

February 19, 2025

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

Re: Waiver Request for GardenWalk of West Columbia, TDHCA #25185 – 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 GardenWalk of West Columbia, TX West Columbia 2025, Ltd. (the "Applicant"), respectfully requests a waiver of Section 11.9(d)(5)(A) and (B) of the 2025 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requests a waiver of the requirement that "Once a letter is submitted to the Department it may not be changed or withdrawn."

GardenWalk of West Columbia (the "Development") is within District 25 and represented by State Representative Cody Vasut. On January 27, 2025, Rep. Vasut 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 GardenWalk of West Columbia. The Representative was unfamiliar with the specific TDHCA scoring requirements related to input from State Representatives. Upon learning about the specific requirements and the impact of state representative letters on TDHCA applications, Rep. Vasut issued a second letter to TDHCA, dated February 11, 2025 (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 #25185."

The letter dated February 11, 2025 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 West Columbia, and as such, TDHCA's acceptance of the February 11, 2025 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 Applicant of West Columbia 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. It was not Representative Vasut intention to prevent the proposed Development from moving forward or harm the Applicant's score.

The State Representative's Revised Letter with a request to revoke the Original Letter was submitted timely to TDHCA prior to the February 28, 2025 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 Vasut 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 aimed at providing affordable housing for very low and low-income residents. The waiver will allow the Applicant to complete a substantial rehabilitation of a USDA development that has not been rehabilitated since construction in July 22, 1985. The Development is in desperate need of rehabilitation, as the property has significantly deteriorated over the years. The planned rehabilitation will bring vital improvements to both the property and the surrounding community. While the local market has high rents, this rehabilitation project will provide much-needed affordable housing options in a desirable location. Without this waiver, prospective tenants at GardenWalk of West Columbia would face significant difficulty in finding suitable affordable housing options in the local market.

Furthermore, granting this waiver will enable the Applicant to extend the availability of muchneeded affordable rental units in the state's housing supply, improving both the quality of housing and the overall community. 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 2025 Qualified Allocation Plan. We believe that the unique characteristics of the GardenWalk of West Columbia 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,

Shawn Smith

Authorized Representative

Shawn Suth



CODY THANE VASUT



TEXAS HOUSE OF REPRESENTATIVES

District 25

VIA E-MAIL AND MAIL

January 27, 2025

Texas Department of Housing and Community Affairs Multifamily Finance Division P.O. Box 13941 Austin, TX 78711-3941

Re: GardenWalk of West Columbia - TDHCA Application # 25185

It is my policy to remain neutral on applications for housing tax credits unless extenuating circumstances exist, such as a letter of opposition from a local taxing authority. To date, my office has not received any opposition from local taxing entities to Housing Tax Credit Application #25185, proposed to be located on Lamar Street in West Columbia, Texas. However our office has received mixed comments from my constituents and members of the community.

Accordingly, please accept this as a letter of neutrality on this project.

Sincerely,

Cody Thane Vasut

House Representative District 25





CODY THANE VASUT



TEXAS HOUSE OF REPRESENTATIVES

District 25

VIA E-MAIL AND MAIL

February 11, 2025

Texas Department of Housing and Community Affairs Multifamily Finance Division P.O. Box 13941 Austin, TX 78711-3941

Re: GardenWalk of West Columbia - TDHCA Application # 25185

After further conversation 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 January 27th, 2025.

Furthermore, no written statement of support, neutrality, or opposition is intended or will be provided by me for TDHCA Application #25185

Sincerely,

Cody Thane Vasut

House Representative District 25



FROM THE CITY COUNCIL OF WEST COLUMBIA, TEXAS

The Birthplace of the Republic of Texas!

RESOLUTION NO. <u>620</u>

WHEREAS, Belmont Development Company, LLC has proposed the rehabilitation of affordable rental housing at 431 Lamar St, currently named West Columbia Plaza Apartments in the City of West Columbia, Brazoria County, Texas; and

WHEREAS, Belmont Development Company, LLC has advised that it intends to rename West Columbia Plaza Apartments to GardenWalk of West Columbia as part of the rehabilitation project, and

WHEREAS, Belmont Development Company, LLC has advised that it intends to submit an application to the Texas Department of Housing and Community Affairs for 2025 Competitive 9% Housing Tax Credits for the GardenWalk of West Columbia; and

WHERAS, Belmont Development Company, LLC has requested a waiver of development/permit fees in the amount of \$250.00 for the GardenWalk of West Columbia development as a commitment of development funding from the City of West Columbia, Texas; and

WHEREAS, the City of West Columbia, Texas has the authority to waive development fees on the property located at 431 Lamar St;

IT IS HEREBY RESOLVED, THAT the governing body of the City of West Columbia, Texas, hereby adopts this resolution as evidence to its commitment of funds in the amount of \$250.00 to be provided to the development in the form of a waiver of development/permit fees; and

FURTHER RESOLVED, that for and on behalf of the Governing Body, Laurie Kincannon, Mayor is hereby authorized, empowered, and directed to certify that it supports the rehabilitation of the GardenWalk of West Columbia located at 431 Lamar St.

WITNESS my hand as Mayor of the City of West Columbia on this 10th day of February 2025.

AURIE B. KINCANNON

ATTEST:

KAILI M. AVIRETT City Secretary