



Texas Department of Housing and Community Affairs

Governing Board

Board Action Request

File #: 1612

Agenda Date: 10/8/2026

Agenda #:

Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application for Avenue U Villas (HTC #25145)

RECOMMENDED ACTION

WHEREAS, Avenue U Villas (the Development) received a 9% Housing Tax Credit (HTC) award for the new construction of 80 units of multifamily housing for the general population in Lubbock, Lubbock County;

WHEREAS, due to the site plan review requirements from the City of Lubbock (City), Avenue U Villas LP (Development Owner or Owner) requests approval to decrease the size of the Development site from 10.452 acres at Application to 8.890 acres, which results in a 17.57% increase in residential density, going from 7.65 units per acre to 9.00 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, 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 to the Application for Avenue U Villas 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

Avenue U Villas received a 9% Housing Tax Credit award in 2025 to construct 80 units of multifamily housing for the general population in Lubbock, Lubbock County. Construction of the Development is currently in progress. In a letter dated September 4, 2026, Jay Milam, representative for the Owner, requested approval for a material amendment to the Application. The amendment is for a 17.57% increase to the residential density, going from 7.65 units per acre to 9.00 units per acre, which requires approval by the Board under Tex. Gov't Code §2306.6712(d)(6) and 10 TAC §10.405(a)(4)(F). The change is a result of a decrease in the Development site acreage from 10.452 acres at Application to 8.890 acres, a decrease of 1.562

acres (14.94%).

The Development was originally underwritten and approved based on a total site area of 10.452 acres. Following the City of Lubbock site plan review, the City required right-of way and alley dedication along Avenue U for a planned road widening and requested a buffer between the roadway and the multifamily development along the Avenue U frontage, which will result in the area of the development site decreasing to 8.89 acres. The Development could not be platted or permitted without these changes. There will be two tracts fronting Avenue U that are anticipated to be developed as single family lots but will not be part of the Development. It is unknown at this time whether the lots will be sold to a homebuilder or constructed by the development team and sold. However, the cost for these lots will not be included in the development costs for the Development, and the land will not be under the Department's Land Use Restriction Agreement.

The number of buildings, unit count, unit mix, unit sizes, and amenities will remain as originally approved.

The Owner indicated that the site plan review with the City did not begin until September 2025, approximately seven months after the HTC Application was submitted. The right-of-way and alley dedication and the frontage buffer required by the City were not known to the Owner at the time of Application, could not have been anticipated, and were not within the Owner's control to prevent.

The requested amendment does not materially alter the Development. Staff reviewed the original Application 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 upon finalization of the cost certification process.

Staff recommends approval of the requested material amendment to the Application.

AVENUE U VILLAS LP
8401 Avenue U | Lubbock, Texas

September 4, 2026

Texas Department of Housing and Community Affairs
Asset Management Division
221 East 11th Street
Austin, Texas 78701
asset.management@tdhca.texas.gov

Re: Material Amendment to Housing Tax Credit Application
Avenue U Villas, Application No. 25145
Reduction in Development Site Acreage

To Whom It May Concern:

Avenue U Villas LP requests approval of a material amendment to the above-referenced Application to reduce the Development Site from 10.452 acres to 8.890 acres. The unit count does not change. The smaller site raises residential density from 7.65 units per acre to 9.00, an increase of 17.6 percent, which exceeds the five percent threshold at 10 TAC §10.405(a)(4)(F).

	Acres	Units	Units/Acre
Application site plan	10.452	80	7.65
Permitted and platted site	8.890	80	9.00
Change	(1.562)	0	+17.6%

The Development will continue to consist of 80 units. The unit sizes, unit mix, income and rent restrictions, target population, and amenities are unchanged from the Application.

Site Area Reconciliation

	Acres
Development Site per Application	10.452
Less right-of-way and alley dedication	(0.602)
Less single family lots (0.55 and 0.41 acre tracts)	(0.960)
Platted Development Site	8.890

Reason the Change Is Necessary and Good Cause

During City of Lubbock site plan review, the City required right-of-way and alley dedication along Avenue U for a planned road widening, and requested a buffer between the roadway and the multifamily development along the Avenue U frontage. The two tracts fronting Avenue U reflect what fits the remaining frontage. The Development could not be platted or permitted without these changes.

The two tracts will be developed as single family lots. Avenue U Villas LP has not determined whether the lots will be sold to a homebuilder or constructed by the development team and sold.

The Change Was Not Foreseeable at the Time of Application

The Application was submitted in February 2025. Site plan review with the City of Lubbock did not begin until September 2025, approximately seven months later. The right-of-way and alley dedication and the frontage buffer both came out of that review. Neither was known to Avenue U Villas LP at the time of Application, neither could have been anticipated, and neither was within the Development Owner's control to prevent.

Financial Impact

There is no financial impact to the Development. The only change is a reduction in site acreage. The unit count, unit sizes, unit mix, income and rent restrictions, target population, and amenities are unchanged, and there is no change to the Development's sources and uses or to its operating performance.

Commitment to Completion

Avenue U Villas LP is funding the Development through completion so that work is not halted and the units are not delayed in being placed in service. The Development Owner's priority is completing construction and placing the Development in service by the placed in service deadline of December 31, 2027, and the Development Owner does not intend to request force majeure relief.

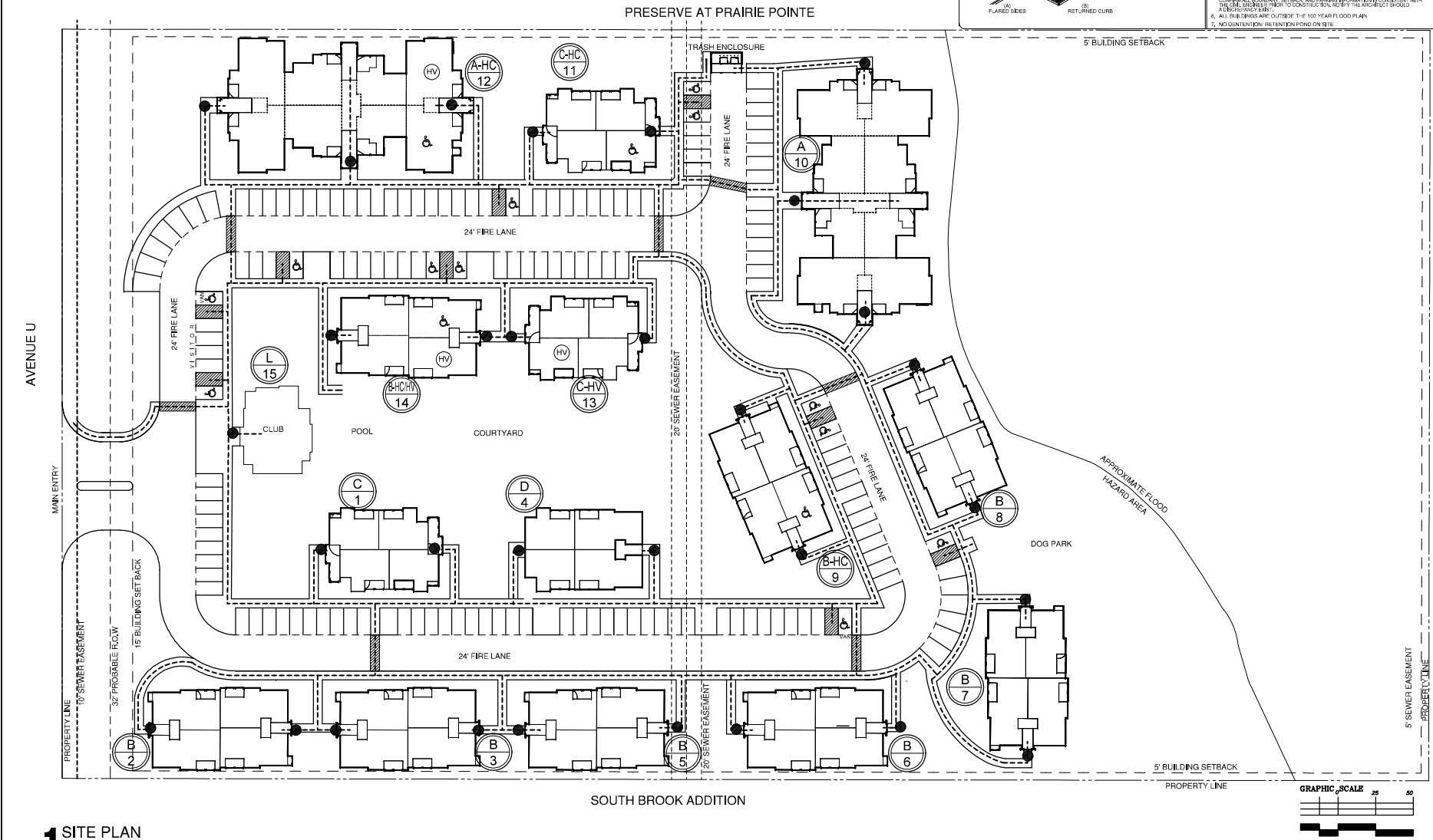
The Amendment Request Form, supporting documentation, and the applicable amendment fee accompany this letter. Please contact the undersigned with any questions or if additional information would assist the Department's review.

Sincerely,



Jay Milam
General Partner
Avenue U Villas LP

BUSINESS TYPES	BUSINESS TYPES								TOTAL
	A	B	C	D	E	F	G	H	
0 (BLANK)	1	1	1	1	1	1	1	1	14
1 (ADA)	1				4	3	1	3	12
1 (HVO)						1			1
2	4	4					1		1
2 (ADA)			4	2			3	2	31
2 (HVO)				1		1	1		2
2	4	4							8
1	8	6							14
1 (ADA)	1								1
1 (HVO)	1								1
TOTALS	16	16	4	4	4	4	4	4	

RCVD 6/10/25 2:24 PM BY CT[illegible]

1 SITE PLAN

06-05-2025

REVISIONS

AVENUE U VILLAS
80 APARTMENT UNITS IN LUBBOCK, TEXAS

REVIEW PRINTS NOT TO
BE USED FOR
REGULATORY
APPROVAL, PERMIT, OR
CONSTRUCTION

HECK
ARCHITECT

1595 EXCEL PARKWAY ADDISON, TX 75001
214-420-8878
heck.com

DATE
06-05-2025

PROJECT
25125

SHEET NUMBER

A1-01

SITE PLAN

