

BRANIFF LOFTS LP

August 27, 2025

Cody Campbell
TDHCA Multifamily Director
221 East 11th St.
Austin, TX 78711

RE: Appeal of Termination of Braniff Lofts TCAP-RF Application (TDHCA #25507)

Mr. Campbell,

Please consider this an appeal of the above referenced termination for Braniff Lofts. Per the termination letter, Application for Braniff Lofts requested \$10 million at 2% interest, but with no annual debt service. Staff contends that when fully amortizing the loan as required, the Application is infeasible.

We agree that the requirement to debt service the loan does not work for a Supportive Housing deal like Braniff Lofts. In fact, it seems that in the history of TDHCA funding of approximately 34 Supportive Housing developments only one deal looks to have been required to actually pay a debt service to TDHCA as part of the financial structure.

Prior to the 2025-1 NOFA, MFDL funds from 2020-2022 had special set asides or allowances for Supportive Housing deals and their unique circumstances/needs with regard to debt financing -- either as differed-forgivable, differed-payable, cashflow, or zero percent loans, or "as required to optimize assistance to the development as recommended by REA." Unfortunately, the 2025-1 NOFA does not contain this language. Without these allowances, a Supportive Housing deal cannot realistically use these funds.

To ensure that those Texans with the highest need are served, a primary goal of the Department, we respectfully request that an Amendment to the NOFA be approved and published. This Amendment would include language and terms that will allow Supportive Housing developments to utilize the NOFA funds and meet their specific financing needs including deferred-forgivable, deferred-payable, cashflow, or zero percent loans, or other structures as required to optimize assistance to the development. We request that Braniff Lofts be reinstated so that it may have access to these funds.

Sincerely,



Jessica Krochtengel