



March 1, 2024

Mr. Bobby Wilkinson
Executive Director
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, TX 78701

Re: Waiver Request for Heritage Estates at Valley Ridge, TDHCA #24134 – Section 11.9(d)(5)(A) and (B) of the 2024 Qualified Allocation Plan, Community Support from State Representative

Dear Mr. Wilkinson,

The applicant for Heritage Estates at Valley Ridge, TX Valley Ridge 2024, Ltd. (the “Applicant”), respectfully requests a waiver of Section 11.9(d)(5)(A) and (B) of the 2024 Qualified Allocation Plan related to Community Support from State Representative. Specifically, the Applicant requests a waiver of the requirement that “Once a letter is submitted to the Department it may not be changed or withdrawn.”

Heritage Estates at Valley Ridge (the “Development”) is within District 65 and represented by State Representative Krona Thimesch. On February 15, 2024, Rep. Thimesch submitted a letter to TDHCA expressing a neutral position related to the Development (the “Original Letter”). The Representative was unaware that this neutral position would have an adverse effect on the scoring of the application for Heritage Estates at Valley Ridge. The Representative is a freshman and was unfamiliar with the specific TDHCA scoring requirements related to input from State Representatives. Upon learning about the specific requirements, Rep. Thimesch issued a second letter to TDHCA, dated February 29, 2024 (the “Revised Letter”), which revoked the initial letter of neutrality and stated that “no written statement of support, neutrality, or opposition is intended or will be provided by me for TDHCA application #24134.”

The letter dated February 29, 2024 would be considered under Section 11.9(d)(5)(B), No Letter from a State Representative. The Development received a support resolution from the City of Lewisville, and as such, TDHCA’s acceptance of the February 29, 2024 State Representative letter would result in the Development qualifying for 8 points by virtue of having received a city resolution of support.

Upon learning of the submission of the Original Letter, the City of Lewisville communicated to the State Representative the damage that is incurred with the neutral language of the letter, and explained that this proposed development is something the City is very supportive of and desperately needs. It was not Representative Thimesch’s intention to prevent the proposed Development from moving forward.

The State Representative’s Revised Letter with a request to revoke the Original Letter was submitted timely to TDHCA prior to the March 1, 2024 9% application deadline and Final Input from Elected Officials Delivery Date. Furthermore, the Revised Letter meets the requirements of Section 11.9(d)(5)(B) No Letter from a State Representative. We respectfully request that TDHCA allow State Representative Thimesch to revoke the Original Letter as requested, and that TDHCA award the Development 8 points on the basis of the Revised Letter, in accordance with Section 11.9(d)(5)(B) of the 2024 Qualified Allocation Plan.

The need for the waiver was not within the control of the Applicant because the input letter was submitted to TDHCA by a third party.



Conclusion

In accordance with 10 TAC §11.207(2), a waiver must establish how granting the waiver will better serve specific sections of the TDHCA's governing statute, Chapter 2306, than not granting the waiver. The Applicant asserts that granting the subject waiver request will better serve the following policies and purposes in Chapter 2306:

- "provide for the housing needs of individuals and families of low, very low, and extremely low income and families of moderate income" (§2306.001(2));
- "encourage the development and preservation of appropriate types of rental housing for households that have difficulty finding suitable, affordable rental housing in the private marketplace" (§2306.6701(1)); and
- "maximize the number of suitable, affordable residential rental units added to the state's housing supply" (§2306.6701(2)).

Approval of this waiver will facilitate the development of a multifamily property targeting low income Texans. The waiver will allow the Applicant to provide suitable, affordable rental units on the proposed site, which is located in a significantly underserved and a highly desirable, high opportunity area of the state. There are no existing housing tax credit properties in the area. The area has high market rents and a lack of available units at nearby multifamily properties. To the extent that such a waiver is not provided, the prospective tenants of Heritage Estates at Valley Ridge will find it near impossible to find local, affordable options in the private marketplace. Furthermore, the waiver will allow the applicant to add much needed affordable rental units to the state's housing supply.

Based on the information contained herein, the Applicant asserts that this request for a waiver meets all elements of the QAP's provisions governing the granting of a waiver. We respectfully request that staff and the board support a waiver of Section 11.9(d)(5)(A) and (B) of the 2024 Qualified Allocation Plan. We believe that the unique characteristics of the Heritage Estates at Valley Ridge development are an ideal example of the need for a waiver process. Should additional information to support this waiver request be necessary, we will make every effort to provide the information in a timely manner. Thank you for your consideration.

Sincerely,

Adrian Iglesias
Authorized Representative

TEXAS HOUSE *of* REPRESENTATIVES



KRONDA THIMESCH

DISTRICT 65

February 15, 2024

Cody Campbell
Director of Multifamily Finance
Texas Department of Housing and Community Affairs
P.O. Box 13941
Austin, Texas 78711

RE: Heritage Estates at Valley Ridge, TDHCA Project No. 24134

Dear Mr. Campbell,

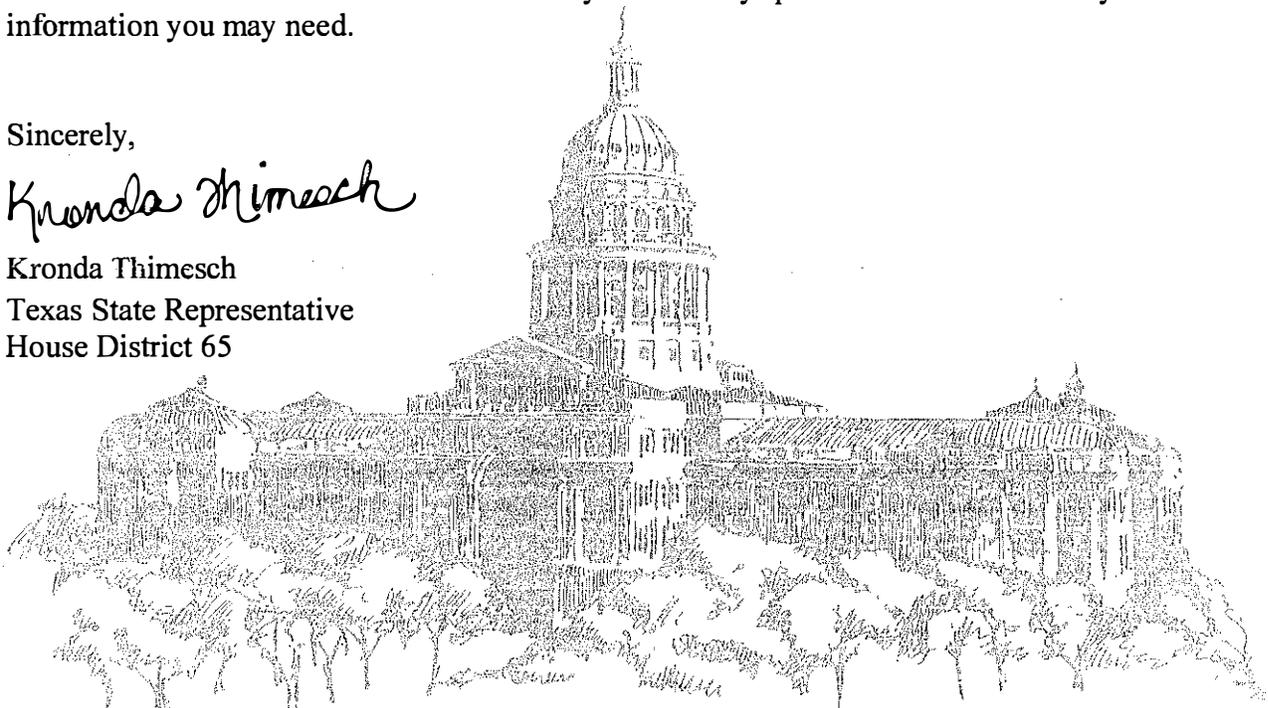
I write to provide a written statement of neutrality for Heritage Estates at Valley Ridge, a proposed apartment complex whose target is our elderly population in Lewisville. It is my understanding that the applicant is seeking 9% housing tax credits from the Texas Department of Housing and Community Affairs for this project, which would be located in House District 65. As the State Representative for this area, I would like to express my neutrality towards this proposed development.

Please do not hesitate to contact me should you have any questions or if there is any additional information you may need.

Sincerely,

A handwritten signature in cursive script that reads "Kronda Thimesch".

Kronda Thimesch
Texas State Representative
House District 65



TEXAS HOUSE *of* REPRESENTATIVES



KRONDA THIMESCH

DISTRICT 65

February 29, 2024

Cody Campbell
Director of Multifamily Housing
Texas Department of Housing and Community Affairs (TDHCA)
P.O. Box 13941
Austin, TX 78711

Re: Heritage Estates at Valley Ridge, TDHCA Project No. 24134

Dear Mr. Campbell:

After further consideration and a more thorough understanding of the impact of state representative letters on TDHCA applications, I would like to rescind the NEUTRAL letter that my office sent your department on February 15, 2024.

Furthermore, no written statement of support, neutrality, or opposition is intended or will be provided by me for TDHCA application #24134.

Please do not hesitate to contact me should you have any questions or if there is any additional information you may need.

Sincerely,

A handwritten signature in black ink that reads "Kronda Thimesch".

Kronda Thimesch
Texas State Representative
House District 65



RESOLUTION NO. 0642-24-RES

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS, SUPPORTING AN APPLICATION FOR COMPETITIVE (9%) HOUSING TAX CREDITS FROM THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS FOR A PROPOSED MIXED-INCOME SENIOR LIVING DEVELOPMENT BY GENERATION HOUSING PARTNERS, OR AN AFFILIATE, TO BE LOCATED AT THE SOUTHEAST CORNER OF W VALLEY RIDGE BLVD AND N GARDEN RIDGE BLVD; COMMITTING TO A DEVELOPMENT INCENTIVE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Generation Housing Partners (GHP) has proposed a development for affordable senior rental housing, named **Heritage Estates at Valley Ridge, to be located at the Southeast corner of W Valley Ridge Blvd and N Garden Ridge Blvd in the City of Lewisville;** and

WHEREAS, GHP will submit an application to the Texas Department of Housing and Community Affairs (TDHCA) for 2024 Competitive (9%) Housing Tax Credits for the proposed Heritage Estates at Valley Ridge development (“TDHCA Application”); and

WHEREAS, the Lewisville 2025 Vision Plan Update contains a big move to “Diverse and Thriving Neighborhoods” with the considerations of retaining lifelong residents and making Lewisville the location of choice for all ages and incomes; and

WHEREAS, the City of Lewisville has recognized a need for diverse housing options for residents of all incomes and older residents; and

WHEREAS, the proposed Heritage Estates at Valley Ridge development would directly assist in providing housing options for low-income residents and contribute to diverse and thriving neighborhoods; and

WHEREAS, the City commits to providing a development incentive in the form of a \$500 reduction to the New Commercial Construction permit fee for the proposed Heritage Estates at Valley Ridge development conditioned upon receipt of the 2024 Competitive (9%) Housing Tax Credits; and

WHEREAS, this resolution is specifically related to potential financing only and makes no finding regarding either the suitability of the proposed development site or compliance with the City's development or zoning regulations; and approval of this resolution will not be construed as a development permit or approval or a zoning change approval; and

WHEREAS, it is in the public interest of the citizens of the City of Lewisville that the TDHCA Application be made for such funding; and

WHEREAS, pursuant to Section 11.9 of the Qualified Allocation Plan and Chapter 2306 of the Texas Government Code, the City of Lewisville desires to provide a Resolution of Support to GHP, or an affiliate, for the TDHCA Application, and provide a development incentive in the form of a reduced permit fee to GHP, or an affiliate, for the benefit of the proposed Heritage Estates at Valley Ridge development.

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

SECTION 1. All matters stated in the preamble are found to be true and correct and are hereby incorporated into the body of this resolution as if copied in their entirety.

SECTION 2. The City of Lewisville, acting through its governing body, supports the application for 2024 Competitive (9%) Housing Tax Credits from the TDHCA for the proposed

Heritage Estates at Valley Ridge development to be located at the Southeast corner of W Valley Ridge Blvd and N Garden Ridge Blvd in the City of Lewisville.

SECTION 3. The City of Lewisville approves and authorizes a development incentive in the form of a \$500 reduction to the New Commercial Construction permit fee for the proposed Heritage Estates at Valley Ridge development conditioned upon receipt of the 2024 Competitive (9%) Housing Tax Credits.

SECTION 4. The City of Lewisville recognizes that a zone change will be required in order to construct the proposed Heritage Estates at Valley Ridge project, and this resolution in no way grants approval of the zone change or commits the City to granting the zone change. The zone change request must follow the required process under state and local law.

SECTION 5. The City Manager is hereby authorized, empowered, and directed to submit this resolution, and to draft and submit a letter stating the City will provide a development incentive for the proposed Heritage Estates at Valley Ridge development, to the TDHCA.

SECTION 6. This resolution shall become effective immediately upon its passage.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS, ON THIS THE 19th DAY OF FEBRUARY, 2024.

APPROVED:


TJ Gilmore, MAYOR