

## **TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS**

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June 26, 2024

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Dennis Hoover HVM Housing 209 S West Street Burnet, Texas 78611

Greg Abbott GOVERNOR

RE: TERMINATION OF 9% HOUSING TAX CREDIT APPLICATION

24261 GREEN MANOR APARTMENTS (DEVELOPMENT)

## Mr. Hoover:

The Texas Department of Housing and Community Affairs (Department) received the Application named above on March 1, 2024. The Application was submitted to compete within the Rural 7 subregion and requests \$868,951 in Housing Tax Credits to construct 36 units, all of which as affordable units, serving the general population in Burnet, Texas.

The Application as originally submitted includes a Unit mix that proposes 33.33% of the Units as one-bedrooms. In accordance with 10 TAC §11.101(b)(1), a Development is ineligible for funding if it includes a mix of Units that is more than 30% one-bedrooms. Following submission, the Department conducted a full review of the Application and the ineligible unit mix was identified and included in a list of Administrative Deficiencies sent to the Applicant on June 13, 2024.

While the Deficiency was timely responded to, responsive revisions were required to Tab 23, Tab 24, Tab 26, and Tab 27 as well as numerous exhibits in the Architectural Drawings. The revisions required demonstrate that this item exceeds the scope of an Administrative Deficiency. Altering the number of one-bedrooms creates material change in the Application to retain eligibility. The changes do not address an inconsistency or clerical matter as the original Application was consistent throughout in regards to the unit mix. 10 TAC §11.1(d)(2), related to the definition of Administrative Deficiency, states:

A matter may begin as an Administrative Deficiency but later be determined to have constituted a Material Deficiency.



10 TAC §11.202(2)(B) establishes that an Application shall be ineligible if it has a Material Deficiency. Accordingly, the Development is ineligible for consideration for the 9% Housing Tax Credit program, and the Application is terminated.

An appeal process exists for the Housing Tax Credit Program. The restrictions and requirements related to the filing of an appeal can be found in 10 TAC §11.902 of the 2024 Qualified Allocation Plan. Should you choose to appeal this decision to the Executive Director, you must file your appeal, in writing, with the Department not later than seven calendar days after the date of this letter. If you are not satisfied with the decision of the Executive Director or if the Executive Director does not respond, you may file a further appeal with the Board of Directors of the Texas Department of Housing and Community Affairs. Please review §11.902 of the 2024 Qualified Allocation Plan for full instructions on the appeals process.

If you have any questions, please contact me at 512-475-1676 or by email at cody.campbell@tdhca.state.tx.us.

Sincerely,

Cody Campbell

**Director of Multifamily Programs**