



May 20th, 2025

Texas Department of Housing and Community Affairs
221 E. 11th Street
Austin, TX 78701

RE: 25504_24023 930 Military Parkway Living – Unit Mix and Site Acreage Change Material Amendment

To Whom it May Concern,

The purpose of this letter is to request approval of two changes to the originally proposed development. First, to change the unit mix to allow for the use of National Housing Trust Funds through THDCA's Multifamily Direct Loan Program. These additional funds are necessary to fill our financial gap that has come from increased construction costs, and rising interest rates. Second, to change the site acreage from 8.732 acres to 4.74 acres. This change is crucial to the success of the project and will greatly benefit the City of Mesquite.

UNIT MIX AMENDMENT

The Reason the Change is Necessary & Good Cause for the Change

930 Military Parkway has been in process since 2022. Due the site constraints mentioned below; to make the development work, it became necessary to increase the height of the development by one story before resubmitting our 9% housing tax credit application in March 2024. By increasing the development from four-stories to five-stories, the construction standards became one of a commercial development and became much more expensive. These expenses have continued to rise due to inflated construction pricing and interest rates continuing to rise. These factors resulted in a funding gap that we have been working to fill.

In March 2025, an application was submitted to TDHCA's 2025-1 NOFA. However, the NOFA is for National Housing Trust Funds which are only able to fund 30% units. To meet the minimum request amount of \$4,000,000 the unit mix of the development had to shift significantly to make way for 10 additional 30% units. The development is now providing more affordable units than before and offering deeper affordability across the development.

Updated Exhibits

Please see attached updated rent schedule showing new unit mix. This has also been provided in the Multifamily Direct Loan application.

An explanation of whether the necessity of the amendment was reasonably foreseeable at the time of Application

When the initial application was submitted, we did not have National Housing Trust Funds layered into the financing structure. Once those funds were added into the capital stack, the unit mix had to change to account for the additional 30% units. There was no way to foresee the need for additional funding that required more deeply affordable units.

RESIDENTIAL DENSITY AMENDMENT

The Reason the Change is Necessary & Good Cause for the Change

930 Military Parkway has been in process since 2022. From initial communications with the landowners, it was clearly established that both parcels of the site must be acquired together. However, through the architectural and engineering process it was determined that only a portion of the front parcel was able to be developed due to the topography and flood zone of the back parcel. From the initial application submittal in March 2023, all improvements were located in the front parcel of the site out of the flood zone.

As mentioned in the previous amendment, these factors resulted in a funding gap that we have been working to fill. In addition to applying for MFDL funds through TDHCA, we have been working with the City of Mesquite on an impact fee waiver structure. In lieu of a Parkland Dedication fee, the City has agreed to the donation of the undeveloped second parcel as Parkland.

This change of site acreage does not fundamentally change the development in any way other than the residential density. The residential density will increase from approximately 13 units per acre to 24 units per acre. Despite this change, the site plan remains exactly the same as our initial application and MFDL application. The Parkland Dedication fee waiver is crucial to filling the financial gap of the development and the City of Mesquite is looking forward to maintaining the other parcel as Parkland.

Updated Exhibits

Please see attached letter from the City of Mesquite acknowledging the dedication of the second parcel of the site and the subsequent fee waiver. Also attached is the site plan and the map of the parcel that is being dedicated to show the site plan will not be changing.

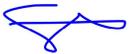
An explanation of whether the necessity of the amendment was reasonably foreseeable at the time of Application

When the initial application was submitted, we did not have confirmation that the City of Mesquite would allow us to dedicate the back parcel of the site in lieu of Parkland Dedication fees. Now that we have confirmation, we can move forward developing on solely the front portion of the site. It was not reasonably foreseeable that the City would agree to this structure but is now essential to the financial feasibility of the development.

We have also sent the required application fee via FedEx with check #676 paid by Riva Switzerland, Inc.

We request that this amendment be approved. If you have any questions, please do not hesitate to contact me via email at chunt@rivaswitzerland.com.

Best Regards,



Cody Hunt

Authorized Representative

MESQUITE

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Mayor

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Kenny Green
District 2

**Elizabeth Rodriguez-
Ross**
District 3

Tandy Boroughs
District 4

B.W. Smith
District 5

Brandon Murden
District 6

Cliff Keheley
City Manager

April 30, 2025

Cody J. Hunt
Authorized Representative
930 Military Parkway Living, Ltd.
13455 Noel Road, Suite 400
Dallas, Texas 75240

Dear Mr. Hunt,

Please accept this letter as formal acknowledgment that 930 Military Parkway Living, Ltd. will be dedicating a portion of their land to the City of Mesquite to address additional parkland needs for the community based on the impact of the Building Improvements as described in Article VI of the City of Mesquite's Subdivision Ordinance, Appendix B to the City's Code of Ordinances.

930 Military Parkway Living, Ltd. is dedicating Dallas County Parcel ID 65034265410190100, approximately 3.998 acres, for City use. This land dedication will waive any Parkland Fee requirement for 930 Military Parkway Living, Ltd. As a property owner in Mesquite.

Sincerely,



Cliff Keheley, ICMA-CM
City Manager

May 21, 2025

Ms. Lucy Weber
Texas Department of Housing and Community Affairs
Asset Management Division
221 East 11th Street
Austin, Texas 78701-2410

Re: TDHCA Project No. 24023; 930 Military Parkway Living (the “**Project**”);
Our File No. 52265.1

Dear Ms. Weber:

This law firm represents 930 Military Parkway Living, Ltd. (“**Applicant**”). The Applicant has requested that I prepare this letter, pursuant to Section 10.406 of the Texas Administrative Code describing a proposed ownership transfer to the Texas Department of Housing and Community Affairs (“**TDHCA**”) and requesting TDHCA’s approval of the contemplated transfer.

On behalf of Applicant, we are also writing to the TDHCA to request a waiver of §11.9(b)(2), Sponsor. Due to extenuating circumstances out the Applicant's control, a change in the ownership structure is necessary. The waiver will allow the change in the ownership structure documented in this request to reflect the admission to Applicant of (i) a new general partner and (ii) a class b limited partner.

This waiver is needed because §11.9(b)(2) states the HUB (defined hereinafter) must have ownership interest in the general partner. Under the proposed structure the HUB will have interest in the lass b limited partner member, but will perform the same duties, materially participate and be functionally equivalent to the general partner.

In its tax credit Application to TDHCA, the Applicant identified its general partner as 930 Military Parkway Living GP, LLC (the “**Initial General Partner**”), owned 70% by 930 Military Parkway Living GP MGR, Inc. (“**GP MGR**”) and 30% by The Land Experts, LLC (“**TLE**”), which is acting as the HUB in the transaction (“**HUB**”) (collectively, the “**Initial GP Members**”).

To protect the long-term feasibility of the Project, the Applicant now desires to make certain changes to utilize a 100% ad valorem tax exemption for the Project, including:

- Replacing the Initial General Partner with Mesquite 930 Military Parkway GP, LLC, a Texas limited liability company (“**Mesquite 930 GP**”), which is wholly owned by Mesquite Housing Finance Corporation (“**MHFC**”) and MHFC will act as a co-

developer. An affiliate of MHFC will also own the fee estate in the Project and act as the ground lessor under a Ground Lease to be entered into with the Applicant.

- Adding 930 Military Parkway Living SLP, LLC (the “**Class B Partner**”) as the class b limited partner of the Applicant to accommodate the addition of Mesquite 930 GP and the 100% ownership of Mesquite 930 GP by MHFC. The Class B Limited Partner will be owned by the Initial GP Members. We have updated the organizational charts accordingly in the package.

We are submitting this letter and the enclosed change of ownership application to seek TDHCA’s approval of the transfer of the Property. Per TDHCA’s change of ownership requirements, we have enclosed the following documentation:

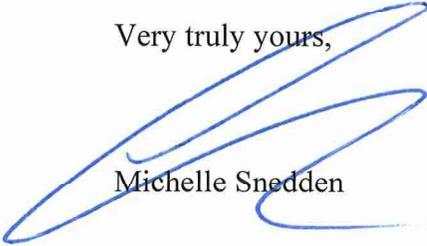
Tab 1.	<u>Letter of Explanation.</u>	Provided herein.
Tab 2.	<u>Ownership Transfer Information.</u>	Enclosed.
Tab 3.	<u>Pre-Transfer and Post-Transfer Organizational Charts.</u>	Enclosed.
Tab 4.	<u>New Organizational Chart Information.</u>	Enclosed.
Tab 5.	<u>Uniform Previous Participation.</u>	Enclosed.
Tab 6.	<u>Agreements Among Parties to the Transfer.</u>	Enclosed: Assignment & Assumption of Interests in General Partner. [The Partnership’s Amended and Restated Limited Partnership Agreement and the Ground Lease will be provided upon receipt].
Tab 7.	<u>Certificate of Tenant Notification.</u>	N/A
Tab 8.	<u>Credit Limit Certification Form.</u>	Enclosed.
Tab 9.	<u>Owner Certification Form.</u>	Enclosed.
Tab 10.	<u>Certification of Financial Statements</u>	Not Applicable .
Exhibit A	<u>Organizational Documents.</u>	Enclosed.
Exhibit B	through Exhibit G	Not Applicable.

May 21, 2025

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A material amendment request is being submitted simultaneously with the above request, along with a check for \$2,500. We have been advised that the \$1,000 transfer request fee can be waived in this instance. If you have any questions or concerns, please do not hesitate to contact me.

Very truly yours,



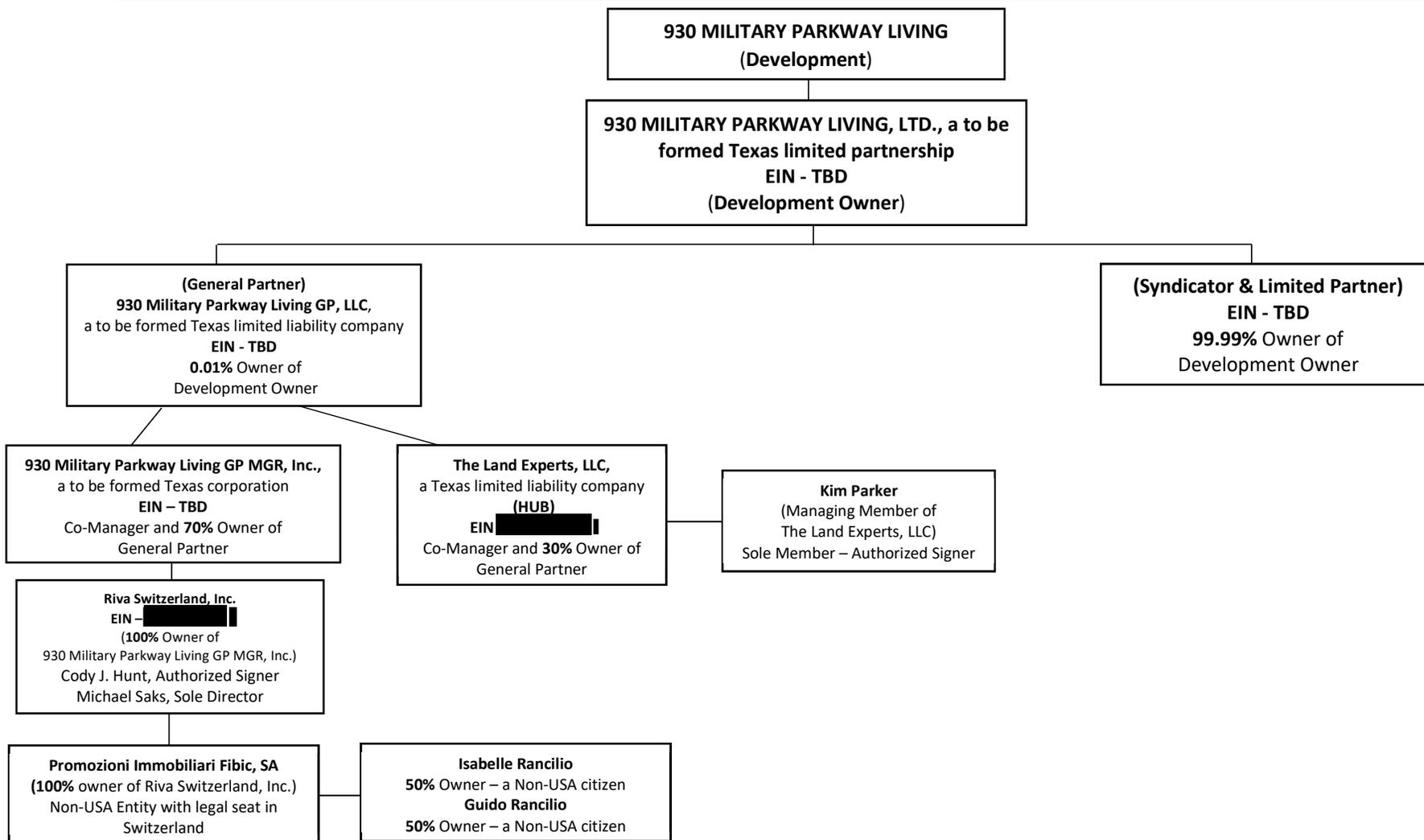
Michelle Snodden

R:\SHACKLAW\Military Parkway (52265)\1 - Organization & Maintenance\TDHCA
Transfer\Tab 1 - Letter of Explanation.final.doc

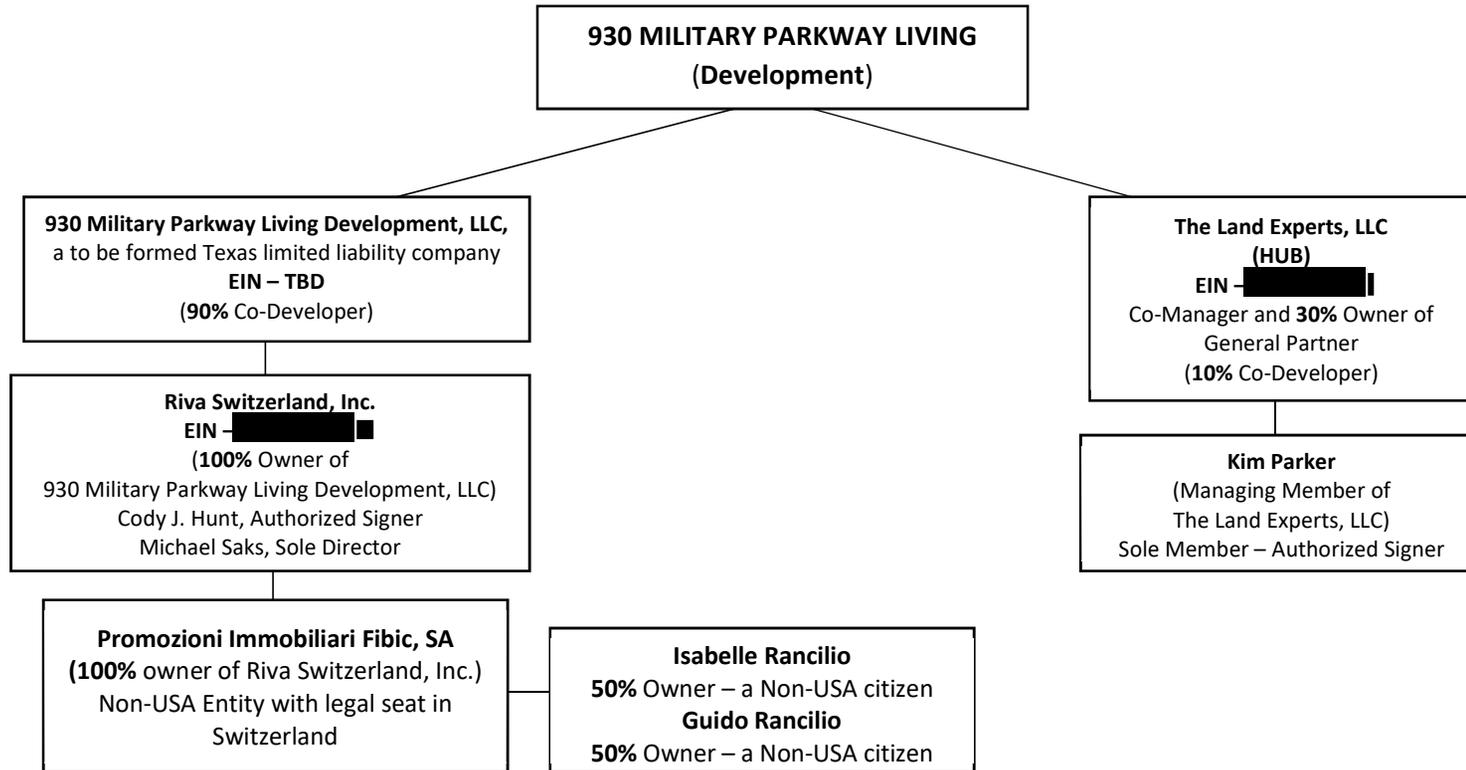
Shackelford, McKinley & Norton, LLP

Dallas Austin Fort Worth Houston New Orleans

**930 MILITARY PARKWAY LIVING OWNERSHIP STRUCTURE
(2023 9% Housing Tax Credit Application)**

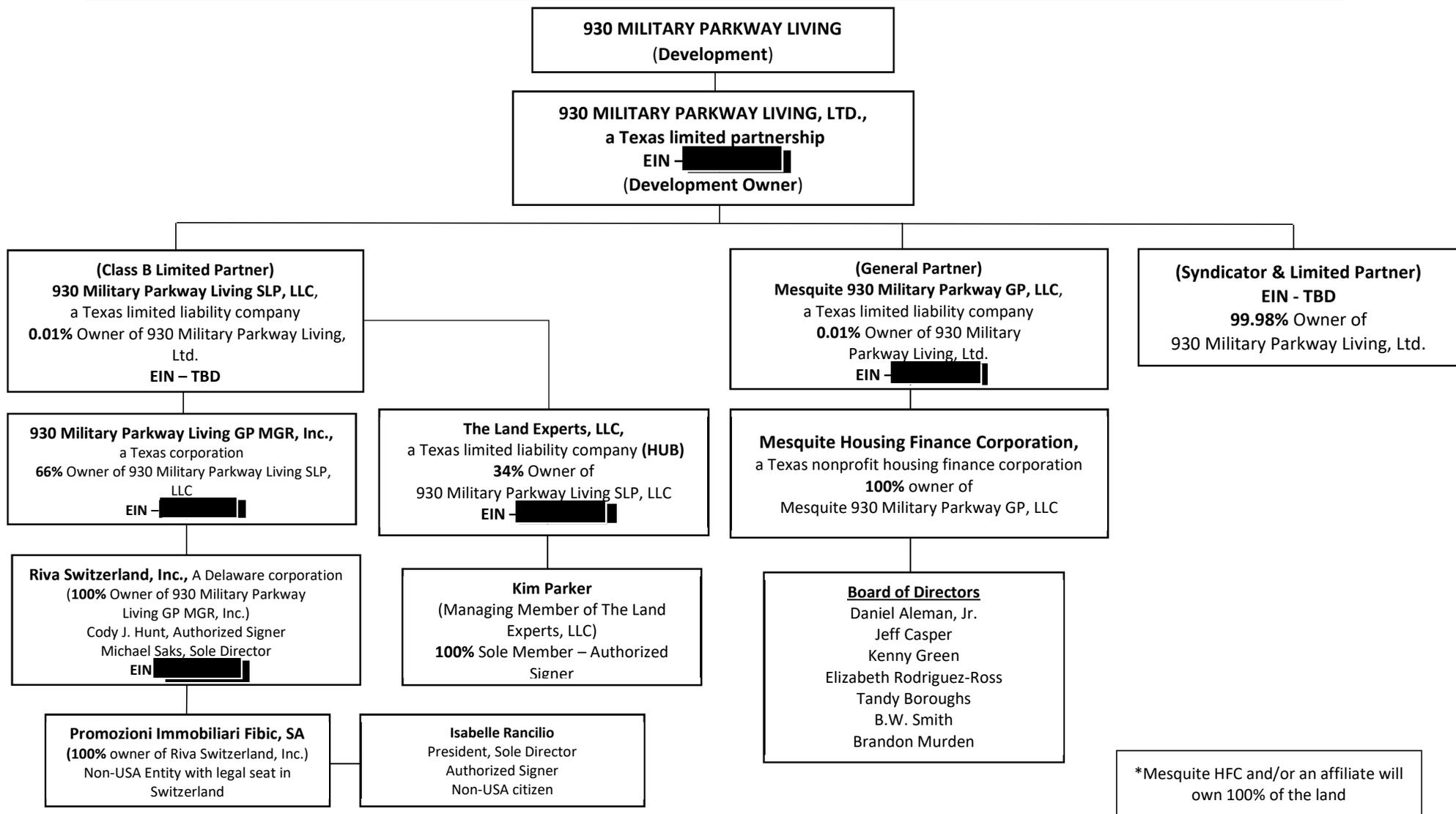


**930 MILITARY PARKWAY LIVING DEVELOPER STRUCTURE
(2023 9% Housing Tax Credit Application)**

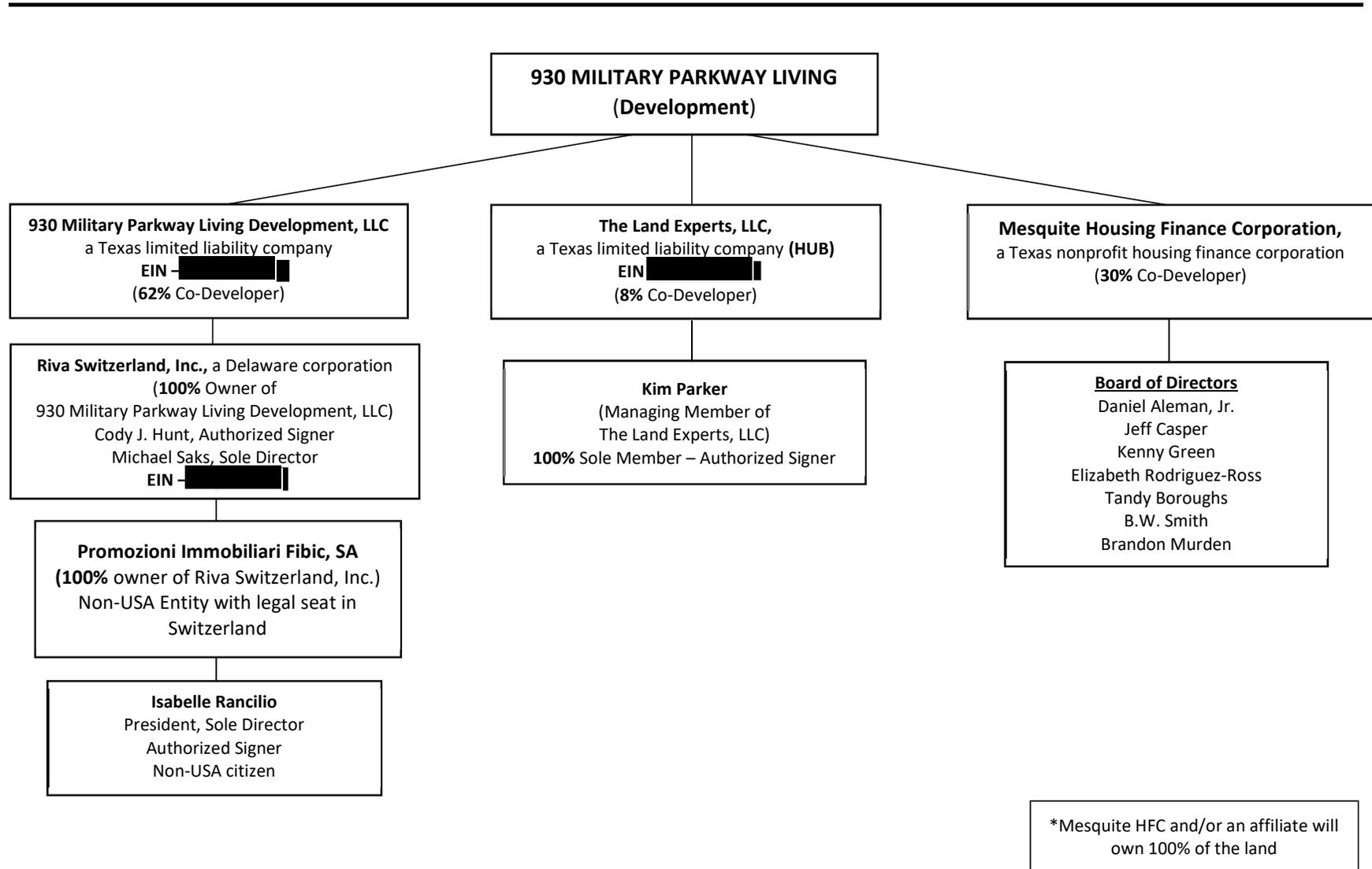


Post-Transfer Organization Chart

**930 MILITARY PARKWAY LIVING OWNERSHIP STRUCTURE
(2024 9% Housing Tax Credit Application)**



**930 MILITARY PARKWAY LIVING DEVELOPER STRUCTURE
(2024 9% Housing Tax Credit Application)**



RESOLUTION NO. 07-2025

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, SUPPORTING 930 MILITARY PARKWAY LIVING, LTD'S APPLICATION TO THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS (THE "TDHCA"), FOR THE CONSTRUCTION OF AN APPROXIMATELY 111-UNIT AFFORDABLE MULTI-FAMILY RENTAL HOUSING DEVELOPMENT TO BE LOCATED AT 930 MILITARY PARKWAY, IN ACCORDANCE WITH CHAPTER 2306 OF THE TEXAS GOVERNMENT CODE; AND AUTHORIZING THE CITY SECRETARY TO CERTIFY THE RESOLUTION TO THE TDHCA.

WHEREAS, 930 Military Parkway Living, Ltd. (the "**Applicant**"), proposed the construction of an approximately 111-unit affordable multi-family rental housing development located at 930 Military Parkway in the City of Mesquite in Dallas County (the "**Development**") that was adopted on February 19, 2024, pursuant to Resolution No. 10-2024; and

WHEREAS, the Applicant submitted an application to the Texas Department of Housing and Community Affairs ("**TDHCA**") for 2024 Competitive 9% Housing Tax Credits for the Proposed Development (the "**Application**"); and

WHEREAS, the Applicant is currently seeking approval of an organizational change from TDHCA to allow for a public-private partnership with Mesquite Housing Finance Corporation (the "**TDHCA Approval**"); and

WHEREAS, the City of Mesquite ("**City**"), acting through its governing body ("**City Council**"), previously approved the following Resolutions in support of the Development: (a) Resolution No. 02-2023, dated January 17, 2023, for 2023 competitive 9% housing tax credits program; and (b) Resolution No. 10-2024, dated February 19, 2024, for 2024 competitive 9% housing tax credits program

WHEREAS, subject to receipt of the TDHCA Approval, the Applicant intends to structure the Development to allow for a 100% property tax exemption under Chapter 394 of the Texas Local Government Code (the "**Code**"); and

WHEREAS, the City, acting through its governing body, continues to express its support for the aforementioned Development, and the terms and conditions of the application to TDHCA, including for a change in structure to allow for a property tax exemption.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS:

SECTION 1. After due consideration of the information provided by the Applicant and public comment at a duly called and noticed public hearing, the City Council, as the governing body of the City, continues supporting approval of Applicant's application to the TDHCA, and the restructure sought by the Applicant to apply for a 100% property tax exemption, as permitted under applicable law, for the Development.

Planning and Development / Continuing Support of 930 Military Parkway Proposed Affordable Rental Housing Units / February 17, 2025

Page 2 of 2

SECTION 2. This resolution is solely related to potential TDHCA financing for the proposed Development and is not a statement of approval for any other matter, including, but not limited to requirements of the City's Subdivision Ordinance, Zoning Ordinance, and other applicable regulations; Applicant has made no application for any permit as defined in Chapter 245 of the Texas Local Government Code.

SECTION 3. The City Secretary of the City of Mesquite, Texas, is hereby authorized, empowered, and directed to certify this resolution to the TDHCA. The City Manager is hereby authorized to provide correspondence to the TDHCA confirming the continued support of the Development.

DULY RESOLVED by the City Council of the City of Mesquite, Texas, on this 17th day of February 2025.

Signed by:
Daniel Alemán, Jr.
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Daniel Alemán, Jr.
Mayor

ATTEST:

DocuSigned by:
Sonja Land
C2518095973F46A...

Sonja Land
City Secretary

APPROVED AS TO LEGAL FORM:

Signed by:
David L. Paschall
666E18891208434...

David L. Paschall
City Attorney