



October 29, 2024

Jonathan Galvan  
4% Housing Tax Credit Program Manager  
Texas Department of Housing and Community Affairs  
221 E 11<sup>th</sup> Street  
Austin, Texas 78701

Re: Opposition received for Application #24478, Creek Bend Apartment Homes

Dear Mr. Galvan:

Please accept this letter as a response to some of the comment the Department has received regarding Creek Bend Apartment Homes. We at Pedcor Companies are keenly aware of this opposition and attended a neighborhood meeting a few months ago to answer questions and address concerns raised, and we continue to make ourselves available to provide detailed information and relevant updates and answer questions.

Outlined below is a list of the public meetings at which this project was considered and approved. Each of these meetings was subject to the Open Meetings Act and therefore agendas were timely posted, and the public had the opportunity to provide comments. In addition, because this site did require rezoning, appropriate notifications were made, including a sign posted on the property. However, no comment was received outside one gentleman who made general comment on several items to which he objected at the February 2023 San Antonio City Council meeting. Following is a list of those meetings:

- September 16, 2022 – San Antonio Housing Trust approval of inducement resolution
- October 12, 2022 – City of San Antonio Planning Commission approval of Comprehensive Plan amendment
- November 15, 2022 – City of San Antonio Zoning Commission approval of zoning change
- December 15, 2022 – City of San Antonio City Council approval of plan amendment and zoning change
- January 19, 2023 – City of San Antonio Planning and Community Development Committee meeting approval of Resolution of No Objection
- February 9, 2023 – City of San Antonio City Council approval of Resolution of No Objection
- September 29, 2023 – San Antonio Housing Trust approval of inducement resolution (update and slight revisions to previous resolution)

In addition to these public approvals, in October 2022, San Antonio Housing Trust submitted a 2023 lottery application to the Texas Bond Review Board (“TBRB”), and, like all applications for private activity bonds, that application was listed in the log published on TBRB’s website and updated weekly. That application was ultimately withdrawn because the timing of the bond reservation and closing deadline did not align with the actual bond closing timeline for the project. Therefore, another application was submitted in October 2023, for the 2024 bond lottery, and the application was again published in the log. While these logs do not constitute public hearings with specific opportunities for comment, they are another way that the public is made aware of the potential projects.

As you know, the bond lottery process is quite transparent and essentially impossible to manipulate. Despite this fact, one of the primary complaints of the opposition is the fact that I, Jean Latsha, am married to Rob Latsha, Executive Director of the Texas Bond Review Board. This is a fact well-known in the affordable housing industry in Texas, and one that my husband and I have never tried to hide. That is because there is no conflict of interest created by our marriage, and as previously stated, the process by which private activity bonds are reserved is fully transparent and dictated by state statute. The opposition has gone so far as to file complaints about our relationship with the Texas Ethics Commission; these complaints have been summarily dismissed. (The opposition continues to file the same complaint, only from different individuals, which can fairly be characterized as harassment, and at a minimum as a waste of taxpayer dollars as state agency staff are forced to continually review and dismiss the same information ad nauseum.)

While we appreciate that developments financed with Housing Tax Credits often face opposition for a variety of reasons, the attack on the integrity of the process by which these developments are approved is inaccurate, inappropriate, and a distraction from any real issues at hand. However, we are confident that TDHCA staff and board members can see past this false accusation and review the facts and circumstances that are relevant to this pending approval of Housing Tax Credits.

Creek Bend Apartment Homes is in a Small Area Difficult Development Area (SADDA), meaning that there is a federal incentive to develop affordable housing in this location. The site is also in a census tract in which there are no other developments supported by Housing Tax Credits, which is specifically encouraged by state statute. That census tract also has a relatively high median income and low poverty rate, making it a “high opportunity” area; developers are further incentivized to build in these areas by Department rule. The City of San Antonio also awards points on applications for affordable housing developed in and around “SA Tomorrow” Regional Plan Centers, and Creek Bend Apartment Homes lies within that area. These are all very important factors that we considered when choosing this site.

One other factor that carries weight in site selection is the performance and location of the schools that the children in the community will attend. In this case, the children will attend very highly rated schools that are close to the site, which is typically desirable. However, this fact is also another cause for complaint from the opposition. It is true that we are assuming there will be no bus service from Comal ISD to Kinder Ranch Elementary School since it is less than two miles from the proposed development. It is about a 1.3-mile walk/drive. This is commonplace for Texas public schools everywhere, that bus service is only available for children who live more than two miles from the school. This is partly based on the state statute (Texas Education Code) that dictates funding allotments for transportation. Therefore, it is a similar situation for children living in the single-family community just south of Kinder Ranch Elementary school, that they would also need to walk to school down Bulverde Road.

The expectation for most of these families, including those living in Creek Bend Apartment Homes, is that they would have personal vehicles and drive their children (and potentially carpool) to and from school. The middle school and high school are just over 2 miles away on a trafficable route, which could mean that the site is eligible for bus service, but Comal ISD has not yet responded to a request to confirm the availability of such. In either case, Pedcor representatives have met with the school district, and they are aware of the project and are including it in their planning. They had already projected significant growth in the district and their estimates have been in line with actual growth over the last several years. Voters approved two bond packages in 2023 which include \$560.56 million for growth and

reinvestment and \$28 million for technology. There are already plans in place for the construction of additional schools.

The opposition has also cited environmental concerns and traffic as reasons to deny approval of this development. However, all types of development, whether commercial or residential, single family or multifamily, market rate or affordable, will undoubtedly have some impact on the environment and will create some level of traffic. Like any other developer, we have performed all the necessary due diligence to mitigate these issues as much as possible. The multitude of approvals necessary to bring a project to fruition requires environmental assessments, traffic analyses, market feasibility studies, and much more.

To come to this point in the process, we have met all the criteria of the City of San Antonio, Bexar County, the San Antonio Water System (SAWS), the Texas Commission on Environmental Quality (TCEQ), the Texas Department of Transportation (TXDOT), and finally, the Texas Department of Housing and Community Affairs, along with the requirements of our lenders and investors. We truly strive to bring quality products into the communities where we build, and we hope to ultimately be good neighbors as well. We believe that, through this lengthy process, we have addressed all the legitimate concerns of the opposition, and we will remain accessible to those neighbors should any issues arise in the future.

Please let me know if you need any additional information. We appreciate your consideration.

Sincerely,



Jean Marie Latsha  
Vice President - Development