



TEXAS HOUSE *of* REPRESENTATIVES

Gary Gates

State Representative, District 28

May 21, 2026

Texas Department of Housing and Community Affairs
Attn: Ms. Brooke Boston
P.O. Box 13941
Austin, Texas 78711-3941

TRANSMITTED VIA EMAIL TO: Brooke.Boston@tdhca.state.tx.us

Dear Ms. Boston:

I write in support of the proposed amendment to 10 Texas Administrative Code Chapter 10, Uniform Multifamily Rules, Subchapter J, Housing Finance Corporation Compliance Monitoring, §10.1204 Audit Requirements, approved by the Texas Department of Housing and Community Affairs (TDHCA) Governing Board on April 9, 2026.

In particular, I appreciate TDHCA's willingness to review and correct the issue identified in my March 17, 2026, letter concerning the rent reduction calculation applicable to units occupied by households utilizing Housing Choice Vouchers or other rental assistance, through the Governing Board's actions in April and through this public comment process to support rule adoption of this amendment.

As originally drafted, the rule's limitation to the "tenant-paid portion" of rent created a discrepancy between the rule and the statutory language enacted in House Bill 21 (89R, 2025), which references the "rent charged for an income-restricted unit" without distinguishing between tenant-paid and voucher-paid portions of rent. The proposed correction appropriately ensures that the full rent charged on the unit is considered in the calculation.

This proposed rule amendment reflects both the text and the Legislature's intent of the statute and promotes consistent and transparent compliance monitoring standards for Housing Finance Corporation multifamily developments across Texas. I appreciate the Department's willingness to work collaboratively with stakeholders and legislators to promptly address this issue through rulemaking.

Thank you for your continued work to implement H.B. 21 in a manner consistent with the statute and to ensure these programs deliver meaningful and measurable benefits to Texas residents and taxpayers alike.

Page 2 of 2

Sincerely,

A handwritten signature in black ink, appearing to read "Gary Gates", written in a cursive style.

Gary Gates
State Representative, House District 28
Chair, House Committee on Land and Resource Management

cc: Mr. Bobby Wilkinson, Executive Director, TDHCA
Mr. Michael Lyttle, Director of External Affairs, TDHCA



May 22, 2026

Texas Department of Housing and Community Affairs

Attn: Brooke Boston, Rule Comments

P.O. Box 13941

Austin, Texas 78711-3941

Submitted via email to: brooke.boston@tdhca.texas.gov

Re: City of Austin Public Comments on Proposed Amendment to 10 TAC, §10.1204 Audit Requirements

Dear Ms. Boston:

The City of Austin (City) would like to thank the staff at the Texas Department of Housing and Community Affairs (TDHCA), the executive director, and the Board for this opportunity to comment on the [proposed amendment](#) to 10 TAC Subchapter J, relating to Housing Finance Corporation Compliance Monitoring, §10.1204 Audit Requirements.

The City appreciates the state's effort to ensure jurisdictional authority and public benefits among Housing Finance Corporations (HFCs). The City submitted comments during both prior rounds of public comment on this rulemaking process and is grateful to TDHCA's attention to and incorporation of many of our prior comments into the final rules. We understand the Texas Legislature's position on the rent reduction calculation distinction in cases of Housing Choice Vouchers and in general, support this approach.

However, we are concerned about implications to supportive housing properties owned by the Austin Housing Finance Corporation (AHFC) that are not financed by low-income housing tax credits (LIHTC) and are therefore subject to HFC monitoring per these rules. These properties are primarily and/or entirely subsidized by project-based vouchers or vouchers dedicated to supportive housing, including serving residents from Coordinated Entry, without regard for their ability to pay. For these supportive housing properties, vouchers and a property tax exemption are critical components of the financing suite necessary to operate these properties well and with the appropriate level of services for people exiting homelessness.

The City has utilized all tools available to create supportive housing and help get our fellow Texans out of homelessness and into permanent housing. It is our understanding that House Bill 21 (HB 21) did not intend to jeopardize the operation nor sustainability of supportive housing, and yet, the current text does just that. We understand this matter ties to the statute and may be out of TDHCA's purview to correct. We submit this comment letter to TDHCA along with a corresponding letter to the Texas Legislature to illuminate one of the unintended

Page: 2 of 2
Date: May 22, 2026
Subject: City of Austin Public Comments on Proposed 10 TAC Subchapter J – Housing Finance Corporation Compliance Monitoring

consequences of HB 21 and the corresponding rulemaking, and to underscore the need to exempt supportive housing properties from 10 TAC Subchapter J.

Thank you for your attention.

Should you have any questions, please do not hesitate to reach out to Courtney Banker at courtney.banker@austintexas.gov or (512) 974-3114.

Sincerely,

A handwritten signature in blue ink, appearing to read "Deletta Dean". The signature is fluid and cursive, with the first name being more prominent.

Deletta Dean, Director
Austin Housing

cc: T.C. Broadnax, City Manager
Dr. Eric A. Johnson, Assistant City Manager
Carrie Rogers, Government Relations Officer