	
CITY:	Texarkana
COUNTY:	Bowie
Area Median Income	\$52,600
PROGRAM REGION:	4

UNIT DISTRIBUTION						
# Beds	# Units	% Total	Assisted	Income	# Units	% Total
Eff	-	0.0%	0	30%	-	0.0%
1	42	100.0%	42	40%	-	0.0%
2	-	0.0%	0	50%	-	0.0%
3	-	0.0%	0	60%	42	100.0%
4	-	0.0%	0	MR	-	0.0%
TOTAL	42	100.0%	42	TOTAL	42	100.0%

Pro Forma ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	121%
Applicable Fraction	100%
APP % Acquisition	3.39%
APP % Construction	3.39%
Average Unit Size	576 sf

UNIT MIX / MONTHLY RENT SCHEDULE

HTC		RENT ASSISTED UNIT		UNIT MIX				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS			TDHCA PRO FORMA RENTS			MARKET RENTS			
Type	Gross Rent	Type	Gross Rent	# Units	# Beds	# Baths	NRA	Gross Rent	Utility Allow	Max Net Program Rent	Delta to Max	Net Rent per Unit	Total Monthly Rent	Total Monthly Rent	Rent per Unit	Rent psf	Delta to Max	Underwritten	Mrkt Analyst	
TC 60%	\$610	RAD	\$624	42	1	1	576	\$624	\$28	\$596	\$0	\$596	\$25,032	\$25,032	\$596	\$1.03	\$0	\$625	\$1.09	\$625
TOTALS/AVERAGES:				42			24,192				\$0	\$596	\$25,032	\$25,032	\$596	\$1.03	\$0	\$625	\$1.09	\$625

ANNUAL POTENTIAL GROSS RENT:			\$300,384	\$300,384
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STABILIZED PRO FORMA

HATT Scattered Sites, Texarkana, 4% HTC #19422

STABILIZED FIRST YEAR PRO FORMA

	COMPARABLES		APPLICANT				PRIOR REPORT		TDHCA				VARIANCE	
	Database	2 year Average	% EGI	Per SF	Per Unit	Amount	Applicant	TDHCA	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT				\$1.03	\$596	\$300,384	\$250,488	\$250,488	\$300,384	\$596	\$1.03		0.0%	\$0
Vending, Maintenance Charges						\$8.00	\$4,032	4,032						
Total Secondary Income						\$8.00		4,032	\$4,032	\$8.00			0.0%	\$0
POTENTIAL GROSS INCOME						\$304,416	\$254,520	\$254,520	\$304,416				0.0%	\$0
Vacancy & Collection Loss						5.0% PGI	(15,221)	(12,726)	(12,726)	(15,221)	5.0% PGI		0.0%	-
Rental Concessions						-	0	0	-				0.0%	-
EFFECTIVE GROSS INCOME						\$289,195	\$241,794	\$241,794	\$289,195				0.0%	\$0

General & Administrative	\$12,153	\$289/Unit	\$64,748	\$1,542	6.20%	\$0.74	\$427	\$17,925	\$17,925	\$17,925	\$17,925	\$427	\$0.74	6.20%	0.0%	-
Management	\$18,540	9.5% EGI	\$26,934	\$641	5.00%	\$0.60	\$344	\$14,460	\$12,090	\$12,090	\$14,460	\$344	\$0.60	5.00%	0.0%	0
Payroll & Payroll Tax	\$35,359	\$842/Unit	\$94,494	\$2,250	17.66%	\$2.11	\$1,216	\$51,060	\$34,132	\$34,132	\$51,060	\$1,216	\$2.11	17.66%	0.0%	-
Repairs & Maintenance	\$29,095	\$693/Unit	\$57,624	\$1,372	9.47%	\$1.13	\$652	\$27,400	\$27,400	\$27,300	\$27,300	\$650	\$1.13	9.44%	0.4%	100
Electric/Gas	\$5,060	\$120/Unit	\$5,487	\$131	1.73%	\$0.21	\$119	\$5,000	\$2,900	\$5,060	\$5,060	\$120	\$0.21	1.75%	-1.2%	(60)
Water, Sewer, & Trash	\$17,068	\$406/Unit	\$17,713	\$422	7.95%	\$0.95	\$548	\$23,000	\$15,500	\$17,713	\$17,713	\$422	\$0.73	6.12%	29.9%	5,288
Property Insurance	\$11,099	\$0.46/sf	\$3,683	\$88	2.21%	\$0.26	\$152	\$6,400	\$6,400	\$6,400	\$6,400	\$152	\$0.26	2.21%	0.0%	-
Property Tax (@ 0%) 2.6674	\$11,273	\$268/Unit	\$8,537	\$203	0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	-
Reserve for Replacements	\$10,028	\$239/Unit	\$0	\$0	6.54%	\$0.78	\$450	\$18,900	\$18,900	\$18,900	\$18,900	\$450	\$0.78	6.54%	0.0%	-
Supportive Services			\$21,853	\$520	0.36%	\$0.04	\$25	\$1,050	\$1,050	\$1,050	\$1,050	\$25	\$0.04	0.36%	0.0%	-
TDHCA LIHTC/HOME Compliance Fees			-	\$0	0.58%	\$0.07	\$40	\$1,680	\$1,680	\$1,680	\$1,680	\$40	\$0.07	0.58%	0.0%	-
Security			\$10,948	\$261	2.77%	\$0.33	\$190	\$8,000	\$8,000	\$8,000	\$8,000	\$190	\$0.33	2.77%	0.0%	-
Ground lease payment			-	\$0	0.03%	\$0.00	\$2	\$100	\$100	\$100	\$100	\$2	\$0.00	0.03%	0.0%	-
TOTAL EXPENSES			\$ 312,018	\$7,429	60.50%	\$7.23	\$4,166	\$ 174,975	\$146,077	\$150,349	\$169,647	\$4,039	\$7.01	58.66%	3.1%	\$ 5,328
NET OPERATING INCOME ("NOI")					39.50%	\$4.72	\$2,720	\$114,220	\$95,717	\$91,445	\$119,548	\$2,846	\$4.94	41.34%	-4.5%	\$ (5,328)

CONTROLLABLE EXPENSES							\$2,962/Unit						\$2,835/Unit			
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

HATT Scattered Sites, Texarkana, 4% HTC #19422

DEBT / GRANT SOURCES																		
APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE										AS UNDERWRITTEN DEBT/GRANT STRUCTURE								
DEBT (Must Pay)	Fee	Cumulative DCR		Pmt	Rate	Amort	Term	Principal	Principal	Prior Underwriting		Principal	Term	Amort	Rate	Pmt	Cumulative	
		UW	App							Applicant	TDHCA						DCR	LTC
Citibank (Freddie Mac perm loan)		1.59	1.52	\$75,080	5.26%	35	20	\$1,200,000	\$1,005,000	\$1,005,000	\$1,200,000	20	35	5.26%	\$75,080	1.52	28.6%	
HATT Seller Note (Hard Debt)		1.59	1.52		2.89%	35	0	\$0	\$0	\$190,000	\$210,000	0	35	2.89%	\$9,544	1.35	5.0%	
CASH FLOW DEBT / GRANTS																		
HATT Seller Note (Soft Debt)		1.59	1.52		2.89%	0	50	\$675,000	\$780,000	\$590,000	\$465,000	50	0	2.89%		1.35	11.1%	
TPFC Cash Flow Loan		1.59	1.52		2.89%	0	50	\$910,000	\$676,566	\$676,566	\$910,000	50	0	2.89%		1.35	21.7%	
				\$75,080	TOTAL DEBT / GRANT SOURCES			\$2,812,600	\$2,461,566	\$2,461,566	\$2,812,600	TOTAL DEBT SERVICE			\$84,624	1.35	67.1%	
NET CASH FLOW		\$44,468	\$39,140					APPLICANT NET OPERATING INCOME				\$114,220	\$29,596	NET CASH FLOW				

EQUITY SOURCES														
APPLICANT'S PROPOSED EQUITY STRUCTURE							AS UNDERWRITTEN EQUITY STRUCTURE							
EQUITY / DEFERRED FEES	DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Prior Underwriting		Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method	
						Applicant	TDHCA						Total Developer Fee:	Eligible Basis
Hunt Capital Partners	LIHTC Equity	31.6%	\$146,304	0.90	\$1,323,189	\$1,053,435	\$1,053,431	\$1,269,360	\$0.9045	\$140,338	30.3%	\$3,341	Eligible Basis	
Texarkana Public Facility Corporation	Deferred Developer Fees	2.1%	(19% Deferred)		\$89,501	\$130,767	\$90,160	\$107,743	(22% Deferred)		2.6%		Total Developer Fee: \$480,104	
Additional (Excess) Funds Req'd		0.0%					\$0	\$0			0.0%			
TOTAL EQUITY SOURCES		33.7%			\$1,412,690	\$1,184,202	\$1,143,591	\$1,377,103			32.9%			
TOTAL CAPITALIZATION						\$4,225,290	\$3,645,768	\$3,605,157	\$4,189,703				15-Yr Cash Flow after Deferred Fee:	\$388,598

DEVELOPMENT COST / ITEMIZED BASIS														
APPLICANT COST / BASIS ITEMS						TDHCA COST / BASIS ITEMS						COST VARIANCE		
	Eligible Basis		Total Costs			Prior Underwriting		Total Costs			Eligible Basis		%	\$
	Acquisition	New Const. Rehab				Applicant	TDHCA				New Const. Rehab	Acquisition		
Land Acquisition			\$1,905 / Unit	\$80,000	\$80,000	\$80,000	\$80,000	\$1,905 / Unit					0.0%	\$0
Building Acquisition	\$780,000		\$18,571 / Unit	\$780,000	\$780,000	\$780,000	\$780,000	\$18,571 / Unit			\$780,000		0.0%	\$0
			\$0	\$0	\$5,000	\$5,000	\$0	\$0						\$0
Off-Sites			\$ / Unit	\$0	\$0	\$0	\$0	\$ / Unit					0.0%	\$0
Site Work		\$46,639	\$1,110 / Unit	\$46,639	\$59,524	\$59,524	\$46,639	\$1,110 / Unit		\$46,639			0.0%	\$0
Site Amenities		\$119,957	\$2,856 / Unit	\$119,957	\$297,037	\$297,037	\$119,957	\$2,856 / Unit		\$119,957			0.0%	\$0
Building Cost		\$1,266,501	\$56.27 /sf	\$32,412/Unit	\$1,361,294	\$919,610	\$919,610	\$30,155/Unit	\$52.35 /sf	\$1,266,501			7.5%	\$94,793
Contingency		\$143,309	10.00%	9.38%	\$143,309	\$127,616	\$127,616	\$143,309	10.00%	10.00%	\$143,309		0.0%	\$0
Contractor Fees		\$283,752	18.00%	16.98%	\$283,752	\$196,529	\$196,529	\$283,752	18.00%	18.00%	\$283,752		0.0%	\$0
Soft Costs	0	\$240,548	\$5,727 / Unit	\$240,548	\$255,998	\$255,998	\$335,341	\$7,984 / Unit		\$240,548	\$0		-28.3%	(\$94,793)
Financing	0	\$205,020	\$9,844 / Unit	\$413,459	\$272,007	\$272,007	\$413,459	\$9,844 / Unit		\$205,020	\$0		0.0%	\$0
Developer Fee	\$0	\$480,104	20.82%	20.00%	\$480,104	\$394,775	\$394,775	\$461,145	20.00%	20.00%	\$461,145	\$0	4.1%	\$18,959
Reserves			\$6,577 / Unit	\$276,228	\$265,372	\$217,062	\$259,599	\$6,181 / Unit					6.4%	\$16,629
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BAS														
	\$780,000	\$2,785,830		\$100,602 / Unit	\$4,225,290	\$3,653,469	\$3,605,157	\$4,189,703	\$99,755 / Unit	\$2,766,871	\$780,000		0.8%	\$35,587
Acquisition Cost	\$0				\$0									
Contingency		\$0			\$0									
Contractor's Fee		\$0												
Interim Interest		\$0												
Developer Fee	\$0	(\$18,959)			(\$0)									
Reserves					(\$16,629)									
ADJUSTED BASIS / COST														
	\$780,000	\$2,766,871		\$100,206/unit	\$4,208,661	\$3,605,158	\$3,605,157	\$4,189,703	\$99,755/unit	\$2,766,871	\$780,000		0.5%	\$18,959
TOTAL HOUSING DEVELOPMENT COSTS BASED ON 3RD PARTY PCA/CNA						\$4,189,703								

CAPITALIZATION / DEVELOPMENT COST BUDGET / ITEMIZED BASIS ITEMS

HATT Scattered Sites, Texarkana, 4% HTC #19422

CREDIT CALCULATION ON QUALIFIED BASIS				
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction Rehabilitation
ADJUSTED BASIS	\$780,000	\$2,766,871	\$780,000	\$2,766,871
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$780,000	\$2,766,871	\$780,000	\$2,766,871
High Cost Area Adjustment		121%		121%
TOTAL ADJUSTED BASIS	\$780,000	\$3,359,772	\$780,000	\$3,359,772
Applicable Fraction	100.00%	100.00%	100.00%	100.00%
TOTAL QUALIFIED BASIS	\$780,000	\$3,359,772	\$780,000	\$3,359,772
Applicable Percentage	3.39%	3.39%	3.39%	3.39%
ANNUAL CREDIT ON BASIS	\$26,442	\$113,896	\$26,442	\$113,896
CREDITS ON QUALIFIED BASIS	\$140,338		\$140,338	

	ANNUAL CREDIT CALCULATION BASED ON TDHCA BASIS		FINAL ANNUAL LIHTC ALLOCATION		
	Annual Credits	Proceeds	Credit Price \$0.9045	Variance to Request	
Method			Credit Allocation	Credits	Proceeds
Eligible Basis	\$140,338	\$1,269,360	\$140,338	(\$5,966)	(\$53,960)
Needed to Fill Gap	\$152,250	\$1,377,103	----	----	----
Applicant Request	\$146,304	\$1,323,320	----	----	----

50% Test for Bond Financing for 4% Tax Credits					
Tax-Exempt Bond Amount	\$2,110,000		Percent Financed by Tax-Exempt Bonds	Applicant	TDHCA
Aggregate Basis Limit for 50% Test	\$4,220,000				
	Applicant	TDHCA			
Land Cost	\$80,000	\$80,000			
Depreciable Bldg Cost	\$3,180,519	\$3,180,519			
Aggregate Basis for 50% Test	\$3,260,519	\$3,260,519			
			amount aggregate basis can increase before 50% test fails	\$959,481 29.4%	\$959,481 29.4%

Long-Term Pro Forma

HATT Scattered Sites, Texarkana, 4% HTC #19422

	Growth Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	Year 35
EFFECTIVE GROSS INCOME	2.00%	\$289,195	\$294,979	\$300,879	\$306,896	\$313,034	\$345,615	\$381,587	\$421,303	\$465,152	\$513,566	\$567,018
TOTAL EXPENSES	3.00%	\$174,975	\$180,080	\$185,335	\$190,744	\$196,313	\$226,717	\$261,873	\$302,530	\$349,552	\$403,943	\$467,991
NET OPERATING INCOME ("NOI")		\$114,220	\$114,899	\$115,544	\$116,152	\$116,721	\$118,898	\$119,714	\$118,773	\$115,600	\$109,623	\$99,027
EXPENSE/INCOME RATIO		60.5%	61.0%	61.6%	62.2%	62.7%	65.6%	68.6%	71.8%	75.1%	78.7%	82.5%
MUST -PAY DEBT SERVICE												
Citibank (Freddie Mac perm loan)		\$75,080	\$75,080	\$75,080	\$75,080	\$75,080	\$75,080	\$75,080	\$75,080	\$75,080	\$75,080	\$75,080
HATT Seller Note (Hard Debt)		\$9,544	\$9,544	\$9,544	\$9,544	\$9,544	\$9,544	\$9,544	\$9,544	\$9,544	\$9,544	\$9,544
TOTAL DEBT SERVICE		\$84,624	\$84,624	\$84,624	\$84,624	\$84,624	\$84,624	\$84,624	\$84,624	\$84,624	\$84,624	\$84,624
DEBT COVERAGE RATIO		1.35	1.36	1.37	1.37	1.38	1.41	1.41	1.40	1.37	1.30	1.17
ANNUAL CASH FLOW		\$29,596	\$30,275	\$30,920	\$31,528	\$32,097	\$34,274	\$35,090	\$34,149	\$30,976	\$24,999	\$14,402
Deferred Developer Fee Balance		\$78,147	\$47,872	\$16,952	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$14,576	\$46,673	\$214,163	\$388,598	\$562,015	\$724,241	\$862,439	\$957,825

BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
MAY 23, 2019

Presentation, discussion and possible action on a Determination Notice for Housing Tax Credits with another Issuer (#19423 Robison Terrace, Texarkana)

RECOMMENDED ACTION

WHEREAS, Robison Terrace was previously approved at the Board meeting of April 26, 2018, but did not close by the deadline associated with the original Certificate of Reservation due to delays associated with the extensive underwriting with the lender and the management company which delayed some HUD approvals, and the subsequent federal government shutdown delayed the transaction further;

WHEREAS, a new Certification of Reservation from the Texas Bond Review Board was issued on February 4, 2019, and will expire on July 4, 2019;

WHEREAS, the proposed issuer of the bonds is the Texarkana Public Facility Corporation;

WHEREAS, there were changes from the prior underwriting that did not allow the applicant to utilize the certification process outlined in 10 TAC §11.201(3) of the Qualified Allocation Plan (QAP) such that the Determination Notice could be administratively re-issued;

WHEREAS, pursuant to 10 TAC §11.101(a)(3) of the QAP, applicants are required to disclose the presence Neighborhood Risk Factors and such factor applicable to this property is a crime rate for the census tract that exceeds the threshold of 18 per 1,000 persons annually which was not applicable when this application was approved by the Board in April 2018;

WHEREAS, staff has conducted a further review of the proposed development site and surrounding neighborhood and based on the documentation provided and discussed herein relating to the crime rate, recommends the proposed site be found eligible under 10 TAC §11.101(a)(3) of the QAP; and

WHEREAS, Robison Terrace is located within 500 feet of a railway which is considered an Undesirable Site Feature pursuant to 10 TAC §11.101(a)(2) of the QAP; however, the Board granted an exception, in conformance with the rule, at the time of the prior award on the basis that it includes the rehabilitation of a development with ongoing federal assistance from HUD, and nothing has changed in that regard;

NOW, therefore, it is hereby

RESOLVED, that the site for Robison Terrace is found to be eligible; and

FURTHER RESOLVED, that the issuance of a Determination Notice of \$524,596 in 4% Housing Tax Credits, subject to underwriting conditions that may be applicable as found in the Real Estate Analysis report posted to the Department's website for Robison Terrace is hereby approved as presented to this meeting.

BACKGROUND

General Information: Robison Terrace is a 10-story high rise building constructed in 1970, and is located at 1010 Dan Haskins Way in Texarkana, Bowie County. It proposes the acquisition and rehabilitation of 50 units; all of which will be rent and income restricted at 60% of Area Median Family Income. Robison Terrace is one of five properties currently owned by the Housing Authority of Texarkana that are to be converted from public housing to Section 8 rental assistance through the Rental Assistance Demonstration (RAD) program administered by HUD. The other properties include Hampton Homes, HATT Scattered Sites, Williams Homes, and Bright Street, all of which are also on the agenda for consideration. Each of the five properties will be owned by the partnership, will be financed using one investor and lender, and have one bond reservation. Robison Terrace will serve an elderly population (Elderly Preference), and the site conforms to current zoning.

Worth noting is the one bedroom units reflected in the application do not meet the Department's definition of a bedroom, primarily because there is not a solid wall separating the living/bedroom area, but instead includes a louvered wall. This would instead be considered a zero bedroom unit. While HUD considers these units to be one-bedroom units and while the applicant agreed to install a solid wall separating the areas, considering the small size of the units (523 square feet), staff does not believe such action is necessary. The Department does not require consistency with HUD in what it considers to constitute a unit. The unit will be receiving one-bedroom RAD rents and the Department utilized those rents in its underwriting, but will consider them zero bedroom units for purposes of the Land Use Restriction Agreement.

Site Analysis: The Applicant has disclosed the presence of a Neighborhood Risk Factor, specifically crime, which exceeds the threshold identified in the rule. Staff notes that crime was not an issue when the application was evaluated and approved by the Board in April 2018. Robison Terrace is in a census tract with a crime rate of 19.34 per 1,000 persons annually, as reported by Neighborhood Scout.

The applicant provided a letter from Shawn Fitzgerald, Assistant Chief of Police, that explained the programs in place within the community and with community leaders to combat crime and further stated that there has been a difference in crime trends. Actual data provided by the Texarkana Police Department reflected a total of eight instances of violent crimes in 2017 and four instances of violent crimes in 2018. When factoring in the population of the subject census tract, the actual crime rate is 1.64 per 1,000 persons for 2017 and 0.82 per 1,000 persons in 2018. Staff does not believe the neighborhood risk factor relating to the crime rate is of a nature or severity that should render the

proposed development ineligible and recommends the site be found eligible under 10 TAC §11.101(a)(3) of the QAP.

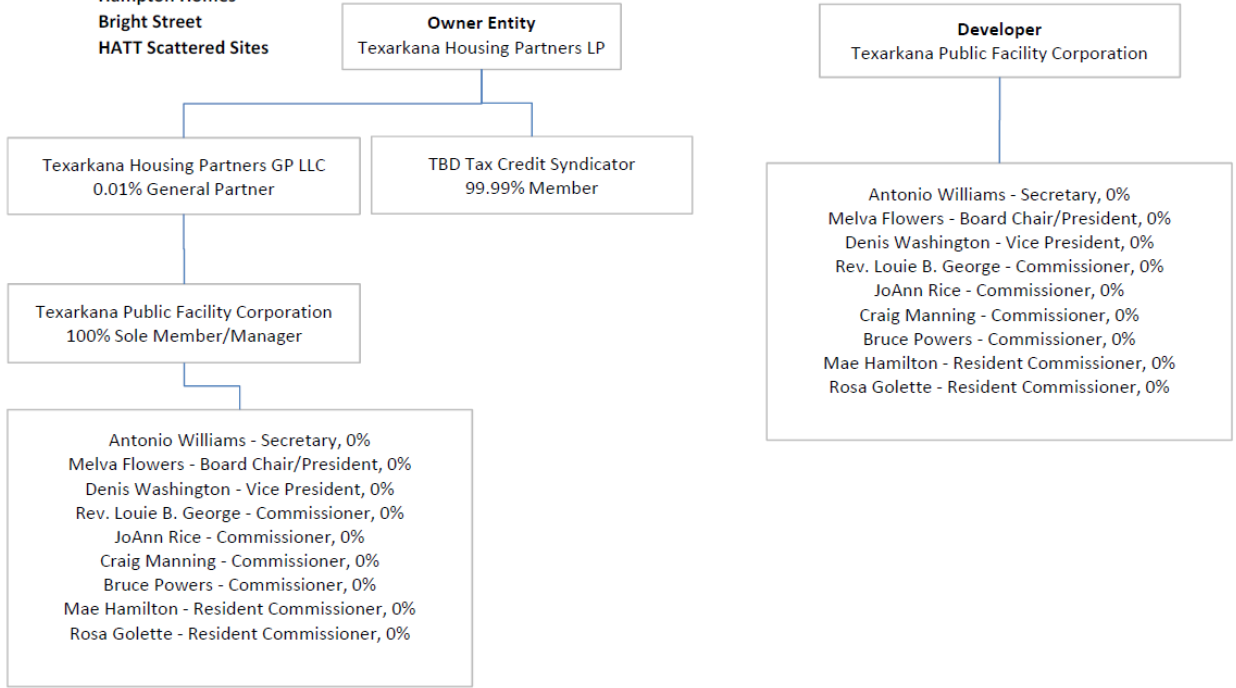
Organizational Structure and Previous Participation: The Borrower is Texarkana Housing Partners LP, and includes the entities and principals as illustrated in Exhibit A. The applicant's portfolio is considered a Category 1 and the previous participation was deemed acceptable by EARAC.

Public Comment: The Department received a letter of support from State Representative Gary VanDeaver and no letters of opposition have been received.

EXHIBIT A

Organizational Structure For:

**Robison Terrace
Williams Homes
Hampton Homes
Bright Street
HATT Scattered Sites**



Guarantor:

Texarkana Public Facility Corporation



Addendum to Underwriting Report

TDHCA Application #: 19423 Program(s): 4% HTC

Robison Terrace

Address/Location: 1010 Dan Haskins Way

City: Texarkana County: Bowie Zip: 75501

APPLICATION HISTORY	
Report Date	PURPOSE
05/13/19	Reissue of Determination Notice
04/19/18	New Application - Initial Underwriting

ALLOCATION

TDHCA Program	Previous Allocation				RECOMMENDATION				
	Amount	Rate	Amort	Term	Amount	Rate	Amort	Term	Lien
LIHTC (Annual)	\$460,949				\$524,596				

CONDITIONS STATUS

- 1 Receipt and acceptance before Determination Notice:
 - Executed CHAP (or similar agreement) with HUD approved rents and operating budget.
Status: Condition Satisfied. Applicant submitted CHAP with HUD approved rents and budgets.
- 2 Receipt and acceptance by Cost Certification:
 - Certification of comprehensive testing for asbestos, lead-based paint, and lead in drinking water; that any appropriate abatement procedures were implemented by a qualified abatement company; and that any remaining asbestos-containing materials, lead-based paint, or lead in drinking water are either replaced or managed in accordance with an acceptable Operations and Maintenance (O&M) program.

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

ANALYSIS

Application was underwritten in 2018 under TDHCA #18404 Robison Terrace as part of 5 developments by the Texarkana Housing Authority to convert public housing to Section 8 rental assistance housing under the HUD RAD program. The project did not close and has returned for a reissue of Determination Notice. Applicant has updated the scope of work and has provided the G702 contract from their General Contractor. The project has gone through the HUD procurement process and the construction contract represents a more accurate cost estimate than would an updated PCA.

All five applications will close under a single permanent loan through Citi. Applicant included a term sheet from Citi confirming the debt structure.

Operating Pro Forma

Applicant submitted the approved rents through HUD's Rental Assistance Program (CHAP). Robison Terrace is the only one of the five applications that had a decrease in the approved rents from HUD. The approved rents are lower than estimated and results in a \$10K decrease in net rent from previous underwriting. The annual expenses remain constant except for the management fee which decreased slightly with the income.

NOI decreased by \$10K as a result of the decreased rents. Applicant's NOI is not within 5% of Underwriter's estimate therefore feasibility will be based on Underwriter's pro forma.

Development Cost

The current budget reflects the actual bid figures from the General Contractor for the scope of work. Actual Hard Cost for construction increased by \$818K. Tenant relocation expense, normally reported as Soft Cost, increased from \$130K to \$293K, and has been included in the construction contract. So the Applicant's cost schedule indicates a net increase of \$1.1M to Hard Cost.

In the underwritten cost schedule, tenant relocation is re-allocated to Soft Cost. According to the IRS Audit Technique Guide, the costs attributable to moving tenants and providing temporary housing during rehabilitation (e.g.; legal costs, tenant moving expenses, costs for temporarily storing a tenants' property, and temporary housing costs) are expensed as ordinary and necessary business expenses under IRC §162. Based on this, tenant relocation expense is excluded from eligible basis.

The scope of work has changed since application evidenced by the increased cost of \$818K. The biggest changes are new cabinetry throughout the development (\$373K), increased HVAC work (\$231K), increased storefront cost (\$129K), repairs to exterior balconies (\$73K), increased bid cost of elevator renovations (\$113K), and electrical work (\$81K). All costs are documented in the G702 from the General Contractor.

Total Development Costs have increased by \$1.91M. Besides the building cost increases, there were two items that had major cost increases: construction loan interest costs increased by \$348K, Developer Fee increased by \$299K.

This is an acquisition rehab project. The capital structure is determined by the Underwriter's Development Cost Schedule (based on the G702 for hard costs).

Sources of Funds

The increased costs are being offset by an increase in equity pricing from \$0.84 to \$0.90 (\$827K increase in Applicant stated that no existing reserves are being transferred.

Applicant's pro forma produced a DCR exceeding the 1.35 maximum. Underwriter assumes (for purposes of tax credit sizing) that the HATT Seller Note be partially amortized to bring the DCR below the 1.35 times threshold. Underwriter reduced seller note by \$160,000 for credit sizing purposes. The assumed debt structure is for tax credit sizing purposes only and not a condition of the recommendation.

Conclusion

Recommended tax credit allocation is limited to \$524,596 as determined by Eligible Basis.

Underwriter: Duc Nguyen

Manager of Real Estate Analysis: Thomas Cavanagh

Director of Real Estate Analysis: Brent Stewart

UNIT MIX/RENT SCHEDULE
Robison Terrace, Texarkana, 4% HTC #19423

LOCATION DATA	
CITY:	Texarkana
COUNTY:	Bowie
Area Median Income	\$52,600
PROGRAM REGION:	4

UNIT DISTRIBUTION							
# Beds	# Units	% Total	Assisted	MDL	Income	# Units	% Total
Eff	-	0.0%	0	0	30%	-	0.0%
1	126	96.9%	126	0	40%	-	0.0%
2	4	3.1%	4	4	50%	-	0.0%
3	-	0.0%	0	0	60%	130	100.0%
4	-	0.0%	0	0	MR	-	0.0%
TOTAL	130	100.0%	130		TOTAL	130	100.0%

Pro Forma ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	100%
APP % Acquisition	3.39%
APP % Construction	3.39%
Average Unit Size	469 sf

UNIT MIX / MONTHLY RENT SCHEDULE																					
HTC		RENT ASSISTED UNIT		UNIT MIX				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS				TDHCA PRO FORMA RENTS				MARKET RENTS		
Type	Gross Rent	Type	Gross Rent	# Units	# Beds	# Baths	NRA	Gross Rent	Utility Allow	Max Net Program Rent	Delta to Max	Rent psf	Net Rent per Unit	Total Monthly Rent	Total Monthly Rent	Rent per Unit	Rent psf	Delta to Max	Underwritten	Mrkt Analyst	
TC 60%	\$610	RAD	\$600	72	1	1	417	\$596	\$0	\$596	\$0	\$1.43	\$596	\$42,912	\$42,912	\$596	\$1.43	\$0	\$745	\$1.79	\$745
TC 60%	\$610	RAD	\$600	54	1	1	523	\$596	\$0	\$596	\$0	\$1.14	\$596	\$32,184	\$32,184	\$596	\$1.14	\$0	\$745	\$1.42	\$745
TC 60%	\$732	RAD	\$738	4	2	1	687	\$627	\$0	\$627	\$0	\$0.91	\$627	\$2,508	\$2,508	\$627	\$0.91	\$0	\$820	\$1.19	\$820
TOTALS/AVERAGES:				130			61,014				\$0	\$1.27	\$597	\$77,604	\$77,604	\$597	\$1.27	\$0	\$747	\$1.59	\$747

ANNUAL POTENTIAL GROSS RENT:	\$931,248	\$931,248
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STABILIZED PRO FORMA

Robison Terrace, Texarkana, 4% HTC #19423

STABILIZED FIRST YEAR PRO FORMA

	COMPARABLES		APPLICANT				PRIOR REPORT		TDHCA				VARIANCE	
	Database	Previous Year Average	% EGI	Per SF	Per Unit	Amount	Applicant 2018	TDHCA 2018	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT				\$1.27	\$597	\$931,248	\$942,624	\$942,624	\$931,248	\$597	\$1.27		0.0%	\$0
Vending, Maintenance Charges							12,480							
Total Secondary Income								12,480	\$12,480	\$8.00			0.0%	\$0
POTENTIAL GROSS INCOME						\$943,728	\$955,104	\$955,104	\$943,728				0.0%	\$0
Vacancy & Collection Loss					5.0% PGI	(47,186)	(47,755)	(47,755)	(47,186)	5.0% PGI			0.0%	-
Rental Concessions						-	0	0	-				0.0%	-
EFFECTIVE GROSS INCOME						\$896,542	\$907,349	\$907,349	\$896,542				0.0%	\$0

General & Administrative	\$36,302	\$279/Unit	\$187,723	\$1,444	3.79%	\$0.56	\$262	\$34,000	\$34,000	\$36,302	\$36,302	\$279	\$0.59	4.05%	-6.3%	(2,302)
Management	\$35,515	5.3% EGI	\$76,067	\$585	5.00%	\$0.73	\$345	\$44,827	\$45,367	\$45,367	\$44,827	\$345	\$0.73	5.00%	0.0%	(0)
Payroll & Payroll Tax	\$154,680	\$1,190/Unit	\$256,940	\$1,976	13.69%	\$2.01	\$944	\$122,708	\$122,708	\$122,708	\$122,708	\$944	\$2.01	13.69%	0.0%	-
Repairs & Maintenance	\$98,390	\$757/Unit	\$109,145	\$840	8.22%	\$1.21	\$567	\$73,700	\$73,700	\$84,500	\$84,500	\$650	\$1.38	9.43%	-12.8%	(10,800)
Electric/Gas	\$18,622	\$143/Unit	\$89,090	\$685	5.96%	\$0.88	\$411	\$53,400	\$53,400	\$89,090	\$89,090	\$685	\$1.46	9.94%	-40.1%	(35,690)
Water, Sewer, & Trash	\$62,925	\$484/Unit	\$36,394	\$280	3.57%	\$0.52	\$246	\$32,000	\$32,000	\$32,000	\$32,000	\$246	\$0.52	3.57%	0.0%	-
Property Insurance	\$35,499	\$0.58 /sf	\$22,158	\$170	2.71%	\$0.40	\$187	\$24,286	\$24,286	\$24,286	\$24,286	\$187	\$0.40	2.71%	0.0%	-
Property Tax (@ 0% 2.6670)	\$33,363	\$257/Unit	\$26,793	\$206	0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	-
Reserve for Replacements	\$29,087	\$224/Unit	\$0	\$0	4.86%	\$0.71	\$335	\$43,550	\$43,550	\$43,550	\$43,550	\$335	\$0.71	4.86%	0.0%	-
Cable TV			\$0	\$0	6.96%	\$1.02	\$480	\$62,400	\$62,400	\$62,400	\$62,400	\$480	\$1.02	6.96%	0.0%	-
Supportive Services			\$68,888	\$530	0.36%	\$0.05	\$25	\$3,250	\$3,250	\$3,250	\$3,250	\$25	\$0.05	0.36%	0.0%	-
TDHCA LIHTC/HOME Compliance Fees			-	\$0	0.58%	\$0.09	\$40	\$5,200	\$5,200	\$5,200	\$5,200	\$40	\$0.09	0.58%	0.0%	-
TDHCA Bond Compliance Fee			-	\$0	0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	-
Security			\$28,026	\$216	3.66%	\$0.54	\$253	\$32,857	\$32,857	\$32,857	\$32,857	\$253	\$0.54	3.66%	0.0%	-
Ground lease payment			-	\$0	0.01%	\$0.00	\$1	\$100	\$100	\$100	\$100	\$1	\$0.00	0.01%	0.0%	-
TOTAL EXPENSES			\$ 901,224	\$6,932	59.37%	\$8.72	\$4,094	\$ 532,278	\$532,818	\$581,611	\$581,070	\$4,470	\$9.52	64.81%	-8.4%	\$ (48,792)
NET OPERATING INCOME ("NOI")					40.63%	\$5.97	\$2,802	\$364,264	\$374,530	\$325,738	\$315,471	\$2,427	\$5.17	35.19%	15.5%	\$ 48,792

CONTROLLABLE EXPENSES				\$2,429/Unit								\$2,805/Unit				
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Robison Terrace, Texarkana, 4% HTC #19423

DEBT / GRANT SOURCES																		
APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE										AS UNDERWRITTEN DEBT/GRANT STRUCTURE								
DEBT (Must Pay)	Fee	Cumulative DCR		Pmt	Rate	Amort	Term	Principal	Prior Underwriting		Principal	Term	Amort	Rate	Pmt	Cumulative		
		UW	App						Applicant	TDHCA						DCR	LTC	
Citibank (Freddie Mac)		1.39	1.61	\$226,805	5.26%	35	20	\$3,625,000	\$4,435,000	\$3,625,000	\$3,625,000	20	35	5.26%	\$226,805	1.39	25.2%	
HATT Seller Note (Hard Debt)		1.39	1.61		2.89%	35	0	\$0			\$160,000	0	35	2.89%	\$7,272	1.35	1.1%	
CASH FLOW DEBT / GRANTS																		
HATT Seller Note		1.39	1.61		2.89%	0	0	\$3,630,000	\$3,630,000	\$3,630,000	\$3,470,000	0	0	2.89%		1.35	24.1%	
TPFC Cash Flow Loan		1.22	1.41	\$32,000	2.89%	0	0	\$1,908,000	\$243,639	\$243,639	\$1,908,000	0	0	2.89%		1.35	13.3%	
Reimbursement of Forward Commit and Standby Fees		1.22	1.41		0.00%	0	0	\$84,073	\$0	\$0	\$84,073	0	0	0.00%		1.35	0.6%	
				\$258,805	TOTAL DEBT / GRANT SOURCES			\$9,247,073	\$8,308,639	\$8,308,639	\$9,247,073	TOTAL DEBT SERVICE				\$234,076	1.35	64.3%
NET CASH FLOW		\$56,666	\$105,459											TDHCA	NET OPERATING INCOME	\$315,471	\$81,395	NET CASH FLOW

EQUITY SOURCES														
APPLICANT'S PROPOSED EQUITY STRUCTURE						AS UNDERWRITTEN EQUITY STRUCTURE								
EQUITY / DEFERRED FEES	DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Prior Underwriting		Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method	
						Applicant	TDHCA							Applicant
HUNT Capital Partners	LIHTC Equity	34.3%	\$544,892	0.90	\$4,928,057	\$3,917,675	\$3,917,676	\$4,744,970	\$0.9045	\$524,596	33.0%	\$4,035	Eligible Basis	
Texarkana Public Facility Corporation	Deferred Developer Fees	1.9%		(17% Deferred)	\$270,940	\$249,623	\$249,623	\$395,345		(25% Deferred)	2.7%		Total Developer Fee:	
Additional (Excess) Funds Req'd		0.0%			\$0	\$0	\$0	\$0			0.0%		\$1,577,246	
TOTAL EQUITY SOURCES		36.1%			\$5,198,997	\$4,167,298	\$4,167,298	\$5,140,316			35.7%			
TOTAL CAPITALIZATION					\$14,446,070	\$12,475,937	\$12,475,938	\$14,387,389					15-Yr Cash Flow after Deferred Fee:	\$849,021

DEVELOPMENT COST / ITEMIZED BASIS															
APPLICANT COST / BASIS ITEMS					TDHCA COST / BASIS ITEMS				COST VARIANCE						
	Eligible Basis		Total Costs		Prior Underwriting		Total Costs	Eligible Basis							
	Acquisition	New Const. Rehab			Applicant	TDHCA		New Const. Rehab	Acquisition					%	\$
Land Acquisition			\$1,308 / Unit	\$170,000	\$170,000	\$170,000	\$170,000	\$1,308 / Unit				0.0%	\$0		
Building Acquisition	\$3,630,000		\$27,923 / Unit	\$3,630,000	\$3,630,000	\$3,630,000	\$3,630,000	\$27,923 / Unit		\$3,630,000		0.0%	\$0		
Off-Sites			\$ / Unit	\$0	\$0	\$0	\$0	\$ / Unit				0.0%	\$0		
Site Work		\$68,056	\$524 / Unit	\$68,056	\$62,800	\$62,800	\$68,056	\$524 / Unit	\$68,056			0.0%	\$0		
Site Amenities		\$54,975	\$423 / Unit	\$54,975	\$43,454	\$43,454	\$54,975	\$423 / Unit	\$54,975			0.0%	\$0		
Building Cost		\$5,087,684	\$88.19 /sf	\$41,393/Unit	\$5,381,091	\$4,286,106	\$4,286,107	\$5,087,684	\$39,136/Unit	\$83.39 /sf	\$5,087,684	5.8%	\$293,407		
Contingency		\$521,071	10.00%	9.47%	\$521,071	\$439,235	\$439,235	\$521,071	10.00%	10.00%	\$521,071	0.0%	\$0		
Contractor Fees		\$802,449	14.00%	13.32%	\$802,449	\$676,421	\$676,421	\$802,449	14.00%	14.00%	\$802,449	0.0%	\$0		
Soft Costs	0	\$486,777		\$3,744 / Unit	\$486,777	\$528,782	\$528,782	\$780,184	\$6,001 / Unit		\$486,777	-37.6%	(\$293,407)		
Financing	0	\$571,812		\$9,518 / Unit	\$1,237,389	\$818,122	\$818,122	\$1,237,389	\$9,518 / Unit		\$571,812	0.0%	\$0		
Developer Fee	\$0	\$1,577,246	20.77%	20.00%	\$1,577,246	\$1,277,861	\$1,277,861	\$1,518,565	20.00%	20.00%	\$1,518,565	3.9%	\$58,681		
Reserves				\$3,977 / Unit	\$517,016	\$538,156	\$538,156	\$517,016	\$3,977 / Unit			0.0%	\$0		
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)				\$3,630,000	\$9,170,070	\$111,124 / Unit	\$14,446,070	\$12,475,937	\$12,475,938	\$14,387,389	\$110,672 / Unit	\$9,111,389	\$3,630,000	0.4%	\$58,681
Acquisition Cost	\$0				\$0										
Contingency		\$0			\$0										
Contractor's Fee		\$0			\$0										
Interim Interest		\$0			\$0										
Developer Fee	\$0	(\$58,681)			\$0										
Reserves					\$0										
ADJUSTED BASIS / COST				\$3,630,000	\$9,111,389	\$111,124/unit	\$14,446,070	\$12,475,937	\$12,475,938	\$14,387,389	\$110,672/unit	\$9,111,389	\$3,630,000	0.4%	\$58,681
TOTAL HOUSING DEVELOPMENT COSTS BASED ON 3RD PARTY PCA/CNA							\$14,387,389								

CAPITALIZATION / DEVELOPMENT COST BUDGET / ITEMIZED BASIS ITEMS

Robison Terrace, Texarkana, 4% HTC #19423

CREDIT CALCULATION ON QUALIFIED BASIS				
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction Rehabilitation
ADJUSTED BASIS	\$3,630,000	\$9,111,389	\$3,630,000	\$9,111,389
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$3,630,000	\$9,111,389	\$3,630,000	\$9,111,389
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$3,630,000	\$11,844,805	\$3,630,000	\$11,844,805
Applicable Fraction	100.00%	100.00%	100.00%	100.00%
TOTAL QUALIFIED BASIS	\$3,630,000	\$11,844,805	\$3,630,000	\$11,844,805
Applicable Percentage	3.39%	3.39%	3.39%	3.39%
ANNUAL CREDIT ON BASIS	\$123,057	\$401,539	\$123,057	\$401,539
CREDITS ON QUALIFIED BASIS	\$524,596		\$524,596	

Method	ANNUAL CREDIT CALCULATION BASED ON TDHCA BASIS		FINAL ANNUAL LIHTC ALLOCATION		
	Annual Credits	Proceeds	Credit Price \$0.9045	Variance to Request	
			Credit Allocation	Credits	Proceeds
Eligible Basis	\$524,596	\$4,744,970	\$524,596	(\$20,296)	(\$183,578)
Needed to Fill Gap	\$568,305	\$5,140,316	----	----	----
Applicant Request	\$544,892	\$4,928,549	----	----	----

50% Test for Bond Financing for 4% Tax Credits					
Tax-Exempt Bond Amount	\$8,026,000		Percent Financed by Tax-Exempt Bonds	Applicant	TDHCA
Aggregate Basis Limit for 50% Test	\$16,052,000				
	Applicant	TDHCA			
Land Cost	\$170,000	\$170,000			
Depreciable Bldg Cost	\$11,516,231	\$11,516,231	amount aggregate basis can increase before 50% test fails	\$4,365,769	\$4,365,769
Aggregate Basis for 50% Test	\$11,686,231	\$11,686,231		37.4%	37.4%

Long-Term Pro Forma

Robison Terrace, Texarkana, 4% HTC #19423

	Growth Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	Year 35
EFFECTIVE GROSS INCOME	2.00%	\$896,542	\$914,472	\$932,762	\$951,417	\$970,445	\$1,071,450	\$1,182,968	\$1,306,092	\$1,442,031	\$1,592,119	\$1,757,828
TOTAL EXPENSES	3.00%	\$581,070	\$598,054	\$615,539	\$633,538	\$652,069	\$753,248	\$870,264	\$1,005,610	\$1,162,174	\$1,343,298	\$1,556,355
NET OPERATING INCOME ("NOI")		\$315,471	\$316,418	\$317,223	\$317,879	\$318,377	\$318,202	\$312,703	\$300,481	\$279,857	\$248,820	\$201,473
EXPENSE/INCOME RATIO		64.8%	65.4%	66.0%	66.6%	67.2%	70.3%	73.6%	77.0%	80.6%	84.4%	88.5%
MUST -PAY DEBT SERVICE												
Citibank (Freddie Mac)		\$226,805	\$226,805	\$226,805	\$226,805	\$226,805	\$226,805	\$226,805	\$226,805	\$226,805	\$226,805	\$226,805
HATT Seller Note (Hard Debt)		\$7,272	\$7,272	\$7,272	\$7,272	\$7,272	\$7,272	\$7,272	\$7,272	\$7,272	\$7,272	\$7,272
TOTAL DEBT SERVICE		\$234,076	\$234,076	\$234,076	\$234,076	\$234,076	\$234,076	\$234,076	\$234,076	\$234,076	\$234,076	\$234,076
DEBT COVERAGE RATIO		1.35	1.35	1.36	1.36	1.36	1.36	1.34	1.28	1.20	1.06	0.86
ANNUAL CASH FLOW		\$81,395	\$82,342	\$83,147	\$83,802	\$84,300	\$84,126	\$78,627	\$66,405	\$45,781	\$14,744	(\$32,604)
Deferred Developer Fee Balance		\$313,950	\$231,609	\$148,462	\$64,659	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$19,641	\$442,499	\$849,021	\$1,208,493	\$1,482,382	\$1,622,790	\$1,562,087

BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
MAY 23, 2019

Presentation, discussion and possible action on a Determination Notice for Housing Tax Credits with another Issuer (#19424 Williams Homes, Texarkana)

RECOMMENDED ACTION

WHEREAS, Williams Homes was previously approved at the Board meeting of April 26, 2018, but did not close by the deadline associated with the original Certificate of Reservation due to delays associated with the extensive underwriting with the lender and the management company which delayed some HUD approvals, and the subsequent federal government shutdown delayed the transaction further;

WHEREAS, a new Certification of Reservation from the Texas Bond Review Board was issued on February 4, 2019, and will expire on July 4, 2019;

WHEREAS, the proposed issuer of the bonds is the Texarkana Public Facility Corporation;

WHEREAS, there were changes from the prior underwriting that did not allow the applicant to utilize the certification process outlined in 10 TAC §11.201(3) of the Qualified Allocation Plan (QAP) such that the Determination Notice could be administratively re-issued;

WHEREAS, pursuant to 10 TAC §11.101(a)(3) of the QAP, applicants are required to disclose the presence Neighborhood Risk Factors and such factor applicable to this property is a crime rate for the census tract that exceeds the threshold of 18 per 1,000 persons annually, which was not applicable when this application was approved by the Board in April 2018;

WHEREAS, staff has conducted a further review of the proposed development site and surrounding neighborhood and based on the documentation provided and discussed herein relating to the crime rate, recommends the proposed site be found eligible under 10 TAC §11.101(a)(3) of the QAP; and

WHEREAS, Williams Homes is located within 500 feet of a railway which is considered an Undesirable Site Feature pursuant to 10 TAC §11.101(a)(2) of the QAP; however, the Board granted an exception, in conformance with the rule, at the time of the prior award on the basis that it includes the rehabilitation of a development with ongoing federal assistance from HUD, and nothing has changed in that regard;

NOW, therefore, it is hereby

RESOLVED, that the site for Williams Homes is found to be eligible; and

FURTHER RESOLVED, that the issuance of a Determination Notice of \$171,636 in 4% Housing Tax Credits, subject to underwriting conditions that may be applicable as found in the Real Estate Analysis report posted to the Department's website for Williams Homes is hereby approved as presented to this meeting.

BACKGROUND

General Information: Williams Homes, constructed in 1981, is located at 1001 Dan Haskins Way in Texarkana, Bowie County, proposes the acquisition and rehabilitation of 52 units; all of which will be rent and income restricted at 60% of Area Median Family Income. Williams Homes is one of five properties currently owned by the Housing Authority of Texarkana that are to be converted from public housing to Section 8 rental assistance through the Rental Assistance Demonstration (RAD) program administered by HUD. The other properties include Hampton Homes, HATT Scattered Sites, Robison Terrace, and Bright Street, all of which are also on the agenda for consideration. Each of the five properties will be owned by the partnership, will be financed using one investor and lender, and have one bond reservation. Williams Homes will serve an elderly population (Elderly Preference) and the site conforms to current zoning.

Site Analysis: The Applicant has disclosed the presence of a Neighborhood Risk Factor, specifically crime, which exceeds the threshold identified in the rule. Staff notes that crime was not an issue when the application was evaluated and approved by the Board in April 2018. Williams Homes is in a census tract with a crime rate of 19.34 per 1,000 persons annually, as reported by Neighborhood Scout.

The applicant provided a letter from the Assistant Chief of Police, Shawn Fitzgerald that explained the programs in place within the community and with community leaders to combat crime and further stated that there has been a difference in crime trends. Actual data provided by the Texarkana Police Department reflected a total of eight instances of violent crimes in 2017 and four instances of violent crimes in 2018. When factoring in the population of the subject census tract, the actual crime rate is 1.64 per 1,000 persons for 2017 and 0.82 per 1,000 persons in 2018. Staff does not believe the neighborhood risk factor relating to the crime rate is of a nature or severity that should render the proposed development ineligible and recommends the site be found eligible under 10 TAC §11.101(a)(3) of the QAP.

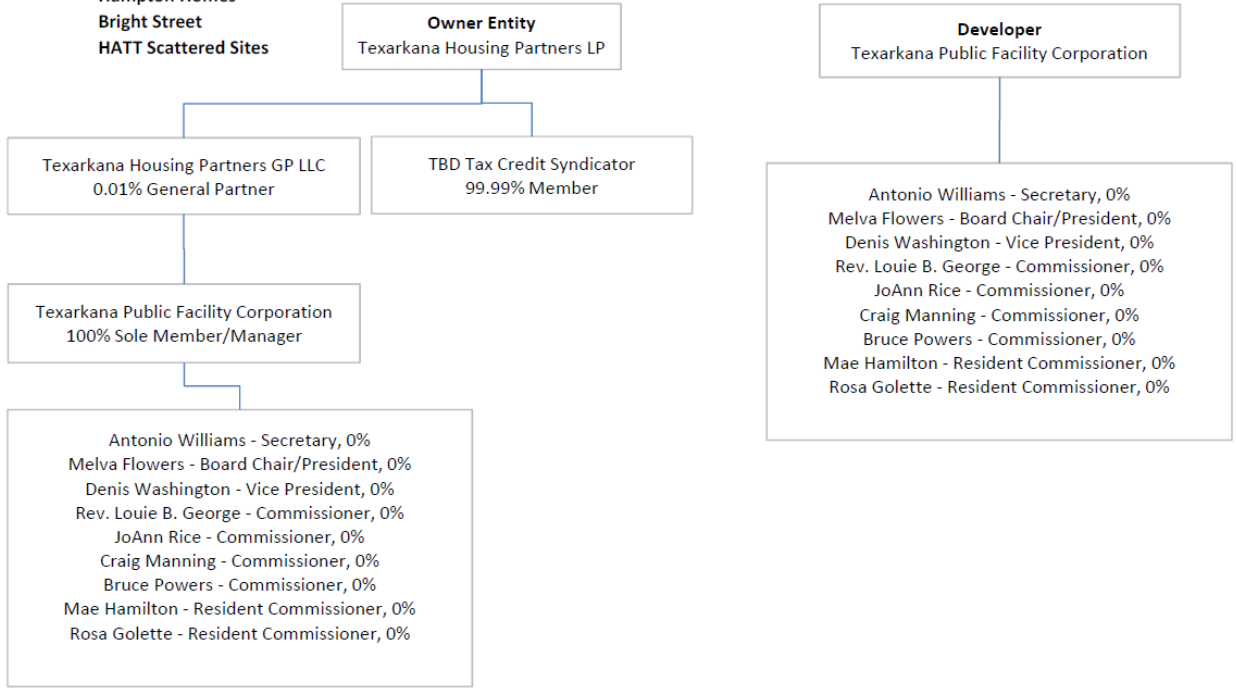
Organizational Structure and Previous Participation: The Borrower is Texarkana Housing Partners LP, and includes the entities and principals as illustrated in Exhibit A. The applicant's portfolio is considered a Category 1 and the previous participation was deemed acceptable by EARAC.

Public Comment: The Department received a letter of support from State Representative Gary VanDeaver and no letters of opposition have been received.

EXHIBIT A

Organizational Structure For:

Robison Terrace
Williams Homes
Hampton Homes
Bright Street
HATT Scattered Sites



Guarantor:

Texarkana Public Facility Corporation



Addendum to Underwriting Report

TDHCA Application #: 19424 Program(s): 4% HTC

William Homes

Address/Location: 1001 Dan Haskins Way

City: Texarkana County: Bowie Zip: 75501

APPLICATION HISTORY	
Report Date	PURPOSE
05/13/19	Reissue of Determination Notice
04/19/18	New Application - Initial Underwriting

ALLOCATION

TDHCA Program	Previous Allocation				RECOMMENDATION				
	Amount	Rate	Amort	Term	Amount	Rate	Amort	Term	Lien
LIHTC (Annual)	\$179,313				\$171,636				

CONDITIONS STATUS

- Receipt and acceptance before Determination Notice:
 - Executed CHAP (or similar agreement) with HUD approved rents and operating budget.
Status: Condition Satisfied. Applicant submitted CHAP with HUD approved rents and budget.
- Receipt and acceptance by Cost Certification:
 - Architect certification that Asbestos abatement was completed and done so in observance of all State and Federal laws.

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

ANALYSIS

Application was underwritten in 2018 under TDHCA #18405 William Homes as part of 5 developments by the Texarkana Housing Authority to convert public housing to Section 8 rental assistance housing under the HUD RAD program. The project did not close and has returned for a reissue of Determination Notice. The project has gone through the HUD procurement process and the construction contract represents a more accurate cost estimate than would an updated PCA.

All five applications will close under a single permanent loan through Citi. Applicant included a term sheet from Citi confirming the debt structure.

Operating Pro Forma

Applicant submitted the approved rents through HUD's Rental Assistance Program (CHAP). The approved rents are higher than estimated and results in a \$37K increase in net rent from previous underwriting. The annual expenses remain constant except for the management fee which increased with the higher rents.

NOI increased by \$36K as a result of the increased rents. Applicant's NOI is within 2% of Underwriter's estimate therefore feasibility is based on the Applicant's pro forma.

Development Cost

The current budget reflects the actual bid figures from the General Contractor for the scope of work. Actual Hard Cost for construction decreased by \$205K. But tenant relocation expense, normally reported as Soft Cost, increased from \$52K to \$117K, and has been included in the construction contract. So the Applicant's cost schedule indicates a net increase of \$13K to Hard Cost.

In the underwritten cost schedule, tenant relocation is re-allocated to Soft Cost.

According to the IRS Audit Technique Guide, the costs attributable to moving tenants and providing temporary housing during rehabilitation (e.g.; legal costs, tenant moving expenses, costs for temporarily storing a tenants' property, and temporary housing costs) are expensed as ordinary and necessary business expenses under IRC §162. Based on this, tenant relocation expense is excluded from eligible basis.

Total Development Costs have decreased by \$20,684.

This is an acquisition rehab project. The capital structure is determined by the Underwriter's Development Cost Schedule (based on the G702 for hard costs).

Sources of Funds

Equity pricing increased from \$0.84 to \$0.90 (\$28K increase in equity proceeds).

Applicant stated that no existing reserves are being transferred.

Applicant's pro forma produced a DCR exceeding the 1.35 maximum. Underwriter assumes (for purposes of tax credit sizing) that the HATT Seller Note be partially amortized to bring the DCR below the 1.35 times threshold. Underwriter reduced seller note by \$600,000 for credit sizing purposes. The assumed debt structure is for tax credit sizing purposes only and not a condition of the recommendation.

Conclusion

Recommended tax credit allocation is limited to \$171,636 as determined by Eligible Basis.

Underwriter:	<u>Duc Nguyen</u>
Manager of Real Estate Analysis:	<u>Thomas Cavanagh</u>
Director of Real Estate Analysis:	<u>Brent Stewart</u>

UNIT MIX/RENT SCHEDULE
William Homes, Texarkana, 4% HTC #19424

LOCATION DATA	
CITY:	Texarkana
COUNTY:	Bowie
Area Median Income	\$52,600
PROGRAM REGION:	4

UNIT DISTRIBUTION							
# Beds	# Units	% Total	Assisted	MDL	Income	# Units	% Total
Eff	-	0.0%	0	0	30%	-	0.0%
1	52	100.0%	52	0	40%	-	0.0%
2	-	0.0%	0	0	50%	-	0.0%
3	-	0.0%	0	0	60%	52	100.0%
4	-	0.0%	0	0	MR	-	0.0%
TOTAL	52	100.0%	52		TOTAL	52	100.0%

Pro Forma ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	100%
APP % Acquisition	3.39%
APP % Construction	3.39%
Average Unit Size	576 sf

UNIT MIX / MONTHLY RENT SCHEDULE																					
HTC		RENT ASSISTED UNIT		UNIT MIX				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS				TDHCA PRO FORMA RENTS				MARKET RENTS		
Type	Gross Rent	Type	Gross Rent	# Units	# Beds	# Baths	NRA	Gross Rent	Utility Allow	Max Net Program Rent	Delta to Max	Rent psf	Net Rent per Unit	Total Monthly Rent	Total Monthly Rent	Rent per Unit	Rent psf	Delta to Max	Underwritten	Mrkt Analyst	
TC 60%	\$610	RAD	\$624	52	1	1	576	\$624	\$28	\$596	\$0	\$1.03	\$596	\$30,992	\$30,992	\$596	\$1.03	\$0	\$670	\$1.16	\$670
TOTALS/AVERAGES:				52			29,952				\$0	\$1.03	\$596	\$30,992	\$30,992	\$596	\$1.03	\$0	\$670	\$1.16	\$670

ANNUAL POTENTIAL GROSS RENT:	\$371,904	\$371,904
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STABILIZED PRO FORMA

William Homes, Texarkana, 4% HTC #19424

STABILIZED FIRST YEAR PRO FORMA

	COMPARABLES		APPLICANT				PRIOR REPORT		TDHCA				VARIANCE	
	Database	Previous Year Actuals	% EGI	Per SF	Per Unit	Amount	Applicant	TDHCA	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT				\$1.03	\$596	\$371,904	\$331,968	\$331,892	\$371,904	\$596	\$1.03		0.0%	\$0
Vending, Maintenance Charges						\$8.00	\$4,992	4,992						
Total Secondary Income						\$8.00		4,992	\$4,992	\$8.00			0.0%	\$0
POTENTIAL GROSS INCOME						\$376,896	\$336,960	\$336,884	\$376,896				0.0%	\$0
Vacancy & Collection Loss					5.0% PGI	(18,845)	(16,848)	(16,844)	(18,845)	5.0% PGI			0.0%	-
Rental Concessions						-	0	0	-				0.0%	-
EFFECTIVE GROSS INCOME						\$358,051	\$320,112	\$320,040	\$358,051				0.0%	\$0

General & Administrative	\$15,046	\$289/Unit	\$75,089	\$1,444	5.18%	\$0.62	\$357	\$18,550	\$18,550	\$18,550	\$18,550	\$357	\$0.62	5.18%	0.0%	-
Management	\$22,955	9.5% EGI	\$30,427	\$585	5.00%	\$0.60	\$344	\$17,903	\$16,006	\$16,002	\$17,903	\$344	\$0.60	5.00%	0.0%	0
Payroll & Payroll Tax	\$43,778	\$842/Unit	\$102,776	\$1,976	13.71%	\$1.64	\$944	\$49,083	\$49,083	\$49,083	\$49,083	\$944	\$1.64	13.71%	0.0%	-
Repairs & Maintenance	\$36,022	\$693/Unit	\$46,344	\$891	9.05%	\$1.08	\$623	\$32,400	\$32,400	\$33,800	\$33,800	\$650	\$1.13	9.44%	-4.1%	(1,400)
Electric/Gas	\$6,265	\$120/Unit	\$21,636	\$416	5.55%	\$0.66	\$382	\$19,860	\$19,860	\$21,636	\$21,636	\$416	\$0.72	6.04%	-8.2%	(1,776)
Water, Sewer, & Trash	\$21,132	\$406/Unit	\$11,872	\$228	3.57%	\$0.43	\$246	\$12,800	\$12,800	\$11,872	\$11,872	\$228	\$0.40	3.32%	7.8%	928
Property Insurance	\$13,741	\$0.46 /sf	\$6,634	\$128	2.71%	\$0.32	\$187	\$9,714	\$9,714	\$9,714	\$9,714	\$187	\$0.32	2.71%	0.0%	-
Property Tax (@ 0% 2.6670)	\$13,956	\$268/Unit	\$10,717	\$206	0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	-
Reserve for Replacements	\$12,416	\$239/Unit	\$0	\$0	5.66%	\$0.68	\$390	\$20,280	\$20,280	\$20,280	\$20,280	\$390	\$0.68	5.66%	0.0%	-
Supportive Services			\$27,555	\$530	0.36%	\$0.04	\$25	\$1,300	\$1,300	\$1,300	\$1,300	\$25	\$0.04	0.36%	0.0%	-
TDHCA LIHTC/HOME Compliance Fees			-	\$0	0.58%	\$0.07	\$40	\$2,080	\$2,080	\$2,080	\$2,080	\$40	\$0.07	0.58%	0.0%	-
Security			\$11,211	\$216	3.67%	\$0.44	\$253	\$13,143	\$13,143	\$13,143	\$13,143	\$253	\$0.44	3.67%	0.0%	-
Ground lease payment			-	\$0	0.03%	\$0.00	\$2	\$100	\$100	\$100	\$100	\$2	\$0.00	0.03%	0.0%	-
TOTAL EXPENSES			\$344,261	\$6,620	55.08%	\$6.58	\$3,793	\$ 197,213	\$195,316	\$197,560	\$199,460	\$3,836	\$6.66	55.71%	-1.1%	\$ (2,247)
NET OPERATING INCOME ("NOI")					44.92%	\$5.37	\$3,093	\$160,838	\$124,796	\$122,480	\$158,591	\$3,050	\$5.29	44.29%	1.4%	\$ 2,247

CONTROLLABLE EXPENSES							\$2,552/Unit						\$2,595/Unit			
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

William Homes, Texarkana, 4% HTC #19424

DEBT / GRANT SOURCES																		
		APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE							Prior Underwriting		AS UNDERWRITTEN DEBT/GRANT STRUCTURE							
DEBT (Must Pay)	Fee	Cumulative DCR		Pmt	Rate	Amort	Term	Principal	Prior Underwriting		Principal	Term	Amort	Rate	Pmt	Cumulative		
		UW	App						Applicant	TDHCA						DCR	LTC	
Citibank Freddie Mac perm loan)		1.72	1.74	\$92,286	5.26%	35	20	\$1,475,000	\$1,555,000	\$1,555,000	\$1,475,000	20	35	5.26%	\$92,286	1.74	29.4%	
HATT Seller Note (Hard Debt)		1.72	1.74		2.89%	35	0	\$0			\$600,000	0	35	2.89%	\$27,269	1.35	12.0%	
CASH FLOW DEBT / GRANTS																		
HATT Seller Note		1.72	1.74		2.89%	0	0	\$1,420,000	\$1,530,000	\$1,530,000	\$820,000	0	0	2.89%		1.35	16.4%	
TPFC Cash Flow Loan		1.72	1.74		2.89%	0	0	\$403,000	\$314,421	\$314,421	\$403,000	0	0	2.89%		1.35	8.0%	
Reimbursement of Forward		1.72	1.74		0.00%	0	0	\$33,925	\$0	\$0	\$33,925	0	0	0.00%		1.35	0.7%	
				\$92,286	TOTAL DEBT / GRANT SOURCES			\$3,331,925	\$3,399,421	\$3,399,421	\$3,331,925	TOTAL DEBT SERVICE				\$119,555	1.35	66.5%
NET CASH FLOW		\$66,305	\$68,552					APPLICANT		NET OPERATING INCOME		\$160,838	\$41,283	NET CASH FLOW				

EQUITY SOURCES													
		APPLICANT'S PROPOSED EQUITY STRUCTURE					Prior Underwriting		AS UNDERWRITTEN EQUITY STRUCTURE				
EQUITY / DEFERRED FEES	DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Prior Underwriting		Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method
						Applicant	TDHCA						
Hunt Capital Partners	LIHTC Equity	32.4%	\$179,416	0.90	\$1,622,659	\$1,524,010	\$1,524,010	\$1,552,448	\$0.9045	\$171,636	31.0%	\$3,301	Eligible Basis
Texarkana Public Facility Corporation	Deferred Developer Fees	1.6%	(16% Deferred)		\$77,805	\$88,274	\$88,274	\$124,544	(26% Deferred)		2.5%	Total Developer Fee:	\$476,422
Additional (Excess) Funds Req'd		0.0%						\$0			0.0%		
TOTAL EQUITY SOURCES		33.9%			\$1,700,464	\$1,612,284	\$1,612,284	\$1,676,992			33.5%		
TOTAL CAPITALIZATION					\$5,032,389	\$5,011,705	\$5,011,705	\$5,008,917			15-Yr Cash Flow after Deferred Fee:		\$629,483

DEVELOPMENT COST / ITEMIZED BASIS														
		APPLICANT COST / BASIS ITEMS				Prior Underwriting		TDHCA COST / BASIS ITEMS				COST VARIANCE		
	Eligible Basis		Total Costs		Prior Underwriting		Total Costs	Eligible Basis						
	Acquisition	New Const. Rehab			Applicant	TDHCA		New Const. Rehab	Acquisition					
Land Acquisition			\$3,269 / Unit	\$170,000	\$170,000	\$170,000	\$170,000	\$3,269 / Unit			0.0%	\$0		
Building Acquisition	\$1,530,000		\$29,423 / Unit	\$1,530,000	\$1,530,000	\$1,530,000	\$29,423 / Unit		\$1,530,000		0.0%	\$0		
			\$0	\$0	\$5,000	\$5,000	\$0					\$0		
Off-Sites			\$ / Unit	\$0	\$0	\$0	\$ / Unit				0.0%	\$0		
Site Work		\$22,387	\$431 / Unit	\$22,387	\$27,574	\$101,976	\$22,387	\$431 / Unit	\$22,387		0.0%	\$0		
Site Amenities		\$80,747	\$1,553 / Unit	\$80,747	\$62,751	\$84,163	\$80,747	\$1,553 / Unit	\$80,747		0.0%	\$0		
Building Cost		\$1,267,017	\$46.22 /sf	\$26,623/Unit	\$1,384,379	\$1,474,421	\$1,389,353	\$1,267,017	\$24,366/Unit	\$42.30 /sf	\$1,267,017	9.3%	\$117,362	
Contingency		\$137,015	10.00%	9.21%	\$137,015	\$156,474	\$156,474	\$137,015	10.00%	10.00%	\$137,015	0.0%	\$0	
Contractor Fees		\$271,288	18.00%	16.70%	\$271,288	\$240,970	\$240,970	\$271,288	18.00%	18.00%	\$271,288	0.0%	\$0	
Soft Costs	0	\$249,780		\$4,803 / Unit	\$249,780	\$296,564	\$296,564	\$367,142	\$7,060 / Unit		\$249,780	-32.0%	(\$117,362)	
Financing	0	\$236,516		\$9,847 / Unit	\$512,061	\$365,975	\$365,975	\$512,061	\$9,847 / Unit		\$236,516	0.0%	\$0	
Developer Fee	\$0	\$476,422	21.04%	20.00%	\$476,422	\$481,984	\$481,984	\$452,950	20.00%	20.00%	\$452,950	5.2%	\$23,472	
Reserves				\$3,814 / Unit	\$198,310	\$199,993	\$199,993	\$198,310	\$3,814 / Unit			0.0%	\$0	
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BAS	\$1,530,000	\$2,741,172		\$96,777 / Unit	\$5,032,389	\$5,011,705	\$5,022,452	\$5,008,917	\$96,325 / Unit		\$2,717,700	\$1,530,000	0.5%	\$23,472
Acquisition Cost	\$0				\$0									
Contingency		\$0			\$0									
Contractor's Fee		\$0			\$0									
Interim Interest		\$0			\$0									
Developer Fee	\$0	(\$23,472)			\$0									
Reserves					\$0									
ADJUSTED BASIS / COST	\$1,530,000	\$2,717,700		\$96,777/unit	\$5,032,389			\$5,008,917	\$96,325/unit		\$2,717,700	\$1,530,000	0.5%	\$23,472
TOTAL HOUSING DEVELOPMENT COSTS BASED ON 3RD PARTY PCA/CNA						\$5,008,917								

CAPITALIZATION / DEVELOPMENT COST BUDGET / ITEMIZED BASIS ITEMS

William Homes, Texarkana, 4% HTC #19424

CREDIT CALCULATION ON QUALIFIED BASIS				
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction Rehabilitation
ADJUSTED BASIS	\$1,530,000	\$2,717,700	\$1,530,000	\$2,717,700
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$1,530,000	\$2,717,700	\$1,530,000	\$2,717,700
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$1,530,000	\$3,533,010	\$1,530,000	\$3,533,010
Applicable Fraction	100.00%	100.00%	100.00%	100.00%
TOTAL QUALIFIED BASIS	\$1,530,000	\$3,533,010	\$1,530,000	\$3,533,010
Applicable Percentage	3.39%	3.39%	3.39%	3.39%
ANNUAL CREDIT ON BASIS	\$51,867	\$119,769	\$51,867	\$119,769
CREDITS ON QUALIFIED BASIS	\$171,636		\$171,636	

Method	ANNUAL CREDIT CALCULATION BASED ON TDHCA BASIS		FINAL ANNUAL LIHTC ALLOCATION		
	Annual Credits	Proceeds	Credit Price \$0.9045 Credit Allocation	Variance to Request	
				Credits	Proceeds
Eligible Basis	\$171,636	\$1,552,448	\$171,636	(\$7,780)	(\$70,370)
Needed to Fill Gap	\$185,405	\$1,676,992	----	----	----
Applicant Request	\$179,416	\$1,622,818	----	----	----

50% Test for Bond Financing for 4% Tax Credits					
Tax-Exempt Bond Amount	\$2,618,000		Percent Financed by Tax-Exempt Bonds	Applicant	TDHCA
Aggregate Basis Limit for 50% Test	\$5,236,000				
	Applicant	TDHCA			
Land Cost	\$170,000	\$170,000	amount aggregate basis can increase before 50% test fails	\$1,153,888	\$1,153,888
Depreciable Bldg Cost	\$3,912,112	\$3,912,112			
Aggregate Basis for 50% Test	\$4,082,112	\$4,082,112			

Long-Term Pro Forma

William Homes, Texarkana, 4% HTC #19424

	Growth Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	Year 35
EFFECTIVE GROSS INCOME	2.00%	\$358,051	\$365,212	\$372,516	\$379,967	\$387,566	\$427,904	\$472,441	\$521,613	\$575,903	\$635,843	\$702,022
TOTAL EXPENSES	3.00%	\$197,213	\$202,950	\$208,856	\$214,936	\$221,194	\$255,355	\$294,845	\$340,502	\$393,296	\$454,349	\$526,357
NET OPERATING INCOME ("NOI")		\$160,838	\$162,262	\$163,660	\$165,031	\$166,372	\$172,550	\$177,596	\$181,111	\$182,607	\$181,495	\$175,666
EXPENSE/INCOME RATIO		55.1%	55.6%	56.1%	56.6%	57.1%	59.7%	62.4%	65.3%	68.3%	71.5%	75.0%
MUST -PAY DEBT SERVICE												
Citibank Freddie Mac perm loan)		\$92,286	\$92,286	\$92,286	\$92,286	\$92,286	\$92,286	\$92,286	\$92,286	\$92,286	\$92,286	\$92,286
HATT Seller Note (Hard Debt)		\$27,269	\$27,269	\$27,269	\$27,269	\$27,269	\$27,269	\$27,269	\$27,269	\$27,269	\$27,269	\$27,269
TOTAL DEBT SERVICE		\$119,555	\$119,555	\$119,555	\$119,555	\$119,555	\$119,555	\$119,555	\$119,555	\$119,555	\$119,555	\$119,555
DEBT COVERAGE RATIO		1.35	1.36	1.37	1.38	1.39	1.44	1.49	1.51	1.53	1.52	1.47
ANNUAL CASH FLOW		\$41,283	\$42,707	\$44,105	\$45,476	\$46,817	\$52,995	\$58,041	\$61,555	\$63,052	\$61,940	\$56,110
Deferred Developer Fee Balance		\$83,261	\$40,554	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$3,551	\$49,027	\$95,844	\$348,845	\$629,483	\$930,934	\$1,244,117	\$1,557,214	\$1,851,695

BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
MAY 23, 2019

Presentation, discussion and possible action on a Determination Notice for Housing Tax Credits with another Issuer (#19425 Bright Street, Texarkana)

RECOMMENDED ACTION

WHEREAS, Bright Street was previously approved at the Board meeting of April 26, 2018, but did not close by the deadline associated with the original Certificate of Reservation due to delays associated with the extensive underwriting with the lender and the management company which delayed some HUD approvals, and the subsequent federal government shutdown delayed the transaction further;

WHEREAS, a new Certification of Reservation from the Texas Bond Review Board was issued on February 4, 2019, and will expire on July 4, 2019;

WHEREAS, the proposed issuer of the bonds is the Texarkana Public Facility Corporation;

WHEREAS, there were changes from the prior underwriting that did not allow the applicant to utilize the certification process outlined in 10 TAC §11.201(3) of the Qualified Allocation Plan (QAP) such that the Determination Notice could be administratively re-issued;

WHEREAS, pursuant to 10 TAC §11.101(a)(3) of the QAP, applicants are required to disclose the presence Neighborhood Risk Factors and such factor applicable to this property is a crime rate for the census tract that exceeds the threshold of 18 per 1,000 persons annually, which was not applicable when this application was approved by the Board in April 2018;

WHEREAS, staff has conducted a further review of the proposed development site and surrounding neighborhood and based on the documentation provided and discussed herein relating to the crime rate, recommends the proposed site be found eligible under 10 TAC §11.101(a)(3) of the QAP; and

WHEREAS, Bright Street is located within 500 feet of a railway which is considered an Undesirable Site Feature pursuant to 10 TAC §11.101(a)(2) of the QAP; however, the Board granted an exception, in conformance with the rule, at the time of the prior award on the basis that it includes the rehabilitation of a development with ongoing federal assistance from HUD, and nothing has changed in that regard;

NOW, therefore, it is hereby

RESOLVED, that the site for Bright Street is found to be eligible; and

FURTHER RESOLVED, that the issuance of a Determination Notice of \$107,174 in 4% Housing Tax Credits, subject to underwriting conditions that may be applicable as found in the Real Estate Analysis report posted to the Department's website for Bright Street is hereby approved as presented to this meeting.

BACKGROUND

General Information: Bright Street, constructed in 1981, is located at 3101 – 3139 and 3201 Bright Street in Texarkana, Bowie County, and proposes the acquisition and rehabilitation of 20 units; all of which will be rent and income restricted at 60% of Area Median Family Income. Bright Street is one of five properties currently owned by the Housing Authority of Texarkana that are to be converted from public housing to Section 8 rental assistance through the Rental Assistance Demonstration (RAD) program administered by HUD. The other properties include Hampton Homes, HATT Scattered Sites, Robison Terrace, and Williams Homes, all of which are also on the agenda for consideration. Each of the five properties will be owned by the partnership, will be financed using one investor and lender, and have one bond reservation. Bright Street will serve a general population and the site conforms to current zoning.

Site Analysis: The Applicant has disclosed the presence of a Neighborhood Risk Factor, specifically crime, which exceeds the threshold identified in the rule. Staff notes that crime was not an issue when the application was evaluated and approved by the Board in April 2018. Bright Street is in a census tract with a crime rate of 19.34 per 1,000 persons annually, as reported by Neighborhood Scout.

The applicant provided a letter from the Shawn Fitzgerald, Assistant Chief of Police, that explained the programs in place within the community and with community leaders to combat crime and further stated that there has been a difference in crime trends. Actual data provided by the Texarkana Police Department reflected a total of eight instances of violent crimes in 2017 and four instances of violent crimes in 2018. When factoring in the population of the subject census tract, the actual crime rate is 1.64 per 1,000 persons for 2017 and 0.82 per 1,000 persons in 2018. Staff does not believe the neighborhood risk factor relating to the crime rate is of a nature or severity that should render the proposed development ineligible and recommends the site be found eligible under 10 TAC §11.101(a)(3) of the QAP.

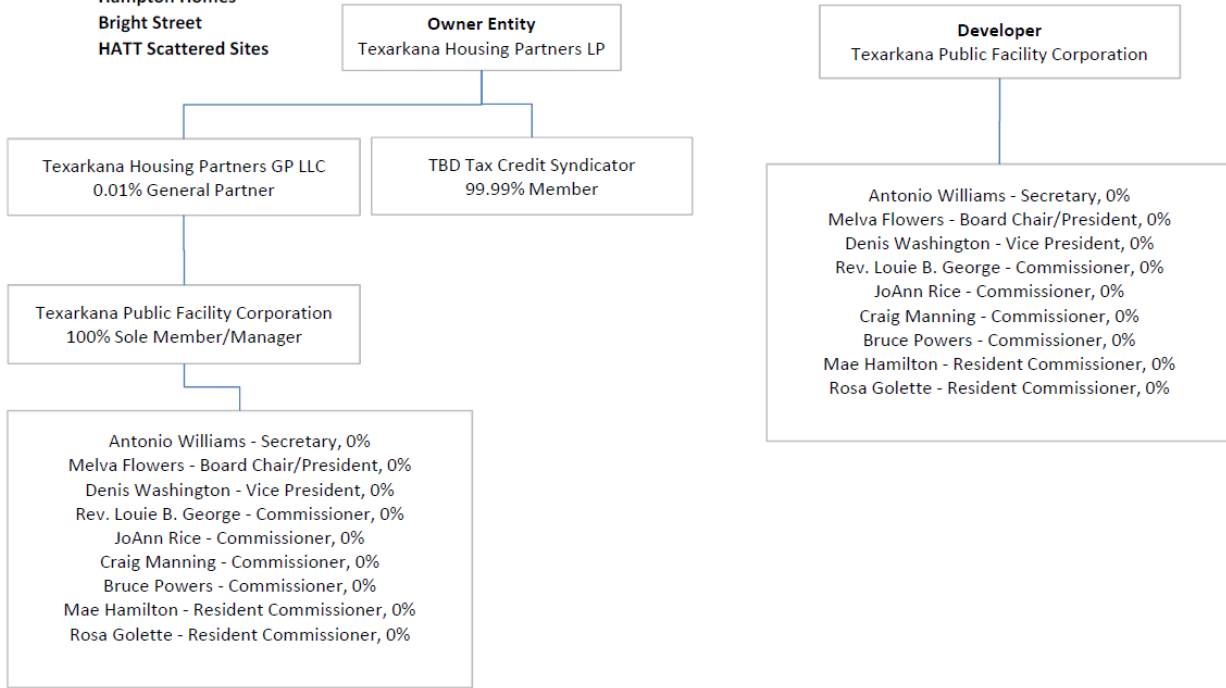
Organizational Structure and Previous Participation: The Borrower is Texarkana Housing Partners LP, and includes the entities and principals as illustrated in Exhibit A. The applicant's portfolio is considered a Category 1 and the previous participation was deemed acceptable by EARAC.

Public Comment: The Department received a letter of support from State Representative Gary VanDeaver and no letters of opposition have been received.

EXHIBIT A

Organizational Structure For:

Robison Terrace
Williams Homes
Hampton Homes
Bright Street
HATT Scattered Sites



Guarantor:

Texarkana Public Facility Corporation



Addendum to Underwriting Report

TDHCA Application #: 19425 Program(s): 4% HTC

Bright Street

Address/Location: 3101-3139 and 3201 Bright Street

City: Texarkana County: Bowie Zip: 75501

APPLICATION HISTORY	
Report Date	PURPOSE
05/13/19	Reissue Determination Notice
04/19/18	New Application - Initial Underwriting

ALLOCATION

TDHCA Program	Previous Allocation				RECOMMENDATION				
	Amount	Rate	Amort	Term	Amount	Rate	Amort	Term	Lien
LIHTC (Annual)	\$80,615				\$107,174				

CONDITIONS STATUS

- 1 Receipt and acceptance before Determination Notice:
 - Executed CHAP (or similar agreement) with HUD approved rents and operating budget.
Status: Condition Satisfied. Applicant submitted a HAP contract from HATT for all units with approved rents and utilities.
- 2 Receipt and acceptance by Cost Certification:
 - Architect certification that Asbestos abatement was completed and done so in observance of all State and Federal laws.

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

ANALYSIS

Application was underwritten in 2018 under TDHCA #18406 Bright Street as part of 5 developments by the Texarkana Housing Authority to convert public housing to Section 8 rental assistance housing under the HUD RAD program. The project did not close and has returned for a reissue of Determination Notice. This development was removed from the CHAP and will convert from public housing to project based vouchers from the Housing Authority of Texarkana Texas (HATT). Applicant has updated the scope of work and has provided the G702 contract from their General Contractor. The project has gone through the procurement process and the construction contract represents a more accurate cost estimate than would an updated PCA.

All five applications will close under a single permanent loan through Citi. Applicant included a term sheet from Citi confirming the debt structure.

Operating Pro Forma

Applicant submitted the approved rents with HATT's Project Based Vouchers program. The approved rents are higher than estimated and results in a \$94K increase in net rent from previous underwriting. The annual expenses remain constant except for the management fee which increased with the higher rents and reserve for replacements being cut by \$10K.

Applicant is reducing the replacement reserves expense by establishing a larger initial replacement reserve account.

NOI increased by \$99K as a result of the increased rents. Applicant's NOI is within 2% of Underwriter's estimate therefore feasibility is based on the Applicant's pro forma.

Development Cost

The current budget reflects the actual bid figures from the General Contractor for the scope of work. Actual Hard Cost for construction increased by \$251K. Tenant relocation expense, normally reported as Soft Cost, increased from \$20K to \$45K, and has been included in the construction contract. So the Applicant's cost schedule indicates a net increase of \$296K to Hard Cost. The increases come partially from added scope of work by the owner for exterior wood repairs (\$153K), special construction (\$39K), HVAC (\$37K), electrical work (\$57K), and repairing various metal components (\$21K).

In the underwritten cost schedule, tenant relocation is re-allocated to Soft Cost.

According to the IRS Audit Technique Guide, the costs attributable to moving tenants and providing temporary housing during rehabilitation (e.g.; legal costs, tenant moving expenses, costs for temporarily storing a tenants' property, and temporary housing costs) are expensed as ordinary and necessary business expenses under IRC §162. Based on this, tenant relocation expense is excluded from eligible basis.

Total Development Costs have increased by \$918K with the biggest increases in Construction Loan Financing (\$180K), Developer Fees (\$105K), and Replacement Reserve (\$200K), .

This is an acquisition rehab project. The capital structure is determined by the Underwriter's Development Cost Schedule (based on the G702 for hard costs).

Sources of Funds

The increased costs are being offset by an increase in equity pricing from \$0.84 to \$0.90 (\$281K increase in equity proceeds) and deferring \$59K in developer fee. With the increased rental income, Applicant was able to obtain more debt. Permanent loan has increased from \$602K to \$1.375M.

Applicant stated that no existing reserves are being transferred.

Applicant's pro forma produced a DCR exceeding the 1.35 maximum. Underwriter assumes (for purposes of tax credit sizing) that the HATT Seller Note be partially amortized to bring the DCR below the 1.35 times threshold. Underwriter reduced seller note by \$665,000 for credit sizing purposes. The assumed debt structure is for tax credit sizing purposes only and not a condition of the recommendation.

Conclusion

Recommended tax credit allocation is limited to \$107,174 as determined by Eligible Basis.

Underwriter: Duc Nguyen

Manager of Real Estate Analysis: Thomas Cavanagh

Director of Real Estate Analysis: Brent Stewart

UNIT MIX/RENT SCHEDULE
Bright Street, Texarkana, 4% HTC #19425

LOCATION DATA	
CITY:	Texarkana
COUNTY:	Bowie
Area Median Income	\$52,600
PROGRAM REGION:	4

UNIT DISTRIBUTION							
# Beds	# Units	% Total	Assisted	MDL	Income	# Units	% Total
Eff	-	0.0%	0	0	30%	-	0.0%
1	-	0.0%	0	0	40%	-	0.0%
2	-	0.0%	0	0	50%	-	0.0%
3	14	70.0%	14	14	60%	20	100.0%
4	6	30.0%	6	6	MR	-	0.0%
TOTAL	20	100.0%	20		TOTAL	20	100.0%

Pro Forma ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	100%
APP % Acquisition	3.42%
APP % Construction	3.42%
Average Unit Size	977 sf

UNIT MIX / MONTHLY RENT SCHEDULE																					
HTC		RENT ASSISTED UNIT		UNIT MIX				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS				TDHCA PRO FORMA RENTS				MARKET RENTS		
Type	Gross Rent	Type	Gross Rent	# Units	# Beds	# Baths	NRA	Gross Rent	Utility Allow	Max Net Program Rent	Delta to Max	Rent psf	Net Rent per Unit	Total Monthly Rent	Total Monthly Rent	Rent per Unit	Rent psf	Delta to Max	Underwritten		
TC 60%	\$846	PBV	\$1,119	14	3	1	923	\$1,119	\$86	\$1,033	\$0	\$1.12	\$1,033	\$14,462	\$14,462	\$1,033	\$1.12	\$0	\$825	\$0.89	\$825
TC 60%	\$943	PBV	\$1,295	6	4	2	1,103	\$1,295	\$96	\$1,199	\$0	\$1.09	\$1,199	\$7,194	\$7,194	\$1,199	\$1.09	\$0	\$900	\$0.82	\$900
TOTALS/AVERAGES:				20			19,540				\$0	\$1.11	\$1,083	\$21,656	\$21,656	\$1,083	\$1.11	\$0	\$848	\$0.87	\$848

ANNUAL POTENTIAL GROSS RENT:	\$259,872	\$259,872
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STABILIZED PRO FORMA

Bright Street, Texarkana, 4% HTC #19425

STABILIZED FIRST YEAR PRO FORMA

	COMPARABLES		APPLICANT				PRIOR REPORT		TDHCA				VARIANCE	
	Database	Previous Year Actuals	% EGI	Per SF	Per Unit	Amount	Applicant	TDHCA	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT				\$1.11	\$1,083	\$259,872	\$160,344	\$160,344	\$259,872	\$1,083	\$1.11		0.0%	\$0
Vending, Maintenance Charges						\$8.00	\$1,920	1,920						
Total Secondary Income						\$8.00		1,920	\$1,920	\$8.00			0.0%	\$0
POTENTIAL GROSS INCOME						\$261,792	\$162,264	\$162,264	\$261,792				0.0%	\$0
Vacancy & Collection Loss				5.0% PGI		(13,090)	(8,113)	(8,113)	(13,090)	5.0% PGI			0.0%	-
Rental Concessions						-	0	0	-				0.0%	-
EFFECTIVE GROSS INCOME						\$248,702	\$154,151	\$154,151	\$248,702				0.0%	\$0

General & Administrative	\$7,470	\$373/Unit	\$22,741	\$1,137	5.15%	\$0.66	\$640	\$12,800	\$12,800	\$12,800	\$12,800	\$640	\$0.66	5.15%	0.0%	-
Management	\$11,471	9.5% EGI	\$11,336	\$567	5.00%	\$0.64	\$622	\$12,435	\$7,708	\$7,708	\$12,435	\$622	\$0.64	5.00%	0.0%	(0)
Payroll & Payroll Tax	\$16,838	\$842/Unit	\$49,473	\$2,474	6.53%	\$0.83	\$812	\$16,246	\$16,246	\$16,246	\$16,246	\$812	\$0.83	6.53%	0.0%	-
Repairs & Maintenance	\$13,855	\$693/Unit	\$31,226	\$1,561	7.64%	\$0.97	\$950	\$19,000	\$19,000	\$13,000	\$13,000	\$650	\$0.67	5.23%	46.2%	6,000
Electric/Gas	\$3,117	\$156/Unit	\$2,899	\$145	0.80%	\$0.10	\$100	\$2,000	\$2,000	\$2,899	\$2,899	\$145	\$0.15	1.17%	-31.0%	(899)
Water, Sewer, & Trash	\$8,128	\$406/Unit	\$16,191	\$810	3.46%	\$0.44	\$430	\$8,600	\$8,600	\$16,191	\$16,191	\$810	\$0.83	6.51%	-46.9%	(7,591)
Property Insurance	\$5,285	\$0.27 /sf	\$3,178	\$159	1.97%	\$0.25	\$245	\$4,900	\$4,900	\$4,900	\$4,900	\$245	\$0.25	1.97%	0.0%	-
Property Tax (@ 100%)	\$6,939	\$347/Unit	\$2,885	\$144	0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	-
Reserve for Replacements	\$6,196	\$310/Unit	\$0	\$0	4.02%	\$0.51	\$500	\$10,000	\$20,000	\$20,000	\$10,000	\$500	\$0.51	4.02%	0.0%	-
Supportive Services			\$17,666	\$883	0.20%	\$0.03	\$25	\$500	\$500	\$500	\$500	\$25	\$0.03	0.20%	0.0%	-
TDHCA LIHTC/HOME Compliance Fees			\$0	\$0	0.32%	\$0.04	\$40	\$800	\$800	\$800	\$800	\$40	\$0.04	0.32%	0.0%	-
Security			\$4,726	\$236	1.81%	\$0.23	\$225	\$4,500	\$4,500	\$4,500	\$4,500	\$225	\$0.23	1.81%	0.0%	-
Ground lease payment			\$0	\$0	0.04%	\$0.01	\$5	\$100	\$100	\$100	\$100	\$5	\$0.01	0.04%	0.0%	-
TOTAL EXPENSES			\$162,321	\$8,116	36.94%	\$4.70	\$4,594	\$ 91,881	\$97,154	\$99,644	\$94,372	\$4,719	\$4.83	37.95%	-2.6%	\$ (2,491)
NET OPERATING INCOME ("NOI")					63.06%	\$8.03	\$7,841	\$156,821	\$56,997	\$54,507	\$154,331	\$7,717	\$7.90	62.05%	1.6%	\$ 2,491

CONTROLLABLE EXPENSES		\$2,932/Unit		\$3,057/Unit
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Bright Street, Texarkana, 4% HTC #19425

DEBT / GRANT SOURCES																		
APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE										Prior Underwriting		AS UNDERWRITTEN DEBT/GRANT STRUCTURE						
DEBT (Must Pay)	Fee	Cumulative DCR		Pmt	Rate	Amort	Term	Principal	Principal	Prior Underwriting		Principal	Term	Amort	Rate	Pmt	Cumulative	
		UW	App							Applicant	TDHCA						DCR	LTC
Citibank (Freddie Mac perm loan)		1.79	1.82	86,061	5.26%	35	20	\$1,375,500	\$602,500	\$602,500	\$1,375,500	20	35	5.26%	\$86,061	1.82	42.0%	
HATT Seller Note (Hard Debt)		1.33	1.35	\$30,000	2.89%	35	0	\$0	\$107,000	\$665,000	\$665,000	0	35	2.89%	\$30,223	1.35	20.3%	
CASH FLOW DEBT / GRANTS																		
HATT Seller Note (Soft Debt)		1.33	1.35		2.89%	0	50	\$751,000	\$760,000	\$653,000	\$86,000	50	0	2.89%		1.35	2.6%	
TPFC Cash Flow Loan		1.33	1.35		2.89%	0	50	\$93,900	\$280,205	\$280,205	\$93,900	50	0	2.89%		1.35	2.9%	
				\$116,061				TOTAL DEBT / GRANT SOURCES	\$2,252,441	\$1,642,705	\$1,642,705	\$2,252,441			TOTAL DEBT SERVICE	\$116,284	1.35	68.7%
NET CASH FLOW		\$38,270	\$40,760											APPLICANT NET OPERATING INCOME	\$156,821	\$40,538	NET CASH FLOW	

EQUITY SOURCES															
APPLICANT'S PROPOSED EQUITY STRUCTURE						Prior Underwriting		AS UNDERWRITTEN EQUITY STRUCTURE							
EQUITY / DEFERRED FEES	DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Prior Underwriting		Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method		
						Applicant	TDHCA							(18% Deferred)	0.0%
Hunt Capital Partners	LIHTC Equity	30.1%	\$109,241	0.90	\$987,983	\$685,160	\$685,161	\$969,393	\$0.9045	\$107,174	29.6%	\$5,359	Eligible Basis		
Texarkana Public Facility Corporation	Deferred Developer Fees	1.4%	(15% Deferred)		\$46,367	\$31,067	\$31,066	\$55,930			1.7%		Total Developer Fee: \$313,355		
Additional (Excess) Funds Req'd		0.0%					\$0	\$0			0.0%				
TOTAL EQUITY SOURCES		31.6%			\$1,034,350	\$716,227	\$716,227	\$1,025,323			31.3%				
TOTAL CAPITALIZATION					\$3,286,791	\$2,358,932	\$2,358,932	\$3,277,764						15-Yr Cash Flow after Deferred Fee:	\$808,074

DEVELOPMENT COST / ITEMIZED BASIS													
APPLICANT COST / BASIS ITEMS					Prior Underwriting		TDHCA COST / BASIS ITEMS					COST VARIANCE	
	Eligible Basis		Total Costs	Total Costs	Prior Underwriting		Total Costs			Eligible Basis		%	\$
	Acquisition	New Const. Rehab			Applicant	TDHCA	Acquisition	New Const. Rehab	Acquisition				
Land Acquisition			\$4,000 / Unit	\$80,000	\$80,000	\$80,000	\$80,000	\$4,000 / Unit				0.0%	\$0
Building Acquisition	\$760,000		\$38,000 / Unit	\$760,000	\$760,000	\$760,000	\$760,000	\$38,000 / Unit			\$760,000	0.0%	\$0
			\$0	\$0	\$5,000	\$5,000	\$0	\$0					\$0
Off-Sites			\$ / Unit	\$0	\$0	\$0	\$0	\$ / Unit				0.0%	\$0
Site Work		\$35,110	\$1,756 / Unit	\$35,110	\$15,794	\$30,213	\$35,110	\$1,756 / Unit		\$35,110		0.0%	\$0
Site Amenities		\$94,841	\$4,742 / Unit	\$94,841	\$91,013	\$81,939	\$94,841	\$4,742 / Unit		\$94,841		0.0%	\$0
Building Cost		\$735,077	\$39.93 /sf	\$39,011/Unit	\$780,216	\$506,501	\$501,157	\$735,077	\$36.754/Unit	\$37.62 /sf	\$735,077	6.1%	\$45,139
Contingency		\$86,502	10.00%	9.50%	\$86,502	\$61,330	\$61,330	\$86,502	10.00%	10.00%	\$86,502	0.0%	\$0
Contractor Fees		\$171,273	18.00%	17.18%	\$171,273	\$94,448	\$94,448	\$171,273	18.00%	18.00%	\$171,273	0.0%	\$0
Soft Costs	0	\$200,635	\$10,032 / Unit	\$200,635	\$186,926	\$186,926	\$245,774	\$12,289 / Unit		\$200,635	\$0	-18.4%	(\$45,139)
Financing	0	\$198,200	\$20,794 / Unit	\$415,888	\$219,798	\$219,798	\$415,888	\$20,794 / Unit		\$198,200	\$0	0.0%	\$0
Developer Fee	\$0	\$313,355	20.59%	20.00%	\$313,355	\$207,439	\$207,439	\$304,328	20.00%	20.00%	\$304,328	3.0%	\$9,027
Reserves			\$17,449 / Unit	\$348,971	\$130,684	\$130,684	\$348,971	\$17,449 / Unit				0.0%	\$0
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BAS	\$760,000	\$1,834,993	\$164,340 / Unit	\$3,286,791	\$2,358,932	\$2,358,932	\$3,277,764	\$163,888 / Unit		\$1,825,966	\$760,000	0.3%	\$9,027
Acquisition Cost	\$0			\$0									
Contingency		\$0		\$0									
Contractor's Fee		\$0		\$0									
Interim Interest		\$0		\$0									
Developer Fee	\$0	(\$9,027)		\$0									
Reserves				(\$140,806)									
ADJUSTED BASIS / COST	\$760,000	\$1,825,966	\$157,299/unit	\$3,145,985	\$2,358,932	\$2,358,932	\$3,277,764	\$163,888/unit		\$1,825,966	\$760,000	-4.0%	(\$131,779)
TOTAL HOUSING DEVELOPMENT COSTS BASED ON 3RD PARTY PCA/CNA					\$3,277,764								

CAPITALIZATION / DEVELOPMENT COST BUDGET / ITEMIZED BASIS ITEMS

Bright Street, Texarkana, 4% HTC #19425

CREDIT CALCULATION ON QUALIFIED BASIS				
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction Rehabilitation
ADJUSTED BASIS	\$760,000	\$1,825,966	\$760,000	\$1,825,966
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$760,000	\$1,825,966	\$760,000	\$1,825,966
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$760,000	\$2,373,755	\$760,000	\$2,373,755
Applicable Fraction	100.00%	100.00%	100.00%	100.00%
TOTAL QUALIFIED BASIS	\$760,000	\$2,373,755	\$760,000	\$2,373,755
Applicable Percentage	3.42%	3.42%	3.42%	3.42%
ANNUAL CREDIT ON BASIS	\$25,992	\$81,182	\$25,992	\$81,182
CREDITS ON QUALIFIED BASIS	\$107,174		\$107,174	

Method	ANNUAL CREDIT CALCULATION BASED ON TDHCA BASIS		FINAL ANNUAL LIHTC ALLOCATION		
	Annual Credits	Proceeds	Credit Price \$0.9045	Variance to Request	
			Credit Allocation	Credits	Proceeds
Eligible Basis	\$107,174	\$969,393	\$107,174	(\$2,067)	(\$18,692)
Needed to Fill Gap	\$113,358	\$1,025,323	----	----	----
Applicant Request	\$109,241	\$988,085	----	----	----

50% Test for Bond Financing for 4% Tax Credits					
Tax-Exempt Bond Amount	\$2,000,000		Percent Financed by Tax-Exempt Bonds	Applicant	TDHCA
Aggregate Basis Limit for 50% Test	\$4,000,000				
	Applicant	TDHCA		83.1%	83.1%
Land Cost	\$80,000	\$80,000			
Depreciable Bldg Cost	\$2,326,777	\$2,326,777			
Aggregate Basis for 50% Test	\$2,406,777	\$2,406,777			
			amount aggregate basis can increase before 50% test fails	\$1,593,223 66.2%	\$1,593,223 66.2%

Long-Term Pro Forma

Bright Street, Texarkana, 4% HTC #19425

	Growth Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	Year 35
EFFECTIVE GROSS INCOME	2.00%	\$248,702	\$253,676	\$258,750	\$263,925	\$269,203	\$297,222	\$328,158	\$362,312	\$400,022	\$441,657	\$487,625
TOTAL EXPENSES	3.00%	\$91,881	\$94,513	\$97,222	\$100,009	\$102,877	\$118,520	\$136,577	\$157,424	\$181,498	\$209,302	\$242,390
NET OPERATING INCOME ("NOI")		\$156,821	\$159,163	\$161,528	\$163,916	\$166,326	\$178,702	\$191,581	\$204,888	\$218,524	\$232,355	\$245,235
EXPENSE/INCOME RATIO		36.9%	37.3%	37.6%	37.9%	38.2%	39.9%	41.6%	43.4%	45.4%	47.4%	49.7%
MUST -PAY DEBT SERVICE												
Citibank (Freddie Mac perm loan)		\$86,061	\$86,061	\$86,061	\$86,061	\$86,061	\$86,061	\$86,061	\$86,061	\$86,061	\$86,061	\$86,061
HATT Seller Note (Hard Debt)		\$30,223	\$30,223	\$30,223	\$30,223	\$30,223	\$30,223	\$30,223	\$30,223	\$30,223	\$30,223	\$30,223
TOTAL DEBT SERVICE		\$116,284	\$116,284	\$116,284	\$116,284	\$116,284	\$116,284	\$116,284	\$116,284	\$116,284	\$116,284	\$116,284
DEBT COVERAGE RATIO		1.35	1.37	1.39	1.41	1.43	1.54	1.65	1.76	1.88	2.00	2.11
ANNUAL CASH FLOW												
		\$40,538	\$42,880	\$45,244	\$47,632	\$50,042	\$62,419	\$75,297	\$88,604	\$102,240	\$116,071	\$128,951
Deferred Developer Fee Balance		\$15,392	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$27,487	\$72,732	\$120,364	\$170,406	\$457,534	\$808,074	\$1,224,326	\$1,708,146	\$2,260,792	\$2,880,362



18402-18406

GARY VANDEAVER
DISTRICT 1

STATE OF TEXAS
HOUSE OF REPRESENTATIVES

January 31, 2018

Ms. Teresa Morales
Multifamily Division Manager
Texas Department of Housing and Community Affairs
P.O. Box 13941
Austin, Texas 78711-3941

Dear Ms. Morales:

Your agency recently sent several notifications of affordable rental housing applications proposed in Texarkana, which is in my legislative district. I appreciate the opportunity to comment on these proposed projects.

All of these properties are currently owned by the city of Texarkana and are in need of repairs and renovations. Some of these properties were originally built in the late 1960s and have experienced a lot of wear and tear over the years. The city is seeking funding so it can make these building cleaner, more efficient and into better spaces for the residents.

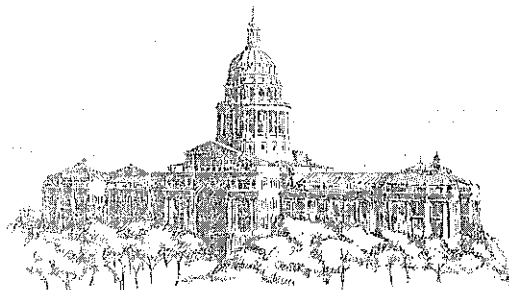
I am glad to lend my support of the city's efforts to remodel and upgrade its housing inventory. Please feel free to contact my office if you have any questions or need more information.

Sincerely,

A handwritten signature in cursive script that reads "Gary VanDeaver".

Gary VanDeaver
Texas House of Representatives

GV/tc





CITY OF
TEXARKANA
TEXAS

P.O. Box 1967
Texarkana, TX 75504
Phone (903) 798-3900

January 2, 2018

Antonio D. Williams
Chief Executive Officer
Housing Authority of Texarkana, Texas
1611 North Robison Road
Texarkana, Texas 75501

Dear Mr. Williams:

The City of Texarkana, Texas supports your 4% Low Income Housing Tax Credit Application for 2001 Allen Lane, as well as all Housing Authority properties. This property lies within CDBG qualifying Census Tract 104, and has received investment from this program in recent years. Two programs offered in this area are Home Buyers Assistance and Housing Rehabilitation using HUD CDBG Funds. Texarkana, Texas has invested CDBG funds for park improvements to support public health activities, promote livability and sustainability within this area. The City has targeted this area for infrastructure/sidewalk improvements in the future utilizing CDBG funds.

Allen Lane is near our Industrial Areas. The City's Economic Development Department is continuously striving to bring new industry to this area, thereby, increasing job opportunities. Expansion of the Industrial Area is identified in our Draft Future Land Use Map. The City is also working with the EPA and TCEQ to return two Superfund sites to productive industrial uses to create additional jobs in South Texarkana.

The City has applied for additional grant opportunities that will improve the environment in this particular area that will support health and welfare, and offer additional recreational opportunities. It is anticipated that the culmination of these efforts will improve the overall area, increase jobs, and create attractive neighborhoods that families are willing to invest in.

The City will continue our planning efforts in the area around 2001 Allen Lane, and strive to revitalize this neighborhood and surrounding neighborhoods.

Sincerely,

Shirley Jaster
City Manager

BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
MAY 23, 2019

Presentation, discussion, and possible action on a Determination Notice for Housing Tax Credits with another Issuer (#19403 Mesa West Apartments, San Antonio)

RECOMMENDED ACTION

WHEREAS, a 4% Housing Tax Credit application for Mesa West Apartments, sponsored by Pedcor Investments, was submitted to the Department on December 7, 2018;

WHEREAS, in lieu of a Certification of Reservation, a Carryforward Designation Certificate was issued by the Texas Bond Review Board on January 4, 2019, and will expire on December 31, 2021;

WHEREAS, the proposed issuer of the bonds is San Antonio Housing Trust Public Facility Corporation; and

WHEREAS, due to the Carryforward Designation Certificate, Executive Award and Review Advisory Committee (EARAC) recommends the issuance of the Determination Notice with the condition that the closing occur within 120 days (on or before September 20, 2019);

NOW, therefore, it is hereby

RESOLVED, that the issuance of a Determination Notice of \$2,079,535 in 4% Housing Tax Credits, subject to underwriting conditions that may be applicable as found in the Real Estate Analysis report posted to the Department's website for Mesa West Apartments is hereby approved as presented to this meeting; and

FURTHER RESOLVED, that provided the Applicant has not closed on the bond financing on or before September 20, 2019, the Board authorizes the Director of Multifamily Finance or the Acting Director to approve or deny an extension of the Determination Notice date, subject to an updated previous participation review, if necessary.

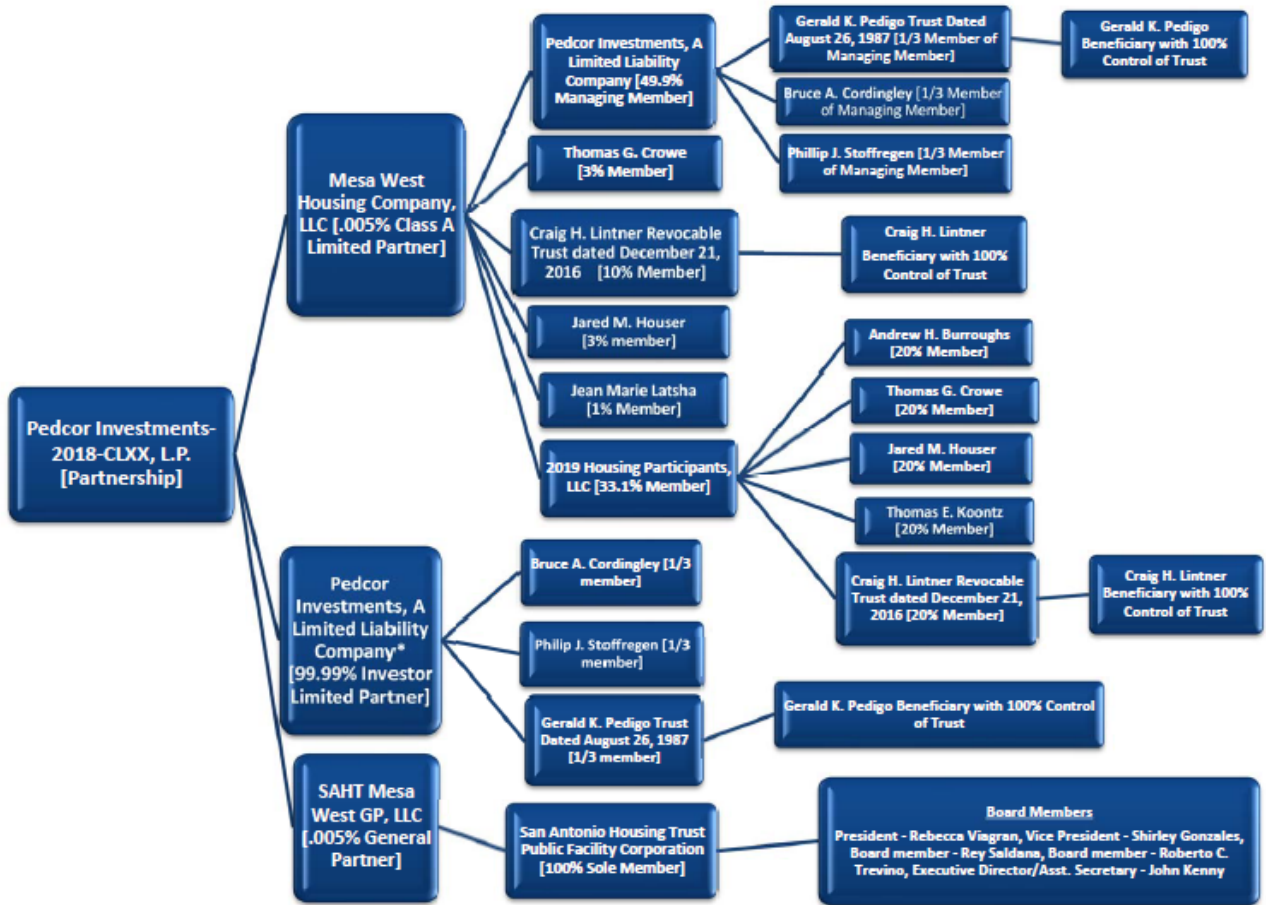
BACKGROUND

General Information: Mesa West Apartments proposes the new construction of 280 units to be located at approximately 10300 block of Ingram Road in San Antonio, Bexar County. The development will serve the general population and all of the units will be rent and income restricted at 60% of the Area Median Family Income. The site conforms to the current zoning.

Organizational Structure and Previous Participation: The Borrower is Pedcor Investments-2018-CLXX, L.P., and includes the entities and principals as indicated in Exhibit A. The applicant's portfolio is considered a Category 1 and the previous participation was deemed acceptable by the EARAC.

Public Comment: There were no letters of support or opposition received by the Department.

EXHIBIT A



19403 Mesa West Apartments - Application Summary

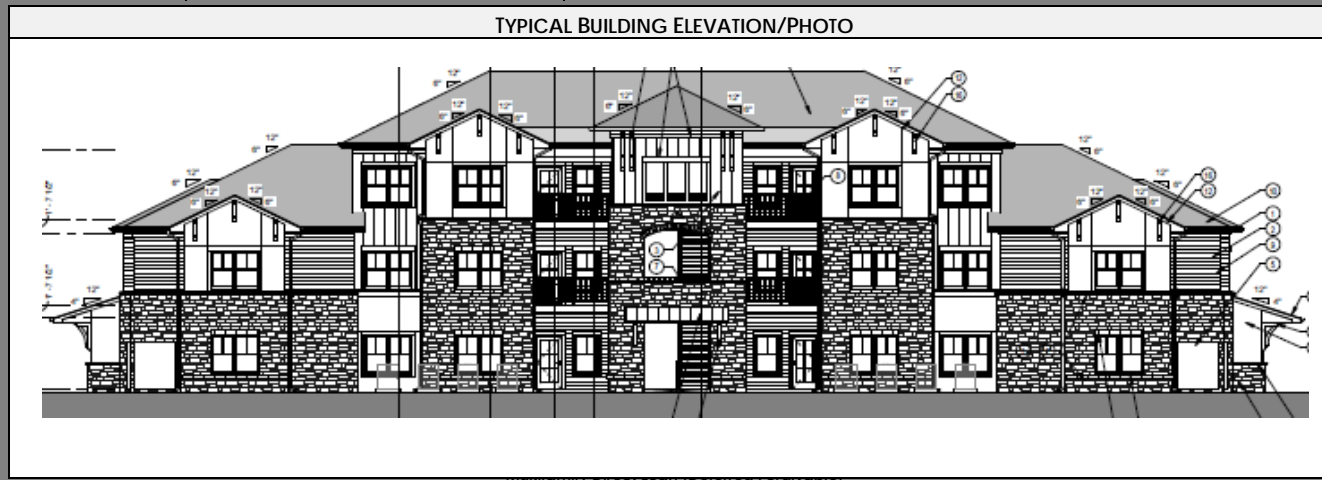
REAL ESTATE ANALYSIS DIVISION

April 17, 2019

PROPERTY IDENTIFICATION	
Application #	19403
Development	Mesa West Apartments
City / County	San Antonio / Bexar
Region/Area	11 / Urban
Population	General
Set-Aside	General
Activity	New Construction

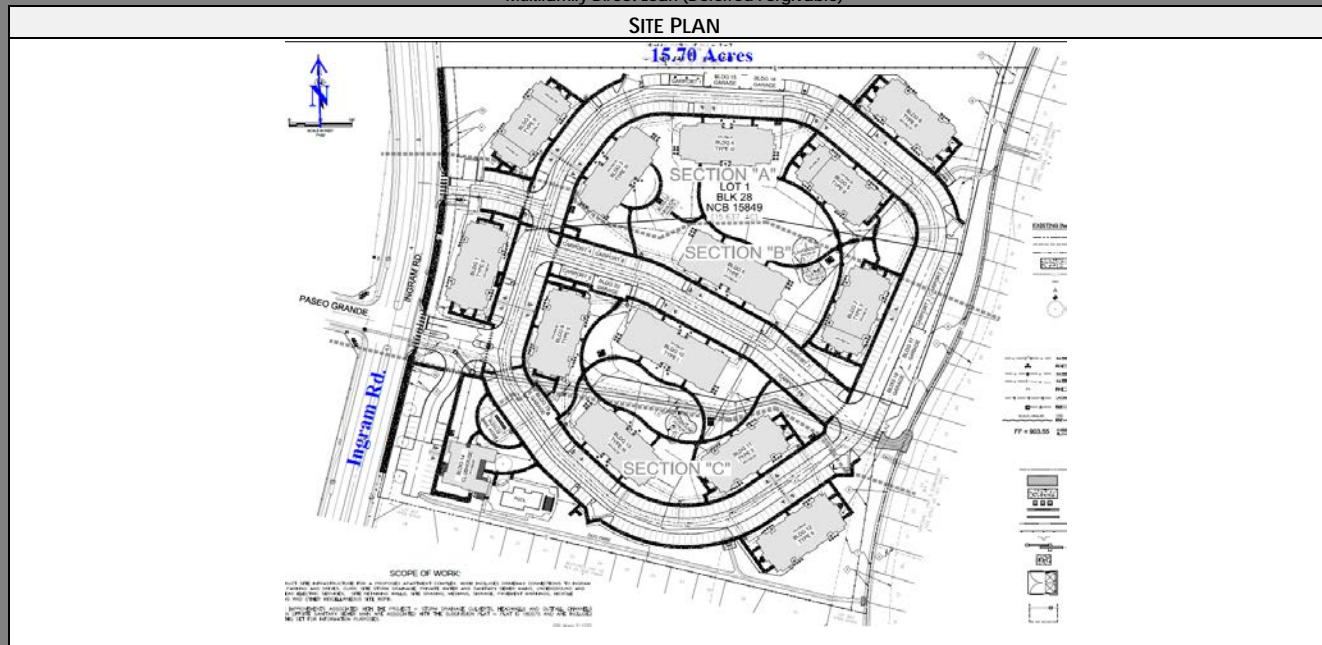
RECOMMENDATION				
TDHCA Program	Request	Recommended		
LIHTC (4% Credit)	\$2,079,535	\$2,079,535	\$7,427/Unit	\$0.92

KEY PRINCIPAL / SPONSOR		
<ul style="list-style-type: none"> Jean Latsha & Craig Lintner / Pedcor Investments, LLC San Antonio Housing Trust Public Facility Corporation / Partnership GP 		
Related Parties	Contractor - Yes	Seller - No



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	100	36%	40%	-	0%
2	156	56%	50%	-	0%
3	24	9%	60%	280	100%
4	-	0%	MR	-	✓
TOTAL	280	100%	TOTAL	280	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.15	Expense Ratio	37.2%
Breakeven Occ.	84.9%	Breakeven Rent	\$729
Average Rent	\$796	B/E Rent Margin	\$67
Property Taxes	Exempt	Exemption/PILOT	100%
Total Expense	\$3,367/unit	Controllable	\$2,629/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (15% Maximum)		14.8%	
Highest Unit Capture Rate	52%	2 BR/60%	156
Dominant Unit Cap. Rate	52%	2 BR/60%	156
Premiums (↑60% Rents)	N/A	N/A	
Rent Assisted Units	N/A		

DEVELOPMENT COST SUMMARY			
Costs Underwritten		Applicant's Costs	
Avg. Unit Size	935 SF	Density	17.8/acre
Acquisition		\$11K/unit	\$3,165K
Building Cost	\$86.21/SF	\$81K/unit	\$22,570K
Hard Cost		\$111K/unit	\$31,071K
Total Cost		\$190K/unit	\$53,186K
Developer Fee	\$6,280K	(59% Deferred)	Paid Year: 12
Contractor Fee	\$4,350K	30% Boost	Yes

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES		
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount	
Merchants Capital - 221(d)4	40/40	3.00%	\$30,499,641	1.15						LIHTC Equity	\$19,036,057	
										Deferred Developer Fees	\$3,700,220	
TOTAL DEBT (Must Pay)			\$30,449,641		CASH FLOW DEBT / GRANTS				\$0		TOTAL EQUITY SOURCES	\$22,736,277
											TOTAL DEBT SOURCES	\$30,449,641
											TOTAL CAPITALIZATION	\$53,185,918

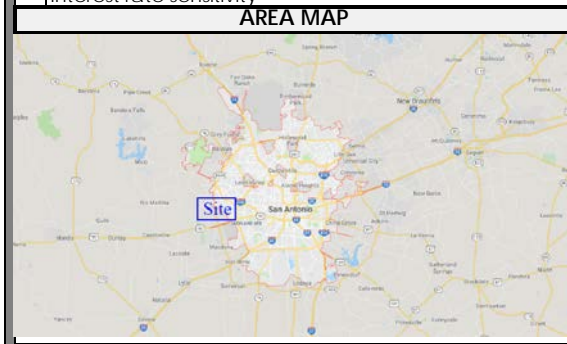
CONDITIONS

- 1 Receipt and acceptance by Cost Certification:
- Evidence that the property qualifies for 100% property tax exemption.

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

BOND RESERVATION / ISSUER	
Issuer	San Antonio Housing Trust Finance Corporation
Expiration Date	12/31/2021
Bond Amount	\$35,000,000
BRB Priority	Carry-forward
Close Date	TBD
Bond Structure	FHA 221(d)(4)
% Financed with Tax-Exempt Bonds	67.8%

RISK PROFILE	
STRENGTHS/MITIGATING FACTORS	
•	Stabilized tax credit projects within a 20 minute drive time are 98.9% occupied (37 properties/6,503 units)
•	Breakeven occupancy occurs with 42 units vacant (underwritten at 21)
•	Attractively designed new construction should enhance marketability
WEAKNESSES/RISKS	
•	High 1 & 2 bedroom unit capture rates (41% & 52% respectively)
•	Feasibility relies on 100% property tax exemption, achieving maximum 60% rents and a 3% Management Fee
•	Interest rate sensitivity



AERIAL PHOTOGRAPH(S)



BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
MAY 23, 2019

Presentation, discussion, and possible action on a Determination Notice for Housing Tax Credits with another Issuer (#19404 Legacy Ranch at Dessau East, Austin)

RECOMMENDED ACTION

WHEREAS, a 4% Housing Tax Credit application for Legacy Ranch at Dessau East, sponsored by the TCC Hill Country Development Corporation and KCG Development, LLC was submitted to the Department on February 8, 2019;

WHEREAS, a Carryforward Designation Certificate was issued by the Texas Bond Review Board on January 9, 2019, and will expire on December 31, 2021, and an additional Certificate of Reservation was issued on January 10, 2019, and will expire on June 9, 2019;

WHEREAS, the proposed issuer of the bonds is the Travis County Housing Finance Corporation; and

WHEREAS, in accordance with 10 TAC §1.301(d)(1), the compliance history is designated as a Category 1 and deemed acceptable by Executive Award and Review Advisory Committee (EARAC);

NOW, therefore, it is hereby

RESOLVED, that the issuance of a Determination Notice of \$973,468 in 4% Housing Tax Credits, subject to underwriting conditions that may be applicable as found in the Real Estate Analysis report posted to the Department's website for Legacy Ranch at Dessau East is hereby approved as presented to this meeting.

BACKGROUND

General Information: The property is located at 13527 Harrislenn Drive, Austin, Travis County, and involves the new construction of 232 units serving the elderly population (Elderly Limitation). The development is proposed to include mixed-income units, with 186 of the units rent and income restricted at the following Area Median Family Income levels (AMFI): 55 units at 40% AMFI, 44 units at 50% AMFI, 57 units at 70% AMFI and 30 units at 80% AMFI and the remaining 46 units will be market rent with no rent or income restrictions. Although the application was initially submitted proposing the 40/60 minimum set-aside, the application and market study was revised to reflect income

averaging in order to conform to the Department's capture rate requirements. The current zoning designations allow multifamily construction.

Organizational Structure: The Borrower is Legacy Ranch at Dessau East, LP and includes the entities and principals as indicated in the organization chart in Exhibit A. The applicant's portfolio is considered a Category 1 and the previous participation was deemed acceptable by EARAC.

Public Comment: There were no letters of support or opposition received by the Department.

EXHIBIT A



19404 Legacy Ranch at Dessau East - Application Summary

REAL ESTATE ANALYSIS DIVISION

April 17, 2019

PROPERTY IDENTIFICATION	
Application #	19404
Development	Legacy Ranch at Dessau East
City / County	Austin / Travis
Region/Area	7 / Urban
Population	Elderly Limitation
Set-Aside	General
Activity	New Construction

RECOMMENDATION				
TDHCA Program	Request	Recommended		
LIHTC (4% Credit)	\$973,468	\$973,468	\$4,196/Unit	\$0.94

KEY PRINCIPAL / SPONSOR		
Travis County - Hill Country Development Corp County Judge Sarah Eckhart - President		
KCG Development Ina Spokas & RJ Pasquesi		
Related Parties	Contractor - Yes	Seller - 0



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	40%	55	24%
1	128	55%	50%	44	19%
2	104	45%	70%	57	25%
3	-	0%	80%	30	13%
4	-	0%	MR	46	20%
TOTAL	232	100%	TOTAL	232	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.15	Expense Ratio	32.7%
Breakeven Occ.	84.3%	Breakeven Rent	\$956
Average Rent	\$1,051	B/E Rent Margin	\$95
Property Taxes	Exempt	Exemption/PILOT	100%
Total Expense	\$3,880/unit	Controllable	\$2,894/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (10% Maximum)		3.3%	
Highest Unit Capture Rate	8%	1 BR/40%	36
Dominant Unit Cap. Rate	8%	1 BR/40%	36
Premiums (↑60% Rents)	#N/A	#N/A	
Rent Assisted Units	N/A		

DEVELOPMENT COST SUMMARY			
Costs Underwritten		Applicant's Costs	
Avg. Unit Size	947 SF	Density	19.3/acre
Acquisition		\$08K/unit	\$1,960K
Building Cost	\$79.63/SF	\$75K/unit	\$17,491K
Hard Cost		\$99K/unit	\$23,018K
Total Cost		\$177K/unit	\$41,066K
Developer Fee	\$4,836K	(95% Deferred)	Paid Year: 12
Contractor Fee	\$3,202K	30% Boost	No

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES		
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount	
Regions Bank	15/35	4.75%	\$27,000,000	1.15						Regions Bank	\$9,198,356	
										KCG Development, LLC	\$4,598,009	
										0	\$0	
										TOTAL EQUITY SOURCES	\$13,796,365	
										TOTAL DEBT SOURCES	\$27,000,000	
TOTAL DEBT (Must Pay)			\$27,000,000		CASH FLOW DEBT / GRANTS			\$0		TOTAL CAPITALIZATION		\$40,796,365

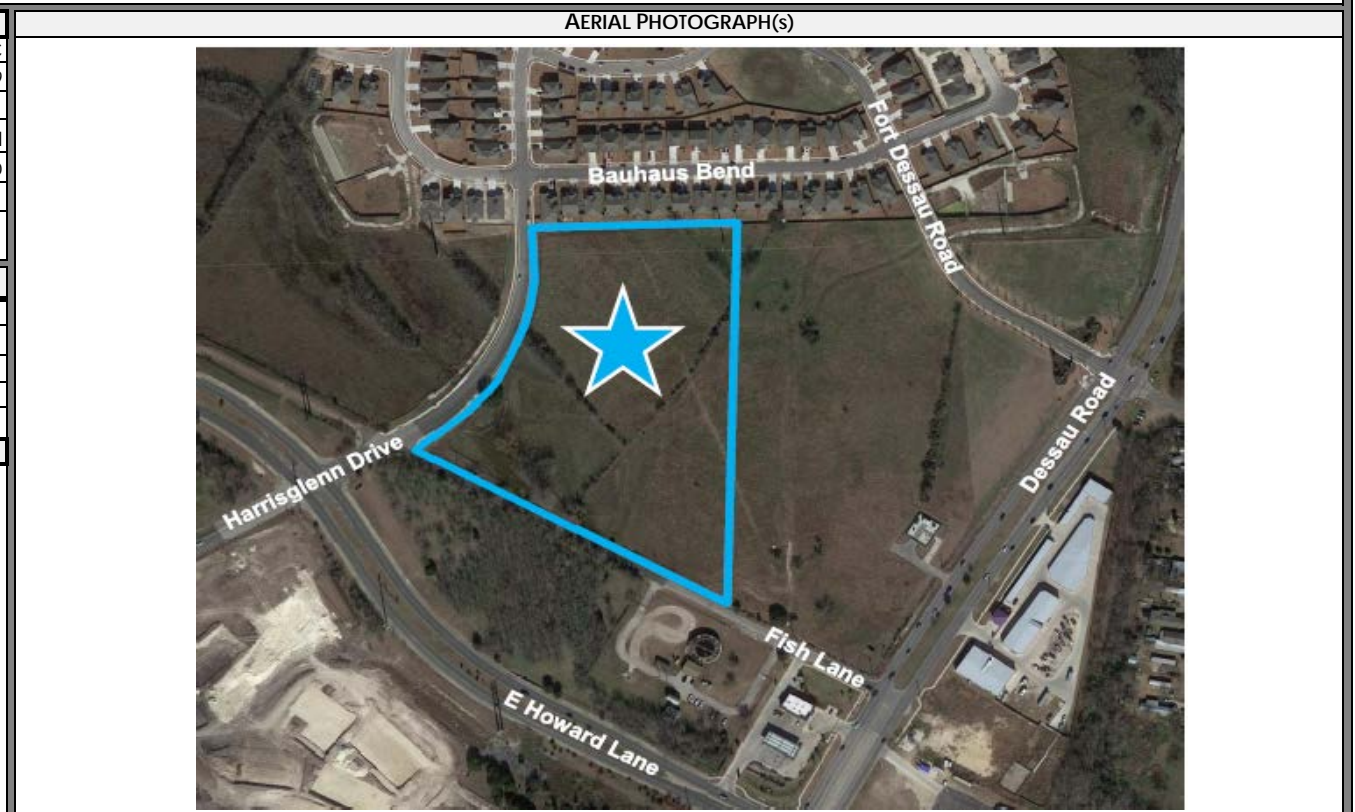
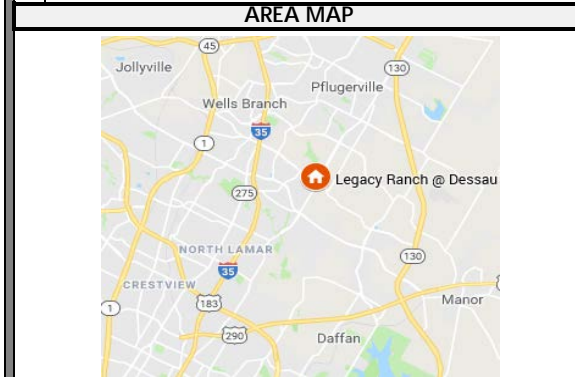
CONDITIONS

- 1 Receipt and acceptance by Cost Certification:
 - a: Architect certification that all noise assessment recommendations were implemented and the Development is compliant with HUD noise guidelines.
 - b: Certification from Appraisal District that the property qualifies for property tax exemption.
 - c: Executed ground lease with Travis County Housing Finance Corporation (TCHFC) clearly specifying all terms and conditions, including who will retain ownership of land and improvements at the end of the lease.
 - d: Executed car share contract with language requiring prior approval for termination by the Director of Watershed Protection as required by City of Austin land code.

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

BOND RESERVATION / ISSUER	
Issuer	Travis County HFC
Expiration Date	12/31/2021; 6/9/2019
Bond Amount	\$31,000,000
BRB Priority	Carry forward
Close Date	TBD
Bond Structure	Fannie M.TEB
% Financed with Tax-Exempt Bonds	89.0%

RISK PROFILE	
STRENGTHS/MITIGATING FACTORS	
▫	Favorable expense-to-income ratio
▫	Low capture rates over all unit types
WEAKNESSES/RISKS	
▫	Feasibility dependent on property tax exemption



1m

BOARD ACTION REQUEST
ASSET MANAGEMENT DIVISION
MAY 23, 2019

Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Land Use Restriction Agreement for Oak Meadows Townhomes (HTC #97104)

RECOMMENDED ACTION

WHEREAS, Oak Meadows Townhomes (the Development) received a 9% Housing Tax Credit (HTC) award in 1997 to construct 72 multifamily units in Commerce, Hunt County;

WHEREAS, the HTC application for the Development received points and/or other preferences for agreeing to provide a Right of First Refusal (ROFR) to purchase the Development over a two-year ROFR period;

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

WHEREAS, HDC Oak Meadows Partners, Ltd., the Development Owner, requests to amend the Land Use Restriction Agreement (LURA) for the Development to incorporate changes made to Tex. Gov't Code §2306.6725 and §2306.6726 in 2015; and

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

NOW, therefore, it is hereby

RESOLVED, that the material LURA amendment for Oak Meadows Townhomes is approved as presented to this meeting, and the Acting Director and his designees are hereby authorized, empowered, and directed to take all necessary action to effectuate the foregoing.

BACKGROUND

Oak Meadows Townhomes received a 9% HTC award in 1997 for the new construction of 72 multifamily units in Commerce, Hunt County. In a letter dated April 4, 2019, the Development Owner, HDC Oak Meadows Partners, Ltd. (Deborah Griffin), requested approval to amend the HTC LURA related to the ROFR provision.

In 1997, the Housing Tax Credit application allotted five points to the Owner in exchange for an unspecified ROFR posting period, which translates to a two-year ROFR period, given 10 TAC §10.407(d)(4) and the allocation date for this Development (12/12/1997). Upon completion of the Development, the Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits dated as of December 14, 1999, and recorded in Hunt County on January 11, 2000.

As approved in 1997, the additional use restrictions in the current HTC LURA would require, among other things, a ROFR to sell the Development to a qualified nonprofit organization (as defined in Internal Revenue Code §42(h)(5)(C)), or to a tenant organization, if at any time after the 15th year of the Compliance Period the owner decides to sell the property. The property is currently in the 20th year of the 40-year Extended Use Period specified in the LURA. However, the Owner desires to exercise its rights under Tex. Gov't Code §2306.6726 to amend the LURA to allow for a 180-day ROFR period.

In 2015, the Texas Legislature passed HB 3576, which amended Tex. Gov't Code §2306.6725 to allow for a 180-day ROFR period and Tex. Gov't Code §2306.6726 to allow for a Qualified Entity to purchase a development under a ROFR provision of the LURA and satisfy the ROFR requirement. Additionally, Tex. Gov't Code §2306.6726, as amended by HB 3576, defines Qualified Entity to mean an entity described by, or an entity controlled by an entity described by, §42(i)(7)(A) of the Internal Revenue Code of 1986. The Department's 2019 Post Award and Asset Management Requirements Rules, Subchapter E, include administrative procedures to allow a Development Owner to conform to the new ROFR provisions described in the amended statute.

The Development Owner has complied with the amendment and notification requirements under Tex. Gov't Code §2306.6712 and 10 TAC §10.405(b). The Development Owner held a public hearing on the matter on April 23, 2019, at the Development's onsite community management office/clubhouse. No negative public comment was received regarding the requested amendment.

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



Asset Management Division

Amendment Request Form

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

TYPE OF AMENDMENT REQUESTED

Date Submitted: 4/5/2019

Amendment Requested: *Material LURA Amendment,*

Has the change been implemented? *No*

Award Stage: *Select From List Post 15 Year CP*

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

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

DEVELOPMENT INFORMATION

Dev. Name: Oak Meadows Townhome

File No. / CMTS No.: 97104/

CONTACT INFORMATION

Request Submitted By: Rebecca Rizo

Phone #/Email: (512) 305-4781 /

SECTION 1: COVER LETTER

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

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

SECTION 2: REQUIRED DOCUMENTATION

Entering an Amendment conveys to the Department that representations in the Application have changed. You **MUST** provide information about any changes made from the time of Application (or as last approved by the Department) in your request, including items that will be impacted by the requested change. Failure to represent or properly document all changes may result in delays, denials, or a request for re-submission. The following is attached:

- Revised Application Exhibits/Documents Reflecting and Verifying All Requested Changes – revised site plans, surveys, Building and Unit Configuration exhibit, agreements and org charts reflecting changes in Developers or Guarantors, etc.
- Revised Development Financing Exhibits or a Signed Statement of No Financial Impact – if sources, terms, conditions, or amounts of financing will be impacted or changed by your amendment request, revised Application exhibits and term sheets may be necessary (generally Material Amendments only)
- Amendment fee of \$2,500 for first amendments, \$3,000 for second amendments, increase of \$500 for each successive amendment (Applicable only to Material Amendments and Non-Material Amendments if changes have already been implemented) – *N/A for Developments only funded by a Direct Loan program (HOME, NSP, HTF)*

SECTION 3A: MATERIAL APPLICATION AMENDMENT ITEMS

Check all items that have been modified from the original application (see *Post Award Rules, §10.405(a)(3)*):

- Site plan
- Scope of tenant services
- Exclusion of reqs in §11.101 or §11.201.
- Number of units*
- Reduction of 3%+ in unit sq ft
- Req. to implement a revised set aside election
- Bedroom mix
- Reduction of 3%+ common area
- Other
- Architectural design
- Residential density (5%+ change)

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

- Written confirmation from the lender *and* syndicator that the development is infeasible without the adjustment in units
- Evidence supporting the need for the adjustment in units

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

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

*NOTE: *The approved amendment may carry a penalty in accordance with §10.405(a)(6)(b).*

SECTION 3B: MATERIAL LURA AMENDMENT ITEMS

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

- Reductions to the number of LI units
- Changes to Target Population
- Affecting Rights of Tenant/3rd Parties
- Changes to income or rent restrictions
- Removal of Non-profit
- Other
- Change in ROFR period/provisions
- Request to implement a revised set aside election

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

- Draft Notice of Public Hearing*
- Evidence of public hearing*

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

SECTION 4A: NON-MATERIAL APPLICATION AMENDMENT SUMMARY

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

- Amendment is requesting a change in Developer(s) or Guarantor(s) and pre and post change org charts, agreements to the change, and Previous Participation forms are attached.
- Changes in natural person(s) used to meet the experience requirement.
- Representations made in the Application that exceed the scope of a notification item: Describe items needed

SECTION 4B: NON-MATERIAL LURA AMENDMENT SUMMARY

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

- HUB participation removal (request must also include documentation showing that a) the HUB is requesting removal of its own volition or is being removed as a result of default, b) the participation has been substantive or meaningful, and c) where the HUB will be replaced as a GP or SLP that is not a HUB and will sell its ownership interest, an ownership transfer request has also been submitted). HUB removal requests will only be considered after the issuance of 8609s.
- A change resulting from a Department work out arrangement as recommended by TDHCA.
- A correction of error (Amendments to Applicable Fractions, BIN lists, Accessible Units, etc.)
- Changes in amenities or supportive services that are referenced in the LURA (Requests to change amenities should address whether an amenity will be replaced by an item of equal benefit or point value).
- Other Representations made in the LURA not identified above: Describe items needed

SECTION 4C: NOTIFICATION ITEM SUMMARY

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

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

HDC OAK MEADOWS PARTNERS, LTD.
5757 W. Lovers Lane, Ste 360
Dallas, Texas 75209

April 4, 2019

VIA HAND DELIVERY

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

Re: TDHCA File No. 97104; Oak Meadows Townhomes (the "Property")

Dear Ms DeBellas:

The undersigned, being the General Partner (herein so called) of HDC Oak Meadows Partners, Ltd., a Texas limited partnership (the "Partnership") and the current owner of the Property. This letter constitutes request for a material LURA amendment in order to modify the two-year Right of First Refusal ("ROFR") period.

Request to Amend ROFR Period

In 2015, Texas Government Code Section 2306.6726 was amended to allow for a 180-day Right of First Refusal ("ROFR") period. Currently, the LURA for this Property requires a ROFR but does not specify the ROFR period. By rule, the ROFR period is therefore 90 days. Section 10.405(b)(2)(E) of the Rules allows for a LURA amendment in order to conform a ROFR to the provisions in Section 2306.6726. Therefore the General Partner, acting on behalf of the Partnership, requests a LURA amendment to establish the 180-day ROFR period, also permitting resyndication and sale to qualified entities.

LURA Amendment

In accordance with Section 10.405(b) of the Rules, the General Partner, acting on behalf of the Partnership, is delivering a fee in the amount of \$2500. In addition, the General Partner on behalf of the Partnership, commits to hold a public hearing, as required by the Rules, and to notify all residents, investors, lenders, and appropriate elected officials as to these proposed amendments. The General Partner, acting on behalf of the Partnership, will proceed to set a date and time for the public hearing and will provide TDHCA with evidence that the notice has been delivered and the hearing has been conducted. With that, the General Partner, acting on behalf of the Partnership, requests staff recommendation in support of this request to be considered at the next available TDHCA Board meeting.

Thank you for choosing Oak Meadows Townhomes as your home.

Sincerely,

HDC OAK MEADOWS PARTNERS, LTD.,
f/k/a ASLAN HOUSING PARTNERS VIII, LTD.,
a Texas limited partnership

By: Oak Meadows Townhomes, L.L.C.,
a Texas limited liability company
its general partner

By:


Deborah A. Griffin, Managing Member

HDC OAK MEADOWS PARTNERS, LTD.
5757 W. Lovers Lane, Ste 360
Dallas, Texas 75209

April 8, 2019

Dear Resident:

Oak Meadows Townhomes (the “**Community**”) is owned by HDC Oak Meadows Partners, Ltd. (the “**Owner**”). In order to help finance the construction and development of the Community, the Owner received federal funding through the Texas Department of Housing and Community Affairs (the “**Department**”) (Phone: 512-475-3800; Website: www.tdhca.state.tx.us).

A contractual restriction imposed by the Department mandates that if the Owner decides to sell the Community at a certain time, the Owner will offer the Community for sale to a non-profit organization or a tenant organization. Recent changes in Texas law allow for changes to the right of first refusal requirement, including a 180-day ROFR period and permitting the Owner to transfer the Community to certain kinds of entities in the right of first refusal process. The Owner is asking the Department to modify its contract so that these changes permitted by Texas law will apply. TDHCA Uniform Multifamily Rules require that notice of this request be provided to all residents of the Property.

In making its decision whether to approve Owner’s request, the Department considers the opinions and views of the members of the Community. Accordingly, there will be a public meeting to discuss this matter and we invite you to attend. The public hearing is your opportunity to discuss the amendment request and voice your concerns. The public hearing will take place at the Community’s management office/clubhouse on **Tuesday, April 23, 2019, at 1:00 p.m.** Information from this meeting will be submitted for consideration by the Department’s governing board at its next available meeting.

Please note that this proposal will **not** affect your current lease agreement, your rent payment, or your security deposit. You will **not** be required to move out of your home or take any other action because of this change. If the Department approves the Owner’s request, the Community will not change at all from its current form.

If you are unable to attend the public hearing and would like to submit your concerns in writing to the Department, please send your comments via email to asset.management@tdhca.state.tx.us or you may mail them to:

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

We appreciate that Oak Meadows Townhomes is your home and we invite you to attend and give your input on this proposal.

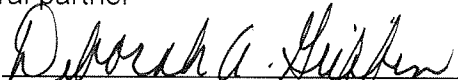
Thank you for choosing Oak Meadows Townhomes as your home.

Sincerely,

HDC OAK MEADOWS PARTNERS, LTD.,
f/k/a **ASLAN HOUSING PARTNERS VIII, LTD.,**
a Texas limited partnership

By: Oak Meadows Townhomes, L.L.C.,
a Texas limited liability company
its general partner

By:


Deborah A. Griffin, Managing Member

HDC OAK MEADOWS PARTNERS, LTD.
5757 W. Lovers Lane, Ste 360
Dallas, Texas 75209

April 8, 2019

Mr. Mark Salas
Wells Fargo Bank NA
401 W. Tryon St., 8th Floor
MAC D1050-084
Charlotte, NC 28202-4200

Dear Mr. Salas:

HDC Oak Meadows Partners, Ltd. (the "**Owner**") is the owner of Oak Meadows Townhomes, (the "**Community**") which is located at 150 Maple Street, Commerce, Texas 75428. In order to help finance the construction and development of the Community, the Owner received federal funding through the Texas Department of Housing and Community Affairs (the "**Department**").

A contractual restriction imposed by the Department mandates that if the Owner decides to sell the Community at a certain time, the Owner will offer the Community for sale to a non-profit organization or a tenant organization. Recent changes in Texas law allow for changes to the right of first refusal requirement, including a 180-day ROFR period and permitting the Owner to transfer the Community to certain kinds of entities in the right of first refusal process. The Owner is asking the Department to modify its contract so that these changes permitted by Texas law will apply.

In making its decision whether to approve Owner's request, the Department considers the opinions and views of the members of the Community and its elected representatives. Accordingly, there will be a public meeting to discuss this matter. This meeting will take place at the Community's management office/clubhouse on **Tuesday, April 23, 2019, at 1:00 p.m.** Information from this meeting will be submitted for consideration by the Texas Department of Housing and Community Affairs Governing Board at their next available meeting.

We invite you or one of your staff to attend and give your input on this proposal.

Sincerely,

HDC OAK MEADOWS PARTNERS, LTD.,
f/k/a ASLAN HOUSING PARTNERS VIII, LTD.,
a Texas limited partnership

By: Oak Meadows Townhomes, L.L.C.,
a Texas limited liability company
its general partner

By: 
Deborah A. Griffin, Managing Member

HDC OAK MEADOWS PARTNERS, LTD.
5757 W. Lovers Lane, Ste 360
Dallas, Texas 75209

April 8, 2019

Mayor Wyman Williams
City of Commerce
1119 Alamo Street
Commerce, Texas 75428

Dear Mayor Williams:

HDC Oak Meadows Partners, Ltd. (the “**Owner**”) is the owner of Oak Meadows Townhomes, (the “**Community**”) which is located at 150 Maple Street, Commerce, Texas 75428. In order to help finance the construction and development of the Community, the Owner received federal funding through the Texas Department of Housing and Community Affairs (the “**Department**”).

A contractual restriction imposed by the Department mandates that if the Owner decides to sell the Community at a certain time, the Owner will offer the Community for sale to a non-profit organization or a tenant organization. Recent changes in Texas law allow for changes to the right of first refusal requirement, including a 180-day ROFR period and permitting the Owner to transfer the Community to certain kinds of entities in the right of first refusal process. The Owner is asking the Department to modify its contract so that these changes permitted by Texas law will apply.

In making its decision whether to approve Owner’s request, the Department considers the opinions and views of the members of the Community and its elected representatives. Accordingly, there will be a public meeting to discuss this matter. This meeting will take place at the Community’s management office/clubhouse on **Tuesday, April 23, 2019, at 1:00 p.m.** Information from this meeting will be submitted for consideration by the Texas Department of Housing and Community Affairs Governing Board at their next available meeting.

We invite you or one of your staff to attend and give your input on this proposal.

Sincerely,

HDC OAK MEADOWS PARTNERS, LTD.,
f/k/a **ASLAN HOUSING PARTNERS VIII, LTD.,**
a Texas limited partnership

By: Oak Meadows Townhomes, L.L.C.,
a Texas limited liability company
its general partner

By: 
Deborah A. Griffin, Managing Member

HDC OAK MEADOWS PARTNERS, LTD.
5757 W. Lovers Lane, Ste 360
Dallas, Texas 75209

April 8, 2019

The Honorable Bob Hall
Texas State Senate District 2
2816 Lee Street, Suite A
Greenville, Texas 75401

Dear Senator Hall:

HDC Oak Meadows Partners, Ltd. (the "**Owner**") is the owner of Oak Meadows Townhomes, (the "**Community**") which is located at 150 Maple Street, Commerce, Texas 75428. In order to help finance the construction and development of the Community, the Owner received federal funding through the Texas Department of Housing and Community Affairs (the "**Department**").

A contractual restriction imposed by the Department mandates that if the Owner decides to sell the Community at a certain time, the Owner will offer the Community for sale to a non-profit organization or a tenant organization. Recent changes in Texas law allow for changes to the right of first refusal requirement, including a 180-day ROFR period and permitting the Owner to transfer the Community to certain kinds of entities in the right of first refusal process. The Owner is asking the Department to modify its contract so that these changes permitted by Texas law will apply.

In making its decision whether to approve Owner's request, the Department considers the opinions and views of the members of the Community and its elected representatives. Accordingly, there will be a public meeting to discuss this matter. This meeting will take place at the Community's management office/clubhouse on **Tuesday, April 23, 2019, at 1:00 p.m.** Information from this meeting will be submitted for consideration by the Texas Department of Housing and Community Affairs Governing Board at their next available meeting.

We invite you or one of your staff to attend and give your input on this proposal.

Sincerely,

HDC OAK MEADOWS PARTNERS, LTD.,
f/k/a **ASLAN HOUSING PARTNERS VIII, LTD.,**
a Texas limited partnership

By: Oak Meadows Townhomes, L.L.C.,
a Texas limited liability company
its general partner

By: 
Deborah A. Griffin, Managing Member

HDC OAK MEADOWS PARTNERS, LTD.
5757 W. Lovers Lane, Ste 360
Dallas, Texas 75209

April 8, 2019

Representative Dan Flynn
Texas State House District 2
P.O. Box 999
Canton, Texas 75103

Dear Representative Flynn:

HDC Oak Meadows Partners, Ltd. (the "**Owner**") is the owner of Oak Meadows Townhomes, (the "**Community**") which is located at 150 Maple Street, Commerce, Texas 75428. In order to help finance the construction and development of the Community, the Owner received federal funding through the Texas Department of Housing and Community Affairs (the "**Department**").

A contractual restriction imposed by the Department mandates that if the Owner decides to sell the Community at a certain time, the Owner will offer the Community for sale to a non-profit organization or a tenant organization. Recent changes in Texas law allow for changes to the right of first refusal requirement, including a 180-day ROFR period and permitting the Owner to transfer the Community to certain kinds of entities in the right of first refusal process. The Owner is asking the Department to modify its contract so that these changes permitted by Texas law will apply.

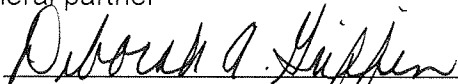
In making its decision whether to approve Owner's request, the Department considers the opinions and views of the members of the Community and its elected representatives. Accordingly, there will be a public meeting to discuss this matter. This meeting will take place at the Community's management office/clubhouse on **April __, 2019** at **__:00 p.m.** Information from this meeting will be submitted for consideration by the Texas Department of Housing and Community Affairs Governing Board at their next available meeting.

We invite you or one of your staff to attend and give your input on this proposal.

Sincerely,

HDC OAK MEADOWS PARTNERS, LTD.,
f/k/a **ASLAN HOUSING PARTNERS VIII, LTD.,**
a Texas limited partnership

By: Oak Meadows Townhomes, L.L.C.,
a Texas limited liability company
its general partner

By: 
Deborah A. Griffin, Managing Member

AGENDA FOR PUBLIC HEARING

- I. Welcome and Call to Order
- II. Introduction of Representatives of Property Owner and Property Manager
- III. Reason for Tenant Notice and Public Hearing (*ROFR requirement in LURA*)
- IV. Questions from Tenants
- V. Adjournment

MINUTES

Date: April 23, 2019; 1:00 pm

Public Hearing regarding Oak Meadows Townhomes' LURA Amendment / ROFR Requirement

The public hearing related to the request to amend the LURA Amendment - Right of First Refusal ("ROFR") period was held in the Onsite Community Club House. Deborah Griffin, the managing member of the general partner of the Owner and Patti Thomas, a regional asset manager for the limited partner of the Owner, were in attendance representing HDC Oak Meadows Partners, Ltd. (the "Owner"). Chris Evans, Executive Vice President of Quest Asset Management, Inc. and Dixie Burgess, a regional manager for Quest Asset Management, Inc., were in attendance representing the property manager. There were three residents in attendance. The meeting was recorded and a summary of the discussion is as follows:

The meeting was called to order by Deborah Griffin at 1:00 pm. Ms. Griffin introduced herself and the other Owner and property management company representatives. She then explained the purpose of the public meeting was to disclose and discuss the owners' intent to seek an amendment to the ROFR requirement in the LURA, as the intention is to sell the property prior to the loan maturity date of September 1. The current ROFR requirements were disclosed, as well as the specifics of the amendment being sought. The impact of the potential sale under the existing and amended ROFR requirements were explained, including the meaning of a CHDO, the ability to sell the property at fair market value and the fact that the tenants' leases would not be impacted in any way. Ms. Griffin asked if there were any questions. There were no questions from the attendees and the public hearing was adjourned at approximately 1:06 pm.

BOARD ACTION REQUEST
ASSET MANAGEMENT DIVISION
MAY 23, 2019

Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Land Use Restriction Agreement for Casa Pointe Villas fka Summer City Townhomes (HTC #98191)

RECOMMENDED ACTION

WHEREAS, Casa Pointe Villas (the Development) received a 9% Housing Tax Credit (HTC) award in 1998 for the new construction of 200 multifamily units in San Antonio, Bexar County;

WHEREAS, the HTC application for the Development received points and/or other preferences for agreeing to provide a Right of First Refusal (ROFR) to purchase the Development over a two-year ROFR period;

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

WHEREAS, Summerciti Townhomes, Ltd., the Development Owner, requests to amend the Land Use Restriction Agreement (LURA) for the Development to incorporate changes made to Tex. Gov't Code §2306.6725 and §2306.6726 in 2015; and

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

NOW, therefore, it is hereby

RESOLVED, that the material LURA amendment for Casa Pointe Villas is approved as presented to this meeting, and the Acting Director and his designees are hereby authorized, empowered, and directed to take all necessary action to effectuate the foregoing.

BACKGROUND

Casa Pointe Villas received a 9% HTC award in 1998 for the new construction of 200 multifamily units in San Antonio, Bexar County. In a letter dated April 1, 2019, the Development Owner, Summercinity Townhomes, Ltd. (Craig Reid), requested approval to amend the HTC LURA related to the ROFR provision.

In 1998, the Housing Tax Credit application allotted five points to the Owner in exchange for a two-year ROFR period. Upon completion of the Development, the Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits dated as of July 1, 2000, and recorded in Bexar County on December 19, 2000.

As approved in 1998, the additional use restrictions in the current HTC LURA would require, among other things, a two-year ROFR to sell the Development based on a set order of priority to a community housing development organization (as defined for purposes of the federal HOME Investment Partnership Program at 24 CFR Part 92), to a qualified nonprofit organization (as defined in Internal Revenue Code §42(h)(5)(C)), or to a tenant organization, if at any time after the 15th year of the Compliance Period the owner decides to sell the property. The property is currently in the 19th year of the 30-year Extended Use Period specified in the LURA. However, the Owner desires to exercise its rights under Tex. Gov't Code §2306.6726 to amend the LURA to allow for a 180-day ROFR period.

In 2015, the Texas Legislature passed HB 3576, which amended Tex. Gov't Code §2306.6725 to allow for a 180-day ROFR period and Tex. Gov't Code §2306.6726 to allow for a Qualified Entity to purchase a development under a ROFR provision of the LURA and satisfy the ROFR requirement. Additionally, Tex. Gov't Code §2306.6726, as amended by HB 3576, defines Qualified Entity to mean an entity described by, or an entity controlled by an entity described by, §42(i)(7)(A) of the Internal Revenue Code of 1986. The Department's 2019 Uniform Multifamily Rules, Subchapter E, include administrative procedures to allow a Development Owner to conform to the new ROFR provisions described in the amended statute.

The Development Owner has complied with the amendment and notification requirements under Tex. Gov't Code §2306.6712 and 10 TAC §10.405(b). The Development Owner held a public hearing on the matter on April 10, 2019, at the Development's onsite community clubhouse. No negative public comment was received regarding the requested amendment.

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

SUMMERCITY TOWNHOMES LTD.
9200 Andermatt Drive, Suite A
Lincoln, NE 68526

April 1, 2019

VIA HAND DELIVERY

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

Re: TDHCA File No. 98191; Casa Pointe Villas f/k/a Summercility Townhomes (the
"Property")

Dear Ms. Patience:

The undersigned, being the General Partner (herein so called) of Summercility Townhomes Ltd., a Texas limited partnership (the "**Partnership**") and the current owner of the Property. This letter constitutes request for a material LURA amendment in order to modify the two-year Right of First Refusal ("**ROFR**") period.

Request to Amend ROFR Period

In 2015, Texas Government Code Section 2306.6726 was amended to allow for a 180-day Right of First Refusal ("**ROFR**") period. Currently, the LURA for this Property requires a two-year ROFR period. Section 10.405(b)(2)(E) of the Rules allows for a LURA amendment in order to conform a ROFR to the provisions in Section 2306.6726. Therefore the General Partner, acting on behalf of the Partnership, requests a LURA amendment to eliminate the two-year ROFR period and replace it with the 180-day ROFR period.

LURA Amendment

In accordance with Section 10.405(b) of the Rules, the Partnership, is delivering a fee in the amount of \$2500. In addition, the Partnership commits to hold a public hearing, as required by the Rules, and to notify all residents, investors, lenders, and appropriate elected officials as to these proposed amendments. The Partnership will proceed to set a date and time for the public hearing and will provide TDHCA with evidence that the notice has been delivered and the hearing has been conducted. With that, the Partnership requests staff recommendation in support of this request to be considered at the next available TDHCA Board meeting.

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

Sincerely,

SUMMERCITY TOWNHOMES LTD.,
a Texas limited partnership

By: PRP Holdings, LLC
a Nebraska limited liability company,
its general partner

By:



Craig Reid, Manager

SUMMERCITY TOWNHOMES LTD.

9200 Andermatt Drive, Suite A
Lincoln, NE 68526

April 1, 2019

Dear Resident:

Casa Pointe Villas (the “**Community**”) is owned by Summerc City Townhomes Ltd. (the “**Owner**”). In order to help finance the construction and development of the Community, the Owner received federal funding through the Texas Department of Housing and Community Affairs (the “**Department**”) (Phone: 512-475-3800; Website: www.tdhca.state.tx.us).

A contractual restriction imposed by the Department mandates that if the Owner decides to sell the Community at a certain time, the Owner will offer the Community for sale to a non-profit organization or a tenant organization for a period of up to two years and permitting the Owner to transfer the Community to certain kinds of entities in the right of first refusal process. To be consistent with a change in Texas law, the Owner is requesting Department approval to change the two-year period to a 180-day period. TDHCA Uniform Multifamily Rules require that notice of this request be provided to all residents of the Property.

In making its decision whether to approve Owner’s request, the Department considers the opinions and views of the members of the Community. Accordingly, there will be a public meeting to discuss this matter and we invite you to attend. The public hearing is your opportunity to discuss the amendment request and voice your concerns. The public hearing will take place at the Community’s management office/clubhouse on **April 10, 2019, at 10:00 a.m.** Information from this meeting will be submitted for consideration by the Department’s governing board at its next available meeting.

Please note that this proposal will **not** affect your current lease agreement, your rent payment, or your security deposit. You will **not** be required to move out of your home or take any other action because of this change. If the Department approves the Owner’s request, the Community will not change at all from its current form.

If you are unable to attend the public hearing and would like to submit your concerns in writing to the Department, please send your comments via email to asset.management@tdhca.state.tx.us or you may mail them to:

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

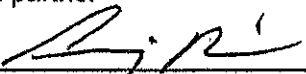
We appreciate that Casa Pointe Villas is your home and we invite you to attend and give your input on this proposal.

Thank you for choosing Casa Pointe Villas as your home.

Sincerely,

SUMMERCITY TOWNHOMES LTD.,
a Texas limited partnership

By: PRP Holdings, LLC
a Nebraska limited liability company,
its general partner

By: 

Craig Reid, Manager

SUMMERCITY TOWNHOMES LTD.

9200 Andermatt Drive, Suite A
Lincoln, NE 68526

April 1, 2019

Dougherty Mortgage LLC
Attn: Scot Lange, Asset Manager
90 South Seventh Street, Ste 4300
Minneapolis, MN 55402

RE: Summercility Townhomes, Ltd. (Dougherty Mortgage Loan #100380)
(Casa Pointe Villas Development in San Antonio, TX)

Dear Mr. Lange:

Summercility Townhomes Ltd. (the “**Owner**”) is the owner of Casa Pointe Villas f/k/a Summercility Townhomes (the “**Community**”) which is located at 4141 Interstate 10 Frontage Road, San Antonio, Texas 78219. In order to help finance the construction and development of the Community, the Owner received federal funding through the Texas Department of Housing and Community Affairs (the “**Department**”).

A contractual restriction imposed by the Department mandates that if the Owner decides to sell the Community at a certain time, a right of first refusal requires the Owner to offer the Community for sale to a non-profit organization or a tenant organization for a period of up to two years. Recent changes in Texas law allow for changes to the right of first refusal requirement, including reducing the two-year period to a 180-day period and permitting the Owner to transfer the Community to certain kinds of entities in the right of first refusal process. The Owner is asking TDHCA to modify its contract so that these changes permitted by Texas law will apply.

In making its decision whether to approve Owner’s request, the Department considers the opinions and views of the members of the Community and its elected representatives. Accordingly, there will be a public meeting to discuss this matter. This meeting will take place at the Community’s management office/clubhouse on **April 10, 2019 at 10:00 a.m.** Information from this meeting will be submitted for consideration by the Texas Department of Housing and Community Affairs Governing Board at their next available meeting.

We invite you or one of your staff to attend and give your input on this proposal.

Sincerely,

SUMMERCITY TOWNHOMES LTD.,
a Texas limited partnership

By: PRP Holdings, LLC
a Nebraska limited liability company,
its general partner

By: 

Craig Reid, Manager

SUMMERCITY TOWNHOMES LTD.
9200 Andermatt Drive, Suite A
Lincoln, NE 68526

April 1, 2019

Via Federal Express

Mr. Ron Nirenberg, Mayor
City of San Antonio
115 Plaza de Armas, 2nd Floor
San Antonio, Texas 78205

Dear Mayor Nirenberg:

Summercify Townhomes Ltd. (the "**Owner**") is the owner of Casa Pointe Villas f/k/a Summercify Townhomes, (the "**Community**") which is located at 4141 Interstate 10 Frontage Road, San Antonio, Texas 78219. In order to help finance the construction and development of the Community, the Owner received federal funding through the Texas Department of Housing and Community Affairs (the "**Department**").

A contractual restriction imposed by the Department mandates that if the Owner decides to sell the Community at a certain time, a right of first refusal requires the Owner to offer the Community for sale to a non-profit organization or a tenant organization for a period of up to two years. Recent changes in Texas law allow for changes to the right of first refusal requirement, including reducing the two-year period to a 180-day period and permitting the Owner to transfer the Community to certain kinds of entities in the right of first refusal process. The Owner is asking TDHCA to modify its contract so that these changes permitted by Texas law will apply.

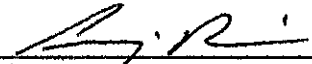
In making its decision whether to approve Owner's request, the Department considers the opinions and views of the members of the Community and its elected representatives. Accordingly, there will be a public meeting to discuss this matter. This meeting will take place at the Community's management office/clubhouse on **April 10, 2019 at 10:00 a.m.** Information from this meeting will be submitted for consideration by the Texas Department of Housing and Community Affairs Governing Board at their next available meeting.

We invite you or one of your staff to attend and give your input on this proposal.

Sincerely,

SUMMERCITY TOWNHOMES LTD.,
a Texas limited partnership

By: PRP Holdings, LLC
a Nebraska limited liability company,
its general partner

By: 

Craig Reid, Manager

SUMMERCITY TOWNHOMES LTD.
9200 Andermatt Drive, Suite A
Lincoln, NE 68526

April 1, 2019

Senator Peter P. Flores
Texas State Senate District 19
Texas A&M San Antonio
Patriots Casa Room 205
San Antonio, Texas 78224

Dear Senator Flores:

Summerciti Townhomes Ltd. (the "**Owner**") is the owner of Casa Pointe Villas, (the "**Community**") which is located at 4141 Interstate 10 Frontage Road, San Antonio, Texas 78219. In order to help finance the construction and development of the Community, the Owner received federal funding through the Texas Department of Housing and Community Affairs (the "**Department**").

A contractual restriction imposed by the Department mandates that if the Owner decides to sell the Community at a certain time, a right of first refusal requires the Owner to offer the Community for sale to a non-profit organization or a tenant organization for a period of up to two years. Recent changes in Texas law allow for changes to the right of first refusal requirement, including reducing the two-year period to a 180-day period and permitting the Owner to transfer the Community to certain kinds of entities in the right of first refusal process. The Owner is asking TDHCA to modify its contract so that these changes permitted by Texas law will apply.

In making its decision whether to approve Owner's request, the Department considers the opinions and views of the members of the Community and its elected representatives. Accordingly, there will be a public meeting to discuss this matter. This meeting will take place at the Community's management office/clubhouse on **April 10, 2019 at 10:00 a.m.** Information from this meeting will be submitted for consideration by the Texas Department of Housing and Community Affairs Governing Board at their next available meeting.

We invite you or one of your staff to attend and give your input on this proposal.

Sincerely,

SUMMERCITY TOWNHOMES LTD.,
a Texas limited partnership

By: PRP Holdings, LLC
a Nebraska limited liability company,
its general partner

By: 

Craig Reja, Manager

SUMMERCITY TOWNHOMES LTD.
9200 Andermatt Drive, Suite A
Lincoln, NE 68526

February 12, 2019

Representative Roland Gutierrez
Texas State House District 119
3319 Sidney Brooks, Building 510, Suite 2
San Antonio, Texas 78235

Dear Representative Gutierrez:

Summercitiy Townhomes Ltd. (the "**Owner**") is the owner of Casa Pointe Villas, (the "**Community**") which is located at 4141 Interstate 10 Frontage Road, San Antonio, Texas 78219. In order to help finance the construction and development of the Community, the Owner received federal funding through the Texas Department of Housing and Community Affairs (the "**Department**").

A contractual restriction imposed by the Department mandates that if the Owner decides to sell the Community at a certain time, a right of first refusal requires the Owner to offer the Community for sale to a non-profit organization or a tenant organization for a period of up to two years. Recent changes in Texas law allow for changes to the right of first refusal requirement, including reducing the two-year period to a 180-day period and permitting the Owner to transfer the Community to certain kinds of entities in the right of first refusal process. The Owner is asking TDHCA to modify its contract so that these changes permitted by Texas law will apply.

In making its decision whether to approve Owner's request, the Department considers the opinions and views of the members of the Community and its elected representatives. Accordingly, there will be a public meeting to discuss this matter. This meeting will take place at the Community's management office/clubhouse on **April 10, 2019 at 10:00 a.m.** Information from this meeting will be submitted for consideration by the Texas Department of Housing and Community Affairs Governing Board at their next available meeting.

We invite you or one of your staff to attend and give your input on this proposal.

Sincerely,

SUMMERCITY TOWNHOMES LTD.,
a Texas limited partnership

By: PRP Holdings, LLC
a Nebraska limited liability company,
its general partner

By: 

Craig Reid, Manager

4825-0443-4577, v. 1

LURA Amendment Hearing Minutes

Casa Pointe Villas, San Antonio, Texas

April 10, 2019

10:00am

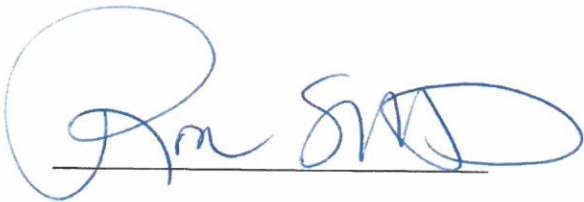
Attendees

Jon Mark Shirley, Harmony Housing

Rose Settles, Onsite Manager

7 Residents (list attached)

Jon Mark Shirley, of Harmony Housing, conducted the meeting, beginning at 10:00 am. Mr. Shirley introduced himself and discussed Harmony Housing's intent to purchase the property. Mr. Shirley gave a brief summary of Harmony Housing's past acquisitions in the Waco, Austin, Lubbock, and San Antonio markets. Mr. Shirley explained to the residents that the property operates under a Land Use Restriction Agreement and within that Agreement is a Right of First Refusal restriction. Mr. Shirley explained to the residents the purpose of the Right of First Refusal restriction and why it was being modified. Mr. Shirley asked the residents if they had any questions or concerns about the implications of the modification or the sale of the asset. One of the residents asked Mr. Shirley if the property would remain "affordable" after the transfer of ownership. Mr. Shirley explained that the residents could expect the property to remain affordable. Mr. Shirley mentioned that Harmony Housing is planning to set aside approximately \$1,000,000 for property rehabilitation and improvements, where needed. One resident asked if the current onsite staff would remain at the property after the sale. Mr. Shirley indicated that Greystone Property Management, the new management agent, plans to interview the current onsite staff in an effort to retain them at the property. Multiple attendees indicated they would prefer the current staff be retained. No further questions were asked, and the meeting concluded at approximately 10:40 am.



Rose Settles

*List of attendees noted on the following page

Name	Apartment
Darrell Boyce	1804
Michael Carl	904
Joseph Lewis	2005
Irene Reyes	1106
Lori Engelle	1601
Michael + Teresa Stoops	2704
KADWAY HILES	1602

BOARD ACTION REQUEST
ASSET MANAGEMENT DIVISION
MAY 23, 2019

Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Land Use Restriction Agreement for Ridgecrest Inn Apartments (HTC #99147)

RECOMMENDED ACTION

WHEREAS, Ridgecrest Inn Apartments (the Development) received a 9% Housing Tax Credit (HTC) award in 1999 for the acquisition and rehabilitation of 50 multifamily units in Livingston, Polk County;

WHEREAS, the HTC application for the Development received points and/or other preferences for agreeing to provide a Right of First Refusal (ROFR) to purchase the Development over a two-year ROFR period;

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

WHEREAS, Ridgecrest Inn Apartments, Ltd., the Development Owner, requests to amend the Land Use Restriction Agreement (LURA) for the Development to incorporate changes made to Tex. Gov't Code §2306.6725 and §2306.6726 in 2015; and

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

NOW, therefore, it is hereby

RESOLVED, that the material LURA amendment for Ridgecrest Inn Apartments is approved as presented to this meeting, and the Acting Director and his designees are hereby authorized, empowered, and directed to take all necessary action to effectuate the foregoing.

BACKGROUND

Ridgecrest Inn Apartments received a 9% HTC award in 1999 for the acquisition and rehabilitation of 50 multifamily units in Livingston, Polk County. In a letter dated March 14, 2019, the Development Owner, Ridgecrest Inn Apartments, Ltd. (Emanuel H. Glockzin, Jr.), requested approval to amend the HTC LURA related to the ROFR provision.

In 1999, the Housing Tax Credit application allotted five points to the Owner in exchange for a two-year ROFR period. Upon completion of the Development, the Owner entered into a Declaration of Land Use Restrictive Covenants/Land Use Restriction Agreement for Low-Income Housing Tax Credits dated as of August 29, 2000, and recorded in Polk County on November 16, 2000.

As approved in 1999, the additional use restrictions in the current HTC LURA would require, among other things, a two-year ROFR to sell the Development based on a set order of priority to a community housing development organization (as defined for purposes of the federal HOME Investment Partnership Program at 24 CFR Part 92), to a qualified nonprofit organization (as defined in Internal Revenue Code §42(h)(5)(C)), or to a tenant organization, if at any time after the 15th year of the Compliance Period the owner decides to sell the property. The property is currently in the 19th year of the 30-year Extended Use Period specified in the LURA. However, the Owner desires to exercise its rights under Tex. Gov't Code §2306.6726 to amend the LURA to allow for a 180-day ROFR period.

In 2015, the Texas Legislature passed HB 3576, which amended Tex. Gov't Code §2306.6725 to allow for a 180-day ROFR period and Tex. Gov't Code §2306.6726 to allow for a Qualified Entity to purchase a development under a ROFR provision of the LURA and satisfy the ROFR requirement. Additionally, Tex. Gov't Code §2306.6726, as amended by HB 3576, defines Qualified Entity to mean an entity described by, or an entity controlled by an entity described by, §42(i)(7)(A) of the Internal Revenue Code of 1986. The Department's 2019 Uniform Multifamily Rules, Subchapter E, include administrative procedures to allow a Development Owner to conform to the new ROFR provisions described in the amended statute.

The Development Owner has complied with the amendment and notification requirements under Tex. Gov't Code §2306.6712 and 10 TAC §10.405(b). The Development Owner held a public hearing on the matter on April 5, 2019, at the Development's onsite community clubhouse. No negative public comment was received regarding the requested amendment.

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

Ridgecrest Inn Apartments, Ltd.
4500 Carter Creek Parkway, Ste 101
Bryan, TX 77802
979-846-8878

March 14, 2019

VIA HAND DELIVERY

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

Re: TDHCA File No 99147; Ridgecrest Inn Apartments, Ltd

Dear Kent:

The undersigned, being the General Partner (herein so called) of Ridgecrest Inn Apartments, a Texas limited partnership (the "**Partnership**") and the current owner of the Property. This letter constitutes request for a material LURA amendment in order to modify the two-year Right of Refusal ("**ROFR**") period.

Request to Amend ROFR Period

In 2015, Texas Government Code Section 2306.6725 was amended to allow for a 180-day Right of First Refusal ("**ROFR**") period. Currently, the LURA for this Property requires a two-year ROFR period. Section 10.405(b)(2)(E) of the Rules allows for a LURA amendment in order to conform a ROFR to the provisions in Section 2306.6725. Therefore the General Partner, acting on behalf of the Partnership, requests a LURA amendment to eliminate the two-year ROFR period and replace it with the 180-day ROFR period.

LURA Amendment

In accordance with Section 10.405(b)(2)(E) of the Rules, the Partnership, is delivering a fee in the amount of \$2500. In addition, the Partnership commits to hold a public hearing, as required by the Rules, and to notify all residents, investors, lenders, and appropriate elected officials as to these proposed amendments. The Partnership will proceed to set a date and time for the public hearing and will provide TDHCA with evidence that the notice has been delivered and the hearing has been conducted. With that, the Partnership requests staff recommendation in support of the request to be considered at the next available TDHCA Board meeting.

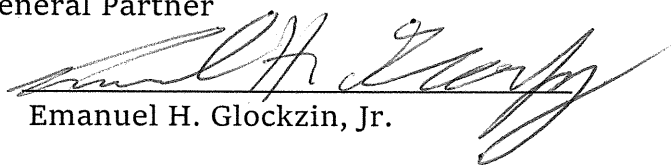
Thank you very much for your assistance. Please do not hesitate to contact us if you require any additional information.

Sincerely,

Ridgecrest Inn Apartments, Ltd.,
a Texas limited partnership

By: Emanuel H. Glockzin, Jr., President
EHG 98, Inc.
its General Partner

By:



Emanuel H. Glockzin, Jr.

Ridgecrest Inn Apartments, Ltd.
4500 Carter Creek Parkway, Ste. 101
Bryan, TX 77802
979-846-8878

March 14, 2019

Bonita Davidson
Area Specialist/Lufkin Local Office
USDA Rural Development
1520 E Denman, Ste. 104
Lufkin, TX 76501

Dear Ms. Davidson:

Ridgecrest Inn Apartments, Ltd., (the “**Owner**”) is the owner of Ridgecrest Inn Apartments, (the “**Community**”) which is located at 901 Forest Hollow, Livingston, Texas 77351. In order to help finance the construction and development of the Community, the Owner received federal funding through the Texas Department of Housing and Community Affairs (the “**Department**”).

A contractual restriction imposed by the Department mandates that if the Owner decides to sell the Community at a certain time, a right of first refusal requires the Owner to offer the Community for sale to a non-profit organization or a tenant organization for the period of up to two years. Recent changes in Texas law for changes to the right of first refusal requirement, including reducing the two-year period to a 180-day period and permitting the Owner to transfer the Community to certain kinds of entities in the right of first refusal process. The Owner is asking TDHCA to modify its contract so that these changes permitted by Texas law will apply.

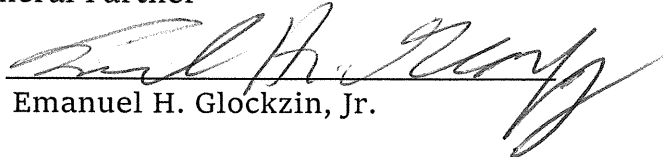
In making its decision whether to approve Owner’s request, the Department considers the opinions and views of the members of the Community and its elected representatives. Accordingly, there will be a public meeting to discuss this matter. This meeting will take place at the Community’s management office/clubhouse on **April 5, 2019 at 1:00PM**. Information from this meeting will be submitted for consideration by the Texas Department of Housing and Community Affairs Governing Board at their next available meeting.

We invite you or one of your staff to attend and give your input on this proposal.

Sincerely,

Ridgecrest Inn Apartments, Ltd.,
a Texas limited partnership

By: Emanuel H. Glockzin, Jr., President
EHG 98, Inc.
its General Partner

By: 
Emanuel H. Glockzin, Jr.

Ridgecrest Inn Apartments, Ltd.
4500 Carter Creek Parkway, Ste. 101
Bryan, TX 77802
979-846-8878

March 14, 2019

Dear Resident:

Ridgecrest Inn Apartments (the “**Community**”) is owned by Ridgecrest Inn Apartments, Ltd., (the “**Owner**”). In order to help finance the construction and development of the Community, the Owner received federal funding through the Texas Department of Housing and Community Affairs (the “**Department**”) (Phone: 512-475-3800; Website: www.tdhca.state.tx.us).

A contractual restriction imposed by the Department mandates that if the Owner decides to sell the Community at a certain time, the Owner will offer the Community for sale to a non-profit organization or a tenant organization for a period of up to two years and permitting the Owner to transfer the Community to certain kinds of entities in the right of first refusal process. To be consistent with a change in Texas law, the Owner is requesting Department approval to change the two-year period to a 180-day period. TDHCA Uniform Multifamily Rules require that notice of this request be provided to all residents of the Property.

In making its decision whether to approve Owner’s request, the Department considers the opinions and views of the members of the Community. Accordingly, there will be a public meeting to discuss this matter and we invite you to attend. The public hearing is your opportunity to discuss the amendment request and voice your concerns. The public hearing will take place at the Community’s management office/clubhouse on **April 5, 2019, at 1:00PM**. Information from this meeting will be submitted for consideration by the Department’s governing board at its next available meeting.

Please note that this proposal will **not** affect your current lease agreement, your rent payment, or your security deposit. You will **not** be required to move out of your home or take any other action because of this change. If the Department approves the Owner’s request, the Community will not change at all from its current form.

If you are unable to attend the public hearing and would like to submit your concerns in writing to the Department, please send your comments via email to asset.management@tdhca.state.tx.us or you may mail them to:

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

We appreciate that Ridgecrest Inn Apartments is your home and we invite you to attend and give your input on this proposal.

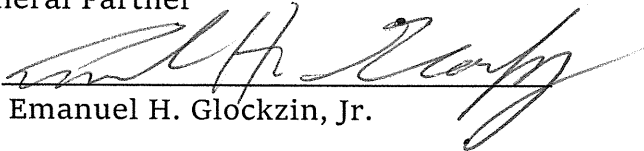
Thank you for choosing Ridgecrest Inn Apartments as your home.

Sincerely,

Ridgecrest Inn Apartments, Ltd.,
a Texas limited partnership

By: Emanuel H. Glockzin, Jr., President
EHG 98, Inc.
its General Partner

By:


Emanuel H. Glockzin, Jr.

Ridgecrest Inn Apartments - Livingston, TX

Meeting 4/5/19 at 1:00 pm in the Community Building on property

Topic to be discussed LURA Amendment to eliminate the 2 year ROFR period and replace it with the 180 day ROFR period.

1. Shirley Seck 127
2. Jandy James Creech 125
3. Michael [unclear] 151
4. Karen [unclear] 103
5. Jeanne Cain 115

Tenants

Comments:

- 1) Tenants were concerned about rent going up.
- 2) Will rents stay the same? Yes
- 3) Will leases be terminated? No they will be good.
- 4) Will Management stay the same? Yes

By: Paul Murphy
General Partner

Ridgecrest Inn Ltd.
901 Forest Hollow
Livingston, Texas 77351

Phone: 979-846-8878

April 5, 2019

Re: Ridgecrest Inn Ltd.
Lura Amendment

Minutes of the meeting:

On April 5, 2019 at approximately 1:00 P.M. in the Community Building located at the Ridgecrest Inn Ltd. apartments at 901 Forest Hollow in Livingston, Texas, a meeting was held to discuss the "LURA" Amendment to eliminate the 2 year ROFR period to a 180 day period. The meeting was held by the Property Manager, Angie Lester.

Ms. Lester explained the letter to the residents that there would be no changes in regards to their residency at the property when this happened..

Resident's questions were heard and then:

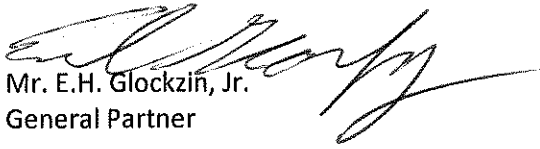
Ms. Lester explained to the concerned residents that the rents would not increase, they would remain the same. Leases would not be terminated and Property Manager would remain the same. These were the only questions of concern voiced by the residents.

There were five (5) residents present: Shirley Seek # 127; Sandy Chreene # 125; Trisha Haynes # 103 and Jeanie Cain # 115; as per the sign sheet.

Also attending the meeting was Bonita Davidson, the USDA representative.

The meeting ending about 1:30 p.m.

Respectfully submitted by:


Mr. E.H. Glockzin, Jr.
General Partner

1n

BOARD ACTION REQUEST
ASSET MANAGEMENT DIVISION
MAY 23, 2019

Presentation, discussion, and possible action regarding waiver for Casa Verde Apartments (HTC #15251)

RECOMMENDED ACTION

WHEREAS, Casa Verde Apartments (the Development) received a 9% Housing Tax Credit (HTC) award in 2015 to construct 152 multifamily units in Laredo, Webb County;

WHEREAS, the HTC application for the Development received one point for agreeing to include a certified Historically Underutilized Business (HUB) in the ownership structure of the General Partner and materially participating in the development and operation of the Development throughout the Compliance Period, and this requirement is included in the Land Use Restriction Agreement (LURA) for the Development;

WHEREAS, under 10 TAC §10.405(b)(1)(A), removal of a HUB participation requirement will only be processed as a non-material LURA amendment after issuance of 8609s;

WHEREAS, 8609s have not yet been issued for the Development, but BAH Casa Verde Apartments, Ltd. (the Development Owner or Owner) has requested to remove the HUB participation requirement from the LURA and also requested a waiver, pursuant to 10 TAC §11.207, of the language “after the issuance of 8609s” in 10 TAC §10.405(b)(1)(A) due to the death of Mr. Apolonio “Nono” Flores, the sole member of Flores Residential, LC, the HUB;

WHEREAS, with the exception of processing this amendment after the issuance of 8609s, the Owner has complied with the procedural amendment requirements in 10 TAC §10.405(b) and waiver requirements in 10 TAC §11.207; and

WHEREAS, the Department has received correspondence from a representative of Flores Residential, LC that the entity has requested the removal of the HUB participation requirement;

NOW, therefore, it is hereby

RESOLVED, that the waiver to allow the Acting Director to approve or disapprove at his discretion the removal of HUB requirement for Casa Verde Apartments as a non-material amendment under 10 TAC §10.405(b)(1)(A) is approved as presented to this meeting, and

the Acting Director and his designees are hereby authorized, empowered, and directed to take all necessary action to effectuate the foregoing.

BACKGROUND

Casa Verde Apartments received a 9% LIHTC award in 2015 for the new construction of 152 multifamily units in Laredo, Webb County. In a letter dated April 8, 2019, Alma D. Mata on behalf of the Development Owner, BAH Casa Verde Apartments, Ltd., requested to amend the HTC LURA to remove the HUB requirement and also requested a waiver for this change to be done prior to the issuance of 8609s.

The Application for the Development received one point because the Development was structured to include a Historically Underutilized Business in the ownership structure of the general partner of the Development Owner and also included the participation of the HUB in the development and operation of the property throughout the compliance period. This was codified in their LURA, which was recorded on December 4, 2017. As the HUB, Flores Residential, LC (Flores Residential), a Limited Liability Company, with Apolonio “Nono” Flores as its sole member, served as the 48% member of the General Partner, BAH Casa Verde Apartments GP, LLC.

Mr. Flores regrettably and unexpectedly passed away on January 26, 2019, and as the sole member of Flores Residential, will not be able to fulfill the HUB requirement. As a result, Flores Residential, LC will be unable to renew its HUB status given Mr. Flores’ sole ownership. The Owner indicated that, prior to his passing, Mr. Flores had substantially and materially participated in the development process, as he was heavily involved in all aspects of negotiations with the investors and lenders, assisted with local support and approvals, and reviewed all operating activity including budgets and lease-up reports. According to the Development Owner, Flores Residential will not be exiting the ownership structure of the Development, and Mr. Flores’ estate will continue to receive the benefits of Flores Residential’s interest in the General Partner.

Pursuant to 10 TAC §10.405(b)(1)(A), removal of a HUB participation requirement will only be processed as a non-material LURA amendment after issuance of 8609s. However, the Owner has not received 8609s, as the Cost Certification documentation for the Development has not yet been submitted to the Department. Therefore, pursuant to 10 TAC §11.207, the Owner has requested a waiver to the requirement for the removal of a HUB to be evaluated as a non-material amendment by the Acting Director, “after the issuance of 8609s”, as the facts creating the need for this waiver were not reasonably foreseeable or preventable by the Owner. In addition, the Owner explained that the Development already provides housing for individuals and families with moderate, low, very low and extremely low incomes, which is one of the core purposes of the Department stated in Tex. Gov’t Code §2306.001(3). The Owner further pointed out that one of the statutory purposes of the tax credit program is the “preservation of appropriate types of rental housing”, and according to the Owner, by not granting the waiver, the Development will fall into non-compliance and prevent the issuance of 8609s. Both of these outcomes have the potential of jeopardizing the tax credits used in the construction of the Development (through default and recapture) and harming the HUB.

Staff recommends approval of the requested waiver for the Acting Director to evaluate the HUB requirement as a non-material amendment prior to the issuance of 8609s as presented herein.

BAH Casa Verde Apartments, Ltd.
2000 San Francisco Ave
Laredo, TX 78040

April 8, 2019

Mr. Kent Bedell
Asset Manager
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701

Re: #15251 Casa Verde Apartments
Non-Material LURA Amendment and Waiver Request

Dear Kent:

BAH Casa Verde Apartments, Ltd (the "Partnership") hereby requests a Non-Material Amendment to the Land Use Restriction Agreement ("LURA"), pursuant to 10 TAC §10.405(b)(1)(A), in order to retire the HUB participation requirement for Casa Verde Apartments, in Laredo, Texas.

Pursuant to §11.9(b)(2) of the 2015 Qualified Allocation Plan ("QAP"), Casa Verde Apartments was structured to include participation of a Historically Underutilized Business ("HUB"). The General Partner consists of two member organizations: Laredo Housing Opportunities Corporation ("LHOC"), with a 52% interest, and Flores Residential LC ("Flores Residential"), which is a Texas Certified HUB, with a 48% interest. This requirement has been codified in the LURA for Casa Verde Apartments.

As you are now aware, Mr. Flores, the sole member of Flores Residential died on January 26, 2019. Enclosed you will find a copy of Mr. Flores' obituary.

10 TAC §10.405(b)(1)(A), related to Non-Material LURA Amendments, allows for the "removal of a HUB participation requirement" after the issuance of IRS Forms 8609 ("8609s"), provided that the removal request is of the HUB's "own volition" (or as the result of default, which is not applicable in this case), and that the HUB's participation has been "substantive and meaningful."

Prior to his death, Mr. Flores provided substantive and material participation in the development, financing and lease-up of the property. Further, Mr. Flores was also regularly involved in all aspects of negotiations with the Partnership's investor and lenders, assisting with local support and approvals, as well as reviewing all operating activity including budgets and lease-up reports.

It should be noted that clause (iii) of §10.405(b)(1)(A) is not applicable as Flores Residential is not exiting the General Partner; it will simply be unable to renew its HUB status given Mr. Flores' sole ownership. Mr. Flores' heirs will continue to receive the benefits of Flores Residential's interest in the General Partner.

The issue the Partnership faces in this matter is that the 8609s have not yet been issued. As you know, the TDHCA Board conditioned the submission of the cost certification upon the completion of demolition at Russel Terrace. But

for this condition, the cost certification would have been submitted January 15, 2018, and 8609s would have already been issued.

The Russel Terrace demolition is ongoing and is expected to be complete in the coming months, at which time the cost certification will be submitted. However, even with the submission of the cost certification, it is our understanding that 8609s will not be issued until the HUB matter is resolved. This creates a paradoxical dilemma: the 8609s cannot be issued until the LURA is amended, but the LURA cannot be amended until the 8609s are issued.

Therefore, we respectfully request a procedural waiver of the phrase "after the issuance of 8609s" in 10 TAC §10.405(b)(1)(A). Pursuant to 10 TAC §11.207, related to Waiver of Rules, the precipitating facts creating the need for this waiver were neither "foreseeable" nor "preventable by the Applicant." Granting a procedural waiver of this specific phrase will allow the Partnership to proceed through a Non-Material LURA Amendment process already allowed under the rules. It is worth noting that Casa Verde Apartments' last TDHCA compliance monitoring visit was in 2016, meaning it should be due for another audit this year. This has the potential to further complicate the issue at hand. Given that the HUB can no longer materially participate, it is possible that a finding of noncompliance will be issued, which again can only be resolved by amending the LURA.

Based on these facts and the extenuating circumstances brought on by the untimely death of Mr. Flores, the Partnership respectfully requests that the Department grant a waiver of the phrase "after issuance of 8609s," which will clear the way for the administration to approve a needed LURA amendment. A \$2,500 check for the Amendment Fee, pursuant to 10 TAC §11.901(11) has been sent to your office via FedEx.

In addition to the removal of the HUB, the Non-Material Amendment to the LURA should include the addition of units 112, 214 and 312 to Addendum C as units accessible for tenants with hearing or visual impairments. These units were converted in response to the TDHCA Final Construction Inspection. Furthermore, the Partnership consents to the TDHCA proposed amendment to Addendum E, related to Right of First Refusal.

Should you have any additional questions, please contact our consultant on this matter Kathryn Saar at (512) 828-6413 or by email at kathryn@holleman-associates.com.

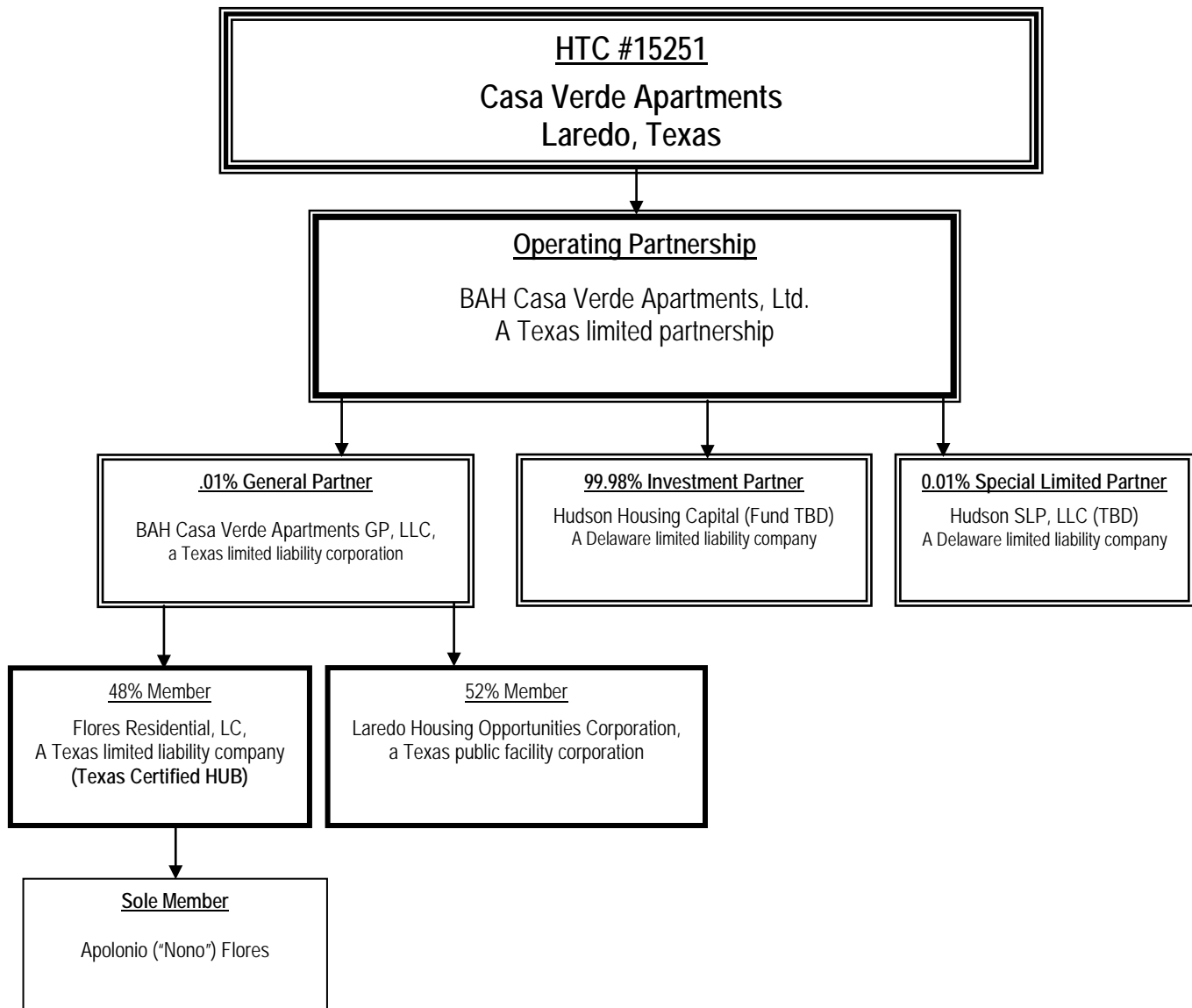
Sincerely,

BAH Casa Verde Apartments, Ltd., a Texas limited partnership

By: BAH Casa Verde Apartments GP, LLC, a Texas limited liability company, its General Partner

By: 
Alma D. Mata, Manager

PROJECT OWNER ORGANIZATION CHART



NOTE: General Partner's net cash flow from operations will be allocated 17% to Flores Residential, LC (the "HUB") and 83% to Laredo Housing Opportunities Corporation.

Flores Residential, LC
222 Persimmon Pond
San Antonio, TX 78231

May 6, 2019

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

Re: #13081 River Bank Village
#15251 Casa Verde Apartments
#16197 Taylor Senior Village

Dear Mr. Banelos:

This letter is to confirm that Flores Residential, LC ("Flores Residential") is aware of the LURA Amendments requested for the above referenced Applications. Flores Residential has been in discussion with its development partners and has requested the removal of the HUB participation requirement of its own volition, pursuant to §10.405(b)(1)(A).

Should you have any additional questions, please contact Kathryn Saar at (512) 828-6413 or by email at kathryn@holleman-associates.com.

Sincerely,



Mary Flores
Surviving heir of Flores Residential

Brownstone Affordable Housing, Ltd.
6517 Mapleridge
Houston, TX 77081

May 10, 2019

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

Re: #13081 River Bank Village
#15251 Casa Verde Apartments
#16197 Taylor Senior Village

Dear Mr. Banuelos:

On behalf of the Developer of the three Partnerships above, this letter is to address your question regarding §11.207(2) of the Waiver Rule, specifically how granting the requested waiver better serves the Department's policies and purposes, as opposed to not granting the waiver.

These Developments already provide housing for individuals and families with moderate, low, very low and extremely low incomes, which is one of the core purposes of the Department (Sec. 2306.001(3)). Furthermore, one of the stated legislative policies is "the development or expansion of commerce" in the state, which the Department contributes to by incentivizing the participation of Historically Underutilized Businesses in Competitive Tax Credit transactions. Again, these Developments have already contributed to this legislative policy through the participation of Flores Residential, LC. Thus, granting the waiver will further promote these policies.


One of the statutory purposes of the tax credit program is the "preservation of appropriate types of rental housing." By not granting the waiver, these Developments will fall into non-compliance and prevent the issuance of 8609s. Both of these adverse conditions have the potential of jeopardizing the tax credits used in their construction (through default and recapture), as well as harming the Historically Underutilized Business the Department set out to incentivize in the first place.

We believe these are sufficient reasons to establish the requirement under §11.207(2). Should you have any additional questions, please contact Kathryn Saar at (512) 828-6413 or by email at kathryn@holleman-associates.com.

Sincerely,

Brownstone Affordable Housing, Ltd.

By: Three B Ventures, Inc., its General Partner

By: 
Doak D. Brown, Vice President

BOARD ACTION REQUEST
ASSET MANAGEMENT DIVISION
MAY 23, 2019

Presentation, discussion, and possible action regarding waiver for Taylor Senior Village (HTC #16197)

RECOMMENDED ACTION

WHEREAS, Taylor Senior Village (the Development) received a 9% Housing Tax Credit (HTC) award in 2016 to construct 112 multifamily units in Mission, Hidalgo County;

WHEREAS, the HTC application for the Development received one point for agreeing to include a certified Historically Underutilized Business (HUB) in the ownership structure of the General Partner and materially participating in the development and operation of the Development throughout the Compliance Period, and this requirement is included in the Land Use Restriction Agreement (LURA) for the Development;

WHEREAS, under 10 TAC §10.405(b)(1)(A), removal of a HUB participation requirement will only be processed as a non-material LURA amendment after issuance of 8609s;

WHEREAS, 8609s have not yet been issued for the Development, but BAH Taylor Senior Village, Ltd. (the Development Owner or Owner) has requested to remove the HUB requirement from the LURA and also requested a waiver, pursuant to 10 TAC §11.207, of the language “after the issuance of 8609s” in 10 TAC §10.405(b)(1)(A) due to the death of Mr. Apolonio “Nono” Flores, the sole member of Flores Residential, LC, the HUB;

WHEREAS, with the exception of processing this amendment after the issuance of 8609s, the Owner has complied with the procedural amendment requirements in 10 TAC §10.405(b) and waiver requirements in 10 TAC §11.207; and

WHEREAS, the Department has received correspondence from a representative of Flores Residential, LC that the entity has requested the removal of the HUB participation requirement;

NOW, therefore, it is hereby

RESOLVED, that the waiver to allow the Acting Director to approve or disapprove at his discretion the removal of the HUB requirement for Taylor Senior Village as a non-material amendment under 10 TAC §10.405(b)(1)(A) is approved as presented to this meeting, and the Acting Director and his designees are hereby authorized, empowered, and directed to take all necessary action to effectuate the foregoing.

BACKGROUND

Taylor Senior Village received a 9% LIHTC award in 2016 for the new construction of 112 multifamily units in Mission, Hidalgo County. In a letter dated April 8, 2019, Doak D. Brown on behalf of the Development Owner, BAH Taylor Senior Village, Ltd., requested to amend the HTC LURA to remove the HUB requirement and also requested a waiver for this change to be done prior to the issuance of 8609s.

The Application for Taylor Senior Village received one point because the Development was structured to include a Historically Underutilized Business in the ownership structure of the general partner of the Development Owner and also included the participation of the HUB in the development and operation of the property throughout the compliance period. This was codified in their LURA, which was recorded on December 3, 2018. As the HUB, Flores Residential, LC (Flores Residential), a Limited Liability Company, with Apolonio "Nono" Flores as its sole member, served as the 49% member of the General Partner, BAH Taylor Senior Village GP, LLC.

Mr. Flores regrettably and unexpectedly passed away on January 26, 2019, and as the sole member of Flores Residential, will not be able to fulfill the HUB requirement. As a result, Flores Residential, LC will be unable to renew its HUB status given Mr. Flores' sole ownership. The Owner indicated that, prior to his passing, Mr. Flores had substantially and materially participated in the development process, as he was heavily involved in all aspects of negotiations with the investors and lenders, assisted with local support and approvals, and reviewed all operating activity including budgets and lease-up reports. According to the Development Owner, Flores Residential will not be exiting the ownership structure of the Development, and Mr. Flores' estate will continue to receive the benefits of Flores Residential's interest in the General Partner.

Pursuant to 10 TAC §10.405(b)(1)(A), removal of a HUB participation requirement will only be processed as a non-material LURA amendment after issuance of 8609s. However, the Owner has not received 8609s, as the Cost Certification is currently under review by staff. Therefore, pursuant to 10 TAC §11.207, the Owner has requested a waiver to the requirement for the removal of a HUB to be evaluated as a non-material amendment by the Acting Director, "after the issuance of 8609s", as the facts creating the need for this waiver were not reasonably foreseeable or preventable by the Partnership. In addition, the Owner explained that the Development already provides housing for individuals and families with moderate, low, very low and extremely low incomes, which is one of the core purposes of the Department stated in Tex. Gov't Code §2306.001(3). The Owner further pointed out that one of the statutory purposes of the tax credit program is the "preservation of appropriate types of rental housing", and according to the Owner, by not granting the waiver, the Development will fall into non-compliance and prevent the issuance of 8609s. Both of these outcomes have the potential of jeopardizing the tax credits used in the construction of the Development (through default and recapture) and harming the HUB.

Mr. Flores was used as one of the persons to meet the Experience requirement at Application. However, Doak Brown was also used to meet the Experience requirement; therefore, this requirement is still being

met by the Owner. Flores Residential also served as a co-Developer and Guarantor on this application. The Owner has indicated an expectation that the guarantees will remain viable.

Staff recommends approval of the requested waiver for the Acting Director to evaluate the HUB requirement as a non-material amendment prior to the issuance of 8609s as presented herein.

BAH Taylor Senior Village, Ltd.
6517 Mapleridge
Houston, TX 77081

April 8, 2019

Mr. Kent Bedell
Asset Manager
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701

Re: #16197 Taylor Senior Village
Non-Material LURA Amendment and Waiver Request

Dear Kent:

BAH Taylor Senior Village, Ltd (the "Partnership") hereby requests a Non-Material Amendment to the Land Use Restriction Agreement ("LURA"), pursuant to 10 TAC §10.405(b)(1)(A), in order to retire the HUB participation requirement for Taylor Senior Village, in Mission, Texas.

Pursuant to §11.9(b)(2) of the 2016 Qualified Allocation Plan ("QAP"), Taylor Senior Village was structured to include participation of a Historically Underutilized Business ("HUB"). The General Partner consists of two member organizations: Brownstone Affordable Housing, Ltd. ("BAH"), with a 51% interest, and Flores Residential, LC ("Flores Residential") which is a Texas Certified HUB, with a 49% interest. This requirement has been codified in the LURA for Taylor Senior Village.

As you are now aware, Mr. Flores, the sole member of Flores Residential died on January 26, 2019. Enclosed you will find a copy of Mr. Flores' obituary.

10 TAC §10.405(b)(1)(A), related to Non-Material LURA Amendments, allows for the "removal of a HUB participation requirement" after the issuance of IRS Forms 8609 ("8609s"), provided that the removal request is of the HUB's "own volition" (or as the result of default, which is not applicable in this case), and that the HUB's participation has been "substantive and meaningful."

Prior to his death, Mr. Flores provided substantive and material participation in the development, financing and lease-up of the property. Further, Mr. Flores was also regularly involved in all aspects of negotiations with the Partnership's investor and lenders, assisting with local support and approvals, as well as reviewing all operating activity including budgets and lease-up reports.

It should be noted that clause (iii) of §10.405(b)(1)(A) is not applicable as Flores Residential is not exiting the General Partner; it will simply be unable to renew its HUB status given Mr. Flores' sole ownership. Mr. Flores' heirs will continue to receive the benefits of Flores Residential's interest in the General Partner.

The issue the Partnership faces in this matter is that the 8609s have not yet been issued. As you know, the cost certification is complete, and a response has been provided to the Request for Information you sent on March 6, 2019. However, it is our understanding that 8609s will not be issued until the HUB matter is resolved. This creates a

paradoxical dilemma: the 8609s cannot be issued until the LURA is amended, but the LURA cannot be amended until the 8609s are issued.

Therefore, we respectfully request a procedural waiver of the phrase "after the issuance of 8609s" in 10 TAC §10.405(b)(1)(A). Pursuant to 10 TAC §11.207, related to Waiver of Rules, the precipitating facts creating the need for this waiver were neither "foreseeable" nor "preventable by the Applicant." Granting a procedural waiver of this specific phrase will allow the Partnership to proceed through a Non-Material LURA Amendment process already allowed under the rules. It is worth noting that Taylor Senior Village has a TDHCA compliance audit scheduled for April 18th, which has the potential to further complicate the issues hand. Given that the HUB can no longer materially participate, it is possible that a finding of noncompliance will be issued, which again can only be resolved by amending the LURA.

Based on these facts and the extenuating circumstances brought on by the untimely death of Mr. Flores, the Partnership respectfully requests that the Department grant a waiver of the phrase "after issuance of 8609s," which will clear the way for the administration to approve a needed LURA amendment. A \$2,500 check for the Amendment Fee, pursuant to 10 TAC §11.901(11) has been sent to your office via FedEx.

In addition to the removal of the HUB, the Non-Material Amendment to the LURA should include the correction of Addendum F related to the BINs and the Applicable Fractions of which you were previously notified. A First Amendment draft was provided to the Partnership shortly before the death of Mr. Flores.

Should you have any additional questions, please contact Kathryn Saar at (512) 828-6413 or by email at kathryn@holleman-associates.com.

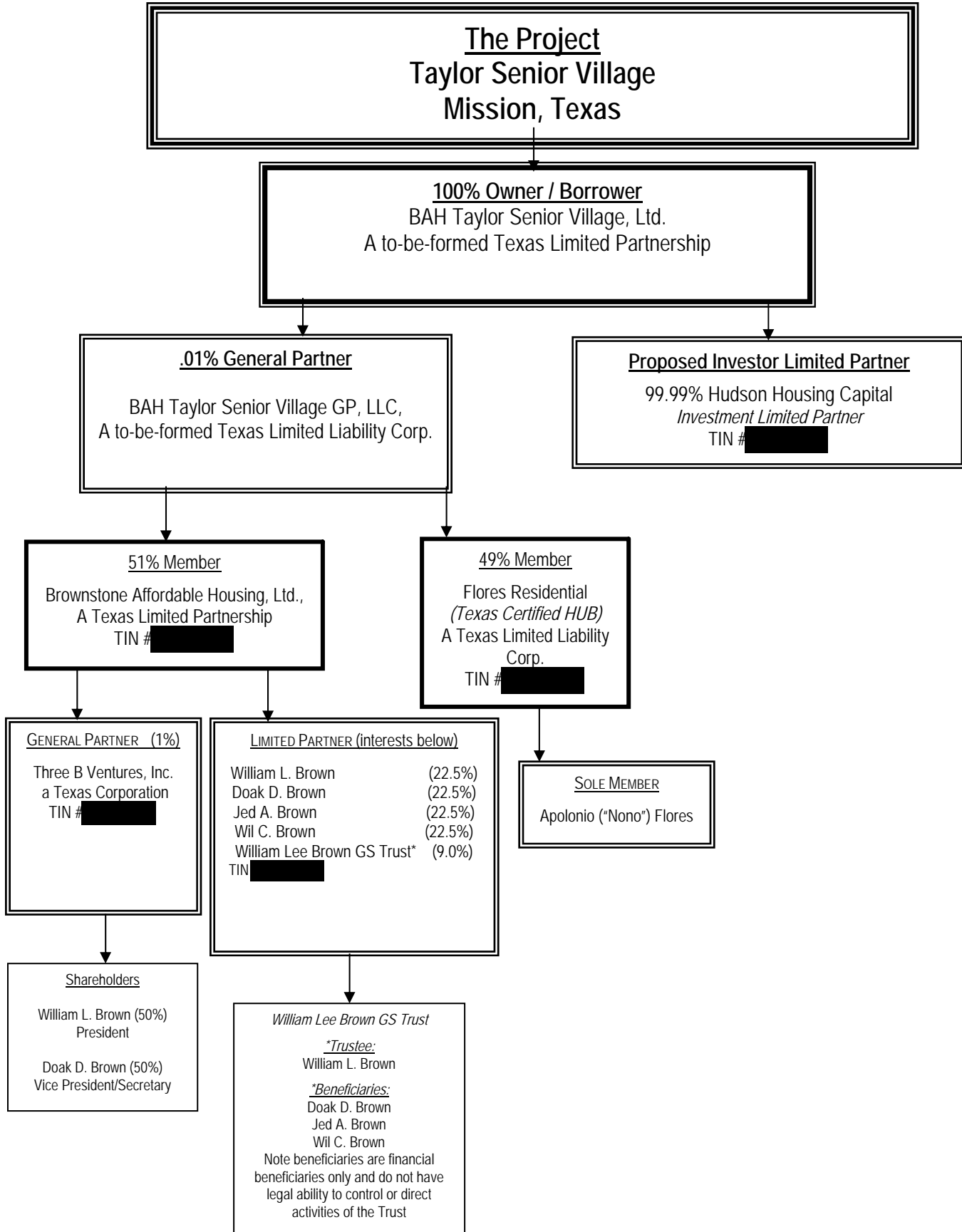
Sincerely,

BAH Taylor Senior Village, Ltd., a Texas limited partnership

By: BAH Taylor Senior Village GP, LLC, a Texas limited liability company, its General Partner

By: 
Doak D. Brown, Manager

ORGANIZATION CHART



NOTE: General Partner's net cash flow from operations will be allocated 21% to Flores Residential, LC (the "HUB") and 79% to Brownstone Affordable Housing, Ltd.

Flores Residential, LC
222 Persimmon Pond
San Antonio, TX 78231

May 6, 2019

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

Re: #13081 River Bank Village
#15251 Casa Verde Apartments
#16197 Taylor Senior Village

Dear Mr. Banelos:

This letter is to confirm that Flores Residential, LC ("Flores Residential") is aware of the LURA Amendments requested for the above referenced Applications. Flores Residential has been in discussion with its development partners and has requested the removal of the HUB participation requirement of its own volition, pursuant to §10.405(b)(1)(A).

Should you have any additional questions, please contact Kathryn Saar at (512) 828-6413 or by email at kathryn@holleman-associates.com.

Sincerely,



Mary Flores
Surviving heir of Flores Residential

Brownstone Affordable Housing, Ltd.
6517 Mapleridge
Houston, TX 77081

May 10, 2019

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

Re: #13081 River Bank Village
#15251 Casa Verde Apartments
#16197 Taylor Senior Village

Dear Mr. Banuelos:

On behalf of the Developer of the three Partnerships above, this letter is to address your question regarding §11.207(2) of the Waiver Rule, specifically how granting the requested waiver better serves the Department's policies and purposes, as opposed to not granting the waiver.

These Developments already provide housing for individuals and families with moderate, low, very low and extremely low incomes, which is one of the core purposes of the Department (Sec. 2306.001(3)). Furthermore, one of the stated legislative policies is "the development or expansion of commerce" in the state, which the Department contributes to by incentivizing the participation of Historically Underutilized Businesses in Competitive Tax Credit transactions. Again, these Developments have already contributed to this legislative policy through the participation of Flores Residential, LC. Thus, granting the waiver will further promote these policies.


One of the statutory purposes of the tax credit program is the "preservation of appropriate types of rental housing." By not granting the waiver, these Developments will fall into non-compliance and prevent the issuance of 8609s. Both of these adverse conditions have the potential of jeopardizing the tax credits used in their construction (through default and recapture), as well as harming the Historically Underutilized Business the Department set out to incentivize in the first place.

We believe these are sufficient reasons to establish the requirement under §11.207(2). Should you have any additional questions, please contact Kathryn Saar at (512) 828-6413 or by email at kathryn@holleman-associates.com.

Sincerely,

Brownstone Affordable Housing, Ltd.

By: Three B Ventures, Inc., its General Partner

By: 
Doak D. Brown, Vice President

10

BOARD ACTION REQUEST
ASSET MANAGEMENT DIVISION
MAY 23, 2019

Presentation, discussion, and possible action regarding a material amendment to the Housing Tax Credit Application for Parkdale Villas (HTC #16098)

RECOMMENDED ACTION

WHEREAS, Parkdale Villas (the Development) received an award of 9% Housing Tax Credits (HTCs) in 2016 for the new construction of 144 units of multifamily housing in Denison (the City), Grayson County;

WHEREAS, on December 6, 2018, the Board approved significant modification of the site plan, significant modification of the architectural design of a Development, and a modification of the residential density of at least five percent as directed in Tex. Gov't Code §2306.6712 and 10 TAC §10.405(a)(4)(A), (E), and (F);

WHEREAS, due to the finalization of the ALTA survey, AMTEX Parkdale Fund, LP (the Development Owner or Owner) is now requesting approval for change in acreage from 12.436 to 11.765 (5.4% reduction), which results in a 5.7% modification of the residential density;

WHEREAS, Board approval is required for a modification of the residential density of at least five percent as directed in Tex. Gov't Code §2306.6712 and 10 TAC §10.405(a)(4)(F), and the Owner has complied with the amendment requirements therein; and

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

NOW, therefore, it is hereby

RESOLVED, that the requested material amendment to the Application for Parkdale Villas is approved as presented at this meeting, and the Acting Director and his designees are each authorized, directed, and empowered to take all necessary action to effectuate the Board's determination.

BACKGROUND

Parkdale Villas (the Development) received an award of 9% Housing Tax Credits in 2016 for the new construction of 144 units of multifamily housing in Denison, Grayson County. The Development is owned by AMTEX Parkdale Fund, LP with AT Parkdale GP, LLC as its 0.01% General Partner owned by its 30% member, AMTEX Multi-Housing LLC (ultimately owned by Percival Vaz, Alicia Vaz, Sabrina Vaz, Nicole Vaz-Huerta, and Vanessa Vaz), and its 70% member and HUB, OM Affordable Housing, LLC (ultimately owned by Preethi Sulakhe).

On September 20, 2018, Lisa Davis, representative for the Owner, submitted an amendment request identifying multiple changes to the Application, including the site plan, building plans, and changes in acreage/density. According to the request, the changes were necessary due to the City making changes to the Parkdale Lane road alignment after submission of the Application. In addition, the request stated that the City vacated portions of Fuller Circle and Skyline and Innwood Drive (a total of 1.192 acres). Based on the revised information submitted for the amendment request, staff noted that the recorded plat showed a legal description that included 5.245 acres of land in the top tract (lot 1, Block 1) of the site and 7.195 acres of land in the bottom tract (lot 1, Block 2) of the site, for a combined total of 12.44 acres for the overall Development site (also identified as 12.436 acres), which resulted in a 9.57% change in density due to the increase from the 11.25 acres identified at Application. The changes in site plan, building plans, and changes in acreage/density were approved by the TDHCA Board on December 6, 2018.

On April 8, 2019, Lisa Davis submitted an Application amendment request for another change in acreage/density. During the period coinciding with the December 6, 2018, TDHCA Board meeting, the civil engineer was working on the final ALTA survey. The survey was dated October 8, 2018, but not finalized until January 10, 2019. The delay in finalizing was the result of the engineer working with the title company to resolve some confusion with the legal description due to the Parkdale Lane road alignment/right-of-way dedication. According to the final ALTA survey, the Development site totaled 11.765 acres, a 5.4% reduction from the 12.44 acres approved in December 2018. As a result, the density of the Development increased 5.74%, which exceeds the five percent threshold identified in Tex. Gov't Code §2306.6712 and 10 TAC §10.405(a)(4)(F).

The Owner indicated that the changes to the road alignment by the City of Denison were not foreseeable at the time of application. While this may be the case, it must be pointed out that the plat submitted with this amendment request and the previous amendment request identified the right-of-way dedications, but the impact to the acreage was not clear until the as-built survey was submitted as part of the cost certification package subsequent to the amendment approval in December 2018.

According to the Owner, there were no changes to the elevations, architectural details or common area square footage as a result of the road alignment/right-of-way dedication, and the change in acreage and density have no financial impact on the Development.

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



30141 AGOURA RD. ♦ STE. #100 ♦ AGOURA HILLS, CA ♦ 91301-4332
PHONE: (818) 706-0694 ♦ FAX: (818) 706-3752

April 5, 2019

Laura DeBellas
Senior Asset Manager (Region 3)
Asset Management Division
Texas Department of Housing & Community Affairs (TDHCA)
221 E. 11th St., Austin, TX 78701-2410

RE: 16098 – Parkdale Villas Application Amendment

Dear Ms. DeBellas:

Subsequent to the cost certification submittal we are submitting an Application Amendment request related to the change in site acreage and density. All of the information with regards to the changes are specified below:

The documentation being submitted is the plat map that was recorded on March 16, 2017, the as-built ALTA survey that was finalized on October 8, 2018 and a summary sheet showing the breakdown of the acreage removed due to the Right-of-Way Dedication.

The change was necessary due to the City of Denison making changes to the Parkdale Lane Road Alignment/Right-of-Way Dedication after the application submission and the coordination efforts with the adjacent property owner. The final As-Built ALTA survey was not completed until after construction completion which now shows the final acreage of the property. The recorded plat had a total site acreage of 12.436 and the Final As-built ALTA Survey now has a total site acreage of 11.765, for a difference of .671 acres. (5% of 12.436 acres is .6218 which exceeds the 5% variance by .0492 acres.)

Furthermore, the site density went from 11.579 to 12.239 for a difference of .66. (5% of the 11.579 density is .578 which exceeded the 5% variance by .082.)

There were no changes to the elevations, architectural details or common area square footage as a result of the road alignment/Right-of-way Dedication changes.

The slight change in acreage and density had no financial impact on the project as the site Plan design was not affected by the Right-of-Way Dedication.

The changes to the road alignment by the City of Denison and the difficulties with the adjacent property owner were not foreseeable at the time of the application.

Thank you for your consideration. Should you have any additional questions, please contact me at (818) 706-0694, Extension 112 or email me directly at ldavis@amcalhousing.com.

Sincerely,

A handwritten signature in blue ink that reads "Lisa M. Davis".

Lisa M. Davis
Project Manager



Asset Management Division

Amendment Request Form

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

TYPE OF AMENDMENT REQUESTED

Date Submitted: April 5, 2018

Amendment Requested: *Material Application Amendment,*

Has the change been implemented? *Yes*

Award Stage: *Cost Certification (Prior to 8609s)*

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

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

DEVELOPMENT INFORMATION

Dev. Name: Parkdale Villas

File No. / CMTS No.: 16098 /5211

CONTACT INFORMATION

Request Submitted By: Lisa Davis

Phone #/Email: 818-706-0694 X112

SECTION 1: COVER LETTER

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

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

SECTION 2: REQUIRED DOCUMENTATION

Entering an Amendment conveys to the Department that representations in the Application have changed. You **MUST** provide information about any changes made from the time of Application (or as last approved by the Department) in your request, including items that will be impacted by the requested change. Failure to represent or properly document all changes may result in delays, denials, or a request for re-submission. The following is attached:

- Revised Application Exhibits/Documents Reflecting and Verifying All Requested Changes – revised site plans, surveys, Building and Unit Configuration exhibit, agreements and org charts reflecting changes in Developers or Guarantors, etc.
- Revised Development Financing Exhibits or a Signed Statement of No Financial Impact – if sources, terms, conditions, or amounts of financing will be impacted or changed by your amendment request, revised Application exhibits and term sheets may be necessary (generally Material Amendments only)
- Amendment fee of \$2,500 for first amendments, \$3,000 for second amendments, increase of \$500 for each successive amendment (Applicable only to Material Amendments and Non-Material Amendments if changes have already been implemented) – *N/A for Developments only funded by a Direct Loan program (HOME, NSP, HTF)*

SECTION 3A: MATERIAL APPLICATION AMENDMENT ITEMS

Check all items that have been modified from the original application (see *Post Award Rules, §10.405(a)(3)*):

- | | | |
|---|--|---|
| <input type="checkbox"/> Site plan | <input type="checkbox"/> Scope of tenant services | <input type="checkbox"/> Exclusion of reqs in §11.101 or §11.201. |
| <input type="checkbox"/> Number of units* | <input type="checkbox"/> Reduction of 3%+ in unit sq ft | <input type="checkbox"/> Req. to implement a revised set aside election |
| <input type="checkbox"/> Bedroom mix | <input type="checkbox"/> Reduction of 3%+ common area | <input type="checkbox"/> Other |
| <input type="checkbox"/> Architectural design | <input checked="" type="checkbox"/> Residential density (5%+ change) | |

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

- Written confirmation from the lender *and* syndicator that the development is infeasible without the adjustment in units
- Evidence supporting the need for the adjustment in units

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

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

NOTE: **The approved amendment may carry a penalty in accordance with §10.405(a)(6)(b).*

SECTION 3B: MATERIAL LURA AMENDMENT ITEMS

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

- | | | |
|---|--|---|
| <input type="checkbox"/> Reductions to the number of LI units | <input type="checkbox"/> Changes to Target Population | <input type="checkbox"/> Affecting Rights of Tenant/3 rd Parties |
| <input type="checkbox"/> Changes to income or rent restrictions | <input type="checkbox"/> Removal of Non-profit | <input type="checkbox"/> Other |
| <input type="checkbox"/> Change in ROFR period/provisions | <input type="checkbox"/> Request to implement a revised set aside election | |

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

- Draft Notice of Public Hearing*
- Evidence of public hearing*

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

SECTION 4A: NON-MATERIAL APPLICATION AMENDMENT SUMMARY

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

- Amendment is requesting a change in Developer(s) or Guarantor(s) and pre and post change org charts, agreements to the change, and Previous Participation forms are attached.
- Changes in natural person(s) used to meet the experience requirement.
- Representations made in the Application that exceed the scope of a notification item: Describe items needed

SECTION 4B: NON-MATERIAL LURA AMENDMENT SUMMARY

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

- HUB participation removal (request must also include documentation showing that a) the HUB is requesting removal of its own volition or is being removed as a result of default, b) the participation has been substantive or meaningful, and c) where the HUB will be replaced as a GP or SLP that is not a HUB and will sell its ownership interest, an ownership transfer request has also been submitted). HUB removal requests will only be considered after the issuance of 8609s.
- A change resulting from a Department work out arrangement as recommended by TDHCA.
- A correction of error (Amendments to Applicable Fractions, BIN lists, Accessible Units, etc.)
- Changes in amenities or supportive services that are referenced in the LURA (Requests to change amenities should address whether an amenity will be replaced by an item of equal benefit or point value).
- Other Representations made in the LURA not identified above: Describe items needed

SECTION 4C: NOTIFICATION ITEM SUMMARY

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

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

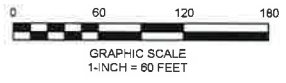
BASIS OF BEARINGS:

Bearings of lines shown hereon refer to Grid North of the Texas Coordinate System of 1983 (North Central Zone 4202) Geodetic Bearing Established by GPS Measurements taken on the ground and referenced to the City of Denison Geodetic Control Monument #1-103. All distances shown are surface utilizing a combined scale factor of 1.000062677

Table with 3 columns: LINE, BEARING, DISTANCE. Rows 1-5 showing survey data.

CHARLES E. WATSON VOL. 1208, PG. 817 D.R.G.C.T.

WILLIAM A. EAST SURVEY ABSTRACT NO. 1489

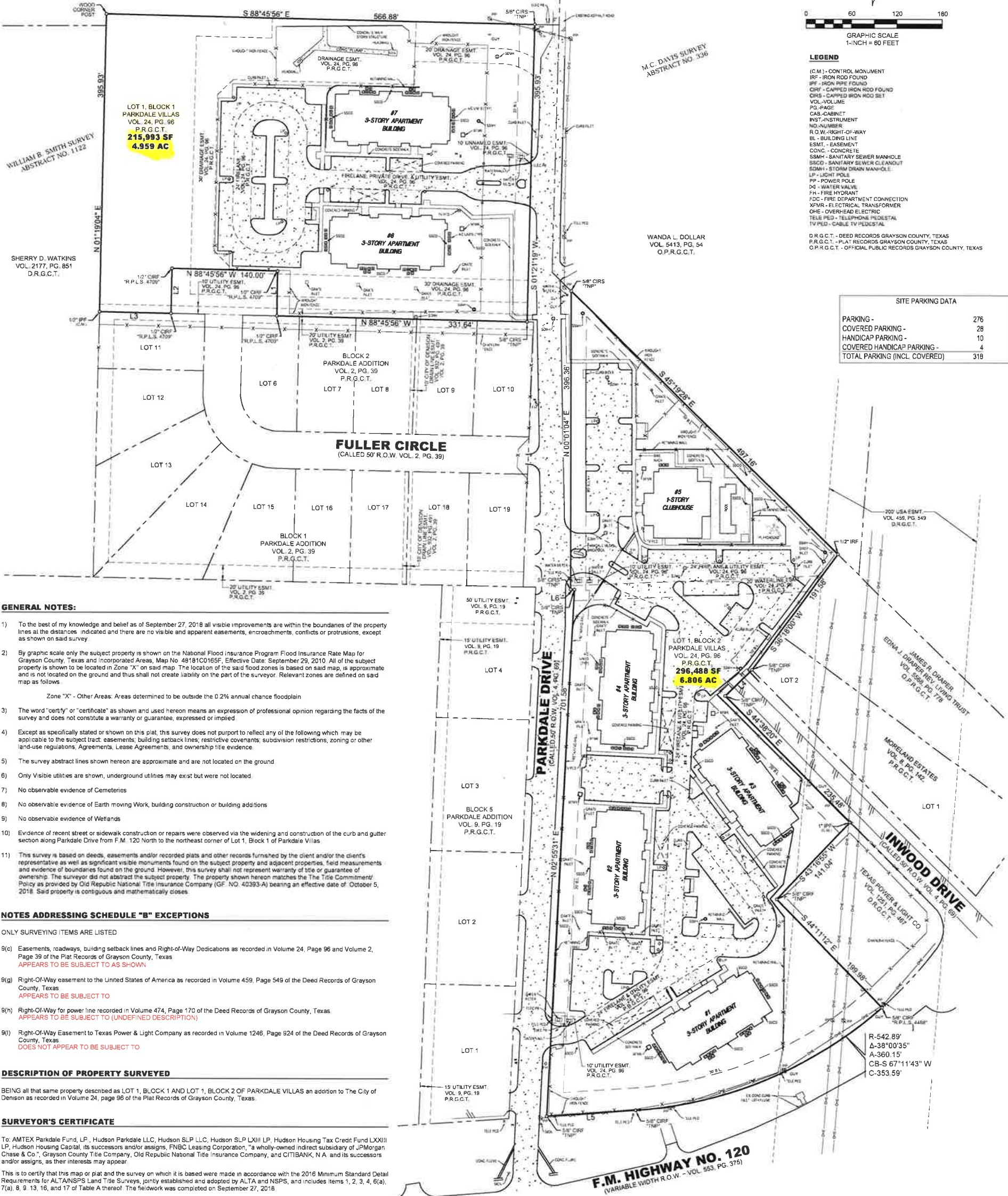


LEGEND

- (C.M.) - CONTROL MONUMENT
IRF - IRON ROD FOUND
IRP - IRON PIPE FOUND
CRF - CAPPED IRON ROD FOUND
CRS - CAPPED IRON ROD SET
VOL - VOLUME
PG - PAGE
CAB - CABINET
INST - INSTRUMENT
NO - NUMBER
R.O.W. - RIGHT-OF-WAY
BL - BUILDING LINE
ESMT - EASEMENT
CONC - CONCRETE
SSMH - SANITARY SEWER MANHOLE
SSCO - SANITARY SEWER CLEANOUT
SDMH - STORM DRAIN MANHOLE
LP - LIGHT POLE
PP - POWER POLE
DQ - WATER VALVE
FH - FIRE HYDRANT
FDC - FIRE DEPARTMENT CONNECTION
XFMR - ELECTRICAL TRANSFORMER
OHE - OVERHEAD ELECTRIC
TELE PED - TELEPHONE PEDESTAL
TV PED - CABLE TV PEDESTAL
D.R.G.C.T. - DEED RECORDS GRAYSON COUNTY, TEXAS
P.R.G.C.T. - PLAT RECORDS GRAYSON COUNTY, TEXAS
O.P.R.G.C.T. - OFFICIAL PUBLIC RECORDS GRAYSON COUNTY, TEXAS

SITE PARKING DATA

Table with 2 columns: PARKING TYPE, COUNT. Includes Covered Parking (28), Handicap Parking (10), Covered Handicap Parking (4), Total Parking (42).



GENERAL NOTES:

- 1) To the best of my knowledge and belief as of September 27, 2018 all visible improvements are within the boundaries of the property lines at the distances indicated and there are no visible and apparent easements, conflicts or protrusions, except as shown on said survey.
2) By graphic scale only the subject property is shown on the National Flood Insurance Program Flood Insurance Rate Map for Grayson County, Texas and incorporated Areas, Map No. 48181C0165F, Effective Date: September 29, 2010. All of the subject property is shown to be located in Zone "X" on said map. The location of the said flood zones is based on said map, is approximate and is not located on the ground and thus shall not create liability on the part of the surveyor. Relevant zones are defined on said map as follows.
Zone "X" - Other Areas: Areas determined to be outside the 0.2% annual chance floodplain.
3) The word "certify" or "certificate" as shown and used hereon means an expression of professional opinion regarding the facts of the survey and does not constitute a warranty or guarantee, expressed or implied.
4) Except as specifically stated or shown on this plat, this survey does not purport to reflect any of the following which may be applicable to the subject tract: easements; building setback lines; restrictive covenants; subdivision restrictions; zoning or other land-use regulations; Agreements, Lease Agreements, and ownership title evidence.
5) The survey abstract lines shown hereon are approximate and are not located on the ground.
6) Only visible utilities are shown, underground utilities may exist but were not located.
7) No observable evidence of Cemeteries.
8) No observable evidence of Earth moving Work, building construction or building additions.
9) No observable evidence of Wetlands.
10) Evidence of recent street or sidewalk construction or repairs were observed via the widening and construction of the curb and gutter section along Parkdale Drive from F.M. 120 North to the northeast corner of Lot 1, Block 1 of Parkdale Villas.
11) This survey is based on deeds, easements and/or recorded plats and other records furnished by the client and/or the client's representative as well as significant visible monuments found on the subject property and adjacent properties, field measurements and evidence of boundaries found on the ground. However, this survey shall not represent warranty of title or guarantee of ownership. The surveyor did not abstract the subject property. The property shown hereon matches the Title Commitment/Policy as provided by Old Republic National Title Insurance Company (GF. NO. 40393-A) bearing an effective date of: October 5, 2018. Said property is contiguous and mathematically closes.

NOTES ADDRESSING SCHEDULE "B" EXCEPTIONS

ONLY SURVEYING ITEMS ARE LISTED

- 9(c) Easements, roadways, building setback lines and Right-of-Way Dedications as recorded in Volume 24, Page 96 and Volume 2, Page 39 of the Plat Records of Grayson County, Texas. APPEARS TO BE SUBJECT TO AS SHOWN.
9(g) Right-Of-Way easement to the United States of America as recorded in Volume 459, Page 549 of the Deed Records of Grayson County, Texas. APPEARS TO BE SUBJECT TO.
9(h) Right-Of-Way for power line recorded in Volume 474, Page 170 of the Deed Records of Grayson County, Texas. APPEARS TO BE SUBJECT TO (UNDEFINED DESCRIPTION).
9(i) Right-Of-Way Easement to Texas Power & Light Company as recorded in Volume 1246, Page 924 of the Deed Records of Grayson County, Texas. DOES NOT APPEAR TO BE SUBJECT TO.

DESCRIPTION OF PROPERTY SURVEYED

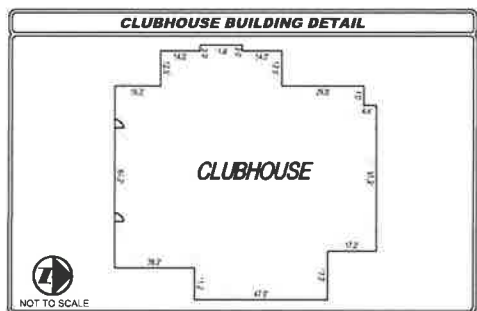
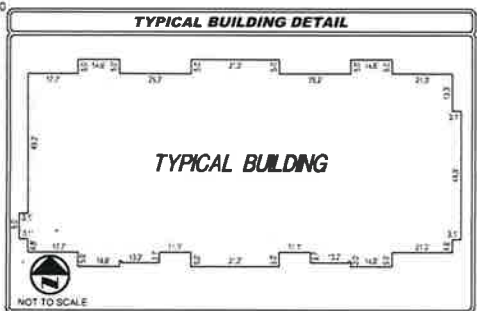
BEING all that same property described as LOT 1, BLOCK 1 AND LOT 1, BLOCK 2 OF PARKDALE VILLAS an addition to The City of Denison as recorded in Volume 24, page 96 of the Plat Records of Grayson County, Texas.

SURVEYOR'S CERTIFICATE

To: AMTEX Parkdale Fund, LP, Hudson Parkdale LLC, Hudson SLP LLC, Hudson SLP LXIII LP, Hudson Housing Tax Credit Fund LXIII LP, Hudson Housing Capital, its successors and/or assigns, FNBC Leasing Corporation, "a wholly-owned indirect subsidiary of JPMorgan Chase & Co.", Grayson County Title Company, Old Republic National Title Insurance Company, and CITIBANK, N.A. and its successors and/or assigns, as their interests may appear.
This is to certify that this map or plat and the survey on which it is based were made in accordance with the 2016 Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys, jointly established and adopted by ALTA and NSPS, and includes items 1, 2, 3, 4, 6(a), 7(a), 8, 9, 13, 16, and 17 of Table A thereof. The fieldwork was completed on September 27, 2018.

Brian J. Maddox

Brian J. Maddox Registered Professional Land Surveyor No. 5430 Surveyed on the ground September 27, 2018



ALTA/NSPS LAND TITLE SURVEY OF

LOT 1, BLOCK 1 215,993 SQUARE FEET OR 4.959 ACRES
LOT 1, BLOCK 2 296,488 SQUARE FEET OR 6.806 ACRES
TWO TRACTS OF LAND SITUATED IN THE M.C. DAVIS SURVEY, ABSTRACT NO. 336 AND THE WILLIAM B SMITH SURVEY, ABSTRACT NO. 1122 CITY OF DENISON, GRAYSON COUNTY, TEXAS
BEING ALL THAT SAME PROPERTY DESCRIBED AS LOT 1, BLOCK 1 AND LOT 1, BLOCK 2 OF PARKDALE VILLAS AN ADDITION TO THE CITY OF DENISON AS RECORDED IN VOLUME 24, PAGE 96 OF THE PLAT RECORDS OF GRAYSON COUNTY, TEXAS

PROJECT INFORMATION
Project No.: AML 16058
Date: October 08, 2018
Drawn By: JM
Scale: 1"=60'
Sheet 1 of 1



SURVEYOR
TEAGUE NALL AND PERKINS, INC.
825 Walters Creek Boulevard, Suite M300
Allen, Texas 75013
214.451.9867 fax 214.451.9864 fax
TBPLS Registration No. 10194381
www.tnpinc.com

Submitted in previous Board Request Dec 2018

*Right-of-way Dedication

JOB NO. 16090676

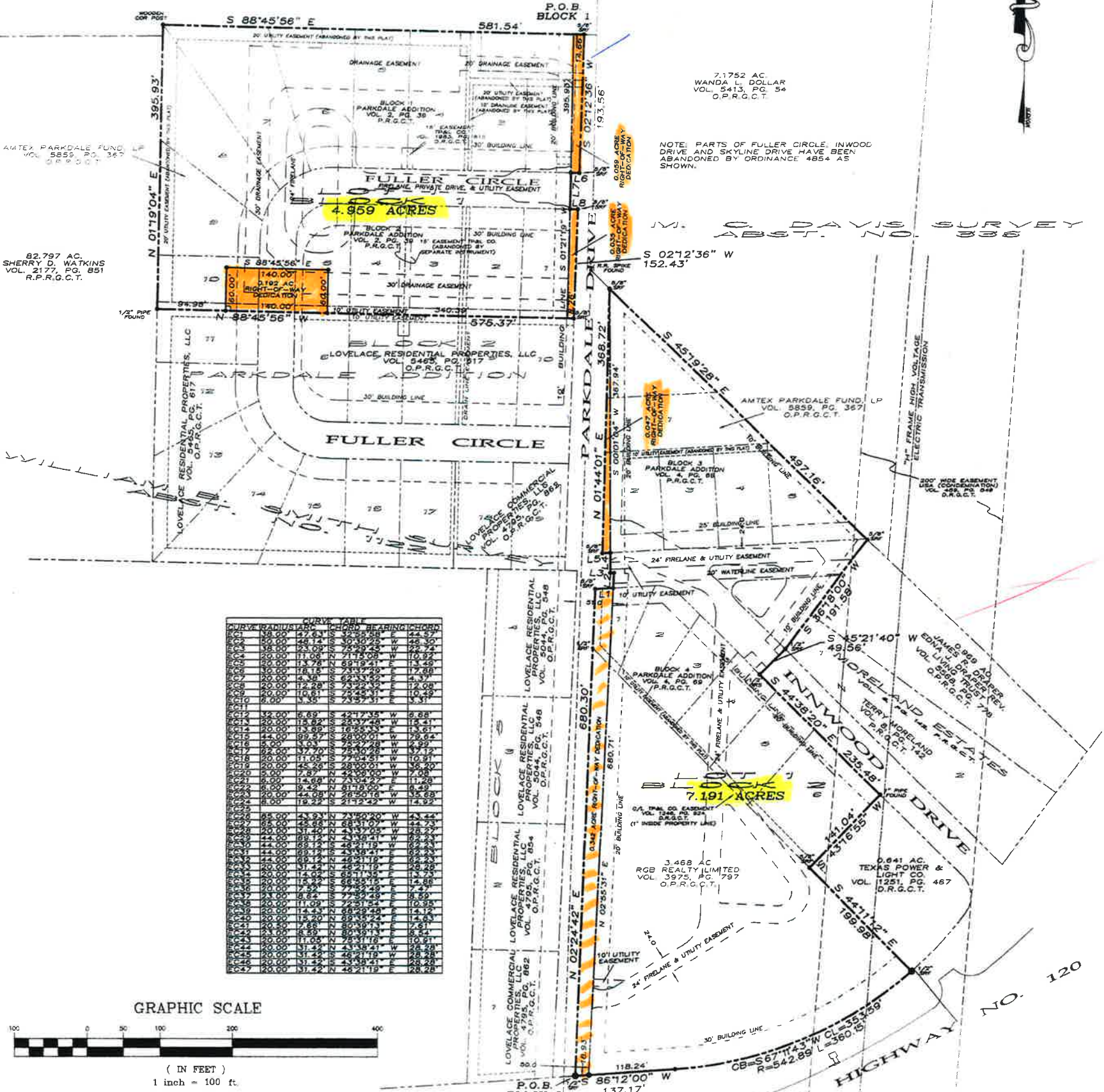
~ GENERAL NOTES ~
(continued from sheet 2)

- The maintenance of paving, water lines and other utilities within the fire lane and utility easements is the responsibility of the owner, and the owner shall cause such fire lanes and utility easements to be maintained free and unobstructed at all times for Fire Department and emergency use.

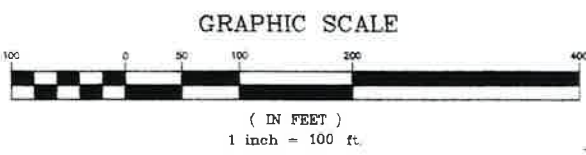
LINE	BEARING	DISTANCE
L1	N 86°51'09" E	25.04
L2	N 02°55'31" E	20.87
L3	N 87°04'29" W	5.00
L4	N 00°01'04" E	28.42
L5	S 88°50'32" W	11.06
L6	N 88°45'56" W	11.78
L7	S 01°21'19" W	49.99
L8	S 88°45'56" E	11.03

WILLIAM A. EAST SURVEY
ABST. NO. 1408

51.956 AC.
CHARLES E. WATSON
VOL. 1208, PG. 817
O.P.R.G.C.T.



CURVE	RADIUS	CHORD	BEARING	CHORD
001	15.00	14.14	N 30°00'00" E	14.14
002	15.00	14.14	N 30°00'00" E	14.14
003	15.00	14.14	N 30°00'00" E	14.14
004	15.00	14.14	N 30°00'00" E	14.14
005	15.00	14.14	N 30°00'00" E	14.14
006	15.00	14.14	N 30°00'00" E	14.14
007	15.00	14.14	N 30°00'00" E	14.14
008	15.00	14.14	N 30°00'00" E	14.14
009	15.00	14.14	N 30°00'00" E	14.14
010	15.00	14.14	N 30°00'00" E	14.14
011	15.00	14.14	N 30°00'00" E	14.14
012	15.00	14.14	N 30°00'00" E	14.14
013	15.00	14.14	N 30°00'00" E	14.14
014	15.00	14.14	N 30°00'00" E	14.14
015	15.00	14.14	N 30°00'00" E	14.14
016	15.00	14.14	N 30°00'00" E	14.14
017	15.00	14.14	N 30°00'00" E	14.14
018	15.00	14.14	N 30°00'00" E	14.14
019	15.00	14.14	N 30°00'00" E	14.14
020	15.00	14.14	N 30°00'00" E	14.14
021	15.00	14.14	N 30°00'00" E	14.14
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026	15.00	14.14	N 30°00'00" E	14.14
027	15.00	14.14	N 30°00'00" E	14.14
028	15.00	14.14	N 30°00'00" E	14.14
029	15.00	14.14	N 30°00'00" E	14.14
030	15.00	14.14	N 30°00'00" E	14.14
031	15.00	14.14	N 30°00'00" E	14.14
032	15.00	14.14	N 30°00'00" E	14.14
033	15.00	14.14	N 30°00'00" E	14.14
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035	15.00	14.14	N 30°00'00" E	14.14
036	15.00	14.14	N 30°00'00" E	14.14
037	15.00	14.14	N 30°00'00" E	14.14
038	15.00	14.14	N 30°00'00" E	14.14
039	15.00	14.14	N 30°00'00" E	14.14
040	15.00	14.14	N 30°00'00" E	14.14
041	15.00	14.14	N 30°00'00" E	14.14
042	15.00	14.14	N 30°00'00" E	14.14
043	15.00	14.14	N 30°00'00" E	14.14
044	15.00	14.14	N 30°00'00" E	14.14
045	15.00	14.14	N 30°00'00" E	14.14
046	15.00	14.14	N 30°00'00" E	14.14
047	15.00	14.14	N 30°00'00" E	14.14
048	15.00	14.14	N 30°00'00" E	14.14
049	15.00	14.14	N 30°00'00" E	14.14
050	15.00	14.14	N 30°00'00" E	14.14



5490
FILED FOR RECORD
at 2:20 P.M.
Recorded in Vol. 24 Page 417
Records Grayson County
WILMA BLACKSHEAR BUSH
County Clerk, Grayson Co., Texas
By [Signature] Deputy

OWNERS/DEVELOPER
AMTEX PARKDALE FUND, LP
30141 AGOURA ROAD
SUITE 100
AGOURA HILLS, CALIFORNIA 91301

SURVEYOR
DOUGLAS W. UNDERWOOD
R.P.L.S. NO. 4709
3404 INTERURBAN ROAD
DENISON, TEXAS



DRAFTING & SURVEYING
3404 INTERURBAN ROAD DENISON, TEXAS 75021 (903)465-2151

FINAL PLAT
PARKDALE VILLAS
AN ADDITION TO THE
CITY OF DENISON, GRAYSON COUNTY, TEXAS
BEING A REPLAT OF LOTS 1 THRU 10, BLOCK 1; LOTS 1 THRU 5, BLOCK 2 OF
PARKDALE ADDITION VOL. 2, PG. 39, P.R.G.C.T.;
AND LOTS 1 THRU 5, BLOCK 3; LOTS 1 THRU 6, BLOCK 4, PARKDALE ADDITION
VOL. 4, PG. 69, P.R.G.C.T.
BEING 12.436 ACRES IN THE
WILLIAM B. SMITH SURVEY, ABSTRACT NO. 1122;
WILLIAM A. EAST SURVEY, ABSTRACT NO. 1409
M.C. DAVIS SURVEY, ABSTRACT NO. 336

Submitted in previous Board Request Dec 2018

JOB NO. 16090675

LEGAL DESCRIPTIONS

LOT 1, BLOCK 1

Situated in the City of Denison, County of Grayson, State of Texas, being all of Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10 in Block 1 & all of Lots 1, 2, 3, 4, and 5 in Block 2 of Parkdale Addition to the City of Denison, Texas as shown by plat of Blocks 1 and 2 of said addition of record in Volume 2, Page 39, Plat Records, Grayson County, Texas and being a part of Fuller Circle adjacent to said Lots and being more particularly described by metes and bounds as follows:

Beginning at a 5/8" steel rod found in the west line of Parkdale Drive maintaining the northeast corner of said Lot 1, Block 1; Thence South 02°12'36" West, along the east line of Block 1, a distance of 193.56 feet to a 5/8" steel rod found maintaining the southeast corner of said Block 1; Thence North 88°45'56" West, along the South line of Block 1, a distance of 11.78 feet to a point; Thence South 01°21'19" West, a distance of 49.99 feet to a point in the north line of Block 2; Thence South 88°45'56" East, along the north line of said Block 2, a distance of 11.03 feet to a 5/8" steel rod found maintaining the northeast corner of said Block 2; Thence South 02°12'36" West, along the east line of said Block 2, a distance of 152.43 feet to a 5/8" steel rod found maintaining the southeast corner of Lot 1, Block 2; Thence North 88°45'56" West, along the south line of Lots 1, 2, 3, 4, & 5, Block 2, and Lot 10, Block 1, a distance of 575.37 feet to a 1/2" pipe found maintaining the southwest corner of said Lot 10; Thence North 01°19'04" East, along the west line of said Block 1 a distance of 395.93 feet to a wooden fence corner post being the northwest corner of said Block 1; Thence South 88°45'56" East, along the north line of said Block 1, a distance of 581.54 feet to the Point-of-Beginning and containing 5.245 acres (228,460 square feet) of land.

LOT 1, BLOCK 2

Situated in the City of Denison, County of Grayson, State of Texas, being all of Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10 in Block 1 & all of Lots 1, 2, 3, 4, and 5 in Block 2 of Parkdale Addition to the City of Denison, Texas as shown by plat of Blocks 1 and 2 of said addition of record in Volume 2, Page 39, Plat Records, Grayson County, Texas, being a part of the M. C. Davis Survey, Abstract No. 336, and being the same tract of land described as 1.536 acres and referred to as Tract Three, 0.188 acres and referred to as Tract Four and 1.439 acres and referred to as Tract Five, as conveyed by Dunn Investment Holdings, LLC to Amtex Parkdale Fund, LP by deed dated August 19, 2016, recorded in Volume 5859, Page 367, Official Public Records, Grayson County, Texas, and also being all of Block 3 of Parkdale Addition to the City of Denison, Texas as shown by plat of record in Volume 4, Page 69, Plat Records, Grayson County, Texas and being a part of Fuller Circle adjacent to said Lots abandoned by Ordinance No. 4846 and being more particularly described by metes and bounds as follows:

Beginning at a 1/2" steel rod found at the intersection of the North right-of-way line of F.M. Highway No. 120 and the East line of Parkdale Drive, said rod maintaining the southwest corner of said Tract 5; Thence North 02°24'42" East, along the west line of said Tract 5, a distance of 680.30 feet to a 5/8" steel rod found; Thence North 86°51'09" East, a distance of 25.04 feet to a point; Thence North 02°55'31" East, a distance of 20.87 feet to a point; Thence North 87°04'29" West, a distance of 5.00 feet to a point; Thence North 00°01'04" East, a distance of 28.42 feet to a point in the south line of said Block 3; Thence South 86°50'32" West, along the south line of said Block 3, a distance of 11.06 feet to a 5/8" steel rod found maintaining the southwest corner of said Block 3; Thence North 01°44'01" East, along the west line of Block 3 also being the west line of said Tract 3, a distance of 368.72 feet to a 5/8" steel rod found in the south line of a 7.1752 acre tract of land conveyed to Wanda L. Dollor by deed of record in Volume 5413, Page 54, Official Public Records, Grayson County, Texas; Thence South 45°19'28" East, along the south line of said 7.1752 acre tract, a distance of 497.16 feet to a 5/8" steel rod found maintaining the north corner of a 0.969 acre tract of land conveyed to James R. Draper & Edna J. Draper Revocable Living Trust, as shown by deed of record in Volume 5568, Page 778, of said Official Public Records said rod also maintaining the southeast corner of said Block 3; Thence South 36°18'00" West, along the north line of said 0.969 acre tract passing the north corner of Moreland Estates addition to said City of Denison as shown by plat of record in Volume 8, Page 142, said Plat Records and continuing along the east line of said Moreland Estates for a total distance of 191.58 feet to a point in the east line of Inwood Drive; Thence South 45°21'40" West, over and across said Inwood Drive, a distance of 49.56 feet to a 1/2" steel rod set on the west line of Inwood Drive said rod being in the east line of said Block 4; Thence South 44°38'20" East, along the east line of said Block 4 and west line of said Inwood Drive, a distance of 235.48 feet to a 1" pipe found maintaining the north corner of a 0.641 acre tract of land conveyed to Texas Power & Light Company by deed of record in Volume 1251, Page 487, Deed Records, Grayson County, Texas and the southeast corner of said Block 4; Thence South 43°16'55" West, along the south line of said Block 4, a distance of 141.04 feet to a 5/8" steel rod found maintaining the west corner of said 0.641 acre tract; Thence South 44°11'12" East, along the west line of said 0.641 acre tract, a distance of 199.98 feet to a 1/2" steel rod found in the north right-of-way line of said F.M. Highway No. 120 said rod maintaining the south corner of said 0.641 acre tract; Thence along the north line of said Highway with a non-tangent curve to the right having a radius of 542.89 feet, (chord bears South 87°11'43" West, a distance of 353.59 feet) an arc length of 360.15 feet; Thence South 86°12'00" West, continuing along the north line of said Highway, a distance of 137.17 feet to the Point-of-Beginning and containing 7.195 acres (313,396 square feet) of land.

KNOWN ALL MEN BY THESE PRESENTS:

That I, Douglas W. Underwood, Registered Professional Land Surveyor, do hereby certify that I prepared this plat from an actual and accurate survey of the land and that the corner monuments thereon were properly placed, under my personal supervision, in accordance with the subdivision regulations of the City of Denison, Texas.

Douglas W. Underwood Registered Professional Land Surveyor, No. 4709

2/23/17 Date



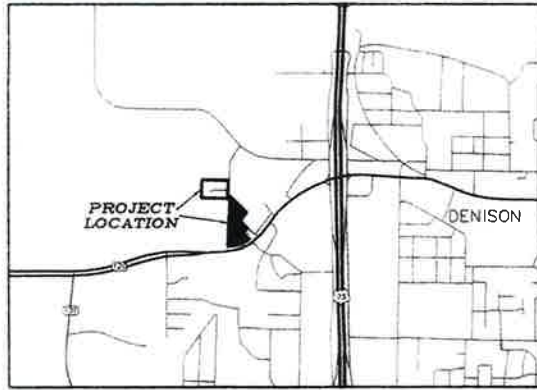
OWNERS/DEVELOPER AMTEX PARKDALE FUND, LP 30141 AGOURA ROAD SUITE 100 AGOURA HILLS, CALIFORNIA 91301

SURVEYOR DOUGLAS W. UNDERWOOD R.P.L.S. NO. 4709 3404 INTERURBAN ROAD DENISON, TEXAS



3404 INTERURBAN ROAD DENISON, TEXAS 75021 (903)465-2151

LOCATION MAP



(NOT TO SCALE) OWNER'S DEDICATION

STATE OF TEXAS COUNTY OF GRAYSON

We, AMTEX Parkdale Fund, LP and RGB Realty, LTD, Owner and Developer of Parkdale Villas, an addition to the City of Denison, Texas, and whose name is subscribed hereto, hereby dedicate to the use of the public forever all streets, alleys, parks, water courses, drains, easements and public places thereon shown on the purpose and consideration therein expressed. I (we) further certify that all other parties who have a mortgage or lien interest in the Parkdale Villas have been notified and signed this plat.

I (we) further acknowledge that the dedications and/or exactions made herein are proportional to the impact of the subdivision upon the public services required in order that the development will comport with the present and future growth needs of the City; I (we), my (our) successors and assigns hereby waive any claim, damage, or cause of action that I (we) may have as a result of the dedication of exactions made herein.

WITNESS MY HAND this 6th day of March 2017.

Arjun Nagarkatti President for AMTEX Multi-housing LLC as General Partner Robert G. Burlingame, President RGB Management LC, General Partner RGB Realty, LTD

STATE OF CALIFORNIA COUNTY OF LOS ANGELES

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared Arjun Nagarkatti, known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 6th day of March 2017.

Sheri D. Wilhelm Notary Public in and for the State of California Commission Expires: 4/2/17

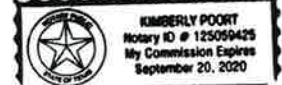


STATE OF TEXAS COUNTY OF GRAYSON

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared Robert G. Burlingame, known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 23rd day of Feb 2017.

Kimberly Poort Notary Public in and for the State of Texas Commission Expires: 9/20/20



Approved this 23rd day of February, 2017, by the City Planning Commission to the City of Denison, Texas.

Chairman Secretary

~ GENERAL NOTES ~

- 1. Water Supply to be provided by the City of Denison.
2. Sewer service to be provided by the City of Denison.
3. Electrical service is provided by Oncor Electrical Delivery.
4. Blocking the flow of water or construction of improvements in, drainage easements, and filling or obstruction of the roadway is prohibited.
5. Any existing creeks or drainage channels traversing along or across the addition will remain as open channels and will be maintained by the individual owners of the lot or lots that are traversed by or adjacent to the drainage courses along or across said lots.
6. The City of Denison will not be responsible for the maintenance and operation of said drainage ways or for the control of erosion.
7. Neither the City of Denison nor the undersigned surveyor will be responsible for any damage, personal injury, or loss of life or property occasioned by flooding or flooding conditions.
8. The owners and builders must comply with all other local, state and federal regulations regarding developments of this type.
9. Bearings are based on the City of Denison Control Monument Network.
10. The City of Denison reserves the right to require submission of Development Plat based on proposed use of each lot.
11. Property is Zoned as a Planned Development with Multifamily Residential use.
12. Part of Fuller Circle, Skyline Drive & Inwood Drive have been abandoned by Ordinance No. 4854.
13. The subject property does not lie within a Federal Emergency Management Agency (FEMA) designated flood plain as shown by FIRM Map No. 48181C0165F, Dated September 29, 2010.
14. Property owner will be responsible for maintaining private water, sewer and storm lines. Property owner will also be responsible for maintenance of stormwater detention facilities.

FINAL PLAT PARKDALE VILLAS

AN ADDITION TO THE CITY OF DENISON, GRAYSON COUNTY, TEXAS BEING A REPLAT OF LOTS 1 THRU 10, BLOCK 1: LOTS 1 THRU 5, BLOCK 2 OF PARKDALE ADDITION VOL. 2, PG. 39, P.R.G.C.T.; AND LOTS 1 THRU 5, BLOCK 3; LOTS 1 THRU 6, BLOCK 4, PARKDALE ADDITION VOL. 4, PG. 69, P.R.G.C.T. BEING 12.436 ACRES IN THE WILLIAM B. SMITH SURVEY, ABSTRACT NO. 1122, WILLIAM A. EAST SURVEY, ABSTRACT NO. 1409 M.C. DAVIS SURVEY, ABSTRACT NO. 336

Submitted in previous Board Request Dec 2018

EASEMENT DETAIL SHEET

WILLIAM A. EAST SURVEY
ABST. NO. 1409

L1	N 86°51'09"	E 25.04'
L2	N 02°55'31"	E 20.87'
L3	N 87°04'29"	W 5.00'
L4	N 00°01'04"	E 28.42'
L5	S 86°50'32"	W 11.06'
L6	N 88°45'56"	W 11.78'
L7	S 01°21'19"	W 49.99'
L8	S 88°45'56"	E 11.03'

51.956 AC.
CHARLES E. WATSON
VOL. 1208, PG. 817
O.P.R.G.C.T.

AMTEX PARKDALE FUND, LP
VOL. 5859, PG. 367
O.P.R.G.C.T.

82.797 AC.
SHERRY D. WATKINS
VOL. 2177, PG. 851
O.P.R.G.C.T.

7.1752 AC.
WANDA L. DOLLAR
VOL. 3413, PG. 54
O.P.R.G.C.T.

NOTE: PARTS OF FULLER CIRCLE, INWOOD DRIVE AND SKYLINE DRIVE HAVE BEEN ABANDONED BY ORDINANCE 4854 AS SHOWN.

M. C. DAVIS SURVEY
ABST. NO. 336

FILED FOR RECORD
MARCH 11, 2017
at 9:16 o'clock
Records Grayson County,
Texas
WILMA BLACKSHEAR BUSH
County Clerk Grayson Co., Texas
By [Signature] Deputy

LINE	BEARING	DISTANCE
1	N 86°51'09"	25.04
2	N 02°55'31"	20.87
3	N 87°04'29"	5.00
4	N 00°01'04"	28.42
5	S 86°50'32"	11.06
6	N 88°45'56"	11.78
7	S 01°21'19"	49.99
8	S 88°45'56"	11.03

CURVE	RADIUS	CHORD	BEARING	ARC
1	150.00	149.99	N 86°51'09"	25.04
2	150.00	149.99	N 02°55'31"	20.87
3	150.00	149.99	N 87°04'29"	5.00
4	150.00	149.99	N 00°01'04"	28.42
5	150.00	149.99	S 86°50'32"	11.06
6	150.00	149.99	N 88°45'56"	11.78
7	150.00	149.99	S 01°21'19"	49.99
8	150.00	149.99	S 88°45'56"	11.03

GRAPHIC SCALE



(IN FEET)
1 inch = 100 ft

OWNERS/DEVELOPER
AMTEX PARKDALE FUND, LP
30141 ACOURA ROAD
SUITE 100
ACOURA HILLS, CALIFORNIA 91301

SURVEYOR
DOUGLAS W. UNDERWOOD
R.P.L.S. NO. 4709
3404 INTERURBAN ROAD
DENISON, TEXAS



3404 INTERURBAN ROAD DENISON, TEXAS 75021 (903)465-2151

FINAL PLAT
PARKDALE VILLAS

AN ADDITION TO THE
CITY OF DENISON, GRAYSON COUNTY, TEXAS
BEING A REPLAT OF LOTS 1 THRU 10, BLOCK 1; LOTS 1 THRU 5, BLOCK 2 OF
PARKDALE ADDITION VOL. 2, PG. 39, P.R.G.C.T.;
AND LOTS 1 THRU 5, BLOCK 3; LOTS 1 THRU 6, BLOCK 4, PARKDALE ADDITION
VOL. 4, PG. 69, P.R.G.C.T.
BEING 12.436 ACRES IN THE
WILLIAM B. SMITH SURVEY, ABSTRACT NO. 1122;
WILLIAM A. EAST SURVEY, ABSTRACT NO. 1409
M.C. DAVIS SURVEY, ABSTRACT NO. 336

Parkdale Villas - ROW Dedication & Acreage Changes

ROW Dedication acreage on Plat		
Lot 1, Block 1	Lot 1, Block 2	
Changes are in acres		
0.192	0.342	
0.035	0.047	
0.059	0.000	
0.286	0.389	Total ROW Dedication acreage
Original Acreage on Plat (Pg 2 of 3)		
5.245	7.195	12.44 Total
0.286	0.389	
4.959	6.806	Subtotal of net acreages
	11.765	Total Acreage on Final ALTA As-Built Survey

1p

BOARD ACTION REQUEST
ASSET MANAGEMENT DIVISION
MAY 23, 2019

Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application and changes to the Direct Loan for Clyde Ranch (HTC #18036)

RECOMMENDED ACTION

WHEREAS, Clyde Ranch (the Development) received an award of 9% Housing Tax Credits (HTCs) and a Multifamily Direct Loan (MDL) in 2018 for the construction of 40 new multifamily units in Clyde, Callahan County;

WHEREAS, Clyde Housing Partners, LP (the Applicant) requests approval for a reduction in the Net Rentable Area (NRA) from 41,976 to 36,436 square feet, a reduction of 13.20% or 5,540 square feet from the original design represented at Application;

WHEREAS, the Applicant also requests approval for a modification of the residential density from 6.67 to 12.21 units/acre, an increase of 83.21% or 5.55 units/acre;

WHEREAS, Board approval is required for a modification of three percent or more in the square footage of the units and for a modification of the residential density of at least five percent, as directed in Tex. Gov't Code §2306.6712(d)(4) and (6) and 10 TAC §10.405(a)(4)(D) and (F), and the Applicant has complied with the amendment requirements therein;

WHEREAS, the Applicant also requests approval to add parties as Guarantors, which is a non-material amendment under 10 TAC §10.405(a)(3)(C);

WHEREAS, the Applicant has proposed decreasing the MDL in order to maintain an acceptable debt coverage ratio, and has not executed a MDL Contract within the timeframe established by 10 TAC §13.11(d) of the 2018 Multifamily Direct Loan Rule under which this Application was awarded;

WHEREAS, the Department and Applicant have been waiting for the approval of the changes outlined in this Board Action Request before executing a contract for HOME funds, serving as the Commitment for HUD in accordance with the definition of Commitment in 24 CFR §92.2;

WHEREAS, staff recommends approving the reduction to the MDL and extending the contract execution deadline to July 26, 2019, in accordance with 10 TAC §13.12; and

WHEREAS, the requested changes do not negatively affect the Development, impact the viability of the transaction, impact the scoring of the Application, expose the Department to undue financial risk, or affect the amount of the tax credits awarded;

NOW, therefore, it is hereby

RESOLVED, that the requested amendments and extension to July 26, 2019, for Clyde Ranch are approved as presented at this meeting, and the Acting Director and his designees are each hereby authorized, directed, and empowered to take all necessary action to effectuate the foregoing.

BACKGROUND

In 2018, Clyde Ranch received a 9% HTC award and was also approved for a MDL in the amount of \$660,000 to construct 40 units in Clyde, Callahan County, of which all units are designated as rent and income restricted. In a letter dated February 1, 2019, Sallie Burchett, the representative for the Applicant, requested approval for a material amendment to the Application. The request seeks approval for a reduction in the Net Rentable Area (NRA) from 41,976 to 36,436 square feet, a reduction of 13.20% or 5,540 square feet from the NRA represented at Application. In addition, the Applicant explains that they have also modified the purchase contract to reduce the site acreage acquisition from six acres to 3.275 acres, a reduction of 45.42% or 2.725 acres. As a result, the Applicant also seeks approval for the increase in the residential density from 6.67 to 12.21 units/acre, an increase of 83.21% or 5.55 units/acre.

The following table is a comparison of the original Application and the amendments:

Material Alterations as defined in Tex. Gov't Code §2306.6712(d)(4) and (6) and 10 TAC §10.405(a)(4)(D) and (F)	
Application	Amendment
NRA: 41,976 square feet	NRA: 36,436 square feet (5,540 square feet or a 13.20% reduction)

Material Alterations as defined in Tex. Gov't Code §2306.6712(d)(4) and (6) and 10 TAC §10.405(a)(4)(D) and (F)

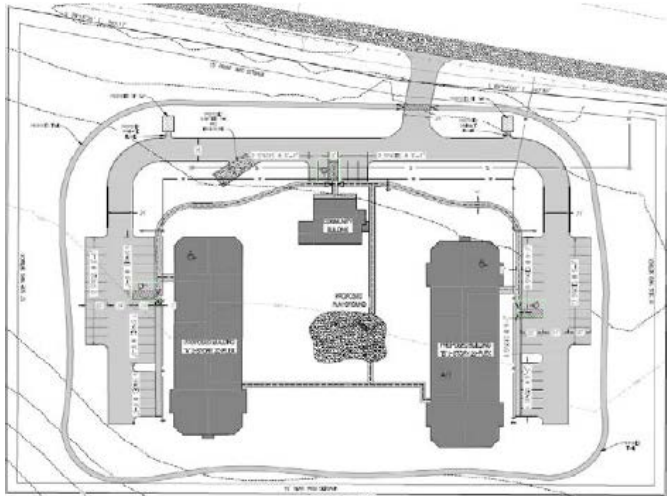
Bedroom Type	No. of Units	Unit Sqft	Total Sqft	§11.9 (b)(1)(A) Minimum Unit Sizes
1BR	8	704	5,632	650
2BR-E	4	988	3,952	850
2BR-B	16	1,039	16,624	850
3BR	<u>12</u>	1,314	<u>15,768</u>	1,050
Total	40		41,976	

Bedroom Type	No. of Units	Unit Sqft	Total Sqft	Difference	Reduction
1BR	8	691	5,528	-104	-1.85%
2BR-E	4	855	3,420	-532	-13.46%
2BR-B	16	896	14,336	-2,288	-13.76%
3BR	<u>12</u>	1,096	<u>13,152</u>	<u>-2,616</u>	<u>-16.59%</u>
Total	40		36,436	-5,540	-13.20%

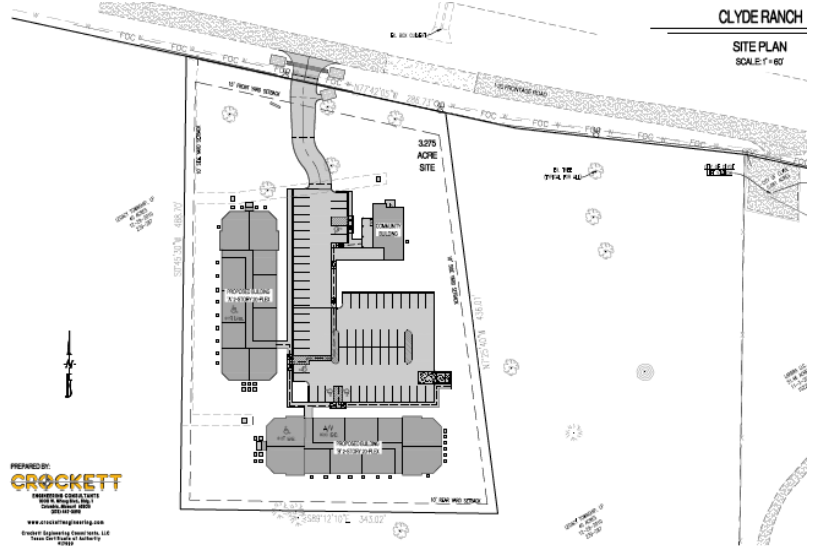
Site Acreage: 6 acres
Residential Density: 6.67 units/acre

Site Acreage: 3.275 acres (a 45.42% reduction, 2.725 acres)
Residential Density: 12.21 units/acre (an 83.21% increase, 5.55 units/acre)

Original Site Plan



Revised Site Plan



On November 12, 2018, the Applicant submitted a modified site plan indicating that the location of the buildings would be shifted to the south and west sections of the original development site. The Applicant explained that the modification was made due to the results of a full hydraulic study and that the change would allow more trees to be saved and net a larger open space. The Applicant did not anticipate at that time that there would be a change to the number of buildings, units, or residential density. Therefore, the modification was considered a Notification Item pursuant to 10 TAC §10.405(a)(2)(B), and was acknowledged by the Department on December 7, 2018.

However, the Applicant has since discovered that they are not able to keep the project financially feasible as it was presented at Application. The Applicant explains that this is due to a number of unforeseen factors, including increased costs in labor and materials and the inability to obtain subcontractor bids that would meet the original cost estimates. Additionally, their geotechnical analysis revealed that the site has more rock than they had anticipated. The Applicant states that they have also discovered that the water, sewer, and trash rates have increased, and the utility allowances will be more than they had anticipated at Application, which negatively impacts the amount of permanent debt that the Development can support. As a solution to make the Development feasible, the Applicant has amended the purchase contract to reduce acquisition costs from \$654,900 to \$357,467 by reducing the development site from 6 acres to 3.275 acres. This will result in an increase in the residential density from 6.67 to 12.21 units/acre, an increase of 83.21% and 5.55 units/acre. The 2.725 acres removed from the acquisition represents the section of the original site that would not have been developed, and therefore, the prior modification to the location of the buildings on the site will not change. To further reduce costs, the Applicant requests to modify the size of the units and reduce to the NRA from 41,976 to 36,436 square feet, a reduction of 13.20% or 5,540 square feet. However, the revised unit sizes proposed by the Applicant will continue to meet the minimum size requirements specified in §11.9 (b)(1)(A) of the 2018 Qualified Action Plan.

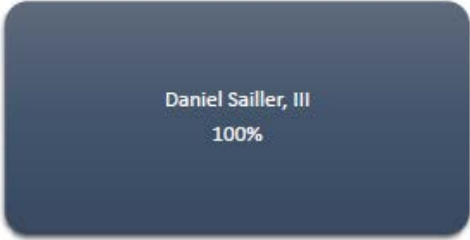
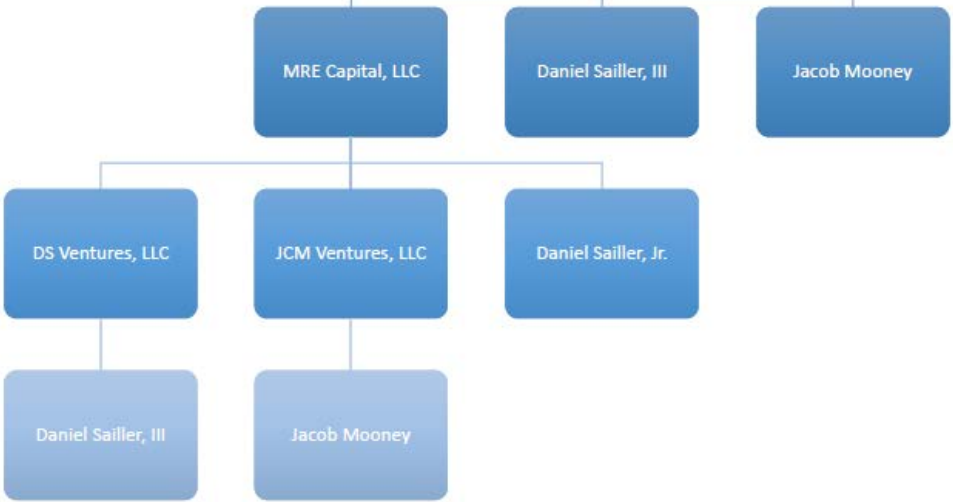
The Applicant provided updated financial information that has been analyzed by the Real Estate Analysis (REA) Division. The revised financial information indicates that the Applicant has reduced the developments costs by decreasing their Developer Fee by \$463K (54%) and by reducing the acquisition costs by \$297K with the decrease to the site acreage. The Applicant has also reduced the debt service as a result of a \$34K reduction to the first lien debt, from \$900K to \$866K, and a requested \$135K reduction to their MDL, from \$660K to \$525K. REA's analysis indicates that the deal is feasible, and the conclusion is that there is no change to the previous recommended credit allocation award.

10 TAC §13.12 discusses the types of extensions and changes to the MDL that can be approved prior to loan closing by either the Executive Director/ authorized designee or the Board. A reduction to the Direct Loan amount and changes to other loan terms or requirements are both contemplated in this section of the Multifamily Direct Loan Rule. That being the case, staff believes a reduction to the Direct Loan amount and an extension to the contract execution deadline do not jeopardize the financial viability of the Development or expose the Department

to undue financial risk, and recommend the requested reduction to the Direct Loan amount and extensions to the contract execution deadline until July 26, 2019.

The amendment request submitted by the Applicant also includes a request to add Guarantors as required by their syndicator. This change would be considered non-material under 10 TAC §10.405(a)(3)(C) but is included with the material amendment of the NRA and residential density. A previous participation review of the new entities and principals was conducted, and the results were deemed acceptable without further review or discussion.

The following table is a comparison of the original and amended Guarantor organization chart:

Non-material Amendment – Addition of Guarantors 10 TAC §10.405(a)(3)(C)	
Application	Amendment
 <p>Daniel Sailler, III 100%</p>	 <pre> graph TD A[MRE Capital, LLC] --- B[Daniel Sailler, III] A --- C[Jacob Mooney] A --- D[Daniel Sailler, III] D --- E[DS Ventures, LLC] D --- F[JCM Ventures, LLC] D --- G[Daniel Sailler, Jr.] E --- H[Daniel Sailler, III] F --- I[Jacob Mooney] </pre>

Staff’s review of the amendment request determined that the proposed changes noted above would not have impacted the scoring of the Application and that the Development remains feasible and supports the Department funds previously awarded.

Staff recommends approval of the amendment request as presented.



Addendum to Underwriting Report

TDHCA Application #: **18036** Program(s): **9% HTC/MDL**

Clyde Ranch

Address/Location: IH-20 approx .6 miles west of N. Hays Road

City: Clyde County: Callahan Zip: 79510

APPLICATION HISTORY	
Report Date	PURPOSE
04/29/19	Amendment to Original Report
06/26/18	New Application - Initial Underwriting

ALLOCATION

TDHCA Program	Previous Allocation				RECOMMENDATION				
	Amount	Rate	Amort	Term	Amount	Rate	Amort	Term	Lien
MF Direct Loan	\$660,000	4.00%	30	15	\$525,000	4.00%	30	15	2
LIHTC (9% Credit)	\$500,000				\$500,000				

* Multifamily Direct Loan Terms:

* Pursuant to 10 TAC §13.8(a), the term of a Multifamily Direct Loan should match the term of any superior loan (within 6 months).

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

CONDITIONS STATUS

- Receipt and acceptance before Direct Loan Closing
 - a: Substantially final construction contract with Schedule of Values.
 - b: Updated term sheets with substantially final terms from all lenders
 - c: Substantially final draft of limited partnership agreement.
 - d: Senior loan documents (and/or partnership documents) must contain a provision(s) that any stabilization resizing on the senior debt includes the debt service on the TDHCA MDL at a 1.15 DCR.
 - e: Documentation identifying any required matching funds, and confirming that the source is eligible to be counted as matching funds under HUD and TDHCA requirements.
 - f: Documentation that a noise study has been completed, and certification from the Architect that all recommendations from the noise study are incorporated into the development plans.

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

SET-ASIDES

TDHCA SET-ASIDES for HTC LURA		
Income Limit	Rent Limit	Number of Units
30% of AMI	30% of AMI	3
50% of AMI	50% of AMI	8
60% of AMI	60% of AMI	29

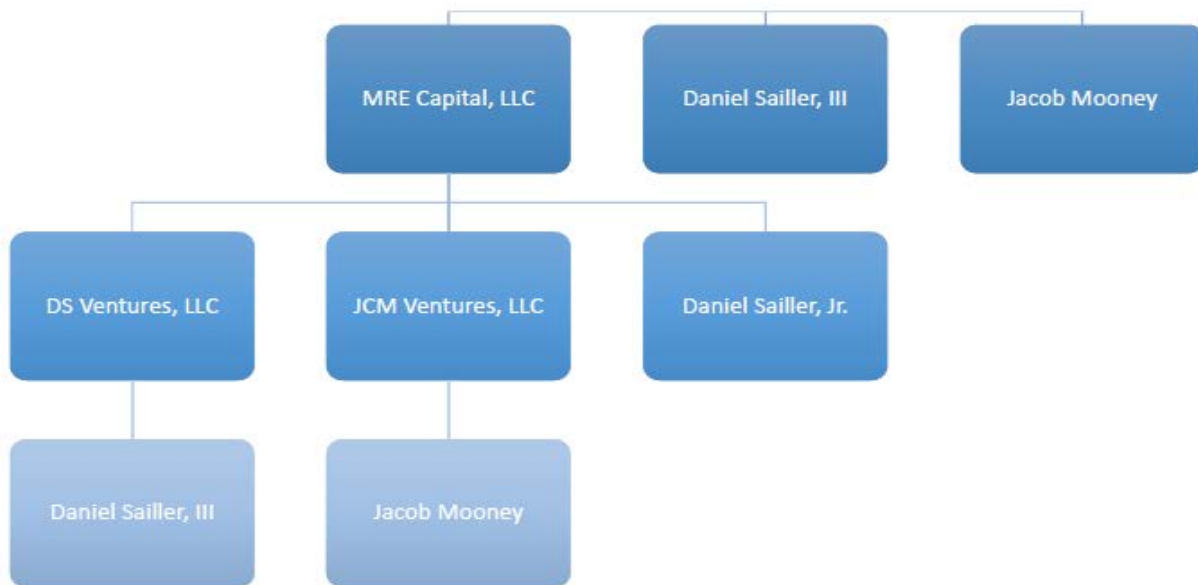
TDHCA SET-ASIDES for DIRECT LOAN LURA		
Income Limit	Rent Limit	Number of Units
50% of AMFI	Low HOME	3
60% of AMFI	High HOME	8

Applicant has made no proposal to modify their original commitment of eleven (11) MDL units.

ANALYSIS

The Applicant has requested an amendment related to changes to the development plan, including adding additional parties as guarantors.

MRE Capital, LLC & Jacob Mooney have now been included as additional guarantors.



The original application indicated the development consisted of 40 units totaling 41,976 square feet of net rentable area (NRA). The Applicant now indicates that it was necessary to reduce the unit square footages and the total site acreage in order to reduce costs and stay within the original development budget. Unit sizes were decreased by approximately 11% on average and total NRA was reduced to 36,436 s.f. (~13.2% decrease).

The total site acreage was reduced from 6 acres, down to 3.28 acres, resulting in an increase in density from 6.7 units/acre to 12.2 units/acre.

Operating Pro Forma

Applicant has updated the utility structure from landlord-paid water, sewer, trash (WST) to tenant-paid water and sewer. Consequently, Applicant submitted updated utility allowance (UA) estimates using the HUD Utility Schedule Model, as approved by the Department. Updated UA's reflect a \$131 increase on average (~162% increase). Applicant and Underwriter's analysis uses current 2018 HTC rents, which allows for a healthier pro forma, and an expense to income ratio below 65%. Total income has decreased only 8% since original underwriting.

Development Cost

Applicant's total development cost decreased \$351K (~5.6%) with the majority of that decrease attributed to a \$463K (~54%) decrease in developer fee and a \$297K (45%) decrease in acquisition price as a result of the reduced site. Conversely, site work has increased \$313K (~115%). Additionally, Applicant has voluntarily reduced developer fee from approximately 20%, down to ~8%.

Underwriter's updated building costs (\$87.01/s.f.) based on a draft contractor SOVs provided by the Applicant. However, Applicant indicates the costs reflected in the current cost schedule are based on a more recent Contractor estimate. These costs have yet to be documented. A final executed contract must be provided before MDL closing. Total costs decreased less than 1%. Total costs remain within 5% of the Applicant's costs.

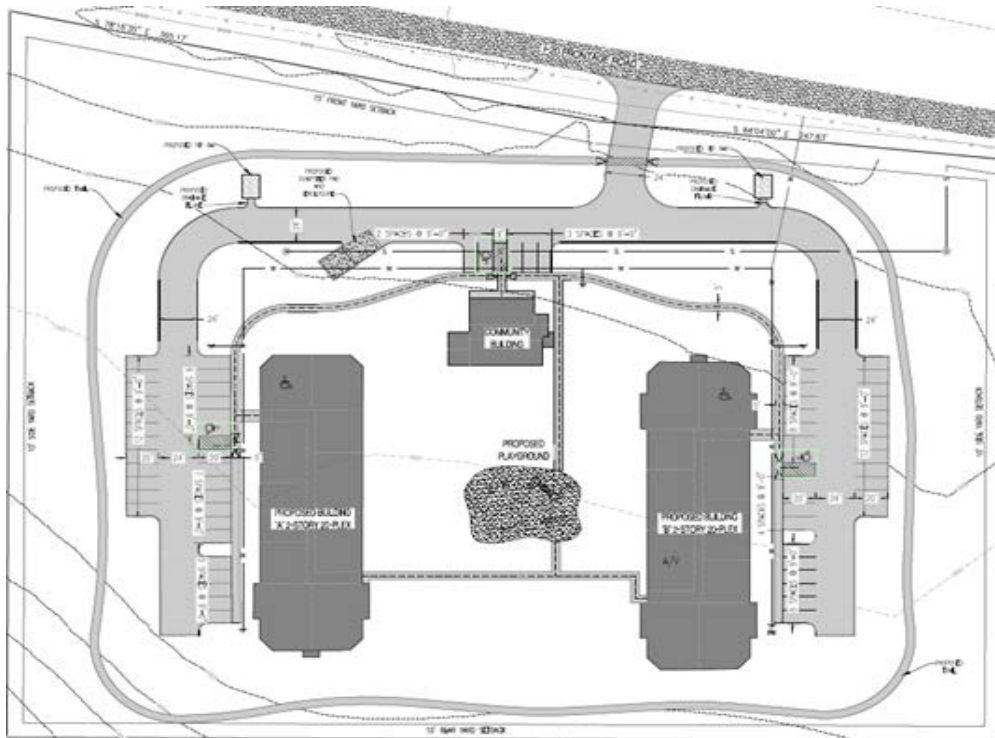
Sources and Uses

Bank of Oklahoma replaces Horizon as senior lender, with decreased debt from \$900K to \$866K. Consequently, a decrease in the total MDL loan to \$525K has also been requested (down from \$660K).

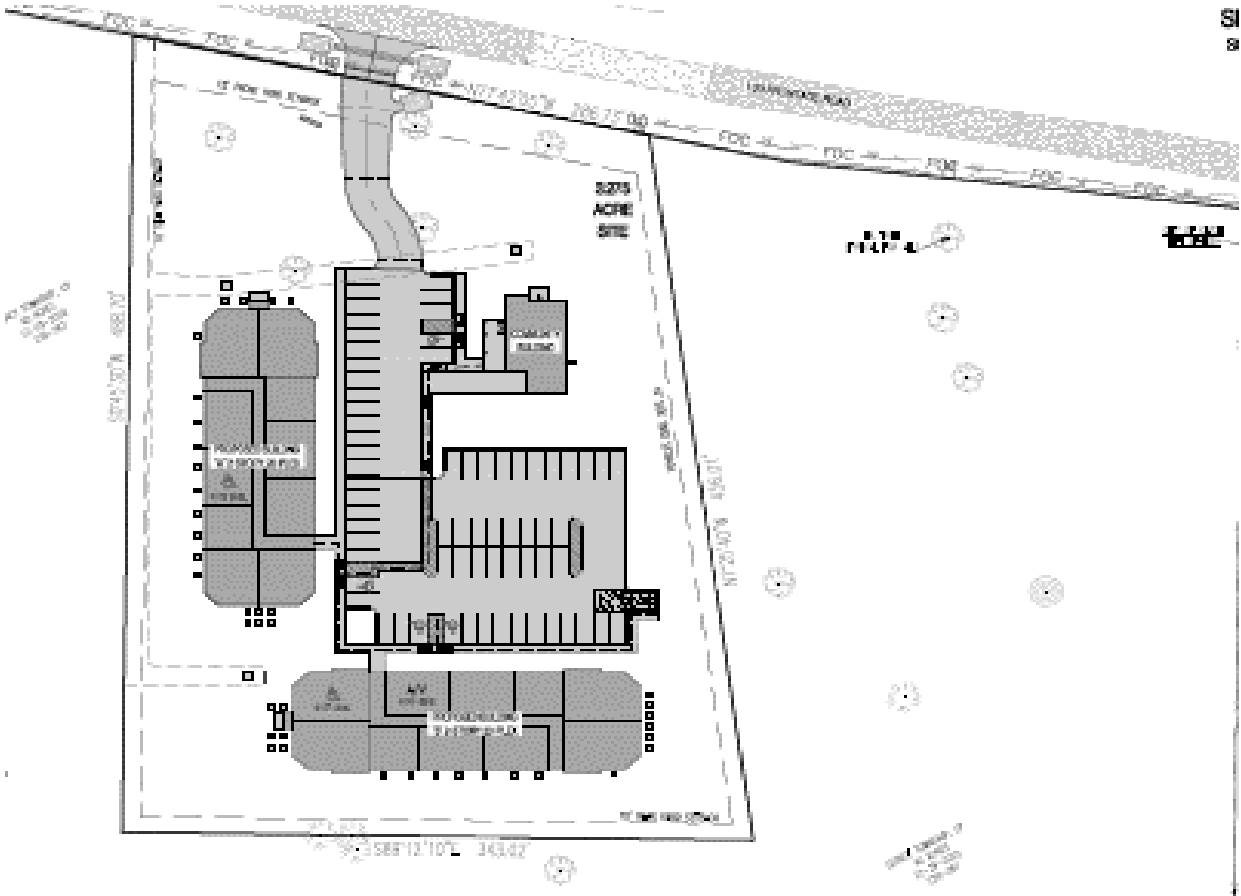
Conclusion

There is no change to the previous credit recommendations; however, per the Applicant's revised request, the MDL loan amount has decreased to \$525K at the same 30/15 @ 4% terms previously underwritten.

Original Site Plan



Revised Site Plan



Underwriter:	<u>Diamond Unique Thompson</u>
Manager of Real Estate Analysis:	<u>Thomas Cavanagh</u>
Director of Real Estate Analysis:	<u>Brent Stewart</u>

UNIT MIX/RENT SCHEDULE

Clyde Ranch, Clyde, 9% HTC/MDL #18036

LOCATION DATA	
CITY:	Clyde
COUNTY:	Callahan
Area Median Income	\$63,900
PROGRAM REGION:	2

UNIT DISTRIBUTION							
# Beds	# Units	% Total	Assisted	MDL	Income	# Units	% Total
Eff	-	0.0%	0	0	30%	3	7.5%
1	8	20.0%	0	2	40%	-	0.0%
2	20	50.0%	0	6	50%	8	20.0%
3	12	30.0%	0	3	60%	29	72.5%
4	-	0.0%	0	0	MR	-	0.0%
TOTAL	40	100.0%	-	11	TOTAL	40	100.0%

Pro Forma ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	100%
APP % Acquisition	3.39%
APP % Construction	9.00%
Average Unit Size	911 sf

UNIT MIX / MONTHLY RENT SCHEDULE

HTC		TDHCA Direct Loan Program		UNIT MIX				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS				TDHCA PRO FORMA RENTS			MARKET RENTS				
Type	Gross Rent	Type	Gross Rent	# Units	# Beds	# Baths	NRA	Gross Rent	Utility Allow	Max Net Program Rent	Delta to Max	Rent psf	Net Rent per Unit	Total Monthly Rent	Total Monthly Rent	Rent per Unit	Rent psf	Delta to Max	Underwritten	Mrkt Analyst		
TC 30%	\$351	LH/50%	\$586	1	1	1	691	\$351	\$146	\$205	\$0	\$0.30	\$205	\$205	\$205	\$205	\$205	\$0.30	\$0	\$825	\$1.19	\$825
TC 50%	\$586	HH/60%	\$605	1	1	1	691	\$586	\$146	\$440	\$0	\$0.64	\$440	\$440	\$440	\$440	\$440	\$0.64	\$0	\$825	\$1.19	\$825
TC 60%	\$703			6	1	1	691	\$703	\$146	\$557	\$0	\$0.81	\$557	\$3,342	\$3,342	\$557	\$0.81	\$0	\$825	\$1.19	\$825	
TC 30%	\$422	LH/50%	\$703	1	2	2	855	\$422	\$202	\$220	\$0	\$0.26	\$220	\$220	\$220	\$220	\$0.26	\$0	\$900	\$1.05	\$900	
TC 50%	\$703	HH/60%	\$805	1	2	2	855	\$703	\$202	\$501	\$0	\$0.59	\$501	\$501	\$501	\$501	\$0.59	\$0	\$900	\$1.05	\$900	
TC 60%	\$844			2	2	2	855	\$844	\$202	\$642	\$0	\$0.75	\$642	\$1,284	\$1,284	\$642	\$0.75	\$0	\$900	\$1.05	\$900	
TC 30%	\$422	LH/50%	\$703	1	2	2	896	\$422	\$202	\$220	\$0	\$0.25	\$220	\$220	\$220	\$220	\$0.25	\$0	\$900	\$1.00	\$900	
TC 50%	\$703	HH/60%	\$805	3	2	2	896	\$703	\$202	\$501	\$0	\$0.56	\$501	\$1,503	\$1,503	\$501	\$0.56	\$0	\$900	\$1.00	\$900	
TC 60%	\$844			12	2	2	896	\$844	\$202	\$642	\$0	\$0.72	\$642	\$7,704	\$7,704	\$642	\$0.72	\$0	\$900	\$1.00	\$900	
TC 50%	\$812	HH/60%	\$1,018	3	3	2	1,096	\$812	\$282	\$530	\$0	\$0.48	\$530	\$1,590	\$1,590	\$530	\$0.48	\$0	\$1,120	\$1.02	\$1,120	
TC 60%	\$975			9	3	2	1,096	\$975	\$282	\$693	\$0	\$0.63	\$693	\$6,237	\$6,237	\$693	\$0.63	\$0	\$1,120	\$1.02	\$1,120	
TOTALS/AVERAGES:				40			36,436				\$0	\$0.64	\$581	\$23,246	\$23,246	\$581	\$0.64	\$0	\$951	\$1.04	\$951	

ANNUAL POTENTIAL GROSS RENT:	\$278,952	\$278,952
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STABILIZED PRO FORMA

Clyde Ranch, Clyde, 9% HTC/MDL #18036

STABILIZED FIRST YEAR PRO FORMA

	COMPARABLES		APPLICANT				PRIOR REPORT		TDHCA				VARIANCE	
	Database	4 Multifamily Comps	% EGI	Per SF	Per Unit	Amount	Applicant	TDHCA	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT				\$0.64	\$581	\$278,952	\$303,924	\$304,037	\$278,952	\$581	\$0.64		0.0%	\$0
Laundry and late fees					\$20.00	\$9,600	\$9,600							
0					\$0.00	\$0	\$0							
0					\$0.00	\$0	\$0							
Total Secondary Income					\$20.00	\$9,600	\$9,600	\$9,600	\$9,600	\$20.00			0.0%	\$0
POTENTIAL GROSS INCOME						\$288,552	\$313,524	\$313,637	\$288,552				0.0%	\$0
Vacancy & Collection Loss					7.5% PGI	(21,641)	(23,514)	(23,523)	(21,641)	7.5% PGI			0.0%	-
Rental Concessions						-	-	-	-				0.0%	-
EFFECTIVE GROSS INCOME						\$266,911	\$290,010	\$290,114	\$266,911				0.0%	\$0

General & Administrative	\$19,344	\$484/Unit	\$16,058	\$401	5.43%	\$0.40	\$363	\$14,500	\$18,700	\$18,700	\$18,700	\$468	\$0.51	7.01%	-22.5%	(4,200)
Management	\$19,369	6.8% EGI	\$16,366	\$409	5.03%	\$0.37	\$336	\$13,429	\$14,511	\$14,506	\$13,346	\$334	\$0.37	5.00%	0.6%	83
Payroll & Payroll Tax	\$44,190	\$1,105/Unit	\$50,859	\$1,271	14.50%	\$1.06	\$968	\$38,700	\$45,020	\$45,020	\$45,020	\$1,126	\$1.24	16.87%	-14.0%	(6,320)
Repairs & Maintenance	\$31,589	\$790/Unit	\$30,723	\$768	3.56%	\$0.26	\$238	\$9,500	\$20,000	\$24,000	\$24,000	\$600	\$0.66	8.99%	-60.4%	(14,500)
Electric/Gas	\$10,440	\$261/Unit	\$6,825	\$171	2.25%	\$0.16	\$150	\$6,000	\$4,000	\$4,000	\$4,000	\$100	\$0.11	1.50%	50.0%	2,000
Water, Sewer, & Trash Tenant Pays: WS	\$22,229	\$556/Unit	\$5,884	\$147	3.00%	\$0.22	\$200	\$8,000	\$26,900	\$23,173	\$5,884	\$147	\$0.16	2.20%	36.0%	2,116
Property Insurance	\$11,321	\$0.31 /sf	\$10,122	\$253	5.91%	\$0.43	\$395	\$15,783	\$13,500	\$13,500	\$13,500	\$338	\$0.37	5.06%	16.9%	2,283
Property Tax (@ 100%) 2.6469	\$18,582	\$465/Unit	\$26,535	\$663	7.87%	\$0.58	\$525	\$21,014	\$17,500	\$17,500	\$17,500	\$438	\$0.48	6.56%	20.1%	3,514
Reserve for Replacements	\$17,604	\$440/Unit	\$12,054	\$301	3.75%	\$0.27	\$250	\$10,000	\$10,000	\$10,000	\$10,000	\$250	\$0.27	3.75%	0.0%	-
TDHCA LIHTC/HOME Compliance Fees			\$1,362	\$34	0.60%	\$0.04	\$40	\$1,600	\$1,600	\$1,974	\$1,600	\$40	\$0.04	0.60%	0.0%	-
TDHCA DL Compliance Fees			-	\$0	0.14%	\$0.01	\$9	\$374	\$0	\$0	\$374	\$9	\$0.01	0.14%	0.0%	-
Phone Internet			-	\$0	1.12%	\$0.08	\$75	\$3,000	\$0	\$0	\$3,000	\$75	\$0.08	1.12%	0.0%	-
TOTAL EXPENSES					53.53%	\$3.92	\$3,572	\$ 142,886	\$ 171,731	\$172,373	\$157,910	\$3,948	\$4.33	59.16%	-9.5%	\$ (15,024)
NET OPERATING INCOME ("NOI")					46.47%	\$3.40	\$3,101	\$124,025	\$118,279	\$117,741	\$109,001	\$2,725	\$2.99	40.84%	13.8%	\$ 15,024

CONTROLLABLE EXPENSES		\$1,918/Unit		\$2,440/Unit
-----------------------	--	--------------	--	--------------

CAPITALIZATION / DEVELOPMENT COST BUDGET / ITEMIZED BASIS ITEMS

Clyde Ranch, Clyde, 9% HTC/MDL #18036

CREDIT CALCULATION ON QUALIFIED BASIS				
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction Rehabilitation
ADJUSTED BASIS	\$0	\$4,918,409	\$0	\$5,469,209
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$4,918,409	\$0	\$5,469,209
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$6,393,932	\$0	\$7,109,971
Applicable Fraction	100.00%	100.00%	100.00%	100.00%
TOTAL QUALIFIED BASIS	\$0	\$6,393,932	\$0	\$7,109,971
Applicable Percentage	3.39%	9.00%	3.39%	9.00%
ANNUAL CREDIT ON BASIS	\$0	\$575,454	\$0	\$639,897
CREDITS ON QUALIFIED BASIS	\$575,454		\$639,897	

Method	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
	Annual Credits	Proceeds	Credit Price \$0.8949	Variance to Request	
			Credit Allocation	Credits	Proceeds
Eligible Basis	\$575,454	\$5,149,798	----	----	----
Needed to Fill Gap	\$500,124	\$4,475,665	----	----	----
Previous Allocation	\$500,000	\$4,474,553	\$500,000	\$0	\$0

BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Garden (Up to 4-story)	36,436 SF	\$66.93	2,438,488
Adjustments				
Exterior Wall Finish	0.00%		0.00	\$0
Elderly	0.00%		0.00	0
9-Ft. Ceilings	3.00%		2.01	73,155
Roof Adjustment(s)			0.00	0
Subfloor			(0.86)	(31,335)
Floor Cover			2.56	93,276
Breezeways	\$27.52	4,396	3.32	120,973
Balconies	\$27.54	3,321	2.51	91,463
Plumbing Fixtures	\$1,020	96	2.69	97,920
Rough-ins	\$500	80	1.10	40,000
Built-In Appliances	\$1,730	40	1.90	69,200
Exterior Stairs	\$2,280	4	0.25	9,120
Heating/Cooling			2.21	80,524
Storage Space	\$27.52	0	0.00	0
Carports	\$12.25	0	0.00	0
Garages		0	0.00	0
Comm &/or Aux Bldgs	\$99.10	1,677	4.56	166,185
Elevators	\$0	0	0.00	0
Other:			0.00	0
Fire Sprinklers	\$2.59	42,509	3.02	110,098
SUBTOTAL			92.19	3,359,066
Current Cost Multiplier	1.04		3.69	134,363
Local Multiplier	0.87		(11.98)	(436,679)
TOTAL BUILDING COSTS			83.89	\$3,056,750
Plans, specs, survey, bldg permits	3.30%		(2.77)	(\$100,873)
Contractor's OH & Profit	11.50%		(9.65)	(351,526)
NET BUILDING COSTS		\$65,109/unit	\$71.48/sf	\$2,604,351



February 1, 2019

Ms. Lee Ann Chance
Asset Manager (Regions 1, 2, 7 & 8)
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

Via: leeann.chance@tdhca.state.tx.us

Re: Clyde Ranch, TDHCA #18036, Clyde, TX

Dear Ms. Chance:

Please accept this revised formal request for an amendment to project 18036, Clyde Ranch to adjust the square footage, reduce the site acreage, and revise the guarantors.

SECTION 1

Changes Requested

- 1) Reduce the net rentable area in excess of 3%.
- 2) Reduce the site acreage resulting in a density increase of at least 5%.
- 3) Add additional parties as guarantors.

Reason the Change is Necessary

- 1) After tax credit award, the General Contractor was not able to obtain subcontractor bids to meet the previously established estimate for construction. Reducing the square footages of the units (and still surpassing the minimums) reduces the costs and to help keep the development within budget.
- 2) A financial gap still remained after the reduction in square feet and construction costs. After exhausting all alternatives to close the gap, the Owner was able to reduce the purchase price of the land by carving off the open space resulting in a reduction in total site acreage.
- 3) The Tax Credit Investor has requested an addition to the list of Guarantors.

Good Cause for the Change

- 1) Reducing the net rentable area of the apartment homes is a good solution to obtaining construction costs that meets the estimated budget. The reduction in square feet helps the project stay within budget and meets scoring parameters.
- 2) The reduction in the land acquisition costs is the last and only option available to the Owner to make the Sources and Uses balance.
- 3) The Tax Credit Investor, Raymond James, is requiring additional Guarantors.

Explanation of Foreseeable or Preventable Nature

- 1) See the enclosed letter from the Contractor.
- 2) See the enclosed letter from the Owner.

3) The Applicant had no knowledge or way to predict the investor's Guarantor change requirement.

SECTION 2

I've attached the following required documentation for the modification of square feet summarized below. The clubhouse square footage remains the same.

Bedroom Type	No. of Units	Unit SF at Application	Total SF at Application	Unit SF Requested	Total SF Requested	SF Difference	Difference
1BR	8	704	5,632	691	5,528	-104	-1.85%
2BR-E	4	988	3,952	855	3,420	-532	-13.46%
2BR-B	16	1,039	16,624	896	14,336	-2,288	-13.76%
3BR	12	1,314	15,768	1,096	13,152	-2,616	-16.59%
Total	40		41,976		36,436	-5,540	-13.20%

Financing Exhibits

- Tab 30 Development Cost Schedule
- Tab 31 Sources and Uses

Unit Type and Count Exhibits

- Tab 23 Building Unit Configuration
- Tab 24 Rent Schedule

Design Documents

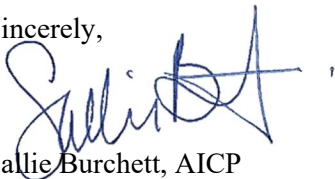
- Site Plan and TDHCA approval of non-material site plan modifications.
- Architectural Plans

Organizational Documents

- Guarantor Organizational Chart
- Previous Participation for the new parties
- Credit Limit Certifications for the new parties

As required, we have submitted the \$2,500 material amendment fee. Thank you for marshalling the amendment request through the system. Please feel free to contact me if you have any additional questions.

Sincerely,



Sallie Burchett, AICP
Consultant to the Project

Clyde Housing Partners, LP

January 1, 2019

Ms. Lee Ann Chance
Asset Manager (Regions 1, 2, 7 & 8)
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

Via: leeann.chance@tdhca.state.tx.us

Re: Clyde Ranch, TDHCA #18036, Clyde, TX

Dear Ms. Chance:

Please accept this explanation for our material amendment request to reduce the site acreage that results in an increase in density. I acknowledge that this wasn't the deal we presented, and I apologize that I have to make the request.

We are unable to keep Clyde Ranch financially feasible as presented in our Clyde Ranch Application due to a number of factors outlined as follows. Construction costs have escalated, our geotechnical analysis found more rock than predicted, and much higher than anticipated water, sewer and trash rates cumulatively have a negative effect on the permanent debt as originally planned.

Fortunately, we were able to find a solution to close the gap. By amending the purchase contract, by reducing the purchase price to \$357,467.00 and decreasing the acreage to 3.275 acres, the reduction in acquisition costs closed our sources and uses gap. While technically the density increased, the site plan for developed area remains the same, only the 2.275 open space area is no longer a part of the Site.

Faced with the possibility of returning the credits, we assessed every possible strategy for financial feasibility. Fortunately, we were able to find a solution that we believe has a nominal impact on the residents. Thank you for considering our request and respectfully request a favorable recommendation to the Board.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel Sailler, III", with a horizontal line extending to the right.

Daniel Sailler, III
Managing Member

SECOND AMENDMENT OF REAL ESTATE CONTRACT

This Second Amendment of Real Estate Contract ("Amendment") is made by and between Legacy Township, L.P., a Texas limited partnership ("Seller") and Clyde Housing Partners, LP, a Texas limited partnership ("Buyer"), as assignee of HP Investments II, LLC, a Missouri limited liability company ("Assignor"), as of this 27th day of December, 2018.

WHEREAS, Buyer and Assignor entered into a certain Real Estate Contract dated December 12, 2017 ("Purchase Contract") in connection with the purchase of certain real estate in Clyde, Callahan County, Texas as more specifically described in the Purchase Contract; and

WHEREAS, Assignor assigned the Purchase Contract on February 9, 2018 pursuant to rights granted in the Purchase Contract; and

WHEREAS, the parties desire to amend the existing Purchase Contract to change the amount of acreage being purchased and the amount of Purchase Price.

NOW, THEREFORE, in consideration of the premises, and for other good and valuable consideration, the parties hereto agree as follows:

1. Seller agrees to sell and Buyer agrees to buy 3.275 acres of the six (6) total acres owned by Seller, as shown in bold black outline on the site plan attached hereto as Exhibit "A." The term "Property" as used in the Purchase Contract shall refer to the 3.275 acres being purchased by Buyer. The final legal description will be determined by Buyer's survey.
2. The Purchase Price for the Property is amended to Three Hundred Fifty Seven Thousand Four Hundred Sixty-Seven and no/100 Dollars (\$357,467.00).
3. Pursuant to requirements of the Texas Department of Housing and Community Affairs, the following language is hereby added to the Purchase Contract:

"Notwithstanding any other provision of this Contract, Purchaser shall have no obligation to purchase the Property, and no transfer of title to the Purchaser may occur, unless and until the Department has provided Purchaser and/or Seller with a written notification that: (1) it has completed a federally required environmental review and its request for release of federal funds has been approved and, subject to any other Contingencies in this Contract, (a) the purchase may proceed, or (b) the purchase may proceed only if certain conditions to address issues in the environmental review shall be satisfied before or after the purchase of the property; or (2) it has determined that the purchase is exempt from federal environmental review and a request for release of funds is not required. The Department shall use its best efforts to conclude the environmental review of the property expeditiously."

IN WITNESS WHEREOF, the undersigned has executed this instrument as of the date first above stated.

BUYER:

CLYDE HOUSING PARTNERS, LP,
a Texas limited partnership

By: CLYDE HOUSING, LLC
a Texas limited liability company,
its general partner

By:



Daniel Sailler, III, Manager

SELLER:

LEGACY TOWNSHIP, L.P.,
a Texas limited partnership

By:



Jerod Yates, General Partner

ASSIGNOR APPROVAL:

HP Investments II, LLC,
a Missouri limited liability company

By:



Daniel Sailler, III, Manager

4. Buyer and Seller confirm that any prior earnest money paid by Buyer or the Assignor under the Purchase Contract shall continue as Earnest Money for this transaction.

5. No Further Amendment. Except as set forth herein, the Purchase Contract shall remain in full force and effect according to its terms.

[The remainder of this page intentionally left blank with signatures to follow]

Eastland Properties, LLC
PO Box 51916
Amarillo, Texas 79159

December 3, 2018

Lee Ann Chance
Texas Department of Housing and Community Affairs
PO Box 19341
Austin, TX 79711-3941

Re: Clyde Ranch, TDHCA 18036, Clyde, Texas
Rise in Construction Costs

Dear Ms. Chance.

This letter is reference to the agreed upon construction contract price for the above referenced project in Clyde, Texas, Clyde Ranch. Admire Construction has been in the Construction business for over 20 years and I have built over a dozen multifamily projects that utilize housing tax credits. Unfortunately, I am unable to build Clyde Ranch within the original construction budget proposed at application as originally designed. I have been working fervidly with the Architect, Civil Engineer, and Development Owner to come up with a solution to make the project financially feasible. The design team was able to design a project that still meets scoring minimums where I can come close to the original budget.

The rate of rising construction costs was unforeseen at Application. Labor costs have gone up more than the cost estimator predicted. Additionally, the ability to find good Subcontractors and qualified workers in rural areas continues to worsen. Poaching from competitors for qualified labor is a common practice. Labor prices rise as a result of the reduced supply and increased demand. Furthermore, construction material costs are still high and have not come down as much as predicted from Hurricane Harvey rebuilding efforts.

I trust that you will find our proposed solution amenable and appreciate your consideration of this request. Please feel free to contact me if you have any questions.

Sincerely,



Damon Admire



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

www.tdhca.state.tx.us

Greg Abbott
GOVERNOR

BOARD MEMBERS

J.B. Goodwin, *Chair*
Leslie Bingham-Escareño, *Vice Chair*
Paul A. Braden, Member
Asusena Reséndiz, Member
Sharon Thomason, Member
Leo Vasquez, Member

December 7, 2018

Writer's direct dial: 512.475.3357
Email: rosalio.banuelos@tdhca.state.tx.us

Sallie Burchett
Structure Development
702 San Antonio St.
Austin, TX 78701

Via Email Transmission: sallie@structuretexas.com

RE: CLYDE RANCH APARTMENTS (THE "DEVELOPMENT"), LIHTC #18036
ACKNOWLEDGEMENT OF CHANGES TO SITE PLAN

Dear Ms. Burchett:

The Texas Department of Housing and Community Affairs (the "Department") received your notification on November 12, 2018, that there was a modification to the site plan for the Development. You state that after conducting a full hydraulic study, the location of the buildings were shifted to the south and west section of the development site. You explained that the relocation allows more trees to be saved and also nets a larger and more useable open space area. The change does not affect the number of buildings and units or the residential density. You also stated that the remainder of the site will not be developed. Therefore, these changes to the site plan are considered a Notification Item pursuant to §10.405(a)(2)(B) of the Department's 2018 Uniform Multifamily Rules.

Please accept this letter as our acknowledgment of the changes from the original site plan provided at Application. If you have any questions, please contact Lee Ann Chance at (512) 936- 7835 or via email at leeann.chance@tdhca.state.tx.us.

Sincerely,

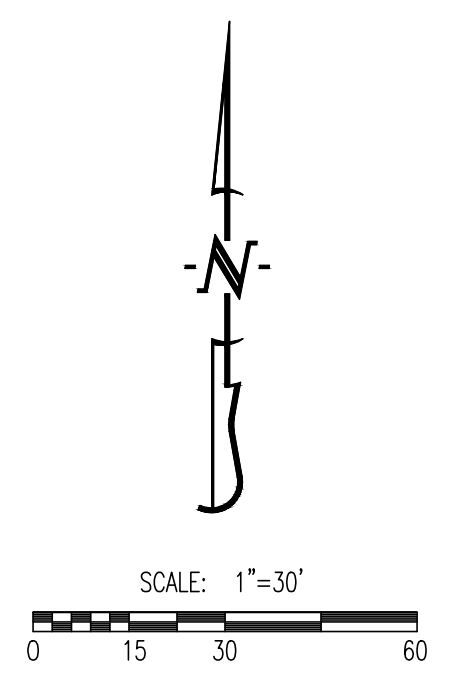
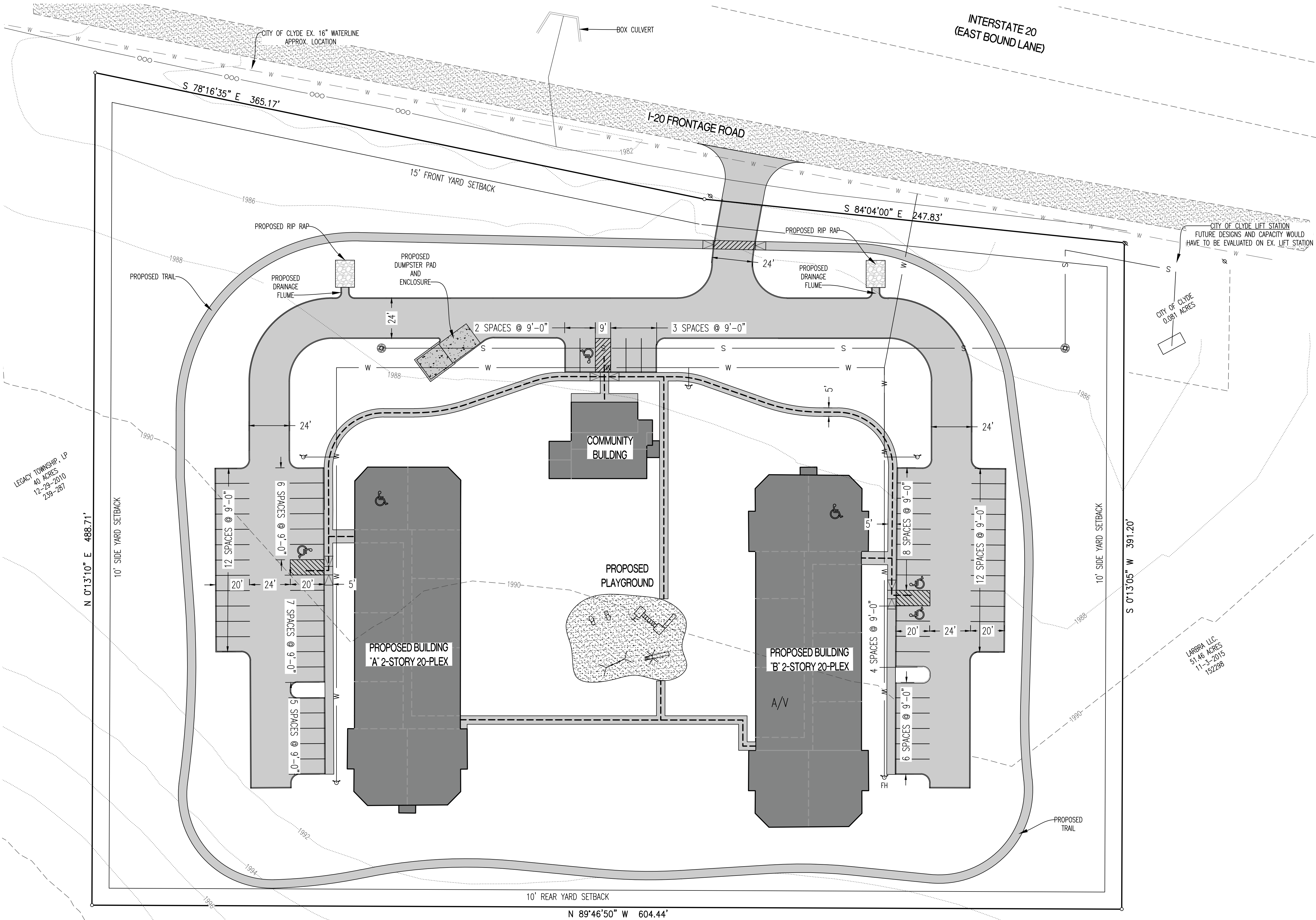
A handwritten signature in black ink that reads "Rosalio Be".

Rosalio Banuelos
Director of Multifamily Asset Management

RB/lac



Application



CALCULATIONS:		
LAND AREA:		
TOTAL LAND AREA:		6.0 AC
CURRENT ZONING		AGRICULTURAL
PROPOSED ZONING		MULTIFAMILY
PARKING SUMMARY:		
SPACES REQUIRED:		60 SPACES
40 UNITS (1.5 SPACE PER UNIT):		
HANDICAP SPACES REQUIRED:		4 SPACES
STANDARD SPACES PROVIDED:		61 SPACES
HANDICAP SPACES PROVIDED:		4 SPACES
TOTAL SPACES PROVIDED:		65 SPACES
LOT COVERAGES:		
	ACTUAL	
NET LAND AREA:	261,356 SQ.FT.	100%
TOTAL IMPERVIOUS SURFACE AREA:	78,870 SQ.FT.	31%
TOTAL OPEN SPACE:	182,486 SQ.FT.	69%
TOTAL UNIT COUNT:		
		40 TOTAL UNITS
1-BEDROOM TYP		8 UNITS
2-BEDROOM TYP		18 UNITS
2-BEDROOM ACC.		1 UNIT
2-BEDROOM A/V		1 UNIT
3-BEDROOM TYP		11 UNITS
3-BEDROOM ACC.		1 UNIT
LEGEND		
		MOBILITY ACCESSIBLE UNITS
A/V		AUDIO/VISUAL ACCESSIBLE UNITS
		ACCESSIBLE ROUTE

REVISIONS:

NO.	DATE
ORIGINAL	7/23/2018

THIS SHEET HAS BEEN SIGNED, SEALED AND DATED ELECTRONICALLY

PRELIMINARY
(NOT FOR CONSTRUCTION)

TIMOTHY D. CROCKETT
TX LICENSE - 107075

SITE/CIVIL ENGINEER
CROCKETT
ENGINEER
1100 W. WILSON BLVD., SUITE 100
COLUMBIA, MISSOURI 65203
(314) 447-0702
www.crockettengineering.com
Crockett Engineering Consultant, LLC
Texas Certificate of Authority
11025

OWNER:
CLYDE HOUSING PARTNERS, LP

CLYDE RANCH
DEVELOPMENT LOCATED
ON I-20 FRONTAGE ROAD
CLYDE, CALLAHAN COUNTY, TEXAS

DRAWING INCLUDES:

PRELIMINARY SITE PLAN

DESIGNED: TDC
DRAWN: KRM
PROJECT NO.: 170549
SHEET: CE1

GENERAL NOTES:

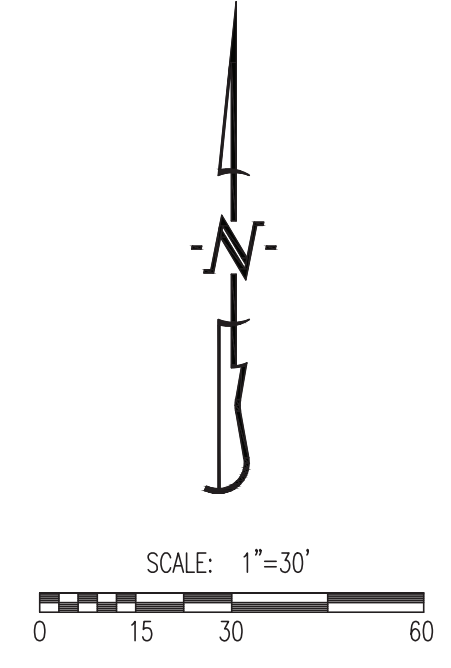
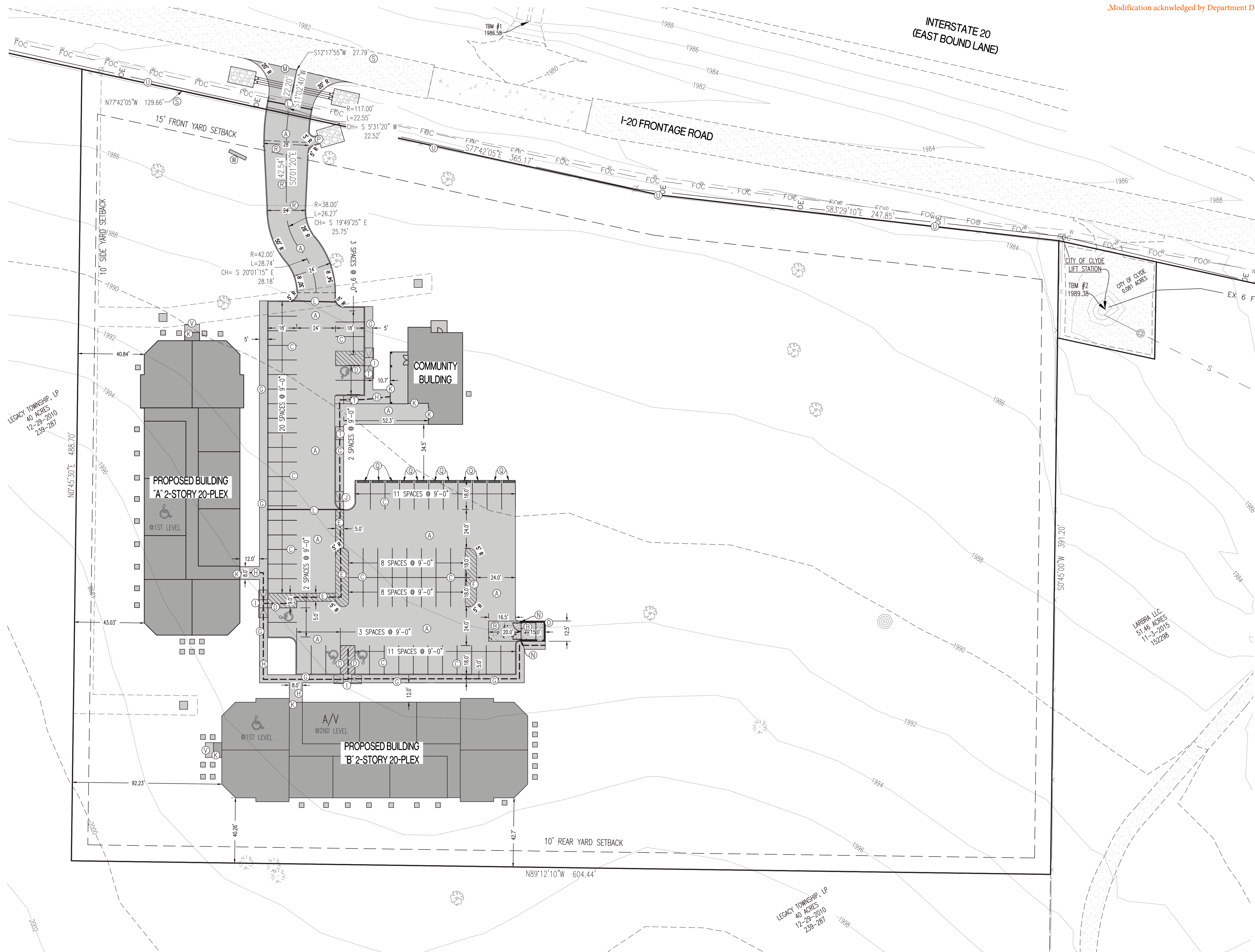
- THIS IS NOT A CONSTRUCTION DOCUMENT. THIS DOCUMENT IS FOR CONCEPTUAL PLANNING PURPOSES ONLY. SOME MODIFICATIONS MAY BE REQUIRED ONCE THIS PRELIMINARY SITE PLAN IS SUBMITTED TO ALL REQUIRED ENTITIES.
- THE SITE ADHERES TO ALL SITE DEVELOPMENT, ZONING, AND BUILDING CODE ORDINANCES.
- THERE IS NO ON-SITE DETENTION REQUIRED.
- SITE IS NOT LOCATED WITHIN THE 100 YEAR FLOODPLAIN.
- THE CITY OF CLYDE HAS NO PARKING REQUIREMENTS THAT THIS DEVELOPMENT WILL HAVE TO MEET. HOWEVER, THE PARKING DESIGN WILL BE BASED ON 1.5 SPACES PER UNIT.

LEGACY TOWNSHIP, LP
40 ACRES
12-29-2010
239-287

LEGACY TOWNSHIP, LP
40 ACRES
12-29-2010
239-287

LARBERA, LLC
51.46 ACRES
11-3-2015
152288

.Modification acknowledged by Department December 7, 2018



- LEGEND OF LABELS**
- (A) CONSTRUCT LIGHT DUTY CONCRETE W/ INTEGRAL CURB AS SHOWN. REFER TO LIGHT DUTY PAVEMENT CROSS SECTION ON CE 10.
 - (B) INSTALL HEAVY DUTY CONCRETE FOR DUMPSTER PAD. REFER TO HEAVY DUTY PAVEMENT CROSS SECTION ON CE 10.
 - (C) PAINT 4" PARKING STALL STRIPES AS SHOWN, COLOR WHITE. TYPICAL ALL STALLS EXCEPT HANDICAP STALLS. REFER TO PLAN FOR WIDTH AND DEPTH OF STALLS.
 - (D) CONSTRUCT HANDICAP PARKING AREA WITH SIGNAGE AND ADA RAMP. PAINT 4" STRIPE AND HANDICAP SYMBOL, COLOR BLUE. PAINT HATCH AREA AS SHOWN, COLOR BLUE. SLOPE OF THE PAVEMENT AT ALL HANDICAP STALL SHALL NOT EXCEED 1:50. REFER TO DETAILS ON CE 9.
 - (E) HATCH HANDICAP WALKING PATH AS SHOWN, COLOR BLUE.
 - (F) HATCH NO PARKING AREA. COLOR WHITE.
 - (G) CONSTRUCT 4" THICK, 5' WIDE PCC WALK AT BACK OF CURB AS SHOWN (MAXIMUM LONGITUDINAL SLOPE 1:20. MAXIMUM CROSS SLOPE AT 1:50). REFER TO CROSS-SECTIONS ON CE 10.
 - (H) CONSTRUCT 4" THICK SIDEWALK WITH DIMENSIONS AS SHOWN. REFER TO DETAIL ON CE 10.
 - (I) CONSTRUCT ADA ACCESSIBLE MID-BLOCK RAMP AT BACK OF CURB. REFER TO DETAIL ON CE 9.
 - (J) CONSTRUCT ADA ACCESSIBLE RAMP AS SHOWN. REFER TO DETAIL ON CE 9.
 - (K) INSTALL 3/4" EXPANSION JOINT.
 - (L) INSTALL 1" EXPANSION JOINT OR TYPE A ALTERNATE EXPANSION JOINT IN PAVING. REFER TO DETAIL ON CE 10.
 - (M) PERFORM HORIZONTAL SAWING OF EXISTING ROAD AS REQUIRED FOR NEW DRIVEWAY APPROACH.
 - (N) INSTALL 6" BOLLARDS AS SHOWN. REFER TO DETAIL ON CE 9.
 - (O) INSTALL DUMPSTER ENCLOSURE. REFER TO ARCHITECTURAL PLANS FOR DETAILS.
 - (P) INSTALL FLUME. REFER TO DETAIL ON SHEET CE 10.
 - (Q) INSTALL WHEEL STOP BLOCKS AS SHOWN. REFER TO DETAIL ON SHEET CE 9.
 - (R) ROAD TO TAPER FROM 28' WIDE TO 24' WIDE. USE THE CENTERLINE LABELS ON THIS SHEET FOR LOCATION OF TRANSITION. NO TAPER OCCURS IN THE RADIUS.
 - (S) USE THE COORDINATES SHOWN FROM THE NORTHWESTERN PROPERTY PIN TO LOCATE CENTERLINE OF PROPOSED ROAD.
 - (T) ADA RAMP TO BE 8' LONG; EVERY OTHER RAMP IS STANDARD 6' LONG. REFER TO NOTE "I" AND DETAIL ON SHEET CE 9.
 - (U) REMOVE FENCE ALONG FRONT OF PROPERTY.
 - (V) ADD 4" THICK CONCRETE PAD OUTSIDE OF FIRE SUPPRESSION ROOM 5'x9'9".
 - (W) INSTALL SITE DEVELOPMENT MONUMENT SIGN. REFER TO ARCHITECTURAL PLANS FOR MORE DETAILS.

CALCULATIONS:

LAND AREA:	
TOTAL LAND AREA:	6.0 AC
CURRENT ZONING:	AGRICULTURAL
PROPOSED ZONING:	MULTIFAMILY

PARKING SUMMARY:	
SPACES REQUIRED:	
40 UNITS (1.5 SPACE PER UNIT):	60 SPACES
HANDICAP SPACES REQUIRED:	4 SPACES
STANDARD SPACES PROVIDED:	64 SPACES
HANDICAP SPACES PROVIDED:	4 SPACES
TOTAL SPACES PROVIDED:	68 SPACES

LOT COVERAGES:	
NET LAND AREA:	261,356 SQ.FT. 100%
TOTAL IMPERVIOUS SURFACE AREA:	58,600 SQ.FT. 23%
TOTAL OPEN SPACE:	202,756 SQ.FT. 77%

TOTAL UNIT COUNT:	
1-BEDROOM TYP	8 UNITS
2-BEDROOM TYP	18 UNITS
2-BEDROOM ACC.	1 UNIT
2-BEDROOM A/V	1 UNIT
3-BEDROOM TYP	11 UNITS
3-BEDROOM ACC.	1 UNIT
TOTAL	40 TOTAL UNITS

LEGEND

- MOBILITY ACCESSIBLE UNITS
- AUDIO/VISUAL ACCESSIBLE UNITS
- ACCESSIBLE ROUTE

GENERAL NOTES:

- 1)THE SITE ADHERES TO ALL SITE DEVELOPMENT, ZONING, AND BUILDING CODE ORDINANCES.
- 2)THERE IS NO ON-SITE DETENTION REQUIRED
- 3)THE CITY OF CLYDE HAS NO PARKING REQUIREMENTS THAT THIS DEVELOPMENT WILL HAVE TO MEET. HOWEVER, THE PARKING DESIGN WILL BE BASED ON 1.5 SPACES PER UNIT.

REVISIONS:

NO.	DATE
ISSUE SET	12/03/2018

THIS SHEET HAS BEEN SIGNED, SEALED AND DATED ELECTRONICALLY

TIMOTHY D. CROCKETT
TX LICENSE - 17075

PREPARED BY:
CROCKETT
ENGINEERING CONSULTANTS
1300 W. WILSON ROAD
COLUMBIA, MISSOURI 65205
(314) 447-0700
www.crockettengineering.com
Crockett Engineering Consultants, LLC
Texas Certificate of Authority
17075

OWNER:
CLYDE-HOUSING PARTNERS, LP
1077 BARKLEY STREET
OVERLAND PARK, KS 66201

CLYDE RANCH
RESIDENTIAL DEVELOPMENT LOCATED IN
CLYDE, CALLAHAN COUNTY, TEXAS

DRAWING INCLUDES:

SITE PLAN

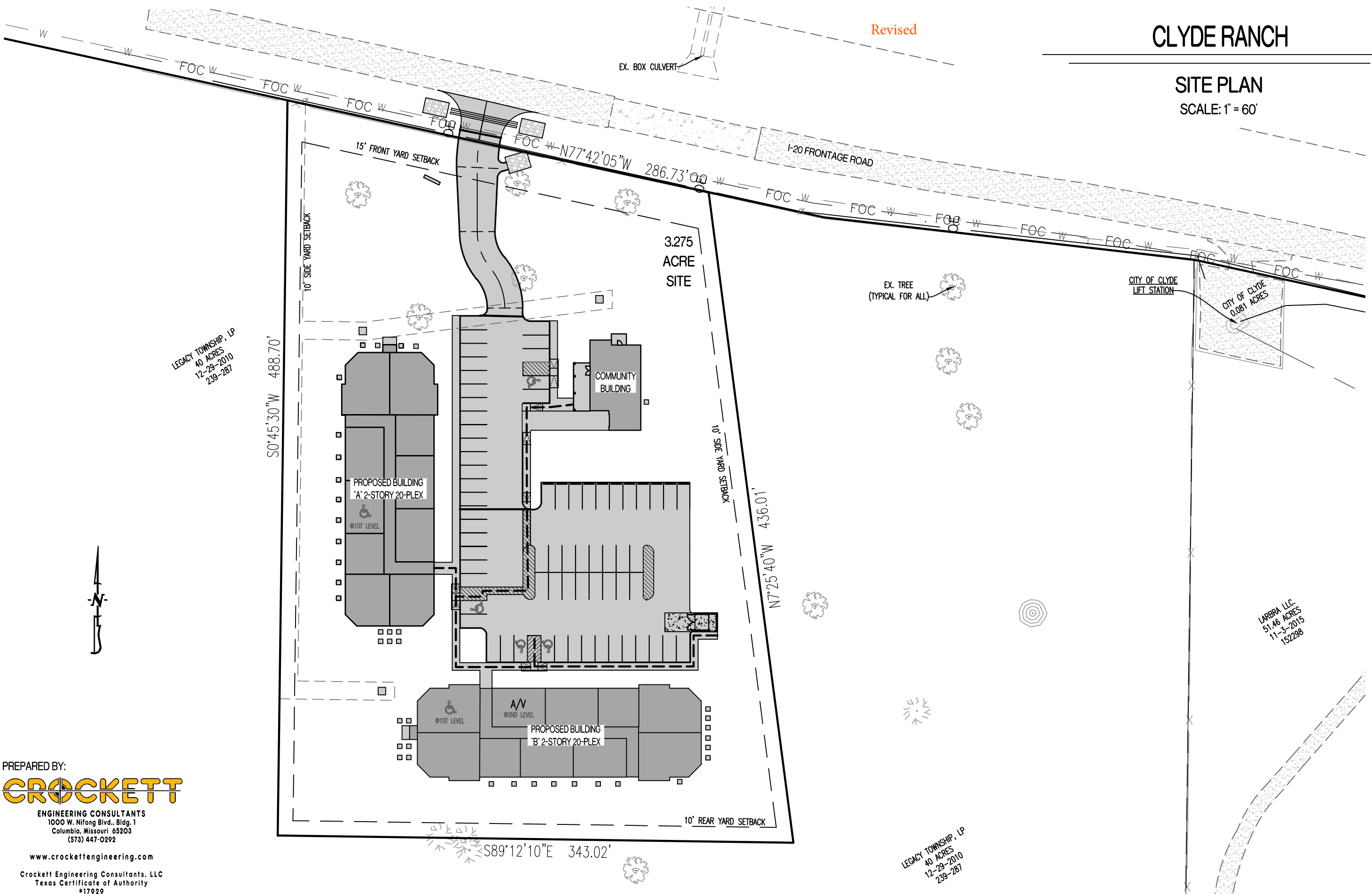
DESIGNED: TDC
DRAWN: KRM
PROJECT NO.: 170549
SHEET: CE 6

CLYDE RANCH

SITE PLAN

SCALE: 1" = 60'

Revised



LEGACY TOWNSHIP, LP
40 ACRES
12-29-2010
239-287

CITY OF CLYDE
LIFT STATION
CITY OF CLYDE
0.081 ACRES

LARBRA, LLC.
51.46 ACRES
11-3-2015
152298

LEGACY TOWNSHIP, LP
40 ACRES
12-29-2010
239-287

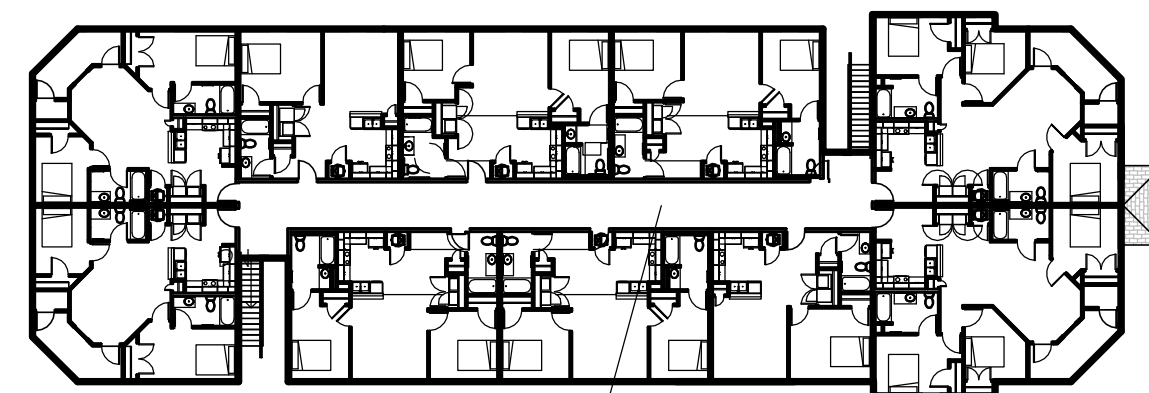
PREPARED BY:
CROCKETT

ENGINEERING CONSULTANTS
1000 W. Nifong Blvd., Bldg. 1
Columbia, Missouri 65203
(573) 447-0292

www.crockettengineering.com

Crockett Engineering Consultants, LLC
Texas Certificate of Authority
#17929

NOTE:
 SQUARE FOOTAGES ARE ROUNDED TO THE NEAREST FOOT.



BLDG "A" GROSS SF	
BLDG.	AREA
BLDG A 1ST FLOOR	10,698 SF
BLDG A 2ND FLOOR	10,311 SF
	21,009 SF

BUILDING A HEATED SF	
Name	Area
1-BR FHA	691 SF
1-BR FHA	691 SF
1-BR TYP	691 SF
1-BR TYP	691 SF
2-BR END FHA	855 SF
2-BR END FHA	855 SF
2-BR END TYP	855 SF
2-BR END TYP	855 SF
2-BR FHA	896 SF
2-BR FHA	896 SF
2-BR TYP	896 SF
2-BR TYP	896 SF
2-BR TYP	896 SF
2-BR TYP	896 SF
2-BR UFAS	896 SF
3-BR FHA	1096 SF
3-BR TYP	1096 SF
3-BR TYP	1096 SF
3-BR UFAS	1096 SF

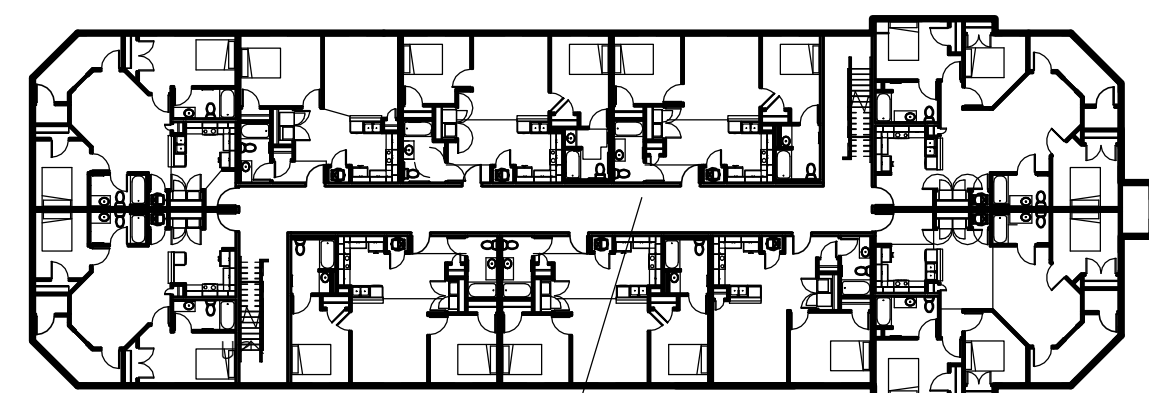
BUILDING A NON-DWELLING SF	
Name	Area
BREEZEWAY	1268 SF
BREEZEWAY DECK	931 SF
PORCH/STORAGE	125 SF
PORCH/STORAGE	125 SF
PORCH/STORAGE	125 SF
PORCH/STORAGE	125 SF
PORCH/STORAGE	133 SF
PORCH/STORAGE	133 SF
PORCH/STORAGE	133 SF
PORCH/STORAGE	133 SF
PORCH/STORAGE	133 SF
PORCH/STORAGE	133 SF
SPRINKLER ROOM	47 SF

BLDG A 2ND FLOOR
 10311 SF

BLDG A 2ND FLR TOTAL GROSS SF

2
 0.1

SCALE: 1/32" = 1'-0"

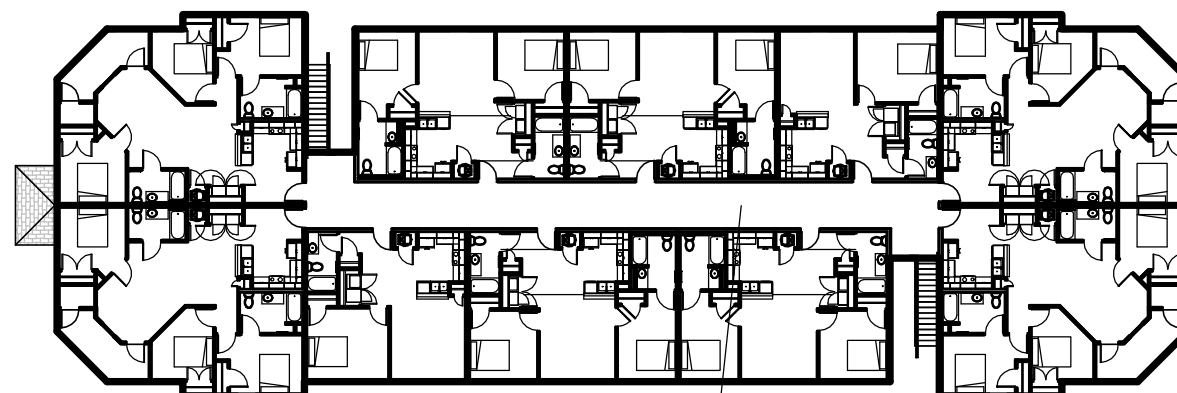


BLDG A 1ST FLOOR
 10698 SF

BLDG A 1ST FLR TOTAL GROSS SF

1
 0.1

SCALE: 1/32" = 1'-0"



BLDG "B" GROSS SF	
BLDG.	AREA
BLDG B 1ST FLOOR	11,197 SF
BLDG B 2ND FLOOR	10,811 SF
	22,008 SF

BUILDING B HEATED SF	
Name	Area
1-BR FHA	691 SF
1-BR FHA	691 SF
1-BR TYP	691 SF
1-BR TYP	691 SF
2-BR FHA	896 SF
2-BR FHA	896 SF
2-BR FHA	896 SF
2-BR FHA	896 SF
2-BR TYP	896 SF
2-BR TYP	896 SF
2-BR TYP	896 SF
2-BR TYP	896 SF
2-BR TYP	896 SF
2-BR TYP	896 SF
2-BR TYP	896 SF
3-BR FHA	1096 SF
3-BR FHA	1096 SF
3-BR FHA	1096 SF
3-BR TYP	1096 SF
3-BR TYP	1096 SF
3-BR TYP	1096 SF
3-BR TYP	1096 SF

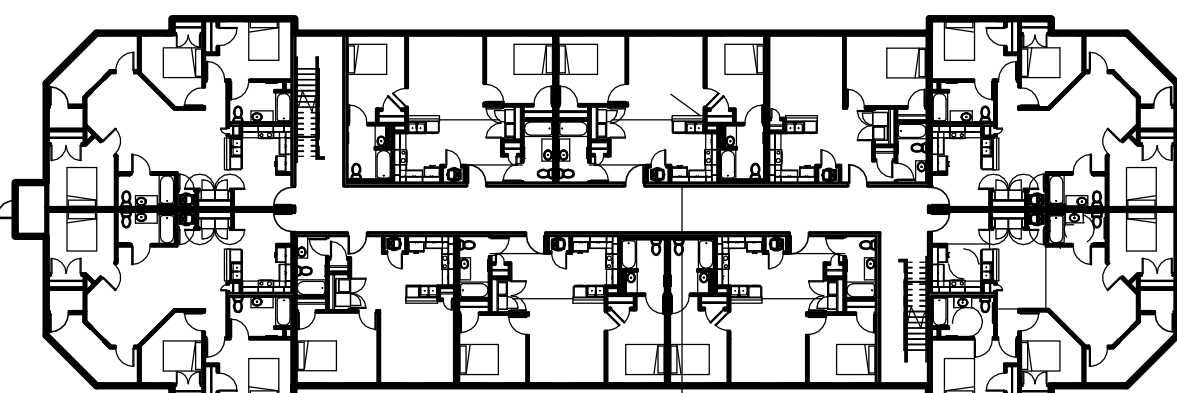
BUILDING B NON-DWELLING SF	
Name	Area
BREEZEWAY	1268 SF
BREEZEWAY DECK	929 SF
PORCH/STORAGE	133 SF
PORCH/STORAGE	133 SF
PORCH/STORAGE	133 SF
PORCH/STORAGE	133 SF
PORCH/STORAGE	133 SF
PORCH/STORAGE	133 SF
PORCH/STORAGE	133 SF
PORCH/STORAGE	133 SF
PORCH/STORAGE	133 SF
PORCH/STORAGE	133 SF
SPRINKLER ROOM	47 SF

BLDG B 2ND FLOOR
 10811 SF

BLDG B 2ND FLR TOTAL GROSS SF

4
 0.1

SCALE: 1/32" = 1'-0"

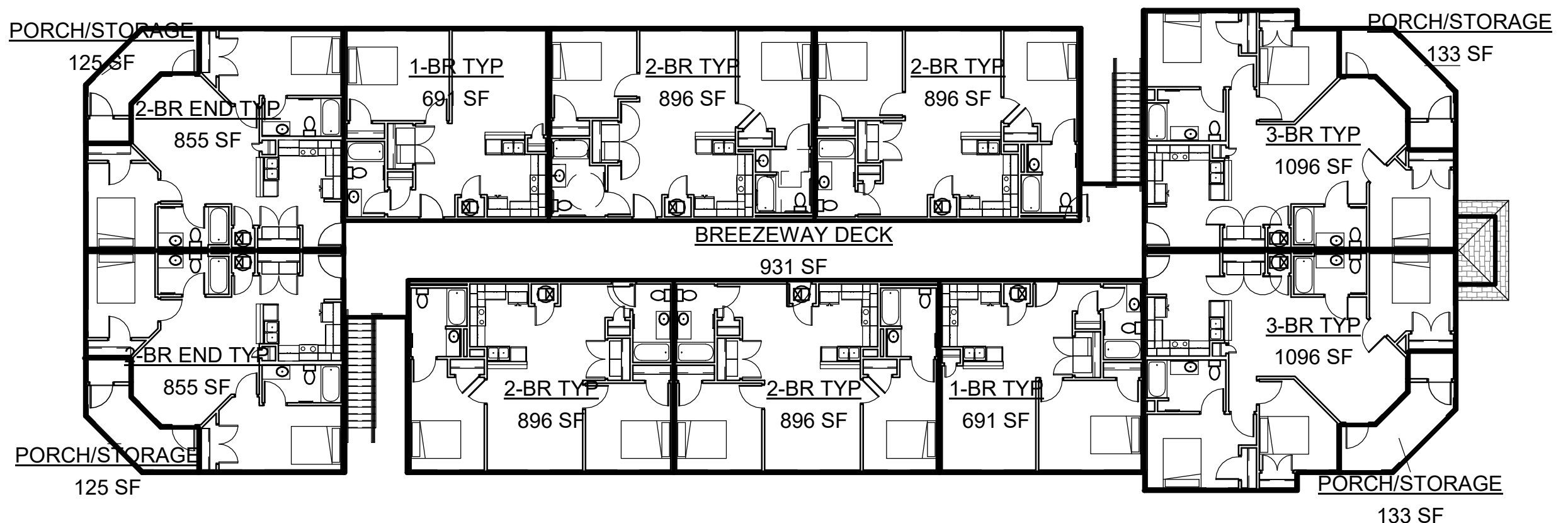


BLDG B 1ST FLOOR
 11197 SF

BLDG B 1ST FLR TOTAL GROSS SF

3
 0.1

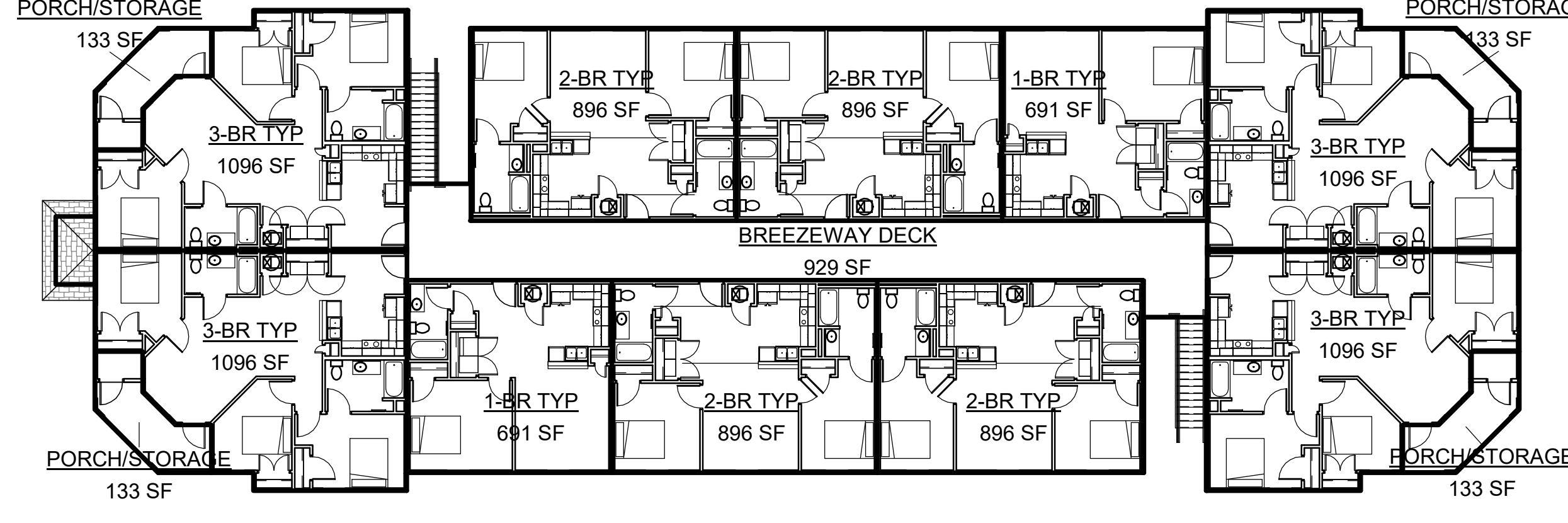
SCALE: 1/32" = 1'-0"



BLDG A 2ND FLR HEATED AND NON-DWELLING

5
 0.1

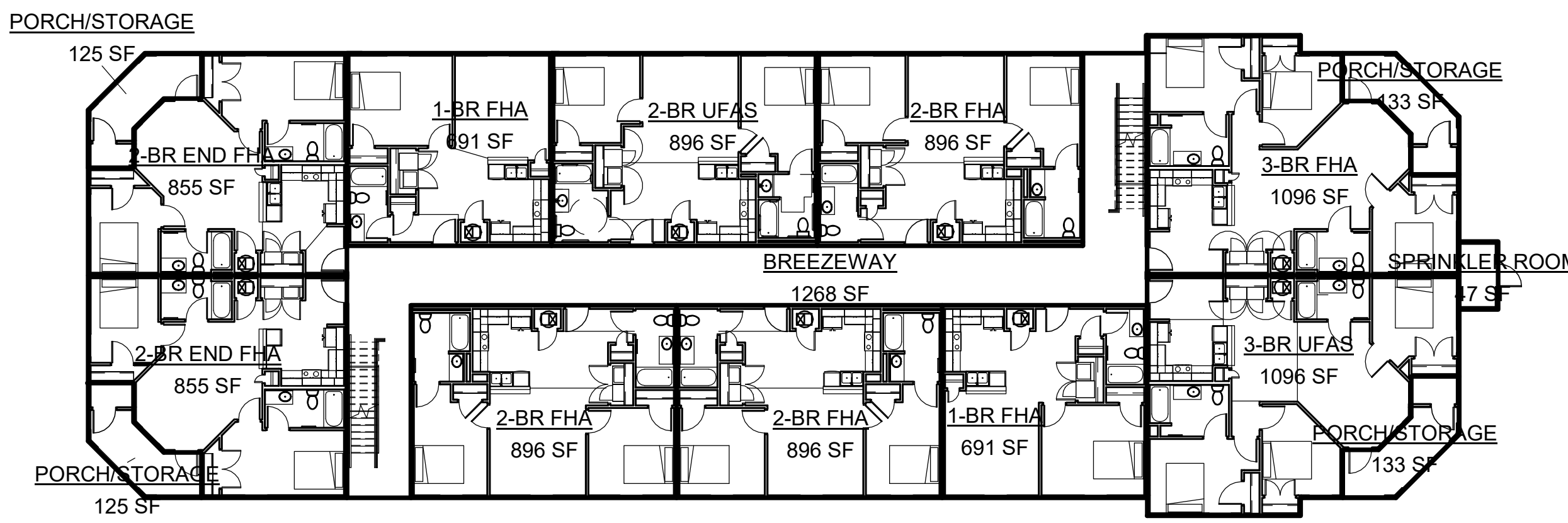
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BLDG B 2ND FLR HEATED AND NON-DWELLING

6
 0.1

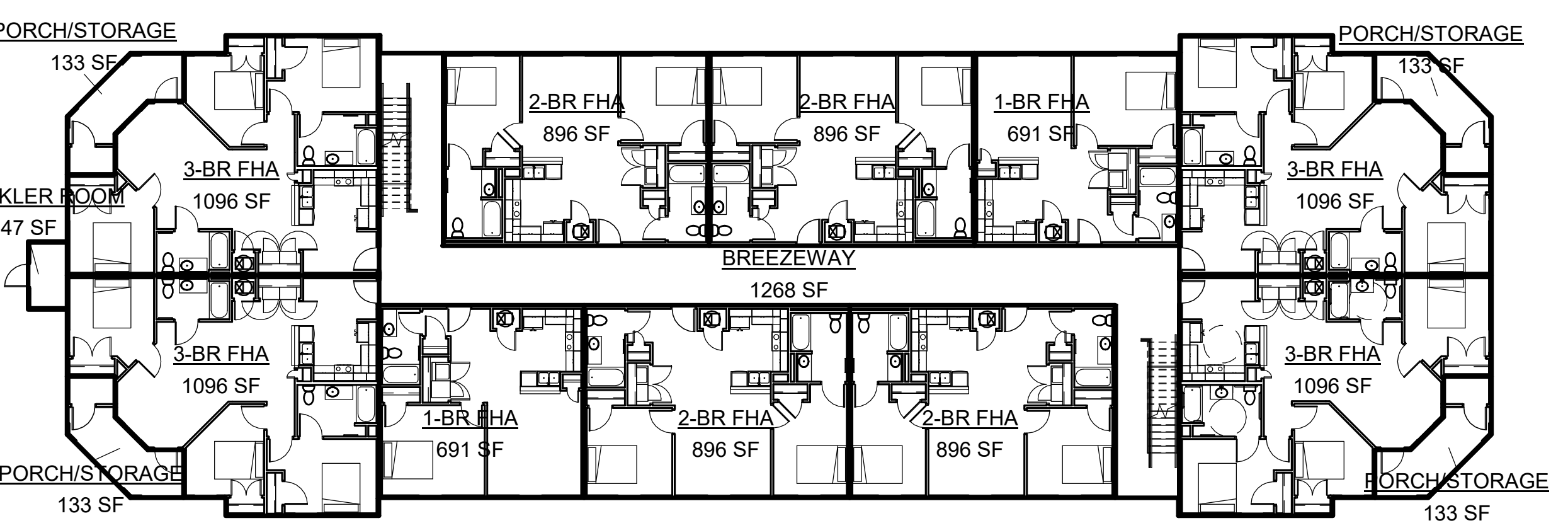
SCALE: 1/16" = 1'-0"



BLDG A 1ST FLR HEATED AND NON-DWELLING

7
 0.1

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



BLDG B 1ST FLR HEATED AND NON-DWELLING

8
 0.1

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

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JOB NO.
 3656

SQUARE FOOTAGE

FINISH SCHEDULE - 1 & 2-BR UNITS

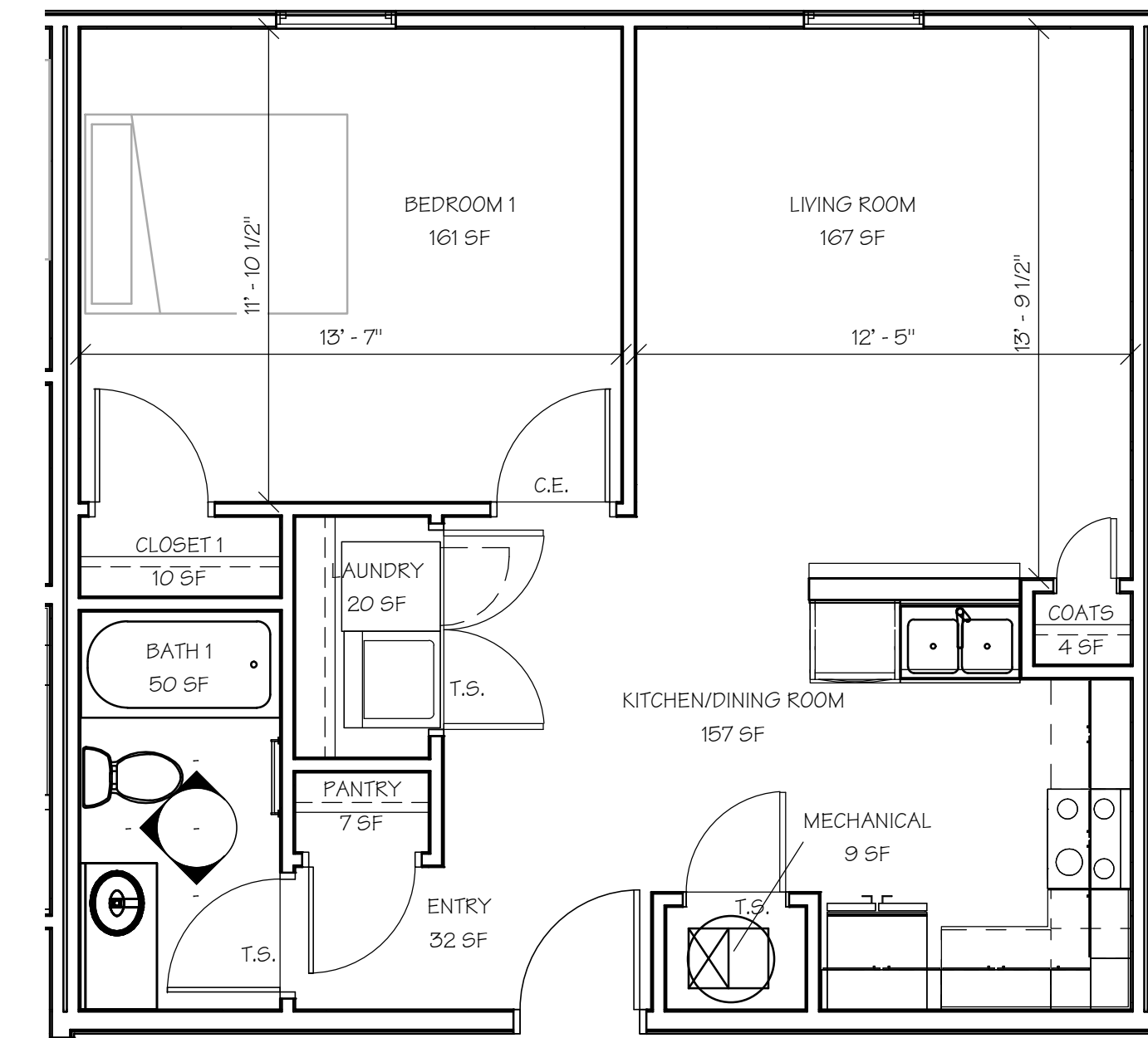
Name	Floor Finish	Base Finish	Wall Finish	Ceiling Finish	Comments
1-BR FHA/TYP UNIT					
BATH 1	SEAMLESS VINYL	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
BEDROOM 1	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
CLOSET 1	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
COATS	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
ENTRY	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
KITCHEN/DINING ROOM	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
LAUNDRY	SEAMLESS VINYL	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
LIVING ROOM	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
MECHANICAL	SEAMLESS VINYL	WOOD BASE	PAINTED GYP. BD.	PAINTED GYP. BD.	
PANTRY	VINYL PLANK	WOOD BASE	PAINTED GYP. BD.	PAINTED GYP. BD.	
2-BR FHA/TYP UNIT					
BATH 1	SEAMLESS VINYL	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
BATH 2	SEAMLESS VINYL	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
BEDROOM 1	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
BEDROOM 2	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
CLOSET 1	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
CLOSET 2	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
COATS	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
ENTRY	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
KITCHEN/DINING ROOM	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
LAUNDRY	SEAMLESS VINYL	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
LIVING ROOM	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
MECHANICAL	SEAMLESS VINYL	WOOD BASE	PAINTED GYP. BD.	PAINTED GYP. BD.	
2-BR UFAS UNIT					
BATH 1	SEAMLESS VINYL	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
BATH 2	SEAMLESS VINYL	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
BEDROOM 1	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
BEDROOM 2	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
CLOSET 1	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
CLOSET 2	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
ENTRY	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
KITCHEN/DINING	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
LAUNDRY	SEAMLESS VINYL	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
LIVING ROOM	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
MECHANICAL	SEAMLESS VINYL	WOOD BASE	PAINTED GYP. BD.	PAINTED GYP. BD.	

ACCESSIBLE UNIT BATH NOTES

- 1) VALVE & SHOWER HEAD SHALL BE ON 2X6 WALL OR WALL @ LAV. (SEE BATH ELEVATIONS SHEET A7.0)
- 2) PROVIDE HAND-HELD SHOWER W/VACUUM BREAKER (IN LIEU OF FIXED SHOWER HEAD), FLEXIBLE HOSE, & 24" SLIDE BAR.
- 3) PROVIDE REMOVABLE TUB SEAT AS PER SPECS.
- 4) OFF-SET TUB/SHOWER VALVE CONTROL SO IT IS CENTERED 6" TO 9" FROM OUTER EDGE OF TUB FOR EASIER ACCESS. & 30" A.F.F. (LEVER TYPE CONTROL).
- 5) INSTALL GRAB BARS WITH ROUND HEAD SCREWS.
- 6) PROVIDE & INSTALL 36" GRAB BAR BEHIND @ 42" GRAB BAR BESIDE WATER CLOSET ON WALL @ 34" A.F.F. (SEE BATH ELEVATIONS SHEET A7.0)
- 7) BOTTOM OF MIRROR TO REST ON COUNTERTOP BACKSPLASH.
- 8) VANITY SINK FAUCET TO BE LEVER TYPE, & TRAP TO BE WRAPPED W/ PIPE WRAP.
- 9) EXTEND VINYL FLOORING BENEATH LAV. SPACE.

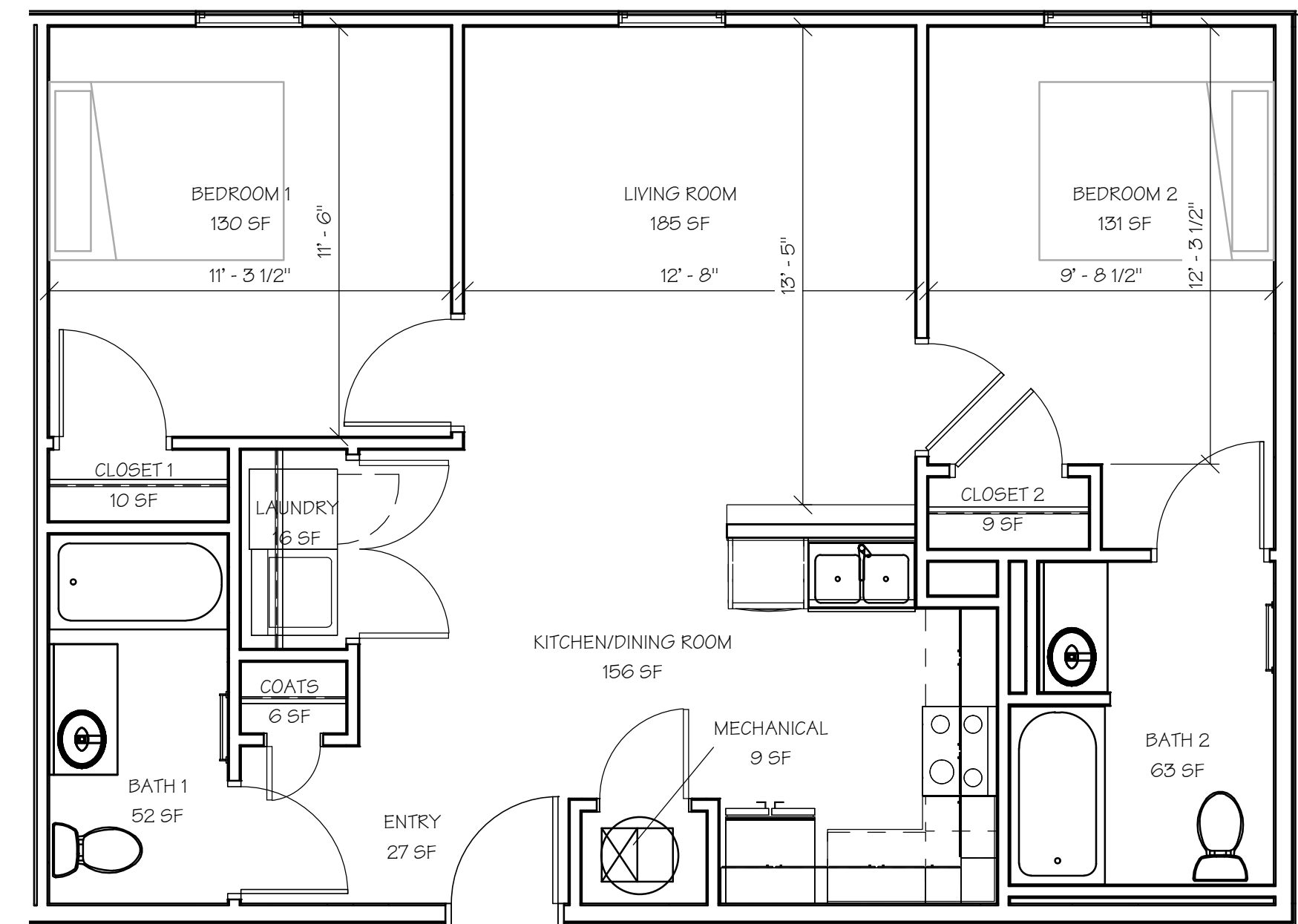
ACCESSIBLE UNIT KITCHEN NOTES

- 1) COUNTER HEIGHT SHALL BE 34" A.F.F. TO TOP OF SINK.
- 2) EXTEND VINYL FLOORING BENEATH SINK SPACE AND THE 30" WORKSPACE BESIDE THE RANGE. PROVIDE REMOVABLE FRONT & FLOOR IN LIEU OF SINK BASE.
- 3) TOE KICK SPACE @ BOTTOM OF BASE CABINETS SHALL REMAIN 4" MIN. (STANDARD)
- 4) ADD SEPARATE 3-WAY WALL SWITCHES FOR RANGE HOOD FAN AND RANGE HOOD LIGHT (SEE ELECTRICAL PLANS)
- 5) ADD SWITCHES UNDER SINK (3-WAY) & CHANGE WALL SWITCH TO 3-WAY FOR CONTROL OF LIGHT OVER SINK & GARBAGE DISPOSAL.
- 6) TOP OF WALL TELEPHONE OUTLET TO BE 48" MAX. A.F.F.
- 7) SWITCHES & OUTLETS IN KITCHEN ABOVE BASE CABINETS SHALL BE 39" A.F.F. TO BOTTOM OF SWITCH PLATE, SO AS NOT INTERFERE WITH WALL CABINET.
- 8) INSULATED EXPOSED PIPING BELOW KITCHEN SINK W/ PIPE WRAP.
- 9) DISHWASHER HOOKUPS ARE UNDER SINK, ACCESS OPENING IS TO BE MADE THROUGH END PANEL OF SINK.



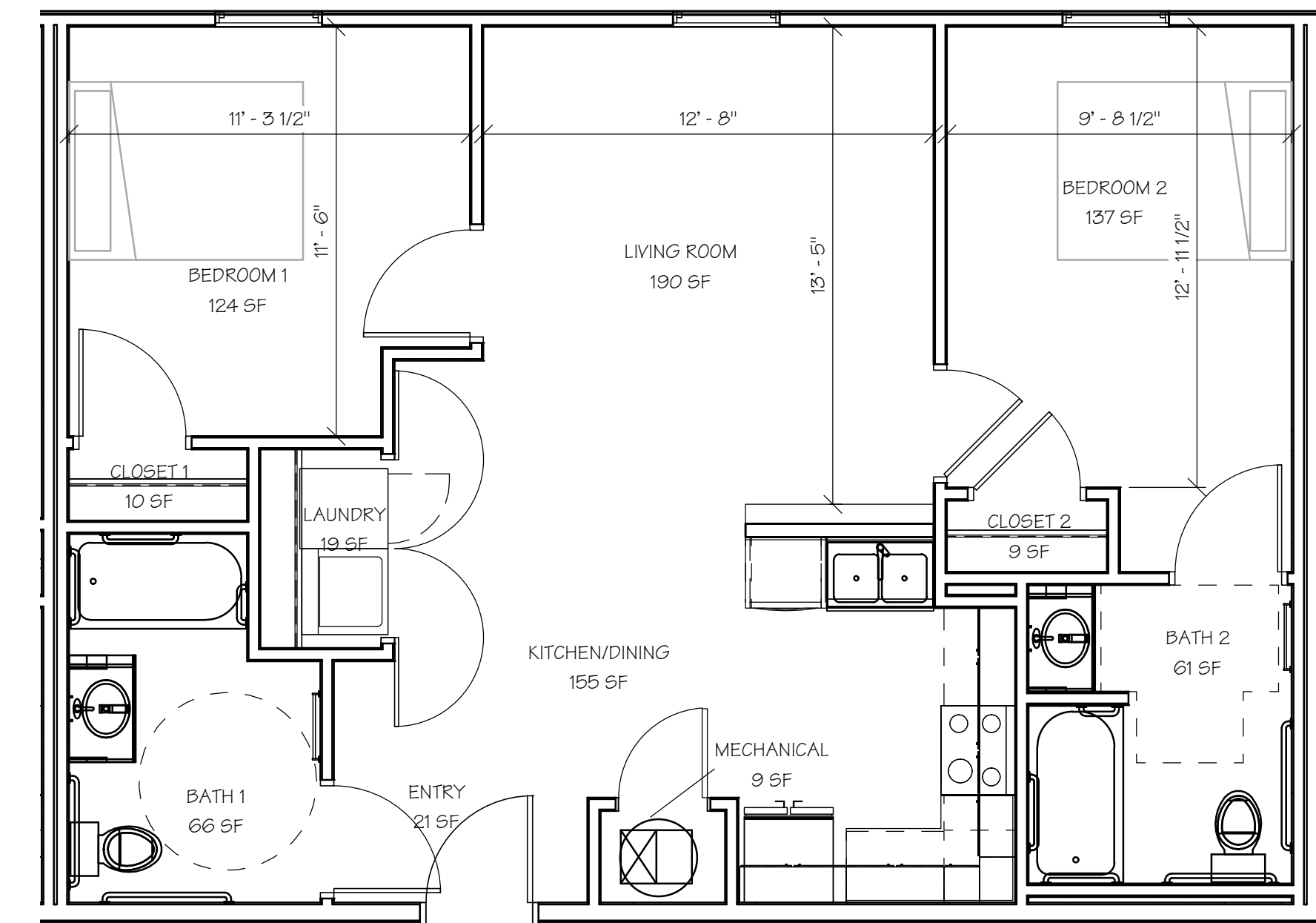
1-BR FHA/TYP UNIT FINISH PLAN 691 SF

SCALE: 1/4" = 1'-0" (ROOM DIMENSIONS ARE MEASURED FACE TO FACE OF GYP. BD.)



2-BR FHA/TYP UNIT FINISH PLAN 855 SF

SCALE: 1/4" = 1'-0" (ROOM DIMENSIONS ARE MEASURED FACE TO FACE OF GYP. BD.)

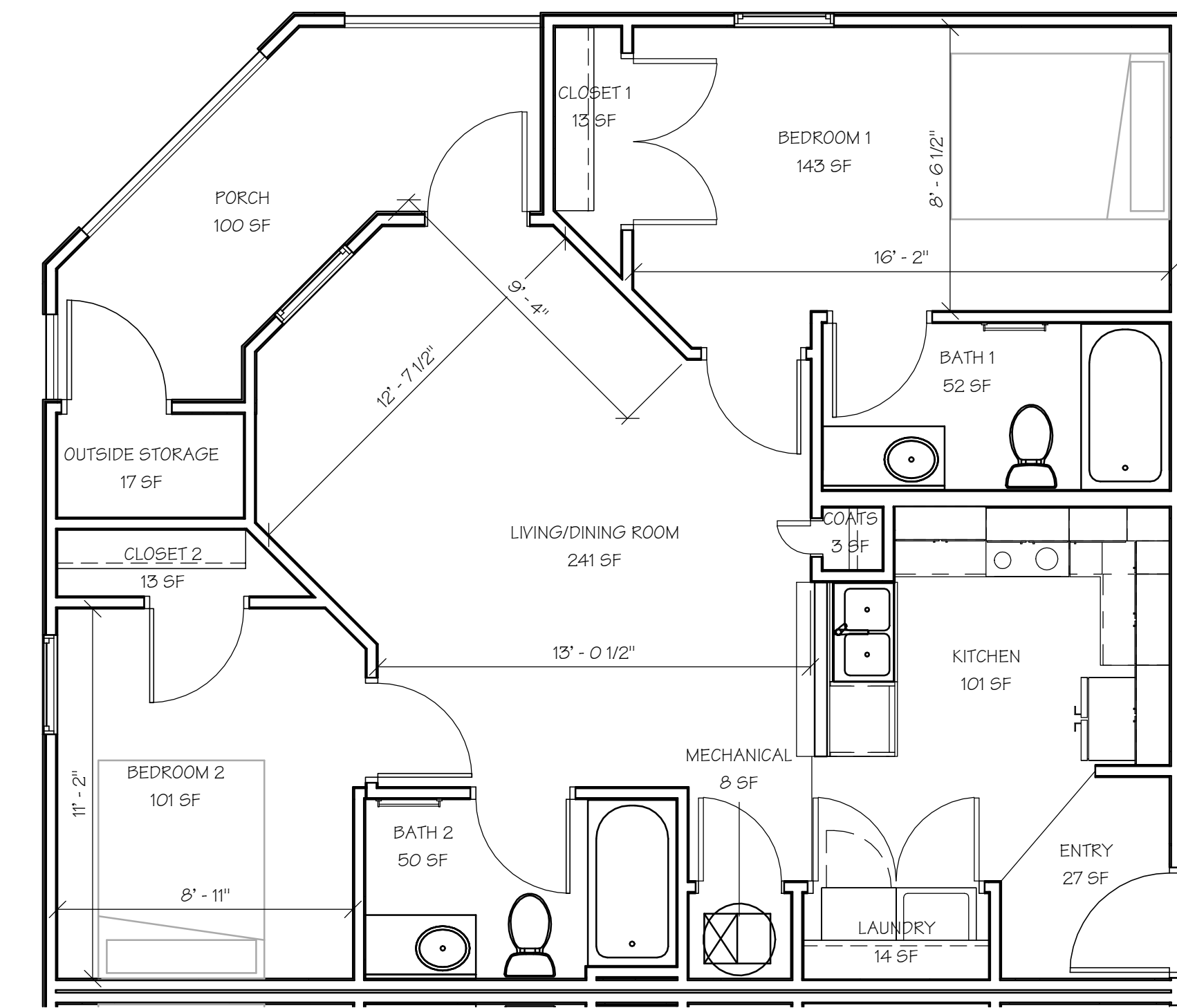


2-BR UFAS UNIT FINISH PLAN 855 SF

SCALE: 1/4" = 1'-0" (ROOM DIMENSIONS ARE MEASURED FACE TO FACE OF GYP. BD.)

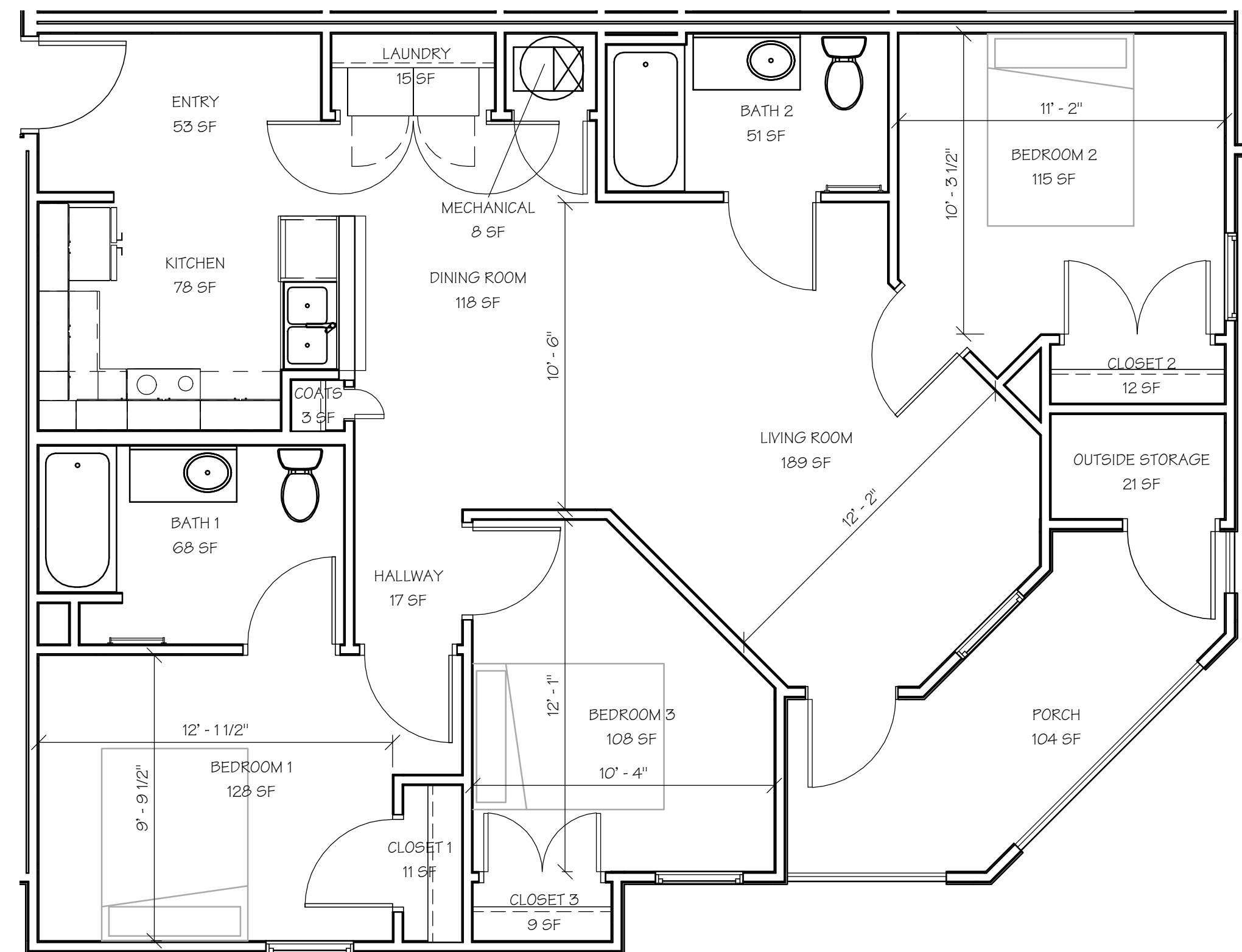
FINISH SCHEDULE - 2 & 3-BR UNITS

Name	Floor Finish	Base Finish	Wall Finish	Ceiling Finish	Comments
2-BR FHA/TYP END UNIT					
BATH 1	SEAMLESS VINYL	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
BATH 2	SEAMLESS VINYL	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
BEDROOM 1	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
BEDROOM 2	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
CLOSET 1	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
CLOSET 2	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
COATS	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
ENTRY	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
KITCHEN	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
LAUNDRY	SEAMLESS VINYL	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
LIVING/DINING ROOM	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
MECHANICAL	SEAMLESS VINYL	WOOD BASE	PAINTED GYP. BD.	PAINTED GYP. BD.	
OUTSIDE STORAGE	NO ADDITIONAL FINISH	WOOD BASE	PAINTED GYP. BD.	PAINTED GYP. BD.	
PORCH	NO ADDITIONAL FINISH	NO ADDITIONAL FINISH	NO ADDITIONAL FINISH	NO ADDITIONAL FINISH	
3-BR FHA/TYP UNIT					
BATH 1	SEAMLESS VINYL	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
BATH 2	SEAMLESS VINYL	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
BEDROOM 1	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
BEDROOM 2	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
BEDROOM 3	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
CLOSET 1	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
CLOSET 2	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
CLOSET 3	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
COATS	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
DINING ROOM	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
ENTRY	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
HALLWAY	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
KITCHEN	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
LAUNDRY	SEAMLESS VINYL	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
LIVING ROOM	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
MECHANICAL	SEAMLESS VINYL	WOOD BASE	PAINTED GYP. BD.	PAINTED GYP. BD.	
OUTSIDE STORAGE	NO ADDITIONAL FINISH	WOOD BASE	PAINTED GYP. BD.	PAINTED GYP. BD.	
PORCH	NO ADDITIONAL FINISH	NO ADDITIONAL FINISH	NO ADDITIONAL FINISH	NO ADDITIONAL FINISH	
3-BR UFAS UNIT					
BATH 1	SEAMLESS VINYL	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
BATH 2	SEAMLESS VINYL	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
BEDROOM 1	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
BEDROOM 2	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
BEDROOM 3	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
CLOSET 1	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
CLOSET 2	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
CLOSET 3	CARPET	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
COATS	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
DINING ROOM	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
ENTRY	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
HALLWAY	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
KITCHEN	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
LAUNDRY	SEAMLESS VINYL	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
LIVING ROOM	VINYL PLANK	WOOD BASE	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	PAINTED "KNOCK DOWN" TEX. FIN. GYP. BD.	
MECHANICAL	SEAMLESS VINYL	WOOD BASE	PAINTED GYP. BD.	PAINTED GYP. BD.	
OUTSIDE STORAGE	NO ADDITIONAL FINISH	WOOD BASE	PAINTED GYP. BD.	PAINTED GYP. BD.	
PORCH	NO ADDITIONAL FINISH	NO ADDITIONAL FINISH	NO ADDITIONAL FINISH	NO ADDITIONAL FINISH	



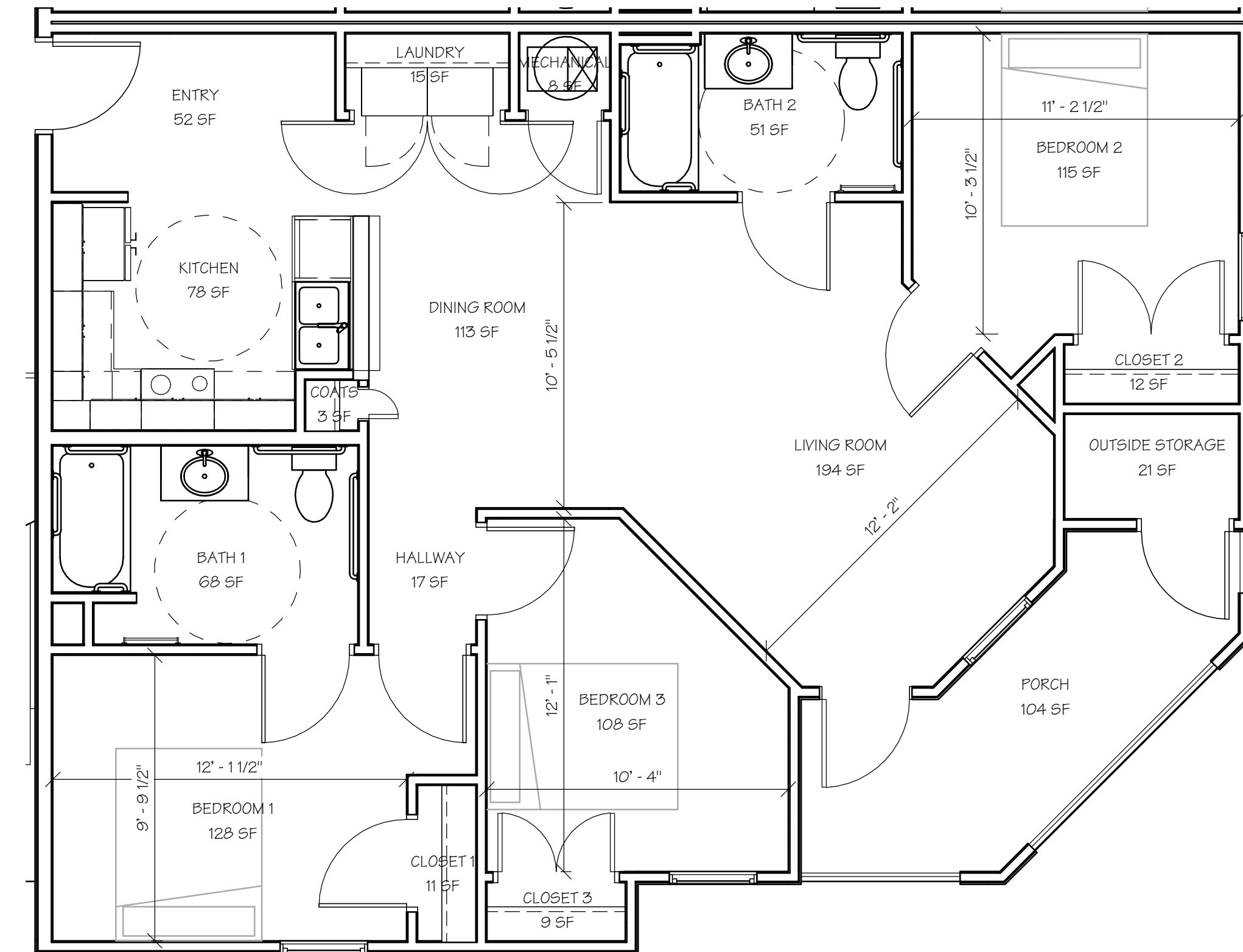
2-BR FHA/TYP END UNIT FINISH PLAN 896 SF

SCALE: 1/4" = 1'-0" (ROOM DIMENSIONS ARE MEASURED FACE TO FACE OF GYP. BD.)



3-BR FHA/TYP UNIT FINISH PLAN 1096 SF

SCALE: 1/4" = 1'-0" (ROOM DIMENSIONS ARE MEASURED FACE TO FACE OF GYP. BD.)



3-BR UFAS UNIT FINISH PLAN 1096 SF

SCALE: 1/4" = 1'-0" (ROOM DIMENSIONS ARE MEASURED FACE TO FACE OF GYP. BD.)

2 NOV 2018
MARTIN RANDALL PORTER
ARCHITECT LICENSE # 24739

CLYDE RANCH
 CLYDE, CALLAHAN COUNTY, TEXAS

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 Columbia, MO
 P 573-256-7200

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ISSUE/REVISIONS
 2 NOV 2018 ISSUE SET

A6.1

JOB NO.
3656

FINISH PLANS

ISSUE SET

SPECIFICATIONS AND BUILDING/UNIT TYPE CONFIGURATION

Unit types should be entered from smallest to largest based on "# of Bedrooms" and "Sq. Ft. Per Unit." "Unit Label" should correspond to the unit label or name used on the unit floor plan. "Building Label" should conform to the building label or name on the building floor plan. The total number of units per unit type and totals for "Total # of Units" and "Total Sq Ft. for Unit Type" should match the rent schedule and site plan. If additional building types are needed, they are available by un-hiding columns Q through AA, and rows 51 through 79.

Specifications and Amenities (check all that apply)

Building Configuration (Check all that apply):
 Single Family Construction SRO Transitional (per §42(i)(3)(B)) Duplex
 Scattered Site Fourplex > 4 Units Per Building Townhome

Development will have:
 Fire Sprinklers Elevators # of Elevators Wt. Capacity

Number of Parking Spaces (consistent with Architectural Drawings):

	Free	Paid		Free	Paid	
	0	0	Shed or Flat Roof Carport Spaces	0	0	Detached Garage Spaces
	0	0	Attached Garage Spaces	65	0	Uncovered Spaces
	0	0	Structured Parking Garage Spaces			

Floor Composition/Wall Height: % Carpet/Vinyl/Resilient Flooring Ceiling Height
 % Ceramic Tile Upper Floor(s) Ceiling Height (Townhome Only)
 % Other Describe:

Unit Type				Number of Units Per Building										Total # of Residential Buildings	Total Sq Ft for Unit Type		
Unit Label	# of Bed-rooms	# of Baths	Sq. Ft. Per Unit	Number of Units Per Building										Total # of Units	Total Sq Ft for Unit Type		
1BR	1	1	704	4	4											8	5,632
2BRE	2	2	988	4	0											4	3,952
2BRB	2	2	1,039	8	8											16	16,624
3BR	3	2	1,314	4	8											12	15,768
Totals				20	20	-	-	-	-	-	-	-	-	-	-	40	41,976

Net Rentable Square Footage from Rent Schedule 41,976

Supportive Housing Applicants Only

Enter the total development common area from the architect's plans:

Ensure that this number matches your architectural drawings.

The additional square footage allowed for Supportive Housing per 11.9(e)(2) is: 2,000

The lesser of these two numbers added to NRA:

Use this number to figure points under 11.9(e)(2) 41,976

If a revised form is submitted, date of submission:

SPECIFICATIONS AND BUILDING/UNIT TYPE CONFIGURATION

Unit types should be entered from smallest to largest based on "# of Bedrooms" and "Sq. Ft. Per Unit." "Unit Label" should correspond to the unit label or name used on the unit floor plan. "Building Label" should conform to the building label or name on the building floor plan. The total number of units per unit type and totals for "Total # of Units" and "Total Sq Ft. for Unit Type" should match the rent schedule and site plan. If additional building types are needed, they are available by un-hiding columns Q through AA, and rows 51 through 79.

Specifications and Amenities (check all that apply)

Building Configuration (Check all that apply):

<input type="checkbox"/> Single Family Construction	<input type="checkbox"/> SRO	<input type="checkbox"/> Transitional (per §42(i)(3)(B))	<input type="checkbox"/> Duplex
<input type="checkbox"/> Scattered Site	<input type="checkbox"/> Fourplex	<input checked="" type="checkbox"/> > 4 Units Per Building	<input type="checkbox"/> Townhome

Development will have:

<input checked="" type="checkbox"/> Fire Sprinklers	<input type="checkbox"/> Elevators	<input type="checkbox"/> # of Elevators	<input type="checkbox"/> Wt. Capacity
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Number of Parking Spaces (consistent with Architectural Drawings):	<input type="checkbox"/> Free	<input type="checkbox"/> Paid	Shed or Flat Roof Carport Spaces	<input type="checkbox"/> Free	<input type="checkbox"/> Paid	Detached Garage Spaces
	<input type="checkbox"/> 0	<input type="checkbox"/> 0		<input type="checkbox"/> 0	<input type="checkbox"/> 0	
	<input type="checkbox"/> 0	<input type="checkbox"/> 0		<input type="checkbox"/> 65	<input type="checkbox"/> 0	
<input type="checkbox"/> 0	<input type="checkbox"/> 0	Attached Garage Spaces	<input type="checkbox"/> 0	<input type="checkbox"/> 0	Uncovered Spaces	
<input type="checkbox"/> 0	<input type="checkbox"/> 0	Structured Parking Garage Spaces				

Floor Composition/Wall Height:

<input type="checkbox"/> 100 % Carpet/Vinyl/Resilient Flooring	<input type="checkbox"/> 9'0" Ceiling Height
<input type="checkbox"/> 0 % Ceramic Tile	<input type="checkbox"/> 0 Upper Floor(s) Ceiling Height (Townhome Only)
<input type="checkbox"/> 0 % Other	Describe: _____

Unit Type				Number of Units Per Building								Total # of Residential Buildings	Total # of Units	Total Sq Ft for Unit Type
Building Label	A	B												
Number of Stories	2	2												
Number of Buildings	1	1											2	
Unit Label	# of Bedrooms	# of Baths	Sq. Ft. Per Unit									Total # of Units	Total Sq Ft for Unit Type	
1BR	1	1	691	4	4								8	5,528
2BRE	2	2	855	4	0								4	3,420
2BRB	2	2	896	8	8								16	14,336
3BR	3	2	1,096	4	8								12	13,152
													-	-
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Totals				20	20	-	-	-	-	-	-	-	40	36,436

Net Rentable Square Footage from Rent Schedule 36,436

Supportive Housing Applicants Only

Enter the total development common area from the architect's plans:

Ensure that this number matches your architectural drawings.

The additional square footage allowed for Supportive Housing per 11.9(e)(2) is: 2,000

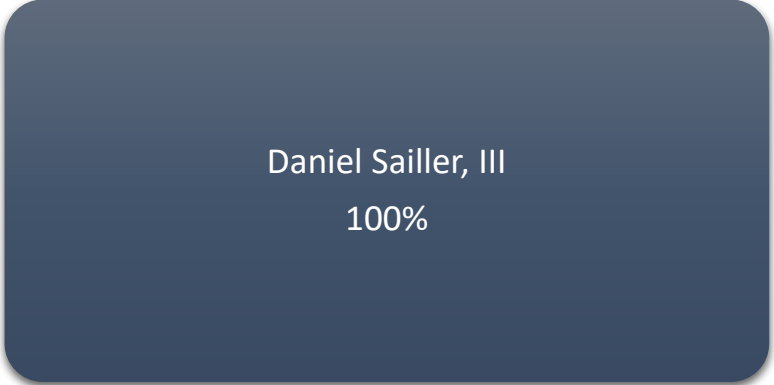
The lesser of these two numbers added to NRA: 36,436

Use this number to figure points under 11.9(e)(2)

If a revised form is submitted, date of submission:

Original

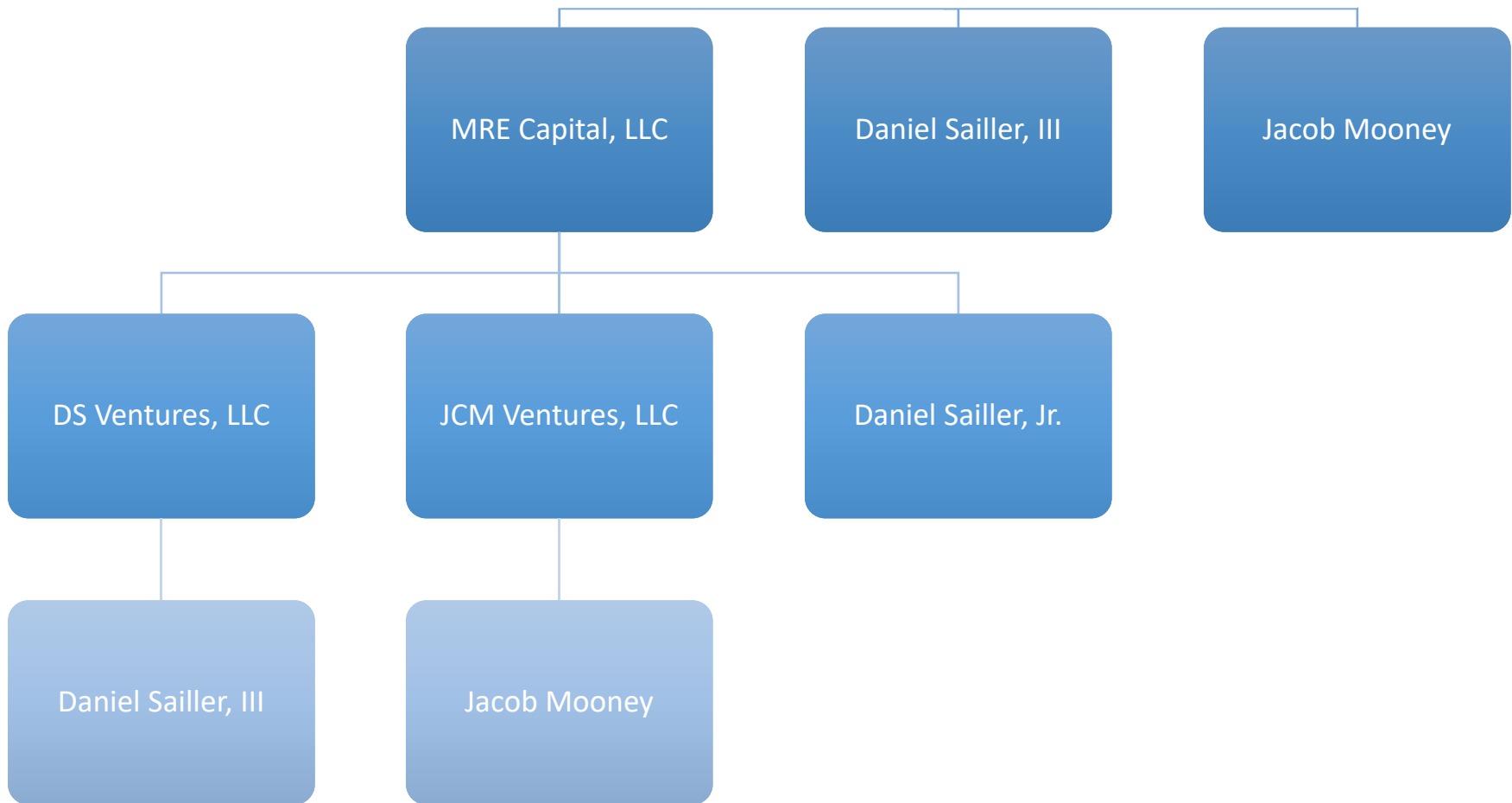
Clyde Ranch Guarantor Organizational Structure



Daniel Sailer, III
100%

Requested

Clyde Ranch Guarantor Organizational Structure



Previous Participation Review

PPR No: **18036GUAR**

Name: **Clyde Ranch**

City: **Clyde**

- BOND CEAP CSBG ESG
 HHSP HOME HTC 4% HTC 9%
 HTF NSP WAP Other

No Previous Participation in Texas

Members of the development team have been disbarred by HUD

Compliance

No issues identified

CAP Issues identified

Reviewer: Patricia Murphy

Date: 2/12/2019

Comments (if applicable):
Category 1.

Single Audit

Single Audit Required No Yes n/a

If SA required is it current? No Yes

Is the ACF Current? No Yes n/a

Did SA report contain findings No Yes

Reviewer: Rosy Falcon

Date: 2/19/2019

Comments (if applicable):
Did not note a non-profit in Clyde's project structure

Loan Servicing

No Issues Identified

Requested evidence of maintained insurance not received

Past due loan principal or interest payment

Requested evidence of current property taxes or exemption not received

Comments (if applicable):

Reviewer: Sandra Molina

Date: 2 /20/2019

Financial Administration

No delinquencies identified

Fees or other amounts are thirty (30) days or more past due

Comments (if applicable):

Reviewer: Naomi Ruiz

Date: 2 /14/2019

BOARD ACTION REQUEST
ASSET MANAGEMENT DIVISION
MAY 23, 2019

Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application and changes to the Direct Loan for Farmhouse Row (HTC #18040)

RECOMMENDED ACTION

WHEREAS, Farmhouse Row (the Development) received an award of 9% Housing Tax Credits (HTCs) and a Multifamily Direct Loan (MDL) in 2018 for the construction of 48 multifamily units in Slaton, Lubbock County;

WHEREAS, Slaton Housing Partners, LP (the Applicant) requests approval for a reduction in the Net Rentable Area (NRA) from 51,592 to 44,568 square feet, a reduction of 13.61% or 7,024 square feet from the original design represented at Application;

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

WHEREAS, the Applicant also requests approval to add parties as Guarantors, which is a non-material amendment under 10 TAC §10.405(a)(3)(C);

WHEREAS, the Applicant has not obtained environmental clearance or executed a MDL Contract within the timeframe established by 10 TAC §13.11(d) of the 2018 Multifamily Direct Loan Rule under which this Application was awarded;

WHEREAS, the Applicant has indicated that the reason for the delay in obtaining environmental clearance was due to part of the site being in a floodplain which necessitated a Hydraulic Analysis which determined that a Certified Letter of Map Revision Based on Fill (CLOMR-F) was necessary in order to ultimately obtain environmental clearance;

WHEREAS, environmental clearance is expected to be received in May 2019;

WHEREAS, the Department and Applicant have been waiting for environmental clearance and for the approval of the changes outlined in this Board Action Request before executing a contract for HOME funds, serving as the Commitment for the Department to HUD in accordance with the definition of Commitment in 24 CFR §92.2;

WHEREAS, staff recommends extending the environmental clearance and contract execution deadlines to July 26, 2019, in accordance with 10 TAC §13.12; and

WHEREAS, the requested changes do not negatively affect the Development, impact the viability of the transaction, impact the scoring of the Application, expose the Department to undue financial risk, or affect the Department funding previously awarded;

NOW, therefore, it is hereby

RESOLVED, that the requested amendments and extensions to July 26, 2019, for Farmhouse Row are approved as presented at this meeting, and the Acting Director and his designees are each hereby authorized, directed, and empowered to take all necessary action to effectuate the foregoing.

BACKGROUND

In 2018, Farmhouse Row received a 9% HTC award and an MDL in the amount of \$660,000 to construct 48 units in Slaton, Lubbock County, of which all units are designated as rent and income restricted. In a letter dated February 1, 2019, Sallie Burchett, the representative for the Applicant, requested approval for a material amendment to the Application. The request seeks approval for a reduction in the NRA from 51,592 to 44,568 square feet, a reduction of 13.61% or 7,024 square feet from the original NRA represented at Application.

The following table is a comparison of the original Application and amendment:

Material Alterations as defined in Tex. Gov't Code §2306.6712(d)(4) and 10 TAC §10.405(a)(4)(D)										
Application					Amendment					
NRA: 51,592 square feet					NRA: 44,568 square feet (reduction of 7,024 square feet or a 13.61%)					
				§11.9 (b)(1)(A)						
Bedroom Type	No. of Units	Unit Sqft	Total Sqft	Minimum Unit Sizes	Bedroom Type	No. of Units	Unit Sqft	Total Sqft	Difference	Reduction
1BR	8	704	5,632	650	1BR	8	691	5,528	-104	-1.85%
2BR	24	1,039	24,936	850	2BR	24	896	21,504	-3,432	-13.46%
3BR	<u>16</u>	1,314	<u>21,024</u>	1,050	3BR	<u>16</u>	1,096	<u>17,536</u>	<u>-3,488</u>	<u>-16.59%</u>

Material Alterations as defined in Tex. Gov't Code §2306.6712(d)(4) and 10 TAC §10.405(a)(4)(D)							
Total	48	51,592	Total	48	44,568	-7,024	-13.61%

The Applicant states that labor and material costs have increased and that they have been unable to obtain subcontractor bids that would meet the original cost estimates. The contractor explained that the rate of rising construction costs was unforeseen at application. Therefore, to remain close to the original budget, the Applicant requests to decrease the size of the units in order to reduce costs. The revised unit sizes proposed by the Applicant will continue to meet the minimum size requirements specified in §11.9(b)(1)(A) of the 2018 Qualified Action Plan.

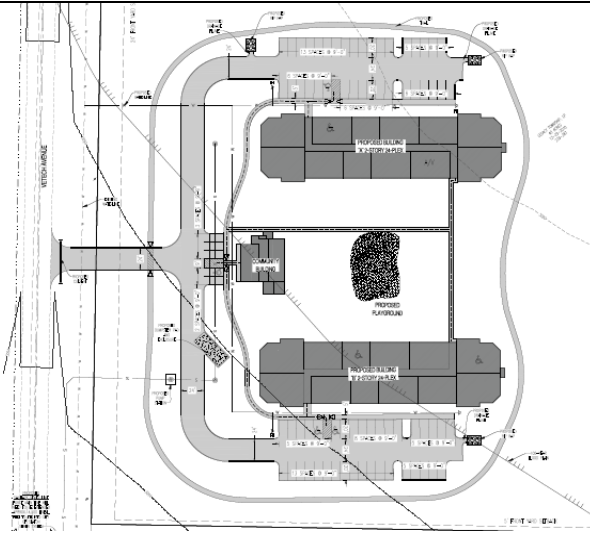
The Real Estate Analysis Division completed a review of the financial information submitted as part of the amendment request and determined that the Development remains feasible. The updated financial information provided by the Applicant reveals that the utility structure has changed from landlord-paid water, sewer, and trash to tenant-paid water and sewer, and this change, along with updated estimates, resulted in utility allowances that are more than double the utility allowances at Application. On the other hand, the underwriting analysis has been updated to use the current 2018 HTC rents. The annual Potential Gross Rent decreased approximately \$34K from initial application, while the underwritten Net Operating Income is \$14K lower than at application. The amount of the first lien debt decreased from \$1,475,000 to \$1,300,000. The updated financial information provided by the Applicant reveals that the total development costs will decrease by \$322K, which resulted in a \$147K reduction to the amount of deferred developer fee.

In addition to the amendment request, the Applicant provided notification in the form of a revised site plan that indicates there are minor changes to the original design. The changes are considered Notification Items under 10 TAC §10.405(a)(2)(B) and do not require approval by the Department, but are presented for acknowledgment together with the material amendment requested herein.

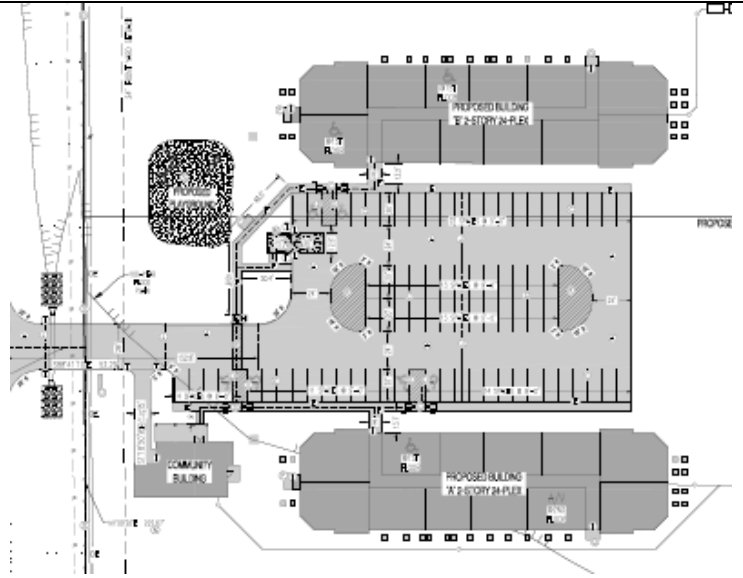
10 TAC §13.12 discusses the types of extensions and changes to the MDL that can be approved prior to loan closing by either the Executive Director/ authorized designee, or the Board. Changes to other loan terms or requirements are contemplated in this section of the Multifamily Direct Loan Rule. That being the case, staff believes extensions to the environmental clearance and contract execution deadlines do not expose the Department to undue financial risk, and recommend the requested extensions to the environmental and contract execution deadlines until July 26, 2019.

Notification Item as defined in 10 TAC §10.405(a)(2)(B)

Original



Revised

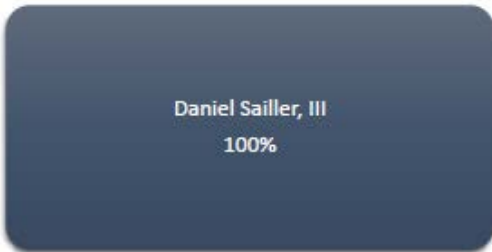


The amendment request submitted by the Applicant also includes a request to add Guarantors as required by their syndicator. This change would be considered non-material under 10 TAC §10.405(a)(3)(C), but is included with the material amendment of the NRA. A previous participation review of the new entities and principals was conducted and the results were deemed acceptable without further review or discussion.

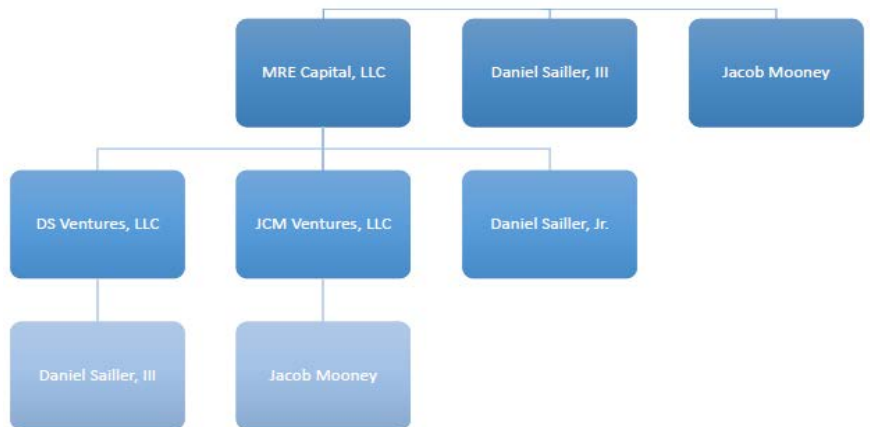
The following table is a comparison of the original and amended Guarantor organization chart:

Non-material Amendment – Addition of Guarantors 10 TAC §10.405(a)(3)(C)

Application



Amendment



Staff's review of the amendment request determined that the proposed changes noted above would not have impacted the scoring of the Application and that the Development remains feasible and supports the Department funds previously awarded.

Staff recommends approval of the amendment request as presented.



Addendum to Underwriting Report

TDHCA Application #: **18040** Program(s): **9% HTC/MDL**

Farmhouse Row

Address/Location: Approx. 15003 FM 400

City: Slaton County: Lubbock Zip: 79364

APPLICATION HISTORY	
Report Date	PURPOSE
04/30/19	Amendment to Original Report
06/26/18	New Application - Initial Underwriting

ALLOCATION

TDHCA Program	Previous Allocation				RECOMMENDATION				
	Amount	Rate	Amort	Term	Amount	Rate	Amort	Term	Lien
MF Direct Loan	\$660,000	4.00%	30	15	\$660,000	4.00%	30	15	2
LIHTC (9% Credit)	\$642,500				\$642,500				

* Multifamily Direct Loan Terms:

* Pursuant to 10 TAC §13.8(a), the term of a Multifamily Direct Loan should match the term of any superior loan (within 6 months).

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

CONDITIONS STATUS

- Receipt and acceptance before Direct Loan Closing
 - a: Substantially final construction contract with Schedule of Values.
 - b: Updated term sheets with substantially final terms from all lenders
 - c: Substantially final draft of limited partnership agreement.
 - d: Senior loan documents (and/or partnership documents) must contain a provision(s) that any stabilization resizing on the senior debt includes the debt service on the TDHCA MDL at a 1.15 DCR.
 - e: Documentation identifying any required matching funds, and confirming that the source is eligible to be counted as matching funds under HUD and TDHCA requirements.
 - f: Certification that if the site is in the 100-year floodplain when it places in service, the finished ground floor elevation of the buildings will be at least one foot above the floodplain and that all drives, parking and amenities will be no more than 6 inches below the floodplain; and that the Owner will provide flood insurance coverage for the buildings and for the residents' personal property until such time that the site is officially designated to be no longer in the floodplain.
 - g: Documentation that a noise study has been completed, and certification from the Architect that all recommendations from the noise study are incorporated into the development plans.

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

SET-ASIDES

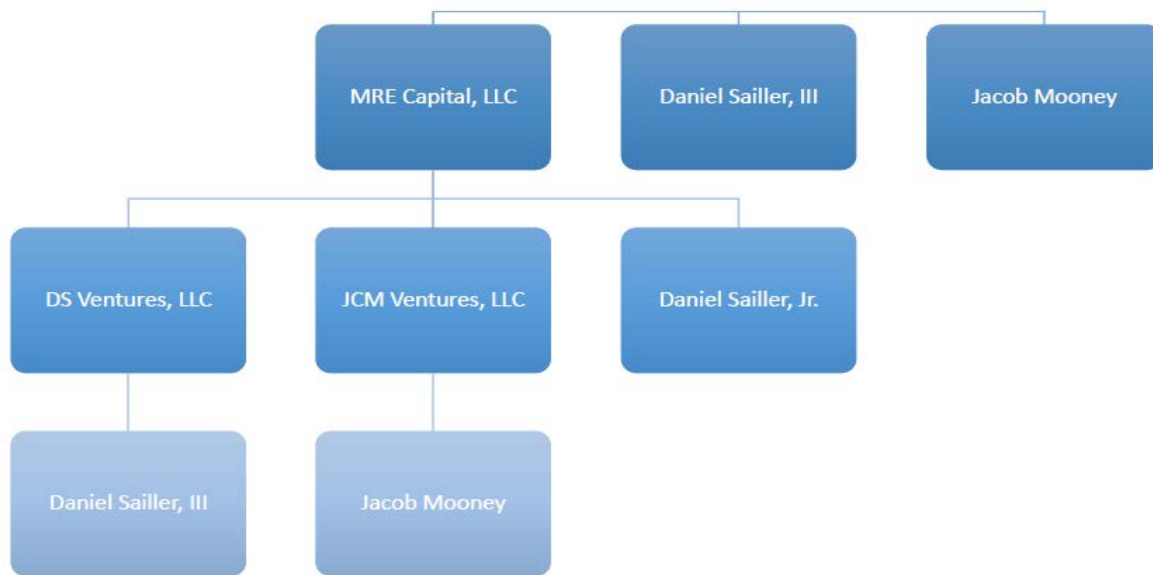
TDHCA SET-ASIDES for HTC LURA		
Income Limit	Rent Limit	Number of Units
30% of AMI	30% of AMI	4
50% of AMI	50% of AMI	10
60% of AMI	60% of AMI	34

TDHCA SET-ASIDES for DIRECT LOAN LURA		
Income Limit	Rent Limit	Number of Units
50% of AMFI	Low HOME	3
60% of AMFI	High HOME	8

ANALYSIS

The Applicant has requested an amendment related to changes to the development plan, including adding additional parties as guarantors.

MRE Capital, LLC & Jacob Mooney have now been included as additional guarantors.



The original application indicated the development consisted of 48 units totaling 51,592 square feet of net rentable area (NRA). The Applicant now indicates that it was necessary to reduce the unit square footages in order to reduce costs and stay within the original development budget. Unit sizes were decreased by approximately 11% on average and total NRA was reduced to 44,568 s.f. (-13.6% decrease).

The site plan has been reconfigured to resolve accessibility issues. Parking has been moved to the center of the site, in between the two residential buildings. As a result of the move in parking, the clubhouse and detention have also been relocated just west of each building.

Operating Pro Forma

Applicant has updated the utility structure from landlord-paid water, sewer, trash (WST) to tenant-paid water and sewer. Consequently, Applicant submitted updated utility allowance (UA) estimates using the HUD Utility Schedule Model, as approved by the Department. Updated UA's reflect a \$116 increase on average (~181% increase). As a result, the Applicant's total income has decreased by approximately 17%. Underwriter's analysis uses current 2018 HTC rents, which allows for a healthier pro forma, and an expense to income ratio below 65%. Underwriter's total income has decreased only 9% since original underwriting.

Development Cost

Applicant's total development cost decreased ~\$322K(~4.9%) with the majority of that decrease attributed to a \$326K (~26.6%) decrease in developer fee. Additionally, Applicant has voluntarily reduced developer fee from approximately 20%, down to ~15%.

Underwriter's costs updated for current Marshall & Swift cost estimates, reflect a \$380K (~4%) decrease in total cost. Total costs remain within 5% of the Applicant's costs.

At application the Developer committed to "utilize durable and energy efficient components such as granite counter tops, LED lighting, and low flow shower heads, toilets, and water faucets". Under the current development plan, the Developer reports that "All finishes are the same, except for the countertops that are now Formica."

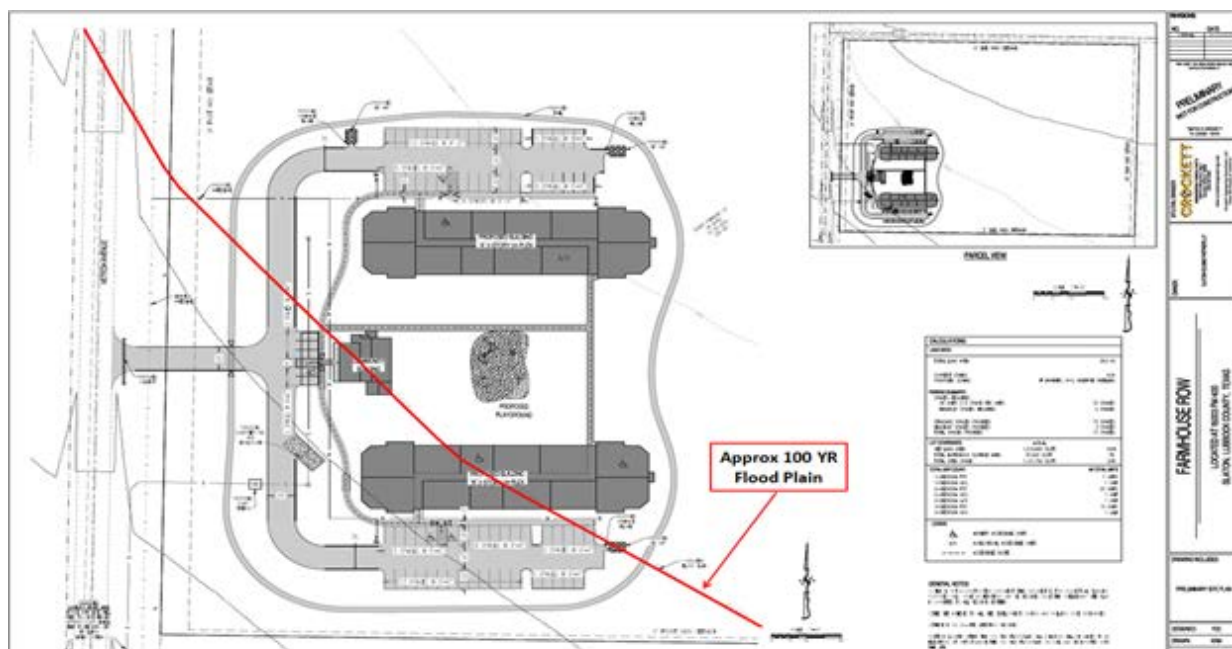
Sources of Funds

Senior debt from Horizon decreased from \$1.475M to \$1.3M, resulting in an increase in the total MDL loan to debt ratio from 31% to 33%.

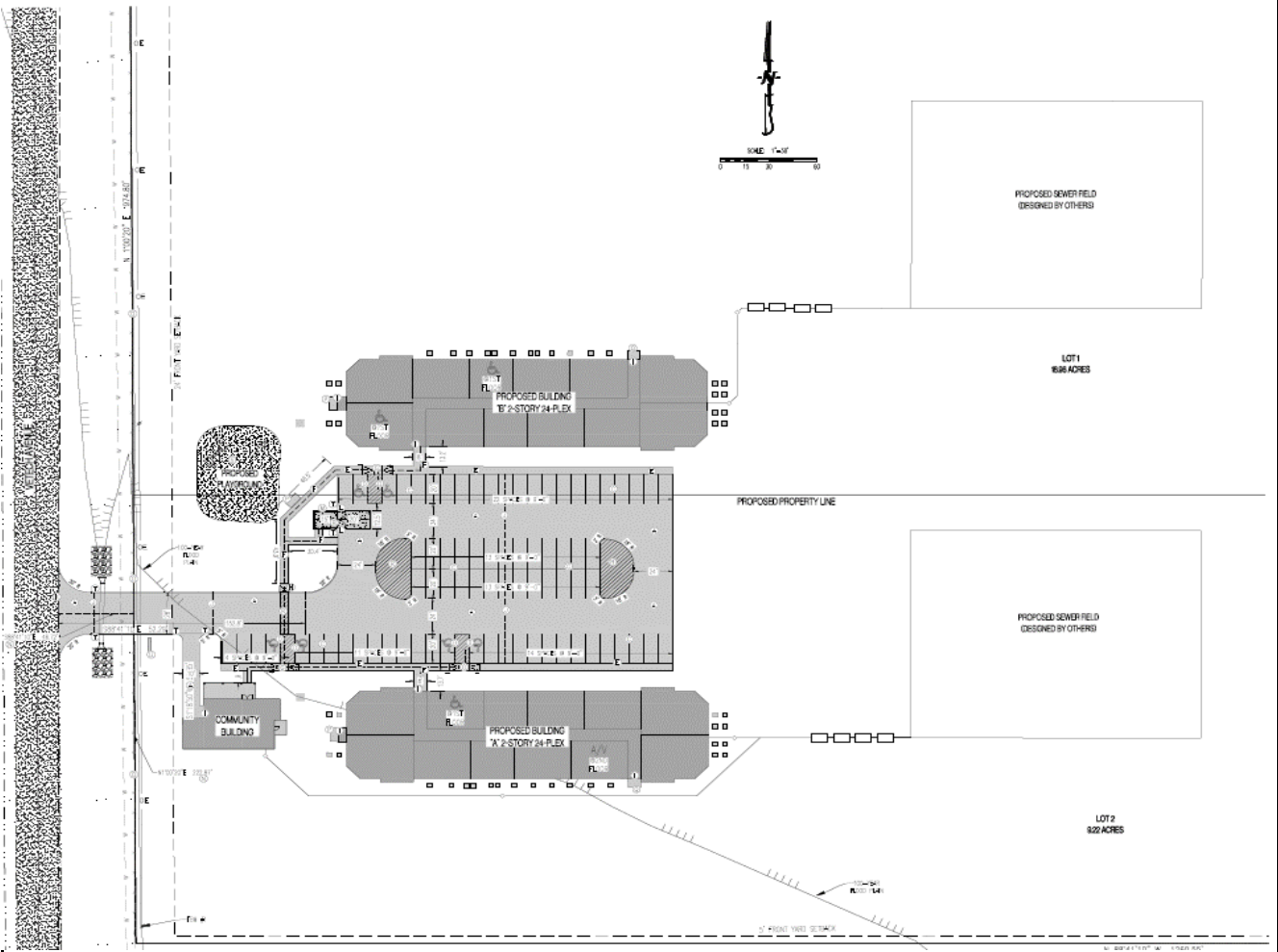
Conclusion

There is no change to the previous recommendations.

Original Site Plan



Revised Site Plan



Underwriter:	<u>Diamond Unique Thompson</u>
Manager of Real Estate Analysis:	<u>Thomas Cavanagh</u>
Director of Real Estate Analysis:	<u>Brent Stewart</u>

UNIT MIX/RENT SCHEDULE

Farmhouse Row, Slaton, 9% HTC/MDL #18040

LOCATION DATA	
CITY:	Slaton
COUNTY:	Lubbock
Area Median Income	\$58,500
PROGRAM REGION:	1

UNIT DISTRIBUTION							
# Beds	# Units	% Total	Assisted	MDL	Income	# Units	% Total
Eff	-	0.0%	0	0	30%	4	8.3%
1	8	16.7%	0	2	40%	-	0.0%
2	24	50.0%	0	5	50%	10	20.8%
3	16	33.3%	0	4	60%	34	70.8%
4	-	0.0%	0	0	MR	-	0.0%
TOTAL	48	100.0%	-	11	TOTAL	48	100.0%

Pro Forma ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	100%
APP % Acquisition	3.39%
APP % Construction	9.00%
Average Unit Size	929 sf

UNIT MIX / MONTHLY RENT SCHEDULE

HTC		TDHCA Direct Loan Program		UNIT MIX				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS				TDHCA PRO FORMA RENTS			MARKET RENTS			
Type	Gross Rent	Type	Gross Rent	# Units	# Beds	# Baths	NRA	Gross Rent	Utility Allow	Max Net Program Rent	Delta to Max	Rent psf	Net Rent per Unit	Total Monthly Rent	Total Monthly Rent	Rent per Unit	Rent psf	Delta to Max	Underwritten	Mrkt Analyst	
TC 30%	\$355	LH/50%	\$593	1	1	1	691	\$355	\$136	\$219	\$0	\$0.32	\$219	\$219	\$219	\$219	\$0.32	\$0	\$850	\$1.23	\$850
TC 50%	\$593	HH/60%	\$689	1	1	1	691	\$593	\$136	\$457	\$0	\$0.66	\$457	\$457	\$457	\$457	\$0.66	\$0	\$850	\$1.23	\$850
TC 60%	\$711			6	1	1	691	\$711	\$136	\$575	\$0	\$0.83	\$575	\$3,450	\$3,450	\$575	\$0.83	\$0	\$850	\$1.23	\$850
TC 30%	\$426	LH/50%	\$711	1	2	2	896	\$426	\$177	\$249	\$0	\$0.28	\$249	\$249	\$249	\$249	\$0.28	\$0	\$1,050	\$1.17	\$1,050
TC 30%	\$426			1	2	2	896	\$426	\$177	\$249	\$0	\$0.28	\$249	\$249	\$249	\$249	\$0.28	\$0	\$1,050	\$1.17	\$1,050
TC 50%	\$711	HH/60%	\$842	4	2	2	896	\$711	\$177	\$534	\$0	\$0.60	\$534	\$2,136	\$2,136	\$534	\$0.60	\$0	\$1,050	\$1.17	\$1,050
TC 50%	\$711			1	2	2	896	\$711	\$177	\$534	\$0	\$0.60	\$534	\$534	\$534	\$534	\$0.60	\$0	\$1,050	\$1.17	\$1,050
TC 60%	\$853			17	2	2	896	\$853	\$177	\$676	\$0	\$0.75	\$676	\$11,492	\$11,492	\$676	\$0.75	\$0	\$1,050	\$1.17	\$1,050
TC 30%	\$493	LH/50%	\$821	1	3	2	1,096	\$493	\$224	\$269	\$0	\$0.25	\$269	\$269	\$269	\$269	\$0.25	\$0	\$1,325	\$1.21	\$1,325
TC 50%	\$821	HH/60%	\$1,039	3	3	2	1,096	\$821	\$224	\$597	\$0	\$0.54	\$597	\$1,791	\$1,791	\$597	\$0.54	\$0	\$1,325	\$1.21	\$1,325
TC 50%	\$821			1	3	2	1,096	\$821	\$224	\$597	\$0	\$0.54	\$597	\$597	\$597	\$597	\$0.54	\$0	\$1,325	\$1.21	\$1,325
TC 60%	\$986			11	3	2	1,096	\$986	\$224	\$762	\$0	\$0.70	\$762	\$8,382	\$8,382	\$762	\$0.70	\$0	\$1,325	\$1.21	\$1,325
TOTALS/AVERAGES:				48			44,568				\$0	\$0.67	\$621	\$29,825	\$29,825	\$621	\$0.67	\$0	\$1,108	\$1.19	\$1,108

ANNUAL POTENTIAL GROSS RENT:		\$357,900	\$357,900
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STABILIZED PRO FORMA

Farmhouse Row, Slaton, 9% HTC/MDL #18040

STABILIZED FIRST YEAR PRO FORMA

	COMPARABLES		APPLICANT				PRIOR REPORT		TDHCA				VARIANCE	
	Database	4 Lubbock Bldg Comps	% EGI	Per SF	Per Unit	Amount	Applicant	TDHCA	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT				\$0.67	\$621	\$357,900	\$392,244	\$392,551	\$357,900	\$621	\$0.67		0.0%	\$0
Laundry and late fees					\$20.00	\$11,520	\$11,520							
0					\$0.00	\$0	\$0							
0					\$0.00	\$0	\$0							
Total Secondary Income					\$20.00			\$11,520	\$11,520	\$20.00			0.0%	\$0
POTENTIAL GROSS INCOME						\$369,420	\$403,764	\$404,071	\$369,420				0.0%	\$0
Vacancy & Collection Loss					7.5% PGI	(27,707)	(30,282)	(30,305)	(27,707)	7.5% PGI			0.0%	-
Rental Concessions						-	-	-	-				0.0%	-
EFFECTIVE GROSS INCOME						\$341,714	\$373,482	\$373,766	\$341,714				0.0%	\$0

General & Administrative	\$21,589	\$450/Unit	\$15,752	\$328	4.24%	\$0.33	\$302	\$14,500	\$19,700	\$19,700	\$19,700	\$410	\$0.44	5.77%	-26.4%	(5,200)
Management	\$20,504	6.5% EGI	\$14,670	\$306	5.00%	\$0.38	\$356	\$17,086	\$18,674	\$18,688	\$17,086	\$356	\$0.38	5.00%	0.0%	0
Payroll & Payroll Tax	\$55,713	\$1,161/Unit	\$48,650	\$1,014	12.24%	\$0.94	\$871	\$41,820	\$50,500	\$50,500	\$50,500	\$1,052	\$1.13	14.78%	-17.2%	(8,680)
Repairs & Maintenance	\$38,537	\$803/Unit	\$27,839	\$580	4.83%	\$0.37	\$344	\$16,500	\$30,700	\$28,800	\$28,800	\$600	\$0.65	8.43%	-42.7%	(12,300)
Electric/Gas	\$8,619	\$180/Unit	\$8,878	\$185	2.11%	\$0.16	\$150	\$7,200	\$4,000	\$8,878	\$8,878	\$185	\$0.20	2.60%	-18.9%	(1,678)
Water, Sewer, & Trash Tenant Pays: WS	\$20,977	\$437/Unit	\$5,153	\$107	1.80%	\$0.14	\$128	\$6,152	\$23,480	\$23,261	\$5,153	\$107	\$0.12	1.51%	19.4%	999
Property Insurance	\$13,206	\$0.30 /sf	\$16,405	\$342	5.50%	\$0.42	\$392	\$18,795	\$16,500	\$16,500	\$16,500	\$344	\$0.37	4.83%	13.9%	2,295
Property Tax (@ 100%) 1.9388	\$21,449	\$447/Unit	\$31,045	\$647	7.42%	\$0.57	\$528	\$25,353	\$22,000	\$22,000	\$25,353	\$528	\$0.57	7.42%	0.0%	-
Reserve for Replacements	\$21,151	\$441/Unit	\$10,822	\$225	3.51%	\$0.27	\$250	\$12,000	\$12,000	\$12,000	\$12,000	\$250	\$0.27	3.51%	0.0%	-
Cable TV			\$1,832	\$38	0.70%	\$0.05	\$50	\$2,400	\$0	\$0	\$2,400	\$50	\$0.05	0.70%	0.0%	-
TDHCA LIHTC/HOME Compliance Fees				\$0	0.56%	\$0.04	\$40	\$1,920	\$1,920	\$2,294	\$1,920	\$40	\$0.04	0.56%	0.0%	-
TDHCA MDL Compliance Fee			-	\$0	0.11%	\$0.01	\$8	\$374	\$0	\$0	\$374	\$8	\$0.01	0.11%	0.0%	-
TOTAL EXPENSES					48.02%	\$3.68	\$3,419	\$ 164,100	\$ 199,474	\$202,621	\$188,664	\$3,931	\$4.23	55.21%	-13.0%	\$ (24,564)
NET OPERATING INCOME ("NOI")					51.98%	\$3.99	\$3,700	\$177,614	\$174,008	\$171,145	\$153,049	\$3,189	\$3.43	44.79%	16.0%	\$ 24,564

CONTROLLABLE EXPENSES		\$1,795/Unit		\$2,355/Unit
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Farmhouse Row, Slaton, 9% HTC/MDL #18040

DEBT / GRANT SOURCES																	
APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE									Prior Underwriting		AS UNDERWRITTEN DEBT/GRANT STRUCTURE						
DEBT (Must Pay)	Fee	Cumulative DCR		Pmt	Rate	Amort	Term	Principal	Prior Underwriting		Principal	Term	Amort	Rate	Pmt	Cumulative	
		UW	App						Applicant	TDHCA						DCR	LTC
Horizon Bank		1.61	1.87	95,040	6.15%	30	15	\$1,300,000	\$1,475,000	\$1,475,000	\$1,300,000	15	30	6.15%	\$95,040	1.61	16.9%
TDHCA		1.15	1.34	\$37,812	4.00%	30	15	\$660,000	\$660,000	\$660,000	\$660,000	15	30	4.00%	\$37,811	1.15	8.6%
CASH FLOW DEBT / GRANTS																	
City of Slaton Fee Waiver		1.15	1.34		0.00%	0	0	\$250	\$250	\$250	\$250	0	0	0.00%		1.15	0.0%
Eastland Construction LLC		1.15	1.34		0.00%	0	0	\$33,000	\$33,000	\$33,000	\$33,000	0	0	0.00%		1.15	0.4%
				\$132,852	TOTAL DEBT / GRANT SOURCES			\$1,993,250			\$1,993,250	TOTAL DEBT SERVICE			\$132,851	1.15	25.8%

NET CASH FLOW	\$20,197	\$44,762											TDHCA NET OPERATING INCOME	\$153,049	\$20,198	NET CASH FLOW
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EQUITY SOURCES														
APPLICANT'S PROPOSED EQUITY STRUCTURE						Prior Underwriting		AS UNDERWRITTEN EQUITY STRUCTURE						
EQUITY / DEFERRED FEES	DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Prior Underwriting		Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method	
						Applicant	TDHCA						Allocation Method	Allocation Method
Raymond James	LIHTC Equity	72.9%	\$642,500	0.87	\$5,621,313	\$5,589,191	\$5,589,191	\$5,589,191	\$0.8699	\$642,500	72.5%	\$13,385	Previous Allocation	
Deferred Developer Fee	Deferred Developer Fees	1.3%	(11% Deferred)		\$97,727	\$276,877	\$276,877	\$129,852	(14% Deferred)		1.7%	Total Developer Fee: \$900,000		
Additional (Excess) Funds Req'd		0.0%					\$0	\$0			0.0%			
TOTAL EQUITY SOURCES		74.2%			\$5,719,040	\$5,866,068	\$5,866,068	\$5,719,043			74.2%			

TOTAL CAPITALIZATION	\$7,712,290	\$8,034,318	\$8,034,318	\$7,712,293				15-Yr Cash Flow after Deferred Fee:	\$300,135
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DEVELOPMENT COST / ITEMIZED BASIS												
APPLICANT COST / BASIS ITEMS					Prior Underwriting		TDHCA COST / BASIS ITEMS				COST VARIANCE	
	Eligible Basis		Total Costs		Prior Underwriting		Total Costs	Eligible Basis		%	\$	
	Acquisition	New Const. Rehab			Applicant	TDHCA		New Const. Rehab	Acquisition			
Land Acquisition			\$9,063 / Unit	\$435,000	\$435,000	\$435,000	\$435,000	\$9,063 / Unit		0.0%	\$0	
Building Acquisition	\$0		\$ / Unit	\$0	\$0	\$0	\$0	\$ / Unit		0.0%	\$0	
			\$0	\$0	\$0	\$0	\$0				\$0	
Off-Sites			\$5,521 / Unit	\$265,000	\$265,000	\$265,000	\$265,000	\$5,521 / Unit		0.0%	\$0	
Site Work		\$690,661	\$14,389 / Unit	\$690,661	\$714,500	\$714,500	\$690,661	\$14,389 / Unit	\$690,661	0.0%	\$0	
Site Amenities		\$135,000	\$2,813 / Unit	\$135,000	\$90,000	\$90,000	\$135,000	\$2,813 / Unit	\$135,000	0.0%	\$0	
Building Cost		\$3,242,322	\$80.17 /sf	\$74,442/Unit	\$3,573,224	\$3,663,350	\$3,272,393	\$68,175/Unit	\$73.42 /sf	\$3,242,322	9.2%	\$300,831
Contingency		\$267,715	6.58%	5.74%	\$267,715	\$236,349	\$267,715	6.14%	6.58%	\$267,715	0.0%	\$0
Contractor Fees		\$605,696	13.97%	14.00%	\$690,424	\$694,197	\$666,549	14.00%	13.97%	\$605,696	6.5%	\$42,116
Soft Costs	0	\$202,350	\$5,268 / Unit	\$252,850	\$214,633	\$214,633	\$252,850	\$5,268 / Unit		\$202,350	0.0%	\$0
Financing	0	\$271,491	\$7,613 / Unit	\$365,419	\$370,679	\$370,679	\$365,419	\$7,613 / Unit		\$271,491	0.0%	\$0
Developer Fee	\$0	\$900,000	16.62%	14.97%	\$900,000	\$1,226,250	\$1,176,629	15.76%	16.62%	\$900,000	0.0%	\$0
Reserves			\$2,854 / Unit	\$137,000	\$124,359	\$124,359	\$137,000	\$2,854 / Unit			0.0%	\$0
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)	\$0	\$6,315,235	\$160,673 / Unit	\$7,712,293	\$8,034,318	\$7,748,914	\$7,369,346	\$153,528 / Unit	\$6,315,235	\$0	4.7%	\$342,947
Acquisition Cost	\$0			\$0	\$0							
Contingency		\$0		\$0	\$0							
Contractor's Fee		\$0		\$0	\$0							
Financing Cost		\$0		\$0	\$0							
Developer Fee	\$0	\$0		\$0	\$0							
Reserves				\$0	\$0							

ADJUSTED BASIS / COST	\$0	\$6,315,235	\$160,673/unit	\$7,712,293			\$7,369,346	\$153,528/unit	\$6,315,235	\$0	4.7%	\$342,947
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):				\$7,712,293								

CAPITALIZATION / DEVELOPMENT COST BUDGET / ITEMIZED BASIS ITEMS

Farmhouse Row, Slaton, 9% HTC/MDL #18040

CREDIT CALCULATION ON QUALIFIED BASIS				
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction Rehabilitation
ADJUSTED BASIS	\$0	\$6,315,235	\$0	\$6,315,235
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$6,315,235	\$0	\$6,315,235
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$8,209,806	\$0	\$8,209,806
Applicable Fraction	100.00%	100.00%	100.00%	100.00%
TOTAL QUALIFIED BASIS	\$0	\$8,209,806	\$0	\$8,209,806
Applicable Percentage	3.39%	9.00%	3.39%	9.00%
ANNUAL CREDIT ON BASIS	\$0	\$738,882	\$0	\$738,882
CREDITS ON QUALIFIED BASIS	\$738,882		\$738,882	

Method	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
	Annual Credits	Proceeds	Credit Price	Variance to Request	
			\$0.8699	Credits	Proceeds
Eligible Basis	\$738,882	\$6,427,635	----	----	----
Needed to Fill Gap	\$657,427	\$5,719,043	----	----	----
Previous Allocation	\$642,500	\$5,589,191	\$642,500	\$0	\$0

BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Garden (Up to 4-story)	44,568 SF	\$66.41	2,959,705
Adjustments				
Exterior Wall Finish	0.00%		0.00	\$0
Elderly	0.00%		0.00	0
9-Ft. Ceilings	3.00%		1.99	88,791
Roof Adjustment(s)			0.00	0
Subfloor			(0.86)	(38,328)
Floor Cover			2.56	114,094
Breezeways	\$27.82	10,724	6.69	298,288
Balconies	\$27.63	4,465	2.77	123,360
Plumbing Fixtures	\$1,020	120	2.75	122,400
Rough-ins	\$500	96	1.08	48,000
Built-In Appliances	\$1,730	48	1.86	83,040
Exterior Stairs	\$2,280	4	0.20	9,120
Heating/Cooling			2.21	98,495
Storage Space	\$27.82	0	0.00	0
Carports	\$12.25	0	0.00	0
Garages		0	0.00	0
Comm &/or Aux Bldgs	\$99.10	1,677	3.73	166,185
Elevators		0	0.00	0
Other:			0.00	0
Fire Sprinklers	\$2.59	56,969	3.31	147,550
SUBTOTAL			94.70	4,220,700
Current Cost Multiplier	1.04		3.79	168,828
Local Multiplier	0.87		(12.31)	(548,691)
TOTAL BUILDING COSTS			86.18	\$3,840,837
Plans, specs, survey, bldg permits	3.30%		(2.84)	(\$126,748)
Contractor's OH & Profit	11.50%		(9.91)	(441,696)
NET BUILDING COSTS		\$68,175/unit	\$73.42/sf	\$3,272,393



February 01, 2019

Ms. Lee Ann Chance
Asset Manager (Regions 1, 2, 7 & 8)
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

Via: leeann.chance@tdhca.state.tx.us

Re: Farmhouse Row, TDHCA #18404, Slaton, TX

Dear Ms. Chance:

Please accept this revised formal request for an amendment to project 18040, Farmhouse Row to adjust the square footage and revise the guarantors.

SECTION 1

Changes Requested

- 1) Reduce the net rentable area in excess of 3%.
- 2) Add additional parties as guarantors.

Reason the Change is Necessary

- 1) After tax credit award, the General Contractor was not able to obtain subcontractor bids to meet the previously established estimate for construction. Reducing the square footages of the units (and still surpassing the minimums) reduces the costs and to help keep the development within budget.
- 2) The Tax Credit Investor has requested an addition to the list of Guarantors.

Good Cause for the Change

- 1) Reducing the net rentable area of the apartment homes is a good solution to obtaining construction costs that meets the estimated budget. The reduction in square feet helps the project stay within budget and meets scoring parameters.
- 2) The Tax Credit Investor, Raymond James, is requiring additional Guarantors.

Explanation of Foreseeable or Preventable Nature

- 1) See the enclosed letter from the Contractor.
- 2) The Applicant had no knowledge or way to predict the investor's Guarantor change requirement.

SECTION 2

I've attached the following required documentation for the modification of square feet summarized below. The clubhouse square footage remains the same.

Bedroom Type	No. of Units	Unit SF at Application	Total SF at Application	Unit SF Requested	Total SF Requested	SF Difference	Difference %
1BR	8	704	5,632	691	5,528	-104	-1.85%
2BR	24	1,039	24,936	896	21,504	-3,432	-13.76%
3BR	16	1,314	21,024	1,096	17,536	-3,488	-16.59%
Total	48		51,592		44,568	-7,024	

Financing Exhibits

- Tab 30 Development Cost Schedule
- Tab 31 Sources and Uses

Unit Type and Count Exhibits

- Tab 23 Building Unit Configuration
- Tab 24 Rent Schedule

Design Documents

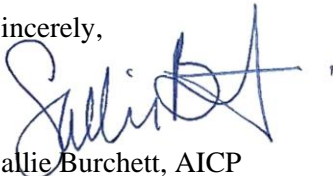
- Site Plan
- Architectural Plans

Organizational Documents

- Guarantor Organizational Chart
- Previous Participation for the new parties
- Credit Limit Certifications for the new parties

As required, we have submitted the \$2,500 material amendment fee. Thank you for marshalling the amendment request through the system. Please feel free to contact me if you have any additional questions.

Sincerely,



Sallie Burchett, AICP
Consultant to the Project

Eastland Properties, LLC
PO Box 51916
Amarillo, Texas 79159

December 3, 2018

Lee Ann Chance
Texas Department of Housing and Community Affairs
PO Box 19341
Austin, TX 79711-3941

Re: Farmhouse Row, TDHICA 18040, Slaton, Texas
Rise in Construction Costs

Dear Ms. Chance.

This letter is reference to the agreed upon construction contract price for the above referenced project in Slaton Texas, Farmhouse rrow. Admire Construction has been in the Construction business for over 20 years and I have built over a dozen multifamily projects that utilize housing tax credits. Unfortunately, I am unable to build Farmhouse Row within the original construction budget proposed at application as originally designed. I have been working fervidly with the Architect, Civil Engineer, and Development Owner to come up with a solution to make the project financially feasible. The design team was able to design a project that still meets scoring minimums where I can come close to the original budget.

The rate of rising construction costs was unforeseen at Application. Labor costs have gone up more than the cost estimator predicted. Additionally, the ability to find good Subcontractors and qualified workers in rural areas continues to worsen. Poaching from competitors for qualified labor is a common practice. Labor prices rise as a result of the reduced supply and increased demand. Furthermore, construction material costs are still high and have not come down as much as predicted from Hurricane Harvey rebuilding efforts.

I trust that you will find our proposed solution amenable and appreciate your consideration of this request. Please feel free to contact me if you have any questions.

Sincerely,



Damon Admire

Original

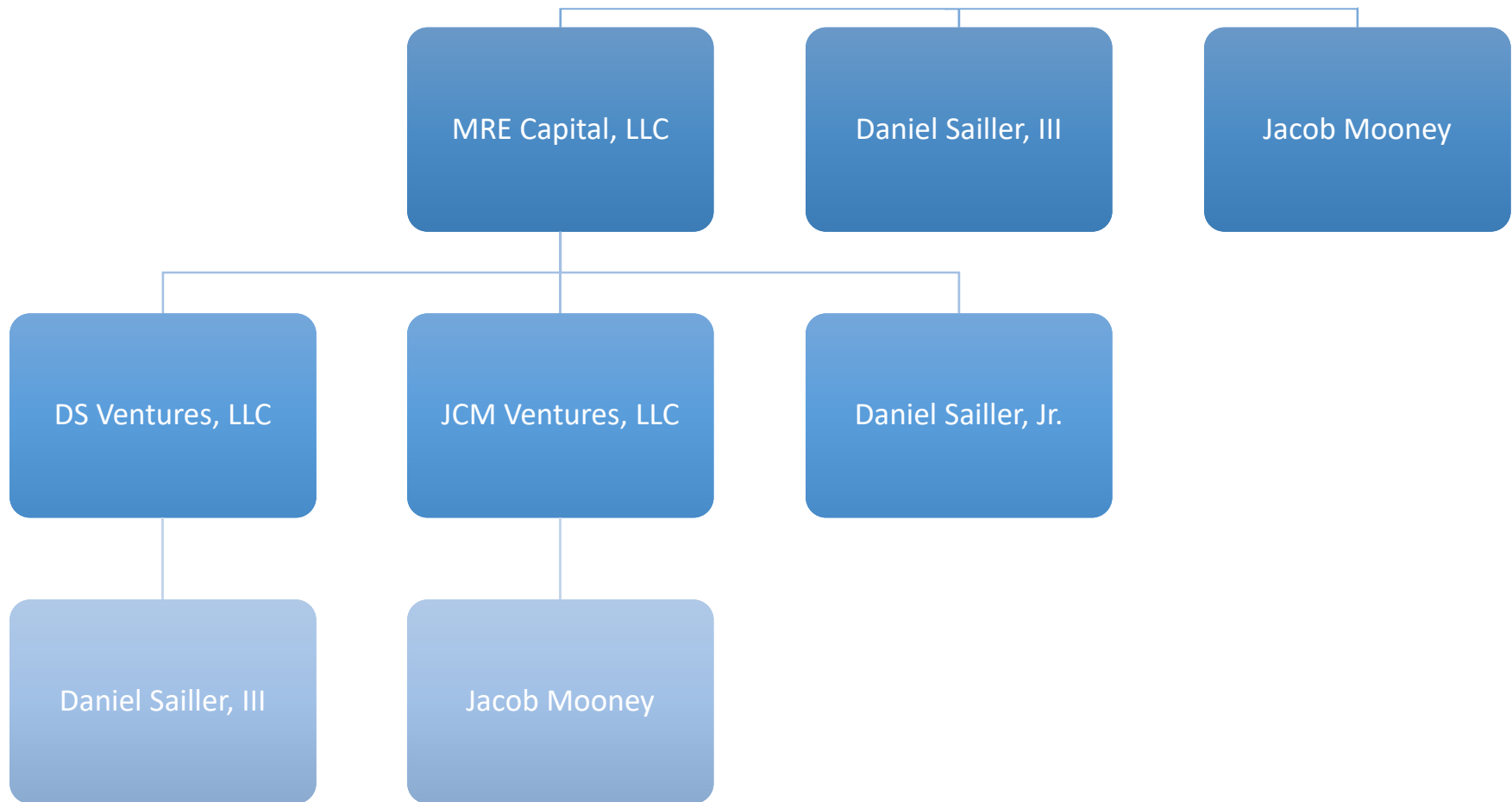
Farmhouse Row Guarantor Organizational Structure

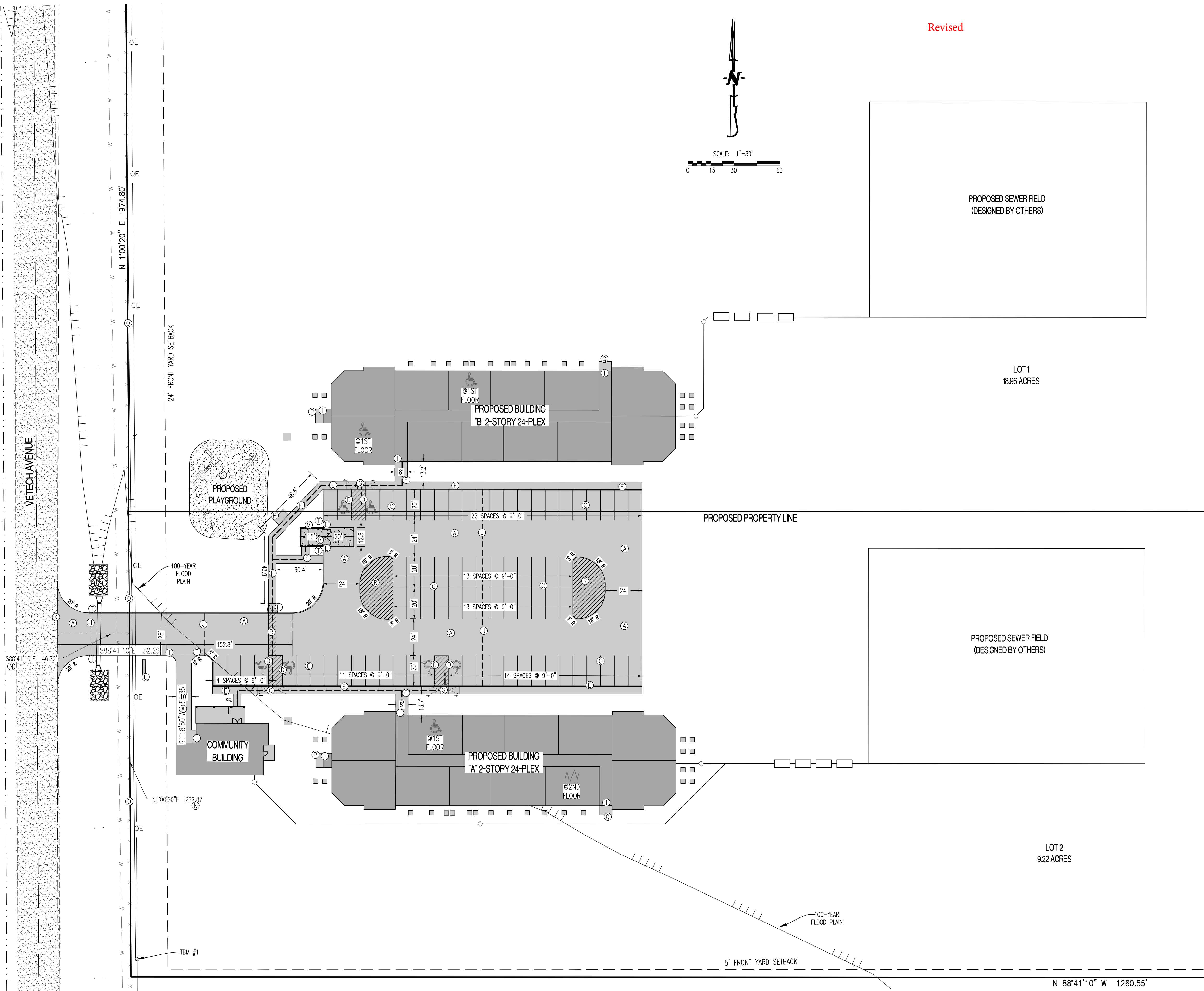
Daniel Sailer, III

100%

Requested

Farmhouse Row Guarantor Organizational Structure





Revised

- LEGEND OF LABELS**
- Ⓐ CONSTRUCT LIGHT DUTY CONCRETE W/ INTEGRAL CURB AS SHOWN. REFER TO LIGHT DUTY PAVEMENT CROSS SECTION ON CE 10.
 - Ⓑ INSTALL HEAVY DUTY CONCRETE FOR DUMPSTER PAD. REFER TO HEAVY DUTY PAVEMENT CROSS SECTION ON CE 10.
 - Ⓒ PAINT 4" PARKING STALL STRIPES AS SHOWN, COLOR WHITE. TYPICAL ALL STALLS EXCEPT HANDICAP STALLS. REFER TO PLAN FOR WIDTH AND DEPTH OF STALLS. TYPICAL FOR ALL.
 - Ⓓ CONSTRUCT HANDICAP PARKING AREA WITH SIGNAGE AND ADA RAMP. PAINT 4" STRIPE AND HANDICAP SYMBOL, COLOR BLUE. PAINT HATCH AREA AS SHOWN, COLOR BLUE. SLOPE OF THE PAVEMENT AT ALL HANDICAP STALL SHALL NOT EXCEED 1:50. REFER TO DETAILS ON CE 9.
 - Ⓔ CONSTRUCT 4" THICK, 5' WIDE PCC WALK AT BACK OF CURB AS SHOWN (MAXIMUM LONGITUDINAL SLOPE 1:20. MAXIMUM CROSS SLOPE AT 1:50). REFER TO CROSS-SECTIONS ON CE 10.
 - Ⓕ CONSTRUCT 4" THICK, 5' WIDE SIDEWALK AS SHOWN UNLESS OTHER DIMENSIONS ARE SHOWN. REFER TO DETAIL ON CE 10.
 - Ⓖ CONSTRUCT ADA ACCESSIBLE MID-BLOCK RAMP AT BACK OF CURB. REFER TO DETAIL ON CE 9.
 - Ⓗ CONSTRUCT ADA ACCESSIBLE RAMP WITH DIMENSIONS AS SHOWN. REFER TO DETAIL ON CE 9.
 - Ⓛ INSTALL 3/4" EXPANSION JOINT.
 - Ⓜ INSTALL 1" EXPANSION JOINT OR TYPE A ALTERNATE EXPANSION JOINT IN PAVING. REFER TO DETAIL ON CE 10.
 - Ⓝ PERFORM HORIZONTAL SAWING OF EXISTING ROAD AS REQUIRED FOR NEW DRIVEWAY APPROACH.
 - Ⓟ INSTALL 6" BOLLARDS AS SHOWN. REFER TO DETAIL ON CE 9.
 - Ⓞ INSTALL DUMPSTER ENCLOSURE. REFER TO ARCHITECTURAL PLANS FOR DETAILS.
 - Ⓢ USE THE COORDINATES SHOWN FROM THE SOUTHWESTERN PROPERTY PIN TO LOCATE CENTERLINE OF PROPOSED ROAD.
 - Ⓣ REMOVE FENCE ALONG FRONT OF PROPERTY.
 - Ⓟ CONSTRUCT A 4" THICK CONCRETE PAD THAT IS 9'L X 5'W.
 - Ⓠ CONSTRUCT A 4" THICK CONCRETE PAD THAT IS 8'L X 6'W.
 - Ⓡ PAINT AREA WITH HATCHING FOR PEDESTRIAN CROSSWALK AND NO PARKING AREAS.
 - Ⓢ CONSTRUCT PLAYGROUND WITH APPROXIMATE DIMENSIONS OF 60'X50'. REFER TO ARCHITECTURAL PLANS FOR SPECIFIC EQUIPMENT.
 - Ⓣ TAPER CURB FROM 6" TO 0".
 - Ⓤ INSTALL SITE DEVELOPMENT MONUMENT SIGN. REFER TO ARCHITECTURAL PLANS FOR MORE DETAILS.

CALCULATIONS:

LAND AREA:	
TOTAL LAND AREA:	28.18 AC
LOT 1 LAND AREA:	18.96 AC
LOT 2 LAND AREA:	9.22 AC
PARKING SUMMARY:	
SPACES REQUIRED:	
48 UNITS (1.5 SPACE PER UNIT):	72 SPACES
HANDICAP SPACES REQUIRED:	3 SPACES
STANDARD SPACES PROVIDED:	
HANDICAP SPACES PROVIDED:	6 SPACES
TOTAL SPACES PROVIDED:	77 SPACES

LOT COVERAGES:	
NET LAND AREA:	1,227,520 SQ.FT. 100%
TOTAL IMPERVIOUS SURFACE AREA:	66,240 SQ.FT. 6%
TOTAL OPEN SPACE:	1,161,280 SQ.FT. 94%
TOTAL UNIT COUNT: 48 TOTAL UNITS	
1-BEDROOM TYP	7 UNITS
1-BEDROOM ACC.	1 UNIT
2-BEDROOM TYP	22 UNITS
2-BEDROOM ACC.	1 UNIT
2-BEDROOM A/V	1 UNIT
3-BEDROOM TYP	15 UNITS
3-BEDROOM ACC.	1 UNIT

- LEGEND**
- ♿ MOBILITY ACCESSIBLE UNITS
 - A/V AUDIO/VISUAL ACCESSIBLE UNITS
 - ACCESSIBLE ROUTE

GENERAL NOTES:

- THE SITE ADHERES TO ALL SITE DEVELOPMENT, ZONING, AND BUILDING CODE ORDINANCES.
- THERE IS NO ON-SITE DETENTION REQUIRED.
- SITE IS LOCATED WITHIN THE 100 YEAR FLOODPLAIN. ALL BUILDINGS WILL BE RAISED TO AN ELEVATIONS OF 1-FOOT MINIMUM ABOVE THE 100 YEAR FLOODPLAIN. NO SOIL CAN BE IMPORTED ONTO THE SITE.
- THE COUNTY OF LUBBOCK HAS NO PARKING REQUIREMENTS THAT THIS DEVELOPMENT WILL HAVE TO MEET. HOWEVER, THE PARKING DESIGN WILL BE BASED ON 1.5 SPACES PER UNIT.

REVISIONS:

NO.	DATE
ISSUE SET	01/04/2019

THIS SHEET HAS BEEN SIGNED, SEALED AND DATED ELECTRONICALLY

TIMOTHY D. CROCKETT
TX LICENSE - 97075

PREPARED BY:

 ENGINEERING CONSULTANTS, L.L.C.
 1300 W. WILSON ROAD, SUITE 100
 COLUMBIA, MISSOURI 65203
 www.crockettengineering.com
 Crockett Engineering Consultants, L.L.C.
 Texas Certificate of Authority
 01225

OWNER:
 SLATON HOUSING PARTNERS, LP
 10777 BARKLEY STREET
 OVERLAND PARK, KS 66201

FARMHOUSE ROW
 RESIDENTIAL DEVELOPMENT LOCATED IN
 LUBBOCK COUNTY, TEXAS

DRAWING INCLUDES:

SITE PLAN

DESIGNED: TDC
DRAWN: KRM
PROJECT NO.: 180017
SHEET: CE 7

NO.	DATE
ORIGINAL	07/23/2018

THIS SHEET HAS BEEN SIGNED, SEALED AND DATED ELECTRONICALLY

PRELIMINARY
(NOT FOR CONSTRUCTION)

TIMOTHY D. CROCKETT
TX LICENSE - 107075

CROCKETT
ENGINEERING
1000 W. WILSON BLVD., SUITE 100
COLUMBIA, MISSOURI 65203
www.crockettengineering.com
Crockett Engineering Consultant, LLC
Texas Certificate of Authority
11252

OWNER:
SLATON HOUSING PARTNERS, LP

FARMHOUSE ROW
LOCATED AT 15003 FM 400
SLATON, LUBBOCK COUNTY, TEXAS

DRAWING INCLUDES:

PRELIMINARY SITE PLAN

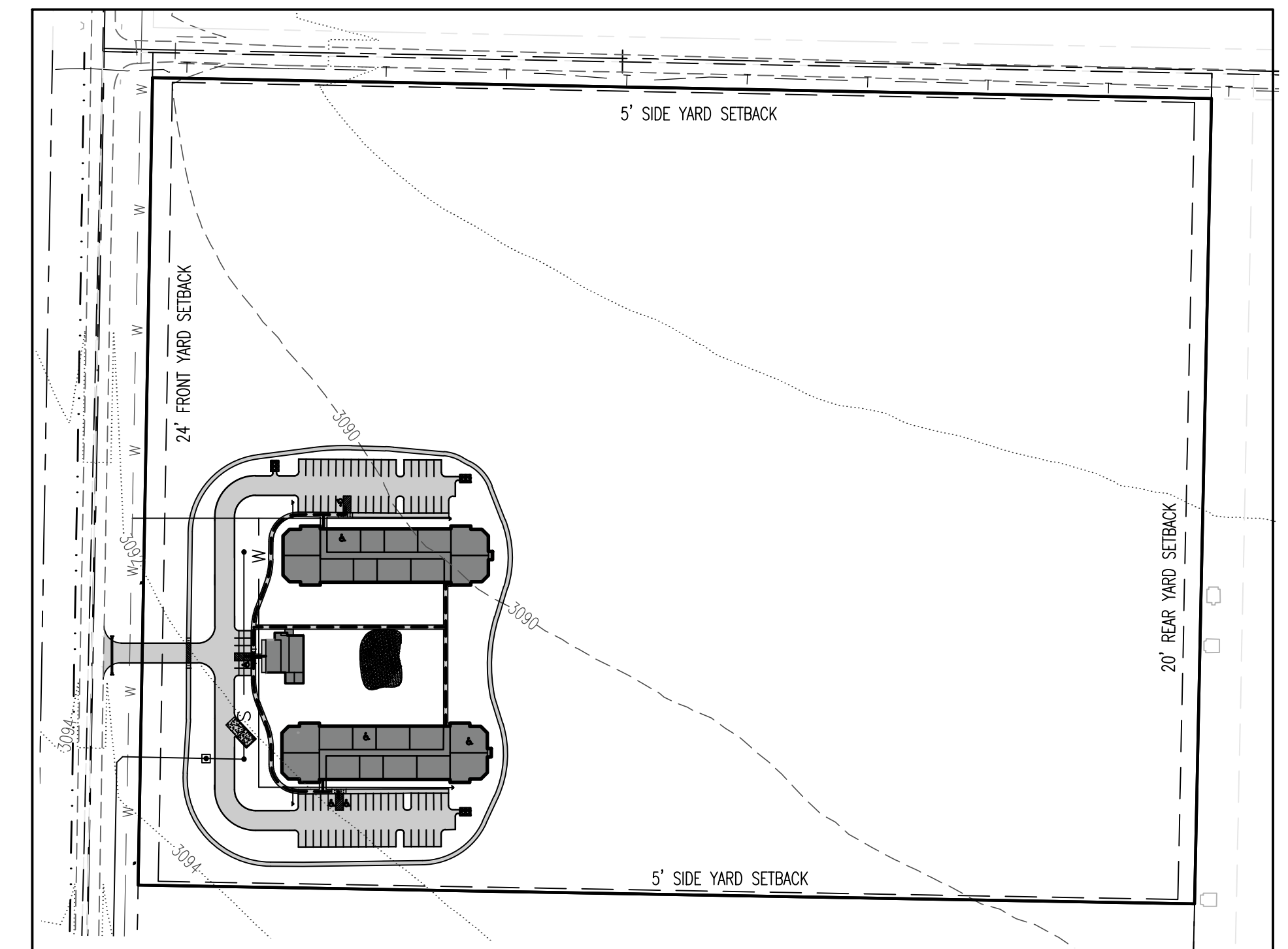
DESIGNED: TDC

DRAWN: KRM

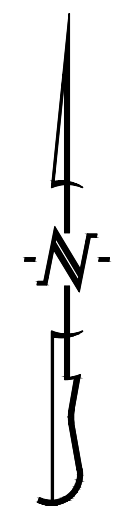
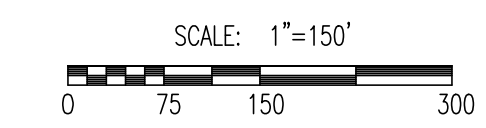
PROJECT NO.: 180017

SHEET:

CE 1

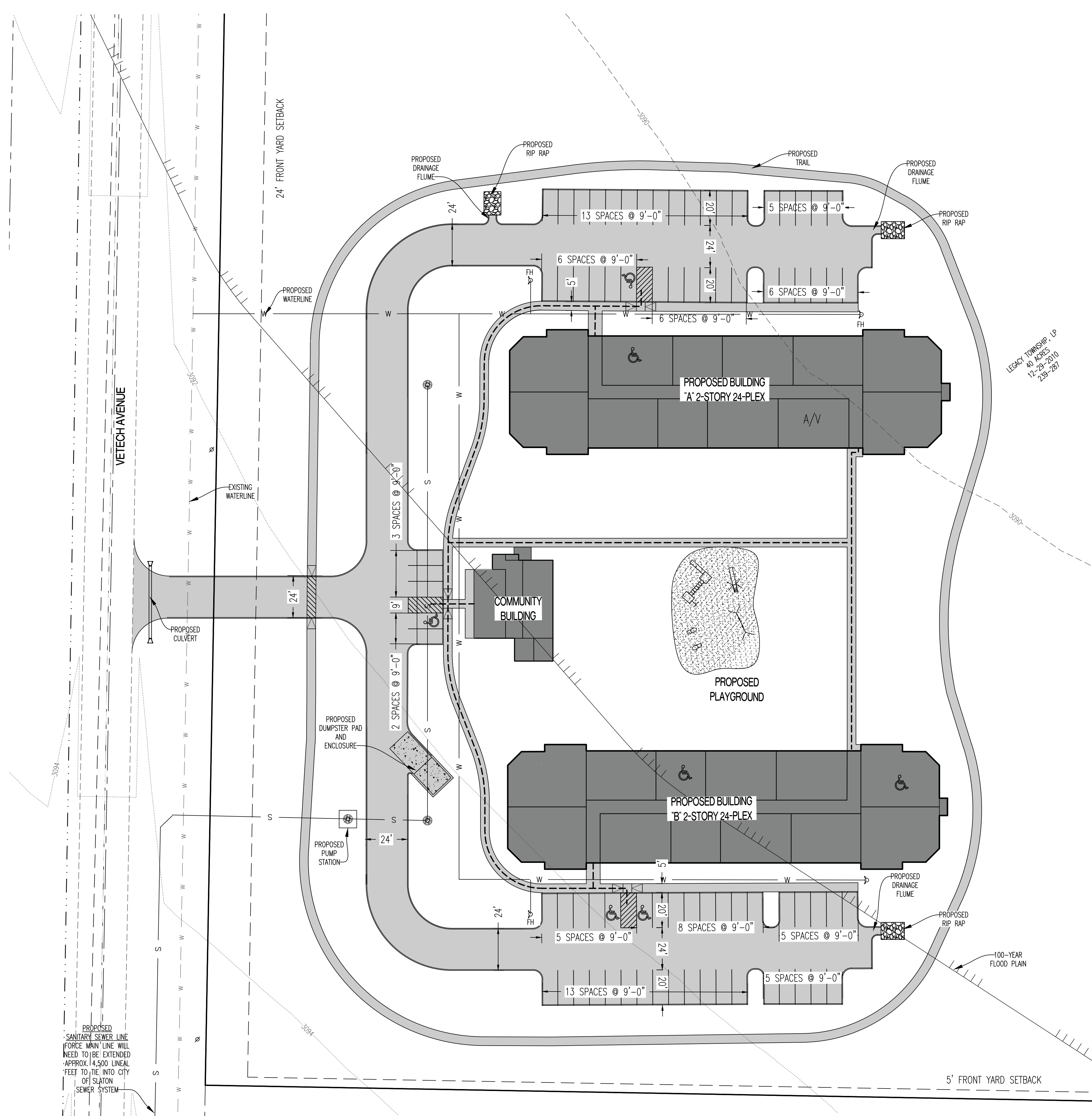
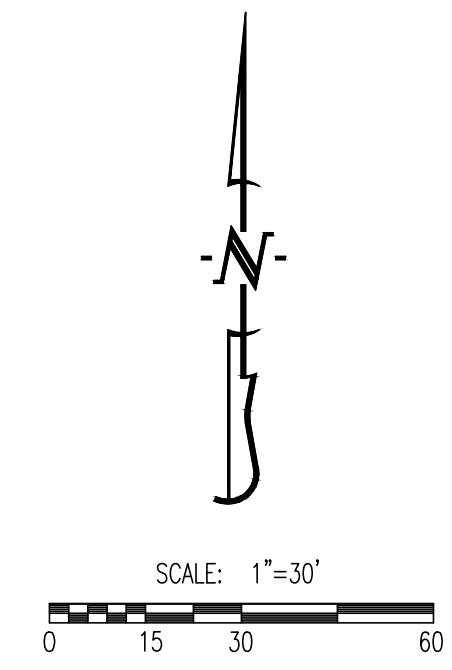


PARCEL VIEW



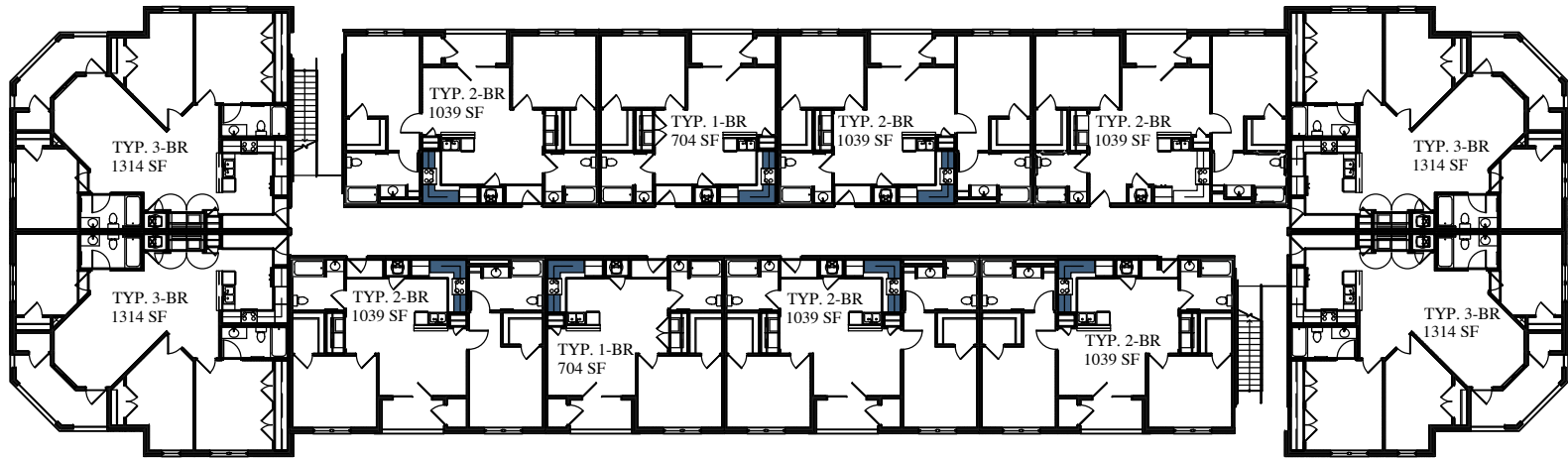
CALCULATIONS:		
LAND AREA:		
TOTAL LAND AREA:		28.0 AC
CURRENT ZONING:		N/A
PROPOSED ZONING:	IF ANNEXED, R-3, MULTIPLE DWELLING	
PARKING SUMMARY:		
SPACES REQUIRED:		72 SPACES
48 UNITS (1.5 SPACE PER UNIT):		
HANDICAP SPACES REQUIRED:		4 SPACES
STANDARD SPACES PROVIDED:		73 SPACES
HANDICAP SPACES PROVIDED:		4 SPACES
TOTAL SPACES PROVIDED:		77 SPACES
LOT COVERAGES:		
	ACTUAL	
NET LAND AREA:	1,219,680 SQ.FT.	100%
TOTAL IMPERVIOUS SURFACE AREA:	87,920 SQ.FT.	7%
TOTAL OPEN SPACE:	1,131,759 SQ.FT.	93%
TOTAL UNIT COUNT:		
		48 TOTAL UNITS
1-BEDROOM TYP		7 UNITS
1-BEDROOM ACC.		1 UNIT
2-BEDROOM TYP		22 UNITS
2-BEDROOM ACC.		1 UNIT
2-BEDROOM A/V		1 UNIT
3-BEDROOM TYP		15 UNITS
3-BEDROOM ACC.		1 UNIT
LEGEND		
	MOBILITY ACCESSIBLE UNITS	
A/V	AUDIO/VISUAL ACCESSIBLE UNITS	
- - -	ACCESSIBLE ROUTE	

- GENERAL NOTES:**
- THIS IS NOT A CONSTRUCTION DOCUMENT. THIS DOCUMENT IS FOR CONCEPTUAL PLANNING PURPOSES ONLY. SOME MODIFICATIONS MAY BE REQUIRED ONCE THIS PRELIMINARY SITE PLAN IS SUBMITTED TO ALL REQUIRED ENTITIES.
 - THE SITE ADHERES TO ALL SITE DEVELOPMENT, ZONING, AND BUILDING CODE ORDINANCES.
 - THERE IS NO ON-SITE DETENTION REQUIRED.
 - SITE IS LOCATED WITHIN THE 100 YEAR FLOODPLAIN. ALL BUILDINGS WILL BE RAISED TO AN ELEVATIONS OF 1-FOOT ABOVE THE 100 YEAR FLOODPLAIN. NO SOIL CAN BE IMPORTED ONTO THE SITE.
 - THE CITY OF SLATON HAS NO PARKING REQUIREMENTS THAT THIS DEVELOPMENT WILL HAVE TO MEET. HOWEVER, THE PARKING DESIGN WILL BE BASED ON 1.5 SPACES PER UNIT.

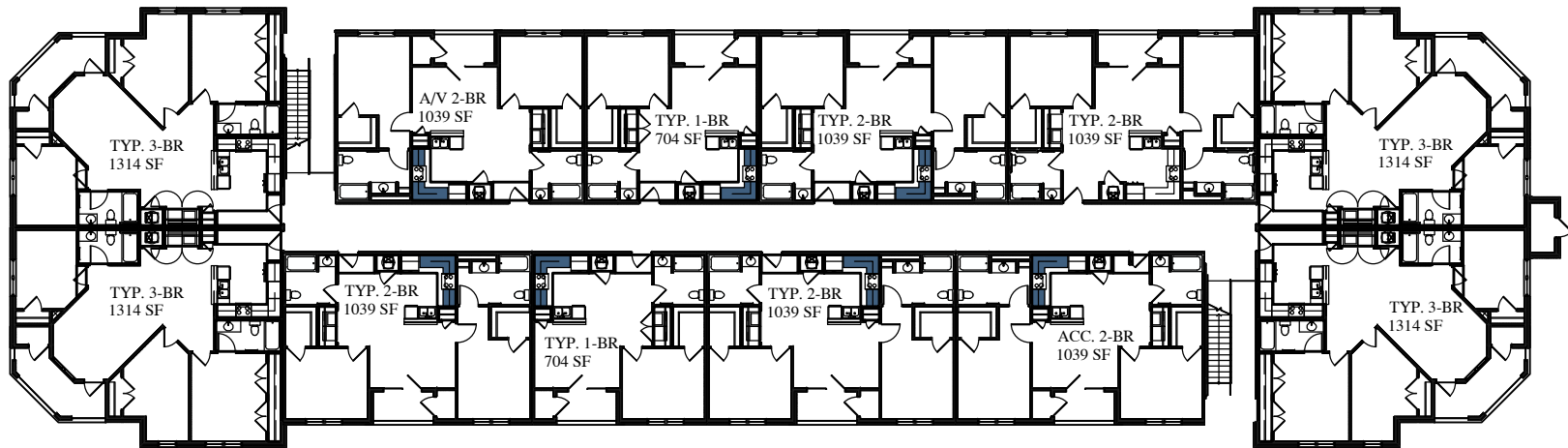


DEVELOPMENT VIEW

PROPOSED SANITARY SEWER LINE FORCE MAIN LINE WILL NEED TO BE EXTENDED APPROX. 1,500 LINEAL FEET TO THE INTO CITY OF SLATON SEWER SYSTEM



PROPOSED 2ND FLOOR PLAN BUILDING "A"



	1ST FLOOR - 15,574 SF	2ND FLOOR - 15,574 SF
TOTAL UNIT SF:	12,898 SF	12,898 SF
CORRIDOR SPACE:	2,681 SF	2,681 SF
NET RENTABLE AREA:	25,796 SF	

PROPOSED 1ST FLOOR PLAN BUILDING "A"

SCALE: 1" = 30'-0"

FEBRUARY 2018

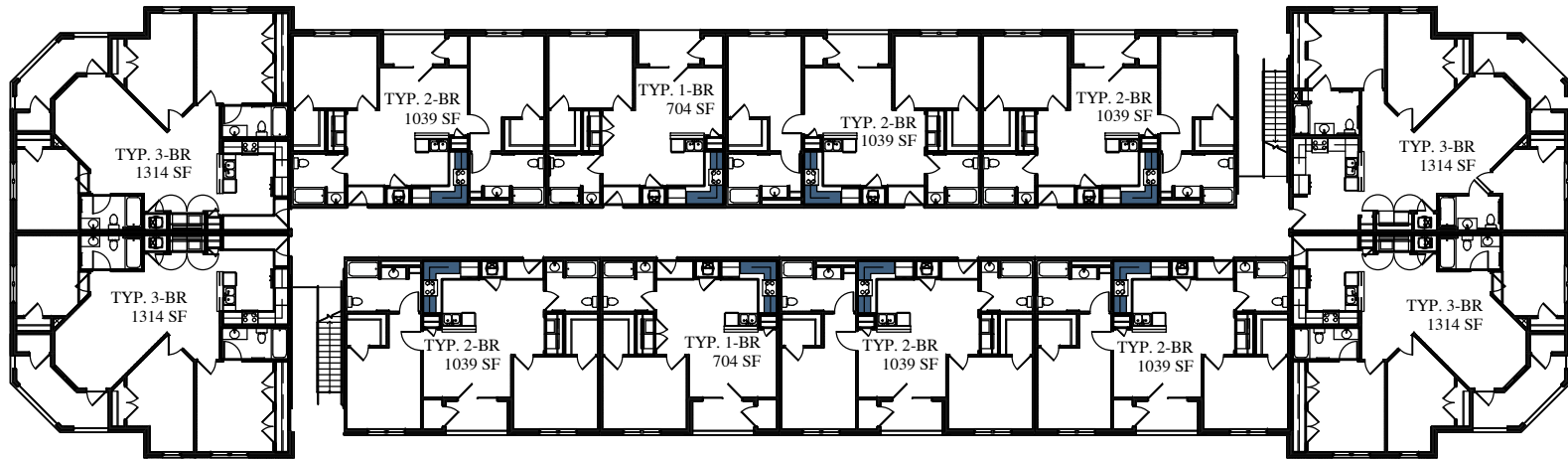


MRE Capital, LLC

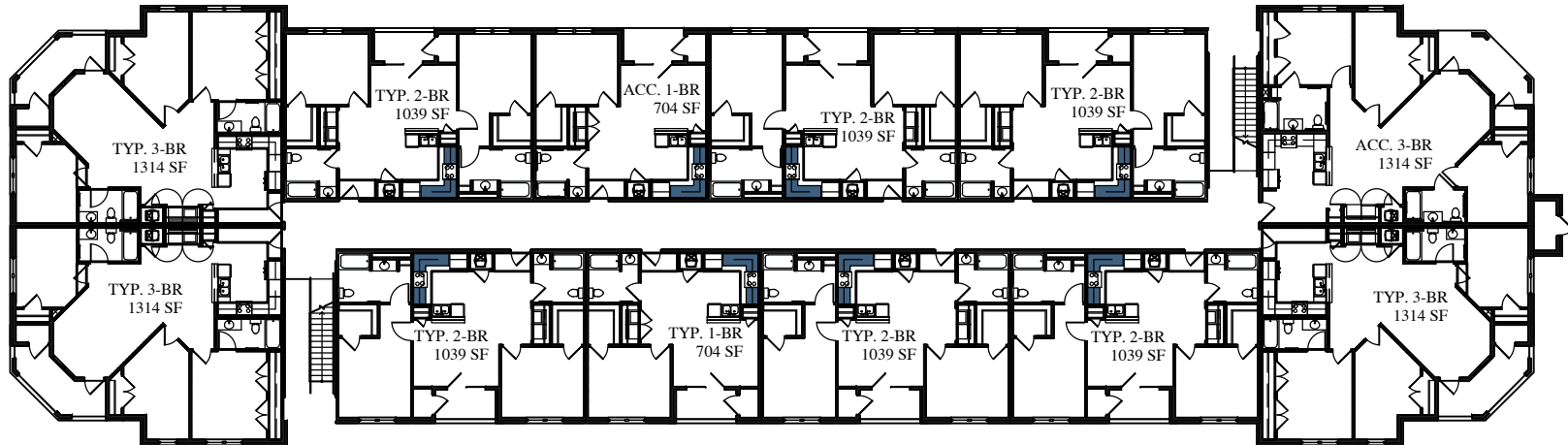
FARMHOUSE ROW

Slaton, Texas





PROPOSED 2ND FLOOR PLAN BUILDING "B"



	1ST FLOOR - 15,579 SF	2ND FLOOR - 15,579 SF
TOTAL UNIT SF:	12,898 SF	12,898 SF
CORRIDOR SPACE:	2,681 SF	2,681 SF
NET RENTABLE AREA:	25,796 SF	

PROPOSED 1ST FLOOR PLAN BUILDING "B"

SCALE: 1" = 30'-0"

FEBRUARY 2018



MRE Capital, LLC

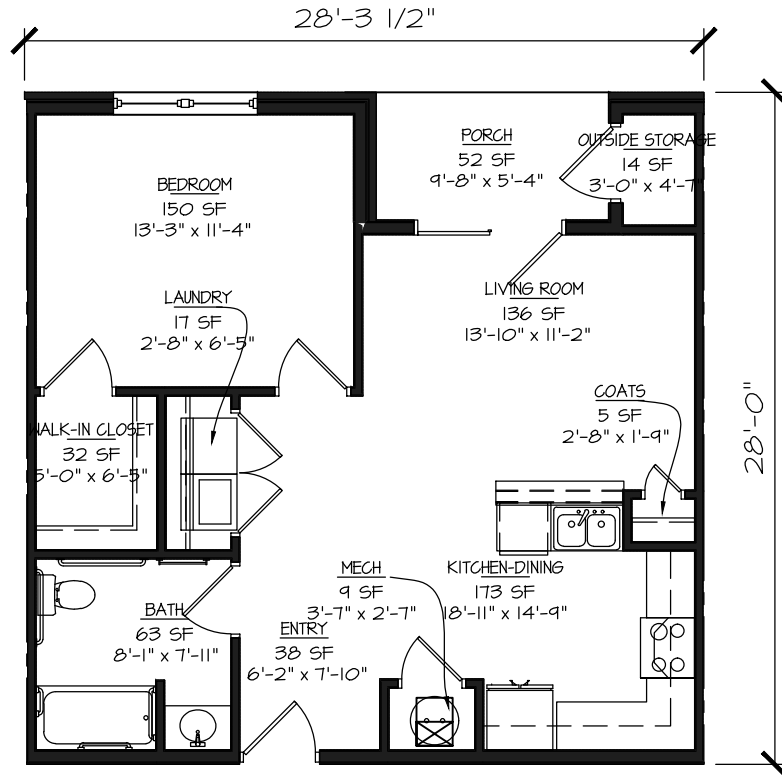
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Application



INTERIOR FLOOR FINISH
 SUMMARY:
 CARPET= 25%±
 SHEET VINYL= 15%±
 VINYL PLANK= 60%±

HEATED: 704 SF
 PORCH & STORAGE: 66 SF
 MEASURED OUTSIDE OF STUD
 WALL AND CENTERLINE OF
 PARTY WALL

TYP. 1-BR UNIT

SCALE: 1/8" = 1'-0"

FEBRUARY 2018



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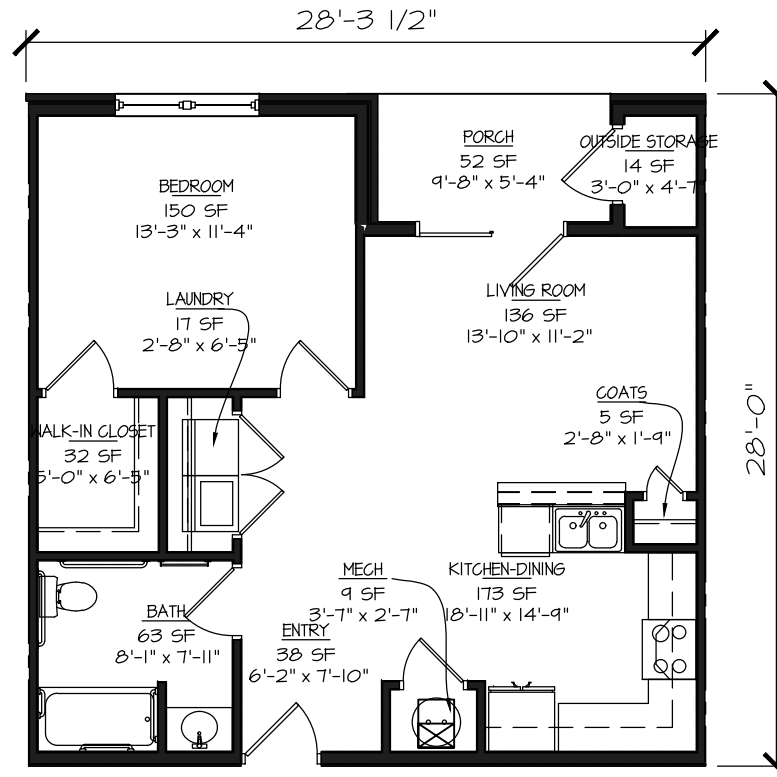
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Application



INTERIOR FLOOR FINISH
SUMMARY:
CARPET= 25%±
SHEET VINYL= 15%±
VINYL PLANK= 60%±

HEATED: 704 SF
PORCH & STORAGE: 66 SF
MEASURED OUTSIDE OF STUD
WALL AND CENTERLINE OF
PARTY WALL

ACC. 1-BR UNIT

SCALE: 1/8" = 1'-0"

FEBRUARY 2018



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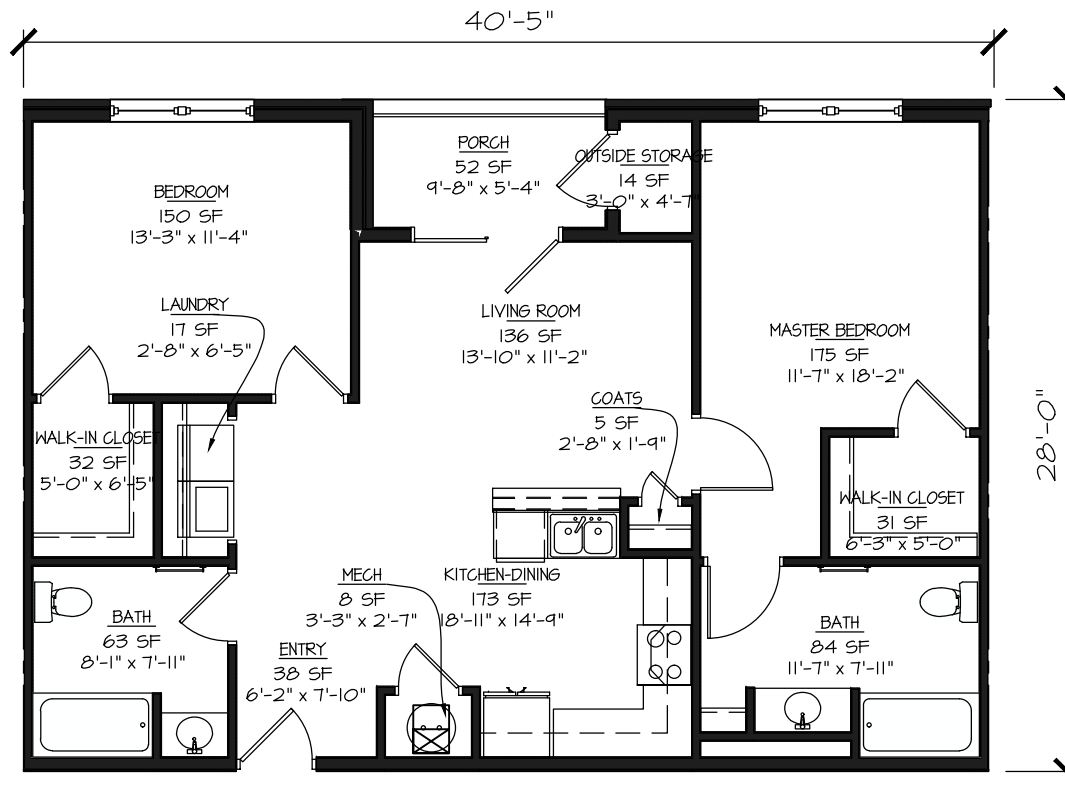
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Application



INTERIOR FLOOR FINISH

SUMMARY:
 CARPET= 25%±
 SHEET VINYL= 15%±
 VINYL PLANK= 60%±

a/v unit similar

HEATED: 1,039 SF
 PORCH & STORAGE: 66 SF
 MEASURED OUTSIDE OF STUD
 WALL AND CENTERLINE OF
 PARTY WALL

2-BR UNIT "B"

SCALE: 1/8" = 1'-0"

FEBRUARY 2018



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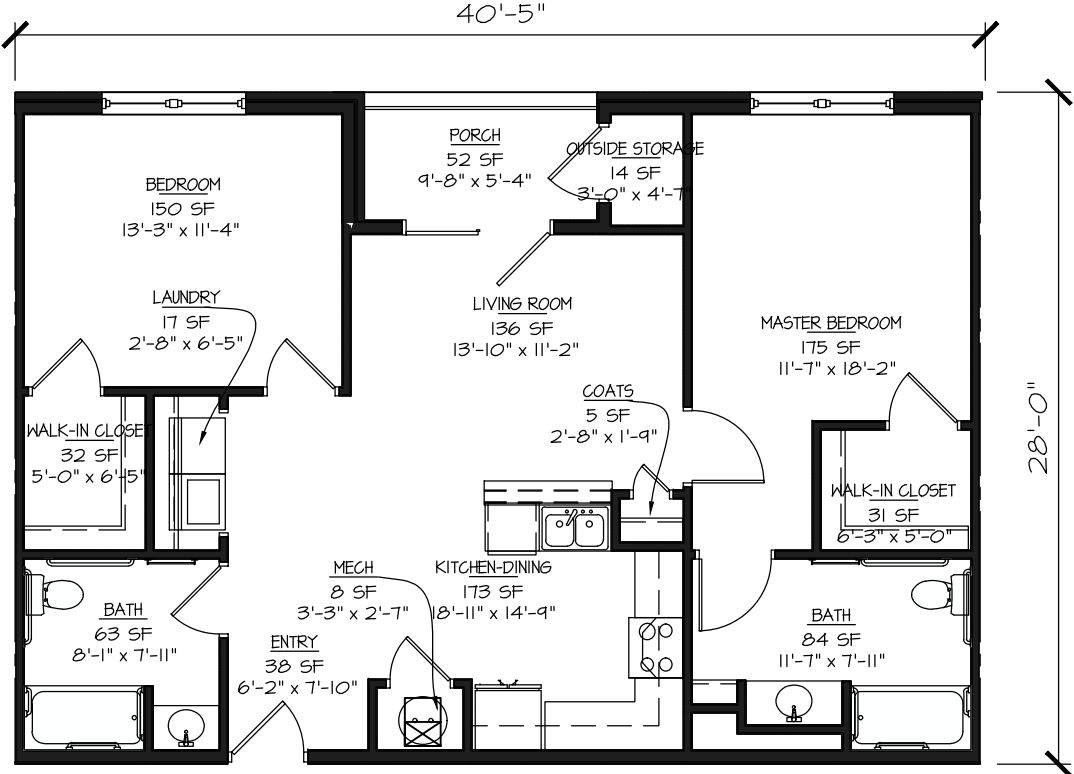
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Application



INTERIOR FLOOR FINISH
 SUMMARY:
 CARPET= 25%±
 SHEET VINYL= 15%±
 VINYL PLANK= 60%±

HEATED: 1,039 SF
 PORCH & STORAGE: 66 SF
 MEASURED OUTSIDE OF STUD
 WALL AND CENTERLINE OF
 PARTY WALL

ACC. 2-BR UNIT "B"

SCALE: 1/8" = 1'-0"

FEBRUARY 2018

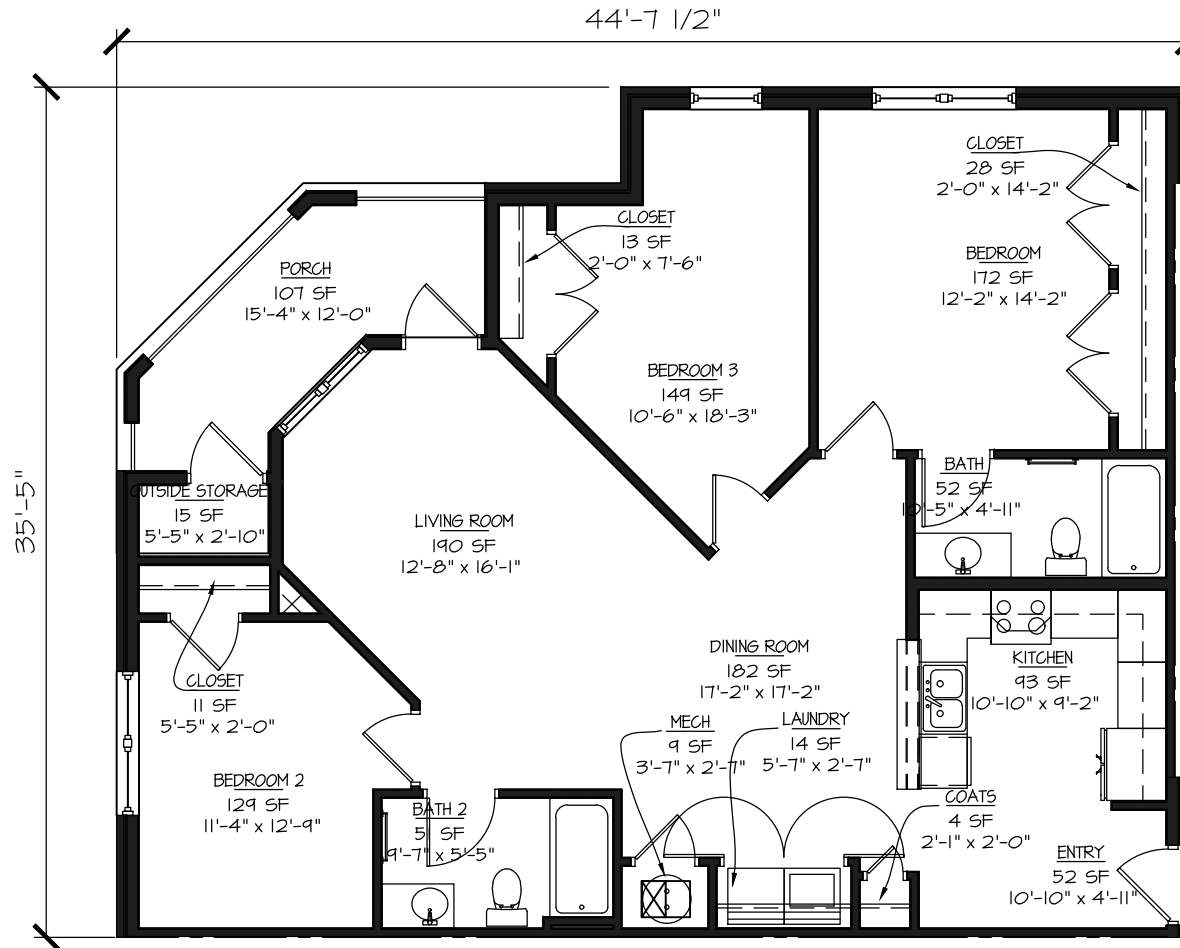


FARMHOUSE ROW

Slaton, Texas



Application



INTERIOR FLOOR FINISH

SUMMARY:

CARPET= 25%±
SHEET VINYL= 15%±
VINYL PLANK= 60%±

HEATED: 1,314 SF
PORCH & STORAGE: 122 SF
MEASURED OUTSIDE OF STUD
WALL AND CENTERLINE OF
PARTY WALL

3-BR UNIT

SCALE: 1/8" = 1'-0"

FEBRUARY 2018



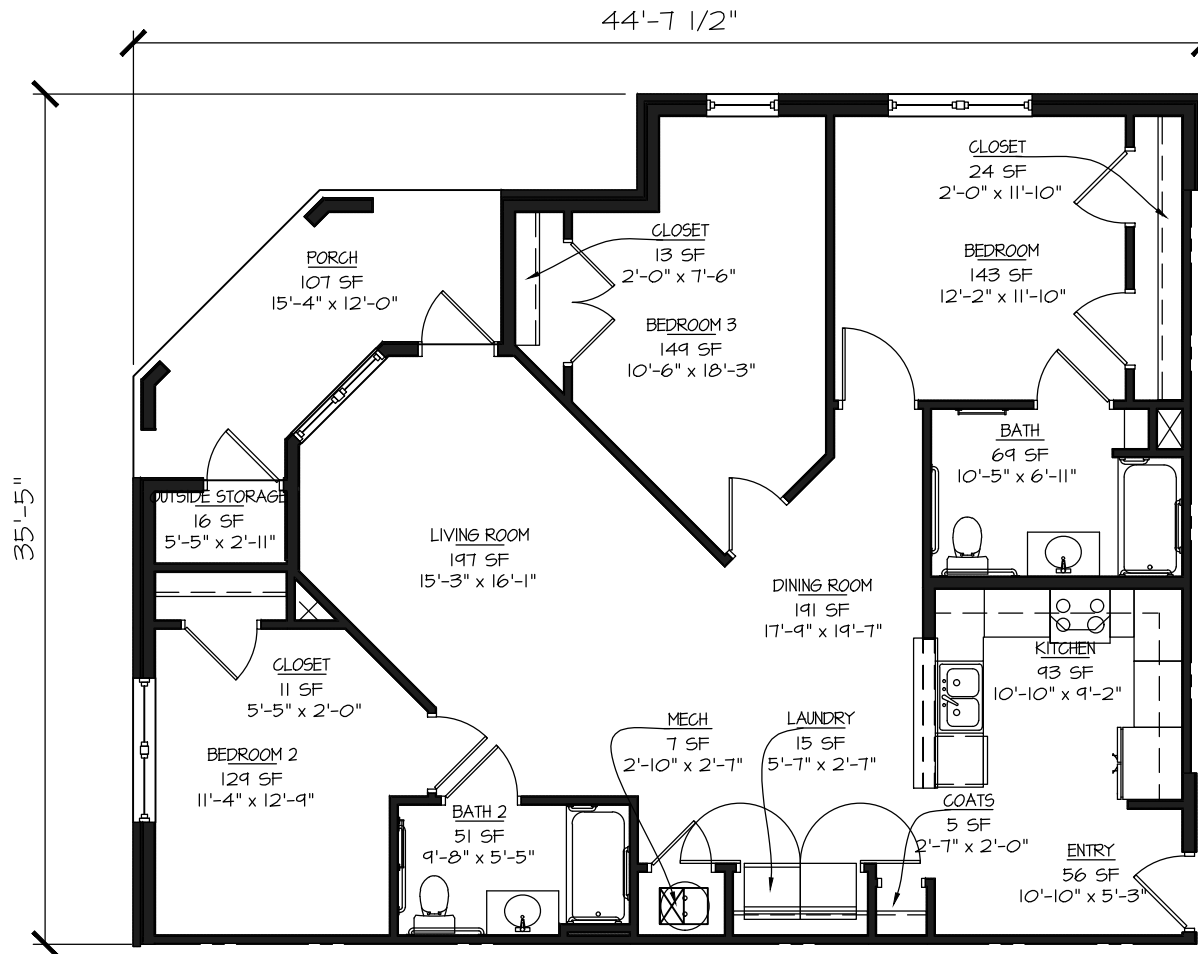
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Application



INTERIOR FLOOR FINISH

SUMMARY:

CARPET= 25%±
SHEET VINYL= 15%±
VINYL PLANK= 60%±

HEATED: 1,314 SF
PORCH & STORAGE: 122 SF
MEASURED OUTSIDE OF STUD
WALL AND CENTERLINE OF
PARTY WALL

ACC. 3-BR UNIT

SCALE: 1/8" = 1'-0"

FEBRUARY 2018



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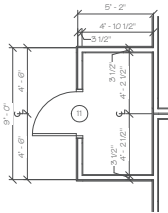
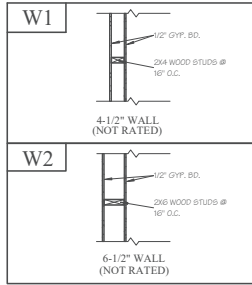
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DATE
ISSUE SET

A1.2

JOB NO.
3648

Revised



SPRINKLER ROOM
DIMENSION PLAN

1
A1.2 SCALE: 1/4" = 1'-0"

GENERAL UNIT NOTES

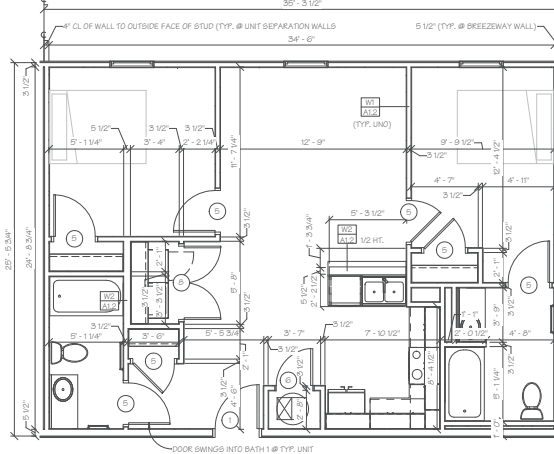
- 1) CONTRACTOR SHALL FURNISH & INSTALL UNIT IDENTIFICATION SIGNS @ EACH APT. DOOR. SEE 5-BAYBUD.
- 2) CONTRACTOR SHALL FURNISH ONE MAILBOX PER UNIT (SEE SP2C2S).
- 3) CERTIFICATION OF R-5/6 CEILING INSULATION MUST BE POSTED IN ATTIC.
- 4) PROVIDE CARPET EDGES AS NECESSARY, DESIGNATED BY 'ICE' (COLOR SELECTED BY OWNER).
- 5) COAT AND BEDROOM CLOSETS SHALL HAVE EPOXY-COATED WIRE SHELVING.
- 6) PRIME & PAINT WALLS BEHIND MILLWORK.
- 7) SUBMIT SAMPLES OF FLOOR TRANSITIONS FOR APPROVAL OF COLOR & TYPE.
- 8) APPROPRIATELY SIZED BLINDS SHALL BE PROVIDED AND INSTALLED FOR EACH GLAZED OPENING, INCLUDING PAIRED WINDOWS (PROVIDED WITH TWO SETS) AND DOOR GLAZING WHERE HALF LITE OR LARGER.

WALL NOTES

- 1) DIMENSIONS ARE STUD FACE TO STUD FACE UNLESS NOTED OTHERWISE.
- 2) PROVIDE SOLID BLOCKING BEHIND GRAB BARS, CURTAIN RODS, SHOWER RODS, SHOWER HEADS, TOWEL BARS, ALL CABINETS, AND ALL SPOFFITS.
- 3) ALL EXTERIOR WALLS FRAMED W/ 2X4'S @ 16" O.C. AND COVERED W/ (1) LAYER 5/8" TYPE "X" GYP. BD.
- 4) ALL INTERIOR WALLS FRAMED WITH 2X4'S OR 2X6'S (ALL PLUMBING WALLS) @ 16" O.C. AND COVERED WITH (1) LAYER 1/2" GYP. BD. (EACH SIDE) PER WALL SECTION.
- 5) ALL PARTY WALLS FRAMED WITH 2X4'S @ 16" O.C. AND COVERED WITH (1) LAYER 5/8" TYPE "X" GYP. BD. (EACH SIDE) PER WALL SECTION.
- 6) ALL BREEZEWAY WALLS FRAMED W/ 2X6'S @ 16" O.C. AND COVERED WITH (1) LAYER 5/8" TYPE "X" GYP. BD. (EACH SIDE) PER WALL SECTION.

1-BR FHA/TYP UNIT DIMENSION PLAN

2
A1.2 SCALE: 1/4" = 1'-0"

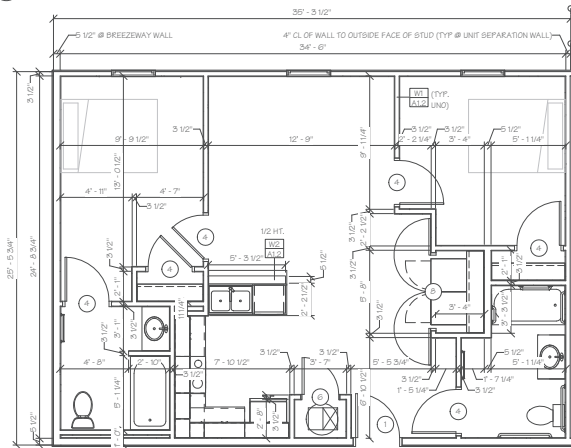


2-BR FHA/TYP UNIT DIMENSION PLAN

4
A1.2 SCALE: 1/4" = 1'-0"

1-BR UFAS UNIT DIMENSION PLAN

3
A1.2 SCALE: 1/4" = 1'-0"



2-BR UFAS UNIT DIMENSION PLAN

5
A1.2 SCALE: 1/4" = 1'-0"

DIMENSION PLANS
ISSUE SET

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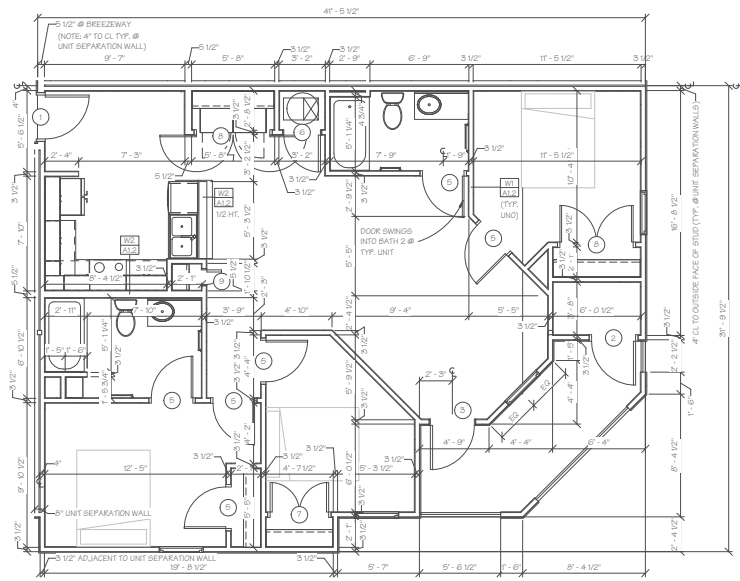
DOOR SCHEDULE					
TYPE MARK	SIZE	ELEV	DESCRIPTION	MATL.	COMMENTS
1	5'-0" x 6'-8" x 1 3/4"	A	DOOR EXTERIOR SINGLE HINGED 6 PANEL	STEEL INSUL.	20 MIN. DOOR & FRAME, SPRING HINGES, ACCESSIBLE THRESHOLD @ 1ST FLOOR, SMOKE/SOUND SEAL
2	5'-0" x 6'-8" x 1 3/4"	C	DOOR EXTERIOR SINGLE HINGED 6 PANEL	STEEL INSUL.	INCLUDE METAL CATCH CHAIN, ACCESSIBLE THRESHOLD @ 1ST FLOOR
3	5'-0" x 6'-8" x 1 3/8"	D	DOOR EXTERIOR SINGLE HINGED FULL LITE	STEEL INSUL.	SECURITY STYLE SPRING HINGES, ACCESSIBLE THRESHOLD @ 1ST FLOOR, WEATHERSTRIPPING
4	5'-0" x 6'-8" x 1 3/8"	C	DOOR INTERIOR SINGLE HINGED 6 PANEL	WD HC	MASONITE
5	12'-0" x 6'-8" x 1 3/8"	C	DOOR INTERIOR SINGLE HINGED 6 PANEL	WD HC	MASONITE; CONTRACTOR OPTION FOR 2'-8" WIDTH @ 2ND FLOOR
6	2'-6" x 6'-8" x 1 3/8"	E	DOOR INTERIOR SINGLE HINGED LOUVERED	WD SC	FLUSH PANEL, CONTRACTOR INSTALLED METAL LOUVER
7	PE, 2'-0" x 6'-8" x 1 3/8"	F	DOOR INTERIOR DOUBLE HINGED 6 PANEL	WD HC	MASONITE
8	PE, 2'-6" x 6'-8" x 1 3/8"	F	DOOR INTERIOR DOUBLE HINGED 6 PANEL	WD HC	MASONITE
9	12'-0" x 6'-8" x 1 3/8"	B	DOOR INTERIOR SINGLE HINGED 3-PANEL	WD HC	MASONITE
10	5'-0" x 15'-0"	S	ATTIC DRAFT STOPPING DOOR	PLYWOOD	SMOKE GASKET, SPRING CLOSER
11	5'-0" x 6'-8" x 1 3/4"	C	SPRINKLER ROOM DOOR EXTERIOR SINGLE HINGED 6 PANEL	STEEL INSUL.	SPRING HINGES, WEATHER STRIPPING



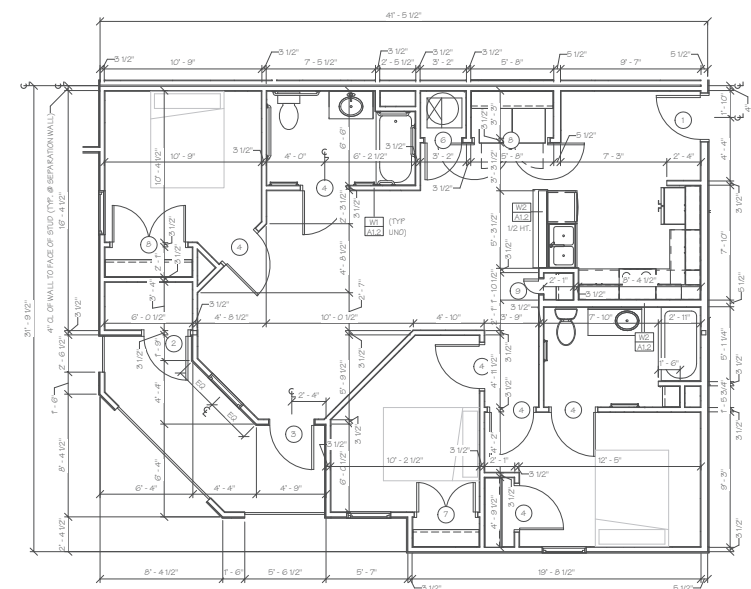
DOOR NOTES

- 1) ALL DOORS TO HAVE LEVER HANDLES.
- 2) ENTRY DOORS SHALL COMPLY WITH ANSI A117.1 ACCESSIBILITY REQUIREMENTS.
- 3) PROVIDE THRESHOLD AT ALL ENTRY DOORS WHICH ARE 1/2" HIGH MAX, 1:2 SLOPE.

NOTE:
CONTRACTOR TO PROVIDE ALTERNATE PRICING TO OWNER FOR INTERIOR UNIT UPGRADE FROM 6-PANEL TO 2-PANEL DOORS.



1 3-BR FHA/TYP UNIT DIMENSION PLAN
SCALE: 1/4" = 1'-0"



2 3-BR UFAS UNIT DIMENSION PLAN
SCALE: 1/4" = 1'-0"

DIMENSION PLAN, NOTES & DOOR SCHEDULE

ISSUE SET



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SLATON, LUBBOCK COUNTY, TEXAS



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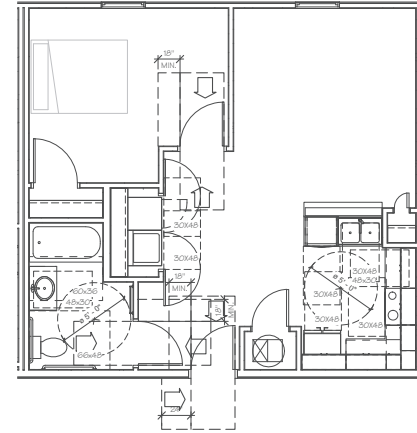
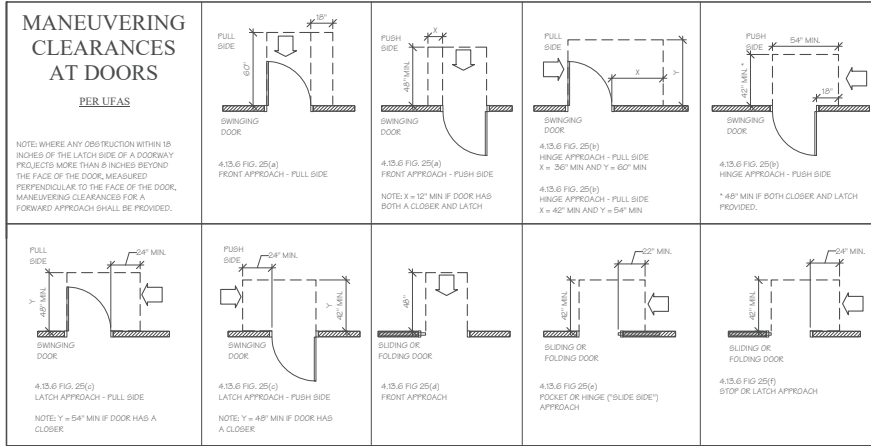
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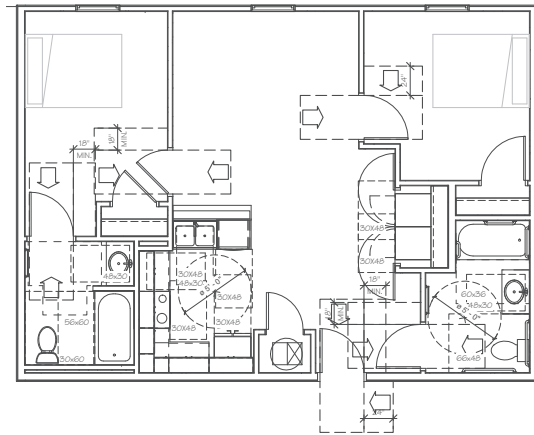
A1.4

JOB NO.
3648

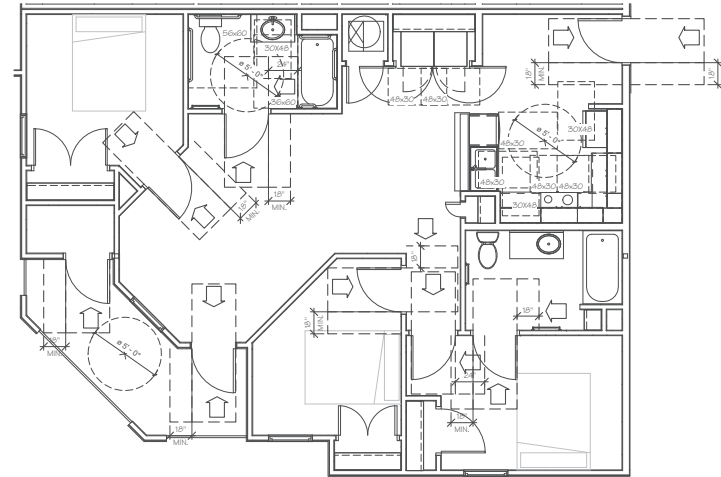
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1 1-BR UFAS UNIT CLEAR SPACES AND DOOR APPROACHES PLAN
SCALE: 1/4" = 1'-0"



2 2-BR UFAS UNIT CLEAR SPACES AND DOOR APPROACHES PLAN
SCALE: 1/4" = 1'-0"



3 3-BR UFAS UNIT CLEAR SPACES AND DOOR APPROACHES PLAN
SCALE: 1/4" = 1'-0"

CLEAR SPACES AND DOOR APPROACHES PLAN

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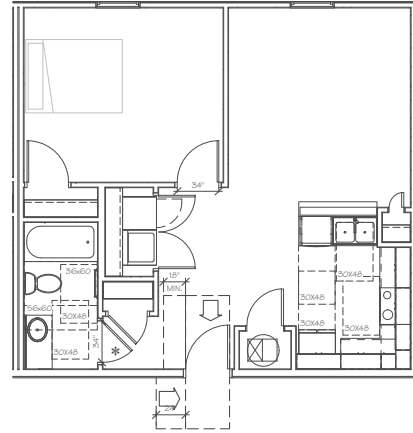
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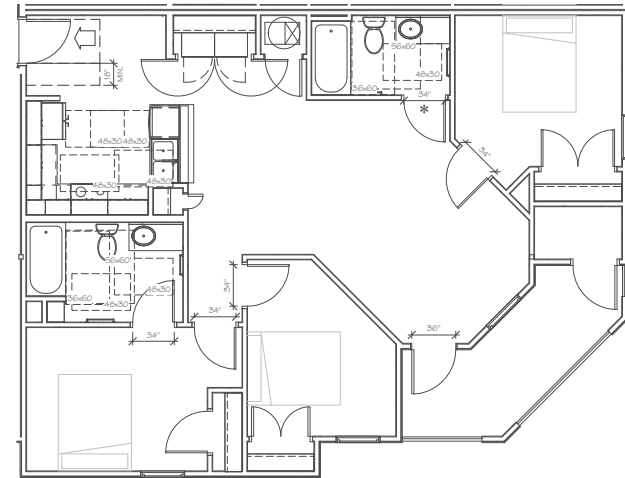
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JOB NO.
3648

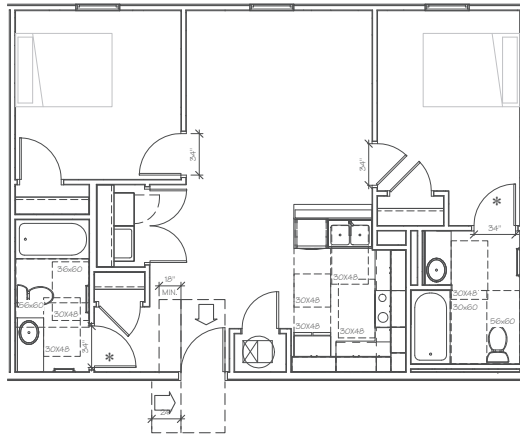


1-BR FHA/TYP UNIT CLEAR SPACES AND DOOR APPROACHES PLAN
SCALE: 1/4" = 1'-0"

NOTE:
* DOOR MAY SWING IN @ 2ND FLOOR ONLY



3-BR FHA/TYP CLEAR SPACES AND DOOR APPROACHES PLAN
SCALE: 1/4" = 1'-0"



2-BR FHA/TYP UNIT CLEAR SPACES AND DOOR APPROACHES PLAN
SCALE: 1/4" = 1'-0"

CLEAR SPACES AND DOOR APPROACHES PLAN

ISSUE SET

SPECIFICATIONS AND BUILDING/UNIT TYPE CONFIGURATION

Unit types should be entered from smallest to largest based on "# of Bedrooms" and "Sq. Ft. Per Unit." "Unit Label" should correspond to the unit label or name used on the unit floor plan. "Building Label" should conform to the building label or name on the building floor plan. The total number of units per unit type and totals for "Total # of Units" and "Total Sq Ft. for Unit Type" should match the rent schedule and site plan. If additional building types are needed, they are available by un-hiding columns Q through AA, and rows 51 through 79.

Specifications and Amenities (check all that apply)

Building Configuration (Check all that apply):	<input type="checkbox"/> Single Family Construction	<input type="checkbox"/> SRO	<input type="checkbox"/> Transitional (per §42(i)(3)(B))	<input type="checkbox"/> Duplex
	<input type="checkbox"/> Scattered Site	<input type="checkbox"/> Fourplex	<input checked="" type="checkbox"/> > 4 Units Per Building	<input type="checkbox"/> Townhome

Development will have:	<input checked="" type="checkbox"/> Fire Sprinklers	<input type="checkbox"/> Elevators	<input type="checkbox"/> # of Elevators	<input type="checkbox"/> Wt. Capacity
------------------------	---	------------------------------------	---	---------------------------------------

Number of Parking Spaces(consistent with Architectural Drawings):	Free Paid			Free Paid			
	<input type="checkbox"/>	<input type="checkbox"/>		Shed or Flat Roof Carport Spaces	<input type="checkbox"/>	<input type="checkbox"/>	Detached Garage Spaces
	<input type="checkbox"/>	<input type="checkbox"/>		Attached Garage Spaces	<input type="checkbox"/>	<input type="checkbox"/>	Uncovered Spaces
	<input type="checkbox"/>	<input type="checkbox"/>	Structured Parking Garage Spaces				
				77			

Floor Composition/Wall Height:	<input type="checkbox"/> % Carpet/Vinyl/Resilient Flooring	<input type="checkbox"/> % Ceramic Tile	<input type="checkbox"/> % Other	<input type="checkbox"/> Describe: _____
	<input type="checkbox"/> % Carpet/Vinyl/Resilient Flooring	<input type="checkbox"/> % Ceramic Tile	<input type="checkbox"/> % Other	<input type="checkbox"/> Describe: _____
				<input type="checkbox"/> Ceiling Height
				<input type="checkbox"/> Upper Floor(s) Ceiling Height (Townhome Only)

Unit Type				Building Label	A	B											Total # of Residential Buildings					
Unit Label	# of Bed-rooms	# of Baths	Sq. Ft. Per Unit	Number of Stories	Number of Buildings	Number of Units Per Building										Total # of Units	Total Sq Ft for Unit Type					
1BR	1	1	704	2	1	4	4												8	5,632		
2BRB	2	2	1,039	2	1	12	12												24	24,936		
3BRE	3	2	1,314	2	1	8	8												16	21,024		
Totals						24	24														48	51,592

Net Rentable Square Footage from Rent Schedule 51,592

Supportive Housing Applicants Only

<input style="width: 40px; height: 15px; border: 1px solid black;" type="text"/>	Enter the total development common area from the architect's plans:	<input style="width: 80px; height: 15px; border: 1px solid black;" type="text"/>
Ensure that this number matches your architectural drawings.		
<input style="width: 40px; height: 15px; border: 1px solid black;" type="text"/>	The additional square footage allowed for Supportive Housing per 11.9(e)(2) is:	<input style="width: 80px; height: 15px; border: 1px solid black; text-align: right;" type="text" value="2,400"/>
<input style="width: 40px; height: 15px; border: 1px solid black;" type="text"/>	The lesser of these two numbers added to NRA:	
Use this number to figure points under 11.9(e)(2)		
		<input style="width: 80px; height: 15px; border: 1px solid black; text-align: right;" type="text" value="51,592"/>

If a revised form is submitted, date of submission:

SPECIFICATIONS AND BUILDING/UNIT TYPE CONFIGURATION

Unit types should be entered from smallest to largest based on "# of Bedrooms" and "Sq. Ft. Per Unit." "Unit Label" should correspond to the unit label or name used on the unit floor plan. "Building Label" should conform to the building label or name on the building floor plan. The total number of units per unit type and totals for "Total # of Units" and "Total Sq Ft. for Unit Type" should match the rent schedule and site plan. If additional building types are needed, they are available by un-hiding columns Q through AA, and rows 51 through 79.

Specifications and Amenities (check all that apply)

Building Configuration (Check all that apply):	<input type="checkbox"/> Single Family Construction	<input type="checkbox"/> SRO	<input type="checkbox"/> Transitional (per §42(i)(3)(B))	<input type="checkbox"/> Duplex
	<input type="checkbox"/> Scattered Site	<input type="checkbox"/> Fourplex	<input checked="" type="checkbox"/> > 4 Units Per Building	<input type="checkbox"/> Townhome

Development will have:	<input checked="" type="checkbox"/> Fire Sprinklers	<input type="checkbox"/> Elevators	<input type="checkbox"/> # of Elevators	<input type="checkbox"/> Wt. Capacity
------------------------	---	------------------------------------	---	---------------------------------------

Number of Parking Spaces (consistent with Architectural Drawings):	Free	Paid	Shed or Flat Roof Carport Spaces	Free	Paid	Detached Garage Spaces
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Attached Garage Spaces	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Uncovered Spaces
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Structured Parking Garage Spaces	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Floor Composition/Wall Height:	<input checked="" type="checkbox"/> 100 % Carpet/Vinyl/Resilient Flooring	<input type="checkbox"/> 9'0" Ceiling Height
	<input type="checkbox"/> % Ceramic Tile	<input type="checkbox"/> Upper Floor(s) Ceiling Height (Townhome Only)
	<input type="checkbox"/> % Other	Describe: _____

Unit Type				Number of Units Per Building											Total # of Residential Buildings	Total # of Units	Total Sq Ft for Unit Type										
Unit Label	# of Bed-rooms	# of Baths	Sq. Ft. Per Unit	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	AA	AB					
1BR	1	1	691	4	4																			2	8	5,528	
2BRB	2	2	896	12	12																				24	21,504	
3BRE	3	2	1,096	8	8																				16	17,536	
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Totals				24	24	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	48	44,568

Net Rentable Square Footage from Rent Schedule 44,568

Supportive Housing Applicants Only

<input style="width: 100%;" type="text"/>	Enter the total development common area from the architect's plans: <i>Ensure that this number matches your architectural drawings.</i>	<input style="width: 100%;" type="text"/>
<input style="width: 100%;" type="text"/>	The additional square footage allowed for Supportive Housing per 11.9(e)(2) is:	<input style="width: 100%;" type="text" value="2,400"/>
<input style="width: 100%;" type="text"/>	The lesser of these two numbers added to NRA: <i>Use this number to figure points under 11.9(e)(2)</i>	<input style="width: 100%;" type="text" value="44,568"/>

If a revised form is submitted, date of submission:

Previous Participation Review

PPR No: **18040GUAR**

Name: **Farmhouse Row**

City: **Slaton**

- BOND CEAP CSBG ESG
 HHSP HOME HTC 4% HTC 9%
 HTF NSP WAP Other

No Previous Participation in Texas

Members of the development team have been disbarred by HUD

Compliance

No issues identified

CAP Issues identified

Reviewer: Patricia Murphy

Date: 2/12/2019

Comments (if applicable):
Category 1.

Single Audit

Single Audit Required No Yes n/a

If SA required is it current? No Yes

Is the ACF Current? No Yes n/a

Did SA report contain findings No Yes

Reviewer: Rosy Falcon

Date: 2/19/2019

Comments (if applicable):
No non-profit noted in the structure.

Loan Servicing

No Issues Identified

Requested evidence of maintained insurance not received

Past due loan principal or interest payment

Requested evidence of current property taxes or exemption not received

Comments (if applicable):

Reviewer: Sandra Molina

Date: 2 /20/2019

Financial Administration

No delinquencies identified

Fees or other amounts are thirty (30) days or more past due

Comments (if applicable):

Reviewer: Naomi Ruiz

Date: 2 /14/2019

1q

BOARD ACTION REQUEST
ASSET MANAGEMENT DIVISION
MAY 23, 2019

Presentation, discussion, and possible action regarding an increase to the Housing Tax Credit amount for Village at Palm Center (HTC #13428)

RECOMMENDED ACTION

WHEREAS, Village at Palm Center (the Development) received a 4% Housing Tax Credit (HTC) award in 2013 to construct 222 units in Houston, Harris County;

WHEREAS, construction of the Development has been completed, and Houston 5110 Griggs Road Residential, LP (the Development Owner or Owner) requests, at cost certification, to increase the annual HTC amount to \$881,836, which is 110.6% of the amount of tax credits reflected in the Determination Notice, \$797,355;

WHEREAS, §42(m)(2) of the Internal Revenue Code allows an increase of tax credits for a bond financed project when the increase is determined necessary as demonstrated through the submission of the cost certification package;

WHEREAS, 10 TAC §10.402(c) requires approval by the Board if an increase to the amount of tax credits exceeds 110% of the amount of credit reflected in the Determination Notice; and

WHEREAS, a review of the cost certification package submitted by the Development Owner supports the need for the additional tax credits requested, and staff has determined that the increase is necessary for the viability of the transaction;

NOW, therefore, it is hereby

RESOLVED, that the housing tax credit increase for Village at Palm Center requested by the Development Owner is approved as presented to this meeting, and the Acting Director and his designees are each authorized, directed, and empowered to take all necessary action to effectuate the foregoing.

BACKGROUND

Village at Palm Center (the Development) received a 4% Housing Tax Credit (HTC) award in 2013 to construct 222 units in Houston, Harris County. On June 16, 2014, a Determination Notice was issued with an approved annual tax credit amount of \$797,355. The residential buildings in the Development placed in service between December 2016 and April 2018, and the final cost certification was received by the Department on September 28, 2018.

In conjunction with the cost certification, Christopher A. Akbari, the representative for the Development Owner, requested to increase the annual tax credit award to \$881,836, an increase of \$84,481 (10.6%) from the amount reflected in the Determination Notice. The representatives for the Development Owner explained that the Development incurred unforeseen delays and costs during the construction.

Although the construction contract was signed in October 2014, demolition and environmental work started in December 2014, two months later than scheduled. Actual building construction did not start until late February 2015, and progressed slowly due to unusually heavy rainy weather and resulting complications. In October 2016, the Contractor Project Manager and Project Superintendent were replaced, which further slowed progress until the new team was brought "up to speed". Additional delays occurred in summer 2017, due to subcontractors leaving the site. According to the third-party construction inspection reports submitted to the Department, this was reportedly over payment issues. Delays continued through spring 2018, as heavy demand for subcontractors resulted in the subcontractors not returning to complete the remaining unfinished work. The Owner indicated that there was a substantial amount of market rate developments under construction in Houston which significantly reduced the availability of subcontractors. According to the Owner, several subcontractors refused to honor their previous bids because they were in such high demand, which resulted in having to rebid the construction at higher costs. Construction was completed in May 2018.

Mr. Akbari explained that overall there were 118 weather days, 15 mud days, and a 60-day delay due to demolition of the existing building having unforeseen asbestos issues and large concrete pillars found under the foundation that required removal. Also, the replacement of several subcontractors resulted in 332 days of additional delays and higher construction costs.

A comparison of the development costs from application to cost certification indicates that total development costs increased approximately \$3.6MM (9.2%), from \$38,934,993 to \$42,525,581. Hard costs, including demolition and abatement, increased from \$22,287,772 to \$23,815,691 (approximately \$1.5MM or 6.9%). Indirect construction costs went from \$1,465,500 to \$2,786,809 (a \$1.3MM or 90.2% increase), while financing costs increased from \$1,781,950 to \$4,055,185 (a \$2.2MM or 127.6% increase). Approximately \$2.3MM of the total financing costs represents interest payments during construction. It is worth noting that the total amount of developer fee decreased approximately \$1.1MM (27.5% decrease) from \$3,984,735 to \$2,890,300.

The syndication rate decreased from \$1.00 at application to \$0.96 at cost certification, but due to the requested increase to the HTC amount, the syndication proceeds at cost certification are \$722K (9.3%) greater at cost certification than at application. In addition to the increase in syndication proceeds, the

debt and deferred developer fee amounts increased, and the financing structure now includes a \$1MM loan from the general partner. The TIRZ funds (\$2,282,312) anticipated at application are not reflected at cost certification. Without the requested increase to the tax credit amount, syndication proceeds would decrease by \$811K, which exceeds the amount of developer fee available to defer.

Staff's analysis of this transaction at cost certification has concluded that the Development supports a tax credit allocation of the requested amount. This results in a 10.6% increase from the original annual HTC amount in the Determination Notice, \$797,355, to \$881,836. In accordance with 10 TAC §10.402(c), Board approval is required because the requested tax credit amount exceeds 110% of the HTC amount reflected in the Determination Notice. The Development Owner will be required to submit the Tax-Exempt Bond Credit Increase Request Fee required in 10 TAC §11.901(9) for any increase to the HTC amount.

Staff recommends approval of the increase in the tax credit award as presented herein.

UNIT MIX/RENT SCHEDULE
Village at Palm Center, Houston, # 13428

LOCATION DATA	
CITY:	Houston
COUNTY:	Harris
PROGRAM REGION:	6
PIS Date:	On or After 5/13/2016
IREM REGION:	Houston
Carryover Date:	2/1/2014 - 3/5/2015

UNIT DISTRIBUTION				
# Beds	# Units	% Total	Income	# Units
Eff			30%	11
1	50	22.5%	40%	0
2	112	50.5%	50%	0
3	60	27.0%	60%	167
4			MR	44
TOTAL	222	100.0%	TOTAL	222

PRO FORMA ASSUMPTIONS	
REVENUE GROWTH:	2.00%
EXPENSE GROWTH:	3.00%
HIGH COST ADJUSTMENT:	100%
APPLICABLE FRACTION:	79.74%
APP % - ACQUISITION:	
APP % - CONSTRUCTION:	3.23%
AVERAGE SF	1,023

UNIT MIX / MONTHLY RENT SCHEDULE																					
HTC	HOME (Rent/Inc)		Unit Mix				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS			TDHCA PRO FORMA RENTS			MARKET RENTS					
	Type	Gross Rent	Type	Gross Rent	# Units	# Beds	# Baths	NRA	Gross Rent	Tenant Pd UA's (Verified)	Max Net Program Rent	Rent per NRA	Net Rent per Unit	Total Monthly Rent	Total Monthly Rent	Rent per Unit	Rent per NRA	Delta to Max Program	Market Rent	Rent per NRA	TDHCA Savings to Market
TC30%	\$402	0%			1	1	1	775	\$402	\$45	\$357	\$0.48	\$369	\$357	\$357	\$0.48	\$369	\$0	\$0	0.00	
TC60%	\$804	0%			3	1	1	775	\$804	\$45	\$759	\$0.92	\$716	\$2,148	\$2,277	\$759	\$2.94	\$0	\$0	0.00	
TC60%	\$804	0%			3	1	1	775	\$804	\$45	\$759	\$0.97	\$752	\$2,256	\$2,277	\$759	\$2.94	\$0	\$0	0.00	
TC60%	\$804	0%			9	1	1	775	\$804	\$45	\$759	\$1.02	\$791	\$7,119	\$6,831	\$759	\$8.81	\$0	\$0	0.00	
MRR		HH/80%	\$797		1	1	1	775	\$797	\$45	\$752	\$0.93	\$722	\$722	\$752	\$0.97	\$0	\$0	\$0	0.00	
MRR		HH/80%	\$797		1	1	1	775	\$797	\$45	\$752	\$0.96	\$745	\$745	\$752	\$0.97	\$0	\$0	\$0	0.00	
MR		0%			2	1	1	775	\$0	\$45	\$0	\$1.16	\$900	\$1,800	\$1,800	\$900	\$2.32	NA	\$900	1.16	\$0
TC30%	\$402	0%			2	1	1	730	\$402	\$45	\$357	\$0.51	\$369	\$738	\$714	\$357	\$0.98	\$0	\$0	0.00	
TC60%	\$804	0%			1	1	1	730	\$804	\$45	\$759	\$1.03	\$752	\$752	\$759	\$759	\$1.04	\$0	\$0	0.00	
TC60%	\$804	0%			21	1	1	730	\$804	\$45	\$759	\$1.08	\$791	\$16,611	\$15,939	\$759	\$21.83	\$0	\$0	0.00	
MRR		HH/80%	\$797		1	1	1	730	\$797	\$45	\$752	\$0.99	\$722	\$722	\$752	\$1.03	\$0	\$0	\$0	0.00	
MRR		HH/80%	\$797		2	1	1	730	\$797	\$45	\$752	\$1.02	\$745	\$1,490	\$1,504	\$752	\$2.06	\$0	\$0	0.00	
MR		0%			2	1	1	730	\$0	\$45	\$0	\$1.23	\$900	\$1,800	\$1,800	\$900	\$2.47	NA	\$900	1.23	\$0
MR		0%			1	1	1	730	\$0	\$45	\$0	\$1.64	\$1,200	\$1,200	\$1,200	\$1,200	\$1.64	NA	\$1,200	1.64	\$0
TC30%	\$483	0%			2	2	2	954	\$483	\$54	\$429	\$0.47	\$444	\$888	\$858	\$429	\$0.90	\$0	\$0	0.00	
TC60%	\$966	0%			1	2	2	954	\$966	\$54	\$912	\$0.89	\$849	\$849	\$912	\$912	\$0.96	\$0	\$0	0.00	
TC60%	\$966	0%			1	2	2	954	\$966	\$54	\$912	\$0.91	\$868	\$868	\$912	\$912	\$0.96	\$0	\$0	0.00	
TC60%	\$966	0%			1	2	2	954	\$966	\$54	\$912	\$0.95	\$904	\$904	\$912	\$912	\$0.96	\$0	\$0	0.00	
TC60%	\$966	0%			1	2	2	954	\$966	\$54	\$912	\$0.98	\$931	\$931	\$912	\$912	\$0.96	\$0	\$0	0.00	
TC60%	\$966	0%			41	2	2	954	\$966	\$54	\$912	\$1.00	\$950	\$38,950	\$37,392	\$912	\$39.19	\$0	\$0	0.00	
MRR		HH/80%	\$976		3	2	2	954	\$976	\$54	\$922	\$0.92	\$882	\$2,646	\$2,766	\$922	\$2.90	\$0	\$0	0.00	
MRR		HH/80%	\$976		1	2	2	954	\$976	\$54	\$922	\$0.96	\$914	\$914	\$922	\$922	\$0.97	\$0	\$0	0.00	
MRR		HH/80%	\$976		2	2	2	954	\$976	\$54	\$922	\$1.05	\$1,004	\$2,008	\$1,844	\$922	\$1.93	\$0	\$0	0.00	
MR		0%			3	2	2	954	\$0	\$54	\$0	\$1.21	\$1,150	\$3,450	\$3,450	\$1,150	\$3.62	NA	\$1,150	1.21	\$0
MR		0%			2	2	2	954	\$0	\$54	\$0	\$1.36	\$1,300	\$2,600	\$2,600	\$1,300	\$2.73	NA	\$1,300	1.36	\$0
TC60%	\$966	0%			2	2	2	1,003	\$966	\$54	\$912	\$0.87	\$868	\$1,736	\$1,824	\$912	\$1.82	\$0	\$0	0.00	
TC60%	\$966	0%			2	2	2	1,003	\$966	\$54	\$912	\$0.90	\$904	\$1,808	\$1,824	\$912	\$1.82	\$0	\$0	0.00	
TC60%	\$966	0%			8	2	2	1,003	\$966	\$54	\$912	\$0.95	\$950	\$7,600	\$7,296	\$912	\$7.27	\$0	\$0	0.00	
MR		0%			1	2	2	1,003	\$0	\$54	\$0	\$0.97	\$975	\$975	\$975	\$975	\$0.97	NA	\$975	0.97	\$0
MR		0%			1	2	2	1,003	\$0	\$54	\$0	\$1.30	\$1,300	\$1,300	\$1,300	\$1,300	\$1.30	NA	\$1,300	1.30	\$0
TC30%	\$483	0%			1	2	2	1,010	\$483	\$54	\$429	\$0.44	\$444	\$444	\$429	\$429	\$0.42	\$0	\$0	0.00	
TC60%	\$966	0%			2	2	2	1,010	\$966	\$54	\$912	\$0.90	\$904	\$1,808	\$1,824	\$912	\$1.81	\$0	\$0	0.00	
TC60%	\$966	0%			2	2	2	1,010	\$966	\$54	\$912	\$0.94	\$950	\$1,900	\$1,824	\$912	\$1.81	\$0	\$0	0.00	
MRR		HH/80%	\$1,304		1	3	2	1,010	\$1,304	\$60	\$1,244	\$0.99	\$1,004	\$1,004	\$1,244	\$1,244	\$1.23	\$0	\$0	0.00	
TC60%	\$1,116	0%			9	3	2	1,130	\$1,116	\$60	\$1,056	\$0.97	\$1,098	\$9,882	\$9,504	\$1,056	\$8.41	\$0	\$0	0.00	
MRR		HH/80%	\$1,304		1	3	2	1,130	\$1,304	\$60	\$1,244	\$1.09	\$1,234	\$1,234	\$1,244	\$1,244	\$1.10	\$0	\$0	0.00	
MR		0%			1	3	2	1,130	\$0	\$60	\$0	\$1.42	\$1,600	\$1,600	\$1,600	\$1,600	\$1.42	NA	\$1,600	1.42	\$0
TC30%	\$558	0%			1	3	2	1,194	\$558	\$60	\$498	\$0.39	\$465	\$465	\$498	\$498	\$0.42	\$0	\$0	0.00	
TC60%	\$1,116	0%			3	3	2	1,194	\$1,116	\$60	\$1,056	\$0.84	\$1,005	\$3,015	\$3,168	\$1,056	\$2.65	\$0	\$0	0.00	
TC60%	\$1,116	0%			2	3	2	1,194	\$1,116	\$60	\$1,056	\$0.88	\$1,046	\$2,092	\$2,112	\$1,056	\$1.77	\$0	\$0	0.00	
TC60%	\$1,116	0%			6	3	2	1,194	\$1,116	\$60	\$1,056	\$0.92	\$1,098	\$6,588	\$6,336	\$1,056	\$5.31	\$0	\$0	0.00	
MRR		HH/80%	\$1,304		1	3	2	1,194	\$1,304	\$60	\$1,244	\$0.96	\$1,142	\$1,142	\$1,244	\$1,244	\$1.04	\$0	\$0	0.00	
MR		0%			2	2	2.5	1,194	\$0	\$54	\$0	\$1.26	\$1,500	\$3,000	\$3,000	\$1,500	\$2.51	NA	\$1,500	1.26	\$0
TC30%	\$483	0%			1	2	2.5	1,027	\$483	\$54	\$429	\$0.39	\$401	\$401	\$429	\$429	\$0.42	\$0	\$0	0.00	
TC30%	\$483	0%			1	2	2.5	1,027	\$483	\$54	\$429	\$0.41	\$421	\$421	\$429	\$429	\$0.42	\$0	\$0	0.00	
TC60%	\$966	0%			9	2	2.5	1,027	\$966	\$54	\$912	\$0.85	\$868	\$7,812	\$8,208	\$912	\$7.99	\$0	\$0	0.00	
TC60%	\$966	0%			6	2	2.5	1,027	\$966	\$54	\$912	\$0.88	\$904	\$5,424	\$5,472	\$912	\$5.33	\$0	\$0	0.00	
TC60%	\$966	0%			2	2	2.5	1,027	\$966	\$54	\$912	\$0.91	\$930	\$1,860	\$1,824	\$912	\$1.78	\$0	\$0	0.00	
TC60%	\$966	0%			6	2	2.5	1,027	\$966	\$54	\$912	\$0.93	\$950	\$5,700	\$5,472	\$912	\$5.33	\$0	\$0	0.00	
MRR		HH/80%	\$976		1	2	2.5	1,027	\$976	\$54	\$922	\$0.86	\$882	\$882	\$922	\$922	\$0.90	\$0	\$0	0.00	
MRR		HH/80%	\$976		3	2	2.5	1,027	\$976	\$54	\$922	\$0.89	\$914	\$2,742	\$2,766	\$922	\$2.69	\$0	\$0	0.00	
MR		0%			1	2	2.5	1,027	\$0	\$54	\$0	\$1.12	\$1,155	\$1,155	\$1,155	\$1.12	NA	\$1,155	1.12	\$0	
MR		0%			2	2	2.5	1,027	\$0	\$54	\$0	\$1.27	\$1,300	\$2,600	\$2,600	\$1,300	\$2.53	NA	\$1,300	1.27	\$0
TC60%	\$966	0%			1	2	2.5	1,463	\$966	\$54	\$912	\$0.65	\$950	\$950	\$912	\$912	\$0.62	\$0	\$0	0.00	
MR		0%			1	3	2.5	1,463	\$0	\$60	\$0	\$0.79	\$1,150	\$1,150	\$1,150	\$1,150	\$0.79	NA	\$1,150	0.79	\$0
TC30%	\$558	0%			1	3	2.5	1,404	\$558	\$60	\$498	\$0.33	\$465	\$465	\$498	\$498	\$0.35	\$0	\$0	0.00	
TC30%	\$558	0%			1	3	2.5	1,404	\$558	\$60	\$498	\$0.35	\$488	\$488	\$498	\$498	\$0.35	\$0	\$0	0.00	
TC60%	\$1,116	0%			1	3	2.5	1,404	\$1,116	\$60	\$1,056	\$0.64	\$904	\$904	\$1,056	\$1,056	\$0.75	\$0	\$0	0.00	
TC60%	\$1,116	0%			13	3	2.5	1,404	\$1,116	\$60	\$1,056	\$0.72	\$1,005	\$13,065	\$13,728	\$1,056	\$9.78	\$0	\$0	0.00	
TC60%	\$1,116	0%			3	3	2.5	1,404	\$1,116	\$60	\$1,056	\$0.75	\$1,046	\$3,138	\$3,168	\$1,056	\$2.26	\$0	\$0	0.00	
TC60%	\$1,116	0%			7	3	2.5	1,404	\$1,116	\$60	\$1,056	\$0.78	\$1,098	\$7,686	\$7,392	\$1,056	\$5.26	\$0	\$0	0.00	
MRR		HH/80%	\$1,304		3	3	2.5	1,404	\$1,304	\$60	\$1,244	\$0.81	\$1,142	\$3,426	\$3,732	\$1,244	\$2.66	\$0	\$0	0.00	
MRR		HH/80%	\$1,304		1	3	2.5	1,404	\$1,304	\$60	\$1,244	\$0.88	\$1,234	\$1,234	\$1,244	\$1,244	\$0.89	\$0	\$0	0.00	
MR		0%			1	3	2.5	1,404	\$0	\$60	\$0	\$1.07	\$1,500	\$1,500	\$1,500	\$1,500	\$1.07	NA	\$1,500	1.07	\$0
MR		0%			1	3	2.5	1,404	\$0	\$60	\$0	\$1.14	\$1,600	\$1,600	\$1,600	\$1,600	\$1.14	NA	\$1,600	1.14	\$0
TC60%	\$1,116	0%			1	3	2.5	1,577	\$1,116	\$60	\$1,056	\$0.70	\$1,108	\$1,108	\$1,056	\$1,056	\$0.67	\$0	\$0	0.00	
MR		0%			1	3	2.5	1,577	\$0	\$60	\$0	\$0.87	\$1,375	\$1,375	\$						

PRO FORMA ANALYSIS & DEVELOPMENT COSTS

POTENTIAL GROSS RENT

	TDHCA CC	TDHCA -Prior	APP - Orig	Owner CC		
Secondary Income	\$2,479,512	\$2,065,632	\$2,067,852	\$2,497,908		
Other Income:	\$33,300	\$53,280	\$170,240	\$33,600	\$12.61	Per Unit Per Month
Other Income:				\$0	\$0.00	Per Unit Per Month
				\$0	\$0.00	Per Unit Per Month
POTENTIAL GROSS INCOME	\$2,512,812	\$2,118,912	\$2,238,092	\$2,531,508		
Vacancy & Collection Loss	(\$188,461)	(158,918)	(167,857)	(126,575)	-5.0%	% of PGI
EO/Non-Rental Units/Concessions	\$0	71,800	-	-		
EFFECTIVE GROSS INCOME	\$2,324,351	\$2,031,794	\$2,070,235	\$2,404,933		

\$12.61

EXPENSES

	% of EGI	Per Unit	Per SF	TDHCA CC	TDHCA -Prior	APP - Orig	Owner CC	Per SF	Per Unit	% of EGI
General & Administrative	3.83%	\$401	\$0.39	\$89,033	\$58,000	\$58,000	\$68,200	\$0.30	\$307	2.84%
Management	5.00%	\$524	\$0.51	\$116,218	\$101,590	\$90,894	\$117,082	\$0.52	\$527	4.87%
Payroll & Payroll Tax	8.48%	\$888	\$0.87	\$197,092	\$239,403	\$190,000	\$254,000	\$1.12	\$1,144	10.56%
Repairs & Maintenance	5.89%	\$617	\$0.60	\$136,906	\$121,093	\$149,300	\$121,400	\$0.53	\$547	5.05%
Electric/Gas	4.59%	\$480	\$0.47	\$106,611	\$57,799	\$48,000	\$80,000	\$0.35	\$360	3.33%
Water, Sewer, & Trash	5.54%	\$581	\$0.57	\$128,880	\$122,765	\$130,000	123,000	\$0.54	\$554	5.11%
Property Insurance	6.25%	\$655	\$0.64	\$145,384	\$122,100	\$122,100	\$145,000	\$0.64	\$653	6.03%
Property Tax	9.91%	\$1,038	\$1.01	\$230,360	\$215,000	\$215,000	\$230,000	\$1.01	\$1,036	9.56%
Reserve for Replacements	2.87%	\$300	\$0.29	\$66,600	\$55,500	\$55,500	\$66,600	\$0.29	\$300	2.77%
Cable TV	0.06%	\$8	\$0.01	\$1,800	\$9,000	\$9,000	\$1,800	\$0.01	\$8	0.07%
Supportive service contract fees	0.26%	\$27	\$0.03	\$6,000	\$10,000	\$10,000	\$6,000	\$0.03	\$27	0.25%
TDHCA Compliance fees	0.31%	\$32	\$0.03	\$7,120	\$7,120	\$8,880	\$14,240	\$0.06	\$64	0.59%
TDHCA Bond Administration Fees (TDHCA as Bond Issuer Only)	0.00%	\$0	\$0.00	\$0	\$0	\$0	\$0	\$0.00	\$0	0.00%
Security	2.34%	\$245	\$0.24	\$54,422	\$20,000	\$20,000	\$75,600	\$0.33	\$341	3.14%
Other Trustee Fees	0.00%	\$0	\$0.00	\$0	\$3,500	\$3,500	\$0	\$0.00	\$0	0.00%
TOTAL EXPENSES	55.35%	\$5,795	\$5.67	\$1,286,426	\$1,142,870	\$1,110,174	\$1,302,922	\$5.74	\$5,869	54.18%
NET OPERATING INCOME	44.65%	\$4,675	\$4.57	\$1,037,925	\$888,924	\$960,061	\$1,102,011	\$4.85	\$4,964	45.82%

COMPARABLES USED		
TDHCA DB	DB Per Unit	Other
\$89,033	\$401	
\$87,307	\$393	
\$260,557	\$1,174	
\$136,906	\$617	
\$55,892	\$252	
\$141,780	\$639	
\$112,837	\$508	
\$162,104	\$730	
\$67,254	\$303	

DEBT

First Lien: Community Bank of Texas, N.A.
 Other: Nautical Affordable Housing, Inc.
 Other: Houston 5110 Griggs Road Residential GP, LLC

	TDHCA CC	TDHCA -Prior	APP - Orig	Owner CC
TOTAL DEBT SERVICE	\$839,296	\$695,092	\$738,996	\$839,296
NET CASH FLOW	\$66,667			\$66,667
AGGREGATE DEBT COVERAGE RATIO	\$905,963	\$695,092	\$738,996	\$905,963
RECOMMENDED DEBT COVERAGE RATIO	\$131,962	\$193,832	\$221,065	\$196,048
	1.15	1.28	1.30	1.22
	1.15			

CONSTRUCTION COST

	% of TOTAL	Per Unit	Per SF	TDHCA CC	TDHCA -Prior	APP - Orig	Owner CC	Per SF	Per Unit	% of TOTAL
Land Acquisition	12.54%	\$22,918	\$22.41	\$5,087,900	\$5,500,000	\$5,500,000	\$5,087,900	\$22	\$22,918	11.96%
Building Acquisition	0.00%	\$0	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
Demolition/Abt & Clearing of Site by GP	0.00%	\$0	\$0.00	\$0	\$1,100,000	\$1,100,000	\$0	\$0	\$0	0.00%
Off-Sites	0.00%	\$0	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
Sitework	4.14%	\$7,562	\$7.39	\$1,678,671	\$1,756,830	\$1,756,830	\$1,678,671	\$7	\$7,562	3.95%
Site Amenities					\$472,000	\$472,000				
Parking Garage					\$2,280,000	\$2,280,000				
Building Costs	50.45%	\$92,188	\$90.14	\$20,465,805	\$15,789,340	\$15,670,000	\$22,137,020	\$98	\$99,716	52.06%
Contingency					\$1,008,942	\$1,008,942				
Contractor's Fees	6.66%	\$12,165	\$11.89	\$2,700,548	\$2,825,036	\$2,825,036	\$2,700,548	\$12	\$12,165	6.35%
Indirect Construction	6.87%	\$12,553	\$12.27	\$2,786,809	\$1,465,500	\$1,465,500	\$2,786,809	\$12	\$12,553	6.55%
Developer's Fees	9.22%	\$17,125	\$16.86	\$2,890,300	\$3,984,735	\$3,984,735	\$2,890,300	\$13	\$13,019	6.80%
Financing	10.00%	\$18,267	\$17.86	\$4,055,185	\$1,781,950	\$1,781,950	\$4,055,185	\$18	\$18,267	9.54%
Reserves	2.23%	\$4,073	\$3.98	\$904,148	\$854,561	\$1,090,000	\$1,189,148	\$5	\$5,357	2.80%
TOTAL COST	100%	\$182,745	\$179	\$40,569,366	\$38,818,894	\$38,934,993	\$42,525,581	\$187	\$191,557	100%
Construction Cost Recap	54.58%	\$99,750	\$97.53	\$22,144,476			\$23,815,691	\$104.89	\$107,278	56.00%

SOURCES OF FUNDS

				RECOMMENDED	
First Lien: Community Bank of Texas, N.A.	36%	\$65,991	\$65	\$14,650,000	\$14,650,000
Other: Nautical Affordable Housing, Inc. APP: CDBG-DR GP Loan	39%	\$71,033	\$69	\$15,769,350	\$15,769,350
Other: Houston 5110 Griggs Road Residential GP, LLC	2%	\$4,505	\$4	\$1,000,000	\$1,000,000
HTC Equity: AHP Housing Fund 196, LLC	21%	\$38,132	\$37	\$8,465,337	\$8,465,337
Grant: 0 APP: CDBG-DR GP Cash Flow Loan	0%	\$0	\$0	\$0	\$0
0 APP: TIRZ Funds	0%	\$0	\$0	\$0	\$0
Deferred Developer Fee: Houston 5110 Griggs Road Developer, LLC	7%	\$11,896	\$12	\$2,640,894	\$2,355,605
Additional (Excess) Funds Req'd	-5%	(\$8,812)	(\$9)	(\$1,956,215)	(\$0)
TOTAL SOURCES				\$40,569,366	\$38,818,894

Developer Fee Available: \$2,890,300
 % of Dev. Fee Deferred
 82%
 15-Yr Cumulative Cash Flow: \$3,804,502

MULTIFAMILY COMPARATIVE ANALYSIS (continued)

Village at Palm Center, Houston, # 13428

DIRECT CONSTRUCTION COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	AMOUNT
Base Cost:			\$67.63	\$15,354,893
Adjustments				
Exterior Wall Finish			1.89	429,937.00
			0.00	0.00
			2.27	514,388.91
Roofing			0.00	0.00
Subfloor			0.01	3,149.05
Floor Cover			3.26	740,382.26
Breezeways			3.56	808,013.00
Balconies			2.23	506,592.08
Plumbing Fixtures			3.30	748,340.00
Rough-ins			1.00	226,760.00
Built-In Appliances			1.97	446,620.00
Exterior Stairs			0.21	46,600.00
Heating/Cooling			2.21	501,771.66
Enclosed Corridors			0.00	0.00
Carports			0.00	0.00
Garages			3.40	772,922.00
Comm &/or Aux Bldgs			1.41	319,948.20
Other:			1.41	320,400.00
Other:			16.65	3,779,475.34
Other: fire sprinkler			4.68	1,063,608.00
SUBTOTAL			117.09	\$26,583,800
Current Cost Multiplier	1.02		2.34	531,676
Local Multiplier	0.89		-12.88	(2,924,218)
TOTAL DIRECT CONSTRUCTION COSTS			106.55	\$24,191,258
Plans, specs, survey, bldg permits	3.90%		-4.16	(\$943,459)
Contractor's OH & Profit	11.50%		-12.25	(2,781,995)
NET DIRECT CONSTRUCTION COSTS			90.14	\$20,465,805

PROPOSED PAYMENT COMPUTATION

First Lien: Community Bank of T	\$14,650,000	Amort	360
Int Rate	4.00%	DCR	1.24
Other: Nautical Affordable Hous	\$15,769,350	Amort	0
Int Rate	0.00%	DCR	1.24
Other: Houston 5110 Griggs Ro	\$1,000,000	Amort	180
Int Rate	0.00%	DCR	1.15
Other: 0	\$0	Amort	0
Int Rate	0.00%	DCR	1.15
Other: 0	\$0	Amort	0
Int Rate	0.00%	DCR	1.15

RECOMMENDED FINANCING STRUCTURE: TDHCA NOI

First Lien: Community Bank of Texas, N.A.	\$839,296
Other: Nautical Affordable Housing, Inc.	0
Other: Houston 5110 Griggs Road Residential GP, LLC	66,667
Other: 0	0
Other: 0	0
Other: 0	0
Other: 0	0
Other: 0	0
Other: 0	0
TOTAL DEBT SERVICE	\$905,963

First Lien: Community Bank of T	\$14,650,000	Amort	360
Int Rate	4.00%	DCR	1.24
Other: Nautical Affordable Hous	\$15,769,350	Amort	0
Int Rate	0.00%	Aggregate DCR	1.24
Other: Houston 5110 Griggs Ro	\$1,000,000	Amort	180
Int Rate	0.00%	Aggregate DCR	1.15

LONG TERM OPERATING PRO FORMA

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15	YEAR 20	YEAR 25	YEAR 30	YEAR 35	YEAR 40
EFFECTIVE GROSS INCOME	\$2,324,351	\$2,434,915	\$2,483,613	\$2,533,285	\$2,583,951	\$2,852,891	\$3,149,822	\$3,477,658	\$3,839,615	\$4,239,246	\$4,680,470	\$5,167,617
LESS: TOTAL EXPENSES	1,286,426	1,327,061	1,365,655	1,405,383	\$1,446,278	1,669,501	\$1,927,537	2,225,851	2,570,774	2,969,636	3,430,923	3,964,463
NET OPERATING INCOME	\$1,037,925	\$1,107,854	\$1,117,958	\$1,127,903	\$1,137,673	\$1,183,389	\$1,222,285	\$1,251,807	\$1,268,841	\$1,269,610	\$1,249,547	\$1,203,154
LESS: DEBT SERVICE	905,963	905,963	905,963	905,963	905,963	905,963	905,963	905,963	905,963	905,963	905,963	905,963
NET CASH FLOW	\$131,962	\$201,891	\$211,995	\$221,940	\$231,711	\$277,427	\$316,323	\$345,844	\$362,879	\$363,647	\$343,584	\$297,191
CUMULATIVE NET CASH FLOW	\$131,962	\$333,854	\$545,849	\$767,789	\$999,499	\$2,297,480	\$3,804,502	\$5,479,007	\$7,265,029	\$9,089,085	#####	\$12,446,995
DEFERRED DEVELOPER FEE BALANCE	\$2,223,643	\$2,021,751	\$1,809,756	\$1,587,816	\$1,356,106	\$58,125	\$0	\$0	\$0	\$0	\$0	\$0
DCR ON UNDERWRITTEN DEBT (Must-Pay)	1.15	1.22	1.23	1.24	1.26	1.31	1.35	1.38	1.40	1.40	1.38	1.33
EXPENSE/EGI RATIO	55.35%	54.50%	54.99%	55.48%	55.97%	58.52%	61.20%	64.00%	66.95%	70.05%	73.30%	76.72%

HTC ALLOCATION ANALYSIS - Village at Palm Center, Houston, # 13428

CATEGORY	APPLICANT'S TOTAL AMOUNTS	TDHCA TOTAL AMOUNTS	APPLICANT'S ACQUISITION ELIGIBLE BASIS	TDHCA ACQUISITION ELIGIBLE BASIS	APPLICANT'S REHAB/NEW ELIGIBLE BASIS	TDHCA REHAB/NEW ELIGIBLE BASIS
Acquisition Cost						
Purchase of land	\$5,087,900	\$5,087,900				
Purchase of buildings	\$0	\$0				
Closing costs & Acq. Legal Fees	\$0	\$0				
Off-Site Improvements	\$0	\$0				
Sitework	\$1,678,671	\$1,678,671			\$1,678,671	\$1,678,671
Building Costs	\$22,137,020	\$20,465,805			\$22,137,020	\$20,465,805
Contingency	\$0	\$0				\$0
Contractor's Fees	\$2,700,548	\$2,700,548			\$2,700,548	\$2,700,548
Indirect Construction	\$2,786,809	\$2,786,809	\$0	\$0	\$2,420,274	\$2,420,274
Interim Financing	\$4,055,185	\$4,055,185	\$0	\$0	\$2,409,675	\$2,409,675
Developer Fees						
Developer Fees	\$2,890,300	\$2,890,300	\$0	\$0	\$2,890,300	\$2,890,300
Development Reserves	\$1,189,148	\$904,148				
TOTAL DEVELOPMENT COSTS	\$42,525,581	\$40,569,366	\$0	\$0	\$34,236,488	\$32,565,273

Deduct from Basis:						
	\$0					
Describe:						
Describe:						
Describe:						
Describe:						
Describe:					\$0	\$0
TOTAL ELIGIBLE BASIS			\$0	\$0	\$34,236,488	\$32,565,273
High Cost Area Adjustment					100%	100%
TOTAL ADJUSTED BASIS			\$0	\$0	\$34,236,488	\$32,565,273
Applicable Fraction			79.74%	79.74%	79.74%	79.74%
TOTAL QUALIFIED BASIS			\$0	\$0	\$27,301,409	\$25,968,722
Applicable Percentage			0.00%	0.00%	3.23%	3.23%
TOTAL AMOUNT OF TAX CREDITS			\$0	\$0	\$881,836	\$838,790

Syndication Rate 0.9600 \$0 \$0 \$8,465,621 \$8,052,381

Total Tax Credits (Eligible Basis Method) \$881,836 \$838,790

Syndication Proceeds \$8,465,621 \$8,052,381

Approved Tax Credits \$797,355

Syndication Proceeds \$7,654,608

Requested Tax Credits \$881,837

Syndication Proceeds \$8,465,635

Gap of Syndication Proceeds Needed \$10,821,231

Total Tax Credits (Gap Method) \$1,127,212

Recommended Tax Credits 881,836

Syndication Proceeds \$8,465,626

Houston 5110 Griggs Road Residential, LP
3735 Honeywood Court
Port Arthur, TX 77462

March 5, 2019

Texas Department of Housing and Community Affairs
Attn: Lucy Trevino
221 E. 11th Street
Austin, TX 78701

Re: Village at Palm Center – Request for Increased LIHTCs

Dear Ms. Trevino,

Please accept this letter as our formal request for \$881,836 of Low-Income Housing Tax Credits (LIHTC) on Village at Palm Center. This \$84,481 increase is more than a 110% increase from the amount in the Determination Notice of \$797,355.

If you have any questions please feel free to reach out to me at apps@itexgrp.com.

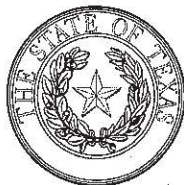
Sincerely,



Christopher A. Akbari
Manager of General Partner

Village at Palm Center's estimated budget submitted in the 4% Application, and approved by TDHCA for tax credits, was impacted negatively by several factors. There were 118 weather days, 15 mud days, and a 60-day delay due to demolition of the existing buildings having unforeseen asbestos issues and large concrete pillars found under the foundation that required removal. In addition to these delays, the general contractor had to replace several subcontractors which caused a delay of 332 days as referenced in change order #17. The 525 day construction delay caused the development's \$1,465,500 projected indirect costs to increase substantially from the application. In addition, there were other impacts to the budget:

- 1) **Architecture Fees:** Due to the time delays and the Architect of record being contracted on a per hour basis the net cost for their design supervision increased substantially.
- 2) **Building Permit Fees:** In addition to the building permits, we incurred a permit expeditor fee to help us get our plans through the City of Houston. However, the largest increase is due to the substantial impact fees we had to pay to the City of Houston being included in this line item.
- 3) **Environmental Assessment:** The Development found a gas well which required a phase II and abatement which was not part of the original budget. This included working with TCEQ to be accepted into their Voluntary Cleanup Program and obtaining a Final Certificate of Completion.
- 4) **Survey Fees:** There were a couple factors that increased the price. The street that separates the apartment building and townhome buildings was made into a public street for the City of Houston. The original design of the street was too high for the City's requirements, therefore it required a redesign and to be surveyed again in order for the City to accept. Additionally, our investor required us to implement a condominium regime to separate out the residential from the commercial area of the property.
- 5) **Real Estate Taxes:** Tax estimate was projected to be \$88K at application, due to the time delay the development incurred approximately \$665K in additional real estate tax cost.
- 6) **Relocation Fees:** Incurred additional fees due to commercial tenants staying in the storage units through the maximum allowable time because they could not find a new location. However, we had a third party market company, Valbridge, complete a report to confirm there were available locations within the area for the tenants to relocate to. Additionally, several tenants required a maximum re-establishment payment, and we also incurred fixed payments that we did not anticipate.
- 7) **Davis Bacon Wages:** After financial closing, we were required by the City of Houston to change from Residential Davis Bacon Wages to Commercial Davis Bacon Wages on the parking garage.
- 8) **City of Houston Compliance:** Added Compliance Requirements from the City of Houston after financial closing forced several qualified Subcontractors to back-out or refuse to bid. Furthermore, the construction was impacted by the substantial amount of market rate developments under construction in the City of Houston which significantly reduced the availability of Subcontractors, and increased costs.



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

www.tdhca.state.tx.us

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HOUSING TAX CREDIT PROGRAM

2013 DETERMINATION NOTICE FOR
TAX-EXEMPT BOND FINANCED DEVELOPMENTS

Development Owner: Houston 5110 Griggs Road Residential, LP
Contact Person: K. T. (Ike) Akbari
Contact Address: 3735 Honeywood Court
City, State, ZIP: Port Arthur, TX 77642
Contact Phone: 409-724-0020
Name of Development: Village at Palm Center
TDHCA Development #: 13428
Development Address: 5110 Griggs Road
City, County, State, ZIP: Houston, Harris, TX 77021
Development Type: New Construction
Bond Issuer: Houston Housing Finance Corporation
Building Identification Numbers: TX 13-42801 – TX 13-42899

Annual Housing Tax Credit Allocation Determination Amount: \$797,355

Effective Date of Determination Notice: June 9, 2014

Expiration Date of Determination Notice: July 9, 2014

The Texas Department of Housing and Community Affairs (the "Department") has approved an application from the Development Owner named above and has determined that the housing development described above (the "Development") satisfies the requirements for an allocation of housing tax credits under the Department's qualified allocation plan, as required by §42(m) of the Internal Revenue Code of 1986, as amended (the "Code").



This Determination Notice (the "Notice") is subject to the Development Owner's full compliance with the Department's Uniform Multifamily Rules, Chapter 10 of the Texas Administrative Code, (the "Rules"), the Housing Tax Credit Qualified Allocation Plan, Chapter 11 of the Texas Administrative Code, (the "QAP"); all applicable state and federal law, including Internal Revenue Code Section 42; and other relevant regulations and pronouncements of the Internal Revenue Service (IRS). In addition to compliance with applicable state and federal law, the Department's issuance of IRS Forms 8609 will be dependent upon the Development Owner's compliance with the terms of the Application and this Notice, including the implementation of all representations and covenants made by the Development Owner, whether express or implied, and specifically including all pledges made regarding the construction and operation of the Development, and any other conditions set forth in this Notice and incorporated by reference. This Notice is binding on all successors.

The Development Owner has represented to the Department that the Development is being financed by a tax-exempt obligation identified in §42(h)(4) of the Code, to be issued by the issuer named above (the "Issuer"). The Development Owner has represented that such tax-exempt obligation will finance fifty (50) percent or more of the aggregate basis of the Development's land and building(s).

The Development may be eligible to claim housing tax credits with respect to all or a portion of its qualified basis without receiving an allocation of credits from the state housing credit ceiling administered by the Department if, among other standards, the Development satisfies the requirements for allocation of housing tax credits under the Rules and QAP, as applicable, for the State of Texas. The Department is the sole housing credit agency for the State of Texas, and has adopted the Rules and QAP, which constitutes Chapter 10 and Chapter 11 of the Texas Administrative Code, as amended. More particularly, the Department has determined that the Development meets all applicable subchapters and sections of the Rules and QAP for an allocation of housing tax credits.

Section 42(m) of the Code requires that a determination be made regarding a bond-financed Development's financial feasibility and its viability as a qualified low-income housing Development. With respect to the Development, as of the date hereof, the feasibility and viability determination has been made by the:

- Department as Issuer; and/or
- ✓ Department as the Housing Credit Agency.

In issuing this Notice, the Department has relied upon the information submitted by the Development Owner to be accurate and complete in all material respects. The Department reserves the right to revoke this Notice if the Department determines that any material statement, representation, or omission by the Development Owner or made with respect to the Development is untrue or misleading.

This Notice does not represent the making of a housing credit allocation for the Development or any building therein or a determination that the Development is eligible to claim credits pursuant to §42(h)(4) of the Code. Such determination rests solely with the Internal Revenue Service. This Notice also does not represent any allocation, representation, or determination regarding the ability of the Development Owner to make use of tax-exempt bond financing.

Pursuant to §10.406 of the Rules, in accepting this Determination Notice the Development Owner agrees and acknowledges that they may not transfer an allocation of housing tax credits or ownership of a

Development supported with an allocation of housing tax credits to any person including an Affiliate of the Development Owner unless the Development Owner obtains the Executive Director's prior, written approval of the transfer.

The Building Identification Numbers have been issued in this Notice and should be used from this point forward in any correspondence with the Department.

CONDITIONS OF THIS DETERMINATION NOTICE

Pursuant to §10.402(b) of the Rules, the Determination Notice shall expire on the date specified herein unless the Development Owner indicates acceptance by executing the Determination Notice, paying the required fees specified in §10.901 of the Rules, and satisfies any conditions set forth therein by the Department. The Determination Notice expiration date may not be extended.

Pursuant to Board action on June 5, 2014, if the Applicant has not closed on the bond financing by September 5, 2014 or if the underwritten financing structure or terms change prior to closing, this Determination Notice will be rescinded.

Board action on June 5, 2014 also conditioned the award upon the owner designating a point of contact responsible for responding to corrective action requests by the Department; that such person attend compliance training offered by the Department; and that if it is determined that no corrective action response is received during the corrective action period for any affiliated property, the matter will be reported to the Board for consideration of requiring replacement of the management company on all affiliated properties.

The following items must be submitted to the Department by the dates indicated below. The Department will not issue IRS Form(s) 8609 without timely receipt of such items, and ongoing compliance with the conditions of the Determination Notice and the Department's Rules.

- 1) By **July 9, 2014**, the following items must be submitted:
 1. Determination Notice fee in the amount of **\$31,894** in accordance with §10.901(9) of the Rules.
 2. Building Inspection fee in the amount of **\$750** in accordance with §10.901(10) of the Rules.
 3. Evidence of the following pursuant to §10.402(d) of the Rules:
 - i. Evidence of authority to do business in Texas. For Texas entities, a copy of the Certificate of Filing for the Certificate of Formation and a Certificate of Fact from the Office of the Secretary of State. If formed outside the state of Texas, a Certificate of Application for foreign qualification in Texas and a Certificate of Fact from the Texas Secretary of State. If newly formed entity and Certificate of Fact is not available, a statement is provided to that effect;
 - ii. Confirmation of the right to transact business in Texas from the Texas Comptroller of Public Accounts. Due to recent changes by the Texas Comptroller of Public Accounts the equivalent of the prior "Certificate of Account Status" is now the "Franchise Tax Account Status" page available on the Texas Comptroller's website. This page may be printed out and submitted. If the entity is newly formed and no status is available then a statement to such effect shall be submitted;

- iii. Evidence in the form of a corporate resolution that the signer (s) of the Determination Notice has the authority to sign on behalf of the Applicant which indicates the sub-entity in Control and that those Persons signing the Application constitute all Persons required to sign or submit such documents;
 - iv. Evidence of final zoning that was proposed or needed to be changed pursuant to the Development Plan;
 - v. Any conditions identified in the Real Estate Analysis report or any other conditions of the award required to be met at Determination Notice; and
 - vi. Documentation of any changes to representations made in the Application relating to §10.405 of the Rules (relating to Amendments).
- 2) If the Development is being placed in service and requesting IRS Forms 8609 during 2013, then all documents relating to Cost Certification in the Post Carryover Activities Manual and a Compliance Monitoring Fee, pursuant to §10.901(19) of the Rules, in the amount of \$40.00 per tax credit unit must be submitted to the Department. For those Developments not being placed in service and requesting IRS Forms 8609 in 2013, all documents relating to Cost Certification in the Post Carryover Activities Manual and a Compliance Monitoring Fee in the amount of \$40.00 per tax credit unit must be submitted to the Department pursuant to the Rules.
- 3) No later than the end of the first year of the Credit Period, a Declaration of Land Use Restrictive Covenant ("LURA") with respect to the Development must be recorded. Development Owner hereby agrees and acknowledges that all pledges, conditions, restrictions, representations and obligations which the Development Owner undertook in applying for an allocation will be incorporated in a LURA, which will be in the form required by the Department and will also incorporate provisions requiring compliance with the Rules, the Code and with Chapter 2306, Tex. Gov. Code (the "Act"), including but not limited to requirements for: annual reporting and periodic inspections; payment of the fees, charges, and expenses of the Department in connection with its monitoring and compliance; management, operating, maintenance and repair standards; tenant selection and income certification; limitations on rents, charges and fees payable by tenants; cost controls and management selection; and a minimum thirty year affordability period, or the period stated in the Application, whichever is greater. If any liens (other than mechanics' or materialmen's liens) shall have been recorded against the Development prior to the recording of the LURA, the Development Owner shall also obtain and submit to the Department the subordination of the rights of any such lienholder, or other effective consent, to the survival of certain obligations contained in the LURA following the foreclosure of any such lien.
- 1) In accordance with §10.402(e) of the Rules, the Development Owner is required to submit the following within 60 calendar days of closing on the bonds:
1. A Management Plan
 2. An Affirmative Marketing Plan Form (the HUD form that is available at the following link: <http://portal.hud.gov/hudportal/documents/huddoc?id=935-2a.pdf>). The completed, signed form should be submitted. If an alternative format of the Plan is being submitted in lieu of the HUD form, it must contain at a minimum the same information as the HUD Form.
 3. Evidence that the Development Owner or management company has attended at least five hours of Department-approved Fair Housing training relating to leasing and management issues.

4. The Development architect or engineer responsible for Fair Housing compliance for the Development has attended at least five hours of Department-approved Fair Housing training relating to design issues on or before the date the bonds are closed. Certifications must not be older than two years from the date of the submission deadline of these documents.
 5. Evidence that the financing has closed, such as an executed settlement statement.
 6. Agreement and Election Statement. Should the Development Owner elect to fix the applicable percentage at the time of the bond closing, then the Development Owner shall submit the executed Agreement and Election Statement with the Post Bond Closure submission documents as noted above. Such Agreement and Election Statement is attached hereto; however, a form-fill-able version can be found on the Department's website at the following link: <http://www.tdhca.state.tx.us/multifamily/htc/index.htm>.
- 2) This Determination is subject to the following Development specific conditions. Unless otherwise stated, the documentation required to satisfy these conditions must be submitted to the Department by Cost Certification unless otherwise noted below.
1. Receipt and acceptance by Bond Closing:
 - a. Firm commitment from the TIRZ for minimum of \$2,282,312 in permanent funding.
 - b. Documentation on the completion of the HUD Environmental Clearance Process in accordance with 24 CFR Part 50 and/or 58. Such documentation must be submitted with the post bond closing documentation pursuant to §10.402(E) of the Uniform Multifamily Rules.
 2. Receipt and acceptance by Cost Certification:
 - a. Documentation clearing environmental issues contained in the ESA report, specifically:
 - i. Architect certification that recommendations regarding testing for identification of asbestos-containing materials or lead-based paint were followed, and, if found, that appropriate abatement procedures were followed for the demolition and removal of any such materials.
 - ii. Architect certification that a noise assessment was completed and, if necessary, an abatement program was implemented and post construction noise levels do not exceed HUD acceptable levels.
 - iii. Certification from the ESA provider that any identified REC's not covered by the HUD Environmental Clearance Process have been remediated.
 - b. Documentation of a \$15.3M loan from Non-Profit to Applicant as a must-pay loan with no provision for forgiveness.
 - c. Attorney opinion validating that the CDBG loan can be considered bona fide debt with a reasonable expectation that it will be repaid in full and further stating that the funds should not be deducted from eligible basis.
 3. Should any terms of the proposed capital structure change, the analysis must be re-evaluated and an adjustment to the credit allocation and/or terms of other TDHCA funds, if any, may be warranted.



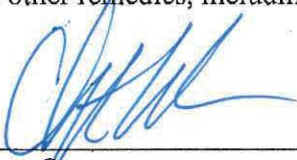
Jean Latsha, Director of Multifamily Finance

6-9-14

Date

I (We), Development Owner, hereby acknowledge and agree to abide by all terms and conditions stated in this Determination Notice and any referenced documentation contained herein.

I (We) hereby acknowledge that failure to comply with said Determination Notice, the Department's QAP and Rules, as applicable, and any referenced documentation contained therein may result in a refusal of the Department to issue IRS Form(s) 8609 for purposes of housing tax credits as well as its exercise of other remedies, including revocation of this Determination Notice.



Development Owner

6-16-14

Date

Christopher A. Akbari,
Authorized Representative

Development Owner (Printed Name, Title)



Independent Auditors' Report

To the Partners of
Houston 5110 Griggs Road Residential, LP:

Re: Village at Palm Center, TDHCA # 13428

Report on the Cost Summary

We have audited the Development Cost Summary in the accompanying Exhibit 10C: Total Development Cost Schedule (the "Cost Summary") included in Texas Department of Housing and Community Affairs ("TDHCA") Cost Certification of Village at Palm Center (the "Development"), owned by Houston 5110 Griggs Road Residential, LP (the "Partnership"), as of June 30, 2018.

Management's Responsibility for the Cost Summary

Management is responsible for the preparation and fair presentation of the Cost Summary in accordance with accounting practices prescribed by the Internal Revenue Service, under the accrual method of accounting, and in accordance with the format and qualified allocation plan rules set by TDHCA. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Cost Summary that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the Cost Summary based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Cost Summary is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Cost Summary. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Cost Summary.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of accounting

The accompanying Cost Summary was prepared in accordance with the accounting practices prescribed by the Internal Revenue Service, under the accrual method of accounting, and in accordance with the format and qualified allocation plan rules set by TDHCA, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of TDHCA. Those requirements specify that eligible basis includes only costs as determined accordance with Section 42 of the Internal Revenue Code of 1986, as amended. Our opinion is not modified with respect to that matter.

Opinion

In our opinion, the accompanying Cost Summary presents fairly, in all material respects, the Development's total development costs of \$42,525,581 and eligible basis of \$34,236,488 of the Partnership for the Development as of June 30, 2018, on the basis of accounting described above.

Restriction on Use

This report is intended solely for the information and use of the management of the Partnership and for filing with TDHCA and is not intended to be and should not be used by anyone other than those specified parties.

We have no financial interest in the Development other than in the practice of our profession.

Novogradac & Company LLP

Austin, Texas
September 27, 2018

Contact person for questions about this report:

Tiffany French
Phone# (512) 349-3238
Facsimile# (512) 340-0421
E-Mail: tiffany.french@novoco.com



INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Members of
Houston 5110 Griggs Road Residential, LP:

Re: Village at Palm Center Cost Schedule

We have performed the procedure enumerated below, which was agreed to by Houston 5110 Griggs Road Residential, LP (the "Partnership"), owner of Village at Palm Center (the "Development") and the Texas Department of Housing and Community Affairs (the "Authority" collectively, the "Specified Users"), solely to assist you with respect to the calculation of the percentage of the aggregate basis financed by tax-exempt bonds of Houston 5110 Griggs Road Residential, LP as of June 30, 2018 (the "Cost Cut-off Date"). The management of the Partnership is responsible for the calculation of the percentage of the aggregate basis financed by tax-exempt bonds as of the Cost Cut-off Date.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Specified Users. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Procedures

We calculated the aggregate basis incurred, as well as, the tax-exempt bond proceeds used by the Partnership as of the Cost Cut-off Date. We compared the aggregate basis incurred as a percentage of the tax-exempt bond proceeds used, and calculated the percentage of the aggregate basis financed by the tax-exempt bonds as of the Cost Cut-off Date.

Finding

We have calculated the percentage of the aggregate basis financed by tax-exempt bonds for the costs included in the Schedule of Total Development Cost (the "Cost Schedule") as of the Cost Cut-off Date (the "50% Test").

The result of the calculation is consistent with information presented in the Cost Schedule and is set forth below:

Depreciable Basis from Cost Schedule	\$	34,236,488	
Plus: Land Cost		<u>5,087,900</u>	
Aggregate Basis	\$	39,324,388	(A)
Total Tax Exempt Bonds	\$	<u>20,000,000</u>	(B)
Percent of Aggregate Basis Financed by Tax Exempt Bonds		50.859%	(B/A)

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the 50% Test. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Specified Users and is not intended to be and should not be used by anyone other than those specified parties.

We have no financial interest in the Development other than in the practice of our profession.

Novogradac & Company LLP

Austin, Texas
September 27, 2018

Contact person for questions about this report:

Tiffany French
Phone# (512) 349-3238
Facsimile# (512) 340-0421
E-Mail: tiffany.french@novoco.com

10C-Development Cost Schedule

This Development Cost Schedule must be consistent with the Summary Sources and Uses of Funds Statement. All applications must complete the total development cost column and the Tax Payer Identification column. Only HTC applications must complete the eligible basis columns and the Requested Credit calculation below:

DEVELOPMENT NAME: **Village at Palm Center** TDHCA #: **13428**

	TOTAL DEVELOPMENT SUMMARY			Payee Taxpayer Identification Number (TIN) ¹ (and % of cost if item involves multiple payees)
	Total Cost	Eligible Basis (If Applicable)		
		Acquisition	New/Rehab.	
ACQUISITION				
Site acquisition cost	5,087,900			
Existing building acquisition cost	0	0		
Closing costs & acq. legal fees				
Other (specify) - see footnote 2	0	0		
Subtotal Acquisition Cost	\$5,087,900	\$0	\$0	
DIRECT CONSTRUCTION COSTS				
Offsite Work ³	0			
Demolition	0			
Site Work	1,678,671		1,678,671	
Residential Buildings	21,696,747		21,696,747	
Accessory Buildings	440,273		440,273	
Other (specify) - see footnote 2	-		-	
Subtotal Direct Construction Costs	\$23,815,691	\$0	\$23,815,691	
OTHER CONSTRUCTION COSTS				
General requirements 4.86%	1,158,122		1,158,122	
Field supervision (within GR limit)				
Contractor overhead 1.61%	384,304		384,304	
G & A Field (within overhead limit)				
Contractor profit 4.86%	1,158,122		1,158,122	
Subtotal Ancillary Hard Costs	\$2,700,548	\$0	\$2,700,548	
INDIRECT CONSTRUCTION COSTS				
Architectural - Design fees	425,278		425,278	
Architectural - Supervision fees	92,260		92,260	
Engineering fees	255,575		255,575	
Real estate attorney/other legal fees	0		0	
Accounting fees	7,439		7,439	
Impact Fees	0		0	
Building permits & related costs	258,808		258,808	
Appraisal	24,000		24,000	
Market analysis	19,050		19,050	
Environmental assessment	167,495		167,495	
Soils report	34,556		34,556	
Survey	144,649		144,649	
Marketing	58,690			
Course of Construction Insurance	177,297		177,297	
Partnership Hazard & liability Insurance	169,092		169,092	
Real property taxes	664,245		644,775	
Personal property taxes	0		0	
Tenant relocation expenses	0		0	
PLEASE SPECIFY - see footnote 2	288,375		0	
Subtotal Indirect Const. Cost	\$2,786,809	\$0	\$2,420,274	

DEVELOPMENT NAME:

Village at Palm Center

TDHCA #: 13428

TOTAL DEVELOPMENT SUMMARY			Payee Taxpayer Identification Number (TIN) ¹ (and % of cost if item involves multiple payees)
Total	Eligible Basis (If Applicable)		
Cost	Acquisition	New/Rehab.	

DEVELOPER FEES

Housing consultant fees	0		0	
General & administrative	0		0	
Profit or fee	2,890,300	0	2,890,300	
Subtotal Developer's Fees	9.22% \$2,890,300	\$0	\$2,890,300	

FINANCING:

CONSTRUCTION LOAN(S)

Interest	2,316,528		1,583,256	
Loan origination fees	150,000		150,000	
Title & recording fees	149,774		149,774	
Closing costs & legal fees	280,572		280,572	
Inspection fees	56,850		56,850	
Credit Report	0		0	
Discount Points	0		0	
Other (specify) - see footnote 2				

PERMANENT LOAN(S)

Loan origination fees	86,625			
Title & recording fees	0			
Closing costs & legal	86,495			
Bond premium	170,123			
Credit report	398,827			
Discount points	0			
Credit enhancement fees	0			
Prepaid MIP	0			
Other (specify) - see footnote 2	0			

BRIDGE LOAN(S)

Interest	60,864		0	
Loan origination fees				
Title & recording fees				
Closing costs & legal fees				
Other (specify) - see footnote 2				

OTHER FINANCING COSTS

Tax credit fees	54,304			
Tax credit application fees	0			
Payment bonds	0			
Performance bonds	189,223		189,223	
Credit enhancement fees	0			
Cost of underwriting & issuance	0			
Syndication organizational cost	55,000			
Tax opinion	0			
Other (specify) - see footnote 2	0			
Subtotal Financing Cost	\$4,055,185	\$0	\$2,409,675	

RESERVES

Rent-up				
Operating	904,148			
Replacement				
Escrows	285,000			
Subtotal Reserves	\$1,189,148	\$0	\$0	

TOTAL HOUSING DEVELOPMENT COSTS

\$42,525,581	\$0	\$34,236,488
- Commercial Space Costs		0
COSTS	\$42,525,581	

DEVELOPMENT NAME:

Village at Palm Center

TDHCA #: 13428

TOTAL DEVELOPMENT SUMMARY		Payee Taxpayer Identification Number (TIN) ¹ (and % of cost if item involves multiple payees)
Total	Eligible Basis (If Applicable)	
Cost	Acquisition New/Rehab.	

The following calculations are for HTC Applications only.

Deduct From Basis:

Fed. grant proceeds used to finance costs in eligible basis		
Non-qualified non-recourse financing		
Non-qualified portion of higher quality units (42(d)(3))		
Historic Credits (residential portion only)		
Total Eligible Basis		\$34,236,488
**High Cost Area Adjustment (100% or 130%)		100%
Total Adjusted Basis		\$34,236,488
Applicable Fraction		79.7436036%
Total Qualified Basis	\$27,301,409	\$27,301,409
Applicable Percentage ⁸		3.23%
Calculated Credits	\$881,836	\$881,836
Credits Requested by Owner	\$881,836	

Footnotes:

¹The taxpayer identification number (TIN) of the Person(s) or Entity(s) to whom payment for the cost associated with each line item must be provided to fulfill the requirements of HB2577, Sec. 2306.184. If multiple payees are involved, indicate the estimated percentage of the total fee that the payee will receive next to their TIN. If the payee has not been determined at this time, enter "Undetermined." All known payees must be described in the Exhibit 4-Development Team form.

²An itemized description of all "Other" costs must be included at the end of this exhibit.

- Other - acquisition - Carrying costs

³If Off-Site costs are included in eligible basis based on PLR 200916007, owner must provide documentation and certification from civil engineer as required in the Cost Certification chapter of the Post Carryover Procedures Manual.

9A- Placement in Service

Development Name: Village at Palm Center Development City: Houston TDHCA #: 13428

Credit Period Election	Bldg. #	BIN #	Placed In	Units and Square Footage per Building			Applicable Fraction			Applicable Percentage			Eligible Basis		Requested Tax Credits		
				Rehab/New Construction	LIHTC Units	Total Units	LIHTC Sq. Ft.	Total Sq. Ft. (Net Rentable Area)	Based on Units	Based on NRA	Weighted Average	Acquisition	Acqisiltion Weighted Average	Rehab/ New Constr.	Acquisition	Rehab/ New Constr.	Acquisition
2017	1	TX13-42801	4/20/2018	125	154	116,342	143,174	81.17%	81.26%	51.18%	0.00	3.23%	-	21,589,347	\$ -	\$ 566,019	\$ 566,019
2017	2	TX13-42802	12/22/2016	5	8	6,266	9,724	62.50%	64.44%	2.68%	0.00	3.23%	-	1,466,291	\$ -	\$ 29,601	\$ 29,601
2017	3	TX13-42803	12/22/2016	6	8	7,293	9,724	75.00%	75.00%	3.21%	0.00	3.23%	-	1,466,291	\$ -	\$ 35,521	\$ 35,521
2017	4	TX13-42804	12/22/2016	6	8	7,293	9,724	75.00%	75.00%	3.21%	0.00	3.23%	-	1,466,291	\$ -	\$ 35,521	\$ 35,521
2017	5	TX13-42805	12/28/2016	4	6	4,862	7,293	66.67%	66.67%	2.14%	0.00	3.23%	-	1,099,719	\$ -	\$ 23,681	\$ 23,681
2017	6	TX13-42806	12/28/2016	5	6	6,266	7,293	83.33%	85.92%	2.68%	0.00	3.23%	-	1,099,719	\$ -	\$ 29,601	\$ 29,601
2017	7	TX13-42807	1/10/2017	6	6	7,293	7,293	100.00%	100.00%	3.21%	0.00	3.23%	-	1,099,719	\$ -	\$ 35,521	\$ 35,521
2017	8	TX13-42808	1/10/2017	6	8	7,293	9,724	75.00%	75.00%	3.21%	0.00	3.23%	-	1,466,291	\$ -	\$ 35,521	\$ 35,521
2017	9	TX13-42809	1/20/2017	5	6	5,889	7,293	83.33%	80.75%	2.59%	0.00	3.23%	-	1,099,719	\$ -	\$ 28,683	\$ 28,683
2017	10	TX13-42810	4/18/2017	4	6	4,862	7,902	66.67%	61.53%	2.14%	0.00	3.23%	-	1,191,550	\$ -	\$ 23,681	\$ 23,681
2017	11	TX13-42811	5/16/2017	6	6	7,902	7,902	100.00%	100.00%	3.48%	0.00	3.23%	-	1,191,550	\$ -	\$ 38,487	\$ 38,487
TOTAL				178	222	181,561	227,046	100.00%	100.00%	79.74%	0.00	3.23%	\$34,235,488	\$ -	\$ 881,836	\$ 881,836	

9% ONLY - NOTIFICATION OF RETURNED HOUSING TAX CREDITS

Pursuant to the Qualified Allocation Plan, Development Owners of competitive housing tax credit developments who have more tax credits allocated to them than can be substantiated through Cost Certification must return those excess tax credits prior to issuance of IRS Forms 8609. If the Development Owner does not return those credits within 180 days of the end of the first year of the credit period, a penalty fee equal to one year credit amount of lost credits (10% of the total unused tax credit amount) will be required to be paid by the Development Owner prior to issuance of IRS Forms 8609. If any unused credits are expected to be returned, please fill out the section below, sign and return to the Department.

I consent to return housing tax credits in the amount identified below for the development name below from the allocation of tax credits to the Texas Department of Housing and Community Affairs (the "Department"). I am aware that if the Department determines during the course of the cost certification review that additional tax credits must be returned, the Owner is required to pay a penalty fee pursuant to §10.901(18) of Subchapter G of the Uniform Multifamily Rules equal to the annual allocation that must be returned and has not previously been returned via this notification.

Development Name: Village at Palm Center
 Development Number: 13428
 Year of Allocation: 2013
 Amount of Credits Returned: -

Houston 5110 Griggs Road Residential, LP
 Development Owner Name

 Authorized Signature
 Christopher A. Akbari
 Printed Name of Signatory
 Manager of GP
 Title of Signatory

March 1, 2019

1r

BOARD ACTION REQUEST
ASSET MANAGEMENT DIVISION
MAY 23, 2019

Presentation, discussion, and possible action regarding a Placed in Service deadline extension for a development located in a Major Disaster Area for Provision at West Bellfort (HTC #16258)

RECOMMENDED ACTION

WHEREAS, Provision at West Bellfort, LP (the Development Owner or Owner) was allocated \$1,500,000 in 9% Housing Tax Credits (HTCs) in 2016 for Provision at West Bellfort (the Development), a development consisting of 144 new multifamily units in Houston, Fort Bend County;

WHEREAS, the Development Owner is required by the Carryover Allocation Agreement to place all Units in service no later than December 31, 2018, and required by Internal Revenue Code §42(h)(1) to place each building in service by no later than December 31, 2018;

WHEREAS, IRS Revenue Procedure 2014-49 allows for and the Development Owner is requesting an extension to the placed-in-service (PIS) deadline because the buildings are located in and impacted by a Major Disaster Area, as declared by the President, during the two-year period described in §42(h)(1)(E)(i) as long as the Development Owner plans to place the Development in service no later than December 31 of the year following the end of the two-year period;

WHEREAS, on August 25, 2017, under FEMA-4332-DR, initial notice was given that the President issued a major disaster declaration under the authority of the Robert T. Stafford Disaster Relief and Emergency Assistance Act due to excessive rain, wind and flooding that included Fort Bend County in a list of Texas counties eligible to receive individual and/or public assistance;

WHEREAS, on October 12, 2017, the Department's board approved a three-month extension to the original PIS deadline for the Development, from December 31, 2018, to March 31, 2019, with the further authorization of the Executive Director to grant an additional three-month extension to the deadline, if warranted;

WHEREAS, on February 13, 2019, the Executive Director approved a subsequent three-month extension to the PIS deadline for the Development to June 30, 2019;

WHEREAS, the Owner has indicated that the Development has continued to incur significant construction delays related to inclement weather in the area and is requesting relief under IRS Revenue Procedure 2014-49 in the form of an additional 90-day extension, from June 30, 2019, to September 30, 2019, to the Development's PIS deadline;

WHEREAS, aside from delaying the availability of affordable units, the requested change does not negatively affect the Development or impact the long term viability of the transaction, and the requested relief is commensurate with the delay which occurred and does not exceed the relief period specified in IRS Revenue Procedure 2014-49; and

WHEREAS, under 10 TAC §10.405(c), staff has determined that Board approval is warranted based on the extenuating circumstances in the Owner's request;

NOW, therefore, it is hereby

RESOLVED, that the requested extension of the PIS deadline to September 30, 2019, is hereby approved, and the Acting Director and his designees are each authorized, empowered, and directed to take all necessary action to effectuate the foregoing.

BACKGROUND

Provision at West Bellfort was approved for a 9% Housing Tax Credit (HTC) award in 2016. The Development is a 144-unit, new construction property located in southwest Houston near Sugar Land, Fort Bend County. The Development Owner, Provision at West Bellfort, LP, and its General Partner, Provision at West Bellfort GP, LLC, are ultimately controlled by Mark Gardner of Gardner Capital and Laolu Yemitan.

On September 29, 2017, the Development Owner submitted to the Department a letter requesting a six-month extension to the date that the Development Owner is required to place each building in service in accordance with IRC §42(h)(1) and the Development's Carryover Allocation Agreement. The Development Owner sought the relief under IRS Revenue Procedure 2014-49 relating to Owners of low-income buildings and housing credit agencies of States in Major Disaster Areas declared by the President.

The Department verified that Fort Bend County was included in the list of designated counties eligible for assistance under FEMA Notice of Major Disaster Declaration (DR-4332) declared on August 25, 2017, due to damage in the State of Texas from Hurricane Harvey resulting from severe flooding, storm surge, and damaging winds from the period of August 23, 2017, through September 15, 2017.

On October 12, 2017, the Department board approved a three-month extension to the original PIS deadline to March 31, 2019, with the further authorization of the Executive Director to grant an

additional three-month extension to the PIS deadline, if warranted. On February 13, 2019, the Acting Director approved a subsequent three-month extension to the PIS deadline to June 30, 2019.

The Development began construction in November 2017, and construction was initially anticipated to be completed in March 2019. However, in addition to the impact of Hurricane Harvey, severe weather persisted through 2018. The Owner provided a Proclamation from Governor Abbott dated November 4, 2018, stating that the state of disaster continues to exist in Texas counties (including Fort Bend County) as a result of catastrophic damage caused by Hurricane Harvey and severe weather that continued through 2018.

The latest Construction Status Report submitted to the Department on April 30, 2019, reports that construction is progressing slower than expected due to continued rainfall and muddy conditions. As of March 31, 2019, construction is approximately 74% complete. The construction inspection report also states that the current deadline of June 30, 2019, will likely not be met.

On April 29, 2019, the Owner submitted to the Department a letter requesting an additional 90-day extension to the date that the Owner is required to place each building in service. The Owner states that substantive delays in construction continue due to persistent rainfall events in the area. In addition, construction progress has been continually impeded by the labor supply from critical path subcontractors on the project, such as the electrical subcontractor, HVAC subcontractor, and trim subcontractor. Construction progress has been also been impeded by insufficient labor forces provided by the subcontracting companies, which is directly caused by the very active construction market in the Houston area post-Hurricane Harvey. Also, the Owner states that the City of Houston is overwhelmed with the large amount of development, and the course-of-construction permitting is continually delayed. The Owner has instructed the General Contractor to execute change orders for increased and overtime labor from all critical subcontracting companies. The Owner believes that, with the increased and overtime labor, the September 30, 2019, requested deadline will be met.

In accordance with IRS Revenue Procedure 2014-49, Section 6.03, as an Owner affected by a Presidentially declared disaster, the Owner is requesting the Department's approval for the carryover allocation relief. The agency, as directed by the Procedure, may approve such relief only for projects whose Owners cannot reasonably satisfy the deadlines of §42(h)(1)(E) because of an event or series of events that led to a major disaster declaration under the Stafford Act. The agency's determination may be made on an individual project basis or the agency may determine, because of the extent of the damage in a major disaster area, that all Owners or a certain group of Owners in the Major Disaster Area warrant the relief.

Staff believes that the severe weather and heavy rains, which have continued through 2018 and early 2019, affected the construction progress of this Development, and construction was further delayed by the impact of Hurricane Harvey in the construction market in the Houston area.

Extension requests are normally considered under the Uniform Multifamily Rules, Subchapter E, 10 TAC §10.405(c); however, extensions are only considered in this section if the original deadline associated with Carryover, the 10% Test, construction status reports, or cost certification requirements

will not be met. The provisions in the Rule do not specifically address extensions to the placed in service deadline. The IRS, however, provides for the subject disaster related extension. Staff has the ability, in accordance with provisions in 10 TAC §10.405(c), to bring to the Board material determinations that warrant Board approval due to extraordinary circumstances such as those discussed above.

Staff recommends approval of the third extension to the placed-in-service deadline for the Development, from June 30, 2019, to September 30, 2019, as presented herein.



April 26, 2019
TDHCA
221 E. 11th Street
Austin, TX 78701

Re: Provision at West Bellfort (TDHCA #16258) – placed-in-service extension request

On behalf of the Owner/ Developer for Provision at West Bellfort (the “Development”), I am writing to inform TDHCA that the Development has continued to experience significant delays in construction as initially projected by the Applicant in the original request letter dated September 24, 2017, and reaffirmed in the second request letter dated November 19, 2018. This letter serves as notice to TDHCA that the delays reported by the Applicant in both instances have continued to be substantive into the 2019 calendar year. This letter also serves to provide TDHCA specific instances of delays incurred since the submission of the second request letter dated November 19, 2018, and the specific proactive measures the Applicant must take to mitigate these delays. Proclamations from the Office of the Governor dated March 15, 2019, and April 12, 2019, further detail the case that the state of disaster continues to exist in those Counties. The Applicant is requesting to extend the placed-in-service by an additional 90 days.

In the time that has transpired since the most recent request letter was submitted by the Applicant, the construction of the Development has incurred delays related to subcontractor labor force, as well as permitting and inspection items with the City of Houston, which have been further exacerbated by continual rainfall events in the area. Construction progress has been continually impeded by the labor supply from critical path subcontractors on the project such as the electrical subcontractor, HVAC subcontractor, and trim subcontractor. We have experienced insufficient labor forces provided by the subcontracting companies directly caused by the very active construction market in the Houston metroplex post-Harvey. The subcontracting companies are not able to provide “coverage” in terms of manpower to satisfy the large number of contracts they are engaged in, and in some instances, are allocating the most resources towards larger contracts. Generally speaking, manpower provided by the electrical and HVAC subcontractor have caused the most substantive delays – delaying insulation installation, sheetrock installation, and permanent power connection to buildings. Crews over the past couple of months have typically provided half of the coverage identified by the General Contractor as needed to meet schedule.

Further compounding the issues are delays with course-of-construction permitting through the City of Houston. The Applicant attributes these delays to the large amount of development and redevelopment in both the public and private sectors following Hurricane Harvey, which has overwhelmed the City’s capacity to provide permitting in a timely manner. One specific example of critical permitting delays at the City involve a submission of plans in conjunction with a water meter application, which were submitted in September 2017. The General Contractor has yet to receive stamped plans after five rounds of comments and resubmissions, including an in-person meeting between the Applicant, its Civil Engineer, and reviewers at the City of Houston. A second critical instance of an atypically long course-of-construction review and permitting process involves a submission of electrical drawings to the City for



review and approval; a process which should take no longer than two weeks has not been completed three weeks from the submission at the time this letter was drafted. Receipt of the stamped set of electrical drawings is currently delaying the connection of permanent power to the buildings in the Development.

To further exacerbate the construction delays concerning subcontractor resources to the Development and the untimely course-of-construction permitting process though the City of Houston has been the atypical amounts of rain events the Houston metroplex has received during the winter months.

Currently, we have executed agreements with critical subcontractors to allocate more resources to the project and have a dedicated path to achieve Placed in Service before the end of this extension. The Applicant has instructed the General Contractor to execute change orders for increased and overtime labor from all critical subcontracting companies. In addition, the Applicant has engaged a local permit expediter to assist with moving submissions through the City of Houston. We are confident that through the continual use of agreements with subcontracting companies for increased and overtime labor, and supplementing labor on the project from third party contractors, the Project will be delivered before September 30, 2019. The assumptions for that time frame are grounded in the Applicant's continued in-depth observations of construction progress on the site, specifically in regard to the following variables: the timing of City of Houston inspections, delivery of materials, allocation of labor, and time span from installation of sheet rock in buildings to the delivery of units.

With such considerations in mind, please consider this a request to extend the placed-in-service deadline to September 30, 2019.

Sincerely,

A handwritten signature in blue ink, appearing to read "BS", is written over a light blue circular stamp.

Brennan Sanders



April 26, 2019

Memorandum

Provision at West Bellfort, LP
4803 S National, Suite 200
Springfield, MO 65810

Re: Provision at West Bellfort (#16258) – Placed In Service Extension

To Whom It May Concern:

Cross Architects is the Architect of Record for Provision at West Bellfort. As such, I am writing to affirm the continual occurrence of construction delays on the Development related to subcontractor labor force on the project and course-of-construction permitting and inspection processes with the City of Houston, both of which have been compounded by continual, substantial rainfall events.

I concur with Developer's conclusion that the very active construction market in the Houston Metroplex post-Harvey has created an environment in which the subcontracting companies in the region are not able to provide "coverage" in terms of manpower to satisfy the large number of contracts they are engaged in, and in some instances, are allocating the most resources towards larger contracts.

The Project's schedule has also continued to be impacted by prolonged course-of-construction review and permitting processes with the City of Houston. The City's permitting facilities have been overwhelmed by the large amount development and redevelopment within the City; these effects have continued to be seen into the 2019 calendar year.

The Developer has acted proactively to address labor and permitting issues, however, the effects have persisted, as they are reasonably out of the Developer's control. We are agreement with the Developer that a 90-day extension is needed and will be a sufficient amount of time to finish the project.

Sincerely,

A handwritten signature in blue ink, appearing to read "Adam Everett", with a long horizontal flourish extending to the right.

Adam Everett,
Cross Architects, PLLC



1999 Bryan Street, Suite 890

Dallas, Texas 75201

o | 214.939.7123

f | 888.765.8135

w | www.fg-inc.net

D/B/A Foresite Consulting Group of Texas, Inc.

April 26, 2019

Provision at West Bellfort, LP
4803 S National, Suite 200
Springfield, MO 65810

Re: Provision at West Bellfort (#16258) – Placed In Service Extension

To Whom It May Concern:

Foresite Group is the Engineer of Record for Provision at West Bellfort. As such, I am writing to affirm the continual occurrence of delays on the Development related to course-of-construction permitting processes with the City of Houston.

The Project's schedule has continued to be impacted by prolonged course-of-construction review and permitting processes with the City of Houston. A specific instance of critical permitting delays at the City involved a submission of plans in conjunction with a water meter application, which were submitted in September 2018. The General Contractor has yet to receive stamped plans after five rounds of comments and resubmissions, including an in-person meeting between the Applicant, its Civil Engineer, and reviewers at the City of Houston.

The Developer has acted proactively to address permitting issues, however, the effects have persisted, as they are reasonably out of the Developer's control. We are agreement with the Developer that a 90-day extension is needed and will be a sufficient amount of time to complete the project permitting.

Thank you for your time and consideration.

Sincerely,
FORESITE GROUP, INC.

A handwritten signature in black ink that reads "Sean Faulkner". The signature is written in a cursive, flowing style.

Sean Faulkner, PE
Senior Project Manager

RAYMOND JAMES

April 24, 2019

Provision at West Belfort, LP
4803 S National, Suite 200
Springfield, MO 65810

Re: Provision at West Belfort (#16258) – Placed In Service Extension

To Whom It May Concern:

Raymond James Tax Credit Funds is the Investor Limited Partner for Provision at West Belfort (the “Project”) and has concerns regarding the delays with the construction of the Project. The delays have been consistent with the concerns initially expressed by the Contractor regarding utility coordination and subcontractor coverage following Hurricane Harvey and have continued to negatively impact construction into the 2019 calendar year.

Raymond James Tax Credit Funds is requesting that the Applicant request approval to extend the Project’s placed-in-service deadline to September 30, 2019.

Sincerely,



James Dunton
Managing Director of Acquisitions – Midwest Region
Raymond James Tax Credit Funds, Inc.



Sara J. Hutchinson-Hale
Senior Vice President
4576 Research Forest Drive
The Woodlands, TX 77381

Via: E-Mail

April 24, 2019

Provision at West Bellfort, LP
4803 S National, Suite 200
Springfield, MO 65810

Re: Provision at West Bellfort (#16258) – Placed In Service Extension

To Whom It May Concern:

Amegy Bank is the Construction and Permanent Lender for Provision at West Bellfort (the "Project") and has concerns regarding the delays with the construction of the Project. The delays have been consistent with the concerns initially expressed by the Contractor regarding utility coordination and subcontractor coverage following Hurricane Harvey and have continued to negatively impact construction into the 2019 calendar year.

Amegy Bank is requesting that the Applicant request approval to extend the Project's placed-in-service deadline to September 30, 2019.

Respectfully submitted,

A handwritten signature in blue ink that reads "Sara Hale". The signature is written in a cursive, flowing style.

Sara Hutchinson-Hale




GOVERNOR GREG ABBOTT

October 30, 2018

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
3:00pm O'CLOCK

The Honorable Rolando B. Pablos
Secretary of State
State Capitol Room 1E.8
Austin, Texas 78701


Secretary of State

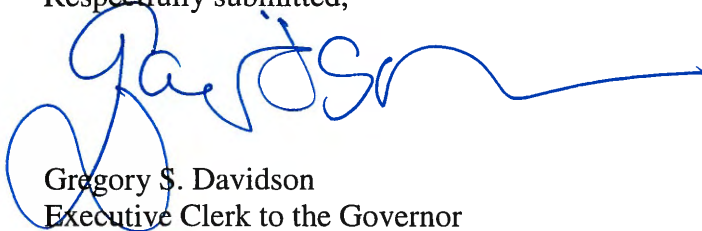
Dear Mr. Secretary:

Pursuant to his powers as Governor of the State of Texas, Greg Abbott has issued the following:

A proclamation certifying that the severe weather and flooding event that began on September 10, 2018, has caused or may cause widespread and severe property damage in a number of Texas counties.

The original proclamation is attached to this letter of transmittal.

Respectfully submitted,



Gregory S. Davidson
Executive Clerk to the Governor

GSD/gsd

Attachment

PROCLAMATION

BY THE

Governor of the State of Texas

TO ALL TO WHOM THESE PRESENTS SHALL COME:

I, GREG ABBOTT, Governor of the State of Texas, do hereby certify that the severe weather and flooding event that began on September 10, 2018, has caused or may cause widespread and severe property damage in Aransas, Atascosa, Austin, Bandera, Bastrop, Baylor, Bee, Bexar, Blanco, Brazoria, Brazos, Brooks, Brown, Burleson, Burnet, Caldwell, Calhoun, Callahan, Cameron, Chambers, Coleman, Colorado, Comal, Comanche, DeWitt, Dimmit, Duval, Eastland, Edwards, Ellis, Erath, Fannin, Fayette, Fort Bend, Frio, Galveston, Gillespie, Goliad, Gonzales, Grimes, Guadalupe, Hamilton, Harris, Haskell, Hays, Hidalgo, Hill, Hood, Hopkins, Houston, Jackson, Jim Hogg, Jim Wells, Jones, Karnes, Kenedy, Kendall, Kerr, Kimble, Kinney, Kleberg, Knox, Lampasas, La Salle, Lavaca, Lee, Leon, Liberty, Live Oak, Llano, Madison, Mason, Matagorda, Maverick, McMullen, Medina, Mills, Montgomery, Nolan, Nueces, Palo Pinto, Parker, Polk, Real, Refugio, San Jacinto, San Patricio, San Saba, Shackelford, Somervell, Starr, Stephens, Sutton, Tarrant, Taylor, Throckmorton, Travis, Trinity, Uvalde, Val Verde, Victoria, Walker, Waller, Washington, Webb, Wharton, Willacy, Williamson, Wilson, Zapata, and Zavala counties.

THEREFORE, in accordance with the authority vested in me by Section 418.014 of the Texas Government Code, I do hereby declare a state of disaster in the previously listed counties.

Pursuant to Section 418.017 of the code, I authorize the use of all available resources of state government and of political subdivisions that are reasonably necessary to cope with this disaster.

Pursuant to Section 418.016 of the code, any regulatory statute prescribing the procedures for conduct of state business or any order or rule of a state agency that would in any way prevent, hinder or delay necessary action in coping with this disaster shall be suspended upon written approval of the Office of the Governor. However, to the extent that the enforcement of any state statute or administrative rule regarding contracting or procurement would impede any state agency's emergency response that is necessary to protect life or property threatened by this declared disaster, I hereby authorize the suspension of such statutes and rules for the duration of this declared disaster.

In accordance with the statutory requirements, copies of this proclamation shall be filed with the applicable authorities.



IN TESTIMONY WHEREOF, I have hereunto signed my name and have officially caused the Seal of State to be affixed at my office in the City of Austin, Texas, this the 30th day of October, 2018.

A handwritten signature in black ink that reads "Greg Abbott".

GREG ABBOTT
Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
3:00 PM O'CLOCK

OCT 30 2018

ATTESTED BY:



ROLANDO B. PABLOS
Secretary of State

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
3:00 PM O'CLOCK
OCT 30 2018



GOVERNOR GREG ABBOTT

November 4, 2018

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
11:30AM O'CLOCK

The Honorable Rolando B. Pablos
Secretary of State
State Capitol Room 1E.8
Austin, Texas 78701

NOV 04 2018

Secretary of State

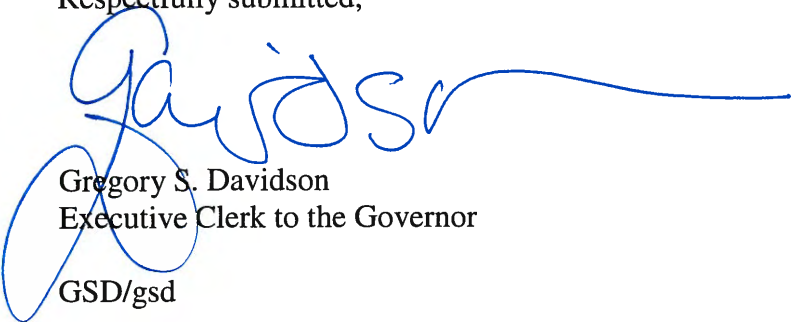
Dear Mr. Secretary:

Pursuant to his powers as Governor of the State of Texas, Greg Abbott has issued the following:

A proclamation stating that a state of disaster continues to exist in Texas as a result of catastrophic damage caused by Hurricane Harvey in Angelina, Aransas, Atascosa, Austin, Bastrop, Bee, Bexar, Brazoria, Brazos, Burleson, Caldwell, Calhoun, Cameron, Chambers, Colorado, Comal, DeWitt, Fayette, Fort Bend, Galveston, Goliad, Gonzales, Grimes, Guadalupe, Hardin, Harris, Jackson, Jasper, Jefferson, Jim Wells, Karnes, Kerr, Kleberg, Lavaca, Lee, Leon, Liberty, Live Oak, Madison, Matagorda, Milam, Montgomery, Newton, Nueces, Orange, Polk, Refugio, Sabine, San Patricio, San Augustine, San Jacinto, Trinity, Tyler, Victoria, Walker, Waller, Washington, Wharton, Willacy, and Wilson Counties.

The original proclamation is attached to this letter of transmittal.

Respectfully submitted,


Gregory S. Davidson
Executive Clerk to the Governor

GSD/gsd

Attachment

PROCLAMATION

BY THE

Governor of the State of Texas

TO ALL TO WHOM THESE PRESENTS SHALL COME:

WHEREAS, I, GREG ABBOTT, Governor of the State of Texas, issued a disaster proclamation on August 23, 2017, certifying that Hurricane Harvey posed a threat of imminent disaster for Aransas, Austin, Bee, Brazoria, Calhoun, Chambers, Colorado, DeWitt, Fayette, Fort Bend, Galveston, Goliad, Gonzales, Harris, Jackson, Jefferson, Jim Wells, Karnes, Kleberg, Lavaca, Liberty, Live Oak, Matagorda, Nueces, Refugio, San Patricio, Victoria, Waller, Wharton and Wilson counties; and

WHEREAS, the disaster proclamation of August 23, 2017, was subsequently amended on August 26, August 27, August 28 and September 14 to add the following counties to the disaster proclamation: Angelina, Atascosa, Bastrop, Bexar, Brazos, Burleson, Caldwell, Cameron, Comal, Grimes, Guadalupe, Hardin, Jasper, Kerr, Lee, Leon, Madison, Milam, Montgomery, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Trinity, Tyler, Walker, Washington and Willacy; and

WHEREAS, on September 20, 2017, and in each subsequent month effective through today, I issued proclamations renewing the disaster declaration for all counties listed above; and

WHEREAS, due to the catastrophic damage caused by Hurricane Harvey, a state of disaster continues to exist in those same counties;

NOW, THEREFORE, in accordance with the authority vested in me by Section 418.014 of the Texas Government Code, I do hereby renew the disaster proclamation for the 60 counties listed above.

Pursuant to Section 418.017 of the code, I authorize the use of all available resources of state government and of political subdivisions that are reasonably necessary to cope with this disaster.

Pursuant to Section 418.016 of the code, any regulatory statute prescribing the procedures for conduct of state business or any order or rule of a state agency that would in any way prevent, hinder or delay necessary action in coping with this disaster shall be suspended upon written approval of the Office of the Governor. However, to the extent that the enforcement of any state statute or administrative rule regarding contracting or procurement would impede any state agency's emergency response that is necessary to protect life or property threatened by this declared disaster, I hereby authorize the suspension of such statutes and rules for the duration of this declared disaster.

In accordance with the statutory requirements, copies of this proclamation shall be filed with the applicable authorities.



IN TESTIMONY WHEREOF, I have hereunto signed my name and have officially caused the Seal of State to be affixed at my office in the City of Austin, Texas, this the 4th day of November, 2018.

A handwritten signature in black ink that reads "Greg Abbott".

GREG ABBOTT
Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
11:30AM O'CLOCK

NOV 04 2018

ATTESTED BY:



ROLANDO B. PABLOS
Secretary of State

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
11:30 AM O'CLOCK

NOV 04 2018

2a

TDHCA Outreach Activities, April-May

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

Activity	Event	Date	Location	Division
Training	Texas Affordable Housing Specialist – Course: United Texas – Housing Initiatives that Work	April 29	Collin County	Homeownership
Conference	Texas Mortgage Bankers Association	April 29-30	San Antonio	Homeownership
Meeting	Texas Interagency Council for the Homeless Quarterly Meeting	April 30	Austin	Housing Resource Center
Public Hearing	Draft State of Texas Analysis of Impediments (AI) to Fair Housing Choice	April 30	Edinburg	Fair Housing
Public Hearing	Draft State of Texas AI to Fair Housing Choice	May 1	Victoria	Fair Housing
Meeting	Housing and Health Services Coordination Council Quarterly Meeting	May 1	Austin	Housing Resource Center
Public Hearing	Draft State of Texas AI to Fair Housing Choice	May 1	Houston	Fair Housing
Public Hearing	Draft State of Texas AI to Fair Housing Choice	May 2	Beaumont	Fair Housing
Training	Income Determination Training	May 7	San Antonio	Compliance
Training	Implementing Income Averaging Webinar	May 8	San Antonio	Compliance (co-hosted with Tx. Apartment Assc.)
Meeting	Disability Advisory Workgroup	May 8	Austin	Housing Resource Center

Internet Postings of Note

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

Asset Management

- Added Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Land Use Restriction Agreement (Oak Meadows Townhomes, Casa Pointe Villas, Ridgecrest Inn Apartments)
- Added Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application (Parkdale Villas)
- Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application and changes to the Direct Loan (Clyde Ranch, Farmhouse Row)
- Replaced Cost Certification Application

Bond Finance

- Added 2019 Investment Policy and 2019 Interest Rate Swap Policy

Communications:

- Posted homepage article, "TDHCA celebrates National Mobility Awareness Month"
- Added Fannie Mae's Disaster Response flyer to Federal Resources for Homeowners
- Posted homepage article, "Memories"

Community Affairs

- Posted updated Master List of Community Affairs Subrecipients
- Added link to Training and Orientation Tool for Tripartite Boards – CAPLAW
- Added 2020 forms for CSBG (Estimated CSBG Allocations with TOP Goals, Budget Form, Budget Instructions, CAP Form, CAP-CIS Form, CAP-CIS Instructions)
- Added pdf of DRAFT 2020 and 2021 CSBG State Application and Plan
- Added pdf of DRAFT 2020 LIHEAP State Plan
- Added CSBG Community Initiatives video
- Replaced WAP form Blower Door and Duct Baster Data Sheet
- Added Uniform Grant Management Standards for CEAP, WAP and CSBG
- Replaced updated CEAP Production Schedule Tool
- Added CEAP Video Library/Training Video Archive webpage with CEAP Production Tool video
- Added Community Affairs Training Video Archive webpage with Income Eligibility and Uniform Previous Participation Form and Wufoo Submission videos

Compliance

- Updated Project Income and Rent Tool to reflect 2019 Multifamily Tax Subsidy Program (MTSP) income limits, Tax Exempt Bond, HOME, Neighborhood Stabilization and Housing Trust Fund rental development programs
- Replaced checklist for 2018 Final Construction Inspection Request
- Replaced checklist for 2018 Mid Construction Inspection Request

Fair Housing

- Updated Fair Housing broken links for resources, trainings, and guides
- Added 2019 Fair Housing Overview Webinar video, slides, transcript, and handouts
- Posted updated Request for Qualifications from Fair Housing Training Providers

HOME and Homeless:

- Added updated 2019 HHSP Performance and Expenditure Worksheet Supplement
- Updated Single Family Setup and Draw Workbook
- Updated HOME Program Intake Application for Homeowner Rehabilitation Assistance, Homebuyer Assistance, Single Family Development, and Tenant Based Rental Assistance

- Updated Ending Homelessness Fund contributed amount
- Updated HOME Homeownership Value Limits
- Added 2019 HHSP Monthly Performance Report Guide

Homeownership

- Updated income and purchase price limits for 2019
- Updated Costs/Fees for issuance of a Mortgage Credit Certificate
- Added Save the Date information for Texas Statewide Homebuyer Education Program (TSHEP) training
- Updated TSHEP certified provider list

Housing Resource Center

- Added updated TICH Council Members, Advisory Members, and Staff Support list

Multifamily:

- Added 2019 4% HTC Bond Status Log (as of May 3)
- Added 2019-2 Multifamily Predevelopment Special Purpose NOFA Application Log
- Linked REVISED 2018 List of Declared Disaster Areas
- Updated 2019 HTC Award Limits and Estimated Regional Allocation
- Added pdf of Proposed Updated to Substantial Amendment (also added to Neighborhood Stabilization Program page under NSP1 Substantial Amendment to the State of Texas 2008 CDBG Action Plan for NSP)
- Added online forum for 2020 QAP and Rules Planning Project
- Updated HTC Property Inventory list
- Updated 2019-1 Direct Loan Application log

NOFA

- Amended 2019-1 Multifamily Direct Loan Annual NOFA (updated amount, \$44,241,262 and deadline)

Public Comment

- Open for Public Comment period for DRAFT 2020 LIHEAP State Plan
- Open for Public Comment period for DRAFT 2020 and 2021 CSBG State Application and Plan
- Open for Public Comment period for Proposed new rule at 10 TAC, Chapter H, Income and Rent Limits
- Open for Public Comment period for Proposed Update to NSP1 Substantial Amendment
- Open for Public Comment period for Proposed new rule at 10 TAC, Section 1.24, Information Security and Privacy Requirements
- Open for Public Comment period for Proposed amendment to Section 1.410 Determination of Alien Status for Program Beneficiaries

Purchasing

- Added Bid Posting for Uniformed Security Guard Services
- Added Request for Proposal for Emergency Solutions Grant Coordinators
- Updated list of No-Bid contracts as required by state

Real Estate Analysis

- Added 2019 9% HTC Underwriting Reports

Section 811 PRA

- Updated Application Packet (application portion)
- Updated Income Limits with new chart

Frequently Used Acronyms

AMFI	Area Median Family Income	LURA	Land Use Restriction Agreement
AYBR	Amy Young Barrier Removal Program	MF	Multifamily
CEAP	Comprehensive Energy Assistance Program	MFTH	My First Texas Home Program
CFD	Contract for Deed Program	MRB	Mortgage Revenue Bond Program
CFDC	Contract for Deed Conversion Assistance Grants	NHTF	National Housing Trust Fund
CHDO	Community Housing Development Organization	NOFA	Notice of Funding Availability
CMTS	Compliance Monitoring and Tracking System	NSP	Neighborhood Stabilization Program
CSBG	Community Services Block Grant Program	OIG	Office of Inspector General
ESG	Emergency Solutions Grants Program	QAP	Qualified Allocation Plan
FAQ	Frequently Asked Questions	QCP	Quantifiable Community Participation
HBA	Homebuyer Assistance Program	REA	Real Estate Analysis
HHSCC	Housing and Health Services Coordination Council	RFA	Request for Applications
HHSP	Homeless Housing and Services Program	RFO	Request for Offer
HRA	Homeowner Rehabilitation Assistance Program	RFP	Request for Proposals
HRC	Housing Resource Center	RFQ	Request for Qualifications
HTC	Housing Tax Credit	ROFR	Right of First Refusal
HTF	Housing Trust Fund	SLIHP	State of Texas Low Income Housing Plan
HUD	U.S. Department of Housing and Urban Development	TA	Technical Assistance
IFB	Invitation for Bid	TBRA	Tenant Based Rental Assistance Program
		TICH	Texas Interagency Council for the Homeless
		TSHEP	Texas Statewide Homebuyer Education Program
		TXMCC	Texas Mortgage Credit Certificate
		VAWA	Violence Against Women Act
		WAP	Weatherization Assistance Program

2b

BOARD REPORT
MULTIFAMILY FINANCE DIVISION
MAY 23, 2019

2020 QAP Planning Project report

The second 2020 QAP roundtable was held on April 24, 2019. Two competitive scoring items were discussed with stakeholders — 10 TAC §11.9(c)(7), Proximity to the Urban Core, and 10 TAC §11.9(c)(5), Underserved Area.

Proximity to the Urban Core

Staff first discussed Proximity to the Urban Core, providing attendees with an analysis of land cost trends for 9% Housing Tax Credit (HTC) Applications from 2017 - 2019. That analysis showed that there was not a significant discrepancy in per Unit land costs between Urban Core and non-Urban Core Developments in 2017 and 2018, but that in 2019 there appears to be a marked increase in per Unit land costs for Urban Core 9% Applications. The group discussed how the QAP, through its scoring criteria, effectively makes certain census tracts competitive for HTCs and noncompetitive in other areas. Additionally, in those competitive areas in the urban cores of Texas' major metropolitan areas, HTC Applicants must compete with commercial and market rate developers. Stakeholders have raised concerns in the past that scoring items related to location can drive Applicants to seek expensive land, especially when multiple applicants are looking for land in only a few small high-scoring areas.

To mitigate against rising costs associated with the urban core, staff proposed amending 10 TAC §11.9(c)(7) to focus on proximity to jobs, as opposed to proximity to the urban core. The general feedback from stakeholders was positive, confirming that this change could increase the amount of land that could be competitive from a scoring perspective, and may potentially decrease the per Unit land costs the Department could expect to see in future cycles, while still incentivizing areas with strong amenities and high opportunity. From a high-level policy perspective, the general consensus among stakeholders was that the QAP should push development to where jobs are.

In order to start the conversation, staff provided two possible draft rule options. "Option A" retained Urban Core points while reducing the points from five to two; it also added a three point item for proximity to jobs. "Option B" eliminated the Urban Core points completely, and replaced it with up to five points for proximity to jobs. There was strong support from Stakeholders for Option B, and most attendees generally supported a tiered point system with higher points provided for more jobs, a minimum threshold number of jobs, or a larger proportion of the community's jobs being a closer distance to a development; and fewer jobs or a farther distance warranting fewer points.

Despite the support, there were several concerns expressed by stakeholders that staff will research further. For example, one stakeholder wondered if a proximity to jobs scoring item

would inadvertently incentivize affordable housing near industrial areas, which might not be conducive to housing. Stakeholders also asked staff to take a very cautious and informed approach in determining the number of jobs to be incentivized and the distance to those jobs, especially in light of the geographical differences not only across the state, but even among large cities themselves. For example, one stakeholder asked staff to consider the differences in job densities between Waco and Austin. Other stakeholders wondered if, just as the Opportunity Index has urban and rural sections, so too might this scoring item need such nuance. It was suggested that maps be generated for how some of this data would look geographically, which staff is planning to generate and make available for further discussion.

Stakeholders at the roundtable provided additional considerations for staff as work begins on crafting the 2020 QAP. Currently, Proximity to the Urban Core is not open to the At-risk Set-aside. One stakeholder asked that Proximity to Jobs be open to this Set-aside. Another commenter suggested that if the Department did not wish to eliminate Proximity to the Urban Core entirely, staff could simply add Proximity to Jobs as an “or” option, with both being worth an equal number of points. Several attendees also requested that commute time be considered.

Underserved Area

The second topic discussed was Underserved Area. The 2019 QAP included two new scoring items under this paragraph, including subparagraph 10 TAC §11.0(c)(5)(F), which seeks to approximate areas experiencing gentrification in metropolitan regions. However, staff noted that in the 2019 competitive round, only one Application selected the item. Stakeholders noted that it was not a popular item because it was worth too few points (two points) and, second, it conflicts with the first tie-breaker factor in 10 TAC §11.7. The effective poverty rate required by the first tie-breaker factor, if an Applicant wishes to remain competitive, is 15.629% or less. However, 10 TAC §11.0(c)(5)(F) of Underserved Area specified the points only for census tracts with poverty rates **above** 20%. Thus, these two QAP items effectively contradict one another. Staff will research ways to balance these two items.

Other considerations received from stakeholders regarding Underserved Area include revisiting the “look back periods”, which are 30 years and 15 years; providing further research on underserved area items based on current need and demand; and finding a way to exempt small existing Developments built in the early years of the HTC Program that, despite only having a dozen or so Units, effectively render the census tracts in which they are located ineligible for the 30-year scoring item.

Other

Two other issues arose at this meeting that did not relate to the issues discussed above:

- Several attendees discussed a desire to eliminate the 811 Program scoring item; others were very supportive of this suggestion. Based on the progress that has occurred in the rollout of the 811 Program, staff has indicated it is willing to propose removal of the 811 Program scoring item, while planning to suggest an alternate supportive services scoring item to replace it.
- Several attendees requested that the Department recraft the actual Application form used in submitting a 9% Application. They noted that it is increasingly more difficult to

use the Application tools provided, and that the form has not been totally redone in many years. Staff has committed to working on this issue, although with limited resources we cannot ensure that it will take place for the 2020 competitive cycle.

2c

BOARD REPORT ITEM

COMPLIANCE DIVISION

MAY 23, 2019

Report on proceedings to remove the eligible entity status and terminate CSBG contracts and funding for Cameron and Willacy Counties Community Projects, Inc.

BACKGROUND

At its meeting of November 8, 2018, the Board granted staff the authority to initiate termination proceedings to remove the eligible entity status and to initiate termination of the CSBG contracts and funding of Cameron and Willacy Counties Community Projects, Inc. (CWCCP). The basis for the recommendation to the Board at that time, and for the Board's approval, was because CWCCP had failed to submit proper single audits required by Federal Office of Budget and Management (OMB) circulars and/or 2 CFR Part 200 et seq. (as applicable).

CWCCP did not expend the threshold that triggers the requirement for the submission of a single audit for fiscal year 2015, and was delinquent in submitting single audits for fiscal years 2016 and 2017 when staff requested the authority to initiate termination proceedings.

On January 10, 2019, CWCCP properly completed a single audit for fiscal year 2016. The required audit for fiscal year 2017 was received on March 29, 2019, and CWCCP has until May 18, 2019, to provide a response to the Department's management decision letter.

Because the 2016 and 2017 audits have been received, the Department staff does not believe that a deficiency related to CWCCP's failure to submit single audits prior to the 2017 fiscal year single audit would merit termination of CWCCP's eligible entity status and termination of their CSBG contracts and funding.

This item serves as a report to notify the Board that, at this time, the Department is no longer pursuing termination proceedings to remove the eligible entity status and terminate CSBG contracts and funding of Cameron and Willacy Counties Community Projects, Inc.

2d

BOARD REPORT ITEM
TEXAS HOMEOWNERSHIP DIVISION
MAY 23, 2019

Quarterly Report on Texas Homeownership Division Activity

BACKGROUND

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


Currently, the Department offers the following options to homebuyers:

- My First Texas Home Program. Offers expanded mortgage loan opportunities to qualifying first-time homebuyers, including government and conventional 30-year fixed rate mortgage loan options. All loans originated through the program are tax-exempt eligible. Borrowers must be first-time homebuyers (cannot have had an ownership interest in a primary residence within the last three years or must qualify for a veteran or targeted area exception), and both borrower income and the purchase price of the home must be within IRS designated limits. IRS income limits are 100% of Area Median Family Income (AMFI) for households of one to two persons and 115% of AMFI for households of three or more. The IRS purchase price limit is 90% of the average area purchase price. Higher income and purchase price limits apply with respect to homes purchased in targeted areas, which are areas of severe economic distress. Income is calculated using a methodology established by the IRS, and recapture tax applies for loans that are used in a tax-exempt bond issue or for loans that receive a Mortgage Credit Certificate (MCC). The program currently uses both tax-exempt mortgage revenue bond proceeds and TMP as funding sources for this option.
- My Choice Texas Home Program. Offers mortgage loan opportunities to qualifying first-time and non-first-time homebuyers, including government and conventional 30-year fixed rate mortgage loan options. Down payment and closing cost assistance is available with each loan. While the same income and purchase price limits described above apply, income eligibility is based on the standard credit qualifying (1003) income instead of IRS methodology. All loans are funded through TMP, so no IRS tax provisions apply.

- Texas Mortgage Credit Certificate (MCC) Program. Makes homeownership more affordable by providing first-time homebuyers a federal income tax credit, reducing the homebuyer’s potential federal income tax liability. By having an MCC, the homebuyer has the ability to convert a portion of their annual mortgage interest into a direct income tax credit on their U.S. individual income tax return. The credit may be applied for the life of the loan, as long as it continues to be the borrower’s primary residence. Currently, the Texas MCC option is only offered in combination with a My First Texas Home mortgage loan; these loans are referred to as Combo loans for discussion and reporting purposes.

The table below details the Department’s loan options and mortgage rates for the various options as of May 9, 2019. Down payment and closing cost assistance (DPA) is provided as a 30-year, non-amortizing, 0% interest second mortgage loan that is due on sale or refinance.

Texas Department of Housing and Community Affairs
Texas Homeownership Programs

 Rate Notice and Available Options 5/9/2019	Loans with Down Payment Assistance			Unassisted Loans	
	Government Loans (FHA, USDA, VA)	Conventional Loans Fannie Mae Preferred	Conventional Loans Fannie Mae Preferred	Government Loans (FHA, USDA, VA)	Conventional Loans Fannie Mae Preferred
Amount of DPA Provided	4 Points DPA	3 Points DPA	5 Points DPA	No DPA	No DPA
BOND PROGRAM - SUBJECT TO AVAILABILITY					
My FIRST Texas Home Tax Exempt Bond Loan	N/A	N/A	N/A	N/A	N/A
TBA PROGRAM - CONTINUOUS FUNDING					
My FIRST Texas Home Bond Eligible Loans, No MCC	5.250%	5.000%	5.250%	Unassisted Funds available with Bond Program only	
My FIRST Texas Home Combo Loans with MCC*	5.375%	5.125%	5.375%		
My CHOICE Texas Home Taxable Loans, No MCC	5.375%	5.125%	5.375%		
*MCC Credit Rate (Borrower Option) 20% or 25%					

The attached reports have been revised from their previous format to include an Aggregate Summary Report that reflects activity for each available homeownership option over the prior three calendar years. Detailed reports show activity during the past 12 months, including a map that reflects Texas counties served, demographic information on households served, homes purchased, and other relevant information.

As always, if there is additional information that you wish to have added to the quarterly reports, please let staff know.

Texas Homeownership / Bond Finance Aggregate Summary Report

	Month	My First Texas Home	Bond Program	My Choice	Combo (MFTH and MCC)	Stand Alone MCCs	AGGREGATE TOTAL	
		Loan Amount	Loan Amount	Loan Amount	Loan Amount	Loan Amount	Loan Amount	# Households Served
Calendar Year 2019	1/31/2019	\$48,490,841	\$11,753,630	\$13,421,532	\$32,925,926	\$23,668,364	\$130,260,293	756
	2/28/2019	62,892,613	3,951,210	29,789,844	46,169,313	34,355,360	177,158,340	1,004
	3/31/2019	32,925,507	17,476,392	40,108,374	30,129,294	20,526,313	141,165,880	816
	4/30/2019							
	5/31/2019							
	6/30/2019							
	7/31/2019							
	8/31/2019							
	9/30/2019							
	10/31/2019							
	11/30/2019							
	12/31/2019							
	2019 TOTAL		\$144,308,961	\$33,181,232	\$83,319,750	\$109,224,533	\$78,550,037	\$448,584,513
Calendar Year 2018	1/31/2018	\$49,518,433			\$31,988,642	\$25,695,000	\$107,202,075	642
	2/28/2018	39,694,156			18,551,484	18,606,044	76,851,684	483
	3/31/2018	37,707,798			20,937,493	20,511,592	79,156,883	480
	4/30/2018	40,823,301			22,654,876	36,073,836	99,552,013	584
	5/31/2018	43,224,815			29,864,325	44,729,156	117,818,296	705
	6/30/2018	40,686,899			31,715,654	36,899,222	109,301,775	645
	7/31/2018	45,715,682			32,630,425	41,553,059	119,899,166	712
	8/31/2018	47,894,502	522,379		31,963,113	43,701,139	124,081,133	713
	9/30/2018	28,665,128	9,753,696		19,058,259	34,376,135	91,853,218	541
	10/31/2018	18,810,509	45,317,386		33,191,952	43,102,859	140,422,706	816
	11/30/2018	13,507,006	46,933,554	370,160	32,521,066	33,287,562	126,619,348	730
	12/31/2018	33,984,949	23,166,920	4,940,782	29,560,190	29,922,921	121,575,762	773
	2018 TOTAL	\$440,233,178	\$125,693,935	\$5,310,942	\$334,637,479	\$408,458,525	\$1,314,334,059	7,744
Calendar Year 2017	1/31/2017	\$32,200,708			\$22,244,813	\$16,327,540	\$70,773,061	438
	2/28/2017	35,878,062			22,725,762	30,307,153	88,910,977	536
	3/31/2017	32,991,885			19,988,147	27,607,384	80,587,416	501
	4/30/2017	35,775,933			27,062,306	27,463,210	90,301,449	551
	5/31/2017	34,132,731			26,544,509	30,551,467	91,228,707	560
	6/30/2017	50,436,451			28,927,620	38,399,240	117,763,311	725
	7/31/2017	46,380,266			26,136,484	37,244,746	109,761,496	680
	8/31/2017	56,475,652			32,826,086	37,765,486	127,067,224	769
	9/30/2017	61,732,556			27,854,480	34,183,058	123,770,094	737
	10/31/2017	63,299,628			39,957,441	36,963,232	140,220,301	842
	11/30/2017	62,247,480			33,179,625	41,298,715	136,725,820	824
	12/31/2017	46,465,198			35,166,614	25,301,460	106,933,272	647
	2017 TOTAL	\$558,016,550			\$342,613,887	\$383,412,691	\$1,284,043,128	7,810

TDHCA Aggregate Loan Originations Over Past 12 Months
Demographic Information
As of March 31, 2019

Original Loan Amount Distribution			
Original Loan Amount (\$)	Original Loan Amount	# of Loans	% of Loans
<= 25,000	\$ -	0	0.0%
25,001 - 50,000	\$ 144,781	3	0.0%
50,001 - 75,000	\$ 6,673,007	99	0.4%
75,001 - 100,000	\$ 41,707,428	466	2.8%
100,001 - 125,000	\$ 98,525,012	863	6.5%
125,001 - 150,000	\$ 197,953,233	1435	13.1%
150,001 - 175,000	\$ 280,930,849	1725	18.6%
175,001 - 200,000	\$ 331,793,709	1773	21.9%
200,001 - 225,000	\$ 283,124,680	1336	18.7%
225,001 - 250,000	\$ 158,256,742	672	10.5%
250,001 - 275,000	\$ 76,932,262	296	5.1%
> 275,000	\$ 36,685,516	125	1.7%
Max: \$349,319 \ Min: \$45,000 \ WAvg: \$172,110			

New Construction vs Existing Dwelling			
New Construction / Existing	Original Loan Amount	# of Loans	% of Loans
New	\$ 573,839,663	2883	37.9%
Existing	\$ 940,214,090	5914	62.1%

Property Type			
Loan Type	Original Loan Amount	# of Loans	% of Loans
FHA	\$ 1,146,565,722	6735	75.7%
HFA Preferred	\$ 279,462,715	1615	18.5%
USDA-RHS	\$ 51,329,749	262	3.4%
VA	\$ 36,695,567	185	2.4%

Property Type			
Property Type	Original Loan Amount	# of Loans	% of Loans
1 Unit Single Family Detached	\$ 1,457,103,291	8425	96.2%
Condominium	\$ 25,651,592	144	1.7%
Manufactured	\$ 17,109,451	135	1.1%
Townhouse	\$ 8,873,930	62	0.6%
Rowhouse	\$ 3,718,888	20	0.2%
Duplex	\$ 1,596,601	11	0.1%

Borrower Gender			
Gender	Original Loan Amount	# of Loans	% of Loans
Male	\$ 870,438,361	5005	57.5%
Female	\$ 643,615,392	3792	42.5%

Household Size			
Household Size	Original Loan Amount	# of Loans	% of Loans
1	\$ 456,266,853	2703	30.1%
2	\$ 353,135,273	2065	23.3%
3	\$ 306,185,853	1762	20.2%
4	\$ 235,318,707	1344	15.5%
5	\$ 112,311,641	639	7.4%
6	\$ 35,608,205	203	2.4%
7	\$ 11,002,422	57	0.7%
8+	\$ 4,224,799	24	0.3%
Max: 8 \ Min: 1 \ WAvg: 2.6			

First Time Home Buyer			
FTHB Status	Original Loan Amount	# of Loans	% of Loans
Yes	\$ 1,505,966,272	8750	99.5%
No	\$ 8,087,481	47	0.5%

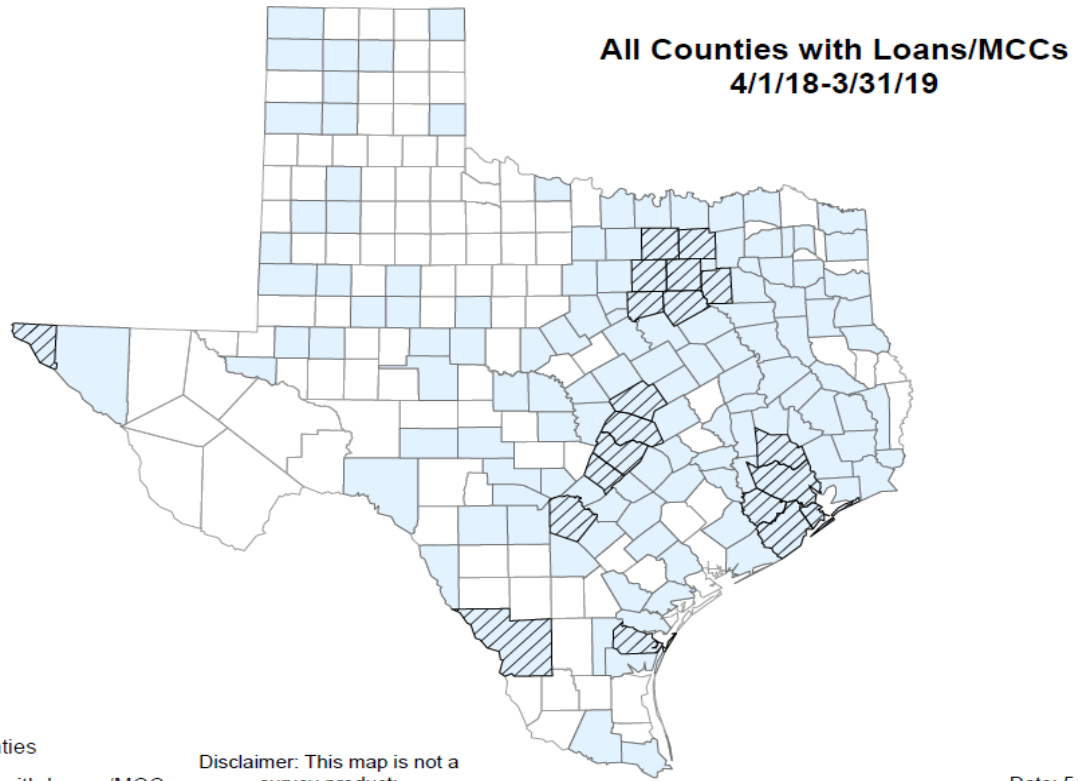
FICO Score Distribution			
FICO Score	Original Loan Amount	# of Loans	% of Loans
<= 640	\$ 385,749,149	2256	25.5%
641 to 660	\$ 287,628,704	1716	19.0%
661 to 680	\$ 216,489,824	1277	14.3%
681 to 700	\$ 163,017,816	948	10.8%
701 to 720	\$ 135,838,349	781	9.0%
721 to 740	\$ 112,208,120	636	7.4%
741 to 760	\$ 92,734,167	522	6.1%
761 to 780	\$ 61,622,951	344	4.1%
780 to 800	\$ 41,498,638	219	2.7%
> 800	\$ 17,266,035	98	1.1%
Max: 816 \ Min: 620 \ WAvg: 679			

Household Income Distribution			
Household Income (\$)	Original Loan Amount	# of Loans	% of Loans
<= 20,000	\$ 4,280,229	38	0.3%
20,001 - 30,000	\$ 36,876,812	333	2.4%
30,001 - 40,000	\$ 141,269,311	1061	9.3%
40,001 - 50,000	\$ 275,210,622	1781	18.2%
50,001 - 60,000	\$ 370,373,328	2112	24.5%
60,001 - 70,000	\$ 315,567,813	1668	20.8%
70,001 - 80,000	\$ 226,800,241	1140	15.0%
80,001 - 90,000	\$ 111,864,966	523	7.4%
90,001 - 100,000	\$ 30,111,455	133	0.1%
> 100,000	\$ 1,563,345	8	0.0%
Max: \$104,425 \ Min: \$15,080 \ WAvg: \$56,086			

AMFI Distribution			
AMFI	Original Loan Amount	# of Loans	% of Loans
<= 30%	\$ 13,477,890	123	0.9%
30.1% to 60%	\$ 426,592,076	2878	28.2%
60.1% to 80%	\$ 591,902,318	3322	39.1%
80.1% to 100%	\$ 480,957,667	2467	31.8%
100.1% to 115%	\$ 734,555	4	0.0%
> 115.1%	\$ 544,924	4	0.0%
Other			
Max: 1.23 \ Min: 0.14 \ WAvg: 0.68			

Age Distribution			
Age	Original Loan Amount	# of Loans	% of Loans
<= 20	\$ 14,105,793	92	0.9%
21 to 25	\$ 205,963,594	1245	13.6%
26 to 30	\$ 357,908,149	2081	23.6%
31 to 35	\$ 291,010,945	1659	19.2%
36 to 40	\$ 206,061,888	1157	13.6%
41 to 45	\$ 143,742,280	811	9.5%
46 to 50	\$ 112,006,329	647	7.4%
51 to 55	\$ 83,502,689	503	5.5%
56 to 60	\$ 53,864,653	321	3.6%
>61	\$ 45,887,433	281	3.0%
Not Defined			
Max: 87 \ Min: 19 \ WAvg: 36			

Aggregate Single Family Loans and/or MCCs Over Past 12 Months Geographic Distribution As of March 31, 2019



Top 20 Counties
 All Counties with Loans/MCC

Disclaimer: This map is not a survey product; boundaries, distances and scale are approximate only.

Date: 5/6/2019

Document Path: Q:\Maps\Homeownership\Top20analysis_18dataCY.mxd

COUNTY by Loan Volume (Top 20)			
Top Originating Counties	# of Loans	% of Loans	Total Originated
Harris	1560	17.2%	\$ 260,333,211
Bexar	965	10.4%	\$ 158,165,051
Travis	658	9.3%	\$ 140,390,629
Tarrant	679	8.2%	\$ 124,353,276
Dallas	640	7.3%	\$ 110,823,619
El Paso	768	6.4%	\$ 96,318,271
Williamson	441	6.2%	\$ 93,141,925
Hays	280	3.9%	\$ 58,370,844
Fort Bend	253	3.1%	\$ 47,114,071
Collin	177	2.7%	\$ 41,026,114
Montgomery	204	2.4%	\$ 36,944,042
Denton	142	2.1%	\$ 31,880,095
Kaufman	131	1.7%	\$ 26,437,401
Johnson	118	1.3%	\$ 20,328,041
Bell	150	1.3%	\$ 19,712,517
Brazoria	101	1.2%	\$ 18,752,279
Galveston	97	1.1%	\$ 16,694,635
Nueces	105	1.0%	\$ 14,654,437
Webb	84	0.8%	\$ 12,522,839
Ellis	66	0.8%	\$ 12,457,589

ACTION ITEMS

3

BOARD ACTION REQUEST
HOUSING RESOURCE CENTER
MAY 23, 2019

Presentation, discussion, and possible action on the Draft 2020 Regional Allocation Formula Methodology

RECOMMENDED ACTION

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

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

NOW, therefore, it is hereby

RESOLVED, that the Acting Director and his designees are authorized and empowered to publish the Draft 2020 Regional Allocation Formula Methodologies for the HOME, HTC, and, as applicable, SHTF programs in the *Texas Register* for public comment and, in connection therewith, to make such non-substantive grammatical and technical changes as they deem necessary or advisable.

BACKGROUND

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

The RAF is revised annually to reflect current data, respond to public comment, and better assess regional housing needs and available resources. Most notably, in 2013 after careful and thorough analysis and much public participation, staff recommended substantial changes to increase accuracy and transparency in the RAF by using a methodology called the Compounded Need Model. The changes resulted in the increased ability for developers and community members to predict funding availability,

the elimination of large swings in funding from one region to another each year, and a simplified process that is easier to explain to the Legislature, the Board, and the public.

The RAF Methodology was updated in the 2014 RAF cycle to refine the use of Metropolitan Statistical Areas (MSAs) by using “MSA counties with urban places” and “Non-MSA counties or counties with only rural places” instead of using just MSA and Non-MSA counties to allocate between urban and rural areas. This accounts for the fact that even though a county may be a part of an MSA, all the places within that county may meet the definition of rural per Tex. Gov’t Code §2306.004(28-a). Based on public comment received in the 2015 RAF cycle, factors for lack of kitchen and plumbing facilities were added to the RAF Methodology to measure housing need for Single Family activities. Similarly in the 2016 RAF cycle, a new factor called the Regional Coverage Factor was added to the RAF Methodology for Single Family activities. The Regional Coverage Factor takes into account the smaller populations of rural areas as well as scattered locations of single family projects, instead of relying solely on population as an absolute.

The Draft 2020 RAF Methodology explains the use of factors, in keeping with the statutory requirements, which include the need for housing assistance, the availability of housing resources, and other factors relevant to the equitable distribution of housing funds in urban and rural areas of the state.

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

The Draft 2020 RAF Methodology will be made available for public comment from Friday, May 24, 2019, through Friday, June 14, 2019, at 5:00 p.m. Austin local time. A public hearing will be held on Wednesday, May 29, 2019, at 2:30 p.m. in the Stephen F. Austin Building, Room 172, 1700 North Congress Avenue, Austin, TX 78701.

The following Attachments are provided:

- A. Draft 2020 RAF Methodology
- B. Draft Example 2020 HTC RAF
- C. Draft Example 2020 HOME MF RAF
- D. Draft Example 2020 SHTF RAF
- E. Draft Example 2020 HOME SF RAF

Once approved, the final 2020 RAF Methodology will be published on the Department’s website. **It should be noted with this action that the Board is approving the publication of the proposed methodology for public comment, not specific allocation amounts.**

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

Draft 2020 Regional Allocation Formula Methodology

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Introduction

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

- Multifamily Programs:
 - Housing Tax Credit (HTC) Program
 - HOME Investment Partnerships Program (HOME) Multifamily (MF)
- Single Family Programs:
 - State Housing Trust Fund (SHTF) Program*
 - HOME Single Family (SF)

*It should be noted that based on the current program activities and amounts of SHTF, the RAF is not required to be utilized for SHTF as authorized by Tex. Gov't Code §2306.111(d-1). SHTF is funded through state general revenue and is not to be confused with the federally funded National Housing Trust Fund (NHTF).

The methodology presented in this document explains the use of factors in conformity with statutory requirements including the need for housing assistance, the availability of housing resources, and other factors relevant to the equitable distribution of housing funds in urban and rural areas of the state.

Also provided with the Methodology are example allocation spreadsheets for each of the four programs subject to the RAF, in order to show how the methodology affects each program. The provided spreadsheets utilize the following example total allocations:

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

These allocation amounts are only examples. Program area staff calculate the final total allocation amounts following approval of the RAF Methodology by the TDHCA Governing Board using the most current information on the amount available to be allocated under each program or activity. Even when final total allocation amounts are available, other planning considerations may alter the applicability of the RAF. For example, certain HOME SF activities may not release funds subregionally using the RAF. In addition, per Tex. Gov't Code §2306.111(d-1)(3), if SHTF funds administered by the Department (and not otherwise set aside) do not exceed \$3 million, then SHTF funds are not required to be allocated using the RAF, although other policies are used to promote the geographic dispersal of funds.

The Draft 2020 RAF Methodology will be presented at the May 23, 2019, TDHCA Board meeting for approval to be released for public comment. A public comment period will be open from Friday, May 24, 2019, through Friday, June 14, 2019, with a public hearing on Wednesday, May 29, 2019. Following public comment, it is anticipated that the Final 2020 RAF Methodology will be presented for approval no later than the Board meeting of July 25, 2019.

Statutory Requirement

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

Tex. Gov't Code §2306.1115 states:

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

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

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

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

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

The methodology detailed in this document takes into account the need for housing assistance and the availability of housing in urban and rural areas in keeping with the statutory requirements for the HOME SF, HOME MF, SHTF, and HTC programs. The methodology also includes a regional coverage factor for single family programs that measures inverse population density in keeping with the statutory requirements to include other factors necessary for the equitable distribution of funding.

Urban and Rural Areas

Tex. Gov't Code §2306.004 states:

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

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

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

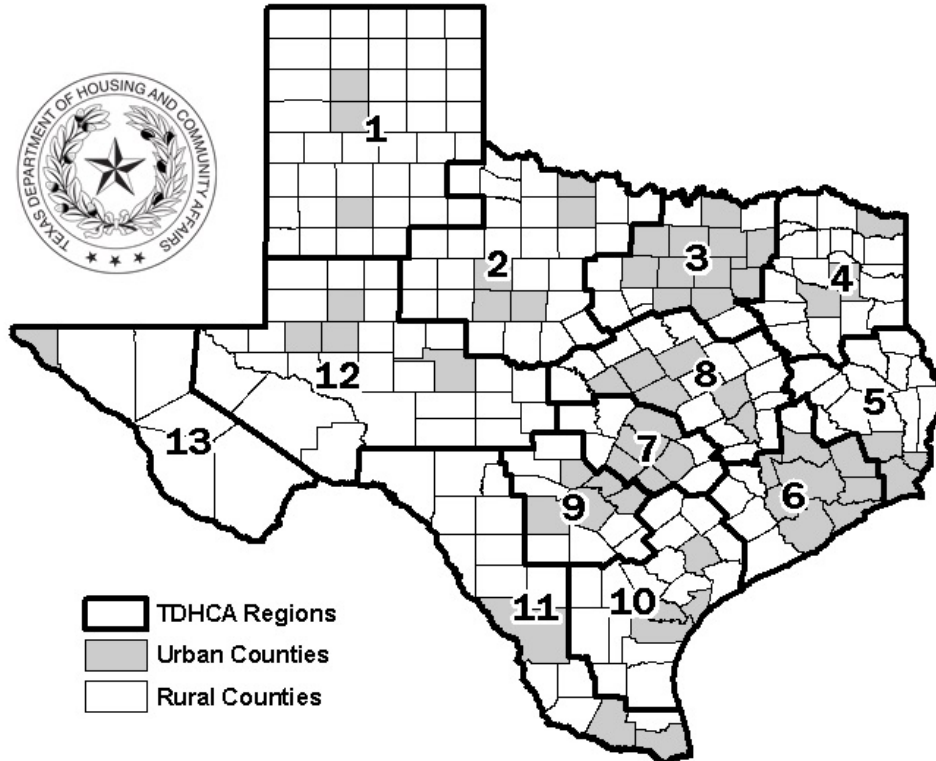
Tex. Gov't Code §2306.004(28-a) is applied to incorporated places and Census Designated Places, as defined by the U.S. Census Bureau, collectively referred to as places. Prior to the development of the RAF each year, the parameters outlined in Tex. Gov't Code are used to determine which places are urban and which are rural. The urban and rural designation for site-specific applications is made at the place level; organizations applying for certain TDHCA-administered funds use the urban and rural place designations to determine which subregional allocation they are eligible to apply for. If a place crosses county or regional boundaries,

the subregional allocation that the place in question is eligible to apply for is determined based on the county that contains the majority area and population of the place.

However, the RAF needs to take into account statewide need and availability. If the RAF only combined data from places, many unincorporated parts of the state would not be included, which would significantly hinder the RAF’s utility as an equitable allocation tool. In order to measure housing need across the State of Texas and calculate subregional allocations, county-level data are used. Using county-level data to determine need and availability factors allows for a more complete picture of the State’s demographics in determining allocations.

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

Map of Urban and Rural Counties in Texas by Region



Sources: U. S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates, Table B01003
 U.S. Census Bureau, Jul. 2015, CBSAs, metropolitan divisions, and CSAs.
 Tiger data 2015.
 Disclaimer: This map is not a survey product; boundaries, distances, and scale are approximate only.

Methodology

The Department shall use the most current American Community Survey (ACS) 5-Year Estimates data available for the variables involved in the RAF. Land area data are not available in the annually released ACS, therefore, decennial census data must be used for the Regional Coverage Factor.

Affordable Housing Need

For the purposes of developing an allocation formula, affordable housing need is measured by variables that relate to the types of assistance available through TDHCA programs. Despite SHTF not currently utilizing the RAF, SHTF is included in the RAF methodology description in the event that funding levels or programmatic changes require the RAF to be utilized for this program.

Income

Income is the primary measurement of eligibility for housing assistance through TDHCA. HOME, HTC, and SHTF serve households that earn less than or equal to 80% Area Median Family Income (AMFI). While eligibility for housing assistance is measured by AMFI, datasets showing how many households are in each AMFI category lag behind by a year from the datasets used to calculate poverty. In order to use the most up-to-date data, the measurement of individuals in poverty will be used to measure eligible populations. Individuals at or below 200% of the poverty level will qualify for a majority of the housing assistance options offered through TDHCA's HOME, HTC, and SHTF programs. In order for *individuals* in poverty to be combined with cost burdened and overcrowded *households*, the number of individuals at or below 200% poverty in each subregion is divided by the average size of a household in Texas. The number of individuals at or below 200% poverty is included as a variable in all four program RAFs.

Cost Burden and Overcrowding

Renter and owner need for housing assistance is measured through cost burden and overcrowding conditions. The count of cost burdened renter and owner households used in the RAF measures the number of households in Texas that spend more than 30% of their income on rent or homeowner costs (for homeowners with a mortgage), which is a common measure of unaffordable housing. The count of overcrowded renters and owners measures the number of housing units with more than one person per room, including the kitchen and bathroom. Areas with high cost burden or overcrowding may signify a need for assistance.

HTC and HOME MF both offer assistance for reduced-rent apartments. HOME SF offers Tenant-Based Rental Assistance, which pays a portion of a recipient's rent to the landlord. SHTF offers the Amy Young Barrier Removal Program, which can serve both renters and homeowners. Therefore, variables representing renters who need assistance are included in the analysis for all four program RAFs.

HOME SF offers homebuyer assistance, home repair assistance, and single family development programs. For home repair, HOME SF offers grants and no-interest loans to homeowners to rehabilitate or reconstruct their homes. For single family development, typically the homes are built by Community Housing Development Organizations (CHDOs) and the homes are purchased by low-income homeowners. SHTF offers the Amy

Young Barrier Removal Program, which can be used for homeowners and the Bootstrap Loan Program for potential homeowners who use “sweat equity” and low- to no-interest loans to build and secure ownership of their homes. Therefore, variables representing homeowners who need assistance are included in the HOME SF and SHTF RAFs.

Lack of Kitchen and Plumbing Facilities

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

Summary of Affordable Housing Need for Single Family and Multifamily Activities

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

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

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

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

Housing Availability

Housing availability is measured by variables that relate directly to housing resources. In order to take into account both market-rate and subsidized units, vacancies will be used. A high number of vacancies may indicate that a market has an adequate or potentially abundant supply of housing. Both vacant units for sale and vacant units for rent will be included in the HOME SF and SHTF RAFs, while vacant units for rent alone are included in the HOME MF and HTC RAFs.

Regional Coverage Factor

Population density is the number of people divided by the area of land in which they live. A high population density means that more people are living in a given land area compared to other equally-sized pieces of land. Inverse population density, which divides the land area by the number of people that live in that area, gives the amount of land per person. A high inverse population density means that fewer people are living in

a given land area compared to other equally-sized pieces of land, and may indicate a challenge in reaching and serving Texans in that area.

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

Summary of Variables

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

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

Exceptions to the RAF

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

Set-Asides

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

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

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

Participating Jurisdictions (PJs)

In accordance with Tex. Gov't Code §§2306.111(c)(1), 95% of the funds for HOME must be spent outside PJs. PJs are areas that receive funding directly from HUD. Because 95% of funds cannot be spent within a PJ, the housing need factors, housing availability factors, and Regional Coverage Factor in the PJs are not counted in the HOME MF or HOME SF RAF.

The PJ designations are subject to change annually depending on HUD funding. According to HUD's 2018 HOME allocation, 33 of the PJs are cities and eight of the PJs are counties. Five PJ cities fell completely within PJ counties, resulting in a total of 28 PJ cities and eight PJ counties that will be subtracted from the HOME SF and HOME MF RAFs.

Allocation Adjustments

The HOME SF and HTC RAFs have subregional allocation adjustments under certain conditions. Tex. Gov't Code §2306.111(d-3) requires that at least \$500,000 in housing tax credits be allocated to each urban and rural subregion. In the HTC Program's 2019 Qualified Allocation Plan (QAP), the Department adopted an increase to the \$500,000 figure establishing a \$600,000 minimum for each region. In a further effort to meet Tex. Gov't Code §§2306.111(c)(1) and (2), the HOME SF RAF has a minimum subregional allocation of \$100,000. Additional detail regarding the processes used to adjust allocations for the HOME SF RAF and the HTC RAF can be found in the single family and multifamily RAF examples.

Single Family RAF Example

Tables 1, 2, and 3 show the need variables, availability variables, and regional coverage factor used in the HOME SF RAF. The SHTF RAF is very similar to the HOME SF RAF with the exception that the SHTF RAF includes PJs. Example numbers are used for clarity. The statewide average household size in the following example is 2.82.

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

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

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

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

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

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

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

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

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

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

Compounded Need

To allocate funds, the RAF uses each subregion’s ratios of the State’s total. All of the variables that measure need are added together before taking each subregion’s need as a percentage of the amount of total need in the State. Table 1, Column I, illustrates how the Total Need Variables are derived: households at 200% of poverty, cost burdened owner and renter households, overcrowded owner and renter households, units lacking kitchen facilities, and units lacking plumbing facilities are added together, thereby compounding the need.

This compounding balances the relative importance of the variables; variables with very high or very small numbers are combined with the overall total of need, preventing these variables from having a disproportionate or arbitrary amount of weight for their size.

Weights

Examples of how the weights operate in the RAF are in Tables 4 and 5. The column header letters (A, B, C, etc.) will build off the previous table, so if the letters are not in alphabetical order, the column header letter refers to a previous table. In order to apply weights, first the subregional percentage or share of statewide need, availability, and inverse population density must be calculated. Table 4 demonstrates how the percentages are derived. Table 4 shows only Urban Region 1 and the statewide total in order to simplify the example.

Table 4: Percentages Taken

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

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

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

- Total Need Variables = HH at or below 200% poverty + Cost Burden + Overcrowding + Units Lacking Plumbing + Units Lacking Kitchen
- Total Availability Variables = Unoccupied Units for Sale or Rent
- Regional Coverage Factor = Inverse Population Density

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

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

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

Table 5: Weight Application

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

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

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

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

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

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

HOME Subregional Allocation Adjustment

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

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

Table 6: Subregion amount under \$100,000

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

Note: Column Y is from Table 5.

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

Multifamily RAF Example

Table 7 shows the need and availability variables used in the HTC RAF. The HTC RAF is very similar to the HOME MF RAF with the exception that the HTC RAF includes PJs. Example numbers are used for clarity. The statewide average household size in the following example is 2.80.

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

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

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

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

Compounded Need

To allocate funds, the RAF uses each subregion's ratios of the State's total. All of the variables that measure need are added together before taking each subregion's need as a percentage of the amount of the total need in the State. Table 8 illustrates how the Total Need Variables are derived: households at or below 200% of poverty, cost burdened renter households, and overcrowded renter households are added together, thereby compounding the need. Table 8 shows only Urban Region 1 and the statewide total, in order to simplify the example.

Table 8: Total Need Variables

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

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

This compounding balances the relative importance of the variables; variables with very high or very small numbers are combined with the overall total of need, preventing these variables from having a disproportionate or arbitrary amount of weight for their size.

Weights

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

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

Table 9: Percentages Taken

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

Note: Column GG is from Table 8.

A successful allocation formula will provide more funding for areas with high housing need and reduce funding for areas with an abundance of housing resources. The housing availability variable has negative weight to reflect that an abundance of available units might reduce the need for assistance, while housing need variables have positive weight to reflect that these factors may increase the need for assistance. Renter and owner components of a single need or availability category added together are considered to be one variable for the purposes of calculating weight percentages. The weight of each variable, whether need, availability, or regional coverage factor, must have the same absolute value. All variables added together

must equal 100%; otherwise, the initial subregion allocation would not add up to the total example allocation. The formulas to determine variable weight for the Multifamily RAF are as follows:

- Total Need Variables = HH at or below 200% poverty + Renter Cost Burden + Renter Overcrowding
- Availability Variable = Unoccupied Units for Rent
- Total Need Variables – Availability Variable = 100%

To put it simply (with x representing the weight of each variable): $3x-x=100\%$

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

Table 10: Weight Application

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

Note: Column HH and JJ taken from Table 9.

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

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

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

HTC Subregional Allocation Adjustment

Tex. Gov't Code §2306.111(d-3) is a requirement regarding funding and the RAF that applies only to HTC. This provision requires that TDHCA allocate at least 20% of housing tax credits to rural areas and that \$500,000 or more be available for each of the 26 subregions. In the 2019 QAP the Department adopted an increase to the \$500,000 figure establishing a \$600,000 minimum for each region. The overall state rural percentage of the total tax credit ceiling amount will be adjusted to a minimum of 20% only at the time of actual award, if needed. Usually, the 20% allocation to rural areas occurs through the competitive process, but, if not, one more deal for rural areas will be awarded from the statewide collapse of the RAF to ensure the requirement is met.

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

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

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

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

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

Note: Column OO is from Table 10.

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

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

Table 12: Proportional adjustment

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

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

~Column SS is calculated as followed: if Column RR is a percentage, then $(\text{Column RR} * \$42,280)$; if Column RR is "%", then Column SS equals Column PP.

⁺Column TT is calculated as follows: Column OO + Column SS.

Texas Department of Housing and Community Affairs
Draft Example 2020 HTC Regional Allocation Formula

Table 1 - Raw Data

	Region	Individuals at or Below 200% Poverty	HH at or Below 200% Poverty	Cost-Burdened Renters	Overcrowded Renters	Vacant Units For Rent
MSA Counties with Urban Places	1	198,101	69,754	38,557	4,453	8,155
	2	100,682	35,451	17,840	1,448	4,356
	3	2,267,041	798,254	448,972	76,635	76,183
	4	185,875	65,449	27,875	2,426	5,770
	5	138,438	48,746	19,980	1,777	4,074
	6	2,198,617	774,161	404,982	72,179	78,106
	7	543,279	191,295	140,186	19,310	20,400
	8	337,568	118,862	67,250	6,148	14,420
	9	798,853	281,286	131,124	18,421	24,284
	10	199,067	70,094	33,332	5,664	6,278
	11	880,047	309,876	67,059	25,080	12,574
	12	126,306	44,474	20,885	4,295	4,254
	13	400,785	141,121	45,922	7,743	11,293
	Subtotal	8,374,659	2,948,824	1,463,964	245,579	270,147
Non-MSA Counties and Counties with Only Rural Places	1	123,473	43,476	9,479	2,425	3,290
	2	98,556	34,703	7,275	1,061	2,990
	3	92,052	32,413	11,329	1,632	2,475
	4	253,421	89,233	23,264	4,051	5,915
	5	155,723	54,832	17,262	2,197	3,442
	6	69,391	24,433	9,291	1,154	1,604
	7	37,734	13,287	3,779	628	868
	8	105,173	37,033	8,873	1,357	2,121
	9	74,659	26,288	6,473	1,488	1,429
	10	97,406	34,298	9,590	2,380	2,136
	11	151,279	53,267	8,593	3,280	2,846
	12	63,264	22,276	5,073	1,022	1,258
	13	12,643	4,452	1,040	206	454
	Subtotal	1,334,774	469,991	121,321	22,881	30,828
Total	9,709,433	3,418,814	1,585,285	268,460	300,975	

Texas Average HH Size: 2.84

Texas Department of Housing and Community Affairs
Draft Example 2020 HTC Regional Allocation Formula

Table 2 - Weights

	Region	Total Need Variables	% of Total Need Variables	Weighted	Total Availability Variable	% of Total Availability Variable	Weighted	Initial Subregion Allocation	% of Total Award
MSA Counties with Urban Places	1	112,764	2.1%	\$ 2,085,226	8,155	2.7%	\$ (880,596)	\$ 1,204,629.53	1.85%
	2	54,739	1.0%	\$ 1,012,239	4,356	1.4%	\$ (470,371)	\$ 541,868.09	0.83%
	3	1,323,861	25.1%	\$ 24,480,793	76,183	25.3%	\$ (8,226,422)	\$ 16,254,370.35	25.01%
	4	95,750	1.8%	\$ 1,770,605	5,770	1.9%	\$ (623,058)	\$ 1,147,546.49	1.77%
	5	70,503	1.3%	\$ 1,303,735	4,074	1.4%	\$ (439,920)	\$ 863,814.79	1.33%
	6	1,251,322	23.7%	\$ 23,139,405	78,106	26.0%	\$ (8,434,073)	\$ 14,705,332.13	22.62%
	7	350,791	6.7%	\$ 6,486,824	20,400	6.8%	\$ (2,202,841)	\$ 4,283,982.97	6.59%
	8	192,260	3.6%	\$ 3,555,265	14,420	4.8%	\$ (1,557,106)	\$ 1,998,159.16	3.07%
	9	430,831	8.2%	\$ 7,966,918	24,284	8.1%	\$ (2,622,244)	\$ 5,344,673.61	8.22%
	10	109,090	2.1%	\$ 2,017,289	6,278	2.1%	\$ (677,913)	\$ 1,339,375.59	2.06%
	11	402,015	7.6%	\$ 7,434,043	12,574	4.2%	\$ (1,357,771)	\$ 6,076,272.44	9.35%
	12	69,654	1.3%	\$ 1,288,038	4,254	1.4%	\$ (459,357)	\$ 828,681.40	1.27%
	13	194,786	3.7%	\$ 3,601,985	11,293	3.8%	\$ (1,219,445)	\$ 2,382,540.18	3.67%
		Subtotal	4,658,367	88.4%	\$ 86,142,366	270,147	89.8%	\$ (29,171,119)	\$ 56,971,246.74
Non-MSA Counties and Counties with Only Rural Places	1	55,380	1.1%	\$ 1,024,093	3,290	1.1%	\$ (355,262)	\$ 668,830.67	1.03%
	2	43,039	0.8%	\$ 795,872	2,990	1.0%	\$ (322,867)	\$ 473,005.07	0.73%
	3	45,374	0.9%	\$ 839,049	2,475	0.8%	\$ (267,256)	\$ 571,792.15	0.88%
	4	116,548	2.2%	\$ 2,155,197	5,915	2.0%	\$ (638,716)	\$ 1,516,481.35	2.33%
	5	74,291	1.4%	\$ 1,373,788	3,442	1.1%	\$ (371,675)	\$ 1,002,112.18	1.54%
	6	34,878	0.7%	\$ 644,971	1,604	0.5%	\$ (173,204)	\$ 471,767.44	0.73%
	7	17,694	0.3%	\$ 327,190	868	0.3%	\$ (93,729)	\$ 233,461.13	0.36%
	8	47,263	0.9%	\$ 873,981	2,121	0.7%	\$ (229,031)	\$ 644,950.54	0.99%
	9	34,249	0.6%	\$ 633,338	1,429	0.5%	\$ (154,307)	\$ 479,031.61	0.74%
	10	46,268	0.9%	\$ 855,584	2,136	0.7%	\$ (230,650)	\$ 624,933.90	0.96%
	11	65,140	1.2%	\$ 1,204,571	2,846	0.9%	\$ (307,318)	\$ 897,253.60	1.38%
	12	28,371	0.5%	\$ 524,637	1,258	0.4%	\$ (135,842)	\$ 388,794.82	0.60%
	13	5,698	0.1%	\$ 105,363	454	0.2%	\$ (49,024)	\$ 56,338.80	0.09%
		Subtotal	614,193	11.6%	\$ 11,357,634	30,828	10.2%	\$ (3,328,881)	\$ 8,028,753.26
	Total	5,272,559	100.0%	\$ 97,500,000	300,975	100%	\$ (32,500,000)	\$ 65,000,000.00	100.00%

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

Texas Department of Housing and Community Affairs
Draft Example 2020 HTC Regional Allocation Formula

Table 3 - Reallocation

	Region	Initial Subregion Amount	Amount Needed to Reach Subregion Floor	Amount that can be Reallocated	% of Total Amount that can be Reallocated	Amount to be Reallocated	Final Subregion Allocation	% of Total Award
MSA Counties with Urban Places	1	\$ 1,204,629.53	\$ -	\$ 604,629.53	1.19%	\$ (18,784.30)	\$ 1,185,845.24	1.82%
	2	\$ 541,868.09	\$ 58,131.91	\$ -	0.00%	\$ 58,131.91	\$ 600,000.00	0.92%
	3	\$ 16,254,370.35	\$ -	\$ 15,654,370.35	30.70%	\$ (486,341.33)	\$ 15,768,029.02	24.26%
	4	\$ 1,147,546.49	\$ -	\$ 547,546.49	1.07%	\$ (17,010.87)	\$ 1,130,535.62	1.74%
	5	\$ 863,814.79	\$ -	\$ 263,814.79	0.52%	\$ (8,196.05)	\$ 855,618.74	1.32%
	6	\$ 14,705,332.13	\$ -	\$ 14,105,332.13	27.67%	\$ (438,216.66)	\$ 14,267,115.47	21.95%
	7	\$ 4,283,982.97	\$ -	\$ 3,683,982.97	7.23%	\$ (114,451.95)	\$ 4,169,531.02	6.41%
	8	\$ 1,998,159.16	\$ -	\$ 1,398,159.16	2.74%	\$ (43,437.24)	\$ 1,954,721.92	3.01%
	9	\$ 5,344,673.61	\$ -	\$ 4,744,673.61	9.31%	\$ (147,404.90)	\$ 5,197,268.71	8.00%
	10	\$ 1,339,375.59	\$ -	\$ 739,375.59	1.45%	\$ (22,970.51)	\$ 1,316,405.08	2.03%
	11	\$ 6,076,272.44	\$ -	\$ 5,476,272.44	10.74%	\$ (170,133.81)	\$ 5,906,138.63	9.09%
	12	\$ 828,681.40	\$ -	\$ 228,681.40	0.45%	\$ (7,104.55)	\$ 821,576.86	1.26%
	13	\$ 2,382,540.18	\$ -	\$ 1,782,540.18	3.50%	\$ (55,378.97)	\$ 2,327,161.21	3.58%
		Subtotal	\$ 56,971,246.74	\$ 58,131.91	\$ 49,229,378.65	96.56%	\$ (1,471,299.22)	\$ 55,499,947.53
Non-MSA Counties and Counties with Only Rural Places	1	\$ 668,830.67	\$ -	\$ 68,830.67	0.14%	\$ (2,138.39)	\$ 666,692.28	1.03%
	2	\$ 473,005.07	\$ 126,994.93	\$ -	0.00%	\$ 126,994.93	\$ 600,000.00	0.92%
	3	\$ 571,792.15	\$ 28,207.85	\$ -	0.00%	\$ 28,207.85	\$ 600,000.00	0.92%
	4	\$ 1,516,481.35	\$ -	\$ 916,481.35	1.80%	\$ (28,472.74)	\$ 1,488,008.61	2.29%
	5	\$ 1,002,112.18	\$ -	\$ 402,112.18	0.79%	\$ (12,492.60)	\$ 989,619.58	1.52%
	6	\$ 471,767.44	\$ 128,232.56	\$ -	0.00%	\$ 128,232.56	\$ 600,000.00	0.92%
	7	\$ 233,461.13	\$ 366,538.87	\$ -	0.00%	\$ 366,538.87	\$ 600,000.00	0.92%
	8	\$ 644,950.54	\$ -	\$ 44,950.54	0.09%	\$ (1,396.50)	\$ 643,554.04	0.99%
	9	\$ 479,031.61	\$ 120,968.39	\$ -	0.00%	\$ 120,968.39	\$ 600,000.00	0.92%
	10	\$ 624,933.90	\$ -	\$ 24,933.90	0.05%	\$ (774.63)	\$ 624,159.27	0.96%
	11	\$ 897,253.60	\$ -	\$ 297,253.60	0.58%	\$ (9,234.91)	\$ 888,018.68	1.37%
	12	\$ 388,794.82	\$ 211,205.18	\$ -	0.00%	\$ 211,205.18	\$ 600,000.00	0.92%
	13	\$ 56,338.80	\$ 543,661.20	\$ -	0.00%	\$ 543,661.20	\$ 600,000.00	0.92%
		Subtotal	\$ 8,028,753.26	\$ 1,525,808.99	\$ 1,754,562.24	3.44%	\$ 1,471,299.22	\$ 9,500,052.47
	Total	\$ 65,000,000.00	\$ 1,583,940.89	\$ 50,983,940.89	100.00%	\$ -	\$ 65,000,000.00	100.00%

Subregion Allocation Floor: \$600,000.00

Texas Department of Housing and Community Affairs
Draft Example 2020 HOME MF Regional Allocation Formula

Table 1 - Raw Data

	Region	Individuals at or Below 200% Poverty	HH at or Below 200% Poverty	Cost-Burdened Renters	Overcrowded Renters	Vacant Units For Rent
MSA Counties with Urban Places	1	27,108	9,545	3,381	570	634
	2	17,109	6,024	1,659	172	525
	3	473,807	166,833	82,167	9,718	11,209
	4	107,033	37,688	12,345	1,396	2,137
	5	61,123	21,522	6,633	803	1,593
	6	128,105	45,107	18,052	2,209	3,767
	7	254,014	89,442	47,702	5,707	7,144
	8	131,691	46,370	18,860	2,178	4,697
	9	92,486	32,565	11,743	1,865	2,429
	10	81,603	28,733	10,643	2,382	2,449
	11	110,454	38,892	5,460	2,821	2,578
	12	57,097	20,105	8,399	2,734	1,468
	13	89,835	31,632	4,746	1,287	620
	Subtotal	1,631,465	574,460	223,697	33,687	39,834
Non-MSA Counties and Counties with Only Rural Places	1	123,473	43,476	9,479	2,425	3,290
	2	98,556	34,703	7,275	1,061	2,990
	3	92,052	32,413	11,329	1,632	2,475
	4	252,899	89,049	23,200	4,051	5,885
	5	155,723	54,832	17,262	2,197	3,442
	6	69,391	24,433	9,291	1,154	1,604
	7	37,734	13,287	3,779	628	868
	8	105,173	37,033	8,873	1,357	2,121
	9	74,659	26,288	6,473	1,488	1,429
	10	97,406	34,298	9,590	2,380	2,136
	11	151,279	53,267	8,593	3,280	2,846
	12	63,264	22,276	5,073	1,022	1,258
	13	12,643	4,452	1,040	206	454
	Subtotal	1,334,252	469,807	124,284	22,639	29,945
Total	2,965,717	1,044,267	347,981	56,326	69,779	

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

Texas Average HH Size: 2.84

Texas Department of Housing and Community Affairs
Draft Example 2020 HOME MF Regional Allocation Formula

Table 2 - Weights

	Region	Total Need Variables	% of Total Need Variables	Weighted	Total Availability Variable	% of Total Availability Variable	Weighted	Final Subregion Allocation	% of Total Award
MSA Counties with Urban Places	1	13,496	0.9%	\$ 174,034	634	0.9%	\$ (54,998)	\$ 119,035.62	0.95%
	2	7,855	0.5%	\$ 101,295	525	0.7%	\$ (45,543)	\$ 55,752.56	0.45%
	3	258,718	17.8%	\$ 3,336,210	11,209	15.6%	\$ (972,355)	\$ 2,363,854.54	18.91%
	4	51,429	3.5%	\$ 663,180	2,137	3.0%	\$ (185,380)	\$ 477,799.92	3.82%
	5	28,958	2.0%	\$ 373,420	1,593	2.2%	\$ (138,189)	\$ 235,230.60	1.88%
	6	65,368	4.5%	\$ 842,934	3,767	5.2%	\$ (326,779)	\$ 516,155.70	4.13%
	7	142,851	9.8%	\$ 1,842,077	7,144	9.9%	\$ (619,726)	\$ 1,222,351.62	9.78%
	8	67,408	4.6%	\$ 869,236	4,697	6.5%	\$ (407,454)	\$ 461,782.22	3.69%
	9	46,173	3.2%	\$ 595,414	2,429	3.4%	\$ (210,710)	\$ 384,703.28	3.08%
	10	41,758	2.9%	\$ 538,481	2,449	3.4%	\$ (212,445)	\$ 326,035.75	2.61%
	11	47,173	3.2%	\$ 608,306	2,578	3.6%	\$ (223,636)	\$ 384,669.92	3.08%
	12	31,238	2.1%	\$ 402,813	1,468	2.0%	\$ (127,346)	\$ 275,467.17	2.20%
	13	37,665	2.6%	\$ 485,696	620	0.9%	\$ (53,784)	\$ 431,912.28	3.46%
	Subtotal	840,092	57.8%	\$ 10,833,095	41,250	57.3%	\$ (3,578,344)	\$ 7,254,751.18	58.04%
Non-MSA Counties and Counties with Only Rural Places	1	55,380	3.8%	\$ 714,138	3,290	4.6%	\$ (285,400)	\$ 428,737.92	3.43%
	2	43,039	3.0%	\$ 554,991	2,990	4.2%	\$ (259,376)	\$ 295,615.73	2.36%
	3	45,374	3.1%	\$ 585,100	2,475	3.4%	\$ (214,701)	\$ 370,399.14	2.96%
	4	116,300	8.0%	\$ 1,499,704	5,885	8.2%	\$ (510,510)	\$ 989,193.31	7.91%
	5	74,291	5.1%	\$ 957,993	3,442	4.8%	\$ (298,586)	\$ 659,407.48	5.28%
	6	34,878	2.4%	\$ 449,762	1,604	2.2%	\$ (139,143)	\$ 310,619.04	2.48%
	7	17,694	1.2%	\$ 228,162	868	1.2%	\$ (75,297)	\$ 152,864.62	1.22%
	8	47,263	3.3%	\$ 609,460	2,121	2.9%	\$ (183,992)	\$ 425,467.65	3.40%
	9	34,249	2.4%	\$ 441,650	1,429	2.0%	\$ (123,962)	\$ 317,687.94	2.54%
	10	46,268	3.2%	\$ 596,631	2,136	3.0%	\$ (185,293)	\$ 411,337.59	3.29%
	11	65,140	4.5%	\$ 839,992	2,846	4.0%	\$ (246,884)	\$ 593,108.45	4.74%
	12	28,371	2.0%	\$ 365,849	1,258	1.7%	\$ (109,129)	\$ 256,720.01	2.05%
	13	5,698	0.4%	\$ 73,473	454	0.6%	\$ (39,383)	\$ 34,089.93	0.27%
	Subtotal	613,945	42.2%	\$ 7,916,905	30,798	42.7%	\$ (2,671,656)	\$ 5,245,248.82	41.96%
Total	1,454,037	100%	\$ 18,750,000	72,048	100%	\$ (6,250,000)	\$ 12,500,000.00	100.00%	

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

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

Texas Department of Housing and Community Affairs
Draft Example 2020 SHTF Regional Allocation Formula

Table 1 - Raw Data

	Region	Individuals at or Below 200% Poverty	HH at or Below 200% Poverty	Cost-Burdened Owners	Cost-Burdened Renters	Over-crowded Owners	Over-crowded Renters	Total Units Lacking Plumbing	Total Units Lacking Kitchen	Vacant Units For Sale	Vacant Units For Rent	Land Area	Total Population	Inverse Population Density
MSA Counties with Urban Places	1	198,101	69,754	15,797	38,557	2,867	4,453	4,165	7,863	1,860	8,155	2,716	549,824	0.005
	2	100,682	35,451	7,908	17,840	968	1,448	4,955	5,911	1,556	4,356	2,472	287,118	0.009
	3	2,267,041	798,254	259,374	448,972	41,205	76,635	27,929	59,070	18,250	76,183	9,603	7,166,493	0.001
	4	185,875	65,449	14,022	27,875	3,171	2,426	7,144	8,594	2,444	5,770	2,663	479,820	0.006
	5	138,438	48,746	10,889	19,980	2,065	1,777	7,505	6,433	1,781	4,074	2,101	394,476	0.005
	6	2,198,617	774,161	224,538	404,982	42,352	72,179	36,272	54,155	20,545	78,106	7,612	6,606,916	0.001
	7	543,279	191,295	77,829	140,186	9,307	19,310	6,510	12,782	5,701	20,400	4,220	2,000,590	0.002
	8	337,568	118,862	25,706	67,250	3,959	6,148	7,298	11,798	3,679	14,420	4,438	892,748	0.005
	9	798,853	281,286	76,865	131,124	12,432	18,421	14,190	21,866	6,895	24,284	4,498	2,260,847	0.002
	10	199,067	70,094	16,005	33,332	4,088	5,664	7,194	9,981	2,117	6,278	2,666	541,701	0.005
	11	880,047	309,876	44,451	67,059	27,493	25,080	20,771	15,922	4,660	12,574	5,823	1,529,364	0.004
	12	126,306	44,474	11,989	20,885	3,357	4,295	4,530	5,868	1,180	4,254	4,235	438,080	0.010
	13	400,785	141,121	29,897	45,922	7,203	7,743	3,470	7,760	3,307	11,293	1,013	834,825	0.001
		Subtotal	8,374,659	2,948,824	815,270	1,463,964	160,467	245,579	151,933	228,003	73,975	270,147	54,060	23,982,802
Non-MSA Counties and Counties with Only Rural Places	1	123,473	43,476	5,942	9,479	2,824	2,425	9,113	12,911	1,522	3,290	36,633	315,872	0.116
	2	98,556	34,703	6,892	7,275	1,325	1,061	11,734	12,680	1,963	2,990	24,831	261,516	0.095
	3	92,052	32,413	7,882	11,329	1,841	1,632	4,072	6,609	2,374	2,475	5,417	254,283	0.021
	4	253,421	89,233	20,612	23,264	4,540	4,051	13,222	17,450	3,647	5,915	12,756	652,018	0.020
	5	155,723	54,832	9,429	17,262	2,789	2,197	11,114	11,712	2,455	3,442	9,910	380,459	0.026
	6	69,391	24,433	4,543	9,291	1,574	1,154	4,162	3,929	876	1,604	4,577	199,197	0.023
	7	37,734	13,287	4,530	3,779	722	628	2,812	3,941	942	868	4,217	118,114	0.036
	8	105,173	37,033	8,428	8,873	2,443	1,357	8,322	9,364	2,221	2,121	12,672	284,198	0.045
	9	74,659	26,288	7,054	6,473	2,373	1,488	4,692	4,993	1,360	1,429	6,857	227,521	0.030
	10	97,406	34,298	4,766	9,590	3,028	2,380	8,110	7,242	884	2,136	14,905	249,750	0.060
	11	151,279	53,267	5,414	8,593	4,515	3,280	7,431	6,422	821	2,846	18,214	277,890	0.066
	12	63,264	22,276	3,175	5,073	1,306	1,022	5,734	6,758	855	1,258	35,496	191,386	0.185
	13	12,643	4,452	501	1,040	281	206	1,330	1,501	239	454	20,687	24,606	0.841
		Subtotal	1,334,774	469,991	89,168	121,321	29,561	22,881	91,848	105,512	20,159	30,828	207,172	3,436,810
	Total	9,709,433	3,418,814	904,438	1,585,285	190,028	268,460	243,781	333,515	94,134	300,975	261,232	27,419,612	1.618

Texas Average HH Size: 2.84

Texas Department of Housing and Community Affairs
Draft Example 2020 SHTF Regional Allocation Formula

Table 2 - Weights

	Region	Total Need Variables	% of Total Need Variables	Weighted	Total Availability Variables	% of Total Availability Variables	Weighted	Regional Coverage Factor	% of Total Regional Coverage Factor	Weighted	Final Subregion Allocation	% of Total Award
MSA Counties with Urban Places	1	143,456	2.1%	\$ 61,974	10,015	2.5%	\$ (15,208)	0.005	0.3%	\$ 1,831	\$ 48,597	1.62%
	2	74,481	1.1%	\$ 32,177	5,912	1.5%	\$ (8,978)	0.009	0.5%	\$ 3,192	\$ 26,391	0.88%
	3	1,711,439	24.6%	\$ 739,355	94,433	23.9%	\$ (143,403)	0.001	0.1%	\$ 497	\$ 596,449	19.88%
	4	128,681	1.9%	\$ 55,591	8,214	2.1%	\$ (12,474)	0.006	0.3%	\$ 2,058	\$ 45,175	1.51%
	5	97,395	1.4%	\$ 42,075	5,855	1.5%	\$ (8,891)	0.005	0.3%	\$ 1,974	\$ 35,158	1.17%
	6	1,608,639	23.2%	\$ 694,944	98,651	25.0%	\$ (149,808)	0.001	0.1%	\$ 427	\$ 545,563	18.19%
	7	457,219	6.6%	\$ 197,522	26,101	6.6%	\$ (39,636)	0.002	0.1%	\$ 782	\$ 158,668	5.29%
	8	241,021	3.5%	\$ 104,123	18,099	4.6%	\$ (27,485)	0.005	0.3%	\$ 1,843	\$ 78,482	2.62%
	9	556,184	8.0%	\$ 240,276	31,179	7.9%	\$ (47,347)	0.002	0.1%	\$ 738	\$ 193,666	6.46%
	10	146,358	2.1%	\$ 63,228	8,395	2.1%	\$ (12,748)	0.005	0.3%	\$ 1,825	\$ 52,304	1.74%
	11	510,652	7.4%	\$ 220,605	17,234	4.4%	\$ (26,171)	0.004	0.2%	\$ 1,412	\$ 195,846	6.53%
	12	95,398	1.4%	\$ 41,213	5,434	1.4%	\$ (8,252)	0.010	0.6%	\$ 3,584	\$ 36,545	1.22%
	13	243,116	3.5%	\$ 105,028	14,600	3.7%	\$ (22,171)	0.001	0.1%	\$ 450	\$ 83,307	2.78%
	Subtotal	6,014,040	86.6%	\$ 2,598,111	344,122	87.1%	\$ (522,573)	0.056	3.4%	\$ 20,613	\$ 2,096,151	69.87%
Non-MSA Counties and Counties with Only Rural Places	1	86,170	1.2%	\$ 37,226	4,812	1.2%	\$ (7,307)	0.116	7.2%	\$ 42,999	\$ 72,918	2.43%
	2	75,670	1.1%	\$ 32,690	4,953	1.3%	\$ (7,521)	0.095	5.9%	\$ 35,204	\$ 60,373	2.01%
	3	65,778	0.9%	\$ 28,416	4,849	1.2%	\$ (7,364)	0.021	1.3%	\$ 7,899	\$ 28,952	0.97%
	4	172,372	2.5%	\$ 74,466	9,562	2.4%	\$ (14,521)	0.020	1.2%	\$ 7,254	\$ 67,199	2.24%
	5	109,335	1.6%	\$ 47,234	5,897	1.5%	\$ (8,955)	0.026	1.6%	\$ 9,657	\$ 47,936	1.60%
	6	49,086	0.7%	\$ 21,206	2,480	0.6%	\$ (3,766)	0.023	1.4%	\$ 8,520	\$ 25,960	0.87%
	7	29,699	0.4%	\$ 12,830	1,810	0.5%	\$ (2,749)	0.036	2.2%	\$ 13,236	\$ 23,317	0.78%
	8	75,820	1.1%	\$ 32,755	4,342	1.1%	\$ (6,594)	0.045	2.8%	\$ 16,532	\$ 42,693	1.42%
	9	53,361	0.8%	\$ 23,053	2,789	0.7%	\$ (4,235)	0.030	1.9%	\$ 11,174	\$ 29,991	1.00%
	10	69,414	1.0%	\$ 29,987	3,020	0.8%	\$ (4,586)	0.060	3.7%	\$ 22,127	\$ 47,528	1.58%
	11	88,922	1.3%	\$ 38,415	3,667	0.9%	\$ (5,569)	0.066	4.1%	\$ 24,302	\$ 57,148	1.90%
	12	45,344	0.7%	\$ 19,589	2,113	0.5%	\$ (3,209)	0.185	11.5%	\$ 68,765	\$ 85,146	2.84%
	13	9,311	0.1%	\$ 4,022	693	0.2%	\$ (1,052)	0.841	52.0%	\$ 311,719	\$ 314,689	10.49%
	Subtotal	930,282	13.4%	\$ 401,889	50,987	12.9%	\$ (77,427)	1.563	96.6%	\$ 579,387	\$ 903,849	30.13%
	Total	6,944,321	100%	\$ 3,000,000	395,109	100%	\$ (600,000)	1.618	100.0%	\$ 600,000	\$ 3,000,000	100.00%

Total Sample Allocation: \$3,000,000

Weight of Need Variables: 100%

Weight of Availability Variables: -20%

Weight of Regional Coverage Factor: 20%

Texas Department of Housing and Community Affairs
Draft Example 2020 HOME SF Regional Allocation Formula

Table 1 - Raw Data

	Region	Individuals at or Below 200% Poverty	HH at or Below 200% Poverty	Cost-Burdened Owners	Cost-Burdened Renters	Over-crowded Owners	Over-crowded Renters	Total Units Lacking Plumbing	Total Units Lacking Kitchen	Vacant Units For Sale	Vacant Units For Rent	Land Area	Total Population	Inverse Population Density
MSA Counties with Urban Places	1	27,108	9,545	2,977	3,381	395	570	1,233	1,670	357	634	2,494	104,678	0.024
	2	17,109	6,024	2,181	1,659	242	172	1,697	1,790	387	525	2,293	59,735	0.038
	3	473,807	166,833	85,100	82,167	9,631	9,718	10,448	19,574	5,825	11,209	7,665	2,128,494	0.004
	4	107,033	37,688	9,045	12,345	1,918	1,396	6,275	6,731	1,549	2,137	2,557	297,704	0.009
	5	61,123	21,522	6,133	6,633	1,160	803	3,724	3,529	1,081	1,593	1,941	220,875	0.009
	6	128,105	45,107	14,218	18,052	3,318	2,209	3,777	4,345	2,138	3,767	2,606	439,088	0.006
	7	254,014	89,442	46,354	47,702	5,701	5,707	4,174	7,320	3,766	7,144	3,922	1,083,684	0.004
	8	131,691	46,370	12,761	18,860	1,795	2,178	4,393	6,948	1,765	4,697	4,202	431,051	0.010
	9	92,486	32,565	14,539	11,743	1,906	1,865	2,848	3,729	1,243	2,429	3,258	368,843	0.009
	10	81,603	28,733	6,413	10,643	1,613	2,382	4,154	5,494	759	2,449	2,508	218,975	0.011
	11	110,454	38,892	4,925	5,460	3,613	2,821	3,931	2,637	643	2,578	3,991	186,993	0.021
	12	57,097	20,105	6,131	8,399	1,894	2,734	2,170	2,830	526	1,468	4,136	223,015	0.019
	13	89,835	31,632	5,548	4,746	2,752	1,287	1,040	1,977	495	620	757	156,559	0.005
	Subtotal	1,631,465	574,460	216,325	231,790	35,938	33,842	49,864	68,574	20,534	41,250	42,330	5,919,694	0.168
Non-MSA Counties and Counties with Only Rural Places	1	123,473	43,476	5,942	9,479	2,824	2,425	9,113	12,911	1,522	3,290	36,633	315,872	0.116
	2	98,556	34,703	6,892	7,275	1,325	1,061	11,734	12,680	1,963	2,990	24,831	261,516	0.095
	3	92,052	32,413	7,882	11,329	1,841	1,632	4,072	6,609	2,374	2,475	5,417	254,283	0.021
	4	252,899	89,049	20,524	23,200	4,540	4,051	13,196	17,424	3,647	5,885	12,753	649,354	0.020
	5	155,723	54,832	9,429	17,262	2,789	2,197	11,114	11,712	2,455	3,442	9,910	380,459	0.026
	6	69,391	24,433	4,543	9,291	1,574	1,154	4,162	3,929	876	1,604	4,577	199,197	0.023
	7	37,734	13,287	4,530	3,779	722	628	2,812	3,941	942	868	4,217	118,114	0.036
	8	105,173	37,033	8,428	8,873	2,443	1,357	8,322	9,364	2,221	2,121	12,672	284,198	0.045
	9	74,659	26,288	7,054	6,473	2,373	1,488	4,692	4,993	1,360	1,429	6,857	227,521	0.030
	10	97,406	34,298	4,766	9,590	3,028	2,380	8,110	7,242	884	2,136	14,903	249,750	0.060
	11	151,279	53,267	5,414	8,593	4,515	3,280	7,431	6,422	821	2,846	18,214	277,890	0.066
	12	63,264	22,276	3,175	5,073	1,306	1,022	5,734	6,758	855	1,258	35,496	191,386	0.185
	13	12,643	4,452	501	1,040	281	206	1,330	1,501	239	454	20,687	24,606	0.841
	Subtotal	1,334,252	469,807	89,080	121,257	29,561	22,881	91,822	105,486	20,159	30,798	207,166	3,434,146	1.563
	Total	2,965,717	1,044,267	305,405	353,047	65,499	56,723	141,686	174,060	40,693	72,048	249,496	9,353,840	1.730

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

Texas Average HH Size: 2.84

Texas Department of Housing and Community Affairs
Draft Example 2020 HOME SF Regional Allocation Formula

Table 2 - Weights

	Region	Total Need Variables	% of Total Need Variables	Weighted	Total Availability Variables	% of Total Availability Variables	Weighted	Regional Coverage Factor	% of Total Regional Coverage Factor	Weighted	Initial Subregion Allocation	% of Total Award
MSA Counties with Urban Places	1	19,771	0.9%	\$ 138,538	991	0.9%	\$ (26,370)	0.024	1.4%	\$ 41,304	\$ 153,471	1.02%
	2	13,765	0.6%	\$ 96,455	912	0.8%	\$ (24,268)	0.038	2.2%	\$ 66,555	\$ 138,742	0.92%
	3	383,471	17.9%	\$ 2,687,022	17,034	15.1%	\$ (453,269)	0.004	0.2%	\$ 6,244	\$ 2,239,997	14.93%
	4	75,398	3.5%	\$ 528,319	3,686	3.3%	\$ (98,083)	0.009	0.5%	\$ 14,890	\$ 445,125	2.97%
	5	43,504	2.0%	\$ 304,838	2,674	2.4%	\$ (71,154)	0.009	0.5%	\$ 15,235	\$ 248,919	1.66%
	6	91,026	4.3%	\$ 637,831	5,905	5.2%	\$ (157,130)	0.006	0.3%	\$ 10,291	\$ 490,992	3.27%
	7	206,400	9.6%	\$ 1,446,262	10,910	9.7%	\$ (290,311)	0.004	0.2%	\$ 6,275	\$ 1,162,225	7.75%
	8	93,305	4.4%	\$ 653,798	6,462	5.7%	\$ (171,952)	0.010	0.6%	\$ 16,902	\$ 498,749	3.32%
	9	69,195	3.2%	\$ 484,860	3,672	3.3%	\$ (97,711)	0.009	0.5%	\$ 15,316	\$ 402,465	2.68%
	10	59,432	2.8%	\$ 416,449	3,208	2.8%	\$ (85,364)	0.011	0.7%	\$ 19,858	\$ 350,943	2.34%
	11	62,279	2.9%	\$ 436,397	3,221	2.9%	\$ (85,710)	0.021	1.2%	\$ 37,009	\$ 387,696	2.58%
	12	44,263	2.1%	\$ 310,152	1,994	1.8%	\$ (53,060)	0.019	1.1%	\$ 32,157	\$ 289,249	1.93%
	13	48,982	2.3%	\$ 343,222	1,115	1.0%	\$ (29,670)	0.005	0.3%	\$ 8,389	\$ 321,941	2.15%
	Subtotal	1,210,793	56.6%	\$ 8,484,142	61,784	54.8%	\$ (1,644,051)	0.168	9.7%	\$ 290,425	\$ 7,130,515	47.54%
Non-MSA Counties and Counties with Only Rural Places	1	86,170	4.0%	\$ 603,804	4,812	4.3%	\$ (128,046)	0.116	6.7%	\$ 201,082	\$ 676,840	4.51%
	2	75,670	3.5%	\$ 530,226	4,953	4.4%	\$ (131,798)	0.095	5.5%	\$ 164,629	\$ 563,057	3.75%
	3	65,778	3.1%	\$ 460,911	4,849	4.3%	\$ (129,030)	0.021	1.2%	\$ 36,938	\$ 368,818	2.46%
	4	171,984	8.0%	\$ 1,205,108	9,532	8.5%	\$ (253,643)	0.020	1.1%	\$ 34,051	\$ 985,516	6.57%
	5	109,335	5.1%	\$ 766,121	5,897	5.2%	\$ (156,917)	0.026	1.5%	\$ 45,162	\$ 654,366	4.36%
	6	49,086	2.3%	\$ 343,954	2,480	2.2%	\$ (65,992)	0.023	1.3%	\$ 39,843	\$ 317,804	2.12%
	7	29,699	1.4%	\$ 208,101	1,810	1.6%	\$ (48,163)	0.036	2.1%	\$ 61,897	\$ 221,835	1.48%
	8	75,820	3.5%	\$ 531,276	4,342	3.9%	\$ (115,539)	0.045	2.6%	\$ 77,311	\$ 493,048	3.29%
	9	53,361	2.5%	\$ 373,908	2,789	2.5%	\$ (74,214)	0.030	1.7%	\$ 52,254	\$ 351,948	2.35%
	10	69,414	3.2%	\$ 486,390	3,020	2.7%	\$ (80,361)	0.060	3.4%	\$ 103,459	\$ 509,488	3.40%
	11	88,922	4.2%	\$ 623,087	3,667	3.3%	\$ (97,578)	0.066	3.8%	\$ 113,646	\$ 639,155	4.26%
	12	45,344	2.1%	\$ 317,730	2,113	1.9%	\$ (56,226)	0.185	10.7%	\$ 321,576	\$ 583,080	3.89%
	13	9,311	0.4%	\$ 65,241	693	0.6%	\$ (18,440)	0.841	48.6%	\$ 1,457,729	\$ 1,504,530	10.03%
	Subtotal	929,894	43.4%	\$ 6,515,858	50,957	45.2%	\$ (1,355,949)	1.563	90.3%	\$ 2,709,575	\$ 7,869,485	52.46%
	Total	2,140,687	100%	\$ 15,000,000	112,741	100%	\$ (3,000,000)	1.730	100.0%	\$ 3,000,000	\$ 15,000,000	100.00%

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

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

Texas Department of Housing and Community Affairs
Draft Example 2020 HOME SF Regional Allocation Formula

Table 3 - Supplemental Allocation

	Region	Initial Subregion Amount	Supplemental Amount Needed to Reach Subregion Floor	Final Subregion Allocation	% of Total Award
MSA Counties with Urban Places	1	\$ 153,471.43	\$ -	\$ 153,471.43	1.02%
	2	\$ 138,741.57	\$ -	\$ 138,741.57	0.92%
	3	\$ 2,239,996.69	\$ -	\$ 2,239,996.69	14.93%
	4	\$ 445,125.48	\$ -	\$ 445,125.48	2.97%
	5	\$ 248,919.25	\$ -	\$ 248,919.25	1.66%
	6	\$ 490,991.77	\$ -	\$ 490,991.77	3.27%
	7	\$ 1,162,225.47	\$ -	\$ 1,162,225.47	7.75%
	8	\$ 498,748.51	\$ -	\$ 498,748.51	3.32%
	9	\$ 402,465.29	\$ -	\$ 402,465.29	2.68%
	10	\$ 350,942.96	\$ -	\$ 350,942.96	2.34%
	11	\$ 387,696.27	\$ -	\$ 387,696.27	2.58%
	12	\$ 289,249.06	\$ -	\$ 289,249.06	1.93%
	13	\$ 321,940.88	\$ -	\$ 321,940.88	2.15%
	Subtotal	\$ 7,130,514.64	\$ -	\$ 7,130,514.64	47.54%
Non-MSA Counties and Counties with Only Rural Places	1	\$ 676,840.33	\$ -	\$ 676,840.33	4.51%
	2	\$ 563,057.17	\$ -	\$ 563,057.17	3.75%
	3	\$ 368,818.11	\$ -	\$ 368,818.11	2.46%
	4	\$ 985,516.30	\$ -	\$ 985,516.30	6.57%
	5	\$ 654,366.01	\$ -	\$ 654,366.01	4.36%
	6	\$ 317,804.20	\$ -	\$ 317,804.20	2.12%
	7	\$ 221,834.91	\$ -	\$ 221,834.91	1.48%
	8	\$ 493,048.19	\$ -	\$ 493,048.19	3.29%
	9	\$ 351,947.56	\$ -	\$ 351,947.56	2.35%
	10	\$ 509,487.86	\$ -	\$ 509,487.86	3.40%
	11	\$ 639,155.26	\$ -	\$ 639,155.26	4.26%
	12	\$ 583,079.67	\$ -	\$ 583,079.67	3.89%
	13	\$ 1,504,529.80	\$ -	\$ 1,504,529.80	10.03%
	Subtotal	\$ 7,869,485.36	\$ -	\$ 7,869,485.36	52.46%
Total	\$ 15,000,000.00	\$ -	\$ 15,000,000.00	100.00%	

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

Subregion Allocation Floor: \$100,000.00

4

BOARD ACTION REQUEST
OCI, HTF, and NSP DIVISION
MAY 23, 2019

Presentation, discussion, and possible action on the City of Eagle Pass, Maverick County Colonia Self-Help Center Program Contract in accordance with Tex. Gov't Code Chapter 2105 and 10 TAC, Chapter 1, Subchapter D, §1.411(f)(1)(F)

RECOMMENDED ACTION

WHEREAS, the Department is required by statute to establish Colonia Self-Help Centers (CSHC) in Cameron/Willacy, El Paso, Hidalgo, Starr, and Webb counties;

WHEREAS, in 2001 the Department opened two additional CSHCs in Maverick and Val Verde counties as authorized by Tex. Gov't Code §2306.582 to address the needs of colonias in these counties;

WHEREAS, in accordance with Tex. Gov't Code Chapter 2105, "Nonrenewal or Reduction of Block Grant Funds of Specific Provider", the Department is required to consider specific criteria and take certain actions when deciding whether to renew a Block Grant-funded contract;

WHEREAS, the specific provider for the Maverick County CSHC is the City of Eagle Pass (contract 7215003) and its four-year Contract Term ends on August 17, 2019;

WHEREAS, to date the City of Eagle Pass has not expended approximately 87% of its \$1 Million CSHC budget (\$878,951), which has left Colonia households unserved and which is considered materially failing to expend funds per 10 TAC, Chapter 1, Subchapter D, §1.411(f)(1)(F), "Definition of 'good cause' for nonrenewal of a contract";

WHEREAS, the Department desires to identify a provider for Maverick County CSHC who will have the capacity to fully expend funds on eligible activities; and

WHEREAS, the Department intends to publish a Request for Administrator for the Maverick County CSHC Program for the next Contract Term and accept applications from other eligible units of general local government to utilize Community Development Block Grant (CDBG) funding to serve Maverick County colonias;

NOW, therefore, it is hereby

RESOLVED, that staff is authorized to make all such required notifications to the City of Eagle Pass, and proceed as required, in compliance with Tex. Gov't Code Chapter 2105; and

FURTHER RESOLVED, that the Acting Director is hereby authorized to publish a Request for Administrator in order to make an award of CDBG funding for operation of the Maverick County CSHC Program for Program Years 2019-2023.

BACKGROUND

Colonia Self-Help Center Program

The CSHC Program was created in 1995 by the 74th Texas Legislature. The purpose of a CSHC is to assist individuals and families of low-income and very low-income to finance, refinance, construct, improve or maintain a safe, suitable home in the designated colonia service area or in another area that the Department has determined is suitable. Pursuant to Tex. Gov't Code Chapter 2306 Subchapter Z, the Department established CSHCs in Cameron/Willacy, El Paso, Hidalgo, Starr, and Webb counties. Statute allows for CSHCs to be established in any other county if TDHCA deems it necessary and appropriate, and if the county is designated as an economically distressed area under Chapter 17 of the Water Code. In 2001, TDHCA established additional centers in Maverick and Val Verde counties.

The CSHCs are funded through a 2.5% set-aside (approximately \$1.5 million per year) of the annual Texas Community Development Block Grant (TxCDBG) non-entitlement allocation to the State of Texas. The Texas Department of Agriculture (TDA) receives the allocation from the U.S. Department of Housing and Urban Development (HUD), and TDA and TDHCA together manage TxCDBG funds and implement the CSHC Program through a Memorandum of Understanding.

The CSHC contracts have a term of four years per Tex. Gov't Code §2306.587. The Department allocates no more than \$1,000,000 per CSHC contract in accordance with 10 TAC §25.5. The subrecipients in conjunction with TDHCA's Colonia Resident Advisory Committee and the Department designate five colonias in each county service area to receive concentrated attention from its respective CSHC.

The City of Eagle Pass Administration of the Maverick County CSHC Program

The Department has collaborated with the City of Eagle Pass since August 2015 to administer the Maverick County CSHC Program. Prior to that time, Maverick County administered the CSHC contract. However, due to concerns from HUD and delinquent single audits, Maverick County became unable to continue contract administration. The City of Eagle Pass four-year contract ends on August 17, 2019, and the City has not expended the vast majority of the funds.

Contract Amount	Expended as of May 2019	Remaining Balance
\$1,000,000	\$121,048.50	\$878,951.50 (87%)

While the City has identified eligible applicants who could be assisted through the program, no projects have started construction. Any construction initiated at this point is unlikely to be completed in the remaining four months of the Contract Term. Any expenses incurred by the City after August 17, 2019, are ineligible for reimbursement. The City's failure to expend funds has left the 4,923 households living in the five-colonia Maverick County target area without the services that were under contract, and could result in the State of Texas having to return these funds to TDA and/or HUD.

The Department no longer wishes to automatically renew the City's contract for the next CSHC Contract Term. This action is authorized under the Tex. Gov't Code Chapter 2105, Subchapter E, "Nonrenewal or Reduction of Block Grant Funds of Specific Provider", and the Texas Administrative Code, Title 10, Part 1, Chapter 1, Subchapter D, §1.411, "Administration of Block Grants under Chapter 2105 of the Tex. Gov't Code". The City has the right to request an administrative hearing under Tex. Gov't Code Chapter 2105, Subchapter E.

In order to have an eligible subrecipient under contract after August 17, 2019, to serve Maverick County colonia residents through the CSHC Program, the Department wishes to announce a "Request for Administrator" and accept applications/proposals from eligible units of general local government.

ATTACHMENT A:

TEXAS GOVERNMENT CODE, CHAPTER 2105

SUBCHAPTER E. NONRENEWAL OR REDUCTION OF BLOCK GRANT FUNDS OF SPECIFIC PROVIDER

Sec. 2105.201. APPLICATION OF SUBCHAPTER; EXCEPTION. (a) This subchapter applies if:

(1) an agency reduces a provider's block grant funding by 25 percent or more; and

(2) the agency provides the block grant funds to another provider in the same geographic area to provide similar services.

(b) This subchapter does not apply if a provider's block grant funding becomes subject to the agency's competitive bidding rules requiring the agency to invite bids for competitive evaluation.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Sec. 2105.202. RULES; CONSIDERATIONS. (a) The individual or entity responsible for adopting rules for an agency shall adopt specific rules for the agency that define good cause for nonrenewal of a provider's contract or reduction of a provider's funding.

(b) In deciding whether to renew a provider's contract or to reduce a provider's funding, an agency shall consider:

(1) the effectiveness of services rendered by various providers;

(2) the cost efficiency of programs undertaken by each provider;

(3) the extent to which the services of each provider meet the needs of groups or classes of individuals who are poor or underprivileged or have a disability;

(4) the degree to which services can be provided by other programs in that area;

(5) the extent to which recipients are involved in the providers' decision making; and

(6) the need to provide services in the state without discrimination as to race, religion, or geographic region.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1 (S.B. 219), Sec. 2.284, eff. April 2, 2015.

Sec. 2105.203. NOTICE TO PROVIDER OF REDUCTION. Not later than the 30th day before the date on which block grant funds are reduced, an agency shall send a provider a written statement specifying the reason for reducing the funding.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Sec. 2105.204. HEARING ON REDUCTION OF FUNDING. (a) After receiving notice that block grant funds are to be reduced as provided by Section 2105.203, a provider may request an administrative hearing under Chapter 2001 if the provider alleges that a reduction of funding:

- (1) violates the rules adopted under Section 2105.202(a);
- (2) is discriminatory; or
- (3) is without reasonable basis in law or fact.

(b) Not later than the 30th day after the date the request is received, the agency shall conduct a hearing to determine whether the funding should be reduced. The agency and the provider may agree to postpone the hearing.

(c) An agency shall hold at least one session of the hearing in the locality served by the provider and shall hear local public comment on the matter at that time if requested to do so by:

- (1) a local elected official; or
- (2) an organization with 25 or more members.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Sec. 2105.205. INTERIM CONTRACT PENDING HEARING. If a provider requests an administrative hearing under Section 2105.204, the agency may enter into an interim contract with the provider or another provider for the services formerly provided by the provider while administrative or judicial proceedings are pending.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Texas Administrative Code

<u>TITLE 10</u>	COMMUNITY DEVELOPMENT
<u>PART 1</u>	TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
<u>CHAPTER 1</u>	ADMINISTRATION
<u>SUBCHAPTER D</u>	UNIFORM GUIDANCE FOR RECIPIENTS OF FEDERAL AND STATE FUNDS
RULE §1.411	Administration of Block Grants under Chapter 2105 of the Tex. Gov't Code

(a) Purpose. The purpose of this rule is to inform compliance with Tex. Gov't Code Ch. 2105, Administration of Block Grants.

(b) Applicability. This rule applies to all funds administered by the Department that are subject to Tex. Gov't Code Ch. 2105. The activities administered by the Department that are currently subject to Tex. Gov't Code Chapter 2105 are those funded by the Community Services Block Grant (CSBG) funds that are required to be distributed to Eligible Entities, the Low Income Home Energy Assistance Program (LIHEAP) funds that are distributed to Subrecipients, and the funds that the Department administers and distributes to Subrecipients from the annual allocation from the Community Development Block Grant (CDBG) Program. If additional block grant funds that would be subject to Tex. Gov't Code Ch. 2105 by its terms are assigned to the Department, they too would be subject to this rule. Capitalized terms used in this section are defined in the applicable Rules or chapters of this title or as assigned by federal or state law.

(c) Hearings required to be held by Subrecipients. Consistent with Tex. Gov't Code §2105.058, Subrecipients that receive more than \$5,000 from one or more of the programs noted in subsection (b) of this section must annually submit evidence to the Department that a public meeting or hearing was held solely to seek public comment on the needs or uses of block grant funds received by the Subrecipient. This meeting or hearing may be held in conjunction with another meeting or hearing if the meeting or hearing is clearly noted as being for the consideration of the applicable block grant funds under this subsection.

(d) Complaints. The Department will notify a Subrecipient of any complaint received concerning the Subrecipient services. As authorized by Tex. Gov't Code §2105.104, the Department shall consider the history of complaints, for the preceding three year period, regarding a Subrecipient in determining whether to award, increase, or renew a Contract with a Subrecipient. The Department will not consider complaints in determining whether to award, increase, or renew a Contract with a Subrecipient that the Department has determined in accordance with 10 TAC §1.2 (relating to Department Complaint System to the Department) it has no authority to resolve, or that are not corroborated.

(e) Right to Request a Hearing on Denial of Services or Benefits. As provided for in Tex. Gov't Code §2105.151 and §2105.154, an affected person who alleges that a Subrecipient has denied all or part of a service or benefit funded by funds under a program that is subject to this subchapter in a manner that is unjust, discriminatory, or without reasonable basis in law or fact may request and have a timely hearing provided by the Department in the Service Area of the Subrecipient, and the requested hearing will be an administrative hearing under Tex. Gov't Code Ch. 2001.

(f) Nonrenewal or Reduction of Block Grant Funds to a Specific Subrecipient.

(1) As required by Tex. Gov't Code §2105.202(a), this section defines "good cause" for nonrenewal of a Subrecipient contract or a reduction of funding. Good cause may include any one or more of the following:

(A) Consistent and repeated corroborated complaints about a Subrecipient's failure to follow substantive program requirements, as provided for in subsection (d) of this section;

(B) Lack of compliance with 10 TAC §1.403 (relating to Single Audit Requirements);

(C) Statute, rule, or contract violations that have not been timely corrected and have prompted the Department to initiate proceedings under 10 TAC Chapter 2, (relating to Enforcement), and have resulted in a final order confirming such violation(s);

(D) Disallowed costs in excess of \$10,000 that have not been timely repaid;

(E) Failure by Subrecipient to select an option as provided for in §1.410 of this title (relating to Determination of Alien Status for Program Beneficiaries) by the deadline;

(F) The ineffective rendition of services to clients, which may include a Subrecipient's failure to perform on a Contract, and which may include materially failing to expend funds;

(G) A failure to address an identified material lack of cost efficiency of programs;

(H) A material failure of the services of the Subrecipient to meet the needs of groups or classes of individuals who are poor or underprivileged or have a disability;

(I) Providing services that are adequately addressed by other programs in that area;

(J) The extent to which clients and program recipients are involved in the Subrecipient's decision making;

(K) Providing services in a manner that unlawfully discriminates on the basis of protected class status;

or

(L) Providing services outside of the designated geographic scope of the Subrecipient.

(2) Notification of Reduction, Termination, or Nonrenewal of a Contract and Opportunity for a Hearing. As required by Tex. Gov't Code §2105.203 and §2105.301, the Department will send a Subrecipient a written statement specifying the reason for the reduction, termination, or nonrenewal of funds no later than the 30th day before the date on which block grant funds are to be reduced, terminated, or not renewed, unless excepted for by paragraph (4) of this subsection. After receipt of such notice for reduction or nonrenewal, a Subrecipient may request an administrative hearing under Tex. Gov't Code Ch. 2001 if the Subrecipient is alleging that the reduction is not based on good cause as identified in subsection (f)(1) of this section or is without reasonable basis in fact or law. If a Subrecipient requests a hearing, the Department may, at its election, enter into an interim contract with either the Subrecipient or another provider for the services formerly provided by the provider while administrative or judicial proceedings are pending.

(3) Notification of Reduction of Block Grant funds for a Geographical Area. If required by Tex. Gov't Code §2105.251 and §2105.252, the Department will send a Subrecipient a written statement specifying the reason for the reduction of funds no later than the 30th day before the date on which block grant funds are to be reduced.

(4) Exceptions. As authorized by Tex. Gov't Code §2105.201(b), the notification and hearing requirements for reduction or nonrenewal of funding provided for in paragraphs (2) and (3) of this subsection do not apply if a Subrecipient's block grant funding becomes subject to the Department's competitive bidding rules. The Department will require such competitive bidding for awarding block grant funding subject to Tex. Gov't Code Ch. 2105 for Subrecipients and in the Department's procuring of Subrecipients or contractors to administer or assist in administering such block grant funds, which includes the competitive release of Notices of Funding Availability and competitive Requests for Subrecipients or Providers. The criteria for evaluation of competitive responses shall be set forth in the applicable notices of funds availability, requests, or other procurement invitation document.

(5) Nothing in this section supersedes or is intended to conflict with the rights and responsibilities outlined in §2.203 of this title (relating to Termination and Reduction of Funding for CSBG Eligible Entities).

5

BOARD ACTION REQUEST

HOME AND HOMELESSNESS PROGRAMS DIVISION

MAY 23, 2019

Presentation, discussion, and possible action on the proposed new 10 TAC Chapter 23 Subchapter H, Homebuyer Assistance with New Construction (HANC) or Rehabilitation, and directing public comment in the Texas Register

RECOMMENDED ACTION

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

WHEREAS, staff proposes a new rule that will establish a new program activity within the HOME Program to address the shortage of quality affordable housing available in rural communities by allowing homeownership through new construction or rehabilitation of single family housing on acquired or owned real property; and

WHEREAS, staff has hosted several roundtables across the state to garner input on this new program and on what rules drafted for the program should include, and input received has been contemplated in the drafting of this rule;

NOW, therefore, it is hereby

RESOLVED, that the Acting Director and his designees be and each of them hereby are authorized, empowered, and directed, for and on behalf of the Department, to cause the proposed new rule at 10 TAC Chapter 23, Subchapter H, §§23.80 – 23.82, Homebuyer Assistance with New Construction (HANC) or Rehabilitation to be approved; and directing that it be published for public comment in the Texas Register, and in connection therewith, make such non-substantive technical corrections as they may deem necessary to effectuate the foregoing.

BACKGROUND

The HOME and Homelessness Program Division (HHPD) is proposing a new HOME Program activity, called HANC, which will provide HOME Program Administrators the ability to offer a homebuyer assistance program which includes mortgage financing in conjunction with major rehabilitation of an existing home, or construction of a new home. This activity is allowable under the federal HOME Program regulations, but has not historically been offered by the Department.

Staff's intent in proposing HANC is to help to mitigate the shortage of quality affordable housing for homeownership available in rural communities. While HANC is a program designed for administration by subrecipients, like our legacy Homeowner Rehabilitation Assistance (HRA)

Program and the Homebuyer Assistance (HBA) Program, HANC provides a much needed third option – a household-driven option for prospective low income homeowners. HANC is designed to assist those low-income homebuyers who are ready to purchase a home, but there is not adequate housing available to them due to the local market price of housing, or the poor condition of existing housing on the market. HANC may also help those who already live on land they own, or own some land that they would like to build on, but cannot be assisted through the HRA Program because their housing doesn't meet HUD's definition of owner occupied housing, such as those that may currently live in an RV or an untitled unit of manufactured housing.

Assistance provided under HANC will be repayable, and eligible buyers would be able to access affordable permanent financing for the purchase and construction costs for their home through the program activity.

In preparation for the potential new program activity, HOME Program staff facilitated roundtable discussions with stakeholders in El Paso, Brownsville, and Austin from January to March of 2019. Feedback from these stakeholders was utilized to refine the initial staff draft of the rule as proposed.

Initially, HHPD plans to release this program activity as a pilot project utilizing \$1,000,000 in deobligated HOME funds, and anticipates a Notice of Funding Availability to be considered in the Fall of 2019 should the rule be adopted.

Attached are the proposed preamble and the proposed new 10 TAC Chapter 23 Subchapter H, Homebuyer Assistance with New Construction (HANC) or Rehabilitation.

Attachment 1: Preamble for proposed new 10 TAC §§23.80 – 23.82, Subchapter H, Homebuyer Assistance with New Construction (HANC) or Rehabilitation

The Texas Department of Housing and Community Affairs (the Department) proposes new 10 TAC §§23.80 – 23.82, Subchapter H, Homebuyer Assistance with New Construction (HANC) or Rehabilitation. The purpose of the proposed new section is to provide a new program activity to address the shortage of quality affordable housing available in rural communities by allowing homeownership through new construction or rehabilitation of single family housing on acquired or owned real property.

Tex. Gov't Code §2001.0045(b) does apply to the rule being adopted, however the costs associated with the new activity created by this rule are only those typical and customary costs associated with an administrator voluntarily electing to participate in a single family activity similar to those in other sections of this chapter related to homebuyer and reconstruction/rehabilitation activities.

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

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

Mr. David Cervantes, Acting Director, has determined that, for the first five years the proposed new rule would be in effect:

1. The proposed rule does not create a new government program but does establish another eligible activity type within the existing HOME Program. This new activity type provides for increased opportunities for rural Texans to access quality affordable housing opportunities.
2. The proposed new rule does not require a change in work that would require the creation of new employee positions. While some additional work by the Department will be required associated with underwriting and loan processing applications under the new activity, the Department anticipates handling this additional work with existing staff resources; the new rule does not reduce work load such that any existing employee positions could be eliminated.
3. The proposed new rule does not require additional future legislative appropriations.
4. The proposed new rule will not result in an increase in fees paid to the Department, nor in a decrease in fees paid to the Department.
5. The proposed rule is creating a new regulation to address an identified need for a household driven option for prospective low income homeowners in rural communities.
6. The proposed rule will not limit or repeal an existing regulation, but can be considered to “expand” the existing regulations because the proposed rule adds a new category of homebuyer assistance under the HOME Program. However, this new rule is necessary to establish regulations for access to and implementation of the new activity which will serve to increase the opportunity for eligible low income rural families to access affordable homes for purchase.
7. The proposed rule will increase the number of individuals subject to the rule’s

applicability but only so far as administrators voluntarily elect to participate in this new Department activity.

8. The proposed rule will not negatively affect the state's economy, and may be considered to have a positive effect on the state's economy because the proposed rule enables homebuyers to access new or rehabilitated homes at a lower cost and provides communities with a tool to increase and update their housing stock.

b. ADVERSE ECONOMIC IMPACT ON SMALL OR MICRO-BUSINESSES OR RURAL COMMUNITIES AND REGULATORY FLEXIBILITY REQUIRED BY TEX. GOV'T CODE §2006.002. The Department, in drafting this proposed rule, has attempted to reduce any adverse economic effect on small or micro-business or rural communities while remaining consistent with the statutory requirements of Tex. Gov't Code, §2306.002.

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

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

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

The Department has evaluated the proposed rule as to its possible effects on local economies and has determined that for the first five years the rule will be in effect the proposed rule may provide a possible positive economic effect on local employment in association with this rule because the construction activities associated with the program will allow local contractors to bid on jobs in their area; however because the work would be bid on a project-by-project basis, and because it is unknown what communities will end up pursuing this activity, a local impact is not able to be quantified for any given community.

e. PUBLIC BENEFIT/COST NOTE REQUIRED BY TEX. GOV'T CODE §2001.024(a)(5). Mr. Cervantes has also determined that, for each year of the first five years the new section is in effect, the public benefit anticipated as a result of the new section will be increased opportunity to access affordable housing for homeownership. There will not be any economic cost to any individuals required to comply with the new section because the costs associated with this activity and that are incurred to administer the activity are allowable and payable under the grant through which the activity is offered.

f. FISCAL NOTE REQUIRED BY TEX. GOV'T CODE §2001.024(a)(4). Mr. Cervantes also has determined that for each year of the first five years the new section is in effect, enforcing or administering the new section does not have any foreseeable implications related to costs or revenues of the state or local governments. The costs incurred to comply with the rule are reimbursable by the federal funding source under which the activity is offered.

REQUEST FOR PUBLIC COMMENT. The public comment period will be held June 7, 2019, to July 12, 2019, to receive input on the new proposed section. Written comments may be submitted to the Texas Department of Housing and Community Affairs, Attn: Abigail Versyp, Rule Comments, P.O. Box 13941, Austin, Texas 78711-3941, by fax to (512) 475-0220, or email

abigail.versyp@tdhca.state.tx.us. ALL COMMENTS MUST BE RECEIVED BY 5:00 p.m., Austin local time, July 12, 2019.

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

§23.80 Homebuyer Assistance with New Construction (HANC) or Rehabilitation Threshold and Selection Criteria

(a) Threshold Match requirement. The Department shall use population figures from the most recently available U.S. Census Bureau's American Community Survey (ACS) as of the date that an Application is first submitted under the NOFA to determine the applicable Threshold Match requirement. The Department may incentivize or provide preference to Applicants committing to provide additional Threshold Match above the requirement of this subsection. Such incentives may be established as selection criteria in the NOFA. Excluding Applications under the disaster relief and persons with disabilities set asides, Threshold Match shall be required based on the tiers described in paragraphs (1) and (2) of this subsection:

(1) No Threshold Match is required when:

(A) the Service Area includes the entire unincorporated area of a county and where the population of Administrator's Service Area is less than or equal to 20,000 persons; or

(B) the Service Area does not include the entire unincorporated area of a county, and the population of the Administrator's Service Area is less than or equal to 3,000 persons.

(2) One percent of Direct Activity Costs, exclusive of Match, is required as Match for every 1,000 in population up to a maximum of 15 percent.

(b) Cash Reserve Threshold Requirement. When HOME funds will be utilized for construction activities, documentation, as described below, must be submitted at the time of Application that demonstrates that the Applicant has at least \$40,000 in cash reserves. The cash reserves may be utilized to facilitate administration of the program, and to ensure the capacity to cover costs prior to reimbursement or costs determined to be ineligible for reimbursement. The amount of the cash reserve commitment must be included in the Applicant's resolution. To meet this requirement, Applicants must submit:

(1) financial statements indicating adequate local unrestricted cash or cash equivalents to utilize as cash reserves and a letter from the Applicant's bank(s) or financial institution(s) indicating that current account balances are sufficient; or

(2) evidence of an available line of credit or equivalent in an amount equal to or exceeding the requirement in this subsection.

(c) Other Threshold and/or Selection criteria for this Activity may be outlined in the NOFA.

§23.81 Homebuyer with New Construction or Rehabilitation (HANC) General Requirements

(a) Eligible Activities must meet the ownership requirement in subparagraph (1) of this paragraph and an Activity described in subparagraph (2) of this paragraph:

(1) Ownership requirement. A site must be owned by the beneficiary or the HOME Activity

must include one of the two following Activities:

(A) Acquisition of existing single family housing or a parcel; or

(B) Refinance of non-owner occupied real property parcel not prohibited for single family housing by zoning or restrictive covenants.

(2) All Activities must include New Construction or Rehabilitation of a unit of single family housing not occupied by the Household prior to assistance; New Construction described in this subsection includes the purchase and installation of a new unit of Manufactured Housing (MHU). Rehabilitation of an MHU is not an eligible Activity.

(b) The unit of housing in any of the Activities described in subsection (a) of this section must be occupied by the assisted Household as their principal residence for a minimum of 15 years from the Construction Completion Date.

(c) If the assisted property is owned by the Household prior to participation, the Household must be current on any existing Mortgage Loans and taxes, and the property cannot have any existing home equity loan liens. HOME funds may not be utilized to refinance loans made or insured by any federal program.

(d) The purchase price of acquired property and the post-improvement value of the unit may not exceed the limitations set forth in 24 CFR §92.254. Compliance with the purchase price limitation must be evidenced prior to loan closing. Compliance with the post-improvement value limitation must be evidenced with a final appraisal of the completed project prior to release of retainage.

(e) Activity Costs. Total Activity Costs, exclusive of Match funds, are limited to an amount not to exceed the federal subsidy limitations defined in 24 CFR §92.250.

(2) Direct Activity Costs, exclusive of Match and leverage, for construction are limited to:

(A) Construction of new site-built housing: The Direct Activity Costs are not restricted beyond the Total Activity Costs as identified in subparagraph (e) of this section;

(B) Placement of an energy efficient MHU: \$75,000; and

(C) Rehabilitation that is not Reconstruction: \$60,000, or up to \$100,000 for properties listed in or identified as eligible for listing in the National Register of Historic Places.

(f) In addition to the Direct Activity Costs allowable under subsection (e) of this section, a sum not to exceed \$10,000 and not causing the total subsidy to exceed the limitations set forth by 24 CFR §92.250 may be requested and, if approved, used to pay for any of the following as applicable:

(1) Necessary environmental mitigation as identified during the Environmental review process;

- (2) Installation of an aerobic septic system; or
 - (3) Homebuyer requests for accessibility features.
- (g) Activity soft costs eligible for reimbursement are limited to:
- (1) New Construction: no more than \$11,500 per housing unit;
 - (2) Replacement with an MHU: no more than \$5,000 per housing unit;
 - (3) Rehabilitation: \$8,500 per housing unit. This limit may be exceeded for lead-based remediation and only upon prior approval of the Division Director. The costs of testing and assessments for lead-based paint are not eligible Activity soft costs for housing units that are reconstructed or if the existing housing unit was built after December 31, 1977.
- (h) Funds for administrative costs are limited to no more than 4 percent of the Direct Activity Costs, exclusive of Match funds.
- (i) Homebuyers may choose to obtain financing for the acquisition or construction, or any combination thereof, from a third-party lender so long as the loan meets the requirements of Chapter 20 of this Title related to Loan, Lien and Mortgage Requirements for Activities.
- (j) Direct assistance will be structured as a fully amortizing, repayable loan and will initially be evaluated at zero percent interest. The minimum loan term shall be equal to the required federal affordability period based on the HOME investment, and shall be calculated by setting the total estimated housing payment (including principal, interest, property taxes, insurance, and any other homebuyer assistance), equal to at least the minimum required housing payment. Should the estimated housing payment, including all funding sources, be less than the minimum required housing payment for the minimum term, the Department may charge an interest rate to the homebuyer such that the total estimated housing payment is no less than the required minimum housing payment. In no instance shall the interest rate charged to the homebuyer exceed 5 percent and such result may deem the applicant as overqualified for assistance. The term shall not exceed thirty (30) years and not be less than 15 years.
- (1) The total Mortgage Loan may include costs incurred for Acquisition or Refinance, Mortgage Loan closing costs, and Direct Activity Costs, exclusive of Match funds.
 - (2) The total Debt-to-Income Ratio shall not exceed the limitations set forth in Chapter 20 of this Title.
 - (3) For buyers whose income is equal to or less than 50% AMFI, the minimum required housing payment shall be no less than 15% of the household's gross income. For buyers whose income exceeds 50% AMFI, the minimum required housing payment shall be no less than 20% of the household's gross income.

- (k) Earnest money may be credited to the homebuyer at closing, but may not be reimbursed as cash. HOME funds may be used to pay other reasonable and customary closing costs that are HOME eligible costs.
- (l) To ensure affordability, the Department will impose recapture provisions established in this Chapter.
- (m) For New Construction, site-built housing units must meet or exceed the 2000 International Residential Code and all applicable local codes, standards, ordinances, and zoning requirements. In addition, New Construction housing is required to meet 24 CFR §92.251(a)(2) as applicable. Housing that is Rehabilitated under this Chapter must meet the Texas Minimum Construction Standards (TMCS) and all other applicable local codes, Rehabilitation standards, ordinances, and zoning ordinances in accordance with the HOME Final Rule. MHUs must be installed according to the manufacturer's instructions and in accordance with Federal and State laws and regulations.
- (n) Housing proposed to be constructed under this subchapter must meet the requirements of Chapters 20 and 21 of this Title and must be certified by a licensed architect or engineer.
- (1) To the extent that a set of architectural plans are generated and used by an Applicant for more than one home site, the Department will reimburse only for the first time a set of architectural plans is used, unless any subsequent site specific fees are paid to a Third Party architect, or a licensed engineer for the reuse of the plans on that subsequent specific site.
- (2) A NOFA may include incentives or otherwise require architectural plans to incorporate "green building" elements.

§23.82 Homebuyer with New Construction (HANC) Administrative Requirements

(a) Commitment or Reservation of Funds. The Administrator must submit the true and complete information, certified as such, with a request for the Commitment or Reservation of Funds as described in paragraphs (1) - (14) of this subsection:

- (1) Head of Household name and address of housing unit for which assistance is being requested;
- (2) A budget that includes the amount of Activity funds specifying the acquisition costs, construction costs, soft costs and administrative costs requested, a maximum of 5 percent of hard construction costs for contingency items, proposed Match to be provided, evidence that Direct Activity Cost and Soft Cost limitations are not exceeded, and evidence that any duplication of benefit is addressed;
- (3) Verification of environmental clearance from the Department;
- (4) A copy of the Household's intake application on a form prescribed by the Department;

(5) Certification of the income eligibility of the Household signed by the Administrator and all Household members age 18 or over, and including the date of the income eligibility determination. All documentation used to determine the income of the Household must be provided;

(6) Project cost estimates, construction contracts, and other construction documents necessary to ensure applicable property standard requirements will be met at completion;

(7) Identification of any Lead-Based Paint (LBP) if activity involves an existing unit and certification that LBP will be mitigated as required by 24 CFR §92.355;

(8) Evidence that the housing unit will be located outside of the 100-year floodplain;

(9) If applicable, documentation to address or resolve any potential conflict of interest, Identity of Interest, or duplication of benefit;

(10) Information necessary to draft Mortgage Loan documents, including issuance of an SOL;

(11) Life event documentation, as applicable, and all information necessary to prepare any applicable affidavits such as marital status and heirship;

(12) Documentation of homebuyer completion of a homebuyer counseling program/class provided by a HUD certified housing counselor.

(13) For Activities involving acquisition of real property:

(A) a title commitment to issue a title policy that evidences that the property will transfer with no tax lien, child support lien, mechanics or materialman's lien or any other restrictions or encumbrances that impair the good and marketable nature of title to the ownership interest and that the definition of Homeownership will be met. The effective date of the title commitment must be no more than 30 days prior to the date of project submission. Commitments that expire prior to execution of closing must be updated at closing and must not have any adverse changes in order to close;

(B) executed sales contract; and

(C) a loan estimate or letter from any other lender confirming that the loan terms and closing costs will be consistent with the executed sales contract, the first lien Mortgage Loan requirements, and the requirements of this Chapter.

(14) For Activities that do not involve acquisition of real property:

(A) a title commitment or policy, or a down date endorsement to an existing title policy, and the actual documents, or legible copies thereof, establishing the Household's ownership, such as a warranty deed or ground lease for a ninety-nine (99) year leasehold. The effective date of the title commitment must be no more than 30 days prior to of the date of project submission. Title

commitments for loan projects that expire prior to the loan closing date must be updated and must not have any adverse changes. These documents must evidence the definition of Homeownership is met;

(B) a tax certificate that evidences a current paid status;

(C) written consent from all Persons who have a valid lien or ownership interest in the Property for the Rehabilitation or New Construction Activities;

(D) consent to demolish from any existing Mortgage Loan lien holders and consent to subordinate to the Department's loan, if applicable; and

(15) Any other documentation necessary to evidence that the Activity meets the Program requirements.

(b) Loan closing. In addition to the documents required under subsection (a) of this section, the Administrator must submit the appraisal or other valuation method approved by the Department which establishes the post Rehabilitation or New Construction value of improvements prior to the issuance of loan documents by the Department.

(c) Disbursement of funds. The Administrator must comply with all of the requirements described in paragraphs (1) - (10) of this subsection, for a request for disbursement of funds to reimburse eligible costs incurred. Submission of additional documentation related to the Administrator's compliance with requirements described in paragraphs (1) - (10) of this subsection, may be required with a request for disbursement:

(1) For construction costs that are part of a loan subject to the requirements of this subsection, a down date endorsement to the title policy not older than the date of the last disbursement of funds or forty-five (45) calendar days, whichever is later, is required. For release of retainage, the down date endorsement must be dated at least forty (40) calendar days after the Construction Completion Date.

(2) If applicable, a maximum of 50 percent of Activity funds for an Activity may be drawn before providing evidence of Match. Thereafter, each Administrator must provide evidence of Match, including the date of provision, in accordance with the percentage of Activity funds disbursed.

(3) Property inspections, including photographs of the front and side elevation of the housing unit and at least one picture of the kitchen, family room, one of the bedrooms and one of the bathrooms with date and property address reflected on each photo, are required to be submitted. The inspection must be signed and dated by the inspector and Administrator.

(4) Certification of the following is required: (i) that its fiscal control and fund accounting procedures are adequate to assure the proper disbursement of, and accounting for, funds provided; (ii) that no Person that would benefit from the award of HOME funds has satisfied the Applicant's cash reserve obligation or made promises in connection therewith; (iii) that each

request for disbursement of HOME funds is for the actual cost of providing a service; (iv) and that the service does not violate any conflict of interest provisions.

(5) Original, fully executed, legally enforceable loan documents for each assisted Household containing remedies adequate to enforce any applicable affordability requirements are required. Certified copies of fully executed, recorded loan documents that are required to be recorded in the real property records of the county in which the housing unit is located must be returned to the Department, duly certified as to recordation by the appropriate county official. This documentation prior to disbursement is not applicable for funds made available at the loan closing.

(6) Expenditures must be allowable and reasonable in accordance with federal, state, and local rules and regulations. The Department shall determine the reasonableness for expenditures submitted for reimbursement. The Department may request Administrator to make modifications to the disbursement request and is authorized to modify the disbursement procedures set forth herein and to establish such additional requirements for payment of HOME funds to Administrator as may be necessary or advisable for compliance with all Program Rules.

(7) The request for funds for administrative costs must be proportionate to the amount of Direct Activity Costs requested or already disbursed.

(8) Disbursement requests must include the withholding of 10 percent of hard construction costs for retainage. Retainage will be held until at least forty (40) calendar days after the Construction Completion Date.

(9) For final disbursement requests, the following is required:

(A) Submission of documentation required for Activity completion reports and evidence that the demolition or, if an MHU, salvage and disposal of all dilapidated housing units on the lot occurred for Newly Constructed or Rehabilitated housing unit;

(B) Certification or other evidence acceptable to Department that the replacement house, whether site-built or MHU, was constructed or placed on and within the same lot for which ownership was established and on and within the same lot secured by the loan; and

(C) A final appraisal of the property after completion of improvements.

(10) The final request for disbursement must be submitted to the Department with support documentation no later than sixty (60) calendar days after the termination date of the Contract in order to remain in compliance with Contract and eligible for future funding. The Department shall not be obligated to pay for costs incurred or performances rendered after the termination date of a Contract.

6

BOARD ACTION REQUEST
BOND FINANCE DIVISION
MAY 23, 2019

Presentation, discussion, and possible action regarding the Issuance of Multifamily Housing Revenue Bonds Series 2019 Resolution No. 19-034 and a Determination Notice of Housing Tax Credits for Northgate Village Apartments in Dallas

RECOMMENDED ACTION

WHEREAS, the Board adopted an inducement resolution for Northgate Village Apartments at the Board meeting on February 21, 2019;

WHEREAS, a 4% Housing Tax Credit application for the Northgate Village Apartments, sponsored by the Related Companies, was submitted to the Department on February 15, 2019;

WHEREAS, a Certification of Reservation was issued, in the amount of \$20,000,000, on March 11, 2019, with a bond delivery deadline of August 8, 2019; and

WHEREAS, EARAC recommends the issuance of Multifamily Housing Revenue Bonds for Northgate Village Apartments Series 2019 and the issuance of a Determination Notice;

NOW, therefore, it is hereby

RESOLVED, that the issuance of up to \$20,000,000 in Tax-Exempt Multifamily Housing Revenue Bonds for Northgate Village Apartments Series 2019, Resolution No. 19-034 is hereby approved in the form presented to this meeting;

FURTHER RESOLVED, the issuance of a Determination Notice of \$1,135,422 in 4% Housing Tax Credits for Northgate Village Apartments, subject to underwriting conditions that may be applicable as found in the Real Estate Analysis report posted to the Department's website, is hereby approved in the form presented to this meeting; and

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

BACKGROUND

General Information: The Bonds will be issued in accordance with Texas Government Code Chapter 1372 and Chapter 2306, the Department's Enabling Statute (the Statute), which authorizes the Department to issue revenue bonds for its public purposes, as defined therein. The Statute provides that the Department's revenue bonds are solely obligations of the Department, and do not create an obligation, debt or liability of the State of Texas or a pledge or loan of faith, credit or taxing power of the State of Texas.

Northgate Village Apartments is located at 12303 North Plano Road in Dallas, Dallas County, and proposes the acquisition and rehabilitation of 168 units. The Certificate of Reservation from the Bond Review Board was issued under the Priority 3 designation, which does not have a prescribed restriction on the percentage of Area Median Gross Income (AMGI) that must be served. The application reflected an intent to elect the income averaging set-aside which will involve 56 units rent and income restricted at 50% of AMGI, 84 units rent and income restricted at 60% AMGI and 27 units rent and income restricted at 80% AMGI. There will be one employee-occupied unit. The development will serve the general population, and conforms to current zoning.

Organizational Structure and Previous Participation: The Borrower is Northgate Preservation, LP and includes the entities and principals as illustrated in Exhibit A. The applicant's portfolio is considered a Category 1 and the previous participation was deemed acceptable by EARAC.

Public Hearing/Public Comment: A public hearing for the proposed development was conducted by staff on April 2, 2019, and there was one person in support in attendance. A copy of the hearing transcript is included herein. There have been no letters of support or opposition submitted to the Department.

Summary of Financial Structure

This transaction utilizes a Fannie Mae Multifamily Pass-Through Mortgage-Backed Security (MBS). The mortgage loan will be originated by the Department to the Borrower on the closing date and funded with bond proceeds. Simultaneously with the closing, the loan will be assigned to the Fannie Mae lender (Regions Bank), and the funds used by the lender by which to acquire the loan will be deposited into the collateral account to secure the bonds. In this respect, the transaction mirrors prior FHA 221(d)(4) multifamily transactions where the project will be 100% cash collateralized at all times, which offers protection for the bondholders. Approximately 10-15 days from the closing date Regions Bank will assign the loan to Fannie Mae and in exchange, Fannie will deliver the MBS to the trustee. The trustee will use the funds (loan proceeds from Regions) in the collateral account to purchase the MBS which will be used to secure the bonds from that point forward. Payments on the bonds will be guaranteed by Fannie Mae.

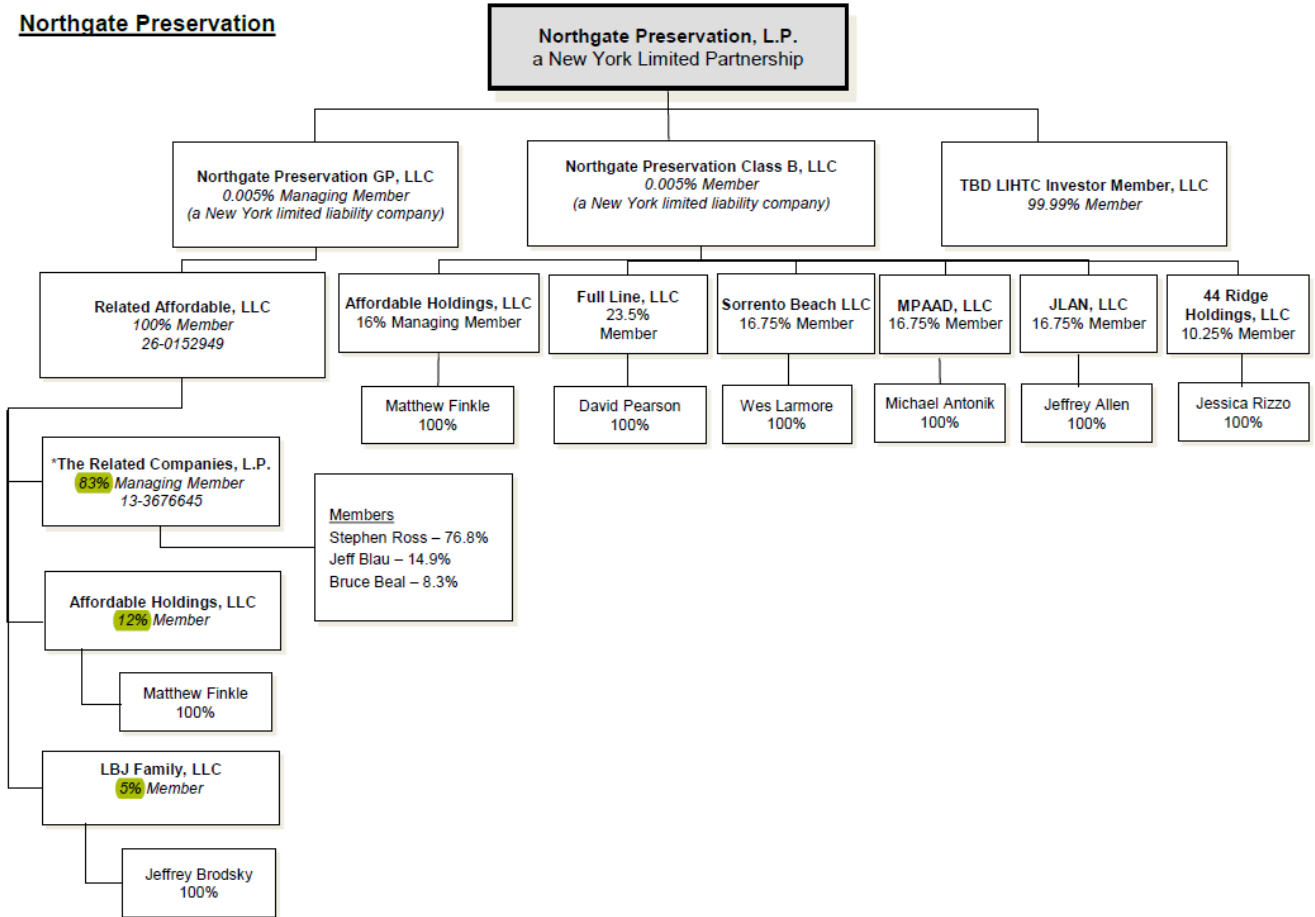
Under the proposed structure, the Department will issue tax-exempt fixed rate bonds in an amount not to exceed \$20,000,000, but currently sized at \$19,000,000. The bonds will have an interest rate

that mirrors the pass-through rate on the MBS, currently estimated to be 3.55%, which does not include servicing (0.345%) or guarantee (0.615%) fees, for an estimated all-in rate of 4.510%. The loan will have a term of 17 years and a 35-year amortization. The bonds will have an outside maturity date of June 1, 2040, and are estimated to have a Aaa rating by Moody's.

A copy of the Exhibits recommend to be approved by the Board as referenced in Resolution No. 19-034 can be found online at TDHCA's Board Meeting Information Center website at <http://www.tdhca.state.tx.us/board/meetings.htm>.

Exhibit A

Northgate Preservation



19603 Northgate Village Apartments - Application Summary

REAL ESTATE ANALYSIS DIVISION
May 16, 2019

PROPERTY IDENTIFICATION			RECOMMENDATION					KEY PRINCIPAL / SPONSOR		
Application #	19603		TDHCA Program	Request	Recommended		Mathew Finkle, President & Wes Larmore, Vice President of Related Affordable			
Development	Northgate Village Apartments		LIHTC (4% Credit)	\$1,142,704	\$1,135,422	\$6,758/Unit				\$0.95
City / County	Dallas / Dallas		Private Activity Bonds							
Region/Area	3 / Urban									
Population	General									
Set-Aside	General									
Activity	Acquisition/Rehab	(Built in 1980)	\$19,000,000	4.48%	35	17	1	Related Parties	Contractor - TBD	Seller - 0

TYPICAL BUILDING ELEVATION/PHOTO

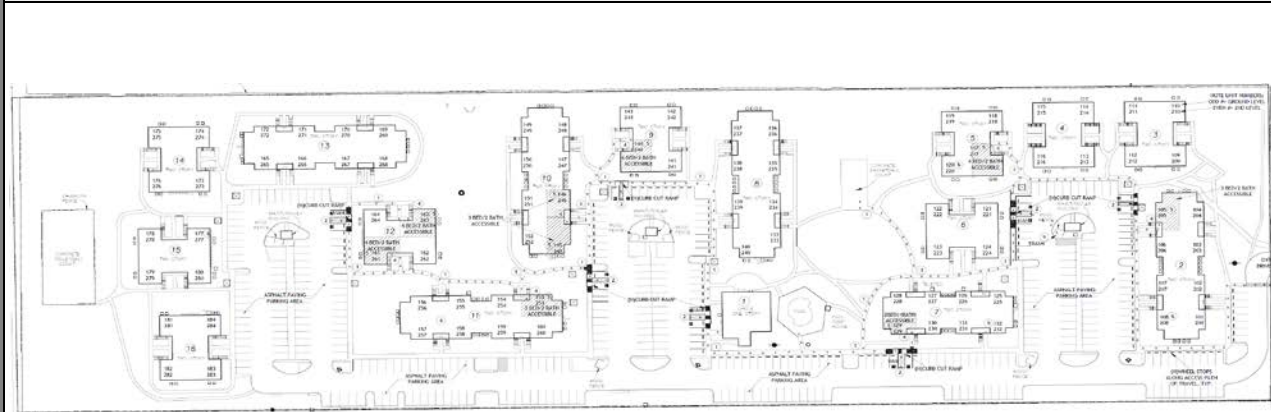


UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	-	0%	40%	-	0%
2	16	10%	50%	56	34%
3	80	48%	60%	84	50%
4	72	43%	80%	27	16%
TOTAL	168	100%	TOTAL	167	99%

PRO FORMA FEASIBILITY INDICATORS

Pro Forma Underwritten		TDHCA's Pro Forma	
Debt Coverage	1.33	Expense Ratio	42.0%
Breakeven Occ.	81.2%	Breakeven Rent	\$1,118
Average Rent	\$1,308	B/E Rent Margin	\$191
Property Taxes	\$1,406/unit	Exemption/PILOT	0%
Total Expense	\$6,306/unit	Controllable	\$3,361/unit

SITE PLAN



MARKET FEASIBILITY INDICATORS

Gross Capture Rate (10% Maximum)	0.0%
Highest Unit Capture Rate	7% 4 BR/50% #N/A
Dominant Unit Cap. Rate	4% 3 BR/50% 80
Premiums (↑60% Rents)	N/A N/A
Rent Assisted Units	167 99% Total Units

DEVELOPMENT COST SUMMARY

Costs Underwritten		TDHCA's Costs - Based on PCA	
Avg. Unit Size	1,137 SF	Density	12.8/acre
Acquisition	\$95K/unit		\$16,000K
Building Cost	\$36.83/SF		\$42K/unit \$7,033K
Hard Cost	\$53K/unit		\$8,864K
Total Cost	\$193K/unit		\$32,346K
Developer Fee	\$1,916K (0% Deferred)		Paid Year: 1
Contractor Fee	\$1,241K	30% Boost	Yes

REHABILITATION COSTS / UNIT

Site Work	\$5K 9%	Finishes/Fixtures	\$18K 34%
Building Shell	\$17K 32%	Amenities	\$3K 6%
HVAC	\$4K 7%	Total Exterior	\$25K 52%
Appliances	\$1K 3%	Total Interior	\$23K 48%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Regions Bank / Fannie Mae	17/35	4.48%	\$19,000,000	1.33						Regions Bank	\$10,785,428
					Seller Note	0/0	5.00%	\$2,000,000	1.33	Northgate Preservation Developer, LLC	
					Operating Reserve	0/0	0.00%	\$560,795	1.33		
TOTAL DEBT (Must Pay)			\$19,000,000		CASH FLOW DEBT / GRANTS			\$2,560,795		TOTAL EQUITY SOURCES	\$10,785,428
										TOTAL DEBT SOURCES	\$21,560,795
										TOTAL CAPITALIZATION	\$32,346,223

CONDITIONS

- 1 Receipt and acceptance before Determination Notice:
 - a: New 20-year Section 8 HAP Contract with approved rents consistent with underwritten pro forma.
 - b: A revised ESA that includes definitive statements responsive to §11.305(b)(1), (5), (7), and (8) as described herein.
- 2 Receipt and acceptance by Cost Certification:
 - a: Certification that a Mold & Moisture Minimization Plan discussed in the ESA has been implemented.
 - b: Certification of comprehensive testing for asbestos; that any appropriate abatement procedures were implemented; and that any remaining asbestos-containing materials are being managed in accordance with an acceptable Operations and Maintenance (O&M) program.
 - c: Certification that any recommendations from the Phase 1 ESA, including any related to noise, lead in drinking water, or pipelines and explosive hazards, have been fully implemented.

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

BOND RESERVATION / ISSUER

Issuer	TDHCA
Expiration Date	8/8/2019
Bond Amount	\$20,000,000
BRB Priority	3
Close Date	TBD
Bond Structure	Fannie Mae MBS M.TEB
% Financed with Tax-Exempt Bonds	65.4%

RISK PROFILE

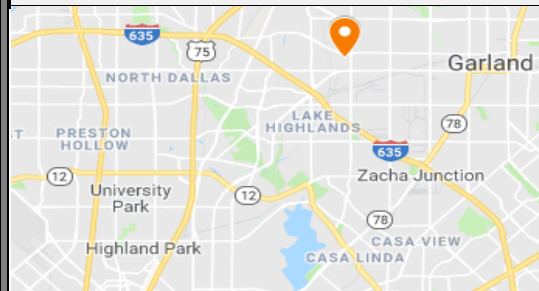
STRENGTHS/MITIGATING FACTORS

- HAP Contract on 100% of the units.
- Developer experienced with Texas Housing Tax Credit properties.
- 97% occupied with majority of tenants expected to stay.
- Recent Capital Expenditures include \$100K Exterior painting (2016) & \$200K Roof Replacement (2015)

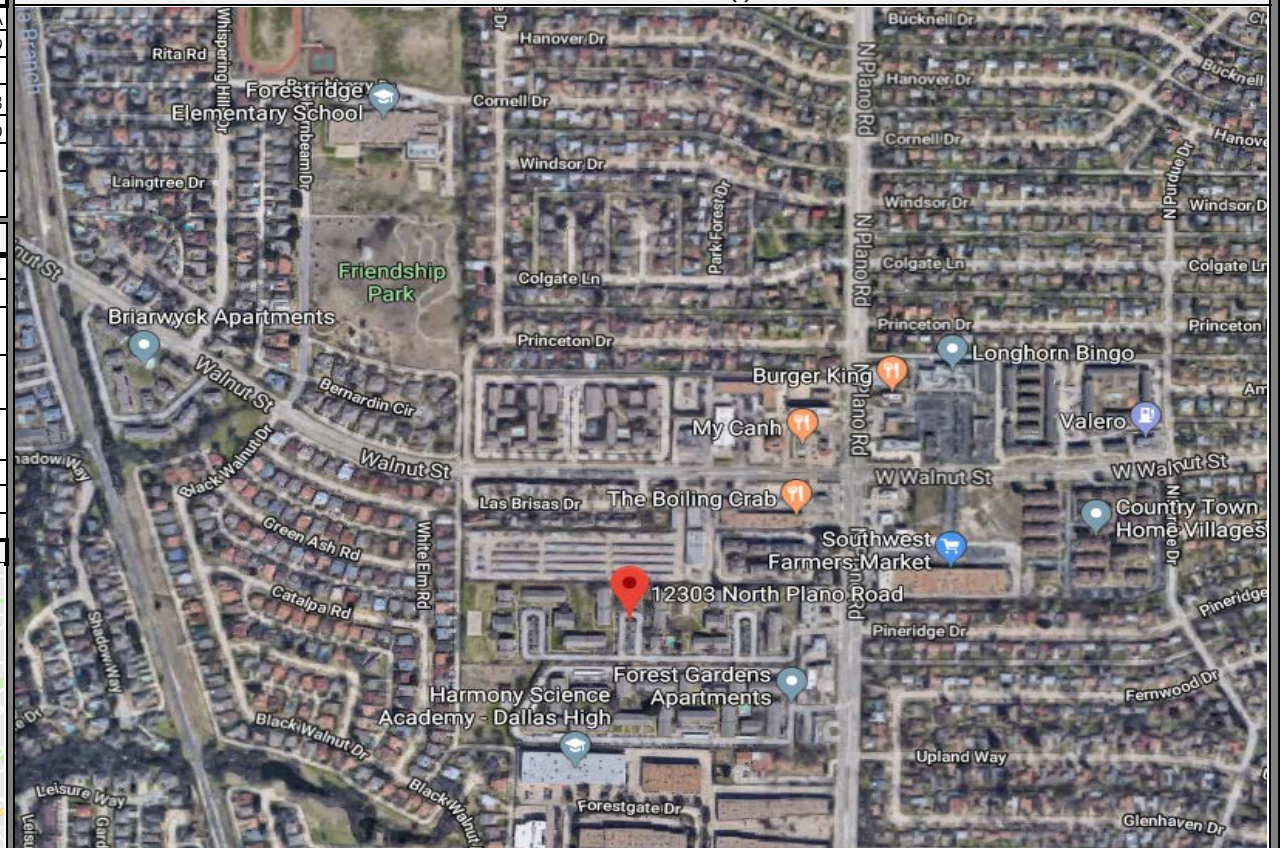
WEAKNESSES/RISKS

- Reliance on Section 8 HAP rental assistance.
- Not visible from a major thoroughfare.

AREA MAP



AERIAL PHOTOGRAPH(S)



RESOLUTION NO. 19-034

RESOLUTION AUTHORIZING AND APPROVING THE ISSUANCE, SALE AND DELIVERY OF TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS MULTIFAMILY HOUSING REVENUE BONDS (PASS-THROUGH – NORTHGATE VILLAGE), SERIES 2019; APPROVING THE FORM AND SUBSTANCE AND AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS AND INSTRUMENTS PERTAINING THERETO; AUTHORIZING AND RATIFYING OTHER ACTIONS AND DOCUMENTS; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT

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

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

WHEREAS, the Board has determined to authorize the issuance of its Texas Department of Housing and Community Affairs Multifamily Housing Revenue Bonds (Pass-Through – Northgate Village), Series 2019 (the “Bonds”) pursuant to and in accordance with the terms of an Indenture of Trust (the “Indenture”) between the Department and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), for the purpose of obtaining funds to finance the Development (defined below), all under and in accordance with the Constitution and laws of the State; and

WHEREAS, the Department desires to use the proceeds of the Bonds to fund a mortgage loan to Northgate Preservation, L.P., a New York limited partnership (the “Borrower”) in order to finance the cost of acquisition, equipping and rehabilitation of a qualified residential rental

development described in Exhibit A attached hereto (the “Development”) located within the State and required by the Act to be occupied by individuals and families of low and very low income and families of moderate income, as determined by the Department; and

WHEREAS, the Board, by resolution adopted on February 21, 2019, declared its intent to issue its revenue bonds to provide financing for the Development; and

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

WHEREAS, it is anticipated that the Department, the Trustee, the Lender (defined below) and the Borrower will execute and deliver a Financing Agreement (the “Financing Agreement”) pursuant to which (i) the Department will agree to make a mortgage loan (the “Loan”) to the Borrower to enable the Borrower to finance the cost of acquisition, equipping and rehabilitation of the Development and related costs, and (ii) the Borrower will execute and deliver to the Department a promissory note (the “Note”) in an original principal amount equal to the original aggregate principal amount of the Bonds, and providing for payment of interest on such principal amount sufficient to pay the interest on the Bonds in accordance with the terms of a Multifamily Loan and Security Agreement (Non-Recourse) (the “Loan Agreement”) by and between the Borrower and the Department and to pay other costs described in the Financing Agreement; and

WHEREAS, it is anticipated that the Note will be secured by a Multifamily Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing (the “Mortgage”) from the Borrower for the benefit of the Department; and

WHEREAS, it is anticipated that the obligations of the Borrower under the Financing Agreement (other than for the repayment of principal and interest) will be secured by a Subordinate Multifamily Deed of Trust, Security Agreement and Fixture Filing (the “Subordinate Mortgage”) from the Borrower for the benefit of the Department and the Trustee; and

WHEREAS, the Borrower will obtain a loan from, Regions Bank, as lender (the “Lender”), and the Lender will deposit the proceeds of such loan with the Trustee, to be held by the Trustee as security for the Bonds in accordance with the Indenture; and

WHEREAS, the Board has determined that the Department, the Trustee, and the Borrower will execute a Tax Exemption Certificate and Agreement (the “Tax Exemption Agreement”) to set forth various facts, certifications, covenants, representations, and warranties regarding the Bonds and the Development and to establish the expectations of the Department, the Trustee, and the Borrower as to future events regarding the Bonds, the Development, and the use and investment of proceeds of the Bonds; and

WHEREAS, the Board has determined that the Department, the Trustee, and the Borrower will execute a Regulatory and Land Use Restriction Agreement (the “Regulatory

Agreement”) with respect to the Development, which will be filed of record in the real property records of Dallas County, Texas; and

WHEREAS, the Lender has agreed to permit the Loan and to allow the lien of the Subordinate Mortgage in accordance with the terms of a Subordination Agreement (the “Subordination Agreement”) among the Lender, the Department, the Trustee and the Borrower; and

WHEREAS, the Board has been presented with a draft of, has considered and desires to ratify, approve, confirm and authorize the use and distribution in the public offering of the Bonds of an Official Statement (the “Official Statement”) and to authorize the authorized representatives of the Department to deem the Official Statement “final” for purposes of Rule 15c2-12 of the Securities and Exchange Commission and to approve the making of such changes in the Official Statement as may be required to provide a final Official Statement for use in the public offering and sale of the Bonds; and

WHEREAS, the Board has further determined that the Department will enter into a Purchase Contract (the “Bond Purchase Agreement”) with RBC Capital Markets, LLC (the “Underwriter”), and the Borrower, setting forth certain terms and conditions upon which the Underwriter will purchase all of the Bonds from the Department and the Department will sell the Bonds to the Underwriter; and

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

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

ARTICLE 1

ISSUANCE OF BONDS; APPROVAL OF DOCUMENTS

Section 1.1 Issuance, Execution and Delivery of the Bonds. That the issuance of the Bonds is hereby authorized pursuant to the Act, including particularly Section 2306.353 thereof, and Chapter 1371, Texas Government Code, all under and in accordance with the conditions set forth herein and in the Indenture, and that, upon execution and delivery of the Indenture, the

Authorized Representatives of the Department named in this Resolution are each hereby authorized to execute, attest and affix the Department's seal to the Bonds and to deliver the Bonds to the Attorney General of the State (the "Attorney General") for approval, the Comptroller of Public Accounts of the State for registration and the Trustee for authentication (to the extent required in the Indenture), and thereafter to deliver the Bonds to or upon the order of the initial purchaser thereof pursuant to the Bond Purchase Agreement.

Section 1.2 Interest Rate, Principal Amount, Maturity and Price. That the Chair or Vice Chair of the Board or the Executive Director or Acting Director of the Department are hereby authorized and empowered, in accordance with Chapter 1371, Texas Government Code, to fix and determine the interest rate, principal amount and maturity of, the redemption and tender provisions related to, and the price at which the Department will sell to the Underwriter or another party to the Bond Purchase Agreement, the Bonds, all of which determinations shall be conclusively evidenced by the execution and delivery by an Authorized Representative (as defined below) of the Department of the Indenture and the Bond Purchase Agreement; provided, however, that (i) the Bonds shall bear interest at the interest rate set forth in the Bond Purchase Agreement in accordance with the provisions of the Indenture; provided that in no event shall the interest rate on the Bonds (including any default interest rate) exceed the maximum interest rate permitted by applicable law; and provided further that the initial interest rate on the Bonds shall not exceed 6.00%; (ii) the aggregate principal amount of the Bonds shall not exceed \$20,000,000; (iii) the final maturity of the Bonds shall occur not later than June 1, 2040; and (iv) the price at which the Bonds are sold to the initial purchaser thereof under the Bond Purchase Agreement shall not exceed 100% of the principal amount thereof.

Section 1.3 Approval, Execution and Delivery of the Indenture. That the form and substance of the Indenture are hereby approved, and that the Authorized Representatives (as defined below) are each hereby authorized to execute the Indenture, and to deliver the Indenture to the Trustee.

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

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

Section 1.6 Approval, Execution and Delivery of the Regulatory Agreement. That the form and substance of the Regulatory Agreement are hereby approved, and that the Authorized Representatives are each hereby authorized to execute, attest and affix the Department's seal to the Regulatory Agreement, and to deliver the Regulatory Agreement to

the Borrower and the Trustee and to cause the Regulatory Agreement to be filed of record in the real property records of Dallas County, Texas.

Section 1.7 Approval, Execution and Delivery of the Bond Purchase Agreement. That the sale of the Bonds to the Underwriter and/or any other parties pursuant to the Bond Purchase Agreement is hereby approved, that the form and substance of the Bond Purchase Agreement are hereby approved, and that the Authorized Representatives are each hereby authorized to execute the Bond Purchase Agreement and to deliver the Bond Purchase Agreement to the Borrower, the Underwriter, and/or any other parties to the Bond Purchase Agreement, as appropriate.

Section 1.8 Acceptance of the Note, the Mortgage and the Subordinate Mortgage. That the form and substance of the Note, the Mortgage and the Subordinate Mortgage are hereby accepted by the Department and that the Authorized Representatives are each hereby authorized to endorse and deliver the Note without recourse.

Section 1.9 Approval, Execution and Delivery of the Subordination Agreement. That the form and substance of the Subordination Agreement are hereby approved, and that the Authorized Representatives are each hereby authorized to execute the Subordination Agreement, and to deliver the Subordination Agreement to the Lender and the Borrower and to cause the Subordination Agreement to be filed of record in the real property records of Dallas County, Texas.

Section 1.10 Approval, Execution, Use and Distribution of the Official Statement. That the form and substance of the Official Statement and its use and distribution by the Underwriter in accordance with the terms, conditions and limitations contained therein are hereby approved, ratified, confirmed and authorized; that the Chair and Vice Chair of the Board and the Executive Director or Acting Director of the Department are hereby severally authorized to deem the Official Statement "final" for purposes of Rule 15c2-12 under the Securities and Exchange Act of 1934; that the Authorized Representatives named in this Resolution are each authorized hereby to make or approve such changes in the Official Statement as may be required to provide a final Official Statement for the Bonds; that the Authorized Representatives named in this Resolution are each authorized hereby to accept the Official Statement, as required; and that the use and distribution of the Official Statement by the Underwriter hereby is authorized and approved, subject to the terms, conditions and limitations contained therein, and further subject to such amendments or additions thereto as may be required by the Bond Purchase Agreement and as may be approved by the Executive Director or Acting Director of the Department and the Department's counsel.

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

consider to be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution.

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

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

- Exhibit B - Indenture
- Exhibit C - Financing Agreement
- Exhibit D - Loan Agreement
- Exhibit E - Tax Exemption Agreement
- Exhibit F - Regulatory Agreement
- Exhibit G - Bond Purchase Agreement
- Exhibit H - Note
- Exhibit I - Mortgage
- Exhibit J - Subordinate Mortgage
- Exhibit K - Subordination Agreement
- Exhibit L - Official Statement

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

ARTICLE 2

APPROVAL AND RATIFICATION OF CERTAIN ACTIONS

Section 2.1 Approval and Ratification of Application to Texas Bond Review Board. That the Board hereby ratifies and approves the submission of the application for approval of

state bonds to the Texas Bond Review Board on behalf of the Department in connection with the issuance of the Bonds in accordance with Chapter 1231, Texas Government Code.

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

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

Section 2.4 Approval of Requests for Rating from Rating Agency. That the action of the Executive Director or Acting Director of the Department or any successor and the Department's consultants in seeking a rating from Moody's Investors Service, Inc., and its successors and assigns, is approved, ratified and confirmed hereby.

Section 2.5 Authority to Invest Proceeds. That the Department is authorized to invest and reinvest the proceeds of the Bonds and the fees and revenues to be received in connection with the financing of the Development in accordance with the Indenture and the Tax Exemption Agreement and to enter into any agreements relating thereto only to the extent permitted by the Indenture and the Tax Exemption Agreement.

Section 2.6 Underwriter. That the underwriter with respect to the issuance of the Bonds will be RBC Capital Markets, LLC, or any other party identified in the Bond Purchase Agreement.

Section 2.7 Engagement of Other Professionals. That the Executive Director or Acting Director of the Department or any successor is authorized to engage auditors to perform such functions, audits, yield calculations and subsequent investigations as necessary or appropriate to comply with the Bond Purchase Agreement and the requirements of Bond Counsel to the Department, provided such engagement is done in accordance with applicable law of the State.

Section 2.8 Ratifying Other Actions. That all other actions taken by the Executive Director or Acting Director of the Department and the Department staff in connection with the issuance of the Bonds and the financing of the Development are hereby ratified and confirmed.

ARTICLE 3

CERTAIN FINDINGS AND DETERMINATIONS

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

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

(a) Need for Housing Development.

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

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

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

(b) Findings with Respect to the Borrower.

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

(ii) that the Borrower is financially responsible, and

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

(c) Public Purpose and Benefits.

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

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

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

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

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

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

ARTICLE 4

GENERAL PROVISIONS

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

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

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

Section 4.4 Notice of Meeting. This Resolution was considered and adopted at a meeting of the Governing Board that was noticed, convened, and conducted in full compliance

with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, and with §2306.032 of the Texas Government Code, regarding meetings of the Governing Board.

[Execution page follows]

PASSED AND APPROVED this 23rd day of May, 2019.

[SEAL]

Chair, Governing Board

ATTEST:

Secretary to the Governing Board

EXHIBIT A

Description of Development

Borrower: Northgate Preservation, L.P., a New York limited partnership

Development: The Development is a 168-unit (including 1 superintendent unit) affordable, multifamily housing development known as Northgate Village Apartments, located at 12303 North Plano Road, Dallas, Dallas County, Texas 75243. It consists of fifteen (15) residential apartment buildings with approximately 190,960 net rentable square feet. The unit mix will consist of:

16	two-bedroom/one-bath units
80	three-bedroom/one-and-one-half-bath units
72	four-bedroom/two-bath units
<hr/>	
168	Total Units

Unit sizes will range from approximately 940 square feet to approximately 1,200 square feet.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

TEFRA HEARING

NORTHGATE VILLAGE APARTMENTS

Dallas Public Library
Forest Green Branch
9015 Forest Lane
Dallas, Texas

Tuesday,
April 2, 2019
1:05 p.m.

BEFORE:

SHANNON ROTH, Hearing Officer

ON THE RECORD REPORTING
(512) 450-0342

I N D E X

<u>SPEAKER</u>	<u>PAGE</u>
Shannon Roth	3
Joanne Lao	9
Iraiz Hernandez	10

P R O C E E D I N G S

1
2 MS. ROTH: My name is Shannon Roth. I'm with
3 the Texas Department of Housing and Community Affairs.
4 The role of the Department in this process is allow all
5 interested persons in the surrounding community the
6 opportunity to provide comments on the development we will
7 be discussing today.

8 First I'm going to present the program and the
9 developer. Second, we'll let the developer give a
10 presentation on the specifics of the development, and then
11 last I'll read the speech required by the IRS. And the
12 conclusion of the speech, the floor will be opened up for
13 public comment.

14 There are handouts on the table, a couple of
15 multifamily affordable rental housing handouts, handouts
16 regarding the development specifics, which include the
17 income level; a handout containing deadlines for the input
18 and how to submit your input.

19 We have a handout regarding the email listserv
20 subscription, which allows you the opportunity to sign up
21 and receive emails on applications that we receive for
22 funding; handouts regarding fair housing basics; and then
23 we have some business cards for contact information.

24 If you'd like to speak, there are witness
25 affirmation forms available on the table. Please fill out

1 the form and hand it to me prior to speaking. There's a
2 sign-in sheet on the table. Please be sure you sign in.
3 That is the only way we have of knowing exactly how many
4 people are in attendance.

5 Please check whether you are in support or
6 opposition of this development. If neither box is
7 checked, then we will consider your opinion as being
8 neutral, so please be sure you make your selection.

9 The entire hearing and the comments made here
10 will be transcribed by a court reporter. It is important
11 that you make your comment at the microphone so she can
12 record your comment. Any comments or questions made from
13 the audience may not be picked up on the record.

14 To allow everyone the opportunity to speak, we
15 will answer questions or concerns that were raised at the
16 end, after all public comment has been made. I'd ask that
17 the developer keep a list of questions that come up as
18 they relate to the development, and I will keep a list of
19 questions as they come up as they relate to the Department
20 or the process.

21 According to the IRS Code, the Department is
22 required to hold a public hearing and take public
23 comments.

24 The mission of the Department is to help Texans
25 achieve an improved quality of life through the

1 development of other communities.

2 The two programs the developer has applied for
3 include the Private Activity Bond Program, as well as the
4 Housing Tax Credit Program. Both programs were created by
5 the federal government to encourage private industry to
6 build quality housing that is affordable to individuals
7 and families with lower than average incomes.

8 The Private Activity Bond Program refers to the
9 issuance of tax-exempt bonds. The tax exemption is not an
10 exemption of the property tax but rather an exemption to
11 the purchaser of the bonds, and the bond purchaser does
12 not have to pay taxes on their investment and the income
13 they make on that investment.

14 The bond purchaser accepts a lower rate of
15 return, therefore, the lender that is involved will charge
16 a lower interest rate for the mortgage that will be placed
17 on the property to the developer. Therefore the developer
18 can build a market-rate property at a lower cost to the
19 development.

20 No decisions regarding the development will be
21 made at this hearing. The Department's Board is scheduled
22 to meet to consider this transaction on April 25, 2019.

23 The Housing Tax Credit is another program that
24 goes along with the bond program. The Housing Tax Credit
25 Program was created as a result of the Tax Reform Act of

1 1986. The tax credit is credit or reduction in tax
2 liability each year for 10 years for the investors in
3 affordable rental housing.

4 By providing a credit against the tax
5 liability, the housing tax credit is an incentive for
6 individuals and corporations to invest in the construction
7 or rehabilitation of housing for low-income families.

8 The housing tax credit provides additional
9 financing to the development, lowers the building cost,
10 which allows the developer to provide lower rents for
11 affordable tenants.

12 In conclusion, with both of these programs, the
13 tax benefit goes to the investors that help finance the
14 development. These two programs result in the developer
15 being able to bring something of higher quality to your
16 area, and all of these properties are privately owned and
17 privately managed.

18 There are ongoing oversight responsibilities
19 between the affordable-housing developments and the
20 Department. This includes regular monitoring to ensure
21 the development is complying with all the rules of the
22 Housing Tax Credit and Private Activity Bond Programs.

23 The term that the developments will be
24 monitored is for the greater of 30 years or as long as the
25 bonds are outstanding. Oversight responsibilities include

1 making sure the units are occupied by eligible households,
2 the physical appearance of the property, the rents are
3 capped at appropriate levels, and repair reserve accounts
4 are established and funded.

5 Tenant background checks are established by the
6 developer but apply to all tenants equally. The developer
7 can establish procedures up to and including eviction for
8 various reasons consistent with state eviction laws that
9 would be applicable to any other apartment complex. TDHCA
10 does not set these requirements.

11 The Department's Compliance Division monitors
12 the development. Desk reviews are done either quarterly
13 or annually by the Department and are a modified version
14 of an onsite visit. The Department verifies that the set-
15 asides are met and that the units are income and rent
16 restricted.

17 After lease-up, a survey is usually done to
18 determine what the tenant profile is and the types of
19 services that would be of interest to the tenants.

20 Okay. So I'm going to go ahead and read the
21 speech that the IRS requires us to read.

22 Good afternoon. My name is Shannon Roth. I'd
23 like to proceed with the public hearing. Let the record
24 show that it is 1:10 p.m., Tuesday, April 2, 2019, and we
25 are at the Forest Green branch of the City of Dallas

1 Public Library located at 9015 Forest Lane, Dallas, Texas.

2 I'm here to conduct the public hearing on
3 behalf of the Texas Department of Housing and Community
4 Affairs with respect to an issue of tax-exempt multifamily
5 revenue bonds for a residential rental community.

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

11 No decisions regarding the development will be
12 made at this hearing. The Department's Board is scheduled
13 to meet to consider this transaction on April 25, 2019.

14 In addition to providing your comments at the
15 hearing, the public is also invited to provide comment
16 directly to the Board at any of its meetings. The
17 Department staff will also accept written comments from
18 the public up to 5:00 p.m. on April 16, 2019.

19 The bonds for the Northgate Village Apartments
20 will be issued as tax-exempt multifamily revenue bonds in
21 the aggregate principal amount not to exceed \$20 million
22 and taxable bonds, if necessary, in an amount to be
23 determined and issued in one or more series by the Texas
24 Department of Housing and Community Affairs, the Issuer.

25 The proceeds of the bonds will be loaned to

1 Northgate Preservation, LP, or a related person or
2 affiliate entity thereof, to finance the acquisition and
3 rehabilitation of a multifamily housing development
4 described as follows: a 168-unit multifamily residential
5 rental development to be constructed on approximately
6 13.16 acres of land located at 12303 North Plano Road,
7 Dallas, Dallas County, Texas. The proposed multifamily
8 rental housing community will be initially owned and
9 operated by the borrower, or a related person or affiliate
10 thereof.

11 So now I'd like to go ahead and open the floor
12 for public comment. Actually, first let me -- Joanne, do
13 you want to go ahead and give your little presentation?

14 MS. LAO: Sure. I'll be pretty brief. My name
15 is Joanne Lao. I represent Related Affordable, who is the
16 development owner of this project.

17 Our project proposes to acquire and renovate
18 all 168 units. There is a Section 8 -- a project-based
19 Section 8 contract that covers all the units now, and we
20 intend to renew that so that tenants -- everything will
21 stay the same. It will remain affordable for up to 20
22 years.

23 From the tenants' perspective, they will
24 continue to pay 30 percent of their income. So it's
25 effectively no change for tenants. Our project -- part of

1 the project will also renovate all 168 units. The
2 renovation plan focuses on improving energy efficiencies,
3 putting in fixtures and new appliances, fixing the floors
4 and the vanity sets in the bathrooms, in addition to
5 adding new amenities for the residents that are already
6 there.

7 So we're very excited about the project and
8 we're looking forward to it.

9 MS. ROTH: Okay. Thank you.

10 So now we're going to open up for public
11 comments.

12 MS. HERNANDEZ: My name is Iraiz Hernandez, and
13 I am with the Aging and Disability Resource Center, called
14 Connect To Care. We're located at Metro Care Services
15 here in Dallas County.

16 And I just wanted to -- mine is more of a
17 question, if any of the units were going to be proposed as
18 accessible for individuals that, you know, are either on
19 wheelchairs or can't get from one room to the next room.

20 MS. LAO: Yes. We are required to -- and I
21 need to check the codes, but as far as the project, we are
22 required to at least deliver 5 percent of the units that
23 will be accessible. And there are additional
24 requirements, but we will do that.

25 MS. HERNANDEZ: Thanks. That's all.

1 MS. ROTH: Okay. Well, thank you for your
2 comment and your question.

3 Let the record show that we have -- thank you
4 for attending the hearing. Your comment has been
5 recorded. We have one attendee, and the meeting is now
6 adjourned. The time is 1:15 p.m.

7 (Whereupon, at 1:15 p.m., the hearing was
8 adjourned.)

C E R T I F I C A T E

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IN RE: Northgate Village Apartments
LOCATION: Dallas, Texas
DATE: April 2, 2019

I do hereby certify that the foregoing pages, numbers 1 through 13, inclusive, are the true, accurate, and complete transcript prepared from the verbal recording made by electronic recording by Donna Boardman before the Texas Department of Housing and Community Affairs.

DATE: April 8, 2019


(Transcriber)

On the Record Reporting &
Transcription, Inc.
7703 N. Lamar Blvd., Ste 515
Austin, Texas 78752

7a

BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
MAY 23, 2019

Presentation, discussion, and possible action regarding changes to the capital structure for Highlander Senior Village (HTC #18019/ HOME Contract #1002875)

RECOMMENDED ACTION

WHEREAS, Highlander Senior Village received an allocation of 9% Housing Tax Credits (HTC) at the Board meeting of July 26, 2018, and subsequently received an award of \$3,090,000 in HOME funds – structured as a second lien repayable loan – at the Board meeting of December 6, 2018;

WHEREAS, the Applicant has provided updated financing documentation and final development cost schedule with supporting documentation in anticipation of closing on all financing within the next 30 days;

WHEREAS, the documentation provided reflects an increase in the first lien loan amount from \$3,095,000 to \$3,675,000 and a decrease in the interest rate on the first lien loan from 4.85% to 4.35%, resulting in an increase in debt service ahead of the Department’s HOME loan from \$190,889 to \$212,400;

WHEREAS, despite the increased debt service ahead of the Department’s HOME loan, the transaction continues to meet the minimum 1.15 debt coverage ratio (DCR) when factoring in the HOME loan, which is approximately the same DCR as was calculated at the time the HOME funds were awarded;

WHEREAS, the increase in first lien loan proceeds is primarily the result of increased site work costs due to increased fill in order to elevate the development out of the floodplain, switching from asphalt paving to concrete paving in order to achieve better durability, and switching from a low grinder pump system to a lift station for sewage and wastewater needs;

WHEREAS, 10 TAC §13.8(b) of the Multifamily Direct Loan Rule states that “increases in the principal or payment amount of any superior loans after the initial Underwriting Report must be approved by the Board;” and

WHEREAS, staff recommends approving the increases to the first lien loan and repayment amounts;

NOW, therefore, it is hereby

RESOLVED, that the Board hereby approves Highlander Senior Village's request to increase the first lien loan amount and repayment amounts; and

FURTHER RESOLVED, that the Board's approval is conditioned upon satisfaction of all conditions of underwriting, and completion of any other reviews required to assure compliance with the applicable rules and requirements.

BACKGROUND

Highlander Senior Village received a \$500,000 9% HTC allocation in July 2018 for the new construction of a 66-unit development serving an Elderly Limitation population with total development costs of \$10,560,024. Permanent debt at that time was anticipated to be approximately \$5.6 million. The Applicant subsequently submitted a Direct Loan Application, which received an award of \$3,090,000 in HOME funds in December 2018, which was to be subordinate to a \$3,095,000 USDA 538 loan at 4.85% interest rate from Sterling Bank. Total costs between July 2018 and December 2018 had increased approximately \$376,000.

In April 2019, in anticipation of closing the HOME loan, the Applicant submitted a revised budget and revised financing documentation, which reflected a \$667,949 net increase in total costs since December 2018. The increased costs are primarily a result of increased site work costs due to increased fill and requirements in order to elevate the development out of the floodplain. According to the Applicant, it was assumed at application that only the building pads would need to be out of the floodplain. However, further engineering studies revealed that the entirety of the site would be required to be elevated above the floodplain in order to receive a Letter of Map Revision (LOMR) from the Federal Emergency Management Agency (FEMA). The LOMR is issued by FEMA when the entirety of the site is elevated above Base Flood Elevation, which is necessary in order to obtain environmental clearance for the HOME funding. Additionally, the Applicant switched from asphalt paving to concrete paving in order to achieve better durability and switched from a low grinder pump system to a lift station for sewage and wastewater needs. Approximately \$580,000 of the \$667,949 increase is being absorbed by the increase in the USDA 538 loan, with the remaining \$87,949 being absorbed by slightly improved credit pricing (90 cents to 91.5 cents) and deferred fee.

The impact of the increase in the USDA 538 loan amount is mitigated by the decrease in the interest rate from 4.85% to 4.35%, which results in annual repayment increasing from \$190,889 to \$212,400. Total annual repayment, inclusive of TDHCA's HOME loan, has increased from \$345,861 to \$367,372. Despite total annual repayment increasing, the Department's minimum DCR requirement of 1.15 (previously 1.16) continues to be met, as a result of increased maximum program rents for 2019 that were recently issued by HUD.



Addendum to Underwriting Report

TDHCA Application #: **18019** Program(s): **9% HTC**

Highland Senior Village

Address/Location: west of Johnson Way, north of FM1863

City: Bulverde County: Comal Zip: 78163

APPLICATION HISTORY	
Report Date	PURPOSE
05/14/19	MDL Closing
12/06/18	MDL Loan Application
09/18/18	Commitment Notice
07/12/18	New Application - Initial Underwriting

ALLOCATION

TDHCA Program	Previous Allocation				RECOMMENDATION				
	Amount	Rate	Amort	Term	Amount	Rate	Amort	Term	Lien
MF Direct Loan	\$3,090,000	4.00%	40	25	\$3,090,000	4.00%	40	25	2
LIHTC (9% Credit)	\$500,000				\$500,000				

* Multifamily Direct Loan Terms:

* Pursuant to 10 TAC §13.8(a), the term of a Multifamily Direct Loan should match any superior loan (within 6 months).

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

CONDITIONS STATUS

A General Conditions

a: Multifamily Direct Loan documents must stipulate that management fee payable from operating cash flow be limited to 4.00% of Effective Gross Income; any amount of management fee in excess of 4.00% of EGI must be subordinate to all required debt service payments.

Status: To be verified by TDHCA Staff at Closing

b: Senior loan documents and/or partnership documents must contain a provision(s) that any stabilization resizing on the senior debt includes the debt service on the TDHCA MDL at a 1.15 DCR.

Status: To be verified by TDHCA Staff at Closing

1 Receipt and acceptance before Direct Loan Closing

a: Substantially final construction contract with Schedule of Values.

Status: satisfied

b: Updated term sheets with substantially final terms from all lenders

Status: satisfied

c: Substantially final draft of limited partnership agreement.

Status: satisfied

d: Senior loan documents and/or partnership documents must contain a provision(s) that any stabilization resizing on the senior debt includes the debt service on the TDHCA MDL at a 1.15 DCR.

Status: To be verified by TDHCA Staff at Closing

e: Documentation identifying any required matching funds, and confirming that the source is eligible to be counted as matching funds under HUD and TDHCA requirements.

Status: satisfied

2 Receipt and acceptance by Commitment:

: Certification that if the site is in the 100-year floodplain when it places in service, the finished ground floor elevation of the buildings will be at least one foot above the floodplain and that all drives, parking and amenities will be no more than 6 inches below the floodplain; and that the Owner will provide flood insurance coverage for the buildings and for the residents' personal property until such time that the site is officially designated to be no longer in the floodplain.

Status: Condition Cleared - Applicant sent a letter certifying to the above referenced condition.

3 Receipt and acceptance by Cost Certification:

a: Architect or engineer certification (including a Letter of Map Amendment "LOMA" or Letter of Map Revision "LOMR-F") indicating that the development is not within the 100 year floodplain; or that the finished ground floor elevation for each building is at least one foot above the floodplain and that all drives, parking and amenities are not more than 6 inches below the floodplain.

Status: Pending.

b: For any buildings remaining in the floodplain, documentation that flood insurance is in place both for the buildings and for the residents' personal property at the property owner's expense; and certification from the owner that flood insurance for the buildings and for the residents' personal property will remain in force until such time that the buildings are officially designated as no longer in a floodplain.

Status: Pending.

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

SET-ASIDES

TDHCA SET-ASIDES for HTC LURA		
Income Limit	Rent Limit	Number of Units
30% of AMI	30% of AMI	4
50% of AMI	50% of AMI	7
60% of AMI	60% of AMI	23

note: in the previously posted MDL Loan Application memo on 12/6/18, the number of HTC 50% AMI units was mis-stated as 5; the correct number should be 7

TDHCA SET-ASIDES for DIRECT LOAN LURA		
Income Limit	Rent Limit	Number of Units
50% of AMFI	Low HOME	11
60% of AMFI	High HOME	9

ANALYSIS

Applicant received a \$500,000 tax credit award in July 2018 for a project with a \$10,560,024 total cost budget and \$5,600,000 of permanent debt.

In December 2018 Applicant was awarded a \$3,090,000 Direct Loan to be subordinate to a \$3,095,000 senior loan. Total cost had increased by \$376,000, due to increases in contingency, financing and soft costs, and reserves. No increase in Hard Cost was reported at the time of application for the Direct Loan.

In April 2019, in anticipation of closing the Direct Loan, Applicant has submitted a revised budget, with a \$667,949 increase in total cost since the Direct Loan application (\$1,044,839 increase since original HTC application). The current revised budget includes \$1,367,670 of additional Hard Cost.

The submitted closing budget proposed increasing the senior debt from \$3,095,000 to \$3,735,000.

Operating Pro Forma

Applicant's rent schedule was submitted with 2018 HTC Program Rents. Underwriter's side is updated with 2019 Program Rents.

The operating pro forma initially submitted by the Applicant for MDL Closing assumed 5.0% loss to vacancy and collection. When informed that REA would maintain the 7.5% vacancy assumption used in the previous analyses, the Applicant revised the budget to apply 7.5% vacancy, and reduced the proposed senior debt from \$3,735,000 at 4.61% to \$3,675,000 at 4.35% to achieve the minimum 1.15 debt coverage.

At original underwriting, Applicant's total operating expenses were \$298K and Underwriter's estimate was \$301K. Original HTC award recommendation was based on Applicant's pro forma due to the small variance.

At application for the MDL, Applicant reduced their operating expenses to \$282K while there was no significant change to the Underwriter's estimate. The MDL was awarded and sized based on the Underwriter's pro forma due to the larger variance in NOI.

In the final budget for closing the MDL, Applicant has made some significant changes to various expense line items, but the total expense remains at about \$282K.

Underwriter has adjusted G&A to be consistent (on a per-unit basis) with 14109 Hidden Glen, which Applicant identified as their most similar comparable property. Payroll is reduced based on Applicant's detailed staffing plan outlining one full-time manager and one part-time maintenance person. Utilities, insurance, and property tax are updated with current data for properties in the region.

Applicant's management fee is equal to \$40 per occupied unit as specified in the Limited Partnership Agreement. Underwriter's estimate is limited to 4.00% of effective gross income (EGI). Approval for closing includes a condition that MDL loan documents require that management fee payable from operating cash flow be limited to 4.00% of EGI; any amount of management fee in excess of 4.00% of EGI must be subordinate to all required debt service payments.

Feasibility analysis is based on Applicant's pro forma. \$422K NOI provides the minimum 1.15 debt coverage. If Underwriter's higher NOI (\$432K) were used, debt coverage would improve to 1.18.

Development Cost

The \$1,367,670 increase to Hard Cost results from due diligence on the site that was not completed prior to the initial HTC application submitted in March 2018 or the subsequent Direct Loan application submitted in September. The Applicant states that they switched civil engineers after the July HTC award, and that much of the cost increase comes from developing a further understanding of the site, site design, and vertical design, as well as the time between initial estimates in early 2018 and going to bid with plans in early 2019. Costs are currently based on actual bids rather than engineer and contractor estimates.

The major increase in site work cost comes from increased fill requirement the due diligence failed to anticipate. At the time of application it was assumed that only the building pads would need to be out of the floodplain. It was later learned through the new civil engineer's review that the entirety of the site is under the CLOMR (Conditional Letter of Map Revision) and in order to receive the LOMR the entirety of the site would be required to be elevated above the floodplain. The initial grading plan for the project was completed in November of 2018 at which time the required fill measurements were known. This was after the application for the Direct Loan was submitted, but before it was awarded by the Board in December. Overall there was a \$364,200 increase in grading due to the increased fill requirements.

Another significant increase to site work is the result of the change from the initial assumption of using 2 inches of asphalt paving. Due to soil conditions, it was determined 4 inches of asphalt would be required. It was subsequently decided that concrete would be equivalent in cost to 4 inches of asphalt.

The Applicant also reports that the original civil engineer assumed that wastewater could gravity feed to the regional lift station. After receiving the commitment of the 9% LIHTC allocation, the new engineer later discovered in October 2018 that gravity feed was not possible; in November it was determined that a low pressure grinder pump system was not sufficient and they would need to install a lift station.

The bulk of the adjustment in vertical building costs comes from the difference of construction cost estimates made in early 2018 for the LIHTC application and actual bids received once a full set of plans and specs were completed in February 2019. Specific increases were reported in painting, drywall, and millwork. Additionally, property ownership made elections that increased costs for doors, windows, equipment, and specialties. Between the initial estimate and going out to bid, ownership elected to add a fire sprinkler system to the development and provide in-unit washer and dryers to all residential units.

At original HTC application, Applicant's budget included \$289K for contingency (5.1% of Hard Cost). At the subsequent MDL application, without any reported increase in Hard Cost, contingency was increased to \$397K (the maximum 7.0%). Now, with \$1.4M of increased Hard Cost, the Applicant has completely eliminated contingency from the budget.

It is unusual for a developer's budget to show zero contingency at this point. But the Applicant states they are confident in the stage of the development plans, and they assert that the construction lender and equity investor are satisfied with a zero contingency budget.

Based on the Applicant's total cost budget, 23% of the developer fee is deferred. If 7.0% contingency is added to the budget, the project remains feasible with 64% deferred developer fee.

Sources of Funds

In December 2018 the Board approved a \$3,090,000 MDL behind a \$3,095,000 senior USDA 538 loan at 4.85% (plus a 50 basis point guarantee fee). Due to the increased cost, they now propose to increase the senior loan to \$3,675,000 at 4.35% (plus a 50 basis point guarantee fee). Sterling Bank has been replaced by Bonneville as the permanent lender.

The MDL amount and terms remain unchanged from the initial award in December 2018. But Board approval is required because the senior debt has increased 19% and senior debt service payment has increased 11%.

The credit price has improved from \$0.90 to \$0.915, increasing equity from \$4,499,100 to \$4,574,085.

Developer fee has not changed. The deferred portion of the fee has increased from \$252K (21%) to \$266K (23%). If the typical 7.0% contingency were included in the budget, the deferred fee would increase to 64%.

Conclusion

Underwriter recommends approval to close on the previously awarded Direct Loan of \$3,090,000 with a 25-year term at 4.00% interest amortized over 40 years. Recommendation is contingent on limiting management fee payable from operating cash flow to 4.00% of EGI; any amount of management fee in excess of 4.00% of EGI must be subordinate to all required debt service payments.

The analysis continues to support the original award of \$500,000 Housing Tax Credits.

Manager of Real Estate Analysis:	<u>Thomas Cavanagh</u>
Director of Real Estate Analysis:	<u>Brent Stewart</u>

STABILIZED PRO FORMA

Highland Senior Village, Bulverde, 9% HTC #18019

STABILIZED FIRST YEAR PRO FORMA

	COMPARABLES		APPLICANT				PRIOR REPORTS				TDHCA				VARIANCE			
	Database	Regional Comps	% EGI	Per SF	Per Unit	Amount	Applicant MDL App	Applicant	TDHCA	TDHCA MDL App	Amount	Per Unit	Per SF	% EGI	%	\$		
POTENTIAL GROSS RENT				\$1.15	\$942	\$746,304	\$746,304	\$730,356	\$730,356	\$746,304	\$762,168	\$962	\$1.18		-2.1%	(\$15,864)		
Late rent, vending, forfeited depository, app fe						\$20.00	14,652	14,652										
Total Secondary Income						\$20.00			14,652	14,652	\$15,840	\$20.00		0.0%	\$0			
POTENTIAL GROSS INCOME						\$762,144	\$760,956	\$745,008	\$745,008	\$760,956	\$778,008				-2.0%	(\$15,864)		
Vacancy & Collection Loss						7.5% PGI	(57,072)	(55,876)	(55,876)	(57,072)	(58,351)	7.5% PGI			-2.0%	1,190		
Rental Concessions						-	0	0	0	0	-				0.0%	-		
EFFECTIVE GROSS INCOME						\$704,983	\$703,884	\$689,132	\$689,132	\$703,884	\$719,657				-2.0%	(\$14,674)		
General & Administrative	\$27,847	\$422/Unit	\$28,448	\$431	2.57%	\$0.33	\$274	\$18,100	\$15,330	\$15,330	\$27,655	\$27,655	\$25,463	\$386	\$0.47	3.54%	-28.9%	(7,363)
Management	\$30,891	5.7% EGI	\$29,361	\$445	4.49%	\$0.59	\$480	\$31,680	\$31,680	\$31,680	\$31,680	\$31,680	\$28,786	\$436	\$0.53	4.00%	10.1%	2,894
Payroll & Payroll Tax	\$70,990	\$1,076/Unit	\$72,641	\$1,101	9.19%	\$1.20	\$982	\$64,800	\$64,819	\$80,450	\$70,990	\$70,990	\$64,800	\$982	\$1.20	9.00%	0.0%	-
Repairs & Maintenance	\$46,708	\$708/Unit	\$32,813	\$497	4.00%	\$0.52	\$427	\$28,200	\$26,200	\$26,200	\$39,600	\$39,600	\$39,600	\$600	\$0.73	5.50%	-28.8%	(11,400)
Electric/Gas	\$29,169	\$442/Unit	\$10,844	\$164	1.42%	\$0.19	\$152	\$10,000	\$10,000	\$10,000	\$11,952	\$11,952	\$10,844	\$164	\$0.20	1.51%	-7.8%	(844)
Water, Sewer, & Trash	\$37,137	\$563/Unit	\$26,118	\$396	3.19%	\$0.42	\$341	\$22,500	\$30,900	\$30,900	\$29,407	\$29,407	\$26,118	\$396	\$0.48	3.63%	-13.9%	(3,618)
Property Insurance	\$19,481	\$0.36 /sf	\$19,711	\$299	3.04%	\$0.40	\$325	\$21,450	\$17,630	\$17,630	\$19,481	\$19,481	\$19,710.99	\$299	\$0.36	2.74%	8.8%	1,739
Property Tax (@ 100%) 2.8745	\$38,709	\$586/Unit	\$52,594	\$797	9.36%	\$1.22	\$1,000	\$66,000	\$66,000	\$66,000	\$51,824	\$51,824	\$52,594	\$797	\$0.97	7.31%	25.5%	13,406
Reserve for Replacements	\$24,410	\$370/Unit	\$14,128	\$214	2.34%	\$0.31	\$250	\$16,500	\$16,500	\$16,500	\$16,500	\$16,500	\$16,500	\$250	\$0.31	2.29%	0.0%	-
Cable TV			\$13,387	\$203	0.17%	\$0.02	\$18	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$18	\$0.02	0.17%	0.0%	-
Supportive Services			\$4,995	\$76	0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	0.0%	-
TDHCA LIHTC/HOME Compliance Fees			\$1,222	\$19	0.29%	\$0.04	\$31	\$2,040	\$2,040	\$2,640	\$1,360	\$2,040	\$2,040	\$31	\$0.04	0.28%	0.0%	-
TOTAL EXPENSES			\$308,245		40.07%	\$5.23	\$4,280	\$ 282,470	\$282,299	\$298,530	\$301,648	\$302,328	\$287,656	\$4,358	\$5.32	39.97%	-1.8%	\$ (5,186)
NET OPERATING INCOME ("NOI")					59.93%	\$7.82	\$6,402	\$422,513	\$421,585	\$390,602	\$387,484	\$401,556	\$432,001	\$6,545	\$7.99	60.03%	-2.2%	\$ (9,488)
CONTROLLABLE EXPENSES							\$2,176/Unit							\$2,528/Unit				

CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Highland Senior Village, Bulverde, 9% HTC #18019

DEBT / GRANT SOURCES																					
APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE										AS UNDERWRITTEN DEBT/GRANT STRUCTURE				AS UNDERWRITTEN DEBT/GRANT STRUCTURE							
DEBT (Must Pay)	Fee	Cumulative DCR		Pmt	Rate	Amort	Term	Principal	Prior Underwriting				Principal	Term	Amort	Rate	Pmt	Cumulative			
		UW	App						MDL App	Applicant	TDHCA	MDL App						DCR	LTC		
Bonneville - USDA 538	0.50%	2.03	1.99	212,400	4.35%	40	25	\$3,675,000	\$3,095,000	\$5,600,000	\$5,600,000	\$3,095,000	\$3,675,000	25	40	4.35%	\$212,400	1.99	31.7%		
TDHCA		1.18	1.15	\$154,972	4.00%	40	25	\$3,090,000	\$3,090,000			\$3,090,000	\$3,090,000	25	40	4.00%	\$154,972	1.15	26.6%		
CASH FLOW DEBT / GRANTS																					
City of Bulverde		1.18	1.15		0.00%	0	0	\$0	\$250	\$250	\$250	\$250	\$0	0	0	0.00%		1.15	0.0%		
JES Partnerships-Highlander, LLC		1.18	1.15		0.00%	0	0	\$110	\$110	\$110	\$110	\$110	\$110	0	0	0.00%		1.15	0.0%		
				\$367,372	TOTAL DEBT / GRANT SOURCES				\$6,765,110	\$6,185,360	\$5,600,360	\$5,495,360	\$6,185,360	\$6,765,110	TOTAL DEBT SERVICE				\$367,372	1.15	58.3%
NET CASH FLOW		\$64,629	\$55,141											APPLICANT	NET OPERATING INCOME	\$422,513	\$55,141	NET CASH FLOW			

EQUITY SOURCES																
APPLICANT'S PROPOSED EQUITY STRUCTURE							AS UNDERWRITTEN EQUITY STRUCTURE				AS UNDERWRITTEN EQUITY STRUCTURE					
EQUITY / DEFERRED FEES	DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Prior Underwriting				Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method	
						MDL App	Applicant	TDHCA	MDL App							
Affordable Equity Partners, Inc.	LIHTC Equity	39.4%	\$500,000	0.91	\$4,574,085	\$4,499,100	\$4,499,100	\$4,499,100	\$4,499,100	\$4,574,085	\$0.915	\$500,000	39.4%	\$7,576	Previous Allocation	
JES Dev Co., Inc.	Deferred Developer Fees	2.3%	(23% Deferred)		\$265,667	\$252,704	\$460,564	\$565,564	\$252,454	\$265,667	(23% Deferred)		2.3%	Total Developer Fee:	\$1,175,442	
	Additional (Excess) Funds Req'd	0.0%							\$0	\$0		0.0%				
TOTAL EQUITY SOURCES		41.7%			\$4,839,752	\$4,751,804	\$4,959,664	\$5,064,664	\$4,751,554	\$4,839,752			41.7%			
TOTAL CAPITALIZATION					\$11,604,862	\$10,937,164	\$10,560,024	\$10,560,024	\$10,936,914	\$11,604,862					15-Yr Cash Flow after Deferred Fee:	\$1,225,381

DEVELOPMENT COST / ITEMIZED BASIS																	
APPLICANT COST / BASIS ITEMS						TDHCA COST / BASIS ITEMS				COST VARIANCE							
Eligible Basis	Acquisition	New Const. Rehab	Total Costs		Prior Underwriting				Total Costs		Eligible Basis		%	\$			
					Applicant	TDHCA			New Const. Rehab	Acquisition							
Land Acquisition			\$15,015 / Unit	\$991,000	\$975,000	\$975,000	\$975,000	\$975,000	\$991,000	\$15,015 / Unit			0.0%	\$0			
Building Acquisition	\$0		\$ / Unit	\$0	\$0	\$0	\$0	\$0	\$0	\$ / Unit		\$0	0.0%	\$0			
Off-Sites			\$ / Unit	\$0	\$0	\$0	\$0	\$0	\$0	\$ / Unit			0.0%	\$0			
Site Work		\$1,462,000	\$24,697 / Unit	\$1,630,000	\$1,137,490	\$1,137,490	\$1,137,490	\$1,137,490	\$1,630,000	\$24,697 / Unit	\$1,462,000		0.0%	\$0			
Site Amenities		\$200,000	\$3,030 / Unit	\$200,000	\$100,000	\$100,000	\$100,000	\$100,000	\$200,000	\$3,030 / Unit	\$200,000		0.0%	\$0			
Building Cost		\$3,879,707	\$96.30 /sf	\$78,848/Unit	\$5,204,000	\$4,428,840	\$4,428,840	\$4,174,478	\$4,174,478	\$5,204,000	\$78,848/Unit	\$96.30 /sf	\$3,879,707	0.0%	\$0		
Contingency		\$0	0.00%	0.00%	\$0	\$396,643	\$289,420	\$378,838	\$378,838	\$492,380	7.00%	0.00%	\$0	-100.0%	(\$492,380)		
Contractor Fees		\$735,344	13.27%	12.00%	\$844,080	\$848,815	\$833,805	\$810,713	\$810,713	\$844,080	11.21%	13.27%	\$735,344	0.0%	\$0		
Soft Costs	0	\$693,090	\$11,107 / Unit	\$733,090	\$726,739	\$659,789	\$659,789	\$726,739	\$733,090	\$11,107 / Unit	\$693,090	\$0	0.0%	\$0			
Financing	0	\$419,845	\$10,685 / Unit	\$705,193	\$920,207	\$831,738	\$831,738	\$920,207	\$705,193	\$10,685 / Unit	\$412,898	\$0	0.0%	\$0			
Developer Fee	\$0	\$1,108,498	15.00%	13.23%	\$1,175,442	\$1,175,442	\$1,175,442	\$1,150,739	\$1,156,662	\$1,175,442	12.55%	15.00%	\$1,107,456	\$0	0.0%	\$0	
Reserves			\$1,849 / Unit	\$122,057	\$227,738	\$128,500	\$128,500	\$227,738	\$122,057	\$1,849 / Unit			0.0%	\$0			
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)				\$0	\$8,498,484	\$175,831 / Unit	\$11,604,862	\$10,936,914	\$10,560,024	\$10,347,284	\$10,607,864	\$12,097,242	\$183,292 / Unit	\$8,490,495	\$0	-4.1%	(\$492,380)
Acquisition Cost	\$0			\$0	\$0												
Contingency		\$0		\$0	0												
Contractor's Fee		\$0		\$0	\$0												
Financing Cost		(\$6,947)															
Developer Fee	\$0	(\$1,042)		\$0	\$0												
Reserves				\$0	\$0												
ADJUSTED BASIS / COST				\$0	\$8,490,495	\$175,831/unit	\$11,604,862	\$10,936,914	\$10,560,024	\$10,347,284	\$10,607,864	\$12,097,242	\$183,292/unit	\$8,490,495	\$0	-4.1%	(\$492,380)
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):							\$11,604,862										

CAPITALIZATION / DEVELOPMENT COST BUDGET / ITEMIZED BASIS ITEMS

Highland Senior Village, Bulverde, 9% HTC #18019

CREDIT CALCULATION ON QUALIFIED BASIS				
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction Rehabilitation
ADJUSTED BASIS	\$0	\$8,490,495	\$0	\$8,490,495
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$8,490,495	\$0	\$8,490,495
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$11,037,643	\$0	\$11,037,643
Applicable Fraction	51.52%	51.52%	51.52%	51.52%
TOTAL QUALIFIED BASIS	\$0	\$5,686,059	\$0	\$5,686,059
Applicable Percentage	3.39%	9.00%	3.39%	9.00%
ANNUAL CREDIT ON BASIS	\$0	\$511,745	\$0	\$511,745
CREDITS ON QUALIFIED BASIS	\$511,745		\$511,745	

Method	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
	Annual Credits	Proceeds	Credit Price	Variance to Request	
			\$0.9148	Credit Allocation	Credits
Eligible Basis	\$511,745	\$4,681,533	----	----	----
Needed to Fill Gap	\$529,040	\$4,839,752	----	----	----

BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Townhome	54,041 SF	\$81.38	4,397,929
Adjustments				
Exterior Wall Finish	2.45%		1.99	\$107,777
Elderly	3.00%		2.44	131,938
9-Ft. Ceilings	3.31%		2.69	145,410
Roof Adjustment(s)			4.91	265,076
Subfloor			(2.98)	(161,042)
Floor Cover			2.56	138,345
Breezeways	\$0.00	0	0.00	0
Balconies	\$29.10	4,911	2.64	142,887
Plumbing Fixtures	\$1,020	78	1.47	79,560
Rough-ins	\$500	132	1.22	66,000
Built-In Appliances	\$1,730	66	2.11	114,180
Exterior Stairs	\$2,280	0	0.00	0
Heating/Cooling			2.21	119,431
Storage Space	\$0.00	0	0.00	0
Carports	\$12.25	0	0.00	0
Garages		0	0.00	0
Other:			0.00	0
Fire Sprinklers	\$2.59		0.00	0
SUBTOTAL			105.45	5,698,660
Current Cost Multiplier	1.01		1.05	56,987
Local Multiplier	0.86		(14.76)	(797,812)
TOTAL BUILDING COSTS			91.74	\$4,957,834
Plans, specs, survey, bldg permits	3.30%		(3.03)	(\$163,609)
Contractor's OH & Profit	11.50%		(10.55)	(570,151)
NET BUILDING COSTS		\$64,001/unit	\$78.16/sf	\$4,224,075

Long-Term Pro Forma

Highland Senior Village, Bulverde, 9% HTC #18019

	Growth Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	Year 35	Year 40
EFFECTIVE GROSS INCOME	2.00%	\$704,983	\$719,083	\$733,465	\$748,134	\$763,096	\$842,520	\$930,210	\$1,027,027	\$1,133,921	\$1,251,941	\$1,382,244	\$1,526,109
TOTAL EXPENSES	3.00%	\$282,470	\$290,627	\$299,023	\$307,664	\$316,558	\$365,085	\$421,143	\$485,914	\$560,760	\$647,262	\$749,721	\$869,132
NET OPERATING INCOME ("NOI")		\$422,513	\$428,456	\$434,442	\$440,470	\$446,539	\$477,436	\$509,067	\$541,114	\$573,162	\$604,679	\$632,523	\$656,977
EXPENSE/INCOME RATIO		40.1%	40.4%	40.8%	41.1%	41.5%	43.3%	45.3%	47.3%	49.5%	51.7%	54.2%	57.0%
MUST -PAY DEBT SERVICE													
Bonneville - USDA 538		\$212,400	\$212,226	\$212,044	\$211,854	\$211,655	\$210,523	\$209,115	\$207,367	\$205,194	\$202,494	\$199,140	\$194,973
TDHCA		\$154,972	\$154,972	\$154,972	\$154,972	\$154,972	\$154,972	\$154,972	\$154,972	\$154,972	\$154,972	\$154,972	\$154,972
TOTAL DEBT SERVICE		\$367,372	\$367,198	\$367,016	\$366,825	\$366,627	\$365,494	\$364,087	\$362,338	\$360,165	\$357,466	\$354,112	\$349,944
DEBT COVERAGE RATIO		1.15	1.17	1.18	1.20	1.22	1.31	1.40	1.49	1.59	1.69	1.79	1.88
ANNUAL CASH FLOW		\$55,141	\$61,258	\$67,426	\$73,644	\$79,912	\$111,941	\$144,980	\$178,776	\$212,996	\$247,213	\$278,411	\$307,033
Deferred Developer Fee Balance		\$210,526	\$149,268	\$81,842	\$8,197	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$71,715	\$566,917	\$1,225,381	\$2,051,426	\$3,047,874	\$4,215,606	\$5,546,994	\$7,025,912

7b

BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
MAY 23, 2019

Presentation, discussion and possible action regarding an Award of Direct Loan funds from the 2018-1 Multifamily Direct Loan Notice of Funding Availability

RECOMMENDED ACTION

WHEREAS, the Board previously authorized the release of the 2018-1 Multifamily Direct Loan Notice of Funding Availability (NOFA) for up to \$28,862,745 with the application acceptance period beginning on January 4, 2018;

WHEREAS, the NOFA has since been amended several times to increase the amount available to \$62,304,276, subsequently closing on November 30, 2018, with funds in excess of remaining requests yet to be considered for award rolling over to the 2019-1 Multifamily Direct Loan NOFA;

WHEREAS, Application #18506, which requested \$445,000 in Direct Loan funds for Golden Trails is a Priority 3 application under the 2018-1 NOFA that has received complete reviews for compliance with program and underwriting requirements and was previously awarded 9% housing tax credits (9% HTC) and \$2,055,000 in HOME funds in July 2017;

WHEREAS, the \$2,055,000 HOME loan was structured as a hard repayable first lien loan at 2% interest rate with a 30-year amortization and 30-year term;

WHEREAS, the Applicant has requested the interest rate on the original \$2,055,000 HOME loan, as well as the additional \$445,000 in Direct Loan funds currently being requested, be reduced to 1.75%;

WHEREAS, in accordance with 10 TAC §1.301(d)(1), the compliance history is designated as a Small Portfolio Category 1 and deemed acceptable without conditions by the Executive Award and Review Advisory Committee (EARAC) after review and discussion;

WHEREAS, 10 TAC §13.5(h)(2) requires Applications for Developments previously awarded funds by the Department (regardless of fund source and are not proposing acquisition and rehabilitation) to be found eligible by the Board;

WHEREAS, this Application has provided evidence of adverse factors, including increased foundation costs as a result of having to mitigate the impact of the

highly expansive soils on the site, beyond the applicant's control that could materially impair their ability to provide affordable housing as a criteria for the Board to consider in affirming their eligibility;

WHEREAS, 10 TAC §13.3(e)(14) and (15) lists "costs that have been allocated to or paid by another fund source" and "deferred developer fee" as ineligible costs for reimbursement with Direct Loan funds, and section 1 of the NOFA states "Awards to refinance or of supplemental financing will not exceed an amount necessary to replace lost funding or maintain original anticipated levels of feasibility as determined by staff;"

WHEREAS, staff has found that \$245,000 in additional Direct Loan funds is the amount necessary to maintain original anticipated levels of feasibility, and to ensure that Direct Loan funds do not pay for costs allocated to another fund source, such as deferred developer fee;

WHEREAS, staff recommends maintaining the interest rate on the previously awarded \$2,055,000 in HOME funds at 2.0% while awarding the currently recommended \$245,000 in HOME funds at 2.0% interest rate as well, since the project remains feasible at that interest rate;

WHEREAS, staff recommends that the Board find this Application eligible due to increased project costs as a result of increased foundation costs that were not discovered until invasive subsurface explorations were conducted post-award;

WHEREAS, the Applicant has proposed layering HOME rent and income restrictions for households at or below 60% Area Median Income (AMI) on an additional six of the 45 total units as a result of this addition of HOME funds; and

WHEREAS, staff recommends the additional six HOME units be restricted to households at or below 50% Area Median Income in return for these additional HOME funds and the additional risk exposure to the Department;

NOW, therefore, it is hereby

RESOLVED, that an award of \$245,000 in HOME Funds from the 2018-1 NOFA for Golden Trails is hereby approved in the form presented at this meeting; and

FURTHER RESOLVED, that the Board's approval is conditioned upon satisfaction of all conditions of underwriting, and completion of any other reviews required to assure compliance with the applicable HOME rules and requirements.

BACKGROUND

On December 14, 2017, the Board approved issuance of a NOFA for up to \$28,862,745, which has subsequently been amended to increase the amount available to \$62,304,276 within three set-asides:

- \$22,324,041 in Supportive Housing/ Soft Repayment set-aside, composed of \$3.3 million in TCAP RF and \$19,024,041 in National Housing Trust Fund,
- \$8,215,058 of HOME funds under the CHDO set-aside,
- \$31,765,177 in the General set-aside, composed of \$17,318,946 in HOME, \$5 million in NSP1 Program Income and \$9,446,231 in TCAP RF.

Golden Trails was awarded an allocation of 9% HTC and \$2,055,000 in HOME funds on July 27, 2017, which proposed new construction of 45 one- and two- bedroom units for an Elderly Limitation population in West. The Applicant subsequently encountered circumstances beyond their control that could not have been prevented or foreseen, namely increased foundation costs due to highly expansive soils that were not discovered until invasive subsurface explorations were conducted post-award.

While the Phase I Environmental Site Assessment that was conducted in February 2017 around the time of the 9%/HOME application provided a general overview of the site conditions in accordance with the applicable Environmental Site Assessment Rules and Guidelines (10 TAC §10.305) at the time, it did not include any soil sampling. Subsurface explorations of the site were not conducted until after award in October 2017. Those explorations and soil sampling revealed that the onsite soils – down to 23 feet below the surface – were highly expansive with unusually high soil swell movement potentials and unusually high swell pressures. To mitigate the impacts of potential soil swell movements at that depth, a structural slab foundation (which includes structural steel as well as concrete), constructed over a void space and supported by drilled piers 35 feet deep, had to be poured instead of the standard concrete slab foundation. Additionally, the under-slab utilities had to be tied to the structural slab and embedded in a sand trench to allow the utilities to withstand differential movements. Most of the costs associated with these construction elements were known prior to construction commencement, at the time that the construction documents were drafted in summer 2018. However, as a result of the more complex foundation requirements, as well as excessive rain delays as a result of having to wait for soils to stabilize after rain events, there have been costs increases due to increased time.

Staff is recommending the Board's approval of Golden Trails' application (18506) for additional HOME funds totaling \$245,000 (\$2,300,000 total) as a hard repayable loan at 2.0% interest rate with a 30-year amortization and 30-year term under the General Set-Aside. The additional \$245,000 in HOME loan proceeds will be used to fund increased hard costs. Despite total loan proceeds increasing, deferred developer fee will increase from \$231,816 to \$503,043 since the last time staff evaluated this transaction with respect to Direct Loan closing in May 2018. Despite the increased loan proceeds, deferred fee is now expected to be repaid in year 15 instead of year 9. Developer fee has remained consistent at \$1,028,441, since the last time staff evaluated this transaction in May 2018.

	Permanent Debt (HOME loan) Total	Interest Rate	Deferred Developer Fee	Year Deferred Fee Fully Paid
9%/HOME Application	\$2,055,000	2.0%	\$190,638	11
Direct Loan Closing	\$2,055,000	2.0%	\$231,816	9
Current Request	\$2,300,000	2.0%	\$503,043	15

As a result of the additional \$245,000 HOME investment, six additional (23 total) units of the 45 units will be restricted by HOME rent and income restrictions under the HOME Land Use Restriction Agreement. The six additional HOME units will be available to households at or below 50% AMI with Low HOME rent limits and will be layered on existing 60% AMI HTC units. Despite the reduced rental income on those six additional HOME units, the 22 60% AMI HTC-only units (those not layered with HOME rent restrictions) are projected to collect higher rents than previously underwritten, as a result of HUD issuing 2019 tax credit rents on April 24, 2019. The higher income on the 22 60% AMI HTC-only units more than offsets the reduced rental income on those six additional HOME units.

The Department has the ability to invest additional HOME funds in this project, despite having previously invested HOME funds in this project, since the federal affordability period has not yet begun.

The additional \$245,000 HOME investment will be rolled into the existing \$2,055,000 HOME loan and treated as a refinance. The \$2.3 million HOME loan will continue to be the only permanent debt on the property. The recommended application and award amounts are outlined in the attached award recommendations log behind this Board item.

This application has been underwritten and determined to meet the Real Estate Analysis rules and requirements and has received a previous participation review.

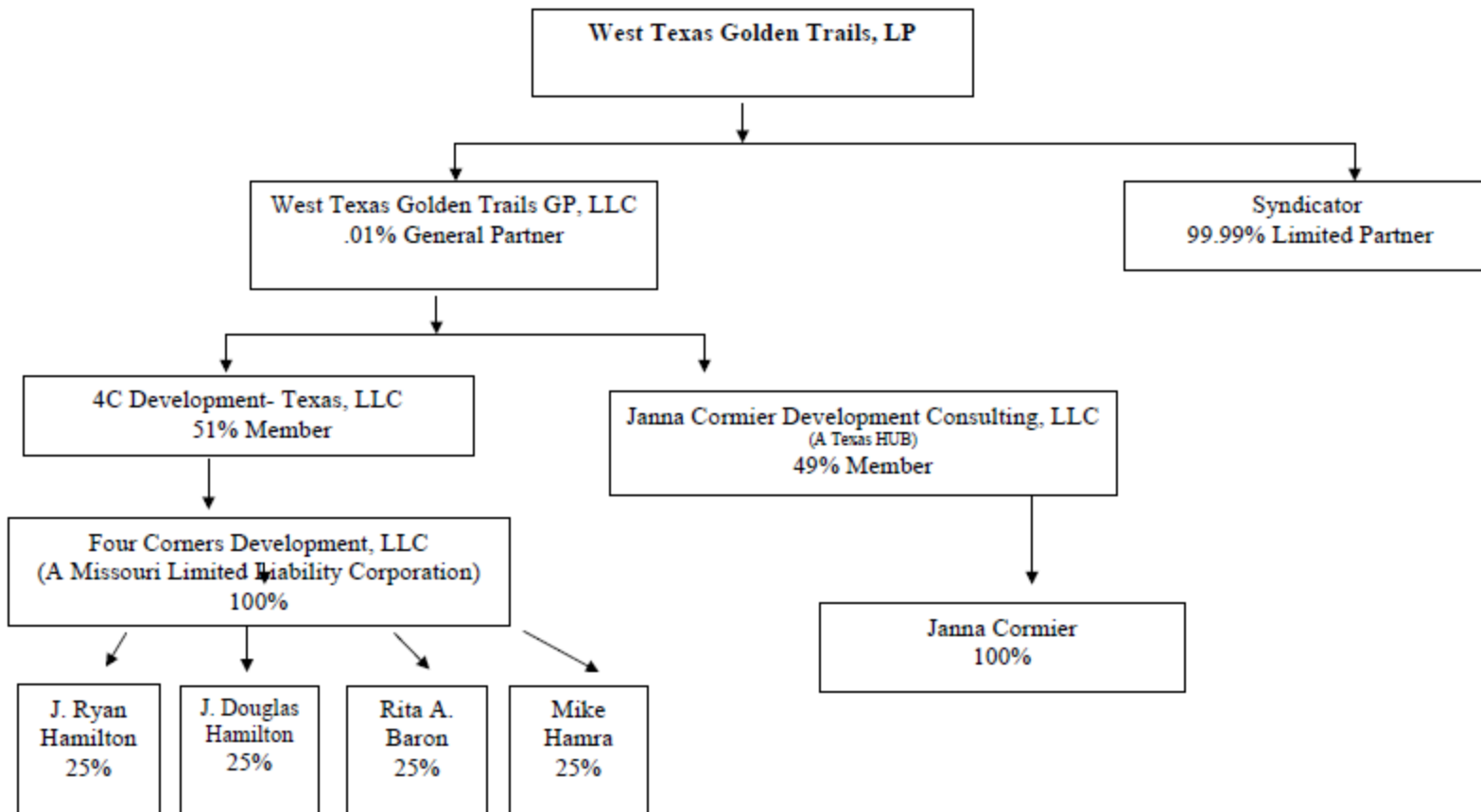
Should the recommended award and 18369 be approved, \$8,526,000 will remain available under the NOFA, of which five applications requesting \$8,526,000 are still under review. Subsequent award recommendations for applications undergoing staff reviews may appear on future Board agendas.

Organizational Structure and Previous Participation: The borrower is West Texas Golden Trails, LP and includes entities and principals as indicated in the organization chart below. At the time

of the Previous Participation Review, the applicant was a Small Portfolio Category 1; EARAC recommends approval without conditions.

Public Comment: There have been no letters of support or opposition received by the Department in connection with this current application.

**ORGANIZATIONAL CHART FOR
APPLICANT/OWNER**





January 28, 2019

Andrew Sinnott
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

RE: Golden Trails
TDHCA #17290

Dear Andrew:

Per 10 TAC 13.5(d)(2), please accept this letter as a request for a finding of eligibility, required for projects that have previously been awarded Department funds. Golden Trails received an award of \$520,840 in 9% Housing Tax Credits (HTC) in 2017, in addition to \$2,055,000 in Multifamily Direct Loan (MFDL) funds. The project is located in West, TX.

4C Development – Texas, LLC respectfully requests that the TDHCA Board find Golden Trails eligible for additional Departmental funding in the form of MFDL funds, pursuant to our MFDL application submitted on November 19, 2018. If approved, this would bring the total MFDL funding for Golden Trails to \$2,500,000, allowable under the Multifamily Direct Loan NOFA.

Unforeseen site conditions have led to dramatically increased construction costs, making the additional MFDL funds necessary. These conditions became evident through invasive subsurface explorations which took place after project award. Said conditions directly relate to the differential movement on site soils are subject to. The on-site soils are highly expansive soils with unusually high soil swell movement potentials and unusually high swell pressures. Not only are the soils in the active zone (soils at subgrade elevation and 15 feet below) subject to these movements but also soils below the active zone are subject to heave. Such heave is termed deep-seated heave. This deep-seated heave can occur up to depths of approximately 23 feet.

Differential movements caused by soils such as found on this site can be very detrimental to building foundations. As deep-seated heave is a concern at this site it is necessary to protect against differential movements to 23' below the subgrade surface. The only foundation design that offsets these risks is a structural foundation, constructed over a void space and supported by drilled piers. The piers which support the structural slab must be imbedded deep enough into shale to resist uplift pressures by the expansive soils. The void space is necessary to allow for the soil to shrink and swell while never contacting the bottom of the slab.

In addition to mitigation required to protect the slab, these on-site soils necessitate additional efforts to protect the under-slab utilities, utility trench transitions and subgrade adjacent to the building. The under-slab utilities must tie to the structural slab and be embedded in a sand trench which allows said utilities to safely withstand adjacent differential movements. Also, as utilities enter the building

Four Corners Development, LLC
3556 S. Culpepper Circle, Suite 4
Springfield, MO 65804
Phone: 417.882.1701 | Fax: 417.882.1730

footprint special couplings are required as site utilities will be subject to movement while under slab utilities will not. To keep this differential utility movement to an acceptable magnitude portions of respective utility trenches adjacent to the building have been proposed to be moisture injected to a depth of 15 feet, with a transition zone going to 0 feet, such that there is not an abrupt stop in treated and non-treated soil. Moisture conditioning is also necessary for adjacent building subgrade areas preventing adjacent soil swelling that would allow water to infiltrate the structure.

If approved, we will commit to designating 23 MFDL units in total. The development will bring 45 affordable units to a market which is in need of affordable housing. We ask the Board to consider the substantial benefit to the project of the risk mitigation resulting from an award of \$2,500,000 in MFDL funds.

Sincerely,



Adam Horton
Chief Operating Officer

Change Order

PROJECT: <i>(Name and address)</i> Golden Trails 314 Melodie Drive West, Texas 76691	CONTRACT INFORMATION: Contract For: Hamilton Builders, LLC Date: June 18, 2018	CHANGE ORDER INFORMATION: Change Order Number: 001 Date: April 19, 2019
OWNER: <i>(Name and address)</i> West Texas Golden Trails, LP 3556 S. Culpepper, Suite 4 Springfield, MO 65804	ARCHITECT: <i>(Name and address)</i> Baron Design and Associates, LLC 1855 S. Ingram Mill Road, Suite 201 Springfield, MO 65804	CONTRACTOR: <i>(Name and address)</i> Hamilton Builders, LLC 3556 S. Culpepper, Suite 4 Springfield, MO 65804

THE CONTRACT IS CHANGED AS FOLLOWS:

(Insert a detailed description of the change and, if applicable, attach or reference specific exhibits. Also include agreed upon adjustments attributable to executed Construction Change Directives.)

Unforeseen site conditions have dramatically increased construction costs. These conditions became evident through invasive subsurface explorations which took place after project award. Said conditions directly relate to the differential movement on site soils are subject to. The on-site soils are highly expansive soils with unusually high soil swell movement potentials and unusually high swell pressures. Not only are the soils in the active zone (soils at subgrade elevation and 15 feet below) subject to these movements but also soils below the active zone are subject to heave. Such heave is termed deep-seated heave. This deep-seated heave can occur up to depths of approximately 23 feet.

Differential movements caused by soils found on this site can be very detrimental to building foundations. As deep-seated heave is a concern at this site it is necessary to protect against differential movements to 23' below the subgrade surface. The only foundation design that offsets these risks is a structural foundation, constructed over a void space and supported by drilled piers. The piers which support the structural slab must be imbedded deep enough into shale to resist uplift pressures by the expansive soils. The void space is necessary to allow for the soil to shrink and swell while never contacting the bottom of the slab.

In addition to mitigation required to protect the slab, these on-site soils necessitate additional efforts to protect the under-slab utilities, utility trench transitions and subgrade adjacent to the building. The under-slab utilities must tie to the structural slab for their support such that they are isolated from subgrade beneath. This ensures they are not susceptible for subgrade movements. To keep differential utility movement from under slab utilities to site utilities tolerable portions of respective utility trenches adjacent to the building have been proposed to be moisture injected to a depth of 15 feet, with a transition zone going to 0 feet. The transition zone is necessary such that there is not an abrupt stop in treated and non-treated soil. Moisture conditioning is also necessary for adjacent building subgrade areas preventing adjacent soil swelling that would allow water to infiltrate the structure.

The original Guaranteed Maximum Price was	\$ 4,512,085.00
The net change by previously authorized Change Orders	\$ 0.00
The Guaranteed Maximum Price prior to this Change Order was	\$ 4,512,085.00
The Guaranteed Maximum Price will be increased by this Change Order in the amount of	\$ 508,432.35
The new Guaranteed Maximum Price including this Change Order will be	\$ 5,020,517.35

The Contract Time will be increased by Ninety (90) days.

The new date of Substantial Completion will be December 2019

NOTE: This Change Order does not include adjustments to the Contract Sum or Guaranteed Maximum Price, or the Contract Time, that have been authorized by Construction Change Directive until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive.

NOT VALID UNTIL SIGNED BY THE ARCHITECT, CONTRACTOR AND OWNER.

BARON DESIGN & ASSOCIATES
ARCHITECT (Firm name)

SIGNATURE

BRITA BARON, PRINCIPAL
PRINTED NAME AND TITLE

APRIL 22, 2019
DATE

HAMILTON BUILDERS, LLC
CONTRACTOR (Firm name)

SIGNATURE

J. Douglas Hamilton, Managing member
PRINTED NAME AND TITLE

April 22, 2019
DATE

West Golden Trails, LP
OWNER (Firm name)

SIGNATURE

J. Ryan Hamilton, Manager
PRINTED NAME AND TITLE

April 22, 2019
DATE

Change Order Long

Hamilton Builders

Date: 5/7/2019

Extra	1/31/2019	Cost Code	Cat	Description	Comm CO	Cost Estimate	Price
Change Order 1		Budget Maintenance	Approved				
INT-1 Budget Maintenance							
				Escavation & Fill			(100,000.00)
		31-200000		Earthwork-Earth Moving			94,800.00
		31-251300		Erosion Control			5,200.00
				Site Work: Water Sewer			(272,063.00)
		33-000010		Site Utilities			17,500.00
		33-110000		Water Util Dist Piping			102,379.00
		33-311300		Util Pub San Util Sew Piping			63,961.00
		33-410000		Util Storm Util Drain Piping			88,224.00
				Paving			(246,478.00)
		32-050000		Ext Imp Common Work Ext			8,473.00
		32-111600		Ext Imp-Aggregate Subbase Gour			11,554.00
		32-121600		Asphalt Paving			101,572.00
		32-131300		Concrete Paving			82,516.00
		32 - 161300		E xt Imp-Concrete Curb &Gutter			42,363.00
		03-300000		Cast in Place Concrete			68,626.69
				Site Concrete			(68,627.16)
		04-200000		Unit Masonry			(101,685.00)
		04 - 2 11300		Brick Masonry			101,685.00
				Metals Steel			(103,979.36)
		05 - 120000		Structural Steel Framing			48,979.00
		05-500000		Metal Fabrications			55,000.00
				Framing			(491,463.50)
		06-100000		Rough Carpentry			195,466.00
		06-100030		Wood Trusses			115,286.00
		06-105300		Rough Carpentry			180,711.00
				Stove Top Ext			(3,500.00)
				5lb Fire Ext			(2,400.00)
		10-441300		Fire Extinguishers & Cabinets			5,900.00
				Contractor Contingency			0.33
				Change Order 1 Budget Maintenance Totals		-	0.00
Change Order 2	2/1/2019	Budget Maintenance	Approved				
INT-2 Budget Maintenance							
				Escavation			(2,850.00)
				Escavation			2,850.00
				Cast in Place Concrete			4,483.50
				Cast in Place Concrete			(4,483.50)
				Change Order 2 Budget Maintenance Totals		-	0.00
Change Order 3	2/4/2019	Budget Maintenance	Approved				
INT-3 Budget Maintenance							
				Cast in Place Concrete			6,832.00
				Gravel at Slab			16,135.57
				Contractor Contingency			(22,967.57)
				Change Order 3 Budget Maintenance Totals		-	0.00
Change Order 4	2/4/2019	Budget Maintenance	Approved				
INT-4 Budget Maintenance							
				Gravel at Slab			1,940.95
				Contractor Contingency			(1,940.95)
				Change Order 4 Budget Maintenance Totals		-	0.00
Change Order 5	3/7/2019	Budget Maintenance	Approved				
INT-5 Budget Maintenance							
				Escavation & Fill			1,400.00
				Curb & Gutter			4,387.00
				Contractor Contingency			(5,787.00)
				Change Order 5 Budget Maintenance Totals		-	0.00

Change Order 6
INT-6 Budget Maintenance

4/3/2019 Budget Maintenance Approved

<i>Asphalt Paving</i>	<i>(29,517.00)</i>
<i>Concrete Paving</i>	<i>29,517.00</i>
<i>Soil Treatment</i>	<i>9,638.00</i>
<i>Contractor Contingency</i>	<i>(9,638.00)</i>
<i>Foundation Slabs</i>	<i>443,548.00</i>
<i>Limestone</i>	<i>16,912.35</i>
<i>Moisture Injection</i>	<i>35,472.00</i>
<i>Underslab Plumbing</i>	<i>12,500.00</i>

Change Order 6 Budget Maintenance Totals - 508,432.35



Addendum to Underwriting Report

TDHCA Application #: 18506 / 17290 Program(s): 9% HTC/MDL

Golden Trails

Address/Location: Melodie Drive

City: West County: McLennan Zip: 76691

APPLICATION HISTORY	
Report Date	PURPOSE
05/15/19	MDL Loan Increase
05/15/18	MDL Loan Closing
07/03/17	Initial Underwriting

ALLOCATION

TDHCA Program	Previous Allocation				RECOMMENDATION				
	Amount	Rate	Amort	Term	Amount	Rate	Amort	Term	Lien
Multifamily Direct Loan	\$2,055,000	2.00%	30	30	\$2,300,000	2.00%	30	30	1
LIHTC (Annual)	\$520,840				\$520,840				

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

CONDITIONS DUE BEFORE CLOSING OF REVISED DIRECT LOAN

- A Receipt and acceptance before Closing of Modified Direct Loan
 - a: Receipt of final construction contract with schedule of values
 - b: Revised Limited Partnership Agreement reflecting all changes to cost and financing.

CONDITIONS DUE BEFORE ORIGINAL DIRECT LOAN CLOSING

- 1 Receipt and acceptance before Direct Loan Closing
 - a: Substantially final construction contract with Schedule of Values.
 - Status:** Satisfied
 - b: Updated term sheets with substantially final terms from all lenders.
 - Status:** Satisfied
 - c: Substantially final draft of limited partnership agreement.
 - Status:** Satisfied
 - d: Documentation identifying any required matching funds, and confirming that the source is eligible to be counted as matching funds under HUD and TDHCA requirements.
 - Status:** Satisfied

Receipt and acceptance by Cost Certification:

- 2 - documentation that appropriate noise mitigation has been incorporated into the development to bring the calculated noise value within an acceptable level of HUD guidelines.

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

ANALYSIS

On July 3, 2017 the Development was awarded \$520,840 in Housing Tax Credits, and a \$2,055,000 Multifamily Direct Loan as a repayable loan at 2% interest. Loan closed July 12, 2018. During subsurface site preparation, it was discovered that there are unusually highly expansive soils. A more complex and expensive foundation structure supported by 35-foot piers was required to protect the stability and integrity of the slab. The Applicant has requested a loan increase of \$445,000 to cover the cost, which would bring the total loan amount to \$2.5M, and to decrease the interest rate to 1.75%.

Applicant has proposed layering HOME rent and income restrictions for households at or below 60% Area Median Income (AMI) on an additional six of the 45 total units as a result of this addition of HOME funds.

Total cost has increased \$493K. TDHCA recommends a loan increase of \$245K, financing approximately half of the cost increase; and TDHCA recommends that the six additional MDL units be restricted at Low HOME / 50% AMI.

Operating Pro Forma

Applicant's request was submitted with 2018 HTC and HOME Program Rents. The Underwriter's pro forma is updated with the recently released 2019 HTC rents, providing \$25K additional Gross Potential Rent.

Operating expenses are generally unchanged, except management fee which increases with income, and property tax, which is updated to reflect the per unit average of comparable properties in McLennan County.

With the additional six MDL units restricted at LH / 50%, and with 2019 Program Rents on HTC-only units, the Underwriter's pro forma shows \$130K Net Operating Income.

Development Cost

As a result of the enhanced foundation design, site work cost increased \$74K, and building cost increased \$443K. Overall Hard Cost increased 14%, from \$3.7M to \$4.2M.

Total Developer fee is unchanged from the previous analysis despite the increase in cost.

Total Development Cost increased 14%, from \$7.1M to \$7.6M.

Sources of Funds

With a total Direct Loan amount of \$2.3M at 2.00%, \$130K NOI provides debt coverage at 1.27 times.

The required match for the TDHCA Direct Loan is provided as \$127,500 contribution of materials from the concrete and roofing contractors.

Gardner Capital was listed as the original intended syndicator with a \$0.90 credit price. IBC is the current Investor through 42 Equity Partners as the Syndicator. Equity pricing dipped slightly to \$0.89.

Deferred Developer Fee increased from \$231K to \$503K (49% deferred).

Conclusion

The Underwriter recommends increasing the Direct Loan by \$245,000, to a total principal amount of \$2,300,000, amortized at 2.00% over 30 years.

The current analysis continues to support the \$520,840 HTC award.

Underwriter: Laura Rogers

Manager of Real Estate Analysis: Thomas Cavanagh

Director of Real Estate Analysis: Brent Stewart

UNIT MIX/RENT SCHEDULE

Golden Trails, West, 9% HTC/MDL #17290

LOCATION DATA	
CITY:	West
COUNTY:	McLennan
Area Median Income	\$64,500
PROGRAM REGION:	8

UNIT DISTRIBUTION						
# Beds	# Units	% Total	MDL	Income	# Units	% Total
Eff	-	0.0%	0	30%	4	8.9%
1	33	73.3%	16	40%	-	0.0%
2	12	26.7%	7	50%	9	20.0%
3	-	0.0%	0	60%	32	71.1%
4	-	0.0%	0	MR	-	0.0%
TOTAL	45	100.0%	23	TOTAL	45	100.0%

Applicable Programs
9% Housing Tax Credits
Direct Loan

Pro Forma ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	100%
APP % Acquisition	3.39%
APP % Construction	9.00%
Average Unit Size	806 sf

UNIT MIX / MONTHLY RENT SCHEDULE

HTC		TDHCA Direct Loan Program		UNIT MIX				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS				TDHCA PRO FORMA RENTS				MARKET RENTS		
Type	Gross Rent	Type	Gross Rent	# Units	# Beds	# Baths	NRA	Gross Rent	Utility Allow	Max Net Program Rent	Delta to Max	Rent psf	Net Rent per Unit	Total Monthly Rent	Total Monthly Rent	Rent per Unit	Rent psf	Delta to Max	Underwritten	Mrkt Analyst	
TC 30%	\$363	30%/30%	\$337	3	1	1	760	\$337	\$62	\$275	(\$1)	\$0.36	\$274	\$822	\$825	\$275	\$0.36	\$0	\$835	\$1.10	\$835
TC 50%	\$605	LH/50%	\$562	6	1	1	760	\$562	\$62	\$500	(\$1)	\$0.66	\$499	\$2,994	\$3,000	\$500	\$0.66	\$0	\$835	\$1.10	\$835
TC 60%	\$726	LH/50%	\$562	4	1	1	760	\$562	\$62	\$500	(\$1)	\$0.66	\$499	\$1,996	\$2,000	\$500	\$0.66	\$0	\$835	\$1.10	\$835
TC 60%	\$726	HH/60%	\$639	3	1	1	760	\$639	\$62	\$577	(\$1)	\$0.76	\$576	\$1,728	\$1,731	\$577	\$0.76	\$0	\$835	\$1.10	\$835
TC 60%	\$726			17	1	1	760	\$726	\$62	\$664	(\$52)	\$0.81	\$612	\$10,404	\$11,288	\$664	\$0.87	\$0	\$835	\$1.10	\$835
TC 30%	\$435	30%/30%	\$405	1	2	1	933	\$405	\$82	\$323	(\$1)	\$0.35	\$322	\$322	\$323	\$323	\$0.35	\$0	\$940	\$1.01	\$940
TC 50%	\$726	LH/50%	\$675	3	2	1	933	\$675	\$82	\$593	(\$1)	\$0.63	\$592	\$1,776	\$1,779	\$593	\$0.64	\$0	\$940	\$1.01	\$940
TC 60%	\$871	LH/50%	\$675	2	2	1	933	\$675	\$82	\$593	(\$1)	\$0.63	\$592	\$1,184	\$1,186	\$593	\$0.64	\$0	\$940	\$1.01	\$940
TC 60%	\$871	HH/60%	\$836	1	2	1	933	\$836	\$82	\$754	(\$27)	\$0.78	\$727	\$727	\$754	\$754	\$0.81	\$0	\$940	\$1.01	\$940
TC 60%	\$871			5	2	1	933	\$871	\$82	\$789	(\$62)	\$0.78	\$727	\$3,635	\$3,945	\$789	\$0.85	\$0	\$940	\$1.01	\$940
TOTALS/AVERAGES:				45			36,276				(\$28)	\$0.71	\$569	\$25,588	\$26,831	\$596	\$0.74	\$0	\$863	\$1.07	\$863

ANNUAL POTENTIAL GROSS RENT:	\$307,056	\$321,972
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STABILIZED PRO FORMA

Golden Trails, West, 9% HTC/MDL #17290

STABILIZED FIRST YEAR PRO FORMA

	COMPARABLES		APPLICANT				PRIOR REPORT				TDHCA				VARIANCE	
	Database	Expense Comps	% EGI	Per SF	Per Unit	Amount	1st MDL closing	Applicant July 2017	TDHCA July 2017	1st MDL closing	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT				\$0.71	\$569	\$307,056	\$297,108	\$282,060	\$282,060	\$297,108	\$321,972	\$596	\$0.74		-4.6%	(\$14,916)
						\$0	0	0								
late fees, app fees, pet fees						\$0	0	0								
retained deposits, interest income						\$12,000	6,480	6,480								
Total Secondary Income						\$12,000			6,480	6,480	\$6,480	\$12.00			0.0%	\$0
POTENTIAL GROSS INCOME						\$313,536	\$303,588	\$288,540	\$288,540	\$303,588	\$328,452				-4.5%	(\$14,916)
Vacancy & Collection Loss					7.5% PGI	(23,515)	(22,769)	(21,641)	(21,641)	(22,769)	(24,634)	7.5% PGI			-4.5%	1,119
Rental Concessions						-	0	0	0	0	-				0.0%	-
EFFECTIVE GROSS INCOME						\$290,021	\$280,819	\$266,900	\$266,900	\$280,819	\$303,818				-4.5%	(\$13,797)

General & Administrative	\$15,241	\$339/Unit	12,259	\$272	4.47%	\$0.36	\$288	\$12,950	\$12,950	\$12,950	\$12,259	\$12,259	\$12,259	\$272	\$0.34	4.04%	5.6%	691
Management	\$23,652	8.0% EGI	14,501	\$322	5.11%	\$0.41	\$329	\$14,822	\$14,041	\$13,345	\$13,345	\$14,041	\$15,191	\$338	\$0.42	5.00%	-2.4%	(369)
Payroll & Payroll Tax	\$45,100	\$1,002/Unit	41,632	\$925	13.76%	\$1.10	\$887	\$39,900	\$39,900	\$39,900	\$40,320	\$40,320	\$40,320	\$896	\$1.11	13.27%	-1.0%	(420)
Repairs & Maintenance	\$38,366	\$853/Unit	36,142	\$803	9.69%	\$0.77	\$624	\$28,100	\$28,100	\$28,100	\$27,000	\$27,000	\$27,000	\$600	\$0.74	8.89%	4.1%	1,100
Electric/Gas	\$7,707	\$171/Unit	5,403	\$120	2.83%	\$0.23	\$182	\$8,200	\$8,200	\$8,200	\$5,403	\$5,403	\$5,403	\$120	\$0.15	1.78%	51.8%	2,797
Water, Sewer, & Trash	\$27,566	\$613/Unit	18,942	\$421	6.45%	\$0.52	\$416	\$18,700	\$18,700	\$18,700	\$18,521	\$18,521	\$18,521	\$412	\$0.51	6.10%	1.0%	179
Property Insurance	\$13,739	\$0.38 /sf	13,469	\$299	4.64%	\$0.37	\$299	\$13,469	\$14,100	\$11,200	\$13,469	\$13,469	\$13,469	\$299	\$0.37	4.43%	0.0%	0
Property Tax (@ 100%) 2.5982	\$17,929	\$398/Unit	27,873	\$619	6.18%	\$0.49	\$398	\$17,929	\$17,929	\$27,000	\$17,929	\$17,929	\$27,873	\$619	\$0.77	9.17%	-35.7%	(9,944)
Reserve for Replacements	\$15,175	\$337/Unit			3.88%	\$0.31	\$250	\$11,250	\$11,250	\$11,250	\$11,250	\$11,250	\$11,250	\$250	\$0.31	3.70%	0.0%	-
TDHCA LIHTC/HOME Compliance Fees					0.89%	\$0.07	\$57	\$2,582	\$2,378	\$2,378	\$2,378	\$2,378	\$2,582	\$57	\$0.07	0.85%	0.0%	-
TOTAL EXPENSES					57.89%	\$4.63	\$3,731	\$ 167,902	\$167,548	\$173,023	\$161,874	\$162,570	\$ 173,868	\$3,864	\$4.79	57.23%	-3.4%	\$ (5,966)
NET OPERATING INCOME ("NOI")					42.11%	\$3.37	\$2,714	\$122,119	\$113,271	\$93,877	\$105,026	\$118,249	\$129,950	\$2,888	\$3.58	42.77%	-6.0%	\$ (7,831)

CONTROLLABLE EXPENSES							\$2,397/Unit							\$2,300/Unit				
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Golden Trails, West, 9% HTC/MDL #17290

DEBT / GRANT SOURCES																					
APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE									Prior Underwriting				AS UNDERWRITTEN DEBT/GRANT STRUCTURE								
DEBT (Must Pay)	Fee	Cumulative DCR		Pmt	Rate	Amort	Term	Principal	Ist MDL Closing	Applicant July 2017	TDHCA July 2017	Ist MDL Closing	Principal	Term	Amort	Rate	Pmt	Cumulative			
		UW	App															DCR	LTC		
TDHCA		1.21	1.14	\$107,173	1.75%	30	30	\$2,500,000	\$2,055,000	\$2,200,000	\$2,055,000	\$2,055,000	\$2,300,000	30	30	2.00%	\$102,015	1.27	30.3%		
CASH FLOW DEBT / GRANTS																					
City of West		1.21	1.14		0.00%	0	0	\$10	\$10	\$10	\$10	\$10	\$10	0	0	0.00%		1.27	0.0%		
Springfield Roofing Systems (SRS)		1.21	1.14		0.00%	0	0	\$96,500	\$61,500	\$61,500	\$61,500	\$61,500	\$96,500	0	0	0.00%		1.27	1.3%		
Julian Concrete Construction		1.21	1.14		0.00%	0	0	\$31,000	\$50,700	\$50,700	\$50,700	\$50,700	\$31,000	0	0	0.00%		1.27	0.4%		
				\$107,173	TOTAL DEBT / GRANT SOURCES				\$2,627,510	\$2,167,210	\$2,312,210	\$2,055,010	\$2,055,010	\$2,427,510	TOTAL DEBT SERVICE				\$102,015	1.27	32.0%
NET CASH FLOW		\$22,777	\$14,946													TDHCA	NET OPERATING INCOME	\$129,950	\$27,935	NET CASH FLOW	

EQUITY SOURCES																
APPLICANT'S PROPOSED EQUITY STRUCTURE						Prior Underwriting				AS UNDERWRITTEN EQUITY STRUCTURE						
EQUITY / DEFERRED FEES	DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Prior Underwriting				Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method	
						Applicant	Applicant July 2017	TDHCA July 2017	TDHCA							
42EP IBC Fund II LP	LIHTC Equity	61.3%	\$520,840	0.8924	\$4,648,032	\$4,687,091	\$4,635,012	\$4,635,012	\$4,687,091	\$4,648,032	\$0.8924	\$520,840	61.3%	\$11,574	Previous Allocation	
4C Development - Texas, LLC	Deferred Developer Fees	4.0%	(29% Deferred)		\$303,043	\$231,825	\$45,637	\$190,638	\$231,816	\$503,043	(49% Deferred)		6.6%	Total Developer Fee: \$1,028,441		
Additional (Excess) Funds Req'd		0.0%						\$0	\$0	\$0			0.0%			
TOTAL EQUITY SOURCES					65.3%	\$4,951,075	\$4,918,916	\$4,680,649	\$4,825,649	\$4,918,907	\$5,151,075		68.0%			
TOTAL CAPITALIZATION						\$7,578,585	\$7,086,126	\$6,992,859	\$6,992,859	\$7,086,117	\$7,578,585	15-Yr Cash Flow after Deferred Fee:				\$6,862

DEVELOPMENT COST / ITEMIZED BASIS															
APPLICANT COST / BASIS ITEMS					Prior Underwriting				TDHCA COST / BASIS ITEMS					COST VARIANCE	
Eligible Basis		Total Costs	Prior Underwriting				Total Costs		Eligible Basis		%	\$			
Acquisition	New Const. Rehab		Applicant	Applicant July 2017	TDHCA July 2017	TDHCA	New Const. Rehab	Acquisition							
Land Acquisition		\$12,584 / Unit	\$566,280	\$566,280	\$566,280	\$566,280	\$566,280	\$12,584 / Unit		0.0%	\$0				
Building Acquisition	\$0	\$ / Unit	\$0	\$0	\$0	\$0	\$0	\$ / Unit	\$0	0.0%	\$0				
Off-Sites		\$2,855 / Unit	\$128,488	\$128,488	\$128,488	\$128,488	\$128,488	\$2,855 / Unit		0.0%	\$0				
Site Work	\$512,624	\$11,392 / Unit	\$512,624	\$432,624	\$496,384	\$496,384	\$432,624	\$507,147	\$11,270 / Unit	\$512,624	1.1%	\$5,478			
Site Amenities	\$58,000	\$1,289 / Unit	\$58,000	\$58,000	\$70,000	\$70,000	\$58,000	\$58,000	\$1,289 / Unit	\$58,000	0.0%	\$0			
Building Cost	\$3,501,843	\$96.53 /sf	\$77,819/Unit	\$3,501,843	\$3,192,125	\$3,004,165	\$2,894,495	\$3,079,925	\$3,523,473	\$78,299/Unit	\$97.13 /sf	\$3,501,843	-0.6%	(\$21,630)	
Contingency	\$249,938	6.14%	6.16%	\$258,933	\$258,933	\$258,933	\$251,256	\$258,933	\$258,933	6.14%	6.14%	\$249,938	0.0%	\$0	
Contractor Fees	\$534,868	12.37%	11.99%	\$534,868	\$534,868	\$554,116	\$537,687	\$534,868	\$534,868	11.95%	12.37%	\$534,868	0.0%	\$0	
Soft Costs	0	\$415,292	\$12,623 / Unit	\$568,042	\$465,292	\$411,000	\$411,000	\$465,292	\$568,042	\$12,623 / Unit		\$415,292	\$0	0.0%	\$0
Financing	0	\$234,074	\$7,508 / Unit	\$337,874	\$337,874	\$348,800	\$348,800	\$337,874	\$337,874	\$7,508 / Unit		\$234,074	\$0	0.0%	\$0
Developer Fee	\$0	\$1,000,944	18.18%	18.22%	\$1,028,441	\$1,028,441	\$1,031,503	\$1,008,033	\$1,028,441	18.17%	18.18%	\$1,000,944	\$0	0.0%	\$0
Reserves		\$1,849 / Unit	\$83,192	\$83,192	\$83,192	\$123,192	\$123,192	\$83,192	\$83,192	\$1,849 / Unit		\$83,192	\$0	0.0%	\$0
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)		\$0	\$6,507,583	\$168,413 / Unit	\$7,578,585	\$7,086,117	\$6,992,859	\$6,835,614	\$6,973,916	\$7,594,737	\$168,772 / Unit	\$6,507,583	\$0	-0.2%	(\$16,153)
Acquisition Cost	\$0			\$0											
Contingency		\$0		\$0											
Contractor's Fee		\$0		\$0											
Interim Interest		\$0		\$0											
Developer Fee	\$0	\$0		\$0											
Reserves		\$0		\$0											
ADJUSTED BASIS / COST		\$0	\$6,507,583	\$168,413/unit	\$7,578,585	\$7,086,117	\$6,992,859	\$6,835,614	\$6,973,916	\$7,594,737	\$168,772/unit	\$6,507,583	\$0	-0.2%	(\$16,153)
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):						\$7,578,585									

CAPITALIZATION / DEVELOPMENT COST BUDGET / ITEMIZED BASIS ITEMS

Golden Trails, West, 9% HTC/MDL #17290

CREDIT CALCULATION ON QUALIFIED BASIS				
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction Rehabilitation
ADJUSTED BASIS	\$0	\$6,507,583	\$0	\$6,507,583
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$6,507,583	\$0	\$6,507,583
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$8,459,858	\$0	\$8,459,858
Applicable Fraction	100.00%	100.00%	100.00%	100.00%
TOTAL QUALIFIED BASIS	\$0	\$8,459,858	\$0	\$8,459,858
Applicable Percentage	3.39%	9.00%	3.39%	9.00%
ANNUAL CREDIT ON BASIS	\$0	\$761,387	\$0	\$761,387
CREDITS ON QUALIFIED BASIS	\$761,387		\$761,387	

Method	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
	Annual Credits	Proceeds	Credit Price \$0.8924	Variance to Request	
			Credit Allocation	Credits	Proceeds
Eligible Basis	\$761,387	\$6,794,701	----	----	----
Needed to Fill Gap	\$577,209	\$5,151,075	----	----	----
Previous Allocation	\$520,840	\$4,648,032	\$520,840	\$0	\$0

BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Elevator Served	36,276 SF	\$66.02	2,394,884
Adjustments				
Exterior Wall Finish	4.16%		2.75	\$99,627
Elderly	3.00%		1.98	71,847
9-Ft. Ceilings	3.52%		2.32	84,300
Roof Adjustment(s)			0.00	0
Subfloor			(0.15)	(5,562)
Floor Cover			2.56	92,867
Breezeways	\$28.14	7,560	5.86	212,721
Balconies	\$27.93	4,320	3.33	120,649
Plumbing Fixtures	\$990	36	0.98	35,640
Rough-ins	\$485	90	1.20	43,650
Built-In Appliances	\$1,725	45	2.14	77,625
Exterior Stairs	\$2,280	6	0.38	13,680
Heating/Cooling			2.14	77,631
Enclosed Corridors	\$48.67	0	0.00	0
Carports	\$11.94	0	0.00	0
Garages		0	0.00	0
Comm &/or Aux Bldgs	\$86.32	3,865	9.20	333,632
Elevators	\$89,550	1	2.47	89,550
Other:			0.00	0
Fire Sprinklers	\$2.47	47,701	3.25	117,821
SUBTOTAL			106.42	3,860,562
Current Cost Multiplier	1.01		1.06	38,606
Local Multiplier	0.87		(13.83)	(501,873)
TOTAL BUILDING COSTS			93.65	\$3,397,294
Plans, specs, survey, bldg permits	3.30%		(3.09)	(\$112,111)
Contractor's OH & Profit	11.50%		(10.77)	(390,689)
NET BUILDING COSTS		\$64,322/unit	\$79.79/sf	\$2,894,495

Long-Term Pro Forma

Golden Trails, West, 9% HTC/MDL #17290

	Growth Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
EFFECTIVE GROSS INCOME	2.00%	\$303,818	\$309,894	\$316,092	\$322,414	\$328,862	\$363,091	\$400,882	\$442,606	\$488,672	\$539,534
TOTAL EXPENSES	3.00%	\$173,868	\$178,932	\$184,145	\$189,511	\$195,036	\$225,192	\$260,057	\$300,372	\$346,991	\$400,910
NET OPERATING INCOME ("NOI")		\$129,950	\$130,962	\$131,947	\$132,903	\$133,827	\$137,899	\$140,824	\$142,234	\$141,681	\$138,624
EXPENSE/INCOME RATIO		57.2%	57.7%	58.3%	58.8%	59.3%	62.0%	64.9%	67.9%	71.0%	74.3%
MUST -PAY DEBT SERVICE											
TDHCA		\$102,015	\$102,015	\$102,015	\$102,015	\$102,015	\$102,015	\$102,015	\$102,015	\$102,015	\$102,015
DEBT COVERAGE RATIO		1.27	1.28	1.29	1.30	1.31	1.35	1.38	1.39	1.39	1.36
ANNUAL CASH FLOW		\$27,935	\$28,947	\$29,932	\$30,888	\$31,812	\$35,884	\$38,809	\$40,219	\$39,666	\$36,609
Deferred Developer Fee Balance		\$475,107	\$446,160	\$416,228	\$385,340	\$353,528	\$181,860	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$0	\$0	\$6,862	\$205,827	\$406,149	\$596,431



2018-1 Multifamily Direct Loan Program - Application Log - May 16, 2019

Per 2018-1 Multifamily Direct Loan Notice of Funding Availability published in the *Texas Register* on 12/29/2017, 1st Amendment to NOFA published in the *Texas Register* on 4/6/2018, 2nd Amendment to NOFA published in the *Texas Register* on 7/27/18, and 3rd Amendment to NOFA

The following data was compiled using information submitted by each applicant. While this data has been reviewed or verified by the Department, errors may still be present. Those reviewing the log are advised to use caution in reaching any definitive conclusions based on this information alone. Where Applications are layered with 9% or 4% Tax credits, the Applications are also subject to evaluation under the Department criteria for those fund sources. Applicants are encouraged to review 10 TAC §§11.1(b) and 10.2(a) concerning Due Diligence and Applicant Responsibility, along with 10 TAC Subchapter C related to Application Submission Requirements, Ineligibility Criteria, Board Decisions and Waiver of Rules for Applications. This log will be updated periodically as staff completes application reviews and as more applications are received. The Multifamily Direct Loan Program - Application Log is presented for informational use only, and does not represent a conclusion or judgment by TDHCA, its staff or Board. Applicants that identify an error in the log should contact Andrew Simmott at andrew.simmott@tdhca.state.tx.us as soon as possible. Identification of an error early does not guarantee that the error can be addressed administratively.

Applications sorted by date received within each set-aside.

													TCAP RF	\$3,140,000
													NHTF	\$9,386,000
													Total Set Aside Funding Level:	\$12,526,000
TDHCA Application #	Property Name	Property City	Property County	Region	Housing Activity ¹	Multifamily Direct Loan Request/Award	Target Population	Total Units	MF Direct Loan Units	Layering ²	Date Received ³	Comments		
18502	Arlinda Gardens Supportive Housing	Bryan	Brazos	8	NC	\$ -	Supportive Housing	29	13		3/1/2018	Application withdrawn 8/7/18		
18099	Waters Park Studios	Austin	Travis	7	NC	\$ 1,000,000	Supportive Housing	132	10	9%	4/2/2018	Recommended for NHTF award at 7/26/18 Board meeting		
18099	Waters Park Studios	Austin	Travis	7	NC	\$ 1,000,000	Supportive Housing	132	8	9%	7/27/2018	Recommended for NHTF award at 10/11/18 Board meeting		
18504	Brooks Haven Supportive Housing	Rockdale	Milam	8	NC	\$ 2,000,000		30	9		8/31/2018			
18502	Arlinda Gardens Supportive Housing	Bryan	Brazos	8	NC	\$ 2,000,000	Supportive Housing	29	13		9/12/2018			
18503	Eastern Oaks Apartments	Austin	Travis	7	R	\$ 2,000,000	General	30	18		9/19/2018			
18448	RBJ Phase I	Austin	Travis	7	NC	\$ 2,000,000	Elderly Limitation	279	15	4%	10/29/2018	Recommended for NHTF award at 2/21/19 Board meeting		
18137	New Hope Housing Dale Carnegie	Houston	Harris	6	NC	\$ 1,386,000	Elderly Limitation	170	11	9%	11/26/2018	Previously awarded 9% HTC on 7/26/18		
18509	El Sereno Apartments	Cibolo	Guadalupe	9	NC	\$ 1,140,000	Elderly Limitation	136	8	9%	11/30/2018	Previously awarded 9% HTC under app 16128 on 7/28/16		
Total Amount Requested Under SH/SR Set Aside						\$ 12,526,000	Total Units	938	92					
Total Amount Awarded Under SH/SR Set Aside						\$ 4,000,000	Total Units	30	10					
Total Amount Remaining Under SH/SR Set Aside (NHTF)						\$ 5,386,000								
Total Amount Remaining Under SH/SR Set Aside (TCAP RF)						\$ 3,140,000								

													Total Set Aside Funding Level:	\$1,600,000
TDHCA#	Property Name	Property City	Property County	Region	Housing Activity ¹	Multifamily Direct Loan Request/Award	Target Population	Total Units	MF Direct Loan Units	Layering ²	Date Received ³	Comments		
18322	Las Casitas de Azucar	Santa Rosa	Cameron	11	NC	\$ 1,600,000	General	50	14	9%	4/2/2018	Recommended for award at 7/26/18 Board meeting		
18391	Merritt Manor	Manor	Travis	7	NC	\$ -	Elderly Limitation	146	30	9%	4/2/2018			
Total Amount Requested Under CHDO Set Aside						\$ 1,600,000	Total Units	196	44					
Total Amount Awarded Under CHDO Set Aside						\$ 1,600,000	Total Units	50	14					
Total Amount Remaining Under CHDO Set Aside						\$ -								

HOME (limited availability statewide)	\$10,679,248
NSPI PI (available statewide)	\$3,600,000
TCAP RF (available statewide)	\$911,087
NSPI PI and TCAP RF Total	\$4,511,087

													Total Set Aside Funding Level:	\$15,190,335
TDHCA#	Property Name	Property City	Property County	Region	Housing Activity ¹	Multifamily Direct Loan Request/Award	Target Population	Total Units	MF Direct Loan Units	Layering ²	Date Received ³	Comments		
18500	Rio Lofts	San Antonio	Bexar	9	NC	\$ -	General	81	36	9%	1/11/2018	Application withdrawn 4/11/18		
18501	Secretariat Apartments	Arlington	Tarrant	3	NC	\$ -	Elderly Limitation	74	29	9%	1/11/2018	Application withdrawn 4/30/18		
18412	Lord Road Apartments	San Antonio	Bexar	9	NC	\$ -	General	324	50	4%	1/18/2018	\$2,975,000 Direct Loan award returned after 4/26/18 Board approval		
18417	Sphinx at Throckmorton Villas	McKinney	Collin	3	NC	\$ -	General	220	18	4%	2/15/2018	Application suspended 10/9/18		
18000	Evergreen at Garland Senior Community	Garland	Dallas	3	NC	\$ -	Elderly Limitation	105	25	9%	4/2/2018			
18002	Evergreen at Basswood Senior Community	Garland	Dallas	3	NC	\$ -	Elderly Limitation	116	34	9%	4/2/2018			
18036	Clyde Ranch	Clyde	Callahan	2	NC	\$ 525,000	General	40	11	9%	4/2/2018	Recommended for HOME award at 7/26/18 Board meeting		
18040	Farmhouse Row	Slaton	Lubbock	1	NC	\$ 660,000	General	48	11	9%	4/2/2018	Recommended for HOME award at 7/26/18 Board meeting		
18052	Nacogdoches Lofts	San Antonio	Bexar	9	NC	\$ -	Elderly Limitation	102	35	9%	4/2/2018			
18053	Alazan Lofts	San Antonio	Bexar	9	NC	\$ -	General	88	24	9%	4/2/2018	Application terminated		

18054	Piedmont Lofts	San Antonio	Bexar	9	NC	\$ -	General	55	41	9%	4/2/2018	Requested CHDO set-aside, which is unavailable for this application
18369	The Residences at Canyon Lake	Canyon Lake	Comal	9	NC	\$ 1,060,000	Elderly Limitation	35	11	9%	4/2/2018	Recommended for HOME award at 7/26/18 Board meeting
18421	Travis Flats	Austin	Travis	7	NC	\$ -	General	146	50	4%	4/4/2018	Application withdrawn 7/26/18
18259	Cannon Courts	Bangs	Brown	2	NC	\$ 1,659,248	General	36	11	9%	8/30/2018	Recommended for HOME award at 11/8/18 Board meeting
18407	Sphinx at Sierra Vista Senior Villas	Fort Worth	Tarrant	3	NC	\$ 3,600,000	Elderly Limitation	272	27	4%	8/31/2018	Recommended for HOME award at 11/8/18 Board meeting
18223	Harvest Park Apartments	Pampa	Gray	1	NC	\$ 1,000,000	General	60	10	9%	9/13/2018	Recommended for HOME award at 11/8/18 Board meeting
18274	Hill Court Villas	Granbury	Hood	3	NC	\$ 1,000,000	Elderly Limitation	48	10	9%	9/13/2018	Recommended for HOME award at 11/8/18 Board meeting
18454	Grim Hotel Apartments	Texarkana	Bowie	4	ADR	\$ -	General	93	19	4%	9/21/2018	Application withdrawn
18019	Highlander Senior Village	Comal	Bulverde	9	NC	\$ 3,090,000	Elderly Limitation	66	20	9%	9/25/2018	Recommended for HOME award at 12/6 Board meeting
18036	Clyde Ranch	Clyde	Callahan	2	NC	\$ -	General	40	25	9%	10/1/2018	Application withdrawn 10/12/18
18040	Farmhouse Row	Slaton	Lubbock	1	NC	\$ -	General	48	37	9%	10/1/2018	Application withdrawn 10/12/18
18505	Mistletoe Station	Fort Worth	Tarrant	3	NC	\$ 911,087	General	110	9	9%	10/25/2018	Recommended for TCAP RF award at 3/21/19 Board meeting
18506	Golden Trails	West	McLennan	8	NC	\$ 245,000	Elderly Limitation	45	6	9%	11/19/2018	To be recommended for award at 5/23/19 Board meeting
18507	Legend Oaks	Llano	Llano	7			Elderly Limitation	48			11/30/2018	Recommended for TCAP RF workout award at 4/25/19 Board meeting
18369	The Residences at Canyon Lake	Canyon Lake	Comal	9	NC	\$ 1,440,000	Elderly Limitation	35	11	9%	11/30/2018	To be recommended for award at 5/23/19 Board meeting
Total Amount Requested Under General Set Aside: Development Sites in non-PJs						\$ 10,679,248	Total Units	426	121			
Total Amount Requested Under General Set Aside: Development Sites in PJs						\$ 4,511,087	Total Units	650	162			
Total Amount Requested Under General Set Aside: TOTAL						\$ 15,190,335	Total Units	1,076	283			
Total Amount Awarded Under General Set Aside (HOME)						\$ 8,994,248	Total Units	123	33			
Total Amount Awarded Under General Set Aside (TCAP RF)						\$ 911,087	Total Units	110	9			
Total Amount Awarded Under General Set Aside (NSPI PI)						\$ 3,600,000	Total Units	272	27			
Total Amount Remaining Under General Set Aside (HOME)						\$ 1,685,000						
Total Amount Remaining Under General Set Aside (TCAP RF)						\$ -						
Total Amount Remaining Under General Set Aside (NSPI PI)						\$ -						

1 = Housing Activity: New Construction=NC, Rehabilitation=R, ADR = Adaptive Reuse

2= Layering of Other Department Funds: 9%=9% Competitive Tax Credits, 4%=4% Tax Credit Program

3 = Date Received: The date that the application, all required 3rd Party Reports, Application Fees (if applicable), and Certificate of Reservation (if applicable) were received.

BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
MAY 23, 2019

Presentation, discussion and possible action regarding an Award of Direct Loan funds from the 2018-1 Multifamily Direct Loan Notice of Funding Availability

RECOMMENDED ACTION

WHEREAS, the Board previously authorized the release of the 2018-1 Multifamily Direct Loan Notice of Funding Availability (NOFA) for up to \$28,862,745 with the application acceptance period beginning on January 4, 2018;

WHEREAS, the NOFA has since been amended several times to increase the amount available to \$62,304,276, and was closed on November 30, 2018, with funds in excess of remaining requests yet to be considered for award rolling over to the 2019-1 Multifamily Direct Loan NOFA;

WHEREAS, Application #18369, which was timely submitted prior to the closing of the 2018-1 NOFA, has requested \$1,440,000 in Direct Loan funds for The Residences at Canyon Lake, and is a Priority 3 application under the 2018-1 NOFA that has received complete reviews for compliance with program and underwriting requirements and was previously awarded 9% housing tax credits (9% HTC) and \$1,060,000 in HOME funds on July 26, 2018;

WHEREAS, the \$1,060,000 HOME loan was structured as a hard repayable second lien loan at 1.50% interest rate with a 30-year amortization and 38-year term;

WHEREAS, in accordance with 10 TAC §1.301(d)(1), the compliance history is designated as a Medium Portfolio Category 2 and deemed acceptable without conditions by the Executive Award and Review Advisory Committee (EARAC);

WHEREAS, 10 TAC §13.5(h)(2) requires Applications for Developments previously awarded funds by the Department (regardless of fund source and are not proposing acquisition and rehabilitation) to be found eligible by the Board;

WHEREAS, this Application has provided evidence of adverse factors, including increased site work costs as a result of having extensive limestone below the surface that was revealed in a geotechnical report produced after the 9%/HOME award, which was beyond the applicant's control and could materially impair their ability to provide affordable housing, as a criteria for the Board to consider in affirming their eligibility;

WHEREAS, staff recommends awarding the \$1,440,000 in addition to the original award of \$1,060,000 in Direct Loan funds in HOME funds, while setting the interest rate at 2.15% on all \$2,500,000 in order to adhere to debt coverage ratio requirements in 10 TAC §11.302(d)(4)(D);

WHEREAS, staff recommends that the Board find this Application eligible due to increased project costs as a result of increased site work costs that were not discovered until invasive subsurface explorations were conducted post-award; and

WHEREAS, this Application has layered Direct Loan rent restrictions on an additional 18 (29 total) of the 35 units as a result of this addition of HOME funds;

NOW, therefore, it is hereby

RESOLVED, that an award of \$1,440,000 in HOME from the 2018-1 NOFA for The Residences at Canyon Lake is hereby approved in the form presented at this meeting; and

FURTHER RESOLVED, that the Board's approval is conditioned upon satisfaction of all conditions of underwriting, and completion of any other reviews required to assure compliance with the applicable HOME rules and requirements.

BACKGROUND

On December 14, 2017, the Board approved issuance of a NOFA for up to \$28,862,745, which has subsequently been amended to increase the amount available to \$62,304,276 within three set-asides:

- \$22,324,041 in Supportive Housing/ Soft Repayment set-aside, composed of \$3.3 million in TCAP RF and \$19,024,041 in National Housing Trust Fund,
- \$8,215,058 of HOME funds under the CHDO set-aside,
- \$31,765,177 in the General set-aside, composed of \$17,318,946 in HOME, \$5 million in NSP1 Program Income and \$9,446,231 in TCAP RF.

The Residences at Canyon Lake was awarded an allocation of 9% HTC and \$1,060,000 in HOME funds on July 26, 2018, which proposed new construction of 35 one- and two- bedroom units for an Elderly Limitation population in Canyon Lake. The Applicant encountered circumstances beyond their control that could not have been prevented or foreseen after the original HOME award, namely increased site work costs due to limestone rock at shallow depths below the surface that were not discovered until invasive subsurface explorations were conducted. Additionally, because HOME funds – which have federal commitment and expenditure deadlines – were undersubscribed in the 2018-1 NOFA after the Board meeting of July 26, 2018, staff

contacted 2018 9% HTC awardees in which HOME funds could be utilized to alert them to the available HOME funds; the Applicant for The Residences at Canyon Lake was one such awardee.

While the Phase I Environmental Site Assessment that was conducted in February 2017 for the 9%/HOME application provided a general overview of the site conditions in accordance with the applicable Environmental Site Assessment Rules and Guidelines (10 TAC §10.305) it did not include any borings that would have indicated how close limestone rock was to the surface. Subsurface explorations of the site were not conducted until after award in October 2018. Those explorations revealed that limestone rock is located at shallow depths across the site and will require removal by heavy equipment, with the excavated rock material needing to be processed on site in order to be used as site fill. Additional cost increases have occurred with both construction labor and materials due to area labor shortages and macroeconomic conditions.

Staff is recommending the Board’s approval of The Residences at Canyon Lake’s additional Direct Loan Application (18369) for additional HOME funds in the amount of \$1,440,000 (for total loan awards from the Department of \$2,500,000) as a hard repayable loan at 2.15% interest rate with a 30-year amortization and 30-year term under the General Set-Aside. The additional \$1,440,000 in HOME loan proceeds will be used to fund increased hard costs. Despite total loan proceeds increasing, deferred developer fee will increase from \$338,584 to \$615,565 since the last time staff evaluated this transaction prior to 9%/HOME award in July 2018. As a result of the lower interest rate on the permanent debt, deferred fee is now expected to be repaid in year 13 instead of year 15. Developer fee has remained consistent at \$1,029,000 since the last time staff evaluated this transaction in July 2018.

	Permanent Debt Total	Permanent Debt Total Effective Interest Rate	Deferred Developer Fee	Year Deferred Fee Fully Paid
9%/HOME Application	\$2,160,000 (\$1,100,000 USDA 538 loan and \$1,060,000 HOME loan)	3.03%	\$338,584	15
Current Request	\$2,500,000 (all HOME)	2.15%	\$615,565	13

As a result of the additional \$1,440,000 HOME investment, 18 additional (29 total) units of the 35 units will be restricted by HOME rent and income restrictions under the HOME Land Use Restriction Agreement. The Department has the ability to invest additional HOME funds in this project, despite having previously invested HOME funds in this project, since the federal affordability period has not yet begun.

The recommended application and award amounts are outlined in the attached award recommendations log behind this Board item.

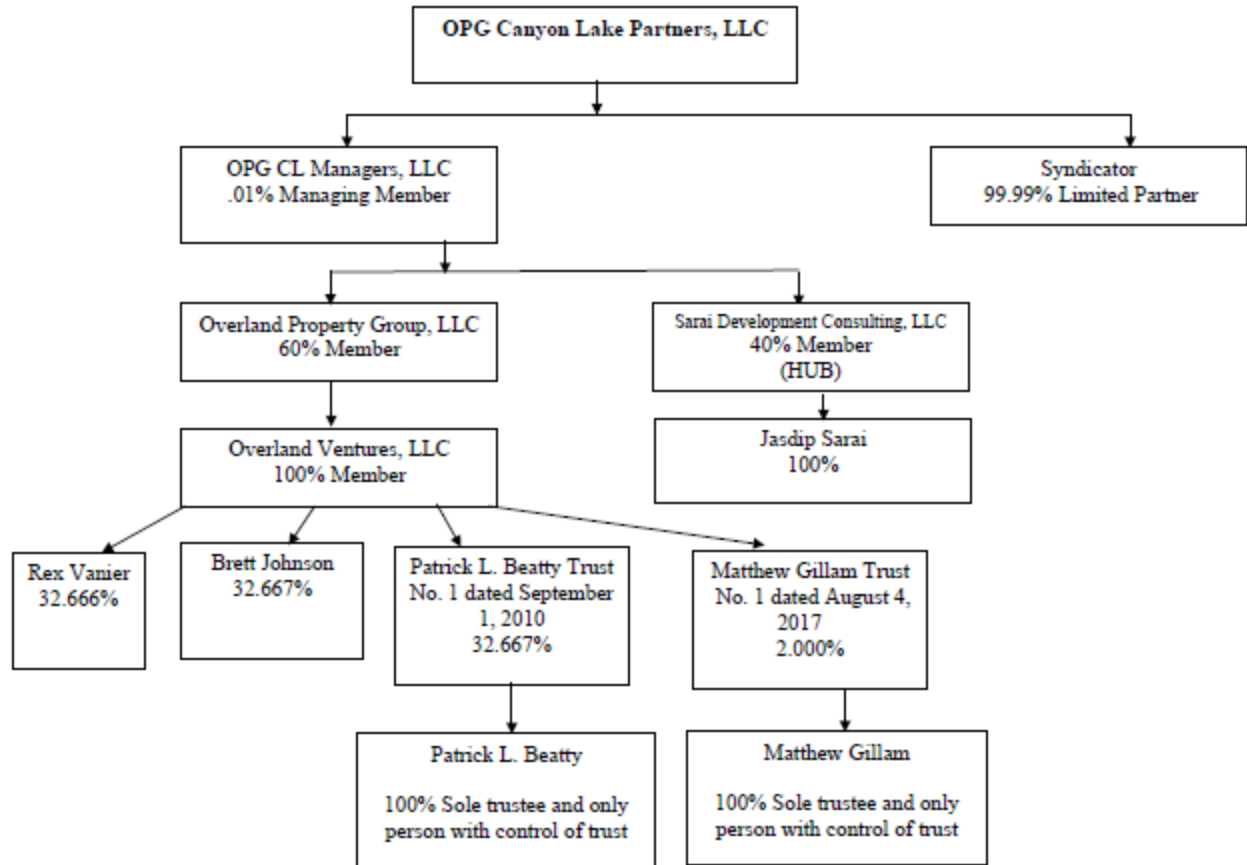
This application has been underwritten and determined to meet the Real Estate Analysis rules and requirements and has received a previous participation review.

Should this recommended award and 18506 under item 5b be approved, \$8,526,000 will remain available under the 2018-1 NOFA, of which five applications requesting \$8,526,000 are still under review. Subsequent award recommendations for applications undergoing staff reviews may appear on future Board agendas.

Organizational Structure and Previous Participation: The borrower is OPG Canyon Lake Partners, LLC and includes entities and principals as indicated in the organization chart below. At the time of the Previous Participation Review, the applicant was a Medium Portfolio Category 2; EARAC recommends approval without conditions.

Public Comment: There have been no letters of support or opposition received by the Department in connection with this current application.

**The Residence at Canyon Lake
ORGANIZATIONAL CHART FOR
APPLICANT/OWNER**





5345 W. 151st Terrace,
Leawood, KS 66224
Phone: (913) 396-6310
www.ovpgroup.com

April 2, 2019

Andrew Sinnott
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

RE: Canyon Lake - TDHCA #18369

Dear Andrew:

Per 10 TAC 13.5(d)(2), please accept this letter as a request for a finding of eligibility, required for projects that have previously been awarded Department funds. Canyon Lake received an award of \$500,000 in 9% Housing Tax Credits (HTC) in 2018. Additionally, the project received a MF Direct Loan (MFDL) award of \$1,060,000 at 1.50%. We were subsequently approached by staff to inquire if we would be interested in replacing the primary first mortgage with additional MFDL funds to which we agreed.

Overland Property Group respectfully requests that the TDHCA Board find Canyon Lake eligible for additional Departmental funding in the form of additional MFDL funds, pursuant to our MFDL application submitted on November 29, 2018. If approved, this would bring the total MFDL funding for Canyon Lake to \$2,500,000, allowable under the Multifamily Direct Loan NOFA.

Unforeseen site conditions that became evident once the subsurface exploration was completed along with the geotechnical report. Weathered limestone is located at shallow depths across the site and will require removal by ram hoe, heavy dozer equipped with a ripper, rock trenching equipment or rock saws. The excavated rock material will need to be processed on site in order to be used as on site fill as outlined in the geotechnical report. This additional material processing and rock excavation in lieu of soil excavation have greatly increased construction cost.

Construction material cost increases have also continued to rise and the strain of skilled labor have impacted subcontractor participation and pricing in the market. The continued fear of import tariffs have also negatively affected subcontractor pricing.

If approved, we will commit to designating three MFDL units to serve those at 30% AMI, six MFDL units to serve those at 50% AMI and 20 MFDL units to serve those at 60% AMI. In total, the development will bring 29 affordable units to a market which is in need of affordable housing. We ask the Board to consider the substantial benefit to the project of the risk mitigation resulting from an award of \$2,500,000 in MFDL funds.

Regards,

A handwritten signature in black ink, appearing to read 'P. L. Beatty'.

Patrick L. Beatty



Addendum to Underwriting Report

TDHCA Application #: **18369** Program(s): **MDL**

Residences at Canyon Lake

Address/Location: 1500 Island View

City: Canyon Lake County: Comal Zip: 78133

APPLICATION HISTORY	
Report Date	PURPOSE
05/13/19	Additional MDL Request
07/31/18	New Application - Initial Underwriting

ALLOCATION

TDHCA Program	Previous Allocation				RECOMMENDATION				
	Amount	Rate	Amort	Term	Amount	Rate	Amort	Term	Lien
MF Direct Loan Const. to Perm. (Repayable)	\$1,060,000	1.50%	30	30	\$2,500,000	2.15%	30	30	1
LIHTC (0% Credit)	\$500,000				\$500,000				

* Multifamily Direct Loan Terms:

* Pursuant to 10 TAC §13.8(a), the term of a Multifamily Direct Loan should match the term of any superior loan (within 6 months).

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

CONDITIONS STATUS

- Receipt and acceptance before Direct Loan Closing
 - a: Substantially final construction contract with Schedule of Values.
 - b: Updated term sheets with substantially final terms from all lenders.
 - c: Substantially final draft of limited partnership agreement.
 - d: Statement from equity provider indicating market rents assumptions from their underwriting.
 - e: Documentation identifying any required matching funds, and confirming that the source is eligible to be counted as matching funds under HUD and TDHCA requirements.

Should HUD require repayment of the HOME loan only be payable from up to 75% surplus cash flow, the Department may seek further risk mitigation from the Applicant.

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

SET-ASIDES

TDHCA SET-ASIDES for HTC LURA		
Income Limit	Rent Limit	Number of Units
30% of AMI	30% of AMI	3
50% of AMI	50% of AMI	6
60% of AMI	60% of AMI	20

TDHCA SET-ASIDES for DIRECT LOAN LURA		
Income Limit	Rent Limit	Number of Units
30% of AMFI	30% of AMFI	3
50% of AMFI	Low HOME	6
60% of AMFI	High HOME	20

ANALYSIS

The Subject received an award of \$500K in 9% Housing Tax Credits and \$1.06M in Multifamily Direct Loan (MDL) funds in 2018. Applicant is now requesting an additional \$1.44M in MDL in order to replace the previous first lien mortgage and bringing the total MDL to \$2.5M. Applicant indicates the need for additional funding and re-structure is largely due to unforeseen site conditions, resulting in additional material processing and rock excavation. Increases in construction material cost and subcontractor pricing has also contributed to the cost increase.

Applicant also submitted a revised budget. The new budget provided by the Applicant showed unsubstantiated increases to all building cost line-items of 33.39%, and did not include any increase in site work. As a rationale, Applicant indicated that a new director of construction revised the cost estimates upward based on further evaluation.

Because cost increases don't increase across the board in this manner, the Underwriter requested bids. A third-party contractor then provided a new budget wherein various building cost line-items changed from those previously submitted. While some line items increased, others decreased, and the net change to the budget decreased from 33.39% to 22.56%. Unlike the Applicant's budget, the contractor budget indicates site work cost increases. The contractor schedule of values is based on 100% permit-ready plans and subcontractor bids for the major trades.

Consequently, the Underwriter is using the contractor provided budget, which will be used to fund draws on the Department's direct loan.

Operating Pro Forma

Applicant uses 2018 HTC rents, while Underwriter's analysis is based on the current 2019 HTC rents. An additional 18 MDL units have been committed. Total income has increased approximately 10%, and total expenses have increased approximately 5% since original underwriting. Total NOI is ~12.8% greater than the Applicant's; therefore, the Underwriter's pro forma continues to be used.

Development Cost

Applicant's building costs have increased approximately 23%, and total development costs (TDC) have also increased ~\$1M (15%). Applicant's hard cost have also increased ~\$832K (21%). Developer fee has been held constant despite increased costs. Underwritten costs based on the current cost estimate provided by the contractor. Bid indicates \$92/unit (\$126/s.f.) in building costs (previously underwritten at \$104/s.f.). This is an increase in building costs of approximately \$520K (19%). Total costs remain within 5% of the Applicant's costs.

Sources of Funds

As stated previously, Applicant has requested an additional \$1.44M in MDL funds to replace the previous \$1.1M USDA 538 loan from Bellweather. MDL match has also increased match from \$70K to \$125K.

Underwriter recommends the requested additional MDL funds, for a total MDL loan of \$2.5M, structured as a repayable loan amortized over 30 years (30 year term) at 2.15% interest to maintain the maximum 1.35 debt coverage ratio.

Underwriter:	<u>Diamond Unique Thompson</u>
Manager of Real Estate Analysis:	<u>Thomas Cavanagh</u>
Director of Real Estate Analysis:	<u>Brent Stewart</u>

UNIT MIX/RENT SCHEDULE

Residences at Canyon Lake, Canyon Lake, 9% HTC/MDL #18369

LOCATION DATA	
CITY:	Canyon Lake
COUNTY:	Comal
Area Median Income	\$66,800
PROGRAM REGION:	9

UNIT DISTRIBUTION							
# Beds	# Units	% Total	Assisted	MDL	Income	# Units	% Total
Eff	-	0.0%	0	0	30%	3	8.6%
1	21	60.0%	0	19	40%	-	0.0%
2	14	40.0%	0	10	50%	6	17.1%
3	-	0.0%	0	0	60%	20	57.1%
4	-	0.0%	0	0	MR	6	17.1%
TOTAL	35	100.0%	-	29	TOTAL	35	100.0%

Pro Forma ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	81.60%
APP % Acquisition	3.39%
APP % Construction	9.00%
Average Unit Size	730 sf

UNIT MIX / MONTHLY RENT SCHEDULE

HTC		TDHCA Direct Loan Program		UNIT MIX				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS				TDHCA PRO FORMA RENTS				MARKET RENTS		
Type	Gross Rent	Type	Gross Rent	# Units	# Beds	# Baths	NRA	Gross Rent	Utility Allow	Max Net Program Rent	Delta to Max	Rent psf	Net Rent per Unit	Total Monthly Rent	Total Monthly Rent	Rent per Unit	Rent psf	Delta to Max	Underwritten	Mrkt Analyst	
TC 30%	\$399	30%/30%	\$376	2	1	1	650	\$376	\$62	\$314	\$0	\$0.48	\$314	\$628	\$628	\$314	\$0.48	\$0	\$980	\$1.51	\$980
TC 50%	\$665	LH/50%	\$626	4	1	1	650	\$626	\$62	\$564	\$0	\$0.87	\$564	\$2,256	\$2,256	\$564	\$0.87	\$0	\$980	\$1.51	\$980
TC 60%	\$798	HH/60%	\$801	13	1	1	650	\$798	\$62	\$736	(\$46)	\$1.06	\$690	\$8,970	\$9,568	\$736	\$1.13	\$0	\$980	\$1.51	\$980
MR				2	1	1	650	\$0	\$62		NA	\$1.51	\$980	\$1,960	\$1,960	\$980	\$1.51	NA	\$980	\$1.51	\$980
TC 30%	\$479	30%/30%	\$451	1	2	1	850	\$451	\$77	\$374	\$0	\$0.44	\$374	\$374	\$374	\$374	\$0.44	\$0	\$1,160	\$1.36	\$1,160
TC 50%	\$798	LH/50%	\$752	2	2	1	850	\$752	\$77	\$675	\$0	\$0.79	\$675	\$1,350	\$1,350	\$675	\$0.79	\$0	\$1,160	\$1.36	\$1,160
TC 60%	\$958	HH/60%	\$1,001	7	2	1	850	\$958	\$77	\$881	(\$55)	\$0.97	\$826	\$5,782	\$6,167	\$881	\$1.04	\$0	\$1,160	\$1.36	\$1,160
MR				4	2	1	850	\$0	\$77		NA	\$1.36	\$1,160	\$4,640	\$4,640	\$1,160	\$1.36	NA	\$1,160	\$1.36	\$1,160
TOTALS/AVERAGES:				35			25,550				(\$28)	\$1.02	\$742	\$25,960	\$26,943	\$770	\$1.05	\$0	\$1,052	\$1.44	\$1,052

ANNUAL POTENTIAL GROSS RENT:		\$311,520	\$323,316
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STABILIZED PRO FORMA

Residences at Canyon Lake, Canyon Lake, 9% HTC/MDL #18369

STABILIZED FIRST YEAR PRO FORMA

	COMPARABLES		APPLICANT				PRIOR REPORT		TDHCA				VARIANCE	
	Database	Regional Senior Comps	% EGI	Per SF	Per Unit	Amount	Applicant	TDHCA	Amount	Per Unit	Per SF	% EGI	%	\$
													%	\$
POTENTIAL GROSS RENT				\$1.02	\$742	\$311,520	\$292,188	\$292,262	\$323,316	\$770	\$1.05		-3.6%	(\$11,796)
late/app/pet fees, retained deposits, interest incom					\$15.00	\$6,300	6,300							
Total Secondary Income					\$15.00			6,300	\$6,300	\$15.00			0.0%	\$0
POTENTIAL GROSS INCOME						\$317,820	\$298,488	\$298,562	\$329,616				-3.6%	(\$11,796)
Vacancy & Collection Loss					7.5% PGI	(23,837)	(22,387)	(22,392)	(24,721)	7.5% PGI			-3.6%	885
EFFECTIVE GROSS INCOME						\$293,984	\$276,101	\$276,170	\$304,895				-3.6%	(\$10,911)

General & Administrative	\$13,963	\$399/Unit	\$19,730	\$564	4.85%	\$0.56	\$407	\$14,250	\$12,700	\$13,963	\$13,963	\$399	\$0.55	4.58%	2.1%	287
Management	\$15,502	5.7% EGI	\$15,371	\$439	4.92%	\$0.57	\$414	\$14,477	\$13,583	\$13,808	\$15,245	\$436	\$0.60	5.00%	-5.0%	(768)
Payroll & Payroll Tax	\$37,646	\$1,076/Unit	\$39,019	\$1,115	13.31%	\$1.53	\$1,118	\$39,130	\$37,000	\$37,646	\$37,646	\$1,076	\$1.47	12.35%	3.9%	1,484
Repairs & Maintenance	\$24,770	\$708/Unit	\$28,182	\$805	7.14%	\$0.82	\$600	\$21,000	\$21,000	\$21,000	\$21,000	\$600	\$0.82	6.89%	0.0%	-
Electric/Gas	\$14,578	\$417/Unit	\$5,778	\$165	3.20%	\$0.37	\$269	\$9,415	\$8,500	\$4,976	\$5,778	\$165	\$0.23	1.90%	62.9%	3,637
Water, Sewer, & Trash	\$19,694	\$563/Unit	\$11,865	\$339	6.80%	\$0.78	\$571	\$20,000	\$17,500	\$12,439	\$11,865	\$339	\$0.46	3.89%	68.6%	8,135
Property Insurance	\$10,331	\$0.40 /sf	\$7,688	\$220	3.04%	\$0.35	\$256	\$8,943	\$8,432	\$8,432	\$8,432	\$241	\$0.33	2.77%	6.1%	511
Property Tax (@ 100%) 1.8879	\$19,431	\$555/Unit	\$27,891	\$797	8.18%	\$0.94	\$687	\$24,048	\$21,783	\$24,396	\$27,891	\$797	\$1.09	9.15%	-13.8%	(3,843)
Reserve for Replacements	\$12,237	\$350/Unit	\$9,822	\$281	2.98%	\$0.34	\$250	\$8,750	\$8,750	\$8,750	\$8,750	\$250	\$0.34	2.87%	0.0%	-
Supportive Services			\$4,005	\$114	0.00%	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00	0.00%	0.0%	-
TDHCA LIHTC/HOME Compliance Fees			\$1,138	\$33	0.73%	\$0.08	\$61	\$2,146	\$1,534	\$1,534	\$2,146	\$61	\$0.08	0.70%	0.0%	-
TOTAL EXPENSES					55.16%	\$6.35	\$4,633	\$ 162,159	\$150,782	\$146,946	\$152,715	\$4,363	\$5.98	50.09%	6.2%	\$ 9,444
NET OPERATING INCOME ("NOI")					44.84%	\$5.16	\$3,766	\$131,824	\$125,319	\$129,224	\$152,179	\$4,348	\$5.96	49.91%	-13.4%	\$ (20,355)

CONTROLLABLE EXPENSES		\$2,966/Unit										\$2,579/Unit				
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Residences at Canyon Lake, Canyon Lake, 9% HTC/MDL #18369

DEBT / GRANT SOURCES																		
APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE										AS UNDERWRITTEN DEBT/GRANT STRUCTURE								
DEBT (Must Pay)	Fee	Cumulative DCR		Pmt	Rate	Amort	Term	Principal	Prior Underwriting		Principal	Term	Amort	Rate	Pmt	Cumulative		
		UW	App						Applicant	TDHCA						DCR	LTC	
Bellweather Enterprise	0.50%								\$1,100,000	\$1,100,000							0.0%	
Adjustment to Debt Per §10.302(c)(2)												0	0	0.00%			0.0%	
Horizon Bank					0.00%	0	0	\$0	\$0	\$0	\$0	0	0	0.00%			0.0%	
TDHCA		1.47	1.27	\$103,536	1.50%	30	30	\$2,500,000	\$1,060,000	\$1,060,000	\$2,500,000	30	30	2.15%	\$113,150	1.34	31.8%	
CASH FLOW DEBT / GRANTS																		
Comal County		1.47	1.27		0.00%	0	0	\$250	\$250	\$250	\$250	0	0	0.00%		1.34	0.0%	
Multifamily Housing Development		1.47	1.27		5.75%	0	15	\$330,000	\$0	\$0	\$330,000	15	0	5.75%		1.34	4.2%	
McPherson Contractors		1.47	1.27		0.00%	0	0	\$125,000	\$70,000	\$70,000	\$125,000	0	0	0.00%		1.34	1.6%	
				\$103,536	TOTAL DEBT / GRANT SOURCES			\$2,955,250			\$2,955,250			TOTAL DEBT SERVICE		\$113,150	1.34	37.5%
NET CASH FLOW		\$48,643	\$28,288									TDHCA	NET OPERATING INCOME	\$152,179	\$39,030	NET CASH FLOW		

EQUITY SOURCES													
APPLICANT'S PROPOSED EQUITY STRUCTURE						AS UNDERWRITTEN EQUITY STRUCTURE							
EQUITY / DEFERRED FEES	DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Prior Underwriting		Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method
						Applicant	TDHCA						
Multifamily Housing Equity Group	LIHTC Equity	58.8%	\$500,000	0.92	\$4,624,538	\$4,299,570	\$4,299,570	\$4,299,570	\$0.8599	\$500,000	54.6%	\$14,286	Previous Allocation
Overland Property Group	Deferred Developer Fees	3.7%	(28% Deferred)		\$290,597	\$339,074	\$338,584	\$615,565	(60% Deferred)		7.8%	Total Developer Fee:	\$1,029,000
Additional (Excess) Funds Req'd		0.0%					\$0	\$0			0.0%		
TOTAL EQUITY SOURCES		62.5%			\$4,915,135	\$4,638,644	\$4,638,154	\$4,915,135			62.5%		
TOTAL CAPITALIZATION					\$7,870,385	\$6,868,894	\$6,868,404	\$7,870,385				15-Yr Cash Flow after Deferred Fee:	\$139,425

DEVELOPMENT COST / ITEMIZED BASIS													
APPLICANT COST / BASIS ITEMS					TDHCA COST / BASIS ITEMS				COST VARIANCE				
Acquisition	New Const. Rehab	Total Costs			Prior Underwriting		Total Costs			Eligible Basis		%	\$
		Applicant	TDHCA		Applicant	TDHCA	New Const. Rehab	Acquisition					
Land Acquisition		\$7,429 / Unit	\$260,000	\$260,000	\$260,000	\$260,000	\$7,429 / Unit				0.0%	\$0	
Building Acquisition	\$0	\$ / Unit	\$0	\$0	\$0	\$0	\$ / Unit			\$0	0.0%	\$0	
Off-Sites		\$617 / Unit	\$21,600	\$25,000	\$25,000	\$21,600	\$617 / Unit			\$0	0.0%	\$0	
Site Work	\$1,300,400	\$37,154 / Unit	\$1,300,400	\$1,153,000	\$1,153,000	\$1,300,400	\$37,154 / Unit	\$1,300,400			0.0%	\$0	
Site Amenities	\$96,900	\$2,769 / Unit	\$96,900	\$80,000	\$80,000	\$96,900	\$2,769 / Unit	\$96,900			0.0%	\$0	
Building Cost	\$3,108,628	\$121.67 /sf	\$88,818/Unit	\$3,108,628	\$2,536,397	\$2,665,058	\$3,227,128	\$92,204/Unit	\$126.31 /sf	\$3,108,628	-3.7%	(\$118,500)	
Contingency	\$288,547	6.40%	6.37%	\$288,547	\$189,895	\$189,895	\$288,547	6.21%	6.40%	\$288,547	0.0%	\$0	
Contractor Fees	\$664,577	13.86%	13.80%	\$664,577	\$558,291	\$558,291	\$664,577	13.47%	13.86%	\$664,577	0.0%	\$0	
Soft Costs	0	\$551,115	\$16,032 / Unit	\$561,115	\$560,045	\$560,045	\$561,115	\$16,032 / Unit		\$551,115	0.0%	\$0	
Financing	0	\$296,315	\$11,622 / Unit	\$406,771	\$349,420	\$349,420	\$406,771	\$11,622 / Unit		\$296,315	0.0%	\$0	
Developer Fee	\$0	\$1,029,000	16.32%	16.26%	\$1,029,000	\$1,029,000	\$1,029,000	15.96%	16.32%	\$1,029,000	0.0%	\$0	
Reserves		\$3,796 / Unit	\$132,847	\$127,845	\$127,845	\$132,847	\$3,796 / Unit				0.0%	\$0	
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)	\$0	\$7,335,482	\$224,868 / Unit	\$7,870,385	\$6,868,894	\$6,997,555	\$7,988,885	\$228,254 / Unit	\$7,335,482	\$0	-1.5%	(\$118,500)	
Acquisition Cost	\$0			\$0	\$0								
Contingency		\$0		\$0	\$0								
Contractor's Fee		\$0		\$0	(\$490)								
Financing Cost		\$0											
Developer Fee	\$0	\$0		\$0	\$0								
Reserves				\$0	\$0								
ADJUSTED BASIS / COST	\$0	\$7,335,482	\$224.868/unit	\$7,870,385	\$6,868,404		\$7,988,885	\$228.254/unit	\$7,335,482	\$0	-1.5%	(\$118,500)	
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):				\$7,870,385									

CAPITALIZATION / DEVELOPMENT COST BUDGET / ITEMIZED BASIS ITEMS

Residences at Canyon Lake, Canyon Lake, 9% HTC/MDL #18369

	CREDIT CALCULATION ON QUALIFIED BASIS			
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction Rehabilitation
	ADJUSTED BASIS	\$0	\$7,335,482	\$0
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$7,335,482	\$0	\$7,335,482
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$9,536,127	\$0	\$9,536,127
Applicable Fraction	81.60%	81.60%	81.60%	81.60%
TOTAL QUALIFIED BASIS	\$0	\$7,781,928	\$0	\$7,781,928
Applicable Percentage	3.39%	9.00%	3.39%	9.00%
ANNUAL CREDIT ON BASIS	\$0	\$700,373	\$0	\$700,373
CREDITS ON QUALIFIED BASIS	\$700,373		\$700,373	

Method	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
	Annual Credits	Proceeds	Credit Price \$0.8599	Variance to Request	
			Credit Allocation	Credits	Proceeds
Eligible Basis	\$700,373	\$6,022,610	----	----	----
Needed to Fill Gap	\$571,584	\$4,915,135	----	----	----
Previous Allocation	\$500,000	\$4,299,570	\$500,000	\$0	\$0

BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Garden (Up to 4-story)	25,550 SF	\$73.91	1,888,470
Adjustments				
Exterior Wall Finish	2.48%		1.83	\$46,834
Elderly	5.00%		3.70	94,423
9-Ft. Ceilings	3.31%		2.45	62,508
Roof Adjustment(s)			(0.25)	(6,388)
Subfloor			(0.86)	(21,973)
Floor Cover			2.63	67,266
Enclosed Corridors	\$65.46	5,969	15.29	390,747
Balconies	\$25.89	496	0.50	12,841
Plumbing Fixtures	\$1,020	0	0.00	0
Rough-ins	\$500	70	1.37	35,000
Built-In Appliances	\$1,730	35	2.37	60,550
Exterior Stairs	\$2,280	2	0.18	4,560
Heating/Cooling			2.21	56,466
Storage Space	\$65.46	0	0.00	0
Carports	\$12.25	0	0.00	0
Garages		0	0.00	0
Comm &/or Aux Bldgs	\$96.12	2,152	8.10	206,861
Elevators	\$81,000	1	3.17	81,000
Other:	\$1.05		0.00	0
Fire Sprinklers	\$2.59	33,671	3.41	87,208
SUBTOTAL			120.01	3,066,374
Current Cost Multiplier	1.01		1.20	30,664
Local Multiplier	0.86		(16.80)	(429,292)
TOTAL BUILDING COSTS			104.41	\$2,667,745
Plans, specs, survey, bldg permits	3.30%		(3.45)	(\$88,036)
Contractor's OH & Profit	11.50%		(12.01)	(306,791)
NET BUILDING COSTS		\$64,941/unit	\$88.96/sf	\$2,272,919

Long-Term Pro Forma

Residences at Canyon Lake, Canyon Lake, 9% HTC/MDL #18369

	Growth Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	Year 35	Year 40
EFFECTIVE GROSS INCOME	2.00%	\$304,895	\$310,993	\$317,213	\$323,557	\$330,028	\$364,378	\$402,302	\$444,174	\$490,404	\$541,446	\$597,800	\$660,019
TOTAL EXPENSES	3.00%	\$152,715	\$157,144	\$161,703	\$166,396	\$171,226	\$197,587	\$228,052	\$263,264	\$303,970	\$351,031	\$406,636	\$471,403
NET OPERATING INCOME ("NOI")		\$152,179	\$153,848	\$155,509	\$157,161	\$158,802	\$166,791	\$174,250	\$180,910	\$186,434	\$190,415	\$191,164	\$188,617
EXPENSE/INCOME RATIO		50.1%	50.5%	51.0%	51.4%	51.9%	54.2%	56.7%	59.3%	62.0%	64.8%	68.0%	71.4%
MUST -PAY DEBT SERVICE													
TOTAL DEBT SERVICE		\$113,150	\$113,150	\$113,150	\$113,150	\$113,150	\$113,150	\$113,150	\$113,150	\$113,150	\$113,150	\$113,150	\$113,150
DEBT COVERAGE RATIO		1.34	1.36	1.37	1.39	1.40	1.47	1.54	1.60	1.65	1.68	1.69	1.67
ANNUAL CASH FLOW		\$39,030	\$40,699	\$42,360	\$44,011	\$45,652	\$53,641	\$61,101	\$67,760	\$73,285	\$77,265	\$78,014	\$75,467
Deferred Developer Fee Balance		\$576,535	\$535,837	\$493,477	\$449,466	\$403,813	\$151,421	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$0	\$0	\$139,425	\$465,289	\$821,193	\$1,200,269	\$1,590,437	\$1,974,230



2018-1 Multifamily Direct Loan Program - Application Log - May 16, 2019

Per 2018-1 Multifamily Direct Loan Notice of Funding Availability published in the *Texas Register* on 12/29/2017, 1st Amendment to NOFA published in the *Texas Register* on 4/6/2018, 2nd Amendment to NOFA published in the *Texas Register* on 7/27/18, and 3rd Amendment to NOFA

The following data was compiled using information submitted by each applicant. While this data has been reviewed or verified by the Department, errors may still be present. Those reviewing the log are advised to use caution in reaching any definitive conclusions based on this information alone. Where Applications are layered with 9% or 4% Tax credits, the Applications are also subject to evaluation under the Department criteria for those fund sources. Applicants are encouraged to review 10 TAC §§11.1(b) and 10.2(a) concerning Due Diligence and Applicant Responsibility, along with 10 TAC Subchapter C related to Application Submission Requirements, Ineligibility Criteria, Board Decisions and Waiver of Rules for Applications. This log will be updated periodically as staff completes application reviews and as more applications are received. The Multifamily Direct Loan Program - Application Log is presented for informational use only, and does not represent a conclusion or judgment by TDHCA, its staff or Board. Applicants that identify an error in the log should contact Andrew Simmott at andrew.simmott@tdhca.state.tx.us as soon as possible. Identification of an error early does not guarantee that the error can be addressed administratively.

Applications sorted by date received within each set-aside.

													TCAP RF	\$3,140,000
													NHTF	\$9,386,000
													Total Set Aside Funding Level:	\$12,526,000
TDHCA Application #	Property Name	Property City	Property County	Region	Housing Activity ¹	Multifamily Direct Loan Request/Award	Target Population	Total Units	MF Direct Loan Units	Layering ²	Date Received ³	Comments		
18502	Arlinda Gardens Supportive Housing	Bryan	Brazos	8	NC	\$ -	Supportive Housing	29	13		3/1/2018	Application withdrawn 8/7/18		
18099	Waters Park Studios	Austin	Travis	7	NC	\$ 1,000,000	Supportive Housing	132	10	9%	4/2/2018	Recommended for NHTF award at 7/26/18 Board meeting		
18099	Waters Park Studios	Austin	Travis	7	NC	\$ 1,000,000	Supportive Housing	132	8	9%	7/27/2018	Recommended for NHTF award at 10/11/18 Board meeting		
18504	Brooks Haven Supportive Housing	Rockdale	Milam	8	NC	\$ 2,000,000		30	9		8/31/2018			
18502	Arlinda Gardens Supportive Housing	Bryan	Brazos	8	NC	\$ 2,000,000	Supportive Housing	29	13		9/12/2018			
18503	Eastern Oaks Apartments	Austin	Travis	7	R	\$ 2,000,000	General	30	18		9/19/2018			
18448	RBJ Phase I	Austin	Travis	7	NC	\$ 2,000,000	Elderly Limitation	279	15	4%	10/29/2018	Recommended for NHTF award at 2/21/19 Board meeting		
18137	New Hope Housing Dale Carnegie	Houston	Harris	6	NC	\$ 1,386,000	Elderly Limitation	170	11	9%	11/26/2018	Previously awarded 9% HTC on 7/26/18		
18509	El Sereno Apartments	Cibolo	Guadalupe	9	NC	\$ 1,140,000	Elderly Limitation	136	8	9%	11/30/2018	Previously awarded 9% HTC under app 16128 on 7/28/16		
Total Amount Requested Under SH/SR Set Aside						\$ 12,526,000	Total Units	938	92					
Total Amount Awarded Under SH/SR Set Aside						\$ 4,000,000	Total Units	30	10					
Total Amount Remaining Under SH/SR Set Aside (NHTF)						\$ 5,386,000								
Total Amount Remaining Under SH/SR Set Aside (TCAP RF)						\$ 3,140,000								

													Total Set Aside Funding Level:	\$1,600,000
TDHCA#	Property Name	Property City	Property County	Region	Housing Activity ¹	Multifamily Direct Loan Request/Award	Target Population	Total Units	MF Direct Loan Units	Layering ²	Date Received ³	Comments		
18322	Las Casitas de Azucar	Santa Rosa	Cameron	11	NC	\$ 1,600,000	General	50	14	9%	4/2/2018	Recommended for award at 7/26/18 Board meeting		
18391	Merritt Manor	Manor	Travis	7	NC	\$ -	Elderly Limitation	146	30	9%	4/2/2018			
Total Amount Requested Under CHDO Set Aside						\$ 1,600,000	Total Units	196	44					
Total Amount Awarded Under CHDO Set Aside						\$ 1,600,000	Total Units	50	14					
Total Amount Remaining Under CHDO Set Aside						\$ -								

HOME (limited availability statewide)	\$10,679,248
NSPI PI (available statewide)	\$3,600,000
TCAP RF (available statewide)	\$911,087
NSPI PI and TCAP RF Total	\$4,511,087

													Total Set Aside Funding Level:	\$15,190,335
TDHCA#	Property Name	Property City	Property County	Region	Housing Activity ¹	Multifamily Direct Loan Request/Award	Target Population	Total Units	MF Direct Loan Units	Layering ²	Date Received ³	Comments		
18500	Rio Lofts	San Antonio	Bexar	9	NC	\$ -	General	81	36	9%	1/11/2018	Application withdrawn 4/11/18		
18501	Secretariat Apartments	Arlington	Tarrant	3	NC	\$ -	Elderly Limitation	74	29	9%	1/11/2018	Application withdrawn 4/30/18		
18412	Lord Road Apartments	San Antonio	Bexar	9	NC	\$ -	General	324	50	4%	1/18/2018	\$2,975,000 Direct Loan award returned after 4/26/18 Board approval		
18417	Sphinx at Throckmorton Villas	McKinney	Collin	3	NC	\$ -	General	220	18	4%	2/15/2018	Application suspended 10/9/18		
18000	Evergreen at Garland Senior Community	Garland	Dallas	3	NC	\$ -	Elderly Limitation	105	25	9%	4/2/2018			
18002	Evergreen at Basswood Senior Community	Garland	Dallas	3	NC	\$ -	Elderly Limitation	116	34	9%	4/2/2018			
18036	Clyde Ranch	Clyde	Callahan	2	NC	\$ 525,000	General	40	11	9%	4/2/2018	Recommended for HOME award at 7/26/18 Board meeting		
18040	Farmhouse Row	Slaton	Lubbock	1	NC	\$ 660,000	General	48	11	9%	4/2/2018	Recommended for HOME award at 7/26/18 Board meeting		
18052	Nacogdoches Lofts	San Antonio	Bexar	9	NC	\$ -	Elderly Limitation	102	35	9%	4/2/2018			
18053	Alazan Lofts	San Antonio	Bexar	9	NC	\$ -	General	88	24	9%	4/2/2018	Application terminated		

18054	Piedmont Lofts	San Antonio	Bexar	9	NC	\$ -	General	55	41	9%	4/2/2018	Requested CHDO set-aside, which is unavailable for this application
18369	The Residences at Canyon Lake	Canyon Lake	Comal	9	NC	\$ 1,060,000	Elderly Limitation	35	11	9%	4/2/2018	Recommended for HOME award at 7/26/18 Board meeting
18421	Travis Flats	Austin	Travis	7	NC	\$ -	General	146	50	4%	4/4/2018	Application withdrawn 7/26/18
18259	Cannon Courts	Bangs	Brown	2	NC	\$ 1,659,248	General	36	11	9%	8/30/2018	Recommended for HOME award at 11/8/18 Board meeting
18407	Sphinx at Sierra Vista Senior Villas	Fort Worth	Tarrant	3	NC	\$ 3,600,000	Elderly Limitation	272	27	4%	8/31/2018	Recommended for HOME award at 11/8/18 Board meeting
18223	Harvest Park Apartments	Pampa	Gray	1	NC	\$ 1,000,000	General	60	10	9%	9/13/2018	Recommended for HOME award at 11/8/18 Board meeting
18274	Hill Court Villas	Granbury	Hood	3	NC	\$ 1,000,000	Elderly Limitation	48	10	9%	9/13/2018	Recommended for HOME award at 11/8/18 Board meeting
18454	Grim Hotel Apartments	Texarkana	Bowie	4	ADR	\$ -	General	93	19	4%	9/21/2018	Application withdrawn
18019	Highlander Senior Village	Comal	Bulverde	9	NC	\$ 3,090,000	Elderly Limitation	66	20	9%	9/25/2018	Recommended for HOME award at 12/6 Board meeting
18036	Clyde Ranch	Clyde	Callahan	2	NC	\$ -	General	40	25	9%	10/1/2018	Application withdrawn 10/12/18
18040	Farmhouse Row	Slaton	Lubbock	1	NC	\$ -	General	48	37	9%	10/1/2018	Application withdrawn 10/12/18
18505	Mistletoe Station	Fort Worth	Tarrant	3	NC	\$ 911,087	General	110	9	9%	10/25/2018	Recommended for TCAP RF award at 3/21/19 Board meeting
18506	Golden Trails	West	McLennan	8	NC	\$ 245,000	Elderly Limitation	45	6	9%	11/19/2018	To be recommended for award at 5/23/19 Board meeting
18507	Legend Oaks	Llano	Llano	7			Elderly Limitation	48			11/30/2018	Recommended for TCAP RF workout award at 4/25/19 Board meeting
18369	The Residences at Canyon Lake	Canyon Lake	Comal	9	NC	\$ 1,440,000	Elderly Limitation	35	11	9%	11/30/2018	To be recommended for award at 5/23/19 Board meeting
Total Amount Requested Under General Set Aside: Development Sites in non-PJs						\$ 10,679,248	Total Units	426	121			
Total Amount Requested Under General Set Aside: Development Sites in PJs						\$ 4,511,087	Total Units	650	162			
Total Amount Requested Under General Set Aside: TOTAL						\$ 15,190,335	Total Units	1,076	283			
Total Amount Awarded Under General Set Aside (HOME)						\$ 8,994,248	Total Units	123	33			
Total Amount Awarded Under General Set Aside (TCAP RF)						\$ 911,087	Total Units	110	9			
Total Amount Awarded Under General Set Aside (NSPI PI)						\$ 3,600,000	Total Units	272	27			
Total Amount Remaining Under General Set Aside (HOME)						\$ 1,685,000						
Total Amount Remaining Under General Set Aside (TCAP RF)						\$ -						
Total Amount Remaining Under General Set Aside (NSPI PI)						\$ -						

1 = Housing Activity: New Construction=NC, Rehabilitation=R, ADR = Adaptive Reuse

2= Layering of Other Department Funds: 9%=9% Competitive Tax Credits, 4%=4% Tax Credit Program

3 = Date Received: The date that the application, all required 3rd Party Reports, Application Fees (if applicable), and Certificate of Reservation (if applicable) were received.

7c

BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
MAY 23, 2019

Presentation, discussion and possible action regarding an Award of Direct Loan funds from the 2019-1 Multifamily Direct Loan Notice of Funding Availability

RECOMMENDED ACTION

WHEREAS, the Board previously authorized release of the 2019-1 Multifamily Direct Loan Notice of Funding Availability (2019-1 NOFA) for up to \$34,557,797 with the application acceptance period beginning on January 14, 2019;

WHEREAS, the NOFA has since been amended to increase the amount available to \$44,241,262;

WHEREAS, Application #19504, which requested \$1,650,000 in Direct Loan funds for Avanti Legacy at Sienna Palms, is a Priority 1 Application under the 2019-1 NOFA that has received complete reviews for compliance with program and underwriting requirements and was previously awarded 9% housing tax credits on July 26, 2018;

WHEREAS, in accordance with 10 TAC §1.301(d)(1), the compliance history is designated as a Category 2 and deemed acceptable by the Executive Award and Review Advisory Committee (EARAC) subject to the condition that the President and “owner” of Madhouse Development Services designates the Asset Manager as the person to receive all Compliance correspondence in order to ensure that timely responses are provided to the Department for and on behalf of the proposed Development and all other Developments subject to Department Land Use Restriction Agreements (LURAs) over which Enrique Flores owns or has the power to exercise Control;

WHEREAS, 10 TAC §13.5(d)(2) requires Applications for Developments previously awarded Department funds under any program to be found eligible by the Board; and

WHEREAS, this Application has provided evidence of adverse factors beyond the applicant’s control that could materially impair their ability to provide affordable housing as a criteria for the Board to consider in affirming their eligibility;

NOW, therefore, it is hereby

RESOLVED, that a Direct Loan award of \$1,650,000 in TCAP Repayment Funds from the 2019-1 NOFA for Avanti Legacy at Sienna Palms is hereby approved in the form presented at this meeting; and

FURTHER RESOLVED, that the Board's approval is conditioned upon satisfaction of all conditions of underwriting, previous participation, and completion of any other reviews required to assure compliance with the applicable rules and requirements.

BACKGROUND

On December 6, 2018, the Board approved the issuance of a NOFA for up to \$34,557,797, which has subsequently been amended to increase the amount available to \$44,241,262 within four set-asides:

- \$11,638,041 in Supportive Housing/ Soft Repayment set-aside, composed of \$2 million in TCAP RF and \$9,638,041 in National Housing Trust Fund
- \$500,000 of HOME funds under the CHDO set-aside,
- \$2 million in TCAP RF under the Preservation set-aside
- \$30,103,221 in the General set-aside, composed of \$14,443,241 in HOME, \$4.5 million in NSP1 Program Income and \$11,160,000 in TCAP RF.

Avanti Legacy at Sienna Palms was awarded an allocation of 9% Housing Tax Credits (HTC) on July 26, 2018, which proposed new construction of 114 one- and two-bedroom units for an Elderly population (Elderly Limitation) in Weslaco. The Applicant experienced significant increases in building costs and site work (\$855,419 or approximately 8.9%) between the time of submission of the 9% HTC Application in February 2018, and submission of the Direct Loan Application in March 2019; these increased costs are due to both general pricing increases and labor shortages in the area, and are provided as justification for requesting Direct Loan funds.

Staff is recommending the Board's approval of Avanti Legacy at Sienna Palms' application (19504) for TCAP Repayment Funds totaling \$1,650,000 as a repayable loan at 2.5% interest rate with an 18 year term under the General Set-Aside. The recommended application and award amounts are outlined in the attached award recommendations log.

This application has been underwritten and determined to meet the Real Estate Analysis rules and requirements and has received a previous participation review.

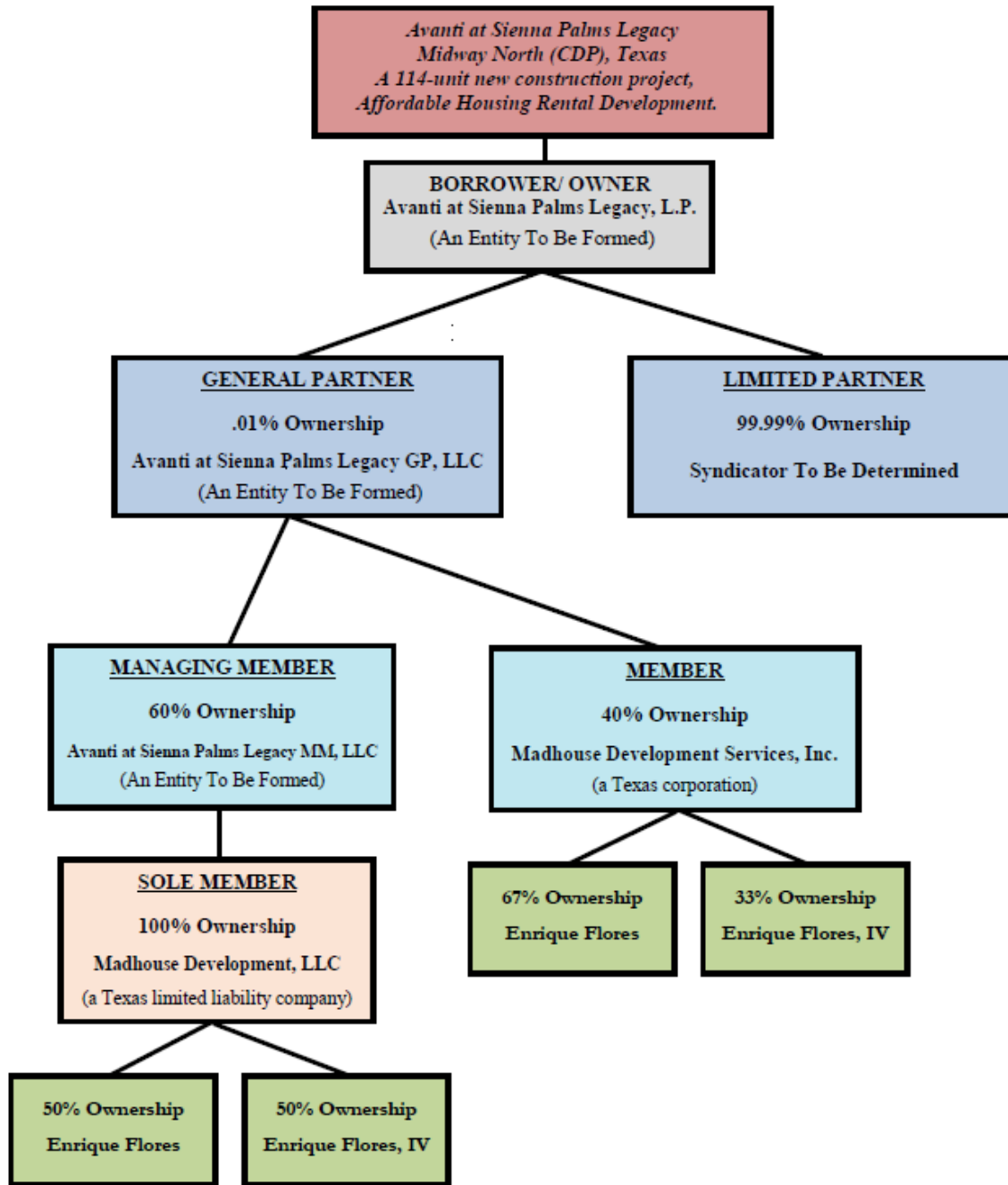
Should the recommended award be approved, \$42,591,262 will remain available under the NOFA, of which, 32 applications requesting \$76,994,796 are still under review. Subsequent award recommendations for applications undergoing staff reviews may appear on future Board agendas.

The Application and Award Recommendations Log is attached.

Organizational Structure and Previous Participation: The borrower is Avanti at Sienna Palms Legacy, LP and includes entities and principals as indicated in the organization chart below. At the time of the Previous Participation Review, the applicant was a Category 2 portfolio. EARAC recommends approval with the following condition: The President and “owner” of Madhouse Development Services, designates the Asset Manager, as the person to receive all Compliance correspondence in order to ensure that timely responses are provided to the Department for and on behalf of the proposed Development and all other Developments subject to TDHCA LURAs over which Enrique Flores owns or has the power to exercise Control.

Public Comment: There have been no letters of support or opposition received by the Department in connection with this current application.

PROJECT OWNERSHIP ORGANIZATIONAL SUMMARY



AVANTI AT SIENNA PALMS LEGACY, LP

March 21, 2019

Texas Department of Housing and Community Affairs - Multifamily Division
221 East 11th Street
Austin, Texas 78701
Attention: Andrew Sinnott & Alena Morgan

RE: Avanti Legacy at Sienna Palms TDHCA #18188 (#19504)

Dear Andrew:

Per 10 TAC 13.5(e)(2), please accept this letter as a request for a finding of eligibility, required for projects that have previously been awarded Department funds. Avanti at Sienna Palms Legacy, LP received an award of \$1,500,000 in 9% Housing Tax Credits (HTC) in 2018.

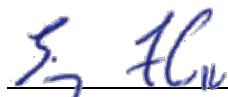
Avanti at Sienna Palms Legacy, LP respectfully requests that the TDHCA Board find Avanti Legacy at Sienna Palms eligible for additional Departmental funding in the form of MFDL funds, pursuant to our MFDL application submitted on March 8, 2019. If approved, this would bring the total MFDL funding for Avanti Legacy at Sienna Palms to \$1,650,000, allowable under the Multifamily Direct Loan NOFA.

Circumstances beyond our control which could not have been prevented or foreseen have led us to seek additional Departmental funding. During the entitlement process we experienced four Federal Reserve Rate Increases during FY 2018. The quarterly increases accounted for a 1.00% overall increase in the Federal Funds Rate in 2018. This significant increase in interest rates impacted the feasibility of our development given we were originally underwriting 4.30% for the construction and permeant loans in our 2018 application. Compared to our 2019 MFDL Funds application, we are now underwriting 5.50% for the construction loan and 5.65% for the permeant loans. All else being equal, this 1.20-1.35% increase in interest rates would increase the annual debt service payment by approximately \$55,000 dollars annually if we were to utilize conventional sources of debt. In addition, we experienced an 8.9% or \$855,419 increase in the Total Building & Site Work Cost, which was driven by an increase due to shortages of qualified labor in the marketplace and rising development costs due to material tariffs being implemented over the past year. To help fill the gap left by the increase in interest rates and construction cost, we pursued and received a Match contribution in the amount of \$82,500 from our general contract and increased our deferred developer fee to approximately \$735,9653.

If approved, we will commit to designating eleven MFDL units to serve those at 30% AMI and 50% AMI. In total, the development will bring 95 affordable units to a market which is in need of affordable housing. We ask the Board to consider the substantial benefit to the project of the risk mitigation resulting from an award of \$1,650,000 in MFDL funds.

Sincerely,

By:



Avanti at Sienna Palms Legacy, LP
its authorized representative



Addendum to Underwriting Report

TDHCA Application #: **19504** Program(s): **MDL**

Avanti at Sienna Palms Legacy

Address/Location: +/- 6.5 acres near the NEC of Cardinal Dr. & Mile 6 1/2 W intersection

City: Weslaco County: Hidalgo Zip: 78596

APPLICATION HISTORY	
Report Date	PURPOSE
05/15/19	MDL Request
07/26/18	New Application - Initial Underwriting

ALLOCATION

TDHCA Program	Previous Allocation				RECOMMENDATION				
	Amount	Rate	Amort	Term	Amount	Rate	Amort	Term	Lien
MF Direct Loan Const. to Perm. (Repayable)	N/A				\$1,650,000	2.50%	30	18	2
LIHTC (0% Credit)	\$1,500,000				\$1,500,000				

* Multifamily Direct Loan Terms:
 * Pursuant to 10 TAC §13.8(a), the term of a Multifamily Direct Loan should match the term of any superior loan (within 6 months).
 * Lien position after conversion to permanent. The Department's lien position during construction may vary.

CONDITIONS STATUS

- Receipt and acceptance before Direct Loan Closing
 - a: Substantially final construction contract with Schedule of Values.
 - b: Updated term sheets with substantially final terms from all lenders
 - c: Substantially final draft of limited partnership agreement.
 - d: Senior loan documents (and/or partnership documents) must contain a provision(s) that any stabilization resizing on the senior debt includes the debt service on the TDHCA MDL at a 1.15 DCR.
 - e: Documentation identifying any required matching funds, and confirming that the source is eligible to be counted as matching funds under HUD and TDHCA requirements.

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

SET-ASIDES

TDHCA SET-ASIDES for HTC LURA		
Income Limit	Rent Limit	Number of Units
30% of AMI	30% of AMI	10
50% of AMI	50% of AMI	19
60% of AMI	60% of AMI	66

TDHCA SET-ASIDES for DIRECT LOAN LURA		
Income Limit	Rent Limit	Number of Units
30% of AMFI	30% of AMFI	5
50% of AMFI	Low HOME	6

ANALYSIS

The Subject received an award of \$1.5M in 9% Housing Tax Credits in 2018. Applicant is now requesting a \$1.65M repayable Multifamily Direct Loan (MDL). With the request, the Applicant has committed to the addition of 11 MDL units. Applicant indicates the need for additional funding is the result of significant Federal Reserve Rate increases that adversely impacted the feasibility of the development. Additionally, Applicant reports cost increases of approximately 8.9% were largely driven by shortages of qualified labor in the marketplace and material tariffs implemented over the past year.

The Applicant states, "...we experienced a 10% increase in concrete, 13% increase in lumber and plastic, and 13.8% in finish materials. According to...the National Association of Home Builders (NAHB), the prices paid for goods used in residential construction have risen more quickly thus far in 2019 (+3.2%)...and are at their highest level since October 2018. These statistics...are consistent with the increases we experienced first-hand."

Operating Pro Forma

Applicant uses 2018 HTC rents, while Underwriter's analysis is based on the current 2019 HTC rents. Total income has increased approximately 4%, while total expenses have increased approximately 3% since original underwriting. Total NOI is ~8.9% greater than the Applicant's; therefore, the Underwriter's pro forma continues to be used.

Development Cost

While the Applicant's building and site work costs have increased approximately 8.9%, total development costs (TDC) have decreased ~\$93K (less than 1%), achieved by reducing contingency, contractor fee, soft cost and financing. Applicant's hard cost show a similar increase of \$783K (8%).

Underwritten costs updated for current Marshall & Swift multiplier data, reflect an increase in building costs of approximately \$349K (4%). Total costs remain within 5% of the Applicant's costs.

Sources of Funds

Community Bank of Texas replaces the \$4.6M FHA 221(d)4 senior loan from Wells Fargo, with decreased conventional debt of \$2.58M amortized over 35 years with an 18 year term at 5.65% interest. Applicant has requested \$1.65M in MDL funds and Couric Enterprises will provide a \$82.5K funding match.

Underwriter recommends the requested \$1.65M in MDL funds, structured as a repayable loan amortized over 30 years (18 year term) at 2.5% interest.

Underwriter:	<u>Diamond Unique Thompson</u>
Manager of Real Estate Analysis:	<u>Thomas Cavanagh</u>
Director of Real Estate Analysis:	<u>Brent Stewart</u>

UNIT MIX/RENT SCHEDULE

Avanti at Sienna Palms Legacy, Weslaco, 9% HTC #18188

LOCATION DATA	
CITY:	Weslaco
COUNTY:	Hidalgo
Area Median Income	\$41,900
PROGRAM REGION:	11

UNIT DISTRIBUTION							
# Beds	# Units	% Total	Assisted	MDL	Income	# Units	% Total
Eff	-	0.0%	0	0	30%	10	8.8%
1	48	42.1%	0	5	40%	-	0.0%
2	66	57.9%	0	6	50%	19	16.7%
3	-	0.0%	0	0	60%	66	57.9%
4	-	0.0%	0	0	MR	19	16.7%
TOTAL	114	100.0%	-	11	TOTAL	114	100.0%

Pro Forma ASSUMPTIONS	
Revenue Growth	2.00%
Expense Growth	3.00%
Basis Adjust	130%
Applicable Fraction	83.33%
APP % Acquisition	3.39%
APP % Construction	9.00%
Average Unit Size	879 sf

UNIT MIX / MONTHLY RENT SCHEDULE

HTC		TDHCA Direct Loan Program		UNIT MIX				APPLICABLE PROGRAM RENT			APPLICANT'S PRO FORMA RENTS				TDHCA PRO FORMA RENTS			MARKET RENTS			
Type	Gross Rent	Type	Gross Rent	# Units	# Beds	# Baths	NRA	Gross Rent	Utility Allow	Max Net Program Rent	Delta to Max	Rent psf	Net Rent per Unit	Total Monthly Rent	Total Monthly Rent	Rent per Unit	Rent psf	Delta to Max	Underwritten	Mrkt Analyst	
TC 30%	\$330			3	1	1	716	\$330	\$58	\$272	(\$12)	\$0.36	\$260	\$780	\$817	\$272	\$0.38	\$0	\$636	\$0.89	\$835
TC 30%	\$330	30%/30%	\$318	2	1	1	716	\$318	\$58	\$260	(\$0)	\$0.36	\$260	\$520	\$521	\$260	\$0.36	\$0	\$636	\$0.89	\$835
TC 50%	\$550			3	1	1	716	\$550	\$58	\$492	(\$20)	\$0.66	\$472	\$1,416	\$1,477	\$492	\$0.69	\$0	\$636	\$0.89	\$835
TC 50%	\$550	LH/50%	\$530	3	1	1	716	\$530	\$58	\$472	(\$0)	\$0.66	\$472	\$1,416	\$1,417	\$472	\$0.66	\$0	\$636	\$0.89	\$835
TC 60%	\$660			26	1	1	716	\$660	\$58	\$602	(\$24)	\$0.81	\$578	\$15,028	\$15,664	\$602	\$0.84	\$0	\$636	\$0.89	\$840
TC 30%	\$330			1	1	1	729	\$330	\$58	\$272	(\$12)	\$0.36	\$260	\$260	\$272	\$272	\$0.37	\$0	\$636	\$0.87	\$840
TC 50%	\$550			1	1	1	729	\$550	\$58	\$492	(\$20)	\$0.65	\$472	\$472	\$492	\$492	\$0.68	\$0	\$636	\$0.87	\$840
MR				8	1	1	716	\$0	\$58		NA	\$0.89	\$636	\$5,088	\$5,088	\$636	\$0.89	NA	\$636	\$0.89	\$1,005
TC 30%	\$396	30%/30%	\$382	3	2	2	997	\$382	\$74	\$308	(\$2)	\$0.31	\$306	\$918	\$923	\$308	\$0.31	\$0	\$763	\$0.77	\$1,005
TC 50%	\$661			8	2	2	997	\$661	\$74	\$587	(\$26)	\$0.56	\$561	\$4,488	\$4,694	\$587	\$0.59	\$0	\$763	\$0.77	\$1,005
TC 50%	\$661	LH/50%	\$636	3	2	2	997	\$636	\$74	\$562	(\$1)	\$0.56	\$561	\$1,683	\$1,685	\$562	\$0.56	\$0	\$763	\$0.77	\$1,005
TC 60%	\$793			38	2	2	997	\$793	\$74	\$719	(\$31)	\$0.69	\$688	\$26,144	\$27,311	\$719	\$0.72	\$0	\$763	\$0.77	\$1,015
TC 30%	\$396			1	2	2	1,002	\$396	\$74	\$322	(\$16)	\$0.31	\$306	\$306	\$322	\$322	\$0.32	\$0	\$763	\$0.76	\$1,015
TC 50%	\$661			1	2	2	1,002	\$661	\$74	\$587	(\$26)	\$0.56	\$561	\$561	\$587	\$587	\$0.59	\$0	\$763	\$0.76	\$1,015
TC 60%	\$793			1	2	2	1,002	\$793	\$74	\$719	(\$31)	\$0.69	\$688	\$688	\$719	\$719	\$0.72	\$0	\$763	\$0.76	\$1,015
MR				11	2	2	997	\$0	\$74		NA	\$0.77	\$763	\$8,393	\$8,393	\$763	\$0.77	NA	\$763	\$0.77	\$1,005
TOTALS/AVERAGES:				114			100,224				(\$20)	\$0.69	\$603	\$68,739	\$70,985	\$623	\$0.71	\$0	\$710	\$0.81	\$950

ANNUAL POTENTIAL GROSS RENT:	\$824,868	\$851,819
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STABILIZED PRO FORMA

Avanti at Sienna Palms Legacy, Weslaco, 9% HTC #18188

STABILIZED FIRST YEAR PRO FORMA

	COMPARABLES		APPLICANT				PRIOR REPORT		TDHCA				VARIANCE	
	Database	County Comps	% EGI	Per SF	Per Unit	Amount	Applicant	TDHCA	Amount	Per Unit	Per SF	% EGI	%	\$
POTENTIAL GROSS RENT				\$0.69	\$603	\$824,868	\$808,680	\$808,762	\$851,819	\$623	\$0.71		-3.2%	(\$26,951)
App Feesm Deposit Forfeitures, Cable					\$15.00	\$20,520	27,360							
Total Secondary Income					\$15.00			27,360	\$20,520	\$15.00			0.0%	\$0
POTENTIAL GROSS INCOME						\$845,388	\$836,040	\$836,122	\$872,339				-3.1%	(\$26,951)
Vacancy & Collection Loss					7.5% PGI	(63,404)	(62,703)	(62,709)	(65,425)	7.5% PGI			-3.1%	2,021
EFFECTIVE GROSS INCOME						\$781,984	\$773,337	\$773,412	\$806,913				-3.1%	(\$24,929)

General & Administrative	\$38,061	\$334/Unit	\$37,889	\$332	4.22%	\$0.33	\$289	\$33,000	\$32,000	\$37,805	\$37,889	\$332	\$0.38	4.70%	-12.9%	(4,889)
Management	\$40,688	5.0% EGI	\$43,958	\$386	5.00%	\$0.39	\$343	\$39,099	\$38,667	\$38,671	\$40,346	\$354	\$0.40	5.00%	-3.1%	(1,247)
Payroll & Payroll Tax	\$122,785	\$1,077/Unit	\$130,708	\$1,147	16.69%	\$1.30	\$1,145	\$130,500	\$122,000	\$122,785	\$130,708	\$1,147	\$1.30	16.20%	-0.2%	(208)
Repairs & Maintenance	\$62,983	\$552/Unit	\$52,526	\$461	8.04%	\$0.63	\$552	\$62,900	\$65,500	\$68,400	\$68,400	\$600	\$0.68	8.48%	-8.0%	(5,500)
Electric/Gas	\$28,059	\$246/Unit	\$17,287	\$152	2.95%	\$0.23	\$203	\$23,100	\$22,100	\$20,691	\$17,287	\$152	\$0.17	2.14%	33.6%	5,813
Water, Sewer, & Trash	\$66,415	\$583/Unit	\$24,799	\$218	6.69%	\$0.52	\$459	\$52,300	\$58,000	\$24,734	\$24,799	\$218	\$0.25	3.07%	110.9%	27,501
Property Insurance	\$43,491	\$0.43 /sf	\$40,630	\$356	4.15%	\$0.32	\$285	\$32,490	\$31,350	\$29,940	\$40,630	\$356	\$0.41	5.04%	-20.0%	(8,140)
Property Tax (@ 100%) 2.0866	\$61,073	\$536/Unit	\$0	\$0	7.65%	\$0.60	\$525	\$59,850	\$60,200	\$64,994	\$68,756	\$603	\$0.69	8.52%	-13.0%	(8,906)
Reserve for Replacements	\$36,471	\$320/Unit	\$36,404	\$319	3.64%	\$0.28	\$250	\$28,500	\$34,200	\$34,200	\$28,500	\$250	\$0.28	3.53%	0.0%	-
Supportive Services			\$17,014	\$149	2.03%	\$0.16	\$140	\$15,910	\$15,910	\$15,910	\$15,910	\$140	\$0.16	1.97%	0.0%	-
TDHCA LIHTC/HOME Compliance Fees			\$8,115	\$71	0.49%	\$0.04	\$33	\$3,800	\$3,800	\$3,800	\$4,174	\$37	\$0.04	0.52%	-9.0%	(374)
TOTAL EXPENSES					61.62%	\$4.81	\$4,227	\$ 481,823	\$483,727	\$461,929	\$477,400	\$4,188	\$4.76	59.16%	0.9%	\$ 4,423
NET OPERATING INCOME ("NOI")					38.38%	\$2.99	\$2,633	\$300,161	\$289,610	\$311,483	\$329,513	\$2,890	\$3.29	40.84%	-8.9%	\$ (29,353)

CONTROLLABLE EXPENSES							\$2,647/Unit									\$2,448/Unit
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CAPITALIZATION / TOTAL DEVELOPMENT BUDGET / ITEMIZED BASIS

Avanti at Sienna Palms Legacy, Weslaco, 9% HTC #18188

DEBT / GRANT SOURCES																					
APPLICANT'S PROPOSED DEBT/GRANT STRUCTURE									Prior Underwriting		AS UNDERWRITTEN DEBT/GRANT STRUCTURE										
DEBT (Must Pay)	Fee	Cumulative DCR		Pmt	Rate	Amort	Term	Principal	Prior Underwriting		Principal	Term	Amort	Rate	Pmt	Cumulative					
		UW	App						Applicant	TDHCA						DCR	LTC				
Community Bank of Texas		1.95	1.78	168,987	5.65%	35	18	\$2,575,000	\$4,600,000	\$4,600,000	\$2,575,000	18	35	5.65%	\$168,987	1.95	13.8%				
TDHCA		1.37	1.25	\$70,784	2.50%	30	18	\$1,650,000			\$1,650,000	18	30	2.50%	\$78,234	1.33	8.8%				
CASH FLOW DEBT / GRANTS																					
City of Weslaco		1.37	1.25		0.00%	0	0	\$500	\$500	\$500	\$500	0	0	0.00%		1.33	0.0%				
County of Hidalgo		1.37	1.25		0.00%	0	0	\$500	\$500	\$500	\$500	0	0	0.00%		1.33	0.0%				
Couric Enterprises, LLC		1.37	1.25		0.00%	0	0	\$82,500	\$0	\$0	\$82,500	0	0	0.00%		1.33	0.4%				
				\$239,771	TOTAL DEBT / GRANT SOURCES			\$4,308,500	\$4,601,000	\$4,601,000	\$4,308,500	TOTAL DEBT SERVICE			\$247,220	1.33	23.0%				
NET CASH FLOW		\$89,742	\$60,390															TDHCA NET OPERATING INCOME	\$329,513	\$82,293	NET CASH FLOW

EQUITY SOURCES															
APPLICANT'S PROPOSED EQUITY STRUCTURE						Prior Underwriting		AS UNDERWRITTEN EQUITY STRUCTURE							
EQUITY / DEFERRED FEES	DESCRIPTION	% Cost	Annual Credit	Credit Price	Amount	Prior Underwriting		Amount	Credit Price	Annual Credit	% Cost	Annual Credits per Unit	Allocation Method		
						Applicant	TDHCA								
RBC Capital Markets	LIHTC Equity	73.0%	\$1,500,000	0.91	\$13,648,635	\$13,798,620	\$13,798,620	\$13,648,635	\$0.9099	\$1,500,000	73.0%	\$13,158	Previous Allocation		
Avanti at Sienna Palms Legacy	Deferred Developer Fees	3.9%	(33% Deferred)		\$735,965	\$386,860	\$386,860	\$735,965	(33% Deferred)		3.9%		Total Developer Fee: \$2,211,000		
Additional (Excess) Funds Req'd		0.0%					\$0	\$0			0.0%				
TOTAL EQUITY SOURCES		77.0%			\$14,384,600	\$14,185,480	\$14,185,480	\$14,384,600			77.0%				
TOTAL CAPITALIZATION					\$18,693,100	\$18,786,480	\$18,786,480	\$18,693,100						15-Yr Cash Flow after Deferred Fee:	\$683,569

DEVELOPMENT COST / ITEMIZED BASIS													
APPLICANT COST / BASIS ITEMS					Prior Underwriting		TDHCA COST / BASIS ITEMS					COST VARIANCE	
	Eligible Basis		Total Costs		Prior Underwriting		Total Costs	Eligible Basis				%	\$
	Acquisition	New Const. Rehab			Applicant	TDHCA		New Const. Rehab	Acquisition				
Land Acquisition			\$5,833 / Unit	\$665,000	\$665,000	\$665,000	\$665,000	\$5,833 / Unit				0.0%	\$0
				\$0	\$35,000	\$35,000	\$0						\$0
Off-Sites			\$877 / Unit	\$100,000	\$25,000	\$25,000	\$100,000	\$877 / Unit				0.0%	\$0
Site Work		\$1,163,048	\$10,343 / Unit	\$1,179,045	\$1,080,236	\$1,080,236	\$1,179,045	\$10,343 / Unit	\$1,163,048			0.0%	\$0
Site Amenities		\$523,260	\$4,658 / Unit	\$530,955	\$572,765	\$572,765	\$530,955	\$4,658 / Unit	\$523,260			0.0%	\$0
Building Cost		\$7,816,469	\$87.75 /sf	\$77,146/Unit	\$8,794,656	\$7,996,237	\$7,894,577	\$8,243,898	\$72,315/Unit	\$82.25 /sf	\$8,139,946	6.7%	\$550,758
Contingency		\$475,139	5.00%	5.00%	\$530,233	\$677,197	\$670,080	\$530,233	5.27%	4.84%	\$475,139	0.0%	\$0
Contractor Fees		\$1,197,350	12.00%	12.00%	\$1,336,186	\$1,449,201	\$1,433,972	\$1,336,186	12.62%	11.62%	\$1,197,350	0.0%	\$0
Soft Costs	0	\$1,639,706	\$15,613 / Unit	\$1,779,869	\$2,023,180	\$2,023,180	\$1,779,869	\$15,613 / Unit	\$1,639,706	\$0		0.0%	\$0
Financing	0	\$766,097	\$10,574 / Unit	\$1,205,382	\$1,743,249	\$1,743,249	\$1,205,382	\$10,574 / Unit	\$766,097	\$0		0.0%	\$0
Developer Fee	\$0	\$2,037,000	15.00%	15.00%	\$2,211,000	\$2,157,000	\$2,157,000	\$2,128,093	15.00%	14.65%	\$2,037,000	\$0	\$82,907
Reserves			\$3,165 / Unit	\$360,774	\$362,417	\$362,417	\$360,774	\$3,165 / Unit				0.0%	\$0
TOTAL HOUSING DEVELOPMENT COST (UNADJUSTED BASIS)		\$0	\$15,618,068	\$163,975 / Unit	\$18,693,100	\$18,786,480	\$18,662,475	\$18,059,435	\$158,416 / Unit	\$15,941,545	\$0	3.5%	\$633,665
Acquisition Cost	\$0			\$0	\$0								
Contingency		\$0		\$0	\$0								
Contractor's Fee		\$0		\$0	\$0								
Financing Cost		\$0		\$0	\$0								
Developer Fee	\$0	\$0		\$0	\$0								
Reserves				\$0	\$0								
ADJUSTED BASIS / COST		\$0	\$15,618,068	\$163,975/unit	\$18,693,100	\$18,786,480		\$18,059,435	\$158,416/unit	\$15,941,545	\$0	3.5%	\$633,665
TOTAL HOUSING DEVELOPMENT COSTS (Applicant's Uses are within 5% of TDHCA Estimate):					\$18,693,100								

CAPITALIZATION / DEVELOPMENT COST BUDGET / ITEMIZED BASIS ITEMS

Avanti at Sienna Palms Legacy, Weslaco, 9% HTC #18188

CREDIT CALCULATION ON QUALIFIED BASIS				
	Applicant		TDHCA	
	Acquisition	Construction Rehabilitation	Acquisition	Construction Rehabilitation
ADJUSTED BASIS	\$0	\$15,618,068	\$0	\$15,941,545
Deduction of Federal Grants	\$0	\$0	\$0	\$0
TOTAL ELIGIBLE BASIS	\$0	\$15,618,068	\$0	\$15,941,545
High Cost Area Adjustment		130%		130%
TOTAL ADJUSTED BASIS	\$0	\$20,303,488	\$0	\$20,724,008
Applicable Fraction	83.33%	83.33%	83.33%	83.33%
TOTAL QUALIFIED BASIS	\$0	\$16,919,574	\$0	\$17,270,007
Applicable Percentage	3.39%	9.00%	3.39%	9.00%
ANNUAL CREDIT ON BASIS	\$0	\$1,522,762	\$0	\$1,554,301
CREDITS ON QUALIFIED BASIS	\$1,522,762		\$1,554,301	

Method	ANNUAL CREDIT CALCULATION BASED ON APPLICANT BASIS		FINAL ANNUAL LIHTC ALLOCATION		
	Annual Credits	Proceeds	Credit Price \$0.9099	Variance to Request	
			Credit Allocation	Credits	Proceeds
Eligible Basis	\$1,522,762	\$13,855,745	----	----	----
Needed to Fill Gap	\$1,580,883	\$14,384,600	----	----	----
Previous Allocation	\$1,500,000	\$13,648,635	\$1,500,000	\$0	\$0

BUILDING COST ESTIMATE				
CATEGORY	FACTOR	UNITS/SF	PER SF	
Base Cost:	Elevator Served	100,224 SF	\$65.55	6,569,705
Adjustments				
Exterior Wall Finish	2.40%		1.57	\$157,673
Elderly	3.00%		1.97	197,091
9-Ft. Ceilings	3.30%		2.16	216,800
Roof Adjustment(s)			(0.25)	(25,056)
Subfloor			(0.15)	(15,368)
Floor Cover			2.56	256,573
Enclosed Corridors	\$48.20	19,941	9.59	961,160
Balconies	\$28.34	19,238	5.44	545,273
Plumbing Fixtures	\$1,020	198	2.02	201,960
Rough-ins	\$500	228	1.14	114,000
Built-In Appliances	\$1,730	114	1.97	197,220
Exterior Stairs	\$2,280	8	0.18	18,240
Heating/Cooling			2.21	221,495
Storage Space	\$48.20	624	0.30	30,077
Carports	\$12.25	0	0.00	0
Garages	\$26.00	4,000	1.04	104,000
Comm &/or Aux Bldgs	\$88.63	4,181	3.70	370,581
Elevators	\$93,900	2	1.87	187,800
Other:			0.00	0
Fire Sprinklers	\$2.59	124,970	3.23	323,672
SUBTOTAL			106.09	10,632,898
Current Cost Multiplier	1.04		4.24	425,316
Local Multiplier	0.87		(13.79)	(1,382,277)
TOTAL BUILDING COSTS			96.54	\$9,675,937
Plans, specs, survey, bldg permits	3.30%		(3.19)	(\$319,306)
Contractor's OH & Profit	11.50%		(11.10)	(1,112,733)
NET BUILDING COSTS		\$72,315/unit	\$82.25/sf	\$8,243,898

Long-Term Pro Forma

Avanti at Sienna Palms Legacy, Weslaco, 9% HTC #18188

	Growth Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	Year 35
EFFECTIVE GROSS INCOME	2.00%	\$806,913	\$823,052	\$839,513	\$856,303	\$873,429	\$964,336	\$1,064,705	\$1,175,520	\$1,297,870	\$1,432,953	\$1,582,096
TOTAL EXPENSES	3.00%	\$477,400	\$491,318	\$505,646	\$520,396	\$535,580	\$618,473	\$714,319	\$825,153	\$953,335	\$1,101,595	\$1,276,244
NET OPERATING INCOME ("NOI")		\$329,513	\$331,733	\$333,866	\$335,907	\$337,849	\$345,863	\$350,386	\$350,367	\$344,535	\$331,358	\$305,852
EXPENSE/INCOME RATIO		59.2%	59.7%	60.2%	60.8%	61.3%	64.1%	67.1%	70.2%	73.5%	76.9%	80.7%
MUST -PAY DEBT SERVICE												
Community Bank of Texas		\$168,987	\$168,987	\$168,987	\$168,987	\$168,987	\$168,987	\$168,987	\$168,987	\$168,987	\$168,987	\$168,987
TDHCA		\$78,234	\$78,234	\$78,234	\$78,234	\$78,234	\$78,234	\$78,234	\$78,234	\$78,234	\$78,234	\$78,234
TOTAL DEBT SERVICE		\$247,220	\$247,220	\$247,220	\$247,220	\$247,220	\$247,220	\$247,220	\$247,220	\$247,220	\$247,220	\$247,220
DEBT COVERAGE RATIO		1.33	1.34	1.35	1.36	1.37	1.40	1.42	1.42	1.39	1.34	1.24
ANNUAL CASH FLOW		\$82,293	\$84,513	\$86,646	\$88,686	\$90,629	\$98,642	\$103,166	\$103,147	\$97,314	\$84,138	\$58,632
Deferred Developer Fee Balance		\$653,672	\$569,159	\$482,514	\$393,827	\$303,199	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE NET CASH FLOW		\$0	\$0	\$0	\$0	\$0	\$175,196	\$683,569	\$1,201,393	\$1,702,240	\$2,152,563	\$2,502,580



2019-1 Multifamily Direct Loan Program - Application Log - May 16, 2019

Per 2019-1 Multifamily Direct Loan Notice of Funding Availability published in the *Texas Register* on 12/21/2018 and First Amendment to 2019-1 NOFA published in the *Texas Register* on 5/10/19

The following data was compiled using information submitted by each applicant. While this data has been reviewed or verified by the Department, errors may still be present. Those reviewing the log are advised to use caution in reaching any definitive conclusions based on this information alone. Where Applications are layered with 9% or 4% Tax credits, the Applications are also subject to evaluation under the Department criteria for those fund sources. Applicants are encouraged to review 10 TAC §511.1(b) and 10.2(a) concerning Due Diligence and Applicant Responsibility, along with 10 TAC Subchapter C related to Application Submission Requirements, Ineligibility Criteria, Board Decisions and Waiver of Rules for Applications. This log will be updated periodically as staff completes application reviews and as more applications are received. The Multifamily Direct Loan Program - Application Log is presented for informational use only, and does not represent a conclusion or judgment by TDHCA, its staff or Board. Applicants that identify an error in the log should contact Andrew Sinnott at andrew.sinnott@tdhca.state.tx.us as soon as possible. Identification of an error early does not guarantee that the error can be addressed administratively.

Applications sorted by date received within each set-aside.

											TCAP RF	\$2,000,000
											NHTF	\$9,638,041
											Total Set Aside Funding Level:	\$11,638,041
TDHCA Application #	Property Name	Property City	Property County	Region	Housing Activity ¹	Multifamily Direct Loan Request/Award	Target Population	Total Units	MF Direct Loan Units	Layering ²	Date Received ³	Comments
19601	McMullen Square Apartments	San Antonio	Bexar	8	R	\$ 500,000	General	100	4	4%	3/12/2019	To be recommended for TCAP RF award at 5/23/19 Board meeting
19146	New Hope Housing Avenue J	Houston	Harris	6	NC	\$ 1,909,398	Supportive Housing	100	11	9%	4/2/2019	
19053	Foundation Village	Austin	Travis	7	NC	\$ 2,000,000	Supportive Housing	88	11	9%	4/2/2019	
19030	Freedom's Path at Kerrville II	Kerrville	Kerr	9	NC	\$ 1,909,398	Supportive Housing	38	38	9%	4/2/2019	
Total Amount Requested Under SH/SR Set Aside						\$ 6,318,796	Total Units	0	0			
Total Amount Awarded Under SH/SR Set Aside						\$ -	Total Units	0	0			
Total Amount Remaining Under SH/SR Set Aside (NHTF)						\$ 9,638,041						
Total Amount Remaining Under SH/SR Set Aside (TCAP RF)						\$ 2,000,000						

											Total Set Aside Funding Level:	\$500,000
TDHCA#	Property Name	Property City	Property County	Region	Housing Activity ¹	Multifamily Direct Loan Request/Award	Target Population	Total Units	MF Direct Loan Units	Layering ²	Date Received ³	Comments
19028	Casitas Lantana	Brownsville	Cameron	11	NC	\$ 500,000	General	80	5	9%	4/2/2019	
Total Amount Requested Under CHDO Set Aside						\$ 500,000	Total Units	80	5			
Total Amount Awarded Under CHDO Set Aside						\$ -	Total Units	80	5			
Total Amount Remaining Under CHDO Set Aside						\$ 500,000						

											Total Set Aside Funding Level:	\$2,000,000
TDHCA#	Property Name	Property City	Property County	Region	Housing Activity ¹	Multifamily Direct Loan Request/Award	Target Population	Total Units	MF Direct Loan Units	Layering ²	Date Received ³	Comments
19503	Sierra Royale Apartments	Robstown	Nueces	10	R	\$ 2,000,000	General	76	0		2/15/2019	Received 9% HTC allocation in 2004 for new construction
Total Amount Requested Under Preservation Set Aside						\$ 2,000,000	Total Units	76	0			
Total Amount Awarded Under Preservation Set Aside						\$ -	Total Units	0	0			
Total Amount Remaining Under Preservation Set Aside						\$ 2,000,000						

HOME (limited availability statewide)	\$14,443,221
NSP1 PI (available statewide, including PIs)	\$4,500,000
TCAP RF (available statewide, including PIs)	\$11,160,000
NSP1 PI and TCAP RF Total	\$15,660,000

											Total Set Aside Funding Level:	\$30,103,221
TDHCA#	Property Name	Property City	Property County	Region	Housing Activity ¹	Multifamily Direct Loan Request/Award	Target Population	Total Units	MF Direct Loan Units	Layering ²	Date Received ³	Comments
19406	Primrose Village	Weslaco	Hidalgo	11	NC	\$ 4,000,000	General	242	22	4%	1/14/2019	Received 4% HTC allocation and DL award in 2017, subsequently return
19502	City Square Lofts	Garland	Dallas	3	NC	\$ 2,000,000	General	126	3	9%	3/1/2019	Received 9% HTC allocation in 2015 and reallocated 9% HTC in 2017
19409	Grim Hotel Apartments	Texarkana	Bowie	4	ADR	\$ 4,000,000	General	93	25	4%	3/8/2019	To be recommended for NSP1 PI award at 5/23/19 Board meeting
19504	Avanti at Sienna Palms Legacy	Weslaco ETJ	Hidalgo	11	NC	\$ 1,650,000	Elderly	114	11	9%	3/11/2019	To be recommended for TCAP RF award at 5/23/19 Board meeting
19418	Bridge at Loyola Lofts	Austin	Travis	7	NC	\$ 4,000,000	General	204	67	4%	3/15/2019	
19051	Casa de Manana Apartments	Corpus Christi	Nueces	10	Recon	\$ 2,500,000	General	99	14	9%	4/2/2019	
19235	The Reserves at Saddleback Ranch	Wolfforth	Lubbock	1	NC	\$ 950,000	General	40	10	9%	4/2/2019	
19216	Heritage Heights at Abilene	Abilene	Taylor	2	NC	\$ 2,300,000	Elderly	48	17	9%	4/2/2019	

19338	Ennis Trails	Ennis	Ellis	3	NC	\$ 1,500,000	Elderly	68	10	9%	4/2/2019
19214	Lakeridge Villas	Ennis	Ellis	3	NC	\$ 3,400,000	Elderly	48	21	9%	4/2/2019
19285	Everly Plaza	Fort Worth	Tarrant	3	NC	\$ 2,200,000	Elderly	88	24	9%	4/2/2019
19126	3104 Division Lofts	Arlington	Tarrant	3	NC	\$ 4,000,000	General	75	67	9%	4/2/2019
19009	Churchill at Golden Triangle	Fort Worth	Tarrant	3	NC	\$ 1,300,000	General	99	8	9%	4/2/2019
19234	The Residences at Alsbury	Burleson	Johnson	3	NC	\$ 1,050,000	Elderly	83	13	9%	4/2/2019
19236	Tool Cedar Trails	Tool	Henderson	4	NC	\$ 950,000	Elderly	48	10	9%	4/2/2019
19365	Heritage Estates at Huntsville	Huntsville	Walker	6	NC	\$ 2,525,000	Elderly	48	19	9%	4/2/2019
19179	Riverwood Commons II	Bastrop	Bastrop	7	NC	\$ 3,000,000	Elderly	36	17	9%	4/2/2019
19095	Sagebrush Terrace	Jarrell	Williamson	7	NC	\$ 2,336,000	Elderly	57	40	9%	4/2/2019
19180	St. Elmo Commons	Austin	Travis	7	NC	\$ 3,245,000	General	100	30	9%	4/2/2019
19238	Franklin Trails	Franklin	Robertson	8	NC	\$ 2,850,000	Elderly	38	30	9%	4/2/2019
19136	Luna Flats	San Antonio	Bexar	9	NC	\$ 4,000,000	General	69	67	9%	4/2/2019
19139	Hamilton Wolfe Lofts	San Antonio	Bexar	9	NC	\$ 4,000,000	General	74	69	9%	4/2/2019
19332	Avanti at South Bluff	Corpus Christi	Nueces	10	Recon	\$ 2,475,000	Elderly	42	15	9%	4/2/2019
19367	Avanti Legacy Bayside	Corpus Christi	Nueces	10	NC	\$ 3,800,000	Elderly	60	23	9%	4/2/2019
19330	Avanti Legacy at Emerald Point	McAllen	Hidalgo	11	NC	\$ 1,050,000	Elderly	90	6	9%	4/2/2019
19331	Avanti at Emerald Point	McAllen	Hidalgo	11	NC	\$ 2,000,000	General	72	11	9%	4/2/2019
19202	Heritage Heights at Big Spring	Big Spring	Howard	12	NC	\$ 2,745,000	Elderly	66	20	9%	4/2/2019
Total Amount Requested Under General Set Aside: Development Sites in non-PJs						\$ 25,306,000	Total Units	625	215		
Total Amount Requested Under General Set Aside: Development Sites in PJs						\$ 44,520,000	Total Units	1,602	454		
Total Amount Requested Under General Set Aside: TOTAL						\$ 69,826,000	Total Units	2,227	669		
Total Amount Awarded Under General Set Aside (HOME)						\$ -	Total Units	0	0		
Total Amount Awarded Under General Set Aside (TCAP RF)						\$ -	Total Units	0	0		
Total Amount Awarded Under General Set Aside (NSP1 PI)						\$ -	Total Units	0	0		
Total Amount Remaining Under General Set Aside (HOME)						\$ 14,443,221					
Total Amount Remaining Under General Set Aside (TCAP RF)						\$ 11,160,000					
Total Amount Remaining Under General Set Aside (NSP1 PI)						\$ 4,500,000					

1 = Housing Activity: New Construction=NC, Rehabilitation=R, ADR = Adaptive Reuse, Recon = Reconstruction

2= Layering of Other Department Funds: 9%+9% Competitive Tax Credits, 4%+4% Tax Credit Program

3 = Date Received: The date that the application, all required 3rd Party Reports, and Application Fees (if applicable) were received. All 2019 9%-layered applications were considered received 4/2/19 in accordance with 10 TAC §13.4(c)(2).

7d

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

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**TO BE POSTED
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BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
MAY 23, 2019

Presentation, discussion and possible action on staff determinations regarding Neighborhood Risk Factors for 19013, Our Lady of Charity.

RECOMMENDED ACTION

WHEREAS, pursuant to 10 TAC §11.101(a)(3) of the 2019 Qualified Allocation Plan related to Neighborhood Risk Factors, if a Development Site has any of the characteristics described in subparagraph B of the subsection, the Applicant must disclose the presence of each such characteristic to the Department at the time the Application is submitted to the Department;

WHEREAS, 19013 Our Lady of Charity disclosed the presence of Neighborhood Risk Factors and submitted documentation regarding the mitigation of those risk factors; and

WHEREAS, staff has conducted a further review of the proposed site and the surrounding neighborhoods pursuant to 10 TAC §11.101(a)(3) and prepared a summary to the Board;

NOW, therefore, it is hereby,

RESOLVED, that the Board determine for 19013 Our Lady of Charity whether the information regarding mitigation of the neighborhood risk factors is sufficient and supports site eligibility under the requirements of 10 TAC §11.101(a)(3) of the Qualified Allocation Plan.

BACKGROUND

Pursuant to 10 TAC §11.101(a)(3) of the 2019 Qualified Allocation Plan (QAP) related to Neighborhood Risk Factors, disclosure is required if one or more of the neighborhood risk factors exists where the proposed Development Site is located. Applicants are required to provide a Neighborhood Risk Factors Report (NRFR), which includes information regarding mitigating factors and general description of the site and surrounding area.

The following describes the results of staff's review for 2019 Competitive Housing Tax Credit (HTC) Application 19013 Our Lady of Charity. The information identifies the HTC Development/Application number, the name of the Development, the region, and the city, along with staff's comments with respect to eligibility of the site. A brief summary of each disclosure

has been included and is followed by Department staff's analysis of the disclosure for the Site and the proposed mitigation from the Applicant.

Pursuant to 10 TAC §11.101(a)(3), the Department's Governing Board has final decision making authority in making an affirmative determination of finding a Site eligible or ineligible. Should the Board make the determination that a Development Site is ineligible, the termination of the Application resulting from such Board action is not subject to further appeal.

TDHCA ID#	Dev. Name	Region	City
19013	Our Lady of Charity	9	San Antonio

Our Lady of Charity, is a proposed New Construction / Adaptive Reuse Development involving historic church structures on property owned by the San Antonio Housing Authority. Historic buildings on the property will be converted to residential Units and existing residential Units on the site in non-historic buildings will be demolished and replaced with New Construction residential buildings. This neighborhood area has a variety of land uses including single family residential, recreational parks and facilities, a public community college, and a limited number of multifamily developments. The proposed Development will have 72 Units and will serve the general population.

Summary of Disclosure: The proposed Development is located within census tract 48029130500, which has a poverty rate of 48.4%.

Mitigation Efforts: According to 10 TAC 11.101(a)(3)(D)(i), acceptable mitigation for poverty includes "evidence that the poverty rate within the census tract has decreased over the five-year period preceding the date of Application, or that the census tract is contiguous to a census tract with a poverty rate below 20% and there are no physical barriers between them . . ." This clause further reads that "other mitigation may include, but is not limited to, evidence of substantial job growth and employment opportunities, career training opportunities or job placement services, evidence of gentrification in the area (including an increase in property values) which may include contiguous census tracts that could conceivably be considered part of the neighborhood containing the proposed Development, and a clear and compelling reason that the Development should be located at the Site."

The Applicant claims that there has been a decrease in poverty in the past three years. While true, that statement is based on the selection of the highest point and the lowest point of past poverty rates. Looking back over five years, as required by rule, poverty has increased in the census tract, as demonstrated in the table below.

The Applicant notes that median household incomes have increased, from \$20,576 in 2012 to \$24,248 in 2017, about a 17% increase. By comparison, the city of San Antonio's median household income increased from \$44,937 to \$49,711 in the intervening years, representing only an 11% increase (not adjusting for inflation). Furthermore, the Applicant points to data that

suggests there has been a 22% rise in residential property values between 2012 and 2017 (not adjusting for inflation), compared to a 12% increase in the intervening years for the city of San Antonio.

Poverty Rate for Census Tract 48029130500						
Variable	2012	2013	2014	2015	2016	2017
Poverty Rate for Individuals	42.5%	42.5%	45.8%	51.1%	48.4%	45.1%
Median Income (not adjusted for inflation)	\$20,576	\$21,139	\$21,998	\$22,255	\$23,982	\$24,248

Staff Determination: Given the fairly static poverty rate over a five year period, staff was not able to conclude that suggested gentrification has had any material impact on the socio-economic indicators of the neighborhood. However, the census tract's median household incomes' and median home values' slightly outpacing the City's baseline increases may suggest that such changes may become evident in the data in the future. Given the ambiguity in this very particular situation, staff is asking that the Board make a determination regarding eligibility of the proposed Development Site in regards to this neighborhood risk factor.

Summary of Disclosure: The Applicant disclosed that the Part I Violent Crime rate, according to NeighborhoodScout, is above 18 incidents per 1,000 persons annually.

Mitigation Efforts: According to data from the San Antonio Police Department, the violent crime rate for the census tract was 10.01 in 2017 and 6.61 in 2018.

Staff Determination: Staff is recommending that the Board find the site eligible in regard this issue.

Summary of Disclosure: The Applicant disclosed that there are some homes and properties that are vacant or in disrepair.

Mitigation Efforts: The Applicant provided evidence of significant residential redevelopment activity within 1,000 feet of the proposed Development Site, suggesting that improvements are being made to the housing stock in the neighborhood, helping to offset the blight. The Applicant also points to the city of San Antonio's Vacant Dwelling Ordinance, which the San Antonio Housing Authority and other neighborhood organizations have leveraged in encouraging redevelopment of vacant properties and regular enforcement. A staff visit to the site confirmed that the blight in question is not of such a nature as to render the site ineligible, and staff can confirm that several homes are being rehabilitated throughout the neighborhood.

Staff Determination: Staff is recommending that the Board find the site eligible in regard to this issue.

Summary of Disclosure: Davis Middle School was rated Improvement Required for 2018.

Mitigation Efforts: As mitigation, the Applicant provided the school's Targeted Improvement Plan and a letter from Pedro Martinez, Superintendent of the San Antonio Independent School District (SAISD), regarding the district's efforts to achieve a Met Standard rating. Additionally, Superintendent Martinez explains that students zoned to David Middle School may attend a school in the District that has a Met Standard rating through the SAISD Choice School Program. The Applicant commits that, if the school district will not provide transportation to these alternative schools, it will provide no-cost transportation until such time the school has achieved a Met Standard rating. This meets the requirements for acceptable mitigation of 10 TAC §11.101(a)(3)(D)(iv), which asks for, among other things, “documentation from a person authorized to speak on behalf of the school district with oversight of the school in question that indicates the specific plans in place and current progress towards meeting the goals and performance objectives identified in the Campus Improvement Plan . . .” or, alternatively, confirmation from the school district that a “school age person at the proposed Development Site, may, as a matter of right, attend a school in the District that has a Met Standard rating or better,” and the Applicant will provide no-cost transportation to a Middle School that has a Met Standard rating or better, if the district will not.

Staff Determination: Staff is recommending that the Board find the site eligible in regard to this issue, subject to demonstration of the no-cost transportation as further described in the REA Underwriting Report and the Land Use Restriction Agreement.

19013
Our Lady of Charity



Neighborhood Risk Factors Report Packet

The purpose of the packet is to formalize the process in which neighborhood risk factors (“NRF”) are disclosed and the NRF Report is submitted pursuant to 10 TAC §11.101(a)(3) of the Qualified Allocation Plan (“QAP”). The packet may be submitted at pre-application (if applicable per 10 TAC §11.8(b) relating to Pre-Application Requirements) or at Application. Applicants who wish to submit a request for pre-determination prior to pre-application or Application are advised to review 10 TAC §11.101(a)(3) for additional guidance. Termination due to an Applicant’s own non-disclosure is not appealable as such appeal is in direct conflict with certifications made in the Application and within the control of the Applicant.

Pursuant to 10 TAC §11. 8(b), related to Pre-application Participation, the competitive HTC pre-application must identify neighborhood risk factors related to crime and schools.

Pre-application Disclosure: Pre-application # 19013 Development Name Our Lady of Charity

Application Disclosure: Application # 19013 Development Name Our Lady of Charity

My Development Site includes the following neighborhood risk factor(s) (Check all that apply):

Development Site is located in a census tract has poverty rate above 40% for individuals (or 55% for Developments in regions 11 and 13).

Development Site is located in a census tract (or for any adjacent census tract with a boundary less than 500 feet from the proposed Development Site that is not separated from the Development Site by a natural barrier such as a river or lake, or an intervening restricted area, such as a military installation) in an Urban Area and the rate of Part I violent crime is greater than 18 per 1,000 persons annually as reported on <https://www.neighborhoodscout.com/>.

Development Site is located within 1,000 ft. (measured from nearest boundary of the Site to the nearest boundary of blighted structure) of multiple vacant structures that have fallen into such significant disrepair, overgrowth, and/or vandalism that they would commonly be regarded as blighted or abandoned.

Development Site is located within the attendance zones of an elementary school, a middle school, or a high school that does not have a Met Standard rating by the Texas Education Agency, based on the 2018 Accountability Ratings (unless the school is “Not Rated” because it meets the TEA Hurricane Harvey Provision, in which case the 2017 rating will apply).

Neighborhood Risk Factors Report:

I have submitted information for the items listed below, or such other mitigation as the Applicant determines appropriate to support a Board determination that the proposed Development Site should be found eligible, as such information might be considered to pertain to the neighborhood risk factor(s) disclosed, pursuant to 10 TAC §11.101(a)(3)(C) of the QAP. Such information is included behind this page.

- Determination regarding neighborhood boundaries;
- Assessment of general land use in the neighborhood;
- Assessment concerning any of the features of the neighborhood risk factors present in the neighborhood, regardless of whether they are within the specified distances referenced in 10 TAC §11.101(a)(2);
- Assessment of the number of existing affordable rental units in the Primary Market Area (PMA), including comment on concentration based on the size of the PMA;
- Assessment of the percentage of households residing in the census tract that have household incomes equal to or greater than the median household income for the MSA or county where the Development site is located;
- Assessment of the number of market rate multifamily units in the neighborhood and their current rents and levels of occupancy;
- Assessment, for the previous two academic years, of school performance for each of the schools in the attendance zone containing the Development that did not achieve the Met Standard rating for 2018 (unless the school is “Not Rated” because it meets the TEA Hurricane Harvey Provision, in which case the 2017 rating will apply), that includes the TEA Accountability Rating Report, a discussion of performance indicators and what progress has been made over the prior year, and the campus improvement plan in effect. If there is an update to the plan that shows progress made under the plan, provide the update. If no update is available, provide information from a school official that speaks to progress made under the plan as indicated in 10 TAC §11.101(a)(3)(D)(iv); and
- Additional information, if requested by the Department.

Provide any comments or additional information in the box below, if applicable.

Mitigation of the Neighborhood Risk Factor (s):

I have provided information regarding mitigation of the above-mentioned neighborhood risk factors, as applicable, behind this page, along with a summary narrative describing how the information presented meets the requirements of 10 TAC §11.101(a)(3)(D) of the QAP, or;

Waiver of the Neighborhood Risk Factor (s):

I am requesting a waiver of the presence of the above-mentioned neighborhood risk factors, as applicable, pursuant to 10 TAC §11.101(a)(3)(E) of the QAP, on the basis that the Development is necessary to enable the state, a participating jurisdiction, or an entitlement community to comply with its obligation to affirmatively further fair housing, a HUD approved Conciliation Agreement, or a final and non-appealable court order. Documentation to that effect is included herein with the disclosure and waiver request.

Provide any comments or additional information in the box below, if applicable.

Department Contacts:

9% HTC Applications: Sharon.Gamble@TDHCA.state.tx.us (9% Program Administrator)

4% HTC and Tax-Exempt Bond Applications: Teresa.Morales@TDHCA.state.tx.us (Multifamily Manager)

Direct Loan Only Applications: Andrew.Sinnott@TDHCA.state.tx.us (Multifamily Loan Programs Manager)

How to Submit the NRF Report Packet:

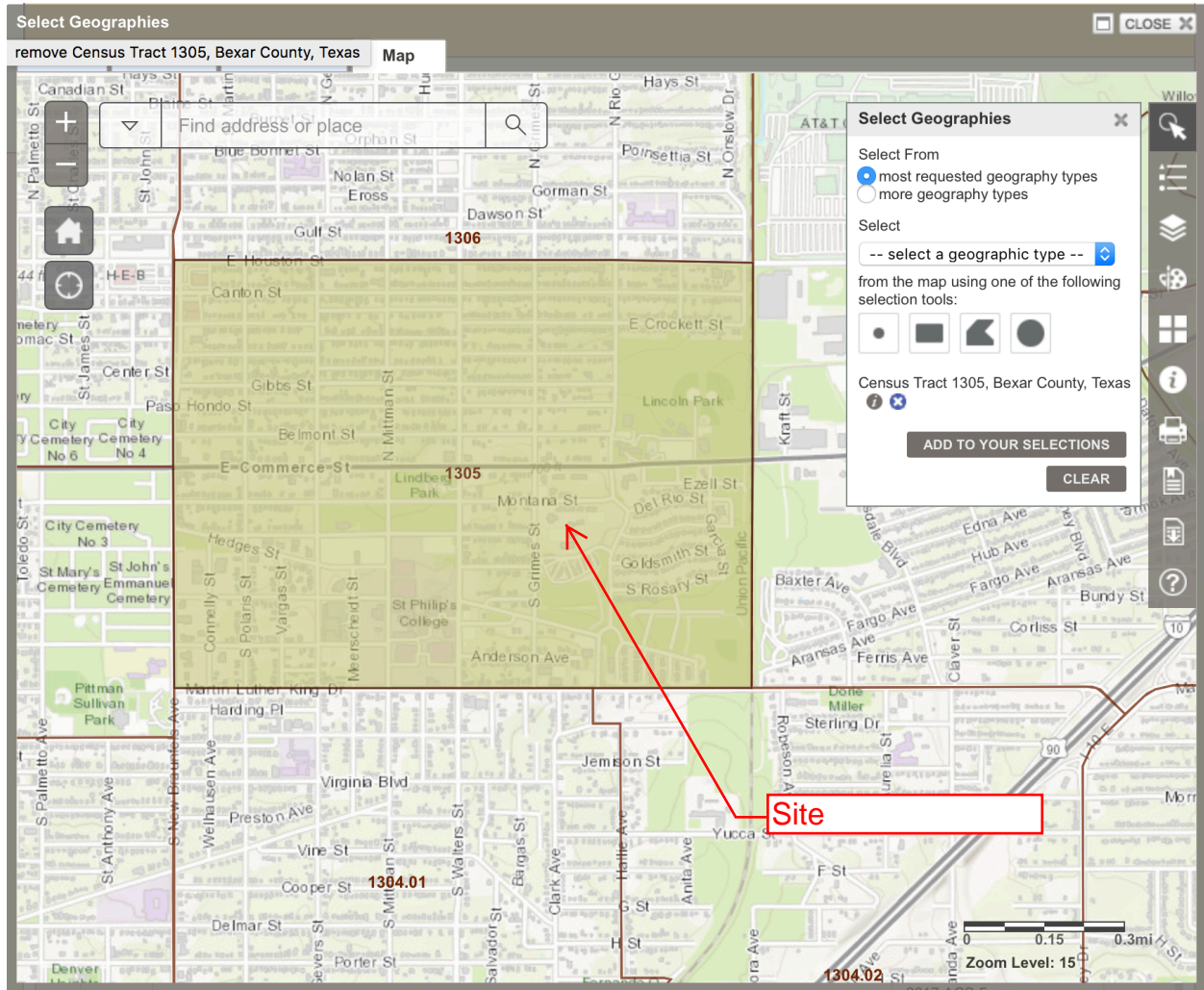
- Upload if a Serv-U Account has been set-up for the pre-application or Application and notify the appropriate contact person of the upload (refer to the Multifamily Programs Procedures Manual posted at <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm> for an explanation of the process to set-up a Serv-U Account if needed);

Or

- Include the packet behind tab 2 of the Uniform Multifamily Application.

Our Lady of Charity Neighborhood Risk Factors Report

This Application is required to disclose all four Neighborhood Risk Factors under Section 11.101(a)(3) of the 2019 QAP. The Neighborhood is determined to be the census tract and surrounding area as shown on the map below.



This neighborhood area has a variety of land uses including single family residential, recreational parks and facilities, a public community college, with a limited number of apartments.

Mitigation for each Neighborhood Risk Factor is discussed individually. We believe that the evidence presented demonstrates actions being taken that would lead staff and/or the Board to conclude that there is a high probability and reasonable expectation that all risk factors will be sufficiently mitigated or significantly improved within a reasonable time and that the risk factors demonstrate a positive trend and continued improvement.

Our Lady of Charity
Poverty

This Application is required to disclose a Neighborhood Risk Factor under the 2019 QAP for §11.101(a)(3)(A)(b)(i).

(i) The Development Site is located within a census tract that has a poverty rate above 40 percent for individuals (or 55 percent for Developments in regions 11 and 13).

The Development Site is located within census tract 1305, which has a 48.4% poverty rate according to US Census ACS table S1701. There is a decrease in the poverty rate for the census tract over the past 3 years.

S1701	Poverty
ACS 5 year	
2017	45.1
2016	48.4
2015	51.1
2014	45.8
2013	42.5
2012	42.5

Table B19013 shows a clear increase in median income for the census tract. Table S2301 shows an increase in the number of persons age 16+ who are employed.

B19013	Income
ACS 5 year	
2017	24,248
2016	23,982
2015	22,255
2014	21,998
2013	21,139
2012	20,576

S2301	Employment
ACS 5 year	
2017	50.7
2016	50.3
2015	43
2014	46.3
2013	47.3
2012	45.4

Table B25077 shows an increase in the median value of owner-occupied homes.

B25077	Median Value
ACS 5 year	
2017	67,500
2016	65,000
2015	58,900
2014	57,800
2013	56,400
2012	54,900

Finally, Table S1901 shows steady and increasing percentages of households with incomes over \$35,000 and \$50,000.

S1901						
ACS 5 year						
Income	2012	2013	2014	2015	2016	2017
\$35-50	9.1	11.6	11.9	13.9	12.3	9.5
\$50-75	13.1	13.9	11.7	10.3	10.5	15.7
\$75-100	3.2	5.3	5.2	3.5	4.2	2.7
\$100-150	0.6	0.5	0.5	1	0.8	4
\$150-200	1.6	1.9	1.5	0	0.3	0.3
\$200+	0	0	0	0	0	0
Total 35+	27.6	33.2	30.8	28.7	28.1	32.2
Total 50+	18.5	21.6	18.9	14.8	15.8	22.7

Per the QAP, mitigation for this Neighborhood Risk Factor may include “Evidence that the poverty rate within the census tract has decreased over the five-year period preceding the date of Application” and “evidence of gentrification in the area (including an increase in property values).” This census tract has a decreasing poverty rate, increasing median income, increasing employment rate, and increasing median value of occupied homes. There is a clear trend of improvement in the area.

Our Lady of Charity
Crime

This Application is required to disclose a Neighborhood Risk Factor under 2019 QAP for §11.101(a)(3)(A)(b)(ii).

(ii) The Development Site is located in a census tract (or for any adjacent census tract with a boundary less than 500 feet from the proposed Development Site that is not separated from the Development Site by a natural barrier such as a river or lake, or an intervening restricted area, such as a military installation) in an Urban Area and the rate of Part I violent crime is greater than 18 per 1,000 persons (annually) as reported on neighborhoodscout.com.

The Development Site is located within census tract 1305 and is not within 500 ft of another census tract. Part 1 violent crime data for census tract 1305 was requested from the San Antonio Police Department for years 2017 and 2018. The response and data is attached. For the 2017 calendar year, there were 50 violent crimes committed in the census tract. For the 2018 calendar year, there were 33 violent crimes committed in the census tract. This represents a 34% decrease in violent crime from 2017 to 2018.

Neighborhood Scout states that the crime data on their website is 2017 incident data. Calculating the rate of violent crime per 1,000 persons in the census tract using actual San Antonio Police Department records and using the 2017 US Census population of 4,991 for the census tract, yields the following:

2017

50 violent crimes per 4,991 persons = 10.01 violent crimes per 1,000 persons

2018

33 violent crimes per 4,991 persons = 6.61 violent crimes per 1,000 persons

Using the 2016 US Census population of 4,777 for the census tract yields the following:

2017

50 violent crimes per 4,777 persons = 10.47 violent crimes per 1,000 persons

2018

33 violent crimes per 4,777 persons = 6.91 violent crimes per 1,000 persons

Per the QAP, mitigation for this Neighborhood Risk Factor may include instances where “the data and evidence reveal that the data reported on neighborhoodscout.com does not accurately reflect the true nature of what is occurring and what is actually occurring does not rise to the level to cause a concern to the Board over the level of Part I violent crime for the location.” For both years and using both population estimates from the US Census, the actual rate of violent crime in census tract 1305 is well below 18 per 1,000 persons annually and has also significantly decreased from 2017 to 2018.



Alyssa Carpenter <ajcarpen@gmail.com>

FW: Police Records Request :: W250852-020619

Luis Noriega <LNoriega@franklindev.net>

Tue, Feb 26, 2019 at 12:15 PM

To: Alyssa Carpenter <ajcarpen@gmail.com>

Cc: Lucila Diaz <Lucila@franklindev.net>, Sarah Anderson <sarah@sarahandersonconsulting.com>

See email below,

Jose Luis Noriega

Development Project Manager

Franklin Development

c: 210.639.6560 o: 210.694.2223 ext. 215

From: NStudio Architecture - Interior Design <noriegastudio@gmail.com>

Sent: Tuesday, February 26, 2019 11:20 AM

To: Luis Noriega <LNoriega@franklindev.net>

Subject: Fwd: Police Records Request :: W250852-020619

----- Forwarded message -----

From: City of San Antonio - Open Government <sanantoniotx@mycusthelp.net>

Date: Mon, Feb 25, 2019 at 11:23 AM

Subject: Police Records Request :: W250852-020619

To: noriegastudio@gmail.com <noriegastudio@gmail.com>

Attachments:

[W250852_2017_Crime_List_with_Census_Tract.xlsx](#)

[W250852_2017_Murder_List_with_census_tract.xlsx](#)

[W250852_2018_Crime_List_with_Census_Tract.xlsx](#)

[W250852_2018_Murder_List_with_census_tract.xlsx](#)

--- Please respond above this line ---

Mr. Noriega,

Attached is the requested information.

Sincerely,

Open Records Office

315 S. Santa Rosa

San Antonio, Texas 78207

(210)207-7320

CASE_NUM	DATE_ON	TIME	DOW	CRIME	CRIME_DESC	HOUSE_NO	STREET	ZIP	DISTRICT	Census Tract	AGENCY
SAPD17079503	1/1/17	0:00:00	SUNDAY	Aggravated Sexual Assault	AGG SEXUAL ASSAULT-CHILD		E CROCKETT ST	78202	4140	1305	SAPD
SAPD17005673	1/8/17	15:00:00	SUNDAY	Aggravated Family Violence	ASSAULT-FAMILY-CHOKING/STRANGULATION	521	S POLARIS	78203	4140	1305	SAPD
SAPD17013822	1/15/17	8:00:00	SUNDAY	Sexual Assault	SEXUAL ASSAULT		GIBBS ST	78202	4140	1305	SAPD
SAPD17012275	1/16/17	16:20:00	MONDAY	Aggravated Family Violence	ASSAULT-FAMILY-CHOKING/STRANGULATION		CANTON ST	78202	4140	1305	SAPD
SAPD17028767	2/5/17	21:30:00	SUNDAY	Aggravated Assault	AGG ASSAULT-S-B-INJURY	135	CONNELLY ST	78203	4140	1305	SAPD
SAPD17040042	2/19/17	22:13:00	SUNDAY	Aggravated Assault	AGG ASSLT W/DEADLY WPN	214	VARGAS ST	78203	4140	1305	SAPD
SAPD17043690	2/24/17	15:55:00	FRIDAY	Aggravated Family Violence	ASSAULT-FAMILY-CHOKING/STRANGULATION	2200	E HOUSTON ST	78202	4140	1305	SAPD
SAPD17054994	3/11/17	10:02:00	SATURDAY	Aggravated Assault	AGG ASSLT W/DEADLY WPN	200	S POLARIS	78203	4140	1305	SAPD
SAPD17054994	3/11/17	10:02:00	SATURDAY	Aggravated Assault	AGG ASSLT W/DEADLY WPN	200	S POLARIS	78203	4140	1305	SAPD
SAPD17067085	3/27/17	6:00:00	MONDAY	Aggravated Assault	AGG ASSAULT-S-B-INJURY	2528	E HOUSTON ST	78202	4140	1305	SAPD
SAPD17070416	3/31/17	0:15:00	FRIDAY	Robbery Individual	ROBBERY INDIVIDUAL		E COMMERCE ST	78203	4120	1305	SAPD
SAPD17074324	4/4/17	23:49:00	TUESDAY	Aggravated Robbery Individual	AGGRAVATED ROBBERY INDIVIDUAL	1700	BLK E CROCKETT ST	78202	4140	1305	SAPD
SAPD17074410	4/5/17	5:19:00	WEDNESDAY	Sexual Assault	SEXUAL ASSAULT		CENTER ST	78202	4140	1305	SAPD
SAPD17079758	4/7/17	18:00:00	FRIDAY	Aggravated Sexual Assault	AGG SEXUAL ASSAULT-CHILD		E CROCKETT ST	78202	4140	1305	SAPD
SAPD17077970	4/9/17	14:30:00	SUNDAY	Aggravated Assault	AGG ASSAULT -SBI	2200	E HOUSTON ST	78202	4140	1305	SAPD
SAPD17079569	4/11/17	13:20:00	TUESDAY	Robbery Business	ROBBERY BUSINESS	414	N NEW BRAUNFELS AVE	78202	4140	1305	SAPD
SAPD17085747	4/19/17	8:30:00	WEDNESDAY	Robbery Individual	ROBBERY INDIVIDUAL	2528	E HOUSTON ST	78202	4140	1305	SAPD
SAPD17092659	4/27/17	14:40:00	THURSDAY	Aggravated Robbery Individual	AGGRAVATED ROBBERY INDIVIDUAL	400	N NEW BRAUNFELS AVE	78202	4140	1305	SAPD
SAPD17101737	5/8/17	18:50:00	MONDAY	Robbery Individual	ROBBERY INDIVIDUAL	222	S NEW BRAUNFELS AVE	78203	4140	1305	SAPD
SAPD17111328	5/20/17	13:30:00	SATURDAY	Aggravated Family Violence	ASSAULT-FAMILY-CHOKING/STRANGULATION	210	S GRIMES ST	78203	4140	1305	SAPD
SAPD17115804	5/26/17	1:10:00	FRIDAY	Aggravated Robbery Individual	AGGRAVATED ROBBERY INDIVIDUAL - VEHICLE	1900	MONTANA ST	78203	4140	1305	SAPD
SAPD17262366	6/1/17	0:00:00	THURSDAY	Sexual Assault	SEXUAL ASSAULT - CHILD		MARTIN LUTHER KING DR	78203	4140	1305	SAPD
SAPD17135969	6/20/17	9:50:00	TUESDAY	Aggravated Assault	AGG ASSAULT-S-B-INJURY		E HOUSTON ST	78202	4130	1305	SAPD
SAPD17137330	6/21/17	19:30:00	WEDNESDAY	Aggravated Assault	AGG ASSLT W/DEADLY WPN	2403	E COMMERCE ST	78203	4140	1305	SAPD
SAPD17146261	6/23/17	2:00:00	FRIDAY	Sexual Assault	SEXUAL ASSAULT - CHILD		N RIO GRANDE ST	78202	4140	1305	SAPD
SAPD17148406	7/5/17	10:00:00	WEDNESDAY	Aggravated Family Violence	CONTINUOUS VIOLENCE AGAINST FAMILY	1801	MARTIN LUTHER KING DR	78203	4140	1305	SAPD
SAPD17151841	7/10/17	0:00:00	MONDAY	Sexual Assault	SEXUAL ASSAULT		MONTANA ST	78203	4140	1305	SAPD
SAPD17153328	7/12/17	15:00:00	WEDNESDAY	Aggravated Robbery Business	AGGRAVATED ROBBERY BUSINESS	430	S NEW BRAUNFELS AVE	78203	4140	1305	SAPD
SAPD17155243	7/14/17	17:30:00	FRIDAY	Aggravated Assault	AGG ASSAULT -SBI	2403	E COMMERCE ST	78203	4140	1305	SAPD
SAPD17175661	8/9/17	15:45:00	WEDNESDAY	Aggravated Family Violence	ASSAULT-FAMILY-CHOKING/STRANGULATION	2050	E CROCKETT ST	78202	4140	1305	SAPD
SAPD17184576	8/20/17	17:10:00	SUNDAY	Aggravated Assault	AGG ASSLT W/DEADLY WPN	523	S POLARIS	78203	4140	1305	SAPD
SAPD17196225	9/4/17	23:40:00	MONDAY	Aggravated Robbery Individual	AGGRAVATED ROBBERY INDIVIDUAL	903	POTOMAC ST	78202	4140	1305	SAPD
SAPD17204941	9/15/17	18:17:00	FRIDAY	Aggravated Assault	AGG ASSLT W/DEADLY WPN		E HOUSTON ST	78202	4140	1305	SAPD
SAPD17205890	9/16/17	23:30:00	SATURDAY	Aggravated Robbery Individual	AGGRAVATED ROBBERY INDIVIDUAL	2200	BLK E HOUSTON ST	78202	4140	1305	SAPD
SAPD17207939	9/19/17	13:27:00	TUESDAY	Robbery Individual	ROBBERY INDIVIDUAL		N NEW BRAUNFELS AVE	78202	4140	1305	SAPD
SAPD17208446	9/20/17	6:50:00	WEDNESDAY	Sexual Assault	SEXUAL ASSAULT		N NEW BRAUNFELS AVE	78202	4140	1305	SAPD
SAPD17262362	10/9/17	0:00:00	MONDAY	Sexual Assault	SEXUAL ASSAULT - CHILD		MARTIN LUTHER KING DR	78203	4140	1305	SAPD
SAPD17224667	10/10/17	19:00:00	TUESDAY	Aggravated Assault	AGG ASSLT W/DEADLY WPN	1329	PASO HONDO ST	78202	4140	1305	SAPD
SAPD17224576	10/10/17	17:05:00	TUESDAY	Aggravated Assault	AGG ASSLT W/DEADLY WPN	814	POTOMAC ST	78202	4140	1305	SAPD
SAPD17233322	10/21/17	19:00:00	SATURDAY	Robbery Individual	ROBBERY INDIVIDUAL		MONTANA ST	78203	4140	1305	SAPD
SAPD17234178	10/22/17	20:15:00	SUNDAY	Aggravated Family Violence	AGG ASSLT WDW+SBI-FAM/DATING	651	S RIO GRANDE ST	78203	4140	1305	SAPD
SAPD17246402	11/7/17	3:20:00	TUESDAY	Aggravated Assault	AGG ASSLT W/DEADLY WPN	100	N POLARIS	78203	4140	1305	SAPD
SAPD17247480	11/8/17	13:00:00	WEDNESDAY	Aggravated Assault	AGG ASSLT W/DEADLY WPN	1503	GIBBS ST	78202	4140	1305	SAPD
SAPD17257212	11/13/17	6:00:00	MONDAY	Sexual Assault	SEXUAL ASSAULT		BLK GIBBS ST	78202	4140	1305	SAPD
SAPD17255808	11/19/17	1:15:00	SUNDAY	Aggravated Assault	AGG ASSLT W/DEADLY WPN	247	BELMONT	78202	4140	1305	SAPD
SAPD17261187	11/27/17	7:05:00	MONDAY	Aggravated Robbery Business	AGGRAVATED ROBBERY BUSINESS	222	N NEW BRAUNFELS AVE	78202	4140	1305	SAPD
SAPD17264549	12/1/17	9:01:00	FRIDAY	Aggravated Sexual Assault	AGG SEXUAL ASSAULT-CHILD		E COMMERCE ST	78203	4140	1305	SAPD
SAPD17268351	12/6/17	3:15:00	WEDNESDAY	Aggravated Assault	AGG ASSLT W/DEADLY WPN	1515	MONTANA ST	78203	4140	1305	SAPD
SAPD17278898	12/20/17	0:01:00	WEDNESDAY	Sexual Assault	SEXUAL ASSAULT		VHOORIES	78203	4140	1305	SAPD

CASE_NUM	DATE_ON	CRIME	CRIME_DESC	HOUSE_NO	STREET	ZIP	DOW	TIME	DISTRICT	Census Tract	AGENCY
SAPD18008535	1/13/18	Aggravated Family Violence	ASSAULT-FAMILY-CHOKING/STRANGULATION	1032	GIBBS ST	78202	SATURDAY	5:44:00	4140	1305	SAPD
SAPD18047084	3/7/18	Aggravated Robbery Business	AGGRAVATED ROBBERY BUSINESS	222	N NEW BRAUNFELS AVE	78202	WEDNESDAY	7:10:00	4140	1305	SAPD
SAPD18055817	3/11/18	Aggravated Sexual Assault	AGG SEXUAL ASSAULT-CHILD		S POLARIS	78203	SUNDAY	10:05:00	4140	1305	SAPD
SAPD18057737	3/21/18	Robbery Business	ROBBERY BUSINESS	222	N NEW BRAUNFELS AVE	78202	WEDNESDAY	8:40:00	4140	1305	SAPD
SAPD18068781	4/4/18	Aggravated Assault	AGG ASSLT W/DEADLY WPN	754	CANTON ST	78202	WEDNESDAY	13:45:00	4140	1305	SAPD
SAPD18068781	4/4/18	Aggravated Assault	AGG ASSLT W/DEADLY WPN	754	CANTON ST	78202	WEDNESDAY	13:45:00	4140	1305	SAPD
SAPD18101441	5/15/18	Aggravated Assault	AGG ASSLT W/DEADLY WPN	1400	GIBBS ST	78202	TUESDAY	23:15:00	4140	1305	SAPD
SAPD18104614	5/19/18	Aggravated Family Violence	ASSAULT-FAMILY-CHOKING/STRANGULATION	1203	PASO HONDO ST	78202	SATURDAY	22:31:00	4140	1305	SAPD
SAPD18124527	6/9/18	Aggravated Sexual Assault	AGG SEXUAL ASSAULT-CHILD		CENTER ST	78202	SATURDAY	20:00:00	4140	1305	SAPD
SAPD18127865	6/18/18	Aggravated Assault	AGG ASSLT W/DEADLY WPN	2814	E HOUSTON ST	78202	MONDAY	11:40:00	4140	1305	SAPD
SAPD18130776	6/21/18	Aggravated Assault	AGG ASSLT W/DEADLY WPN	2403	E COMMERCE ST	78203	THURSDAY	22:24:00	4140	1305	SAPD
SAPD18162849	6/28/18	Sexual Assault	SEXUAL ASSAULT - CHILD		S POLARIS	78203	THURSDAY	12:53:00	4140	1305	SAPD
SAPD18138310	7/1/18	Aggravated Assault	AGG ASSLT W/DEADLY WPN	715	S RIO GRANDE ST	78203	SUNDAY	16:55:00	4140	1305	SAPD
SAPD18154635	7/9/18	Sexual Assault	SEXUAL ASSAULT		CANTON ST	78202	MONDAY	22:00:00	4140	1305	SAPD
SAPD18146424	7/12/18	Robbery Individual	ROBBERY INDIVIDUAL	827	CANTON ST	78202	THURSDAY	4:54:00	4140	1305	SAPD
SAPD18152250	7/19/18	Robbery Individual	ROBBERY INDIVIDUAL	215	S POLARIS	78203	THURSDAY	16:00:00	4140	1305	SAPD
SAPD18152250	7/19/18	Robbery Individual	ROBBERY INDIVIDUAL	215	S POLARIS	78203	THURSDAY	16:00:00	4140	1305	SAPD
SAPD18168158	8/8/18	Aggravated Robbery Individual	AGGRAVATED ROBBERY INDIVIDUAL	1900	MONTANA ST	78203	WEDNESDAY	22:45:00	4140	1305	SAPD
SAPD18168071	8/8/18	Robbery Individual	ROBBERY INDIVIDUAL	504	N GRIMES ST	78202	WEDNESDAY	19:59:00	4140	1305	SAPD
SAPD18181013	8/9/18	Aggravated Family Violence	ASSAULT-FAMILY-CHOKING/STRANGULATION	1913	MONTANA ST	78203	THURSDAY	18:00:00	4140	1305	SAPD
SAPD18177411	8/20/18	Aggravated Assault	AGG ASSLT W/DEADLY WPN	325	MARYLAND ST	78203	MONDAY	18:45:00	4140	1305	SAPD
SAPD18187664	9/2/18	Aggravated Family Violence	ASSAULT-FAMILY-CHOKING/STRANGULATION	1820	CENTER ST	78202	SUNDAY	16:30:00	4140	1305	SAPD
SAPD18195608	9/13/18	Aggravated Sexual Assault	CONTINUOUS SEX ABUSE-CHILD		GIBBS ST	78202	THURSDAY	11:03:00	4140	1305	SAPD
SAPD18204512	9/25/18	Aggravated Family Violence	ASSAULT-FAMILY-CHOKING/STRANGULATION	1237	PASO HONDO ST	78202	TUESDAY	7:00:00	4140	1305	SAPD
SAPD18213053	10/6/18	Aggravated Assault	AGG ASSLT W/DEADLY WPN	226	BELMONT	78202	SATURDAY	2:49:00	4140	1305	SAPD
SAPD18222877	10/19/18	Aggravated Assault	AGG ASSLT W/DEADLY WPN	1431	CENTER ST	78202	FRIDAY	19:30:00	4140	1305	SAPD
SAPD18231011	10/30/18	Aggravated Assault	AGG ASSLT W/DEADLY WPN	2403	E COMMERCE ST	78203	TUESDAY	22:50:00	4140	1305	SAPD
SAPD18233288	11/2/18	Aggravated Assault	AGG ASSLT W/DEADLY WPN	1038	PASO HONDO ST	78202	FRIDAY	1:30:00	4140	1305	SAPD
SAPD18239078	11/10/18	Robbery Individual	ROBBERY INDIVIDUAL	2212	E COMMERCE ST	78203	SATURDAY	12:00:00	4140	1305	SAPD
SAPD18242703	11/15/18	Robbery Individual	ROBBERY INDIVIDUAL	500	BLK N POLARIS	78202	THURSDAY	18:50:00	4140	1305	SAPD
SAPD18266987	12/19/18	Aggravated Assault	AGG ASSLT W/DEADLY WPN	200	BLK N POLARIS	78202	WEDNESDAY	3:21:00	4140	1305	SAPD

murder

case	house_num	street_nam	sapd_dist	census_tract	date	time	dow
17019033	222	N New Braunfels	4140	1305	1/28/17	1425	Saturday
18049703	2203	E Commerce	4140	1305	3/10/18	1503	SAT
18096683	1000	Canton	4140	1305	5/9/18	2154	WED

[Solution home](#) [Frequently Asked Questions](#) [Crime Data](#)

How current is your crime data?

Modified on: Fri, 28 Dec, 2018 at 3:21 PM

NeighborhoodScout's crime data are always the most recent 'Final, Non-Preliminary' data available as classified by the FBI. It is the most up-to-date and fully-vetted data that is available, with complete national coverage. We insist on using Final, Non-Preliminary data for our analyses and analytics rather than basing our research on preliminary data that may need to be updated or have errors in it.

Because the FBI has to work through data and reporting issues, there is always an 8-10 month lag after the close of a calendar year before the data for that year can be released as Final, Non-Preliminary. **For instance, the crime analytics currently on the site represents incidences that occurred in 2017. The FBI released the 2017 raw crime data in September of 2018. Our team then re-ran our analyses, modified our models, and quality-assurance tested before launching the newly updated crime data in December 2018.**

The FBI will release the 'Final, Non-Preliminary' 2018 calendar-year crime data in the fall of 2019. Until then, what we are using is the most recent data with complete national coverage as per the FBI database.

You can find more information on Scout's crime data here: <https://www.neighborhoodscout.com/about-the-data/crime-rates> [<https://www.neighborhoodscout.com/about-the-data/crime-rates>].





B01003

TOTAL POPULATION

Universe: Total population

2013-2017 American Community Survey 5-Year Estimates

Supporting documentation on code lists, subject definitions, data accuracy, and statistical testing can be found on the American Community Survey website in the Technical Documentation section.

Sample size and data quality measures (including coverage rates, allocation rates, and response rates) can be found on the American Community Survey website in the Methodology section.

Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates of the population for the nation, states, counties, cities, and towns and estimates of housing units for states and counties.

	Census Tract 1305, Bexar County, Texas	
	Estimate	Margin of Error
Total	4,991	+/-511

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see Accuracy of the Data). The effect of nonsampling error is not represented in these tables.

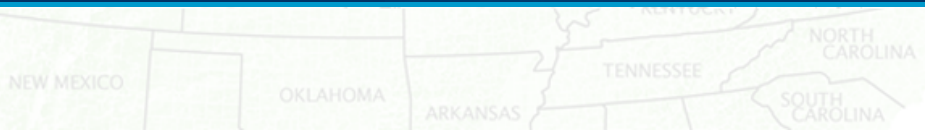
While the 2013-2017 American Community Survey (ACS) data generally reflect the February 2013 Office of Management and Budget (OMB) definitions of metropolitan and micropolitan statistical areas; in certain instances the names, codes, and boundaries of the principal cities shown in ACS tables may differ from the OMB definitions due to differences in the effective dates of the geographic entities.

Estimates of urban and rural populations, housing units, and characteristics reflect boundaries of urban areas defined based on Census 2010 data. As a result, data for urban and rural areas from the ACS do not necessarily reflect the results of ongoing urbanization.

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates

Explanation of Symbols:

1. An '***' entry in the margin of error column indicates that either no sample observations or too few sample observations were available to compute a standard error and thus the margin of error. A statistical test is not appropriate.
2. An '-' entry in the estimate column indicates that either no sample observations or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest interval or upper interval of an open-ended distribution.
3. An '-' following a median estimate means the median falls in the lowest interval of an open-ended distribution.
4. An '+' following a median estimate means the median falls in the upper interval of an open-ended distribution.
5. An '***' entry in the margin of error column indicates that the median falls in the lowest interval or upper interval of an open-ended distribution. A statistical test is not appropriate.
6. An '*****' entry in the margin of error column indicates that the estimate is controlled. A statistical test for sampling variability is not appropriate.
7. An 'N' entry in the estimate and margin of error columns indicates that data for this geographic area cannot be displayed because the number of sample cases is too small.
8. An '(X)' means that the estimate is not applicable or not available.



B01003

TOTAL POPULATION

Universe: Total population

2012-2016 American Community Survey 5-Year Estimates

Supporting documentation on code lists, subject definitions, data accuracy, and statistical testing can be found on the American Community Survey website in the Data and Documentation section.

Sample size and data quality measures (including coverage rates, allocation rates, and response rates) can be found on the American Community Survey website in the Methodology section.

Tell us what you think. Provide feedback to help make American Community Survey data more useful for you.

Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates of the population for the nation, states, counties, cities and towns and estimates of housing units for states and counties.

	Census Tract 1305, Bexar County, Texas	
	Estimate	Margin of Error
Total	4,777	+/-435

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see Accuracy of the Data). The effect of nonsampling error is not represented in these tables.

While the 2012-2016 American Community Survey (ACS) data generally reflect the February 2013 Office of Management and Budget (OMB) definitions of metropolitan and micropolitan statistical areas; in certain instances the names, codes, and boundaries of the principal cities shown in ACS tables may differ from the OMB definitions due to differences in the effective dates of the geographic entities.

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Source: U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates

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1. An '***' entry in the margin of error column indicates that either no sample observations or too few sample observations were available to compute a standard error and thus the margin of error. A statistical test is not appropriate.
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Our Lady of Charity
Blight

This Application is required to disclose a Neighborhood Risk Factor under 2019 QAP for §11.101(a)(3)(A)(b)(iii).

(iii) The Development Site is located within 1,000 feet (measured from nearest boundary of the Site to the nearest boundary of blighted structure) of multiple vacant structures that have fallen into such significant disrepair, overgrowth, and/or vandalism that they would commonly be regarded as blighted or abandoned.

The Development Site is located within a revitalizing area of San Antonio but there are still some homes and properties that are vacant and in disrepair. However, as shown in the following photographs taken in February 2019, there is the new construction of many homes within 1,000 feet of the Development Site. Additionally, US Census ACS table S1701 shows a clear increase in the median value of owner occupied housing units in the census tract.

	Median Value of Owner Occupied Housing Units
b25077	
ACS 5 year	
2017	67,500
2016	65,000
2015	58,900
2014	57,800
2013	56,400
2012	54,900

The Development Site is owned by the San Antonio Housing Authority, which has been active with revitalization activities in the area as described in the following letter. The Development Site is also within the City of San Antonio’s Inner City TIRZ that is funding revitalization projects in the area. Information on the Inner City TIRZ is in the CRP packet submitted with the Application.

Per the QAP, mitigation for this Neighborhood Risk Factor may include “new construction in the area already underway that evidences public and/or private investment” and “In instances where blight exists but may only include a few properties, mitigation efforts could include partnerships with local agencies to engage in community-wide clean-up efforts, or other efforts to address the overall condition of the neighborhood.” As shown in recent photographs of the immediate area and documentation from the San Antonio Housing Authority, there is new construction underway in the area, and increase in property values, and there are efforts to improve the overall condition of the area.

105 Grimes



607 Belmont



642 Belmont



217 Mitman



422 Belmont



420 Belmont



450 Belmont



527 Belmont



2806 Del Rio



2335 Dakota





2347 Dakota



311 Maryland

1851 Montana



1846 Montana

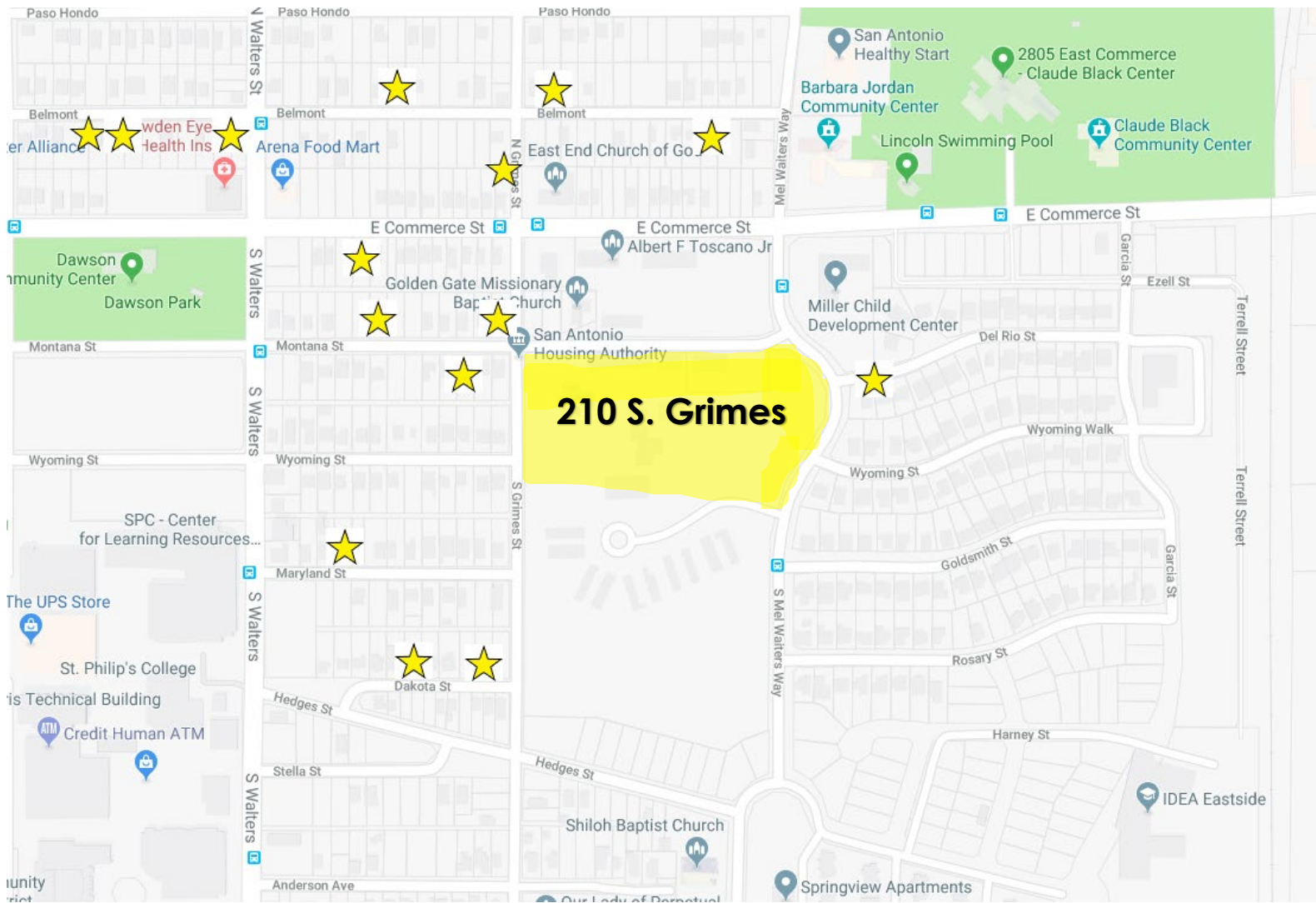


1819 Montana



2622 Commerce





**★ New Housing Developments within 1000 ft
210 S. Grimes,
San Antonio TX
78203**



March 1, 2019

Mr. David Cervantes
Acting Director
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701-2410

Re: Tax Credit Blight Improvement for Our Lady of Charity, TDHCA Application #19013

Dear Mr. Cervantes:

In December 2012, the San Antonio Housing Authority(SAHA) was awarded a Choice Neighborhood Implementation grant. Through the Choice Neighborhood implementation grant, an entire revitalization movement swept through east San Antonio from IH35 to Martin Luther King Drive. SAHA in partnership with the City of San Antonio as well as many others focused over \$150,000,000 in resources towards the transformation of this community. The Our Lady of Charity project is contained within this revitalized area where the work to transform continues.

SAHA has worked with a variety of partners to implement strategies to improve the quality of life for residents living in this community to include Denver Heights and the Arena District in which the Our Lady of Charity is located. Partners such as St. Philip's College, San Antonio Independent School District, VIA Metropolitan Transit, University Health Systems (UHS), Bexar County, and the City of San Antonio all made significant contributions to this area.

Significant revitalization efforts that have occurred, are in progress or planned are outlined below:

UIW Bowden Eye Care & Health Institute

On July 15, 2013 UIW opened the Bowden Eye Care and Health Institute located on Commerce and Walters. The \$8 million, 30,000 square foot facility with 39 exam rooms, 16 of which are for children, serve over 15,000 patients annually. The center focuses on access to eye care for vulnerable populations, particularly children, the elderly, and the uninsured. Patients are accepted regardless of their ability to pay. Discount high quality eyewear for children and adults are available in the center's full service optical dispensary. The center primarily services the needs of the 120,000 residents on the city's Eastside.

Good Samaritan Veterans Outreach and Transition Center

Through a tri-party agreement between the City of San Antonio, St. Philips College and the San Antonio Housing Authority the Good Samaritan Hospital originally built in 1915 and located at 202 Connelly was rehabilitated and repurposed this old abandoned boarded up structure into the Good Samaritan Veterans Outreach and Transition Center. A grand opening of the \$7M center was held on August 9, 2017. Plans are also underway for a SAHA/St. Philip's partnership to develop tiny homes, for homeless students.

SAHA

818 S. Flores St.
San Antonio, TX 78204
210.477.6000 | saha.org

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Robert L.M. Hilliard Health Clinic

In January 2018, UHS opened an \$8 million, 12,500-square-foot, community health center located at 919 Locke St. to provide services to the east side community. The two-acre site provided by the San Antonio Housing Authority, houses a state-of-the-art health center, offering primary care, women's and children's services, and more to a community that severely lacked a medical home.

Business Facade Improvements

SAHA in partnership with San Antonio Growth on the East Side Grant (SAGE) awarded twelve neighborhood businesses totalling \$300,000.00, primarily for exterior improvements. Businesses receiving the grants are along primary corridors, which include New Braunfels at Commerce, and Walters at Gevers and will be completed by September 30, 2019.

Bibliotech

BiblioTech East, located at 1203 N Walters Street, the third all digital public library opened in April of 2018. It is a partnership between SAHA, and Bexar County. BiblioTech has actively worked to bridge literacy and technology gaps in San Antonio and surrounding areas by establishing a community presence at the physical locations as well as an online presence through the digital collections and resources.

Public Improvements

The City invested \$6M in public improvements, which included new sidewalks, curbs, driveway aprons, street repair, and new lighting. 2017 Bond projects include \$2M to reconstruct Walters Street (E. Houston to Paso Hondo) with curbs, sidewalks, and retaining walls. Additionally, the City has developed affordable single family homes in the neighborhood, and will soon award an additional contract for more affordable housing, on MLK Blvd. at Spriggsdale. The development of the Plan began in the Fall of 2018. The anticipated completion, and adoption of the Plan by City Council is approximately one year away.

City of San Antonio - Vacant Dwelling Ordinance

Because vacant buildings can become health and safety hazards, reduce the value of other properties, and diminish the overall quality of life of the community and neighborhoods, the City of San Antonio has enacted the Vacant Dwelling Ordinance. SAHA, and other neighborhood organizations work with the city to aid its success in encouraging redevelopment of vacant properties, and regular enforcement.

Garcia Street Urban Farm

In February 2019 the San Antonio Housing Authority broke ground on a 3 acre vacant parcel to create an Urban Farm in a neighborhood designated a food desert. The farm is located on 400 Garcia Street and was planned by the community to bring healthy food choices to residents in the neighborhood, promote overall health and wellness as well as providing employment and education opportunities.



In addition to Wheatley residents and neighbors learning about organic urban farming, this urban farm will also be a community-based social enterprise that will provide a source of job creation and retention for residents.

SA Tomorrow Comprehensive MasterPlan

In addition, the City is currently developing the SATomorrow Comprehensive Master Plan, which follows SA2020. The SA Tomorrow plan will impact the same eastside neighborhood, and is aligned with both Choice, and the Lady of Charity Project. To inform this work, the City Staff from the Planning Department are working with a wide range of community members to include neighborhood associations, business and property owners, employers, educational and cultural institutions, partner organizations, City Council Offices, and other City departments. These partner affiliations help to ensure a comprehensive assessment of the challenges, and a collaborative response to those challenges.

SA Corridors

The SA Corridors study of the 12 corridors in VIA's [Vision 2040 Plan](#) identified for "premium" transit. This planning includes the eastside's New Braunfels corridor, the western boundary of this neighborhood, which will enhance transportation, and how residents circulate in the neighborhood.

St. Philips Culinary Center of Excellence

San Antonio hosts more than 34 million visitors annually. The hospitality industry has a \$13.6 billion impact on the local economy employing one in eight individuals. St. Philip's College Culinary Center of Excellence will provide opportunities to satisfy the workforce demands in the industry. State of the art equipment, quality faculty and industry advisors create a culture of learning solidifying St. Philip's as a formidable force in tourism, hospitality and culinary education.

Site logistics and pre-construction work on the Culinary Center began in December 2018 with an anticipated completion by July 2020. Plans are in progress for SAHA to partner with St. Philips on the construction of this stellar, neighborhood project.

IDEA School

In 2014 SAHA sold 12.02 acres of vacant land to the developer of IDEA School. IDEA Eastside is a tuition free public school, that serves 1296 students, Kinder through 10th grade. The curriculum includes both Academy and College Prep courses. The school is adjacent to the Garcia Street Urban Farm. IDEA students will have access to the farm, for purposes of learning about planting, and Community Supported Agriculture. The school has had a favorable impact on the neighborhood, overall. However, initially during the start of school and at the end of day dismissal, there were significant traffic problems with vehicle traffic backing down Hedges Street, Rio Grande Street,

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and Martin Luther King Street. This situation impacts the ability of residents at Spring View Apartments, a SAHA Public Housing property to enter and leave the property.

SAHA sold an additional 2.52 acres of land, Through the purchase of the land, the school has provided a secondary access point to the campus through Rio Grande Street. In 2016, the remaining 3.13 acres of vacant land located at Rosary Street, between S. Garcia Street and S. Rio Grande Street in San Antonio, TX; was sold to

St. Phillips College Homeless Program (SPC-HP) Local Need Identified

The Alamo College District is a community college system with campuses located throughout the San Antonio area. Populations of homeless students have been identified, some sleeping in their cars in college parking lots at several campuses. Over 300 homeless and/or youth aging out of foster care students are currently enrolled at ACD, which is approximately 2.3% of students enrolled. St. Phillips College (SPC) is a community college located in the San Antonio neighboring several of SAHA existing housing communities as well as SAHA undeveloped land parcels. SPC is one of five separately accredited colleges in the Alamo Colleges District.

SAHA is currently working on a robust housing expansion plan and would like to leverage those plans to help address a local housing need that has been identified by its partners. There are several SAHA-owned undeveloped land parcels near the St. Phillips College that could support a new development with dedicated modified PBVs. Through the Agency's current modified PBV program the Agency plans to commit up to thirty (30) project-based vouchers as part of future development.

202 Garcia Street

SAHA has placed on the market for sale a 62,073 square foot vacant building sitting on 1.4 acres located at 202 Garcia Street. It is the agency's desire that the building be purchased and rehabilitated by an individual, agency or business that will bring much needed services to the residents of this community.

Artisan at Springview

On February 7, 2019, SAHA procured Franklin Development to develop the 7.83 acres of vacant land, on the north east quadrant of Hedges and Grimes Street, into a 106 unit affordable multifamily development. The development team is currently reviewing various funding options to begin construction by 2020.

Affordable Single-Family Homes

SAHA

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SAHA owns an additional 3.13 acre vacant parcel that is zoned R-6, Residential Single-Family District (permitted uses of single family dwelling detached with minimum lot size of 5,000 square feet, and is currently under contract with an affordable housing builder. Contract is scheduled to close by April 2019.

These improvements, and future planned investments work to address the current blight, and contribute to a more stable, secure, and safe neighborhood.

Sincerely,

Timothy Alcott
Real Estate and Legal Services Officer

SAHA

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San Antonio, TX 78204
210.477.6000 | saha.org

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Our Lady of Charity
Schools

This Application is required to disclose a Neighborhood Risk Factor under 2019 QAP for §11.101(a)(3)(A)(b)(iv).

(iv) The Development Site is located within the attendance zones of an elementary school, a middle school or a high school that does not have a Met Standard rating by the Texas Education Agency.

The Development Site is located within the attendance zone of Davis Middle School, which does not have a Met Standard rating for 2018. Davis Middle School was Met Standard in 2017. The Targeted Improvement Plan is attached as well as a letter from Pedro Martinez, Superintendent, regarding efforts to improve performance at the campus and strategies to achieve a Met Standard rating by the time the Development is placed in service.

The letter from Superintendent Martinez explains that students zoned to Davis Middle School may attend a school in the District that has a Met Standard rating through the SAISD Choice School Program.

Per the QAP, mitigation for this Neighborhood Risk Factor may include "(I) documentation from a person authorized to speak on behalf of the school district with oversight of the school in question that indicates the specific plans in place and current progress towards meeting the goals and performance objectives identified in the Campus Improvement Plan and in restoring the school(s) to an acceptable rating status." Additionally, mitigation may include "(II) The school district has confirmed that a school age person at the proposed Development Site may, as a matter of right, attend a school in the District that has a Met Standard rating or better, and the Applicant has committed that if the school district will not provide no-cost transportation to such a school, the Applicant will provide such no-cost transportation until such time as the school(s) in whose primary attendance zone(s) the proposed Development Site is located have all achieved a Met Standard rating or better." These two items of mitigation have been submitted for this Risk Factor.

The Applicant commits that, if the school district will not provide transportation, it will provide no-cost transportation until such time the school has achieved a Met Standard rating or better. Please find the attached letter with such confirmation along with information on additional programs that will be offered at the property to improve achievement.

SAISD Attendance Zones

District Login Public Info My Child

iDataPortal

SAISD Data Warehouse . 1702 North Alamo, SATX 78215 . Phone:(210) 244-2900. Fax:(210) 223-4938



Address Lookup

Cambiar Idioma **English** ▼

The data on this page is for information purposes only. If you have any questions, please contact PEIMS at 210-244-2990.

House Number:

1916

Street Name: (Street quick index - Click on first letter of street name)

A B C D E F G H I J K L M N
 O P Q R S T U V W X Y Z 0-9

MONTANA ▼

Submit

Instructions:

STEP 1 Enter a house number in the House Number field. You can only enter a number in this field.

STEP 2 Click on the first letter of the address street name. For example: Click on "F" for South Flores; click on "M" for Mission Road.

NOTE: If you do not see your street in the list then the address IS NOT in the SAISD boundary or you have misspelled the street name.

STEP 3 Click on the search button. You will next see one of the following:

Either a list of schools (High school, middle, elementary) -or- a message indicating that the house number is not in a valid block range.

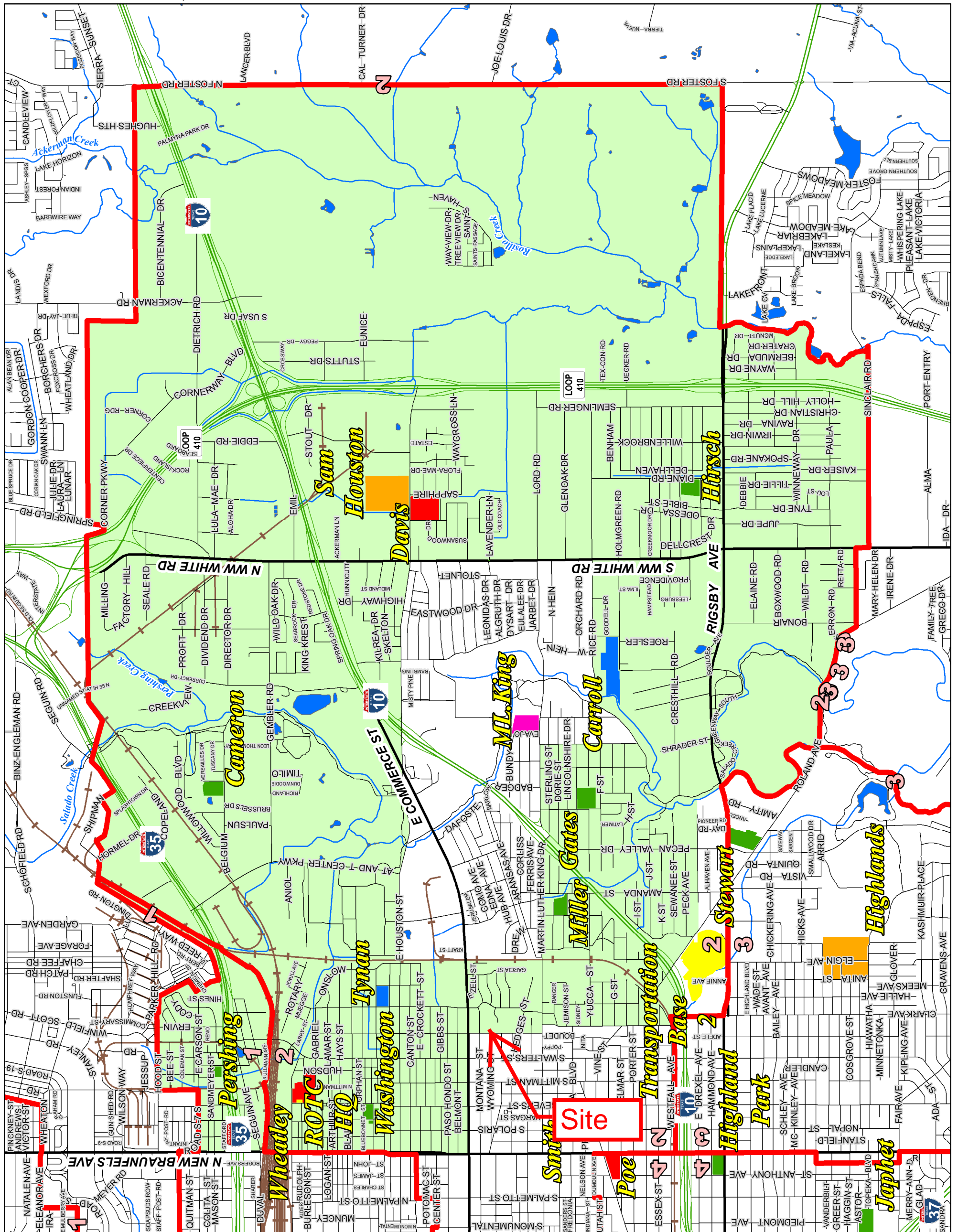
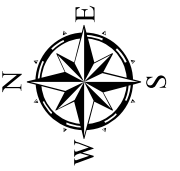
Campus List for: 1916 MONTANA

For the 2018-2019 school year

ID	Name	Grades Served	PHONE	ADDRESS
006	SAM HOUSTON HIGH SCHOOL	09 - 12	978-7900	4635 E HOUSTON SATX 78220
043	DAVIS MIDDLE SCHOOL	06 - 08	978-7920	4702 E HOUSTON SATX 78220
153	MILLER ELEMENTARY	EE - 05	978-7995	207 LINCOLNSHIRE SATX 78220

Davis MS
4702 E HOUSTON ST
SAN ANTONIO, TX 78220

As of 2017-18



1 inch equals 0.52 miles

LEGEND

SAISD Facilities		Boundaries		Route Network		Water Bodies			
	Administrative		High		Attendance		Main Streets		Lakes
	Early Childhood		Middle		Trustee		Regular		Rivers_and_Creeks
	Elementary		PK8				Highway		
							Railroads		



Texas Education Agency
2018 Accountability Ratings Overall Summary
DAVIS MIDDLE (015907043) - SAN ANTONIO ISD

	Component Score	Scaled Score	Rating
Overall		59	Improvement Required
Student Achievement		53	Improvement Required
STAAR Performance	25	53	
College, Career and Military Readiness			
Graduation Rate			
School Progress		59	Improvement Required
Academic Growth	61	59	Improvement Required
Relative Performance (Eco Dis: 96.4%)	25	58	Improvement Required
Closing the Gaps	23	67	Met Standard

Notes:

- This campus received an Improvement Required rating in three of the four areas: Student Achievement; School Progress, Part A: Academic Growth; School Progress, Part B: Relative Performance; or Closing the Gaps. Therefore, the overall scaled score is limited to an 59.

Distinction Designations

ELA/Reading	Not Earned
Mathematics	Not Earned
Science	Not Earned
Social Studies	Not Earned
Comparative Academic Growth	Not Earned
Postsecondary Readiness	Not Earned
Comparative Closing the Gaps	Not Earned

TEXAS EDUCATION AGENCY
2017 Accountability Summary
 DAVIS MIDDLE (015907043) - SAN ANTONIO ISD

Accountability Rating

Met Standard

Met Standards on

- Student Progress
- Closing Performance Gaps
- Postsecondary Readiness

Did Not Meet Standards on

- Student Achievement

In 2017, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4.

Distinction Designation



Academic Achievement in ELA/Reading

DISTINCTION EARNED

Academic Achievement in Mathematics

NO DISTINCTION EARNED

Academic Achievement in Science

DISTINCTION EARNED

Academic Achievement in Social Studies

NO DISTINCTION EARNED

Top 25 Percent Student Progress

DISTINCTION EARNED

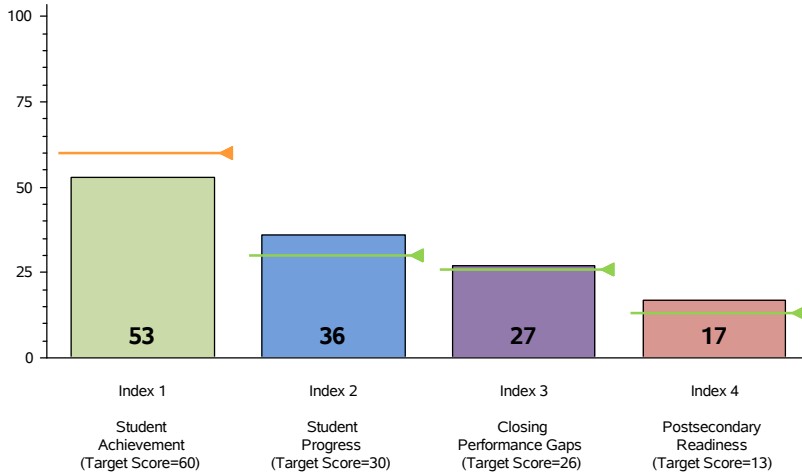
Top 25 Percent Closing Performance Gaps

NO DISTINCTION EARNED

Postsecondary Readiness

NO DISTINCTION EARNED

Performance Index Report



Performance Index Summary

Index	Points Earned	Maximum Points	Index Score
1 - Student Achievement	875	1,655	53
2 - Student Progress	432	1,200	36
3 - Closing Performance Gaps	547	2,000	27
4 - Postsecondary Readiness			
STAAR Score	17.3		
Graduation Rate Score	N/A		
Graduation Plan Score	N/A		
Postsecondary Component Score	N/A		17

Campus Demographics

Campus Type	Middle School
Campus Size	627 Students
Grade Span	06 - 08
Percent Economically Disadvantaged	98.7
Percent English Language Learners	13.2
Mobility Rate	34.5
Percent Served by Special Education	14.7
Percent Enrolled in an Early College High School Program	0.0

System Safeguards

Number and Percentage of Indicators Met

Performance Rates	6 out of 26 = 23%
Participation Rates	12 out of 12 = 100%
Graduation Rates	N/A
Total	18 out of 38 = 47%

For further information about this report, please see the Performance Reporting website at <https://rptsvr1.tea.texas.gov/perfreport/account/2017/index.html>



Targeted Improvement Plan

District Name: SAISD	County District Number: 1507	Superintendent Name: Pedro Martinez
Campus Name: Davis MS	Campus Number: 43	District Coordinator of School Improvement: Daniel Girard
PSP: Linda Eichman	Educational Service Center: Region 20	School Principal: Sharene Dixon

Vision: Innovate, Elevate and Empower; Davis Middle School will deliver innovative high Quality instruction, create a system for continuous quality to elevate instruction and learning, engage and empower all stakeholders to play a key role in the state of academics then we will see

Problem Statement #1: 47% of our students did not meet grade level in Math
Annual Goal #1: We will reduce the percent of student who did not meet grade level math by 15%

Root Cause #1: The Campus has TEKS aligned curriculum with scope and sequence and pacing guid
Strategy #1: Aggressive support in the content of Math

Goal #1:	Activity (Actions/Processes)	Activities Timeline	Resources	Person(s) Responsible	Expected Outcomes (Goal/Target)	Results (Outcomes/Data)	Status	Next Steps
Short-Term: <i>(training, acquisition of new skills)</i>	Observe effective specific content level, grade level teacher for execution of GRR model	One time for each teacher in the month of September or October	Funds for substitutes	Ms. Burks, Teachers Ms. Robinson	TEKS/ STAAR aligned lesson that are student centered and collaborative amongst grade level peer. Exit tickets for each day of the unit to assess mastery and collect daily data.		Select	
	Item-writing training for the development of aligned practice problems for execution of GRR model	one time for each teacher in the month of September or October	Funds for substitutes	Ms. Burks, Teachers Ms. Robinson	TEKS/ STAAR aligned lesson that are student centered and rigorous, providing multiple opportunities for aligned practice.		Select	
	Training on the planning and implementation of SpEd accommodations during instruction	Pullout with each grade level and SpEd co-teachers in Q2 and Q3	Funds for substitutes	Ms. Burks, Teachers Ms. Robinson	TEKS/STAAR aligned lessons that are accessible to all learners and allow for more targeted evaluation of performance outcomes in students		Select	
	Individualized math skill practice	Two times a week October -April	IXL	Ms. Robinson, Ms. Burks	Foundational growth, skill practice, closes gaps with individualized intentional feedback		Select	
Intermediate: <i>(Implementation)</i>	Saturday School/ Saturday Tutoring	two times a month from October-April	Funds to pay teachers, Transportation for students and refreshments to feed students	Ms. Robinson, Ms. Burks, Ms. Dixon, Ms. Robinson, Ms. Martinez, all Math teachers	Student access and growth for all students in Math		Select	
							Select	
Long-Term: <i>(Results)</i>	Students are on grade level or beyond, Students that are successful with mastering all TEKS, Effective teachers that know what their students know and that know their content. Effective Instructional Feedback from administrators and empowered students that are able to hold themselves accountable and be successful in all academics. Student will have success on 6,7,8th grade level in math with over 50% meeting Meets and Masters in Math						Select	
							Select	

Vision Status: All stakeholders are aware of the vision. A system of continuous quality instruction
Vision Metrics: We have a rubric for feedback that all teachers receive. We have a system of reviewing weekly walkthrough data points to ensure growth within the

Problem Statement #2: 49% of our students did not meet grade level in Reading
Annual Goal #2: We will reduce the percent of students who did not meet grade level in 6,7,8 in reading by 15%

Root Cause #2: The campus has TEKS aligned curriculum with scope and sequence and pacing guid
Strategy #2: Aggressive support to teachers and students in the content of reading

Goal #2:	Activity (Actions/Processes)	Activities Timeline	Resources	Person(s) Responsible	Expected Outcomes (Goal/Target)	Results (Outcomes/Data)	Status	Next Steps
Short-Term: <i>(training, acquisition of new skills)</i>	Substitutes for teacher planning days	Once every 5 weeks	Funds for substitutes	Mrs. Burks, ELAR Teachers	TEKS/ STAAR aligned lesson that are		Select	
	Observation of effective content, grade	One time for each teacher in the	Funds for substitutes	Ms. Burks, administrator and teacher	Treks/ STAAR aligned lesson that are		Select	
	Region 20 consultant for co-teach	Training in September with 3 follow up	Funds for contracts with Region 20	Ms. Dixon, Content teachers and	Content teachers and Special Education		Select	
Intermediate: <i>(Implementation)</i>	Region 20 consultant for planning,	Every 3 weeks October 2018-April 2019	Funds to contract with region 20	Ms. Martinez, Ms. White, Mr. DeLuna	Aligned instruction to the TEKS and unit		Select	
	ELA tutor for each grade level	Students would be pulled from	Funds to hire 3 reading tutors part time	Mrs. Burks, Mrs. Dixon, Ms. Martinez,	65% of students will approach grade		Select	
	ELA Tutoring for each grade level on 6th, 7th and 8th grade motivational	Saturday Schools two times a Saturday	Funds for Teachers, Transportation	Ms. Dixon, All English Teachers	65% students will approach grade level on the STAAR reading exam and academic growth		Select	
	6th, 7th and 8th grade Measuring Up	Students would be pulled from	Funds to purchase consumables	Mrs. Hall-Johnson, Ms. Burks	65% of students will approach grade level on the STAAR reading exam and		Select	
Long-Term: <i>(Results)</i>	Students are on grade level or beyond,	October 2019-April 2019 Tuesday	Funds to purchase consumables	Mrs. Hall-Johnson, Ms. Burks	65% of students will approach grade		Select	
							Select	

Vision Status: All stakeholders are aware of the vision. A system of continuous quality instruction
Vision Metrics: We have a rubric for feedback that all teachers receive. We have a system of reviewing weekly walkthrough data points to ensure growth within the

Problem Statement #3: 61% of our students did not meet grade level in writing.
Annual Goal #3: We will reduce the percent of students who did not meet grade level in 7th grade writing grade writing

Root Cause #3: The campus has TEKS aligned curriculum with scope and sequence and pacing guid
Strategy #3: Aggressive support to students and teachers in the content of Writing

Goal #3:	Activity (Actions/Processes)	Activities Timeline	Resources	Person(s) Responsible	Expected Outcomes (Goal/Target)	Results (Outcomes/Data)	Status	Next Steps
Short-Term: (training, acquisition of new skills)	Writing teacher and administrator	Training is October 3rd and 4th	Conference for 2 days cost a total of	Mrs. Coley, administrator	Teacher will build capacity to embed		Select	
	Parent Writing Night	3 times, One in each of the following	Funds for Refreshments for parents,	Ms. Coley and Ms. Dixon	Teacher building capacity of writing		Select	
							Select	
							Select	
Intermediate: (Implementation)	Grammar practice, such as editing and	Twice a week from October 2018- April	No More Red Ink	Mrs. Coley, Ms. Martinez, Ms. Custodio,	65% of students will approach grade		Select	
	Students will practice grammar and	Once a week from October 2018- April	IXL	Mr. Verdi, Mr. Luna, Ms. Martinez, Ms.	65% of students will approach grade level on the 7th grade composition and		Select	
	A separate writing class for all students	Daily Writing class for all 7th grade	Human Resources, an additional	Sharene Dixon	Growth for all students in Reading and		Select	
Long-Term: (Results)	Students are on grade level or beyond,						Select	
							Select	
Vision Status		All stakeholders are aware of the vision. A system of continuous quality instructio		Vision Metrics	We have a rubric for feedback that all teachers receive. We have a system of reviewing weekly walkthrough data points to ensure growth within the			



San Antonio Independent School District

141 Lavaca Street • San Antonio, Texas 78210-1095

Telephone (210) 554-2200 • eFax (210) 228-3102

Office of the Superintendent

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Superintendent

February 28, 2019

David Cervantes
Acting Director
Texas Department of Housing and Community Affairs
P.O. Box 13941
Austin, TX 78711-3941

Dear Mr. Cervantes,

The following letter will address concerns regarding the performance of Davis Middle School, located in close proximity of the proposed development. In the body of the letter below, we will detail the mitigation efforts underway to address its current 'Improvement Required' (IR) rating.

Campus Mission:

The mission of Davis Middle School is to Innovate, Elevate and Empower in all facets and structures of our school. The campus works to innovate through the use of new methods and ideas to elevate its campus students to achieve high academic and social standards while developing personal and community responsibility to empower students to be leaders and to ensure that they are successful in high school and beyond.

The following outlines the mitigation efforts well underway at Davis Middle School:

Efforts to increase student Performance:

- Davis currently has 10 Master teachers. These teachers are highly effective teachers with proven success and high achievement rates.
- The campus offers Master Academy Tutoring, 4 days a week, and two Saturday Schools a month.
- All core content teachers receive 3 to 5 walk-throughs a week by administrators with intentional feedback. The teachers reflect on the feedback with a response and change in practice.
- Every week teachers participate in professional development with content experts and/or participate in content focused professional learning communities (PLC).

- The campus conducts STAAR simulations that display evidence of academic growth in both reading and math.
- Both the Assistant Principal and Principal receive regular coaching from their Assistant Superintendent with a laser focus on growth.
- Teachers are collecting data to make data on student performance and progress-driven decisions and reteach in class to close the achievement gaps.

Efforts to Decrease Mobility:

- Recruit and retain effective teachers
- Build positive relationships with the community through partnerships, Meeting with the Principal, Honor Roll assemblies, content nights, sporting events and activities for the family.
- Provide great customer service

Additional measures to evaluate benchmarks:

- Provide afterschool tutoring provided by district, non-profits, student interns, mentors, etc.
- Perform simulations multiple times a year where we evaluate academic achievement and growth using student data

Measures for increasing parental involvement:

- Meetings with the Principal during the morning and evening each month to give opportunities for direct interaction with the campus leader
- Offer Parent incentives for involvement
- Create engaging activities to encourage participation from both students and their families

Long term plans that would help achieve Met Standard rating by the time the Development is placed in Service (December 2021)

- Davis will continue to implement research-based teaching strategies.
- They will continue to have formative assessment and make data driven decisions.
- Davis will pursue efforts to continue to close the achievement gap through the recruitment and retention of effective teachers.

School Expansion and Student Choice

At this time, there are no plans for school expansion to reduce student class ratio nor are there any plans to implement early childhood education because the campus is a traditional middle school.

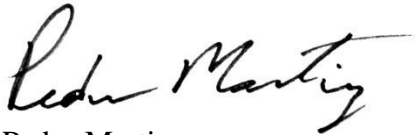
SAISD is committed to improving our neighborhood schools as well as creating innovative school options to ensure that all students graduate and are well-prepared for success in college and career. As a result, all of our families have the opportunity to choose from a variety of unique schools and programs designed to best fit the individual interests of their children. Regardless of their academic abilities or where they live, all students can apply to an SAISD choice school or program. Students that are zoned to Davis Middle School may also attend a school in the District that has a Met Standard rating or better through the SAISD Choice School Program.

Overall, the David Middle School staff, with the help of the district administration and other partners, are working diligently toward helping Davis achieve 'Met Standard' on the STAAR assessment.

Sharene Dixon, a proven instructional leader, is new to the campus and brings strong instructional leadership to the Davis MS team. We feel there has already been a change in the school culture for the better as teachers, parents and students are committed to working towards school goals and improving academic achievement.

Through strong principal leadership and a focused academic team, Davis is moving in the right direction and we expect improvements to continue and accelerate. We are grateful for the opportunity that Franklin Development is bringing to our SAISD students and families through their development of more affordable housing.

Sincerely,

A handwritten signature in black ink that reads "Pedro Martinez". The signature is written in a cursive, flowing style.

Pedro Martinez

Superintendent of Schools



February 21, 2019

Re: Our Lady of Charity Social Services

To Whom It May Concern,

As a supplement to classroom performance for the local school, Franklin Apartment Management's Resident Service program will be providing various weekly programming for the youth at Our Lady of Charity. This programming will have a focus of mind and body. In our youth program, young people make new friends, develop new skills, become leaders and help shape their communities. The program includes various workshops that cover Leadership skills, STEM, computer literacy, reading, creative writing, arithmetic, garden-based learning, healthy snacking, community service, quiet reflection time, reading and language arts, art & creative expression, games, team building, yoga, community partner programs and other property specific presentations based on the day to day needs of the community. Our Lady of Charity will offer a Community Learning Center that will host the youth programs focused of teaching self-discovery, individual growth, creative versatility, and qualities of leadership. Our outside partners that we work with on a daily basis to enhance our offerings include YMCA, San Antonio Food Bank, KLRN (local PBS station), Texas A&M AGRILIFE Extension, Spare Parts, Universal Style of Hip Hop, San Antonio Sound Garden and other local community groups. In addition to programs directed specifically to benefit the youth at our community, we have developed a partnership with BCFS Health and Human Services to offer weekly parenting classes and character building exercises to assist the parents in providing a better living environment that ultimately assists in improving self-esteem and allows the youth to perform better in school.

In addition to the above programming, the property will have a shuttle service offered, free of charge to our residents that will take students to a local school of their choice that has been coordinated with the School District that offers better academic programming or better State testing scores.

If there are any questions, please feel free to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read 'K. Ryan Baldwin', is written over a light blue horizontal line.

K. Ryan Baldwin

Director of Operations and Compliance, Franklin Apartment Management

21260 Gathering Oaks, Suite 101 | San Antonio, TX 78260

C: 469-487-6697 | E: rbaldwin@franklinmgt.net

BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
MAY 23, 2019

Presentation, discussion and possible action on staff determinations regarding Neighborhood Risk Factors for 19050 Wayman Manor.

RECOMMENDED ACTION

WHEREAS, pursuant to 10 TAC §11.101(a)(3) of the 2019 Qualified Allocation Plan related to Neighborhood Risk Factors, if a Development Site has any of the characteristics described in subparagraph B of the subsection, the Applicant must disclose the presence of each such characteristic to the Department at the time the Application is submitted to the Department;

WHEREAS, 19050 Wayman Manor disclosed the presence of Neighborhood Risk Factors and submitted documentation regarding the mitigation of those risk factors; and

WHEREAS, staff has conducted a further review of the proposed site and the surrounding neighborhoods pursuant to 10 TAC §11.101(a)(3) and prepared a summary to the Board;

NOW, therefore, it is hereby,

RESOLVED, that the Board for 19050 Wayman Manor find the site ineligible under 10 TAC §11.101(a)(3) of the Qualified Allocation Plan.

BACKGROUND

Pursuant to 10 TAC §11.101(a)(3) of the 2019 Qualified Allocation Plan (QAP) related to Neighborhood Risk Factors, disclosure is required if one or more of the neighborhood risk factors exists where the proposed Development Site is located. Applicants are required to provide a Neighborhood Risk Factors Report (NRFR), which includes information regarding mitigating factors and general description of the site and surrounding area.

The following tables describe the results of staff's review for the 2019 Competitive Housing Tax Credit (HTC) Application 19050 Wayman Manor. Each entry identifies the HTC Development/Application identification number (TDHCA ID#), the name of the Development, the region, and the city, along with staff's comments with respect to eligibility of the site. A brief summary of each disclosure has been included and is followed by Department staff's analysis of that disclosure for the Site and the proposed mitigation from the Applicant.

Pursuant to 10 TAC §11.101(a)(3), the Department’s Governing Board has final decision making authority in making an affirmative determination of finding a Site eligible or ineligible. Should the Board make the determination that a Development Site is ineligible, the termination of the Application resulting from such Board action is not subject to further appeal.

TDHCA ID#	Dev. Name	Region	City
19050	Wayman Manor	8	Temple

Application 19050, Wayman Manor, is a Project-Based Section 8 Community located at 1811 East Avenue K, Temple, TX 76501. The project will continue to target its current low-income population with one, two and three-bedroom units. The proposed transaction will result in approximately \$5,500,000 (\$34,375/unit) of physical improvements to the community. According to the PCA, the Development is only 80% occupied, with 18 vacant units and 16 units out of operation out of a total of 160 dwelling Units.

Summary of Disclosure: The proposed Development Site is located in census tract 48027020800, which has a poverty rate of 49.9%.

Mitigation Efforts: While the Applicant points to the adjoining census tract's poverty rate of 11.7% (census tract 48027020402), staff notes that the boundary for that census tract lies nearly 1 mile north of the proposed Development Site. In addition, the Applicant states that, because the Development is entirely subsidized through a Project Based Section 8 Housing Assistance Payment Contract, the Development Site can be found eligible through 10 TAC 11.101(a)(3)(E)(i), which allows that the Board may find the Site eligible in order to meet the goal of preserving "existing occupied affordable housing units to ensure they are safe and suitable . . ."

While the rule allows the Board to find the proposed Development Site eligible since it involves the rehabilitation of affordable Units, this possibility must be read in conjunction with 10 TAC 11.101(a)(3)(A), which reads in part that "preservation of affordable units alone does not present a compelling reason to support a conclusion of eligibility."

According to staff's analysis, the poverty rate has not improved, and has actually increased. In 2012, it stood at 42.3%. In 2017, it stood at 51.1%, as confirmed in the table below.

Poverty Rate for Census Tract 48027020800						
Variable	2012	2013	2014	2015	2016	2017
Poverty Rate for Individuals	42.3%	50.1%	38.9%	48.5%	49.9%	51.1%

Staff Determination: As stated above, compelling mitigation beyond the preservation of affordable units must be presented in order for staff to recommend that an existing affordable housing Development in a high poverty neighborhood be found eligible. Given the increasing poverty rate of the census tract, and the distance to the lower-poverty neighboring census tract, which bears no relation to the Development's immediate neighborhood, staff is recommending that the Board find the proposed Development ineligible in regard to this issue.

Summary of Disclosure: The Development falls within the attendance zone of Travis Science Academy, a middle school in Temple, Texas that was rated Improvement Required in 2018.

Mitigation Efforts: The middle school did achieve a Met Standard rating in 2016 and 2017. Acceptable mitigation, according to 10 TAC §11.101(a)(3)(D)(iv)(I), includes "documentation from a person authorized to speak on behalf of the school district with oversight of the school in question that indicates the specific plans in place and current progress towards meeting the goals and performance objectives identified in the Campus Improvement Plan and in restoring the school(s) to an acceptable rating status."

The Applicant has provided both Travis Science Academy's Targeted Improvement Plan (TIP) and a letter from the District Coordinator of School Improvement for Temple ISD, Karen Morgan. Ms. Morgan presented five examples of how staff at Travis Science Academy have translated the TIP into impactful strategies, and she shares that "data from local Curriculum Based Assessments and Benchmarks indicate that Travis is on track to earn an accountability rating of Met Standard for 2019-2020."

Staff Determination: Staff is recommending that the Board find the site eligible in regard to this issue.

19050
Wayman Manor



Neighborhood Risk Factors Report Packet

The purpose of the packet is to formalize the process in which neighborhood risk factors (“NRF”) are disclosed and the NRF Report is submitted pursuant to 10 TAC §11.101(a)(3) of the Qualified Allocation Plan (“QAP”). The packet may be submitted at pre-application (if applicable per 10 TAC §11.8(b) relating to Pre-Application Requirements) or at Application. Applicants who wish to submit a request for pre-determination prior to pre-application or Application are advised to review 10 TAC §11.101(a)(3) for additional guidance. Termination due to an Applicant’s own non-disclosure is not appealable as such appeal is in direct conflict with certifications made in the Application and within the control of the Applicant.

Pursuant to 10 TAC §11. 8(b), related to Pre-application Participation, the competitive HTC pre-application must identify neighborhood risk factors related to crime and schools.

Pre-application Disclosure: Pre-application # _____ Development Name _____

Application Disclosure: Application # 19050 Development Name Wayman Manor Apartments

My Development Site includes the following neighborhood risk factor(s) (Check all that apply):

Development Site is located in a census tract has poverty rate above 40% for individuals (or 55% for Developments in regions 11 and 13).

Development Site is located in a census tract (or for any adjacent census tract with a boundary less than 500 feet from the proposed Development Site that is not separated from the Development Site by a natural barrier such as a river or lake, or an intervening restricted area, such as a military installation) in an Urban Area and the rate of Part I violent crime is greater than 18 per 1,000 persons annually as reported on <https://www.neighborhoodscout.com/>.

Development Site is located within 1,000 ft. (measured from nearest boundary of the Site to the nearest boundary of blighted structure) of multiple vacant structures that have fallen into such significant disrepair, overgrowth, and/or vandalism that they would commonly be regarded as blighted or abandoned.

Development Site is located within the attendance zones of an elementary school, a middle school, or a high school that does not have a Met Standard rating by the Texas Education Agency, based on the 2018 Accountability Ratings (unless the school is “Not Rated” because it meets the TEA Hurricane Harvey Provision, in which case the 2017 rating will apply).

Neighborhood Risk Factors Report:

I have submitted information for the items listed below, or such other mitigation as the Applicant determines appropriate to support a Board determination that the proposed Development Site should be found eligible, as such information might be considered to pertain to the neighborhood risk factor(s) disclosed, pursuant to 10 TAC §11.101(a)(3)(C) of the QAP. Such information is included behind this page.

- Determination regarding neighborhood boundaries;
- Assessment of general land use in the neighborhood;
- Assessment concerning any of the features of the neighborhood risk factors present in the neighborhood, regardless of whether they are within the specified distances referenced in 10 TAC §11.101(a)(2);
- Assessment of the number of existing affordable rental units in the Primary Market Area (PMA), including comment on concentration based on the size of the PMA;
- Assessment of the percentage of households residing in the census tract that have household incomes equal to or greater than the median household income for the MSA or county where the Development site is located;
- Assessment of the number of market rate multifamily units in the neighborhood and their current rents and levels of occupancy;
- Assessment, for the previous two academic years, of school performance for each of the schools in the attendance zone containing the Development that did not achieve the Met Standard rating for 2018 (unless the school is “Not Rated” because it meets the TEA Hurricane Harvey Provision, in which case the 2017 rating will apply), that includes the TEA Accountability Rating Report, a discussion of performance indicators and what progress has been made over the prior year, and the campus improvement plan in effect. If there is an update to the plan that shows progress made under the plan, provide the update. If no update is available, provide information from a school official that speaks to progress made under the plan as indicated in 10 TAC §11.101(a)(3)(D)(iv); and
- Additional information, if requested by the Department.

Provide any comments or additional information in the box below, if applicable.

Mitigation of the Neighborhood Risk Factor (s):

I have provided information regarding mitigation of the above-mentioned neighborhood risk factors, as applicable, behind this page, along with a summary narrative describing how the information presented meets the requirements of 10 TAC §11.101(a)(3)(D) of the QAP, or;

Waiver of the Neighborhood Risk Factor (s):

I am requesting a waiver of the presence of the above-mentioned neighborhood risk factors, as applicable, pursuant to 10 TAC §11.101(a)(3)(E) of the QAP, on the basis that the Development is necessary to enable the state, a participating jurisdiction, or an entitlement community to comply with its obligation to affirmatively further fair housing, a HUD approved Conciliation Agreement, or a final and non-appealable court order. Documentation to that effect is included herein with the disclosure and waiver request.

Provide any comments or additional information in the box below, if applicable.

Department Contacts:

9% HTC Applications: Sharon.Gamble@TDHCA.state.tx.us (9% Program Administrator)

4% HTC and Tax-Exempt Bond Applications: Teresa.Morales@TDHCA.state.tx.us (Multifamily Manager)

Direct Loan Only Applications: Andrew.Sinnott@TDHCA.state.tx.us (Multifamily Loan Programs Manager)

How to Submit the NRF Report Packet:

- Upload if a Serv-U Account has been set-up for the pre-application or Application and notify the appropriate contact person of the upload (refer to the Multifamily Programs Procedures Manual posted at <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm> for an explanation of the process to set-up a Serv-U Account if needed);

Or

- Include the packet behind tab 2 of the Uniform Multifamily Application.

Wayman Manor Apartments Poverty Narrative

Steele Wayman LLC is requesting a waiver of rules for 10 TAC §11.207 related to the poverty rate for the subject census tract for Wayman Manor Apartments, 48027020800. As discussed in the applicant's application, the poverty rate for the census tract is 49.9%. Wayman Manor Apartments is 100% subsidized by a Project Based Section 8 Housing Assistance Payment (HAP) Contract and is automatically eligible for the waiver under TDHCA rules.

Further, the adjoining census tract, 48027020402, has a poverty rate of only 11.7% and income in the third quartile. Per TDHCA rules this is itself a mitigating factor as the adjoining census tract represents a more typical poverty rate for the area where existing Section 8 units are not making up a large portion of the rental housing in the census tract. Wayman Manor is an existing site that represents 13.06% of the rental housing in the census tract. Since all 160 of the units are subsidized these units are rented to the lowest income families in Temple and as such the poverty rate is being artificially inflated in this census tract as compared to the East Temple neighborhood in general.

The average household income for the subject's census tract has increased 9.8% over the past 5 years which is indicative of growth and revitalization taking place in East Temple. Further, Wayman Manor lies within the targeted revitalization area as set forth in the City of Temple's Concerted Revitalization Plan. The City has been contributing CDBG funds from HUD to this area to promote investment in East Temple to help revitalizing the existing communities and incentivize growth in the area. Recently several VA homes were constructed by Volunteers of America directly next to Wayman which evidences the City's efforts to drive growth in the subject's census tract. The substantial renovation of Wayman Manor will just help continue the cycle and allow for further redevelopment and reinvestment in the area which will in turn stimulate growth and reduce the poverty rate.



Map Options : [Clear](#) | [Reset](#) | [Full Screen](#)

QCT Legend:

Tract Outline

LIHTC Project

2019 Qualified Census Tracts

SADDA Legend (%):

FMR Boundary

Hide the

48027020402 the adjacent census tract has a poverty rate of only 11.7% and is not separated by physical barriers.

The 2019 Qualified Census Tracts (QCTs) and Difficult Development Areas (DDAs) are effective January 1, 2019. The 2019 designations use data from the 2010 Decennial census and three releases of 5-year tabulations from the American Community Survey (ACS): 2010-2014; 2011-2015; and 2012-2016. The designation methodology is explained in the federal Register notice published October 22, 2018.

Map Options

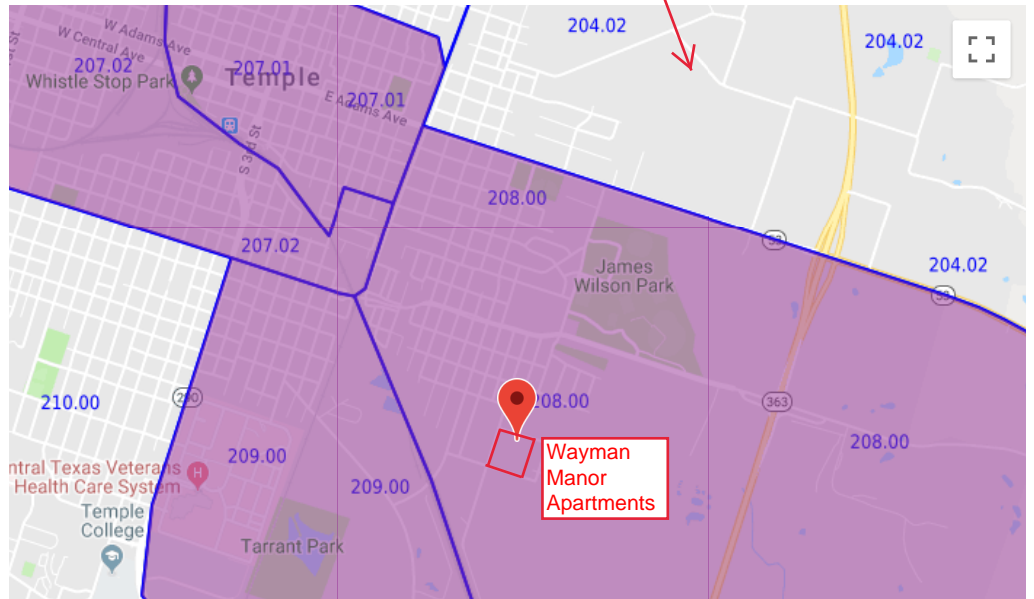
14 Current Zoom Level

- Show Difficult Development Areas (Zoom 7+)
- Color QCT Qualified Tracts (Zoom 7+)
- Show Tracts Outline (Zoom 11+)
- Show FMR Outlines (Zoom 4+)
- Show LIHTC Projects (Zoom 11+)

[Click here for full screen map](#)

Select Year

- 2019
- 2018



About PD&R

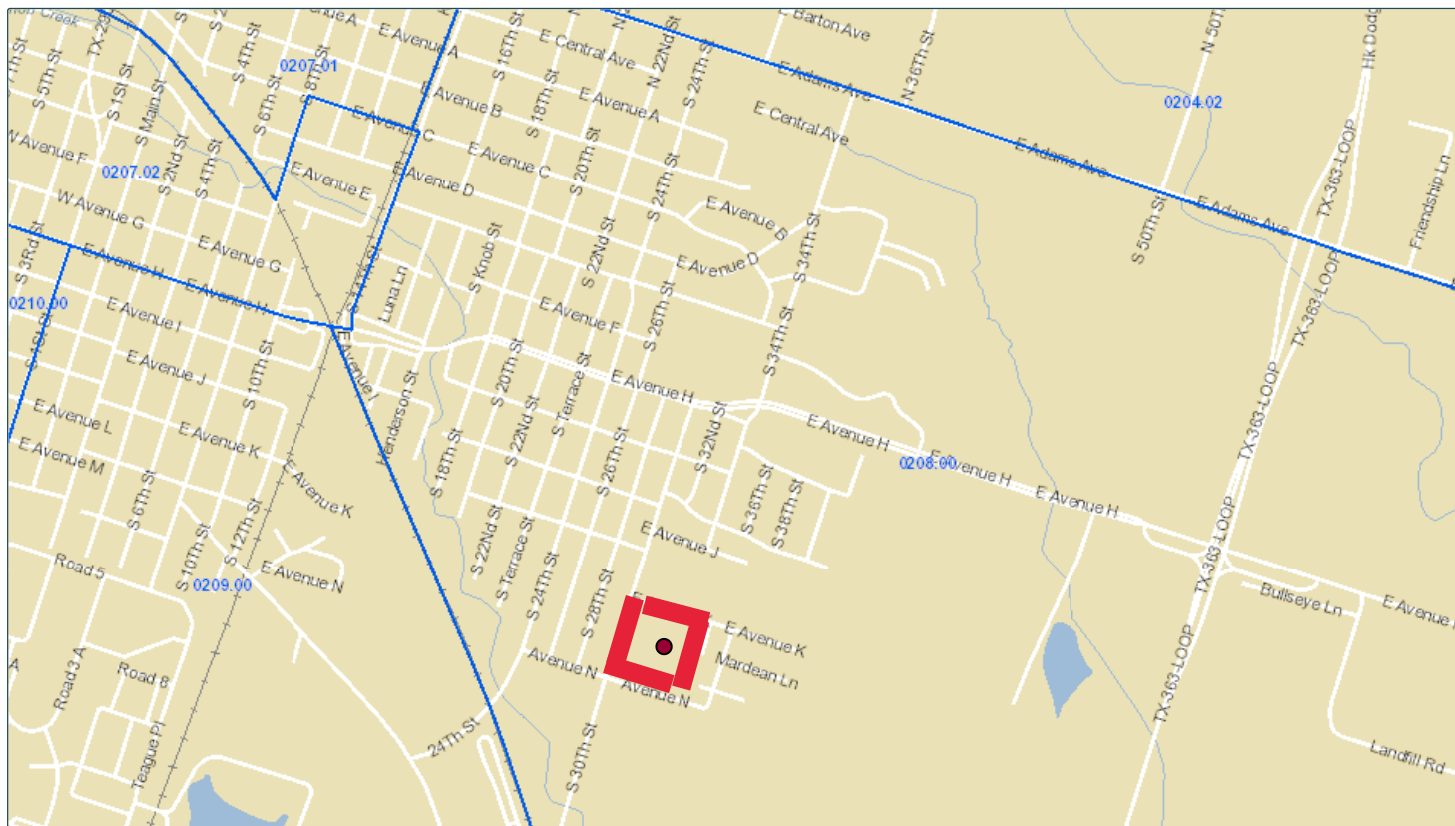
- Delegations of Authority and Order of Succession
- Events
- HUD at 50

Initiatives

- Aging Research and Resources
- Aligning Affordable Rental Housing
- Interagency Physical Inspection Alignment

Research

- Case Studies
- Data Sets
- Periodicals
- Regulatory Barriers Clearinghouse



● Matched Address: 1811 E AVENUE K, TEMPLE, TX, 76501
MSA: 28660 - KILLEEN-TEMPLE, TX || State: 48 - TEXAS || County: 027 - BELL COUNTY || Tract Code: 0208.00

● Selected Tract
MSA: || State: || County: || Tract Code:

Matched Address: 1811 E AVENUE K, TEMPLE, TX, 76501
 MSA: 28660 - KILLEEN-TEMPLE, TX
 State: 48 - TEXAS
 County: 027 - BELL COUNTY
 Tract Code: 0208.00

Summary Census Demographic Information

Tract Income Level	Moderate
Underserved or Distressed Tract	No
2018 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$59,900
2018 Estimated Tract Median Family Income	\$35,006
2010 Tract Median Family Income	\$33,900
Tract Median Family Income %	58.44
Tract Population	4071
Tract Minority %	84.16
Tract Minority Population	3426
Owner-Occupied Units	545
1- to 4- Family Units	1071

Census Income Information

Tract Income Level	Moderate
2010 MSA/MD/statewide non-MSA/MD Median Family Income	\$58,001
2018 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$59,900
% below Poverty Line	48.52
Tract Median Family Income %	58.44
2010 Tract Median Family Income	\$33,900
2018 Estimated Tract Median Family Income	\$35,006
2010 Tract Median Household Income	\$28,938

Census Population Information

Tract Population	4071
Tract Minority %	84.16
Number of Families	990
Number of Households	1197
Non-Hispanic White Population	645
Tract Minority Population	3426
American Indian Population	0
Asian/Hawaiian/Pacific Islander Population	0
Black Population	1912
Hispanic Population	1370
Other/Two or More Races Population	144

Census Housing Information

Total Housing Units	1334
1- to 4- Family Units	1071
Median House Age (Years)	52
Owner-Occupied Units	545
Renter Occupied Units	652
Owner Occupied 1- to 4- Family Units	545
Inside Principal City?	YES
Vacant Units	137

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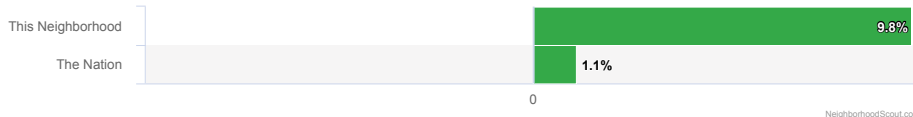
SCOUT VISION® ECONOMIC TRENDS AND FORECAST

AVG ANNUAL CHANGE IN PER CAPITA INCOME Over last 5 years

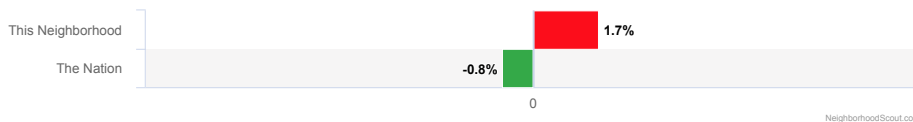


Average Household income for the neighborhood has increased by 9.8% over the past 5 years evidencing a positive growth trend.

AVG ANNUAL CHANGE IN HOUSEHOLD INCOME Over last 5 years ⚡



AVG ANNUAL CHANGE IN UNEMPLOYMENT RATE Over last 5 years



SCOUT VISION® DEMOGRAPHIC TRENDS

DISTANCE FROM LOCATION	POPULATION 5 YEARS AGO	CURRENT POPULATION	PERCENT CHANGE
Half Mile	1,078	1,546	⚡ 43.45% ↑
1 Mile	2,765	3,911	⚡ 41.47% ↑
3 Miles	23,210	25,553	10.09% ↑
5 Miles	55,571	59,497	7.06% ↑
10 Miles	89,513	96,073	7.33% ↑
15 Miles	120,204	130,810	⚡ 8.82% ↑
25 Miles	201,373	217,615	⚡ 8.07% ↑
50 Miles	1,091,981	1,202,401	⚡ 10.11% ↑

SCOUT VISION® REGIONAL HOUSING MARKET ANALYSIS

KILLEEN-TEMPLE, TX METRO AREA REGIONAL INVESTMENT POTENTIAL



Low



Regional Appreciation Potential (3yr)

RATINGS: 1=Very Low 2=Low 3=Moderate 4=High 5=Very High

Wayman Manor Apartments School Waiver Narrative

Steele Wayman LLC is requesting a waiver of rules for 10 TAC §11.207 related to the site, Wayman Manor Apartments, being within the attendance zone of a middle school that does not have a Met Standard rating by the Texas Education Agency based on the 2018 Accountability Standards.

Travis Science Academy did not receive a Met Standard Rating from TEA in 2018 but did achieve a Met Standard Rating in 2016 and 2017, even earning distinctions in those subsequent years. 2018 was an anomaly and Travis Science Academy developed a Targeted Improvement Plan for the 2018-2019 school year to address the deficiencies. As noted in the attached letter from the District Coordinator of School Improvement for Temple ISD, Travis Science Academy has already met the benchmarks established in the Targeted Improvement Plan and is on track to earn an accountability rating of Met Standard for 2019-2020. The Targeted Improvement Plan and Letter are attached behind this page.



Temple ISD Department of Accountability and District Planning
401 Santa Fe Way
Temple, Texas 76501

February 8, 2019

RE: Travis Science Academy School Improvement Documentation

Travis Science Academy, a middle school campus in the Temple Independent School District, was identified for School Improvement under the state accountability system (Texas Education Code Chapter 39) for 2018-2019 based on 2017-2018 accountability data. The campus has a new leadership team for 2018-2019, and almost 50% new staff members. The leadership and staff are committed to student success.

Travis Science Academy developed and implemented a Targeted Improvement Plan for the 2018-2019 school year addressing student academic achievement and campus culture.

Specific strategies to impact learning leadership are to:

1. Restructure literacy supports by adding a supplemental reading elective, providing targeted staff development for blended learning, and adjusting the campus intervention format.
2. Assure data-driven decision making by utilizing data from local assessments to inform instructional practices and track student progress.
3. Build teacher capacity through professional learning communities, targeted walkthroughs, and timely feedback.

Strategies to support a culture of inclusiveness and excellence include:

1. Create a Travis community through student-led mentoring and targeted support for the social and emotional growth of all students.
2. Implement systematic behavioral supports with a campus-wide behavior plan to include Restorative Discipline practices and mentoring for new teachers.

Data from local Curriculum Based Assessments and Benchmarks indicate that Travis is on track to earn an accountability rating of Met Standard for 2019-2020 (see Results in the Targeted Improvement Plan). Student attendance and improved campus culture are reflected in reduced disciplinary referrals and increased learning time.

Please let me know if I can provide additional information.

Karen A. Morgan, Ed.D.
District Coordinator of School Improvement
Director of Accountability and District Planning

**Travis Science Academy Targeted Improvement Plan
2018-2019**

District Name	Temple ISD	CDN	014909	Superintendent	Dr. Bobby Ott
Campus	Travis Science Academy	Campus #	014909042	DCSI	Dr. Karen Morgan
PSP	Dr. Karen Hassell	ESC	Region 12	Principal	Tiffany Weiss
Vision	At Travis Science Academy, we foster collaboration, integrity, and resilience within a culture of inclusivity and excellence.				

Problem Statement 1:	Travis Science Academy Reading (54%) ,Writing (41%), and Math (64%) scores are below district average.
Root Cause 1:	Students enter Grade 6 significantly below grade level, and current students in grade 7 and 8 did not make progress as measured by the STAAR assessments.
Annual Goal 1:	Travis Science Academy will meet or exceed state standards for the Texas Accountability system.
Strategy 1:	The administrative leadership team will ensure that teachers provide data-driven, rigorous, targeted instructional delivery that supports reading and writing across the curriculum.

Formative 1.1 (by November 1)		Status	Significant progress made.
Action	Resources	Expected Outcome	Results
Travis Science Academy will modify the master schedule to add a supplemental reading elective.	-Reading teacher -iLit reading intervention program	MOY testing data will demonstrate student growth in reading (CBA 1 to CBA 2).	The master schedule was revised to add a reading elective in October for grades 6-8. A reading teacher was hired.

**Travis Science Academy Targeted Improvement Plan
2018-2019**

<p>Teachers will implement the Balanced Literacy framework and content area literacy strategies.</p>	<p>-Targeted professional development -Administrative team Monitor and support</p>	<p>MOY testing data will demonstrate student growth in reading (CBA 1 to CBA 2).</p>	<p><u>Reading CBA 1 results:</u> (District / Campus) Grade 6: 31% / 32% Grade 7: 32% / 29% Grade 8: 34% / 34%</p> <p><u>Reading CBA 2 results:</u> (District / Campus) Grade 6: 39% / 33% Grade 7: 39% / 33% Grade 8: 42% / 35%</p> <p><u>Student Growth (CBA 1 / CBA 2):</u> Grade 6: 117 of 221 / 77 of 199 Grade 7: 127 of 215 / 121 of 189 Grade 8: 128 of 225 / 133 of 219</p> <p>All classes have restructured the instructional delivery to support the Balanced Literacy framework.</p>
<p>Develop teacher leadership during PLCs.</p>	<p>-Curriculum documents -Lead4Ward training -<i>Learning by Doing</i> (Richard DuFour)</p>	<p>A culture of collaboration will be built in PLCs that promotes teacher leadership and teacher-directed processes that improve student achievement.</p>	<p>The teacher leaders have been trained using the Lead4ward Leading for Learning Series. The lead teachers are utilizing the field guides to plan for instruction during PLC.</p>
<p>Instructional Leadership Team will restructure the Rtl format to ensure all instruction supports the academic needs of</p>	<p>-Intervention resources</p>	<p>Students at all levels of achievement will demonstrate academic growth as demonstrated by</p>	<p>The ELA and Math teachers designed RTI groups based on BOY data. The RTI groups are utilizing iLit2 and, IXL. All RTI instruction is focused on math</p>

**Travis Science Academy Targeted Improvement Plan
2018-2019**

<p>students.</p>		<p>the screener.</p>	<p>or reading.</p> <p><u>CBA 1 results (District / Campus):</u> Math Gr 6 7 8: 37% / 35% Science Gr 8: 57% / 57% Social Studies Gr 8: 47% / 64%</p> <p><u>CBA 2 results (District / Campus):</u> Math Gr 6 7 8: 37% / 35% Science Gr 8: 54% / 58% Social Studies Gr 8: 55% / 71%</p>
<p>The Administrative team will analyze the resource <i>Get Better Faster</i> to support the development of a campus-specific walkthrough document to evaluate literacy strategies, instructional delivery, and Rtl instruction.</p>	<p>-Walkthrough document -<i>Get Better Faster</i> (Paul Bambrick-Santoyo)</p>	<p>Walkthrough results will demonstrate instructional fidelity and consistency.</p>	<p>Leadership developed a targeted walkthrough form and process that is more aligned to campus strategies and district initiatives. The walkthrough form was created and uploaded by November. The Administrative team began using the form in December.</p>
<p>Adjustments / Next Steps</p>	<p>The <i>Get Better Faster</i> is a resources that is being utilized to support coaching plans. Region 12 consultant Christa Miller provided professional development in the fall semester and will be performing site visits and classroom walkthroughs to support the Balanced Literacy initiative.</p>		

**Travis Science Academy Targeted Improvement Plan
2018-2019**

Formative 1.2 (by February 1)		Status	Significant progress made.
Action	Resources	Expected Outcome	Results
Continue the Balanced Literacy model in the Language and Literature classes.	- Region 12 Balanced Literacy training	Local assessment data will demonstrate student growth in reading.	<u>STAAR Reading Interim Assessment results (Approaches/Meets):</u> Grade 6: 49.1% / 26.5% Grade 7: 58.8% / 33.5% Grade 8: 59.1% / 28.1%
Continue to develop leadership in PLCs.	-Curriculum documents -Lead4Ward training <i>-Learning by Doing</i> (Richard DuFour)	The instructional delivery methods will be specific to the needs of students. CBA data, benchmark data, and formative assessments will support targeted instruction for all students.	Lead teachers are continuing to utilize Lead4Ward field guides to plan for instruction during PLC.
Instructional Leadership Team will continue to monitor the restructuring of the Rtl format to ensure all instruction supports the academic needs of students.	-Intervention resources	Students at all academic levels will demonstrate growth reading on the mid-year benchmark assessments.	<u>Benchmark results (District / Campus):</u> Grade 7 Writing: 28.6% / 40.9% Grade 8 Math: 65.5% / 71.2% Grade 8 Reading: 56.0% / 53.4% <u>Domain 2 Academic Growth (STAAR to Benchmark): # /Score:</u> Grade 8 Reading: 129 of 204 /60 Grade 8 Math: 145 of 200 / 68
Adjustments / Next Steps	None.		

**Travis Science Academy Targeted Improvement Plan
2018-2019**

Formative 1.3 (by April 1)		Status	
Action	Resources	Expected Outcome	Results
The Administrative team will continue utilizing the resource <i>Get Better Faster</i> to evaluate literacy strategies, instructional delivery, and Rtl instruction.	-Walkthrough document	Walkthrough results will demonstrate fidelity and consistency in instructional delivery.	
Continue to develop leadership in PLCs.	-Lead4ward -Curriculum documents - <i>Learning by Doing</i> (Richard DuFour)	The instructional delivery methods will be specific to the needs of students. Benchmark data and formative assessments will support targeted instruction for all students.	
Instructional Leadership Team will continue to monitor the Rtl format to ensure all instruction supports the academic needs of students.	-Intervention resources	Students at all academic levels will demonstrate growth in all academic areas.	
Adjustments / Next Steps			

**Travis Science Academy Targeted Improvement Plan
2018-2019**

Summative 1.4 (by June 1)		Status	
Action	Resources	Expected Outcome	Results
Travis Science Academy will evaluate the effectiveness of adding a supplemental reading elective.	-Reading teacher -iLit	EOY STAAR data will demonstrate an increase in student achievement in reading.	
Teachers will develop the next level of work with the Balanced Literacy framework and content area literacy strategies.	-Targeted professional development	TSA will have an updated Balanced Literacy plan for the 2019-2020 school year.	
The PLC process will continue to focus on instructional practices, TEKS alignment, and data planning.	Curriculum documents -Lead4Ward - <i>Learning by Doing</i> (Richard DuFour)	EOY STAAR data will demonstrate an increase in student achievement in all areas and in all subgroups.	
Instructional Leadership Team will evaluate the restructure of the Rtl format to ensure all activities support the academic needs of students.	-Intervention resources	EOY STAAR data will demonstrate that advanced learners and below level learners made academic gains.	
The Administrative team will continue utilizing the resource <i>Get Better Faster</i> to evaluate literacy strategies, instructional delivery, and Rtl instruction.	-Walkthrough document	EOY STAAR data will demonstrate an increase in student achievement.	
Adjustments / Next Steps			

**Travis Science Academy Targeted Improvement Plan
2018-2019**

Problem Statement 2:	The discipline referral rate at Travis Science Academy is the highest in TISD for secondary campuses.
Root Cause 2:	Teachers are not systematically connected to the students in order to know what the students think, feel, and believe. On the Organizational Health Inventory for Middle Schools (OHI-M) survey (January 2018), TSA Teacher Affiliation was lower than 97% of the schools surveyed.
Annual Goal 2:	Travis Science Academy will improve positive student behavior resulting in a decrease in ISS, OSS, and DAEP placements.
Strategy 2:	TSA staff members' actions will reflect an understanding of the students' social-emotional and academic needs.

Formative 2.1 (by November 1)		Status	On target to meet goal.
Action	Resources	Expected Outcome	Results
Travis Science Academy will utilize the Mustang Teams to develop social and emotional growth for all students.	<ul style="list-style-type: none"> -Restorative circles -MYP coordinator-created lesson plans -Student surveys 	The students will have a safe place at school to discuss their needs and positive interactions with staff members will increase.	<p>Student attendance: Campus: 95.2%; District: 95.5%</p> <p>Monthly Foundation team reports indicate that student referrals, ISS placements, OSS placements, and DAEP placements were in line with Behavior Rtl district targets (percent of students).</p> <p>Referrals Tier 2 - 2.1%, Tier 3 - 0.1%</p> <p>ISS: Tier 2 - 8.1%, Tier 3 - 1.8%</p>

**Travis Science Academy Targeted Improvement Plan
2018-2019**

			<p>OSS: Tier 2 - 2.2%, Tier 3 - 1.3%</p> <p>DAEP: Tier 3 - 0.8%</p>
<p>Implement Restorative Practices campus-wide. The administrative team will provide restorative practices training for all staff members.</p>	<ul style="list-style-type: none"> -CHAMPS -Restorative Circles -The Restorative Practices Handbook 	<p>Student behavior at TSA will improve and students will learn to resolve conflict in a constructive manner.</p>	<p>Basic training was provided by campus leadership on Restorative Practices prior to the beginning of school, with follow-up training during PLCs.</p> <p>Student referrals decreased from 1,315 in 2017-2018 at this time to 844 (471 fewer; 36% reduction).</p> <p>Restorative Circles were conducted by assistant principals and counselors.</p>
<p>Create a mentoring culture with targeted students. Develop a student-led mentoring program.</p>	<ul style="list-style-type: none"> - Teacher sponsors - Discipline data - Attendance data - Student training using tier one restorative circles 	<p>Students will develop stronger relationships with one another and serve as positive role models against fighting, bullying, and negative behavior.</p>	<p>The TSA Peer Mentor program was established. Meetings were held in October and November to provide training and match students. Additional meetings are scheduled for November 14 and December 5.</p>
<p>Create a TSA campus mentor program to support all</p>	<ul style="list-style-type: none"> - Teacher leaders - Monthly meetings 	<p>New teachers at Travis will have an advocate in the</p>	<p>Experienced teacher leaders provided support to teachers new</p>

**Travis Science Academy Targeted Improvement Plan
2018-2019**

<p>teachers new to the campus.</p>	<p>- Targeted professional development based on needs of the individual teacher</p>	<p>building that can support their overall needs. Campus teacher retention rate will increase.</p>	<p>to Travis by working on building student relationships, consistent behavioral and instructional practices, and specific strategies for working with students of poverty.</p> <p>The district-implemented teacher survey indicated that campus teacher satisfaction met or exceeded district results on most measures, and that there is a positive working climate and culture (98% response rate).</p> <p>The district new teacher mentor program report measures new teacher academic results, behavioral strategies, and attendance on scales from 1 to 5. Average results for Travis new teachers improved from 3.5 (28% below proficient) in October to 3.8 (0% below proficient) in November.</p>
<p>Adjustments / Next Steps</p>	<p>An additional part-time counselor was hired in October. Teacher mentor groups were developed for grades 6, 7 and 8 in addition to the Peer Mentor program. Restorative justice training will be provided campuswide on January 8 by national trainers. A student survey will be administered at the beginning of the second semester.</p>		

**Travis Science Academy Targeted Improvement Plan
2018-2019**

Formative 2.2 (by February 1)		Status	On target to meet goal.
Action	Resources	Expected Outcome	Results
Travis Science Academy will continue to utilize the Mustang Teams to develop social and emotional growth for all students.	-Restorative circles -MYP coordinator-created lesson plans -Student surveys	Students efficacy for resolving conflicts will increase and student discipline referrals will decrease.	<p>Student attendance: Campus: 94.3%; District: 94.9%</p> <p>Monthly Foundation team reports indicate that student referrals, ISS placements, OSS placements, and DAEP placements were in line with Behavior Rtl district targets (percent of students).</p> <p>Referrals Tier 2 - 4%, Tier 3 - 2%</p> <p>ISS: Tier 2 - 11%, Tier 3 - 5%</p> <p>OSS: Tier 2 - 5%, Tier 3 - 2%</p> <p>DAEP: Tier 3 - 0%</p>
Continue to implement restorative discipline practices and PBIS models campus-wide.	- CHAMPS expectations posted campus-wide - Positive behavior supports	Teachers and students will have positive expectations for behavior at TSA. Students will be noticed for positive behavior.	Restorative justice training was provided campuswide on January 8 by national trainers. Circles have become more proactive instead of responsive.

**Travis Science Academy Targeted Improvement Plan
2018-2019**

<p>Continue to monitor the mentoring culture with targeted students. Monitor and adjust the student-led mentoring program.</p>	<ul style="list-style-type: none"> - Teacher sponsors - Student training using tier one restorative circles. 	<p>Students behavior will decrease and attendance will increase.</p>	<p>The Peer Mentor program meets every two weeks. In January, our Fort Hood Adopt-a-Unit soldiers worked with the peer group to develop social skills.</p>
<p>Monitor the TSA campus mentor program to support all teachers new to the campus.</p>	<ul style="list-style-type: none"> - Teacher leaders - Monthly meetings - Targeted professional development will be provided based on the needs of the individual teacher 	<p>New teachers to TSA will feel supported and the teacher retention rate will increase.</p>	<p>Experienced teacher leaders continued to provide support to teachers new to Travis by working on building student relationships, consistent behavioral and instructional practices, and specific strategies for working with students of poverty.</p> <p>Team building was provided for all staff in January supported by the Drum Cafe.</p>
<p>Adjustments / Next Steps</p>	<p>A student culture survey will be administered in March.</p>		

**Travis Science Academy Targeted Improvement Plan
2018-2019**

Formative 2.3 (by April 1)		Status	
Action	Resources	Expected Outcome	Results
Travis Science Academy will continue to utilize the Mustang Teams to develop social and emotional growth for all students.	-Restorative circles -MYP coordinator creates lesson plans -Student surveys	Discipline referrals decrease and student efficacy for resolving conflicts increases.	
Continue to implement restorative discipline practices and PBIS models campus-wide.	- CHAMPS expectations posted campus-wide - Positive behavior supports	Teachers and students will have positive expectations for behavior at TSA. Students will be noticed for positive behavior.	
Continue to monitor the mentoring culture with targeted students. Monitor and adjust the student-led mentoring program.	- Teacher sponsors - Student training using tier one restorative circles.	Students behavior will decrease and attendance will increase.	
Adjustments / Next Steps			

**Travis Science Academy Targeted Improvement Plan
2018-2019**

Summative 2.4 (by June 1)		Status	
Action	Resources	Expected Outcome	Results
Travis Science Academy will utilize the Mustang Teams to develop social and emotional growth for all students.	-Restorative circles -MYP coordinator creates lesson plans -Student surveys	Student surveys indicate that students feel positive about school.	
Evaluate the PBIS model and restorative discipline practices campus-wide.	- CHAMPS - Restorative circles - The Restorative Practices Handbook	Student surveys indicate that students feel that TSA is a safe environment.	
Continue to monitor the mentoring culture with targeted students. Monitor and adjust the student-led mentoring program.	- Teacher sponsors - Student training using tier one restorative circles.	Targeted students will no longer be in the red categories for attendance and behavior.	
Create a TSA campus mentor program to support all teachers new to the campus.	- Teacher leaders - Monthly meetings - Targeted professional Development provided based on individual need	Campus teacher retention rate will increase.	
Adjustments / Next Steps			

TEXAS EDUCATION AGENCY
2016 Accountability Summary
 TRAVIS SCIENCE ACADEMY (014909042) - TEMPLE ISD

Accountability Rating

Met Standard

Met Standards on

- Student Progress
- Closing Performance Gaps
- Postsecondary Readiness

Did Not Meet Standards on

- Student Achievement

In 2016, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4.

Distinction Designation



Academic Achievement in ELA/Reading

DISTINCTION EARNED

Academic Achievement in Mathematics

NO DISTINCTION EARNED

Academic Achievement in Science

NO DISTINCTION EARNED

Academic Achievement in Social Studies

DISTINCTION EARNED

Top 25 Percent Student Progress

DISTINCTION EARNED

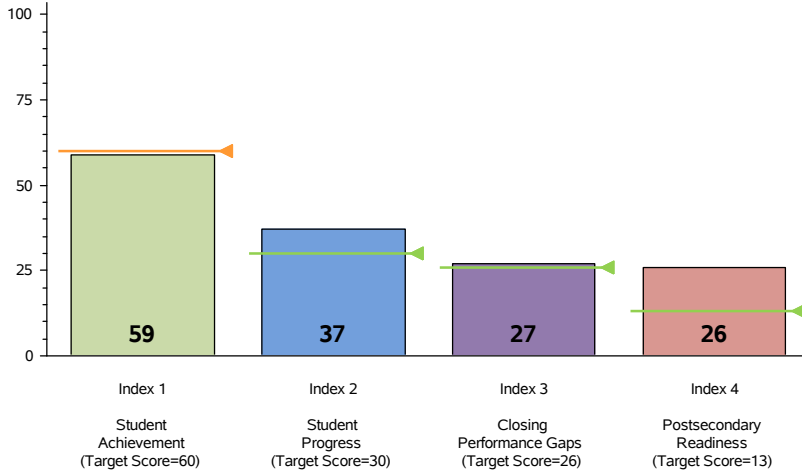
Top 25 Percent Closing Performance Gaps

NO DISTINCTION EARNED

Postsecondary Readiness

NO DISTINCTION EARNED

Performance Index Report



Performance Index Summary

Index	Points Earned	Maximum Points	Index Score
1 - Student Achievement	1,105	1,863	59
2 - Student Progress	589	1,600	37
3 - Closing Performance Gaps	808	3,000	27
4 - Postsecondary Readiness			
STAAR Score	26.0		
Graduation Rate Score	N/A		
Graduation Plan Score	N/A		
Postsecondary Component Score	N/A		26

Campus Demographics

Campus Type	Middle School
Campus Size	665 Students
Grade Span	06 - 08
Percent Economically Disadvantaged	74.9
Percent English Language Learners	10.5
Mobility Rate	22.0

System Safeguards

Number and Percentage of Indicators Met

Performance Rates	9 out of 29 = 31%
Participation Rates	14 out of 14 = 100%
Graduation Rates	N/A
Total	23 out of 43 = 53%

For further information about this report, please see the Performance Reporting Division website at <https://rptsvr1.tea.texas.gov/perfreport/account/2016/index.html>

TEXAS EDUCATION AGENCY
2017 Accountability Summary
 TRAVIS SCIENCE ACADEMY (014909042) - TEMPLE ISD

Accountability Rating

Met Standard

Met Standards on	Did Not Meet Standards on
<ul style="list-style-type: none"> - Student Achievement - Student Progress - Closing Performance Gaps - Postsecondary Readiness 	<ul style="list-style-type: none"> - NONE

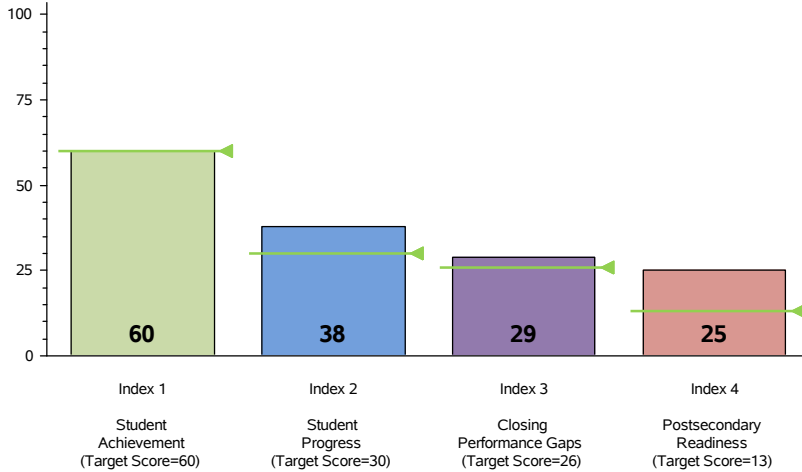
In 2017, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4.

Distinction Designation



Academic Achievement in ELA/Reading
NO DISTINCTION EARNED
Academic Achievement in Mathematics
NO DISTINCTION EARNED
Academic Achievement in Science
DISTINCTION EARNED
Academic Achievement in Social Studies
DISTINCTION EARNED
Top 25 Percent Student Progress
DISTINCTION EARNED
Top 25 Percent Closing Performance Gaps
NO DISTINCTION EARNED
Postsecondary Readiness
NO DISTINCTION EARNED

Performance Index Report



Campus Demographics

Campus Type	Middle School
Campus Size	692 Students
Grade Span	06 - 08
Percent Economically Disadvantaged	74.1
Percent English Language Learners	10.5
Mobility Rate	22.7
Percent Served by Special Education	10.8
Percent Enrolled in an Early College High School Program	0.0

Performance Index Summary

Index	Points Earned	Maximum Points	Index Score
1 - Student Achievement	1,153	1,906	60
2 - Student Progress	611	1,600	38
3 - Closing Performance Gaps	865	3,000	29
4 - Postsecondary Readiness			
STAAR Score	25.0		
Graduation Rate Score	N/A		
Graduation Plan Score	N/A		
Postsecondary Component Score	N/A		25

System Safeguards

Number and Percentage of Indicators Met

Performance Rates	11 out of 29 = 38%
Participation Rates	14 out of 14 = 100%
Graduation Rates	N/A
Total	25 out of 43 = 58%

For further information about this report, please see the Performance Reporting website at <https://rptsvr1.tea.texas.gov/perfreport/account/2017/index.html>



Accountability Data Performance Participation Attendance and Graduation

Postsecondary Readiness Profile KG Readiness Finance Data Search

Texas Education Agency
2018 Accountability Ratings Overall Summary
TRAVIS SCIENCE ACADEMY (014909042) - TEMPLE ISD

	Component Score	Scaled Score	Rating
Overall		55	Improvement Required
Student Achievement		59	Improvement Required
STAAR Performance	31	59	
College, Career and Military Readiness Graduation Rate			
School Progress		60	Met Standard
Academic Growth	60	59	Improvement Required
Relative Performance (Eco Dis: 76.4%)	31	60	Met Standard
Closing the Gaps	4	42	Improvement Required

Distinction Designations

ELA/Reading	Not Earned
Mathematics	Not Earned
Science	Not Earned
Social Studies	Not Earned
Comparative Academic Growth	Not Earned
Postsecondary Readiness	Not Earned
Comparative Closing the Gaps	Not Earned

BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
MAY 23, 2019

Presentation, discussion and possible action on staff determinations regarding Neighborhood Risk Factors for 19125 Alice Lofts

RECOMMENDED ACTION

WHEREAS, pursuant to 10 TAC §11.101(a)(3) of the 2019 Qualified Allocation Plan related to Neighborhood Risk Factors, if a Development Site has any of the characteristics described in subparagraph B of the subsection, the Applicant must disclose the presence of each such characteristic to the Department at the time the Application is submitted to the Department;

WHEREAS, 19125 Alice Lofts disclosed the presence of Neighborhood Risk Factors and submitted documentation regarding the mitigation of those risk factors; and

WHEREAS, staff has conducted a further review of the proposed site and the surrounding neighborhoods pursuant to 10 TAC §11.101(a)(3) and prepared a summary to the Board;

NOW, therefore, it is hereby,

RESOLVED, that the Board determine 19125 Alice Lofts ineligible under the requirements of 10 TAC §11.101(a)(3) of the Qualified Allocation Plan.

BACKGROUND

Pursuant to 10 TAC §11.101(a)(3) of the 2019 Qualified Allocation Plan (QAP) related to Neighborhood Risk Factors, disclosure is required if one or more of the neighborhood risk factors exists where the proposed Development Site is located. Applicants are required to provide a Neighborhood Risk Factors Report (NRFR), which includes information regarding mitigating factors and a general description of the site and surrounding area.

The following describes the results of staff's review for the 2019 Competitive Housing Tax Credit (HTC) Application 19125 Alice Lofts. The information identifies the HTC Development/Application number (TDHCA ID#), the name of the Development, the region, and the city, along with staff's comments with respect to eligibility of the site. A brief summary of each disclosure has been included and is followed by Department staff's analysis of that disclosure for the Site and the proposed mitigation from the Applicant.

Pursuant to 10 TAC §11.101(a)(3), the Department’s Governing Board has final decision making authority in making an affirmative determination of finding a Site eligible or ineligible. Should the Board make the determination that a Development Site is ineligible, the termination of the Application resulting from such Board action is not subject to further appeal.

TDHCA ID#	Dev. Name	Region	City	Review Status
19125	Alice Lofts	10	Alice	

Application 19125, Alice Lofts, is the adaptive reuse of the Physicians and Surgeons (P&S) Hospital in Alice, Jim Wells County. In addition to Low Income Housing Tax Credits, the proposed Development is intending to apply for Historic Tax Credits. The development will consist of 44 residential units, 39 of which will be housing tax credit units and five of which will be market rate. The Development will serve the General population.

Summary of Disclosure: The Applicant disclosed five instances of property neglect or deferred maintenance that warrant disclosure to TDHCA for potential blight.

Mitigation Efforts: The proposed Development Site is within proximity of several civic institutions in downtown Alice and is three blocks from the downtown's Main Street. The Part I crime rate for the census tract in which the Development will be located is 4.48 per 1,000 persons, well below the Department's threshold of 18 per 1,000 persons. Given this proximity to downtown Alice, and given that the instances of blight disclosed by the Applicant are relatively minor, staff believes that the blight is not of such a nature as to render the site ineligible.

Staff Determination: Staff is recommending that the Board find the site eligible in regard to this issue.

Summary of Disclosure: The proposed Development Site falls within the attendance zone of Schallert Elementary School, which was rated Improvement Required in 2018. The school did achieve a Met Standard rating 2015 through 2017. Alice Independent School District has implemented a 2018-2019 Campus Improvement Plan.

Mitigation Efforts: 10 TAC §11.101(a)(3)(D)(iv) permits four paths of mitigation for schools that have Improvement Required ratings, including, but not limited to, "documentation from a person authorized to speak on behalf of the school district with oversight of the school in question that indicates the specific plans in place and current progress towards meeting the goals and performance objectives identified in the Campus Improvement Plan and in restoring the school to an acceptable rating status." Additional paths of mitigation include confirmation from the school district that a school-aged resident may, as a matter of right, attend another school that has a Met Standard rating, a commitment from the Applicant to offer, at minimum, 15 hours of weekly educational after-school and summer activities to school-aged residents, or, lastly,

evidence that the Applicant has formed a partnership with the school district, a Head Start provider, or a charter school to offer a preschool program onsite.

The Applicant has not presented evidence of mitigation that meets any of the requirements in the rule. While the Applicant has spoken of past achievements of the elementary school and has commented on the school's improvement plan, that alone and by itself is not sufficient mitigation, per the requirements of the rules.

Staff Determination: Staff is recommending that the Board find the site ineligible in regard to this issue.

19125

Alice Lofts

19125 Alice Lofts

Neighborhood Risk Factor Report

2019 9% Housing Tax Credit Cycle
Alice Housing Partners, LP



Neighborhood Risk Factors Report Packet

The purpose of the packet is to formalize the process in which neighborhood risk factors (“NRF”) are disclosed and the NRF Report is submitted pursuant to 10 TAC §11.101(a)(3) of the Qualified Allocation Plan (“QAP”). The packet may be submitted at pre-application (if applicable per 10 TAC §11.8(b) relating to Pre-Application Requirements) or at Application. Applicants who wish to submit a request for pre-determination prior to pre-application or Application are advised to review 10 TAC §11.101(a)(3) for additional guidance. Termination due to an Applicant’s own non-disclosure is not appealable as such appeal is in direct conflict with certifications made in the Application and within the control of the Applicant.

Pursuant to 10 TAC §11. 8(b), related to Pre-application Participation, the competitive HTC pre-application must identify neighborhood risk factors related to crime and schools.

Pre-application Disclosure: Pre-application # _____ Development Name _____

Application Disclosure: Application # 19125 Development Name Alice Lofts

My Development Site includes the following neighborhood risk factor(s) (Check all that apply):

Development Site is located in a census tract has poverty rate above 40% for individuals (or 55% for Developments in regions 11 and 13).

Development Site is located in a census tract (or for any adjacent census tract with a boundary less than 500 feet from the proposed Development Site that is not separated from the Development Site by a natural barrier such as a river or lake, or an intervening restricted area, such as a military installation) in an Urban Area and the rate of Part I violent crime is greater than 18 per 1,000 persons annually as reported on <https://www.neighborhoodscout.com/>.

Development Site is located within 1,000 ft. (measured from nearest boundary of the Site to the nearest boundary of blighted structure) of multiple vacant structures that have fallen into such significant disrepair, overgrowth, and/or vandalism that they would commonly be regarded as blighted or abandoned.

Development Site is located within the attendance zones of an elementary school, a middle school, or a high school that does not have a Met Standard rating by the Texas Education Agency, based on the 2018 Accountability Ratings (unless the school is “Not Rated” because it meets the TEA Hurricane Harvey Provision, in which case the 2017 rating will apply).

Neighborhood Risk Factors Report:

I have submitted information for the items listed below, or such other mitigation as the Applicant determines appropriate to support a Board determination that the proposed Development Site should be found eligible, as such information might be considered to pertain to the neighborhood risk factor(s) disclosed, pursuant to 10 TAC §11.101(a)(3)(C) of the QAP. Such information is included behind this page.

- Determination regarding neighborhood boundaries;
- Assessment of general land use in the neighborhood;
- Assessment concerning any of the features of the neighborhood risk factors present in the neighborhood, regardless of whether they are within the specified distances referenced in 10 TAC §11.101(a)(2);
- Assessment of the number of existing affordable rental units in the Primary Market Area (PMA), including comment on concentration based on the size of the PMA;
- Assessment of the percentage of households residing in the census tract that have household incomes equal to or greater than the median household income for the MSA or county where the Development site is located;
- Assessment of the number of market rate multifamily units in the neighborhood and their current rents and levels of occupancy;
- Assessment, for the previous two academic years, of school performance for each of the schools in the attendance zone containing the Development that did not achieve the Met Standard rating for 2018 (unless the school is “Not Rated” because it meets the TEA Hurricane Harvey Provision, in which case the 2017 rating will apply), that includes the TEA Accountability Rating Report, a discussion of performance indicators and what progress has been made over the prior year, and the campus improvement plan in effect. If there is an update to the plan that shows progress made under the plan, provide the update. If no update is available, provide information from a school official that speaks to progress made under the plan as indicated in 10 TAC §11.101(a)(3)(D)(iv); and
- Additional information, if requested by the Department.

Provide any comments or additional information in the box below, if applicable.

Please see the attached documentation packet that has been bookmarked for ease of navigation.

Mitigation of the Neighborhood Risk Factor (s):

I have provided information regarding mitigation of the above-mentioned neighborhood risk factors, as applicable, behind this page, along with a summary narrative describing how the information presented meets the requirements of 10 TAC §11.101(a)(3)(D) of the QAP, or;

Waiver of the Neighborhood Risk Factor (s):

I am requesting a waiver of the presence of the above-mentioned neighborhood risk factors, as applicable, pursuant to 10 TAC §11.101(a)(3)(E) of the QAP, on the basis that the Development is necessary to enable the state, a participating jurisdiction, or an entitlement community to comply with its obligation to affirmatively further fair housing, a HUD approved Conciliation Agreement, or a final and non-appealable court order. Documentation to that effect is included herein with the disclosure and waiver request.

Provide any comments or additional information in the box below, if applicable.

Department Contacts:

9% HTC Applications: Sharon.Gamble@TDHCA.state.tx.us (9% Program Administrator)

4% HTC and Tax-Exempt Bond Applications: Teresa.Morales@TDHCA.state.tx.us (Multifamily Manager)

Direct Loan Only Applications: Andrew.Sinnott@TDHCA.state.tx.us (Multifamily Loan Programs Manager)

How to Submit the NRF Report Packet:

- Upload if a Serv-U Account has been set-up for the pre-application or Application and notify the appropriate contact person of the upload (refer to the Multifamily Programs Procedures Manual posted at <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm> for an explanation of the process to set-up a Serv-U Account if needed);

Or

- Include the packet behind tab 2 of the Uniform Multifamily Application.

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Schallert Elementary 2018-2019 Campus Improvement Plan

Dubose Intermediate 2018 TEA Rating

Adams Middle School 2018 TEA Rating

Alice High School 2018 TEA Rating

Affordable Housing Stock

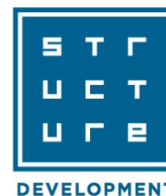
Primary Market Area Map Incomes in the Census Tract

Median Household Income ACS 5-Year Estimates 2012-2016 Data

Household Incomes ACS 5-Year Estimates 2012-2016 Data

Market Rate Multifamily Housing Stock

Selected Housing Characteristics ACS 5-Year Estimates 2012-2016 Data



February 25, 2019

Marni Holloway
Director of Multifamily Finance
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701

Re: 19125 Alice Lofts Neighborhood Risk Factor Report

Dear Ms. Holloway,

I am writing to provide the Department with additional information regarding the Neighborhood Risk Factor disclosure for Application #19125 Alice Lofts in accordance with 11.101(a)(3)(B)(iii). The site does not meet TDHCA standards applicable to elementary school performance for 2018 and potentially has some instances of blight. The instances of blight are minor, we feel that full disclosure is best in all cases regarding TDHCA regulations. This letter, along with the Neighborhood Risk Factor Report, should provide a clearer impression of Downtown Alice and the revitalization efforts that are already underway to improve this community.

Introduction to the Area

Alice Lofts is located at 320 East 3rd Street in the heart of historic Downtown Alice. The City of Alice was originally established in 1888, after being moved three miles west from its original townsite to the junction of the San Antonio/Aransas Pass rail line and the Corpus Christi/San Diego/Rio Grande rail line. The town's location at this critical junction, which is located just southwest of Downtown, led Alice to become one of the state's busiest shipping points in the beef industry. As a result, Alice was a thriving community well into the twentieth century, and the City still has many relics from its prosperous past that have survived to present day. They include the following:

- The Jim Wells County Courthouse (constructed in 1912),
- The First United Methodist Church (constructed early 1900s),
- The Physicians & Surgeons Hospital, which will be rehabilitated to become Alice Lofts (constructed in 1932),
- The First Presbyterian Church of Alice (brick building erected in 1938), and
- The McGill Brothers Building (constructed in 1941).

Like many historic Texas town centers, Downtown Alice is characterized by a rich variety of land uses, including a mix of residential, commercial, and industrial uses. Please reference the attached Land Use map on page 11 of the documentation packet. The area immediately surrounding Alice Lofts is zoned as B-4, High Intensity Business District. This district is comprised of the County Courthouse, City Hall and other municipal buildings, churches, and several locally-owned businesses along Main Street such as the Alice Shoe Shop, Triny's Jewelry Repair, Rushing & Gonzalez Drug, City Barber Shop, Murphy's Grill, and the Wedding Lace dress store.

Alice Lofts is located within a High Opportunity census tract in accordance with TDHCA's standards; the census tract has a low **poverty rate of 18.8%**, which is below TDHCA's 40% threshold for a neighborhood risk factor. The Alice Lofts' census tract has a **low crime rate of 4.48** crimes per 1,000 persons, well below TDHCA's Neighborhood Risk Factor threshold of 18 crimes per 1,000 persons. The crime in Downtown Alice is below the average across the City of Alice and comparable to the national and State median. Please see page 12 of the documentation packet for an excerpt of the Neighborhood Scout crime report for Downtown Alice.

Incomes and Market

The Primary Market Area for Alice Lofts has four affordable housing developments serving over approximately 450,000 acres of land in the Coastal Bend region of Texas. Please see page 81 of the documentation packet for a map of Alice Lofts' primary market area. This amounts to the primary market area only having 220 affordable housing units to serve a population of over 38,000 people, according to 2012-2016 American Community Survey 5-Year Estimates. This data, along with statistics on incomes, market rate rents, and lack of multifamily unit availability in the area, would suggest that the primary market area has a capacity for many more affordable units. See the table below for more information on the affordable housing developments in the market area.

Name of Development	Orange Grove Senior Apartments	Cameron Village Apartments	San Diego Creek Apartments	Easterling Village
Year Awarded	1994	2000	2005	2006
LIHTC Units	24 Units	76 Units	72 Units	48 Units
Population Served	Elderly	General	General	General

Another indicator of a need for more affordable housing is the comparison of household incomes to the median household income across the MSA. ACS data estimates that the median household income in the Alice, TX Micro area was \$43,321. In the census tract containing Alice Lofts, just over half of all households have incomes equal to or greater than the Micro area's income, based on the ACS data that can be found on page 83 of the documentation packet. According to NeighborhoodScout data, residents at Alice Lofts will be located within 30 minutes of over 10,000 high-paying jobs, which offer an annual salary of over \$75,000 or more. Furthermore, the Alice Lofts is located in a second quartile census tract with a poverty rate below 20%. Each of these factors indicate that residents of the development will be living in a high opportunity census tract and will have greater access to financial stability and economic mobility opportunities.

Less than 10% of the 1,399 housing units in the census tract containing Alice Lofts are multifamily structures containing three or more units. Based on the known locations of the Housing Tax Credit properties identified above, all of the multifamily rental units in the census tract and in the neighborhood are market rate. Based on a search on Apartments.com, there is one market rate multifamily development within the Downtown Alice neighborhood known as Alice Village. Please see page 88 of the documentation packet for information on the market-rate apartment complex. Alice Village is a two-story development that was built in 1980 with 50 units, including 1-bedroom/1-baths, 2-bedroom/1 baths, and 3-bedroom/2-baths. There are currently no vacancies at Alice Village or any other multifamily developments near Downtown Alice, which points to a potential demand for new, multifamily units, such as the ones that will be built at Alice Lofts.

Blight

I have referred to the instances of potential blight near Alice Lofts as "minor" because it only involves a few structures and we are confident that the redevelopment of our project, the currently vacant Physicians and Surgeons Hospital building will help revitalize the remaining vacant properties in the Downtown Alice area. Please see page 13 in the documentation packet for the five examples of potential blight that we identified. The City of Alice's Community Development and Public Works Departments facilitate community improvement initiatives, which include public infrastructure projects to re-seal roads, improve crosswalks and sidewalks, and conduct tire and debris pickups. In addition, there are several local organizations that provide minor home repair services and materials according to the Coastal Bend Aging and Disability Resource Center, such as the First United Methodist Church and the Catholic Charities of Corpus Christi's Humanitarian Disaster Recovery Program.

Homeowners affected by Hurricane Harvey can also seek assistance through the Homeowner Assistance Program (HAP) that is administered by the Texas General Land Office. This program provides homeowners assistance

with repairing and rehabilitating homes, reconstruction, improving damaged homes so that they are more resilient against future natural disasters, elevating homes above flood level, and temporary relocation assistance.

Due to the local and statewide initiatives that facilitate homeowners with structural repairs and property maintenance, because there are relatively few instances of potential blight, and because the development of Alice Lofts will eliminate a currently vacant structure from Downtown Alice's urban fabric, we believe that potential blight will be inconsequential to the success of the proposed Alice Lofts.

Schools

All but one school serving Alice Lofts received a 'Met Standard' rating from the Texas Education Agency in 2018.

Schallert Elementary School

Per TDHCA standards, with our Pre-Application, we disclosed that Alice Lofts is served by a school that did not receive a 'Met Standard' rating from the Texas Education Agency in 2018. Though Schallert Elementary did not receive the appropriate rating from the Texas Education Agency, it is important to note that this rating is not consistent with the campus' typical performance and that Alice Independent School District is actively working to help Schallert return to its tradition of excellence.

With the exception of 2018, Schallert Elementary has a custom of surpassing the Texas Education Agency's performance metrics and meeting their standards. From 2015 through 2017, the campus received 'Met Standard' ratings and two Distinction Designations as a school in the Top 25th percentile in both Student Progress and Closing Performance Gaps. Keeping this trend of exemplary performance in mind, Alice Independent School District did not hesitate to enact a 2018-2019 Campus Improvement Plan upon the receipt of its latest Accountability Rating from the Texas Education Agency. This Plan establishes 5 key goals and performance objectives for campus improvement, which include:

1. Student Achievement
2. A Safe and Nurturing Environment
3. Parent, Family, and Community Engagement
4. Operational Effectiveness and Efficiency
5. Human Resources

Based on conversations with Assistant Superintendent of Curriculum, Anna Holmgreen, and a copy of the 2018-2019 Campus Improvement Plan that she provided, Schallert Elementary is on track to achieve the goals laid out in its Plan and to return to its established practice of receiving a 'Met Standard' rating from the Texas Education Agency in 2019. The 2018-2019 Campus Improvement Plan is included in the documentation packet in its entirety starting on page 29. According to the status reports found in the Campus Improvement Plan, the campus has already begun work on all of its targeted strategies and has even completed some of the Plan's strategy activities, such as creating a schedule for all students to have bi-weekly computer lab lessons, providing all students in 3rd and 4th grade with Motivation Math workbooks, implementing the school-wide discipline plan, hosting a Family Orientation night, and requiring a New Teacher support through professional development and mentoring programs for new faculty.

Schallert Elementary has enlisted a highly qualified Campus Leadership Team and Site-Based Committee, along with committed funding, to see the school's goals through to completion. In addition to members of campus administration and teaching staff, the Campus Improvement Plan has been relying on support from reading interventionists, instructional facilitators, technology paraprofessionals, and parents. Over \$20,000 has already been allocated to various improvement resources like the Mentoring Minds Math and Writing Workbooks and the Renaissance Learning Accelerated Reader Program, as seen on page 80 of the documentation packet. The School Board for the school district are also calling for a \$20.7 million bond to be decided on May 4th of this year. If approved, the Bond would fund the reconstruction and expansion of Schallert Elementary, among other campuses, along with newer and safer amenities for students at six of the District's nine campuses. While the District is still

in the preliminary stages of solidifying its Bond proposal, this additional funding would certainly support the turnaround process for Schallert Elementary School.

Dubose Intermediate School

Students in 5th and 6th grade are zoned to attend Dubose Intermediate, which is one of Alice Independent School District's two intermediate schools. Dubose Intermediate received a 'Met Standard' rating from the Texas Education Agency, with considerable improvement in Student Achievement since 2017. The campus is less than a 15 minute walk from Alice Lofts and offers students the opportunity to participate in events like the District Science Fair and AISD's Junior Olympics.

Adams Middle School

Resident children in 7th and 8th grade will attend William Adams Middle School. This middle school, which is located just half a mile away from the development site, has consistently received a 'Met Standard' rating from the Texas Education Agency. Students at the middle school have the opportunity to participate in a variety of athletic programs, along with events like the Science Fair, the History Fair, and the Google Tech STEM Project before graduating on to Alice High School.

Alice High School

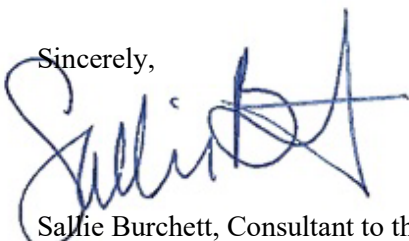
Alice High School, which serves students in 9th through 12th grade, has consistently received a 'Met Standard' rating from the Texas Education Agency, along with two Distinction Designations since 2016. In addition to the social support that the campus' students receive through the Coyote Graduation Center, students can also enroll in the Alice Early College High School Program. The competitive Early College High School program allows students to earn up to 60 college credit hours and an Associate's Degree while pursuing their high school diploma with the assistance of an innovative curriculum and a laptop provided by the school district.

Summary

I have referred to the instances of potential blight near Alice Lofts as minor because it only involves a few structures and the City of Alice and local nonprofit initiatives are in the process of mitigating this potential blight. In addition, we believe that because the elementary school serving Alice Lofts customarily receives a 'Met Standard' rating and because the Alice Independent School District has an effective Campus Improvement Plan in place, the uncharacteristic school performance will be mitigated by the time that Alice Lofts is placed in service.

Thank you for reviewing this report and for your consideration. Please let me know should you have any questions or concerns at sallie@structuretexas.com or at (512) 473-2527.

Sincerely,



Sallie Burchett, Consultant to the Project

sallie@structuretexas.com

(512) 473-2527



Alice City Center Neighborhood

Alice Lofts

320 E 3rd Street
Alice, Texas

-  Neighborhood
-  Site

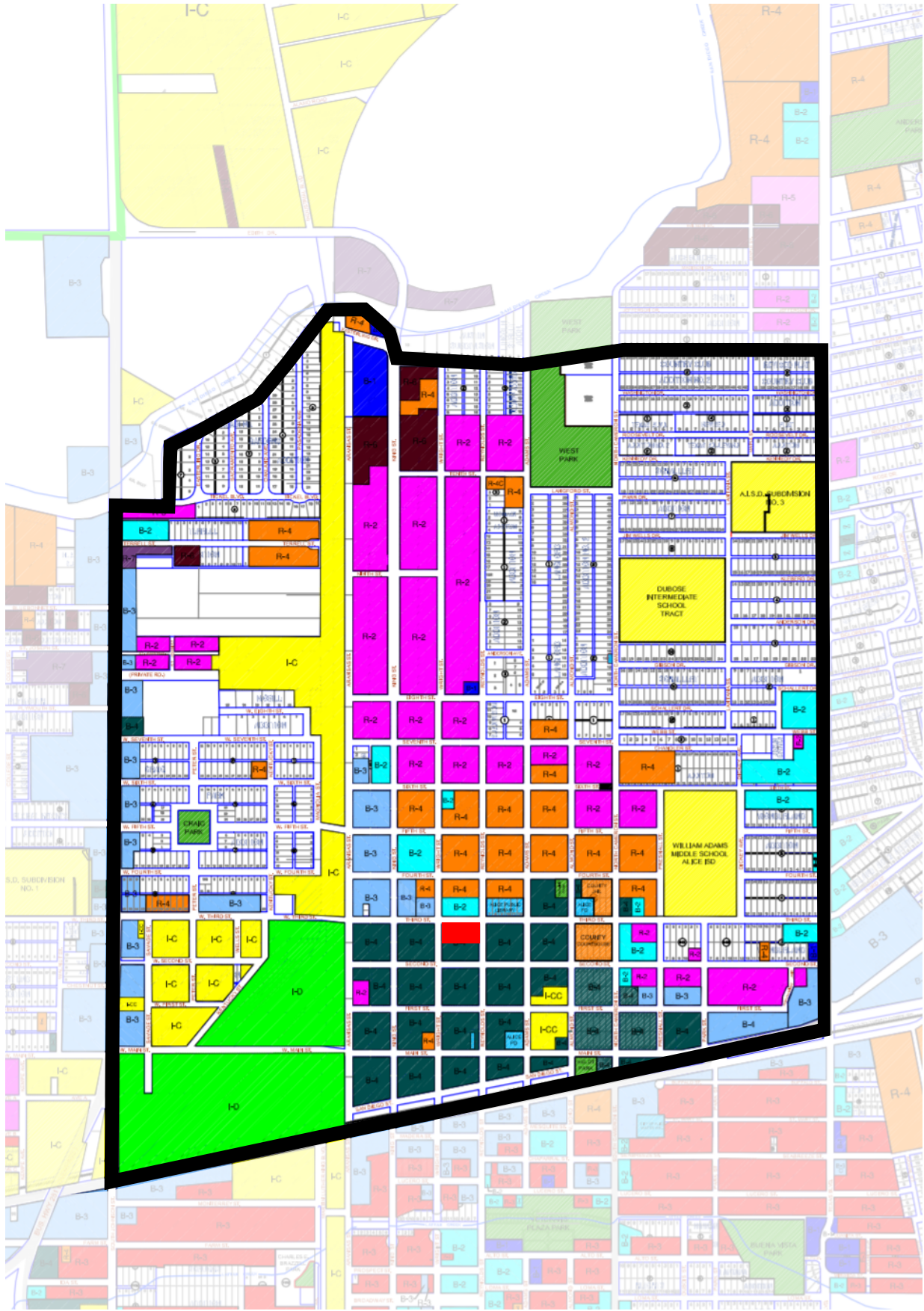



Alice City Center Neighborhood Land Use Map


Alice City Center
Neighborhood





Alice Lofts




 R - 1 One-Family District

 R - 2 Two Family District


 R - 3 Special Two-Family District


 R - 4 Multifamily District

 R - 6 Mobile Home Subdivision District

 R - 7 Mobile Home Park


 B - 1 Small Neighborhood Business District

 B - 2 Neighborhood Business District

 B - 3 General Business District

 B - 4 High Intensity Business District

 I - C Light Industrial District

 I - D Industrial District

THE 320 E 3RD ST NEIGHBORHOOD CRIME

67 Vital Statistics. 3 Condition Alerts found.

NEIGHBORHOOD CRIME DATA

TOTAL CRIME INDEX

10

(100 is safest) ⚡

Safer than 10% of U.S. neighborhoods.

NEIGHBORHOOD ANNUAL CRIMES			
	VIOLENT	PROPERTY	TOTAL
Number of Crimes	14	192	206
Crime Rate (per 1,000 residents)	4.48	61.40	65.88

NEIGHBORHOOD VIOLENT CRIME

VIOLENT CRIME INDEX

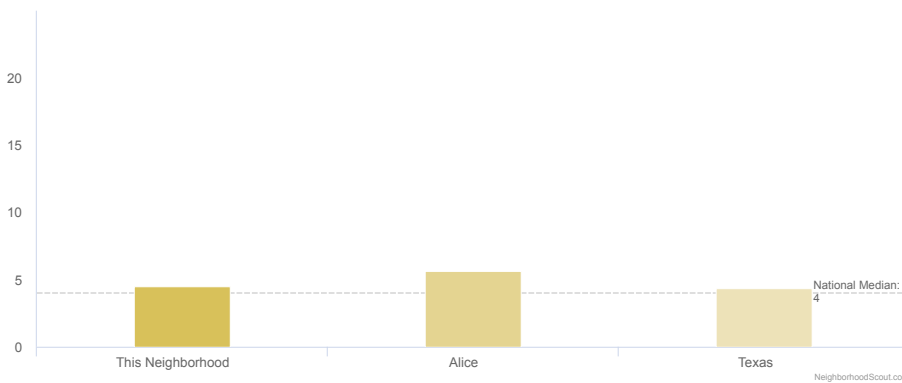
32

(100 is safest)

Safer than 32% of U.S. neighborhoods.

VIOLENT CRIME INDEX BY TYPE			
MURDER INDEX	RAPE INDEX	ROBBERY INDEX	ASSAULT INDEX
70	46	66	23
100 is safest	100 is safest	100 is safest	100 is safest

VIOLENT CRIME COMPARISON (PER 1,000 RESIDENTS)



MY CHANCES OF BECOMING A VICTIM OF A VIOLENT CRIME		
1 IN 223	1 IN 177	1 IN 230
in this Neighborhood	in Alice	in Texas

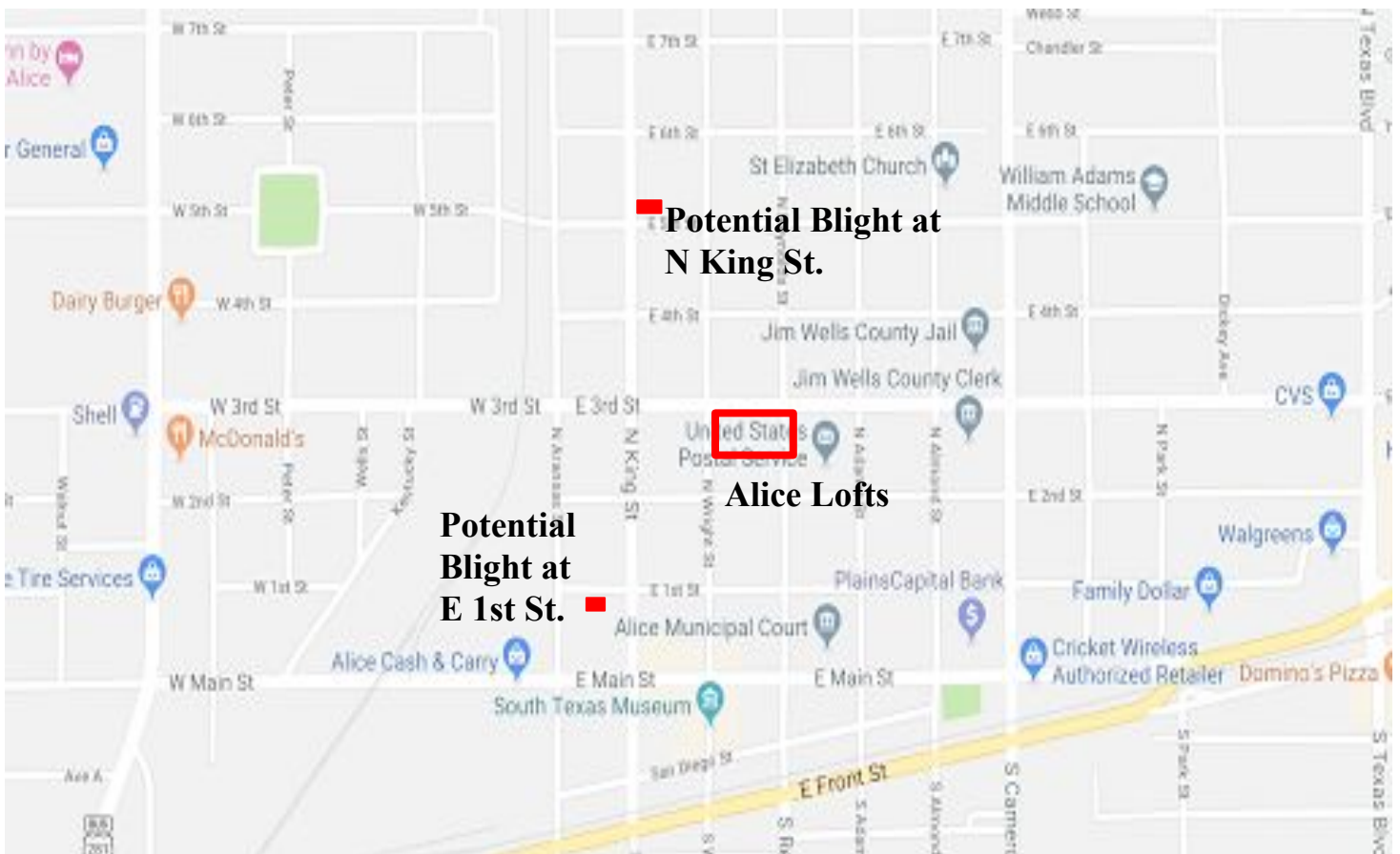
Potential Blight Assessment



Potential Blight #1: Vacant Building on E 1st St.



Potential Blight #2: Vacant Home on N King St.

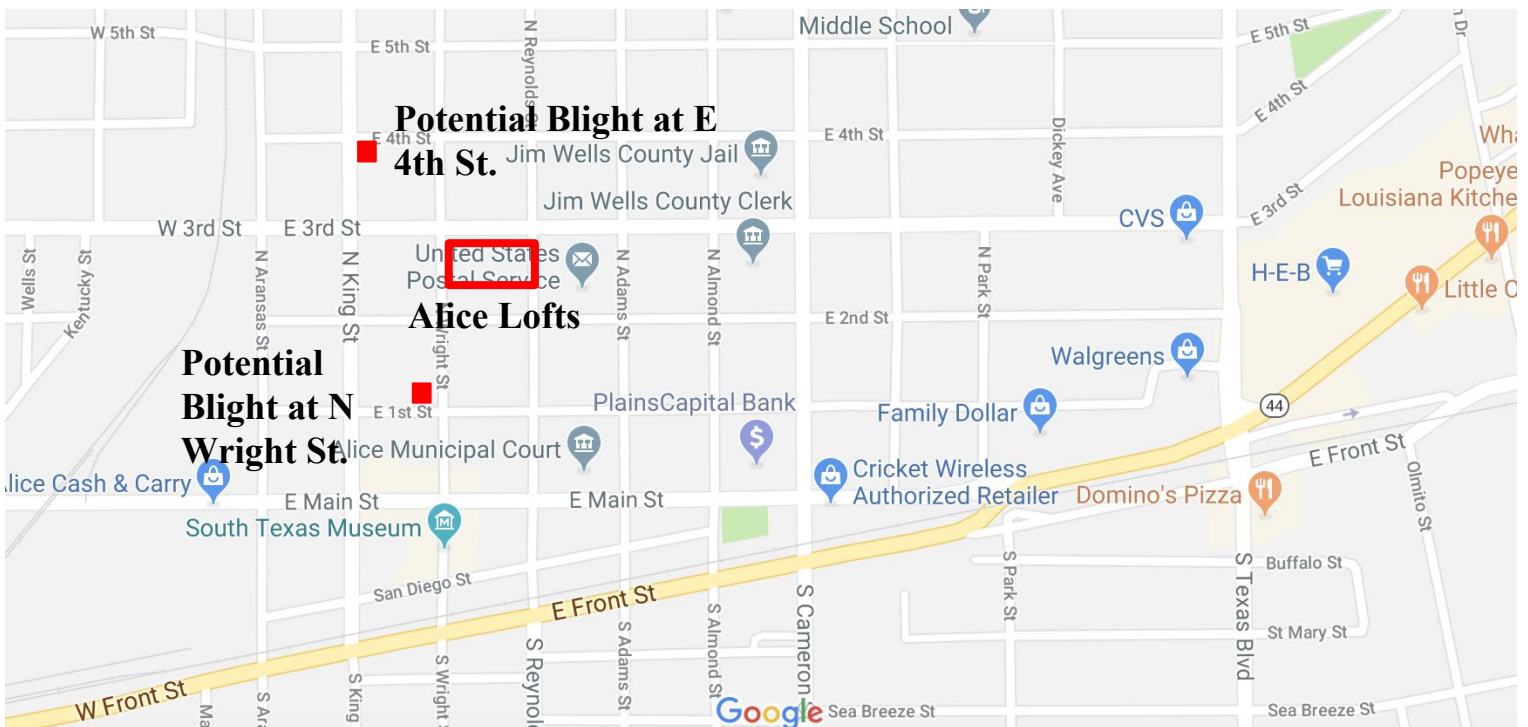


Potential Blight Assessment



Potential Blight #3: Vacant Business on N Wright St.

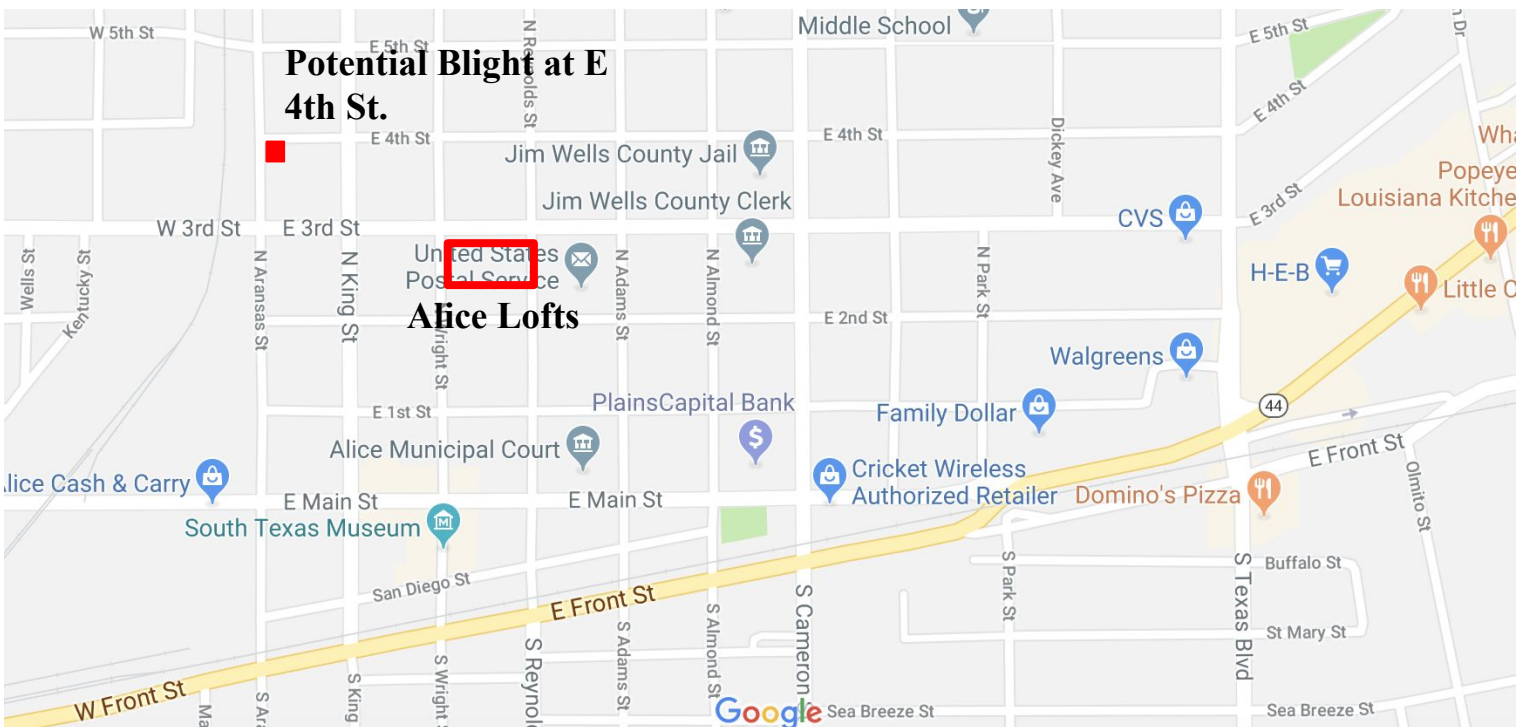
Potential Blight #4: Vacant Business on E 4th St.



Potential Blight Assessment



Potential Blight #5: Home in need of maintenance on E 4th St



Recent Community Improvement Projects



Community Improvement Project #1: Park restoration at Heldt Park

Community Improvement Project #2: Play equipment refurbishment at Craig Park



Recent Community improvement Projects



Community Improvement Project #3: Alice Municipal Golf Course pavilion renovation

Community Improvement Project #4: Golf course pro shop refurbishment



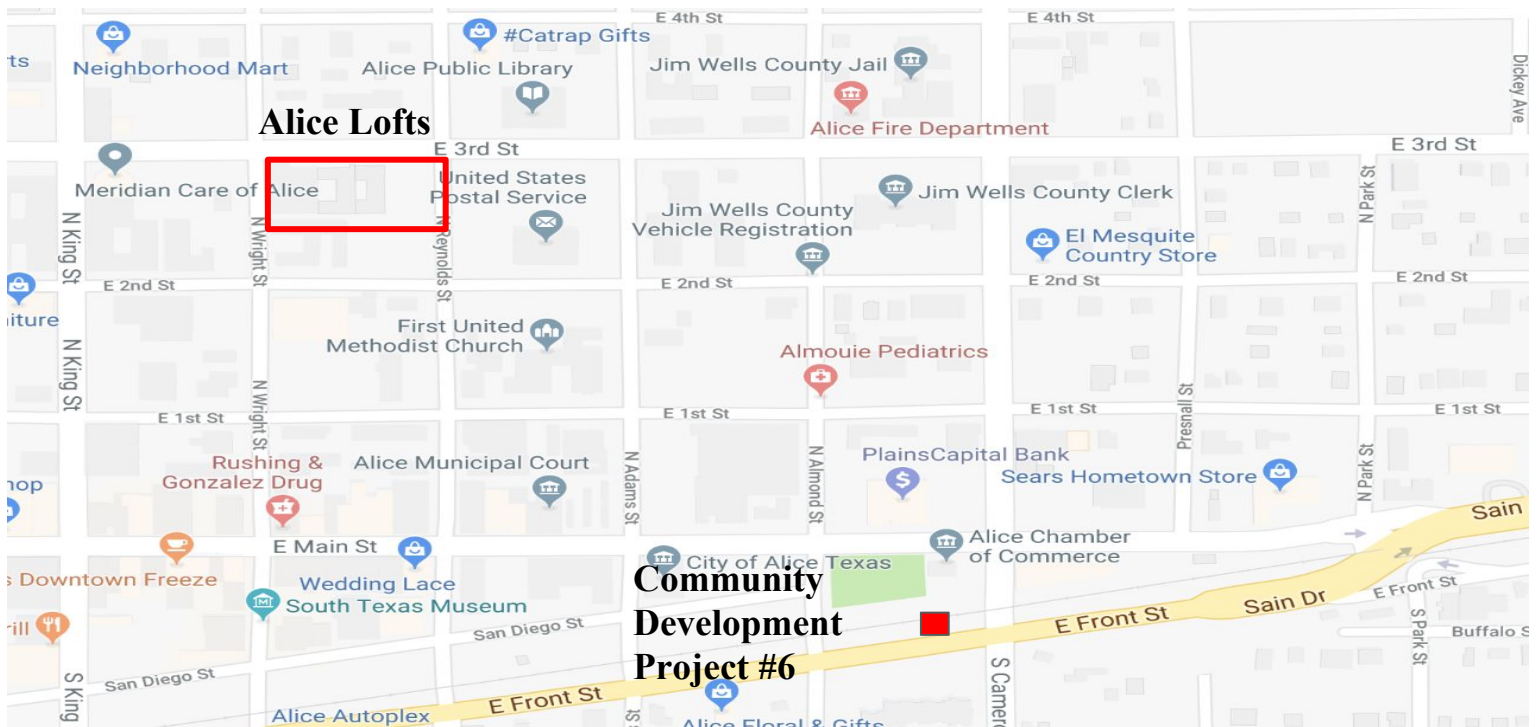
Recent Community improvement Projects



Community Development Project #5: Seal coat road project
* City wide project



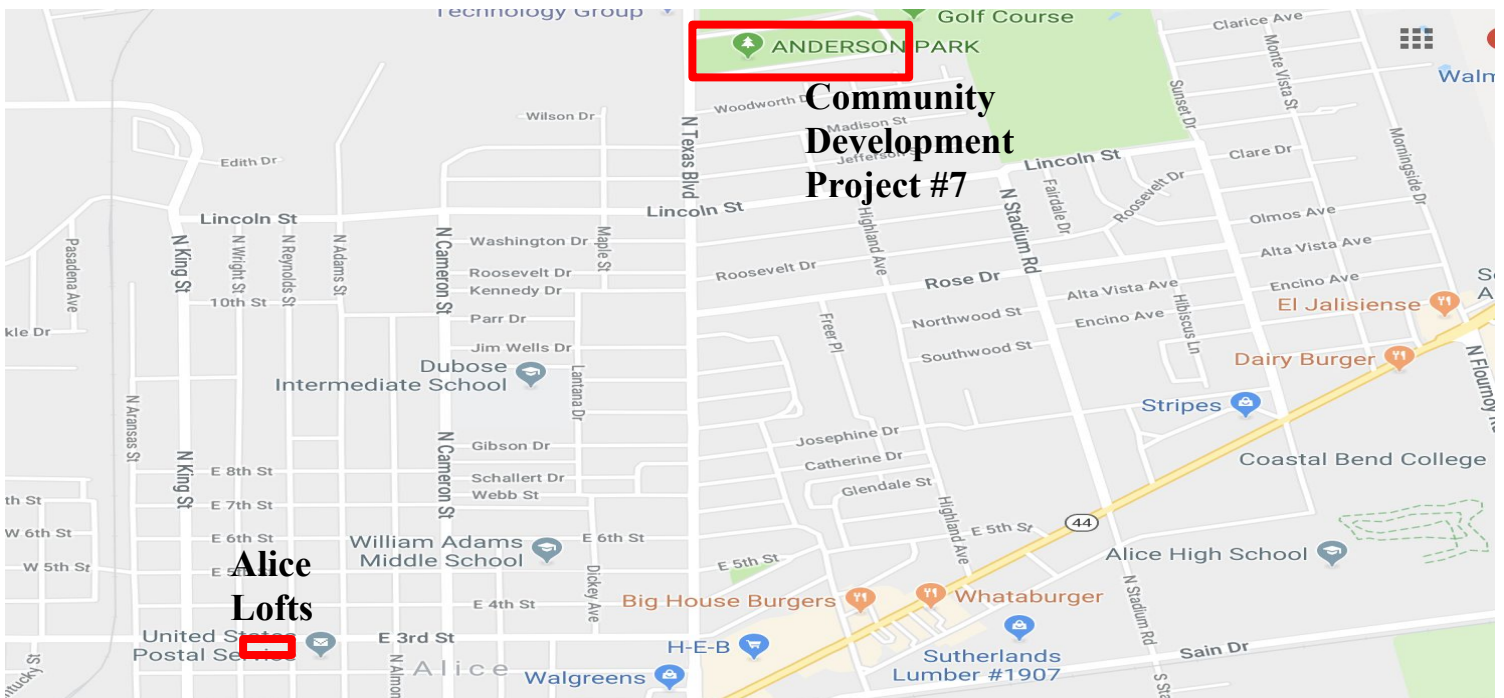
Community Development Project #6: Monument restoration



Recent Community Improvement Projects



Community Improvement Projects #7: Anderson Park play equipment refurbishment



TEXAS EDUCATION AGENCY
2015 Accountability Summary
SCHALLERT EL (125901107) - ALICE ISD

Accountability Rating

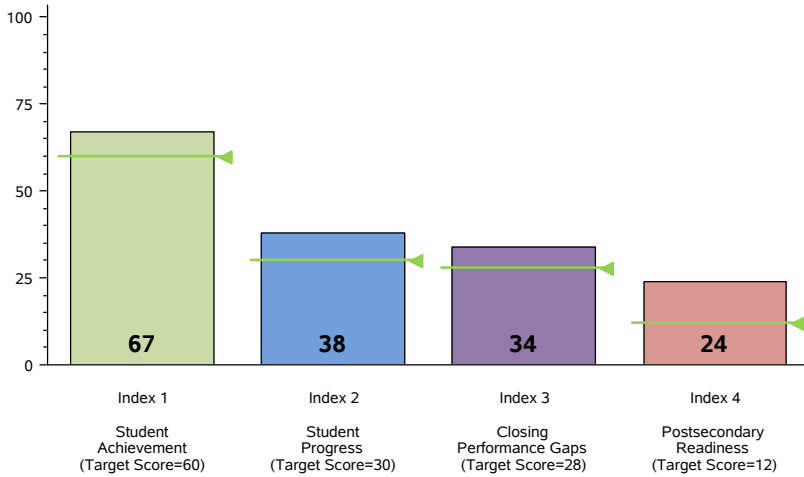
Met Standard

Met Standards on - Student Achievement - Student Progress - Closing Performance Gaps - Postsecondary Readiness	Did Not Meet Standards on - NONE
In 2015, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4.	

Distinction Designation

Academic Achievement in Reading/ELA NO DISTINCTION EARNED
Academic Achievement in Mathematics NOT ELIGIBLE
Academic Achievement in Science NOT ELIGIBLE
Academic Achievement in Social Studies NOT ELIGIBLE
Top 25 Percent Student Progress NO DISTINCTION EARNED
Top 25 Percent Closing Performance Gaps NO DISTINCTION EARNED
Postsecondary Readiness NO DISTINCTION EARNED

Performance Index Report



Campus Demographics

Campus Type	Elementary
Campus Size	611 Students
Grade Span	PK - 04
Percent Economically Disadvantaged	79.9
Percent English Language Learners	3.3
Mobility Rate	17.8

Performance Index Summary

Index	Points Earned	Maximum Points	Index Score
1 - Student Achievement	186	278	67
2 - Student Progress	151	400	38
3 - Closing Performance Gaps	136	400	34
4 - Postsecondary Readiness			
STAAR Score	24.0		
Graduation Rate Score	N/A		
Graduation Plan Score	N/A		
Postsecondary Component Score	N/A		24

State System Safeguards

Number and Percent of Indicators Met

Performance Rates	5 out of 6 = 83%
Participation Rates	3 out of 3 = 100%
Graduation Rates	N/A
Total	8 out of 9 = 89%

For further information about this report, please see the Performance Reporting Division website at <http://ritter.tea.state.tx.us/perfreport/account/2015/index.html>

TEXAS EDUCATION AGENCY
2016 Accountability Summary
SCHALLERT EL (125901107) - ALICE ISD

Accountability Rating

Met Standard

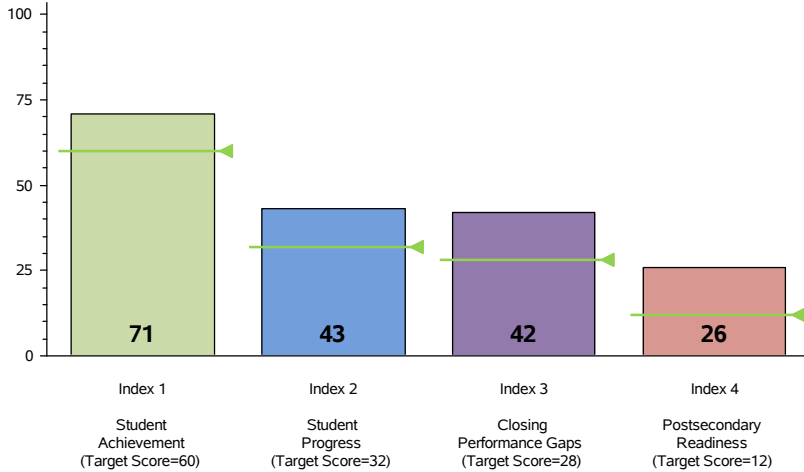
Met Standards on	Did Not Meet Standards on
<ul style="list-style-type: none"> - Student Achievement - Student Progress - Closing Performance Gaps - Postsecondary Readiness 	<ul style="list-style-type: none"> - NONE
In 2016, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4.	

Distinction Designation



Academic Achievement in ELA/Reading
NO DISTINCTION EARNED
Academic Achievement in Mathematics
NO DISTINCTION EARNED
Academic Achievement in Science
NOT ELIGIBLE
Academic Achievement in Social Studies
NOT ELIGIBLE
Top 25 Percent Student Progress
DISTINCTION EARNED
Top 25 Percent Closing Performance Gaps
DISTINCTION EARNED
Postsecondary Readiness
NO DISTINCTION EARNED

Performance Index Report



Campus Demographics

Campus Type	Elementary
Campus Size	533 Students
Grade Span	PK - 04
Percent Economically Disadvantaged	73.4
Percent English Language Learners	2.6
Mobility Rate	13.4

Performance Index Summary

Index	Points Earned	Maximum Points	Index Score
1 - Student Achievement	361	505	71
2 - Student Progress	172	400	43
3 - Closing Performance Gaps	254	600	42
4 - Postsecondary Readiness			
STAAR Score	26.0		
Graduation Rate Score	N/A		
Graduation Plan Score	N/A		
Postsecondary Component Score	N/A		26

System Safeguards

Number and Percentage of Indicators Met	
Performance Rates	9 out of 9 = 100%
Participation Rates	6 out of 6 = 100%
Graduation Rates	N/A
Total	15 out of 15 = 100%

For further information about this report, please see the Performance Reporting Division website at <https://rptsvr1.tea.texas.gov/perfreport/account/2016/index.html>

TEXAS EDUCATION AGENCY
2017 Accountability Summary
SCHALLERT EL (125901107) - ALICE ISD

Accountability Rating

Met Standard

Met Standards on

- Student Achievement
- Closing Performance Gaps
- Postsecondary Readiness

Did Not Meet Standards on

- Student Progress

In 2017, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4.

Distinction Designation

Academic Achievement in ELA/Reading

NO DISTINCTION EARNED

Academic Achievement in Mathematics

NO DISTINCTION EARNED

Academic Achievement in Science

NOT ELIGIBLE

Academic Achievement in Social Studies

NOT ELIGIBLE

Top 25 Percent Student Progress

NO DISTINCTION EARNED

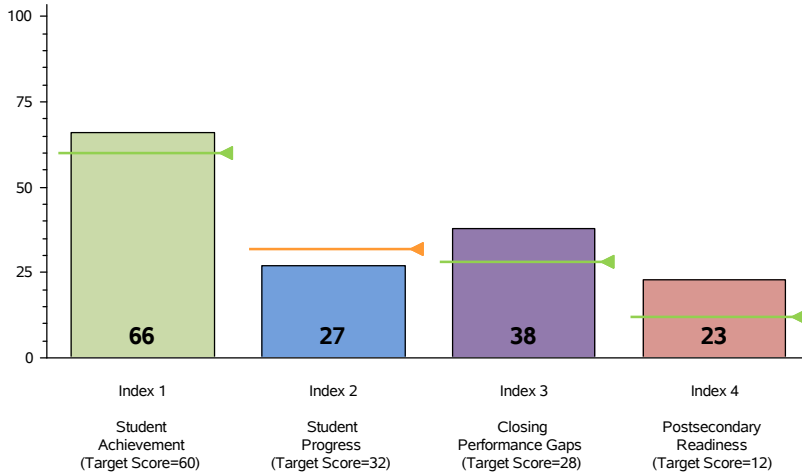
Top 25 Percent Closing Performance Gaps

NO DISTINCTION EARNED

Postsecondary Readiness

NO DISTINCTION EARNED

Performance Index Report



Performance Index Summary

Index	Points Earned	Maximum Points	Index Score
1 - Student Achievement	302	460	66
2 - Student Progress	109	400	27
3 - Closing Performance Gaps	228	600	38
4 - Postsecondary Readiness			
STAAR Score	22.5		
Graduation Rate Score	N/A		
Graduation Plan Score	N/A		
Postsecondary Component Score	N/A		23

Campus Demographics

Campus Type	Elementary
Campus Size	500 Students
Grade Span	PK - 04
Percent Economically Disadvantaged	74.4
Percent English Language Learners	2.0
Mobility Rate	12.9
Percent Served by Special Education	5.8
Percent Enrolled in an Early College High School Program	0.0

System Safeguards

Number and Percentage of Indicators Met

Performance Rates	6 out of 9 = 67%
Participation Rates	6 out of 6 = 100%
Graduation Rates	N/A
Total	12 out of 15 = 80%

For further information about this report, please see the Performance Reporting website at <https://rptsvr1.tea.texas.gov/perfreport/account/2017/index.html>

Texas Education Agency
2018 Accountability Ratings Overall Summary
SCHALLERT EL (125901107) - ALICE ISD

	Component Score	Scaled Score	Rating
Overall		48	Improvement Required
Student Achievement		54	Improvement Required
STAAR Performance	28	54	
College, Career and Military Readiness			
Graduation Rate			
School Progress		51	Improvement Required
Academic Growth	38	47	Improvement Required
Relative Performance (Eco Dis: 57.7%)	28	51	Improvement Required
Closing the Gaps	2	33	Improvement Required

Distinction Designations

ELA/Reading	Not Earned
Mathematics	Not Earned
Science	Not Eligible
Social Studies	Not Eligible
Comparative Academic Growth	Not Earned
Postsecondary Readiness	Not Earned
Comparative Closing the Gaps	Not Earned

Alice Independent School District
Schallert Elementary School
2018-2019 Campus Improvement Plan

Accountability Rating: Improvement Required



Mission Statement

Schallert Elementary is committed to a tradition of educational excellence, which will develop and refine active and creative thinkers, which will rise to the challenge of an ever-changing world.

Vision

Schallert Elementary will foster an environment where children can thrive with the support of a professional staff that seeks academic excellence, promotes positive social development, and provides emotional and physical safety for each student.

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Comprehensive Needs Assessment

Demographics

Demographics Summary

1. What do enrollment numbers indicate? What do attendance numbers indicate?

Enrollment numbers indicate that there has been a decrease of students coming to Schallert. Last year enrollment was 483 students, and this year there is only 467. Enrollment data indicates that families are moving out of Alice due to job availability.

2. What is the breakdown by ethnicity, gender, or other category?

Schallert has a high amount of Hispanic ethnicity, at 350 Hispanic students, 114 students white, and 2 students other. There are 233 females and 234 male.

3. How has the enrollment changed over the past three years?

The enrollment has decreased over the past three years.

2016-17 was 498, and 2017-18 was 483, currently 2018-19 is 467.

4. What is the number of students in each special program? How do these numbers look broken up by ethnicity, gender, or other category? Are we over- or underrepresented in certain groups? Why?

34 children- Special Ed. 12-Bilingual/ ESL. 2- GT students. In all Special Programs we see a higher amount of males than females. In all programs the ethnicity is mostly Hispanic. There was an decrease of Special Ed students, from 38 to 34. GT remained the same with 2 students, a decrease in Bilingual/ESL students from 14 to 12, and no Migrant students for the past three years. A total of 48 students are in all special programs.

5. What is the data for special programs over time?

There is a high amount of special education students, and a low amount of GT students and Bilingual/ESL Students.

6. What does the data reflect regarding students who exit from special programs? How many? Who are they? What trend or pattern do we see?

We see that there is a positive result of students exiting the bilingual program and a negative result of students not making it into the GT pool. There is also a high amount of special education students this year.

7. Who are our at-risk students? What is their at-risk category?

The at-risk students are mostly the Hispanic culture and low socio-economic status. Their at-risk categories are: Academics and failing EOY assessments such as Fountas and Pinnell and low reading levels by grade, Retention, LEP, Protective Services, and Homeless. We have a total of 209 students at risk.

8. Who are our Migrant students?

This year our campus had no migrant students.

9. What is the mobility rate for this campus? What is the stability rate? How are these numbers represented for Migrant students? **On the first day of school for 2018-19 school year there were 467 students who came in on the original entry date to Schallert. This year again we had no migrant students.**

10. What area of the community do these students come from?

N/A

11. What are the staff demographics?

Most staff are Hispanic and/or women. There is a wide spectrum of ages and levels of experience. There are 28 Professionals, approximately 16 aids, 4 custodians, and about 8 cafeteria staff. Last year there were 29 professionals, 14 aids, 8 cafeteria employees and 4 custodial staff.

12. What are the teacher/student ratios? How do you these ratios compare to performance?

The teacher/student ratio is about 1:22. This high ratio affects performance in the classroom with less small-group intervention being provided.

Pre-K 1:23

Kinder 1:20

First Grade 1:20

Second grade 1:23

Third grade 1:23

Fourth grade 1:23

Demographics Strengths

The demographic committee used the following reports to verify our findings: Daily Attendance, Ethnicity/Gender, Entry/Withdrawal Summary, Special Programs, At-Risk with Criteria, and Enrollment Reports for the past three years.

The data showed that our strengths are: teachers and office staff make daily contact with parents for school absences, we offer attendance incentives on a weekly basis (free dress Friday), and we have a variety of resources available for student assessments and monitoring progress.

Problem Statements Identifying Demographics Needs

Problem Statement 1: 45% of Schallert Elementary student population is at-risk due to homelessness, retention, and EOY assessments. **Root Cause:** lack of instructional framework and lack of fidelity with small group instruction

Student Academic Achievement

Student Academic Achievement Summary

Student Academic Achievement

Third grade STAAR scores for 2017-2018 was 59% for Reading and 65% for Math. The Hispanic student subgroup was 60% for Reading and 66% for Math. The White group was 57% for Reading and 57% for Math. The Special Education population was at 42% for Reading and 40% for Math, and Economically Disadvantage students was at 56% for Reading and 56% for Math. These scores show students that were at Approaches Grade Level for Above.

Fourth grade STAAR scores for 2017-2018 was 53% Reading and 54% for Math. Writing scores were at 32%. The Hispanic student subgroup was 51% for Reading and 52% Math. Economically Disadvantage students were at 51% for Reading and 46% for Math and 56% for Writing. These scores show students that were at Approaches Grade Level for Above.

Student scores were influenced by lack of consistency due to teacher retention for the academic school year. Student's scores suffered due to teacher resignation and teacher turn over, which has been a significant issue for the past five year.

Hispanic and Economically Disadvantage groups did not meet growth expectations in Third and Fourth grade. Third Grade Special Ed. Students met growth and were above the state in both Reading and Math. Support and collaboration between the inclusion teacher and classroom teacher helped to ensure teaching at the higher level of rigor. There consistent implementation of student's IEP.

There were no student groups that exceeded growth expectation.

Bilingual (denials) and Special Ed populations are staged under PBMAS.

Writing is an area of low performance for the past 3 years.

Novel studies and STEM activities were implemented during intervention/enrichment time.

Students are identified through the RTI process. There are screenings during the beginning, middle and end of the year that identify students that are at risk for reading and math difficulties. There are resources and intervention sessions that are built in during the school day. There is also afterschool tutoring that takes place as well.

There is a strong correlation between student performance and local benchmark assessments. Reading grades on report cards are not always reflective of student complete ability on their performance on STAAR. There are two very different types of assessments.

Special Education teachers attend all planning sessions, training, PLC's and same professional developments as the general education teacher.

Through 504 meeting and ARD's there are specific programs and accommodations in place to meet the needs of these students. The 504/Dyslexia students are being served by the campus Reading specialist and using the Multisensory Teaching Approach.

Delivery of instruction at a higher level of rigor, differentiation and individualized instruction were in place to support non-special education and special education students.

Small group individualized instruction, pull out programs, Istation, and support from Reading Specialist and Literacy Coach are in place to support students

who are not successful.

SSI, ARD, LPAC, 504 and other committee decisions concerning state assessments and interventions are appropriate and beneficial for students.

RTI committee is implemented throughout the school year. Students are screened during the beginning, middle and end of the year. The committee meets to discuss student's strengths, weaknesses and his/her individualized plan of action for student success. Teachers monitor student's progress every two weeks. RTI processes are effective. Teachers are able to sit with the Reading specialist and are able to discuss interventions that will be beneficial to the students.

Lead Forward, Eduphoria, Istation and TEKS Resource system are available to ensure that strategies are designed to improve student performance.

Student retention is higher in the lower grades (1st-2nd) compared to higher grades (3rd and 4th). There is a strong correlation of the students who failed both Math and Reading.

Student Academic Achievement Strengths

- In Comparison to 3rd grade Reading, students score higher in Math on STAAR.
- Math scores are below District level scores. Math for Schallert 59%. District scored 69%.
- 3rd grade Reading scores for Schallert were lower in comparison to District scores.

Problem Statements Identifying Student Academic Achievement Needs

Problem Statement 1: STAAR scores have declined in all subject areas **Root Cause:** lack of consistent implementation of the rigor of TEKS

School Processes & Programs

School Processes & Programs Summary

- The data that was used ranged from Instructional Focus Documents, Eduphoria Reports showing student data, Vertical Alignment Tools, Campus Improvement Plan, and Learning/Instructional Rounds agenda and goals. These materials were used to develop the strengths and needs of our campus.
- For the most part, teachers are familiar with how to access data and use the data to improve their students' learning. Data is used regularly to assess our students learning and where reteaching and interventions are needed. As a campus, we have an abundance of resources available for our teachers, however this can also be a need/weakness as well. There are so many resources that can be used some teachers might be unsure of what to use or how to use certain resources and may not have received the appropriate trainings to aid them in implementing and using those resources in the classroom. Teachers use PLC time to its fullest; being able to discuss data and use their time together to discuss how things can be presented to their students and how things are working in the classroom and ask their team members for assistance if needed. We are a campus that has a great amount of technology available for students and teachers. Although we are able to use this technology most programs and software are out of date and unable to be updated due to the age of our laptops and desktops.

PROCESSES AND PROGRAMS THINKING QUESTIONS

How do we do business? What are our procedures, methods, and practices?

CURRICULUM, INSTRUCTION, AND ASSESSMENT

1. The analysis of state assessments reveal that Math Reporting Categories 1 and 2 when it deals with operations and place value and algebraic reasoning. Reading Reporting Category 1 when dealing with paired passages and analyzing across genres, Writing Reporting Category 1 when writing the composition. In math; Reporting Categories 3 and 4 measurement and geometry, and data are our strengths. In reading Reporting Category 2 Understanding with Literary Texts, and in Writing Reporting Category 3: Editing is another strength.
3. The Curriculum is aligned with the TEKS, ELPS and CCRS. We use TEKS resource website and Lead Forward throughout the district.

4. Curriculum is vertically and horizontally articulated to that teaching and learning expectations are clear for each grade level and subject area using TEKS resources system.

5. Local assessments being used to measure student achievement include unit assessments and district benchmarks created by central office department aligned with TEKS results used by classroom teachers to assess student knowledge.

6. Yes, assessments are being used effectively, the teachers review to guide reteaching and interventions for struggling students. They also use data to group the students and use the information to use certain interventions and reteach in small group.

7. Types of data used for instructional planning is the data from eduphoria. Unit and bench mark data is used to plan for intervention and reteach moments planning done by grade level.

8. The instructional initiatives of the campus or districts aligned with the improvement plan by PLC goal of incorporating more writing and having monthly writing activities across all grade levels.

9. PLC is organized within grade level, using Eduphoria to track student and grade level progress. We reteach, tutor, and increase intervention to help struggling students.

10. Teachers do participate in goal-setting for increase student performances by observing other teachers during learning rounds on campus to increase student questioning. Students do not participate in goal setting.

SCHOOL CONTEXT AND ORGANIZATION

1. Some goals for the campus and the district are The target areas and how will they be stated as measurable performance objectives...Data sources will be used throughout the year to monitor progress

2. The campus focused on improving student academic achievement by having RTI recommendations to provide additional support to struggling students, instruction time is not taken away from core subject teaching time.

3. Common planning time or PLC time is available for content areas and grade levels. We meet weekly and all lesson planning is done prior to content discussion of weekly lesson plans and implementation.

4. Teachers have a voice in decision making and school practices by voicing our concerns during RTI. As teachers we recommend students for additional support . Tutoring recommendations, after school tutoring and literacy night.

5. Programs that are available before school and after school are tutorials, extended time in tutoring, Lock in for STAAR. AR before and after school.

TECHNOLOGY

1. District and campus expectations for integrated use of technology we increase teacher technology proficiency and use of technology to support instruction, analyze data and increase student engagement.

2. Technology is used to support instruction and learning by having a schedule of time for all classes to go in and work on district reading and math program I-station.

3. Instructional materials available online are evaluated for appropriateness and accuracy every month.

4. The technology support that is available for students is I-station for both reading and math. Also, Renaissance Learning (AR) is for all students and used

for progress monitoring for struggling readers. For teachers/staff we have eduphoria, data, istation reports, and AR reports.

5. Technology is available for students before and after school. Istation can be used at home with students and parent login. Parents also have access to AR home connect, parent portal for grades and attendance, and istation progress for their child.

6. The training available for teachers are webinars, and workshops for all new programs. This is for everyone, teachers and staff.

7. Wiring to help with faster wifi. Replacing laptops with chromebooks and replacing old computers with new computers.

8. The barriers that reduce the use of technology are outdated computers, no update on memory, non updateable computers, and lack of equipment.

School Processes & Programs Strengths

- Majority of teachers are knowledgeable using available data resources to focus on the needs of their students and interventions that may be needed.
- Majority of teachers are fairly comfortable with Instructional Focus Documents which are easily accessible to all classroom teachers to ensure understanding of required TEKS that will be covered during the unit of study.
- There is an abundance of resources for classroom teachers to use in their classroom.
- Instuctional Facilitator has been provided to the campus to strenghten and support teaching.
- PLC time is used to by grade level teachers to plan, discuss data, and review activities being used in the classroom.
- Teachers work cooperatively with Reading Specialist to focus on struggling students needs.

Problem Statements Identifying School Processes & Programs Needs

Problem Statement 1: Teachers are not using resources provided to monitor the progress of students with consistency. **Root Cause:** lack of training

Perceptions

Perceptions Summary

As a committee we gathered Sign-In Sheets, Flyers, and Surveys to use as data. Overall, our campus activities did promote widespread parent-staff community participation that our campus does focus on authentic home/school community connections that educate and engage the entire school community. The analysis of our surveys indicated that students would like more technology in the classroom whereas parents would like for our campus to provide more opportunities for our students to participate in Fine Arts, i.e. Choir, Dance, Art, and Theatre.

Perceptions Strengths

- We found our most influential strengths to be in Kinder Graduation at 166% attendance and End of Year Ceremonies to be at 85% attendance.
- We determined PTA attendance was at 74%, the Family Picnic at 65%, the Law Enforcement Appreciation Luncheon at 63%, and the Volunteer Luncheon at 53%.
- We also found the following four events to be at 51%, which are, Christmas Luncheon, Turkey Trot, Family Literacy Night, and the Family Movie Night.
- According to our Parent Survey we found that communication is given in their language, teachers keep parents informed of student progress, the principal is willing to listen to their concerns, and the school policies are provide to parents.
- According to our Student Survey we found that students feel safe, they feel their parents are welcome on campus, community members are brought in, classrooms are kept neat and clean, students with differences are made to feel welcome, they like their PE and Health programs, teachers prepared them for the STARR test, and they felt checked on when absent from school.
- Finally, from our Teacher Survey we found that staff feels safe, our campus is kept clean and in good condition, we work well together, we solve problems effectively, administration listens to our ideas and gives us resources as needed, administration is well aware of teaching practices, encourages parental involvement, we make parents feel welcomed, and teachers set high academic standards for all students.

Problem Statements Identifying Perceptions Needs

Problem Statement 1: There is not adequate opportunities for students to participate in fine arts activities. Based on current events, we need to increase opportunities for students in the area of fine arts by 25%. **Root Cause:** lack of teacher commitment, scheduling, and partnerships

Comprehensive Needs Assessment Data Documentation

The following data were used to verify the comprehensive needs assessment analysis:

Goals

Revised/Approved: December 10, 2015

Goal 1: STUDENT ACHIEVEMENT: Provide high quality, engaging and rigorous instruction for all students that incorporates technology and promotes student success in college and/or careers.

Performance Objective 1: CAMPUS OVERALL PERFORMANCE:

Increase campus overall score from a 48 (F) to a 60 (D).

A) Increase Domain 1 Student Achievement score from 54 to 65.

B) Increase Domain 2 School Progress score from 51 to 60.

C) Increase Domain 3 Closing Gap score from 33 to 50.

* Grade Level Performance: Increase from 0% to 40% (4 out of 10 Targets)

*Academic Growth/Graduation Rate: Increase from 0% to 50% (4 out of 8 targets)

*English Language Proficiency : No Score.

*Student Achievement: Increase from 14% to 43%. (3 out of 7 targets)

*The number of At-Risk students identified because of STAAR assessment (grade 4) or Readiness test (Pre-K-3rd grade will decrease from 272 to 252

Evaluation Data Source(s) 1:

Summative Evaluation 1:

Strategy Description	Monitor	Strategy's Expected Result/Impact	Reviews			
			Formative			Summative
			Nov	Jan	Mar	June

Comprehensive Support Strategy						
1) Utilize the district adopted assessment instruments, classroom observations and anecdotal notes to monitor student performance and identify at-risk students.	Teachers, Reading Interventionist, Instructional Facilitator, and Principal	Teachers will deliver effective instruction, provide differentiation, monitor and adjust learning that will be evidenced in lesson plans and classroom walkthroughs.				
2) Increase engagement of at risk students using strategies from TEKS Resources.	Teachers, Reading Interventionist, Instructional Facilitator, and Principal	Teachers will deliver effective instruction, provide differentiation, monitor and adjust learning that will be evidenced in lesson plans and classroom walkthroughs.				
3) Monitor performance of student denials in bilingual form on Eduphoria including STAAR Reading and Writing scores, TELPAS scores, OLPT scores, IPT scores, student progress reports, Sheltered Instruction Strategies, ELPS.	Teachers, Principal, Assistant Principal, Counselor	Teachers will complete appropriate forms in Eduphoria to mark progress of students.				
4) Increase engagement of at-risk students using balanced literacy approach in grades K-4.	Teachers, Reading Interventionist, Instructional Facilitator, and Principal	Teachers will deliver effective instruction in the areas of reading, writing, and word study. Monitor and adjust learning that will be evidenced by anecdotal notes, student data and teacher observations.				
5) Increase awareness of the migrant program and its benefits through: newspaper, website, flyers, home visits, surveys, school newsletter, informational parent meetings, workshops and support groups.	Director of Federal Programs, Parent Liaison, Principal and Assistant Principal	Parental Involvement Reports				
6) Provide collaboration of efforts and expectations between Head Start/ Migrant/ Intermediate schools with our campus to improve transition services to preschool students and exiting 4th graders by scheduling parent/ student campus visits.	Head Start Coordinator, Counselor and Principal	Sign in Sheets				
7) Migrant students will participate in District Migrant Tutorial Program for assistance in academic achievement	Director of Federal Programs, Migrant Tutor, Principal, Assistant Principal	Migrant Tutorial Logs				
8) Conduct folder reviews to monitor implementation of IEPs.	Special Ed teachers Administrators	Special Ed teachers will conduct periodic folder checks and monitor implementation of IEPs.				
9) 100% of teachers will receive accommodation IEPs at the beginning of the school year	Sped Staff	Teachers will comply with all accommodations requirements.				
10) Teachers will progress monitor SPED students every six weeks in Eduphoria.	Teachers	Students will show improvement on formative and unit assessments.				
11) Students will be recognized for accomplishments at a grade level semester assembly .	Teachers, Counselor, Principal	End of year surveys, Participation list				

12) Students will be recognized during a segment of the morning show for outstanding accomplishments throughout the year.	Counselor, Librarian, Teachers	Participation				
13) Students will be recognized for accomplishment at a end of year grade level award ceremony.	Teachers, Counselor, Principals,	Awards				
14) Students will be recognized for their accomplishments during an end of year kinder graduation.	Teachers, Counselor, Principals					
15) Technology Application TEKS. Teachers will make a timeline for instruction of grade level technology TEKS and document them on lesson plans.	Teacher and Asst. Principal	Timeline and Lesson Plans				
16) Scheduled Computer Lab visits. A schedule will be created for all students to visit the computer lab twice a week, once for reading and once for math.	Teachers, Counselor, and Principal	Data on lab use, Lesson Plans				
= Accomplished = Continue/Modify = No Progress = Discontinue						

Goal 1: STUDENT ACHIEVEMENT: Provide high quality, engaging and rigorous instruction for all students that incorporates technology and promotes student success in college and/or careers.

Performance Objective 2: READING:

Provide a comprehensive reading process to increase Student Achievement, Student Progress, and Closing the Achievement Gap.

1. All Students from 58% to 65%

o Approaches Grade Level from 58% to 65%.

o Meets Grade Level from 25% to 50%.(TIP Goal)

o Masters Grade Level from 6% to 12%.

2. Growth from 45% to 50%

3. Hispanic students from 57% to 62%.

o Approaches from 57% to 62%.

o Meets from 24% to 45%.

o Masters from 6% to 12%.

4. White students : No Data

5. Black students: No Data.

6. ELL : No Data.

7. Special education: No Data.

8. A minimum of 70% of all students in K-2 will be at Tier 1 according to Istation EOY Results. (BOY 37% Tier 1) [Goal: 37% to 70%]

9. PK Circle Literacy Assessment Proficiencies

-Letter naming increase from 80% to 90%

-Vocabulary increase from 80% to 90%

-Phonological Awareness increase from 80% to 90%

Evaluation Data Source(s) 2:

Summative Evaluation 2:

Strategy Description	Monitor	Strategy's Expected Result/Impact	Reviews			
			Formative			Summative
			Nov	Jan	Mar	June
1) Use TEKS Resource System timeline to develop grade appropriate instruction of Reading TEKS in kinder through fourth grade.	Teachers, Reading Interventionist, Instructional Facilitator, and Principal	Teachers will deliver effective instruction, provide differentiation, monitor and adjust learning that will be evidenced in lesson plans and classroom walkthroughs. Result: Students will show growth in reading instruction and will master 100% of grade-level TEKS.				
Comprehensive Support Strategy 2) Monitor writing progress at each grade level using anecdotal notes and student conferencing.	Teachers, Reading Interventionist, Instructional Facilitator, and Principal	Teachers will review student formative assessments/written products and student conferencing outcomes each Six Weeks and compile a data log for further review. ELAR Committee will meet to discuss data and develop a plan for progress utilizing current curriculum, resources and best-practice. Concept focus will vary depending on need. Example focus goal: Students will understand detail in narrative, in order to write a well organized and coherent essay. Result: All students will increase writing confidence, creativity and clarity as evidenced by mastery (70%) of all written assignments.				
Funding Sources: St. Comp. - 5722.45						
3) Implement fluency stations in grades Pre-K through 4. All Grades will monitor fluency.	Teachers, Reading Interventionist, Instructional Facilitator, and Principal	Fluency Rate Data Record of Progress/Fluency Probe Circle Data				
4) Utilize effective guided reading strategies and procedures to increase reading levels in Kinder through 4th grade.	Teachers, Reading Interventionist, Instructional Facilitator, and Principal	All teachers will maintain Reading Binder documentation, score and analyze running records. Monitor and adjust instruction that will be evidenced by anecdotal notes, student data and teacher observations. Teachers, Instructional Facilitator, and principal will reference data to develop (backward design) and guide instruction for upcoming units through PLC. Instructional Facilitator and Reading Interventionist will ensure that all testing data is consistent across the campus and is an accurate representation of student reading level. Result: 70% of students will be on grade level or above in Fountas & Pinnell.				

5) Continue implementation of the Accelerated Reader Program in grades K through 4th to increase independent reading opportunities.	Librarian	The Librarian will maintain the AR program and monitor student progress and participation, with fidelity. End of Year Program Data will be reviewed to determine modifications necessary for maximum student participation, growth and achievement.				
	Funding Sources: St. Comp. - 4806.50					
6) Systematically analyze data from running records, anecdotal notes, Istation, STAAR benchmarks and student writing to plan instruction (3rd and 4th grade).	Teachers, Reading Interventionist, Instructional Facilitator, and Principal	Teachers will use assessment data to plan and adjust instruction to increase the number of students mastering concepts.				
7) Implement a writing initiative with student writing, campus and community wide.	Teachers, Reading Interventionist, Instructional Facilitator, and Principal	ELAR Committee will develop a plan of action which includes contest opportunities and weekly writing requirements incorporated into lesson plans, evidenced in walkthroughs. Samples/Data will be collected and recognized on campus and in the community.				
= Accomplished = Continue/Modify = No Progress = Discontinue						

Goal 1: STUDENT ACHIEVEMENT: Provide high quality, engaging and rigorous instruction for all students that incorporates technology and promotes student success in college and/or careers.

Performance Objective 3: WRITING:

Implement and monitor an aligned and integrated Writing process to increase Student Achievement and Closing the Achievement Gap.

- 1. All Students from 32% to 50%.
 - o Approaches Grade Level from 32% to 50%.
 - o Meets Grade Level from 13% to 26%. (TIP Goal)
 - o Masters Grade Level from 2% to 10%.

- 2. Economically Disadvantaged from 23% to 40%
 - o Approaches Grade Level from 23% to 40%.
 - o Meets Grade Level from 3% to 20%.
 - o Masters Grade Level from 3% to 10%.

- 3. Hispanic students from 29% to 45%.
 - o Approaches from 29% to 45%.
 - o Meets from 9% to 25%.
 - o Masters from 3% to 10%.

- 4. Black students: No Data

Evaluation Data Source(s) 3:

Summative Evaluation 3:

Strategy Description	Monitor	Strategy's Expected Result/Impact	Reviews			
			Formative			Summative
			Nov	Jan	Mar	June

1) Monitor writing progress at each grade level using anecdotal notes and student conferencing.	Teachers, Reading Interventionist, Instructional Facilitator, and Principal, ELAR Committee	<p>Teachers will review student formative assessments (3rd & 4th)/written products and student conferencing outcomes each Six Weeks.</p> <p>ELAR Committee will meet to discuss data and develop a plan for progress utilizing current curriculum, resources and best-practice. Concept focus will vary depending on need. Example focus goal: Students will understand the structure of an expository composition, in order to write a well organized and coherent essay.</p> <p>Result: All students will increase writing confidence, creativity and clarity as evidenced by producing compositions at the satisfactory and accomplished levels.</p>				
Funding Sources: St. Comp. - 5722.45						
2) Implement writing stations in grades K through 2. All Grades will monitor writing process, implement strategies, and conduct informal assessments to ensure student understanding of the writing process.	Teachers, IF, Reading Interventionist and Principal.	Record of Progress Writing Samples				
3) Implement a writing initiative with student writing, campus and community wide.	Teachers, ELAR committee, Principal and Assistant Principal	<p>ELAR Committee will develop a plan of action which includes contest opportunities and weekly writing requirements incorporated into lesson plans, evidenced in walkthroughs.</p> <p>Samples/Data will be collected and recognized on campus and in the community.</p>				
4) Teachers across the grade level will consistently use academic vocabulary for writing utilizing TEKS resource system.	Teachers, Reading Interventionist, Instructional Facilitator, and Principal	<p>Walkthrough data lesson plans</p> <p>Results: Students will utilize academic vocabulary as they inquire, discuss and produce.</p>				
5) Teachers will utilize data from performance assessments from TEKS Resource System to guide writing instruction.	Teacher, Administration, IF, Reading Interventionist.	Results of six weeks writing will be reflective in record of progress report.				
= Accomplished = Continue/Modify = No Progress = Discontinue						

Goal 1: STUDENT ACHIEVEMENT: Provide high quality, engaging and rigorous instruction for all students that incorporates technology and promotes student success in college and/or careers.

Performance Objective 4: MATH:

Ensure that all students receive quality math instruction that is aligned to the new state standards to increase Student Achievement, Student Progress, and Closing the Achievement Gap.

1. All Students from 61% to 65%.
 - o Approaches Grade Level from 61% to 65%.
 - o Meets Grade Level from 26% to 50%. (TIP Goal)
 - o Masters Grade Level from 7% to 12%.

2. Growth from 32% to 50%.

3. Economically Disadvantaged : No Data

4. Hispanic students from 61% to 65%.
 - o Approaches Grade Level from 61% to 65%.
 - o Meets Grade Level from 25% to 50%.
 - o Masters Grade Level from 7% to 12%.

5. White students from : No Data

6. Black students : No Data

7. ELL students : No Data

8. Special education: No Data

9. A minimum of 75% of all students in K-2 will be at Tier 1 according to Istation EOY Math Results. (BOY Tier 1 43%) [Goal: 43% to 75%]

10. PK students proficiency on Circle Testing will grow from 85% to 95%.

Evaluation Data Source(s) 4:

Summative Evaluation 4:

Strategy Description	Monitor	Strategy's Expected Result/Impact	Reviews			
			Formative			Summative
			Nov	Jan	Mar	June
1) Pk-4th grade students will receive TIER 1 targeted small group mathematics instruction.	Teachers and Principal	Students will be able to increase their level of proficiency in basic math facts and grade level TEKS.				
2) Provide all students in grades 3 and 4 with Motivation Math workbooks that provide practice on specific SE's.	Teachers, Asst. Principal	Students will be able to solve one-two step problems and use problem solving techniques learned during lessons.				
Funding Sources: Title I - 2890.80, St. Comp. - 680.00						
Comprehensive Support Strategy 3) Utilize Eduphoria for data disaggregation. (2nd -4th Grade)	Teachers, Principal and Assistant Principal	Teachers will utilize this resource to plan and adjust instruction.				
4) Administer end of year benchmark in Pre-K through 2nd grade to determine at risk students using Istation and Circle.	Teachers, Principal and Assistant Principal.	65% of students will show progress based on MOY and EOY Istation and Circle.				
5) PreK through 1st grade will disaggregate data obtained from teacher observations, one to one, small group instruction, Istation and performance assessment results to plan for individual need and small group instruction.	Teachers, Principal and Assistant Principal	Students will be able to increase mastery of grade level skills as per TEKS.				
6) Utilize the TEKS Resource System's scope and sequence to provide a timeline for grade appropriate math instruction in grades PK to 4.	Teachers and Principal	Teachers will deliver effective instruction, provide differentiation, monitor and adjust learning that will be evidenced in lesson plans and classroom walkthroughs.				
7) Monitor 2nd, 3rd and 4th grade student performance through administration of Unit Assessments, formative assessments and Benchmarks.	Principal and Teachers	Teachers will use assessment data to plan and adjust instruction to increase the number of students scoring at the meets and masters level on the STAAR assessment and other district assessments.				
8) 2nd through 4th grade teachers will disaggregate data obtained from formative and unit assessments to plan tutorials and small groups.	Teachers, Principal, Assistant Principal	Tutorial and small group lesson plans will reflect the needs of students based on data from formative and unit assessments.				
= Accomplished = Continue/Modify = No Progress = Discontinue						

Goal 1: STUDENT ACHIEVEMENT: Provide high quality, engaging and rigorous instruction for all students that incorporates technology and promotes student success in college and/or careers.

Performance Objective 5: SCIENCE:

Provide a rigorous and relevant instructional program to increase Student Achievement and Closing the Achievement Gap.

- 1. All Students from 43% to 55%
 - o Approaches Grade Level from 43% to 55%.
 - o Meets Grade Level from -No Data
 - o Masters Grade Level from 6% to 12%.

- 2. Hispanic students from 43% to 55%.
 - o Approaches from 43% to 55%.
 - o Meets from â No Data
 - o Masters from 6% to 12%

- 3. White students from 42% to 55%.
 - o Approaches from 42% to 55%
 - o Meets from â No Data
 - o Masters from 2% to 4%.

- 4. Black students : No Data




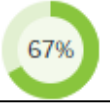


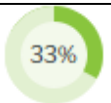
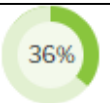






- 5. Special education from 29% to 32%.
 - o Approaches from 29% to 32%%
 - o Meets from â No Data
 - o Masters from 1% to 2%.

- 6. A minimum of 55% in Grades 2nd, 3rd, and 4th will demonstrate mastery on Unit Assessments.

Evaluation Data Source(s) 5:

Summative Evaluation 5:

Strategy Description	Monitor	Strategy's Expected Result/Impact	Reviews			
			Formative			Summative
			Nov	Jan	Mar	June

1) Utilize the TEKS Resource System timeline to provide grade appropriate Science instruction for kinder through fourth grade students.	Teachers, Principal and Assistant Principal	Teachers will deliver effective instruction, provide differentiation, monitor and adjust learning that will be evidenced in lesson plans and classroom walkthroughs.				
2) Curriculum based assessments will be given in grades 2-4 at the end of each unit of instruction.	Teachers and Principal	Teachers will use assessment data to plan and adjust instruction.				
3) Promote and encourage participation in Science Fair for K-4th grade.	Teachers, Science Fair Coordinator, Principal and Assistant Principal	Increase the number of students participating and placing at the campus, district, and Coastal Bend Science Fairs				
4) Host a Math /Science night for parents to come participate with their child and have fun with math/science	Teachers, Lead Teachers, Principal and Assistant Principal	There will be an increase of parental involvement.				
5) Utilize Science Lab for further understanding of Science TEKS	Teachers, Principal	Mastery of Science TEKS on Unit Assessments (2nd-4th Grade)				
 = Accomplished  = Continue/Modify  = No Progress  = Discontinue						

Goal 1: STUDENT ACHIEVEMENT: Provide high quality, engaging and rigorous instruction for all students that incorporates technology and promotes student success in college and/or careers.

Performance Objective 6: SOCIAL STUDIES:

Provide a rigorous and relevant instructional program to increase Student Achievement and Closing the Achievement Gap.

- 1. All Students from 45% to 55%
 - o Approaches Grade Level from 45% to 55%.
 - o Meets Grade Level from – No Data
 - o Masters Grade Level from 8% to 12%.

- 2. Hispanic students from 46% to 55%
 - o Approaches from 46% to 55%.
 - o Meets from – No Data
 - o Masters from 8% to 12%.



- 3. White students from 40% to 50%.
 - o Approaches from 40% to 50%.
 - o Meets from – No Data
 - o Masters from 3% to 10%.







- 4. Black students from 50% to 60%.
 - Approaches from 50% to 60%.
 - Meets from – No Data
 - Masters from 0% to 5%.

- 5. A minimum of 55% in Grades 2nd, 3rd, and 4th will demonstrate mastery on Unit Assessments.

Evaluation Data Source(s) 6:

Summative Evaluation 6:

Strategy Description	Monitor	Strategy's Expected Result/Impact	Reviews			
			Formative			Summative
			Nov	Jan	Mar	June
1) Utilize the TEKS Resource System timeline to provide grade appropriate Social Studies instruction for kinder through fourth grade students.	Teachers and Principal	Teachers will deliver effective instruction, provide differentiation, monitor and adjust learning that will be evidenced in lesson plans and classroom walkthroughs.				

2) Curriculum based assessments will be given in grades 2-4 at the end of each unit of instruction.	Teachers, Principal and Assistant Principal	Teachers will use assessment data to plan and adjust instruction.				
3) Thematic Units will be implemented in Pre-K using Circle curriculum and timeline.	Teachers	Teacher observation and small group instruction				
4) Kinder and 1st grade will follow TEKs resource system performance assessments after each unit	Teachers	Mastery of unit assessment				


 = Accomplished
  = Continue/Modify
  = No Progress
  = Discontinue





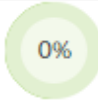

Goal 2: A SAFE AND NURTURING ENVIRONMENT: Create a positive, safe and secure learning environment for all students an staff.

Performance Objective 1: Increase attendance rate for the campus from 96% to 97% or better.
(2018: 96%, 2019 Goal 97%)

Evaluation Data Source(s) 1:

Summative Evaluation 1:

Strategy Description	Monitor	Strategy's Expected Result/Impact	Reviews			
			Formative			Summative
			Nov	Jan	Mar	June
1) Parents will be contacted daily to determine the reason for absence.	Teachers, Attendance Committee Members, Office Personnel	Improved Attendance Data and Daily Preliminary Reports				
2) Monitor Attendance. Implement the following procedures to reduce absenteeism: Mail a letter home after 3 and 6 absences. Home visits will be made before filing with court, monthly posts to social media will be made on attendance policy.	Attendance committee members, office personnel, and Asst. Principal	Improved attendance, Letters				
3) Administration will file a truancy complaint with municipal court after 10 unexcused absences.	Asst. Principal, Counselor and Principal	Improved attendance				
4) Principal, Asst. Principal, Counselor or Teacher will visit student's home if poor attendance continues.	Teacher, Counselor, Principal, Asst. Principal	Improved Attendance				
5) End of the year reward party for all students who have 7 or less absences.	Attendance committee members, and Office Personnel, Teachers, Asst. Principal, Principal, and counselor	Increased Perfect Attendance				
6) Students with perfect attendance for the week will get free dress on Fridays.	Attendance Committee Members, Principal, Asst. Principal and Counselor	Increased Perfect Attendance, Perfect Attendance List				

7) End of Semester attendance incentives.	Attendance Committee, Principal, Asst. Principal, Counselor, Parent Liaison and office personnel	Increased Perfect Attendance, Perfect Attendance List				
 = Accomplished  = Continue/Modify  = No Progress  = Discontinue						

Goal 2: A SAFE AND NURTURING ENVIRONMENT: Create a positive, safe and secure learning environment for all students an staff.




















Performance Objective 2: The number of discipline incidences will be maintained at 50 or less.

* Out of school suspensions will be maintained at 15 or less.

* In school suspensions will be 35 or less

Evaluation Data Source(s) 2:

Summative Evaluation 2:

Strategy Description	Monitor	Strategy's Expected Result/Impact	Reviews			
			Formative			Summative
			Nov	Jan	Mar	June
1) Teachers and staff will implement the school wide discipline plan.	Principal, Asst. Principal, Counselor, and Discipline Committee	Reduction in Discipline Referrals				
2) Promote awareness of Student Code of Conduct to staff, community, parents and students through the website, flyers, classroom discussion.	Teachers, Principal, Counselor, Technology Paraprofessional, and Parent Liaison.	Student Code of Conduct Receipt Forms				
3) Family Orientation night will be implemented early in the year for parents and teachers to discuss student expectations.	Teachers, Principal, Asst. Principal, IF, Reading Interventionist, Counselor, Technology Paraprofessional and Parent Liaison.	Sign In Sheets				
4) Establish a Olweus team that will implement the Olweus bully program.	Counselor and Discipline Committee	Reduction in Discipline Referrals				
5) A school-wide positive discipline model will be implemented to focus on proactive positive reinforcement for desired behavior.	Teachers, counselor, Principal and Assistant Principal, Discipline committee	school-wide plan of action reduction in discipline referrals				
 = Accomplished  = Continue/Modify  = No Progress  = Discontinue						

Goal 2: A SAFE AND NURTURING ENVIRONMENT: Create a positive, safe and secure learning environment for all students an staff.

Performance Objective 3: Continue the OLWEUS Bullying Prevention Program with fidelity to Prevent Bullying at Schallert Elementary.

Evaluation Data Source(s) 3:

Summative Evaluation 3:

Strategy Description	Monitor	Strategy's Expected Result/Impact	Reviews			
			Formative			Summative
			Nov	Jan	Mar	June
1) The counselor will analyze teacher needs and provide training in needed areas such as bullying and sexual harassment.	Counselor, Principal and Assistant Principal.	Sign in sheets				
2) Bullying Prevention program will be implemented at all grade levels.	OLWEUS Bullying Prevention Program committee members	Lesson Logs				
3) Bully Awareness. Promote awareness of bullying to parents through several mini workshops, lessons and bullying identifiers.	District Parental Involvement Coordinator, Counselor	Parental Evaluations and Sign In Sheets				
4) Have a "Bully Walk" to promote awareness of bullying.	Counselor, parental involvement liaison,	student participation				
= Accomplished = Continue/Modify = No Progress = Discontinue						

Goal 2: A SAFE AND NURTURING ENVIRONMENT: Create a positive, safe and secure learning environment for all students an staff.

Performance Objective 4: Maintain an Emergency Operations Plan for the campus that is multi-hazard in nature and is reviewed and updated annually.

Evaluation Data Source(s) 4:

Summative Evaluation 4:

Strategy Description	Monitor	Strategy's Expected Result/Impact	Reviews			
			Formative			Summative
			Nov	Jan	Mar	June
1) Review and revise the Emergency Operations Plan and implement practice drills as advised by crisis team.	Principal, Crisis Team, District Safety Officer	EOY Drill Form				
2) Crisis team will schedule drills for the year in August.	Principal, Crisis team, District safety officer	EOY Drill Form				
= Accomplished = Continue/Modify = No Progress = Discontinue						

Goal 2: A SAFE AND NURTURING ENVIRONMENT: Create a positive, safe and secure learning environment for all students an staff.

Performance Objective 5: Health and Physical Education: Promote awareness of healthy lifestyles by providing health fairs and fitness assessments (FitnessGram).

Evaluation Data Source(s) 5:

Summative Evaluation 5:

Strategy Description	Monitor	Strategy's Expected Result/Impact	Reviews			
			Formative			Summative
			Nov	Jan	Mar	June
1) Students will participate in Red Ribbon Week activities to promote Drug Free Schools as planned by the counselor.	Counselor, Principal, Asst. Principal , Parent Liaison, and Law Enforcement Agencies	Agenda				
2) Students will participate in health classes once a week.	PE coach and PE Paras	The coach will plan and implement lessons for health.				
3) Students will participate in 25 mile club.	PE coach and PE Paras	The coaches will keep a written log of students who meet the 25 mile requirement. 70% of students will complete the 25 miles.				
4) Students will participate in Jump Rope for Heart	PE coach and PE Paras	The coach will plan and implement Jump Rope for Heart.				
5) Students will participate in Fitness Gram	PE coach and PE Paras	The coaches will test students on Fitness Gram components and log all results.				
= Accomplished = Continue/Modify = No Progress = Discontinue						

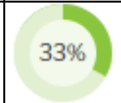
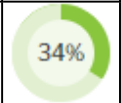




Goal 3: PARENT, FAMILY, AND COMMUNITY ENGAGEMENT: Build strong family and community partnerships that promote the Alice ISD vision, mission and goals.

Performance Objective 1: Parental Involvement: Maintain campus activities and events at 26 or more.

Evaluation Data Source(s) 1:

Summative Evaluation 1:

Strategy Description	Monitor	Strategy's Expected Result/Impact	Reviews			
			Formative			Summative
			Nov	Jan	Mar	June
1) Migrant. Increase awareness of the migrant program and its benefits in order to ensure that students and parents are able to access any services and benefits for which they are eligible through: newspaper, website, flyers, home visits, surveys, school newsletter, informational parent meetings (migrant parents encouraged to attend 2x a year), workshops and support groups (Family Literacy Night, Parent Advisory Council, Technology Nights)	Director of Federal Programs, Principal, Migrant aide	Promotion/Retention rates, surveys, Increase of identified migrant students				
2) Parental Involvement. Require a parent/student/school compact to create a partnership and planning and implementing parent activities that emphasize the values of parental involvement: Family Literacy, Migrant meetings, Transitional meetings, PTA, Little Olympics, Parenting Skills workshop, STAAR Awareness meetings and Family Orientation Night.	Parents, Staff, Principal, Counselor, District Directors, PTA Officers, Head Start Director	Surveys, EOY Parental Summary Reports, Increase in parent participation by 10%. Parent-student compact				
3) Parental Involvement. Expand the home to school connection through improved communication via: Open House (PTA), parent/teacher conferences, public news media, SBDM participation, migrant services coordination, notices/letters/flyers to parents, school marquee, school newsletter, school web site, Gifted/Talented parent orientation, parent/student/teacher compacts	Classroom teachers, instructional aides, principal, Counselor, Parents, Parent Liaison, and News media	Surveys, PICC Yearly Summary Report will show and increase in parental involvement				
4) Invite parents and students to an orientation night to review student and parent expectations, dress code, school trips, discipline, bullying and academics.	Teachers, Counselor, Principal and Asst. Principal and Parent Liaison.	Sign In Sheets				

5) Provide a parent volunteer luncheon at the end of the year	Parental Involvement Coordinator	Sign - in Sheets				
Funding Sources: St. Comp. - 243.75						
 = Accomplished  = Continue/Modify  = No Progress  = Discontinue						

Goal 3: PARENT, FAMILY, AND COMMUNITY ENGAGEMENT: Build strong family and community partnerships that promote the Alice ISD vision, mission and goals.

Performance Objective 2: Public Relations and Communication: Develop and implement a communications and marketing plan to promote Schallert Elementary.

Evaluation Data Source(s) 2:

Summative Evaluation 2:

Strategy Description	Monitor	Strategy's Expected Result/Impact	Reviews			
			Formative			Summative
			Nov	Jan	Mar	June
1) Family after school events such as: Family Movie Night, Gallery Walk, Tailgating for Literacy, Math Night before STAAR Testing. Father/Daughter Dance, Mother/Son dance. Schallert Facebook page. Newsletter distributed every six weeks.	Principal, Asst. Principal, Parent Liaison, Counselor, Instructional facilitator, Reading Interventionist, and Teachers.	Sign-in Sheets, Facebook likes.				
2) Schallert Spirit Shirts sale through out the year.	Principal, Asst. Principal, Parent Liaison, Counselor, Instructional facilitator, Reading Interventionist, and Teachers.	Student Activity balance.				
3) Variety of communication; Event flyers for all activities, Schallert Facebook posts, School Marquee updated continuously.	Principal, Asst. Principal, Parent Liaison, Counselor, Instructional facilitator, Reading Interventionist, and Teachers.	Sign-in Sheets, Facebook likes.				
4) Televised Morning Show broadcast throughout campus and community via Facebook Live.	Principal, Asst. Principal, Parent Liaison, Counselor, Librarian, Teachers, and Students.	Facebook Likes and Shares, Participation				
= Accomplished = Continue/Modify = No Progress = Discontinue						

Goal 3: PARENT, FAMILY, AND COMMUNITY ENGAGEMENT: Build strong family and community partnerships that promote the Alice ISD vision, mission and goals.

Performance Objective 3: PARTNERSHIPS: Develop and implement a plan to create and track business and community partnerships.

Evaluation Data Source(s) 3:

Summative Evaluation 3:

Strategy Description	Monitor	Strategy's Expected Result/Impact	Reviews			
			Formative			Summative
			Nov	Jan	Mar	June
1) Community Partnerships. Expand business/career education partnerships through these school initiatives: Jump Rope for Heart, Food Drive, Letters to Troops, McTeachers Night.	Staff, Counselor, Parent Liaison, Community members	Total charitable donations, EOY Parental Summary Report, Increase of business partnerships				
2) Transitional Services. Provide collaboration of efforts and expectations between Head Start/Migrant with our campus to improve transition services to preschool students.	Head Start Coordinator and Campus Parental Involvement Personnel.	Sign in Sheets				
3) Intermediate school orientation for exiting fourth grade students going to Memorial Intermediate School and Dubose Intermediate School.	Fourth Grade Teachers and Counselor	Parent Permission Slips and Registration Forms				
= Accomplished = Continue/Modify = No Progress = Discontinue						

Goal 4: OPERATIONAL EFFECTIVENESS AND EFFICIENCY: Ensure that the District makes fiscally sound decisions that support student achievement and maintain a strong financial position.

Performance Objective 1: EFFECTIVENESS: Develop analytical tools to measure the allocation of financial resources among all of the operational activities of the Campus, including staff, facilities, equipment, and technology. Strive for maximum revenues to facilitate the operations of the campus and allocate these to the areas of need.

Evaluation Data Source(s) 1:

Summative Evaluation 1:

Strategy Description	Monitor	Strategy's Expected Result/Impact	Reviews			
			Formative			Summative
			Nov	Jan	Mar	June
1) Classroom Inventory for every room at Schallert Elementary	Schallert Administration, Office staff, Custodians.	Inventory Notebook				
2) Key Check Out/In List	Schallert Administration, Office staff, Custodians	Inventory Notebook				
3) End of the Year Check Out Systems	Schallert Administration, Office staff, Custodians	End of Year Check out List Completed Forms				
= Accomplished = Continue/Modify = No Progress = Discontinue						

Goal 4: OPERATIONAL EFFECTIVENESS AND EFFICIENCY: Ensure that the District makes fiscally sound decisions that support student achievement and maintain a strong financial position.

Performance Objective 2: EFFICIENCY- Develop strategic solutions to optimize the allocation of financial resources on District/Campus operations in order to maintain a strong financial position.

Evaluation Data Source(s) 2:

Summative Evaluation 2:

Strategy Description	Monitor	Strategy's Expected Result/Impact	Reviews			
			Formative			Summative
			Nov	Jan	Mar	June
1) Timeline/Calendar of Campus Goals to include: (Campus needs and Wish list for grade levels and staff)	Administration, Teachers, Campus Staff	Time line/Calendar				
2) Conduct Spring Needs Assessment to begin to determine budgetary needs for 2019-2020 school year	Administration, Campus Leadership Team.					
= Accomplished = Continue/Modify = No Progress = Discontinue						

Goal 4: OPERATIONAL EFFECTIVENESS AND EFFICIENCY: Ensure that the District makes fiscally sound decisions that support student achievement and maintain a strong financial position.

Performance Objective 3: FUND BALANCE: Maintain an unassigned General Fund balance of three months of operations as recommended by the Texas Education Agency (TEA) and a Debt Service reserved fund balance of 25% of the annual debt service requirements.

Evaluation Data Source(s) 3:

Summative Evaluation 3:







Strategy Description	Monitor	Strategy's Expected Result/Impact	Reviews			
			Formative			Summative
			Nov	Jan	Mar	June
1) The Campus budget will comply with all federal and state guidelines.	Administration	campus Budget/ Budget Statements				
= Accomplished = Continue/Modify = No Progress = Discontinue						

Goal 4: OPERATIONAL EFFECTIVENESS AND EFFICIENCY: Ensure that the District makes fiscally sound decisions that support student achievement and maintain a strong financial position.

Performance Objective 4: FINANCIAL RATING: Maintain a superior rating on the annual Schools Financial Integrity Rating Systems of Texas (FIRST)

Evaluation Data Source(s) 4:

Summative Evaluation 4:

Strategy Description	Monitor	Strategy's Expected Result/Impact	Reviews			
			Formative			Summative
			Nov	Jan	Mar	June
1) The Campus budget will comply with all federal and state guidelines.	Administration	campus Budget/ Budget Statements				
 = Accomplished  = Continue/Modify  = No Progress  = Discontinue						

Goal 4: OPERATIONAL EFFECTIVENESS AND EFFICIENCY: Ensure that the District makes fiscally sound decisions that support student achievement and maintain a strong financial position.

Performance Objective 5: OPERATIONS: Exhibit responsible stewardship of District/Campus funds by using innovative ways to meet the current and emerging needs of all students to include: Pursuing alternative funding sources such as competitive grants, efficient use of available resources, exploring cooperative opportunities, and providing optimal staffing, facilities, and technology to meet the needs of all students. Preparing and presenting during a public hearing the annual financial report to the public and board of trustees.

Evaluation Data Source(s) 5:

Summative Evaluation 5:

Strategy Description	Monitor	Strategy's Expected Result/Impact	Reviews			
			Formative			Summative
			Nov	Jan	Mar	June
1) Ensure equitable student-teacher ratio.	Administration, Principal	class rosters/Schallert membership reports				
2) Utilize Campus funds to purchase technology devices and software to engage both teachers and students.	Administration, Principal, CLT, and Teachers	Technology Inventory , PO				
3) Ensure campus funds are used to provide teachers with equipment to recreate a positive learning environment in the classroom.	Administration, Principal	Inventory, PO's				

= Accomplished

= Continue/Modify

= No Progress

= Discontinue

Goal 5: HUMAN RESOURCES: Build a highly effective workforce through strategic recruitment, professional learning, mentoring and organizational support to retain effective teachers, principals, and other instructional staff.

Performance Objective 1: Equitable Staffing: Ensure 100% of the Schallert Elementary is equitably staffed with effective teachers and administrators.

Evaluation Data Source(s) 1:

Summative Evaluation 1:

Strategy Description	Monitor	Strategy's Expected Result/Impact	Reviews			
			Formative			Summative
			Nov	Jan	Mar	June
1) Follow all district policies and procedures for hiring new staff.	Administration, Principal, Asst. Principal, Interview Committee Members	Mastery of assessments				
= Accomplished = Continue/Modify = No Progress = Discontinue						

Goal 5: HUMAN RESOURCES: Build a highly effective workforce through strategic recruitment, professional learning, mentoring and organizational support to retain effective teachers, principals, and other instructional staff.

Performance Objective 2: RECRUIT, SUPPORT,RETAIN EFFECTIVE TEACHERS & ADMINISTRATORS: Schallert elementary will recruit, support and retain effective teachers, principals and other instructional staff.

Evaluation Data Source(s) 2:

Summative Evaluation 2:

Strategy Description	Monitor	Strategy's Expected Result/Impact	Reviews			
			Formative			Summative
			Nov	Jan	Mar	June
1) Receive reading training and implement strategies from trainings to increase student reading success.	IF and Reading Interventionist	Data on student progress				
2) New Teacher Support. Provide staff development and mentoring for all new teachers.	Principal, Central Office Staff, Mentor Teachers	Copies of Certificates				
3) Provide teacher training on research based instructional strategies to increase student learning.	Consultants, Central Office Staff, Principal, Asst. Principal, IF, and Reading Interventionist	Sign In Sheets				
4) Provide Guided Reading training and support to teachers in grades K-4.	Principal, Assistant Principal, IF, and Reading Interventionist	Sign in sheets and walkthroughs				
5) Ensure equitable student-teacher ratio.	Administration	class rosters/Schallert membership reports				
6) Promote employee recognition through weekly staff Newsletter, Teacher of the Week, and Team of the Month.	Principal, Asst. Principal, Counselor and Office Staff.	Newsletter certificates				
7) Provide opportunities to involve teachers in the decision making process by creating the Campus Leadership Team (CLT)	Principal					

8) Principal and Asst. Principal will conduct a minimum of 8-10 walkthroughs per week to support personal growth for all teachers.	Principal and Asst. Principal	Eduphoria Feedback				
9) Administration Team will implement Coaching Cycle to support personal growth for all staff.	Principal, Asst. Principal, and Instructional Facilitator	Feedback forms and Videos				
10) Conduct Teacher Surveys during the school year to assess the climate of the campus, professional development needs, and perceptions of administration.	Principal, Asst. Principal	Survey Responses				
11) Show teacher appreciation with small tokens of appreciation (Jean passes, Luncheons, Treats)	Principal, Asst. Principal, Counselor, and Office Staff.	Pictures, Jean passes				

= Accomplished
 = Continue/Modify
 = No Progress
 = Discontinue

Comprehensive Support Strategies

Goal	Objective	Strategy	Description
1	1	1	Utilize the district adopted assessment instruments, classroom observations and anecdotal notes to monitor student performance and identify at- risk students.
1	2	2	Monitor writing progress at each grade level using anecdotal notes and student conferencing.
1	4	3	Utilize Eduphoria for data disaggregation. (2nd -4th Grade)

Title I Schoolwide Elements

ELEMENT 1. SWP COMPREHENSIVE NEEDS ASSESSMENT (CNA)

ELEMENT 2. SWP CAMPUS IMPROVEMENT PLAN (CIP)

ELEMENT 3. PARENT AND FAMILY ENGAGEMENT (PFE)

Campus Leadership Team

Committee Role	Name	Position
Administrator	Paul Looney	Principal
Administator	Debbie Guerra	Assistant Principal
Counselor	Monica Villarreal	Counselor
Non-classroom Professional	Linda Valerio	Reading Interventionist
Non-classroom Professional	Lori Trafton	Instructional Facilitator
Classroom Teacher	Cecilia Cantu	Pre-K Teacher
Classroom Teacher	Celeste Garcia	Kinder Teacher
Classroom Teacher	Jana Leo-Garcia	1st Grade Teacher
Classroom Teacher	Lois Metcalf	2nd Grade Teacher
Classroom Teacher	Aurora Trevino	3rd Grade Teacher
Classroom Teacher	Cristina Wright	4th Grade Teacher
Classroom Teacher	Monica Reynolds	SCU Teacher

2018-2019 Campus Site-Based Committee

Committee Role	Name	Position
Administrator	Paul Looney	Principal
Administator	Debbie Guerra	Assistant Principal
Counselor	Monica Villarreal	Counselor
Classroom Teacher	Cecilia Cantu	Pre-K Teacher
Classroom Teacher	Celeste Garcia	Kinder Teacher
Classroom Teacher	Jana Leo-Garcia	1st Grade Teacher
Classroom Teacher	Lois Metcalf	2nd Grade Teacher
Classroom Teacher	Aurora Trevino	3rd Grade Teacher
Classroom Teacher	Cristina Wright	4th Grade Teacher
Classroom Teacher	Monica Reynolds	SCU Teacher
Paraprofessional	Devin Guerra-Padron	Parental Involvement/Para
Parent	Patricia Placencio	Technology Para
Parent	Maria Ibanez	4th Grade Teacher
Community Representative	TBA TBA	TBA
Business Representative	TBA TBA	TBA

Campus Funding Summary

Title I					
Goal	Objective	Strategy	Resources Needed	Account Code	Amount
1	4	2	Mentoring Minds Math Workbook	211-11-6399.00-107-4-30	\$2,890.80
Sub-Total					\$2,890.80
St. Comp.					
Goal	Objective	Strategy	Resources Needed	Account Code	Amount
1	2	2	The Writing Academy Curriculum	163-11-6399.00-107-5-30	\$5,577.00
1	2	2	Mentoring Minds Writing Workbook	16-11-6399.00-107-5-30	\$145.45
1	2	5	Renaissance Learning Accelerated Reader Program	163-11-6399.00-107-5-30	\$4,806.50
1	3	1	The Writing Academy Curriculum	163-11-6399.00-107-5-30	\$5,577.00
1	3	1	Mentoring Minds Writing Workbook	16-11-6399.00-107-5-30	\$145.45
1	4	2		163-11-6399.00-107-5-30	\$680.00
3	1	5	Catering Services (AISD Food Services)		\$243.75
Sub-Total					\$17,175.15
Grand Total					\$20,065.95

Texas Education Agency
2018 Accountability Ratings Overall Summary
DUBOSE INT (125901041) - ALICE ISD

	Component Score	Scaled Score	Rating
Overall		62	Met Standard
Student Achievement		62	Met Standard
STAAR Performance	33	62	
College, Career and Military Readiness			
Graduation Rate			
School Progress		56	Improvement Required
Academic Growth	53	55	Improvement Required
Relative Performance (Eco Dis: 53.2%)	33	56	Improvement Required
Closing the Gaps	12	61	Met Standard

Distinction Designations

ELA/Reading	Not Earned
Mathematics	Not Earned
Science	Not Earned
Social Studies	Not Eligible
Comparative Academic Growth	Not Earned
Postsecondary Readiness	Not Earned
Comparative Closing the Gaps	Not Earned

Texas Education Agency
2018 Accountability Ratings Overall Summary
ADAMS MIDDLE (125901043) - ALICE ISD

	Component Score	Scaled Score	Rating
Overall		67	Met Standard
Student Achievement		56	Improvement Required
STAAR Performance	28	56	
College, Career and Military Readiness			
Graduation Rate			
School Progress		66	Met Standard
Academic Growth	64	66	Met Standard
Relative Performance (Eco Dis: 83.4%)	28	59	Improvement Required
Closing the Gaps	30	70	Met Standard

Distinction Designations

ELA/Reading	Not Earned
Mathematics	Not Earned
Science	Not Earned
Social Studies	Not Earned
Comparative Academic Growth	Not Earned
Postsecondary Readiness	Not Earned
Comparative Closing the Gaps	Not Earned

Texas Education Agency 2018 Accountability Ratings Overall Summary

ALICE H S (125901001) - ALICE ISD

	Component Score	Scaled Score	Rating
Overall		70	Met Standard
Student Achievement		69	Met Standard
STAAR Performance	34	59	
College, Career and Military Readiness	48	80	
Graduation Rate	90.3	65	
School Progress		73	Met Standard
Academic Growth	65	73	Met Standard
Relative Performance (Eco Dis: 52.1%)	41	69	Met Standard
Closing the Gaps	18	64	Met Standard

Distinction Designations

ELA/Reading	Not Earned
Mathematics	Not Earned
Science	Not Earned
Social Studies	Not Earned
Comparative Academic Growth	Not Earned
Postsecondary Readiness	Not Earned
Comparative Closing the Gaps	Not Earned

ALICE ECHS

- *Free College Education and access to a Laptop while enrolled at Alice ECHS!*
- *Students earn up to 60 college hours or an Associate's Degree and a high school diploma upon graduation!*
- *2 years of a FREE college education for those selected! (Savings of \$23K-\$40K!)*
- *At least 30 students will be selected!*



**Alice ECHS for 2019-20 is pending approval of the designation by the Texas Education Agency, but we anticipate approval.*

New ECHS students are required to:

- *attend a "Summer Bridge" class before their 9th grade year
- *take all of their core classes (English, math, science, and social studies) and at least one dual enrollment elective class with ECHS students annually
- *take Pre-Advanced Placement (PAP), Advanced Placement (AP), or dual enrollment core classes



#1 Coyote Trail
Alice, TX 78332
Phone: 361-664-0126 x841
Fax: 361-660-2155
Website: <http://ahs.aliceisd.net/early-college-high-school-05886e85>

Alice Early College High School



To prepare, empower, and produce life long learners.



Alice ECHS

Student Selection Criteria

Required Criteria:

- Attend AISD middle school (WAMS) as an 8th grader
- First year 9th grader
- Resident of the AISD boundaries

All students meeting the Required Criteria and are interested in ECHS are encouraged to apply!

Target Criteria:

- At-risk
- Economically Disadvantaged
- English Language-learners
- First-generation College-goers
- Migrants



Next Steps

1. Complete Alice ECHS Application
2. Return Application to WAMS Counselors
3. Await Letter of Acceptance

"It's a great opportunity to get a better education and graduate faster from college. One of my many challenges is the work schedule. You cannot delay any work."
-Michael Camacho

"ECHS is life changing. It takes a lot of time. I can't hang with my friends as much, but I know it will benefit my future." – Aaron Cantu

"You have to be very committed while enrolled in this program."
- Jacqueline Guerra

**DEADLINE TO
SUBMIT
APPLICATION IS
April 5, 2019 BY
4:00 P.M.**

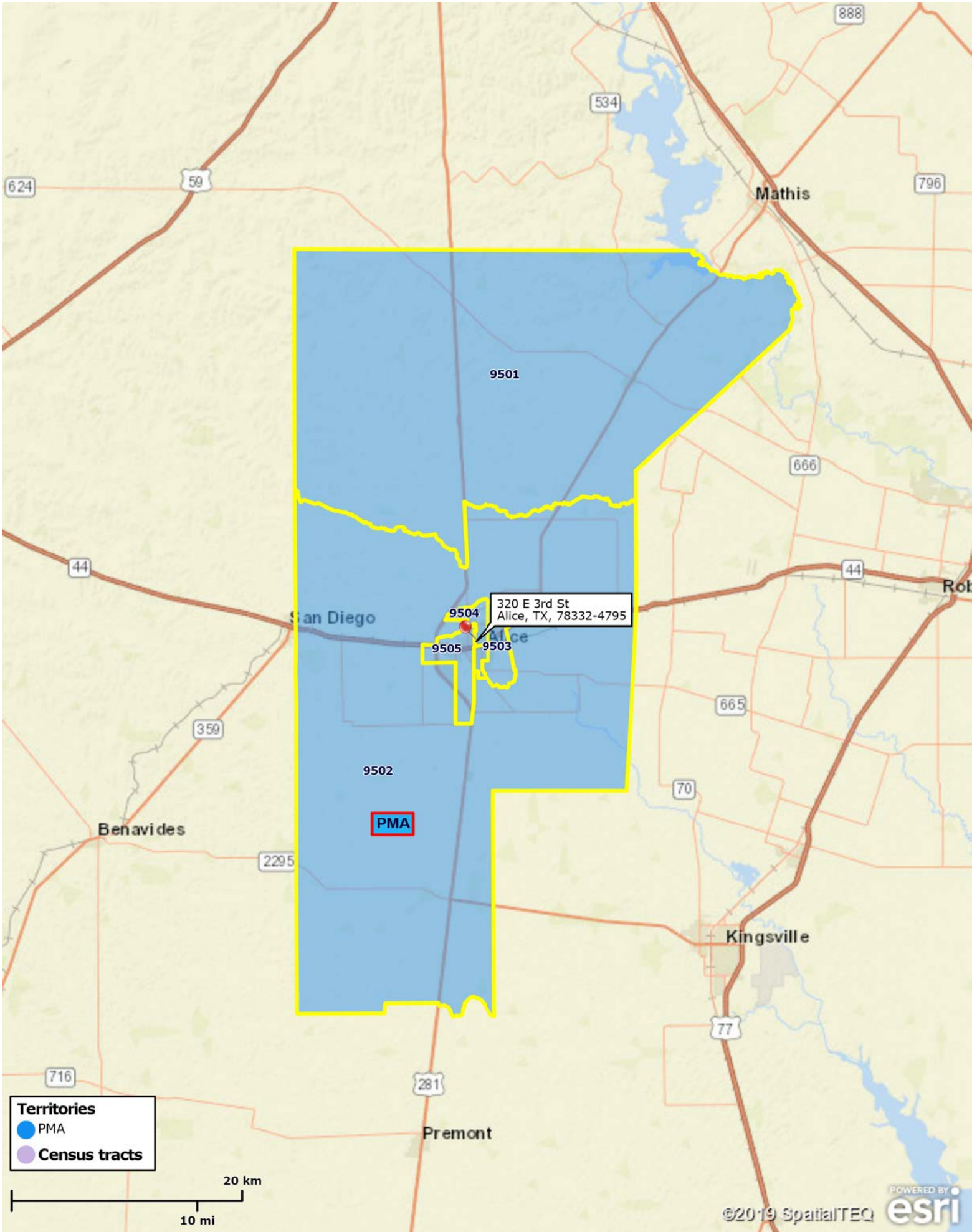
**SUMMER BRIDGE
PROGRAM**

Tentative Dates & Time:
June 2019



*Alice ECHS is in partnership with
Coastal Bend College and Del Mar College.*

PMA MAP





B01003

TOTAL POPULATION

Universe: Total population

2012-2016 American Community Survey 5-Year Estimates

Note: This is a modified view of the original table.

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Total Population in the Primary Market Area is: 38,181

		Total
Census Tract 9501, Jim Wells County, Texas	Estimate	9,246
Census Tract 9502, Jim Wells County, Texas	Estimate	7,701
Census Tract 9503, Jim Wells County, Texas	Estimate	6,892
Census Tract 9504, Jim Wells County, Texas	Estimate	3,713
Census Tract 9505, Jim Wells County, Texas	Estimate	6,192
Census Tract 9506, Jim Wells County, Texas	Estimate	4,437

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see Accuracy of the Data). The effect of nonsampling error is not represented in these tables.

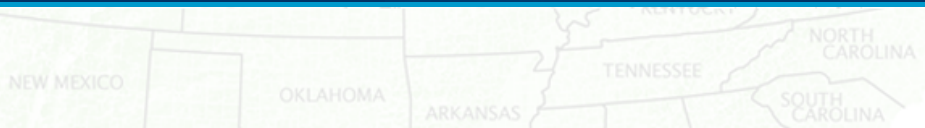
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Source: U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates

Explanation of Symbols:

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2. An '-' entry in the estimate column indicates that either no sample observations or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest interval or upper interval of an open-ended distribution.
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B19013

MEDIAN HOUSEHOLD INCOME IN THE PAST 12 MONTHS (IN 2016 INFLATION-ADJUSTED DOLLARS)

Universe: Households

2012-2016 American Community Survey 5-Year Estimates

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Median Household Income in Alice, TX Micro Area = \$43,321

	Census Tract 9504, Jim Wells County, Texas		Alice, TX Micro Area; Texas	
	Estimate	Margin of Error	Estimate	Margin of Error
Median household income in the past 12 months (in 2016 inflation-adjusted dollars)	50,000	+/-14,837	43,321	+/-5,680

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Estimates of urban and rural population, housing units, and characteristics reflect boundaries of urban areas defined based on Census 2010 data. As a result, data for urban and rural areas from the ACS do not necessarily reflect the results of ongoing urbanization.

Source: U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates

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B19001 HOUSEHOLD INCOME IN THE PAST 12 MONTHS (IN 2016 INFLATION-ADJUSTED DOLLARS)
 Universe: Households
 2012-2016 American Community Survey 5-Year Estimates

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601 Households out of 1,166 = 51% of Households in the Census Tract have incomes equal to or greater than the Median Household Income in the MSA

	Census Tract 9504, Jim Wells County, Texas		Alice, TX Micro Area; Texas	
	Estimate	Margin of Error	Estimate	Margin of Error
Total:	1,166	+/-115	13,557	+/-337
Less than \$10,000	52	+/-31	1,485	+/-292
\$10,000 to \$14,999	36	+/-30	923	+/-197
\$15,000 to \$19,999	53	+/-38	1,010	+/-242
\$20,000 to \$24,999	94	+/-56	1,030	+/-210
\$25,000 to \$29,999	73	+/-60	691	+/-160
\$30,000 to \$34,999	88	+/-58	659	+/-203
\$35,000 to \$39,999	99	+/-57	599	+/-139
\$40,000 to \$44,999	70	+/-47	536	+/-152
\$45,000 to \$49,999	18	+/-23	272	+/-117
\$50,000 to \$59,999	131	+/-62	1,229	+/-241
\$60,000 to \$74,999	103	+/-58	1,249	+/-271
\$75,000 to \$99,999	88	+/-55	1,288	+/-270
\$100,000 to \$124,999	136	+/-56	964	+/-197
\$125,000 to \$149,999	48	+/-42	734	+/-192
\$150,000 to \$199,999	59	+/-46	583	+/-199
\$200,000 or more	18	+/-23	305	+/-112

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DP04

SELECTED HOUSING CHARACTERISTICS

2012-2016 American Community Survey 5-Year Estimates

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A processing error was found in the Year Structure Built estimates since data year 2008. For more information, please see the errata note #110.

94 out of 1,399 Housing Units = 6.7% of housing stock is in multifamily structures

Subject	Census Tract 9504, Jim Wells County, Texas	
	Estimate	Percent
HOUSING OCCUPANCY		
Total housing units	1,399	1,399
UNITS IN STRUCTURE		
Total housing units	1,399	1,399
1-unit, detached	1,100	78.6%
1-unit, attached	22	1.6%
2 units	79	5.6%
3 or 4 units	40	2.9%
5 to 9 units	19	1.4%
10 to 19 units	23	1.6%
20 or more units	12	0.9%
Mobile home	104	7.4%
Boat, RV, van, etc.	0	0.0%
HOUSING TENURE		
Occupied housing units	1,166	1,166
Owner-occupied	802	68.8%
Renter-occupied	364	31.2%
GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME (GRAPI)		
Occupied units paying rent (excluding units where GRAPI cannot be computed)	260	260
Less than 15.0 percent	78	30.0%
15.0 to 19.9 percent	57	21.9%
20.0 to 24.9 percent	11	4.2%
25.0 to 29.9 percent	18	6.9%
30.0 to 34.9 percent	2	0.8%
35.0 percent or more	94	36.2%
Not computed	104	(X)

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Households not paying cash rent are excluded from the calculation of median gross rent.

Telephone service data are not available for certain geographic areas due to problems with data collection of this question that occurred in 2015 and 2016. Both ACS 1-year and ACS 5-year files were affected. It may take several years in the ACS 5-year files until the estimates are available for the geographic areas affected.

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(OMB) definitions of metropolitan and micropolitan statistical areas; in certain instances the names, codes, and boundaries of the principal cities shown in ACS tables may differ from the OMB definitions due to differences in the effective dates of the geographic entities.

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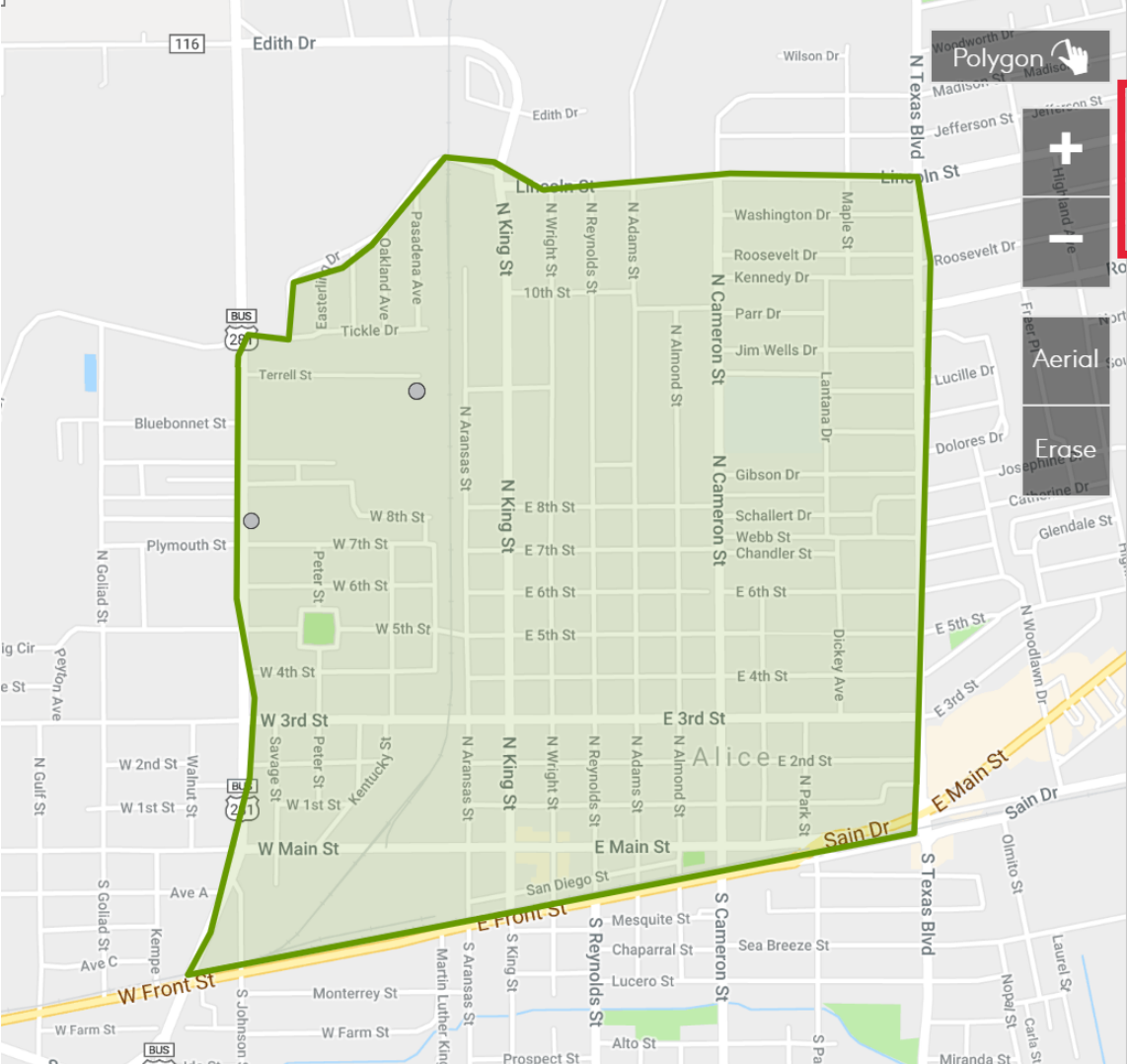
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Market Rate Units within Downtown Alice

Menu Español Apartments.com™ Sign Up / Sign In Add a Listing

Location or Point Rent Range Beds x Baths Filter New 0 0 0 0

Home



725 N Johnson St ✖ Alice, TX 78332 No Availability 2 WKS AGO

Alice Village 123 Terrell St, Alice, TX 78332 No Availability 2 WKS AGO

Let Apartments.com find your perfect fit!

Let Apartments.com help you find your perfect fit near here. Whether you're searching for a luxury two bedroom apartment or a cozy studio, Apartments.com offers a convenient way to search our extensive inventory of over 149 thousand apartments currently available for rentals -- more than any other apartment finder.

CITIES	ZIP CODES
Alice	78332
San Diego	78372
Orange Grove	78384

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Apartments.com™
© 2019 CoStar Group, Inc.

✖ The dot for 725 N Johnson Street is located on the wrong side of the street and is not in the Downtown Alice boundaries

Alice Village

123 Terrell St, Alice, TX 78332 – Alice

★ ★ ★ ☆ ☆



No Availability

[Home](#) / [Texas](#) / [Alice](#) / Alice Village

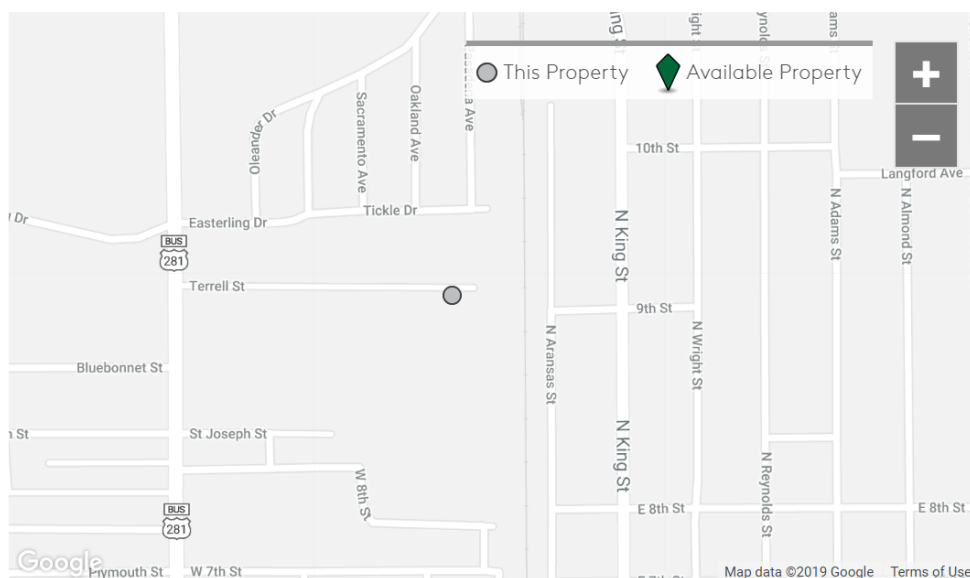
🕒 2 Weeks Ago



There are no available units. [🔔 Alert Me When Units Are Available](#)

Beds	Baths	# of Units	Average SF	Available
1 Bed	1 Bath	10	542 SF	None of these are available.
2 Beds	1 Bath	20	793 SF	None of these are available.
3 Beds	2 Baths	20	880 SF	None of these are available.

These similar apartments nearby have available units.



About Alice Village

Welcome home to Alice Village in Alice, TX. A convenient Terrell St. setting in the 78332 area of Alice is a popular place for you. Here at this community, the professional leasing staff is ready to help you find the perfect new home. Be sure to come for a visit to view the available floorplans. Find your new home at Alice Village. Contact or drop by the leasing office to talk about leasing your new apartment.

Apartment Amenities



Parking
Surface Lot
1 space.



Property Information

- Built in 1980
- 50 Units/2 Stories



Features

- Heating



Kitchen

- Kitchen
- Oven
- Range

BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
MAY 23, 2019

Presentation, discussion and possible action on staff determinations regarding Neighborhood Risk Factors for 19133 Alazan Lofts.

RECOMMENDED ACTION

WHEREAS, pursuant to 10 TAC §11.101(a)(3) of the 2019 Qualified Allocation Plan related to Neighborhood Risk Factors, if a Development Site has any of the characteristics described in subparagraph B of the subsection, the Applicant must disclose the presence of each such characteristic to the Department at the time the Application is submitted to the Department;

WHEREAS, 19133 Alazan Lofts disclosed the presence of Neighborhood Risk Factors and submitted documentation regarding the mitigation of those risk factors; and

WHEREAS, staff has conducted a further review of the proposed site and the surrounding neighborhoods pursuant to 10 TAC §11.101(a)(3) and prepared a summary to the Board;

NOW, therefore, it is hereby,

RESOLVED, that the Board find 19133 Alazan Lofts ineligible under the requirements of 10 TAC §11.101(a)(3) of the Qualified Allocation Plan.

BACKGROUND

Pursuant to 10 TAC §11.101(a)(3) of the 2019 Qualified Allocation Plan (QAP) related to Neighborhood Risk Factors, disclosure is required if one or more of the neighborhood risk factors exists where the proposed Development Site is located. Applicants are required to provide a Neighborhood Risk Factors Report (NRFR), which includes information regarding mitigating factors and a general description of the site and surrounding area.

The following describes the results of staff's review for the 2019 Competitive Housing Tax Credit (HTC) Application 19133 Alazan Lofts. Entries identify the HTC Development/Application number (TDHCA ID#), the name of the Development, the region, and the city, along with staff's comments with respect to eligibility of the site. A brief summary of each disclosure has been included and is followed by Department staff's analysis of that disclosure for the Site and the proposed mitigation from the Applicant.

Pursuant to 10 TAC §11.101(a)(3), the Department’s Governing Board has final decision making authority in making an affirmative determination of finding a Site eligible or ineligible. Should the Board make the determination that a Development Site is ineligible, the termination of the Application resulting from such Board action is not subject to further appeal.

TDHCA ID#	Dev. Name	Region	City
19133	Alazan Lofts	9	San Antonio

Application 19133, Alazan Lofts, proposes an 88-unit Development with one, two and three bedroom units located in two buildings. One building will be a four-story elevator-served building with 70 units and the other will be a walk up three-story building with 18 units. Located west of downtown San Antonio, the proposed Development will serve the general population. The unit mix contains Public Housing Units which have a fixed rental payment from the PHA on behalf of the tenant. The site is adjacent to a large, existing public housing Development owned and operated by SAHA.

Alazan Lofts was submitted in the 2018 competitive LIHTC round, as Application #18053. At that time, Alazan Lofts disclosed four "Undesirable Neighborhood Characteristics" (now called "Neighborhood Risk Factors"). In 2018 staff recommended that sufficient mitigation had been evidenced for both blight and crime for the site to be eligible as regards to just those issues. However, at that time staff was unable to reach a determination on schools and poverty. At the TDHCA Governing Board meeting of June 28, 2018, the Board determined by a vote of 5-1 that Alazan Lofts should be found ineligible, specifically that "not enough indication has been shown at this time for the site to be found eligible," in regard to the poverty rate and performance of the middle school¹.

Summary of Disclosure: The proposed Development Site is located in census tract 48029110500, which, according to 2016 estimates from the American Community Survey, has a poverty rate of 62.4%.

Mitigation Efforts: The Applicant reasons that the high poverty rate stems from the fact that the residents of the current public housing Development, which has more than 700 units, compose much of the census tract’s population, and therefore deeply skew the poverty rate. The Applicant points to "opportunities for upward mobility and self-improvement" in the area, including the Avenida Guadalupe Association, which offers housing counseling and financial education programs to underserved populations. Lastly, the Applicant notes the proposed Development Site's proximity to downtown San Antonio, with "213,000 high-paying jobs" being within a 20-minute drive of the Development.

¹ Staff notes that school performance has improved and is not an issue with this Application.

In order to mitigate the neighborhood risk factor of a poverty rate above 40%, 10 TAC §11.101(a)(3)(D)(i) requires evidence that the poverty rate within the census tract has decreased over a five year period preceding the date of Application, or that the census tract is contiguous to a census tract with a poverty rate below 20% and there are no physical barriers between them such as highways or rivers . . ." This clause further reads that "other mitigation may include, but is not limited to, evidence of substantial job growth and employment opportunities, career training opportunities or job placement services, evidence of gentrification in the area (including an increase in property values) which may include contiguous census tracts that could conceivably be considered part of the neighborhood containing the proposed Development, and a clear and compelling reason that the Development should be located at the Site."

While the Applicant points to census tract 48029192100, which lies east of the Development's census tract and has a poverty rate, as of 2016, of 6.2%, staff notes that this lower poverty census tract is over 3,000 feet away from the proposed site, and is separated by an eight-lane freeway. Staff also notes that the three contiguous census tracts on the same side of the freeway as the Development Site's census tract all have poverty rates above the Department's threshold of 40%, with no physical barriers among them. The high poverty rates in contiguous census tracts belie the Applicant's description of the existing public housing development as the driver of the high poverty rate at the proposed site.

The below table demonstrates the poverty rate trend, using most recently available data, for the proposed Development Site's census tract. Staff believes that the poverty has not improved over the previous five years sufficiently to indicate that the Risk Factor will have been mitigated by the time the Development is placed in service. In 2012, the poverty rate was 65.8%, and the latest data from 2017 has the poverty rate at 65.7%. The median household income in 2012 was \$11,010, and the latest data from 2017 has median household income at \$12,098. Adjusted for inflation, median household earnings have only increased by a few hundred dollars.

Poverty Rate for Census Tract 48029110500						
Variable	2012	2013	2014	2015	2016	2017
Poverty Rate for Individuals	65.8%	72.6%	72.1%	67.6%	62.4%	65.7%
Median Income (not adjusted for inflation)	\$11,010	\$10,667	\$10,365	\$10,528	\$11,922	\$12,098

Staff Determination: Staff does not believe that sufficient mitigation has been evidenced to justify finding the site eligible. Staff is recommending that the Board find the site ineligible in regard to this issue.

Summary of Disclosure: According to NeighborhoodScout, the Part I violent crime rate for the census tract in which Alazan Lofts is located is 46.02 per 1,000 individuals.

Mitigation Efforts: The City of San Antonio Police Department (SAPD) has provided crime data for the district that largely comprises the census tract. According to SAPD, the crime rate for 2018 was 14.73, and it was 16.57 for 2017, representing a slight decrease year-over-year. The Applicant notes that the year-over-year decline in crime for the area is largely the result of collaborative efforts between community groups and SAPD, and that this decline will likely continue.

Staff Determination: Staff is recommending that the Board find the site eligible in regard to this issue.

Summary of Disclosure: The Applicant disclosed four instances of blight within 1,000 feet of the proposed Development Site. Three are residential properties, and one is commercial in nature.

Mitigation Efforts: The Applicant presents as mitigation previous improvements and investments in the neighborhood made by the City of San Antonio. A staff site visit has confirmed that the instances of blight are not of such a nature as to render the Development Site ineligible.

Staff Determination: Staff is recommending that the Board find the site eligible in regard to this issue.

19133 Alazan Lofts

Neighborhood Risk Factor Report

2019 9% Housing Tax Credit Cycle
Alazan Lofts Ltd.



Neighborhood Risk Factors Report Packet

The purpose of the packet is to formalize the process in which neighborhood risk factors (“NRF”) are disclosed and the NRF Report is submitted pursuant to 10 TAC §11.101(a)(3) of the Qualified Allocation Plan (“QAP”). The packet may be submitted at pre-application (if applicable per 10 TAC §11.8(b) relating to Pre-Application Requirements) or at Application. Applicants who wish to submit a request for pre-determination prior to pre-application or Application are advised to review 10 TAC §11.101(a)(3) for additional guidance. Termination due to an Applicant’s own non-disclosure is not appealable as such appeal is in direct conflict with certifications made in the Application and within the control of the Applicant.

Pursuant to 10 TAC §11. 8(b), related to Pre-application Participation, the competitive HTC pre-application must identify neighborhood risk factors related to crime and schools.

Pre-application Disclosure: Pre-application # _____ Development Name _____
 Application Disclosure: Application # 19133 Development Name Alazan Lofts

My Development Site includes the following neighborhood risk factor(s) (Check all that apply):

Development Site is located in a census tract has poverty rate above 40% for individuals (or 55% for Developments in regions 11 and 13).

Development Site is located in a census tract (or for any adjacent census tract with a boundary less than 500 feet from the proposed Development Site that is not separated from the Development Site by a natural barrier such as a river or lake, or an intervening restricted area, such as a military installation) in an Urban Area and the rate of Part I violent crime is greater than 18 per 1,000 persons annually as reported on <https://www.neighborhoodscout.com/>.

Development Site is located within 1,000 ft. (measured from nearest boundary of the Site to the nearest boundary of blighted structure) of multiple vacant structures that have fallen into such significant disrepair, overgrowth, and/or vandalism that they would commonly be regarded as blighted or abandoned.

Development Site is located within the attendance zones of an elementary school, a middle school, or a high school that does not have a Met Standard rating by the Texas Education Agency, based on the 2018 Accountability Ratings (unless the school is “Not Rated” because it meets the TEA Hurricane Harvey Provision, in which case the 2017 rating will apply).

Neighborhood Risk Factors Report:

I have submitted information for the items listed below, or such other mitigation as the Applicant determines appropriate to support a Board determination that the proposed Development Site should be found eligible, as such information might be considered to pertain to the neighborhood risk factor(s) disclosed, pursuant to 10 TAC §11.101(a)(3)(C) of the QAP. Such information is included behind this page.

- Determination regarding neighborhood boundaries;
- Assessment of general land use in the neighborhood;
- Assessment concerning any of the features of the neighborhood risk factors present in the neighborhood, regardless of whether they are within the specified distances referenced in 10 TAC §11.101(a)(2);
- Assessment of the number of existing affordable rental units in the Primary Market Area (PMA), including comment on concentration based on the size of the PMA;
- Assessment of the percentage of households residing in the census tract that have household incomes equal to or greater than the median household income for the MSA or county where the Development site is located;
- Assessment of the number of market rate multifamily units in the neighborhood and their current rents and levels of occupancy;
- Assessment, for the previous two academic years, of school performance for each of the schools in the attendance zone containing the Development that did not achieve the Met Standard rating for 2018 (unless the school is “Not Rated” because it meets the TEA Hurricane Harvey Provision, in which case the 2017 rating will apply), that includes the TEA Accountability Rating Report, a discussion of performance indicators and what progress has been made over the prior year, and the campus improvement plan in effect. If there is an update to the plan that shows progress made under the plan, provide the update. If no update is available, provide information from a school official that speaks to progress made under the plan as indicated in 10 TAC §11.101(a)(3)(D)(iv); and
- Additional information, if requested by the Department.

Provide any comments or additional information in the box below, if applicable.

Please see the attached documentation packet that has hyperlinks in the table of content and has been bookmarked for ease of navigation.

Mitigation of the Neighborhood Risk Factor (s):

I have provided information regarding mitigation of the above-mentioned neighborhood risk factors, as applicable, behind this page, along with a summary narrative describing how the information presented meets the requirements of 10 TAC §11.101(a)(3)(D) of the QAP, or;

Waiver of the Neighborhood Risk Factor (s):

I am requesting a waiver of the presence of the above-mentioned neighborhood risk factors, as applicable, pursuant to 10 TAC §11.101(a)(3)(E) of the QAP, on the basis that the Development is necessary to enable the state, a participating jurisdiction, or an entitlement community to comply with its obligation to affirmatively further fair housing, a HUD approved Conciliation Agreement, or a final and non-appealable court order. Documentation to that effect is included herein with the disclosure and waiver request.

Provide any comments or additional information in the box below, if applicable.

Department Contacts:

9% HTC Applications: Sharon.Gamble@TDHCA.state.tx.us (9% Program Administrator)

4% HTC and Tax-Exempt Bond Applications: Teresa.Morales@TDHCA.state.tx.us (Multifamily Manager)

Direct Loan Only Applications: Andrew.Sinnott@TDHCA.state.tx.us (Multifamily Loan Programs Manager)

How to Submit the NRF Report Packet:

- Upload if a Serv-U Account has been set-up for the pre-application or Application and notify the appropriate contact person of the upload (refer to the Multifamily Programs Procedures Manual posted at <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm> for an explanation of the process to set-up a Serv-U Account if needed);

Or

- Include the packet behind tab 2 of the Uniform Multifamily Application.

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February 21, 2019

Marni Holloway
Director of Multifamily Finance
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701

Re: Application #19133, Alazan Lofts - Neighborhood Risk Factor Report

Dear Ms. Holloway,

I am writing to provide the Department with additional information regarding the Neighborhood Risk Factor disclosure for Application #19133 Alazan Lofts in accordance with 11.101(a)(3)(B)(iii). The site does not meet TDHCA standards for poverty rate and crime rate and may not meet TDHCA standards for blight.

You may recall that the Alazan Lofts project was submitted last year, but was not competitive due to scoring. Last year, the TDHCA Board of Directors found all three of these Neighborhood Risk Factor items acceptable for an investment of Tax Credits and we hope they will do the same this year.

This report should provide a clear impression of the Guadalupe Westside Neighborhood, which is where the proposed project is located, and the revitalization efforts that are underway to improve this community. I hope you will let me know if there is any additional information that you would like to see.

Introduction to the Area

Alazan Lofts is located just outside of Downtown San Antonio in the Avenida Guadalupe Neighborhood and the Guadalupe Westside. Avenida Guadalupe has been the cultural heart of San Antonio's Mexican-American community since the turn of the 20th Century. The area is home to many cultural institutions, such as the Guadalupe Theater, the Guadalupe Cultural Arts Center, and Our Lady of Guadalupe Church, along with many of the City's cherished Mexican-American owned businesses. UT San Antonio's Downtown Campus sits just outside the eastern edge of the neighborhood and last year the Census Tract that encompasses the Alazan Lofts area was named a federal Opportunity Zone.

Neighborhood Boundaries & Land Use

The neighborhood is generally defined as the area east of South Zarzamora Street, south of West Commerce Street, west of Interstate 10, and north of Pendleton Avenue and Frio City Road. A map of this area is enclosed. The neighborhood contains a variety of land uses, but about half of the area is residential. On the enclosed land-use map, the light "peach" color represents Low

Density Residential which covers about half of the neighborhood’s land. This is characterized by single-family homes. There are significant pockets of Medium-Density Residential land (bright yellow) surrounding the Alazan Lofts site and in the western portion of the neighborhood. These are generally two-story multi-family buildings. As shown in red, there are numerous Community Commercial zones in the neighborhood that house small businesses, and there are two Industrial zones (light lavender) and numerous Public (bright blue) uses in the area. One of the industrial zones houses San Antonio’s produce terminal where wholesale fruits and vegetables are packaged and sent for distribution. The other contains a variety of light-industrial uses including many food-related businesses. Public uses in the area are primarily schools. Apache Creek runs through the middle of the neighborhood. Parks dot the neighborhood.

Neighborhood Risk Factors

The area immediately surrounding Alazan Lofts has three out of the four TDHCA-listed neighborhood risk factors: poverty and crime rates that exceed standards, and blight.

Poverty Rate & Mitigation

The poverty rate for the census tract containing Alazan Lofts is 62.4%, but poverty in the area surrounding Alazan Lofts is trending downwards. Of the census tract containing Alazan Lofts and its adjacent census tracts, six of the seven census tracts saw one-year decreases in poverty rates, ranging from an almost 5% drop all the way to a 60% drop. In addition to these downward trends, the census tract containing Alazan Lofts is contiguous with census tract 48029192100, which has a poverty rate of 6.2%. Please see the map and accompanying screen shot of the site demographics, which shows that Alazan Lofts’ census tract is contiguous to a census tract that has a poverty rate below 20%.

Census Tract	2015 Poverty Rate	2016 Poverty Rate	2015-2016 Change
Tract 1101	26.0%	25.7%	4.7% ↓
Alazan Lofts Tract	67.6%	62.4%	7.7% ↓
Tract 1106	49.6%	45.1%	9.1% ↓
Tract 1501	34.0%	27.5%	19.1% ↓
Tract 1601	47.2%	45.0%	4.7% ↓
Tract 1702	38.4%	43.6%	13.5% ↑
Tract 1921	15.4%	6.2%	59.8% ↓

It should also be noted that this is a densely populated area with physically small census tracts. The Alazan Lofts tract in this case is only 1.5 miles across at its widest point and 2 miles long at its longest point, for a total of 3 square miles *if* the tract were a rectangle. This is by no means the entire area any resident at Alazan Lofts would rely on for his or her daily life activities and employment. Just going to school requires that students leave the census tract and be exposed to people of all walks of life.

Moreover, the poverty rate in the Alazan Lofts census tract is strongly influenced by the 700+ public housing units that are located at Alazan Apache Courts just to the north of the development site. By their very nature, these units are required to serve very low-income families, thus the high

poverty rate in the census tract should not be taken as an indication of downward mobility for area residents.

Opportunities for upward mobility and self-improvement abound in the area. Residents of the Avenida Guadalupe neighborhood currently have access to the services of several nonprofit and social organizations that have the intent to promote economic mobility, to bolster housing stability, and to reduce poverty in the community. The Avenida Guadalupe Association, whose headquarters is only 800 feet from the development site, is a major advocate for bringing affordable family and senior housing into the area, along with its offering of housing counseling and financial education programs for underserved populations.

The William C. Velasquez Institute has an office in the community that works to empower Latino and underrepresented communities by improving their levels of political and economic participation. The work that the Institute does is a critical asset to the neighborhood as it helps residents have a say in policies that impact their socioeconomic well-being. Other local programs that promote economic mobility and opportunity include AVANCE — San Antonio’s Head Start and adult education courses and San Antonio Independent School District’s Family and Student Support Services for families in the Lanier High School Area.

Alazan Lofts’ proximity to high-income areas and jobs in Downtown San Antonio is another opportunity for upward mobility for residents. The development site is only half a mile away from Downtown and a first quartile Census Tract. This places Alazan Lofts within a 20-minute drive of over 213,000 high-paying jobs, which are jobs with an annual salary of \$75,000, according to NeighborhoodScout.

Crime Rate & Mitigation

According to Neighborhood Scout, the crime rate for the area surrounding the Alazan Lofts site was 46.02 per 1,000 persons on February 4, 2019. The City of San Antonio Police Department (SAPD) has provided us with details that shed light on this rate and show that crime is in fact going down in the area. The Alazan Courts area, as defined by the police department, consists of SAPD District 2160, which essentially shares the same boundaries as the census tract that contains Alazan Lofts. SAPD data shows that the violent crime rate per 1,000 persons has declined over the past two years in this area and that for 2017 and 2018, the rate was under 18 violent crimes per 1,000 people threshold. Based on the Part 1 Violent Crime data reported by SAPD, District 2160 had a crime rate of 16.57 crimes per 1,000 persons in 2017 and 14.73 crimes per 1,000 persons in 2018. These metrics, which are mapped on pages 48 and 49 of this PDF, indicate that the number of crimes in the SAPD District have fallen by a third from 2016 to 2018.

These rates are sure to decline even further when the vacant land and structures that currently make up the site of the future Alazan Lofts will be redeveloped into housing. The consistent decline in crime in the area is the result of various collaborative crime prevention initiatives led by the community and by the San Antonio Police Department. Examples of recent crime prevention initiatives include Citizen Police Academy, National Night Out, the Neighborhood Watch program, and the San Antonio Fear Free Environment (SAFFE) Unit, which is a special community policing unit. These efforts will continue to foster a safe environment for the future residents of Alazan Lofts and will help the neighborhood maintain a crime level that is below TDHCA’s threshold.

Blight & Mitigation

The Guadalupe Westside Neighborhood shares characteristics with most older, central city neighborhoods. Both the commercial and residential building stock is older, and bears the characteristics of historic housing built in the 1920s and 30s. Houses are small and on small lots, most have porches and commercial buildings are low rise, with awnings and sidewalks. There are few buildings more than two stories tall. The neighborhood has its fair share of older housing stock in need of maintenance, but my personal visit to the area identified only a few instances of true blight within 1,000 feet of the site. These instances have been mapped and documented in this report.

Overall, the neighborhood is old, but tidy. Schools in the area have all been recently renovated and the properties owned by the San Antonio Housing Authority are well kept, if outdated. Multiple commercial investments have been made by the City of San Antonio such as improvements to Market Square and the Guadalupe Cultural Arts Center. In turn, these improvements have inspired private land holders to re-invest in the commercial building stock and there is evidence of new development in the area along Guadalupe Street west, towards S. Zarzamora.

In order to facilitate property maintenance, the City of San Antonio Neighborhood and Housing Services Department operates several home repair and remediation programs in the areas. These include:

- Green and Healthy Homes (SAGHH) – offers guidance to homeowners and landlords of properties that are older than 40 years old by correcting safety hazards such as lead-based paint, mold, household asthma triggers, and fire hazards
- Minor Repair Program – assists with plumbing, electrical, non-working utilities, broken windows, damaged doors, and other items in need of repair
- Owner-occupied Rehabilitation – helps homeowners bring their homes into code compliance by providing deferred, forgivable loans
- Under 1 Roof – replaces worn and damaged roofs

These initiatives, along with the millions of dollars of public investment in the neighborhood, will support the successful turnaround of the potential instances of blight that I have identified, and will contribute to the success of the proposed Alazan Lofts development.

Schools & Educational Opportunities

Students living at Alazan Lofts will be zoned to attend J T Brackenridge Elementary, Tafolla Middle School, and Lanier High School. All three schools received a ‘Met Standard’ rating from the Texas Education Agency in 2018; copies of each schools’ 2018 TEA Accountability Rating Report are enclosed. Brackenridge Elementary and Tafolla Middle have on-site after school programming that provides academic support, STEM curriculum, and technology training to students, which is provided by the Boys & Girls Club of San Antonio and the YMCA of Greater San Antonio at each campus respectively. High school students at Lanier also have many opportunities for academic enrichment, particularly through the school’s Engineering Institute Magnet Program, which offers coursework in Architecture, Construction, Automotive Technology, and Engineering, along with Advanced Placement and dual-credit courses. UTSA’s

downtown campus is just a few blocks out of the neighborhood boundaries and is easily accessible to those seeking higher education.

Existing Affordable & Market Rate Rental Units in the Primary Market Area

Site Census Tract

Although single family homes dominate the neighborhood, most of the housing stock in Alazan Lofts' census tract are rental units. Of the total 827 housing units in the tract, 70% (or 572 housing units) are located in multi-family structures with 85% of all occupied units being renter-occupied, based on data from the American Community Survey (ACS) 5-Year Estimates. These tables are included in this report. As mentioned previously, this is a small and dense Census Tract, dominated by housing owned by the San Antonio Housing Authority. Therefore, the "concentration" of affordable housing appears high, but when compared to the larger neighborhood, affordable multifamily housing is just one of the many housing options in the Guadalupe Westside Neighborhood. ACS data also identifies that the median age for renter-occupied structures is 1964, which points to an urgent need for new, leasable units and the rehabilitation of older, renter-occupied housing stock.

Market Rate Units

There are seven developments in the Guadalupe Westside Neighborhood, with less than 250 units being market rate. Multifamily developments in the area include:

- 1711 and 1713 Monterrey St: 15 units, 100% occupied (non-LIHTC)
- Approx. 210-222 Merida: 16 units, 100% occupied (100% non-LIHTC)
- Olivares Senior Community, 1003 Vera Cruz: 59 units, 100% occupied (non-LIHTC)
- Prospect Hill, 1601 Buena Vista: 55 units, 100% occupied (non-LIHTC)
- Sacred Heart Villa Apartments, 120 S Trinity: 43 units, 100% occupied (non-LIHTC)
- Summit at Benavides Park: 50 Market Rate units, 100% occupied (LIHTC property)
- San Juan I, San Juan II, and Gardens at San Juan: 10 Market Rate units across all three projects, 94% occupied (LIHTC property)

Please see page 56 in the documentation packet for some of the multifamily listings on Apartments.com. Low vacancies rates in these few market rate multifamily units that exist in the area indicate that the market could easily absorb more multifamily units, like the new ones that will be built at Alazan Lofts.

Affordable Housing in the PMA

The Primary Market Area for Alazan Lofts consists of 16 census tracts in Downtown San Antonio and immediately west of Downtown. The Primary Market Area currently has 13 housing developments that have been placed in service, or just over 1,500 units restricted to tenants earning 60% or below the Area Median Income. A critical metric to consider when assessing need for affordable rental units is cost burden; while 1,500 units may seem like a relatively high concentration of affordable units, one must consider that the almost half of all households in the primary market area are cost-burdened, in other words, half of all households are paying 30% or more of their income for housing. That figure equates to over 5,400 households that are still cost-burdened in spite of all of the households that are currently housed in affordable units, based on data from 2012-2016 American Community Survey 5-Year Estimates found on page 63 of the

packet. This suggests that there is still overwhelming demand for more affordable housing units, and Alazan Lofts would help offset this need.

Household Incomes

Another indicator of a need for more affordable housing is the comparison of household incomes to the median household income across the MSA. ACS data estimates that the median household income in the San Antonio-New Braunfels Metro area was \$54,638. In the census tract containing Alazan Lofts, only 76 of households, or 10% of total households, have incomes equal to or greater than the Metro area’s income. Please see page 65 of the documentation packet to reference the 2012-2016 American Community Survey 5-Year Estimates. This points to a dire need for quality, lower cost housing choices in the area relative to resident’s lower and moderate income in order to avoid compounding the cost-burden that already exists in the census tract.

Additional Information

Westside TIRZ #30

The community surrounding Alazan Lofts is also a part of Westside TIRZ#30, which was approved by City Council on December 11, 2008 and remains valid through September 2033. As the name suggests, the TIRZ is located on the west side of Downtown San Antonio, with a small portion of the TIRZ reaching into the Central Business District. The TIRZ was originally established with the intent of adding value and bringing investment to the area through public infrastructure improvements and the construction of numerous commercial, retail, and mixed-use projects.

Evidence of committed funding to accomplish the TIRZ’s goals and projects can be found in the Preliminary Finance Plan, which was included in the Concerted Revitalization Plan Packet for Alazan Lofts. The Preliminary Finance Plan for the TIRZ projects more than \$35 million in TIF revenue to complete improvement projects and over \$500 million projected taxable value for the area by the time the TIRZ terminates in 2032. This investment, in conjunction with the City’s Capital Improvement Projects for the community, give the Westside TIRZ area the potential to become one of San Antonio’s revitalization success stories.

By way of example, investments through the City’s Capital Improvement Project budget include a renovated library, a community center, extensive road improvements, and renovation of local recreational amenities.

CIP Projects in Westside TIRZ #30				
Project Name	Project Status	Total Approved Budget	Estimated Construction Start Date	Estimated Construction End Date
Bazan Branch Library	Complete	\$376,225	04/2008	03/2009
Guadalupe Theater	Complete	\$499,454	03/2010	08/2010
Avenida Guadalupe Complex	Complete	\$150,000	07/2009	02/2011
San Antonio Natatorium	Complete	\$396,391	06/2013	09/2013
Guadalupe Area Streets	Complete	\$2,310,170	09/2013	03/2014

Guadalupe Cultural Arts Center	Complete	\$845,000	01/2017	09/2017
Buena Vista Corridor	Pre-Construction	\$2,500,000	04/2019	03/2020
Cesar Chavez Corridor	Under Design	\$2,400,000	06/2019	05/2020
Commerce Street	Project Advertisement	\$6,000,000	05/2019	11/2020
District 5 Pedestrian Mobility & Streets	Under Construction	\$6,500,000	09/2018	05/2022

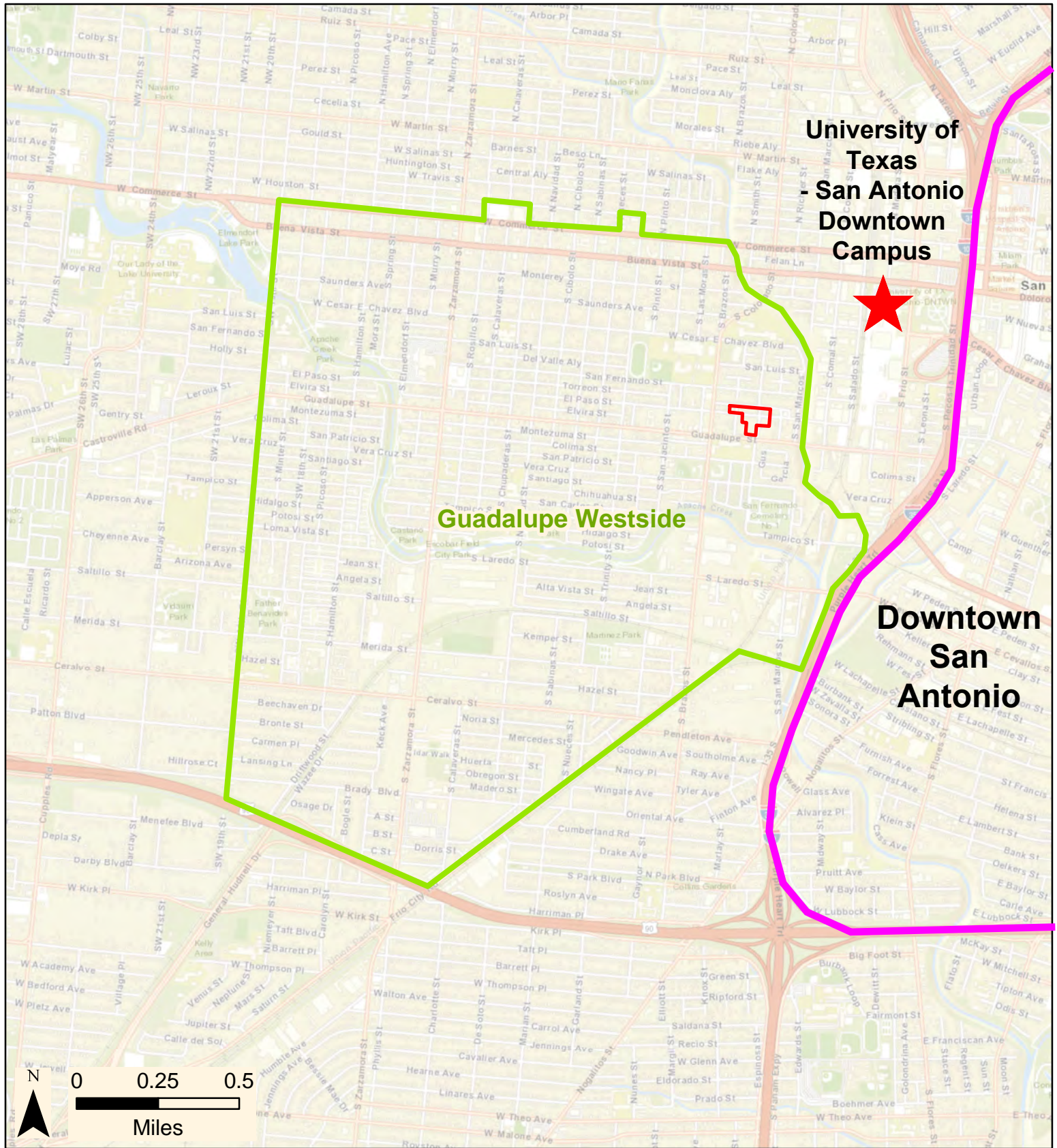
The impact of reinvestment in the area is evident through measurable improvements in the census tract containing Alazan Lofts, as is indicated in a Community Revitalization letter from the Director of Neighborhood and Housing Services for the City of San Antonio, Veronica Soto. Mrs. Soto mentions in her letter that median household incomes have increased by 22% since 2015, unemployment has fallen by 8%, and overall school performance has improved thanks in part to City support and funding from the San Antonio ISD Bond initiative. The area will further benefit from the University of San Antonio’s investment and expansion of its downtown campus, which is less than half a mile from Alazan Lofts. **Detailed information on the TIRZ and the revitalization of the area is contained in the CRP report for this application.**

Thank you for reviewing this report and for your consideration. Please let me know should you have any questions or concerns at sarah@structuretexas.com or at (512) 698-3369.

Sincerely,



Sarah Andre, Consultant to the Project
sarah@structuretexas.com
(512) 698-3369



Guadalupe Westside Neighborhood

Alazan Lofts

Scattered Sites around Colorado and El Paso Streets
San Antonio, Texas

-  Downtown
-  Neighborhood
-  Site

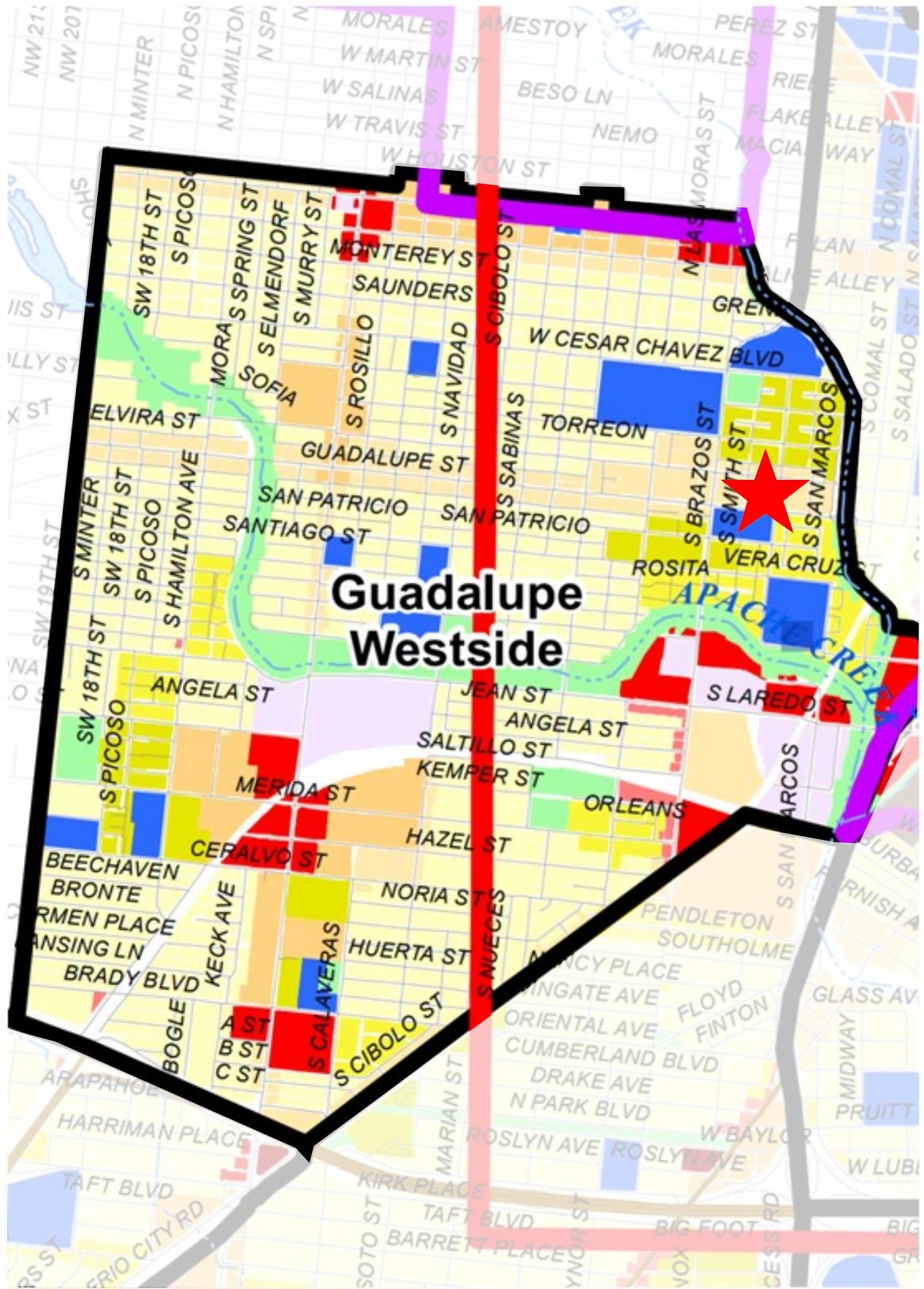


Guadalupe Westside Neighborhood Land Use Map

Guadalupe Westside Neighborhood



Alazan Lofts

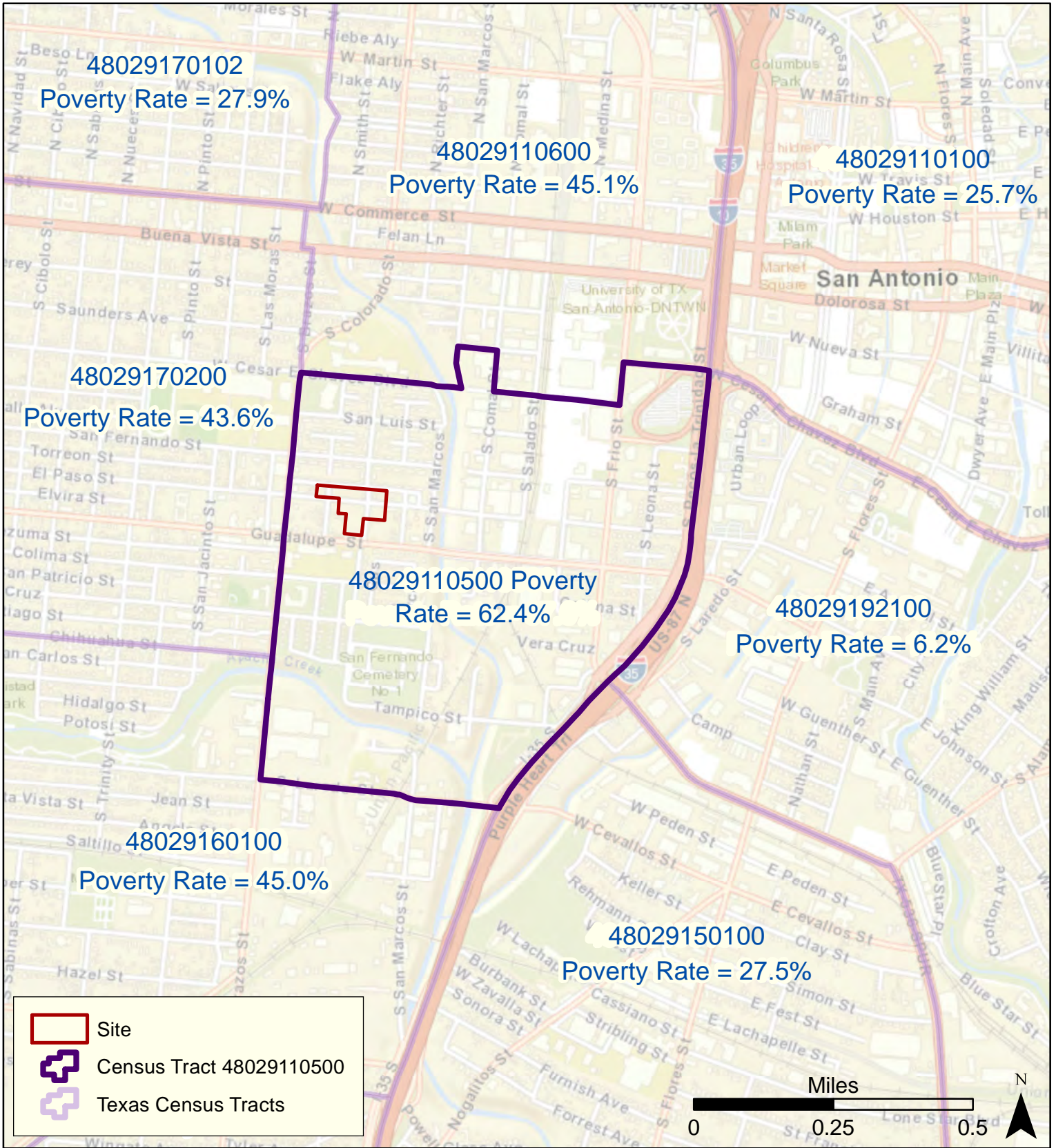


	<ul style="list-style-type: none"> Low Density Residential Estate Low Density Residential Medium Density Residential High Density Residential 	<ul style="list-style-type: none"> Agricultural Business Park Commercial Community Commercial 	<ul style="list-style-type: none"> Regional Commercial Neighborhood Commercial Public/Institutional Industrial 	<ul style="list-style-type: none"> Light Industrial Heavy Industrial Mixed Use Low Density Mixed Use 	<ul style="list-style-type: none"> Medium Density Mixed Use High Density Mixed Use Office Rural Living 	<ul style="list-style-type: none"> Parks/Open Space Vacant Transit Oriented Development Military 	<ul style="list-style-type: none"> No Future Land Use in Plan Airport Completed Future Land Use Plan Completed No Future Land Use in Plan Future Land Use Plan in Progress 	<ul style="list-style-type: none"> City of San Antonio Other Cities and Towns BEXAR County Limited Purpose Annexation 	
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City of San Antonio
Future Land Use Plan 2019

0 4,500 9,000 13,500 18,000 22,500 27,000 31,500 Feet

City of San Antonio
Information Technology Services Department
GIS Data Services Division



Poverty Rate Map

Alazon Lofts

Scattered sites surrounding the intersection
of El Paso and Colorado St

San Antonio, Texas



CT 48029110500 is contiguous to CT 48029192100, which has a poverty rate of 6.2%

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	Opportunity Index Data (§11.9(c)(4) of the 2019 Qualified Allocation Plan)												
2	The median household income data is from table B19013 and the poverty data is from table S1701 of the 2012 - 2016 5-year American Community Survey (ACS). This data corresponds with the Opportunity Index scoring item at §11.9(c)(4) of the 2019 Qualified Allocation Plan (QAP). The QAP can be found at http://www.tdhca.state.tx.us/multifamily/nofas-rules.htm . Please contact jason.burr@tdhca.state.tx.us with any questions.												
3													
4	Census Tract	Geography	County FIPS	County	Region	Median Household Income	Q3 Income	Q2 Income	Q1 income	Median Household Income Quartile	Median Poverty Rate by Region	Poverty Rate Rank*	Poverty Rate
4329	48029191809	Census Tract 1918.09, Bexar County, Texas	48029	Bexar	9	104655	37089.5	52870	70146	1q	14.6	OK	11.5
4330	48029191810	Census Tract 1918.10, Bexar County, Texas	48029	Bexar	9	95560	37089.5	52870	70146	1q	14.6	OK	0.9
4331	48029191811	Census Tract 1918.11, Bexar County, Texas	48029	Bexar	9	117243	37089.5	52870	70146	1q	14.6	OK	4.8
4332	48029191812	Census Tract 1918.12, Bexar County, Texas	48029	Bexar	9	147188	37089.5	52870	70146	1q	14.6	OK	2.8
4333	48029191813	Census Tract 1918.13, Bexar County, Texas	48029	Bexar	9	99171	37089.5	52870	70146	1q	14.6	OK	4.8
4334	48029191814	Census Tract 1918.14, Bexar County, Texas	48029	Bexar	9	102351	37089.5	52870	70146	1q	14.6	OK	8.4
4335	48029191815	Census Tract 1918.15, Bexar County, Texas	48029	Bexar	9	116118	37089.5	52870	70146	1q	14.6	OK	4.1
4336	48029191816	Census Tract 1918.16, Bexar County, Texas	48029	Bexar	9	66084	37089.5	52870	70146	2q	14.6	OK	1.2
4337	48029191817	Census Tract 1918.17, Bexar County, Texas	48029	Bexar	9	82500	37089.5	52870	70146	1q	14.6	OK	5
4338	48029191900	Census Tract 1919, Bexar County, Texas	48029	Bexar	9	26706	37089.5	52870	70146	4q	14.6	Over	33.2
4339	48029192000	Census Tract 1920, Bexar County, Texas	48029	Bexar	9	29226	37089.5	52870	70146	4q	14.6	Over	26.8
4340	48029192100	Census Tract 1921, Bexar County, Texas	48029	Bexar	9	72524	37089.5	52870	70146	1q	14.6	OK	6.2
4341	48029192200	Census Tract 1922, Bexar County, Texas	48029	Bexar	9	46923	37089.5	52870	70146	3q	14.6	OK	12
4342	48029192300	Census Tract 1923, Bexar County, Texas	48029	Bexar	9	85521	37089.5	52870	70146	1q	14.6	OK	5.6
4343	48029980001	Census Tract 9800.01, Bexar County, Texas	48029	Bexar	9	-	37089.5	52870	70146	NA	14.6	Over	-
4344	48029980002	Census Tract 9800.02, Bexar County, Texas	48029	Bexar	9	-	37089.5	52870	70146	NA	14.6	OK	0
4345	48029980003	Census Tract 9800.03, Bexar County, Texas	48029	Bexar	9	52159	37089.5	52870	70146	3q	14.6	OK	2.8
4346	48029980004	Census Tract 9800.04, Bexar County, Texas	48029	Bexar	9	-	37089.5	52870	70146	NA	14.6	Over	-
4347	48029980005	Census Tract 9800.05, Bexar County, Texas	48029	Bexar	9	-	37089.5	52870	70146	NA	14.6	OK	0
4348	48029980100	Census Tract 9801, Bexar County, Texas	48029	Bexar	9	62813	37089.5	52870	70146	2q	14.6	OK	18
4349	48091310100	Census Tract 3101, Comal County, Texas	48091	Comal	9	58563	37089.5	52870	70146	2q	14.6	OK	16.3
4350	48091310200	Census Tract 3102, Comal County, Texas	48091	Comal	9	58098	37089.5	52870	70146	2q	14.6	OK	17.7
4351	48091310300	Census Tract 3103, Comal County, Texas	48091	Comal	9	53293	37089.5	52870	70146	2q	14.6	OK	8.3

Poverty Alleviation: Community Resources for Economic Mobility

WHY IT IS IMPORTANT TO HELP

The **Avenida Guadalupe Association** serves the community in a number of meaningful ways. As a 501c3 non-profit organization, we rely on sponsors, funders, and volunteers to help us deliver **educational opportunities** that **strengthen family economic success**; **affordable rental spaces** for small businesses and non-profit organizations; and neighborhood cultural events that **strengthen our historic cultural arts corridor**; all of which move us toward fulfilling our mission.

HOW YOU CAN HELP

Business and individual donors can help us in several ways:



- ✓ Donate Monetarily – Donated funds allow us to provide **classes** dedicated to advancing family economic success in the Westside and throughout San Antonio's lower economic communities. Donations also help us to off-set the cost of community events like **Pictures With Santa**, and the **Dieciseis de Septiembre**.
- ✓ Volunteer – We welcome help from those ready to roll up their sleeves and involve themselves in a thriving Westside community. We offer opportunities to volunteer at any of the cultural events we sponsor as well as to help us keep this special inner city community graffiti and trash-free. Join our Adopt-the-Plaza initiative today!
- ✓ Donate Goods – We accept donated items such as school supplies for back-to-school give-aways and non-perishable foods that we can share and distribute to neighborhood food pantries.
- ✓ Join Our Community – Professionals with expertise in economic development, architectural enhancements, financial education, or any of our service areas are vital assets when we come together to discover new ways to meet our goals.

● ●

This is great people helping people. That's what we needed —people who come together to make a difference for this community. BLESSINGS TO ALL THE ASSOCIATION.



Rosario Herrera

LEADERSHIP

DONATIONS

PROGRAMS

GET INVOLVED

AVANCE ALUMNI

NEWS & EVENTS

EMPLOYMENT

MISSION STATEMENT

AVANCE unlocks America's potential by strengthening families in at-risk communities through effective parent education and support programs.

>>

Poverty Alleviation: Community Resources for Economic Mobility

The AVANCE Model of Services

Two Generational Model

The AVANCE Model of Services focuses on parents and their infants or young children under the age of three. We reach out to create strong families by offering parent education, social support, adult basic and higher education advocacy, Early Childhood Education (ECE), personal development and community empowerment. Services are inter-related, family centered and preventive in nature. Our model integrates all aspects of home, school and community life. AVANCE services options for families are either Center- or Home-Based.

AVANCE-San Antonio Program Services

We are currently recruiting families to participate for our next Program Year. For more information call 210-223-3667.

PARENT-CHILD EDUCATION

This program site primarily serves the Alazan-Apache Housing Project Residents, other Public Housing Developments and surrounding community. To enroll or for more information about this program, please contact 210 223-3667.

These services are designed to enhance the child-rearing skills of parents with children birth to three years of age in order to foster the healthy development of their children and ensure school readiness for their children by integrating early childhood education, parent education and adult literacy. The program also consists of monthly home visits which assess the family home environment and reinforce lessons learned in the classroom. Through this program, parents are supported in meeting their educational & personal growth with development goals to help ensure economic stability in their families.

School Based Option



We offer a School-Based option at our Fenley Center (934 Flanders, SAT 78211). Our School Based Family Program with in Harlandale ISD is one of 29 early childhood education programs in the city of San Antonio to have earned NAEYC Accreditation. The quality of programs and services that are offered to our families and children are of the utmost highest! To enroll or for more information about this program, please contact 210 977-1485.

Services to Fathers

Services to Fathers is a component of the Parent-Child Program that addresses the Five Protective Factors that ensure the healthy well-being of children and their families. The program promotes a father's involvement in their child's development through parenting, early childhood education and support. In addition, couples can learn about anger & stress management, domestic violence prevention, how to express their emotions in a positive manner and given the support and opportunity to achieve their goals. To enroll or for more information about this program, please contact 210 223-3667.

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EARLY HEAD START (E.H.S)

We are currently recruiting families to participate! For more information call 210-220-1788. This program provides services to families with children birth to three years of age who meet Federal

Income Poverty Guidelines and primarily reside in the West side community of San Antonio.

Services are provided through two program options:

- 1) Home Based - Families are visited once a week in their home, as well as provided with group socialization sessions held twice a month
- 2) Center Based - Infants and toddlers of working or enrolled parents receive full-time quality Early Childhood Education* (ECE) and care at a licensed childcare AVANCE facility. Additionally, this option offers health, nutrition and prenatal care through a case management system.

[Back to top](#)

HEAD START

We are currently recruiting families to participate for our next program year. For more information call 210-921-7000.

The in San Antonio is helping low-income and other eligible children and families of San Antonio and Bexar County with high quality educational, nutritional, medical, mental health, disability, and other services through strong partnerships that promote success through school readiness and family strengthening.

AVANCE is Harlandale ISD's partner in their Head Start program. Since AVANCE began it's work, we have helped parents prepare their children for school by focusing on what parents can do during the first years of their child's life and have worked hand-in-hand with Head Start while they serve families with children beginning at three.

In order to participate in this program, families must meet eligibility criteria:

- Must have a child the age 3 to 4 years old
- Must meet income federal poverty guidelines
- Live within the Harlandale I.S.D.service area

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THANK YOU TO OUR PARTNERS AND SUPPORTERS!

AVANCE-San Antonio, Inc. continues to impact future generations by building stable families, healthy children and promoting economic self-sufficiency with the support and funding from our wonderful partners! If you would like to become a partner and supporter contact us at 220-1788 ext. 223

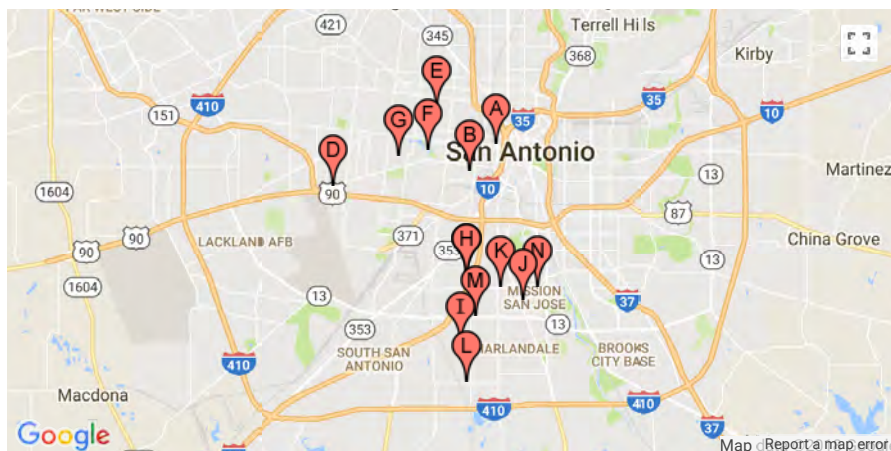
MOST RECENT FUNDING SUPPORT

The [Ruth Lang Charitable Fund of the San Antonio Area Foundation](#) will be providing funding for the AVANCE-San Antonio/University of Texas Health Science Center of San Antonio Community Outreach Clinic.

ONGOING PARTNERS AND CONTINUED SUPPORTERS

[Administration for Children and Families, Department of Health and Human Services](#)
[Baptist Health Foundation of San Antonio](#)
[City of San Antonio, Department of Human Services](#)
[Congregation of Divine Providence](#)
[Harlandale Independent School District](#)
[H-E-B Read 3](#)
[Kronkosky Charitable Foundation](#)
[San Antonio Area Foundation](#)
[San Antonio Housing Authority](#)
[St. Luke's Lutheran Health Ministries, Inc.](#)
[Stumberg Foundation](#)
[Texas Cavaliers Charitable Foundation](#)
[The Harvey E. Najim Family Foundation](#)
[The Hurd Foundation](#)
[Toyota Motor Manufacturing, Texas, Inc. \(TMMTX\)](#)
[U.S. Department of Agriculture - Child and Adult Care Food Program](#)
[United Way of San Antonio and Bexar County](#)
[USAA](#)
[Valero Energy Corporation](#)
[Wells Fargo](#)
[Back to top](#)

Program Locator



AVANCE-San Antonio

Early Head Start

Head Start

- A AVANCE-San Antonio, Inc.
Phone: (210) 220-1788
- B AVANCE Parent-Child Education Program
Phone: (210) 223-3667

B AVANCE Services To Fathers
Phone: (210) 223-3667

D AVANCE Community Outreach Clinic in Partnership w/UTHSCSA
Phone: (210) 438-5691

C AVANCE Parent-Child Education@HISD
Phone: (210) 977-1485

- A E.H.S. Administrative Site
Phone: (210) 220-1788
- A E.H.S. Home Based Option Socialization Center
Phone: (210) 220-1788

D Castroville Rd., E.H.S. Child Development Center
Phone: (210) 438-5691

E Frank Garrett Center, E.H.S. Child Development Center
Phone: (210) 734-7924

F S.W. 19th Street, E.H.S. Child Development Center
Phone: (210) 735-9155

G Mirasol, E.H.S. Child Development Center
Phone: (210) 432-5502

H Kelly, E.H.S. Child Development Center
Phone: (210) 432-2600

- C Administrative Site
Phone: (210) 921-7000

C Ray Fenley Elementary
Phone: (210) 989-3300

I Vestal Elementary
Phone: (210) 989-3350

J Sidney A. Wright Elementary
Phone: (210) 989-3400

K Verde Mae Adams Elementary
Phone: (210) 989-2800

L Gillette Elementary
Phone: (210) 989-3100

M Rayburn Elementary
Phone: (210) 989-3200

N E.H. Gilbert Elementary
Phone: (210) 438-5691

HS / EHS Annual Report 2015-2016

Early Head Start / Head Start Policy Council

Public Document

EHS / HS '15-'16 Annual Report



Feeder Assignments

Brackenridge

Jody Crenshaw, MSW, LCSW
jcrenshaw1@saisd.net
(210) 533-8144 ext. 3242

Burbank

Liza Guerra, LMSW
lguerra2@saisd.net
(210) 532-4241 ext. 150

Edison

Darlene Blaylock, MSW, LCSW
dblacklock1@saisd.net
(210) 738-9745 ext. 75815

Highlands

JoAnn Buitron, LMSW
jbuitron1@saisd.net
(210) 438-6860 ext. 63415

Houston

Nicolesha Reed, LMSW
nreed2@saisd.net
(210) 661-4134 ext. 4241

Jefferson

Heather Wildman, LMSW
hwildman1@saisd.net
(210) 438-6525 ext. 72315

Lanier

Erika Alanis-Garcia, LCSW
ealanis-garcia1@saisd.net
(210) 978-7930 ext. 76115

Poverty Alleviation: ○ ☎ Resources for Economic Mobility



SAN ANTONIO INDEPENDENT
SCHOOL DISTRICT

SAISD does not discriminate on the basis of race, religion, color, age, national origin, sex, or disability in providing education services, activities, and programs, including vocational programs, in accordance with Title VI of the Civil Rights Act of 1964, as amended; Title IX of the Educational Amendments of 1972; section 504 of the Rehabilitation Act of 1973, as amended.

Es norma del Distrito Escolar Independiente de San Antonio de no discriminar por motivos de raza, religion, color, edad, origen nacional, sexo o impedimento, en sus programas, servicios o actividades vocacionales, tal como lo requiere el Título VI de la Ley de Derechos Civiles de 1964, según enmienda; el Título IX de las Enmiendas en la Educación, de 1972, y la Sección 504 de la Ley de Rehabilitación de 1973, según enmienda.

Family & Student Support Services

1700 Tampico, Rm. 111
210-554-2635





Staff

SAISD has allocated funds to employ seven School Social Workers to provide services to any student enrolled in the district. The School Social Workers will provide social and emotional support services to enhance the academic growth of all students. They will be a link between the home, the school, and the community. The School Social Workers will work with all grade levels and will receive referrals based on the student's home address or school of attendance.



Services

The School Social Workers will promote personal success and enhance academic performance by providing specialized services that will include:

- ◆ Family Support Services
- ◆ Crisis Intervention
- ◆ Home Visits
- ◆ Information and Referral
- ◆ Collaboration with School Staff, Community Agencies & Organizations
- ◆ Advocacy for Students & Parents

Referrals

Referrals can be submitted by students, parents, campus staff, or community representatives. To submit a referral, complete the referral form and email it to the appropriate Social Worker.



Contact your Social Worker by email or call Family & Student Support Services at 210-554-2635.

Poverty Alleviation: SAISD Resources for Economic Mobility

FOOD PANTRIES/ CLOTHING			
<p>Site Name: Food Bank - Catholic Charities</p> <p>Program Name: Food Bank - Catholic Charities</p>	<p>Eligibility: Income criteria; emergency needs; or currently receiving federal benefits such as Temporary Assistance to Needy Families (TANF), Food Stamps/SNAP, WIC</p>	<p>1801 W Cesar E Chavez Blvd San Antonio, TX 78207 210-226-6178</p>	<p>Mon-Fri 8:00 am - 11:00 am</p>
<p>Site Name: Food Bank - Durango Seventh Day Adventist Church</p> <p>Program Name: Food Bank - Durango Seventh Day Adventist Church</p>	<p>Eligibility: Income criteria; emergency needs; or currently receiving federal benefits such as Temporary Assistance to Needy Families (TANF), Food Stamps/SNAP, WIC</p>	<p>2321 W Cesar E Chavez Blvd San Antonio, TX 78207 210-227-9653</p>	<p>Wed 6:00 pm - 9:00 pm (second and fourth Wed of every month)</p>
<p>Site Name: Food Bank - Good Samaritan Family Services Pantry</p> <p>Program Name: Food Bank - Good Samaritan Family Services Pantry</p>	<p>Eligibility: Income criteria; emergency needs; or currently receiving federal benefits such as Temporary Assistance to Needy Families (TANF), Food Stamps/SNAP, WIC Open to anyone; ID required</p>	<p>1600 Saltillo San Antonio, TX 78207 210-434-5531</p>	<p>Mon - Fri 8:30 am - 5:00 pm Closed 1-2 pm</p>
<p>Site Name: Food Bank - Inman Christian Center</p> <p>Program Name: Food Bank - Inman Christian Center</p>	<p>Eligibility: Income criteria; emergency needs; or currently receiving federal benefits such as Temporary Assistance to Needy Families (TANF), Food Stamps/SNAP, WIC Open to anyone; ID required</p>	<p>1214 Colima St San Antonio, TX 78207 210-222-9641</p>	<p>4th Fri of month 10:00 am - 2:00 pm</p>
<p>Site Name: Food Bank - Inner City Development</p> <p>Program Name: Food Bank - Inner City Development</p>	<p>Eligibility: Income criteria; emergency needs; or currently receiving federal benefits such as Temporary Assistance to Needy Families (TANF), Food Stamps/SNAP, WIC</p>	<p>1300 Chihuahua St San Antonio, TX 78207 210-224-7239</p>	<p>Mon - Fri 10:00 am - 12:00 pm</p>
<p>Site Name: Food Bank - Jireh House</p> <p>Program Name: Food Bank - Jireh House</p>	<p>Eligibility: Income criteria; emergency needs; or currently receiving federal benefits such as Temporary Assistance to Needy Families (TANF), Food Stamps/SNAP, WIC Nothing required, unless client is wanting to apply for SNAP</p>	<p>1205 Loma Vista San Antonio, TX 78207 210-436-7113</p>	<p>Tues 9:00 am - 11:00 am, 1:00 pm - 3:00 pm; Fri 1:30 pm - 3:30 pm (bread only)</p>
<p>Site Name: Food Bank - St. James African Methodist Episcopal Church</p> <p>Program Name: Food Bank - St. James African Methodist Episcopal Church</p>	<p>Eligibility: Income criteria; emergency needs; or currently receiving federal benefits such as Temporary Assistance to Needy Families (TANF), Food Stamps/SNAP, WIC</p>	<p>402 N Richter San Antonio, TX 78207 210-226-1651</p>	<p>Sat 9:30 am - 12:30 pm (third Sat of every month)</p>
<p>Site Name: Food Bank - Time Dollar Community Table</p> <p>Program Name: Food Bank - Time Dollar Community Table</p>	<p>Eligibility: Income criteria; emergency needs; or currently receiving federal benefits such as Temporary Assistance to Needy Families (TANF), Food Stamps/SNAP, WIC</p>	<p>2806 W Salinas St San Antonio, TX 78207 210-433-9851</p>	<p>Mon 9:30 am - 12:00 pm</p>
<p>Site Name: Society of St. Vincent de Paul Emergency Services</p> <p>Program Name:</p>	<p>Eligibility: Client must reside in a parish that has a Society of St. Vincent de Paul</p>	<p>One Haven for Hope Way San Antonio, TX 78207</p>	<p>Mon - Fri 8:00 am - 12:00 pm, 1:00 pm - 5:00 pm</p>

Society of St. Vincent de Paul Emergency Services		210-225-7837	
Site Name: Weekly Breadline and Resource and Referral	Eligibility: Must be in need of food; can receive food weekly	407 N Calaveras St San Antonio, TX 78207	Tues
Program Name: Weekly Breadline and Resource and Referral		210-434-2301	
Site Name: Agora Ministries	Food pantry	1807 San Fernando San Antonio, TX 78207	2 nd and 4 th Wednesday at 11:00 am
Program Name: Food Pantry		210-270-7421	
Site Name: Case Management and Emergency Assistance	Eligibility: Low income; DO NOT refer for financial assistance for utilities and rent	1406 Fitch San Antonio, TX 78211	Mon - Fri 8:00 am - 5:00 pm
Program Name: Case Management and Emergency Assistance		210-924-5191	
Site Name: Emergency Food, Counseling and Prayer	Eligibility: Anyone needing emergency food, clothing or counseling	418 Villita St, Bldg 13 San Antonio, TX 78205	Mon - Fri 10:00 am - 4:00 pm
Program Name: Emergency Food, Counseling and Prayer		210-226-3593	
Site Name: Individual and Family Services (Ella Austin)	Eligibility: Low income families in crisis; for utility assistance must have a disconnection notice. Help does not exceed \$75.	1023 N Pine St San Antonio, TX 78202	Mon - Fri 9:00 am - 4:00 pm
Program Name: Individual and Family Services	Utility assistance appointments are made by phone on Wednesdays and Thursdays, from 9 a.m. to 12	210-224-2351	
Site Name: SA Christian Hope Resource Center	Eligibility: Require that you bring a picture id and proof of residence to obtain food or clothing	321 N General McMullen San Antonio, TX 78237	Tues - Sat 9:00 am - 1:00 pm
Program Name: SA Christian Hope Resource Center		210-732-3776	
Site Name: St. Timothy Church	Able to assist with food monthly to residents of parish boundary.	1515 Saltillo San Antonio, TX 78207	Tuesdays and Fridays 9 am to 12 pm
Program Name: St. Vincent de Paul pantry	Able to assist with food one time to residents outside parish boundary. ID or other proof of residence needed	210-434-2391	
Site Name: Christ the King	Able to assist with food monthly to residents of parish boundary.	2619 Perez San Antonio, TX 78207	Monday - Friday
Program Name: Food pantry	Able to assist with food one time to residents outside parish boundary. ID or other proof of residence needed	210-433-6301	
Site Name: St. Agnes	Able to assist with food monthly to residents of parish boundary.	804 Ruiz San Antonio, TX 78207	Wednesdays 10 am to 1 pm
Program Name: St. Vincent de Paul pantry	Able to assist with food one time to residents outside parish boundary. ID or other proof of residence needed	210-227-8258	

<p>Site Name: San Juan de los Lagos</p> <p>Program Name: St. Vincent de Paul pantry</p>	<p>Able to assist with food monthly to residents of parish boundary. Able to assist with food one time to residents outside parish boundary.</p> <p>ID or other proof of residence needed</p>	<p>3231 El Paso St. San Antonio, TX 78207</p> <p>210-433-9722</p>	<p>Thursdays 11:00 am</p>
<p>Site Name: Immaculate Conception</p> <p>Program Name: St. Vincent de Paul pantry</p>	<p>Able to assist with food every 3 months to residents of parish boundary. Able to assist with food one time to residents outside parish boundary.</p> <p>ID or other proof of residence needed</p>	<p>314 Merida San Antonio, TX 78207</p> <p>210-225-2986</p>	<p>Tuesdays and Thursdays 3:00 pm to 5:00 pm</p>

FINANCIAL ASSISTANCE			
<p>Site Name: Bexar County - Comprehensive Energy Assistance Program</p> <p>Program Name: Bexar County - Comprehensive Energy Assistance Program</p>	<p>Eligibility: Gross income of household must not exceed 125% of Federal Poverty Index; must have valid proof of ID, proof of income for the past 30 days for all household members; utility bill; and must be a United States citizen or naturalized alien</p>	<p>Mail applications to: 233 N Pecos, Suite 590 San Antonio, TX 78207</p> <p>210-335-6770 / 335-3666 (home repairs)</p>	<p>Mon - Fri 8:00 am - 5:00 pm</p>
<p>Site Name: Christian Assistance Ministries Social Services</p> <p>Program Name: Christian Assistance Ministries Social Services</p>	<p>Eligibility: People in need; for bus pass for starting a new job must have a letter from employer on their letterhead stating client's name, start date of job, date of first pay check and must be working 32 hours a work week *Utility cannot already be disconnected Must be able to pay at least ½ of bill</p>	<p>110 McCullough San Antonio, TX 78215</p> <p>210-223-6648</p>	<p>Mon - Thur 9:00 am - 3:30 pm; Fri 9:00 am - 12:00 pm</p>
<p>Site Name: Crisis Intervention Program</p> <p>Program Name: Crisis Intervention Program (Catholic Charities)</p>	<p>Eligibility: Individuals who meet city income eligibility requirements</p>	<p>1801 W Cesar E Chavez Blvd San Antonio, TX 78207</p> <p>210-226-6178</p>	<p>Mon - Fri 8:00 am - 5:00 pm</p>
<p>Site Name: City of San Antonio Department of Human Services Family Assistance Centers</p> <p>Program Name: Family Assistance Centers</p>	<p>Eligibility: Varies between programs Must call for an appointment</p>	<p>Not a physical location San Antonio, TX 78205</p> <p>210-207-7830</p>	<p>Mon - Fri 8:00 am - 4:45 pm</p>
<p>Site Name: Individual and Family Services</p> <p>Program Name: Individual and Family Services-Ella Austin Community Center</p>	<p>Eligibility: Low income families in crisis; for utility assistance must have a disconnection notice</p>	<p>1023 N Pine St San Antonio, TX 78202</p> <p>210-224-2351</p>	<p>Mon - Fri 9:00 am - 4:00 pm</p>

Site Name: SAMM Prevention Services Program Name: SAMM Prevention Services	Eligibility: Proof of income is required for this program, for example employment, Social Security, TANF; must have a disconnection/eviction notice	5922 Blanco Rd San Antonio, TX 78216 210-979-6188	Mon - Fri 8:00 am - 5:00 pm
Site Name: Salvation Army Goslinowski Social Service Center, The Program Name: Salvation Army Goslinowski Social Service Center, The	Eligibility: Eligibility requirements vary depending on program; for utility assistance, client must provide personal identification (to ensure identity), proof of utility bill, reason for their need, and proof of residency; for rent assistance, client must provide a copy of their lease, an eviction notice, proof of identification and residency Program does not assist with water payments electricity only. Client must call on Monday morning beginning at 8:30am for an appointment. Agency only will assist with the last \$100 of bill, services cannot be disconnected, and client cannot be enrolled into any CPS payment plan.	910 N Flores San Antonio, TX 78212 210-352-2000 Main Line 210-352-2020 Social Services Line	Mon - Fri 8:30 am - 5:00 pm
Site Name: Our Lady of Guadalupe Social Services	Eligibility: Rent Assistance provides \$50 if part of SAHA Utility Assistance needs disconnection notice	1409 San Fernando San Antonio, TX 78207	Mon, Tues, Thur, Fri 9- 12 Wed 10-12

COUNSELING			
Site Name: Catholic Charities Program Name: Counseling Services	Sliding scale, Medicaid. Individual and Family counseling. Spanish speaking counseling	1801 W Cesar E Chavez Blvd San Antonio, TX 78207 210-377-1133	Flexible Schedule
Site Name: UTSA Program Name: Sarabia Family Life Center	Free services	501 W Cesar E Chavez San Antonio, TX 78207 210-458-2055	Flexible Schedule
Site Name: Our Lady of the Lake Program Name: Community Counseling Services	Sliding Scale, Medicaid. Individual, family, couples counseling Spanish speaking counseling	590 N Gen McMullen San Antonio, TX 78228 210-434-1054	Day, evening and weekend Appointments Walk in clinic 10:00 am - 5:00 pm
Site Name: Las Palmas Mall Program Name: Evidence of Grace Counseling Center		803 Castroville R. #134 San Antonio, TX 78237 210-436-2339	Call to make appointment
Heart to Heart Counseling Services		307 El Paso San Antonio TX 78207 210-884-0365	Call to make appointment

MEDICAL/DENTAL/OPTICAL			
Site Name: Heaven for Hope	Accepts individuals with and without an insurance. Bring 30 days proof of income or insurance card.	1 Heaven for Hope Way San Antonio, TX 78207 210-220-2370-Eyes 210-220-2330-Med	
Program Name: I Care & Centro Med			

MEDICAL/BEHAVIORAL/OPTICAL/DENTAL			
Site Name: Barrio Clinic	Accepts individuals with insurance (Medicaid/Medicare/Private insurance) as well as individuals without an insurance. Call to make appointment.	1102 Barclay San Antonio, TX 78207 210-233-7000	
Program Name: CommunityCare Health Center			

MEDICAL & BEHAVIORAL			
Site Name: Santa Rosa Pavillion Clinic	Accepts individuals with and without an insurance. Bring 30 days proof of income or insurance card.	315 N. San Saba #103 San Antonio, TX 78207 210-922-7000	8:00 -5:00 M/T/Thurs/F
Program Name: Centro Med			8:00 to 7:00 W

MEDICAL & DENTAL			
Wesley Health & Wellness Center	Accepts individuals without an insurance ONLY.	1406 Fitch San Antonio TX, 78211 210-922-6922	

Referral Lines

211 Texas/United Way Help Line	Dial 211 or 210-227-4357
Alamo Service Connection	210-477-3275
Toll Free	1-800-960-5210
Services for Seniors and those with disabilities	
Haven for Hope	210-220-2350
S.A. Food Bank Food Stamp Outreach Pgm	210-431-8326

Emergency Shelters

Battered Women's & Children's Shelter	210-733-8810
Salvation Army Dave Coy Cntr	210-226-2291
Salvation Army Hope Center	210-352-2000
Strong Foundation Ministries	210-641-4357

Help Lines

Alcoholics Anonymous	210-821-6325
Al-Anon Family support group	210-828-6235
American Red Cross	210-224-5151
Center for Health Care Services Crisis Line	210-223-7233
Downtown Bicycle Patrol (Non-emergency)	210-207-7764
Emergency Police/Fire/EMS	911

Crime Report excerpt for the census tract containing Alazan Lofts



San Antonio, TX (S Frio St / San Fernando St)
Report date: Monday, February 04, 2019

SAN ANTONIO, TX (S FRIO ST / SAN FERNANDO ST) CRIME

67 Vital Statistics. 7 Condition Alerts found.

NEIGHBORHOOD CRIME DATA

TOTAL CRIME INDEX

0

(100 is safest) ⚡

Safer than 0% of U.S. neighborhoods.

NEIGHBORHOOD ANNUAL CRIMES			
	VIOLENT	PROPERTY	TOTAL
Number of Crimes	103	477	580
Crime Rate (per 1,000 residents)	46.02	213.14	259.16

NEIGHBORHOOD VIOLENT CRIME

VIOLENT CRIME INDEX

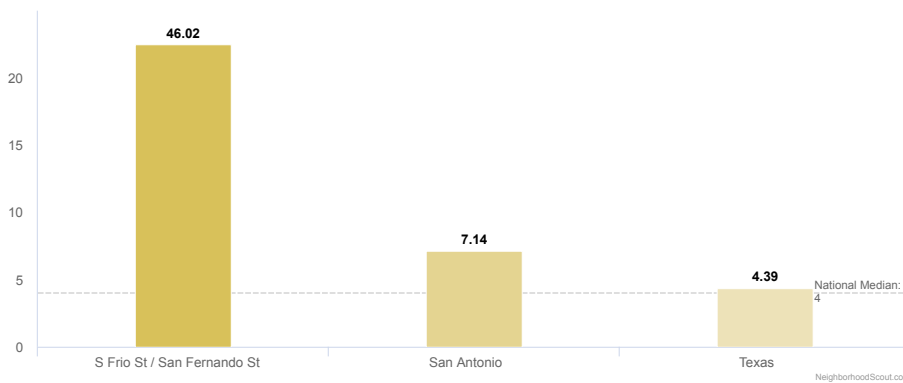
0

(100 is safest) ⚡

Safer than 0% of U.S. neighborhoods.

VIOLENT CRIME INDEX BY TYPE			
MURDER INDEX	RAPE INDEX	ROBBERY INDEX	ASSAULT INDEX
2	1	1	0
100 is safest	100 is safest	100 is safest	100 is safest

VIOLENT CRIME COMPARISON (PER 1,000 RESIDENTS)



MY CHANCES OF BECOMING A VICTIM OF A VIOLENT CRIME

1 IN 22 ⚡ in S Frio St / San Fernando St	1 IN 140 in San Antonio	1 IN 228 in Texas
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Crime Report excerpt for the census tract within 500 feet of Alazan Lofts



San Antonio, TX (Buena Vista St / S Rosillo St)

Report date: Monday, February 04, 2019

SAN ANTONIO, TX (BUENA VISTA ST / S ROSILLO ST) CRIME

67 Vital Statistics. 7 Condition Alerts found.

NEIGHBORHOOD CRIME DATA

TOTAL CRIME INDEX

1

(100 is safest) ⚡

Safer than 1% of U.S. neighborhoods.

NEIGHBORHOOD ANNUAL CRIMES			
	VIOLENT	PROPERTY	TOTAL
Number of Crimes	121	611	732
Crime Rate (per 1,000 residents)	22.48	113.53	136.01

NEIGHBORHOOD VIOLENT CRIME

VIOLENT CRIME INDEX

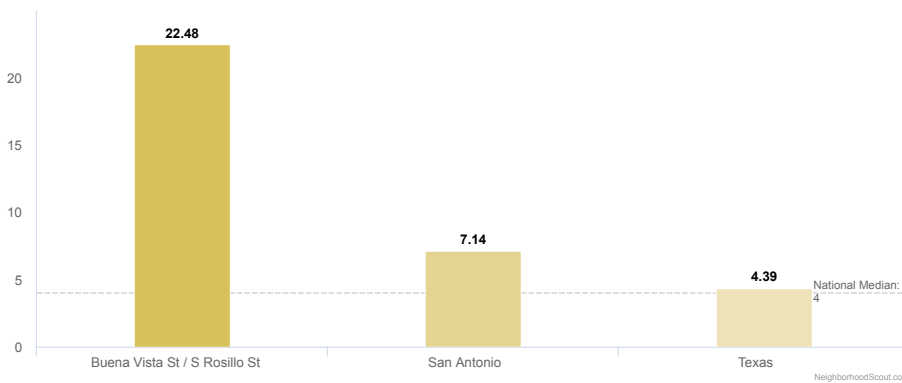
2

(100 is safest) ⚡

Safer than 2% of U.S. neighborhoods.

VIOLENT CRIME INDEX BY TYPE			
MURDER INDEX	RAPE INDEX	ROBBERY INDEX	ASSAULT INDEX
5	3	2	2
100 is safest	100 is safest	100 is safest	100 is safest

VIOLENT CRIME COMPARISON (PER 1,000 RESIDENTS)



MY CHANCES OF BECOMING A VICTIM OF A VIOLENT CRIME

<h2 style="font-size: 1.5em;">1 IN 44</h2> <p>⚡</p> <p>in Buena Vista St / S Rosillo St</p>	<h2 style="font-size: 1.5em;">1 IN 140</h2> <p>in San Antonio</p>	<h2 style="font-size: 1.5em;">1 IN 228</h2> <p>in Texas</p>
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City of San Antonio Police Department



"The San Antonio Police Department is dedicated to improving the quality of life by creating a safe environment in partnership with the people we serve. We act with integrity to reduce fear and crime while treating all with respect, compassion, and fairness."

11 February, 2019

Mr. David Nisivoccia
President & CEO
San Antonio Housing Authority
818 S. Flores St.
San Antonio, TX 78204


Mr. Nisivoccia:

Per your request, the following crime statistics are provided in support of the San Antonio Housing Authority's (SAHA) Low Income Housing Tax Credits from the Texas Department of Housing and Community Affairs initiative. The proposed area, the Alazan Courts public housing development, is under the U.S. Department of Housing and Urban Development. Federal Bureau of Investigations (FBI), Uniform Crime Report (UCR) data was gathered for a period of 1 January 2014 to 31 December 2018. Population data for the City of San Antonio crime rates is based on the 2017 FBI UCR report, which cited San Antonio's population at 1,520,712. The target population estimate of 2,951 within the Alazan Courts neighborhood was determined based on 2010 block level U.S. Census data.

SAPD District 2160: Alazan Courts Neighborhood		Population Estimate 2,951				
Part I Violent Crimes	2014	2015	2016	2017	2018	
Murder	0	4	1	3	2	
Rape	2	2	1	0	2	
Robbery	8	12	12	10	12	
Aggravated Assaults	12	15	34	23	16	
Total Violent Crimes	22	33	48	36	32	
Crime Rate (Crime Total / Population) * 1,000	7.5	11.2	16.3	12.2	10.8	

CITYWIDE		Population Estimate 1,520,712 (2017 FBI)				
Part I Violent Crimes	2014	2015	2016	2017	2018	
Murder	103	94	149	124	107	
Rape	1,077	1,049	1,190	1,270	1,346	
Robbery	1,777	1,986	2,232	2,298	1,767	
Aggravated Assaults	4,747	5,465	7,183	7,067	6,427	
Total Violent Crimes	7,704	8,594	10,754	10,760	9,647	
Crime Rate (Crime Total / Population) * 1,000	5.1	5.7	7.1	7.1	6.3	

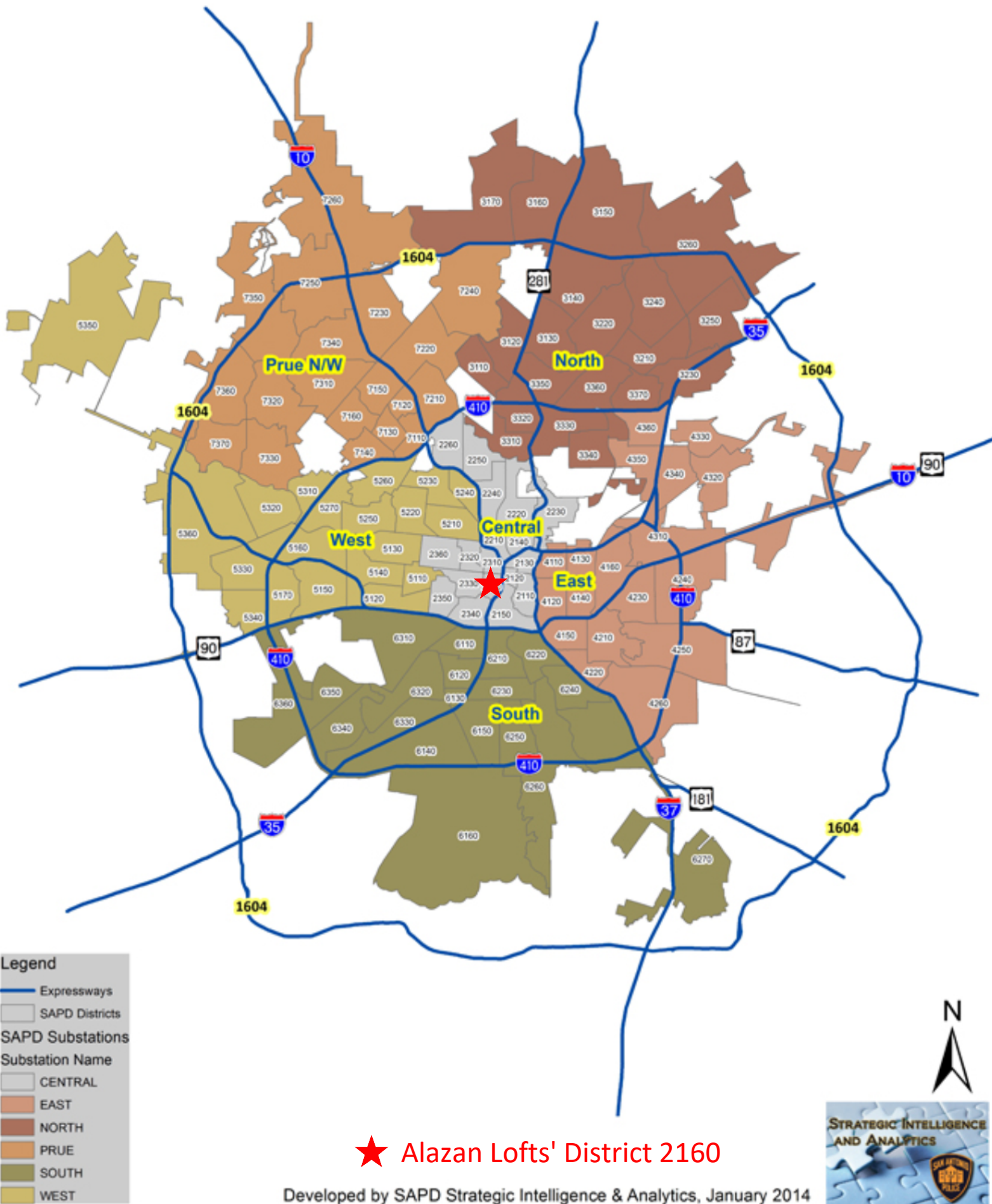
We strongly support SAHA's Choice Neighborhoods Planning and Action Grant application and look forward to expanding our partnership with the San Antonio Housing Authority.

Respectfully 

2016	2017	2018
$\frac{48}{2,113} = \frac{22.72}{1,000}$ ✘	$\frac{36}{2,172} = \frac{16.57}{1,000}$ ✔	$\frac{32}{2,172} = \frac{14.73}{1,000}$ ✔

James Glass, Deputy Director
San Antonio Police Department / Southwest Texas Fusion Center
Email: James.Glass@sanantonio.gov

Map of San Antonio Police Department Districts



Map of instances of violent crime in 2017

Crime mapping, email reports and tips for the public

About Community Crime Map

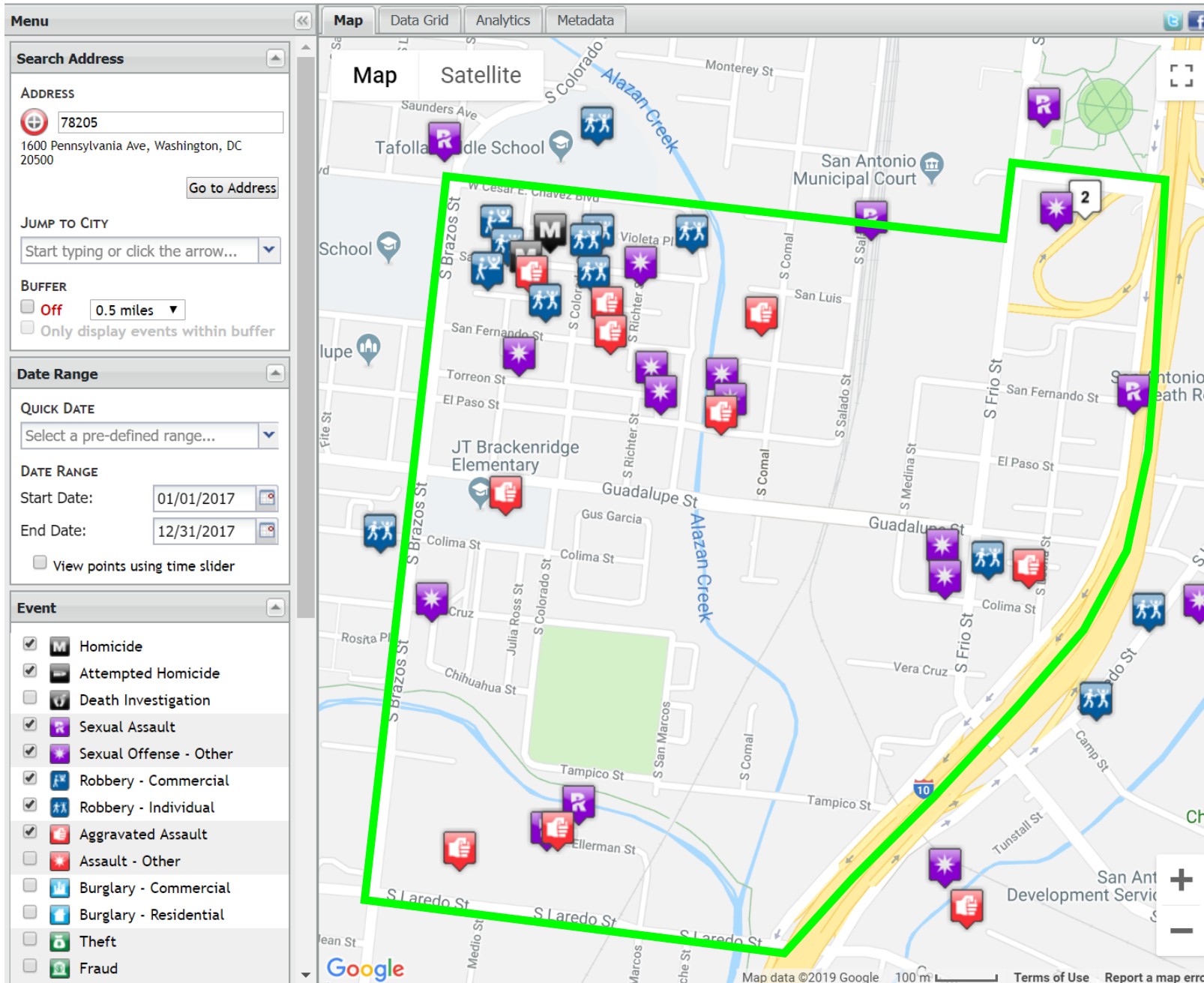
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 SAPD District 2160

**36 Instances
in 2017**

Map of instances of violent crime in 2018

Crime mapping, email reports and tips for the public

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JUMP TO CITY

Start typing or click the arrow...

BUFFER

Off 0.5 miles

Only display events within buffer

Date Range

QUICK DATE

Select a pre-defined range...

DATE RANGE

Start Date: 01/01/2018

End Date: 12/31/2018

View points using time slider

Event

- Homicide
- Attempted Homicide
- Death Investigation
- Sexual Assault
- Sexual Offense - Other
- Robbery - Commercial
- Robbery - Individual
- Aggravated Assault
- Assault - Other
- Burglary - Commercial
- Burglary - Residential
- Theft
- Fraud

Map Satellite

SAPD District 216

32 Instances in 2018

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COMMUNITY POLICE PHILOSOPHY

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COMMUNITY POLICING OVERVIEW

The San Antonio Police Department has embraced Community Policing for many decades, through its Community Services and School Services Programs, Crime Prevention Programs (Neighborhood Watch, National Night Out), Store Fronts, Decentralized Patrol Substations, and the Downtown Foot and Bicycle Patrol Unit. In 1995 the Department created a special Community Policing Unit, the **San Antonio Fear Free Environment Unit (SAFFE)** (</sapd/SAFFE.aspx>) which links closely with community involvement programs, such as Cellular on Patrol (initiated in 1993) and the Citizen Police Academy (initiated 1994).



WHAT IS COMMUNITY POLICING?

Community Policing is a collaborative effort between a police department and community that identifies problems of crime and disorder and involves all elements of the community in the search for solutions to these problems. It is founded on close, mutually beneficial ties between police and community members. At the center of community policing are three essential and complementary core components:

- Partnerships between the police and the community.
- Problem Solving as a method to identify and solve problems of concern to the community
- Change Management within the police organization to accommodate increased community involvement.

WHAT IS P.O.P.?

P.O.P., or *Problem-Oriented Policing* is the tactic used to produce long-term solutions to problems of crime or decay in communities. Police, residents, and other agencies or organizations work together to identify and find the causes for neighborhood crime problems, then develop responses to the problems based on the problems' causes. Responses are NOT cookie-cutter, one-response-fits-all. Responses are not 100% police responses. In most cases, the responses developed through P.O.P. are joint police-community actions, which also involve participation by agencies such as parks, code enforcement, youth services, solid waste, and others.

P.O.P. in San Antonio and in most police departments throughout the U.S., Canada and the U.K. uses the **S.A.R.A. (or SARAM)** method for problem solving:

- **S** = Scanning : Identify and describe the PROBLEM.
- **A** = Analyze : How much of a problem is it? When is it a problem? Who is affected? What are the problem's causes?
- **R** = Response : Based on the two steps above, devise an appropriate response to the problem. There may be several responses. Responses may be done over a long period of time.
- **A** = Assess : Evaluate the results of the responses. If the results are not satisfactory, re-analyze the problem, or try another response.
- **M** = Maintenance: Problem solving is only successful if it produces a long-term solution. A POP response may have short-term positive results, but can these results be maintained over a longer term (6-month? 1-2 years?) without constant intervention by police, residents and/or other agencies? In other words, "Has the Problem been Solved?"

P.O.P. is being used by police and residents to produce long-term solutions to persistent crime problems in communities throughout San Antonio, resulting in reductions not only in crime rates, but also in the fear of crime.

SAPD NEWS

Wednesday, January 09, 2019
Law Enforcement and School Districts to Pilot
Handle with Care Program

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(<https://www.sanantonio.gov/SAPD/Press-Releases/ArtMID/7184/ArticleID/14639/Law-Enforcement-and-School-Districts-to-Pilot-Handle-with-Care-Program>) >

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Murder Suspect Turns Himself in for Drive-by Shooting
(<https://www.sanantonio.gov/SAPD/Press-Releases/ArtMID/7184/ArticleID/14016/Murder-Suspect-Turns-Himself-in-for-Drive-by-Shooting>) >


Thursday, October 04, 2018

Significant Decrease in Violent and Property Crimes in San Antonio
(<https://www.sanantonio.gov/SAPD/Press-Releases/ArtMID/7184/ArticleID/13953/Significant-Decrease-in-Violent-and-Property-Crimes-in-San-Antonio>) >

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CITIZEN PARTICIPATION PROGRAMS

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SAPD offers a variety of ways for community members to work closely with the police through organized programs and individual activities. Listed below are descriptions of the ways San Antonio residents can form partnerships with the police to make their neighborhoods safer places to live.



ACTIVE CITIZEN PROGRAMS

- **Citizen On Patrol (COP) (/sapd/CellularOnPatrol)** - Neighborhood residents patrol their streets, using cell phones to report crimes. Ride-along and Training at SAPD substations.
- **Family Assistance Crisis Teams (/sapd/FACT) (FACT)** - Trained volunteers work weekend evenings at substations to assist victims of family violence.
- **Volunteers in Policing (/SAPD/Citizen-Participation-Programs/VIP) (VIP)** - Opportunities to assist SAPD with duties ranging from clerical to roof-top surveillance. 210.207.7386

CITIZEN POLICE ACADEMY (CPA)

An 12-week informational series to educate citizens about the SAPD and police work in San Antonio. The course is held at the SAPD Academy, includes a ride-along and has an active CPA Alumni Association. For more information please call the San Antonio Police Academy at 210.207.6262.

- **CPA Online Application (/SAPD/CPAonline.aspx)**
- **CPA Brochure (/Portals/0/Files/SAPD/ProgramsServices/brochureCPA.pdf) (PDF)**
- **Mail in CPA Application (/Portals/0/Files/SAPD/ProgramsServices/applicationCPA-Mail.pdf) (PDF)**

CITIZEN POLICE ACADEMY 2017 CLASS SCHEDULE

Contact Officer Randall McCumbers at 210.207-6212 or email Randall.McCumbers@sanantonio.gov (<mailto:Randall.McCumbers@sanantonio.gov>)

- **Class 2017- C** Starts: 26 September 2017
- **Class 2018- A** Starts: 9 January 2018
- **Class 2018- B** Starts: 10 April 2018
- **Class 2018- C** Starts: 25 September 2018

PROGRAMS FOR STUDENTS AND YOUTH

- **Police Athletic League (PAL)** Call 207-7393 for information on PAL sports programs for youth.
- **School Services** Call your substation to have Community Policing officers visit your school.

PUBLIC SAFETY CORPS (PSC)

For individuals between the ages 14-21 who have an interest in career in law enforcement. This program is designed to familiarize participants with all aspects of law enforcement. The program is available to each of the 6 substations: North, South, East, West, Central, and Northwest. Please visit our website at www.SanAntonioPSC.com (<http://www.sanantoniopsc.com/>) for more information.

CRIME PREVENTION

- **McGruff (Crime Fighting Dog)** - Contact Substations to schedule Crime Prevention presentation for children.
- **National Night Out** - Annual Event: A "Night Out Against Crime", occurs the first Tuesday in October (in Texas) each year.
- **Neighborhood Watch** - A program to involve neighbors in watching for criminals and safeguarding property and residents.

PROGRAMS TO ASSIST CRIME VICTIMS

- **Victim Advocacy Program** (</sapd/VictimsAdvocacy.aspx>) - Counselors work with victims of violent crimes. 210.207.2141.
- **Family Assistance Crisis Teams (FACT)** - Civilian volunteers who counsel victims of family violence. 210.207.2136.
- **SAFE Family Program** - On-line directory of services and resources for victims of violent crimes, particularly family violence. 210.207.2136.
- **Crisis Response Teams (CRT)** Teams who work with both victims and perpetrators to diffuse family violence. Contact Substations.
- **VINE Program** - Notifies victims of domestic violence when assailant is released from custody. 877.894.8463.

HELP THE POLICE SOLVE CRIMES

- **SAPD Most Wanted** (</sapd/TopTenOffenders.aspx>) Most Wanted felons with current warrants for Murder, Sexual Assault, Robbery and other crimes.
- **Crime Stoppers** (<http://www.sacrimestoppers.com>) - Call 210.224.STOP to anonymously report criminals or wanted persons. Rewards available up to \$5000.
- **Missing Persons** - Printable posters of missing children and adults.
- **SAPD Cold Cases** - Web page with details of unsolved homicides and other major cases.
- **SCAM-NET** - Info on current scams; photos of wanted con artists.
- **Business Against Crime: BATNET** - Info on current crimes against businesses; photos of wanted forgers, robbers, and other criminals.

SAPD NEWS

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SAN ANTONIO FEAR FREE ENVIRONMENT

The central core of SAPD's Community Policing activities is the SAFFE (San Antonio Fear Free Environment) Unit. First established in 1994-95 with 60 officers and supervisors, then enlarged in 1996 with an additional 40 officers, the SAFFE Unit consists of officers who focus on identifying, evaluating and resolving community crime problems with the cooperation and participation of community residents.



SAFFE officers are assigned to specific areas or neighborhoods within the city, and work closely with both residents and the district patrol officers also assigned to those areas. SAFFE officers establish and maintain day-to-day interaction with residents and businesses within their assigned beats, in order to prevent crimes before they happen. SAFFE officers also act as liaisons with other city agencies, work closely with schools and youth programs, coordinate graffiti-removal activities, and serve as resources to residents who wish to take back their neighborhoods from crime and decay.

SUBSTATION AND SAFFE WEB PAGES

SUBSTATION WEB PAGES: Each of the six SAPD Substations now has its own page on this web site. These pages contain useful information for residents, including names and contact numbers for the substation command staff, service area crime data, calendars of substation activities and events, and a map showing substation location.

COMMUNITY WEB PAGES: In addition, several SAFFE units have produced special "Community Web Pages" containing special information of interest to residents, including crime alerts, crime prevention tips, and information on special SAFFE activities.









Substation Links

- [Central \(centralsubstation.aspx\)](#)
- [East \(eastsubstation.aspx\)](#)
- [North \(northsubstation.aspx\)](#)
- [Prue NW \(pruesubstation.aspx\)](#)
- [South \(/sapd/SouthSubstation.aspx\)](#)
- [West \(/sapd/WestSubstation.aspx\)](#)

CONTACTING SAFFE OFFICERS

SAFFE officers are assigned to each of the six Service Areas Substations and can be contacted at the numbers listed below.

- Central SAFFE: 207-7413
- East SAFFE: 207-7566
- North SAFFE: 207-8350
- Prue Rd (NW) SAFFE: 207-7169
- West SAFFE: 207-0810
- South SAFFE: 207-8964

	
Police Reports & Open Records (/SAPD/Police-Reports-Open-Records)	Impounded Vehicles (/SAPD/Impounded-Vehicles)
	
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Auctions (/SAPD/Auctions)	Sex Offenders (/SAPD/Sex-Offenders)
	
Crime & Call Stats & Info (/SAPD/Crime-and-Call-Information)	Calls for Service Stats & Info (/SAPD/Calls)
	
Directory (/SAPD/Directory)	SAPD Recruiting (/SAPD/SAPD-Recruiting)

SAPD NEWS

Wednesday, January 09, 2019

Law Enforcement and School Districts to Pilot Handle with Care Program
(<https://www.sanantonio.gov/SAPD/Press-Releases/ArtMID/7184/ArticleID/14639/Law-Enforcement-and-School-Districts-to-Pilot-Handle-with-Care-Program>) >

Monday, October 15, 2018

Warm your home without setting it on fire
(<https://www.sanantonio.gov/SAPD/Press-Releases/ArtMID/7184/ArticleID/14033/Warm-your-home-without-setting-it-on-fire>) >

Friday, October 12, 2018

Murder Suspect Turns Himself in for Drive-by Shooting
(<https://www.sanantonio.gov/SAPD/Press-Releases/ArtMID/7184/ArticleID/14016/Murder-Suspect-Turns-Himself-in-for-Drive-by-Shooting>) >

Thursday, October 04, 2018

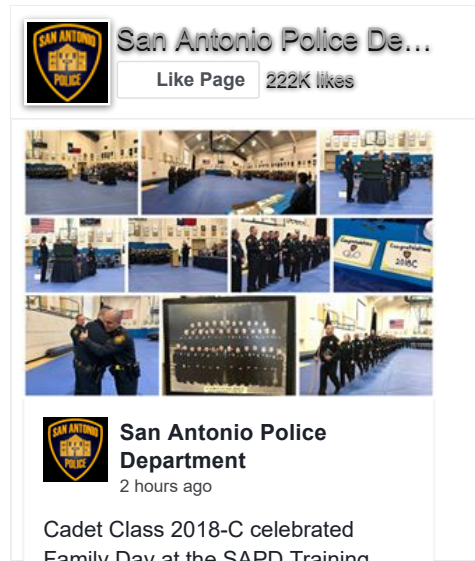
Significant Decrease in Violent and Property Crimes in San Antonio
(<https://www.sanantonio.gov/SAPD/Press-Releases/ArtMID/7184/ArticleID/13953/Significant-Decrease-in-Violent-and-Property-Crimes-in-San-Antonio>) >

Wednesday, September 26, 2018

Robbery Task Force Unit Arrests Man Accused of Robbing Two Businesses
(<https://www.sanantonio.gov/SAPD/Press-Releases/ArtMID/7184/ArticleID/13890/Robbery-Task-Force-Unit-Arrests-Man-Accused-of-Robbing-Two-Businesses>) >

More News Releases... >
([/sapd/pressreleases.aspx](https://www.sanantonio.gov/SAPD/Press-Releases/ArtMID/7184/ArticleID/13890/Robbery-Task-Force-Unit-Arrests-Man-Accused-of-Robbing-Two-Businesses))

FACEBOOK



The image shows a Facebook page for the San Antonio Police Department. At the top, there is a profile picture of the department's badge and the name "San Antonio Police De...". Below this, it says "Like Page" and "222K likes". The main content area features a grid of six photographs showing police officers in uniform at various events, including a large indoor gathering and a group of officers standing in formation. Below the photos, the page name "San Antonio Police Department" is displayed with a "2 hours ago" timestamp. The text "Cadet Class 2018-C celebrated Family Day at the SAPD Training" is partially visible at the bottom of the post.

CONTACT US

Emergency: 911 (V/TTY)
Non-Emergency: 210.207.7273 (V/TTY)
Request a City Service Online (311)
([/customer/services.aspx](https://www.sanantonio.gov/311/customer/services.aspx))
(mailto:SAPD.WEBSITE@sanantonio.gov)

Headquarters


315 South Santa Rosa ([/sapd/Headquarters.aspx](https://www.sanantonio.gov/311/customer/services.aspx))

Substations ([/sapd/SubstationsMap.aspx](https://www.sanantonio.gov/311/customer/services.aspx))

Central Substation ([/sapd/CentralSubstation.aspx](https://www.sanantonio.gov/311/customer/services.aspx))
East Substation ([/sapd/EastSubstation.aspx](https://www.sanantonio.gov/311/customer/services.aspx))
North Substation ([/sapd/NorthSubstation.aspx](https://www.sanantonio.gov/311/customer/services.aspx))
Prue Substation ([/sapd/PrueSubstation.aspx](https://www.sanantonio.gov/311/customer/services.aspx))
South Substation ([/sapd/SouthSubstation.aspx](https://www.sanantonio.gov/311/customer/services.aspx))
West Substation ([/sapd/WestSubstation.aspx](https://www.sanantonio.gov/311/customer/services.aspx))

Find my Council Member and Police Services
([/Council/FindMyCouncilMember.aspx](https://www.sanantonio.gov/311/customer/services.aspx))

GET CONNECTED

([/sapd/Directory.aspx](https://www.sanantonio.gov/311/customer/services.aspx)) 
(<http://twitter.com/#!/SATXPolice>) 
(<https://www.facebook.com/SanAntonioPD>) 
(<https://www.youtube.com/user/SAPDMSVC>)
 (<https://www.instagram.com/sanantoniopd/>)
 (<https://nextdoor.com/agency-detail/tx/san-antonio/san-antonio-police-department-1/>)

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[Office of Equity \(/Equity\)](#) [ADA Compliance \(/ada\)](#) [Telecommuting \(/easi\)](#) [Site Map \(/websitemap\)](#) [Open Records \(/opengovernment\)](#) [Contact Us \(/contact\)](#)
[Privacy Policy & Disclaimer \(/disclaimer\)](#)

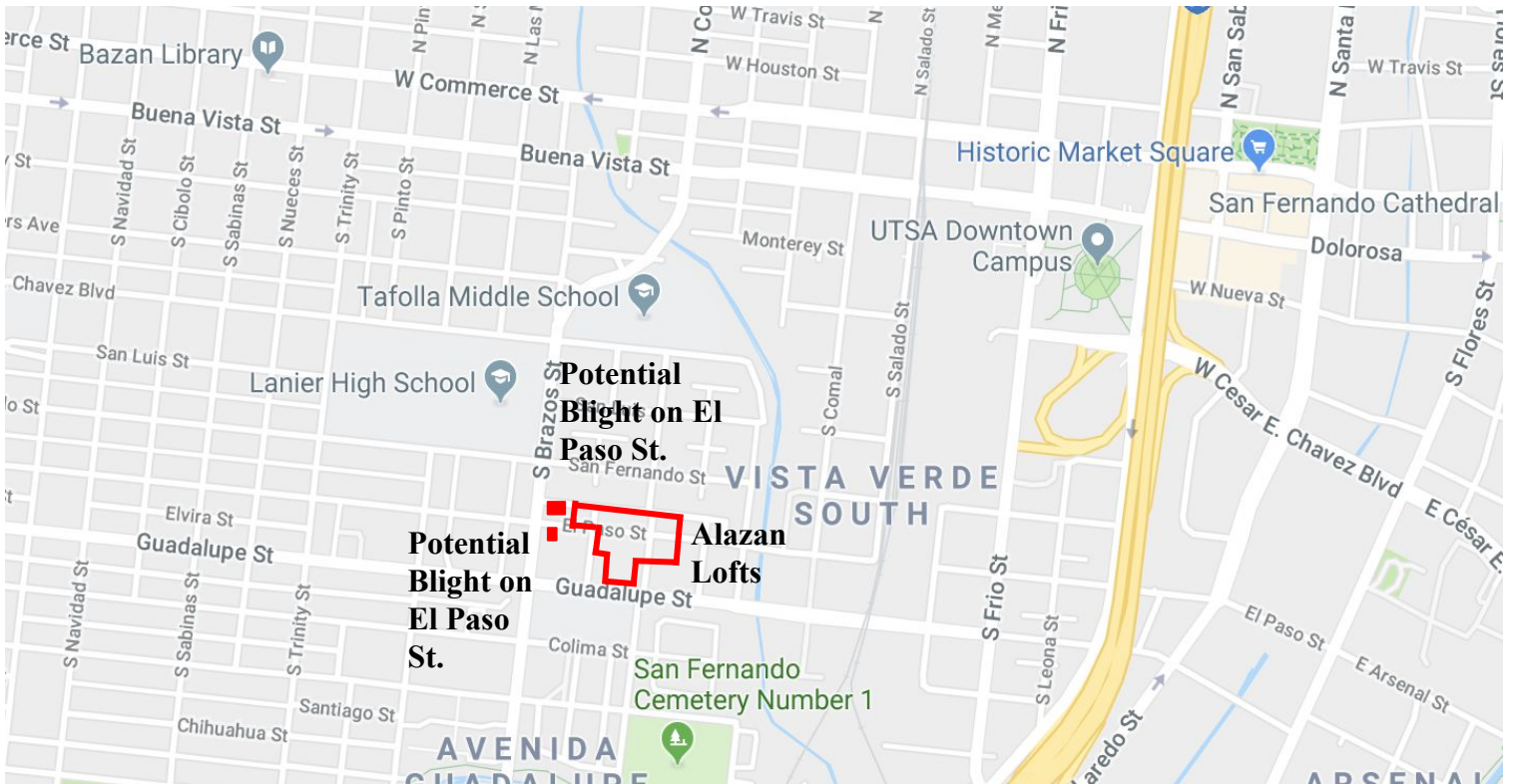
Potential Blight Assessment



Potential Blight #1: Vacant Business on El Paso St.



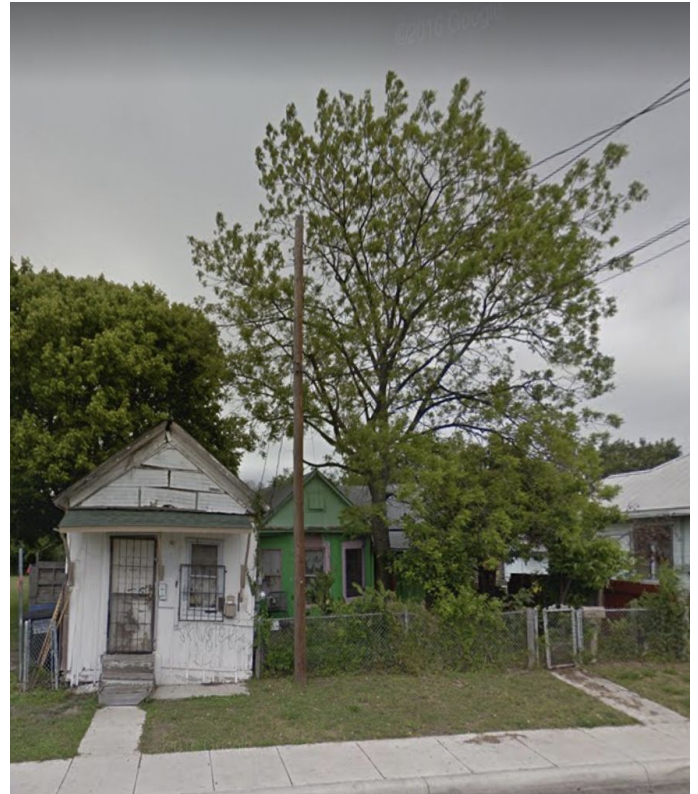
Potential Blight #2: Vacant Home on El Paso St.



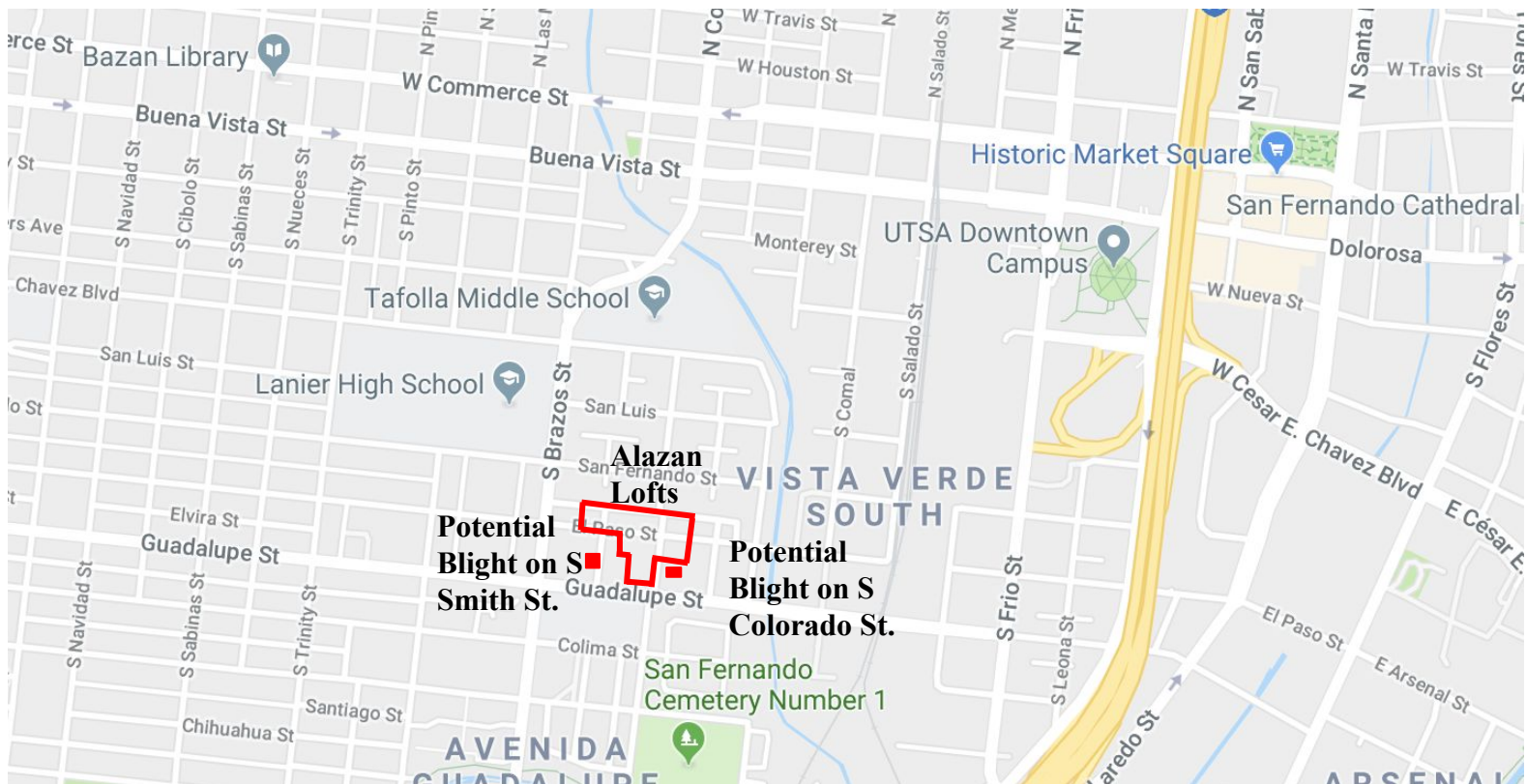
Potential Blight Assessment



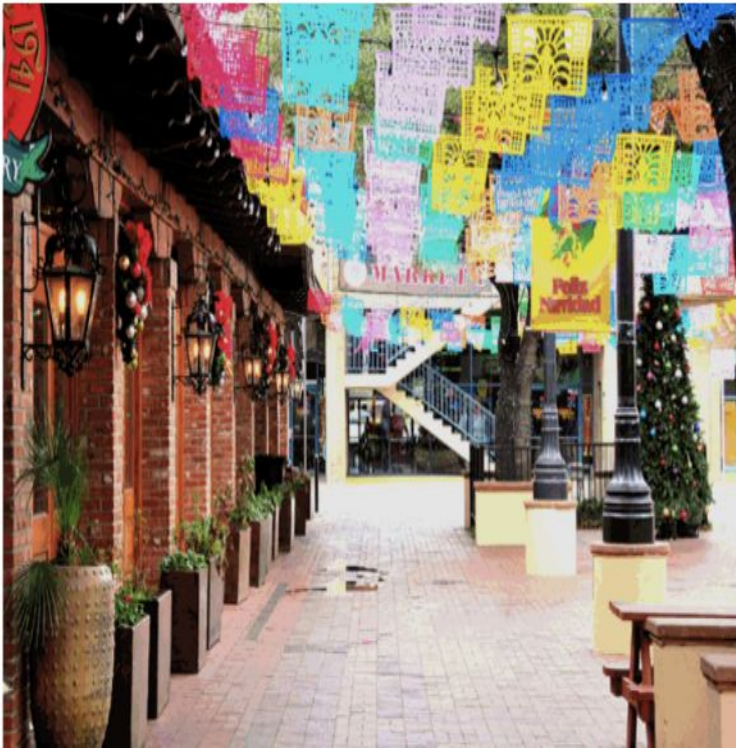
Potential Blight #3: Home in need of maintenance on S Smith St.



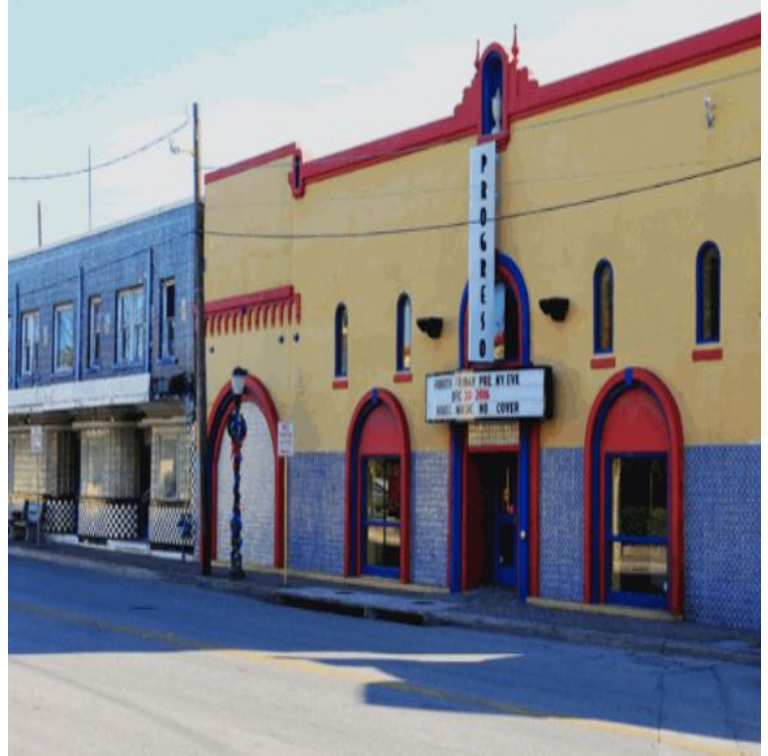
Potential Blight #4: Home in need of maintenance on S Colorado St.



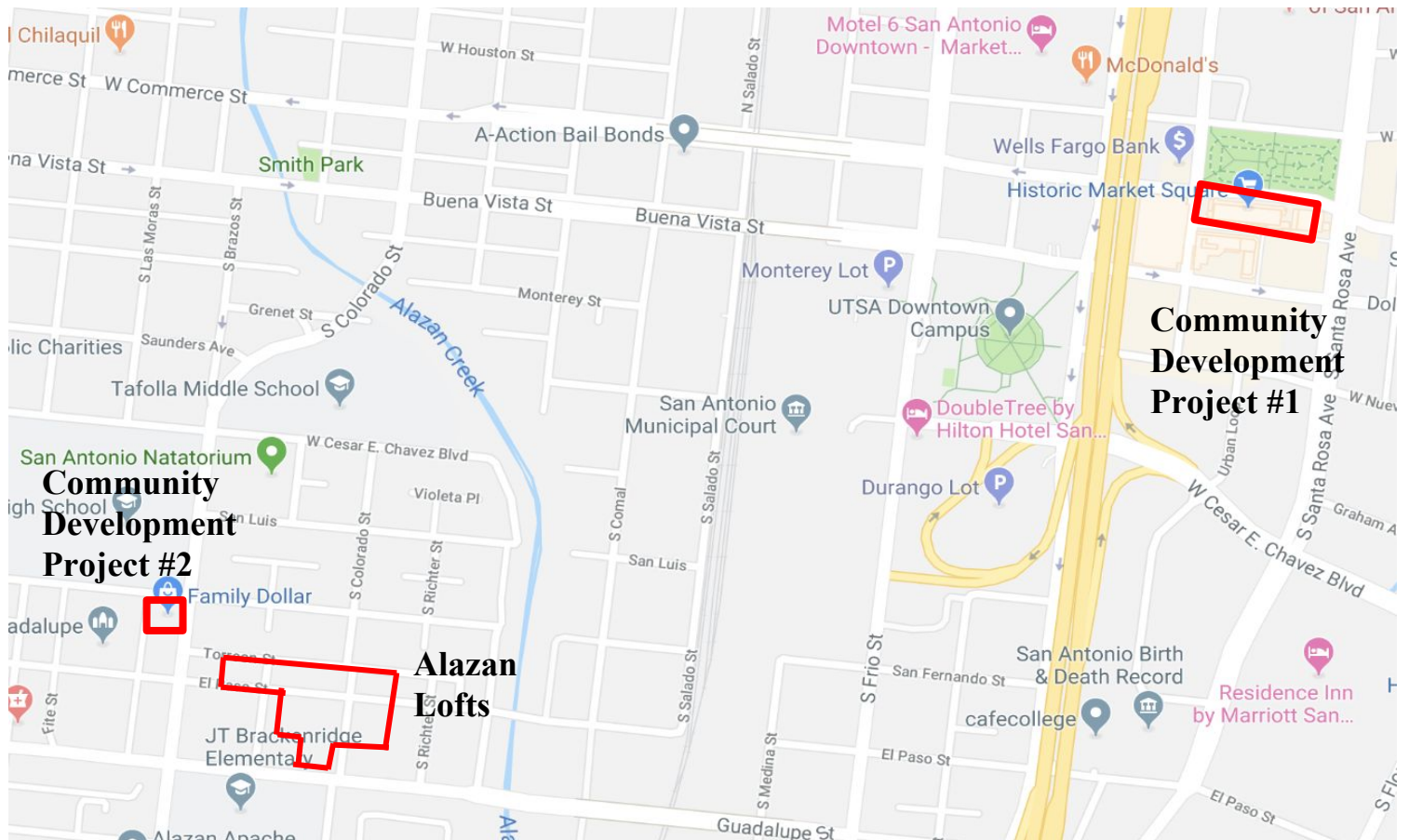
Recent Community Improvement Projects



Community Development Project #1: Market Square-- faculty improvement to include, but not limited to, the Plaza area



Community Development Project #2: Guadalupe Cultural Arts Center -- Renovations & improvements to Guadalupe Cultural Arts Center.



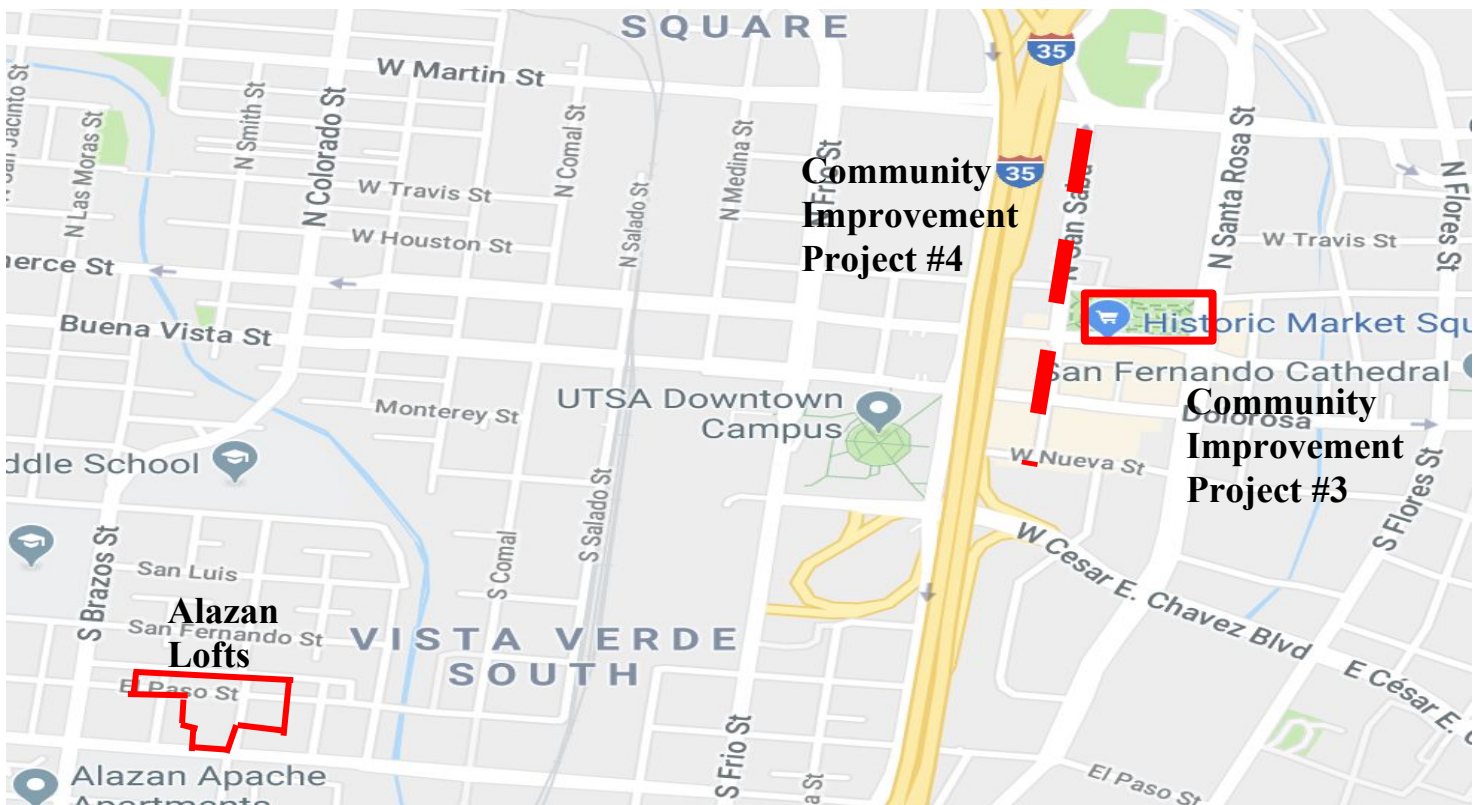
Recent Community Improvement Projects



Community Improvement Project #3: General park rehabilitation and improvements to Columbus, Maverick, Milam and Travis Parks



Community Improvement Project #4: Roadway improvements on San Saba from Nueva to Martin. Includes pedestrian amenities and enhancements.



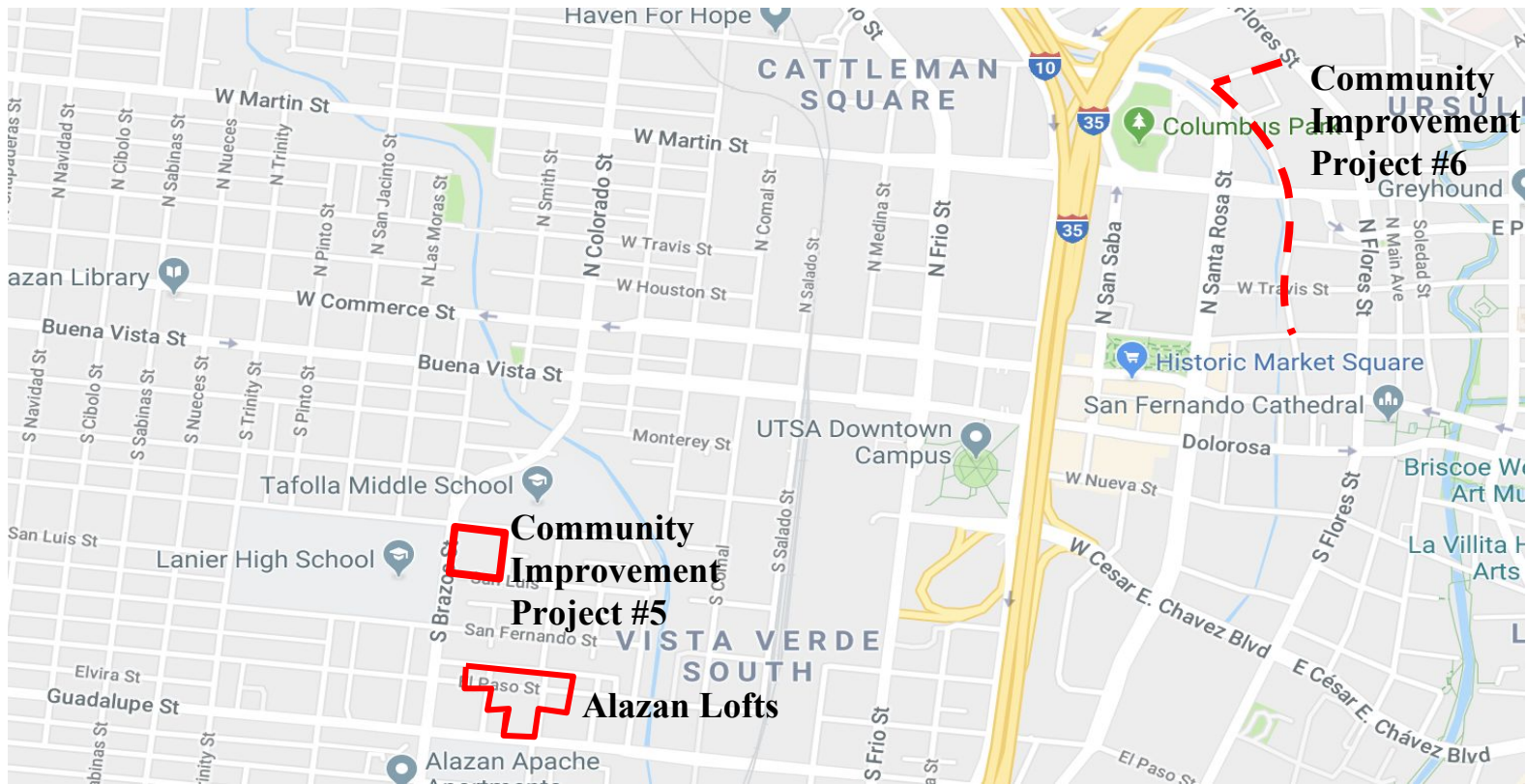
Recent Community Improvement Projects



Community Improvement Project #5: San Antonio Natatorium Rehabilitation of facility flooring, pool deck, roof ventilation, pool covers and facility infrastructure.



Community Improvement Project #6: Develop pedestrian corridor improvements, as appropriate on Camaron and Kingsbury from W. Houston to Flores near Fox Tech High School.



Recent Community Improvement Projects

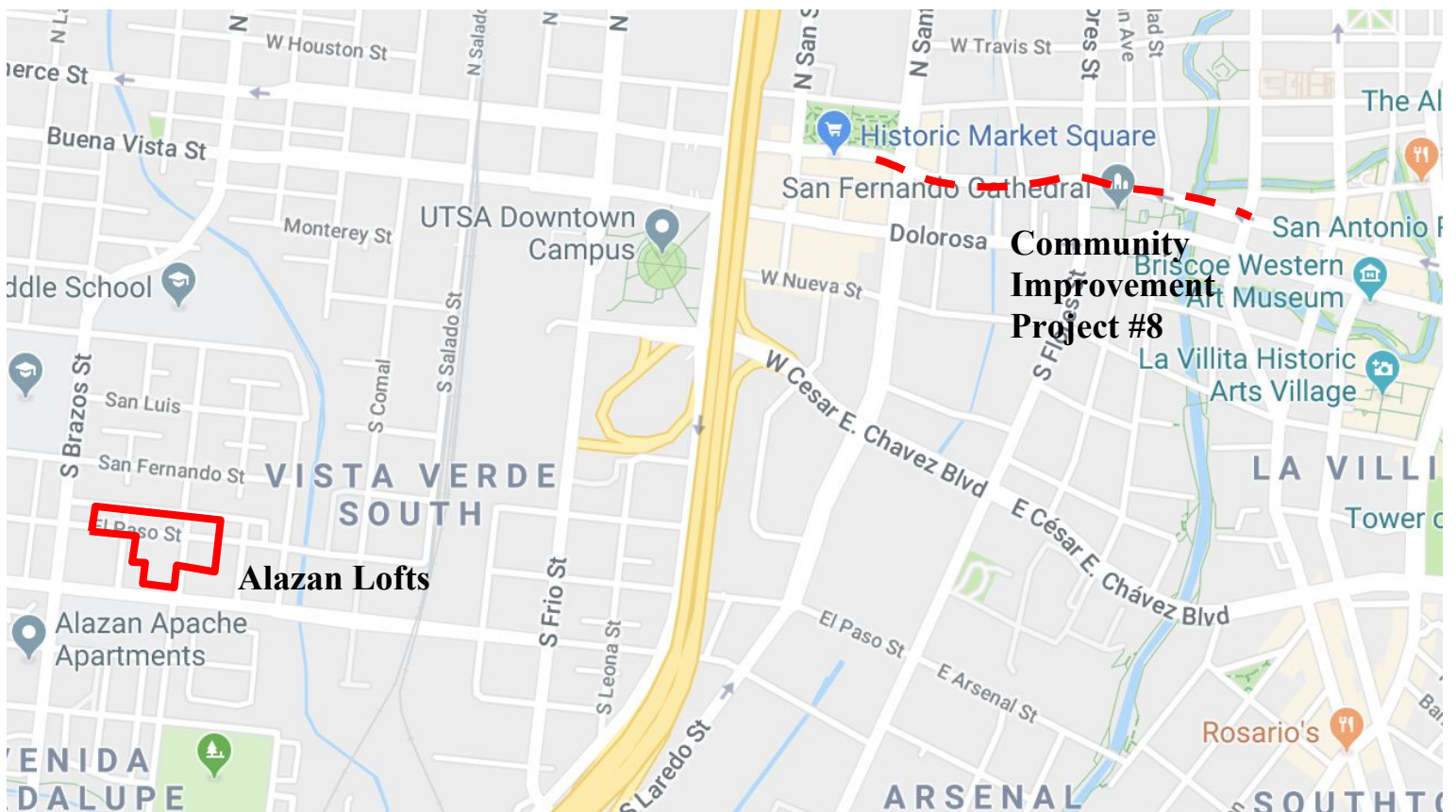


Community Improvement Project #7: District 1 Area Pedestrian Mobility & Street This project provides funding to construct pedestrian mobility and street improvement projects.

* Throughout Council District 1



Community Development Project #8: Reconstruct Commerce Street from St. Mary's to Santa Rosa. Includes wayfinding signage, pedestrian amenities, and streetscape improvements.



(https://www.sanantonio.gov/)

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ESPAÑOL

(HTTP://WWW.SANANTONIO.GOV/GETCONNECTED/RESIDENTS/VISITORS/BUSINESS/YOURGOVERNMENT/ESPAÑOL)

NEIGHBORHOOD & HOUSING SERVICES DEPARTMENT

sa.Gov Home (/) >

Neighborhood & Housing Services Department (NHSD)(https://www.sanantonio.gov/NHSD) > Programs(https://www.sanantonio.gov/NHSD/Programs) >

Repair & Remediation Programs(https://www.sanantonio.gov/NHSD/Programs/Repair)

REPAIR & REMEDIATION PROGRAMS

NHSD HOME (/NHSD)

ABOUT > (/NHSD/ABOUT)

CALENDAR (/NHSD/EVENTS)

POLICY DEVELOPMENT (/NHSD/RISKMITIGATION)

PROGRAMS > (/NHSD/PROGRAMS)

DIVISIONS > (/NHSD/DIVISIONS)

SANANTONIO.GOV RELATED SITES

BOARD & COMMISSIONS

(HTTPS://WEBAPP9.SANANTONIO.GOV/BOARDCOMAPPLICATION/BOARDCOMMISSIONS)

BUDGET AND FINANCIAL TRANSPARENCY

(/FINANCE/BFI)

HOUSING SUMMIT (/HOUSINGSUMMIT)

HUMAN SERVICES (/HUMANSERVICES)

MLK COMMISSION (/MLK)

PLANNING (/PLANNING)

HELPFUL LINKS

SA HOUSING AUTHORITY (SAHA)

(HTTP://WWW.SAHA.ORG/)

SA HOUSING TRUST (SAHT)

(HTTP://WWW.SAHOUSINGTRUST.ORG/)

CONTACT

Mailing / Physical Address

1400 S. Flores
San Antonio, TX 78204

Phone

210.207.6459

STAFF

VERÓNICA R. SOTO, AICP
(/NEIGHBORHOOD/ABOUT/CONTACT?
SENDTO=NHSD-DIRECTOR)

Director

MICHAEL RODRIGUEZ
(/NEIGHBORHOOD/ABOUT/CONTACT?
SENDTO=NHSD-AD)

Assistant Director

MIKE ETIENNE, PHD
(/NEIGHBORHOOD/ABOUT/CONTACT?
SENDTO=NHSD-AD2)

Assistant Director

CITYWIDE

DISTRICT

ADDITIONAL

REPAIR PROGRAMS - CITYWIDE

GREEN & HEALTHY HOMES

The City of San Antonio's Green and Healthy Homes (SAGHH) provides assistance to owners and landlords of residential properties (both single-family and multi-family) in creating healthy, safe, energy-efficient and sustainable homes for families and children. The SAGHH is working to prevent and correct housing-related health and safety hazards, such as addressing lead-based paint, mold, household asthma triggers and fire hazards.

ELIGIBILITY

1. House must be built prior to 1978; AND
2. A child age 5 and under must reside within the City of San Antonio; AND
3. A child age 5 and under must reside in the home or spend at least 6 hours per week in the home; AND
4. Have a clear title to property; AND
5. Must be current with property taxes; AND
6. Household must meet HUD established Income Guidelines for families earning 80% or below of Area Median Income.

CONTACT

City of San Antonio, Neighborhood and Housing Services Department
Phone: 210.207.GHHI (4444)

RELATED DOCUMENTS

Interested in becoming a SAGHH contractor?

- [Information \(/Portals/0/Files/NHSD/Repair/saghh_INFORMATION.pdf?ver=2018-08-03-164400-660\)](#)
- [Application \(/Portals/0/Files/NHSD/Repair/saghh_APPLICATION.pdf?ver=2018-08-06-152900-193\)](#)

MINOR REPAIR PROGRAM

Addresses health and safety items such as plumbing, electrical, non-working utilities, broken windows, damaged doors or other items in need of repair.

CONTACT

Merced Housing of Texas
Phone: 210-281-0234

OWNER-OCCUPIED REHABILITATION

Assists low- to moderate-income homeowners to rehabilitate their substandard and non-code compliant residential properties by providing deferred forgivable loans to cover the cost of the needed repairs.

Except for Districts 8 and 9, the application period has ended.

CONTACT

City of San Antonio, Neighborhood and Housing Services Department
Phone: 210-207-6459

RELATED DOCUMENTS

- [Information \(/Portals/0/Files/NHSD/Repair/OorP-information.pdf?ver=2019-01-07-152503-543\)](#)
- [Application \(/Portals/0/Files/NHSD/Repair/oorRR_APPLICATION.pdf\)](#)

- [Solicitud en español \(/Portals/0/Files/NHSD/Repair/FY 2019 OOR Application - Spanish 2.pdf?ver=2018-10-17-144819-040\)](#)

UNDER 1 ROOF

Replaces worn and damaged roofs with new, energy-efficient roofs for qualified homeowners.

RELATED DOCUMENTS

- [Application \(/Portals/0/Files/NHSD/Repair/FY 2019 Joint Application EDITED.pdf?ver=2019-01-14-095102-237\)](#)
- [Solicitud en español \(/Portals/0/Files/NHSD/Repair/FY 2019 Joint Application EDITED - Spanish.pdf?ver=2018-10-17-144829-743\)](#)
- [Information \(/Portals/0/Files/NHSD/Repair/FY2019 Joint Brochure.pdf?ver=2018-08-03-164339-193\)](#)

IMPORTANT LINKS

- [HUD's Office of Lead Hazard Control and Healthy Homes \(http://portal.hud.gov/hudportal/HUD?src=/program_offices/healthy_homes\)](http://portal.hud.gov/hudportal/HUD?src=/program_offices/healthy_homes)
- [Environmental Protection Agency \(https://www.epa.gov/lead\)](https://www.epa.gov/lead) (EPA)
- [Texas Department of State Health Services \(http://www.dshs.texas.gov/elp/default.aspx\)](http://www.dshs.texas.gov/elp/default.aspx)

Under 1 Roof, Residential Roof Repair Progra...



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Frequently Asked Questions

Will this program assist with rehab/renovations needed in the house?

Answer: No, this program only addresses health and safety hazards in the home.

How soon will I know if I qualify for the program?

Answer: Once **all** documentation has been submitted and depending on the number of applications in process, you will know within a week.

What if my house does not have lead hazards?

Answer: If your house does not have lead hazards, then you will not receive assistance but you will receive a copy of the test results.

What is your target population?

Answer: Our target population is families with children 5 years old and under and people with asthma.

Will I have to pay back a loan?

Answer: This is a grant program with a 5-year Restrictive Covenant.

What if my home is located in a historical/ conservation district?

Answer: If your home is located within this area, the State Historical Preservation Office and the local historic commission will determine the final scope of work.

What happens after my application has been approved?

Answer: Once your application has been approved, you will be contacted by one of our lead firms to schedule a comprehensive lead inspection and risk assessment of the house. Once we receive the results, the Environmental Assessor assigned to your project will contact you to go over the results. The Environmental Assessor will be in contact with you throughout the duration of the project, and answer any questions you may have.

What if I rent the house I live in?

Answer: If you rent the home, you may still qualify once the owner of the property signs the consent form.

If you have additional questions or would like an application sent to you, contact us at:



1400 S. Flores

San Antonio , TX 78204

(210) 207-4444– Office

Or visit:

<http://www.renewsa.com/ProgramsServices/GreenandHealthyHomes.aspx>



**CITY OF SAN ANTONIO
NEIGHBORHOOD & HOUSING
SERVICES DEPARTMENT**



The City of San Antonio's Green and Healthy Homes (SAGHH) program **provides assistance to owners** and landlords of residential properties (both single-family and multi-family) built prior to 1978 in creating healthy, safe and energy-efficient homes for families and children. The SAGHH program is working to **prevent and correct housing-related health and safety hazards, such as lead-based paint, mold, household asthma triggers and fire hazards.**

What should you expect to happen next in the process?

- Once a completed application is turned in, staff will determine if the applicant meets the income requirements.
- A title search will be conducted to ensure a clear title.
- Next, you will be contacted by our lead firm to schedule a Lead Inspection/Risk Assessment on your home. The results take about 2 weeks to receive.
- Finally, you will be contacted by the Environmental Assessor, who has been assigned to your case. The EA will provide you a copy of the Lead Inspection/Risk Assessment conducted on your home. The EA will also conduct a Healthy Homes Assessment to determine the final scope of work.



How do I qualify for San Antonio's Green & Healthy Homes?

Eligibility Requirements:

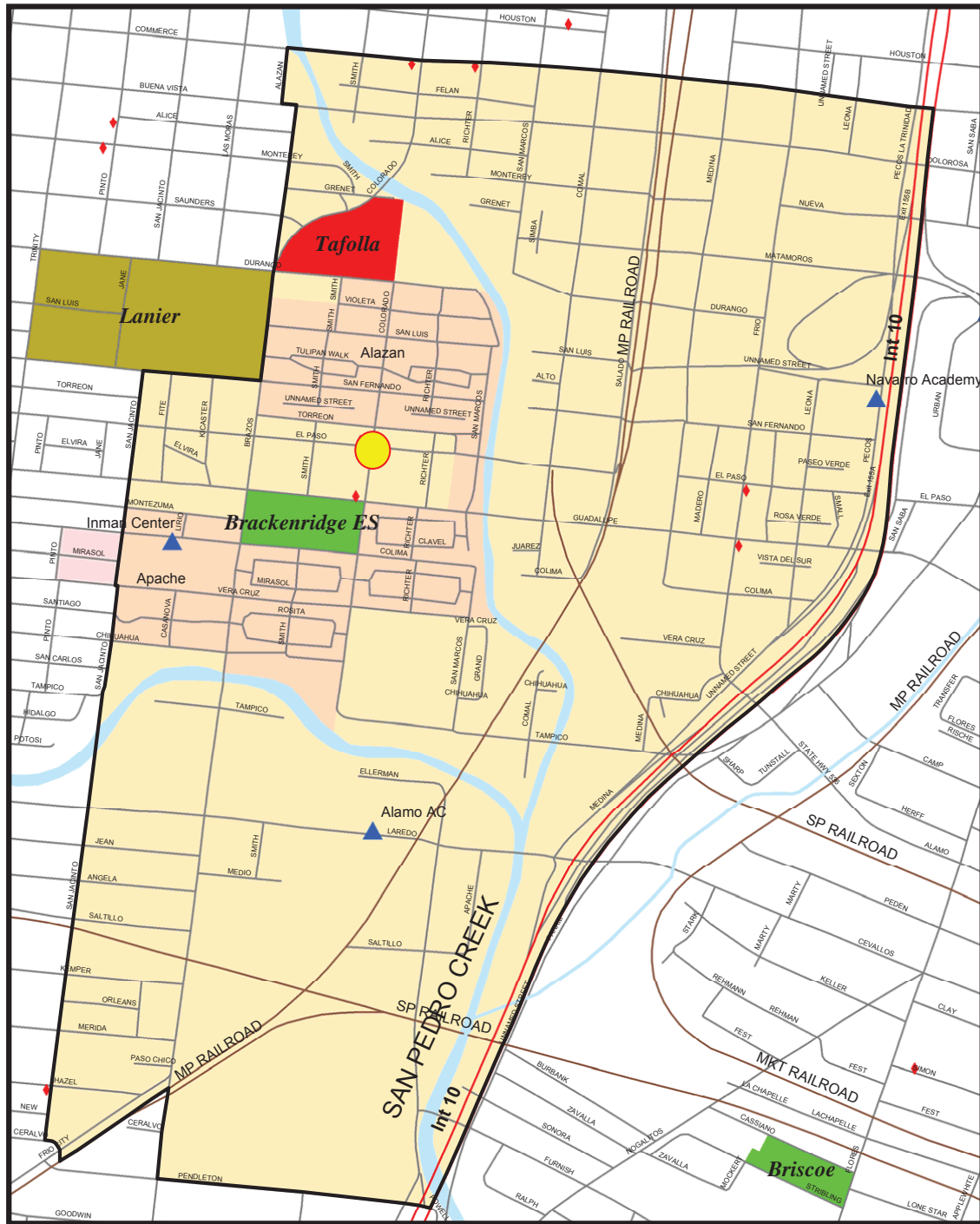
1. House must be built before 1978; AND
2. House must be located within the City of San Antonio; AND
3. Must be structurally sound to receive assistance; AND
4. A child age 5 and under must reside in the home OR spend at least 6 hours a week in the home; AND
5. House must have clear title; AND
6. Property taxes must be current; AND
7. Household must meet HUD established Income Guidelines for families earning 80% or below of Area Median Income (see below)

Family of	Max Gross*
1	\$37,450
2	\$42,800
3	\$48,150
4	\$53,450
5	\$57,750
6	\$62,050
7	\$66,300

*2018 HUD Income Limits. Updated annually.

Brackenridge Elementary Attendance Boundary

1214 Guadalupe St
San Antonio, TX 78207



1 inch equals 0.17 miles

Legend

Facilities	▲ Non-Traditional	🚂 Railroad
🟩 Elementary	🟡 Charter Schools	🌊 Creeks & Streams
🟨 High	♦ Apartments	🌊 Rivers
🟥 Middle	— Streets	🏠 Attendance Area
🟨 Admin	— Highways	🏠 Federal Developments
		🟡 Alazan Lofts

Attendance Area

Geographical Statistics

As of May 2003

The number of:		☐
Apartment Complexes		6
Federal Developments		2
Charter Schools		0
Single Family Homes		422

Texas Education Agency
2018 Accountability Ratings Overall Summary
J T BRACKENRIDGE EL (015907110) - SAN ANTONIO ISD

	Component Score	Scaled Score	Rating
Overall		75	Met Standard
Student Achievement		57	Improvement Required
STAAR Performance	32	57	
College, Career and Military Readiness			
Graduation Rate			
School Progress		75	Met Standard
Academic Growth	72	75	Met Standard
Relative Performance (Eco Dis: 98.9%)	32	60	Met Standard
Closing the Gaps	62	74	Met Standard

Distinction Designations

ELA/Reading	Not Earned
Mathematics	Not Earned
Science	Not Earned
Social Studies	Not Eligible
Comparative Academic Growth	Not Earned
Postsecondary Readiness	Not Earned
Comparative Closing the Gaps	Not Earned

Texas Education Agency
2018 Accountability Ratings Overall Summary
TAFOLLA MIDDLE (015907061) - SAN ANTONIO ISD

	Component Score	Scaled Score	Rating
Overall		67	Met Standard
Student Achievement		53	Improvement Required
STAAR Performance	25	53	
College, Career and Military Readiness			
Graduation Rate			
School Progress		66	Met Standard
Academic Growth	64	66	Met Standard
Relative Performance (Eco Dis: 94.4%)	25	58	Improvement Required
Closing the Gaps	27	69	Met Standard

Distinction Designations

ELA/Reading	Not Earned
Mathematics	Not Earned
Science	Not Earned
Social Studies	Not Earned
Comparative Academic Growth	Not Earned
Postsecondary Readiness	Not Earned
Comparative Closing the Gaps	Not Earned

Texas Education Agency
2018 Accountability Ratings Overall Summary
LANIER H S (015907008) - SAN ANTONIO ISD

	Component Score	Scaled Score	Rating
Overall		63	Met Standard
Student Achievement		60	Met Standard
STAAR Performance	26	52	
College, Career and Military Readiness	33	65	
Graduation Rate	89.7	65	
School Progress		62	Met Standard
Academic Growth	53	58	Improvement Required
Relative Performance (Eco Dis: 92.4%)	30	62	Met Standard
Closing the Gaps	19	65	Met Standard

Distinction Designations

ELA/Reading	Not Earned
Mathematics	Not Earned
Science	Not Earned
Social Studies	Not Earned
Comparative Academic Growth	Not Earned
Postsecondary Readiness	Not Earned
Comparative Closing the Gaps	Not Earned



DP04

SELECTED HOUSING CHARACTERISTICS

2012-2016 American Community Survey 5-Year Estimates

Note: This is a modified view of the original table.

Supporting documentation on code lists, subject definitions, data accuracy, and statistical testing can be found on the American Community Survey website in the Data and Documentation section.

Sample size and data quality measures (including coverage rates, allocation rates, and response rates) can be found on the American Community Survey website in the Methodology section.

Tell us what you think. Provide feedback to help make American Community Survey data more useful for you.

Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates of the population for the nation, states, counties, cities and towns and estimates of housing units for states and counties.

A processing error was found in the Year Structure Built estimates since data year 2008. For more information, please see the errata note #110.

Subject	Census Tract 1105, Bexar County, Texas			
	Estimate	Margin of Error	Percent	Percent Margin of Error
HOUSING OCCUPANCY				
Total housing units	827	+/-42	827	(X)
Occupied housing units	745	+/-55	90.1%	+/-5.1
Vacant housing units	82	+/-43	9.9%	+/-5.1
Homeowner vacancy rate	0.0	+/-28.4	(X)	(X)
Rental vacancy rate	8.5	+/-5.0	(X)	(X)
UNITS IN STRUCTURE				
Total housing units	827	+/-42	827	(X)
1-unit, detached	231	+/-50	27.9%	+/-5.7
1-unit, attached	24	+/-18	2.9%	+/-2.1
2 units	96	+/-43	11.6%	+/-5.2
3 or 4 units	112	+/-49	13.5%	+/-6.0
5 to 9 units	210	+/-58	25.4%	+/-6.8
10 to 19 units	16	+/-18	1.9%	+/-2.1
20 or more units	138	+/-45	16.7%	+/-5.2
Mobile home	0	+/-13	0.0%	+/-4.4
Boat, RV, van, etc.	0	+/-13	0.0%	+/-4.4
YEAR STRUCTURE BUILT				
Total housing units	827	+/-42	827	(X)
Built 2014 or later	28	+/-24	3.4%	+/-2.8
Built 2010 to 2013	34	+/-31	4.1%	+/-3.7
Built 2000 to 2009	164	+/-58	19.8%	+/-7.0
Built 1990 to 1999	32	+/-24	3.9%	+/-2.9
Built 1980 to 1989	119	+/-50	14.4%	+/-6.0
Built 1970 to 1979	13	+/-15	1.6%	+/-1.9
Built 1960 to 1969	99	+/-45	12.0%	+/-5.3
Built 1950 to 1959	53	+/-32	6.4%	+/-3.8
Built 1940 to 1949	129	+/-47	15.6%	+/-5.6
Built 1939 or earlier	156	+/-59	18.9%	+/-7.2
HOUSING TENURE				
Occupied housing units	745	+/-55	745	(X)
Owner-occupied	109	+/-46	14.6%	+/-5.9
Renter-occupied	636	+/-59	85.4%	+/-5.9

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see Accuracy of the Data). The effect of nonsampling error is not represented in these tables.

Households not paying cash rent are excluded from the calculation of median gross rent.

Telephone service data are not available for certain geographic areas due to problems with data collection of this question that occurred in 2015 and 2016. Both ACS 1-year and ACS 5-year files were affected. It may take several years in the ACS 5-year files until the estimates are available for the geographic areas affected.

While the 2012-2016 American Community Survey (ACS) data generally reflect the February 2013 Office of Management and Budget (OMB) definitions of metropolitan and micropolitan statistical areas; in certain instances the names, codes, and boundaries of the principal cities shown in ACS tables may differ from the OMB definitions due to differences in the effective dates of the geographic entities.

Estimates of urban and rural population, housing units, and characteristics reflect boundaries of urban areas defined based on Census 2010 data. As a result, data for urban and rural areas from the ACS do not necessarily reflect the results of ongoing urbanization.

Source: U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates

Explanation of Symbols:

1. An '***' entry in the margin of error column indicates that either no sample observations or too few sample observations were available to compute a standard error and thus the margin of error. A statistical test is not appropriate.
2. An '-' entry in the estimate column indicates that either no sample observations or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest interval or upper interval of an open-ended distribution.
3. An '-' following a median estimate means the median falls in the lowest interval of an open-ended distribution.
4. An '+' following a median estimate means the median falls in the upper interval of an open-ended distribution.
5. An '***' entry in the margin of error column indicates that the median falls in the lowest interval or upper interval of an open-ended distribution. A statistical test is not appropriate.
6. An '*****' entry in the margin of error column indicates that the estimate is controlled. A statistical test for sampling variability is not appropriate.
7. An 'N' entry in the estimate and margin of error columns indicates that data for this geographic area cannot be displayed because the number of sample cases is too small.
8. An '(X)' means that the estimate is not applicable or not available.

210-214 Merida St

210-214 Merida St, San Antonio, TX 78207 – Avenida Guadalupe

[Home](#) / [Texas](#) / [San Antonio](#) / 210-214 Merida St

🕒 2 Weeks Ago



There are no available units.

Beds	Baths	# of Units	Average SF	Available
2 Br	1 Ba	6	—	None of these are available.

Example of Market Rate Multifamily Developments

218-222 Merida St

218-222 Merida St, San Antonio, TX 78207 – Avenida Guadalupe

Home / Texas / San Antonio / 218-222 Merida St

🕒 2 Weeks Ago



There are no available units.

Beds	Baths	# of Units	Average SF	Available
2 Br	1 Ba	10	756 SF	None of these are available.

Example of Market Rate Multifamily Developments

Amenities & Expenses

- High Speed Internet Access
- Air Conditioning
- Smoke Free
- Dishwasher
- Balcony

844-261-8624

Ernest C. Olivares Senior Community Apartment

1003 Vera Cruz, San Antonio, TX 78207 – [Avenida Guadalupe](#)

[Home](#) / [Texas](#) / [San Antonio](#) / Ernest C. Olivares Senior Community Apartment

 2 Weeks Ago



There are no available units.

Beds	Baths	# of Units	Average SF	Available
1 Br	1 Ba	59	600 SF	None of these are available.

Example of Market Rate Multifamily Developments

Amenities & Expenses

- Air Conditioning
- Wheelchair Accessible (Rooms)

844-812-9339

Prospect Hill

1601 Buena Vista St, San Antonio, TX 78207 – [Avenida Guadalupe](#)

[Home](#) / [Texas](#) / [San Antonio](#) / Prospect Hill

🕒 2 Weeks Ago



There are no available units.

Beds	Baths	# of Units	Average SF	Available
0 Br	1 Ba	7	400 SF	None of these are available.
1 Br	1 Ba	46	414 SF	None of these are available.
2 Br	1 Ba	2	564 SF	None of these are available.

Example of Market Rate Multifamily Developments

210-762-6637

Sacred Heart Villa Apartments

120 S Trinity St, San Antonio, TX 78207 – [Avenida Guadalupe](#)

[Home](#) / [Texas](#) / [San Antonio](#) / Sacred Heart Villa Apartments

🕒 2 Weeks Ago



There are no available units.

Example of Market Rate Multifamily Developments

Amenities & Expenses

Heating
Kitchen
Oven
Range

844-850-1073

Alazan Lofts

Sites at El Paso St & S Colorado St San Antonio, Texas


Legend

- ★ Site
- Custom Boundary
- CENSUS TRACTS
- County Boundaries
- State Boundaries


Site Coordinates

Longitude/X: -98.512115

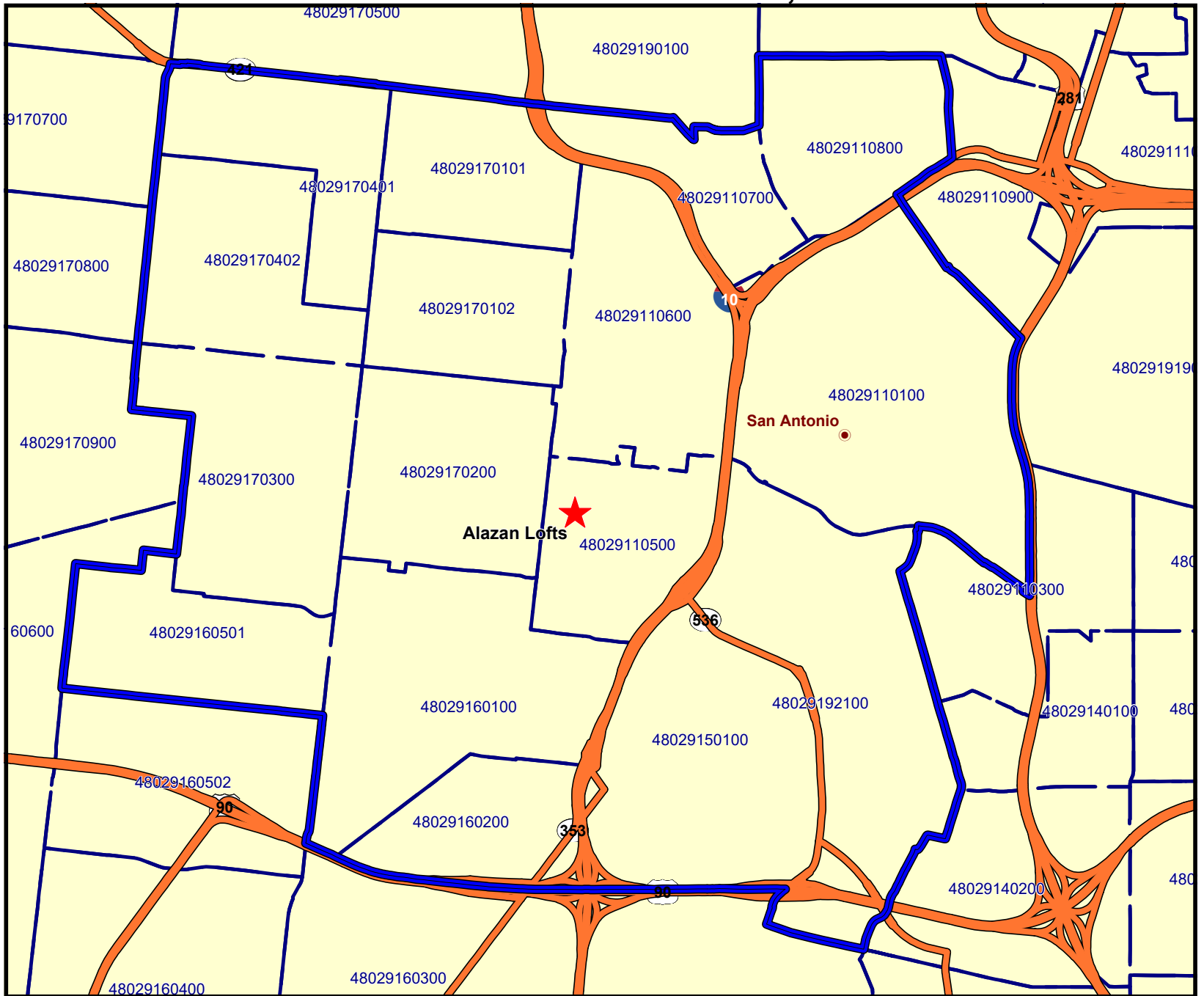
Latitude/Y: 29.419107



N



Miles



Year	TDHCA#	AMD_Name	Development_Name	Population_Served	Total_Units	LIHTC_Units	Straight Line Distance	
1992	92143	Villa de San Alfonso (LIHTC)	Villa De San Alfonso (fka Vera Cruz)	General	29	29	0.88	miles
1994	94013	Robert E. Lee Apts (LIHTC)	Robert E. Lee	General	72	72	1.23	miles
1994	94157	Calcasieu Apts. (LIHTC)	Calcasieu Apartments The	General	49	49	1.62	miles
2002	02009	Las Villas De Merida (LIHTC)	Las Villas De Merida Apartments	General	160	120	1.49	miles
2007	07006	Palacio del Sol Senior (LIHTC-Sr)	Palacio Del Sol	Elderly	200	160	0.88	miles
2008	08037	Vista Verde (LIHTC)	Vista Verde I & II Apartments	General	190	190	1.13	miles
2008	08047	San Juan Square I (LIHTC-PHA)	San Juan Square	General	143	137	1.35	miles
2008	08093	San Juan Square II (LIHTC-PHA)	San Juan Square II	General	144	138	1.50	miles
2008	08401	Artisan at Creekside (Bond)	Artisan At San Pedro Creek	General	252	252	0.93	miles
2009	09404	Cevallos Lofts (LIHTC)	Cevallos Lofts	General	252	63	1.15	miles
2010	11006	Haven for Hope (LIHTC)	The Terrace at Haven for Hope	General	140	140	1.00	miles
2012	12415-3	Gardens at San Juan Square (Bond)	San Juan III	General	108	108	1.41	miles
2016	15617	Cheyenne Village (Bond)	Cheyenne Village	General	60	60	1.95	miles
2017	17013	Rio Lofts (LIHTC)	Rio Lofts	General	81	67	1.96	miles
2018	18084	Artisan at Ruiz (LIHTC)	Artisan at Ruiz	General	102	102	1.55	miles
Total					1982	1687		

Placed in Service Units = 1,518



B25070

GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME IN THE PAST 12 MONTHS

Universe: Renter-occupied housing units
2012-2016 American Community Survey 5-Year Estimates

Gross rent as a percentage of income for all of the census tracts in the Primary Market Area

Note: This is a modified view of the original table.

Supporting documentation on code lists, subject definitions, data accuracy, and statistical testing can be found on the American Community Survey website in the Data and Documentation section.

Sample size and data quality measures (including coverage rates, allocation rates, and response rates) can be found on the American Community Survey website in the Methodology section.

Tell us what you think. Provide feedback to help make American Community Survey data more useful for you.

Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates of the population for the nation, states, counties, cities and towns and estimates of housing units for states and counties.

Total Households in the PMA: 11,330

Total Households paying >30% of Household Income: 5,427

		Total:				
		30.0 to 34.9 percent	35.0 to 39.9 percent	40.0 to 49.9 percent	50.0 percent or more	
Census Tract 1101, Bexar County, Texas	Estimate	1,633	93	122	92	168
Census Tract 1105, Bexar County, Texas	Estimate	636	27	55	52	173
Census Tract 1106, Bexar County, Texas	Estimate	995	213	61	50	203
Census Tract 1107, Bexar County, Texas	Estimate	418	51	25	41	68
Census Tract 1108, Bexar County, Texas	Estimate	656	35	71	57	149
Census Tract 1501, Bexar County, Texas	Estimate	952	74	77	56	293
Census Tract 1601, Bexar County, Texas	Estimate	1,014	114	98	88	325
Census Tract 1602, Bexar County, Texas	Estimate	215	12	5	0	50
Census Tract 1605.01, Bexar County, Texas	Estimate	656	73	71	76	159
Census Tract 1701.01, Bexar County, Texas	Estimate	435	41	25	77	172
Census Tract 1701.02, Bexar County, Texas	Estimate	437	42	6	0	168
Census Tract 1702, Bexar County, Texas	Estimate	879	59	56	26	222
Census Tract 1703, Bexar County, Texas	Estimate	565	44	23	127	164
Census Tract 1704.01, Bexar County, Texas	Estimate	600	33	23	60	203
Census Tract 1704.02, Bexar County, Texas	Estimate	637	0	106	68	207
Census Tract 1921, Bexar County, Texas	Estimate	602	59	5	9	25

Percentage of Cost-Burdened Households: 48%

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see Accuracy of the Data). The effect of nonsampling error is not represented in these tables.

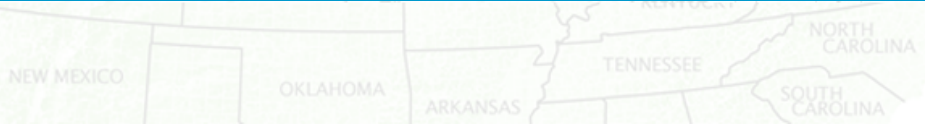
While the 2012-2016 American Community Survey (ACS) data generally reflect the February 2013 Office of Management and Budget (OMB) definitions of metropolitan and micropolitan statistical areas; in certain instances the names, codes, and boundaries of the principal cities shown in ACS tables may differ from the OMB definitions due to differences in the effective dates of the geographic entities.

Estimates of urban and rural population, housing units, and characteristics reflect boundaries of urban areas defined based on Census 2010 data. As a result, data for urban and rural areas from the ACS do not necessarily reflect the results of ongoing urbanization.

Source: U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates

Explanation of Symbols:

1. An '***' entry in the margin of error column indicates that either no sample observations or too few sample observations were available to compute a standard error and thus the margin of error. A statistical test is not appropriate.
2. An '-' entry in the estimate column indicates that either no sample observations or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest interval or upper interval of an open-ended distribution.
3. An '-' following a median estimate means the median falls in the lowest interval of an open-ended distribution.
4. An '+' following a median estimate means the median falls in the upper interval of an open-ended distribution.
5. An '****' entry in the margin of error column indicates that the median falls in the lowest interval or upper interval of an open-ended distribution. A statistical test is not appropriate.
6. An '*****' entry in the margin of error column indicates that the estimate is controlled. A statistical test for sampling variability is not appropriate.
7. An 'N' entry in the estimate and margin of error columns indicates that data for this geographic area cannot be displayed because the number of sample cases is too small.
8. An '(X)' means that the estimate is not applicable or not available.



B19013

MEDIAN HOUSEHOLD INCOME IN THE PAST 12 MONTHS (IN 2016 INFLATION-ADJUSTED DOLLARS)

Universe: Households

2012-2016 American Community Survey 5-Year Estimates

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Sample size and data quality measures (including coverage rates, allocation rates, and response rates) can be found on the American Community Survey website in the Methodology section.

Tell us what you think. Provide feedback to help make American Community Survey data more useful for you.

Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates of the population for the nation, states, counties, cities and towns and estimates of housing units for states and counties.

Median Household Income in the MSA: \$54,638

	Census Tract 1105, Bexar County, Texas		San Antonio-New Braunfels, TX Metro Area; Texas	
	Estimate	Margin of Error	Estimate	Margin of Error
Median household income in the past 12 months (in 2016 inflation-adjusted dollars)	11,922	+/-3,488	54,638	+/-462

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see Accuracy of the Data). The effect of nonsampling error is not represented in these tables.

While the 2012-2016 American Community Survey (ACS) data generally reflect the February 2013 Office of Management and Budget (OMB) definitions of metropolitan and micropolitan statistical areas; in certain instances the names, codes, and boundaries of the principal cities shown in ACS tables may differ from the OMB definitions due to differences in the effective dates of the geographic entities.

Estimates of urban and rural population, housing units, and characteristics reflect boundaries of urban areas defined based on Census 2010 data. As a result, data for urban and rural areas from the ACS do not necessarily reflect the results of ongoing urbanization.

Source: U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates

Explanation of Symbols:

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B19001 HOUSEHOLD INCOME IN THE PAST 12 MONTHS (IN 2016 INFLATION-ADJUSTED DOLLARS)
 Universe: Households
 2012-2016 American Community Survey 5-Year Estimates

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Sample size and data quality measures (including coverage rates, allocation rates, and response rates) can be found on the American Community Survey website in the Methodology section.

Tell us what you think. Provide feedback to help make American Community Survey data more useful for you.

Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates of the population for the nation, states, counties, cities and towns and estimates of housing units for states and counties.

76 Households out of 745 = 10% of Households in the census tract have incomes equal to or greater than the Median Household Income in the MSA

	Census Tract 1105, Bexar County, Texas		San Antonio-New Braunfels, TX Metro Area; Texas	
	Estimate	Margin of Error	Estimate	Margin of Error
Total:	745	+/-55	786,156	+/-2,540
Less than \$10,000	321	+/-65	55,192	+/-1,825
\$10,000 to \$14,999	94	+/-44	37,032	+/-1,343
\$15,000 to \$19,999	61	+/-31	38,614	+/-1,404
\$20,000 to \$24,999	57	+/-41	41,543	+/-1,359
\$25,000 to \$29,999	44	+/-32	40,513	+/-1,509
\$30,000 to \$34,999	9	+/-9	37,935	+/-1,335
\$35,000 to \$39,999	18	+/-26	37,349	+/-1,280
\$40,000 to \$44,999	51	+/-41	36,468	+/-1,499
\$45,000 to \$49,999	14	+/-17	34,328	+/-1,185
\$50,000 to \$59,999	16	+/-15	66,790	+/-1,793
\$60,000 to \$74,999	0	+/-13	81,493	+/-2,051
\$75,000 to \$99,999	43	+/-32	98,208	+/-2,063
\$100,000 to \$124,999	12	+/-19	66,943	+/-1,625
\$125,000 to \$149,999	5	+/-8	40,482	+/-1,361
\$150,000 to \$199,999	0	+/-13	37,611	+/-1,194
\$200,000 or more	0	+/-13	35,655	+/-1,207

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see Accuracy of the Data). The effect of nonsampling error is not represented in these tables.

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BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
MAY 23, 2019

Presentation, discussion and possible action on staff determinations regarding Neighborhood Risk Factors for 19227 Reserve at Risinger

RECOMMENDED ACTION

WHEREAS, pursuant to 10 TAC §11.101(a)(3) of the 2019 Qualified Allocation Plan related to Neighborhood Risk Factors, if a Development Site has any of the characteristics described in subparagraph B of the subsection, the Applicant must disclose the presence of each such characteristic to the Department at the time the Application is submitted to the Department;

WHEREAS, 19227 Reserve at Risinger disclosed the presence of Neighborhood Risk Factors and submitted documentation regarding the mitigation of those risk factors; and

WHEREAS, staff has conducted a further review of the proposed site and the surrounding neighborhoods pursuant to 10 TAC §11.101(a)(3) and prepared a summary to the Board;

NOW, therefore, it is hereby,

RESOLVED, that the Board determine for 19227 Reserve at Risinger whether the information regarding mitigation of the neighborhood risk factors is sufficient and supports site eligibility under the requirements of 10 TAC §11.101(a)(3) of the Qualified Allocation Plan.

BACKGROUND

Pursuant to 10 TAC §11.101(a)(3) of the 2019 Qualified Allocation Plan (QAP) related to Neighborhood Risk Factors, disclosure is required if one or more of the neighborhood risk factors exists where the proposed Development Site is located. Applicants are required to provide a Neighborhood Risk Factors Report (NRFR), which includes information regarding mitigating factors and a general description of the site and surrounding area.

The following describes the results of staff's review for the 2019 Competitive Housing Tax Credit (HTC) Application 19227 Reserve at Risinger. Entries identify the HTC Development/Application number (TDHCA ID#), the name of the Development, the region, and the city, along with staff's comments with respect to eligibility of the site. A brief summary of each disclosure has been

included and is followed by Department staff's analysis of that disclosure for the Site and the proposed mitigation from the Applicant.

Pursuant to 10 TAC §11.101(a)(3), the Department's Governing Board has final decision making authority in making an affirmative determination of finding a Site eligible or ineligible. Should the Board make the determination that a Development Site is ineligible, the termination of the Application resulting from such Board action is not subject to further appeal.

TDHCA ID#	Dev. Name	Region	City
19227	Reserve at Risinger	3	Fort Worth

Application 19227, Reserve at Risinger, will be a new construction general population development composed of six two-story buildings with a total of 96 Units. 85 units will be designated for low income residents and 11 will be market rate. The census tract in which the Development will be located has a median household income of \$76,612 and a poverty rate of 7.1%. NeighborhoodScout reported an annual Part I violent crime rate of 4.37 per 1,000 persons--well below the Department's threshold.

Summary of Disclosure: The proposed Development Site falls within the attendance zone of J A Hargrave Elementary School, which was rated Improvement Required in 2018, 2017 and 2016.

Mitigation Efforts: Regarding the Neighborhood Risk Factor for schools rated Improvement Required, 10 TAC §11.101(a)(3)(B)(iv) reads, in part, that "any school in the attendance zone that has not achieved Met Standard for three consecutive years and has failed by at least one point in the most recent year, unless there is a clear trend indicating imminent compliance, shall be unable to mitigate due to the potential for school closure as an administrative remedy pursuant to Chapter 39 of the Texas Education Code." The rule clearly states that a Development should be found ineligible if a school to which its residents are zoned has been rated Improvement Required for three consecutive years. While an exception could possibly be reached if a trend is indicating imminent compliance, staff does not believe it is able to reach such a conclusion, and thus no mitigation is allowed. However, staff has included a summary of what the Applicant proposed as mitigation.

The Applicant included a letter from Connie Isabell, Deputy Superintendent of School Improvement for the Crowley Independent School District. In her letter, Ms. Isabell recounts how both the district and the school are committed to moving J A Hargrave Elementary to a Met Standard rating, and she touts the central importance of the school's Campus Turnaround Plan.

Additionally, according to the Applicant, "Students at J A Hargrave also have additional support through the 21st Century Community Learning Center (CCLC) program. 21st CCLC provides a variety of afterschool enrichment programs with the aim of improving academic performance, attendance, behavior, promotion rates, and graduation rates. The funding that J A Hargrave

receives through 21st CCLC provides students with the opportunity to participate in activities such as Family Fun Fitness, Lights! Camera! Read!, Career Whiz, and Paint Your Art Out from when school gets out until 6 p.m. on a daily basis." School administrators hope that such activities will help the school to achieve a Met Standard rating before the proposed Development is placed in service.

Staff would like to note that, according to the proposed Development's narrative, the Development will include an "Education Center" space in the clubhouse that will be utilized for educational programming above and beyond the typical services required by TDHCA for all affordable housing developments. Specific educational programming being contemplated are English as Second Language (ESL), Credit Literacy, Job Training, and other targeted programs for the Development's residents. However, it is not clear how many hours per week the Applicant will provide such educational programming, so staff is unable to evaluate this as mitigation in regards to 10 TAC 11.101(a)(3)(D)(iv)(IV), which allows after-school programming of 15 hours per week to count as mitigation.

Staff Determination: Staff asks that the Board make a determination as to whether or not "there is a clear trend indicating imminent compliance." If the Board determines that there is a clear trend indicating imminent compliance, despite the Neighborhood Risk Factor of the elementary school being rated Improvement Required by TEA three years in a row, the Board should also make a determination about the mitigation required for the site to be found eligible in regard to this matter.

19227
Reserve at Risinger

19227 Reserve at Risinger

Neighborhood Risk Factor Report

2019 9% Housing Tax Credit Cycle
Reserve at Risinger LLC



Neighborhood Risk Factors Report Packet

The purpose of the packet is to formalize the process in which neighborhood risk factors (“NRF”) are disclosed and the NRF Report is submitted pursuant to 10 TAC §11.101(a)(3) of the Qualified Allocation Plan (“QAP”). The packet may be submitted at pre-application (if applicable per 10 TAC §11.8(b) relating to Pre-Application Requirements) or at Application. Applicants who wish to submit a request for pre-determination prior to pre-application or Application are advised to review 10 TAC §11.101(a)(3) for additional guidance. Termination due to an Applicant’s own non-disclosure is not appealable as such appeal is in direct conflict with certifications made in the Application and within the control of the Applicant.

Pursuant to 10 TAC §11. 8(b), related to Pre-application Participation, the competitive HTC pre-application must identify neighborhood risk factors related to crime and schools.

Pre-application Disclosure: Pre-application #19227 Development Name Reserve at Risinger
 Application Disclosure: Application #19227 Development Name Reserve at Risinger

My Development Site includes the following neighborhood risk factor(s) (Check all that apply):

Development Site is located in a census tract has poverty rate above 40% for individuals (or 55% for Developments in regions 11 and 13).

Development Site is located in a census tract (or for any adjacent census tract with a boundary less than 500 feet from the proposed Development Site that is not separated from the Development Site by a natural barrier such as a river or lake, or an intervening restricted area, such as a military installation) in an Urban Area and the rate of Part I violent crime is greater than 18 per 1,000 persons annually as reported on <https://www.neighborhoodscout.com/>.

Development Site is located within 1,000 ft. (measured from nearest boundary of the Site to the nearest boundary of blighted structure) of multiple vacant structures that have fallen into such significant disrepair, overgrowth, and/or vandalism that they would commonly be regarded as blighted or abandoned.

Development Site is located within the attendance zones of an elementary school, a middle school, or a high school that does not have a Met Standard rating by the Texas Education Agency, based on the 2018 Accountability Ratings (unless the school is “Not Rated” because it meets the TEA Hurricane Harvey Provision, in which case the 2017 rating will apply).

Neighborhood Risk Factors Report:

I have submitted information for the items listed below, or such other mitigation as the Applicant determines appropriate to support a Board determination that the proposed Development Site should be found eligible, as such information might be considered to pertain to the neighborhood risk factor(s) disclosed, pursuant to 10 TAC §11.101(a)(3)(C) of the QAP. Such information is included behind this page.

- Determination regarding neighborhood boundaries;
- Assessment of general land use in the neighborhood;
- Assessment concerning any of the features of the neighborhood risk factors present in the neighborhood, regardless of whether they are within the specified distances referenced in 10 TAC §11.101(a)(2);
- Assessment of the number of existing affordable rental units in the Primary Market Area (PMA), including comment on concentration based on the size of the PMA;
- Assessment of the percentage of households residing in the census tract that have household incomes equal to or greater than the median household income for the MSA or county where the Development site is located;
- Assessment of the number of market rate multifamily units in the neighborhood and their current rents and levels of occupancy;
- Assessment, for the previous two academic years, of school performance for each of the schools in the attendance zone containing the Development that did not achieve the Met Standard rating for 2018 (unless the school is “Not Rated” because it meets the TEA Hurricane Harvey Provision, in which case the 2017 rating will apply), that includes the TEA Accountability Rating Report, a discussion of performance indicators and what progress has been made over the prior year, and the campus improvement plan in effect. If there is an update to the plan that shows progress made under the plan, provide the update. If no update is available, provide information from a school official that speaks to progress made under the plan as indicated in 10 TAC §11.101(a)(3)(D)(iv); and
- Additional information, if requested by the Department.

Provide any comments or additional information in the box below, if applicable.

Please see the attached documentation packet that has hyperlinks in the table of contents and has been bookmarked for ease of navigation.

Mitigation of the Neighborhood Risk Factor (s):

I have provided information regarding mitigation of the above-mentioned neighborhood risk factors, as applicable, behind this page, along with a summary narrative describing how the information presented meets the requirements of 10 TAC §11.101(a)(3)(D) of the QAP, or;

Waiver of the Neighborhood Risk Factor (s):

I am requesting a waiver of the presence of the above-mentioned neighborhood risk factors, as applicable, pursuant to 10 TAC §11.101(a)(3)(E) of the QAP, on the basis that the Development is necessary to enable the state, a participating jurisdiction, or an entitlement community to comply with its obligation to affirmatively further fair housing, a HUD approved Conciliation Agreement, or a final and non-appealable court order. Documentation to that effect is included herein with the disclosure and waiver request.

Provide any comments or additional information in the box below, if applicable.

Department Contacts:

9% HTC Applications: Sharon.Gamble@TDHCA.state.tx.us (9% Program Administrator)

4% HTC and Tax-Exempt Bond Applications: Teresa.Morales@TDHCA.state.tx.us (Multifamily Manager)

Direct Loan Only Applications: Andrew.Sinnott@TDHCA.state.tx.us (Multifamily Loan Programs Manager)

How to Submit the NRF Report Packet:

- Upload if a Serv-U Account has been set-up for the pre-application or Application and notify the appropriate contact person of the upload (refer to the Multifamily Programs Procedures Manual posted at <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm> for an explanation of the process to set-up a Serv-U Account if needed);

Or

- Include the packet behind tab 2 of the Uniform Multifamily Application.

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February 26, 2019

Marni Holloway
Director of Multifamily Finance
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701

Re: 19227 Reserve at Risinger Neighborhood Risk Factor Report

Dear Ms. Holloway,

I am writing to provide the Department with additional information regarding the Neighborhood Risk Factor disclosure for Application #19227 Reserve at Risinger in accordance with 11.101(a)(3)(B)(iii). The site does not meet TDHCA standards for elementary school performance. Crowley Independent School District, J A Hargrave Elementary Schools, the community, and other local agencies are working together to improve academic performance at the elementary school. This letter, along with the Neighborhood Risk Factor Report, should provide a clearer impression of educational quality in the school district and the improvement efforts that are already underway to improve this school. I hope you will let me know if there is any additional information that you would like to see.

Introduction to the Neighborhood

The Reserve at Risinger is located approximately at the Southwest corner of West Risinger Road and McCart Avenue in Southwest Fort Worth. The census tract boundaries for Reserve at Risinger group together a number of residential subdivisions to form a neighborhood around the site, which is currently vacant, undeveloped land. Over the past 25 years, this neighborhood has transformed from being mostly undeveloped fields with few roadways, into a thriving suburban community of single-family homes. Please see page 11 for an aerial comparison of the area from 25 years ago to today.

Neighborhood Land Use

The neighborhood is predominantly comprised of single-family residential land uses, with a few neighborhood parks, institutional uses, and minimal pockets of commercial land use. The parcels zoned for institutional use include three neighborhood schools, two churches, and a branch of the Metropolitan Fort Worth YMCA. The parcels that are zoned for commercial land use are primarily located along West Risinger Road, but it is important to note that only five of these parcels have actually been developed and currently contain retail.

Neighborhood Risk Factors

Only one of the four risk factors warrant disclosure and an in-depth exploration – the elementary school.

- **Low Poverty:** The census tract that contains Reserve at Risinger is well within TDHCA's definition of a high opportunity census tract, with just 7.10% of households living below the poverty level in 2016, according to 2012-2016 American Community Survey 5-Year Estimates.
- **Low Crime:** Violent crime in the neighborhood, which sits at 4.37 crimes per 1,000 persons, is also well below TDHCA's Neighborhood Risk Factor crime rate of 18 crimes per 1,000 persons. The adjacent census tract within 500 feet of the development site, similarly, has a crime rate below TDHCA's threshold. Please see page 15 of the documentation packet for excerpts of the crime reports from Neighborhood Scout.
- **Good Schools:** Students living at Reserve at Risinger will be served by J A Hargrave Elementary, Mary Harris Intermediate, Summer Creek Middle School, and North Crowley High School. With the exception of the elementary school, all of the campuses serving the future students of Reserve at Risinger received a 'Met Standard' rating from the Texas Education Agency in 2018. Please see the documentation attachment for each campus' 2018 Accountability Report from the Texas Education Agency.
 - J A Hargrave Elementary School, which routinely received 'Met Standard' ratings prior to 2016, provides education to students from early childhood through the fourth grade. Please see the 'School Improvement' section below for information on the targeted efforts to improve academic performance at the elementary school campus.
 - Mary Harris Intermediate, which is less than a mile from Reserve at Risinger, serves students in grades 5 through 6 and has received a 'Met Standard' rating consistently since 2016.
 - Summer Creek Middle School similarly receives 'Met Standard' ratings from the Texas Education Agency on a regular basis and is home to the Inspire Academy program and the STEM Academy.
 - North Crowley High School, in addition to consistently meeting Texas Education Agency standards, has received 5 Distinction Designations in the past three years, including Academic Achievement in Mathematics, Academic Achievement in Social Studies, and the Top 25th Percentile in Student Progress.
- **Well-maintained development:** The majority of development in the census tract is relatively new, less than 25 years old, and of high quality, as is evidenced by the maps on page 11 of the PDF, so the area is not at risk of having blighted structures.

School Improvement

Crowley Independent School District is well-versed on the strategies and actions necessary to turnaround school performance at J A Hargrave Elementary. This is evident through the correspondence that we have had with Connie Isabell, the Deputy Superintendent of School Improvement, who has graciously provided us with a letter describing the School District's efforts and the 2018-2019 Campus Improvement Plan that the District is in the process of implementing.

Both the Campus Improvement Plan and the Turnaround Plan that are included in the documentation attachment are a reflection of the diligent work that the School District, along with campus administration, faculty, and support staff have put into the school's improvement. As is evident in the Accountability Reports from 2013-2015, J A Hargrave was customarily a campus that met Texas Education Agency standards, so it is the District's top priority to help the campus return to a trend of success. They are actively pursuing success by prioritizing five key goals in their Campus Improvement Plan:

1. Improve Student Achievement for All
2. Provide Safe, Secure and Nurturing Schools
3. Support Parent and Community Partnerships
4. Provide a Quality Workforce in a Positive Work Environment
5. Ensure Effective and Efficient Use of Resources

The Campus Improvement Plan identifies objectives and strategies that align with each of the goals mentioned above, along with a routine review the campus' progress towards meeting those goals. To support the achievement of these goals, J A Hargrave Elementary has enlisted targeted assistance from Principal Kimberly Sherfield, Assistant Principal Amber Gillihan, Instructional Specialists, Grade Level Lead Faculty members, and the School Counselor.

The school's various turnaround efforts are being bolstered by the Accelerating Campus Excellence (ACE) Initiative, which is being introduced at the campus after administrators saw the success of the initiative at Dallas Independent School District. Details on this initiative have been included in the attached letter from the Deputy Superintendent of School Improvement.

Students at J A Hargrave also have additional support through the 21st Century Community Learning Center (CCLC) program. 21st CCLC provides a variety of afterschool enrichment programs with the aim of improving academic performance, attendance, behavior, promotion rates, and graduation rates. The funding that J A Hargrave receives through 21st CCLC provides students with the opportunity to participate in activities such as Family Fun Fitness, Lights! Camera! Read!, Career Whiz, and Paint Your Art Out from when school gets out until 6 p.m. on a daily basis. The ongoing academic and social support that students are currently receiving, along with the roll out of the Accelerating Campus Excellence Initiative, make the District and campus administration confident that J A Hargrave will meet Texas Education Agency standards by the time that the Development is placed in service.

Incomes and Market

The Primary Market Area for Reserve at Risinger consists of 15 census tracts located in South Fort Worth. These 15 census tracts, which have a combined population of over 90,000 people, are served by only 1,500 general population affordable housing units across seven housing developments. This relatively low affordable unit count is remarkable when you consider that just over half of the households in the primary market area are cost-burdened according to HUD Standards, in other words, just over half of all households in the primary market area are paying over 30% of their income towards housing costs. This metric points to a severely underserved market area where there is a considerable lack of affordable housing units relative to potential demand for developments such as Reserve at Risinger. Please refer to page 107 of the documentation packet for the 2012-2016 American Community Survey 5-Year Estimates that identifies these primary market area statistics.

Another indicator of a need for more affordable housing is the comparison of household incomes to the median household income across the MSA. ACS data estimates that the median household income in the Dallas-Fort Worth-Arlington, TX Metro area was \$61,330. In the census tract containing Reserve at Risinger, two-thirds of all households have incomes equal to or greater than the Metro area's income, based on the ACS data that can be found on page 109 of the documentation packet. Furthermore, the Reserve at Risinger is located in a second quartile census tract with a poverty rate below 20%. Each of these factors indicate that residents of the development

will be living in a high opportunity census tract and will have greater access to financial stability and economic mobility opportunities.

There are currently no multifamily units in the neighborhood surrounding Reserve at Risinger, rental or otherwise. While there are over 600 rental units within the neighborhood, they are all single-family homes that offer rents well above 2018 TDHCA rent limits for families earning 50% or below of the Area Median Income.

Market Rate Rents vs Affordable Rents		
	Median Gross Rent (ACS 2013-2017)	TDHCA 50% Rents
1-Bedroom Unit	na	\$705
2-Bedroom Unit	\$972	\$846
3-Bedroom Unit	\$1,513	\$978
4-Bedroom Unit	\$1,606	\$1,091

The fact that over 40% of these renter households in the census tract containing Reserve at Risinger are cost-burdened suggests that the development of affordable rental units would help curb further cost-burden in the area. A search through Realtor.com’s rental listings for the neighborhood shows that currently 15 of 600 rental units are available, with rents starting at \$950 a month and at least 2-bedrooms each.

Summary

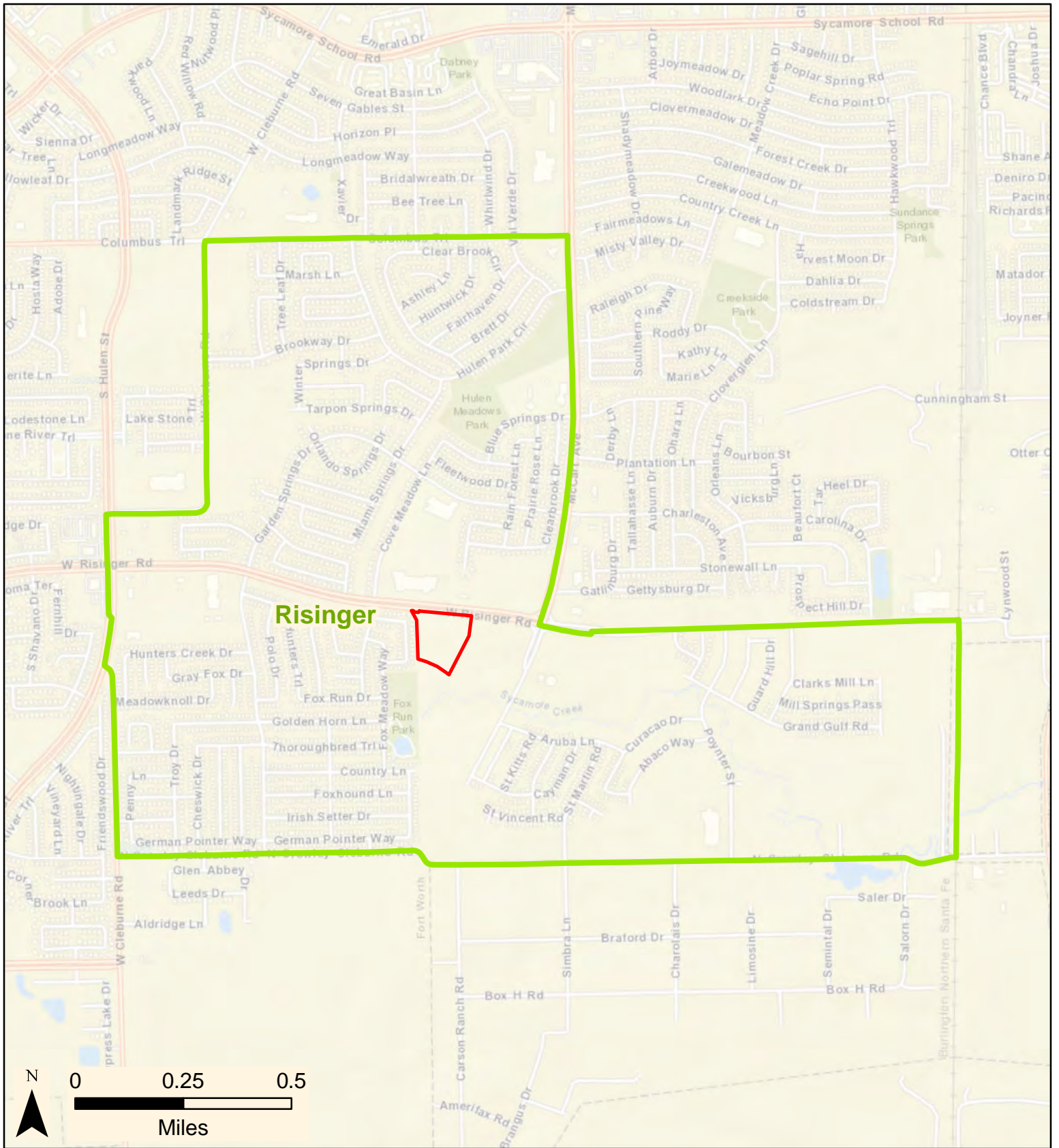
I believe that the targeted efforts of Crowley Independent School District, the administration and faculty of J A Hargrave Elementary School, and the community at large will successfully improve academic performance for elementary school students and help the Hargrave campus achieve a ‘Met Standard’ rating from the Texas Education Agency. I hope that you will find the school risk for the neighborhood mitigated as demonstrated by the combination of an effective turnaround plan, new funding sources, the commitment of energy, and the investment of time that were all documented in this report.

Thank you for reviewing this report and for your consideration. Please let me know should you have any questions or concerns at sallie@structuretexas.com or at (512) 473-2527.

Sincerely,



Sallie Burchett, Consultant to the Project
sallie@structuretexas.com
(512) 473-2527



Risinger Neighborhood

Reserve at Risinger

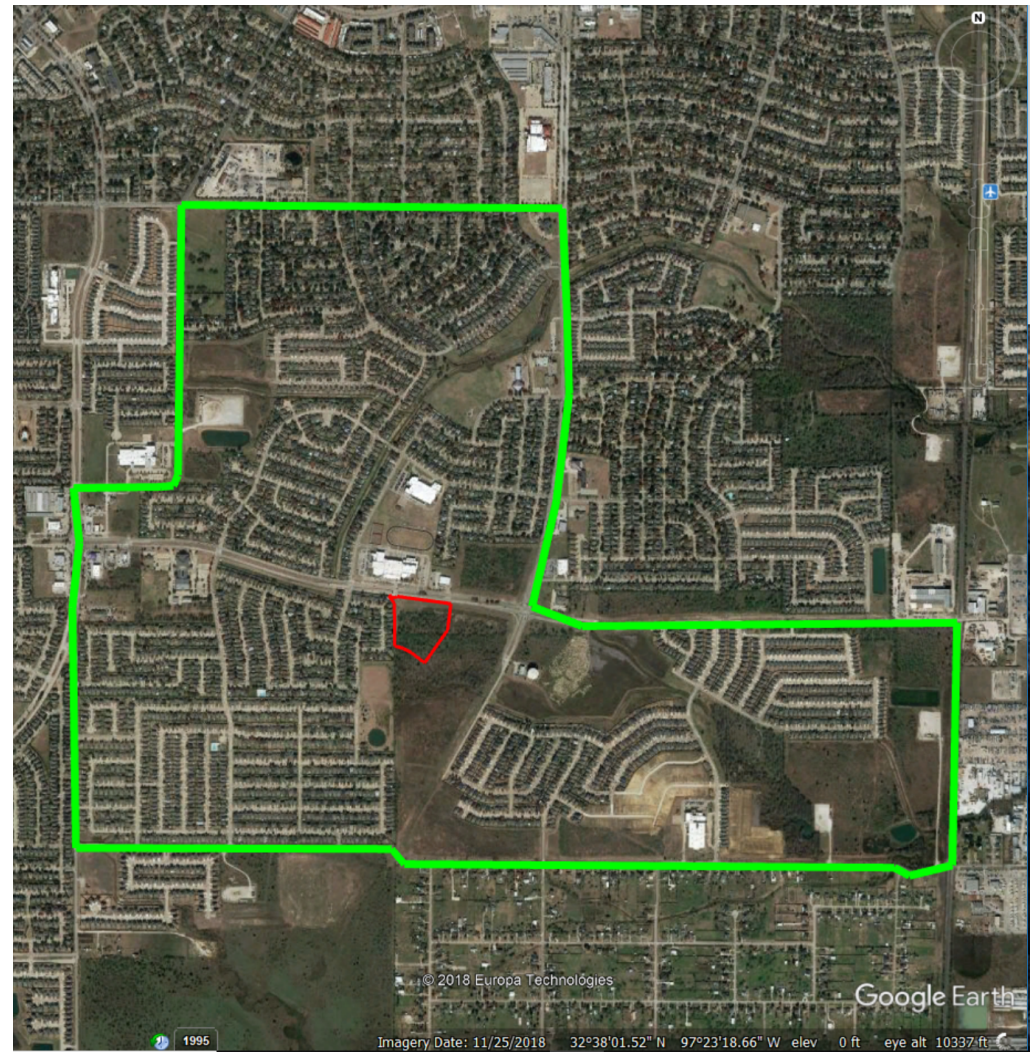
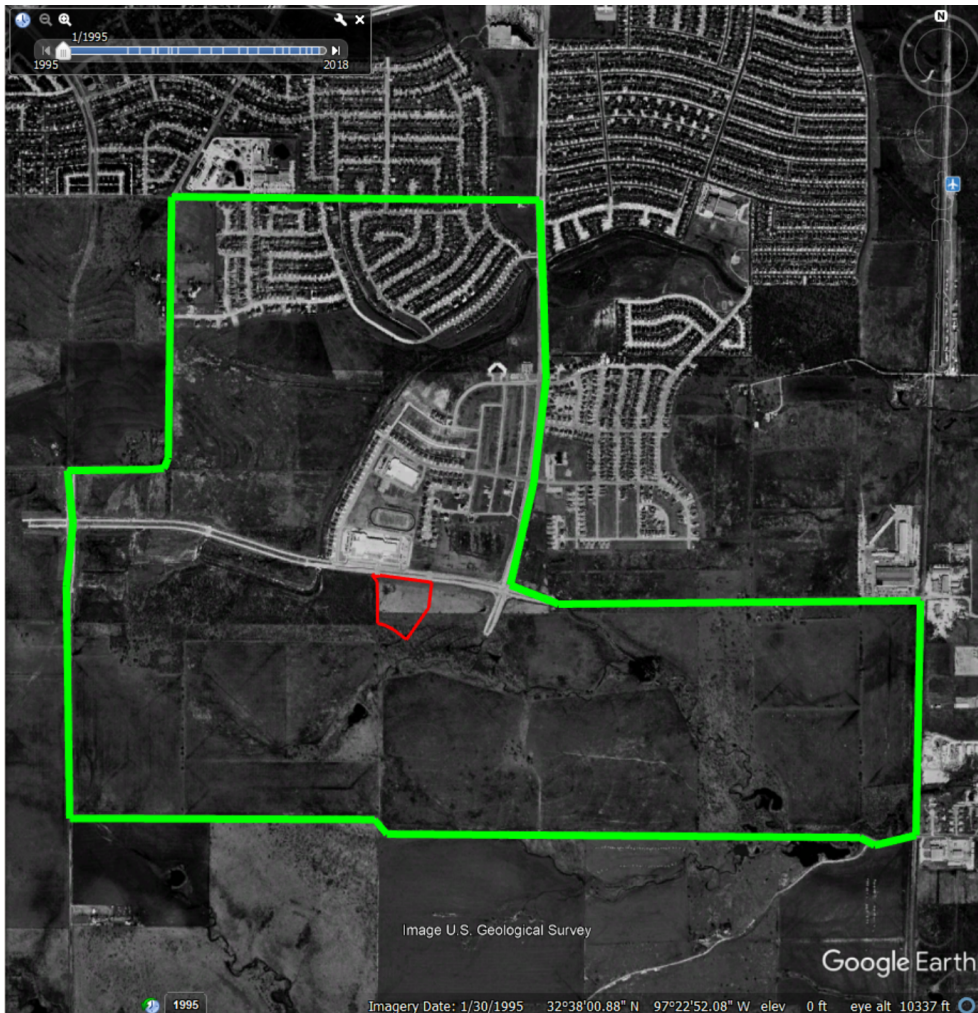
SWC of Risinger Rd and McCart Ave
Fort Worth, Texas

-  Neighborhood
-  Site



25 Years of Transformation

January 30, 1995



November 25, 2018



Southwest Fort Worth
Risinger Neighborhood



Reserve at
Risinger

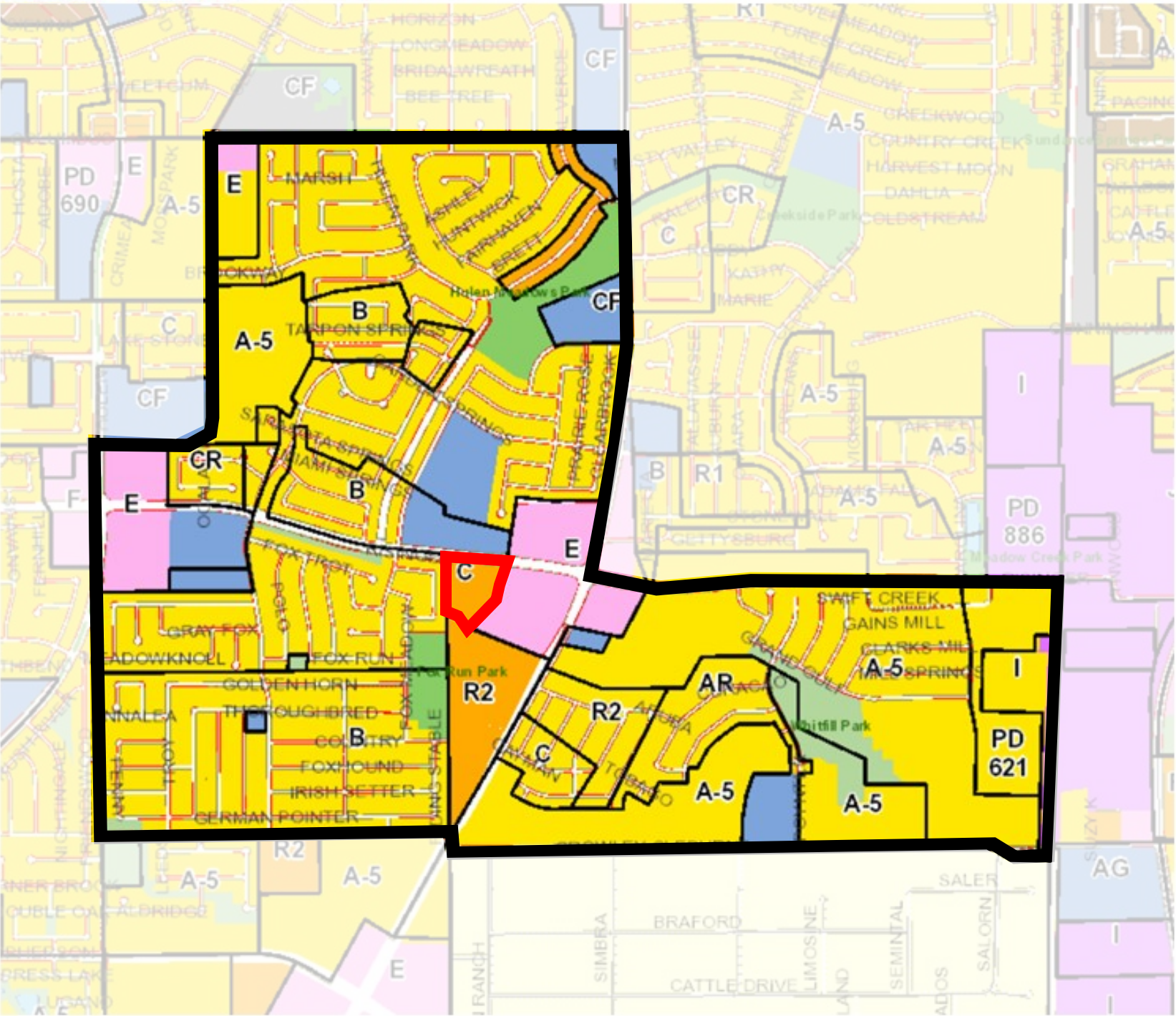
Southwest Fort Worth Risinger Land Use Map



Southwest Fort Worth Risinger Neighborhood



Reserve at Risinger



- Vacant, Undeveloped, Agricultural
- Rural Residential
- Suburban Residential
- Single Family Residential
- Manufactured Housing
- Low Density Residential
- Medium Density Residential
- High Density Residential
- Urban Residential
- Institutional
- Neighborhood Commercial
- General Commercial
- Light Industrial
- Heavy Industrial
- Mixed-Use
- Industrial Growth Center
- Infrastructure
- 100 Year Flood Plain
- Public Park, Recreation, Open Space
- Private Park, Recreation, Open Space
- Lakes and Ponds



DP04

SELECTED HOUSING CHARACTERISTICS

2012-2016 American Community Survey 5-Year Estimates

Note: This is a modified view of the original table.

Supporting documentation on code lists, subject definitions, data accuracy, and statistical testing can be found on the American Community Survey website in the Data and Documentation section.

Sample size and data quality measures (including coverage rates, allocation rates, and response rates) can be found on the American Community Survey website in the Methodology section.

Tell us what you think. Provide feedback to help make American Community Survey data more useful for you.

Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates of the population for the nation, states, counties, cities and towns and estimates of housing units for states and counties.

A processing error was found in the Year Structure Built estimates since data year 2008. For more information, please see the errata note #110.

All 3,022 units are Single Family

279 Households, or almost 44% of renter households are rent-burdened

Subject	Census Tract 1110.11, Tarrant County, Texas	
	Estimate	Percent
HOUSING OCCUPANCY		
Total housing units	3,022	3,022
Occupied housing units	2,902	96.0%
Vacant housing units	120	4.0%
Homeowner vacancy rate	2.4	(X)
Rental vacancy rate	0.0	(X)
UNITS IN STRUCTURE		
Total housing units	3,022	3,022
1-unit, detached	2,888	95.6%
1-unit, attached	134	4.4%
2 units	0	0.0%
3 or 4 units	0	0.0%
5 to 9 units	0	0.0%
10 to 19 units	0	0.0%
20 or more units	0	0.0%
HOUSING TENURE		
Occupied housing units	2,902	2,902
Owner-occupied	2,265	78.0%
Renter-occupied	637	22.0%
GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME (GRAPI)		
Occupied units paying rent (excluding units where GRAPI cannot be computed)	637	637
Less than 15.0 percent	69	10.8%
15.0 to 19.9 percent	202	31.7%
20.0 to 24.9 percent	32	5.0%
25.0 to 29.9 percent	55	8.6%
30.0 to 34.9 percent	43	6.8%
35.0 percent or more	236	37.0%

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see Accuracy of the Data). The effect of nonsampling error is not represented in these tables.

Households not paying cash rent are excluded from the calculation of median gross rent.

Telephone service data are not available for certain geographic areas due to problems with data collection of this question that occurred in 2015 and 2016. Both ACS 1-year and ACS 5-year files were affected. It may take several years in the ACS 5-year files until the estimates are available for the geographic areas affected.

While the 2012-2016 American Community Survey (ACS) data generally reflect the February 2013 Office of Management and Budget (OMB) definitions of metropolitan and micropolitan statistical areas; in certain instances the names, codes, and boundaries of the principal cities shown in ACS tables may differ from the OMB definitions due to differences in the effective dates of the geographic entities.

Estimates of urban and rural population, housing units, and characteristics reflect boundaries of urban areas defined based on Census 2010 data. As a result, data for urban and rural areas from the ACS do not necessarily reflect the results of ongoing urbanization.

Source: U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates

Explanation of Symbols:

1. An '***' entry in the margin of error column indicates that either no sample observations or too few sample observations were available to compute a standard error and thus the margin of error. A statistical test is not appropriate.
2. An '-' entry in the estimate column indicates that either no sample observations or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest interval or upper interval of an open-ended distribution.
3. An '-' following a median estimate means the median falls in the lowest interval of an open-ended distribution.
4. An '+' following a median estimate means the median falls in the upper interval of an open-ended distribution.
5. An '****' entry in the margin of error column indicates that the median falls in the lowest interval or upper interval of an open-ended distribution. A statistical test is not appropriate.
6. An '*****' entry in the margin of error column indicates that the estimate is controlled. A statistical test for sampling variability is not appropriate.
7. An 'N' entry in the estimate and margin of error columns indicates that data for this geographic area cannot be displayed because the number of sample cases is too small.
8. An '(X)' means that the estimate is not applicable or not available.

Census Tract containing Reserve at Risinger



Fort Worth, TX (Clear Brook Cir / Clearbrook Cir)
Report date: Monday, October 15, 2018

FORT WORTH, TX (CLEAR BROOK CIR / CLEARBROOK CIR) CRIME

67 Vital Statistics. 0 Condition Alerts found.

NEIGHBORHOOD CRIME DATA

TOTAL CRIME INDEX

41

(100 is safest)

Safer than 41% of U.S. neighborhoods.

NEIGHBORHOOD ANNUAL CRIMES			
	VIOLENT	PROPERTY	TOTAL
Number of Crimes	40	229	269
Crime Rate (per 1,000 residents)	4.37	25.01	29.38

NEIGHBORHOOD VIOLENT CRIME

VIOLENT CRIME INDEX

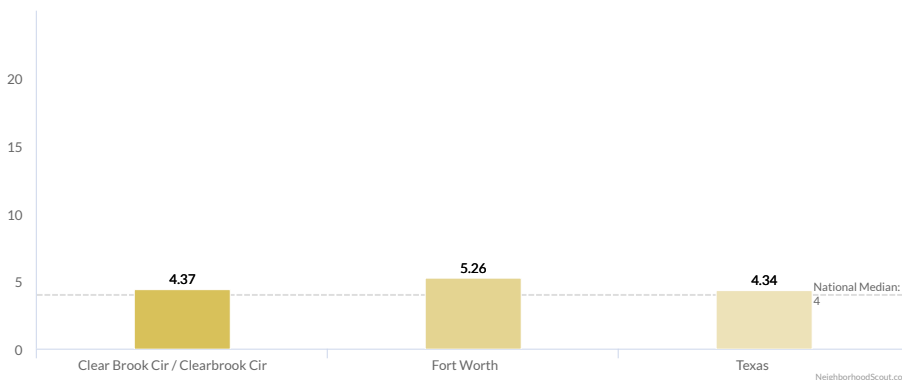
32

(100 is safest)

Safer than 32% of U.S. neighborhoods.

VIOLENT CRIME INDEX BY TYPE			
MURDER INDEX	RAPE INDEX	ROBBERY INDEX	ASSAULT INDEX
31	32	32	34
<small>100 is safest</small>	<small>100 is safest</small>	<small>100 is safest</small>	<small>100 is safest</small>

VIOLENT CRIME COMPARISON (PER 1,000 RESIDENTS)



MY CHANCES OF BECOMING A VICTIM OF A VIOLENT CRIME		
1 IN 229	1 IN 190	1 IN 230
in Clear Brook Cir / Clearbrook Cir	in Fort Worth	in Texas

Census Tract within 500 feet of Reserve at Risinger



Fort Worth, TX (Misty Valley Dr / Mccart Ave)
Report date: Wednesday, December 12, 2018

FORT WORTH, TX (MISTY VALLEY DR / MCCART AVE) CRIME

67 Vital Statistics. 0 Condition Alerts found.

NEIGHBORHOOD CRIME DATA

TOTAL CRIME INDEX

37

(100 is safest)

Safer than 37% of U.S. neighborhoods.

NEIGHBORHOOD ANNUAL CRIMES			
	VIOLENT	PROPERTY	TOTAL
Number of Crimes	42	221	263
Crime Rate (per 1,000 residents)	5.10	26.84	31.94

NEIGHBORHOOD VIOLENT CRIME

VIOLENT CRIME INDEX

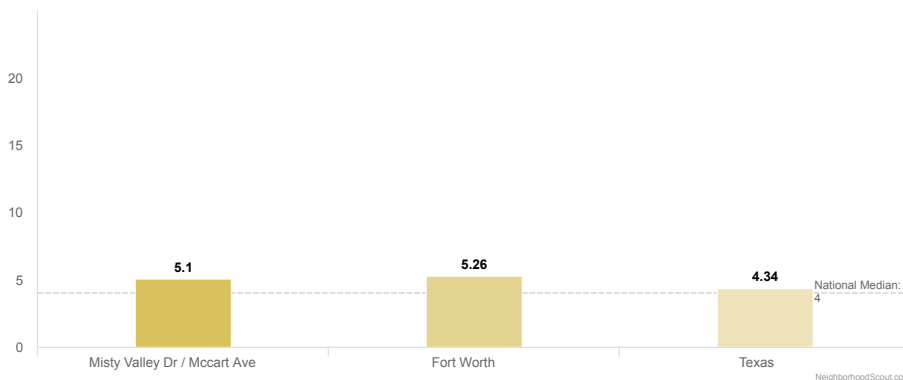
28

(100 is safest)

Safer than 28% of U.S. neighborhoods.

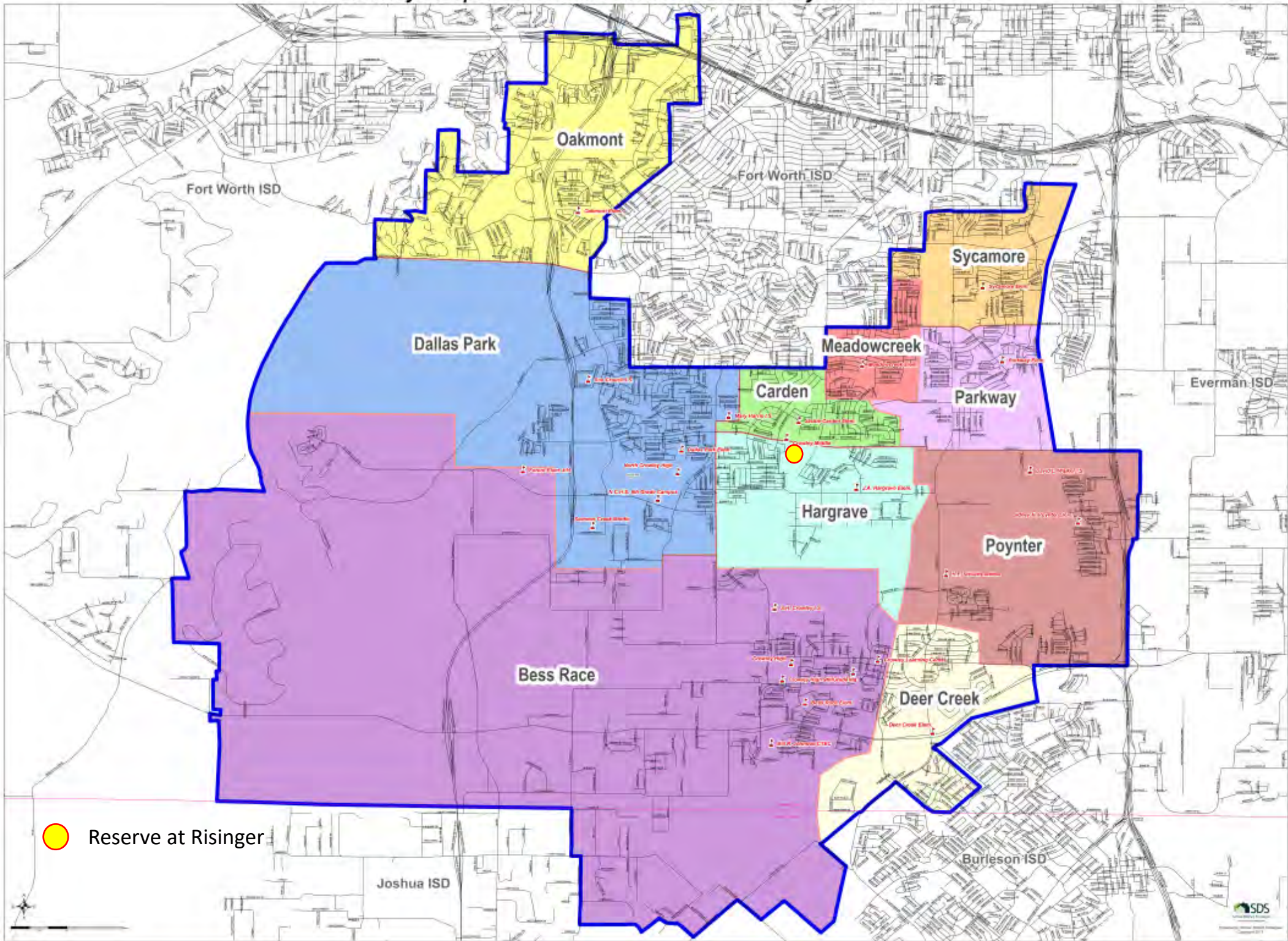
VIOLENT CRIME INDEX BY TYPE			
MURDER INDEX	RAPE INDEX	ROBBERY INDEX	ASSAULT INDEX
25	37	21	32
100 is safest	100 is safest	100 is safest	100 is safest

VIOLENT CRIME COMPARISON (PER 1,000 RESIDENTS)



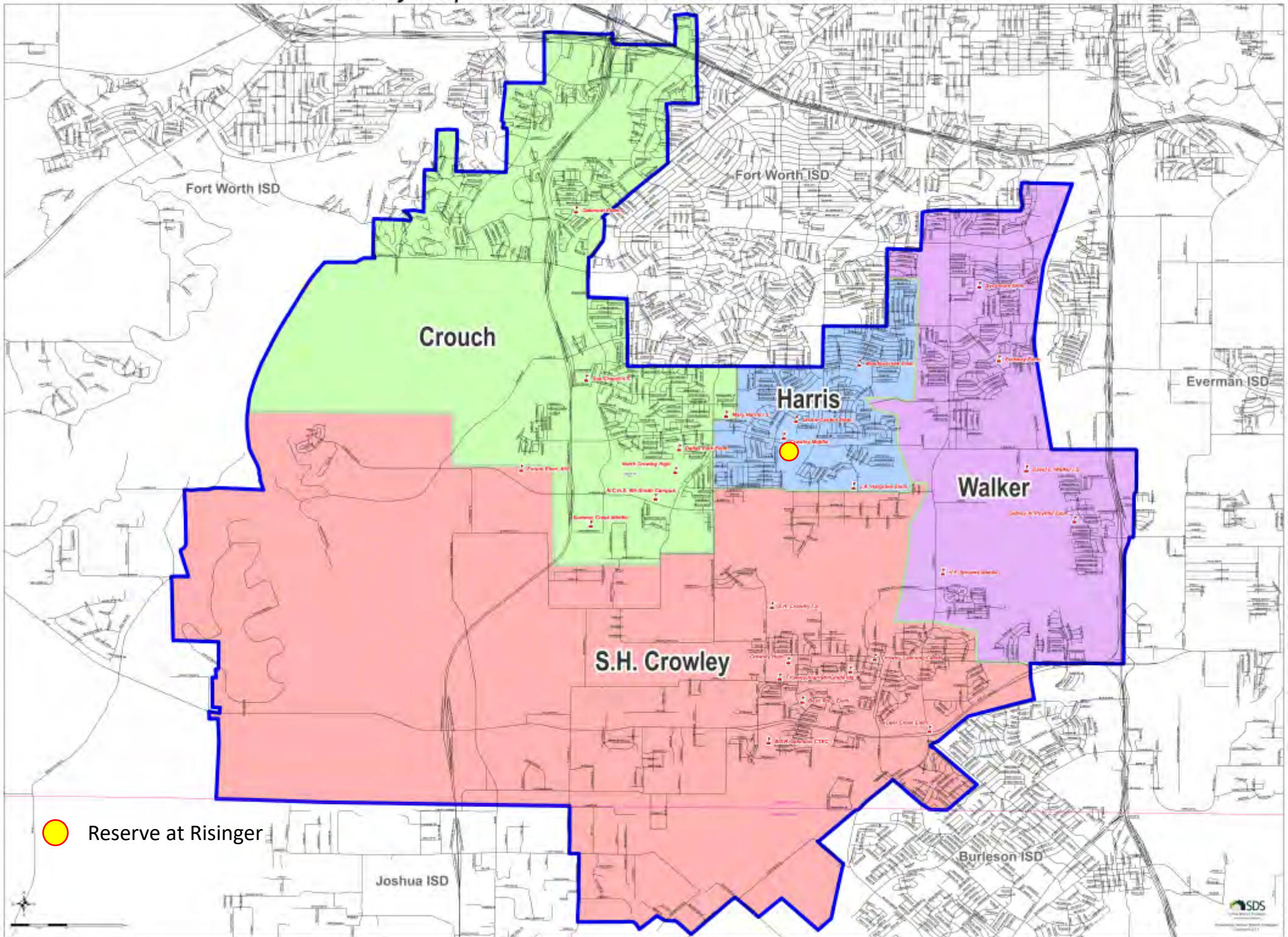
MY CHANCES OF BECOMING A VICTIM OF A VIOLENT CRIME		
1 IN 196 in Misty Valley Dr / Mccart Ave	1 IN 190 in Fort Worth	1 IN 230 in Texas

Crowley Independent School District - Elementary Attendance Zones



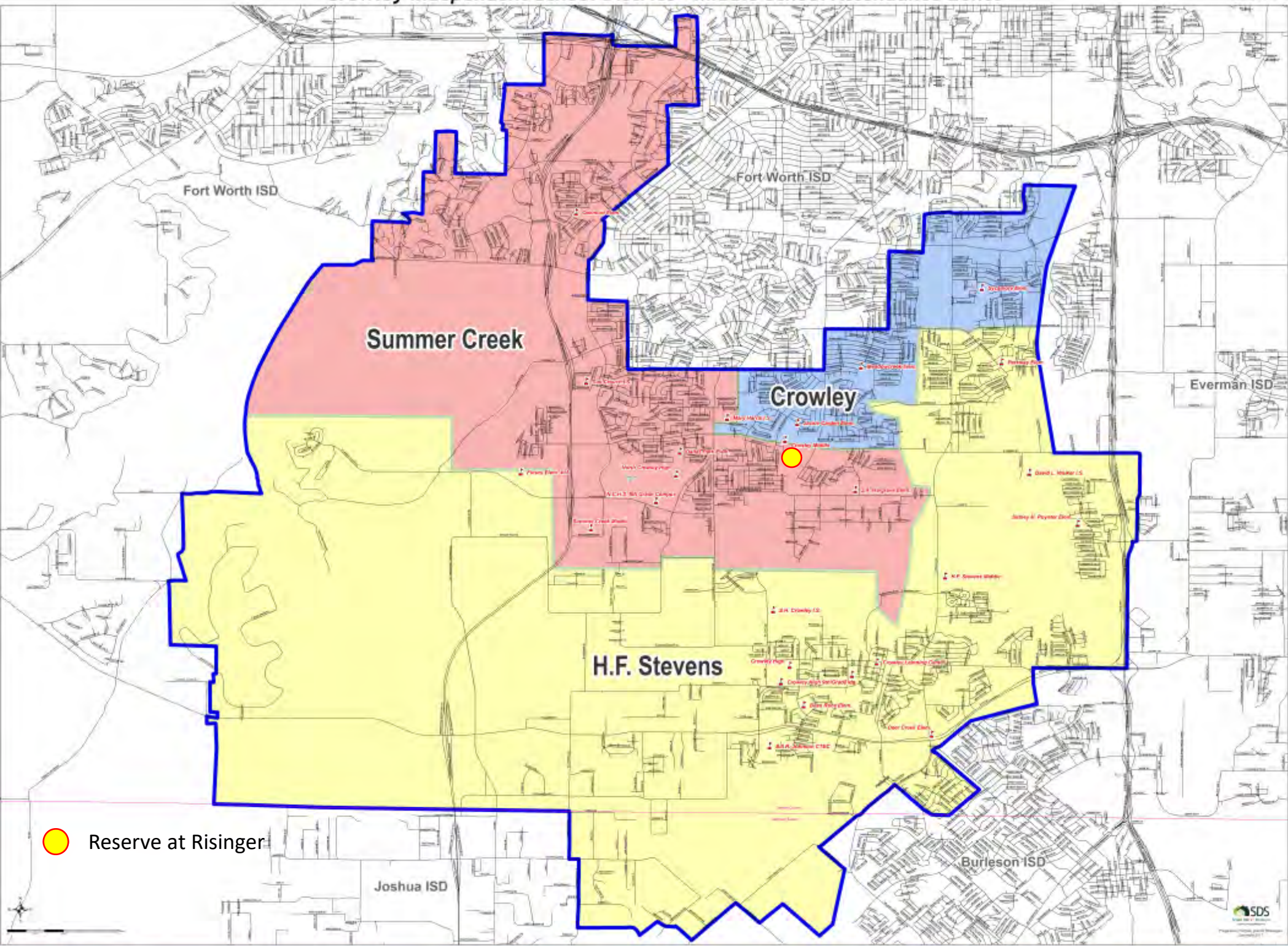
● Reserve at Risinger


Crowley Independent School District - Intermediate Attendance Zones



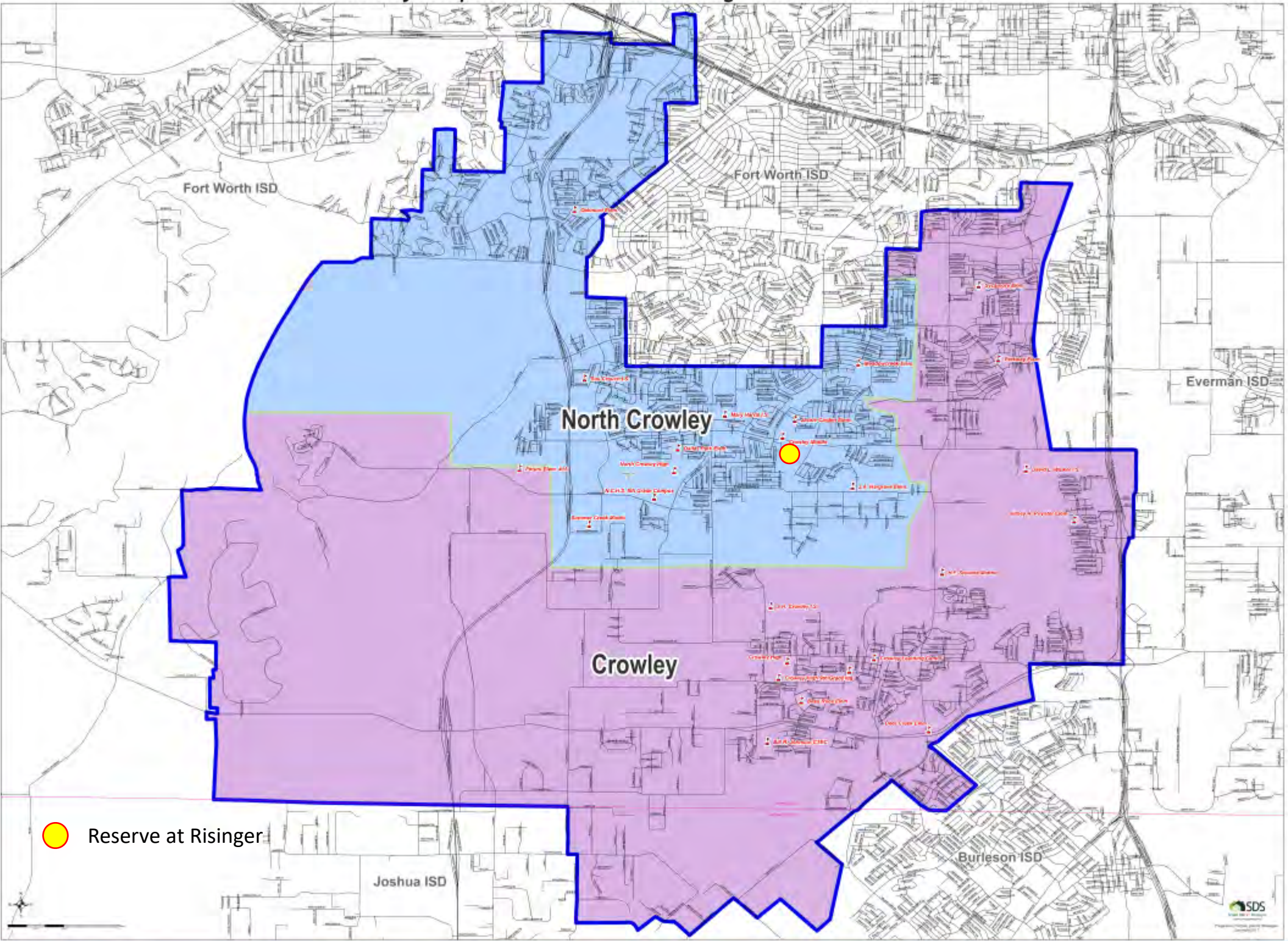
Reserve at Risinger

Crowley Independent School District - Middle School Attendance Zones



 Reserve at Risinger

Crowley Independent School District - High School Attendance Zones



Fort Worth ISD

Fort Worth ISD

Everman ISD

North Crowley

Crowley

Burleson ISD

Joshua ISD

● Reserve at Risinger



CROWLEY
INDEPENDENT SCHOOL DISTRICT

512 Peach Street
Crowley, TX 76036-0688
817-297-5800
www.crowleyisdtx.org

February 20, 2019

Marni Holloway
Director of Multifamily Finance
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701

Re: J A Hargrave Elementary School Academic Performance and Improvement Efforts
For 19227 Reserve at Risinger in Fort Worth, Texas

Dear Ms. Holloway,

I am writing on behalf of Crowley Independent School District to inform the Texas Department of Housing and Community Affairs of recent and ongoing initiatives that we are pursuing to provide students at J A Hargrave Elementary School with an exemplary education and to ensure that the campus will receive a 'Met Standard' rating by the time the Reserve at Risinger development is placed in service. The School District's primary approach at improving performance at Hargrave involves its Campus Turnaround Plan, which identifies goals that are well on their way to being accomplished. This letter, along with documentation that we have provided, should provide you with clarity on the innovative initiatives that the District is already employing to spearhead an improvement in educational opportunities and academic performance for students living within the boundaries of our outstanding school district.

J. A. Hargrave Elementary opened their doors in 2002 in the CISD district. Located in Fort Worth and it serves residents of Crowley and Fort Worth. J.A. Hargrave Elementary has a system in place to support a weekly Professional Learning Community led by the administration team of principal Kimberly Sherfield and Assistant Principal Amber Gillihan who have a total of 27 years' experience behind them.

Though from 2013 through 2015 Hargrave Elementary School received a 'Met Standard' rating from the Texas Education Agency, in recent years the campus has only met TEA standards on only about half of the agency's Performance Indexes. Per TEA mandates, administration at the campus and district level have implemented a Turnaround Plan to improve student achievement. The Plan outlines short-term, intermediate, and long-term actions as they relate to 1) Processes and Procedures, 2) Organizational Structure, 3) Capacity and Resources, and 4) Communications. The District outlines the following overall Turnaround Strategy in the beginning of the plan:



CROWLEY
INDEPENDENT SCHOOL DISTRICT

512 Peach Street
Crowley, TX 76036-0688
817-297-5800
www.crowleyisdtx.org

Of the 26 short-, intermediate, and long-term actions that the campus administrative team has identified in the Turnaround Plan, the campus is on track to meet its annual goal on 20 actions. The ISD will be implementing the remaining 6 strategies in the very near future.

"Additionally Crowley ISD is creating partnerships to impel meaningful change. J.A. Hargrave Elementary School will take a school-wide approach in partnering with "Commit! Our Kids. Our Tomorrow" Through the Accelerating Campus Excellence (ACE) initiative. The ACE Program, which was first pioneered in DALLAS ISD, has been tremendously successful. By using a model that includes effective Principals and Teachers, Instructional Excellence, Extended Learning, Social-Emotional Support along with Parent & Community Support. The System of Great Schools is a strategy that empowers schools with autonomy and families with options. The goal is a district with a clear picture of school performance, lots of great schools, and no barriers to access. Using culturally relevant teaching practices that help educators build relationships, hold high expectations, empower leadership, engender self-advocacy, and build on assets of learning. Jointly, these partnerships help foster a learning environment that is safe and empowering for students that will lead to academic success."

Ultimately, Crowley Independent School District and J.A. Hargrave's Administration team are confident that through the various initiatives outlined above, elementary school-aged children living at the proposed Reserve at Risinger will definitely be able to receive an exemplary education and will academically perform well above the standards established by the Texas Education Agency. At Crowley Independent School District, our mission is to provide our students with excellence in education so that all students achieve their full potential. We believe that we have the passionate faculty and staff, the financial resources, the clear objectives, and the blueprint with a proven track record of success across the country necessary to fulfill that mission for students that will attend J A Hargrave Elementary.

Should you have any additional questions or concerns, please do not hesitate to contact me by phone at (817) 297-5800 or via email at connie.isabell@crowley.k12.tx.us. Thank you for your consideration.

Sincerely,

Connie Isabell, M.A.
Deputy Superintendent of School Improvement,
Crowley Independent School District
512 Peach Street
Crowley, TX 76036

TEXAS EDUCATION AGENCY
2013 Accountability Summary
J A HARGRAVE EL (220912109) - CROWLEY ISD

Accountability Rating

Met Standard

Met Standards on	Did Not Meet Standards on
<ul style="list-style-type: none"> - Student Achievement - Student Progress - Closing Performance Gaps 	<ul style="list-style-type: none"> - NONE

Distinction Designation

Academic Achievement in Reading/ELA

Percent of Eligible Measures in Top Quartile
1 out of 4 = 25%

NO DISTINCTION EARNED

Academic Achievement in Mathematics

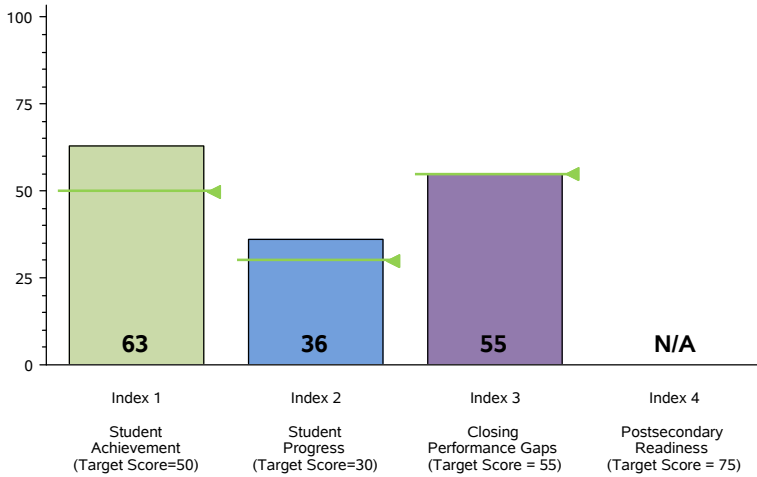
Percent of Eligible Measures in Top Quartile
1 out of 2 = 50%

NO DISTINCTION EARNED

Top 25 Percent Student Progress

NO DISTINCTION EARNED

Performance Index Report



Campus Demographics

Campus Type	Elementary
Campus Size	544 Students
Grade Span	EE - 04
Percent Economically Disadvantaged	67.5%
Percent English Language Learners	16.7%
Mobility Rate	17.2%

Performance Index Summary

Index	Points Earned	Maximum Points	Index Score
1 - Student Achievement	280	447	63
2 - Student Progress	291	800	36
3 - Closing Performance Gaps	331	600	55
4 - Postsecondary Readiness	N/A	N/A	N/A

System Safeguards

Number and Percent of Indicators Met

Performance Rates	11 out of 12 = 92%
Participation Rates	14 out of 14 = 100%
Graduation Rates	N/A
Total	25 out of 26 = 96%

For further information about this report, please see the Performance Reporting Division web site at <http://ritter.tea.state.tx.us/perfreport/account/2013/index.html>

TEXAS EDUCATION AGENCY
2014 Accountability Summary
J A HARGRAVE EL (220912109) - CROWLEY ISD

Accountability Rating

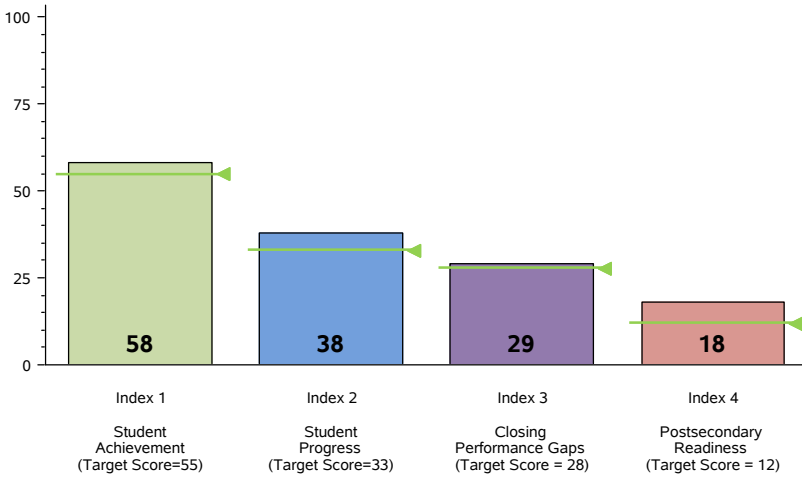
Met Standard

Distinction Designation

Met Standards on	Did Not Meet Standards on
<ul style="list-style-type: none"> - Student Achievement - Student Progress - Closing Performance Gaps - Postsecondary Readiness 	<ul style="list-style-type: none"> - NONE

Academic Achievement in Reading/ELA
NO DISTINCTION EARNED
Academic Achievement in Mathematics
NO DISTINCTION EARNED
Academic Achievement in Science
NOT ELIGIBLE
Academic Achievement in Social Studies
NOT ELIGIBLE
Top 25 Percent Student Progress
NO DISTINCTION EARNED
Top 25 Percent Closing Performance Gaps
NO DISTINCTION EARNED
Postsecondary Readiness
NO DISTINCTION EARNED

Performance Index Report



Campus Demographics

Campus Type	Elementary
Campus Size	549 Students
Grade Span	EE - 04
Percent Economically Disadvantaged	67.0%
Percent English Language Learners	18.2%
Mobility Rate	19.1%

Performance Index Summary

Index	Points Earned	Maximum Points	Index Score
1 - Student Achievement	289	496	58
2 - Student Progress	610	1,600	38
3 - Closing Performance Gaps	343	1,200	29
4 - Postsecondary Readiness			
STAAR Score	18.3		
Graduation Rate Score	N/A		
Graduation Plan Score	N/A		
Postsecondary Indicator Score	N/A		18

System Safeguards

Number and Percent of Indicators Met

Performance Rates	9 out of 14 = 64%
Participation Rates	10 out of 10 = 100%
Graduation Rates	N/A
Total	19 out of 24 = 79%

For further information about this report, please see the Performance Reporting Division web site at <http://ritter.tea.state.tx.us/perfreport/account/2014/index.html>

TEXAS EDUCATION AGENCY
2015 Accountability Summary
J A HARGRAVE EL (220912109) - CROWLEY ISD

Accountability Rating

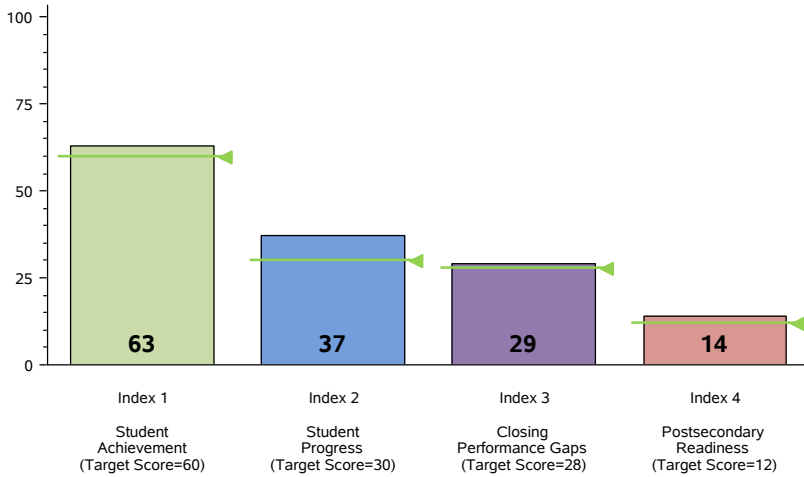
Met Standard

Met Standards on - Student Achievement - Student Progress - Closing Performance Gaps - Postsecondary Readiness	Did Not Meet Standards on - NONE
In 2015, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4.	

Distinction Designation

Academic Achievement in Reading/ELA NO DISTINCTION EARNED
Academic Achievement in Mathematics NOT ELIGIBLE
Academic Achievement in Science NOT ELIGIBLE
Academic Achievement in Social Studies NOT ELIGIBLE
Top 25 Percent Student Progress NO DISTINCTION EARNED
Top 25 Percent Closing Performance Gaps NO DISTINCTION EARNED
Postsecondary Readiness NO DISTINCTION EARNED

Performance Index Report



Campus Demographics

Campus Type	Elementary
Campus Size	530 Students
Grade Span	EE - 04
Percent Economically Disadvantaged	69.8
Percent English Language Learners	15.5
Mobility Rate	17.5

Performance Index Summary

Index	Points Earned	Maximum Points	Index Score
1 - Student Achievement	167	267	63
2 - Student Progress	294	800	37
3 - Closing Performance Gaps	230	800	29
4 - Postsecondary Readiness			
STAAR Score	14.0		
Graduation Rate Score	N/A		
Graduation Plan Score	N/A		
Postsecondary Component Score	N/A		14

State System Safeguards

Number and Percent of Indicators Met

Performance Rates	4 out of 9 = 44%
Participation Rates	5 out of 5 = 100%
Graduation Rates	N/A
Total	9 out of 14 = 64%

For further information about this report, please see the Performance Reporting Division website at <http://ritter.tea.state.tx.us/perfreport/account/2015/index.html>

TEXAS EDUCATION AGENCY

2016 Accountability Summary

J A HARGRAVE EL (220912109) - CROWLEY ISD

Accountability Rating

Improvement Required

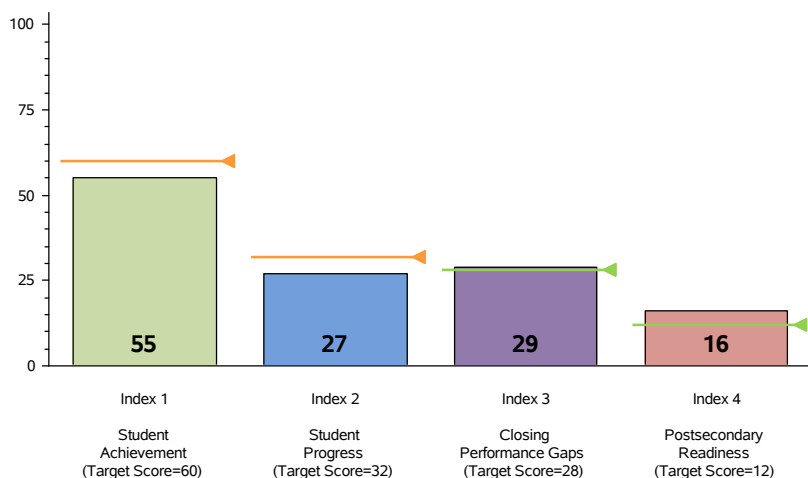
Met Standards on	Did Not Meet Standards on
- Closing Performance Gaps	- Student Achievement
- Postsecondary Readiness	- Student Progress

In 2016, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4.

Distinction Designation

Academic Achievement in ELA/Reading
NO DISTINCTION EARNED
Academic Achievement in Mathematics
NO DISTINCTION EARNED
Academic Achievement in Science
NOT ELIGIBLE
Academic Achievement in Social Studies
NOT ELIGIBLE
Top 25 Percent Student Progress
NO DISTINCTION EARNED
Top 25 Percent Closing Performance Gaps
NO DISTINCTION EARNED
Postsecondary Readiness
NO DISTINCTION EARNED

Performance Index Report



Campus Demographics

Campus Type	Elementary
Campus Size	525 Students
Grade Span	EE - 04
Percent Economically Disadvantaged	67.6
Percent English Language Learners	13.5
Mobility Rate	21.3

Performance Index Summary

Index	Points Earned	Maximum Points	Index Score
1 - Student Achievement	242	437	55
2 - Student Progress	217	800	27
3 - Closing Performance Gaps	346	1,200	29
4 - Postsecondary Readiness			
STAAR Score	16.3		
Graduation Rate Score	N/A		
Graduation Plan Score	N/A		
Postsecondary Component Score	N/A		16

System Safeguards

Number and Percentage of Indicators Met	
Performance Rates	1 out of 14 = 7%
Participation Rates	10 out of 10 = 100%
Graduation Rates	N/A
Total	11 out of 24 = 46%

For further information about this report, please see the Performance Reporting Division website at <https://rptsrv1.tea.texas.gov/perfreport/account/2016/index.html>

TEXAS EDUCATION AGENCY
2017 Accountability Summary
 J A HARGRAVE EL (220912109) - CROWLEY ISD

Accountability Rating

Improvement Required

Met Standards on

- Student Progress
- Postsecondary Readiness

Did Not Meet Standards on

- Student Achievement
- Closing Performance Gaps

In 2017, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4.

Distinction Designation

Academic Achievement in ELA/Reading

NO DISTINCTION EARNED

Academic Achievement in Mathematics

NO DISTINCTION EARNED

Academic Achievement in Science

NOT ELIGIBLE

Academic Achievement in Social Studies

NOT ELIGIBLE

Top 25 Percent Student Progress

NO DISTINCTION EARNED

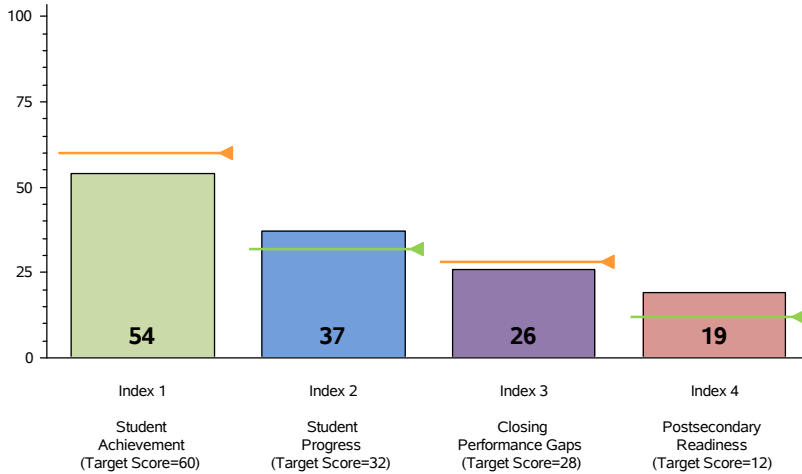
Top 25 Percent Closing Performance Gaps

NO DISTINCTION EARNED

Postsecondary Readiness

NO DISTINCTION EARNED

Performance Index Report



Campus Demographics

Campus Type	Elementary
Campus Size	585 Students
Grade Span	EE - 04
Percent Economically Disadvantaged	67.4
Percent English Language Learners	14.0
Mobility Rate	24.7
Percent Served by Special Education	9.6
Percent Enrolled in an Early College High School Program	0.0

Performance Index Summary

Index	Points Earned	Maximum Points	Index Score
1 - Student Achievement	258	475	54
2 - Student Progress	298	800	37
3 - Closing Performance Gaps	307	1,200	26
4 - Postsecondary Readiness			
STAAR Score	19.3		
Graduation Rate Score	N/A		
Graduation Plan Score	N/A		
Postsecondary Component Score	N/A		19

System Safeguards

Number and Percentage of Indicators Met

Performance Rates	4 out of 14 = 29%
Participation Rates	10 out of 10 = 100%
Graduation Rates	N/A
Total	14 out of 24 = 58%

For further information about this report, please see the Performance Reporting website at <https://rptsvr1.tea.texas.gov/perfreport/account/2017/index.html>

Texas Education Agency
2018 Accountability Ratings Overall Summary
J A HARGRAVE EL (220912109) - CROWLEY ISD

	Component Score	Scaled Score	Rating
Overall		58	Improvement Required
Student Achievement		56	Improvement Required
STAAR Performance	30	56	
College, Career and Military Readiness			
Graduation Rate			
School Progress		58	Improvement Required
Academic Growth	61	58	Improvement Required
Relative Performance (Eco Dis: 68.1%)	30	54	Improvement Required
Closing the Gaps	21	58	Improvement Required

Distinction Designations

ELA/Reading	Not Earned
Mathematics	Not Earned
Science	Not Eligible
Social Studies	Not Eligible
Comparative Academic Growth	Not Earned
Postsecondary Readiness	Not Earned
Comparative Closing the Gaps	Not Earned

Campus Turnaround Plan

District Name:	Crowley ISD	County-District Campus Number (CDCN):	109
Campus Name:	J.A. Hargrave Elementary	Grades Served:	Pre-K-4

Stakeholders Responsible for Campus Turnaround Plan Development:

Name:	Role:
Kimberly Sherfield	Principal
Amber Gillihan	Assistant Principal
Jana Godkin	Instructional Specialist
Charmain Campbell	Instructional Coach
Vicki Harper	PSP

Campus Administrative Team

Please complete the following information for all members of the campus administrative team (including principal, principal's supervisor, assistant principals, any campus-embedded instructional coaches, and any other administrative staff responsible for the implementation of the plan presented here.

Name:	Current Role:
Kimberly Sherfield	Principal
Amber Gillihan	Assistant Principal
Jana Godkin	Instructional Specialist
Charmaine Campbell	Instructional Coach

Historical Narrative and Campus Vision

Include a historical narrative that succinctly describes the history of the campus that has led to under performance. Use the problem statements identified during the systemic data analysis to frame the narrative. Do not exceed 3000 characters.

J.A. Hargrave has failed to make adequate progress on the STAAR Assessments for the past two years. The data according to TEA's TARP 2017 report is found in the chart below.

	2015-2016	2016-2017
Reading	61%	55%
Writing	51%	47%
Math	52 %	59%

The campus met Indexes 3 and 4 in 2015-2016 and in 2016-2017 the campus met indices 2 and 4 unfortunately index 3 was missed by 2 points. A new principal was assigned in February of 2017, the campus was already identified as a Year 1 Improvement Required campus. There was a new Assistant Principal assigned at the start of the 2016-2017 school year. Overall, there has been 5 Principals assigned to the campus and at least 6 Assistant Principals since the campus has opened. In 2016-2017, 11 teachers were new to the campus and 6 of them were new to the teaching profession. In addition, 6 teachers were reassigned to a new grade level and/or content area. At the time, there was a Reading Specialist that focused upon the campus ELAR instruction and a growing Dyslexia population. She was a teacher that was promoted from within the campus and she served five years in the position. The Instructional math specialist was in her first year in the position and she was also a teacher that was promoted from within the campus. Currently, the Instructional math specialist is in her 2nd year. Prior to the start of the 2017-1018 school year, a new Instructional coach was hired, she is serving in her first year in this role. The significant personnel changes over the course of several years has resulted in inconsistency in quality instruction and damaged the climate and culture of the campus.

Include the campus vision.

As a campus, this initiative will be instrumental in the revitalization of a new campus vision: To embrace change to create lifelong scholars in a collaborative and growth mindset learning community.

Needs Summary and Turnaround Plan

Systemic Root Cause(s): Describe the systemic root cause that has led to low student performance.

J.A. Hargrave is located in Fort Worth and serve residents of Crowley and Fort Worth. The mobility rate of our students on our campus has been an average of 20% over the last 3-4 years. Over the past 3-4 years there has also been an increase of staff mobility. The campus has been impacted by changes in leadership as well. There has been 5 Principals in the past 14 years. The current principal was placed on campus in late January of 2017. She is in her 11th year of Administration. During her Administrative career she has been a Principal of 2 Improvement required campuses in which both schools met their Accountability target. The school serves a 58% Economically disadvantaged population, in which and base upon on our needs assessment our African Americans and Economically disadvantaged population have not made consistent progress to narrow the Achievement gap.

As a result of the changes over the years, there is a trend of inconsistent high quality Instruction that meets the needs of the current population of students. In addition, the bilingual population continues to grow. Therefore, we know there is a need for more listening, speaking, and writing campus wide. We currently have a Pre-K/K bridge and 1st/2nd grade bridge. Overall, the student enrollment has decreased from the 2016-2017 school year. According to STAAR data, there is an overall achievement gap across 3rd and 4th in reading and math between the White Student group compared to the African American, Hispanic, Economically Disadvantage, Limited English Proficient (LEP), At Risk, and Special Education Student Groups.

Turnaround Strategy: *Describe your approach to resolve the systemic root cause and improve student outcomes.*

The Turnaround initiative will focus on strengthening systems on the campus that will improve instructional delivery, increase student engagement and shift to a growth mindset with our staff and students. We will develop a lesson plan framework that will encompass high impact instructional strategies to assist teachers with ensuring academic success for all students. In order to impel meaningful change, J.A. Hargrave Elementary School will take a school-wide approach to implement AVID. At the core of AVID's mission is the belief that all students can successfully achieve when they are held to high expectations and properly supported. Throughout the AVID curriculum there are culturally relevant teaching practices that help educators build relationships, hold high expectations, empower leadership, engender self-advocacy, and build on assets of learning. Jointly, these practices help foster a learning environment that is safe and empowering for students that will lead to academic success. In addition, the campus will incorporate components of project-based learning. Research shows that a well-designed project based learning design will result in deeper learning competencies and more engaged self-directed learners. This approach will energize all of the staff and students by engaging them in real world applications, interdisciplinary problem based learning that will transform the campus culture. To achieve this goal, the campus will change the systems and structures that will ensure campus wide implementation of a new methodology for teaching. The primary instructional processes that will change teaching are: 1) professional development in high impact instructional strategies 2) collaborative planning for a new instructional framework in Professional Learning Communities and 3) an observation and feedback/coaching model that is designed to encourage continuous improvement. This approach will include clear expectations and robust monitoring of instructional delivery. We believe that an intentional focus upon these learning tasks, will strengthen instruction to sustain high levels of learning across the campus. As a true AVID campus the teachers will be required to receive on-going support and training to effectively implement the AVID strategies. There will be external support in place to conduct these training sessions. Throughout this process we will work to engage students, parents and community members to join us in this amazing learning adventure.

Outcome: *Describe how the turnaround strategy will help the campus achieve its vision.*

The Turnaround initiative will be a blueprint for developing critical thinkers and infuse authentic engagement across our campus. In addition, we will address the concern of high teacher mobility by providing the adequate instructional support. It is imperative that we build teacher capacity to retain effective teachers. Therefore, the targeted professional development, coaching cycle, collaborative planning and a robust monitoring system, teachers will increase their instructional capacity to design and deliver effective and engaging lessons to improve student achievement. This process will also provide a common language for the instructional systems on our campus. In addition, We believe that the effective implementation of this initiative will improve the climate of the school and culture by shifting the mindset of our staff to believe all kids can learn.

Annual Goals: *to be completed upon receipt of 2018 preliminary rating*

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Processes/Procedures: *What processes, procedures, and policies are needed to ensure that the turnaround initiative will be implemented effectively?*

The process will begin with setting up our planning systems to support effective lesson planning, data analysis, and effective collaboration. This will involve modifying our Lesson plan structure to ensure that teachers consistently incorporate high impact strategies in their daily instruction. Once the framework is adjusted, we will proceed with high quality professional development that will support the effective implementation of AVID strategies and Project- based learning. The instructional leaders on campus, in conjunction with members of the District level curriculum team, will provide the following processes related to the initiative for improving teacher instructional capacity:

- Develop processes for increasing teacher capacity in development of highly engaging learning experiences which are aligned with the tested curriculum
- Outline and implement a coaching cycle to promote teacher growth and transference of effective AVID instruction/Project Based activities to their classroom
- Develop a professional development plan to demonstrate how to embed AVID learning experiences within the curriculum
- Train and assist in creating meaningful family and community engagement activities
- Revised instructional processes for collaborative planning within PLCs and including protocols for: framework for lesson design and inquiry, creating and analyzing assessments, and observation and feedback will be completed to ensure that actions related to these processes are clearly delineated
- Ongoing training for administrators and instructional specialist to enhance their skill sets to guide the instructional processes
- Align campus coaching cycle with a more robust coaching process
- Involvement of key stakeholders in reviewing the initiative's key actions and impact on student achievement

Only the following columns need to be completed prior to being ordered to implement the turnaround plan: Activity, Timeline, Person(s) Responsible.

Processes and Procedures Implementation	Activity (Actions/Processes)	Timeline	Person(s) Responsible	Resources	Expected Outcomes (Goal/Target)	Results (Outcomes/Data)	Status	Next Steps
Short-Term: (training, acquisition of new skills)	All classroom teachers will be provided staff development on the components the Writer's Workshop model. In addition, they will be trained to effectively incorporate revising and editing student expectations.	August 14, 2017- September 25, 2017		Outside Consultant Empowering Writers Lucy Calkins Bernabi writing materials Serravallo writing materials	The goal is for all grade levels to show evidence of implementation of the Writer's Workshop as evidenced through bi-weekly writing samples.	100% of classroom teachers were trained on the Writer's Workshop model.	On track to meet the annual goal	Continue the Implementation of Writer's Workshop school-wide for all ELAR teachers.
	The 3rd and 4th Grade ELAR teachers will have an understanding of planning by design to implement the units of study with fidelity throughout the year.	September 18, 2017- September 19, 2017.	Instructional Coaches Principal Assistant Principal Literacy Consultant Region XI Consultants	Curriculum Guide Lucy Calkins model Grammar Talks Bernabi writing materials Serravallo writing materials	The teachers will had detailed Lesson plans that are aligned with STAAR expectations. In addition, teachers are actively using progress monitoring tools to provide differentiated instruction to ensure mastery of TEKS for all students.	The teachers will know how to dissect student expectations and be intentional about their learning tasks.	On track to meet the annual goal	Continue the implementation of Units of study by all third and fourth grade ELAR teachers.
	All classroom teachers will be provided staff development on the Writing Calibration rating process to ensure writing reliability throughout the campus to ensure consistency in the rating. There will be Bi-weekly composition checks.	4-Oct-17		4th Grade Writing Teacher Writing Rubric Sample writings of various levels TEA	The teachers will had detailed Lesson plans that are aligned with STAAR expectations. In addition, teachers are actively using progress monitoring tools to provide differentiated instruction to ensure mastery of TEKS for all students.	100% of classroom teachers were trained on the calibration of writing samples.	On track to meet the annual goal	Implementation of the revised writing plan including the calibration of writing samples with an extended audience.
	All classroom teachers will be provided staff development on the interactive word walls and how to increase the amount of words used per grade level.	August 14, 2017 - September 13, 2017	Consultant/Lucy Calkins Units of study	4th Grade Writing Teachers Writing Rubric Sample writings of various levels TEA	All classroom teachers will be competent in scoring a writing sample using the TEA rubric.	Active use of the word walls in all classrooms.	On track to meet the annual goal	Monitor the use of the Word walls.
	The Literacy Coach will review and approve structured weekly homework to include targeted spiraled skills related to 4.15 C, D, and E.	October 4- May 13	Instructional Coaches Principal	Empowering Writers/Grammar Keepers/Mentoring minds	Our 3rd and 4th grade teachers will be consistent with spiraling in the low TEKS in weekly homework assignments.	100% of all 3rd and 4th grade ELAR teachers will be trained in a various Grammar learning tasks to help them deliver quality instruction.	On track to meet the annual goal	Provide additional materials to aid in the distribution of the weekly spiraled homework assignments.

Intermediate: (Implementation)	Teachers will incorporate writing journals in Social Studies and Science to support Expository writing.	October 4- May 13		Journals/Quick writes	Our 3rd and 4th grade Social studies and Science teachers will monitor the validity of the weekly writing.	There will be evidence that the Expository writing compositions are improving across the grade level.	Significant Progress, behind schedule	Continue to train the Social studies and science teachers to create or select prompts that are aligned with STAAR and progress monitor.
							Select	
								Select
Long-Term: (Results)	The teachers on our campus will implement Writer's Workshop with fidelity and provide the adequate listening, speaking and writing strategies to develop strong writers.	August 20-17- May 2018	Instructional Specialist/Coach	Outside Consultant Empowering Writers Bernabi writing materials Serravallo writing materials	Our school will utilize the writing process procedures to produce expository compositions that reflect the appropriate grammar and high levels of structure to align with STAAR expectations.	55% of our 4th grade students will meet or exceed the passing standards on the writing STAAR assessment.	Significant Progress, behind schedule	Continue to progress monitor and create focus groups for writing.
							Select	

Processes/Procedures Implementation Status:	Check in date: <enter date>	<Enter Text>
Processes/Procedures Implementation Status:	Check in date: <enter date>	<Enter Text>
Processes/Procedures Implementation Status:	Check in date: <enter date>	<Enter Text>
Processes/Procedures Implementation Status:	Check in date: <enter date>	<Enter Text>

Organizational Structure: *How will you eliminate barriers to improvement, redefine staff roles and responsibilities as necessary, and empower staff to be responsive in support of the turnaround initiative?*

The following structures need to be completed to ensure that the three instructional processes will build teacher capacity (1. Professional development 2. Collaborative planning 3. Coaching, observation and feedback) and will be implemented:

- The leadership team will develop the master calendar to provide sufficient time for the implementation of the instructional processes (weekly collaborative planning, extended planning, data analysis, interventions, professional development and coaching).
- Administration and the Instructional Specialist/coach will create an extensive professional development plan to align the components of AVID/PBL with the campus instructional processes for improving reading/writing, mathematics, and science.
- The leadership team will provide the timelines for the coaching cycle: observations, feedback, demonstrations, co-teaching, etc.
- The leadership team with the assistance of the AVID external support will develop an implementation plan for the development of AVID education on the campus.

Only the following columns need to be completed prior to being ordered to implement the turnaround plan: Activity, Timeline, Person(s) Responsible.

Organizational Structure Implementation	Activity (Actions/Processes)	Timeline	Person(s) Responsible	Resources	Expected Outcomes (Goal/Target)	Results (Outcomes/Data)	Status	Next Steps
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Short-Term: <i>(training, acquisition of new skills)</i>	All classroom teachers will be involved in Math Professional Development to address rigor, alignment to the TEKS, and Engagement.	September 2017- April 2018	Region 11/Instructional Specialist/Principal	Leadered.com/Rigor and Relevance Framework/Marzano resources/Number Talks/TRS	All of the 3rd and 4th Grade Math teachers will be able to design lesson plans that encompass rigorous questions, academic vocabulary, high yield strategies and opportunities to reteach.	The weekly lesson plans will reflect high yield strategies.	On track to meet the annual goal	The Administrative team will ensure that the teachers are available for coaching conversations. In addition, they will observe the Region 11 coaches to align their support with the new coaching model.
	Teachers will work with experts in the math content area to tightly align Lesson plans to ensure that the teachers have a clear understanding of their Essential standards and how to incorporate engaging learning tasks weekly.	September 2017- November 2018	Region 11/Instructional Specialist and Coach/Principal	TEKS Resource/Lead4ward	Academic vocabulary will be embedded in weekly lesson plans and incorporated in the Interactive word walls.	STAAR Math results 2018	On track to meet the annual goal	Conduct weekly walkthroughs to look for evidence of the use of the Math Academic vocabulary.
	Teachers will appropriately place students in tiered groups based upon low student expectations and they will progress monitor to ensure fluidity of the groups.	September 2017- November 2018	Principal/Instructional specialist/teachers	Data Tracking sheets/Lead4ward resources/Dreambox/Getting Better Faster	Teachers will use their scheduled intervention block to set up targeted zones that are aligned with their Essential standards.	STAAR Math results 2018	On track to meet the annual goal	Create weekly schedule for targeted Walkthroughs and analyze Lesson plans to review weekly tiered groups. Individual conferences will be established for teachers that do not adequate student growth.
							Select	
Intermediate: <i>(Implementation)</i>	The Math Specialist will review and help assign homework for students that is aligned with low standards that need to be spiraled.	October 2017- May 2018	Teachers/Instructional Specialist and Coach	Go Math/countdown for math/Mentoring Minds/Frog Publications/Texas Gateway	The goal is to provide additional practice time for students to review the Essential standards that they need to master.	This will help to build a strong Family and Community connection.	On track to meet the annual goal	The next steps will be to order additional materials to support homework that is aligned with the standards. In addition, we will create tutorials for parents to help guide them on how to support their child at home.
	Extend days with consultants to build broad support across the grade levels to create systems on our campus to ensure sustainability.	October 2017- May 2018	Principal	Region 11 Consultants	The goal is to begin strengthening instruction across the campus to swiftly address the Achievement gaps.	STAAR Math results 2018	On track to meet the annual goal	The next steps will be to revise our Professional Development calendar and incorporate additional time for planning.
							Select	
Long-Term: <i>(Results)</i>	The teachers will be intentional about backward designing lessons to ensure alignment to the STAAR Math Assessment with fidelity.	September 2017- May 2018	Teachers/ Instructional Specialist and Coach/Principal	TEKS Resource/ YAG/ Lead4wad resources/Math curriculum	Our goal is to close the Achievement Gap in math by 10% for African Americans and Economically disadvantaged students.	STAAR Math results 2018	On track to meet the annual goal	Continue to progress monitor and create focus groups for math.
							Select	

Organizational Structure Implementation Status:	Check in date: <enter date>	<Enter Text>
Organizational Structure Implementation Status:	Check in date: <enter date>	<Enter Text>
Organizational Structure Implementation Status:	Check in date: <enter date>	<Enter Text>
Organizational Structure Implementation Status:	Check in date: <enter date>	<Enter Text>

Capacity and Resources: Describe the staff, training, and resources that are required to implement the plan. (Specify any new full time employees as a result of the initiative. Describe how personnel resources are different from the previous school year.)

The staff involved in the mandatory implementation of this plan consist of a variety of Instructional leaders. This esteemed leadership team will ensure fidelity of the implementation. The following members are the Principal, Assistant principal, Instructional Coach, Instructional Specialist, District Level Curriculum members, AVID coordinator and PSP. This team will develop a new lesson design that encompasses Project based learning and AVID strategies to engage all learners. The costs associated with the district support and other resources required for this initiative will be incurred in the general central office and campus budgets.

Only the following columns need to be completed prior to being ordered to implement the turnaround plan: Activity, Timeline, Person(s) Responsible.

Capacity and Resources Implementation	Activity <i>(Actions/Processes)</i>	Timeline	Person(s) Responsible	Resources	Expected Outcomes <i>(Goal/Target)</i>	Results <i>(Outcomes/Data)</i>	Status	Next Steps
Short-Term: <i>(training, acquisition of new skills)</i>	All 3rd and 4th grade ELAR teachers will be involved in critical reading, writing, and speaking professional development to address rigor, alignment to the TEKS, and engagement.	September 2017- May 2018	Region 11/Teachers	Teach for Texas Resources/Comprehension Tool kits	The teachers will be confident in the instructional delivery of Guided Reading to the level of incorporating STAAR aligned standards in their weekly groups.	The students will show progress on their bi-weekly assessments and District level assessments.	On track to meet the annual goal	The Administrative team will be involved in implementing a feedback model to ensure the teachers receive feedback in a timely manner to adjust their instruction.
	Daily Targeted Intervention groups will be identified through weekly formative assessments to address the Power(essential standards).	September 2017- May 2018	Teachers/Instructional Specialist and Coach	TEKS Resource System/Leveled Literacy Interventions	Fluid groups that reflect a decrease of students not mastering the Power standards.	Weekly walkthroughs will show students engaged in learning tasks that reinforces the essential standards.	On track to meet the annual goal	Teachers will submit 6-week Action Plans highlighting the standards that need reteaching and standards that still need to be taught to keep them on target for mastering the upcoming Summative Assessments.
	Weekly PLCs will be used to discuss the effectiveness of guided reading groups, spiraling of the low standards, and student progress.	September 2017- May 2018	Principal/Instructional specialist and coach/teachers	Lead4ward PLC Document/Servallo strategy groups	Teachers will be actively involved in a true collaborative environment and they will fill comfortable with the Flipped approach.	The teachers will begin leading collaborative meetings with their peers to monitor and adjust their instruction.	On track to meet the annual goal	Incorporate the Lead4ward PLC document in weekly PLC's and rotate the content area focus.

	Teachers will learn appropriate ways to design Common assessments that are aligned with STAAR quality.	Sep-17	Instructional specialist	Quality Assessment Rubric	Teachers will have the ability to create Assessments that will give them a clear indication of their gaps in learning.	High quality Common Assessments.	On track to meet the annual goal	We will conduct follow up meetings to review assessments and analyze the validity of the tests.
Intermediate: (Implementation)	The Literacy Coach will review and approve structured weekly homework to include targeted spiraled skills related to our Low Standards and provide data meetings for parents.	October 2017- May 2018	Principal/Instructional specialist/teachers	Mentoring Minds/Countdown to STAAR	The goal is to provide additional practice time for students to review the Essential standards that they need to master. In addition, equip parents with tools to help their children reach their Data goals.	This will strengthen our Parent and Community connection and introduce parents to data.	Significant Progress, behind schedule	We will create opportunities for the the teachers to collaborate with the Instructional specialist about their Homework selection and student progress.
	The teachers will build true classroom libraries to provide fluency practice and build a love for reading school-wide.	August 2017- November 2018	Instructional Coach/Literacy Committee/ Principal	Steps to Literacy/Scholastic	The goal is to ensure that students have high quality books that engage the students and help them build their reading comprehension.	The children will have additional books to help them reach their year long reading goal and build their reading stamina.	On track to meet the annual goal	The committee will meet monthly to oversee the implementation process.
	Extend days with consultants to build broad support across the grade levels to create systems on our campus to ensure sustainability.	October 2017- May 2018	Principal/Central office	Consultant Contract	The goal is to provide guidance and resources to the teachers and model the appropriate use of data.	This will help with Sustainability and ensure quality learning for all.	Significant Progress, behind schedule	The next steps will be to revise our Professional Development calendar and incorporate additional time for planning.
	All teachers K-4th grade will receive coaching through observation followed by scheduled face to face feedback.	October 2017- May 2018	Region 11/ Instructional Specialist and Coach	Six Steps to Effective Feedback	The goal is build teacher capacity and improve instructional practices.	This will help with sustainability and ensure quality learning for all.	On track to meet the annual goal	
Long-Term: (Results)	We will build the teacher's capacity to provide high quality literacy instruction that is aligned with STAAR expectations.	September 2017- May 2018	Region 11/Instructional Specialist/Coach/ Teachers	Teach for Texas Resources/greeceathe na.word press/Comprehension Tool kits	By May, 2018 60% of our 3rd and 4th grade students will meet or exceed the passing standard on the Reading STAAR Assessments.	STAAR Reading results 2018	On track to meet the annual goal	Progress Monitor and form Focus Reading groups.
							Select	
Capacity and Resources Implementation Status:	Check in date: <enter date>	<Enter Text>						
Capacity and Resources Implementation Status:	Check in date: <enter date>	<Enter Text>						
Capacity and Resources Implementation Status:	Check in date: <enter date>	<Enter Text>						
Capacity and Resources Implementation Status:	Check in date: <enter date>	<Enter Text>						
Communications: How will you communicate a shared and clear vision for the turnaround initiative that results in a collaborative effort toward student success?								

It is imperative that we have successful two-way communication about the plan to receive on-going feedback from our stakeholders. The communication with the staff, parents, and communication will be completed through participation in the three key instructional processes: 1) professional development 2) collaborative planning in PLCs and 3) coaching, observation and feedback activities. Further walkthroughs and targeted observations with structured and timely individual teacher feedback will ensure effective coaching and support to teachers. Opportunities for staff feedback to the District liaison and PSP will also be established. Additionally, the principal will review the progress of the initiative with parents and the Turnaround committee and the community throughout the school year. Through effective and timely feedback we can monitor the implementation.

Only the following columns need to be completed prior to being ordered to implement the turnaround plan: Activity, Timeline, Person(s) Responsible.

Communication Implementation	Activity (Actions/Processes)	Timeline	Person(s) Responsible	Resources	Expected Outcomes (Goal/Target)	Results (Outcomes/Data)	Status	Next Steps
Short-Term: (training, acquisition of new skills)	The Turnaround Team will meet with parents and fellow teachers to introduce the Critical Success Factors and solicit feedback regarding the CSF's.	Aug-17	Turnaround Team	CSF materials/Chart paper/Surveys	The goal is to solicit feedback centered upon the Critical Success Factors to guide the creation of the Turnaround plan.	The parents will have input in the plan.	On track to meet the annual goal	Share the approved plan with all stakeholders.
	Parents will be given the opportunity to add feedback about the direction of the Turnaround plan	Aug-Dec 17	Turnaround Team	Surveys/Website	The goal is to create two-way communication with stakeholders about the Turnaround initiative.	The parents will play an active role in the implementation of the plan and establish buy-in.	On track to meet the annual goal	Share the approved plan with all stakeholders.
							Select	Select
Intermediate: (Implementation)	During the implementation process, parent forums will be conducted to share components of the Turnaround initiative to keep parents connected to the effective implementation.	Feb-18	Turnaround Team	Turnaround plan/Data Materials	The parents will have an understanding of	The parents will support the implementation process.	No Progress	Share the approved plan with all stakeholders.
							Select	
							Select	Select
Long-Term: (Results)	The approved Turnaround plan will be posted on the campus Website	18-Feb	Turnaround Team/District Liaison	Approved Turnaround Plan	The goal will be to keep the plan at the forefront of all functions in the building.	There will be an effective implementation of the Turnaround Plan.	No Progress	Overall, systemic change to enhance student achievement school-wide.
							Select	
Communication Implementation Status:		Check in date: <enter date>	<Enter Text>					
Communication Implementation Status:		Check in date: <enter date>	<Enter Text>					
Communication Implementation Status:		Check in date: <enter date>	<Enter Text>					

Crowley Independent School District
J.A. Hargrave Elementary
2018-2019 Campus Improvement Plan

Accountability Rating: Improvement Required



Board Approval Date: December 20, 2018

Mission Statement

Crowley ISD provides our students with excellence in education so that all students achieve their full potential.

Campus Mission Statement

J.A. Hargrave Elementary's mission is to instill student success skills, inspire belief in academic rigor, and develop life-long learners.

Vision

Crowley ISD will provide all students with a world-class, high-quality education where students are inspired to succeed in the global community.

District Values

1. We value high academic achievement.
2. All students can learn through a variety of instructional methods and opportunities that meet their individual needs.
3. Learning is enhanced through social interaction in a diverse setting.
4. We value a safe and secure learning environment.
5. We value a positive work place in which each employee is appreciated and is provided opportunities for professional growth.

6. We respect and value the opinions of all students, employees and community members.
7. We encourage open, effective and timely communication with district stakeholders.
8. We support effective stewardship of public resources.

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Comprehensive Needs Assessment

Demographics

Demographics Summary

J. A. Hargrave Elementary opened their doors in 2002 in the CISD district. We are located in Fort Worth and serve residents of Crowley and Fort Worth. The mobility rate of our students on our campus has been an average of 20% over the last four years. Over the past 5 years there's been an increase of staff mobility. This produced a trend of inconsistency with instructional delivery and re-establishing the culture and systems in the building each year. Our bilingual population continues to grow. This is the fourth year for J.A. Hargrave Elementary to have a bilingual program. We currently have a Pre-K/K bridge, K/1st bridge and 2nd/3rd grade bridge. The student enrollment has increased from the 2017-2018 school year. According to STAAR data, there is an overall achievement gap across 3rd and 4th in reading and math between the Economically Disadvantage population compared to the African American and Hispanic.

We believe that it is essential to create new systems that will support new staff and students on our campus. This will help to minimize the loss of instructional time as we receive new students. In addition, we want to ensure that we have a structures in place for new teachers or Substitute teachers that will help to bridge the instructional gaps. In the past, we had a difficult time with teacher absenteeism, therefore we want to equip all staff with the necessary tools to delivery high quality instruction at all times. This includes, para educators, substitute teachers, and new teachers to Hargrave.

Demographics Strengths

- There was an increase in Mathematics with our African American and Economically disadvantaged sub-population on the 2018-2019 STAAR assessment.
- There was an increase in Writing with our African American, Hispanic, ELL, and Economically disadvantaged sub-population groups on the 2017-2018 STAAR assessment.
- Despite not meeting our target goal, there was an increase in 4th grade Reading with our African American, Economically Disadvantaged, and ELL sub-population on the 2018 - 2019 STAAR assessment.
- The Attendance overall percentage increased to 96% for the 2017-2018 school year.

Problem Statements Identifying Demographics Needs

Problem Statement 1: The overall passing percentage for 3rd grade African Americans and Economically Disadvantaged students decreased in the area of

Reading on the 2017-2018 STAAR. **Root Cause:** The school wide reading plan was not implemented with fidelity due to key players not being in place during critical times throughout the school year.

Problem Statement 2: Although we saw a slight increase for the 2016-2017 school year attendance continues to be a concern, we currently are at 96% our goal is 96.5%. **Root Cause:** The early childhood students show and increase in absences due to half day schedule.

Problem Statement 3: There is a need for teachers use culturally relevant strategies to increase the engagement levels of our various sub-population groups. **Root Cause:** The teachers have not intentionally incorporated culturally relevant strategies in their lessons on a regular basis.

Student Achievement

Student Achievement Summary

J. A. Hargrave did not meet standard on the 2017-2018 STAAR

Domain 1- Student Achievement- (minimum score 60)- Hargrave scored 56

Domain 2- Student Progress- (minimum score 60)- Hargrave scored 58

Domain 3-Closing Performance Gaps- (minimum score 60)- Hargrave scored 58

Overall, the campus received a score of 58 with the combined domains.

The overall Approaching Standards percentage did not meet the minimum percentage of 60%. We had 57% approaching, 27% meeting and 7% at mastery. There was a decrease from the 2016-2017 school year in Reading from 55% to 53%, however there was an increase in Writing from 47% to 53% and Math from 59% to 65%.

The campus will enhance implementation of Response to Intervention (RTI) and follow it with fidelity. This will prompt teachers to monitor and support the students in Tier II and Tier III.

As a campus, there continues to be a need to have a systematic way of planning to meet the needs of every student. This year teachers will be discussing best practices and areas of improvement with their colleagues during the weekly Professional Learning Communities (PLC). We will work collaboratively to plan lessons that address the academic gaps in learning. Teachers will focus upon goals and strategies in daily instruction. During the weekly PLC sessions, teachers will plan by design with Administration and Instructional specialists. They will utilize Lead4ward documents and their curriculum guides to plan targeted instruction. In addition, they will spend time unpacking the student expectations to gain and understanding of what the students should know for their grade level.

Student Achievement Strengths

- - African American, Economically Disadvantaged, ELL groups' scores increased for 4th grade reading.
 - The Hispanic student group had the highest percentages of meeting or mastering standards for all subjects.
 - On the 4th grade reading STAAR, we are continuing to make gains in at risk, economic disadvantage, ESL, African American, white, GT, LEP and Sp-Ed student groups.
 - There was an increase in African American writing.

- African American population increased in math.
- ELL increased by 19% in reading.
- On the 4th grade math STAAR, African American student group increased.
- On the 4th grade writing STAAR, African American, white, and groups have increased.
- AVID implementation campus-wide. Professional development will occur for all staff and focus on high yield strategies, including WICOR strategies. Costa's Levels of Thinking will be implemented as well.
- Continued implementation of effective and researched based strategies from "Fundamental 5".
- 70% of K-2 students are at or above the 20th percentile for TEMI.
- Campus wide reading and math incentive program.
- Breakfast in the classroom prevents the loss of critical instructional time.
- Family nights
- Implementation of Balanced Literacy.
- Interventions to address the needs of At-Risk students in need of intensive Tier II/Tier III interventions through the school wide intervention time (Gator Hour).

Problem Statements Identifying Student Achievement Needs

Problem Statement 1: The overall Reading scores for all 3rd and 4th graders was a at rate of 53% on the 2017 STAAR assessment. **Root Cause:** Four out of the eleven 3rd and 4th grade teachers were four or a significant part of the 2017-2018 school year due to medical reasons.

Problem Statement 2: There is a need to have a more vertical alignment.to ensure students are well prepared for STAAR assessments.

Problem Statement 3: There is a need for teachers to spiral the Power standards (SE's) consistently into their weekly lesson plans. **Root Cause:** There's been inconsistency with spiraling in the essential standards that the students need to master to be successful on the STAAR assessments and grade level mastery.

Problem Statement 4: The students are struggling with phonemic skills and vocabulary. **Root Cause:** There's been inconsistency with the Phonics program and a narrow focus of vocabulary building school-wide.

School Culture and Climate

School Culture and Climate Summary

The mission and vision is necessary to improve the school community as it guides where the school is going and how the school plans to get there. This year we will continue to follow our new Mission and vision statement. As a year 3 Improvement required campus, it is necessary to achieve complete buy-in from all faculty and staff. In addition, we know that it is imperative to make sure that we have systems in place to support our teachers with strategies to keep our students engaged in the classroom to ensure that we increase the amount of instructional time with students and teachers. We will continue to incorporate PBIS/CHAMPS throughout the campus. We will continue our partnership with Hallmark Baptist Church to recognize student of the month from each classroom and we will add the Read to win program. We will continue to partner with the North Crowley High school Teen leadership students to support our At risk students to motivate them to strive to be their best. In addition, we gained a partnership with TCU to incorporate STEM activities to support with our 4th grade students. We will continue to work with the district's Title I Parent Involvement Coordinator to ensure that we provide opportunities for our parents to be involved in the educational environment. This school year, the Board of Education approved to add the Communities in Schools program on our campus. This new program will help us provide resources for the students and families to help our students be successful in the classroom. This school year we will enhance our Staff positive incentives for attendance and engaging instruction. The AVID program will be implemented school-wide to ensure that we have a climate that embraces a growth mindset.

School Culture and Climate Strengths

- Development of campus-wide program that focuses on positive character traits taught through classroom teachers, guidance lessons, and daily announcements.
- Partnership with Hallmark Baptist Church recognizing Student of the Month
- Implementation of PBIS/CHAMPS campus wide.
- Positive student recognition for each 6 weeks for academics, citizenship, and attendance.
- Student school wide incentive program for positive behaviors.
- Staff recognition weekly
- Community in schools
- Utilize GoNoodle (online resource) to help students stay engaged and motivated about learning throughout the day.
- Provide opportunities for staff to re-energize.
- Provide resources for social skills lessons.
- Crowley House of Hope partnership
- AVID is a campus wide initiative focusing on high yield strategies, organization and a college going culture.

Problem Statements Identifying School Culture and Climate Needs

Problem Statement 1: The communication on campus between all stakeholders has been a struggle. **Root Cause:** There is inconsistency with our social media controllers, communication tools, and the manner in which the message is delivered.

Problem Statement 2: The campus has a need to provide support for all students to ensure academic and social/emotional success. **Root Cause:** The concern has been the inconsistency with using resources and not being intentional about meeting the individual needs of all students.

Problem Statement 3: There is a disconnect with our parents and the staff. **Root Cause:** The parents feel disconnected from the school due to past experiences with campus leadership and teachers.

Staff Quality, Recruitment, and Retention

Staff Quality, Recruitment, and Retention Summary

J.A. Hargrave Elementary has a system in place to support a weekly Professional Learning Community. Our focus of this 2018-2019 school year will be to continue to grow in the process of implementing an effective PLC, which will be measured by student achievement and growth. We will increase our teachers involvement in the decision making process and enhance our collaboration to support targeted planning. Professional development will be provided to staff so the PLC implementation will be effective. There is a need for teaching staff to become effective reflective practitioners to increase student learning.

For the 2018-2019 school year, we will implement courses to help retain staff and maintain teacher quality. These courses will involve new to Hargrave and college to classroom teachers that cover teaching techniques, behavior strategies, data digging, etc.

Staff Quality, Recruitment, and Retention Strengths

- Staff relationships
- Weekly Professional Learning Community sessions
- Weekly hour long planning sessions
- Professional development opportunities through weekly staff meetings.
- Implementation strategies/techniques learned from various professional development opportunities.
- An increase in teacher collaboration among the same grade level

Problem Statements Identifying Staff Quality, Recruitment, and Retention Needs

Problem Statement 1: The Professional Learning Community foundation was established three years ago, however the teachers have not truly invested in the process and there's not true collaboration among the grade levels. **Root Cause:** Additional training needs to be provided for teachers to develop an understanding of the true PLC process.

Curriculum, Instruction, and Assessment

Curriculum, Instruction, and Assessment Summary

Children benefit from instruction that is relevant and relatable to them. This can be achieved by content that reflects each student's understanding of their personal path to success. Also, each teacher should be equipped with the necessary data to inform their instruction. In the past, the staff have been trained in the process of data dis-aggregation. However, there is still a need to provide training in the area of ways to dissect the data and how to plan lessons centered upon the needs of all students. The staff has several 1st and 2nd year teachers that need guidance in the area of Guided reading, creating rigorous questions, and creating a strong learning environment. One trend that has occurred in the past on this campus is planning in isolation. There is a need for all teachers to plan by design to align with the rigor of the STAAR Assessments. In addition, the Professional Learning Communities will consist of analyzing data, targeting essential standards, progress monitoring, planning targeted interventions, and how to deliver rigorous instruction. The Administrative team will utilize components of Leverage Leadership to guide us in calendar blocking, observation consistency, and six steps of effective feedback. The administrative team will also build leadership capacity among the department lead teachers.

Curriculum, Instruction, and Assessment Strengths

- Continued collaborative planning and Professional Learning Communities
- Continued implementation of effective and researched based strategies- student purposeful talk, high yield strategies, and checks for understanding.
- Use of a variety of STAAR question stems to incorporate in daily learning tasks and guiding student created question

Problem Statements Identifying Curriculum, Instruction, and Assessment Needs

Problem Statement 1: The passing rate for our African American and Economically Disadvantaged sub-populations decreased in the area of 3rd Reading for the 2017-2018 STAAR. The passing rate for all students in Reading was 47%. **Root Cause:** Guided Reading was not implemented consistently and effectively in 3rd grade due to key players not being in place during critical times throughout the year.

Parent and Community Engagement

Parent and Community Engagement Summary

As a campus, we are continuing with a welcoming and connecting atmosphere that will draw parent and community partners. We will continue with the Family Engagement committee that will also collaborate with our new Community in Schools representative for additional programs to offer both our students and parents that will impact and support our goals for student achievement and growth.

Parent and Community Engagement Strengths

- Parent, student, and teacher needs assessment survey data will help streamline the specific social and emotional support needed.
- Community In Schools social worker will work with both parents and students to provide additional social and emotional support.
- Continued communication via facebook, Blackboard Messenger, Skyward, weekly school newsletters, Peachjar, All Call, and weekly grade level specific newsletters.
- Family Universities
- Family Programs (Red Carpet, Million Father March, and All Pro Dads)
- All Pro Dads to help as mentors to the increased 54% student male population.

Problem Statements Identifying Parent and Community Engagement Needs

Problem Statement 1: The campus still has parents that will come to the school when called. We will continue to welcome but focus on making connections and utilizing the resources that they bring. Empower the parents with the confidence that they are both welcomed and needed. **Root Cause:** The school has been actively attempting to connect with families with little success because timing of evening activities conflict with employment responsibilities.

Problem Statement 2: There is a continued need to have more male presence on the campus to support our students. **Root Cause:** Gator Dads program dissolved due to lack of leadership consistency and commitment.

School Context and Organization

School Context and Organization Summary

J.A. Hargrave has a structure that allows for students to receive adequate time with campus/district wide initiatives (I-station, Dreambox, and X-tra Math), interventions and enrichment. As a campus, we will work to provide targeted interventions utilizing the strengths of the campus personnel and utilizing the data to appropriately intervene with each student. This school year we will continue to increase participation in our after-school program (21st century) and align the tutorials groups to meet the needs of our overall campus data. We want to expand the Project based learning into our regular school day as well. The campus will utilize 21st Century for after-school targeted tutorials, enrichment, and extracurricular activities. In addition, we have added a daily intervention time before school starts.

School Context and Organization Strengths

- Campus mentor teachers
- Full time Instructional Specialist for reading and math
- Structured specials schedule to ensure that all classes utilize the computer lab for additional time with intervention software.
- Structured master schedule to implement school wide enrichment/ intervention time.
- Structured master schedule that allows for extra computer lab time for classes, and science lab time for all classes.
-

Problem Statements Identifying School Context and Organization Needs

Problem Statement 1: The structures that we have in place are not always followed with fidelity and we need to expand our programs. **Root Cause:** There is high staff mobility that disrupts the consistency of the implementation of programs.

Problem Statement 2: There is a need for more professional development in the area of social/emotional support and culturally relevant strategies to deliver effective instruction to all students. **Root Cause:** The main sub-populations on our campus is Economically disadvantaged, African American, and Hispanic and we continue to see an Achievement gap among the groups.

Problem Statement 3: There is a need to provide additional staff and volunteers on our campus to targeted interventions and to extend learning time. **Root Cause:** There has been inconsistency with support staff and volunteers.

Technology

Technology Summary

J.A. Hargrave Elementary, has been successful with getting basic technology tools in the hands of classroom teachers. We want to create a digital world on campus where all teachers are able to incorporate technology as deemed appropriate to enhance student learning. The teachers need training to ensure effective utilization of the tools in the classroom. Teachers will incorporate programs that are proven to improve student comprehension and overall academic performance. There's a need to expand technology tools and add additional training's to meet the needs of the new teachers. In addition, we will work this year to increase the amount of technology on campus. This will ensure that the students can use their technology in the learning zones more consistently.

Technology Strengths

- Computer lab with up to date computers.
- Parent portal (Skyward)
- Each teacher has a laptop and an ipad to utilize.
- Each classroom teacher has additional ipads for student use.
- The computer lab is structured and set up to support interventions for all students.
- Chromebooks are available for student use in the classroom.

Problem Statements Identifying Technology Needs

Problem Statement 1: Reading across 3rd and 4th grade levels have a passing rate of 53% on STAAR. **Root Cause:** There is a need for additional interventions to address the gaps among our sub-population groups outside of the core instructional block.

Problem Statement 2: The J.A. Hargrave campus has a need to expand the technology usage across the campus, we would benefit from having additional laptop carts. **Root Cause:** The technology budget is lacking.

Comprehensive Needs Assessment Data Documentation

The following data were used to verify the comprehensive needs assessment analysis:

Improvement Planning Data

- District goals
- Campus goals
- Current and/or prior year(s) campus and/or district improvement plans
- Campus and/or district planning and decision making committee(s) meeting data
- State and federal planning requirements

Accountability Data

- Domain 1 - Student Achievement
- Domain 2 - Student Progress
- Domain 3 - Closing the Gaps
- System Safeguards and Texas Accountability Intervention System (TAIS) data
- Accountability Distinction Designations

Student Data: Assessments

- State and federally required assessment information (e.g. curriculum, eligibility, format, standards, accommodations, TEA information)
- State of Texas Assessments of Academic Readiness (STAAR) current and longitudinal results, including all versions
- STAAR EL Progress Measure data
- Texas English Language Proficiency Assessment System (TELPAS) results
- Texas Primary Reading Inventory (TPRI), Tejas LEE, or other alternate early reading assessment results
- SSI: Istation Indicators of Progress (ISIP) accelerated reading assessment data for Grades 3-5 (TEA approved statewide license)

Student Data: Student Groups

- Special Programs data, including number of students, academic achievement, discipline, attendance, and rates of progress for each student group
- Economically Disadvantaged / Non-economically disadvantaged performance, progress, and participation data,
- Male / Female performance, progress, and participation data
- Special education population, including performance, discipline, progress, and participation data
- At-Risk population, including performance, progress, discipline, attendance, and mobility
- EL or LEP data, including academic achievement, progress, support and accommodation needs, race, ethnicity, gender, etc.
- Section 504 data
- Homeless data
- Gifted and talented data
- Dyslexia Data

Student Data: Behavior and Other Indicators

- Attendance data
- Mobility rate, including longitudinal data
- Discipline records
- School safety data

Employee Data

- Staff surveys and/or other feedback
- T-TESS

Parent/Community Data

- Parent surveys and/or other feedback

Support Systems and Other Data

- Organizational structure data
- Processes and procedures for teaching and learning, including program implementation
- Budgets/entitlements and expenditures data

Goals




Revised/Approved: February 20, 2019











Goal 1: Improve Student Achievement for All

Performance Objective 1: 1.1 Provide an aligned, relevant and rigorous curriculum and courses of study in order to prepare students to meet or exceed expected educational standards. 1.2 Graduate college and workforce ready students who demonstrate the skills necessary for post-secondary success in a global community. 1.3 Increase the integration of technology resources and systems in order to produce 21st Century learners.

Evaluation Data Source(s) 1: 1.1 a. Improved local student performance on state testing. 1.2 a. Increased percentage of Advanced Placement students passing the AP exam. 1.2 b. Increased percentage of CISD graduating students having completed one or more courses in high school eligible for college credit including dual credit/concurrent credit and Advanced Placement courses, as well as CTE courses leading to post-secondary. 1.2 c. Improved local 4-year graduation rates. 1.2 d. Increased percentage of students graduating on the "Distinguished" high school plan. 1.2 e. Improved local college and career readiness rates. 1.3 a. Increased percentage of student accessibility to relevant and reliable technology. 1.3 b. Increased technology staff development.

Summative Evaluation 1:

Strategy Description	ELEMENTS	Monitor	Strategy's Expected Result/Impact	Reviews			
				Formative			Summative
				Oct	Jan	Apr	July
<p>Critical Success Factors CSF 1 CSF 2 CSF 6 CSF 7</p> <p>1) All classroom teachers will be involved in Math and Reading Professional Development to address depth of knowledge, alignment to the TEKS, active engagement and inquiry skills to improve the instructional delivery.</p> <p>This will help to create systems to ensure individual student growth and sustainability.</p>	3.1, 3.2	Administration Instructional Specialist Region 11	By May of 2019, there will be 70% of my teachers utilizing Costa (Hots) question stems in daily instruction.				

<p>Critical Success Factors CSF 1 CSF 2 CSF 6 CSF 7</p> <p>2) Teachers will work with experts in the math and reading content area to tightly align Lesson plans to ensure that the teachers have a clear understanding of their Essential standards and how to incorporate engaging learning tasks weekly.</p>	2.4, 2.6	Administration Instructional Specialist	By May of 2019, there will be 15% more of our 3rd and 4th grade students at approaching and 10% more at meets on the 2019 STAAR reading and math assessment.				
<p>PBMAS Critical Success Factors CSF 1 CSF 2 CSF 3 CSF 4 CSF 6 CSF 7</p> <p>3) Teachers will utilize weekly Professional Learning Community time to collaborate about effective instructional strategies and essential standards to improve academic performance.</p>	2.4, 2.5, 2.6	Administration Instructional Specialist	By May of 2019, 70% of our teachers will have a clear data monitoring process to help them track student progress and respond to their deficits.				
<p>PBMAS Critical Success Factors CSF 1 CSF 2 CSF 4 CSF 6 CSF 7</p> <p>4) Teachers will strategically place students in tiered groups based upon low student expectations and skill gaps and will progress monitor to ensure that students are mastering the TEKS and skills..</p>	2.4, 2.5, 2.6	Administration Teachers	By May of 2019, there will be 15% more of our 3rd and 4th grade students reach approaching and 10% more reach meets on the 2019 STAAR reading and math assessment.				
<p>PBMAS Critical Success Factors CSF 1 CSF 2 CSF 6 CSF 7</p> <p>5) The teachers will be introduced to a new Lesson plan format that incorporates the TODAY model that highlights the Demonstration of Learning in daily instruction and highlights the use of WICOR strategies. Time will be incorporated to provide additional time for collaborative planning.</p>	2.4, 2.5, 2.6	Administration AVID Team	By May of 2019, there will be 15% more of our 3rd and 4th grade students reach approaching and 10% more reach meets on the 2019 STAAR reading and math assessment.				

<p align="center">PBMAS</p> <p align="center">Critical Success Factors CSF 1 CSF 2 CSF 7</p> <p>6) All 3rd and 4th grade ELAR teachers will be involved in critical reading, writing, and speaking professional development. In addition, teachers will be trained to incorporate high yield strategies, close reading strategies, and STAAR question stems to promote independent thinking.</p>	2.4, 2.6	Administration Instructional Specialist Teachers	<p>The teachers will be confident in the instructional delivery of Guided Reading to the level of incorporating STAAR aligned standards in their weekly groups.</p> <p>The students will show progress on their bi-weekly assessments.</p>				
<p align="center">Critical Success Factors CSF 1 CSF 6 CSF 7</p> <p>7) Classroom teachers will be provided staff development in the Writing Calibration rating process to ensure writing reliability throughout the campus. There will be school-wide Writing composition rating sessions to enhance the writing process.</p>	2.4	Administration Instructional Specialist	70% of classroom teachers were trained on the calibration of writing samples.				
<p align="center">Critical Success Factors CSF 1 CSF 2 CSF 6 CSF 7</p> <p>8) Monitor the the implementation of Balanced Literacy, Interactive Word walls, and writing across the curriculum.</p>		Administration Instructional Specialist	By May of 2019, there will be 15% more of our 3rd and 4th grade students reach approaching and 10% more reach meets on the 2019 STAAR reading assessment.				
<p align="center">Critical Success Factors CSF 1 CSF 4 CSF 6</p> <p>9) Identify students that need additional math and reading tutorials and place them in our After-school tutorials, sponsored by 21st Century.</p>	2.4, 2.5, 2.6	Instructional Specialist 21st Century Staff	By May of 2019, there will be 15% more of our 3rd and 4th grade students reach approaching and 10% more reach meets on the 2019 STAAR reading and math assessment.				
<p align="center">Critical Success Factors CSF 1 CSF 3 CSF 7</p> <p>10) Monitor the implementation of Numberless word problems, Problem solving mat usage, and Number Talks in our 2nd, 3rd, and 4th grade classrooms.</p>	2.4, 2.6	Administration Instructional Specialist	By May of 2019, there will be 15% more of our 3rd and 4th grade students reach approaching and 10% more reach meets on the 2019 STAAR math assessment.				
<p align="center"> = Accomplished = Continue/Modify = No Progress = Discontinue </p>							




Goal 2: Provide Safe, Secure and Nurturing Schools



Performance Objective 1: 2.1 Provide a safe, secure and nurturing learning environment for all students and staff. 2.2 Provide effective communication for all stakeholders regarding safety/security.

Evaluation Data Source(s) 1: 2.1 a. Increased school safety as measured by composite scores derived from data. 2.1 b. Compliance with all safety standards. 2.1 c. Improved student attendance rates. 2.1 d. Improved dropout rates. 2.1 e. Increased student participation in extra-curricular activities and co-curricular. 2.1 f. Reduced number of students missing instructional time due to disciplinary reasons. 2.2 a. Increased knowledge of safety and security procedures and processes for all stakeholders. 2.2 b. Improved staff and secondary students satisfaction with safety and security as measured in surveys.

Summative Evaluation 1:

Strategy Description	ELEMENTS	Monitor	Strategy's Expected Result/Impact	Reviews			
				Formative			Summative
				Oct	Jan	Apr	July
<p>Critical Success Factors CSF 1 CSF 2 CSF 4 CSF 6 CSF 7</p> <p>1) We will update the school-wide systems across the campus that will support high structures in our campus to create a safe and orderly environment.</p>	2.4, 2.5, 2.6	Administration SWIM Team	By May of 2019, the discipline referrals for the campus will be reduced by 10% from the 2017-2018 school year.				
<p>Critical Success Factors CSF 1 CSF 4 CSF 6</p> <p>2) Implement the appropriate behavior interventions throughout our campus to support positive behaviors for all students. This will include Student success plans for students that are Tier 3.</p>	2.4, 2.5, 2.6	Administration In school Suspension staff Counselor	By May of 2019, the discipline referrals for the campus will be reduced by 10% from the 2017-2018 school year.				

<p>Critical Success Factors CSF 1 CSF 4 CSF 5 CSF 6</p> <p>3) Implement 7 Habits of Highly Functioning children:</p> <p>By teaching guidance lessons throughout the year;</p> <p>Morning Announcements include information about the highlighted "Habit of the Month" from the 7 Habits</p>	2.4, 2.6, 3.1	Administration Teachers	By May of 2019, we will honor at least 270 students for displaying Habits of good character on campus.				
<p>Critical Success Factors CSF 1 CSF 4 CSF 6</p> <p>4) Incorporate activities and Assemblies that support a Bully and Drug Free environment.</p> <p>1. Red Ribbon Week 2. Stand up for Kind Assembly 3. Good Character Assembly 4. Social Skills lessons</p>	2.4, 2.5, 2.6	Administration Counselor Social Worker	By the end of May, students will be trained in effective strategies to prevent bullying, build good character, and social skills to help them be successful citizens.				
<p>Critical Success Factors CSF 1 CSF 4 CSF 5 CSF 6</p> <p>5) Continue to use our 21st Century program after school to inspire our students to be in STEM careers and to enrich their talents beyond the classroom.</p>	2.4, 2.5, 2.6, 3.1, 3.2	21st Century Staff Teachers	By May we will be at capacity according to the Grant regulations for participation.				
<p>Critical Success Factors CSF 1 CSF 4 CSF 5 CSF 6 CSF 7</p> <p>6) Implement a school-wide Attendance Improvement plan.</p> <p>1. Incentives for students and parents 2. Transportation options 3. Training for parents that will support a healthy life style for the students.</p>	2.4, 2.5, 2.6, 3.1, 3.2	Administration Social Worker Counselor	By the end of the 2018-2019 school year our attendance will be at 96.5%.				
<p>Critical Success Factors CSF 1 CSF 4 CSF 6</p> <p>7) Train staff in Conflict Resolution, violence prevention, and restorative discipline.</p>	2.5, 2.6	Administration Behavior Specialist	By May of 2019, the discipline referrals for the campus will be reduced by 10% from the 2017-2018 school year.				

<p>Critical Success Factors CSF 1 CSF 5 CSF 6</p> <p>8) Implement school-wide student incentive programs that will promote positive behaviors on the campus.</p> <p>1. Student of the Month-Sponsored by Hallmark Baptist church 2. Gator Coins 3. Growing Greater Gators-Awards assemblies 4. School store 5. Positive office referrals</p>	<p>2.4, 2.6, 3.1</p>	<p>Administration SWIM team</p>	<p>By May of 2019, the discipline referrals will be reduced by 10% from the 2017-2018 school year.</p> <p>An increase in students reaching their behavior targets each marking period.</p>				
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 = Accomplished
  = Continue/Modify
  = No Progress
  = Discontinue











Goal 3: Support Parent and Community Partnerships







Performance Objective 1: 3.1 Provide continuous opportunities for parents and community members to partner with community schools. 3.2 Ensure channels for frequent communication and open dialogue continue between schools, parents and community members. 3.3 Collect feedback and input from parents and community members on a regular basis.

Evaluation Data Source(s) 1: 3.1 Increased number of parent and family volunteers in schools and school activities. 3.2 Increased number of outside individuals and organizations having direct involvement with the schools. 3.3 Improved stakeholder satisfaction by analyzing and evaluating surveys.

Summative Evaluation 1:

Strategy Description	ELEMENTS	Monitor	Strategy's Expected Result/Impact	Reviews			
				Formative			Summative
				Oct	Jan	Apr	July
<p>Critical Success Factors CSF 1 CSF 2 CSF 3 CSF 5 CSF 6 CSF 7</p> <p>1) Parent and community forums will be conducted to share components of the Turnaround initiative to keep parents informed about the stages of implementation of our plan and our overall progress.</p>	2.4, 2.5, 2.6, 3.1, 3.2	Turnaround Team	We will seek feedback from parents at Curriculum Nights and conduct Data meetings to inform the parents of their Academic progress.				
<p>Critical Success Factors CSF 5 CSF 6</p> <p>2) Communities in Schools will begin supporting groups that will build self confidence and help the students with building their social skills to be productive students .</p>	3.1	Social Worker Counselor	By May of 2019, the discipline referrals for the campus will be reduced by 10% from the 2017-2018 school year.				
<p>Critical Success Factors CSF 1 CSF 4 CSF 5 CSF 6</p> <p>3) We will implement a school-wide reading initiative called the "40 Book challenge" and launch the Little Book library to bridge the parent connections on campus to stress the importance of Literacy.</p>	2.4, 3.1	Administration Literacy Committee Reading Specialist	By May of 2019, there will be 15% of our 3rd and 4th grade students reach their progress measure on the 2019 STAAR reading and writing assessment.				

<p>Critical Success Factors CSF 1 CSF 2 CSF 4 CSF 5 CSF 6</p> <p>4) We will launch a branch of "Read to Win" on our campus to support Literacy in our Early childhood classrooms.</p>	2.4, 3.1	Administration Reading Specialist	By May of 2019, there will be 15% of our 3rd and 4th grade students reach their progress measure on the 2019 STAAR reading assessment.				
<p>Critical Success Factors CSF 1 CSF 2 CSF 3 CSF 5 CSF 6</p> <p>5) We will host an event each month to encourage parent and community partnerships and equip parents with strategies to support a rich academic environment at home.</p> <p>Events</p> <ol style="list-style-type: none"> 1. Porch visits 2. Math-o-ween 3. Data Meetings 4. Literacy Night 5. Hispanic Heritage 6. Family 5-K to promote Health and Wellness 7. Reading Carnival 	3.1, 3.2	Family Engagement Committee	We will see an increase of parent involvement to support our overall academic improvement.				
<p>Critical Success Factors CSF 1 CSF 4 CSF 5 CSF 6</p> <p>6) The campus will invite the "Girls Inc." organization to our campus to work with our 3rd and 4th grade girls with the effects of Bullying and STEM.</p>	2.6, 3.1	Social Worker Counselor	We will see a decrease of student office referrals related to Bullying.				
<p>Critical Success Factors CSF 1 CSF 5 CSF 6</p> <p>7) We will launch a branch of the "All Pro Dad's" program on our campus to promote the importance of Male role models being present to increase student engagement on the campus.</p>	3.1, 3.2	Administration Counselor	We will sustain a high quality group of male role models on campus that will support student success.				



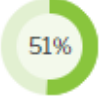

<p>Critical Success Factors CSF 1 CSF 4 CSF 5 CSF 6</p> <p>8) The Instructional specialist will guide the teachers in ways to incorporate reteaching opportunities and appropriate homework based upon low TEKS and skill deficits.</p>	3.1		<p>The goal is to provide additional practice time for students to review the Essential standards that they need to master. In addition, equip parents with tools to help their children reach their Data goals.</p> <p>By May of 2019, there will be 15% more of our 3rd and 4th grade students reach approaching and 10% more reach meets on the 2019 STAAR reading and math assessment.</p>				
<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>= Accomplished</p> </div> <div style="text-align: center;">  <p>= Continue/Modify</p> </div> <div style="text-align: center;">  <p>= No Progress</p> </div> <div style="text-align: center;">  <p>= Discontinue</p> </div> </div>							










Goal 4: Provide a Quality Workforce in a Positive Work Environment

Performance Objective 1: 4.1 Recruit, employ, develop and retain a quality teaching, administrative and support staff to attain excellence in student performance. 4.2 Provide high-quality, job-embedded professional development.

Evaluation Data Source(s) 1: 4.1 100% of teaching staff meet Highly Qualified status. 4.2 Improved employee satisfaction.

Summative Evaluation 1:

Strategy Description	ELEMENTS	Monitor	Strategy's Expected Result/Impact	Reviews			
				Formative			Summative
				Oct	Jan	Apr	July
<p>Critical Success Factors CSF 1 CSF 6 CSF 7</p> <p>1) Honor staff for Teacher of the Year and Staff member of the Year; Each month a staff member will be recognized for successful implementation of new AVID strategies. Soaring to Success awards will be incorporated in the Week at a Glance; Monthly teacher incentives</p>	2.4	Administrative Team Sunshine Committee	<p>We will have a decrease in monthly staff absences by 5%.</p> <p>We will have an increase of 5% of retaining high quality teachers.</p>				
<p>Critical Success Factors CSF 1 CSF 3 CSF 6 CSF 7</p> <p>2) Utilize coaching strategies to increase student learning. (two-way radios with an ear piece, calendar blocking, Leverage Leadership strategies, conferences, Six Steps of Effective feedback, waterfall, and coaching signs) Enhance the Feedback cycle with our teachers to provide high quality feedback that will help the teachers with their overall instructional growth and Classroom management.</p>	2.4, 2.6	Administration Instructional specialist District level Curriculum team	<p>By May of 2019, there will be 18% of our 4th grade students reach their progress measure on the 2019 STAAR math and reading assessment.</p> <p>The data from walk-throughs and observations show skills at least on the proficient level of T-TESS domains.</p> <p>Reduce the amount of turn over in staff from the 2017-2018 by 5%.</p>				

<p>Critical Success Factors CSF 1 CSF 2 CSF 3 CSF 5 CSF 6 CSF 7</p> <p>3) Attendance at various conferences (AVID, AIE, TABSE, Lead4ward, and Camped Conferences) by the principal, Instructional specialist, and various teacher leaders.</p> <p>These conferences will train leaders to inspire teachers, understand new accountability, be innovative, and possibilities for school improvement through partnerships and research-based best practices.</p>	2.4, 2.6, 3.1	Administration	By May of 2019, there will be 15% more of our 3rd and 4th graders will score at approaches on the 2019 STAAR math, reading, and writing assessment.				
<p>Critical Success Factors CSF 1 CSF 3 CSF 6 CSF 7</p> <p>4) Provide differentiated training for new teachers that positively impact the campus:</p> <p>Lucy Calkins: Unit of study</p> <p>Guided reading and LLI training to first year teachers or new to the campus;</p> <p>Culturally Responsive training;</p> <p>CHAMPS/Classroom Management;</p> <p>Restorative Discipline;</p> <p>and AVID Training</p>	2.4	Administration	By May of 2019, new teachers will have positive outcomes in their student achievement data and a decrease of Office referrals.				
<p>Critical Success Factors CSF 1 CSF 2 CSF 6 CSF 7</p> <p>5) Provide initial and follow up training on AVID strategies to close the performance gaps by identifying/targeting student learning gaps in all subject areas.</p>	2.4, 2.6	Administration Instructional Specialist	By May of 2019, student learning will reflect an increase of 15%.				
<p>Critical Success Factors CSF 1 CSF 3 CSF 6 CSF 7</p> <p>6) 1) We will host New teacher Meetings throughout the year on campus to create a platform for new teachers to express concerns, collaborate with Administration, and refine techniques.</p>	2.4	Administration Instructional Specialist	Reduce the amount of turn over in staff from the 2017-2018 by 5%.				














Goal 5: Ensure Effective and Efficient Use of Resources

Performance Objective 1: 5.1 Continue excellence in financial planning, management and stewardship. 5.2 Effectively utilize funds to maintain or upgrade existing facilities and equipment and/or construct new facilities.

Evaluation Data Source(s) 1: 5.1 Maintain high ratings on the Financial Integrity Rating System of Texas (FIRST) and demonstrate appropriate management of taxpayer resources on the District's Comprehensive Annual Financial Report (CAFR). 5.2 Updated and maintained Capital Facilities Priorities Report.

Summative Evaluation 1:

Strategy Description	ELEMENTS	Monitor	Strategy's Expected Result/Impact	Reviews			
				Formative			Summative
				Oct	Jan	Apr	July
<p>Critical Success Factors CSF 1 CSF 3 CSF 6 CSF 7</p> <p>1) Conduct a campus needs assessment to ensure funds are allocated to student academic growth and social/emotional support.</p>	2.4	Administration Counselor Social Worker	Comprehensive Needs Assessment				
<p>Critical Success Factors CSF 1 CSF 4 CSF 5 CSF 6 CSF 7</p> <p>2) Review data to ensure all budget decisions, meet the needs of the Achievement gaps on the campus.</p>	2.4, 2.5, 2.6	Administration	Comprehensive Needs Assessment				
<p>Critical Success Factors CSF 1 CSF 2 CSF 4 CSF 5 CSF 6 CSF 7</p> <p>3) As a result of the 2018 STAAR data, Title I funds will be utilized to retain Instructional Specialists, training for effective Instructional delivery, Tutoring and Facilitated planning.</p>	2.4	Administration Central Office	At least 18% of the 4th Grade students will meet or exceed their progress measure in Reading and Math in the Spring administration.				
<p>Critical Success Factors CSF 1 CSF 2 CSF 3 CSF 4 CSF 7</p> <p>4) As a result of the the 2018 STAAR we will expand our resources for Literacy, additional tutoring, and testing materials.</p>	2.4	Administration Instructional Specialist Teachers	At least 18% of the 4th Grade students will meet or exceed their progress measure in Reading and Math in the Spring administration				



Comprehensive Support Strategies

Goal	Objective	Strategy	Description
1	1	1	All classroom teachers will be involved in Math and Reading Professional Development to address depth of knowledge, alignment to the TEKS, active engagement and inquiry skills to improve the instructional delivery. This will help to create systems to ensure individual student growth and sustainability.
1	1	3	Teachers will utilize weekly Professional Learning Community time to collaborate about effective instructional strategies and essential standards to improve academic performance.
1	1	4	Teachers will strategically place students in tiered groups based upon low student expectations and skill gaps and will progress monitor to ensure that students are mastering the TEKS and skills..
1	1	5	The teachers will be introduced to a new Lesson plan format that incorporates the TODAY model that highlights the Demonstration of Learning in daily instruction and highlights the use of WICOR strategies. Time will be incorporated to provide additional time for collaborative planning.
1	1	6	All 3rd and 4th grade ELAR teachers will be involved in critical reading, writing, and speaking professional development. In addition, teachers will be trained to incorporate high yield strategies, close reading strategies, and STAAR question stems to promote independent thinking.
1	1	7	Classroom teachers will be provided staff development in the Writing Calibration rating process to ensure writing reliability throughout the campus. There will be school-wide Writing composition rating sessions to enhance the writing process.
1	1	8	Monitor the the implementation of Balanced Literacy, Interactive Word walls, and writing across the curriculum.
1	1	9	Identify students that need additional math and reading tutorials and place them in our After-school tutorials, sponsored by 21st Century.
1	1	10	Monitor the implementation of Numberless word problems, Problem solving mat usage, and Number Talks in our 2nd, 3rd, and 4th grade classrooms.
2	1	1	We will update the school-wide systems across the campus that will support high structures in our campus to create a safe and orderly environment.
2	1	2	Implement the appropriate behavior interventions throughout our campus to support positive behaviors for all students. This will include Student success plans for students that are Tier 3.
2	1	3	Implement 7 Habits of Highly Functioning children: By teaching guidance lessons throughout the year; Morning Announcements include information about the highlighted "Habit of the Month" from the 7 Habits
2	1	5	Continue to use our 21st Century program after school to inspire our students to be in STEM careers and to enrich their talents beyond the classroom.

Goal	Objective	Strategy	Description
2	1	6	Implement a school-wide Attendance Improvement plan. 1. Incentives for students and parents 2. Transportation options 3. Training for parents that will support a healthy life style for the students.
2	1	7	Train staff in Conflict Resolution, violence prevention, and restorative discipline.
2	1	8	Implement school-wide student incentive programs that will promote positive behaviors on the campus. 1. Student of the Month-Sponsored by Hallmark Baptist church 2. Gator Coins 3. Growing Greater Gators-Awards assemblies 4. School store 5. Positive office referrals
3	1	1	Parent and community forums will be conducted to share components of the Turnaround initiative to keep parents informed about the stages of implementation of our plan and our overall progress.
3	1	2	Communities in Schools will begin supporting groups that will build self confidence and help the students with building their social skills to be productive students .
3	1	4	We will launch a branch of "Read to Win" on our campus to support Literacy in our Early childhood classrooms.
3	1	8	The Instructional specialist will guide the teachers in ways to incorporate reteaching opportunities and appropriate homework based upon low TEKS and skill deficits.
5	1	2	Review data to ensure all budget decisions, meet the needs of the Achievement gaps on the campus.
5	1	3	As a result of the 2018 STAAR data, Title I funds will be utilized to retain Instructional Specialists, training for effective Instructional delivery, Tutoring and Facilitated planning.

PBMAS Intervention Strategies

Goal	Objective	Strategy	Description
1	1	3	Teachers will utilize weekly Professional Learning Community time to collaborate about effective instructional strategies and essential standards to improve academic performance.
1	1	4	Teachers will strategically place students in tiered groups based upon low student expectations and skill gaps and will progress monitor to ensure that students are mastering the TEKS and skills..
1	1	5	The teachers will be introduced to a new Lesson plan format that incorporates the TODAY model that highlights the Demonstration of Learning in daily instruction and highlights the use of WICOR strategies. Time will be incorporated to provide additional time for collaborative planning.
1	1	6	All 3rd and 4th grade ELAR teachers will be involved in critical reading, writing, and speaking professional development. In addition, teachers will be trained to incorporate high yield strategies, close reading strategies, and STAAR question stems to promote independent thinking.

State Compensatory

Budget for J.A. Hargrave Elementary:

<u>Account Code</u>	<u>Account Title</u>	<u>Budget</u>
6100 Payroll Costs		
199.XX.6116.00.109.0.XX	6116 Extra Duty Stipend - Locally Defined	\$1,550.00
	6100 Subtotal:	\$1,550.00

Title I Schoolwide Elements

ELEMENT 1. SWP COMPREHENSIVE NEEDS ASSESSMENT (CNA)

1.1: Comprehensive Needs Assessment

We have a need to increase our Parent Involvement in the area of Academic support. We want our parents to be involved in the Academic performance of our students. In addition, there is a need to increase male presence on our campus because our data shows that we have 6% more males on our campus than females.

ELEMENT 2. SWP CAMPUS IMPROVEMENT PLAN (CIP)

2.1: Campus Improvement Plan developed with appropriate stakeholders

The Campus Based Decision team was instrumental in creating our Campus Improvement Plan. We reviewed the data and conducted a Root Cause analysis. This informed the plan of action for our campus. This plan in conjunction with our State Turnaround Plan will support academic growth for our students.

2.2: Regular monitoring and revision

The Site Based Decision Meeting meets per Marking Period to review the plans.

2.3: Available to parents and community in an understandable format and language

We will recruit at least one parent to be a part of our team.

2.5: Increased learning time and well-rounded education

The Title I funds will be used to help support tutorial personnel and resources.

ELEMENT 3. PARENT AND FAMILY ENGAGEMENT (PFE)

3.2: Offer flexible number of parent involvement meetings

We will have multiple Parent meetings throughout the year to engage parents in the Data process, Curriculum, and Fine Arts.

Title I Schoolwide Element Personnel

<u>Name</u>	<u>Position</u>	<u>Program</u>	<u>FTE</u>
Charmaine Campbell	Instructional Specialist		1.0
Sheila Lambert	Instructional Specialist		1.0

2018-2019 Site Based Decision Making Team

Committee Role	Name	Position
Administrator	Amber Gillihan	Assistant Principal
Non-classroom Professional	Charmaine Campbell	Instructional Specialist
Classroom Teacher	Jennifer MacMurray	Grade Level Lead
Classroom Teacher	Brinda Lowery	Grade Level Lead
Administrator	Kimberly Sherfield	Principal
Non-classroom Professional	Sheila Lambert	Math Instructional Specialist
Counselor	Susan Smith	Counselor
Classroom Teacher	Kourtney Nelson	Grade Level Lead

Addendums

Federal Program Expenditures

All district and campus expenditures related to the following Federal Grants will be utilized for the purposes and intended audiences stated below:

Grant	Purpose and Intended Beneficiaries
Title I, Part A	The purpose of the grant is to help all students meet the state student performance standards by providing supplemental resources to the LEA. The intended beneficiaries are students who experience difficulties mastering the state academic achievement standards.
Title II, Part A	The two purposes of the grant are 1) to increase student academic achievement through improving teacher and principal quality and increasing the number of highly qualified teachers in the classroom as well as highly qualified principals and assistant principals; and 2) to hold LEAs and schools accountable for improving student academic achievement. The intended beneficiaries are teachers and principals, including assistant principals, and as appropriate, administrators, pupil services personnel, and paraprofessionals.
Title III, Part A	The purpose of the grant is to provide supplemental resources to help ensure that children who are limited English proficient attain English proficiency at high levels in core academic subjects and can meet state mandated achievement performance standards. The intended beneficiaries are LEP students, including immigrant children and youth.

Ten Components of a Schoolwide Program

1. A comprehensive needs assessment
2. Schoolwide reform strategies that provide opportunities for all children to meet or exceed state's proficient level of student performance
3. Instruction by highly qualified teachers
4. High Quality, ongoing professional development for all staff as needed
5. Strategies to attract high-quality highly qualified teachers to high-need schools
6. Strategies to increase parental involvement
7. Plans for assisting preschool children in the transition from early childhood programs
8. Measures to include teachers in the decisions regarding the use of academic assessments for improving individual student performance and the overall instructional program
9. Effective, timely intervention activities which include measures to ensure that students' difficulties are identified and of sufficient scope to target appropriate intervention
10. Coordination and integration occurs between federal, state, and local services such as nutrition, education, job training, programs provided under NCLB and violence prevention programs..

Note: This policy addresses discrimination, harassment, and retaliation involving District students. For provisions regarding discrimination, harassment, and retaliation involving District employees, see DIA. For reporting requirements related to child abuse and neglect, see FFG. Note that FFH shall be used in conjunction with FFI (bullying) for certain prohibited conduct.

STATEMENT OF
NONDISCRIMINATION

The District prohibits discrimination, including harassment, against any student on the basis of race, color, religion, sex, gender, national origin, disability, age, or any other basis prohibited by law. The District prohibits dating violence, as defined by this policy. Retaliation against anyone involved in the complaint process is a violation of District policy and is prohibited.

DISCRIMINATION

Discrimination against a student is defined as conduct directed at a student on the basis of race, color, religion, sex, gender, national origin, disability, age, or on any other basis prohibited by law, that adversely affects the student.

PROHIBITED
HARASSMENT

Prohibited harassment of a student is defined as physical, verbal, or nonverbal conduct based on the student's race, color, religion, sex, gender, national origin, disability, age, or any other basis prohibited by law that is so severe, persistent, or pervasive that the conduct:

1. Affects a student's ability to participate in or benefit from an educational program or activity, or creates an intimidating, threatening, hostile, or offensive educational environment;
2. Has the purpose or effect of substantially or unreasonably interfering with the student's academic performance; or
3. Otherwise adversely affects the student's educational opportunities.

Prohibited harassment includes dating violence as defined by this policy.

EXAMPLES

Examples of prohibited harassment may include offensive or derogatory language directed at another person's religious beliefs or practices, accent, skin color, or need for accommodation; threatening, intimidating, or humiliating conduct; offensive jokes, name calling, slurs, or rumors; physical aggression or assault; display of graffiti or printed material promoting racial, ethnic, or other negative stereotypes; or other kinds of aggressive conduct such as theft or damage to property.

STUDENT WELFARE
FREEDOM FROM DISCRIMINATION, HARASSMENT, AND RETALIATION

FFH
(LOCAL)

SEXUAL HARASSMENT
BY AN EMPLOYEE

Sexual harassment of a student by a District employee includes both welcome and unwelcome sexual advances; requests for sexual favors; sexually motivated physical, verbal, or nonverbal conduct; or other conduct or communication of a sexual nature when:

1. A District employee causes the student to believe that the student must submit to the conduct in order to participate in a school program or activity, or that the employee will make an educational decision based on whether or not the student submits to the conduct; or
2. The conduct is so severe, persistent, or pervasive that it:
 - a. Affects the student's ability to participate in or benefit from an educational program or activity, or otherwise adversely affects the student's educational opportunities; or
 - b. Creates an intimidating, threatening, hostile, or abusive educational environment.

Romantic or inappropriate social relationships between students and District employees are prohibited. Any sexual relationship between a student and a District employee is always prohibited, even if consensual. [See DH]

BY OTHERS

Sexual harassment of a student, including harassment committed by another student, includes unwelcome sexual advances; requests for sexual favors; or sexually motivated physical, verbal, or nonverbal conduct when the conduct is so severe, persistent, or pervasive that it:

1. Affects a student's ability to participate in or benefit from an educational program or activity, or creates an intimidating, threatening, hostile, or offensive educational environment;
2. Has the purpose or effect of substantially or unreasonably interfering with the student's academic performance; or
3. Otherwise adversely affects the student's educational opportunities.

EXAMPLES

Examples of sexual harassment of a student may include sexual advances; touching intimate body parts or coercing physical contact that is sexual in nature; jokes or conversations of a sexual nature; and other sexually motivated conduct, communications, or contact.

Necessary or permissible physical contact such as assisting a child by taking the child's hand, comforting a child with a hug, or other physical contact not reasonably construed as sexual in nature is not sexual harassment.

STUDENT WELFARE
FREEDOM FROM DISCRIMINATION, HARASSMENT, AND RETALIATION

FFH
(LOCAL)

GENDER-BASED
HARASSMENT

Gender-based harassment includes physical, verbal, or nonverbal conduct based on the student's gender, the student's expression of characteristics perceived as stereotypical for the student's gender, or the student's failure to conform to stereotypical notions of masculinity or femininity. For purposes of this policy, gender-based harassment is considered prohibited harassment if the conduct is so severe, persistent, or pervasive that the conduct:

1. Affects a student's ability to participate in or benefit from an educational program or activity, or creates an intimidating, threatening, hostile, or offensive educational environment;
2. Has the purpose or effect of substantially or unreasonably interfering with the student's academic performance; or
3. Otherwise adversely affects the student's educational opportunities.

EXAMPLES

Examples of gender-based harassment directed against a student, regardless of the student's or the harasser's actual or perceived sexual orientation or gender identity, may include offensive jokes, name-calling, slurs, or rumors; physical aggression or assault; threatening or intimidating conduct; or other kinds of aggressive conduct such as theft or damage to property.

DATING VIOLENCE

Dating violence occurs when a person in a current or past dating relationship uses physical, sexual, verbal, or emotional abuse to harm, threaten, intimidate, or control the other person in the relationship. Dating violence also occurs when a person commits these acts against a person in a marriage or dating relationship with the individual who is or was once in a marriage or dating relationship with the person committing the offense.

For purposes of this policy, dating violence is considered prohibited harassment if the conduct is so severe, persistent, or pervasive that the conduct:

1. Affects a student's ability to participate in or benefit from an educational program or activity, or creates an intimidating, threatening, hostile, or offensive educational environment;
2. Has the purpose or effect of substantially or unreasonably interfering with the student's academic performance; or
3. Otherwise adversely affects the student's educational opportunities.

EXAMPLES

Examples of dating violence against a student may include physical or sexual assaults; name-calling; put-downs; or threats directed at the student, the student's family members, or members of the

STUDENT WELFARE
FREEDOM FROM DISCRIMINATION, HARASSMENT, AND RETALIATION

FFH
(LOCAL)

	<p>student's household. Additional examples may include destroying property belonging to the student, threatening to commit suicide or homicide if the student ends the relationship, attempting to isolate the student from friends and family, stalking, threatening a student's spouse or current dating partner, or encouraging others to engage in these behaviors.</p>
RETALIATION	<p>The District prohibits retaliation by a student or District employee against a student alleged to have experienced discrimination or harassment, including dating violence, or another student who, in good faith, makes a report of harassment or discrimination, serves as a witness, or participates in an investigation.</p>
EXAMPLES	<p>Examples of retaliation may include threats, rumor spreading, ostracism, assault, destruction of property, unjustified punishments, or unwarranted grade reductions. Unlawful retaliation does not include petty slights or annoyances.</p>
FALSE CLAIM	<p>A student who intentionally makes a false claim, offers false statements, or refuses to cooperate with a District investigation regarding discrimination or harassment, including dating violence, shall be subject to appropriate disciplinary action.</p>
PROHIBITED CONDUCT	<p>In this policy, the term "prohibited conduct" includes discrimination, harassment, dating violence, and retaliation as defined by this policy, even if the behavior does not rise to the level of unlawful conduct.</p>
REPORTING PROCEDURES	<p>Any student who believes that he or she has experienced prohibited conduct or believes that another student has experienced prohibited conduct should immediately report the alleged acts to a teacher, school counselor, principal, other District employee, or the appropriate District official listed in this policy.</p>
STUDENT REPORT	
EMPLOYEE REPORT	<p>Any District employee who suspects or receives notice that a student or group of students has or may have experienced prohibited conduct shall immediately notify the appropriate District official listed in this policy and take any other steps required by this policy.</p>
DEFINITION OF DISTRICT OFFICIALS	<p>For the purposes of this policy, District officials are the Title IX coordinator, the ADA/Section 504 coordinator, and the Superintendent.</p>
TITLE IX COORDINATOR	<p>Reports of discrimination based on sex, including sexual harassment or gender-based harassment, may be directed to the designated Title IX coordinator for students. [See FFH(EXHIBIT)]</p>
ADA / SECTION 504 COORDINATOR	<p>Reports of discrimination based on disability may be directed to the designated ADA/Section 504 coordinator for students. [See FFH(EXHIBIT)]</p>

STUDENT WELFARE
FREEDOM FROM DISCRIMINATION, HARASSMENT, AND RETALIATION

FFH
(LOCAL)

SUPERINTENDENT	The Superintendent shall serve as coordinator for purposes of District compliance with all other nondiscrimination laws.
ALTERNATIVE REPORTING PROCEDURES	<p>A student shall not be required to report prohibited conduct to the person alleged to have committed the conduct. Reports concerning prohibited conduct, including reports against the Title IX coordinator or ADA/Section 504 coordinator, may be directed to the Superintendent.</p> <p>A report against the Superintendent may be made directly to the Board. If a report is made directly to the Board, the Board shall appoint an appropriate person to conduct an investigation.</p>
TIMELY REPORTING	Reports of prohibited conduct shall be made as soon as possible after the alleged act or knowledge of the alleged act. A failure to immediately report may impair the District's ability to investigate and address the prohibited conduct.
NOTICE TO PARENTS	The District official or designee shall promptly notify the parents of any student alleged to have experienced prohibited conduct by a District employee or another adult.
INVESTIGATION OF THE REPORT	The District may request, but shall not require, a written report. If a report is made orally, the District official shall reduce the report to written form.
INITIAL ASSESSMENT	<p>Upon receipt or notice of a report, the District official shall determine whether the allegations, if proven, would constitute prohibited conduct as defined by this policy. If so, the District shall immediately undertake an investigation, except as provided below at CRIMINAL INVESTIGATION.</p> <p>If the District official determines that the allegations, if proven, would not constitute prohibited conduct as defined by this policy, the District official shall refer the complaint for consideration under FFI.</p>
INTERIM ACTION	If appropriate and regardless of whether a criminal or regulatory investigation regarding the alleged conduct is pending, the District shall promptly take interim action calculated to address prohibited conduct or bullying prior to the completion of the District's investigation.
DISTRICT INVESTIGATION	<p>The investigation may be conducted by the District official or a designee, such as the principal, or by a third party designated by the District, such as an attorney. When appropriate, the principal shall be involved in or informed of the investigation.</p> <p>The investigation may consist of personal interviews with the person making the report, the person against whom the report is filed,</p>

STUDENT WELFARE
FREEDOM FROM DISCRIMINATION, HARASSMENT, AND RETALIATION

FFH
(LOCAL)

and others with knowledge of the circumstances surrounding the allegations. The investigation may also include analysis of other information or documents related to the allegations.

CRIMINAL
INVESTIGATION

If a law enforcement or regulatory agency notifies the District that a criminal or regulatory investigation has been initiated, the District shall confer with the agency to determine if the District investigation would impede the criminal or regulatory investigation. The District shall proceed with its investigation only to the extent that it does not impede the ongoing criminal or regulatory investigation. After the law enforcement or regulatory agency has finished gathering its evidence, the District shall promptly resume its investigation.

CONCLUDING THE
INVESTIGATION

Absent extenuating circumstances, such as a request by a law enforcement or regulatory agency for the District to delay its investigation, the investigation should be completed within ten District business days from the date of the report; however, the investigator shall take additional time if necessary to complete a thorough investigation.

The investigator shall prepare a written report of the investigation. The report shall include a determination of whether prohibited conduct or bullying occurred. The report shall be filed with the District official overseeing the investigation.

NOTIFICATION OF
OUTCOME

Notification of the outcome of the investigation shall be provided to both parties in compliance with FERPA.

DISTRICT ACTION
PROHIBITED
CONDUCT

If the results of an investigation indicate that prohibited conduct occurred, the District shall promptly respond by taking appropriate disciplinary action in accordance with the Student Code of Conduct and may take corrective action reasonably calculated to address the conduct.

CORRECTIVE
ACTION

Examples of corrective action may include a training program for those involved in the complaint, a comprehensive education program for the school community, counseling to the victim and the student who engaged in prohibited conduct, follow-up inquiries to determine if any new incidents or any instances of retaliation have occurred, involving parents and students in efforts to identify problems and improve the school climate, increasing staff monitoring of areas where prohibited conduct has occurred, and reaffirming the District's policy against discrimination and harassment.

BULLYING

If the results of an investigation indicate that bullying occurred, as defined by FFI, the District official shall refer to FFI for appropriate notice to parents and District action. The District official shall refer to FDB for transfer provisions.

STUDENT WELFARE
FREEDOM FROM DISCRIMINATION, HARASSMENT, AND RETALIATION

FFH
(LOCAL)

IMPROPER CONDUCT	If the investigation reveals improper conduct that did not rise to the level of prohibited conduct or bullying, the District may take disciplinary action in accordance with the Student Code of Conduct or other corrective action reasonably calculated to address the conduct.
CONFIDENTIALITY	To the greatest extent possible, the District shall respect the privacy of the complainant, persons against whom a report is filed, and witnesses. Limited disclosures may be necessary in order to conduct a thorough investigation and comply with applicable law.
APPEAL	A student or parent who is dissatisfied with the outcome of the investigation may appeal through FNG(LOCAL), beginning at the appropriate level. A student or parent shall be informed of his or her right to file a complaint with the United States Department of Education Office for Civil Rights.
RECORDS RETENTION	The District shall retain copies of allegations, investigation reports, and related records regarding any prohibited conduct in accordance with the District's records retention schedules, but for no less than the minimum amount of time required by law. [See CPC]
ACCESS TO POLICY AND PROCEDURES	Information regarding this policy and any accompanying procedures shall be distributed annually in the employee and student handbooks. Copies of the policy and procedures shall be posted on the District's website, to the extent practicable, and readily available at each campus and the District's administrative offices.

STUDENT WELFARE
FREEDOM FROM BULLYING

FFI
(LEGAL)

DEFINITION

“Bullying” means engaging in written or verbal expression, expression through electronic means, or physical conduct that occurs on school property, at a school-sponsored or school-related activity, or in a vehicle operated by the District and that:

1. Has the effect or will have the effect of physically harming a student, damaging a student’s property, or placing a student in reasonable fear of harm to the student’s person or of damage to the student’s property; or
2. Is sufficiently severe, persistent, and pervasive enough that the action or threat creates an intimidating, threatening, or abusive educational environment for a student.

This conduct is considered bullying if it:

1. Exploits an imbalance of power between the student perpetrator and the student victim through written or verbal expression or physical conduct; and
2. Interferes with a student’s education or substantially disrupts the operation of a school.

POLICY

The Board shall adopt a policy, including any necessary procedures, concerning bullying that:

1. Prohibits the bullying of a student;
2. Prohibits retaliation against any person, including a victim, a witness, or another person, who in good faith provides information concerning an incident of bullying;
3. Establishes a procedure for providing notice of an incident of bullying to a parent or guardian of the victim and a parent or guardian of the bully within a reasonable amount of time after the incident;
4. Establishes the actions a student should take to obtain assistance and intervention in response to bullying;
5. Sets out the available counseling options for a student who is a victim of or a witness to bullying or who engages in bullying;
6. Establishes procedures for reporting an incident of bullying, investigating a reported incident of bullying, and determining whether the reported incident of bullying occurred;
7. Prohibits the imposition of a disciplinary measure on a student who, after an investigation, is found to be a victim of bullying, on the basis of that student’s use of reasonable self-defense in response to the bullying; and

STUDENT WELFARE
FREEDOM FROM BULLYING

FFI
(LEGAL)

8. Requires that discipline for bullying of a student with disabilities comply with applicable requirements under federal law, including the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.).

The policy and any necessary procedures must be included annually in the student and employee handbooks and in the District improvement plan under Education Code 11.252. [See BQ]

INTERNET POSTING

The procedure for reporting bullying must be posted on the District's Internet Web site to the extent practicable.

Education Code 37.0832(a)–(e)

Note: This policy addresses bullying of District students. For provisions regarding discrimination and harassment involving District students, see FFH. Note that FFI shall be used in conjunction with FFH for certain prohibited conduct. For reporting requirements related to child abuse and neglect, see FFG.

BULLYING
PROHIBITED

The District prohibits bullying as defined by this policy. Retaliation against anyone involved in the complaint process is a violation of District policy and is prohibited.

DEFINITION

Bullying occurs when a student or group of students engages in written or verbal expression, expression through electronic means, or physical conduct that occurs on school property, at a school-sponsored or school-related activity, or in a vehicle operated by the District and that:

1. Has the effect or will have the effect of physically harming a student, damaging a student's property, or placing a student in reasonable fear of harm to the student's person or of damage to the student's property; or
2. Is sufficiently severe, persistent, and pervasive enough that the action or threat creates an intimidating, threatening, or abusive educational environment for a student.

This conduct is considered bullying if it:

1. Exploits an imbalance of power between the student perpetrator and the student victim through written or verbal expression or physical conduct; and
2. Interferes with a student's education or substantially disrupts the operation of a school.

EXAMPLES

Bullying of a student may include hazing, threats, taunting, teasing, confinement, assault, demands for money, destruction of property, theft of valued possessions, name calling, rumor spreading, or ostracism.

RETALIATION

The District prohibits retaliation by a student or District employee against any person who in good faith makes a report of bullying, serves as a witness, or participates in an investigation.

EXAMPLES

Examples of retaliation may include threats, rumor spreading, ostracism, assault, destruction of property, unjustified punishments, or unwarranted grade reductions. Unlawful retaliation does not include petty slights or annoyances.

STUDENT WELFARE
FREEDOM FROM BULLYING

FFI
(LOCAL)

FALSE CLAIM	A student who intentionally makes a false claim, offers false statements, or refuses to cooperate with a District investigation regarding bullying shall be subject to appropriate disciplinary action.
TIMELY REPORTING	Reports of bullying shall be made as soon as possible after the alleged act or knowledge of the alleged act. A failure to immediately report may impair the District's ability to investigate and address the prohibited conduct.
REPORTING PROCEDURES	To obtain assistance and intervention, any student who believes that he or she has experienced bullying or believes that another student has experienced bullying should immediately report the alleged acts to a teacher, counselor, principal, or other District employee.
STUDENT REPORT	
EMPLOYEE REPORT	Any District employee who suspects or receives notice that a student or group of students has or may have experienced bullying shall immediately notify the principal or designee.
REPORT FORMAT	A report may be made orally or in writing. The principal or designee shall reduce any oral reports to written form.
PROHIBITED CONDUCT	The principal or designee shall determine whether the allegations in the report, if proven, would constitute prohibited conduct as defined by policy FFH, including dating violence and harassment or discrimination on the basis of race, color, religion, gender, national origin, or disability. If so, the District shall proceed under policy FFH. If the allegations could constitute both prohibited conduct and bullying, the investigation under FFH shall include a determination on each type of conduct.
INVESTIGATION OF REPORT	The principal or designee shall conduct an appropriate investigation based on the allegations in the report. The principal or designee shall promptly take interim action calculated to prevent bullying during the course of an investigation, if appropriate.
CONCLUDING THE INVESTIGATION	Absent extenuating circumstances, the investigation should be completed within ten District business days from the date of the initial report alleging bullying; however, the principal or designee shall take additional time if necessary to complete a thorough investigation. The principal or designee shall prepare a final, written report of the investigation. The report shall include a determination of whether bullying occurred, and if so, whether the victim used reasonable self-defense. A copy of the report shall be sent to the Superintendent or designee.
NOTICE TO PARENTS	If an incident of bullying is confirmed, the principal or designee shall promptly notify the parents of the victim and of the student who engaged in bullying.

STUDENT WELFARE
FREEDOM FROM BULLYING

FFI
(LOCAL)

DISTRICT ACTION BULLYING	If the results of an investigation indicate that bullying occurred, the District shall promptly respond by taking appropriate disciplinary action in accordance with the District's Student Code of Conduct and may take corrective action reasonably calculated to address the conduct.
DISCIPLINE	<p>A student who is a victim of bullying and who used reasonable self-defense in response to the bullying shall not be subject to disciplinary action.</p> <p>The discipline of a student with a disability is subject to applicable state and federal law in addition to the Student Code of Conduct.</p>
CORRECTIVE ACTION	Examples of corrective action may include a training program for the individuals involved in the complaint, a comprehensive education program for the school community, follow-up inquiries to determine if any new incidents or any instances of retaliation have occurred, involving parents and students in efforts to identify problems and improve the school climate, increasing staff monitoring of areas where bullying has occurred, and reaffirming the District's policy against bullying.
TRANSFERS	The principal or designee shall refer to FDB for transfer provisions.
COUNSELING	The principal or designee shall notify the victim, the student who engaged in bullying, and any students who witnessed the bullying of available counseling options.
IMPROPER CONDUCT	If the investigation reveals improper conduct that did not rise to the level of prohibited conduct or bullying, the District may take action in accordance with the Student Code of Conduct or any other appropriate corrective action.
CONFIDENTIALITY	To the greatest extent possible, the District shall respect the privacy of the complainant, persons against whom a report is filed, and witnesses. Limited disclosures may be necessary in order to conduct a thorough investigation.
APPEAL	A student who is dissatisfied with the outcome of the investigation may appeal through FNG(LOCAL), beginning at the appropriate level.
RECORDS RETENTION	Retention of records shall be in accordance with CPC(LOCAL).
ACCESS TO POLICY AND PROCEDURES	This policy and any accompanying procedures shall be distributed annually in the employee and student handbooks. Copies of the policy and procedures shall be posted on the District's Web site, to the extent practicable, and shall be readily available at each campus and the District's administrative offices.

Federal Grant Funds 2015 - 2016 and

Proposed 2016 – 2017 Programming

Title One: \$2,730,680 (2015 allocation – 2,421,287) (2016-2017 allocation – yet to be determined)

The purpose of Title One monies is to help students in greatest need to master the state mandated curriculum. Campuses are identified as being eligible for Title One monies based on the percentage of students that qualify for either the free or reduced lunch program. The district currently utilizes the Title One monies to pay for supplemental personnel, professional development, materials, and parental involvement activities at the Title One campuses. The vast majority of the monies go to personnel (math specialists, reading specialists, science specialists, general instructional specialists and a Parental Involvement Liaison. The Title One campuses for this year have been: Crowley Middle, David Walker Intermediate, Mary Harris Intermediate, Sycamore Elementary, Meadowcreek Elementary, Jackie Carden Elementary, Parkway Elementary, Oakmont Elementary, J. A. Hargrave Elementary, and Poynter Elementary.

Title Two: \$199,569 (2015 allocation – 174,493) (2016-2017 allocation – Yet to be determined)

The purpose of Title Two monies is to develop and maintain a highly qualified staff of administrators, teachers, and other professionals in order to help students master the state mandated curriculum. The district currently utilizes the Title Two monies for supplemental district personnel and outside professional speakers that address topics that include among other things: Differentiated Instruction, Advanced Academics, Sheltered Instruction for English Language Learners, and High Yield Instructional Strategies that focus upon academic rigor. The district also utilizes the monies to support the district mentoring program and for recruitment of highly qualified teachers.

Title Three: \$216,804 (2015 allocation - 191,919) (2016 – 2017 allocation – Yet to be determined)

The purpose of the Title Three monies is to help English Language Learners (ELL's) master the state mandated curriculum. The district currently utilizes the Title Three monies for supplemental bilingual personnel that assist with direct instruction in reading and/or math based on the identified needs at various campuses. The district also utilizes the monies to pay for supplemental bilingual instructional materials, and for outside speakers that help teachers prepare to take the state endorsement test related to English as a Second Language.

Perkins Grant: \$175,772 (2015 allocation – \$167,246 (2016-2017 allocation – 163,967)

The purpose of the Perkins Grant is to provide additional support for the Career Technology Program (CTE). The district currently utilizes the vast majority of the Perkins monies to purchase additional supplies and equipment for the programming provided at the Bill Johnson CTE Center. The funds also support the CTE programming conducted at other campuses. The CTE program prepares students for both continued educational experiences and/or certifications that make them more employable.

Communicating Recommendations:

Please allow your campus staff to review this information either through the Campus Improvement Committee or during a faculty meeting. If your campus has any suggestions for additions to /or subtractions from the items currently funded through these grants, please communicate that information in writing to me by June 3rd. My email is: ted.kretchmar@crowley.k12.tx.us.

Addendum to the 2016-2017 District/Campus Improvement Plan

Subject: Coordinated School Health includes:

- Annual fitness assessment
- Health and wellness education for students
- Nutritional monthly emphasis on fruits and vegetables
- Healthy for Life quarterly newsletter for students, staff and community
- American Heart Association wellness program for staff

Subject: Dropout Procedures

1. Students who withdraw from a campus must complete a Withdrawal Form which indicates the date of withdrawal, the reason for withdrawal, destination, and is signed by the parent or guardian.
2. Identification lists of potential dropouts will be sent by the PEIMS Department to the campuses near the beginning of each school year.
3. Each student on the list will be located and documentation will be verified by campus officials.
4. Students in danger of not graduating and those who have completed required coursework but not the required state assessments will receive appropriate Dropout Prevention counseling and develop a personal graduation plan which may include interventions, accelerated instruction, or Bridges Academy.

Subject: Emergency Preparedness Drills

Ensure all campuses are in 100% compliance as measured by the emergency preparedness drill documentation form.

1. Each campus schedules drills with the Coordinator for Safety & Security and documents the following drills:
 - a. Building Evacuation (Fire Drill) – at least one per month for each month school is in session 10 or more days, including one obstructed drill
 - b. Lock Down – at least two per year
 - c. Severe Weather – at least two per year
 - d. Shelter in Place – at least two per year
 - e. Reverse Evacuation – at least two per year
 - f. Other - includes Bus Evacuation Drill
2. Fire Exit Drills are recorded and submitted annually to the State Fire Marshal

Subject: McKinney-Vento Homeless Assistance

1. The Residency Questionnaire form within the registration will be completed by the parent/guardian and submitted to the campus who will submit to the District Homeless Liaison for verification.
2. Crowley ISD guarantees that a family/student can enroll in school if residing:

- a. In a shelter (family shelter, domestic violence shelter, youth shelter, or transitional living program)
 - b. In a hotel/motel, or weekly-rate housing
 - c. In a house or apartment with more than one family because of economic hardship or loss
 - d. In an abandoned building or a car, at a campground, or on the street,
 - e. In a temporary foster care
 - f. In a substandard housing (no electricity, no water, and/no heat)
 - g. With friends or family because the student is a runaway or unaccompanied youth
3. The District Homeless Liaison provides the Director of Nutrition & Food Services with the names of the students in the district that have been identified as homeless in order to provide Free & Reduced Lunch.
 4. The following services are made available for students identified under the McKinney Vento Act:
 - a. Qualify automatically for Child Nutrition Programs (Free and Reduced-Priced Lunch and other district food programs)
 - b. John Peter Smith (JPS) Hospital School-based Clinic located on Crowley ISD Clinic
 - c. Campus Counselor and designated campus Community In Schools Social Worker assist with obtaining services from community and government agencies and organizations
 - d. Continue to attend the school in which the student was last enrolled, even if the student has moved from that school's attendance zone or district
 - e. Transportation provided from student's current residence back to the student's school of origin
 - f. The availability to contact the District Homeless Liaison to resolve any disputes that may occur during the enrollment process

Subject: Pregnancy Related Services (PRS) Program

1. Identification and verification documents will be completed by campus officials.
2. The following services will be made available to each student eligible for PRS:
 - a. Compensatory Education Home Instruction (CEHI) for the regular education student provided by a certified teacher and for the special education homebound student additional PRS contact hours will be provided by a certified teacher, counselor, nurse or social worker.
 - b. Counseling services including the initial session when the student discloses the pregnancy.
 - c. John Peter Smith (JPS) Hospital School-Based Health Clinic located on a Crowley ISD campus.
 - d. Health services, including services from the school nurse and certified athletic trainer.
 - e. Schedule modification for instruction (inside or outside the classroom) related to parenting knowledge and skills, including child development, home and family living, and appropriate job readiness training.

- f. Assistance obtaining services from government agencies and community service organizations.
3. Documentation, as defined by the PRS procedures, of each student's participation in the PRS program will be maintained on the campus.

Subject: Texas Behavior Support Initiative (TBSI)

1. Any campus personnel likely to use restraint or likely to use time-out as part of a student's Individualized Education Program and/or Behavior Intervention Plan must receive training in the Texas Behavior Support Initiative (TBSI).
2. The school staff member will complete the first six modules online prior to taking module seven, Physical Restraint. The District adopted restraint training program is Nonviolent Crisis Intervention through the Crisis Prevention Institute (CPI).
3. Before being allowed to register for CPI, the school staff member must provide evidence to the CISD Professional Development Department that they have gone through the first six modules of TBSI.
4. Campus personnel are only required to participate in the online module training one time. The physical restraint training program requires annual training.
5. Personnel called upon to use restraint and who have not received prior training must receive training in the six modules of TBSI and CPI within 30 school days following the use of restraint.
6. Each campus in the District is required to maintain a core team of an administrator, general education teacher and a special education teacher trained in TBSI and CPI.

Crowley ISD

Suicide Awareness & Prevention

In Crowley ISD steps are taken to empower students at every grade level with protective influences that decrease the likelihood of suicide. These steps are provided in a variety of methods and with age-related considerations.

The elementary and intermediate campuses utilize classroom lessons on the topics of kindness, self-confidence, communication, and perseverance. Each of these traits contribute to a healthy self and supportive relationships. Throughout the school year speakers and programs are presented to the students and staff that promote protective qualities which reduce the risk for suicide.

At the middle School and high School campuses the attributes of kindness, self-confidence, communication, perseverance, and leadership are also imparted in a variety of means. In September, each campus utilizes a Suicide Prevention Week. During this week announcements are shared giving suicide awareness and prevention tools. Students are equipped with information to report concerns regarding peers, family, and themselves. Throughout the school year speakers and programs are presented to the students and staff that promote protective qualities which reduce the risk for suicide.

Additionally, staff on all Crowley ISD campuses are provided training on suicide awareness. Staff are provided basic information for offering support to a student in crisis and ensuring student safety. All Crowley ISD campuses have a procedure to follow when an out-cry or self-harm concern is presented. A student at risk of suicide or self-harm is screened for risk level, a parent or guardian is provided an Emergency Notification that includes external referral sources, and follow up with the student is carried out to ensure support and a healthy welfare of the student.

2016-2017 Priority for Service (PFS) Action Plan
ESC REGION 11 MIGRANT EDUCATION PROGRAM SSA DISTRICTS

<p>Goal(s): Identify and provide services to migrant learners who are failing or at risk of failing to meet the State’s content and performance standards and whose education has been interrupted during the regular school year.</p>	<p>Objective(s):</p> <ul style="list-style-type: none"> <input type="checkbox"/> Identify migrant learners who enroll late and withdraw early and provide supplemental services to each learner when no other school district services are available. <input type="checkbox"/> Identify migrant learners who are missing significant amounts of instructional time due to late enrollment and/or excessive absences. <input type="checkbox"/> Provide supplemental information to parents on how to collaborate with school staff and access resources in order to provide timely attention and appropriate interventions for their children. <input type="checkbox"/> Use data to plan the Priority for Services Action Plan (PFS) for 2016-2017 academic year and assist the district with supplemental services not provided by other federal or non-federal programs.
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Required	Timeline	Person(s) Responsible	Documentation
On a monthly basis, run NGS Priority for Service (PFS) reports to identify migrant children and youth who require priority access to MEP services.		NGS Specialist	PFS Reports
Print and review the New Generation System (NGS) Priority for Service (PFS) learner report monthly	15 th day of every month for 2016-2017	NGS Specialist	NGS generated reports
Submit the PFS to the district SSA contact for distribution to appropriate staff	20 th day of every month for 2016-2017	NGS Specialist	Copy of sent email(s)
Before the first day of school, develop a PFS Action Plan for serving PFS learners. The plan must clearly articulate criteria for defining learner success, including timelines for achieving stated goals and objectives.			
Send PFS Action Plan to District to attach to DIP	August 12, 2016	MEP Coordinator	Copy of sent email(s)
The PFS Action Plan must include the following:			
1. The Title I Migrant Coordinator will provide each campus principals, appropriate campus staff and parents the Priority for Service criteria and updated NGS Priority for Service reports.			
Submit the PFS to the district SSA contact for distribution to appropriate staff	20 th day of each month in 2016-2017	NGS Specialist	Copy of sent email(s)
Send letter with copy of PFS report for their child(ren) with request for meeting with parent	20 th day of each month in 2016-2017	MEP Consultant, NGS Specialist	Copies of letter sent
Collaborate with counselors each reporting period in developing a personal graduation	September 2016 – May 2017	MEP School Liaison Consultant, MEP Consultant	Time and Effort reports, travel logs, graduation plan

2. When, in your school year calendar, the district's Title I Migrant Coordinator, MEP staff and migrant school staff will make home and /or community visits to update parents on the academic progress of their children.			
Contact parent to notify of child's PFS status inform of intervention options.	September 2016 – May 2017	MEP School Liaison Consultant, MEP Consultant	Copies of letter sent
Meet with PFS migrant parents and school staff to explain how PFS learners are identified and what services are available for these learners	As requested by parent or school staff	MEP School Liaison Consultant, MEP Consultant	Copies of letter sent
3. How the district's Title I Migrant Coordinator will use NGS Priority for Service reports to give priority placements to these learners in Migrant Education Program activities.			
Share and coordinate secondary credit accrual practices with receiving states through the Secondary Credit Accrual workshop, hosted by the Texas Migrant Interstate Program (TMIP)	September 2016 – May 2017	MEP consultant, School Liaison Consultant	District policy and procedures
Work with project and SSA districts in creating an extracurricular club/leadership event specific to migrant learners designed to help learners develop effective learning and study skills	September 2016 – May 2017	MEP consultant, School Liaison Consultant, School Planning Group	Agenda, roster, minutes of meeting
Provide PFS learners and their parent(s) prior notice for upcoming Migrant Education Program (MEP) events.	September 2016 – May 2017	MEP consultant, School Liaison Consultant, School Planning Group	Copy of fliers, emails
4. How the district's Title I Migrant Coordinator will ensure that Priority for Service learners receive priority access to instructional services, as well as social workers and community social services/agencies.			
Collaborate with SSA districts to develop and implement a set of district procedures outlining strategies for partial/full credit accrual for migrant learners with late entry/early	September 2016 – May 2017	NGS Migrant School Liaison Consultant, NGS Specialist	E-mails
Monitor NGS course completion for PFS learners with late entry and early withdrawal	September 2016 – May 2017	NGS Migrant School Liaison Consultant, NGS Specialist	Learner transcript, NGS reports
Provide Parent Advisory Meetings in different areas throughout the school year	September 2016 – May 2017	NGS Migrant School Liaison Consultant, Migrant Recruiters	Agenda, roster, mileage reimbursement forms, minutes of meeting
Provide contact information regarding social service agencies and healthcare providers available in their area.	September 2016 – May 2017	NGS Migrant School Liaison Consultant, Migrant Recruiters	Telephone log, mileage reimbursement, time and effort reports
5. What federal, state and local programs service Priority for Service learners?			
Meet (or communicate) with district staff to ensure learners participate in school services offered	September 2016 – May 2017	Migrant School Liaison Consultant, Migrant Consultant	Telephone log, mileage reimbursement, time and effort reports, emails
Use migrant funds to pay tuition or fees for evening classes, summer school, credit by exam or distance learning when not provided by ISD	September 2016 – May 2017	Migrant School Liaison Consultant, Migrant Consultant	Budget records
Use migrant funds to pay for tutor to provide supplemental instruction or facilitate distance learning courses	September 2016 – May 2017	Migrant School Liaison Consultant, Migrant Consultant	Budget records, tutor time logs
Share and coordinate secondary credit accrual practices with receiving states through services provided by the Texas Migrant Interstate Program (TMIP).	September 2016 – May 2017	Migrant School Liaison Consultant, Migrant Consultant	Agenda, roster, email, telephone log



Financial Integrity Rating System of Texas

2015-2016 RATINGS BASED ON SCHOOL YEAR 2014-2015 DATA - DISTRICT STATUS DETAIL

Name: CROWLEY ISD(220912)		Publication Level 1: 8/8/2016 6:20:16 PM	
Status: Passed		Publication Level 2: 8/8/2016 6:20:16 PM	
Rating: A = Superior		Last Updated: 8/8/2016 6:20:16 PM	
District Score: 90		Passing Score: 31	
#	Indicator Description	Updated	Score
1	<u>Was the complete annual financial report (AFR) and data submitted to the TEA within 30 days of the November 27 or January 28 deadline depending on the school district's fiscal year end date of June 30 or August 31, respectively?</u>	3/16/2016 4:39:34 PM	Yes
2	Review the AFR for an unmodified opinion and material weaknesses. The school district must pass 2.A to pass this indicator. The school district fails indicator number 2 if it responds "No" to indicator 2.A. or to both indicators 2.A and 2.B.		
2.A	<u>Was there an unmodified opinion in the AFR on the financial statements as a whole? (The American Institute of Certified Public Accountants (AICPA) defines unmodified opinion. The external independent auditor determines if there was an unmodified opinion.)</u>	3/16/2016 4:39:35 PM	Yes
2.B	<u>Did the external independent auditor report that the AFR was free of any instance(s) of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds? (The AICPA defines material weakness.)</u>	3/16/2016 4:39:35 PM	Yes

3	<u>Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? (If the school district was in default in a prior fiscal year, an exemption applies in following years if the school district is current on its forbearance or payment plan with the lender and the payments are made on schedule for the fiscal year being rated. Also exempted are technical defaults that are not related to monetary defaults. A technical default is a failure to uphold the terms of a debt covenant, contract, or master promissory note even though payments to the lender, trust, or sinking fund are current. A debt agreement is a legal agreement between a debtor (= person, company, etc. that owes money) and their creditors, which includes a plan for paying back the debt.)</u>	3/16/2016 4:39:35 PM	Yes
4	<u>Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?</u>	3/16/2016 4:39:36 PM	Yes
5	<u>Was the total unrestricted net asset balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Assets greater than zero? (If the school district's change of students in membership over 5 years was 10 percent or more, then the school district passes this indicator.)</u>	8/8/2016 6:03:36 PM	Yes
			1 Multiplier Sum
6	<u>Was the number of days of cash on hand and current investments in the general fund for the school district sufficient to cover operating expenditures (excluding facilities acquisition and construction)? (See ranges below.)</u>	8/4/2016 2:02:05 PM	10
7	<u>Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? (See ranges below.)</u>	6/30/2016 1:40:59 PM	8
8	<u>Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? (If the school district's change of students in membership over 5 years was 10 percent or more, then the school district passes this indicator.) (See ranges below.)</u>	8/4/2016 2:02:05 PM	4

9	<u>Did the school district's general fund revenues equal or exceed expenditures (excluding facilities acquisition and construction)? If not, was the school district's number of days of cash on hand greater than or equal to 60 days?</u>	8/4/2016 2:02:06 PM	10
10	<u>Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)</u>	8/4/2016 2:02:06 PM	10
11	<u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)</u>	3/16/2016 4:39:38 PM	8
12	<u>Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)? (If the student enrollment did not decrease, the school district will automatically pass this indicator.)</u>	3/16/2016 4:39:38 PM	10
13	<u>Did the comparison of Public Education Information Management System (PEIMS) data to like information in the school district's AFR result in a total variance of less than 3 percent of all expenditures by function?</u>	3/16/2016 4:39:39 PM	10
14	<u>Did the external independent auditor indicate the AFR was free of any instance(s) of material noncompliance for grants, contracts, and laws related to local, state, or federal funds? (The AICPA defines material noncompliance.)</u>	3/25/2016 2:14:24 PM	10
15	<u>Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship?</u>	3/24/2016 4:41:20 PM	10
			90 Weighted Sum
			1 Multiplier Sum
			90 Score

21st CENTURY COMMUNITY LEARNING CENTER

The 21st CCLC grant serves as a supplementary program that can enhance state or local reform efforts to improve student academic achievement and support overall student development. According to the USDE, the purpose of the program is to create community learning centers that provide academic enrichment opportunities for children, particularly students who attend high-need, high-poverty, low-performing schools, to meet state and local student standards in core academic subjects. A community learning center assists students outside school hours or when school is not in session to complement the student's regular academic program. The 21st CCLC funds will create and expand out-of-school-time (OST) programs that offer extended learning opportunities for children and their families. The 21st Century Community Learning Center's program, also known as Texas Afterschool Centers on Education (ACE), is intended to improve the following outcomes for students:

- Academic performance
 - Attendance
 - Behavior
 - Promotion rates
 - Graduation rates
-

Each class is derived from one of the main 4 components: Below are a few examples of classes.

Academics

- Paint Your Art Out
- Lights! Camera! Read!

Enrichment

- Mad Madness
- Career Whiz

Family and Parental Support Services

- Family Fall Fun
- Family Fun Fitness

College and Workforce Readiness

- Chef's Corner
 - University Lab
-

Contact Us

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Adra Anderson

Family Engagement Specialist
817-568-5710 ext. 1137
adra.anderson@crowley.k12.tx.us

CENTER LOCATIONS

Jackie Carden Elementary

Nikita Coleman
 Site Coordinator
 3701 Garden Springs Road
 Fort Worth, Texas 76134
 817-370-5600 ext. 1105
 817-487-0934 After hours #

Program time

Monday – Friday
 2:56 pm – 5:56 pm

Parkway Elementary

Debra Kneeland
 Site Coordinator
 1320 W. Everman Pkwy
 Fort Worth, Texas 76134
 817-568-5610 ext. 1137
 817-673-0294 After hours #

Program time

Monday – Friday
 2:56 pm- 5:56 pm

Oakmont Elementary

Savannah Brooks
 Site Coordinator
 6651 Oakmont Trail
 Fort Worth, Texas 76123
 817-370-5610
 817-889-7846 After hours #

Program time

Monday – Friday
 6:30 am – 7:15 am
 2:56 pm – 5:56 pm

J.A. Hargrave Elementary

James Henderson
 Site Coordinator
 9200 Poynter Rd.
 Fort Worth, Texas 76123
 817-370-5630 ext. 1119
 582-201-6648 After hours #

Program time

Monday – Friday
 2:56 pm – 5:56 pm

Sidney H. Poynter Elementary

LaTia Young-Lewis
 Site Coordinator
 521 Ashdale Drive
 Fort Worth, Texas 76140
 817-568-5730 ext. 1150
 682-429-2688 After hours #

Program time

Monday – Friday
 6:30 am – 7:45 am
 2:56 pm- 5:56 pm

David L. Walker Intermediate

Polete Buard
 Site Coordinator
 817-568-2745
 817-308-4989 After hours #

Program time

Monday – Friday
 3:35 pm – 6:35 pm

Mary Harris Intermediate

Shuntay Ware
 Site Coordinator
 8400 West Cleburne Road
 Fort Worth, Texas 76123
 817-370-7571
 817-832-2919 After hours #

Program time

Monday – Friday
 3:35 pm – 6:35 pm

Texas Education Agency
2018 Accountability Ratings Overall Summary
MARY HARRIS INT (220912114) - CROWLEY ISD

	Component Score	Scaled Score	Rating
Overall		64	Met Standard
Student Achievement		60	Met Standard
STAAR Performance	32	60	
College, Career and Military Readiness			
Graduation Rate			
School Progress		63	Met Standard
Academic Growth	59	58	Improvement Required
Relative Performance (Eco Dis: 75.1%)	32	63	Met Standard
Closing the Gaps	24	67	Met Standard

Distinction Designations

ELA/Reading	Not Earned
Mathematics	Not Earned
Science	Not Earned
Social Studies	Not Eligible
Comparative Academic Growth	Not Earned
Postsecondary Readiness	Not Earned
Comparative Closing the Gaps	Not Earned

Texas Education Agency
2018 Accountability Ratings Overall Summary
SUMMER CREEK MIDDLE (220912043) - CROWLEY ISD

	Component Score	Scaled Score	Rating
Overall		73	Met Standard
Student Achievement		72	Met Standard
STAAR Performance	40	72	
College, Career and Military Readiness			
Graduation Rate	100		
School Progress		69	Met Standard
Academic Growth	65	69	Met Standard
Relative Performance (Eco Dis: 57.0%)	40	69	Met Standard
Closing the Gaps	43	74	Met Standard

Distinction Designations

ELA/Reading	Not Earned
Mathematics	Not Earned
Science	Not Earned
Social Studies	Not Earned
Comparative Academic Growth	Not Earned
Postsecondary Readiness	Not Earned
Comparative Closing the Gaps	Not Earned

Texas Education Agency
2018 Accountability Ratings Overall Summary
NORTH CROWLEY H S (220912002) - CROWLEY ISD

	Component Score	Scaled Score	Rating
Overall		75	Met Standard
Student Achievement		75	Met Standard
STAAR Performance	45	73	
College, Career and Military Readiness	35	67	
Graduation Rate	98.4	95	
School Progress		76	Met Standard
Academic Growth	67	76	Met Standard
Relative Performance (Eco Dis: 50.2%)	40	68	Met Standard
Closing the Gaps	42	73	Met Standard

Distinction Designations

ELA/Reading	Not Earned
Mathematics	Earned
Science	Not Earned
Social Studies	Not Earned
Comparative Academic Growth	Not Earned
Postsecondary Readiness	Not Earned
Comparative Closing the Gaps	Not Earned

Reserve at Risinger

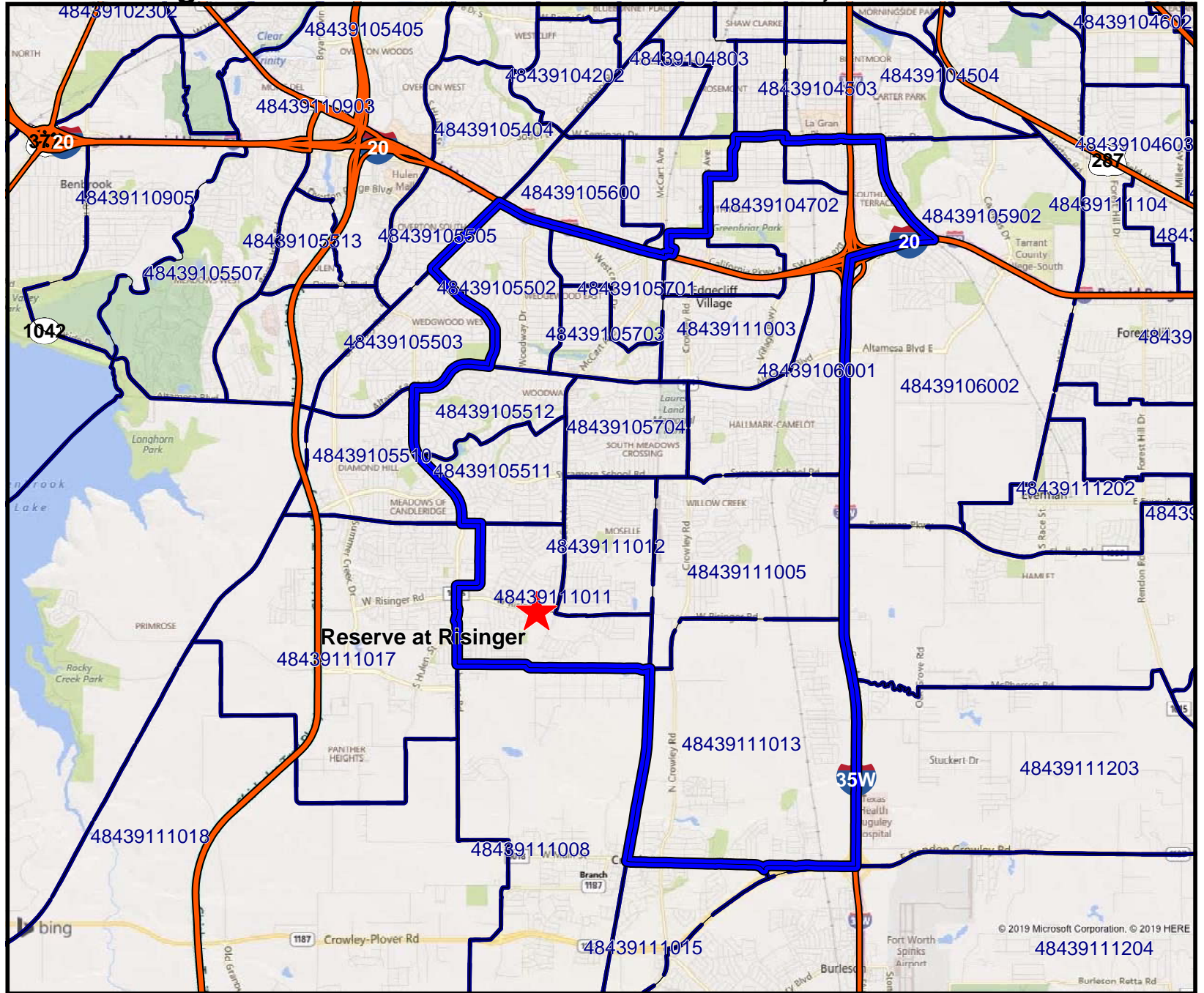
Approx. SWC Risinger Road & McCart Avenue Fort Worth, Texas 76123

Legend

- Site
- Custom Boundary
- TDHCA - All Census Tracts
- CENSUS TRACTS
- Major Roads
- County Boundaries
- State Boundaries

Site Coordinates
Longitude/X: -97.374730
Latitude/Y: 32.614890

Miles



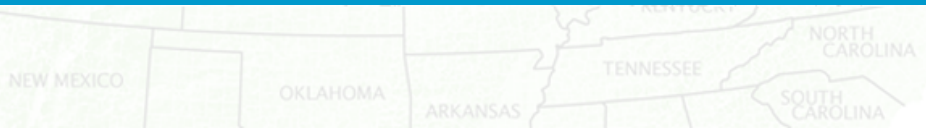
Print Date: 6 February 2019

Data Source:

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TDHCA Number	Property_Name	Year		# of Units	Street	Straight Line Distance	
		Awarded	Population				
00144	Sycamore Pointe THs (LIHTC)	2000	General	126	2201 Sycamore School Road	1.77 miles	
02459	The Park at Sycamore School (Bond)	2002	General	216	3801 Sycamore School Rd	1.28 miles	
02484	Sycamore Center Villas (Bond)	2002	General	280	7901 Chandra Lane	1.85 miles	
04486	Worthington Point (Bond)	2004	General	248	12301 Hemphill St	3.71 miles	
060038	North Greenbriar Sr. (LIHTC-fka Oak Timbers-Seminary)	2006	Elderly	123	5201 James Ave.	4.19 miles	
060053	Candletree (LIHTC)	2006	General	216	7425 Hulen St S	1.75 miles	
07433	Peppertree Acres (Bond - Sec 8 TSAHC)	2007	General	184	6555 Sheridan Rd	3.86 miles	
07409	Home Towne at Matador Ranch Sr (Bond-Sr)	2007	Elderly	198	8500 Crowley Rd	1.65 miles	
08615/09605	Woodmont Apartments (Bond)	2009	General	252	1021 Oak Grove Rd	5.39 miles	
				Total Units:	1843	Average Distance:	2.83 miles
				General Units:	1522		



B01003

TOTAL POPULATION

Universe: Total population
2012-2016 American Community Survey 5-Year Estimates

Note: This is a modified view of the original table.

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Tell us what you think. Provide feedback to help make American Community Survey data more useful for you.

Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates of the population for the nation, states, counties, cities and towns and estimates of housing units for states and counties.

Total Population in the PMA*: 93,456

***census tracts below encompass the 15 tracts in the Primary Market Area**

		Total
Census Tract 1047.02, Tarrant County, Texas	Estimate	3,141
Census Tract 1055.02, Tarrant County, Texas	Estimate	6,389
Census Tract 1055.11, Tarrant County, Texas	Estimate	6,066
Census Tract 1055.12, Tarrant County, Texas	Estimate	4,130
Census Tract 1057.01, Tarrant County, Texas	Estimate	4,285
Census Tract 1057.03, Tarrant County, Texas	Estimate	3,543
Census Tract 1057.04, Tarrant County, Texas	Estimate	8,595
Census Tract 1058, Tarrant County, Texas	Estimate	4,210
Census Tract 1059.01, Tarrant County, Texas	Estimate	3,947
Census Tract 1060.01, Tarrant County, Texas	Estimate	8,624
Census Tract 1110.03, Tarrant County, Texas	Estimate	2,950
Census Tract 1110.05, Tarrant County, Texas	Estimate	11,034
Census Tract 1110.11, Tarrant County, Texas	Estimate	9,338
Census Tract 1110.12, Tarrant County, Texas	Estimate	8,071
Census Tract 1110.13, Tarrant County, Texas	Estimate	9,133

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see Accuracy of the Data). The effect of nonsampling error is not represented in these tables.

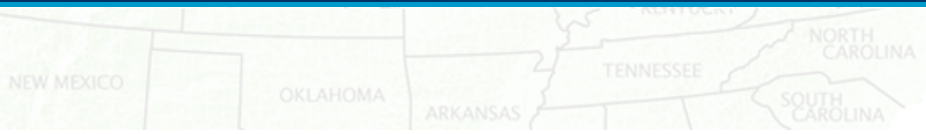
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Estimates of urban and rural population, housing units, and characteristics reflect boundaries of urban areas defined based on Census 2010 data. As a result, data for urban and rural areas from the ACS do not necessarily reflect the results of ongoing urbanization.

Source: U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates

Explanation of Symbols:

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6. An '*****' entry in the margin of error column indicates that the estimate is controlled. A statistical test for sampling variability is not appropriate.



B25070

GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME IN THE PAST 12 MONTHS

Universe: Renter-occupied housing units
2012-2016 American Community Survey 5-Year Estimates

Note: This is a modified view of the original table.

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**Total Households in the PMA:
11,119**

**Total Cost-Burdened Households:
5,724 or 51% of Households**

		Total:				
		30.0 to 34.9 percent	35.0 to 39.9 percent	40.0 to 49.9 percent	50.0 percent or more	
Census Tract 1047.02, Tarrant County, Texas	Estimate	470	57	57	25	130
Census Tract 1055.02, Tarrant County, Texas	Estimate	855	62	45	121	235
Census Tract 1055.11, Tarrant County, Texas	Estimate	888	200	119	121	191
Census Tract 1055.12, Tarrant County, Texas	Estimate	328	24	30	48	51
Census Tract 1057.01, Tarrant County, Texas	Estimate	480	80	0	29	89
Census Tract 1057.03, Tarrant County, Texas	Estimate	540	116	47	64	81
Census Tract 1057.04, Tarrant County, Texas	Estimate	1,406	61	63	246	393
Census Tract 1058, Tarrant County, Texas	Estimate	447	24	39	56	75
Census Tract 1059.01, Tarrant County, Texas	Estimate	504	13	37	96	103
Census Tract 1060.01, Tarrant County, Texas	Estimate	867	119	20	83	219
Census Tract 1110.03, Tarrant County, Texas	Estimate	155	32	2	0	8
Census Tract 1110.05, Tarrant County, Texas	Estimate	1,621	180	79	129	621
Census Tract 1110.11, Tarrant County, Texas	Estimate	637	43	65	0	171
Census Tract 1110.12, Tarrant County, Texas	Estimate	816	29	76	85	72
Census Tract 1110.13, Tarrant County, Texas	Estimate	1,105	111	23	78	251

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see Accuracy of the Data). The effect of nonsampling error is not represented in these tables.

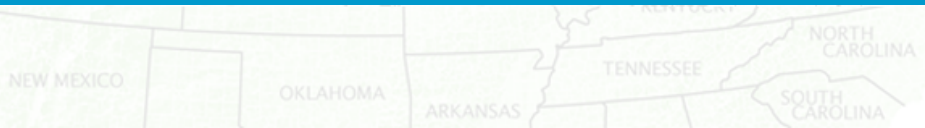
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Estimates of urban and rural population, housing units, and characteristics reflect boundaries of urban areas defined based on Census 2010 data. As a result, data for urban and rural areas from the ACS do not necessarily reflect the results of ongoing urbanization.

Source: U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates

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B19013

MEDIAN HOUSEHOLD INCOME IN THE PAST 12 MONTHS (IN 2016 INFLATION-ADJUSTED DOLLARS)

Universe: Households

2012-2016 American Community Survey 5-Year Estimates

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Median Household Income in the MSA: \$61,330

	Census Tract 1110.11, Tarrant County, Texas		Dallas-Fort Worth-Arlington, TX Metro Area; Texas	
	Estimate	Margin of Error	Estimate	Margin of Error
Median household income in the past 12 months (in 2016 inflation-adjusted dollars)	76,612	+/-10,135	61,330	+/-268

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Source: U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates

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6. An '*****' entry in the margin of error column indicates that the estimate is controlled. A statistical test for sampling variability is not appropriate.
7. An 'N' entry in the estimate and margin of error columns indicates that data for this geographic area cannot be displayed because the number of sample cases is too small.



B19001 HOUSEHOLD INCOME IN THE PAST 12 MONTHS (IN 2016 INFLATION-ADJUSTED DOLLARS)
 Universe: Households
 2012-2016 American Community Survey 5-Year Estimates

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1,944 Households out of 2,902 = 67% of Households in the Census Tract have incomes equal to or greater than the Median Household Income in the MSA

	Census Tract 1110.11, Tarrant County, Texas		Dallas-Fort Worth-Arlington, TX Metro Area, Texas	
	Estimate	Margin of Error	Estimate	Margin of Error
Total:	2,902	+/-135	2,451,163	+/-4,479
Less than \$10,000	24	+/-30	135,118	+/-2,355
\$10,000 to \$14,999	107	+/-95	98,147	+/-2,173
\$15,000 to \$19,999	55	+/-82	103,846	+/-2,402
\$20,000 to \$24,999	72	+/-85	113,820	+/-2,603
\$25,000 to \$29,999	89	+/-83	113,274	+/-2,499
\$30,000 to \$34,999	118	+/-72	119,681	+/-2,290
\$35,000 to \$39,999	13	+/-23	108,977	+/-2,174
\$40,000 to \$44,999	62	+/-50	112,462	+/-2,463
\$45,000 to \$49,999	149	+/-99	97,733	+/-2,510
\$50,000 to \$59,999	269	+/-127	195,561	+/-3,446
\$60,000 to \$74,999	444	+/-154	251,143	+/-4,285
\$75,000 to \$99,999	727	+/-181	304,489	+/-3,365
\$100,000 to \$124,999	415	+/-145	227,235	+/-3,274
\$125,000 to \$149,999	194	+/-109	141,724	+/-2,202
\$150,000 to \$199,999	135	+/-105	158,327	+/-2,316
\$200,000 or more	29	+/-33	169,626	+/-2,618

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4. An '+' following a median estimate means the median falls in the upper interval of an open-ended distribution.
5. An '***' entry in the margin of error column indicates that the median falls in the lowest interval or upper interval of an open-ended distribution. A statistical test is not appropriate.
6. An '*****' entry in the margin of error column indicates that the estimate is controlled. A statistical test for sampling variability is not appropriate.
7. An 'N' entry in the estimate and margin of error columns indicates that data for this geographic area cannot be displayed because the number of sample cases is too small.
8. An '(X)' means that the estimate is not applicable or not available.

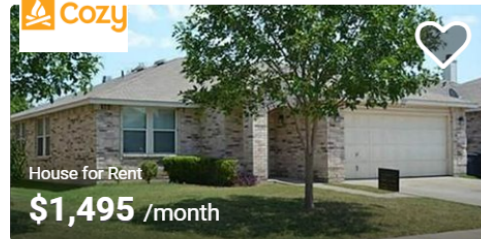
The 15 Realtor.com Rental Listings in the census tract containing Reserve at Risginer

Managed by American Homes 4 Rent



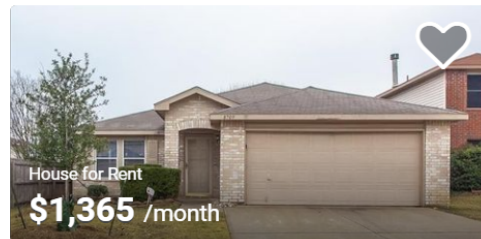
4 bed 2 bath 2,037+ sqft
3908 Orlando Springs Dr, Fort Worth, TX 76...

Managed by Landlord



3 bed 2 bath 1,904+ sqft
9137 Riding Stable Ln, Fort Worth, TX 76123

Brokered by Mark Dimas Properties



3 bed 2 bath 1,899 sqft
8709 Saddle Ridge Cir, Fort Worth, TX 76123



2 bed 1+ bath 1,005 sqft
3723 Hulen Park Cir, Fort Worth, TX 76123

Brokered by CENTURY 21 Judge Fite Property Management



4 bed 2+ bath 2,921 sqft
4121 German Pointer Way, Fort Worth, TX 7...

Brokered by Mark Dimas Properties



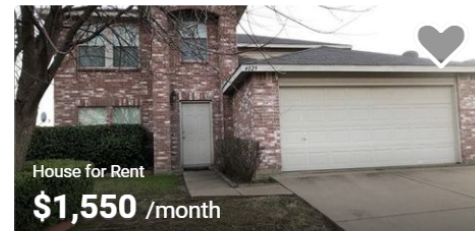
3 bed 2 bath 1,465 sqft
3998 Sarasota Springs Dr, Fort Worth, TX 7...

Brokered by Harrison Heights Realty



2 bed 1 bath 1,003 sqft
3614 Hulen Park Cir Unit 3612, Fort Worth, ...

Brokered by Keller Williams Realty Arlington



4 bed 2+ bath 2,626 sqft
4029 Fox Trot Dr, Fort Worth, TX 76123



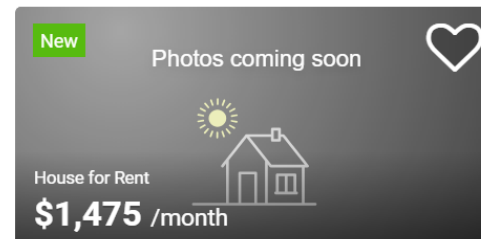
4 bed 2 bath 2,105 sqft
4224 Golden Horn Ln, Fort Worth, TX 76123

Brokered by Ah4r Management-Tx, Llc



5 bed 2+ bath 2,550 sqft
8408 Rain Forest Ln, Fort Worth, TX 76123

Brokered by Epic National Realty, Llc



3 bed 2 bath 1,427 sqft
8612 Cove Meadow Ln, Fort Worth, TX 76123

Brokered by Ah4r Management-Tx, Llc



3 bed 2 bath 1,413 sqft
2617 Mill Springs Pass, Fort Worth, TX 76123

Brokered by Coldwell Banker Residential Bro...



4 bed 2 bath 2,173 sqft
4016 Tarpon Springs Dr, Fort Worth, TX 761...

Brokered by Fortune Real Property Mgmt



3 bed 2 bath 1,639 sqft
3800 Fairhaven Dr, Fort Worth, TX 76123

Brokered by Main Street Renewal Llc



5 bed 3 bath 3,624 sqft
9225 Cheswick Dr, Fort Worth, TX 76123

BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
MAY 23, 2019

Presentation, discussion and possible action on staff determinations regarding Neighborhood Risk Factors for Application 19299 2222 Pierce

RECOMMENDED ACTION

WHEREAS, pursuant to 10 TAC §11.101(a)(3) of the 2019 Qualified Allocation Plan related to Neighborhood Risk Factors, if a Development Site has any of the characteristics described in subparagraph B of the subsection, the Applicant must disclose the presence of each such characteristic to the Department at the time the Application is submitted to the Department;

WHEREAS, Application 19299, 2222 Pierce disclosed the presence of Neighborhood Risk Factors and submitted documentation regarding the mitigation of those risk factors; and

WHEREAS, staff has conducted a further review of the proposed site and the surrounding neighborhoods pursuant to 10 TAC §11.101(a)(3) and prepared a summary to the Board;

NOW, therefore, it is hereby,

RESOLVED, that the Board determine for 19299 2222 Pierce whether the information regarding mitigation of the neighborhood risk factors is sufficient and supports site eligibility under the requirements of 10 TAC §11.101(a)(3) of the Qualified Allocation Plan.

BACKGROUND

Pursuant to 10 TAC §11.101(a)(3) of the 2019 Qualified Allocation Plan (QAP) related to Neighborhood Risk Factors, disclosure is required if one or more of the neighborhood risk factors exists where the proposed Development Site is located. Applicants are required to provide a Neighborhood Risk Factors Report (NRFR), which includes information regarding mitigating factors and a general description of the site and surrounding area.

The following describes the results of staff's review for the 2019 Competitive Housing Tax Credit (HTC) Application 19299 2222 Pierce.

Pursuant to 10 TAC §11.101(a)(3), the Department's Governing Board has final decision making authority in making an affirmative determination that a Site is eligible or ineligible. Should the

Board make the determination that a Development Site is ineligible, the termination of the Application resulting from such Board action is not subject to appeal.

Application 19299, 2222 Pierce, is a general population Development located on 1.95 acres (two contiguous parcels) in Houston's urban core, and within the historic Third Ward Complete Communities area. The Development will have 166 units with one-, two-, and three-bedroom units (including market rate units).

Summary of Disclosure: The Applicant disclosed that the proposed Development Site is in a census tract for which the annual Part I violent crime rate is above 18 / 1,000, according to NeighborhoodScout.

Mitigation Efforts: Per the requirements of 10 TAC 11.101(a)(3)(D)(ii), acceptable mitigation of high crime is allowed through "evidence by the most qualified person that the data and evidence establish that there is a reasonable basis to proceed on the belief that the crime data shows, or will show, a favorable trend such that within the next two years Part I violent crime for the location is expected to be less than 18 per 1,000 persons or that the data and evidence reveal that the data reported on neighborhoodscout.com does not accurately reflect the true nature of what is occurring and what is actually occurring does not rise to the level to cause a concern to the Board over the level of Part I violent crime for the location." In order to make that determination, an Applicant must present crime data in a similar format as NeighborhoodScout's- -namely, as a ratio of crime for the census tract per 1,000 individuals who live within those same boundaries. Additional options for mitigation include a "written statement from the most qualified person," such as a Chief of Police or the primary officer for the police beat that contains the proposed Development.

Staff Determination: The Applicant has not satisfactorily demonstrated mitigation for the crime rate. The Applicant did share the number of crime totals for 2017 and 2018 for the police beat that contains the proposed Development Site. In 2017, Houston police beat 10H50 saw 424 instances of violent crime; in 2018, there were 360 violent crimes. However, raw numbers alone (as opposed to a crime *rate*) does not allow staff to determine if that crime rate is actually below 18 instances per 1,000 persons, and, therefore, whether the crime rate is actually decreasing. The rule regarding mitigation of high violent crime rates reads, in part, as follows:

Evidence by the most qualified person that the data and evidence establish that there is a reasonable basis to proceed on the belief that the crime data shows, or will show, a favorable trend such that within the next two years Part I violent crime for that location is expected to be less than 18 per 1,000 persons ... The data and evidence may be based on violent crime data from the city's police department or county sheriff's department, as applicable based on the location of the Development, for the police beat or patrol area within which the Development Site is located, **based on the population of the police beat or patrol area that yields a crime rate below the threshold indicated in this section** by the time the Development is placed in service (10 TAC 11.101(a)(3)(D)(ii)).

Staff issued a deficiency to the Applicant, requesting that the total number of crimes be converted to a **rate** so that staff could determine that acceptable mitigation has been provided. The Applicant stated the following in the Deficiency response:

“The deficiency notice discusses the evaluation of crime rate using non-NeighborhoodScout.com sources. Police Beat boundaries do not mirror census tract boundaries; therefore, determining a crime rate for the police beat is an imperfect exercise. The applicant attempted to establish a crime rate by approximating the population that could reasonably be tied to the boundaries of Police Beat 10H50. The estimated crime rate using this approximated population appears to be above 18/1,000 persons. However, the decreasing violent crime trend was significant between 2017 and 2018, and this trend provides a reasonable basis to determine that the violent crime rate will be below 18/1,000 persons by the time the development is placed in service whether NeighborhoodScout.com or Houston Police Department crime data is used.”

Staff reiterates that raw numbers alone, even if suggesting a total decrease in the *number* of violent crimes, is not sufficient to meet the requirements of 10 TAC 11.101(a)(3)(D)(ii), which requires that crime statistics be expressed as rates so as to normalize crime statistics across geographic areas with differing populations. Because the Applicant did not provide a population for Houston police beat 10H50, staff did its best to calculate the crime rate. Staff employed two reasonable but differing methods, both of which still have the crime rate being higher than 18 / 1,000. The first method is geographically precise but must use data from the 2010 Census; the second method uses the most current population estimates from the 2017 American Community Survey (ACS), but overestimates the geographic size of the police beat and, therefore, probably overestimates the population. With these two population counts, and with the violent crime statistics reported by the Applicant, staff has calculated the following violent crime rates for police beat 10H50 for the previous two years:

2017: 37.13 / 1,000 persons (2010 Census); 27.44 / 1,000 persons (2017 ACS)

2018: 31.52 / 1,000 persons (2010 Census); 23.29 / 1,000 persons (2017 ACS)

While there is certainly a decrease in the crime rate, the rule requires that a decreasing crime rate must already be under the 18 / 1,000 requirement **or** must be of such a nature that it “would yield a crime rate below the threshold indicated in this section by the time the Development is placed into service.”

To provide greater context for crime as it relates to the placement of the proposed Development, staff has also created a crime heat map of police beat 10H50 and surrounding beats. The map suggests that the majority of the crime in 10H50 occurs near the center of the police beat, while the proposed Development is located in the northwest quadrant.

Staff is asking that the Board make a final determination regarding the site’s eligibility.

Summary of Disclosure: The Applicant stated that the proposed Development Site has instances of blight within 1,000 feet.

Mitigation Efforts: As mitigation, the Applicant points to several initiatives within the Greater Third Ward, including the activities of the OST/Alameda TIRZ #7, "main street" efforts, pop-up neighborhood markets, and continued private investment in the area. While exact locations and pictures were not provided of these instances of blight, both staff's visit to the Site and the investment programs available in the Third Ward lead staff to believe that acceptable mitigation has been provided.

Staff Determination: Staff is recommending that the Board find the site eligible in regard to this issue.

19299
2222 Pierce



Neighborhood Risk Factors Report Packet

The purpose of the packet is to formalize the process in which neighborhood risk factors (“NRF”) are disclosed and the NRF Report is submitted pursuant to 10 TAC §11.101(a)(3) of the Qualified Allocation Plan (“QAP”). The packet may be submitted at pre-application (if applicable per 10 TAC §11.8(b) relating to Pre-Application Requirements) or at Application. Applicants who wish to submit a request for pre-determination prior to pre-application or Application are advised to review 10 TAC §11.101(a)(3) for additional guidance. Termination due to an Applicant’s own non-disclosure is not appealable as such appeal is in direct conflict with certifications made in the Application and within the control of the Applicant.

Pursuant to 10 TAC §11. 8(b), related to Pre-application Participation, the competitive HTC pre-application must identify neighborhood risk factors related to crime and schools.

Pre-application Disclosure: Pre-application # _____ Development Name _____
 Application Disclosure: Application # 19299 Development Name 2222 Pierce

My Development Site includes the following neighborhood risk factor(s) (Check all that apply):

Development Site is located in a census tract has poverty rate above 40% for individuals (or 55% for Developments in regions 11 and 13).

Development Site is located in a census tract (or for any adjacent census tract with a boundary less than 500 feet from the proposed Development Site that is not separated from the Development Site by a natural barrier such as a river or lake, or an intervening restricted area, such as a military installation) in an Urban Area and the rate of Part I violent crime is greater than 18 per 1,000 persons annually as reported on <https://www.neighborhoodscout.com/>.

Development Site is located within 1,000 ft. (measured from nearest boundary of the Site to the nearest boundary of blighted structure) of multiple vacant structures that have fallen into such significant disrepair, overgrowth, and/or vandalism that they would commonly be regarded as blighted or abandoned.

Development Site is located within the attendance zones of an elementary school, a middle school, or a high school that does not have a Met Standard rating by the Texas Education Agency, based on the 2018 Accountability Ratings (unless the school is “Not Rated” because it meets the TEA Hurricane Harvey Provision, in which case the 2017 rating will apply).

Neighborhood Risk Factors Report:

I have submitted information for the items listed below, or such other mitigation as the Applicant determines appropriate to support a Board determination that the proposed Development Site should be found eligible, as such information might be considered to pertain to the neighborhood risk factor(s) disclosed, pursuant to 10 TAC §11.101(a)(3)(C) of the QAP. Such information is included behind this page.

- Determination regarding neighborhood boundaries;
- Assessment of general land use in the neighborhood;
- Assessment concerning any of the features of the neighborhood risk factors present in the neighborhood, regardless of whether they are within the specified distances referenced in 10 TAC §11.101(a)(2);
- Assessment of the number of existing affordable rental units in the Primary Market Area (PMA), including comment on concentration based on the size of the PMA;
- Assessment of the percentage of households residing in the census tract that have household incomes equal to or greater than the median household income for the MSA or county where the Development site is located;
- Assessment of the number of market rate multifamily units in the neighborhood and their current rents and levels of occupancy;
- N/A Assessment, for the previous two academic years, of school performance for each of the schools in the attendance zone containing the Development that did not achieve the Met Standard rating for 2018 (unless the school is “Not Rated” because it meets the TEA Hurricane Harvey Provision, in which case the 2017 rating will apply), that includes the TEA Accountability Rating Report, a discussion of performance indicators and what progress has been made over the prior year, and the campus improvement plan in effect. If there is an update to the plan that shows progress made under the plan, provide the update. If no update is available, provide information from a school official that speaks to progress made under the plan as indicated in 10 TAC §11.101(a)(3)(D)(iv); and
- Additional information, if requested by the Department.

Provide any comments or additional information in the box below, if applicable.

Mitigation of the Neighborhood Risk Factor (s):

I have provided information regarding mitigation of the above-mentioned neighborhood risk factors, as applicable, behind this page, along with a summary narrative describing how the information presented meets the requirements of 10 TAC §11.101(a)(3)(D) of the QAP, or;

Waiver of the Neighborhood Risk Factor (s):

I am requesting a waiver of the presence of the above-mentioned neighborhood risk factors, as applicable, pursuant to 10 TAC §11.101(a)(3)(E) of the QAP, on the basis that the Development is necessary to enable the state, a participating jurisdiction, or an entitlement community to comply with its obligation to affirmatively further fair housing, a HUD approved Conciliation Agreement, or a final and non-appealable court order. Documentation to that effect is included herein with the disclosure and waiver request.

Provide any comments or additional information in the box below, if applicable.

Department Contacts:

9% HTC Applications: Sharon.Gamble@TDHCA.state.tx.us (9% Program Administrator)

4% HTC and Tax-Exempt Bond Applications: Teresa.Morales@TDHCA.state.tx.us (Multifamily Manager)

Direct Loan Only Applications: Andrew.Sinnott@TDHCA.state.tx.us (Multifamily Loan Programs Manager)

How to Submit the NRF Report Packet:

- Upload if a Serv-U Account has been set-up for the pre-application or Application and notify the appropriate contact person of the upload (refer to the Multifamily Programs Procedures Manual posted at <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm> for an explanation of the process to set-up a Serv-U Account if needed);

Or

- Include the packet behind tab 2 of the Uniform Multifamily Application.

Neighborhood Risk Factors Report and Disclosure

2222 Pierce is located in Houston's Third Ward, an area designated as one of the City of Houston's Complete Communities. The development site is located just outside Houston's Central Business District, in an area experiencing rapid growth. Revitalization is now well underway in the area, however multiple blighted structures still exist within 1000 feet of the proposed 2222 Pierce development. As required by 10 TAC §11.101(a)(3) of the Qualified Action Plan, the applicant is disclosing the presence of the Neighborhood Risk Factors, providing evidence of mitigation, and requesting a finding of eligibility. The request for a finding of eligibility is based on the development site's achievement of the following goals of 10 TAC §11.101(a)(3)(E):

- (i) New construction of high quality affordable housing units that are subject to federal rent or income restrictions; and
- (i) Determination that the undesirable characteristic(s) that has been disclosed are not of such a nature or severity that should render the Development Site ineligible based on the assessment and mitigation provided herein.

As mentioned, 2222 Pierce is located in the Greater Third Ward, an area in which a concerted revitalization plan is in place and gentrification is already proving rapid transformation of the area. The existing 1.95-acre development site is currently vacant land that is an underutilized real estate asset. The site will make way for the new development and bring higher value to the site. Other private investment has taken place just south and east of the subject site with the removal of blighted structures with the current development of single family home communities. Infrastructure, streetscape improvement, as well as completion of the Metrorail transit line are examples of public investment dollars that have been injected into the area. In addition to the concerted revitalization plan, the City of Houston and Mayor Turner has recently designated the area as a complete community, with the goal of providing City support across various departments in collaboration with residents to identify projects and implement strategies to further accelerate development in the area. The public and private efforts listed above and those listed further in the report show a positive trend and continued improvement in the area that make this community, in fact, a desirable area to live.

Determination Regarding Neighborhood Boundaries

2222 Pierce is located at 2222 Pierce Street, Houston, Texas 77003. The site is located in Super Neighborhood 67, the Greater Third Ward. The neighborhood is generally bounded by I-45 to the north, I-69 to the west, and Wheeler Street to the South, and the HB&T railroad line to the east. The total area is approximately 1,851 acres or 2.89 square miles. Attached as **Exhibit A** is a map that outlines the boundaries of the Greater Third Ward community.

Assessment of General Land Use in the Neighborhood

Greater Third Ward consists of a number of land uses including single family residential, multifamily, commercial, industrial, public and institutional, parks and open space, and transportation. Single family residential is spread throughout the central to eastern portions of the Super neighborhood. Commercial development is limited and is spread sporadically throughout the neighborhood and not defined to any of the major corridors. The largest land use in the area is Public and Institutional as both the University of Houston and Texas Southern University campuses are located within the Greater Third Ward community.

Attached as **Exhibit B** is a map that outlines land use designations.

Assessment of Neighborhood Risk Factors

2222 Pierce has two Neighborhood Risk factors that affect the development site. The Development Site is located in a census tract where the rate of Part I violent crime is greater than 18 per 1,000 persons (annually) as reported on neighborhoodscout.com. In addition, The Development Site is located within 1,000 feet (measured from nearest boundary of the Site to the nearest boundary of blighted structure) of multiple vacant structures that have fallen into such significant disrepair, overgrowth, and/or vandalism that they would commonly be regarded as blighted or abandoned.

Assessment of the Number of Existing Affordable Rental Units in PMA

The primary market area for 2222 Pierce includes 24 census tracts and covers a total of 19.642 square miles, see **Exhibit C**. According to CoStar.com, there are Fourteen (14) tax credit developments in the Primary Market Area. **Exhibit D** shows the list of rental properties with the number of units, type, occupancy, size, and year of completion where available.

Assessment of Household Incomes in Census Tract

The development site is located in census tract 48201312300, a 4th Quartile tract with 38.8% poverty and a median income of \$37,185. The area median household income for the Houston MSA is estimated to be \$74,900 (**TDHCA Rent Income Limits**). The table below shows the percentage of incomes equal to or above the Houston MSA from 2013-2017. The data is pulled from the American Factfinder General Economic Characteristics Report (2013-2017 ACS, DPO3).

Median Income	2017	2016	2015	2014	2013
\$75,000-\$99,000	4.9%	5.6%	5.7%	5.2%	3.3%
\$100,000-\$149,000	8.4%	9.6%	8.4%	9.7%	7.1%
\$150,000-\$199,000	6.8%	4.2%	3.1%	1.3%	1.2%
\$200,000 or more	1.6%	2.4%	1.7%	1.3%	1.1%

The percentage of households in the census tract with incomes equal or above 74,900 is approximately 21.7% as of the most current census data from 2017.

Assessment of Market Rate Multifamily Units

According to Costar.com, there are approximately 61 Market rate apartment located in the PMA. Attached as **Exhibit E** is a table below showing the market rate units, their current rents, and vacancy levels.

The closest development to the proposed 2222 Pierce and within the Greater Third Ward community is 3800 Canfield, approximately 1-mile south. The complex was constructed in 1958 and is similar in age to the limited supply of multifamily properties in the Third Ward community. The majority of the newer multifamily is located on the west side of HWY 59 in Midtown and Downtown, and north of Interstate 45 in East downtown and the East End. The most recent construction completion in the area is Catalina Village, 288-unit property located at 3560 Dixie Drive Houston TX, 77021 and built in 2012. Prior to this development, there had been no other market rate apartments constructed in over 40 years.

Assessment of School Performance

The 2222 Peirce development site is zoned to Blackshear Elementary, Cullen Middle School, and Yates High School. Both Blackshear and Cullen achieved a Texas Education Agency (TEA) accountability rating of MET Standard in 2018. Yates High School was not rated for 2018 due to the Hurricane Harvey provision however achieved a MET standard in 2017. The TEA Accountability reports for 2018 and 2017 are attached for all three schools as **Exhibit F**.

Evidence of Mitigation

Blight

Evidence of Mitigation efforts in Greater Third Ward have been taking place for some time, are ongoing, and clearly visible both in (1) the public and private investment in new construction projects, and (2) local agency partnerships and engagement in the community aimed at addressing cleanup and overall improvement of conditions. Listed below are a number completed and ongoing efforts.

Public and Private Investment

- OST/Almeda TIRZ #7 (TIRZ 7) has invested significant capital to completely revitalize Emancipation Park. This project added an entry building, large fitness center, splash-ground, playground, picnic area, ball field, pool, basketball courts, walking trail, and gardens.
- The Greater Third Ward area is benefitting from the “Main Street” plan developed and implemented by the Emancipation Economic Development Council (EEDC), a collaboration of faith-based organizations, non-profits, Houston Endowment, Kinder Foundation, the City of Houston, small businesses, residents, and anchor institutions University of Houston and Texas Southern University. The EEDC’s plan for the Emancipation Avenue corridor includes the addition of new micro businesses, a parking district plan, and revitalization items such as safe lighting and sidewalks. Another central component of the EEDC’s plan for the area is to promote permanent and affordable housing, increasing community ownership and housing choices for traditional area residents. The group is working to create a social safety net and showcase local arts and African American culture.
- The EEDC currently leads a monthly pop-up neighborhood market, featuring family-friendly fun with shopping, food, and live music, all in the heart of Third Ward. This is an ongoing effort to increase vibrancy within the area.
- With the aid of the EEDC, the Northern Third Ward Consortium (NTWC) has also brought life in the area. The NTWC has worked with Wells Fargo and Houston City Council Member Dwight Boykins to implement revitalization efforts of Northern Emancipation Avenue.
- City transportation plans will also benefit the area. A city-wide transportation plan includes landscaping of Highway 288 nearby the Development Site. The completed Historic Emancipation Avenue reconstruction project includes major roadway improvements with signalized intersections, public utilities, enhanced sidewalks and streetlights, public utilities, and streetscape with public art.

Local Agency Partnership and Action Plans

In addition to public and private investment in new construction, comprehensive community plans have been established in the area to improve the overall condition of the neighborhood. In April of 2017, the City of Houston and Mayor Turner announced their complete communities initiative in the Third Ward, a program aimed at creating a complete, sustainable community by working alongside community partners to focus city resources toward very specific projects. Third Ward has already begun their planning process and has an Action Plan in place to jumpstart the initiative. The Third Ward Action Plan identifies 27 goals and 77 projects, organized into nine focus areas, to work towards a Complete Community. The City will explore public-private partnerships and private investment in these projects, where appropriate, to help build local capacity and to promote sustainability. The complete community action plan table is attached as **Exhibit G**.

Crime

According to neighborhoodscouts.com, the rate of Part 1 violent crime for census tract 48201312300 is greater than 18 per 1,000 persons (annually). However, based on our analysis, we have determined there is a downward trend. During the terms of June 2016 – May 2017, the total number of crimes in the area was 416, but During the terms of June 2017 – May 2018, the total number of crimes decreased to 394, thus proving the downward trend. (HPD Monthly Crime Data by Street and Police Beat).

The Development Site is encompassed by Beat 10H70. The boundary of this beat begins at the intersection of I-59 and I-45 and goes southeast on I-45 to HB&T railroad. I-45 is the responsibility of 10H20 and 10H30. The boundary follows the HB&T railroad to its intersection with Brays Bayou. It turns west along the Bayou to Martin Luther King Boulevard. It turns northwest along Martin Luther King which is in 10H50's beat to the intersection with Wheeler. At Wheeler, the boundary turns west and goes to Scott. It follows Scott two blocks north to Cleburne. Wheeler and Scott are the responsibility of 10H50. The boundary follows Cleburne to I-288. Cleburne is also the responsibility of 10H50. It turns north on I-288 to I-59 and continues north on I-59 to the intersection with I-45 which is where it begins. Highway 288 is the responsibility of 10H70; I-59 is the responsibility of 10H50. **Exhibit H** shows a visual representation of the boundaries the Beat encompasses.

Ongoing efforts are being made to continue the downward trend in violent crime. University of Houston has partnered with city officials to start the Third Ward Initiative, which aims to meet community needs and decrease crime by utilizing the University's resources.

SUPER Neighborhood RESOURCE ASSESSMENT



	Super Neighborhood		Houston	
Pop. characteristics	2000	2015	2000	2015
Total population	15,463	14,295	1,953,631	2,217,706
Persons per sq. mile	5,351	4,941	3,166	3,314
Age of Population				
Under 5 years	7%	4%	8%	8%
5- 17 years	18%	12%	19%	17%
18- 64 years	64%	76%	64%	65%
65 and over	11%	8%	9%	10%
Ethnicity				
Non Hispanic Whites	7%	13%	31%	26%
Non Hispanic Blacks	79%	67%	25%	22%
Hispanics	10%	14%	37%	44%
Non Hispanic Asians	2%	5%	6%	7%
Non Hispanic Others	2%	1%	1%	1%
Income				
Under \$25,000	69%	51%	33%	27%
\$25,001 to \$50,000	20%	22%	31%	25%
\$50,001 to \$100,000	9%	17%	24%	26%
Over \$100,001	2%	10%	12%	22%
Median Household Income	\$14,493	\$40,523	\$36,616	\$46,187
Educational Status				
No Diploma	44%	22%	30%	23%
High School Diploma	27%	25%	20%	23%
Some College	17%	30%	23%	24%
Bachelor's or Higher	12%	23%	27%	31%
Housing and Households				
Total housing units	6,350	6,024	782,378	909,336
Occupied	82%	74%	92%	88%
Vacant	18%	26%	8%	12%
Total households	5,231	4,458	717,945	799,714
Family households	2,782	2,119	457,549	491,778
Median Housing Value	\$49,037	\$148,074	\$79,300	\$131,700

Description

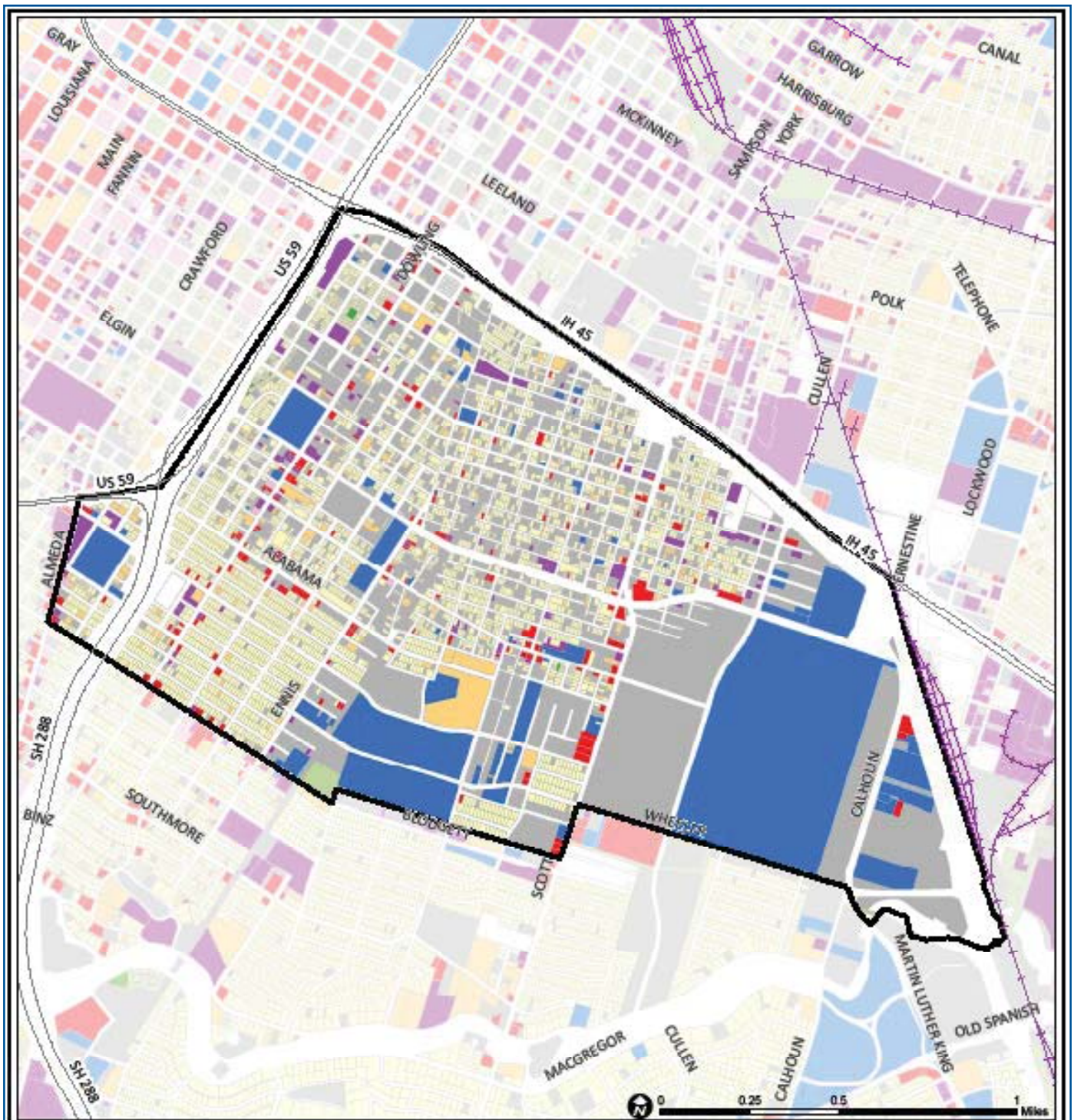
Greater Third Ward is the home of some of the most important institutions in Houston’s African-American community, including Texas Southern University, Riverside Hospital, and dozens of prominent churches. Originally a small community of shotgun style houses and modest frame homes, over time the area called Third Ward expanded to the south into neighborhoods such as Washington Terrace. By the mid 1950s, the growing African-American middle class found more substantial brick homes and duplexes in areas formerly reserved for Whites. Neighborhood household income has not kept pace with the rest of the City; however, recently there has been some revival along Scott.

Highlights

- ✓ Houston City Council District D
- ✓ Houston Independent School District
- ✓ 8 Police beats (includes bordering beats)
- ✓ 1,851 acres (2.89 sq. miles)



PLANNING & DEVELOPMENT DEPARTMENT



Greater Third Ward: Land Use

- | | | |
|-------------------------------|------------------------------|-------------------------|
| — Freeway | Commercial | Parks and Open Space |
| — Rail Road | Office | Undeveloped |
| ▭ Super Neighborhood Boundary | Industrial | Agricultural Production |
| Single-family Residential | Public and Institutional | Open Water |
| Multi-family Residential | Transportation and Utilities | Unknown |

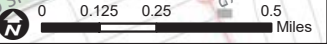
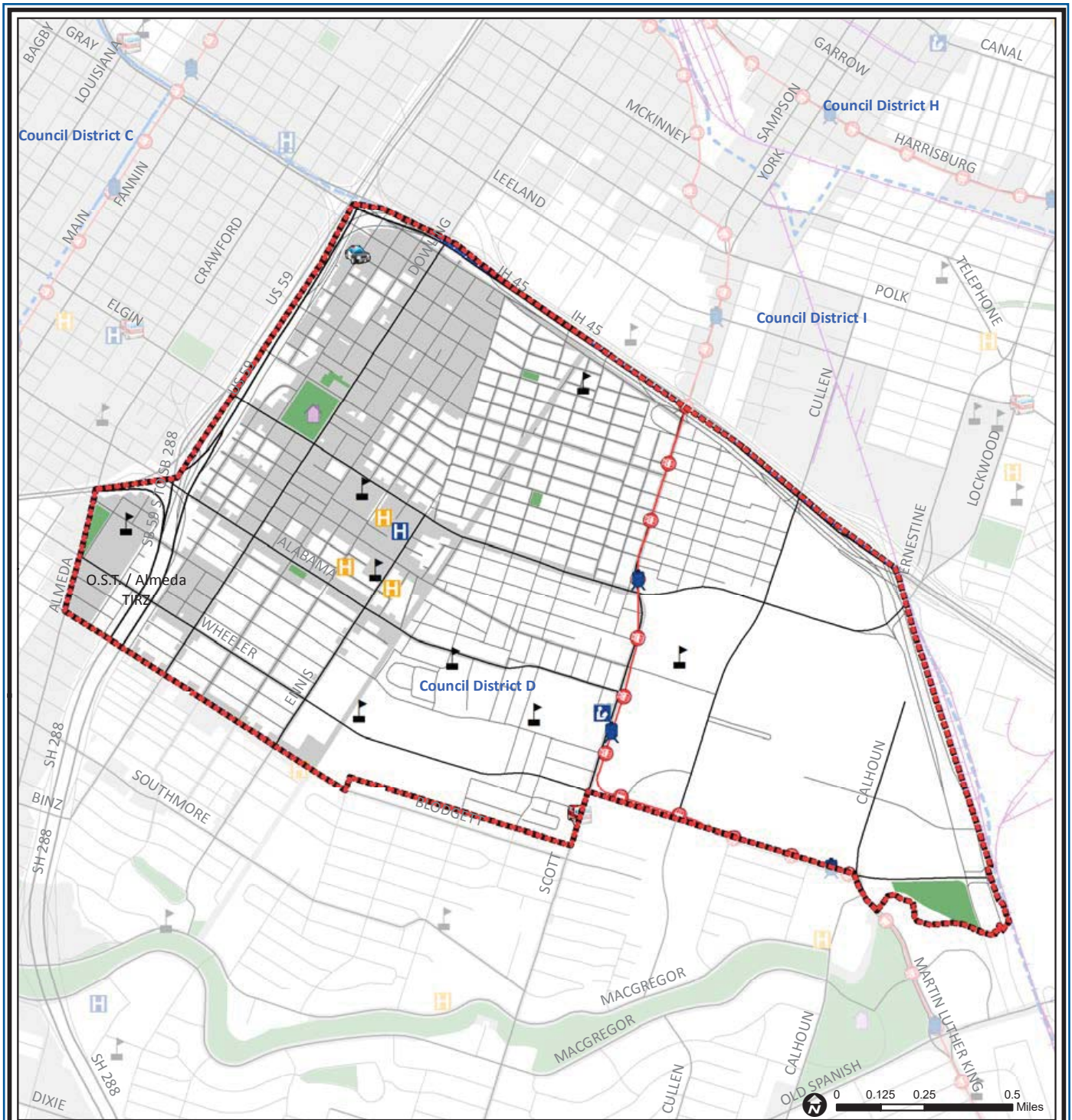
Source: City of Houston GIS Database, Harris County Appraisal District

Date: November 13, 2017

This map is made available for reference purposes only and should not be substituted for a survey product. The City of Houston will not accept liability of any kind in conjunction with its use.



PLANNING & DEVELOPMENT DEPARTMENT



Greater Third Ward: Public Facilities

- | | | |
|-----------------------------|-------------------------|---------------------|
| Super Neighborhood Boundary | Airports | Rail Road |
| Community Centers | Harris County Hospitals | Metro Rail Stations |
| Fire Station | Private Hospitals | Metro Rail Line |
| Police Station | Other Health Facilities | Parks |
| School | Library | TIRZ |

Source: City of Houston GIS Database

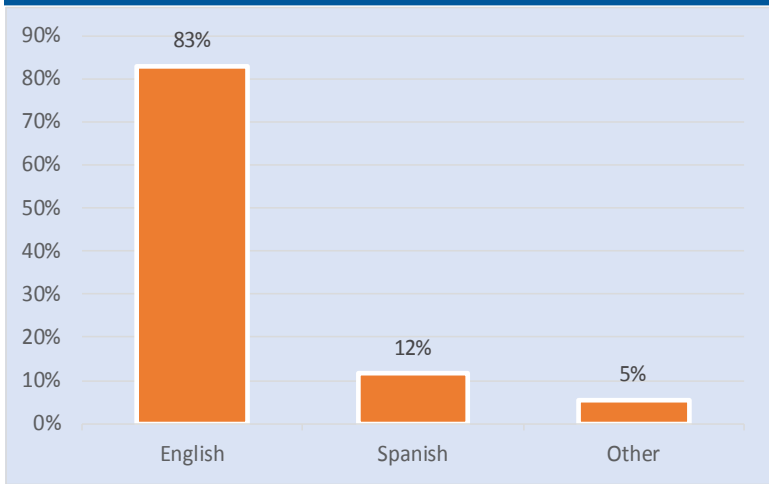
Date: October 2017

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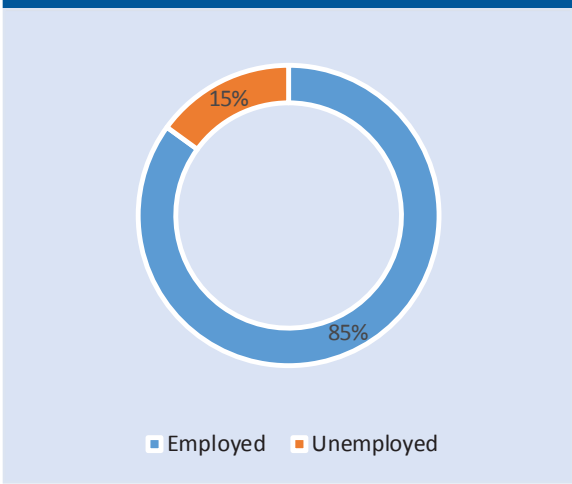


PLANNING & DEVELOPMENT DEPARTMENT

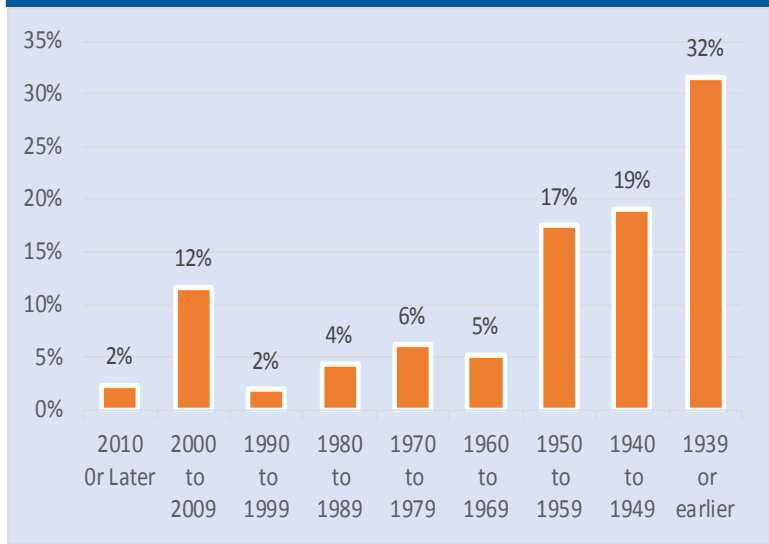
Language Spoken at Home



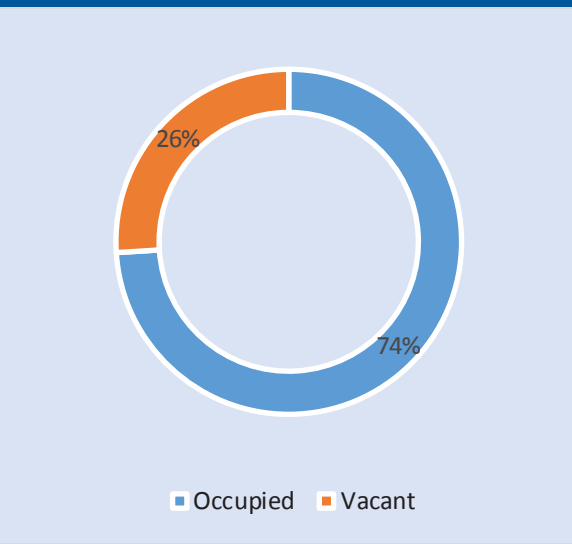
Employment Status



Housing Units by Year Built



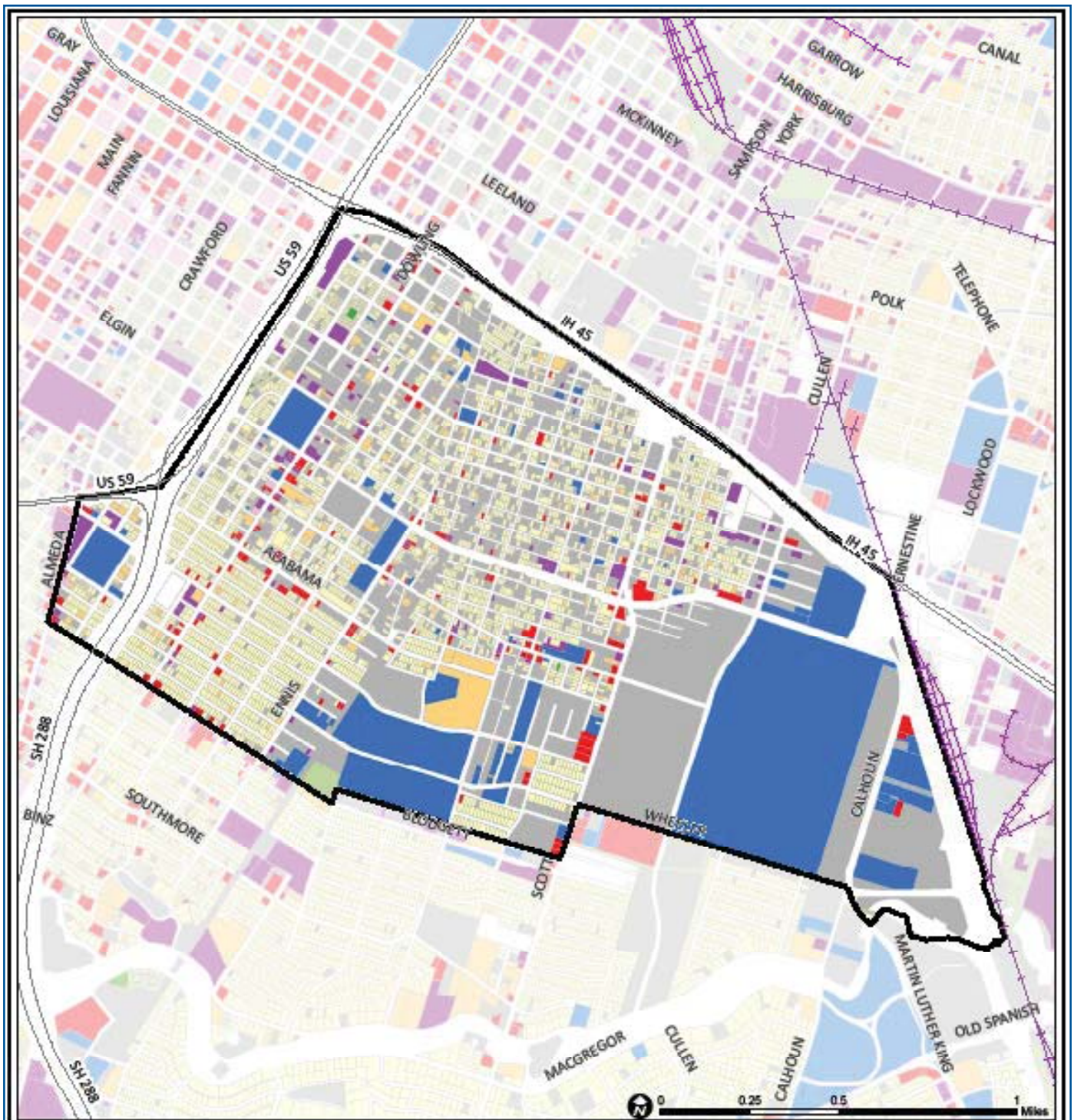
Housing Occupancy



Source: U.S. Census Bureau, 2000 American Community Survey, 2011-2015 Estimates



PLANNING & DEVELOPMENT DEPARTMENT



Greater Third Ward: Land Use

- | | | |
|-------------------------------|------------------------------|-------------------------|
| — Freeway | Commercial | Parks and Open Space |
| — Rail Road | Office | Undeveloped |
| — Super Neighborhood Boundary | Industrial | Agricultural Production |
| Single-family Residential | Public and Institutional | Open Water |
| Multi-family Residential | Transportation and Utilities | Unknown |

Source: City of Houston GIS Database, Harris County Appraisal District

Date: November 13, 2017

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PLANNING & DEVELOPMENT DEPARTMENT



MARKET ANALYSIS SUMMARY 2019						
Provider:	Valbridge Property Advisors			Date:	2/5/2019	
Contact:	Tim N Treadway, MAI, CCIM			Phone:	713-467-5858	
Development:	2222 Pierce Apartments		Target Population:	General		
				Definition of Elderly Age:		
Site Location:	2222 Pierce Street		City:	Houston	County:	Harris
Site Coordinates:	Latitude	Longitude	(decimal degree format)			
	95.36038 W	29.74267 N				
Primary Market Area (PMA) page _____						
		19.462	Square Miles			
CENSUS TRACTS						
4820110000	48201310400	48201311900	48201312500	48201313200	xxx	
48201211400	48201310500	48201312000	48201312700	48201313600	xxx	
48201310100	48201310600	48201312200	48201312800	48201313700	xxx	
48201310200	48201310700	48201312300	48201312900	48201313800	xxx	
48201310300	48201310800	48201312400	48201313000	xxx	xxx	

EXHIBIT D

Existing Affordable Housing

Community	Type	Occ.	Units	YOC
Canal Place Apartments	Family	94.5%	200	2005
Campanile on Commerce	Family		120	Under Construction
New Hope Housing at Harrisburg	Senior	93%	175	2016
Cleme Manor	Family	94.5%	284	2015
Zion Gardens	Family	93.6%	70	2010
Zion Village Apartments	Senior	98%	50	2007
Eado Lofts	Family		80	Under Construction
Fenix Estates	Supportive		200	Under Construction
2222 Cleburne	Senior		112	Under Construction
Park Yellowstone Townhomes	Family	93.4%	210	1995
Parkside Point Apartments	Family	100%	260	2003
Scott Street Townhomes	Family	95.7%	96	2001
South Union Place	Senior	96.8%	125	2004
New Hope Housing at Perry	Family		160	2010

Apts	Building Name	Building Address	Submarket Name	Number Of Units	Year Built	Year Renovated	Avg Asking/Unit	Avg Effective/Unit	Vacancy %
1	1711 Caroline Apartments	1711 Caroline St	Discovery Green MF	220	2018		\$ 1,871	\$ 1,733	28.64
2	500 Crawford Apartments	500 Crawford St	Discovery Green MF	400	2016		\$ 2,213	\$ 2,056	11.5
3	Houston House	1617 Fannin St	Discovery Green MF	396	1966	2012	\$ 1,252	\$ 1,252	6.82
4	One Park Place	1400 McKinney St	Discovery Green MF	346	2009		\$ 4,177	\$ 3,897	7.23
5	The Star	1111 Rusk St	Discovery Green MF	286	2017		\$ 3,168	\$ 2,707	30.77
6	Eighteen25	1825 San Jacinto St	Discovery Green MF	242	2017		\$ 2,031	\$ 1,897	11.57
7	1414 Texas Downtown	1414 Texas Ave	Discovery Green MF	285	2017		\$ 2,054	\$ 1,982	9.12
8	Catalyst Houston	1475 Texas St	Discovery Green MF	359	2017		\$ 2,531	\$ 2,467	28.97
9	Circuit	2424 Capitol St	Greater Eastwood MF	311	2015		\$ 1,687	\$ 1,670	14.15
10	Jefferson Square Apartments	5000 Pease St	Greater Eastwood MF	72	1954	2000	\$ 623	\$ 620	5.56
11	Lofts at the Ballpark	610 Saint Emanuel St	Greater Eastwood MF	375	2001		\$ 1,504	\$ 1,483	4
12	Sampson Lofts	806 Sampson St	Greater Eastwood MF	79	2017		\$ 1,259	\$ 1,254	5.06
13	Wheatley Manor Apartments	5201 Market St	Greater Fifth Ward MF	108	1958		\$ 650	\$ 648	0
14	Twelve Canfield Place	3800 Canfield St	Greater Third Ward MF	72	1958		\$ 875	\$ 869	5.56
15	Dismuke Apartment Homes	1907 Dismuke St	Lawndale-Wayside MF	48	1960		\$ 899	\$ 891	10.42
16	Fair Oaks Apartments	910 Fair Oaks Rd	Lawndale-Wayside MF	122	1978		\$ 771	\$ 768	2.46
17	Brookdale Village	6113 Gulf Fwy	Lawndale-Wayside MF	336	1970		\$ 771	\$ 769	0
18	The Oaks At Wayside	6520 Jamail Dr	Lawndale-Wayside MF	60	2016		\$ 1,179	\$ 1,176	0
19	Country Club Place	950 Villa De Matel Rd	Lawndale-Wayside MF	241	1972	2017	\$ 804	\$ 804	7.05
20	Royal Wayside Apartments	1010 S Wayside Dr	Lawndale-Wayside MF	102	1962		\$ 978	\$ 886	14.71
21	Ardmore Apartments	5902 Ardmore St	MacGregor MF	100	1956		\$ 631	\$ 625	20
22	Catalina Village	3560 Dixie Dr	MacGregor MF	288	2002		\$ 1,064	\$ 1,007	2.43
23	Applian Way	3200 N Macgregor Way	MacGregor MF	52	1955	2008	\$ 985	\$ 977	7.69
24	Riviere	3629 N Macgregor Way	MacGregor MF	84	1957		\$ 756	\$ 750	5.95
25	Southmore Gardens	2408-2412 Southmore Blvd	MacGregor MF	32	1960		\$ 732	\$ 726	21.88
26	Southmore Apartments	3620 Southmore Blvd	MacGregor MF	38	1960		\$ 977	\$ 967	13.16
27	Southmore Place	3710 Southmore Blvd	MacGregor MF	83	1965		\$ 780	\$ 775	6.02
28	Nubia Square Apartments	3711 Southmore Blvd	MacGregor MF	192	1972		\$ 746	\$ 746	5.73
29	Cailli Court Apartments	6225 Tierwester St	MacGregor MF	30	1965		\$ 716	\$ 709	10
30	Market Square Tower	777 Preston St	Market Square MF	463	2016		\$ 2,667	\$ 2,643	9.07
31	The Rice	909 Texas St	Market Square MF	304	1988	2015	\$ 2,056	\$ 2,056	9.21
32	Hermann Lofts	204 Travis St	Market Square MF	33	1889				12.12
33	Aris Market Square	409 Travis St	Market Square MF	274	2017		\$ 3,574	\$ 2,934	37.59
34	Midtown Grove	3603 Chenevert St	Midtown Houston MF	51	2012		\$ 1,401	\$ 1,394	1.96
35	San Jacinto Apartments	3817 Fannin St	Midtown Houston MF	33	1940		\$ 704	\$ 699	6.06
36	Ventana at Midtown	4001 Fannin St	Midtown Houston MF	288	2001		\$ 1,642	\$ 1,634	3.13
37		1624 Holman St	Midtown Houston MF	56	1938		\$ 875	\$ 873	0
38	Camden Midtown	2303 Louisiana St	Midtown Houston MF	337	1999		\$ 1,568	\$ 1,568	6.53
39	Calais Midtown Apartments	3210 Louisiana St	Midtown Houston MF	356	2003		\$ 1,575	\$ 1,566	3.93
40	Midtown Houston by Windsor	2310 Main St	Midtown Houston MF	215	2015		\$ 1,852	\$ 1,558	8.37
41	Mid Main Lofts	3550 Main St	Midtown Houston MF	357	2017		\$ 1,386	\$ 1,376	7
42	3800 Main	3800 Main St	Midtown Houston MF	319	2014		\$ 1,461	\$ 1,461	9.09
43	Pearl at the Mix	2910 Milam St	Midtown Houston MF	196	2016		\$ 1,400	\$ 1,389	7.65
44	2222 Smith Street	2222 Smith St	Midtown Houston MF	152	2003		\$ 1,468	\$ 1,468	2.63
45	Pearl Midtown	3101 Smith St	Midtown Houston MF	154	2014		\$ 1,430	\$ 1,430	4.55
46	Camden Travis Street	2700 Travis St	Midtown Houston MF	253	2009		\$ 1,557	\$ 1,557	4.74
47	Camden McGowan Station	2727 Travis St	Midtown Houston MF	315	2018		\$ 2,324	\$ 1,977	37.14
48	230 West Alabama Apartments	230 W Alabama St	Neartown-Montrose MF	98	1963		\$ 1,407	\$ 1,393	16.33
49	Post 510	510 Richmond Ave	Neartown-Montrose MF	242	2014		\$ 1,457	\$ 1,447	6.61
50	Alice Street Apartments	3603 Alice St	OST-South Union MF	64	1965		\$ 779	\$ 771	15.63
51	Del Rio Apartments	6811 Del Rio St	OST-South Union MF	26	1957	2009			0

Apts	Building Name	Building Address	Submarket Name	Number Of Units	Year Built	Year Renovated	Avg Asking/Unit	Avg Effective/Unit	Vacancy %
52	Tierwester Village Apartments	7812 Tierwester Vlg	OST-South Union MF	120	1972		\$ 750	\$ 747	1.67
53	The Marquis Downtown Houston Lofts	2115 Runnels	Second Ward MF	244	1920	2003	\$ 1,418	\$ 1,418	11.48
54	Commerce Towers	914 Main St	Skyline District MF	122	1928	2002	\$ 2,960	\$ 2,933	9.02
55	Block 334	1515 Main St	Skyline District MF	207	2016		\$ 1,616	\$ 1,602	8.21
56	SkyHouse Houston	1625 Main St	Skyline District MF	328	2014		\$ 2,076	\$ 1,731	11.89
57	SkyHouse Main	1725 Main St	Skyline District MF	338	2016		\$ 1,656	\$ 1,640	10.06
58	Tennison Lofts Houston	110 Bagby St	Theater District MF	38	1925	2012	\$ 1,604	\$ 1,595	5.26
59	Hogg Palace	401 Louisiana	Theater District MF	79	1921	1995	\$ 1,540	\$ 1,476	15.19
60	City View Lofts	15 N Chenevert St	Warehouse District MF	59	1910	2011	\$ 2,104	\$ 1,759	1.69
61	Wagon Works	101 Crawford St	Warehouse District MF	32	1910				9.38

Grades Served: EE - 5
 2900 HOLMAN AVE
 HOUSTON, TX, 77004

494 Students Enrolled
 HOUSTON ISD

HOW WELL IS THIS SCHOOL PERFORMING OVERALL?

MET STANDARD

83 out of 100

UNDERSTANDING OVERALL PERFORMANCE



This report card is designed to tell us how well we are helping students reach grade level and how well we are preparing them for success after high school. Much like the grades we give students, we can use these grades to identify ways to help schools improve over time. The overall grade is based on performance in three different areas, or domains, which are noted below.



STUDENT ACHIEVEMENT IMPROVEMENT REQUIRED

56 out of 100

The Student Achievement domain tells us how much students know and are able to do at the end of the school year.



SCHOOL PROGRESS MET STANDARD

86 out of 100

The School Progress domain shows us how students are performing over time and compares that progress to similar schools.



CLOSING THE GAPS MET STANDARD

76 out of 100

The Closing the Gaps domain tells us how well different populations of students on a campus are performing.

DISTINCTIONS

- ✗ Academic Achievement in Mathematics
- ✗ Academic Achievement in Science
- ✗ Academic Achievement in English Language Arts/Reading
- ✗ Postsecondary Readiness
- ✓ Top 25 Percent: Comparative Academic Growth
- ✓ Top 25 Percent: Comparative Closing the Gaps



STUDENT ACHIEVEMENT

For elementary and middle schools, the Student Achievement score is based on STAAR performance only.



SCHOOL PROGRESS

	SCORE	
Academic Growth	86	The higher of Growth or Performance is used.
Relative Performance	59	
Total	86	



CLOSING THE GAPS

	SCORE	% OF GRADE
Grade Level Performance	33	30%
Academic Growth/Graduation Rate	100	50%
English Language Proficiency	100	10%
Student Achievement	25	10%
Total	76	100%

Grades Served: 6 - 8
6900 SCOTT ST
HOUSTON, TX, 77021

434 Students Enrolled
HOUSTON ISD

HOW WELL IS THIS SCHOOL PERFORMING OVERALL?

MET STANDARD

63 out of 100

UNDERSTANDING OVERALL PERFORMANCE



This report card is designed to tell us how well we are helping students reach grade level and how well we are preparing them for success after high school. Much like the grades we give students, we can use these grades to identify ways to help schools improve over time. The overall grade is based on performance in three different areas, or domains, which are noted below.



STUDENT ACHIEVEMENT

IMPROVEMENT REQUIRED

54 out of 100

The Student Achievement domain tells us how much students know and are able to do at the end of the school year.



SCHOOL PROGRESS

MET STANDARD

60 out of 100

The School Progress domain shows us how students are performing over time and compares that progress to similar schools.



CLOSING THE GAPS

MET STANDARD

70 out of 100

The Closing the Gaps domain tells us how well different populations of students on a campus are performing.

DISTINCTIONS

- ✓ Academic Achievement in Mathematics
- ✓ Academic Achievement in Science
- ✓ Academic Achievement in English Language Arts/Reading
- ✗ Academic Achievement in Social Studies

- ✗ Top 25 Percent: Comparative Academic Growth
- ✗ Postsecondary Readiness
- ✗ Top 25 Percent: Comparative Closing the Gaps



STUDENT ACHIEVEMENT

For elementary and middle schools, the Student Achievement score is based on STAAR performance only.



SCHOOL PROGRESS

	SCORE	
Academic Growth	60	The higher of Growth or Performance is used.
Relative Performance	59	
Total	60	



CLOSING THE GAPS

	SCORE	% OF GRADE
Grade Level Performance	13	30%
Academic Growth/Graduation Rate	25	50%
English Language Proficiency	100	10%
Student Achievement	13	10%
Total	70	100%

Grades Served: 9 - 12
3703 SAMPSON ST
HOUSTON, TX, 77004

813 Students Enrolled
HOUSTON ISD

HOW WELL IS THIS SCHOOL PERFORMING OVERALL?

NOT RATED

50 out of 100



This school was impacted by Hurricane Harvey and did not receive an overall rating or grade.

UNDERSTANDING OVERALL PERFORMANCE



This report card is designed to tell us how well we are helping students reach grade level and how well we are preparing them for success after high school. Much like the grades we give students, we can use these grades to identify ways to help schools improve over time. The overall grade is based on performance in three different areas, or domains, which are noted below.



STUDENT ACHIEVEMENT IMPROVEMENT REQUIRED

57 out of 100

The Student Achievement domain tells us how much students know and are able to do at the end of the school year.



SCHOOL PROGRESS IMPROVEMENT REQUIRED

58 out of 100

The School Progress domain shows us how students are performing over time and compares that progress to similar schools.



CLOSING THE GAPS IMPROVEMENT REQUIRED

30 out of 100

The Closing the Gaps domain tells us how well different populations of students on a campus are performing.



STUDENT ACHIEVEMENT

	SCORE	% OF GRADE
STAAR Performance	54	40%
College, Career, and Military Readiness	60	40%
Graduation Rate	55	20%
Total	57	100%



SCHOOL PROGRESS

	SCORE	
Academic Growth	57	The higher of Growth or Performance is used.
Relative Performance	58	
Total	58	



CLOSING THE GAPS

	SCORE	% OF GRADE
Grade Level Performance	0	50%
Academic Growth/Graduation Rate	0	10%
English Language Proficiency	0	10%
Student Achievement	0	30%
Total	30	100%

TEXAS EDUCATION AGENCY

2017 Accountability Summary

YATES H S (101912020) - HOUSTON ISD

Accountability Rating

Met Standard

Met Standards on

- Student Progress
- Closing Performance Gaps
- Postsecondary Readiness

Did Not Meet Standards on

- Student Achievement

In 2017, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4.

Distinction Designation

Academic Achievement in ELA/Reading

NO DISTINCTION EARNED

Academic Achievement in Mathematics

NO DISTINCTION EARNED

Academic Achievement in Science

NO DISTINCTION EARNED

Academic Achievement in Social Studies

NO DISTINCTION EARNED

Top 25 Percent Student Progress

NO DISTINCTION EARNED

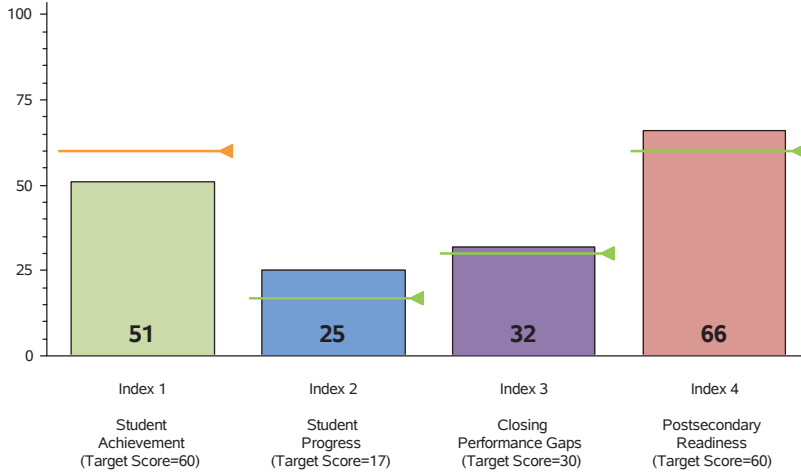
Top 25 Percent Closing Performance Gaps

NO DISTINCTION EARNED

Postsecondary Readiness

NO DISTINCTION EARNED

Performance Index Report



Performance Index Summary

Index	Points Earned	Maximum Points	Index Score
1 - Student Achievement	770	1,505	51
2 - Student Progress	246	1,000	25
3 - Closing Performance Gaps	507	1,600	32
4 - Postsecondary Readiness			
STAAR Score	8.5		
Graduation Rate Score	18.8		
Graduation Plan Score	21.1		
Postsecondary Component Score	17.4		66

Campus Demographics

Campus Type	High School
Campus Size	845 Students
Grade Span	09 - 12
Percent Economically Disadvantaged	62.1
Percent English Language Learners	4.1
Mobility Rate	32.0
Percent Served by Special Education	18.9
Percent Enrolled in an Early College High School Program	0.0

System Safeguards

Number and Percentage of Indicators Met

Performance Rates	7 out of 22 = 32%
Participation Rates	12 out of 12 = 100%
Graduation Rates	0 out of 4 = 0%
Total	19 out of 38 = 50%

For further information about this report, please see the Performance Reporting website at <https://rptsrv1.tea.texas.gov/perfreport/account/2017/index.html>

THIRD WARD COMPLETE COMMUNITIES ACTION PLAN



Mayor Sylvester Turner
City of Houston
Planning and Development Department
July 2018

Mayor

Sylvester Turner
Mayor Pro-Tem Ellen Cohen
Vice Mayor Pro-Tem Jerry Davis

City Council and Controller

Brenda Stardig, District A
Jerry Davis, District B
Ellen Cohen, District C
Dwight Boykins, District D
Dave Martin, District E
Steve Le, District F
Greg Travis, District G
Karla Cisneros, District H
Robert Gallegos, District I
Mike Laster, District J
Martha Castex-Tatum, District K
Mike Knox, At-Large 1
David Robinson, At-Large 2
Michael Kubosh, At-Large 3
Amanda Edwards, At-Large 4
Jack Christie, At-Large 5

Chris Brown, City Controller

Planning and Development Department

Patrick Walsh, P.E., Director
Margaret Wallace Brown, Deputy Director
Jennifer Ostlind, Deputy Assistant Director and Program Director
Nicole Smothers, Division Manager
Lynn Henson, Program Manager and Third Ward Lead Planner
Annette Mitchell, Third Ward Planner

Community Design Resource Center

Susan Rogers, Director
Adelle Main, Assistant Director
Barbara Blanco, Design Strategist
Angelica Lastra, Jose Mario Lopez, Pooja Shetty Assistants

An Equitable Houston That Works For Everyone

For Houston to be truly great, we cannot be two cities in one: one of haves, and one of have-nots. All of Houston's neighborhoods should be vibrant communities of opportunity.

That's why on April 17, 2017, I announced the creation of Houston's Complete Communities program, and selected Acres Home, Gulfton, Second Ward, Near Northside and Third Ward as the first Complete Communities neighborhoods. These five neighborhoods – and frankly, too many others in Houston – have been ignored for far too long. The significant challenges facing these neighborhoods can only be solved through a focused, community-led effort like Complete Communities, with the City acting as a committed neighborhood partner.

Every neighborhood is unique, but there are common elements we all look for in the place we live: a mix of quality and affordable home choices, job opportunities, and quality retail; good parks and schools; and reliable transportation options. We all deserve freedom from overgrown, weeded or abandoned lots, poor drainage, failing infrastructure, and crime. Each Houstonian should feel that his or her neighborhood matters, and that the private and public sectors support its growth and success.

To achieve this goal, City departments have been working closely with community members and outside partners to find solutions and achieve transformational change. We have listened to the community. This plan is the result of these conversations and the first step toward a new future for these neighborhoods.

The Complete Communities program will attract more partners and resources toward targeted areas in a focused way, enabling more livable communities. I

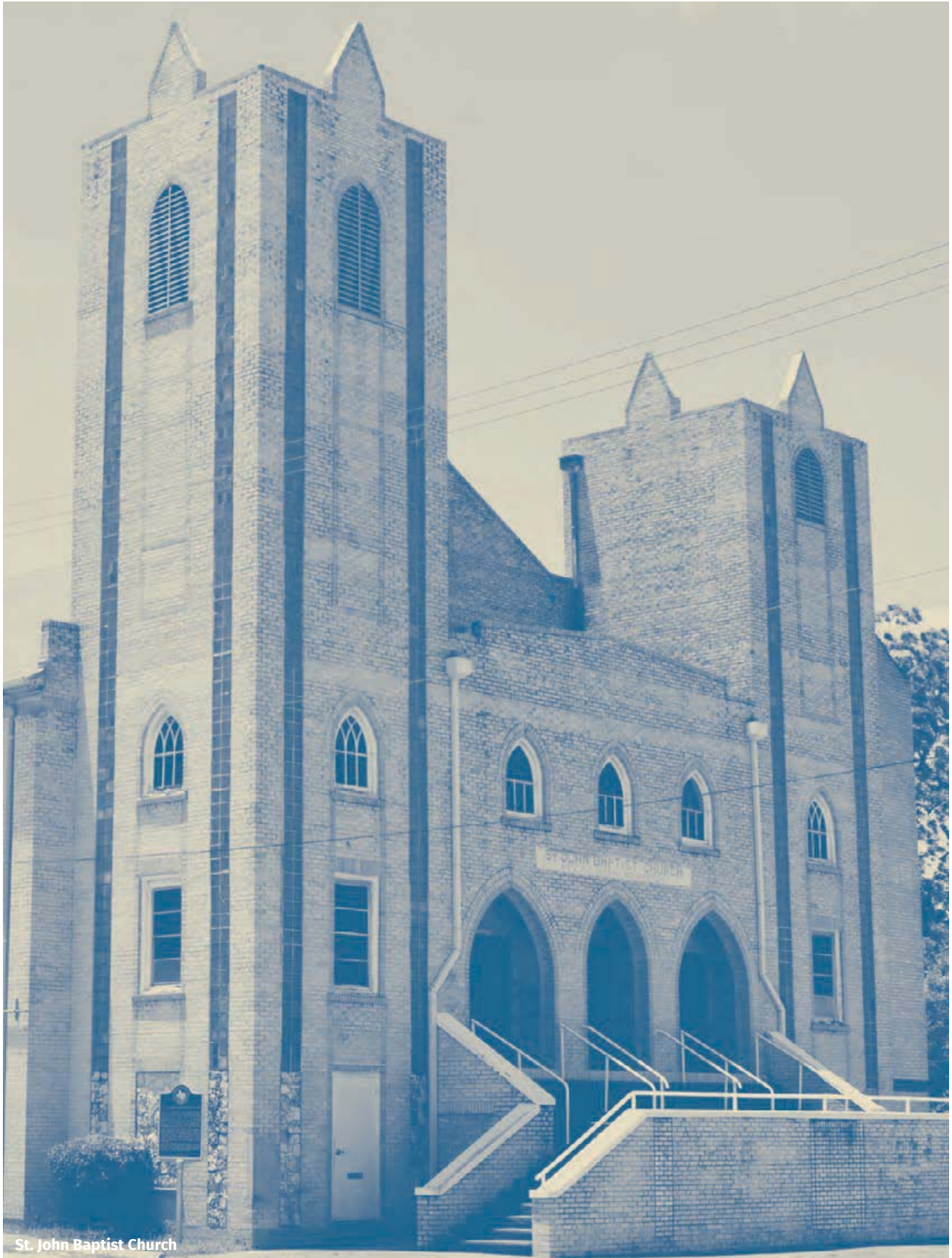
expect City departments to work alongside private and non-profit organizations, as well as local residents and businesses, to raise the bar in each neighborhood.

This is just the beginning. The five pilot communities have diverse demographic and physical characteristics, and a base level of community activism, making them ideal testing grounds for this new program. After we see real and sustainable change in these five areas, I am committed to turning to the next set of neighborhoods to create transformational change in them, too.

The Complete Communities program is the embodiment of my vision for a more equitable Houston. I am committed to rebuilding neighborhoods that have been underserved and under-resourced for decades. All Houstonians deserve to live in neighborhoods that support their dreams.

— Mayor Sylvester Turner





St. John Baptist Church

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What is a Complete Community?

A sustainable community with . . .

- Strong community partners
- Civic engagement
- Community buy in

An affordable community with . . .

- Diversity of income
- No concentrated poverty
- A strong base of homeowners
- Quality rental units
- Energy efficient homes

A healthy community with . . .

- A quality grocery store
- Access to quality health care
- Parks
- Urban gardens or farms

A safe community with . . .

- Low crime
- Low rates of automobile crashes
- No unsafe environmental hazards
- Safe places for residents to walk, run, bicycle, and recreate

An economically strong community with . . .

- Opportunities for upward mobility
- Quality and diverse retail
- Quality jobs within or easily accessible from the community
- Thriving small businesses
- Strong city tax revenues to pay for municipal services

A community with quality schools including . . .

- Highly rated elementary, middle and high schools
- Easy access to high quality and affordable early childcare
- Access to quality vocational schools, community colleges

A community with good infrastructure including . . .

- Complete streets including sidewalks, bike paths, and accessible transit stops
- Utility infrastructure
- Proper lighting

A connected community with . . .

- Access to broadband internet connectivity
- Quality public transit or other affordable transportation options
- Good roads connecting to other major job centers and central business districts
- Strong community organizations that connect residents with each other and to others throughout the city

A beautiful and interesting community with . . .

- Street trees
- Public art
- Public spaces
- Preservation of historic neighborhoods

A resilient community with . . .

- Flood protection
- Good drainage
- Community and public services



COMPLETE COMMUNITIES

In April of 2017, Mayor Sylvester Turner announced the kick-off of the Complete Communities initiative. Mayor Turner noted:

Complete Communities is about improving neighborhoods so that all of Houston's residents and business owners can have access to quality services and amenities. It's about working closely with the residents of communities that haven't reached their full potential, understanding their strengths and opportunities, and collaborating with partners across the city to strengthen them. While working to improve these communities, we are also working to ensure existing residents can stay in homes that remain affordable.

The Complete Communities initiative was established to be collaborative, impactful, and transformative. The initiative has been guided by an Advisory Committee that met for the first time in January of 2017, and that has continued to meet regularly. The committee is comprised of 26 community leaders and advocates with a balanced perspective ranging from city-wide to neighborhood specific knowledge and engagement. The committee serves as a sounding board whose members are ambassadors for the effort and who have provided connections to residents and businesses in the selected neighborhoods. With support from the Complete Communities Advisory Committee a working definition of a complete community was established to identify the qualities that lead to a thriving neighborhood (see opposite page, left).

The five Houston neighborhoods selected to participate in the pilot initiative—Acres Home, Gulfton, Near Northside, Second Ward, and Third Ward—have

very different strengths and challenges. As a result, stakeholders in each neighborhood developed a vision that represented their ideal of a complete community. This shared vision has guided the effort in each community.







Across the five neighborhoods 3,500 people shared their insights, values, and visions. More than 2,300 participants attended one of the fourteen public meetings, and nearly 1,200 leaders representing faith-based organizations, business owners, non-profit and community-based organizations, and civic, educational and institutional leaders attended one of hundreds of listening sessions with community planners. A Neighborhood Support Team, comprised of locally identified leaders, residents and allies, has guided each Complete Community effort.

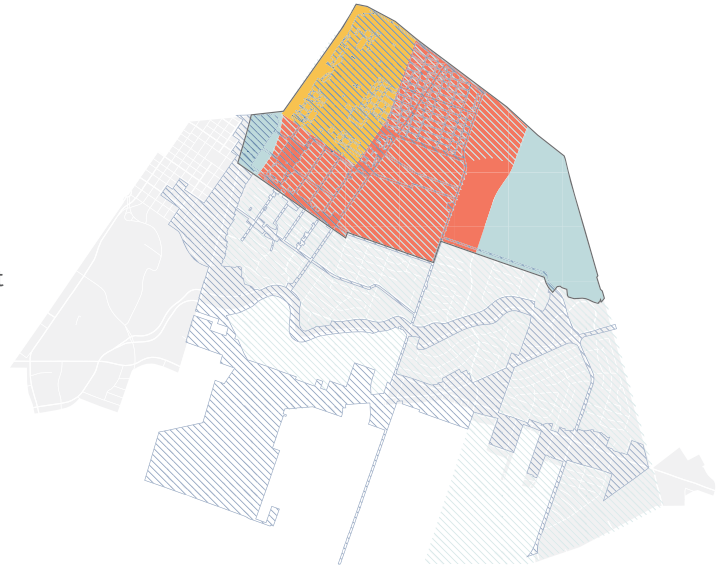
Commitment to the Complete Communities initiative is far reaching. Over the last year the City has provided support through a team of dedicated staff across City departments, this support will continue. One-on-one meetings were held with over two-dozen City departments to present community-identified priorities and projects and establish mechanisms for implementation. In the coming years, the City and its staff will continue to work side-by-side with community leaders and allies to realize the vision for a complete community in each of the five neighborhoods.

After a year of engagement and collaboration with thousands of stakeholders, we have summarized what we heard in each of the five Complete Communities in an Action Plan. The Third Ward Action Plan outlines the vision, policies, goals and projects to realize a healthier, more resilient, prosperous, equitable, and complete future. This is the Third Ward's Plan.



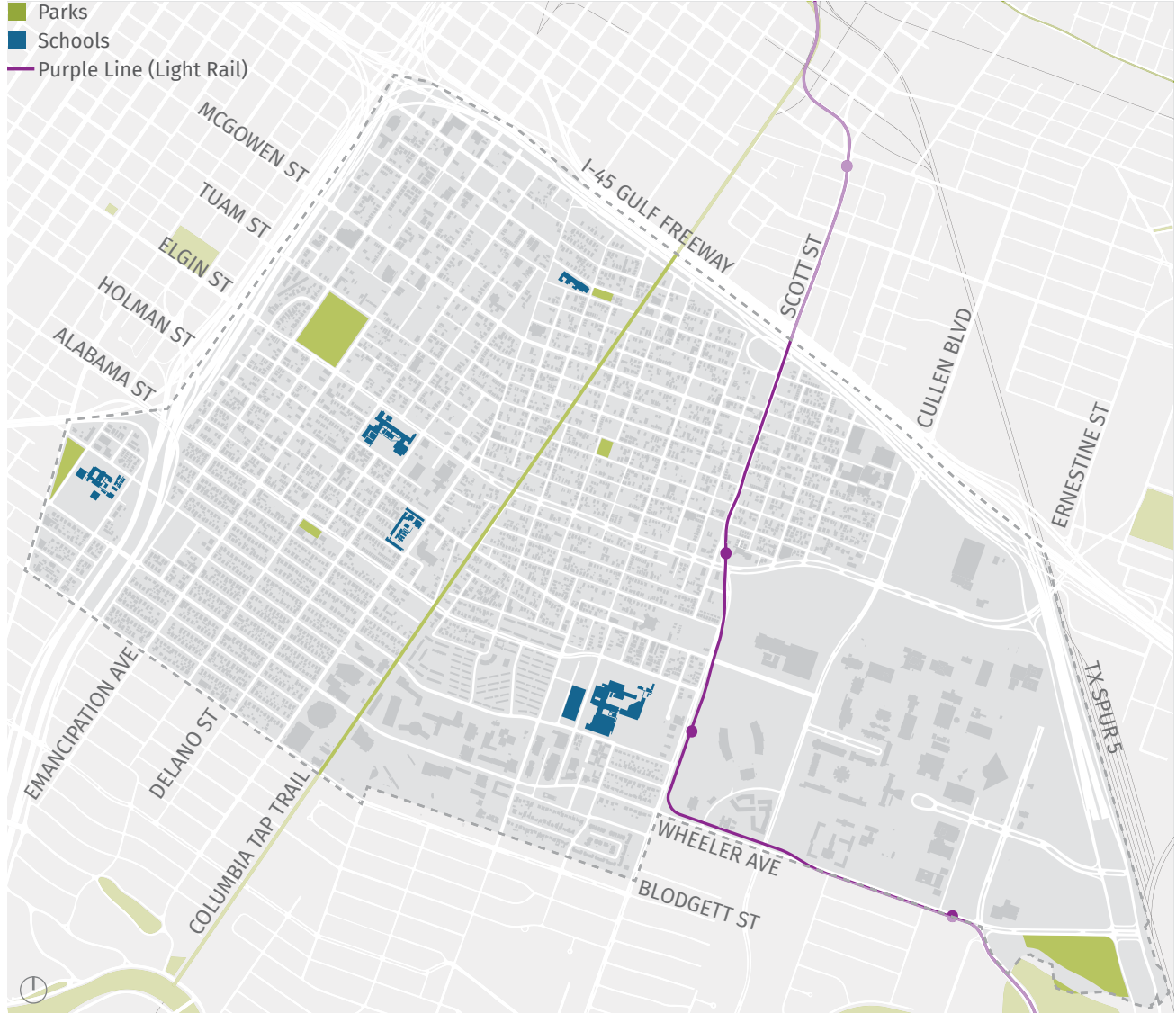
Map of Existing Plans and Studies

-  Third Ward Complete Community
-  Emancipation Economic Development Council
-  Northern Third Ward Neighborhood Planning Project
-  Houston Southeast Community Plan
-  TIRZ #7 OST/Almeda
-  Midtown Affordable Housing Plan



Third Ward Complete Community Map

-  Parks
-  Schools
-  Purple Line (Light Rail)



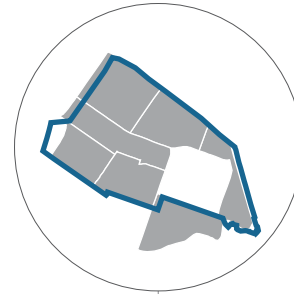
EXECUTIVE SUMMARY

Introduction

The Third Ward Action Plan, outlines the vision, policies, goals, and projects that have been identified through the community planning process to move towards a healthier, more prosperous, resilient, and equitable future.

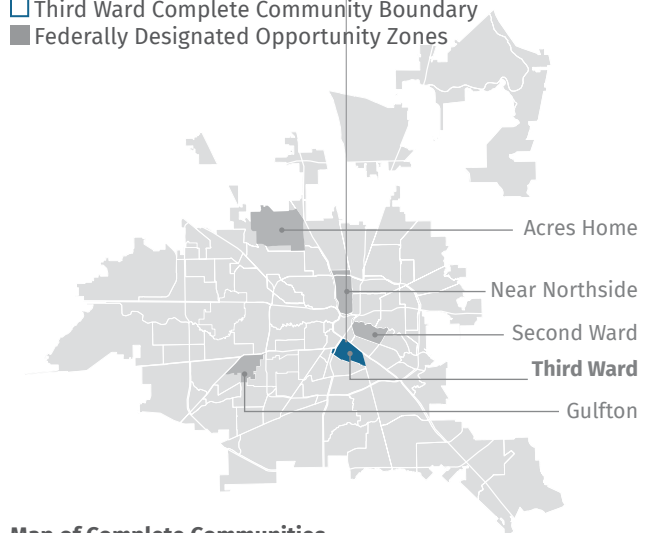
The Third Ward Action Plan is a compilation of the most recent plans and studies for the neighborhood (see map, opposite page top left), as well as newly identified projects, actions, priorities, and partners. Prior plans developed for the neighborhood include those led by the Emancipation Economic Development Council (EEDC), Northern Third Ward Neighborhood Planning Project (NTWNPP), Houston Southeast Management District, the Midtown TIRZ with the Center for Civic and Public Policy, and the OST | Almeda TIRZ. A policy paper developed by the EEDC and Emancipation Community Development Partnership has also informed the recommended projects, policies and metrics to measure success.

In addition, the City of Houston has recently completed a number of citywide planning efforts. The most important being Plan Houston, the city's first general plan completed in 2015. The plan outlines a vision for Houston's future and strategies to realize it. Out of the 32 citywide identified goals, Third Ward stakeholders developed the following priorities: sufficient quality, affordable housing options throughout the neighborhood; quality learning opportunities from early childhood onwards; job opportunities that support a good standard of living and financial stability; and, a safe and secure community. Other citywide planning efforts that shape decision-making and public investment are the annual Capital Improvement Plan, which outlines infrastructure priorities, the Houston Parks and



Map of Opportunity Zones

- Third Ward Complete Community Boundary
- Federally Designated Opportunity Zones

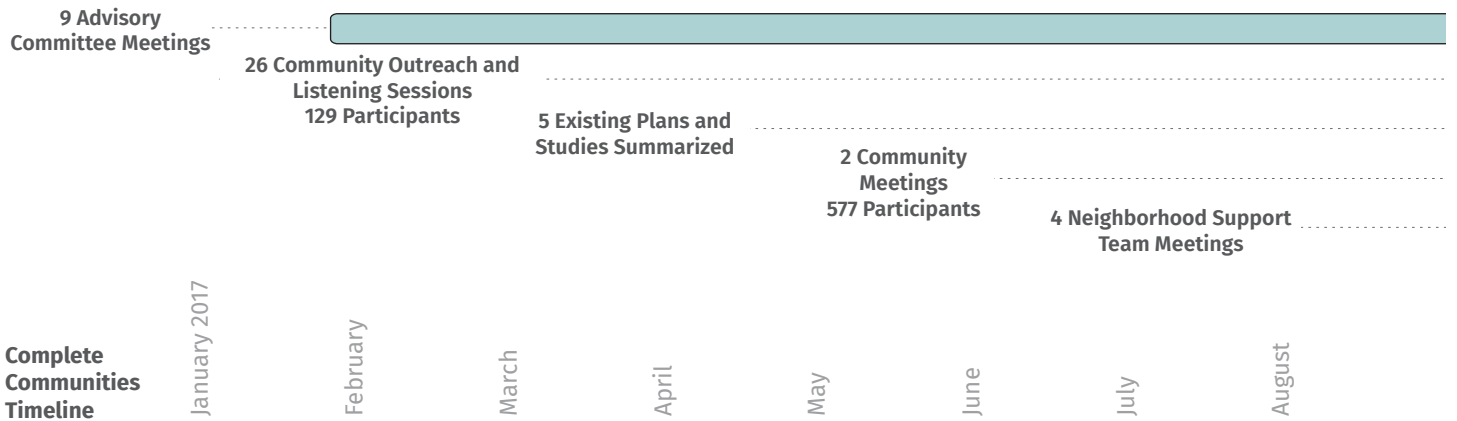


Map of Complete Communities

Recreation Department's 2015 Parks Master Plan, and the Houston Bike Plan, adopted in 2017. Each of these plans have informed the Third Ward Action Plan.

The majority of the Third Ward Complete Community is part of a State designated Opportunity Zone, a new community development program established by Congress in the Tax Cuts and Jobs Act of 2017 to encourage long-term investments in low-income urban and rural communities.

The Third Ward Action Plan aspires to carry on the legacy of decades of work by neighborhood activists and champions, including numerous planning efforts that chartered the waters that this plan is based on, especially the 1995 Greater Third Ward Community Plan completed by Roberta F. Burroughs and Associates.



COMPLETE COMMUNITIES PLANNING PROCESS

Each Complete Community is different. Some have engaged in substantial planning efforts, while others have not had plans developed for decades. As a result, the City designed and implemented individualized planning processes that align with each community's current position.

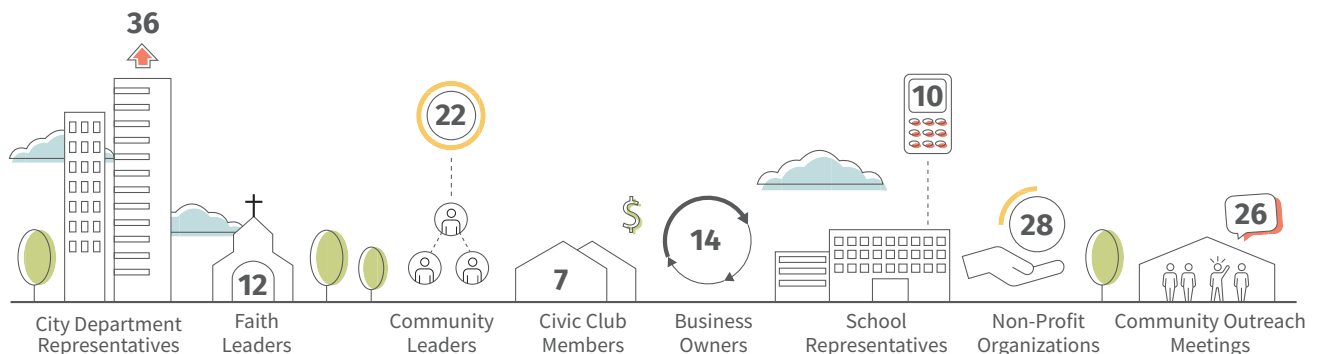
Every Complete Community effort began by conducting outreach and small group meetings with key leaders and stakeholders. Meetings in the Third Ward were held with faith leaders, non-profit organizations, community-based organizations, business owners, and other civic, educational, and institutional leaders. Overall, 129 people were reached through this effort.

Following the outreach effort, a series of public meetings were held in each Complete Community to accomplish the following objectives: establish a vision; develop goals and projects; identify priorities and partners; and, review the final Action Plan. In communities, such as Third Ward, where substantial planning has already occurred, two public meetings were held. The first meeting focused on reviewing the existing goals and projects, filling any gaps, and identifying new opportunities and partners. The

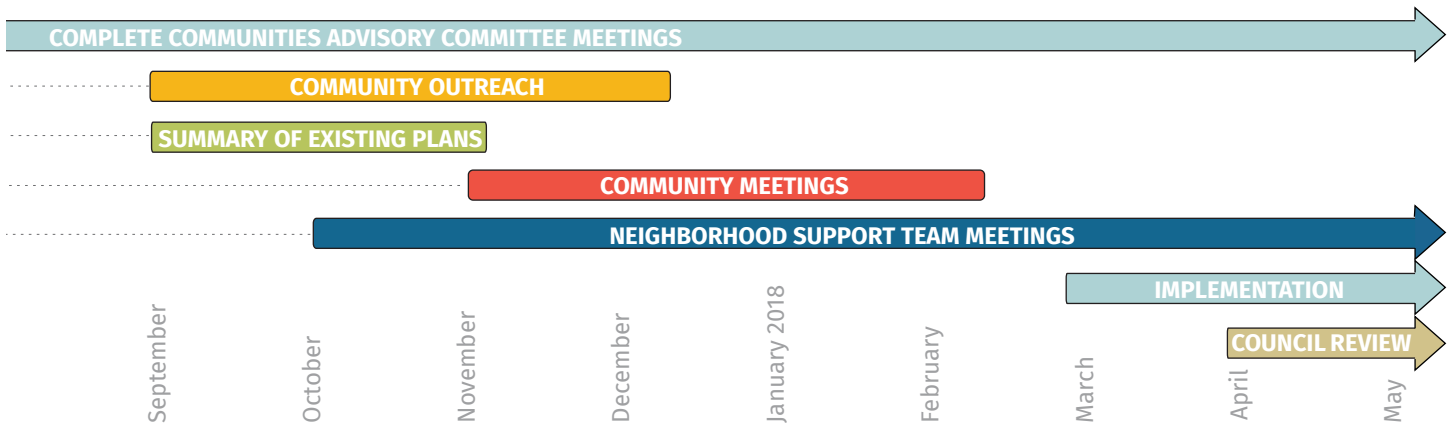
second, and final meeting, was to review the final Action Plan. Overall, 577 people attended these meetings and provided valuable feedback. The result is that the Third Ward Action Plan builds on prior planning efforts and encompasses new goals and projects identified through these public meetings. In addition, the Action Plan aligns clear implementation strategies, priorities, policies, timeframes, partners, and metrics to measure success based on both the prior plans and new input.

The Action Plan has also been informed by one-on-one meetings with City department decision-makers. At these meetings, community-identified projects and priorities were presented, and mechanisms to achieve implementation identified.

Throughout the process, the Complete Communities initiative has been guided by the Neighborhood Support Team (NST) which met four times to provide their insight and suggestions. The Neighborhood Support Team, in collaboration with the Greater Third Ward Super Neighborhood #67, will oversee implementation and work directly with City staff to ensure progress is made and established benchmarks achieved.



Complete Communities Outreach



THIRD WARD COMMUNITY

Third Ward, located less than one mile southeast of downtown Houston, is one of Houston’s most historic African American neighborhoods. The boundaries of the Complete Community area are consistent with the Super Neighborhood boundaries and span I-45 on the north, State Highway 288/I-69 on the west, Wheeler and Blodgett to the South, and along Texas Spur 5 on the east.

The Third Ward is changing. New homes are being constructed, new investment is moving in, and the I-45 expansion project will begin in the near future. As new development has spread throughout the Third Ward, both new opportunities and challenges have emerged. The Third Ward Complete Communities Action Plan works to build on opportunities—such as active civic engagement, strong community-based organizations, historic landmarks, major universities, proximity to the Texas Medical Center and downtown, and quality transportation—while also working to address challenges that lead to displacement and a loss of history in one of Houston’s most important neighborhoods.

In the past decades, the low cost of property in the Third Ward and its proximity to downtown Houston

has made the neighborhood attractive to developers. While the construction of high end townhomes has rapidly increased, many longtime renters and property owners have been displaced from the neighborhood. As homes are demolished across the neighborhood, the historic character of the Third Ward is being diminished. At the same time, new homes being built in the community are too often not affordable to existing residents. At the same time, new investment, emerging entrepreneurs, and the diverse collection of organizations and institutions working in the neighborhood are sparking positive change and transformation.

The Third Ward Complete Community Action Plan establishes a set of actionable projects, policies and programs that will result in a complete community, where everyone has the opportunity to thrive.

A summary of the Action Plan, including the key focus areas and goals, is provided on the following pages. The highest priority in the community is affordable housing policies and projects, followed by education, and economic opportunities and jobs. Additional focus areas include civic engagement, health, safety, neighborhood character, parks and community amenities, and mobility and infrastructure.

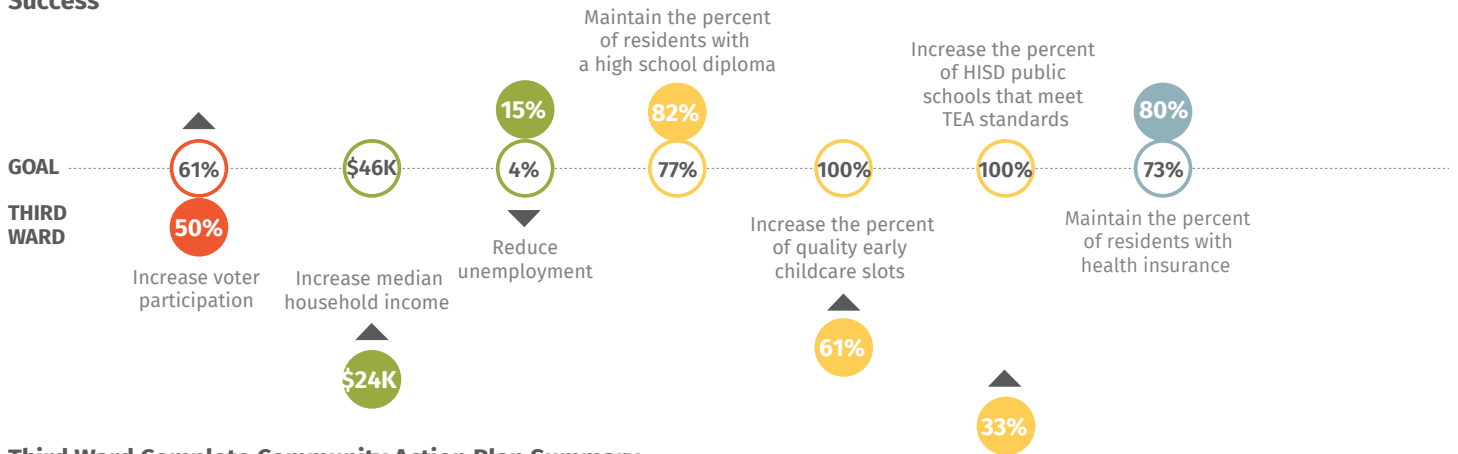


Complete Community Meeting



Complete Community Meeting

Complete Community Metrics to Measure Success



Third Ward Complete Community Action Plan Summary *Underline Indicates High Priority Goal*

CIVIC ENGAGEMENT

A complete community is a sustainable community that is committed to civic engagement, collective work, and nurturing new leaders. The goals are:

- **Build Community Capacity** by developing strong partnerships, mobilizing the community, providing community building grants, and hosting an annual summit
- **Nurture New Leaders** by expanding leadership opportunities for youth
- **Expand Political and Civic Engagement** by developing an annual policy agenda and advocacy plan, and increasing voter registration and participation

ECONOMY and JOBS

A complete community is a thriving community with a strong local economy, jobs, and opportunities. The goals are:

- **Grow the Local Economy** by seeding new community-owned businesses, sparking entrepreneurship, and creating mixed-use development
- **Support Small Businesses** by creating a “Shop Third Ward” campaign, instituting a facade improvement program, and assisting small businesses
- **Expand Local Opportunities for Employment** by attracting a job training facility, increasing local hiring, and expanding employment opportunities

EDUCATION

A complete community is a learning community with high quality schools, early childcare, and out of school enrichment and support programs for children and youth. The goals are:

- **Expand Enrichment Programs for Children and Youth** by promoting the directory of out of school programs and partnering with area organizations to expand capacity
- **Strengthen Local Schools** through hiring high quality teachers, funding, and supporting neighborhood schools
- **Expand High Quality Early Childcare** by working with partners to increase the quality and affordability of early childcare
- **Provide Mentorship Opportunities for Youth** by partnering with area organizations and universities

HEALTH

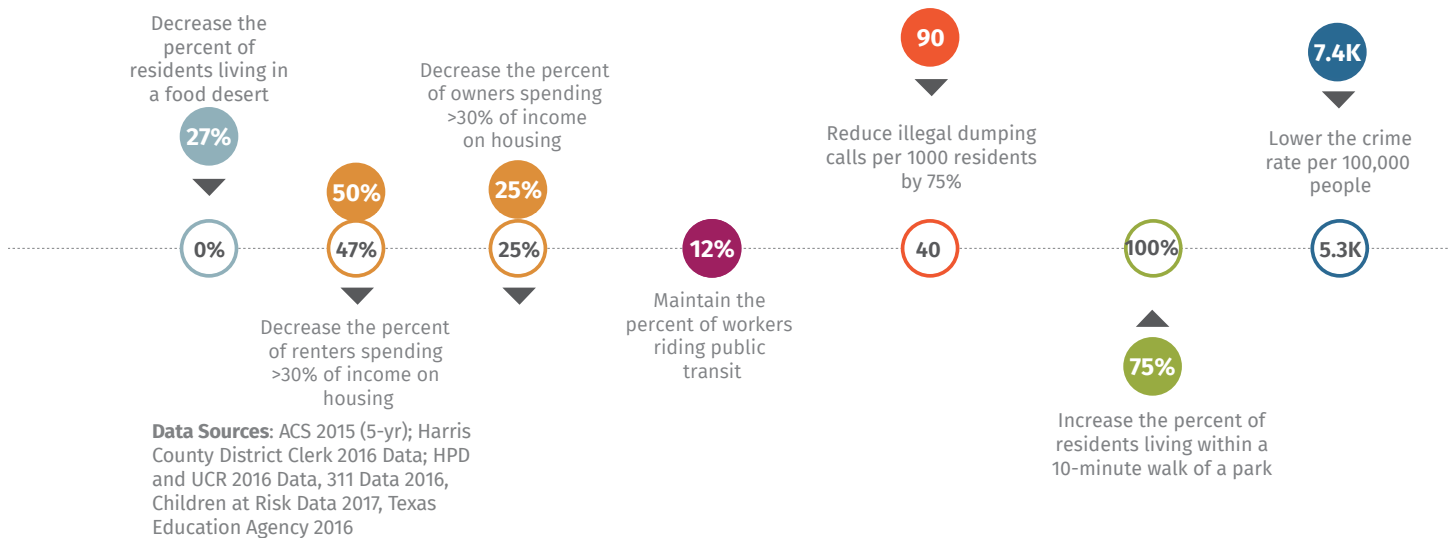
A complete community is a healthy community with access to high quality healthcare and fresh, nutritious food. The goals are:

- **Improve Access to Healthcare** by expanding supportive services, outreach, preventative care, and attracting a comprehensive health facility
- **Increase Access to Healthy Food** by developing new community gardens and supporting existing gardens

HOUSING

A complete community is an affordable community with high quality housing accessible to people with a diversity of incomes, where existing residents are protected from displacement, historic homes are repaired and preserved, and where a shared vision shapes future development. The goals are:

- **Build Housing for All** by supporting the creation of a community land trust, building affordable owner and rental housing, and incentivizing affordable units in market rate projects



- **Provide Protection from Displacement** by supporting existing homeowners and renters
- **Repair and Preserve Existing Housing** by saving historic housing from demolition and repairing existing homes
- **Plan for Future Housing** by creating a comprehensive plan for affordable housing and a housing advocacy team

MOBILITY and INFRASTRUCTURE

A complete community is a connected and resilient community with public transit, great streets, and quality infrastructure. The goals are:

- **Improve Neighborhood Mobility** by creating a ride share program and improving public transit
- **Build Great Streets** by expanding sidewalks and crossings, improving area streets, and developing a parking district
- **Expand Bike Lanes and Facilities** by building additional bike routes and installing new B-Cycle Stations
- **Protect from Flooding** by maintaining area ditches and creating green infrastructure

NEIGHBORHOOD CHARACTER

A complete community is a beautiful and interesting community with public art, historic neighborhoods, and strong identity and culture. The goals are:

- **Preserve the Neighborhood's History and Character** by regulating development, establishing a cultural trail, and re-using historic buildings
- **Beautify the Neighborhood** by ending illegal dumping, maintaining vacant lots, organizing clean-ups, and providing new amenities
- **Expand Public Art that Celebrates the Community** by installing new public art projects and engaging youth in the arts

PARKS and COMMUNITY AMENITIES

A complete community is a sustainable community with access to beautiful parks and open spaces. The goals are:

- **Develop New Parks and Public Open Spaces** by building new parks, advocating for SPARK Parks, and re-purposing vacant land for small pocket parks and plazas
- **Improve Area Parks** by working with partners to identify needed improvements

SAFETY

A complete community is a safe community where the community and law enforcement work together to reduce crime and increase the sense of security throughout the neighborhood. The goals are:

- **Create Safe Streets and Places** by improving street lighting, utilizing crime prevention through environmental design, and addressing crime hot spots
- **Advocate for Community-Based Policing** by creating a block captain program, participating in HPD's Positive Interaction Program, advocating for additional bike patrol, and improving relationships between the community and law enforcement agencies




Key to Abbreviated Organizations

Many City departments and organizations will assist in implementing the projects identified in this Action Plan, while other organizations have been identified as potential partners. Below is a key to the organizations that are abbreviated:

*City, School, and Government Departments:

Administration and Regulatory Affairs, **ARA**
Capital Improvement Plan, **CIP**
Department of Neighborhoods, **DON**
Differential Response Team (HPD), **DRT**
Economic Development Department, **EDD**
General Services Division, **GSD**
Harris County Appraisal District, **HCAD**
Harris County Department of Education, **HCDE**
Harris County Sheriff's Office, **HCSO**
Harris County Flood Control District, **HCFC**
Housing and Community Development Department, **HCDD**
Housing and Urban Development, **HUD**
Houston Community College, **HCC**
Houston Fire Department, **HFD**
Houston Health Department, **HH**
Houston Housing Authority, **HHA**
Houston Independent School District, **HISD**
Houston Parks and Recreation Department, **HPARD**
Houston Police Department, **HPD**
Houston Public Library, **HPL**
Houston Public Works, **HPW**
Mayor's Office of Cultural Affairs, **MOCA**
Mayor's Office of Education, **MOE**
Mayor's Office of Innovation, **MOI**
National Endowment for the Arts, **NEA**
Office of Business Opportunity, **OBO**
Planning and Development Department, **PDD**
Positive Interaction Program (HPD), **PIP**
Solid Waste Department, **SWD**
Small Business Administration, **SBA**

Key to Priority Graphic

-  High Priority
-  Medium Priority
-  Low Priority

*Partner Organizations and Other Abbreviations:

Center for Civic and Public Policy Improvement, **CCPPI**
Community Development Corporation, **CDC**
Community Housing Development Organization, **CHDO**
Communities in Schools, **CIS**
Emancipation Community Development Partnership, **ECDP**
Emancipation Economic Development Council, **EEDC**
Greater Third Ward Super Neighborhood Council, **SN Council**
Houston Arts Alliance, **HAA**
Houston Parks Board, **HPB**
Houston Southeast Management District, **HSE**
Local Initiatives Support Corporation, **LISC**
Midtown Redevelopment Authority, **MRA**
My Brothers Keeper, **MBK**
Neighborhood Support Team, **NST**
Northern Third Ward Neighborhood Planning Project, **NTWNPP**
Project Row Houses, **PRH**
Texas Southern University, **TSU**
Theater Under the Stars, **TUTS**
University of Houston, **UH**
Volunteers of America, **VOA**

Partners

In the Action Plan tables partners are identified for each project.

LEAD partners are City Departments or agencies that will play a key role in implementation of each project.

SUPPORT partners are organizations that have participated in, or expressed interest in participating in, implementation for the project.

* Note:

The lists above represent the organizations involved in the Third Ward planning at the time of this printing. We recognize that additional organizations, not listed here, are vital to Third Ward's vitality and we look forward to working together to implement the Action Plan.

THIRD WARD ACTION PLAN

The Third Ward Action Plan identifies 27 goals and 77 projects, organized into nine focus areas, to work towards a Complete Community. The highest priority focus areas identified by Third Ward stakeholders are housing, education, and expanded economic opportunities. Additional focus areas include health, safety, neighborhood character, civic engagement, and mobility and infrastructure. The Action Plan that follows was developed through public meetings and a summary of the existing community plans. The Action Plan includes goals, projects, priorities, timeframes, metrics to measure success over the next five years, and potential partners and programs.

The projects and action steps identified in this plan will be championed by the Third Ward Neighborhood Support Team (NST) and the Super Neighborhood Council, and coordinated with the City and the Planning and Development Department. The City departments and agencies listed as leads in this Plan will provide support and leadership to the Third Ward NST to move projects forward to implementation. Third Ward stakeholders have also formed working groups to lead the nine focus areas. These working groups will work closely with the NST, the Super Neighborhood Council and City departments to further implement the plan.



Project Row Houses

CIVIC ENGAGEMENT

Introduction

Civic engagement is at the core of a Complete Community. People who live in the Third Ward have a strong sense of both community and history, and work together to shape the future of the neighborhood. There are six active civic clubs and organizations, and a number of new associations that are just forming. There is a concerted effort among many local organizations and institutions, faith-based entities, and residents to work together.

As a result, the voices of residents, local business owners, institutions, youth, community leaders, and political representatives are becoming unified. With that voice, a focus on people-centered and place-based change has been strengthened.

Civic Engagement Goals

The three goals for civic engagement, compiled from existing Third Ward plans and studies and a series of community meetings, focus on further building the collective capacity in the neighborhood, nurturing young leaders, and expanding political and civic engagement. The goals are summarized here and provided in more detail on the following pages. The civic engagement goals are:

Build Community Capacity

The Third Ward was the center of Houston's civil rights movement, and that spirit of activism and collective work lives on. Supporting the community-led change imagined as part of the Complete Communities initiative requires strong leadership, capacity, and organization at the neighborhood level. To accomplish this goal, mobilization teams will be formed for implementation; new bridges will be developed between the City, decision-makers and community leaders; and, new mechanisms to support leaders will be initiated, such as small community building grants.

Nurture Young Leaders

Providing leadership opportunities for area youth is important for the future of the Third Ward. Youth are the leaders of tomorrow and an integral part of the community. The goal is to ensure that youth have opportunities to build their skills, become leaders, and be active participants in positive change in the neighborhood. To support the next generation, youth leadership opportunities will be expanded through partnerships with area churches, universities, community-based organizations, and others.



Complete Community Meeting

A complete community is a sustainable community that is committed to civic engagement, collective work, and nurturing new leaders

Political and Civic Engagement

Engaging with local government and elected officials can assist with both understanding the political process and learning more about how neighborhood priorities can be realized. To this end, political and civic engagement will be enhanced by developing a public policy and advocacy agenda each year. The policy agenda will cover current issues such as gentrification, affordable housing, land-control, responsible development, public spending, and equity. An annual neighborhood summit will provide opportunities to measure the successes in the community and set new goals each year. In addition, increasing voter registration and turnout will ensure the community’s voice is heard. In the 2016 election, the Harris County District Clerk reports that 50% of registered voters in the Third Ward community cast a ballot, compared to the 61% who voted in Harris County overall. Moving forward, the target is to ensure that the Third Ward votes in percentages equal to Harris County or higher. Encouraging more people to exercise the right to vote will build political power in the neighborhood.

Early Successes

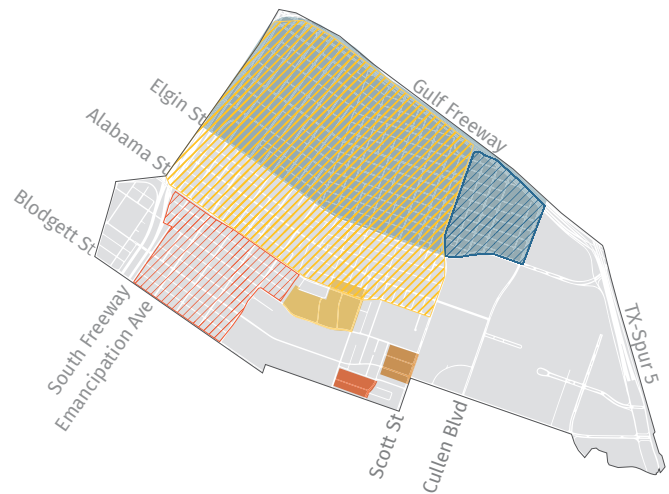
The Neighborhood Support Team (NST) has joined the Greater Third Ward Super Neighborhood #67, laying the foundation for capacity building.

The Northern Third Ward Neighborhood Planning Project (NTWNPP) recently received a 5-year, \$750,000 planning implementation grant from the Wells Fargo Regional Foundation.

50% Of Third Ward registered voters cast a ballot in the 2016 election

61% Of Harris County registered voters cast a ballot in the 2016 election

Data Sources: Harris County District Clerk, 2016; City of Houston Planning and Development Department



Map of Active Civic Clubs

- Canfield Oaks
- College Oaks Civic Club
- Cuney Homes Resident Council
- Upper Third Ward Civic Club
- ▨ University Village Civic Club
- ▨ Washington Terrace Civic Association
- ▨ Third Ward Is Home



Complete Community Meeting



GOAL	PROJECTS	PRIORITY
Build Community Capacity	<p>Create a bridge between the City, Super Neighborhood Council, and other community organizations and civic clubs <i>ACTION STEPS:</i> Create a structure to empower neighborhood governance and leadership, including supporting the Super Neighborhood Council and other area civic clubs in working in partnership with the City</p>	
	<p>Create a mobilization team to identify ways to share and improve resources across the neighborhood <i>ACTION STEPS:</i> Partner with the Third Ward Community Cloth Cooperative, NTWNPP, and other community and faith-based organizations to develop ways to share and improve resources, services, and collaboration across the neighborhood</p>	
	<p>Create a “Community Building Grant” program <i>ACTION STEPS:</i> Create a committee to develop and implement an early action grant program to support schools, students, youth, parent organizations, civic and business groups, and others; The grant program will fund community events and celebrations, block parties, clean-ups, fairs, etc.</p>	
	<p>Organize an annual “State of the Third Ward” summit <i>ACTION STEPS:</i> Organize leaders and agencies to plan the summit; Use the summit to celebrate and share successes and redefine priorities for the coming year; Present the findings to the city</p>	
PLAN:		
Nurture Young Leaders	<p>Expand youth leadership opportunities <i>ACTION STEPS:</i> Work in partnership with area churches, universities and organizations to create youth leadership opportunities and nurture young leaders</p>	
PLAN:		
Expand Political and Civic Engagement	<p>Annual public policy agenda and advocacy plan <i>ACTION STEPS:</i> Establish a team to develop and share an annual public policy agenda and advocacy plan for the Third Ward; Focus on issues of gentrification, land control, economic development, public spending, and equity; Present this agenda at the annual neighborhood summit</p>	
PLAN:	<p>Increase voter registration and participation <i>ACTION STEPS:</i> Support existing political engagement efforts such as voter registration drives</p>	

PLAN Legend:

- Complete Communities Action Plan
- OST/Alameda TIRZ
- Northern Third Ward Neighborhood Plan
- City of Houston Plans and CIP
- EEDC Plans and Studies
- Houston Southeast Community Plan

CIVIC ENGAGEMENT

TIMEFRAME	METRICS TO MEASURE SUCCESS	PARTNERS	POTENTIAL PROGRAMS
Short (0 - 2 yrs)	<p>Annual Community Building Grant Program to fund area projects</p>	<p>LEAD: PDD, SN Council, NST SUPPORT: Civic Clubs, NTWNPP, Third Ward Community Cloth, EEDC, DON, LISC</p>	Complete Communities, LISC Training for Trainers, Stronger Region, Plan Houston
Short (0 - 2 yrs)		<p>LEAD: PDD SUPPORT: NTWNPP, Third Ward Community Cloth, EEDC, Row House CDC, SN Council, NST, Change Happens, Churches, Schools, Universities, Civic Clubs, HAUS Project</p>	
Short (0 - 2 yrs)		<p>LEAD: Council Member, DON, SN Council SUPPORT: NTWNPP, EEDC, Row House CDC, PRH, Change Happens, SHAPE, Emancipation Park Conservancy, HPARD, UH, Community Music Centers of Houston, Indigo Community of Care</p>	Neighborhood Matching Grants, Solid Waste Neighborhood Clean-Ups, DON Spring Cleaning, LISC Small Grants, United Way Community Building Grants
Short (0 - 2 yrs)		<p>LEAD: PDD, SN Council, NST SUPPORT: NTWNPP, EEDC, Row House CDC, PRH, Change Happens, SHAPE, Emancipation Park Conservancy, HPARD, University of Houston</p>	LISC Small Grants, United Way Community Building Grants, Neighborhood Matching Grants
Short (0 - 2 yrs)		<p>5 Youth leaders participate in regular civic meetings annually</p>	<p>LEAD: MOE SUPPORT: Change Happens, Yates High School, Universities, Churches, Children's Defense Fund, Freedom Schools, Blue Triangle YMCA, Civic Clubs, NAACP, Elected Officials, Sankofa Research Institute, Phi Beta Sigma, 100 Black Men, US Dream Academy at Foster ES, Workshop Houston</p>
Short (0 - 2 yrs)	<p>61% Of registered voters will vote in the 2020 election, equal to Harris County in 2016 Source: Harris County District Clerk</p>	<p>LEAD: PDD, NTWNPP, SN Council, NST SUPPORT: EEDC, Council Member, NAACP, SHAPE, Southeast Management District, Midtown TIRZ, OST/Almeda TIRZ, Row House CDC, National Community Reinvestment, Houston Housing Working Group</p>	LISC Small Grants, United Way Community Building Grants, Neighborhood Matching Grants
Short (0 - 2 yrs)		<p>LEAD: DON SUPPORT: NTWNPP, EEDC</p>	Deputy Voter Registrar Training Programs

ECONOMY and JOBS

Introduction

The historic Third Ward was once the center of African American commerce in Houston. In 1950, there were 175 businesses on Emancipation Avenue (formerly Dowling Street) between Pierce Street and Alabama Street. Today, there are twenty businesses in this corridor. The once vibrant commercial streets and storefronts of Third Ward have experienced years of disinvestment. As a result, many residents travel outside of the neighborhood just to meet basic needs, such as groceries or housewares.

In 2015, there were 6,832 jobs in the Third Ward. In the same year, there were 8,746 workers over the age of 16 years in the community, of which 7,444 were in the labor force and 1,302 people were unemployed, or 15%. It is crucial to match the need for jobs in the Third Ward with the need for economic investment, services, and amenities.

Economy and Jobs Goals

The three goals for jobs and economy, compiled from existing Third Ward plans and studies and a series of community meetings, focus on growing the local economy, nurturing strong and healthy local businesses, and expanding local employment opportunities. The goals are summarized here and provided in more detail on the following pages. The



jobs and economy goals are:

Grow the Local Economy

Expanding economic opportunity includes supporting new businesses as well as testing community-owned co-operative models and temporary pop-up shops. Existing cooperatives in the Third Ward include the following: Renaissance Cooperative, created to stimulate economic growth, commercial development, and attract investment; NuWaters Co-op, a grocery store with produce provided by a volunteer-operated farm; and, The Third Ward Community Cloth Cooperative which is an “organization of organizations.” Co-operatives expand buying power and capacity to enable grassroots organizations to develop new businesses that grow the local economy. In addition, working towards mixed-use development in key business corridors will draw additional investment to the neighborhood. Over the next five years, the objective is to open ten new businesses, focused on meeting the highest needs in the neighborhood.

Support Local Businesses

Local Third Ward businesses, such as Crumbville, The Library Coffee and Wine House, Doshi House, NuWaters Co-op Market, and Wolf’s Clothing and Pawn Shop, prove the viability and importance of locally owned businesses. Buying local strengthens the neighborhood’s economic base, creates jobs, and sparks investment in other small businesses.

15% Unemployment Rate in Third Ward, 2015

4% Unemployment Rate in Houston, 2018

Data Sources: ACS 2015 (5-yr); Census Longitudinal Employer Household Dynamics (LEHD) 2015; Bureau of Labor Statistics 2018

A complete community is a thriving community with a strong local economy, jobs, and opportunities

Promoting and supporting the small businesses that call Third Ward home will be done through three projects, a “Shop Third Ward” campaign, a facade improvement program, and expanding access to small business loans and grants. In 2015, 145 small business loans were secured for a total of \$2.35 million. In the next five years, the metric to measure success is to more than double this investment to \$5 million.

Expand Local Opportunities for Employment

The Third Ward is home to two major universities and is directly adjacent to the Texas Medical Center and Downtown, two of the largest employment centers in the city. Yet, unemployment in the Third Ward continues to impact residents. In 2015, the unemployment rate in the Third Ward was 15%. Agreements for local hiring will be pursued in partnership with area anchor institutions, including hosting joint job fairs, linked job training, and developing community benefit agreements. In addition, the Gulf Coast Workforce Board will bring a Texas Workforce Solutions site to the Third Ward. By expanding employment opportunities and entering into local hiring agreements unemployment in the neighborhood will be reduced.

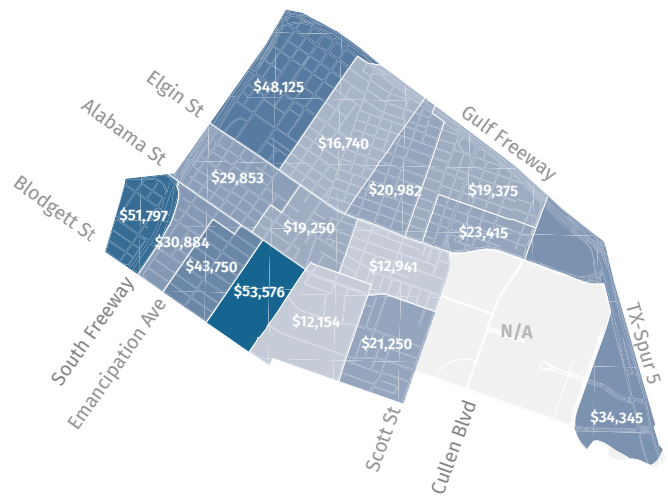
Early Successes

The Gulf Coast Workforce Board will be bringing a Texas Workforce Solutions site to the Third Ward.

The Local Initiatives Support Corporation and the Houston Endowment are planning a new Financial Opportunity Center in partnership with Project Row Houses.

Emancipation Avenue has been designated one of three pilot sites for the City of Houston’s Walkable Places program.

The Kinder Foundation has pledged support to the EEDC’s Emancipation Avenue Main Street Initiative and the Neighborhood Development Center’s Small Business Initiative.



Median Household Income by Census Block Group, 2015

Commercial and Industrial Land Use Map

- Commercial
- Industrial





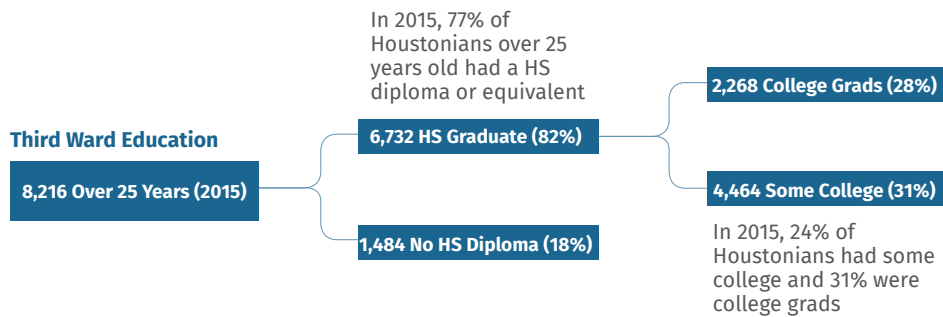
GOAL	PROJECTS	PRIORITY
Grow the Local Economy	Seed new community-owned or worker-owned cooperatives and businesses <i>ACTION STEPS:</i> Identify key needs, such as full service grocery stores, restaurants, basic services, washateria, hardware store, banks and financial services; Develop concepts and plans; identify sites and corridors for new economic development; Identify incentives, partners, and funding strategies	●
	Develop temporary pop-up spaces <i>ACTION STEPS:</i> Spark entrepreneurship by working in partnership with property owners to identify vacant storefronts or lots to activate new Pop-Up shops at low cost; Support the EEDC’s Free Market Square	●
	Foster mixed-use development in the neighborhood <i>ACTION STEPS:</i> Encourage mixed-use development along Emancipation Ave, Alabama St, Elgin St and Scott St; Collaborate with METRO to encourage mixed-use development on land the agency owns	●
PLAN: ○○○○●○○		
Support Small Businesses	Shop Third Ward <i>ACTION STEPS:</i> Create a “Shop Third Ward” campaign to encourage people to shop at locally owned and black owned businesses; Work in partnership with area publishers and organizations to create a business directory; Partner with Houston Southeast to establish a business association or improvement district	●
	Create a façade improvement program <i>ACTION STEPS:</i> Create a storefront improvement program to assist local businesses and provide local jobs, or partner with neighborhood volunteer corps to improve building facades through a youth mentorship program	●
	Expand funding and support opportunities for small businesses <i>ACTION STEPS:</i> Invest in historically under-utilized businesses and expand access to small business support programs, including loans and grants; Implement a micro-lending program for area businesses; Partner with the Greater Houston Black Chamber and the UH SURE Program to create a mentorship program for locally owned and black owned businesses; Create an anchor institution strategy to expand locally sourced supplies and contracts to grow small businesses; Support the Third Ward Neighborhood Development Center	●
PLAN: ●●○○○○○		
Expand Local Opportunities for Employment	Attract a job training facility to the neighborhood (in progress) <i>ACTION STEPS:</i> Partner with the Gulf Coast Workforce board to open a Texas Workforce Solutions site in the Third Ward	●
	Partner with anchor institutions and other agencies to hire locally <i>ACTION STEPS:</i> Encourage hiring locally through job fairs, linked job training, and community benefit agreements	●
	Increase job-training programs and job opportunities <i>ACTION STEPS:</i> Partner with large institutions, large scale businesses, and local organizations to provide job training; Support and expand the Houston Anchor Collaborative with the University of Houston, Texas Southern University, Memorial Hermann and Houston First	○
PLAN: ●●○○○○○		

PLAN Legend:

- Complete Communities Action Plan
- OST/Almeda TIRZ
- Northern Third Ward Neighborhood Plan
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ECONOMY and JOBS

TIMEFRAME	METRICS TO MEASURE SUCCESS	PARTNERS	POTENTIAL PROGRAMS
Medium (2 - 5 yrs)	<p>10</p> <p>New locally owned businesses open by 2023</p>	<p>LEAD: OBO</p> <p>SUPPORT: NTWNPP, EEDC, National Cooperative Bank, Universities, SN Council, NST, HSE, Community Collectives United, Third Ward Cooperative Community Builders</p>	UH Bauer College of Business, Kinder Institute for Urban Research, TSU School of Business, HSE Micro-lending
Short (0 - 2 yrs)		<p>LEAD: OBO</p> <p>SUPPORT: , NTWNPP, EEDC, PRH, Midtown TIRZ, HSE, Houston Area Urban League, UH SURE</p>	EEDC Free Market Square, Urban Harvest Farmers Market, HCC Southeast Entrepreneur Initiative
Long (5+ yrs)		<p>LEAD: HCDD, METRO, OBO</p> <p>SUPPORT: EEDC, NTWNPP, HSE, Real Estate Developers</p>	Economic Development Funding, CDBG, Main Street Program
Medium (2 - 5 yrs)	<p>300</p> <p>Small business loans annually by 2023</p>	<p>LEAD: OBO</p> <p>SUPPORT: NTWNPP, EEDC, HSE, D-Mar Publishing, Greater Houston Black Chamber of Commerce, Wheeler Avenue Triangle Ministries, Creative Group Economics</p>	Philanthropic Support, Greater Houston Black Chamber of Commerce
Medium (2 - 5 yrs)		<p>LEAD: OBO</p> <p>SUPPORT: UH Graphic Design, NTWNPP, EEDC, HSE</p>	National Trust for Historic Preservation
Medium (2 - 5 yrs)	<p>\$5 mil</p> <p>In small business loans each year In 2015, 145 small business loans totaled \$2.35 million Source: CRA, 2015</p>	<p>LEAD: OBO, HCDD</p> <p>SUPPORT: HSE, EEDC, SBDC, LIFT, LISC, SBA, UH SURE, PRH, Bank On Houston</p>	Economic Development Loans, Houston Black Leadership Institute, LISC FOC, Facebook Digital Skills Program, Build Up Houston, LiftOff Houston, Business Readiness Program, UH SURE HCC Southeast, HSE Micro-lending
Short (0 - 2 yrs)		<p>LEAD: OBO</p> <p>SUPPORT: PRH, FOC, Gulf Coast Workforce Board</p>	Workforce Solutions
Short (0 - 2 yrs)	<p>50%</p> <p>Reduction in the Third Ward unemployment rate by 2023 In 2015 unemployment was 15% in Third Ward, by 2023 it should be 7.5% Source: ACS 2015</p>	<p>LEAD: OBO</p> <p>SUPPORT: HSE, NTWNPP, EEDC, Universities, Businesses, PRH, Houston Anchor Collaborative Texas Medical Center</p>	Houston Housing Authority Jobs Plus Initiative, AARP Foundation Tax Aide Program
Medium (2 - 5 yrs)		<p>LEAD: OBO, HPL</p> <p>SUPPORT: HSE, PRH, FOC, HCC, VOA, Nation Sync, Up Skill Houston, SER Jobs for Progress, Universities, Workforce Solutions, Houston Area Urban League</p>	National Home Building Institute, AARP SCSEP Program



EDUCATION

Introduction

Quality educational opportunities can transform a neighborhood and drive personal success. In 2015, more people over the age of 25 living in the Third Ward had graduated from high school than in Houston overall, 82% compared to 77%. In addition, 28% had a college degree, compared to 31% in Houston.

The Third Ward is home to four public schools—Blackshear and Lockhart Elementary Schools, Yates High School, and the magnet program of Baylor College of Medicine at Ryan Middle School. The neighborhood is also home to a number of charter schools, including Yellowstone Academy, TSU Charter School, and UH Charter School. Over 3,000 students attend elementary, middle, and high school in the Third Ward. Cullen Middle School, outside of the neighborhood boundaries to the south, serves area middle schoolers.

The Third Ward is also home to Texas Southern University and the University of Houston. Houston Community College’s Central Campus is just to the west of the neighborhood.

Over the last ten years many neighborhood schools have either closed or have been re-purposed as the number of families with children have declined. According to Census data, there were 34% fewer residents under the age of 18 years in 2015 compared to 2000. For example, Douglass, J. Will Jones, Dodson and Turner Elementary Schools have all closed, along with Miller Junior High School. The Energy High School, currently at Dodson Elementary, will be moving south of the neighborhood in the summer of 2018, to a newly constructed campus. Cullen Middle School and Blackshear Elementary, both of which have been identified as “improvement required” campuses by the Texas Education Agency, are currently being evaluated by HISD to determine their future.

Education Goals

The three education goals established for the Third Ward Complete Community were developed from existing plans and studies and a series of community meetings. The goals focus on enrichment programs for children and youth, strengthening local schools, and providing high quality and affordable early childcare. The goals are summarized here and provided in more detail on the following pages. The education goals are:

Expand Enrichment Programs for Children and Youth

The Third Ward is rich with educational institutions and community-based organizations. Working to ensure that people are aware of these local resources, particularly out of school programs, will support the ongoing success of children and youth. In addition, expanding out of school programs will ensure all children can access these resources. Providing leadership and college bound experiences for youth is an important part of this project.

Strengthen Local Schools and Improve Student Success

Two schools serving the Third Ward’s children, Blackshear Elementary and Cullen Middle School, have been designated “improvement required” by the Texas Education Agency over a number of years. HISD is currently proposing to close Blackshear Elementary and re-open it to serve limited grades, while strategies to improve Cullen Middle School are also being explored. Strengthening local schools through increasing parent engagement, hiring qualified teachers and administrators, and creating partnerships with area universities, alumni and other organizations is important to the future of the community. The aim is for all area schools to not only meet the Texas Education Agency’s standards, but to exceed them.

Expand High Quality Early Childcare

According to data provided by Children at Risk, the Third Ward has over 3,000 early childcare seats.

A complete community is a learning community with high quality schools, early childcare, and out of school enrichment and support programs for children and youth

Of these, 197 are subsidized and 638 are defined as “quality”, with 30 of these early childcare seats being Texas Rising Star certified. Children at Risk notes that there are 1,047 children in homes where parents are working, and 255 of these children are in low-income households. As a result, expanding the number of subsidized and quality childcare seats to meet the needs of low-income families will require, at minimum, an additional 59 subsidized and certified seats.

Provide Mentorship Opportunities for Youth

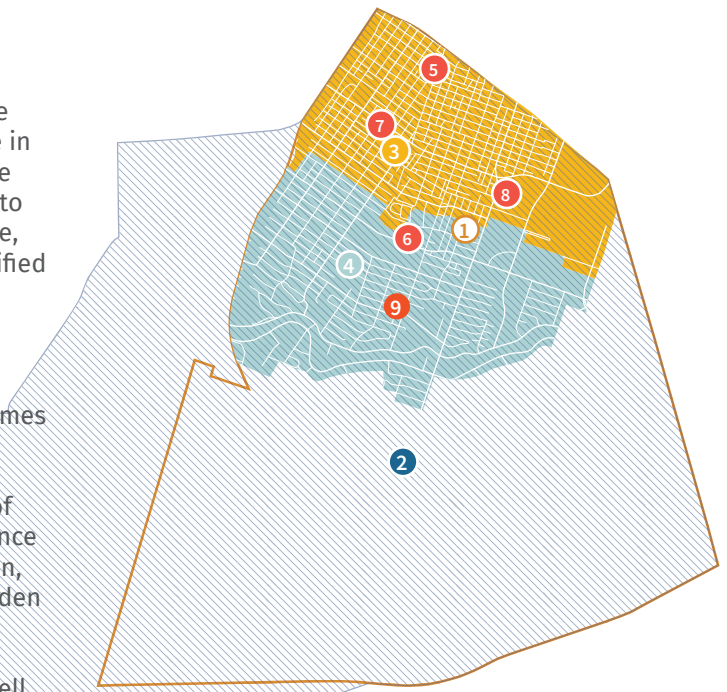
Nearly 500 households with children in the Third Ward are headed by single parents, and have incomes below the poverty level. Mentorship, enrichment, and leadership programs can help to encourage youth to succeed in school and life. The benefits of mentorship include improved academic performance and exposure to new ideas and careers. In addition, expanding experiences at area universities will widen the outlook of young people as they plan for their future careers. The goal is to guarantee that area youth have access to mentors to guide them, as well as the knowledge and support to prepare for college or other career paths.

Early Successes

The United Way, in partnership with the Mayor’s Office of Education, the Houston Endowment, and Harris County Department of Education launched the Out 2 Learn website, a directory of out of school programs for youth. Visit <http://out2learnhou.org/>.

The Houston Public Library has expanded youth programs at many Complete Communities libraries. Visit the Smith Neighborhood Library to learn more, <http://houstonlibrary.org/location/smith-neighborhood-library>.

The Mayor’s Office of Education held community meetings where successes, barriers, solutions, and recommendations to improve area schools were identified.



Third Ward Public Schools Boundary Map

- ① Yates High School
- ② Cullen Middle School
- ③ Blackshear Elementary
- ④ Lockhart Elementary

Charter and Magnet Schools

- ⑤ Yellowstone Academy
- ⑥ TSU Charter School
- ⑦ Baylor College of Medicine at Ryan Middle School
- ⑧ UH Charter School
- ⑨ Energy Institute High School

82% Of Third Ward residents over the age of 25 had a high school diploma in 2015

77% Of Houston residents over the age of 25 had a high school diploma in 2015

Data Sources: 2015 ACS (5-yr), 2010 Census, and 2000 Census, HCAD Public Data 2016



GOAL	PROJECTS	PRIORITY
Expand Enrichment Programs for Children and Youth PLAN: ●●○○●○○○	Create a directory of out of school programs <i>ACTION STEPS:</i> Work in partnership with the United Way’s “Out 2 Learn” website to promote area out of school programs; Conduct outreach to ensure parents are familiar with the site and the opportunities available	●
	Partner with universities, community centers, the neighborhood library, parks, and non-profit organizations to expand out of school programs <i>ACTION STEPS:</i> Partner with organizations providing out of school programs to expand opportunities for youth, including programs available at the Smith Neighborhood Library; Partner with the Department of Neighborhoods to distribute promotional materials	◐
Strengthen Local Schools and Improve Student Success PLAN: ●●○○●○○○	Strengthen neighborhood schools and improve student success <i>ACTION STEPS:</i> Create partnerships between HISD schools, parents, students, alumni, teachers, area non-profits, and universities to strengthen area schools; Collaborate to identify key priorities; Re-evaluate school funding formulas that create inequity	●
	Strengthen community and parent teacher engagement in local schools, including participation in PTA/PTOs <i>ACTION STEPS:</i> Support parents’ voices in shaping the future of the schools; Create support groups to fundraise; Create opportunities to supervise field trips; Support tutoring and mentoring	●
	Hire qualified teachers and principals for area schools <i>ACTION STEPS:</i> Work in partnership with MOE and HISD to ensure the success of area schools through quality administration and teaching	○
	Participate in efforts to regain a middle school or middle school grades at an area elementary school <i>ACTION STEPS:</i> Work in partnership with HISD, parents, and others to explore the potential of a middle school in the community	○
Expand High Quality Early Childcare PLAN: ●●○○●○○○	Expand access to quality and affordable early childhood education <i>ACTION STEPS:</i> Evaluate the existing early childcare programs for quality and affordability; Identify steps to expand subsidized centers, three existing centers are subsidized; Encourage centers to achieve Texas Rising Star or National certification, currently two centers are nationally certified	●
Provide Mentorship Opportunities for Youth PLAN: ●●○○●○○○	Expand youth mentorship programs <i>ACTION STEPS:</i> Develop youth mentorship programs with local leaders and role models, including churches, universities, and the Hermann Park Rotary Club; Encourage youth to apply for Hire Houston Youth and other summer youth programs	◐
	Create a college-bound experience program with area universities <i>ACTION STEPS:</i> Collaborate with area universities to provide college readiness courses and literacy, and other college-bound experience programs	◐

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EDUCATION

TIMEFRAME	METRICS TO MEASURE SUCCESS	PARTNERS	POTENTIAL PROGRAMS
Short (0 - 2 yrs)	<p>25%</p> <p>Increase in the number of students served by the Smith Neighborhood Library by 2023 Source: Smith Neighborhood Library Data</p>	<p>LEAD: MOE SUPPORT: United Way, HISD, HPL, Area Universities, NTWNPP</p>	Out 2 Learn
Short (0 - 2 yrs)		<p>LEAD: HPARD, MOE, HPL, DON, Area Universities SUPPORT: NTWNPP, HISD, Change Happens, SHAPE, Area Schools, Emancipation Park</p>	YAH Art-Promise Programs, YAH Assistance Fund, HPARD After School Enrichment Program, HPL After School and Summer Programs, FACE, Urban Harvest, US Dream Academy at Foster ES, HCC Southeast
Medium (2 - 5 yrs)	<p>All</p> <p>Area schools and feeder schools, including Blackshear, Lockhart, Cullen and Yates will meet or exceed TEA Standards by 2023 Source: TEA Report, 2016</p>	<p>LEAD: HISD, MOE, UH SUPPORT: Area Universities, Alumni, Non-Profit Organizations and Churches, Area Schools, CIS</p>	University of Houston Third Ward Initiative
Short (0 - 2 yrs)		<p>LEAD: HISD, MOE SUPPORT: Area Schools</p>	HISD FAME Program
Medium (2 - 5 yrs)		<p>LEAD: HISD, MOE SUPPORT: Harris County Department of Education, UH, TSU</p>	
Long (5+ yrs)		<p>LEAD: HISD, MOE</p>	
Medium (2 - 5 yrs)	<p>4</p> <p>Number of Texas Rising Star or Nationally Certified Childcare Centers by 2023 Source: Collaborative for Children</p>	<p>LEAD: MOE, HISD SUPPORT: Collaborative for Children, NTWNPP, EEDC, UH, TSU</p>	Collaborative for Children, College Bound from Birth, Workforce Solutions Childcare Subsidies, Avance Early Head Start Program, Federal Head Start Program, Texas Rising Star Program
Short (0 - 2 yrs)		<p>LEAD: MOE, DON SUPPORT: Change Happens, UH, TSU, MBK, Hermann Park Rotary Club, HISD, Area Schools, Workshop Houston</p>	ACE Houston, Change Happens- Rescue Youth Program, Hire Houston Youth, DON Summer Youth Internship Program
Medium (2 - 5 yrs)		<p>LEAD: UH, TSU, HCC SUPPORT: Change Happens, MOE, HPL, HISD, Area Schools</p>	ACE Houston, C-STEM, University of Houston Third Ward Initiative, HCC Southeast

HEALTH

Introduction

A healthy community is a complete community. In 2015, Third Ward residents had a higher rate of health insurance coverage than the city overall, 80% compared to 73% in Houston. Those without health insurance are less likely to get routine checkups.

The neighborhood was served by one federally qualified healthcare center at the Riverside Clinic, operated by Central Care, but this facility has recently closed. There are no other primary care physicians or family doctor offices in the neighborhood. 18% of residents were dependent on public transportation in 2015, which makes it difficult to access medical services outside of the neighborhood.

Preventative healthcare services in the neighborhood include the DAWN (Diabetes Awareness and Wellness Network) program at the Third Ward Multi-Service Center. This program, managed by the Houston Health Department, offers free wellness programming to those diagnosed with, and at risk for, diabetes. The Multi-Service Center also has services from Gateway to Care, a non-profit organization dedicated to ensuring everyone has access to affordable and accessible healthcare.

According to the Complete Community Health Profile for Third Ward, completed by the Houston Health Department, one-third of Third Ward residents did not get regular physical exercise outside of their job



in 2013-2014, a slightly higher percent than Houston overall (29%). In addition, the same study reported that adult obesity rates in Third Ward were 40%, a number significantly higher than Houston's at 35%.

A challenge in the Third Ward community is that available health programs and the needs of residents are not always aligned. As a result, working to improve communication so people can connect to the needed resources and services will ensure a healthier community.

Health Goals

The two goals developed to address health were compiled from existing Third Ward plans and studies as well as a series of community meetings. The focus of the goals is on improving access to quality health care and fresh and nutritious food. The goals are summarized here and provided in more detail on the following pages. The goals for health are:

Improve Access to Healthcare

Third Ward residents have identified access to healthcare as a key concern. Yet, according to the profile completed by the Health Department more adults in the Third Ward received routine check-ups (72%) than in Houston overall (67%). Ensuring people know about healthcare programs available in the community and improving and expanding outreach and visibility of these programs will increase neighborhood health and well-being. This includes expanding preventative care, health fairs, and outreach to ensure that people can access services

80% Of Third Ward residents had health insurance in 2015

73% Of Houston residents had health insurance in 2015

Data Sources: ACS 2015 (5-yr); Complete Community Health Profile, Third Ward, Houston Health Department 2017

A complete community is a healthy community with access to high quality healthcare and fresh and nutritious food

that enhance their well-being and have knowledge about the programs available in the community.

Expanding access to mental health care is an important part of this goal. The Houston Health Department profile found that 14% of the adults in the Third Ward neighborhood struggled with mental health for 14 days or more during 2013-2014. This average is greater than the Houston average of 12%.

Increase Access to Healthy Food

Much of the Third Ward has been designated a “food desert,” where affordable and nutritious food is difficult to access. The neighborhood is without a major grocery store or supermarket. NuWaters Co-op provides access to fresh fruits and vegetables, but primarily serves the northwest portion of the neighborhood. Overall, 25% of households in the Third Ward live in low-income census tracts, do not have a car, and are more than a mile from a grocery store, according to data provided by the USDA Food Desert Map. These 1,347 households, or approximately 3,600 residents, struggle to access fresh and affordable food for their families.

Expanding access to healthy food is an important goal, and can in part be addressed by expanding urban farms and gardens and supporting the existing gardens in the community. In addition, attracting a more comprehensive grocery store is included in the Economy and Jobs section of this Action Plan. This goal will be achieved when everyone living in the Third Ward has access to healthy food.

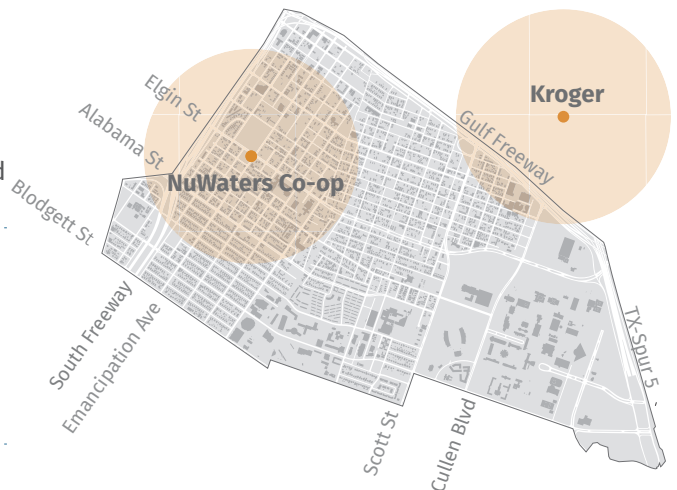


Map of Health Clinics

+ Riverside Clinic, Recently Closed

Map of Grocery Stores

● Grocery Store
● 1/2-mile radius



72% Of Third Ward adults (18+) received a routine check-up in 2013-2014

67% Of Houston adults (18+) received a routine check-up in 2013-2014

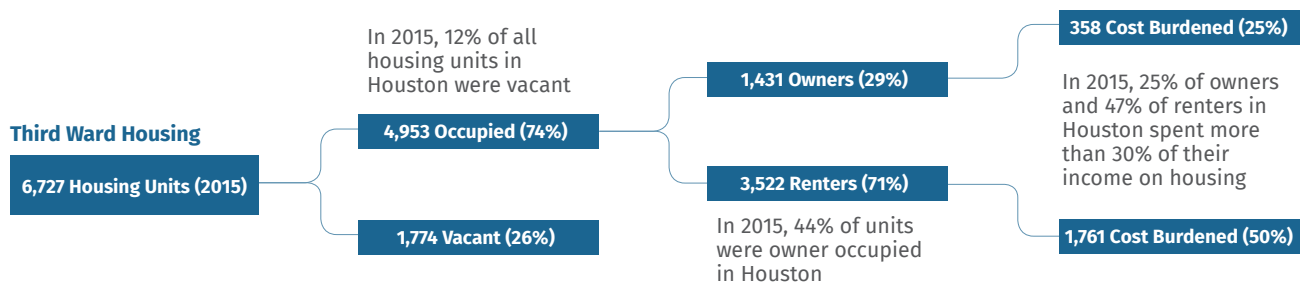


GOAL	PROJECTS	PRIORITY
Improve Access to Healthcare	Expand counseling and other supportive services to families <i>ACTION STEPS:</i> Identify mental health needs in the community; Work with partners to address these needs and expand supportive services	
	Expand and improve access to care through health outreach programs <i>ACTION STEPS:</i> Create a directory of existing health-related programs; Expand knowledge of healthcare and other health services in the community through additional outreach and visibility, including the Diabetes Awareness and Wellness Program; Partner with the University of Houston and Houston Health Department to provide Community Health Worker Training	
	Expand access to preventative healthcare <i>ACTION STEPS:</i> Partner with health providers and organizations to raise awareness regarding the importance of wellness and methods for attaining and maintaining wellness	
	Support the development of a comprehensive health facility <i>ACTION STEPS:</i> Partner with Harris County to re-open Riverside Hospital as a primary care-behavioral health facility to serve the community	
PLAN:	Expand community gardens <i>ACTION STEPS:</i> Identify sites and vacant lots for new gardens or urban farms; Identify policy barriers to urban farming; Create a campaign and educational support for backyard gardens; Develop partners for implementation; Connect local gardeners and growers with farmers markets or develop farm stands in the community; Connect community gardens to education to encourage and promote health, outdoor activity and nutrition through local food	
Increase Access to Healthy Food (Also see Jobs and Economy)	Expand amenities at existing community gardens <i>ACTION STEPS:</i> Identify needs at existing sites, like Ecotone, Blodgett Urban Gardens and Alabama Gardens; Improvements might include electricity, lighting, wash stations, outdoor kitchens, fencing, seating; identify partners for funding and implementation of improvements; Connect local gardeners and growers with farmers markets or develop farm stands in the community	
PLAN:		

- PLAN Legend:**
- Complete Communities Action Plan
 - City of Houston Plans and CIP
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HEALTH

TIMEFRAME	METRICS TO MEASURE SUCCESS	PARTNERS	POTENTIAL PROGRAMS
Short (0 - 2 yrs)		LEAD: HHD, MBK SUPPORT: NTWNPP, Third Ward MSC, Universities, Wheeler Avenue Triangle Ministries Inc., HISD, Area Schools, Avenue 360	CIS-Mental Health Initiative, NAMI Greater Houston, UT Health
Short (0 - 2 yrs)		LEAD: HHD SUPPORT: NTWNPP, EEDC, TSU, Change Happens, Texas Medical Center, Third Ward MSC, Third Ward Community Cloth, SHAPE, Churches, Wheeler Avenue Triangle Ministries, Area Healthcare Providers, Avenue 360	UH Third Ward Initiative, Diabetes Awareness and Wellness Network
Medium (2 - 5 yrs)	<p style="text-align: center;">80%</p> <p>Of residents will get annual check ups by 2023, an 8.5% increase from 2013-2014</p> <p>Source: Houston Health Department, Complete Communities Report</p>	LEAD: HHD SUPPORT: HSE, UH Third Ward Initiative, DAWN Center, NTWNPP, EEDC, TSU, Change Happens, Texas Medical Center, Third Ward MSC, Third Ward Community Cloth, SHAPE, Churches, Wheeler Avenue Triangle Ministries, Avenue 360	UH Third Ward Initiative, Diabetes Awareness and Wellness Network, Baylor College of Medicine, UT Health, Memorial Hermann, US Dream Academy
Long (5+ yrs)		LEAD: HHD SUPPORT: Harris County, University of Houston, Texas Medical Center, Baylor College of Medicine, Avenue 360	Philanthropic Organizations
Long (5+ yrs)	<p style="text-align: center;">100%</p> <p>Of residents who live in low-income census tracts and do not have a vehicle will have access to healthy food by 2023</p> <p>Currently, 1347 of 5464 (25%) households are more than 1/2-mile from a grocery and do not have a vehicle</p> <p>Source: USDA, Food Desert Map</p>	LEAD: HHD SUPPORT: Plant It Forward, Harris County Master Gardeners, Houston Food Policy Work Group, Ecotone, EEDC	GRO1000, Health Department Gardening Classes
Medium (2 - 5 yrs)		LEAD: TSU, HCDD SUPPORT: Urban Harvest, Blodgett Community Garden, Alabama Gardens, Harris County Master Gardeners	



HOUSING

Introduction

History is woven into the fabric of the Third Ward. Preserving historic housing is essential to preventing the displacement of residents and loss of history. In addition, providing high quality affordable housing is one of the most critical needs in the neighborhood.

Over the last decade, a widening gap has emerged between the number of available affordable units and the number of residents with moderate and low incomes. Development pressure is accelerating the loss of affordable housing as many older homes are demolished and replaced by new, high-end, single-family homes and townhomes. With new development property values are soaring, which could create property tax burdens for owners.

Housing Goals

The four housing goals established for the Third Ward Complete Community, created from existing plans and studies and a series of community meetings, focus on building new affordable housing, protecting existing owners and renters from displacement, preserving existing housing, and developing a shared vision and advocacy team to ensure future housing goals are both agreed upon and realized. The goals are summarized here and provided in more detail on the following pages. The housing goals are:

Build Housing for All

The number of housing units in the Third Ward declined between 2010 and 2015 by 6%. In 2010,

the median price of a home in the Third Ward was \$124,500; by 2015 this had risen to \$180,500, a 45% increase. Housing is becoming increasingly out of reach for Third Ward residents, who had a median household income of \$24,000 in 2015. Building new affordable renter and owner housing, incentivizing the inclusion of subsidized units in higher-density market rate projects, and establishing a Community Land Trust to preserve long-term affordability are all key to preventing displacement and ensuring that the area's housing meets everyone's needs. Three new housing projects are currently being developed by Row House CDC, Trinity East CDC, and PRH Preservation that would provide nearly 200 new affordable housing units in the neighborhood. Success will be measured by ensuring there is no net loss of affordable housing in the Third Ward and that affordability is maintained in the long-term.

Provide Protection from Displacement

The Third Ward community is home to far more renters than owners. In 2015, 71% of neighborhood households were renters, compared to 56% in the City of Houston. In the same year, eviction cases were filed against more than 700 renters—20% of area renter households. The number of homeowners declined by 18% between 2000 and 2010, and then rose slightly by 2015, reflecting new development in the area. Developing tools to protect renters in the neighborhood, including tenant counseling, emergency rental assistance, utility and credit assistance, eviction protection, and financial training,



50% Of Third Ward renters paid more than 30% of their income on housing in 2015

25% Of Third Ward owners paid more than 30% of their income on housing in 2015

Data Sources: 2015 ACS (5-yr), 2010 Census, and 2000 Census, HCAD Public Data 2016

A **complete community** is an **affordable community** with high quality housing accessible to people with a diversity of incomes, where existing residents are protected from displacement, historic homes are repaired and preserved, and where a shared vision shapes future development

can work to minimize displacement. Community homeowners also need tools to protect them from displacement, which would include filing for appropriate exemptions and creating new policies to relieve tax burdens on low-income and long-term owners in the community.

Repair and Preserve Existing Housing

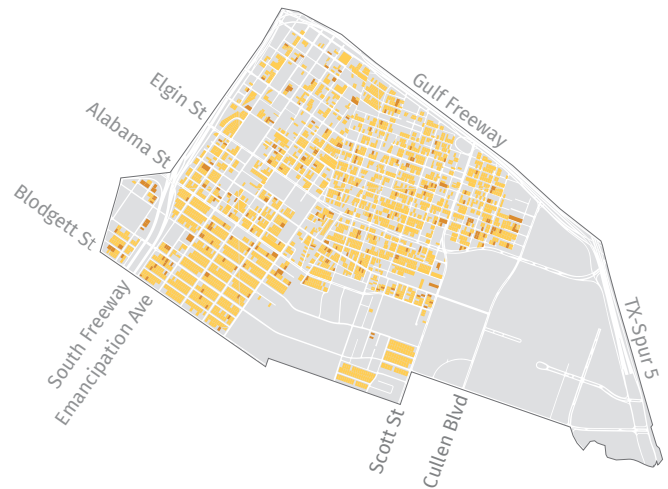
Today, there are approximately 2,000 historic homes in the Third Ward that were built before 1940. These structures reflect the character of the community and are often affordable to both renters and owners. Despite this, too many of these units are in need of repair, while another 26% of community housing units sat vacant in 2015. To protect the character and history of the Third Ward, home repair programs will be promoted and expanded. Additionally, it is important to identify, purchase, move, and renovate historic housing to protect it from demolition. The intent is to secure the number of affordable housing units and to ensure that additional loss of historic housing is minimized.

Plan For Future Housing

The final goal is to create an affordable housing plan that defines the future objectives for Third Ward housing needs. The housing plan would drive both public and private investment in housing. Finally, a housing advocacy team will be created to continue to advocate for policies that prevent displacement, support existing residents, and encourage the construction of housing as identified in the housing plan.

1170 Two-bedroom units affordable to rent for Third Ward families making 50% of the area median income (\$31,200) in 2015

2019 Total number of Third Ward renter households making 50% or less of area median income in 2015

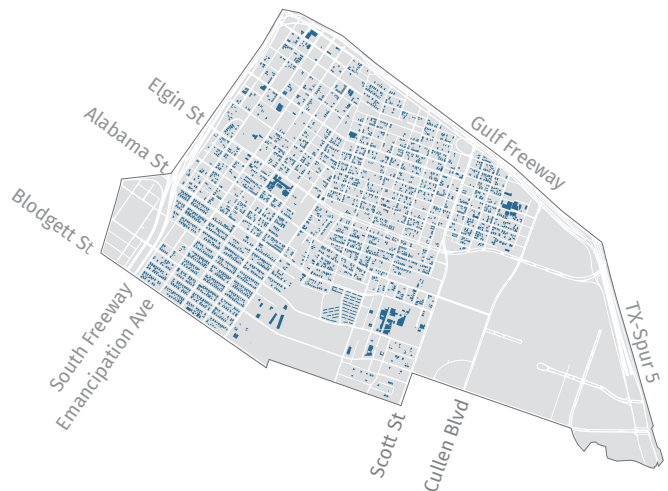


Housing by Type Map

- Single-family
- Multi-family

Age of Structure

- Pre-1940





GOAL	PROJECTS	PRIORITY
Build Housing for All	<p>Utilize tools to secure long-term housing affordability and prevent involuntary displacement <i>ACTION STEPS:</i> Utilize tools such as restrictions in development agreements, right of first refusal, residential covenants, liens, deed restrictions, affordable housing set-asides and the Community Land Trust (CLT) when financing multi-family or single-family housing</p>	●
	<p>Build new affordable single-family housing <i>ACTION STEPS:</i> Develop partnerships between local organizations and Housing and Community Development (HCDD) for the construction of affordable single-family infill housing; Seek HCDD funding and foundation grants for building new housing at 80% of AMI or below (average cost per unit of \$150,000); Explore the potential of this housing becoming part of the CLT; Ensure potential homeowners are informed of programs to assist first time homebuyers with down payment assistance and other grants</p>	●
	<p>Build new affordable rental housing <i>ACTION STEPS:</i> Identify potential sites and concepts for quality multi-family/mixed-use affordable rental housing in partnership with Housing and Community Development; Explore needs for senior housing; Identify funding and partners for implementation; Support the Affordable Housing Operations Center that will house organizations that provide quality, affordable, low- to moderate-income housing and transformational economic development</p>	●
	<p>Incentivize mixed-use developers to include set-asides for housing that is priced below market <i>ACTION STEPS:</i> Partner with Housing and Community Development to develop policies and incentives for affordable housing set asides in market rate projects; Work in partnership with Planning and Development to identify tools to further incentivize these projects, such as fast track permitting</p>	●
PLAN: ●●●●●●●●	<p>Develop programs and policies to support and protect renters <i>ACTION STEPS:</i> Develop renter assistance programs to ensure existing residents can remain in the neighborhood, including tenant counseling, emergency rental assistance, utility assistance, eviction protection, credit assistance, and financial training; Prioritize existing residents for new affordable housing; Explore “Just Cause” eviction controls and protection against rent increases</p>	●
Provide Protection from Displacement	<p>Provide tools and resources to protect area homeowners <i>ACTION STEPS:</i> Partner with Harris County Appraisal District, local non-profits, and Housing and Community Development to conduct Homestead Exemption Workshops and develop additional workshops on property taxes, exemptions (e.g. senior exemptions or historic preservation exemptions for renovations), wills, predatory lending, appraisals, and other information to safeguard homeowners; Explore tax abatement for long-term, income eligible homeowners to prevent displacement</p>	◐
PLAN: ○○○●○○●		

- PLAN Legend:**
- Complete Communities Action Plan
 - OST/Alameda TIRZ
 - Northern Third Ward Neighborhood Plan
 - City of Houston Plans and CIP
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HOUSING

TIMEFRAME	METRICS TO MEASURE SUCCESS	PARTNERS	POTENTIAL PROGRAMS
Short (0 - 2 yrs)		LEAD: HCDD SUPPORT: EEDC, NTWNPP	
Medium (2 - 5 yrs)	<p>0</p> <p>Net loss of affordable housing units by 2023</p> <p>In 2015 496 homes were affordable to families who owned their homes making 50% of Area Median Income (AMI)</p> <p>In 2000 there were 1006 homes affordable to families making 50% of AMI</p>	<p>LEAD: HCDD SUPPORT: Land Owners, Neighborhood Recovery CDC, EEDC, ECDP, NTWNPP, Row House CDC, Wheeler Avenue Triangle Ministries, Inc., CCPPI</p>	Homebuyer Assistance Program, My First Texas Home, Mortgage Credit Certificate Program, Five-Star Texas Advantage Program, Urban League Homebuyer Education Programs, Black Realtors Association, LARA
Medium (2 - 5 yrs)	<p>In 2015 there were 1,170 two-bedroom units affordable to rent for families making 50% of AMI</p> <p>Source: ACS 2015 (5-yr), Census 2000</p>	<p>LEAD: HCDD SUPPORT: Land Owners, Neighborhood Recovery CDC, EEDC, ECDP, NTWNPP, Row House CDC, Wheeler Avenue Triangle Ministries, Inc., OST/Alameda TIRZ, CCPPI, HHA</p>	
Long (5+ yrs)		<p>LEAD: HCDD, PDD, HPW SUPPORT: Neighborhood Recovery CDC, MRA, NTWNPP, Row House CDC, Wheeler Avenue Triangle Ministries, Inc.</p>	
Short (0 - 2 yrs)		<p>LEAD: HCDD SUPPORT: MRA, Row House CDC, Wheeler Avenue Triangle Ministries Inc., LISC, Change Happens, NTWNPP, Texas Low Income Housing Coalition, EEDC, ECDP, Faith-Based Organizations and CDCs, Earl Carl Institute at TSU, PDD</p>	Urban Houston Framework, Advocate Legal Center
Short (0 - 2 yrs)	<p>70</p> <p>Renters will be protected from eviction each year, through financial or legal support, this is approximately 10% of the 722 eviction cases in 2015</p> <p>Source: Harris County Court Records, 2015</p>	<p>LEAD: HCDD SUPPORT: DON, HCAD, EEDC, NTWNPP, Opal Mitchell Lee Property Preservation Project, LISC, Row House CDC, Wheeler Avenue Triangle Ministries Inc., Houston Area Urban League, Gulf Coast Community Services, local and national banks, Third Ward Multi-Service Center, SHAPE, UH Law Center, Earl Carl Institute at TSU</p>	Homeowner Workshop Program, Advocate Legal Senior Center



GOAL	PROJECTS	PRIORITY
Provide Protection from Displacement (Continued)	Inform and educate residents and civic clubs on existing preservation tools <i>ACTION STEPS:</i> Hold educational sessions on Lot Size/Building Line Ordinance, Yard Parking Ordinance, permitting notifications, land use controls and the platting process	
	Preserve historic housing <i>ACTION STEPS:</i> Identify historic housing that is at risk of demolition; Move and renovate identified housing to vacant infill lots; Prioritize developing restored housing as affordable	
Repair and Preserve Existing Housing	Provide home repair assistance <i>ACTION STEPS:</i> Identify income eligible seniors and enroll them in Housing and Community Development's Home Repair Program; Explore partnerships with area non-profit organizations to develop an additional home repair program that provides job training and employment to area residents, while also maintaining area homes	
	PLAN:	Combine community planning efforts that support affordable housing to create efficiencies where possible <i>ACTION STEPS:</i> Support development at the point of each including pre-development funding, gap financing, and constructions loans; Partner with the Housing and Community Development Department to provide input on the proposed citywide housing plan
Plan For Future Housing	Create an affordable housing advocacy team to work with residents, city agencies, property owners, and developers on housing policy and programs <i>ACTION STEPS:</i> Identify a lead agency to organize the team and recruit area leaders and housing advocates	
	Demolish abandoned structures to promote safety and make the land available for the construction of new affordable housing units <i>ACTION STEPS:</i> Remove dilapidated and abandoned houses; Accelerate the removal of dangerous buildings in coordination with the Department of Neighborhoods	
	Hire dedicated staff to facilitate project implementation <i>ACTION STEPS:</i> Seek foundation support to engage a Project Manager in the Complete Communities area to oversee and manage project activities	
PLAN:		

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HOUSING

TIMEFRAME	METRICS TO MEASURE SUCCESS	PARTNERS	POTENTIAL PROGRAMS
Short (0 - 2 yrs)		LEAD: PDD SUPPORT: Civic Clubs and Non-Profit Organizations	Lot Size/Building Line Ordinance, No Yard Parking Ordinance, Permitting Notifications
Medium (2 - 5 yrs)		LEAD: HCDD SUPPORT: Change Happens, NTWNPP, EEDC, Row House CDC, Wheeler Avenue Triangle Ministries, SHAPE, Generation One, Rebuilding Together Houston, Third Ward Multi-Service Center, Preservation Houston	National Trust for Historic Preservation
Short (0 - 2 yrs)	<p style="text-align: center;">80%</p> <p>Of the homes constructed before 1940 that stand today will be standing in 2023</p> <p>In 2016 there were 2,041 homes built before 1940</p> <p style="text-align: center;"><small>Source: ACS 2016 (5-yr)</small></p>	LEAD: HCDD SUPPORT: Row House CDC, Change Happens, SHAPE, Generation One, Wheeler Avenue Triangle Ministries, Habitat for Humanity, Rebuilding Together Houston, NTWNPP, EEDC	HCDD Home Repair Program, Weatherization Assistance Program, Texas Ramp Project, Rebuilding Together Houston (including Roofs Over Houston, Interior Repair Program, Safe and Sound Program, Ramp Angels)
Short (0 - 2 yrs)		LEAD: PDD, HCDD SUPPORT: NST Housing Workgroup, LISC, EEDC, NTWNPP, ECDP, local churches, local and national banks	Texas Pace Authority, Urban Houston Framework
Short (0 - 2 yrs)	<p style="text-align: center;">1</p> <p>Affordable Housing Advocacy Team will be formed and meet regularly by 2023</p>	LEAD: PDD, HCDD SUPPORT: NST Housing Working Group, Row House CDC, Wheeler Avenue Triangle Ministries Inc., HAUS Project, EEDC, NTWNPP, ECDP, SN Council, NST	Advocate Senior Legal Center
Short (0 - 2 yrs)		LEAD: DON	
Short (0 - 2 yrs)		LEAD: PDD SUPPORT: Local and National Banks; Foundations	

MOBILITY and INFRASTRUCTURE

Introduction

A resilient community with quality infrastructure, including streets, sidewalks, and reliable public transit, makes a complete community. The Third Ward is well-served by public transit, including the Southeast Corridor Light Rail Line (Purple Line) which travels along Scott Street in the eastern portion of the neighborhood, and connects directly to Palm Center to the south and downtown to the north. The Purple Line provides further access to the North Corridor Light Rail Line and the East End Line. Many residents are dependent on public transit. In 2015, 18% of area households did not own a vehicle, compared to 6% in the City overall. As a result, 12% of workers used public transit to get to work, compared to 4% in Houston; an additional 17% walked or biked.

While the Third Ward is well-connected to the City by transit, the neighborhood streets, sidewalks, and crossings need improvement. Because so many residents depend on transit, the condition of sidewalks and the larger issue of walkability is key to creating a complete community, and connecting residents to opportunities across the city.

Mobility and Infrastructure Goals

There are four goals for mobility and infrastructure, developed from existing Third Ward plans and studies and a series of community meetings. The focus is on improving neighborhood mobility, building great streets, expanding bike lanes and facilities, and ensuring drainage systems are properly maintained and improved. The goals are summarized here and

provided in more detail on the following pages. The goals for mobility and infrastructure are:

Improve Neighborhood Mobility

Third Ward is home to a high number of seniors and others who are transit dependent. As the Complete Communities initiative moves forward, working with neighborhood and City partners to ensure seniors and others have good mobility, through either accessible public transit or a neighborhood ride share program, will ensure families have options for visits to the doctor, bank, to buy groceries, or other essential trips. The goal includes exploring a community connector bus to serve seniors and exploring the potential extension of the Westheimer Bus Route east to the University of Houston. The long term goal is to ensure that public transit continues to be a viable option for mobility in the Third Ward.

Build Great Streets

The desire to improve the quality of life in the Third Ward is supported by the goal to build complete streets that accommodate all residents' needs including access to public transit, sidewalks, and streetscaping. Priorities include improved and expanded sidewalks adjacent to community facilities, schools, and other essential services and a series of street improvements, including the northern portion of Emancipation Avenue. Streetscaping amenities include crosswalks, ramps, landscaping, and tree planting. Finally, establishing a special parking district would spark economic development and discourage nuisance parking on residential streets. By 2023, the

12% Of Third Ward workers ages 16 years and older rode public transit to work in 2015

4% Of Houston workers ages 16 years and older rode public transit to work in 2015

18% Of Third Ward households were without a vehicle in 2015

6% Of Houston households were without a vehicle in 2015

Data Source: ACS 2015 (5-yr); City of Houston GIS

A **complete community** is a **resilient and connected community** with public transit, complete streets, and quality infrastructure

goal is to have ten miles of neighborhood sidewalk improvements complete.

Expand Bike Lanes and Facilities

In 2015, 17% of Third Ward workers over the age of 16 years walked or biked to work. The current neighborhood bike network includes the Columbia Tap Trail, the Brays Bayou Greenway Trail, and five miles of on-street bike lanes. Expanding this network of bike lanes and amenities will increase the comfort and opportunity of this alternative transportation method. This includes building new priority bike lanes in the community and expanding B-Cycle stations. Priority bike lanes include Tierwester, Emancipation, Tuam, and Scott Street. The goal is to construct a minimum of five miles of new bike routes throughout the neighborhood by 2023.

Improve Drainage

Severe flooding has impacted many Houston neighborhoods in recent years. However, the Third Ward is strategically located between Buffalo Bayou to the north and Brays Bayou to the south, in an area with minimum flood risk. Properly maintaining area ditches and right-of-ways will ensure that the flood risk in the community remains minimal. A properly maintained ditch not only reduces flooding concerns, but also enhances the health and quality of life of the neighborhood. Exploring the use of green infrastructure and other innovative storm water projects could help to support new resilient design strategies in the future.

Early Successes

The Emancipation Avenue corridor has been designated one of three pilot sites for the City of Houston's Walkable Places program.

Mayor Sylvester Turner, Harris County Commissioner Rodney Ellis and other local leaders will implement the Bike Plan to improve bike and pedestrian safety through a new city-county partnership. Precinct One pledged \$10M and the City of Houston \$5.5M city-wide.



Sidewalk and Crossing Priorities

- CIP Sidewalks
- Sidewalk Priorities
- METRO Purple Line
- Pedestrian Crossings
- Schools
- Parks



Bike Lanes (Houston Bike Plan)

- Existing High Comfort
- Existing Low Comfort
- - - Short-Term Projects
- - - Long-Term Projects
- METRO Purple Line
- B-Cycle Stations
- Parks



Street Improvement Priorities

- Planning Priorities
- CIP Projects



GOAL	PROJECTS	PRIORITY
Improve Neighborhood Mobility PLAN: ●●●○○○	Neighborhood Ride Share Program <i>ACTION STEPS:</i> Develop a neighborhood ride share program or community connector bus focused on serving seniors; Explore a partnership with ARA/ Park Houston to provide a Car Share Program	●
	Improve public transit <i>ACTION STEPS:</i> Work with METRO to explore transit improvements for the current long range plan, including the potential to extend the Westheimer bus route east to Emancipation Park and UH and a north-south bus route on Emancipation Avenue between the Texas Medical Center and downtown	●
Build Great Streets PLAN: ●●●○○○	Improve sidewalks and crossings <i>ACTION STEPS:</i> Public Works is currently prioritizing the following sidewalk projects: Ennis, from Wheeler to Eagle; Nagle from Elgin to Rosalie; Elgin/ Lockwood from Cullen to Eastwood; Ruth from Tierwester to Canfield; Identify additional sidewalk improvements adjacent to community facilities and essential services; Partner with the EEDC to advocate for sidewalk and high visibility crossing improvements adjacent to area schools	●
	Improve area streets <i>ACTION STEPS:</i> Partner with Public Works and the OST/Almeda TIRZ to improve streets, priorities include the northern section of Emancipation Avenue from McGowen to Pierce; Holman Street from Emanuel to Scott Street, Live Oak from Pierce to Truxillo Street, Hutchins from Pierce to Truxillo Street, Cullen from I-45 to Wheeler Ave; Include residential streets curb and gutter, cross walk striping, public utilities, street lights, wheelchair ramps, landscaping and tree planting	○
	Parking District <i>ACTION STEPS:</i> Partner with area businesses and organizations to develop strategies for a parking district to incentivize and maximize the potential for new development; Work with neighborhood associations to address nuisance parking on residential streets	○
Expand Bike Lanes and Facilities PLAN: ●●○○○○○	Expand area bike lanes and facilities <i>ACTION STEPS:</i> Public Works has identified the following bike lane priorities: Tierwester St from Alabama to Brays Bayou; Emancipation Ave from Gray St to Blodgett St; Tuam St from Crawford St to Cullen Blvd; Scott St from Gulf Fwy to Tuam St; Explore on street bicycle lanes along Blodgett St; Identify additional key corridors and projects; Identify locations for additional bike racks and bike repair stations	●
	Expand B-Cycle <i>ACTION STEPS:</i> Partner with the Planning Department to identify additional locations for B-Cycle Stations, including at light rail stops	●
Improve Drainage PLAN: ○●○○○○○	Right of way and drainage improvements <i>ACTION STEPS:</i> Evaluate existing drainage and develop a plan for necessary improvements (focus on Columbia Tap Trail, Sampson, and Drew); Work with property owners to keep ditches and right-of-ways clean and well-maintained	●
	Create green infrastructure at neighborhood sites prone to flooding <i>ACTION STEPS:</i> Partner with the City of Houston Resilience Office to identify potential sites for green infrastructure and other innovative storm water projects; Focus along I-69, Chartres St near Alabama St and Elgin; Co-sponsor workshops that share natural infrastructure techniques for storm water management	○

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MOBILITY and INFRASTRUCTURE

TIMEFRAME	METRICS TO MEASURE SUCCESS	PARTNERS	POTENTIAL PROGRAMS
Short (0 - 2 yrs)	<p>12%</p> <p>Of Third Ward workers 16 years and older continue to ride public transit to work by 2023, equal to the 2015 rate Source: ACS 2015</p>	<p>LEAD: ARA/Park Houston SUPPORT: METRO, NTWNPP, SN Council, NST, EEDC</p>	ARA/Park Houston Car Share Program, METRO Next and Community Connectors
Short (0 - 2 yrs)		<p>LEAD: METRO SUPPORT: HSE, EEDC, NTWNPP</p>	METRO Next
Short (0 - 2 yrs)		<p>LEAD: HPW SUPPORT: HSE, EEDC, SN Council, NST, NTWNPP, Area Schools, OST/Almeda TIRZ</p>	Capital Improvement Plan, Community Development Block Grants, Safe Routes to Schools
Long (5+ yrs)	<p>10</p> <p>Miles of new or repaired sidewalks are constructed by 2023 Source: City of Houston HPW</p>	<p>LEAD: HPW SUPPORT: HSE, OST/Almeda TIRZ</p>	Capital Improvement Plan, Community Development Block Grants
Medium (2 - 5 yrs)		<p>LEAD: PDD SUPPORT: EEDC, HSE</p>	Walkable Places Program
Short (0 - 2 yrs)	<p>4.5</p> <p>Miles of new bike lanes are constructed by 2023 Source: City of Houston HPW</p>	<p>LEAD: HPW SUPPORT: HPB, Civic Clubs, NTWNPP, EEDC, HSE, HGAC</p>	Houston Bike Racks Donation Program Houston Bike Plan
Short (0 - 2 yrs)		<p>LEAD: HPW, PDD SUPPORT: Houston Bike Plan, NTWNPP, EEDC</p>	Houston B-Cycle Program
Medium (2 - 5 yrs)		<p>LEAD: HPW SUPPORT: Civic Clubs, OST/Almeda TIRZ, Rebuild Houston, NTWNPP, HSE</p>	
Long (5+ yrs)	<p>1</p> <p>Green infrastructure project is constructed in the Third Ward by 2023</p>	<p>LEAD: City of Houston Resilience Office SUPPORT: HSE</p>	

NEIGHBORHOOD CHARACTER

Introduction

The historic Third Ward is one of the original political wards in the City of Houston, and one of Houston's oldest African American neighborhoods. Dating to the mid-19th century, there is a strong sense of community, history, culture, and identity—neighbors help neighbors, look out for one another, and for the neighborhood. The strong sense of community is anchored, and continues to be supported by, the organizations, institutions, churches, and non-profits working in the community.

The Third Ward is home to five historic landmark buildings and two dozen churches. In addition, there are many historic buildings that sit vacant or under-utilized, including the former Riverside Hospital and Nursing School. These buildings represent a significant opportunity for re-imagining and re-use. In addition, the vernacular shotgun houses preserved and re-used as an integral part of Project Row Houses, illustrates the impact of historic preservation. This combination of history, place, art, culture, and social practice is the foundation of a complete community.

Over the last several decades the Third Ward has experienced significant change. Vernacular housing has been demolished and replaced by high-end townhomes or new apartment buildings. As the Third Ward continues to develop, displacement

is endangering families who have lived in the neighborhood for generations.

Neighborhood Character Goals

The three goals for neighborhood character, compiled from existing Third Ward plans and studies and a series of community meetings, focus on preserving and enhancing the neighborhood's history and character, beautifying the neighborhood, and expanding arts initiatives. The goals are summarized here and provided in more detail on the following pages. The goals for neighborhood character are:

Preserve the Neighborhood's History and Character

The Third Ward plays an important role in Houston's history. With new development, the historic fabric of the neighborhood is at risk. Between 2010 and 2016 over 500 homes were demolished. Moving forward, tools will be identified and implemented to protect the history and character of the neighborhood, including regulating the physical form of new development. New uses will be explored for vacant historic buildings and partnerships established to see the projects through to completion. Finally, a cultural trail project to connect businesses, historic landmarks, art organizations, parks and trails will be explored. The goals are to strengthen the historic cultural legacy of the neighborhood and bring new opportunities, amenities, and employment to the neighborhood.



St. John Baptist Church



Project Row Houses

A complete community is a beautiful and interesting community with public art, historic neighborhoods, and strong identity and culture

Beautify Neighborhood

The cleanliness and beauty of a neighborhood can build civic pride and encourage stewardship. The Third Ward, because of the many vacant lots, is plagued by both illegal dumping and overgrown lots. Community stakeholders have organized a number of neighborhood clean-ups over the last year. Through partnerships with the City, including Solid Waste and the Department of Neighborhoods, additional clean-ups will be organized and a concerted effort to maintain vacant lots established. The goal is to reduce 311 calls for illegal dumping by at least 25% in the next five years. Finally, working to enhance amenities along area streets, including new street lighting, planters, art and benches will support the civic pride, history, and culture of the community.

Expand Public Art

Public art has been an integral part of the Third Ward community for generations. Project Row Houses, an internationally recognized and awarded community and public art site, presently anchors the arts in the Third Ward and illustrates the power of the arts to create change. The goal is to build on the cultural and artistic legacy of Project Row Houses and other important arts sites throughout the neighborhood, by expanding public art in collaboration with the community, including youth. This includes both permanent and temporary art installations.

Early Successes

Houston Endowment granted funds to Project Row Houses to create a Public Art Plan.

The Mayor's Office of Cultural Affairs is leading an inclusive cultural strategy to bring new programs and expand existing ones in each Complete Community. This includes four new Mini Murals, a Civic Art project, the Visit My Neighborhood grants, creative writing workshops, a Resident Artists Program (R.A.P), and a Neighborhood Poetry Project by Houston Poet Laureate, Deborah 'DEEP' Mouton.



Landmarks

- Historic Landmarks
- Churches

311 Calls to Report Illegal Dumping, 2016

- 311 Calls







GOAL	PROJECTS	PRIORITY
Preserve the Neighborhood's History and Character	Preserve the character of the neighborhood <i>ACTION STEPS:</i> Work in partnership with the city to explore the tools available to protect neighborhood character, including minimum lot size, setback, Walkable Places pilot, and other ordinances; Explore the potential of establishing a conservation district or other tools to regulate physical characteristics of new developments (e.g., building height, scale, and interface with public streets and sidewalks); Partner with the ECDP to create a Community Development Overlay District (CD-OD) to provide incentive-based guidelines for revitalization	
	Cultural Trail <i>ACTION STEPS:</i> Join with other organizations to create a cultural trail through the Houston Southeast District and the Third Ward that connects businesses, historic landmarks, art institutions, and parks and open spaces; Explore the potential to extend this strategy to the Columbia Tap trail, including signage and public art; Develop B-Cycle tours on the trail	
	Re-use and adapt historic buildings for new uses <i>ACTION STEPS:</i> Identify historic buildings that are underutilized or vacant; Partner with organizations, businesses, or others to create plans for re-using these resources; Focus efforts on Riverside Hospital and Blue Triangle Community Center; Initiate an effort to create a loan fund for the renovation of historic properties; Restore Emancipation as a commercial corridor	
PLAN:	End illegal dumping <i>ACTION STEPS:</i> Create a 311 campaign to encourage residents to report illegal dumping; Install enforcement cameras at area hot spots; Establish neighborhood teams/block captains or engage the HSE District to review footage and provide reports to the police; Establish a promotion and outreach campaign	
Beautify the Neighborhood	Ensure property owners and renters keep lots clean and mowed <i>ACTION STEPS:</i> Work with the SN Council, area civic clubs and residents to report overgrown lots and to ensure lots are maintained; Advertise and identify a potential program to develop a community-led "mowdown" program (the City will partner with a non-profit organization to pay \$50 - \$100 for mowing, including providing equipment); Partner with DON to identify sites for the vacant lot emergency cuts of overgrown lots	
	Organize neighborhood clean ups <i>ACTION STEPS:</i> Develop a comprehensive strategy for community clean-ups; Organize clean-ups; Use Houston Southeast communications channels to address illegal dumping and litter control and co-sponsor workshops with civic organizations and the city on these topics	
	Place attractive benches, ornamental planters, decorative lighting, and trash bins on designated economic corridors <i>ACTION STEPS:</i> Identify design strategies and key locations for amenities; Identify funding and implementation strategies	
PLAN:		

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NEIGHBORHOOD CHARACTER



TIMEFRAME	METRICS TO MEASURE SUCCESS	PARTNERS	POTENTIAL PROGRAMS
Medium (2 - 5 yrs)		LEAD: PDD SUPPORT: EEDC, ECDP, PRH, Historic Preservation Department, Texas Preservation Trust Fund, Civic Clubs, SN Council, NST, Philanthropic Organizations	Texas Preservation Trust Fund, Minimum Lot Size Ordinance, Prevailing Setback Ordinance, Walkable Places Program
Medium (2 - 5 yrs)	2 Historic buildings are preserved and re-used by 2023	LEAD: DON, PDD SUPPORT: HSE, Project Row Houses, NTWNPP, EEDC, HPB, HPARD, MOCA, HAA	DON Neighborhood Matching Grants, NEA Challenge America, MOCA + HAA Grants
Long (5+ yrs)		LEAD: PDD SUPPORT: HSE, NTWNPP, EEDC, PRH, Area CDCs, Universities, Preservation Houston, HCDD	Texas Preservation Trust Fund
Short (0 - 2 yrs)		LEAD: SWD, 311, HPD, DON SUPPORT: HSE, NTWNPP, Civic Clubs, SN Council, NST, Churches, EEDC, Keep Houston Beautiful	Blast the Bandit, Volunteer Initiative Program (VIP), DON Spring Cleaning Program, Philanthropic Support
Short (0 - 2 yrs)		LEAD: DON SUPPORT: NTWNPP, EEDC, Civic Clubs, Churches, SN Council, NST	DON Mowdown Program, Vacant Lot Emergency Cuts
Short (0 - 2 yrs)	25% Decline in the reports to 311 for Illegal Dumping from 2016 to 2023 Source: City of Houston 311 Data	LEAD: DON SUPPORT: Civic Clubs, SN Council, NST, Churches, Schools, Universities, Keep Houston Beautiful, NTWNPP, EEDC, Team Up 2 Clean Up	Walk the Block Cleanups, Blast the Bandit, Volunteer Initiative Program (VIP)
Medium (2 - 5 yrs)		LEAD: DON, PDD SUPPORT: HSE	DON Neighborhood Matching Grants, NEA Challenge America, Stronger Region, NEA Art Works, Scenic Houston Streetscape Resource Guide


GOAL	PROJECTS	PRIORITY
Expand Public Art that Celebrates the Community	Expand public art in collaboration with the community <i>ACTION STEPS:</i> Integrate public space, history, and culture by creating community art installations; Partner with various arts programs to explore permanent/temporary art installation opportunities; Work with Houston Arts Alliance and MOCA to ensure that the community has input into selected art works; Partner with MOCA, HAA, Houston Public Library and others on four new Mini Murals, a Civic Art project, the Visit My Neighborhood grants, a Resident Artist Program (R.A.P.), creative writing workshops and a Neighborhood Poetry Project by the Houston Poet Laureate, Deborah 'DEEP' Mouton	
	Engage youth in public art <i>ACTION STEPS:</i> Develop a youth public art program to design, build and Install public art; Explore a program to design trashcans or "art cans"; Identify and implement additional youth art programs	

PLAN: 

PLAN Legend:

-  Complete Communities Action Plan
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NEIGHBORHOOD CHARACTER

TIMEFRAME	METRICS TO MEASURE SUCCESS	PARTNERS	POTENTIAL PROGRAMS
<p>Medium (2 - 5 yrs)</p>	<p>10 New public art projects in the community by 2023</p>	<p>LEAD: MOCA SUPPORT: HAA, HPL, HSE, EEDC, NTWNPP, Project Row Houses, SN Council, NST, Civic Clubs, SHAPE, local organizations, area businesses, philanthropic organizations, TSU</p>	<p>NEA Art Works, NEA Challenge America, MOCA + HAA Grants</p>
<p>Short (0 - 2 yrs)</p>		<p>LEAD: MOCA SUPPORT: NTWNPP, EEDC, Project Row Houses, SN Council, NST, Civic Clubs, HSE, local organizations, area businesses, philanthropic organizations, TSU, METRO, TUTS</p>	<p>NEA Art Works, NEA Challenge America, Houston Arts Alliance, Neighborhood Matching Grants, YAH: Dance, Puppetry, Music, Literary Arts, Theater, Visual Arts Workshops and Performances, Community Music Center of Houston</p>

PARKS and COMMUNITY AMENITIES

Introduction

Access to quality parks and open spaces has long been an important element of the Third Ward neighborhood. In 1872, a group of African American ministers and businessmen purchased the land that became Emancipation Park. The historic park is the focus of community celebrations, culminating in the annual Juneteenth Celebration.

Today, the Third Ward has four parks: Emancipation, Leroy Moses, Malone, and Our Park. A corner of the spacious, 83-acre MacGregor Park falls in the far southeastern corner of the neighborhood. The four parks encompass just under 14 acres. The 2015 City of Houston Parks and Recreation Master Plan recommended 2.5 acres per 1,000 residents as a standard for the combined area of neighborhood, community, and pocket parks. Based on this recommendation, the Third Ward has a 21-acre park deficit. The highest need for park access, according to the Trust for Public Land's ParkScore Map, is in the southeast sector of the Third Ward and in the University Village neighborhood on the northeast side.

Outside of formal park spaces, many informal gatherings and spontaneous social activities occur in open spaces across the neighborhood. There are many opportunities to build on these informal gatherings and develop small open spaces into usable public

green spaces or plazas. This includes vacant lots, property owned by local non-profits, and campus green spaces at area schools.

Parks and Community Amenities Goals

The two goals established for parks and community amenities, compiled from existing Third Ward plans and studies and a series of community meetings, focus on expanding access to public open spaces and improving area parks. The goals are summarized here and provided in more detail on the following pages. The goals for parks and community amenities are:

Expand Access to Public Open Spaces

To ensure that all Third Ward residents are within a 10-minute walk of a park additional park space must be developed, particularly in the eastern portion of the neighborhood. Identifying vacant land, or other opportunities to acquire land for new parks, is a priority in this area. In addition, partnerships with area schools provide opportunities to bring SPARK Parks to the neighborhood. Currently, a SPARK Park is being developed at Lawson Academy through generous contributions from the Kinder Foundation and Houston Endowment.

Finally, identifying vacant sites along Emancipation Avenue, adjacent to area schools, churches, and



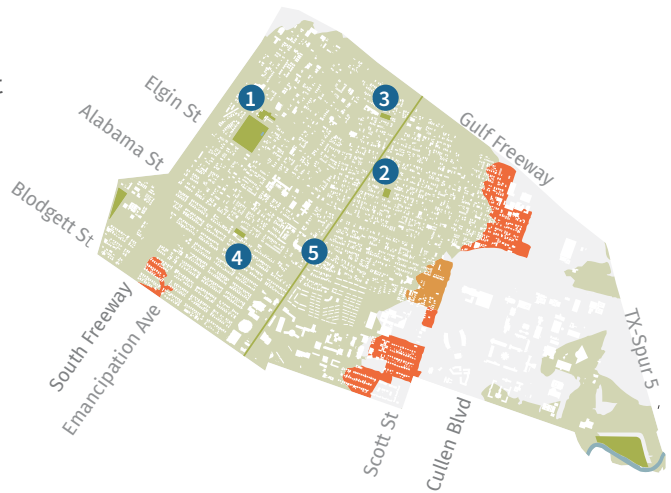
Emancipation Park

A complete community is a sustainable community
with access to beautiful parks and open spaces

community centers, to develop pocket parks or plazas can provide expanded access to parks and green spaces in the neighborhood. The goal is to ensure that 100% of area families have access to a park within a 10-minute walk.

Improve Area Parks

Many programs and events occur in the signature Emancipation Park, which recently received a \$33 million renovation. Promoting these events and programs through banners or other environmental graphics will increase engagement with the resources available at the park. The smaller parks in the neighborhood require an assessment of needed improvements, including maintenance, upgrading playground equipment, and other amenities. Establishing strong partnerships between community stakeholders and the Houston Parks and Recreation Department will ensure that these parks receive improvements that meet the needs of the community.



ParkScore Map

Trust for Public Land

- Area Served by Parks
- High Need for Parks
- Very High Need for Parks
- 1 Emancipation Park
- 2 Malone Park
- 3 Leroy Moses Park
- 4 Our Park
- 5 Columbia Tap Trail



Emancipation Park

14 Acres

Total Third Ward Park Acres

34 Acres

Recommended park area based on standards in the Houston Parks Master Plan 2015

20 Acres

Total Third Ward Park Deficit

Data Sources: City of Houston GIS, Trust for Public Land ParkScore Map and Index, 2017; City of Houston Parks Master Plan 2015



GOAL	PROJECTS	PRIORITY
Expand Access to Parks and Public Open Spaces	<p>Build a new park in the University Village neighborhood <i>ACTION STEPS:</i> Work in partnership with the University Village Civic Club to identify potential properties for a new park that would meet the identified park needs (see HPARD Master Plan) in this section of the neighborhood; Work in partnership with the Parks Department and other local organizations to design and fund the new park</p>	●
	<p>Advocate for additional SPARK Parks in the community, particularly at Blackshear Elementary and Baylor College of Medicine Academy at Ryan <i>ACTION STEPS:</i> Work in partnership with area schools to develop Spark Park design concepts; Form partnerships for funding, implementation and long term maintenance</p>	●
	<p>Create pocket parks along Emancipation Avenue <i>ACTION STEPS:</i> Identify vacant properties and ownership along Emancipation Avenue; Develop design concepts for vacant lots; Create partnerships for funding and implementation</p>	◐
	<p>Re-purpose vacant lots as mini-parks, plazas or urban gardens, particularly adjacent to schools and churches <i>ACTION STEPS:</i> Identify vacant sites adjacent to schools, churches and community centers, or in areas in need of park access; develop design concepts and funding strategies</p>	◐
PLAN: ● ○ ○ ○ ○ ● ○ ○ ○ ○		
Improve Area Parks	<p>Develop environmental graphics or interactive signage for Emancipation Park to advertise park programs and special events <i>ACTION STEPS:</i> Work in partnership with the Parks Department and area organizations to develop and fund new signage and graphics for Emancipation Park</p>	●
	<p>Improve existing parks, Leroy, Malone and Our Park <i>ACTION STEPS:</i> Work in partnership with HPARD and community stakeholders to assess needed improvements at area parks, including maintenance, playground equipment and other amenities</p>	◐
PLAN: ● ● ○ ○ ○ ○ ○ ● ○ ○ ○ ○		

PLAN Legend:

- Complete Communities Action Plan
- OST/Alameda TIRZ
- Northern Third Ward Neighborhood Plan
- City of Houston Plans and CIP
- EEDC Plans and Studies
- Houston Southeast Community Plan

PARKS and COMMUNITY AMENITIES

TIMEFRAME	METRICS TO MEASURE SUCCESS	PARTNERS	POTENTIAL PROGRAMS
Medium (2 - 5 yrs)		LEAD: HPARD SUPPORT: HPB, Philanthropic Organizations, HSE, Harris County Precinct 1, University Village Civic Club	Kaboom! Grants Program Harris County Precinct 1 Park Smart Project
Long (5+ yrs)	<p>100% Of residents will live within a 10-minute walk of a park by 2023 Currently 75% of residents live within a 10-minute walk of a park Source: HPARD 2015 Master Plan Recommendations; ParkScore Map</p>	LEAD: SN Council, NST SUPPORT: HISD, SPARK Parks, NTWNPP, EEDC, Philanthropic Organizations	SPARK Park Program
Long (5+ yrs)		LEAD: HPARD SUPPORT: EEDC, ECDP, NTWNPP, HPB, Philanthropic Organizations, Harris County Precinct 1	Kaboom! Grants Program, Harris County Precinct 1 Park Smart Project, Main Street Program
Long (5+ yrs)		LEAD: HPARD SUPPORT: NTWNPP, EEDC, Project Row Houses, Change Happens, SHAPE, Civic Clubs, HSE, Philanthropic Organizations, Harris County Precinct 1 Park Smart Project, PDD, Area Churches, Schools and Community Centers	Kaboom! Grants Program, Harris County Precinct 1 Park Smart Project
Short (0 - 2 yrs)	<p>2 Existing parks will receive improvements by 2023</p>	LEAD: HPARD SUPPORT: HSE, OST/Almeda TIRZ, Philanthropic Organizations	National Endowment for the Arts Grants, Philanthropic Grants
Short (0 - 2 yrs)		LEAD: HPARD SUPPORT: Philanthropic Organizations, HSE	Kaboom! Grants Program

SAFETY

Introduction

Safety is an important key to building a healthy and thriving community. The Third Ward is served by the Houston Police Department's South Central Division. Crime statistics for the area, compiled for police beat 10H50, indicate elevated crime levels compared to Houston overall. In 2016, the neighborhood's property crime rate was 8% higher than the City and the violent crime rate was nearly three times higher than the Houston average. The areas with the highest concentration of crime were along Scott and Alabama Street, two major corridors.

By focusing on neighborhood-based crime prevention programs, community policing, crime prevention through environmental design, and strong neighborhood partnerships with law enforcement agencies, crime can be reduced in the Third Ward.

Safety Goals

The two goals for safety were compiled from existing Third Ward plans and studies as well as a series of community meetings. The focus of the goals is on implementing safety measures throughout the neighborhood, including improving street lighting, addressing crime hotspots, and developing stronger relationships between the community and law

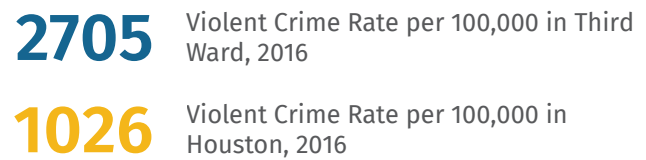
enforcement agencies. The goals are summarized here and provided in more detail on the following pages. The goals for safety are:

Create Safe Streets and Places

Creating safe streets and places across the neighborhood includes addressing crime hot spots through improved street lighting and focused crime prevention efforts. This includes using crime prevention through environmental design principles, such as natural surveillance and maintenance, to enhance the sense of safety. Adequate street lighting creates a sense of security, particularly in the evening. Through the planning process and crime mapping analysis, a number of corridors have been identified to focus streetlight improvement efforts including: Emancipation Avenue, Scott Street, Elgin Street, Alabama Street and McGowen Street. In areas that are crime hot spots, it is critical to have partnerships across law enforcement agencies, including the Houston Police Department, University of Houston, Texas Southern University, Harris County Sheriff's Office, and METRO Police. Creating partnerships across these law enforcement agencies and increasing police presence in the neighborhood will also work to prevent crime, and assist with reducing the property and violent crime rates in the long term.



Scott Street and Elgin Street Intersection



Data Sources: Beat 10H50 2016 Crime Statistics, HPD; UCR Crime Statistics for Houston, 2016

A **complete community** is a **safe community** where the community and law enforcement work together to reduce crime and increase the sense of security throughout the neighborhood

Advocate for Community-Based Policing

The perception of safety is important to social cohesion and the quality of life in a community. One of the best strategies to reduce crime is for the community and law enforcement to develop partnerships and share responsibility. This can be achieved by encouraging civic clubs and residents to establish block captains and participate in HPD's Positive Interaction Program. In addition, developing an outreach program to provide materials on the different ways to contact the police and to report nuisances and other non-emergencies will help build bridges between the community and law enforcement.

Finally, expanding police presence in the neighborhood through bike patrols and partnerships with the Houston Southeast Management District will support shared efforts to reduce crime. The five-year aim is to increase participation in the Positive Interaction Program and ensure that area civic clubs submit annual "action requests" to focus police efforts on key safety challenges in the community.



Third Ward Crime Map

Legend:

- Crime
- Low High
- ① HPD Substation
- ② UHPD Station
- Security Cameras Needed
- Purple Line, Light Rail Stop
- METRO Purple Line

4702 Property Crime Rate per 100,000 in Third Ward, 2016

4321 Property Crime Rate per 100,000 in Houston, 2016

Data Sources: Beat 10H50 2016 Crime Statistics, HPD; UCR Crime Statistics for Houston, 2016

Early Successes

The Code Enforcement Division has surveyed streetlights in each Complete Community every four months to identify broken lights and report to CenterPoint for repair. Since August of 2017 twenty streetlights have been reported in the Third Ward.

Houston Police Department's South Central Division recently received 18 new bikes and will begin expanding their bike patrol in the area in the coming months.



GOAL	PROJECTS	PRIORITY	
Create Safe Streets and Places	Improve street lighting <i>ACTION STEPS:</i> Work in partnership with Code Enforcement, who is surveying area streetlights, reporting broken lights and working with CenterPoint for repair; Civic leaders should also report streetlight outages to Code Enforcement or CenterPoint; Install new lighting in areas that are not well-lit	●	
	Use Crime Prevention Through Environmental Design (CPTED) principles to enhance the sense of safety <i>ACTION STEPS:</i> Work in partnership with HPD's Differential Response Team to provide CPTED training to area businesses, apartments and other property owners; Work with area property owners to make needed improvements to enhance safety	●	
	Install security cameras in crime hot spots <i>ACTION STEPS:</i> Partner with the Houston Southeast District or others to identify crime hotspots and deploy mobile security cameras	○	
	Address crime hot spots throughout the community <i>ACTION STEPS:</i> Create partnerships across law enforcement agencies to provide more police presence and patrols at crime hot spots, including convenience stores, apartments and along the Purple Line (light rail)	○	
PLAN: ●●○○●●			
Advocate for Community-Based Policing	Create a block captain program <i>ACTION STEPS:</i> Organize civic clubs, residents and leaders to create block captains; Work with block captains to identify key safety priorities and challenges; organize National Night Out and other informal events to bring law enforcement together with residents to build trust	◐	
	Participate in South Central Division Positive Interaction Program (PIP) Meetings <i>ACTION STEPS:</i> Encourage civic leaders to attend PIP meetings; Develop quarterly or semi-annual priorities for the neighborhood to present at PIP meetings, or submit "action requests" which identify key issues and can be emailed, faxed, mailed, or delivered to HPD South Central Division	◐	
	Advocate for additional bike patrol <i>ACTION STEPS:</i> Identify key areas that would benefit from bike patrol; Work in partnership with the South Central Division that recently received 18 bikes to expand bike patrol	◐	
	Create a safety campaign to encourage residents to use the police non-emergency number to report suspicious activity <i>ACTION STEPS:</i> Provide outreach materials to inform residents on the ways to reach the police, including Facebook, NextDoor, calling dispatch or email	◐	
PLAN: ●●○○●●			
Work in partnership with HPD to identify other programs to improve community relationships <i>ACTION STEPS:</i> Provide information to area leaders and residents on HPD programs, such as the Citizens Police Academy and the re-launch of the Police Athletic League (PALS), a youth crime prevention program that utilizes educational, athletic and recreational activities to create trust and understanding between police officers and youth.			◐

PLAN Legend:

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SAFETY

TIMEFRAME	METRICS TO MEASURE SUCCESS	PARTNERS	POTENTIAL PROGRAMS
Medium (2 - 5 yrs)	<p>25%</p> <p>Reduction in the violent crime rate by 2023</p> <p>In 2016 Third Ward had a violent crime rate 163% above the City average</p> <p>Source: HPD Monthly Crime Reports, UCR 2016</p>	<p>LEAD: HPW, Code Enforcement</p> <p>SUPPORT: NTWNPP, Project Row Houses, Change Happens, SHAPE, EEDC, Churches, Civic Clubs, CenterPoint</p>	<p>HPW Streetlight Survey Program; Code Enforcement Street Light Repair Program</p>
Medium (2 - 5 yrs)		<p>LEAD: HPD, DRT</p> <p>SUPPORT: Area Businesses, Apartment Owners, Civic Clubs, SN Council, NST, HSE, NTWNPP, EEDC</p>	<p>HPD CPTED Training</p>
Short (0 - 2 yrs)		<p>LEAD: HPD</p> <p>SUPPORT: HSE, Philanthropic Organizations</p>	
Short (0 - 2 yrs)		<p>LEAD: HPD, METRO Police, UH Police, TSU Police</p> <p>SUPPORT: Civic Clubs, SN Council, NST, HCSO, HSE</p>	
Short (0 - 2 yrs)	<p>Annual</p> <p>Action Request submitted to HPD through a PIP meeting identifying key safety issues</p> <p>Source: HPD</p>	<p>LEAD: DON</p> <p>SUPPORT: HFD, HPD, Third Ward Community Cloth, Row House CDC, Change Happens, Churches, Schools, Universities, Civic Clubs, SN Council, NST, NTWNPP, EEDC</p>	<p>National Night Out; Keep Houston SAFE Initiative</p>
Short (0 - 2 yrs)		<p>LEAD: HPD</p> <p>SUPPORT: Civic Clubs, SN Council, NST, NTWNPP, EEDC</p>	<p>HPD's Positive Interaction Program</p>
Short (0 - 2 yrs)		<p>LEAD: HPD</p>	
Short (0 - 2 yrs)		<p>LEAD: HPD</p> <p>SUPPORT: HFD, NTWNPP, EEDC, Row House CDC, NAACP, SHAPE, HSE, Council Member, Tour de Hood</p>	<p>DON Outreach Program</p>
Medium (2 - 5 yrs)		<p>LEAD: HPD</p> <p>SUPPORT: EEDC, NTWNPP, Civic Clubs, SN Council, NST</p>	<p>HPD's Police Athletic League Program, Citizens Patrol Program, Citizens Police Academy</p>

OUR THANKS

Complete Communities

The Complete Communities initiative would not have been possible without the commitment and dedication of the Complete Communities Advisory Committee and the Third Ward Neighborhood Support Team (NST). The Advisory Committee, comprised of community leaders and advocates, ensured that the program structure was inclusive, promoted public-private partnerships, and worked effectively and efficiently. The Third Ward NST guided the planning process and shaped the initiative at the local level. This team has joined with the Greater Third Ward Super Neighborhood Council to oversee implementation of this Plan. We thank everyone for their time and commitment to the Complete Communities initiative.

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We apologize for any
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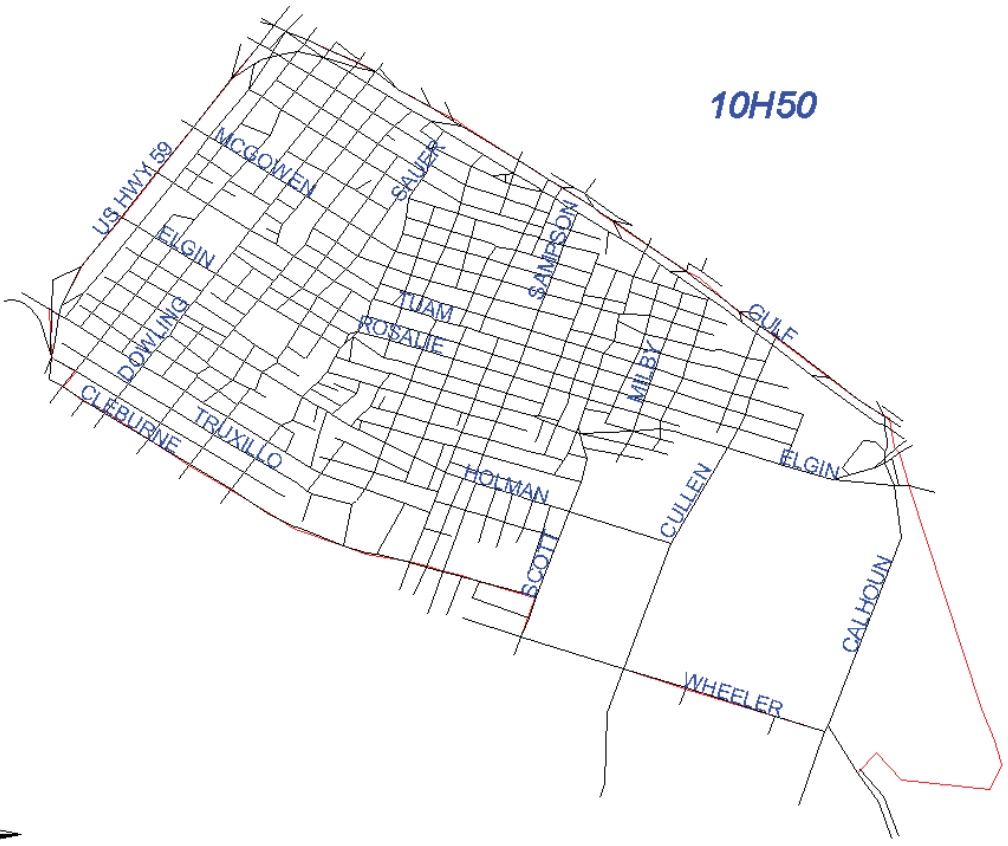
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City of Houston
Planning and Development
Department
Complete Communities
[http://houstontx.gov/
completecommunities/](http://houstontx.gov/completecommunities/)
Phone: 832-393-6600



10H50



Beat 10H70

7h

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

7i

**TO BE POSTED
NOT LATER THAN
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BEFORE THE
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MEETING**