



## Texas Department of Housing and Community Affairs

### Governing Board

### Board Action Request

**File #: 1195**

**Agenda Date: 11/6/2025**

**Agenda #:**

Presentation, discussion, and possible action regarding a Material Amendment to the Land Use Restriction Agreement for McKinney Manor Apartments (HTC #16077)

#### **RECOMMENDED ACTION**

**WHEREAS**, McKinney Manor Apartments (Development) received an award of 9% Housing Tax Credits (HTCs) in 2016 for the acquisition and rehabilitation of 48 units in Sweeny, Brazoria County;

**WHEREAS**, the HTC Application received one point for agreeing to include a certified Historically Underutilized Business (HUB) in the ownership structure of the General Partner and materially participating in the development and operation of the Development throughout the Compliance Period, and this restriction is included in the Land Use Restriction Agreement (LURA) for the Development;

**WHEREAS**, due to challenges encountered in renewing the HUB certification for HVM Housing, LLC, the HUB identified in the LURA, with the Texas Comptroller, HVM 2016 Sweeny, Ltd. (the Development Owner or Owner) is requesting approval for the removal of the HUB requirement from the LURA;

**WHEREAS**, the ownership structure or involvement of HVM Housing, LLC is not changing, and HVM Housing, LLC will continue to serve as the General Partner but not as a HUB; and

**WHEREAS**, the requested change does not negatively affect the Development, impact the viability of the transaction, or affect the amount of the tax credits awarded;

**NOW, therefore, it is hereby**

**RESOLVED**, that the requested material amendment to the LURA for McKinney Manor Apartments is approved as presented to 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**

McKinney Manor Apartments was approved for a 9% HTC award in 2016 for the acquisition and rehabilitation of 48 units, all of which are designated as low-income units, of multifamily housing in Sweeny, Brazoria County. The HTC Application for the Development received one

point because the Development was structured to include a Historically Underutilized Business (HUB) in the ownership structure that would have some combination of ownership interest in the General Partner of the Owner, cash flow from operations, and Developer Fee. The HUB is also required to materially participate in the development and operation of the Development throughout the Compliance Period. Rehabilitation of the Development has been completed, and the cost certification documentation for the Development is currently under review by the Department.

In a letter dated August 15, 2025, Carrie Hoover, Managing Member of HVM Housing, LLC, the originally proposed HUB, and representative for the Development Owner, requested approval for the removal of the HUB requirement from the LURA. Because this request is prior to issuance of IRS Form 8609 for the Development, it must be processed as a material amendment.

The Owner indicated that they encountered challenges in renewing their HUB certification with the Texas Comptroller, and the Owner now finds itself in potential non-compliance with its LURA. There is no change in the ownership structure or involvement of HVM Housing, LLC. This entity will still serve as the General Partner but not as a HUB. No principals will change with this request, and day-to-day operations will remain the same. There are no new members being added.

The Development Owner has complied with the amendment and notification requirements under 10 TAC §10.405(b). The Development Owner held a public hearing on the matter at the Development on September 23, 2025. The manager of McKinney Manor Apartments; Gloria Millsap, District Director for Senator Joan Huffman; and one resident attended the public hearing. There was no public comment regarding the proposed amendment.

Staff confirmed that the loss of the Sponsor Characteristics point would not have affected the award. The requested change does not materially alter the Development in a negative manner or impact the viability of the transaction.

Staff recommends approval of the material amendment as presented herein.

# *HVM 2016 Sweeny, Ltd.*

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August 15, 2025

Ms. Stephanie Givens  
Asset Manager  
Texas Department of Housing and Community Affairs  
P O Box 13941  
Austin, TX 78711

**Re: LURA Amendment Request for #16077 McKinney Manor Apartments,  
Sweeny, TX**

Dear Ms. Givens,

The principals of HVM 2016 Sweeny, Ltd. (the "Owner") request a LURA Amendment to voluntarily remove the Historically Underutilized Business ("HUB") partner from the partnership.

This should be processed as a non-material amendment under §10.405(b)(2)(C) of the TDHCA Rules. In accordance with the rules, this is a non-material amendment request that has not been implemented. In accordance with the rules, since there have not been any previous amendments, there is no fee required for this request.

HVM Housing, LLC ( the "HUB") has materially participated and worked in the compacity that was required by TDHCA and the partnership agreement. The HUB has persistently pursued the renewal of their HUB certification with the Texas Comptroller. There have been numerous delays and the HUB is continuing the renewal process. However, due to the unforeseen issues with the renewal of the participating HUB and the numerous delays, the Owner now finds itself in potential non-compliance with its LURA and TDHCA; therefore, the Owner requests the voluntary removal of the HUB's status as a HUB in the general partner.

HVM Housing, LLC is not requesting to be removed from the ownership. The owners are only requesting to remove the HUB participation requirement. HVM Housing, LLC will remain in the general partner and will continue its participation as usual. No principals will change with this request and day-to-day operations will remain the same.

This change is necessary as the HUB cannot be recertified at this time. All the principals had the expectation that this partnership would remain as originally submitted; however, due to unforeseeable renewal issues with the state comptroller, the owner does not want to be out of compliance with its LURA.

Please let me know if there is anything additional needed to complete this request.

Sincerely,

