

Texas Department of Housing and Community Affairs Governing Board
Board Meeting Minutes Summary
July 25, 2024

On Thursday, the twenty-fifth day of July 2024, at 10:00 a.m., the second of two meetings in July 2024 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
- Cindy Conroy
- 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 approved the Consent Agenda and Consent Agenda Report items (items 1-7) as presented. Member Conroy left the dais and abstained from voting.

2) Member Conroy returned to the dais and the Board took up Action Item 8 – the Executive Director’s Report – with Bobby Wilkinson, TDHCA Executive Director, presenting. The Board heard the report and took no further action.

3) Action Item 9 – Report on the closing of the Department's Residential Mortgage Revenue Bonds 2024 Series C (Tax-Exempt) and Series D (Taxable) – was presented by Scott Fletcher, TDHCA Director of Bond Finance. The Board heard the report and took no further action.

4) Action Item 10 – Presentation, discussion, and possible action regarding a waiver of 10 TAC §11.101(a)(1) of the Qualified Allocation Plan (QAP), related to the Development Floodplain requirements for Hollister Apartments in Dickinson, Galveston County – was presented by Teresa Morales, TDHCA Director of Multifamily Bonds, with additional information from Mr. Wilkinson. Following public comment (listed below), the Board unanimously denied the waiver request.

- Sallie Burchett, Structure Development and representing the applicant and property owner, provided comments in support of the waiver request
- Kent Piotrkowski, Lone Star Capital and part of the development team, provided comments in support of the waiver request

5) Action Item 11 – Presentation, discussion, and possible action on an appeal for Solano Apartments (#24457) – was presented by Ms. Morales. Additional information was provided by Mr. Wilkinson and Jeanna Adams, TDHCA Director of Real Estate Analysis. Following public comment (listed below), the Board unanimously adopted staff recommendation to deny the appeal.

- Cynthia Bast, Locke Lord attorney and representing the applicant, provided comments in opposition to staff recommendation

6) Action Item 12 – Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application for Lost Oaks (HTC #23209) – was presented by Rosalio Banuelos, TDHCA Director of Asset Management, with additional information from Mr. Wilkinson and Mr. Eccles. The Board unanimously adopted staff recommendation to approve the material amendment request.

7) Action Item 13 – Presentation, discussion, and possible action on an order proposing amendments to 10 Texas Administrative Code Chapter 10, Uniform Multifamily Rules, Subchapter I, Public Facility Corporation Compliance Monitoring §1.1103 Reporting Requirements and directing its publication for public comment in the *Texas Register* – was presented by Wendy Quackenbush, TDHCA Director of Multifamily Compliance, with additional information from Mr. Wilkinson. The Board unanimously adopted staff recommendation to approve the proposed amendments to the PFC Monitoring rules to publish for public comment.

8) Action Item 14 – Presentation, discussion, and possible action confirming obligations for those properties recommended for an award of competitive low income housing tax credits that sought and were awarded one point for committing at least an additional 2% of the total Units to Persons referred from the Continuum of Care or local homeless service providers to be made available for those experiencing homelessness under 10 TAC §11.9(c)(4) related to Residents with Special Housing Needs – was presented by Cody Campbell, TDHCA Director of Multifamily Finance, with additional information from Mr. Wilkinson.

The Board unanimously approved staff recommendation to award one point under the 2024 QAP to the applications listed in the item for committing at least an additional 2% of the total units be made available for those persons experiencing homelessness and referred from a continuum of care or local homeless service providers.

9) Action Item 15 – Presentation, discussion, and possible action on an extension of the development period for Eastern Oaks – was presented by Connor Jones, TDHCA Manager of the Multifamily Direct Loan Program. The Board unanimously adopted staff recommendation to approve the extension of the development period and the rule waiver request.

10) Action Item 16 – Presentation, discussion, and possible action on an approval of a loan of National Housing Trust Fund to Robinhood Terrace Apartments – was pulled from the agenda and not heard.

11) Action Item 17 – Presentation, discussion, and possible action regarding a waiver of 10 TAC §13.8(b)(4) of the 2022 Multifamily Direct Loan rule for Rio Manor – was presented by Mr. Jones with additional information from Mr. Wilkinson; Mr. Eccles; Mr. Campbell; and Megan Sylvester, TDHCA Deputy General Counsel.

Following public comment (listed below), the Board denied the requested waiver of 10 TAC §13.8(b) for Rio Manor and determined in this matter only that the proposed financial structure complies with the rule as interpreted by staff provided the Wells Fargo loan is ahead of the department's loan in payment priority only during the development period and in no case more than four years from the contract execution date.

- Brad McMurray, Prospera and the applicant, provided comments in support of staff recommendation

12) Action Item 18 – 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 Celebration Paris – was presented by Josh Goldberger, TDHCA Manager of the Competitive (9%) Housing Tax Credit Program. The Board unanimously adopted staff recommendation to approve the force majeure request.

13) Action Item 19 – Presentation, discussion, and possible action regarding appeals related to the 2024 9% Housing Tax Credit Round – was presented by Mr. Campbell with additional information from Mr. Wilkinson; Mr. Eccles; and Jeanna Adams, TDHCA Director of Real Estate Analysis. Following public comment (listed below), the Board approved staff recommendation to deny the appeal from the Reserve at Woodland Heights.

- Michael Lyttle, TDHCA Director of External Affairs, informed the Board that TDHCA received a letter of support from Dr. Guessippina Bonner, a Lufkin City Council member, for the appeal from the Reserve at Woodland Heights
- Sallie Burchett, Structure Development and the consultant on this transaction, provided comments in opposition to staff recommendation
- Tamea Dula, Coats Rose attorney and representing the applicant, provided comments in opposition to staff recommendation
- Darren Smith, Pivotal Housing and part of the development team, provided comments in opposition to staff recommendation
- Cynthia Bast, Locke Lord attorney and representing the consultant, provided comments in opposition to staff recommendation
- Russ Michaels, Texas Inter-Faith Group, provided comments in support of staff recommendation

14) Action Item 20 – Presentation, discussion, and possible action regarding awards to 2024 9% Competitive Housing Tax Credit Applicants and approval of the waiting list for the 2024 Competitive Housing Tax Credit Application Round – was presented by Mr. Campbell with

additional information from Mr. Wilkinson and Mr. Eccles. Following public comment (listed below), the Board adopted staff recommendation and approved the list of eligible applications for award as defined in the item.

- Tamea Dula, Coats Rose attorney and representing #24085 Eberhart Place, provided comments in opposition to staff recommendation
- Tracey Fine, National Church Residences and the applicant for Eberhart Place, provided comments in opposition to staff recommendation
- Cynthia Bast, Locke Lord attorney and representing #24018 Bailey at Stassney, provided comments on the item
- Janine Sisak, DMA Development Company, provided comments on the item
- Michael Beard, BETCO Consulting, provided comments on the item
- Sallie Burchett, Structure Development and consultant for Bailey at Stassney, provided comments in support of staff recommendation
- Michael Fogel, Trinity Housing Development and applicant for #24216 Longview Terrace, provided comments in opposition to staff recommendation
- Brandon Fitch, Linville Capital and representing #24136 Moore Grocery Lofts, provided comments in support of staff recommendation
- Ms. Bast, representing Moore Grocery Lofts, also made comments in support of staff recommendation
- Sarah Anderson, S. Anderson Consulting, provided comments in opposition to staff recommendation
- Robbye Meyer, Arx Advantage, provided comments in support of staff recommendation

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 1:49 p.m. The next meeting is scheduled for Thursday, September 5, 2024.

Secretary

Approved:

Chair