

**Texas Department of Housing and Community Affairs Governing Board
Board Meeting Minutes Summary
March 7, 2024**

On Tuesday, the seventh day of March 2024, at 10:00 a.m., the regular meeting of the Governing Board (Board) of the Texas Department of Housing and Community Affairs (“TDHCA” or “the Department”) was held in the Williamson Board Room of the TxDOT Greer Building, 125 E. 11th Street, Austin, Texas.

The following members, constituting a quorum, were present and voting:

- Leo Vasquez, III, Chair
- Kenny Marchant, Vice Chair
- Anna Maria Farias
- Holland Harper
- Ajay Thomas

Mr. Vasquez served as Chair, and James “Beau” Eccles, TDHCA General Counsel, served as Secretary.

- 1) The Board unanimously approved the Consent Agenda and Consent Agenda Report items (Items 1-18) as presented.
- 2) Action Item 19 – Executive Director’s Report – was presented by Bobby Wilkinson, TDHCA Executive Director. The Board heard the report and took no further action.
- 3) Action Item 20 – Report on the Meeting of the Internal Audit and Finance Committee – was presented by Ajay Thomas, Chairman, TDHCA Governing Board Audit and Finance Committee. The Board heard the report and took no further action.
- 4) Action Item 21 – Review and possible acceptance of the State Auditor’s Office audit of the TDHCA Fiscal Year 2023 Financial Statements – was presented by Jessica Prieto, Senior Auditor, State Auditor’s Office. The Board voted unanimously to accept the SAO audit as described in the item and presentation.
- 5) Action Item 22 – Presentation, discussion, and possible action regarding a material amendment to the Housing Tax Credit Application, changes to the ownership structure, and a waiver of 10 TAC §11.9(b)(2)(A) for Celebration Paris (HTC #22219/#23814) – was presented by Rosalio Banuelos, TDHCA Director of Asset Management, with additional information from Mr. Wilkinson; Mr. Eccles; and Cody Campbell, TDHCA Director of Multifamily Finance.

Following public comment (listed below), the Board by a 3-2 vote (Vasquez and Thomas voted “nay”) against staff recommendation to deny the developer’s requests and approved a modified material amendment request (reducing the required number of units from 76 to 64

units) and granted the developer's requests for changes to the ownership structure and a rule waiver.

- Michael Lyttle, TDHCA Director of External Affairs, read a letter into the record from the Honorable Bryan Hughes, State Senator, District 1, in support of the developer's requests
- Alan Null, developer for Celebration Paris, provided comments in opposition to staff recommendation
- Brett Keen, Rea Ventures and part of the Celebration Paris development team, provided comments in opposition to staff recommendation
- Reginald V. Hughes, Mayor of Paris, provided comments in opposition to staff recommendation

6) Teresa Morales, TDHCA Director of Multifamily Bonds, presented Action Item 23 – Quarterly report relating to staff-issued Determination Notices for 2023 Non-competitive 4% Housing Tax Credit applications and a 2024 Program update. The Board heard the report and took no further action.

7) Action Item 24 – Presentation and Discussion regarding the pending issuance of Texas Department of Housing and Community Affairs Residential Mortgage Revenue Bonds, Series 2024A (Non-AMT) and Series 2024B (Taxable) – was presented by Scott Fletcher, TDHCA Director of Bond Finance. The Board heard Mr. Fletcher's presentation, participated in discussion about the item, and took no further action.

8) Action Item 25 – Presentation, discussion, and possible action on awards for the 2024 Community Services Block Grant discretionary fund Reentry Assistance Program – was presented by Gavin Reid, TDHCA Planning Manager for the Community Affairs Division. The Board unanimously adopted staff recommendation to approve the awards as described in the item.

9) Action Item 26 – Presentation, discussion, and possible action on State Fiscal Year 2024 Veterans Transitional Housing Pilot Program Awards – was presented by Rosy Falcon, TDHCA Manager for Homeless Programs. The Board unanimously adopted staff recommendation to approve the awards as described in the item.

10) Action Item 27 – Presentation, discussion, and possible action authorizing amendments to a vendor contract with Yardi Systems, Inc., for the Homeowner Assistance Fund Program as required by Texas Government Code, Chapter 2155 – was presented by Lizet Hinojosa, TDHCA Director of the Homeowners Assistance Fund Program. The Board unanimously adopted staff recommendation to approve the contract amendments.

11) Action Item 28 – Presentation, discussion, and possible action on a request for return and reallocation of tax credits under 10 TAC §11.6(5) related to Credit Returns Resulting from Force Majeure Events for Cypress Creek at Montfort Drive (#22110) – was presented by Mr.

Campbell. Following public comment (listed below), the Board unanimously adopted staff recommendation to approve the developer's request.

- Zachary Krochtengel, Sycamore Strategies and the developer of Cypress Creek at Montford Drive, provided comments in support of staff recommendation

12) Action Item 29 – Presentation, discussion, and possible action regarding a waiver of the 2024-1 National Housing Trust Fund Notice of Funding Availability for Burleson Studios (24454) – was presented by Mr. Campbell. Following public comment (listed below), the Board unanimously approved staff recommendation to deny the waiver request.

- Walter Moreau, Foundation Communities and the developer, provided comments in opposition to staff recommendation

13) Action Item 30 – Presentation, discussion, and possible action related to a requested staff determination of eligibility for Reserve at Kilgore (24048) – was presented by Mr. Campbell with additional information from Mr. Wilkinson. Following public comment (listed below), the Board adopted staff recommendation to make the preliminary determination that the Development Site for the proposed development of Reserve at Kilgore is not ineligible based solely upon the facts as disclosed prior to the submission of the full 9% Application, but reserves the ability to revisit this determination should additional information that negatively bears on this issue be discovered through the application process, all as described in the item.

- Sarah André, consultant for the proposed development, provided comments in support of staff recommendation

14) Action Item 31 – Presentation, discussion, and possible action regarding a waiver of 10 TAC §11.2(a) for Legend Oaks – was presented by Mr. Campbell. Following public comment, the Board unanimously adopted a motion to deny the waiver request.

- Zach Cavender, developer for Legend Oaks, provided comments in support of the waiver request being granted
- Robbye Meyer, Arx Advantage, provided comments in opposition to the waiver request being granted
- Joel Cortez, Hamilton Valley Management, provided comments in opposition to the waiver request being granted

15) Action Item 32 – Presentation, discussion, and possible action regarding the approval for publication of the 2024-2 and 2024-3 Multifamily Direct Loan Notices of Funding Availability – was presented by Connor Jones, TDHCA Manager of the Multifamily Direct Loan Program. The Board unanimously adopted staff recommendation to approve issuance of the NOFAs.

Except as noted otherwise, all materials presented to and reports made to the Board were approved, adopted, and accepted. These minutes constitute a summary of actions taken. The full transcript of the meeting, reflecting who made motions, offered seconds, etc., questions and responses, and details of comments, is retained by TDHCA as an official record of the meeting.

There being no further business to come before the Board, the meeting adjourned at 12:43 p.m. The next meeting is scheduled for Thursday, April 11, 2024.

Secretary

Approved:

Chair