



Texas Department of Housing and Community Affairs

Governing Board

Board Action Request

File #: 1464

Agenda Date: 6/4/2026

Agenda #:

Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application for Las Fuentes (HTC #25053)

RECOMMENDED ACTION

WHEREAS, Las Fuentes (the Development) received an award of 9% Housing Tax Credits (HTCs) in 2025 for the construction of 105 multifamily units for the elderly population in Mission, Hidalgo County;

WHEREAS, RST Las Fuentes, LP (Applicant) requests approval for a significant modification of the site plan and architectural design, including an increase from two residential buildings and one common areas building to five residential buildings and one common areas building, a decrease in the common area of 3,033 square feet, or 15.33%, from 19,788 square feet to 16,755 square feet, and a decrease in the parking count of 36 spaces, or 14.63%, from 246 open parking spaces to 210 open spaces;

WHEREAS, Board approval is required for a significant modification of the site plan, a reduction of 3% or more in the square footage of the Units or common areas, and a significant modification of the architectural design of the Development as directed in Tex. Gov't Code §2306.6712(d)(1), (4), and (5), and in 10 TAC §10.405(a)(4)(A), (D), and (E), and the Applicant has complied with the amendment requirements therein; and

WHEREAS, the requested changes do not negatively affect the Development, impact the viability of the transaction, impact the scoring of the Application, or impact the HTC award;

NOW, therefore, it is hereby

RESOLVED, that the requested material amendment to the Housing Tax Credit Application for Las Fuentes is approved as presented at this meeting, and the Executive Director and his designees are each authorized, directed, and empowered to take all necessary action to effectuate the foregoing.

BACKGROUND

Las Fuentes was approved for a 9% HTC award in 2025 for the construction of 105 units of multifamily housing for the elderly population in Mission, Hidalgo County. In a letter dated April 13, 2026, Clifton Phillips, the representative of the Applicant, requested approval for a material amendment to the Application for a significant modification of the site plan, a significant

modification of the architectural design, and a reduction of 3% or more in the square footage of the common areas.

The significant modifications of the site plan and architectural design include an increase from two residential buildings and one common areas building to five residential buildings and one common areas building, a decrease in the common area of 3,033 square feet, or 15.33%, from 19,788 square feet to 16,755 square feet, and a decrease in the parking count of 36 spaces, or 14.63%, from 246 open parking spaces to 210 open spaces, which is the number of parking spaces required by local code. The reduction to the common area is due to reduced breezeways. The clubhouse size increased 1,234 square feet, or 41.70%, from 2,959 square feet to 4,193 square feet.

The Applicant indicated that the material amendment is the result of the recommendations of the civil engineer after further investigation and review of the drainage calculations, preparation of a topographic survey and topographic considerations, and the City of Mission's preferences for achieving integration of the community into the surrounding single-family neighborhood.

The Applicant reported that the new site plan, incorporating the smaller building footprints and a lower profile design, provides for improved integration with the surrounding single-family neighborhoods to the east and south and is a better design for the site topography, as the revised design eliminates need for retaining walls and offers compatibility with the required drainage design. The Applicant additionally reports the revised site plan: allows for improved parking spatial placement for tenants, while reducing excess parking spaces above code requirement as had originally been proposed; improves tenant accessibility, as units in smaller buildings are more easily accessible; and adds a gazebo structure overlooking the greenspace/detention.

The Applicant reports the proposed changes were not reasonably foreseeable or preventable by the Applicant at the time of Application and will not alter the approved project budget presented at Application. The Applicant indicated that the proposed changes will allow the Applicant to achieve delivery of units earlier in 2027, despite the allocation of credits having been from the waitlist just before Christmas 2025, thus stabilizing the tax credit pricing in spite of the later start of construction on the project.

Staff confirmed that the revised design plans and parking would continue to meet accessibility requirements. Additionally, staff reviewed the original Application and scoring documentation against this amendment request and has concluded that none of the changes would have affected the scoring or selection of the Application in the competitive round. The final recommended HTC amount will be determined at cost certification.

Staff recommends approval of the Application amendment as presented herein.



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April 13, 2026

Mr. Rosalio Banuelos
Director of Multifamily Asset Management
Texas Department of Housing & Community Affairs
221 East 11th Street
Austin, Texas 78701

RE: Amendment to Application
Las Fuentes, TDHCA #25053

Dear Mr. Banuelos,

I am writing on behalf of RST Las Fuentes, LP (“Applicant”) to request an amendment to our tax credit application for Las Fuentes (TDHCA #25053), Mission, Texas.

Requested Changes:

In Applicant’s original tax credit application, the submitted development plans utilized two residential buildings and one nonresidential building (the community center). As our team is now further into the design process with the civil engineer, and in coordination with the City of Mission, Applicant is hereby requesting an amendment to the application which would allow for a total of five residential buildings versus the two buildings originally proposed. Applicant is proposing dividing the rear building on the site plan into four smaller buildings (please see attached revised site plan in Exhibit A and application site plan in Exhibit B).

The new building design and site plan layout does modify certain aspects of the community as presented in the original tax credit application. Firstly, the common area square footage of Las Fuentes, and thereby the gross square footage, has decreased. The reduction in common area square footage was purely a reduction of breezeway square footage due to the new building layout. However, such decrease in the breezeways was partially offset by an increase in the clubhouse amenity space which space will be utilized more often by the tenants in the future. The net reduction in the common areas was 2,364 square feet representing a change or greater than 3%. The overall changes from the application architectural plans to the proposed amendment design are detailed in the chart below:

	Application	Amendment	Variance
Units (NRSFT)	79,125	79,125	0%
Clubhouse	2,959	4,193	41.7%
Breezeways	16,829	12,562	(25.4%)
Storage/Other	0	669	-
Gross (SFT)	98,913	96,549	(2.4%)

In addition to the building design change, the new site plan (Exhibit A) reduces the parking ratio to match that parking ratio required by the City of Mission at 2.0 parking spaces per unit. The original site plan was over-parked by approximately 36 spaces. The new parking design is a result of the redesign, is more efficient in nature and would still provide more than adequate parking for senior housing (62+).

In summary, the proposed building and site changes reduce the total gross square footage of the community by less than 3% of the original application design, still maintains the same unit square footage sizes, and same number of units while providing the future tenants with a larger clubhouse design and a blend of living choices (cottage or single building). As noted, the common area square footage does decrease as a result of the change as does the number of parking spaces. Applicant does not believe the above requested changes in any way would have provided the Applicant with a competitive scoring advantage or preference in the funding of the award cycle in which the deal was awarded.

Cost Consideration:

Applicant doesn't believe that the requested changes will result in any material change in costs as such costs were presented in the original application. The reduction in the breezeway square footage, all associated building design cost reductions and the reduction in the number of parking spaces will be offset by the increased cost of the enlarged community center and amenities along with the increased cost due to the cottage style construction.

Explanation of Foreseeable or Preventable Nature

Applicant does not view the requested changes as foreseeable in nature. The proposed site plan changes were a result of (i) the recommendations of the civil engineer after further investigation and review of the drainage calculations, preparation of a topographic survey and topographic considerations and (ii) after initial site plan review and discussions on Las Fuentes with the City of Mission regarding the integration of the community into the surrounding single-family neighborhood (See Exhibit C). This new site plan, incorporating the smaller building footprints, provides for improved integration with the surrounding single-family neighborhoods to the east/south with a lower profile design along with providing greater flexibility in the overall site design layout with the site topography, eliminating retaining walls, and offers compatibility with the required drainage design. In addition, the revised site plan allows for an improved parking distribution for tenants, while reducing parking space, an improved tenant accessibility

design for 36 units due to the cottage style entry and a new tenant space in the proposed gazebo structure overlooking the greenspace/detention.

Lastly, the revised design will allow the Applicant to maintain the underwriting budget presented at application and the financial feasibility. The Applicant received the allocation of credits from the waitlist just before Christmas 2025. The revision will also allow the Applicant to maintain delivery of units earlier in 2027 thus increasing the tax credit delivery to the syndicator and therefore stabilizing the tax credit pricing in spite of the later start of construction on the project.

We appreciate your time and consideration of this application amendment request and for your work in moving such request forward. Should you need any additional information or clarification regarding this request, please do not hesitate to contact me at (972) 243-4205 or via email cphillips@rstdev.com.

Sincerely,
RST Las Fuentes, LP
By: RST Las Fuentes Housing, LLC, its GP


By: Clifton Phillips, President of Managing Member

Exhibit A

Site Plan

April 2026

SITE DATA

- 6.0 ACRES
- 105 UNITS
- UNIT DENSITY MAXIMUM: 29 UNITS/ACRE
- UNIT DENSITY PROVIDED: 17.50 UNITS/ACRE
- SITE IS NOT LOCATED IN THE FLOODPLAIN

EXISTING ZONING

PROPOSED: MULTI-FAMILY RESIDENTIAL (R-3)
 BASE ZONING: AGRICULTURAL OPEN PERMANENT (AO-P)

SITE AMENITIES

- 4,114 S.F. CLUBHOUSE
- COVERED PORCH
- DOG PARK
- COMMUNITY GARDEN
- CONFERENCE ROOM
- FURNISHED COMMUNITY ROOM
- PERIMETER FENCING
- FITNESS ROOM
- BEAUTY SALON

PARKING TABULATION

PARKING DENSITY MAXIMUM: 2.00 / UNIT
 PARKING REQUIRED: 105 UNITS X 2.00 = 210
 PARKING PROVIDED: 210
 PARKING RATIO PROVIDED: 2 / UNIT

PARKING PROVIDED

RESIDENT:		
-STANDARD	173	
-ACCESSIBLE	6	
-VAN ACCESSIBLE	5	
CLUBHOUSE:		
-STANDARD	24	
-ACCESSIBLE	2	
TOTAL	210	

UNIT TABULATION

UNIT TYPE	# UNITS	%	UNIT S.F.	TOTAL S.F.
A1 -ONE BED/ONE BATH	35	33.33%	631 S.F.	22,085
A1-HC - ONE BED/ONE BATH	1	0.95%	631 S.F.	631
A2 -ONE BED/ONE BATH	6	5.71%	631 S.F.	3,786
A3 - ONE BED/ONE BATH	16	15.24%	631 S.F.	10,096
A3-HC -ONE BED/ONE BATH	2	1.90%	631 S.F.	1,262
B1 -TWO BED/TWO BATH	42	40.00%	917 S.F.	38,514
B1-HC -TWO BED/TWO BATH	3	2.86%	917 S.F.	2,751
TOTAL	105	100%		79,125 S.F.

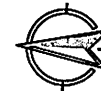
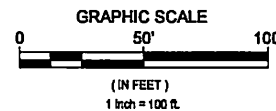
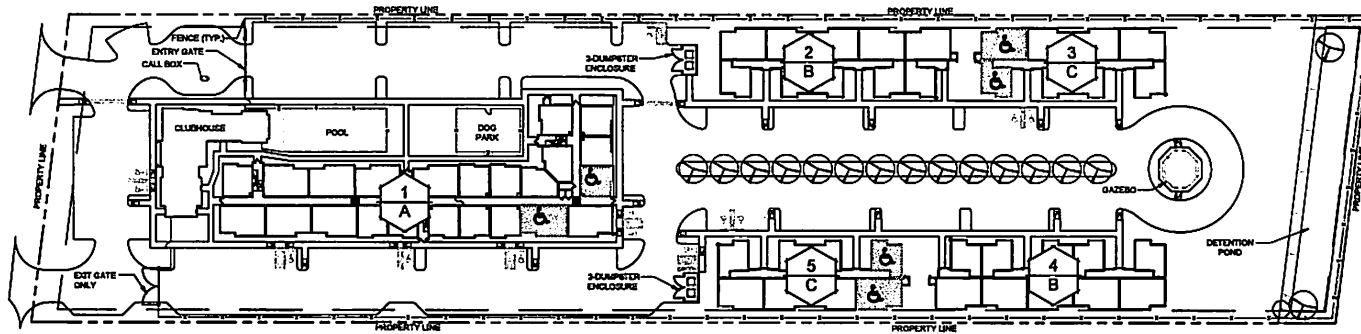
BUILDING KEY



ACCESSIBLE UNITS

TOTAL UNITS	105
ADA UNITS (5% OF TOTAL UNITS)	8
A1-HC UNITS	1
A3-HC UNITS	2
B2-HC UNITS	3
H&V UNITS (2% OF TOTAL UNITS)	6
A1-HV UNITS	1
A3-HC UNITS	2
B1-HV UNITS	3

BUILDING TABULATION				
BUILDING TYPE	A	B	C	TOTAL
# BLDGS	1	2	2	5
# STORIES	3	1	1	
TOTAL UNITS	69	20	16	105
FIRE RISER ROOM S.F.	33 S.F.	66 S.F.	66 S.F.	165 S.F.
STORAGE S.F.	504 S.F.	0 S.F.	0 S.F.	504 S.F.
BREEZEWAY S.F.	9,359 S.F.	1,772 S.F.	1,431 S.F.	12,562 S.F.
RENTABLE S.F.	51,281 S.F.	15,480 S.F.	12,364 S.F.	79,125 S.F.
TOTAL GROSS BLDG S.F.	61,157 S.F.	17,318 S.F.	13,881 S.F.	92,356 S.F.
CLUBHOUSE				4,193 S.F.
OVERALL TOTAL				96,549 S.F.



SITE PLAN
 SCALE: 1"=100'-0"

Exhibit B

Application Site Plan

SITE DATA
 -6.0 ACRES
 -105 UNITS
 -UNIT DENSITY MAXIMUM: 29 UNITS/ACRE
 -UNIT DENSITY PROVIDED: 17.50 UNITS/ACRE

EXISTING ZONING
 BASE ZONING: MULTI-FAMILY RESIDENTIAL (R-3)

SITE AMENITIES
 -2,959 S.F. CLUBHOUSE
 -PORTE COCHERE
 -DOG PARK
 -COMMUNITY GARDEN
 -CONFERENCE ROOM
 -FURNISHED COMMUNITY ROOM
 -COVERED PORCH
 -PERIMETER FENCING
 -FITNESS ROOM
 -LIBRARY ROOM

PARKING TABULATION

PARKING DENSITY MAXIMUM:	2.00 / UNIT	PARKING PROVIDED	
PARKING REQUIRED:	105 UNITS X 2.00 = 210	UNCOVERED PARKING	218
PARKING PROVIDED:	246	ACCESSIBLE	12
PARKING RATIO PROVIDED:	2.34 / UNIT	CLUBHOUSE	16
		TOTAL	246

UNIT TABULATION

UNIT TYPE	# UNITS	%	UNIT S.F.	TOTAL S.F.
A1 - ONE BED/ONE BATH	57	54.29%	631 S.F.	35,967
A1-HC - ONE BED/ONE BATH	03	2.86%	631 S.F.	1,893
B1 - TWO BED/TWO BATH	42	40.00%	917 S.F.	38,514
B1-HC - TWO BED/TWO BATH	03	2.86%	917 S.F.	2,751
TOTAL	105	100%		79,125 S.F.

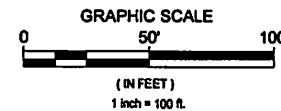
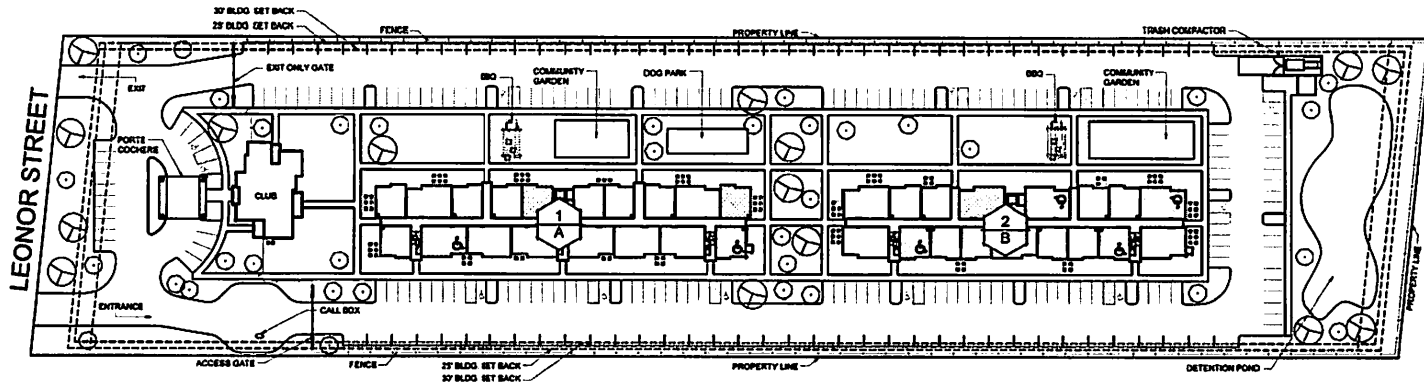
BUILDING TABULATION			
BUILDING TYPE	A	B	TOTAL
# BLDGS	1	1	2
# STORIES	3	3	
UNITS/BLDG	54	51	105
BREEZEWAY S.F.	9,383 S.F.	7,446 S.F.	16,829 S.F.
RENTABLE S.F.	40,638 S.F.	38,187 S.F.	78,825 S.F.
TOTAL GROSS BLDG S.F.	50,321 S.F.	45,633 S.F.	95,954 S.F.

BUILDINGS



ACCESSIBLE UNITS

TOTAL UNITS	105
ADA UNITS (5% OF TOTAL UNITS)	6
A1-HC UNITS	3
B2-HC UNITS	3
H&V UNITS (2% OF TOTAL UNITS)	3
A1-HV UNITS	2
B1-HV UNITS	1



SITE PLAN
 SCALE: 1"=100'-0"

**LAS FUENTES
 MISSION, TEXAS**

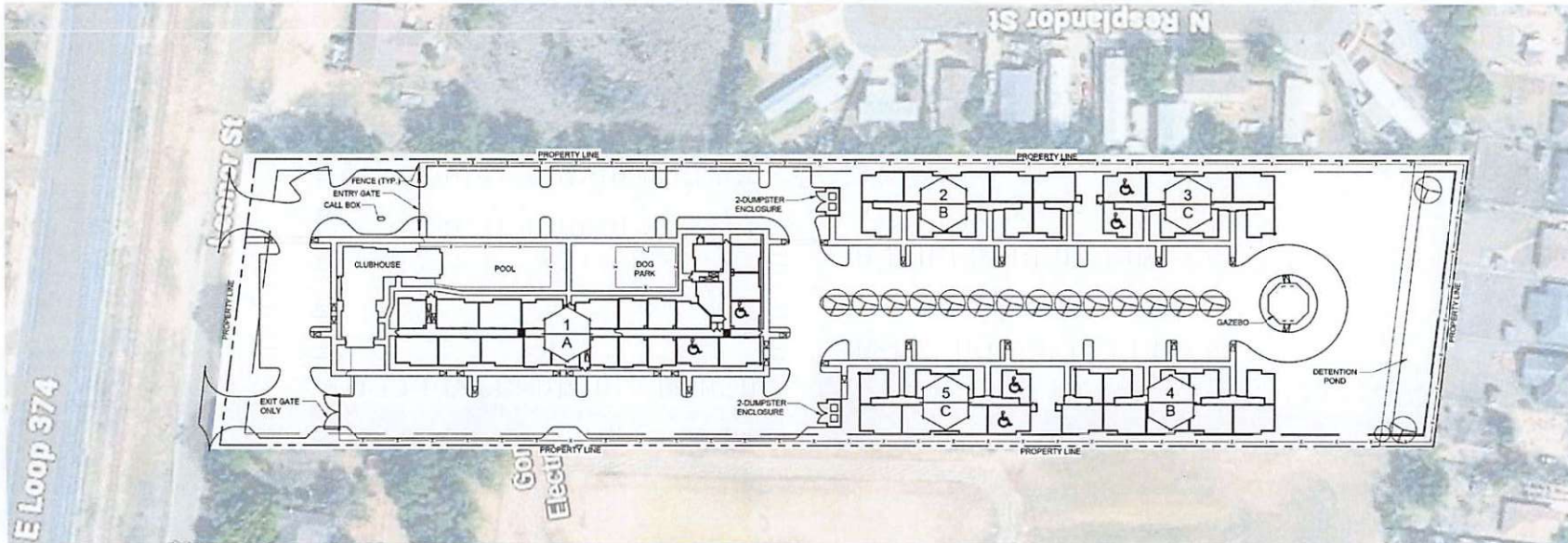
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 SITE PLAN
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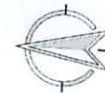
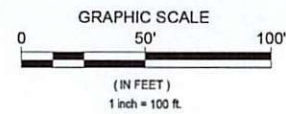
Exhibit C

Site Plan Overlays

LAS FUENTES
MISSION, TEXAS



E Loop 374



SITE PLAN
SCALE: 1"=100'-0"

DATE: 01.21.26

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SITE PLAN

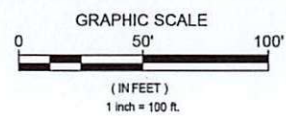
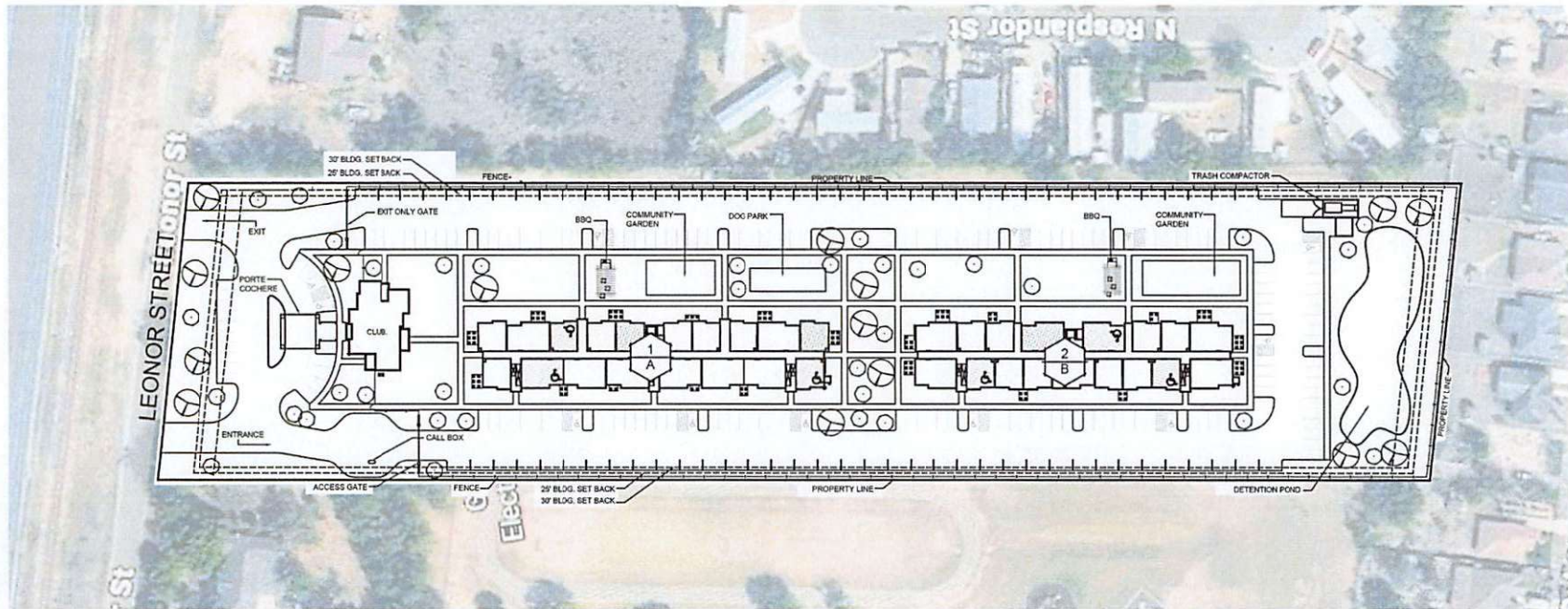
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LAS FUENTES
MISSION, TEXAS

DATE: 01.15.25

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SITE PLAN
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SITE PLAN

SCALE: 1"=100'-0"