



Texas Department of Housing and Community Affairs

Governing Board

Board Action Request

File #: 1131

Agenda Date: 9/4/2025

Agenda #:

Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application for Sun Pointe (HTC #21130/23932)

RECOMMENDED ACTION

WHEREAS, Sun Pointe (the Development) received an award of 9% Housing Tax Credits (HTCs) in 2021 and Supplemental Credits in 2023 to rehabilitate 146 units of multifamily housing in El Paso, El Paso County;

WHEREAS, EP Sun Pointe, LP (the Development Owner or Owner) requests approval for changes in the unit mix, replacing one one-bedroom and one three-bedroom units with two two-bedroom units; a 9,782 square foot (6.13%) reduction in the Net Rentable Area (NRA) from the NRA represented in the Application; and an increase in the size of the Development site from 10.21 acres to 10.8281 acres, which results in a 5.71% decrease in residential density from 14.30 units per acre to 13.48 units per acre;

WHEREAS, Board approval is required for a modification of the bedroom mix of units, for a reduction of 3% or more in the square footage of the units or common area, and for a modification of the residential density of at least 5%, as directed in Tex. Gov't Code §2306.6712 (d)(2), (4), and (6) and 10 TAC §10.405(a)(4)(B), (D), and (F), and the Owner 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 affect the amount of funding awarded;

NOW, therefore, it is hereby

RESOLVED, that the requested amendment for Sun Pointe is approved as presented at this meeting, and the Executive Director and his designees are each hereby authorized, directed, and empowered to take all necessary action to effectuate the foregoing.

BACKGROUND

Sun Pointe received an award of 9% Housing Tax Credits in 2021 and Supplemental Credits in 2023 to rehabilitate 146 units of multifamily housing originally constructed in 1973. Rehabilitation of the Development has been completed, and the cost certification

documentation is currently under review by the Department. In a letter dated May 13, 2025, Alyssa Carpenter, the Owner's representative, stated the need for a material amendment stemming from three separate changes.

At Application, the acreage did not include any of the area of the three right-of-way cul-de-sacs that served the Development. During the redevelopment process, the City of El Paso vacated one cul-de-sac and part of a second cul-de-sac along Maxwell Street and that area is now part of the Development site, resulting in an increase in the Development's acreage from 10.21 acres to 10.8281 acres. This represents an increase of 0.6181-acre, resulting in a 5.71% decrease in residential density from 14.30 units per acre to 13.48 units per acre. The additional acreage for the cul-de-sacs released from the right-of-way further allowed for increased parking capacity on the Development site. Total parking increased from 172 on-site and 13 street/cul-de-sac parking spaces to 195 total on-site parking spaces. The enclosed table compares the site plans of the Development at Application and the revised site plan at project completion.

At Application, the proposed bedroom mix was 26 one-bedroom, 76 two-bedroom, and 44 three-bedroom units. Two one-bedroom, four two-bedroom, and two three-bedroom units were proposed as mobility units. In order to comply with the need to distribute accessible units across the unit sizes, the unit mix was modified by converting a one-bedroom and a three-bedroom unit to be configured as two additional two-bedroom units resulting in a total of 25 one-bedroom, 78 two-bedroom, and 43 three-bedroom units.

Initially, the plan was to reconfigure a portion of the two-story townhomes into flats to provide adequate mobility accessible units. In order to alter some townhouse units, the original Application proposed additions to each building that would add a small amount of square footage in order to maintain adequate unit and bedroom sizes in the new flat units. However, this proved to be cost prohibitive. Keeping the existing townhouse footprints and eliminating the new construction additions in most of the buildings reduced the Net Rentable Area (NRA) from 159,676 square feet to 149,894 square feet. This results in a reduction of 9,782 square feet (6.13%) from the proposed NRA at Application.

The requested changes do not materially alter the Development in a negative manner and were not reasonably foreseeable or preventable by the Development Owner at the time of Application. The final HTC amount will be determined upon finalization of the cost certification review process.

Staff recommends approval of the amendment request as presented herein. If this amendment is approved, the Land Use Restriction Agreement will be amended to reflect the increased acreage for the Development.

Material Alterations as defined in Texas Gov't Code §2306.6712(d) (2), (4), and (6) and 10 TAC §10.405(a)(4)(B), (D), and (F)

Application

Density: 14.30 units/acre (146 units on a 10.21-acre tract)

Unit Mix:

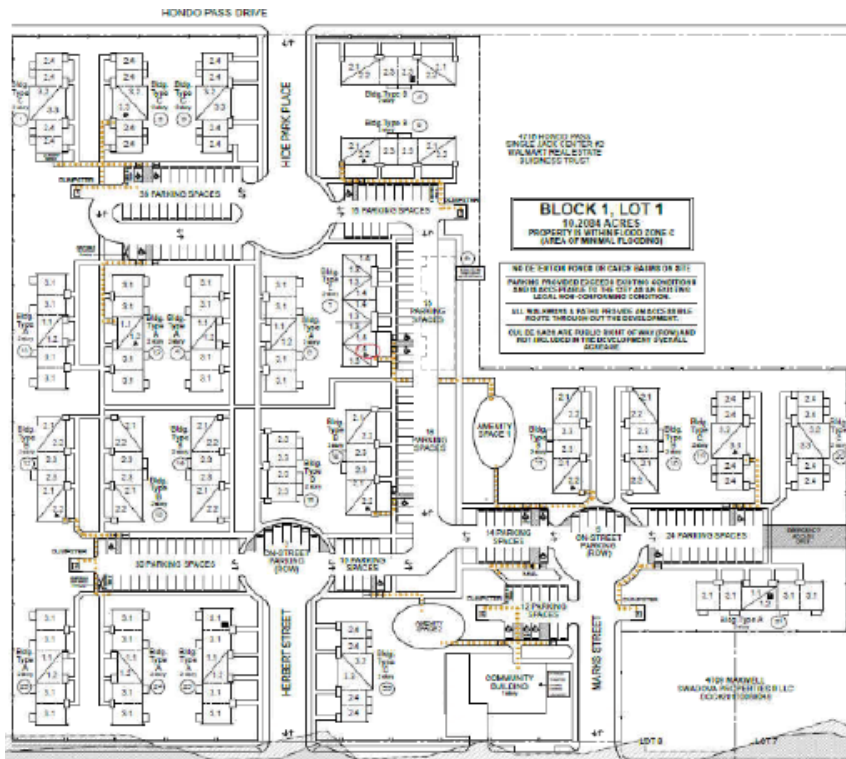
1/1 – 26 units

2/1 – 76 units

3/1.5 – 44 units

Net Rentable Area (NRA): 159,676 square feet

Parking Spaces: 172 on-site and 13 street/cul-de-sac parking spaces



Amendment

Density: 13.483 units/acre (146 units on a 10.8281-acre tract)

Unit Mix:

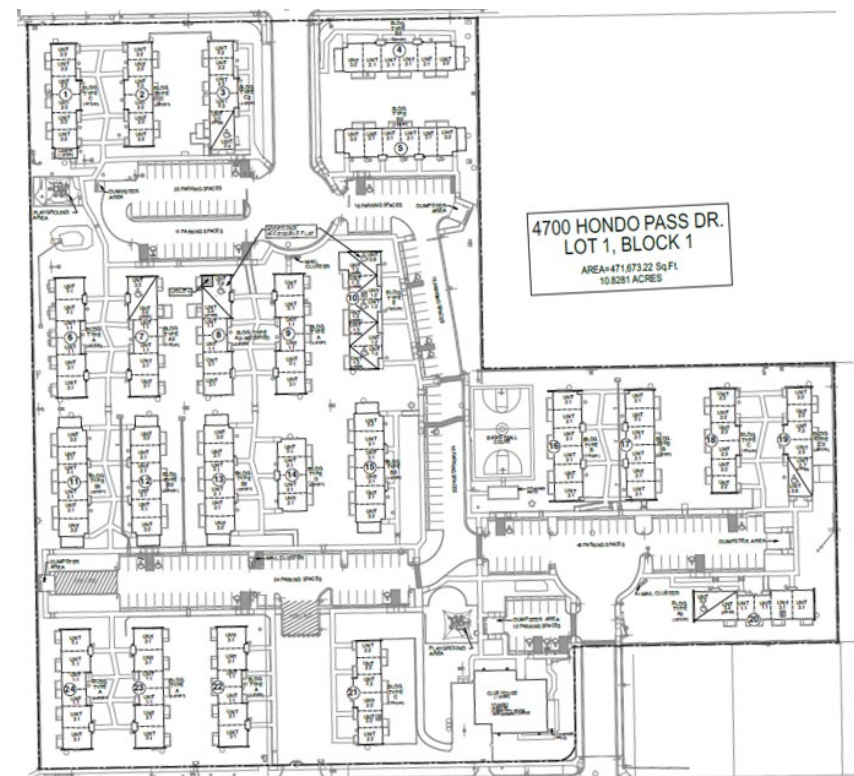
1/1 – 25 units

2/1 – 78 units

3/1.5 – 43 units

NRA: 149,894 square feet (reduction of 9,782 square feet or 6.13%)

Parking Spaces: 195 on-site parking spaces



May 13, 2025

Karen Treadwell
Asset Management
TDHCA
P.O. BOX 13941
Austin, TX 78711-3941

Re: HTC 23932_21130 Sun Pointe Material Application and LURA Amendment Request

Dear Ms. Treadwell:

This letter concerns a material application and LURA amendment request for HTC 23932_21130 Sun Pointe in El Paso. Sun Pointe is the rehabilitation of an existing multifamily development that was originally awarded in 2021 and received supplemental credits in 2023. Due to challenging financial market conditions and cost increases during and after COVID, changes were made throughout the development process to maintain feasibility. This amendment concerns changes to the development acreage and residential density, net rentable area, and bedroom mix. The amendment fee check has been mailed to TDHCA.

Change in Acreage and Residential Density

At Application, the development site was proposed to be 10.2084 acres, which did not include any of the area of the three City right-of-way culdesacs that served the development. During the redevelopment process, the City of El Paso vacated the entirety of one culdesac and part of the second culdesac along Maxwell Street and that area is now part of the development site. The development site is now 10.8281 acres as shown in the attached architectural site plan and survey. Residential density at application was 14.30. With the increase in acreage, residential density is now 13.48. This is a decrease in density of approximately 5.73%.

The additional area of the culdesacs also enabled some changes to the site layout including the total number of parking spaces. Total parking has increased from 172 on-site and 13 street/culdesac parking spaces to 195 total on-site parking spaces.

Change to Net Rentable Area

Sun Pointe was an existing multifamily property comprised of all 2-story townhouse units. The original TDHCA Application proposed to reconfigure some units and also alter some townhouse units in each building so that each building had some flat units. In order to alter some townhouse units, the original application proposed additions to each building that would add a small amount of square footage in order to maintain adequate unit and bedroom sizes in the new flat units. With the building additions, at Application, the NRA of the development was 159,676.

Engineering and architectural work subsequent to Application found that the conversion from townhouse to flat units would be prohibitively costly considering the existing construction of the buildings. Combined with construction cost increases at the time, in order to maintain feasibility of the project, the existing townhouse construction was maintained in all buildings except those that required accessible units. Keeping the existing townhouse footprints and eliminating the new construction additions in most of the buildings reduced the NRA to 149,894. This is a reduction of 6.1%. Please see the attached architectural plans with the new site plan, new building floor plans, and new unit plans. Please also find a revised Building Unit Type Configuration form with the new unit and building information.

Change to Bedroom Mix

At Application, the proposed Bedroom Mix was 26 one-bedroom, 76 two-bedroom, and 44 three-bedroom units for 146 total units. The Application also proposed 2 mobility accessible one-bedroom units, 4 mobility accessible two-bedroom units, and 2 mobility accessible three-bedroom units.

Even though the development plan changed to maintain all townhouse units because of feasibility and cost concerns, the mobility accessible units would still be required to be flat units. Due to an oversight during design and construction, the accessible unit mix was erroneously changed to 3 mobility accessible one-bedroom units, 2 mobility accessible two-bedroom units, and 3 mobility accessible three-bedroom units.

When informed of the mobility accessible unit error, we were unable to simply adapt 2 existing two-bedroom units into mobility accessible units because all other two-bedroom units were townhouse units. In order to most efficiently and cost-effectively correct the error, the 2 additional two-bedroom mobility accessible units were added through the conversion of 1 existing three-bedroom mobility accessible unit and by building a bedroom addition to 1 existing one-bedroom mobility accessible unit. That change keeps the originally proposed total of 2 mobility accessible one-bedroom units, 4 mobility accessible two-bedroom units, and 2 mobility accessible three-bedroom units.

However, that change also modified the overall bedroom mix by adding 2 two-bedroom units and removing 1 one-bedroom unit and 1 three-bedroom unit from the totals. The new unit mix is 25 one-bedroom, 78 two-bedroom, and 43 three-bedroom units for 146 total units. This is reflected in the new architectural plans.

Explanation and Good Cause for the Amendment Request

The market conditions and building cost increases during and after COVID were unforeseen at the time of Application. In order to continue with the project and maintain feasibility, changes were made during the design and construction process that included a reduction in NRA and a change to the bedroom mix to correct an oversight of the mobility accessible unit mix. These changes have been implemented and development cost information, financial exhibits, and application forms are included in the Cost Certification submission. The good cause for this amendment request is to maintain the current feasibility of the development.

LURA Amendment

Due to a change in the site acreage, please see the attached new legal description that may be used to amend the LURA.

Thank you for your attention and please contact us with any questions.

Regards,

Alyssa Carpenter

SPECIFICATIONS AND BUILDING/UNIT TYPE CONFIGURATION	
-----------------------------------------------------	--

Unit types should be entered from smallest to largest based on "# of Bedrooms" and "Sq. Ft. Per Unit." "Unit Label" should correspond to the unit label or name used on the unit floor plan. "Building Label" should conform to the building label or name on the building floor plan. The total number of units per unit type and totals for "Total # of Units" and "Total Sq. Ft. for Unit Type" should match the rent schedule and site plan. If additional building types are needed, they are available by un-hiding columns T through AF.

Specifications and Amenities (check all that apply)

Building Configuration (Check all that apply):	<input type="checkbox"/>	Single Family Construction	<input type="checkbox"/>	SRO	<input type="checkbox"/>	Transitional (per §42(j)(3)(B))	<input type="checkbox"/>	Duplex
	<input type="checkbox"/>	Scattered Site	<input type="checkbox"/>	Fourplex	<input checked="" type="checkbox"/>	> 4 Units Per Building	<input checked="" type="checkbox"/>	Townhome

Development will have:	<input type="checkbox"/> Fire Sprinklers	<input type="checkbox"/> Elevators	<input type="checkbox"/> # of Elevators	<input type="checkbox"/> W/t. Capacity
------------------------	------------------------------------------	------------------------------------	-----------------------------------------	----------------------------------------

	Free	Paid		Free	Paid	
Number of Parking Spaces(consistent with Architectural Drawings):			Shed or Flat Roof Carport Spaces			Detached Garage Spaces
			Attached Garage Spaces	195		Uncovered Spaces
			Structured Parking Garage Spaces			

Floor Composition/Wall Height:	<input type="text" value="95"/>	% Carpet/Vinyl/Resilient Flooring	<input type="text" value="8'1"/>	Ceiling Height
	<input type="text" value="5"/>	% Ceramic Tile	<input type="text" value="8'1"/>	Upper Floor(s) Ceiling Height (Townhome Only)
	<input type="text"/>	% Other	Describe: <input type="text"/>	

You are not required to distinguish the HC or AV Units from other Units that are the same size/floor plan.

[illegible]

If a revised form is submitted, date of submission:

Net Rentable Square Footage from Rent Schedule:

Common Area Square Footage (as specified on Architect Certification) :	4,767
------------------------------------------------------------------------	-------

Note: 10 TAC §11.9(e)(2) allows 75 square feet of Common Area per unit to be added to NRA for scoring only if the Development is Supportive Housing and only if at least 50 square feet of each 75 square feet of the Common Area added is conditioned space.

The additional square footage allowed for Supportive Housing per 11.9(e)(2) is: NA this is for supp

Use this number to calculate points for **Supportive Housing** under 11.9(e)(2) only if the conditions are met for the number above: NA this is for supp

Sun Pointe – Legal Description

Leasehold estate in and to Lot 1, Block 1, FRANKLIN D. ROOSEVELT MEMORIAL SUBDIVISION, an addition to the City of El Paso, El Paso County, Texas, according to the Plat thereof recorded in Volume 44, Page 4, Plat Records of El Paso County, Texas; SAVE AND EXCEPT those Right-of-Ways of Hide Park Place, and part of Marks Street; as created by Second Amended and Restated Ground Lease Agreement dated November 1, 2022, between the Housing Authority of the City of El Paso, as Lessor, and EP Sun Pointe, LP, as Lessee, as set out in memorandum of lease filed on November 21, 2022, recorded in Clerk's File No. 20220105549, Real Property Records of El Paso County, Texas; being more particularly described by metes and bounds for all purposes intended as more particularly described below.

Commencing at the City Monument found 3.60 feet offset from the centerline intersection of Maxwell Avenue (60 feet Public Right-Of-Way) and Herbert Street (60 feet Public Right-Of-Way); Thence, North 88° 49' 00" East, a distance of 26.97 feet to point; Thence, leaving the centerline of Maxwell Avenue (60 feet Public Right-Of-Way) North 01° 11' 00" West, a distance of 30.00 feet to the "TRUE POINT OF BEGINNING" of this description.

THENCE, South 88° 49' 00" West along Right-Of-Way line of Maxwell Avenue (60 feet Public Right-Of-Way) a distance of 100.00 feet to a boundary corner;

THENCE, South 88° 49' 00" West along said Right-Of-Way line a distance of 225.00 feet to a boundary corner;

THENCE, North 01° 11' 00" West, leaving said Right-Of-Way line, a distance of 781.84 feet to a boundary corner lying on the southerly Right-Of-Way of Hondo Pass Drive (80 feet public Right-Of-Way);

THENCE, North 88° 49' 00" East along said Right-Of-Way line, a distance of 226.03 feet to a boundary corner;

THENCE, along a curve to the right, having a Radius of 20.00 feet, a Delta angle of 90° 00' 00", and whose long Chord bears South 46° 11' 00" East, a distance of 28.28 to a boundary point;

THENCE, South 01° 11' 00" East, a distance of 123.08 feet to a boundary point;

THENCE, along a curve to the left, having a Radius of 30.00 feet, a Delta angle of 41° 24' 35", and whose long Chord bears North 19° 31' 18" West, a distance of 21.21 feet to a boundary point;

THENCE, along a curve to the right, having a Radius of 50.00 feet, a Delta angle of 262° 49' 27", and whose long Chord bears North 88° 49' 00" East, a distance of 75.00 feet to a boundary point;

THENCE, along a curve to the left, having a Radius of 30.00 feet, a Delta angle of 41° 24' 35", and whose long Chord bears North 21° 53' 18" West, a distance of 21.21 feet to a boundary point;

THENCE, North 01° 11' 00" West, a distance of 123.08 feet to a boundary point;

THENCE, along a curve to the right, having a Radius of 20.00 feet, a delta angle of 90° 00' 00", and whose long Chord bears North 43° 49' 00" East, a distance of 28.28 feet to a boundary point;

THENCE, North $88^{\circ} 49' 00''$ East, along the Right-Of-Way line of Hondo Poss Drive (80 feet public Right-Of-Way), a distance of 146.81 feet to a boundary corner;

THENCE, South $01^{\circ} 11' 00''$ East, a distance of 368.50 feet to a boundary corner;

THENCE, North $88^{\circ} 49' 00''$ East, a distance of 368.73 feet to a boundary corner;

THENCE, South $01^{\circ} 11' 00''$ East, a distance of 293.34 feet to a boundary corner;

THENCE, South $88^{\circ} 49' 00''$ West, a distance of 277.68 feet to a boundary corner;

THENCE, South $01^{\circ} 11' 00''$ East, a distance of 100.00 feet to a boundary point;

THENCE, along a curve to the right, having a Radius of 20.00 feet, a Delta angle of $90^{\circ} 00' 00''$, and whose long Chord bears South $43^{\circ} 49' 00''$ West, a distance of 28.28 feet, to a boundary point;

THENCE, South $88^{\circ} 49' 00''$ West along the Right-Of-Way line of Maxwell Avenue (60 feet public Right-Of-Way), a distance of 218.89 feet to a boundary corner.

Said parcel of land containing 471,673.22 Sq. Ft. (10.8281 Acres) of land, more or less.

