

Texas Department of Housing and Community Affairs

Governing Board

Board Action Request

**Agenda Date:** 7/24/2025

Agenda #:

Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application for Sandoval (HTC #18426)

### **RECOMMENDED ACTION**

**WHEREAS,** Sandoval (the Development) received a 4% Housing Tax Credit (HTC) award in 2018 to rehabilitate 224 units of multifamily housing in El Paso, El Paso County;

**WHEREAS,** EP Sandoval Two, LP (Development Owner or Owner) requests approval to decrease the size of the Development site from 15.71 acres to 13.66 acres, due to the identification of a prior dedication for right-of-way, which results in a 15.01% increase in residential density from 14.258 units per acre to 16.398 units per acre;

**WHEREAS,** Board approval is required for a modification of the residential density of at least 5% as directed in Tex. Gov't Code §2306.6712(d)(6) and 10 TAC §10.405(a)(4)(F), and the Owner has complied with the amendment requirements therein; and

**WHEREAS**, the requested change does not materially alter the Development in a negative manner, and the Owner has represented that it was not reasonably foreseeable or preventable by the Owner at the time of Application, and would not have adversely affected the selection of the Application;

### NOW, therefore, it is hereby

**RESOLVED**, that the requested material amendment of the Application for Sandoval 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 Board's determination.

### BACKGROUND

Sandoval (HTC #18426) received a 4% Housing Tax Credit (HTC) award in 2018 to rehabilitate 224 units, of which 222 are designated as low-income units, of multifamily housing in El Paso, El Paso County. Rehabilitation of the Development has been completed, and the cost certification documentation is currently under review by the Department.

Based on a review of the cost certification, it was determined that a greater than 5% change in

Agenda #:

residential density had occurred from the representation at initial Application to the time of the Cost Certification, and in a letter dated June 13, 2025, Satish Bhaskar, the representative for the Development Owner, requested approval to modify the total acreage to represent the actual size of the Development site due to the removal of rights of way.

At the time of application, the original Development site was identified as 15.71 acres, but at cost certification, the architect identified an acreage of 13.66. The difference between the acreage at Application and the final acreage is attributable to roads within the Development site that were the dedicated rights of way noted on the plat recorded in the records of El Paso County on February 15, 1974. As a result, the residential density increased 15.01%, from 14.258 units per acre to 16.398 units per acre, requiring approval by the Board under Tex. Gov't Code §2306.6712(d)(6) and 10 TAC §10.405(a)(4)(F).

While the density increased due to the acreage of the Development site decreasing, none of the living areas have become denser. The building spacing, public use areas, number of units, play areas and parking areas remain the same from Application to the completed rehabilitation of the existing project.

Due to the errors in the initial documentation used to determine the acreage, the Owner has stated change was not foreseeable or preventable. It was not until the plat was reviewed that this discrepancy was identified.

The requested amendment does not materially alter the Development in a negative manner and would not have affected the selection of the Development for the HTC award.

Staff recommends approval of the requested material amendment to the Application, and if approved, the Land Use Restriction Agreement will be amended to reflect the acreage as corrected.

**EP Sandoval Two, LP** 304 Texas Ave. Suite 1600 El Paso, Texas 79901



June 13, 2025

Karen Treadwell Senior Asset Manager Texas Department of Housing and Community Affairs 221 E. 11th Street Austin, Texas 78711-3941

# RE: Request Material Application Amendment (LIHTC #18426)

Dear Ms. Treadwell,

EP Sandoval II LP (Owner) is requesting a correction to an acreage-related discrepancy that was noted in the Sandoval Apartment's (Sandoval) Final Cost Certification (FCC). Specifically, the following was identified:

At application the Acreage was identified as 15.71 acres on Part 2 Tab II. However, the Architect has certified 13.66 acres, which is supported by the as-built survey. A review of the original plat from 1974 shows an unspecified Right of Way. The correct acreage represents a 15.01% increase in density. Pursuant to 10TAC 10.405(a)(4)(F), a modification of the residential density of at least 5% requires a material amendment to the application. Please submit an amendment request together with the \$2,500 fee to my attention.

## Material Amendment to the Application

To correct the abovementioned deficiency, the Owner is requesting this Amendment that seeks to correct the acreage from 15.71 acres and 13.66 acres that has resulted in an increase in density of 15.01%

## Rationale

The application presents a site acreage of 15.71 which omitted an unspecified Right-of-Way from 1974 that was verified through a review of the original plat.

The need for the change was not foreseeable or preventable at the time of application, as it was until the review of the plat that the acreage discrepancy was identified. This has resulted in a change of density greater than 5% since application, which necessitates a Material Amendment to the Application pursuant to 10 TAC 10.405(a)(4)(F).

The corresponding \$2,500 amendment fee will be sent to TDHCA.

Respectfully,

DocuSigned by: Satisli Bliaskar 33CB1D70BA3A446...

Satish Bhaskar Authorized Representative

