



## Texas Department of Housing and Community Affairs

### Governing Board

### Board Action Request

**File #: 1251**

**Agenda Date: 12/11/2025**

**Agenda #:**

Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application and Land Use Restriction Agreement for Roseland Townhomes (HTC #99111) and Roseland Estates (HTC #02006)

#### **RECOMMENDED ACTION**

**WHEREAS**, Roseland Townhomes originally received a 9% Housing Tax Credit (HTC) award in 1999 for the construction of 152 multifamily units, of which 114 are designated as low-income units, in Dallas, Dallas County, and Roseland Estates (collectively, the Developments), which is adjacent to Roseland Townhomes, originally received a 9% HTC award in 2002 for the construction of 138 multifamily units, of which 104 are designated as low-income units, in Dallas;

**WHEREAS**, the Land Use Restriction Agreement (LURA) for Roseland Townhomes runs through December 31, 2040, and the LURA for Roseland Estates runs through December 31, 2042;

**WHEREAS**, the Dallas Housing Authority (DHA), now known as DHA Housing Solutions of North Texas (Development Owner or Owner), is proposing to redevelop the Developments as a single development named "Roseland Homes" and requests to temporarily suspend the enforcement of the existing LURAs for vacant units, which will permit DHA and its developer affiliate, North Texas Housing Partners (Developer), to redevelop the Developments by relocating existing tenants to vacant units within the Developments, and in return, DHA and the Developer agree to an extended affordability period over the 40-year periods currently required by the existing LURAs to compensate for the redevelopment period;

**WHEREAS**, the redevelopment of the Developments is anticipated to include the demolition of three buildings with 14 units total, and all remaining formerly market rate units will be redeveloped as low-income units; and

**WHEREAS**, the requested changes require Board approval under 10 TAC §10.405(a)(4)(A), (B), (E), (F), and the Development Owner has complied with the procedural amendment requirements in 10 TAC §10.405 to place this request before the Board, including holding a public hearing;

**NOW, therefore, it is hereby**

**RESOLVED**, that the amendment request to temporarily suspend the enforcement of the LURA for the vacant units for a period of up to five years, demolish 14 units, and extend the term of the LURAs for the development period after redevelopment is completed is approved as

presented to this meeting, and the Executive Director and his designees are hereby, authorized, empowered, and directed to take all necessary action to effectuate the foregoing.

### **BACKGROUND**

Roseland Townhomes originally received a 9% Housing Tax Credit award in 1999 for the construction of 152 multifamily units, of which 114 are designated as low-income units, in Dallas, Dallas County. Roseland Estates, which is adjacent to Roseland Townhomes, received a 9% HTC awards in 2002 for the construction of 138 multifamily units, of which 104 are designated as low-income units, in Dallas, Dallas County. The Land Use Restriction Agreement (LURA) for Roseland Townhomes runs through December 31, 2040, and the LURA for Roseland Estates runs through December 31, 2042.

In letters as of September 12, 2025, and November 7, 2025, Tamea A. Dula, as representative for the Development Owner, requested approval for an amendment that will result in the demolition of 14 units, changes to the unit mix, and a partial suspension and subsequent extension of the terms of the LURAs for the Developments. DHA and its affiliate, North Texas Housing Partners, anticipate redeveloping the Developments as a single development tentatively named "Roseland Homes". Roseland Homes will incorporate an existing community gym constructed in 2004 and not previously part of the HTC Developments. Redevelopment of the Developments will be done through anticipated 4% HTC and tax-exempt bond financing as well as HUD's Rental Assistance Demonstration (RAD) Program.

The Owner indicated that the Developments have substantial deferred maintenance due to dwindling operational and capital funding, and furthermore, there are severe foundational issues caused by expansive clay. Occupancy has decreased due to these problems, among other concerns, and the Developments need a major remodeling in order to make them viable again.

The Development Owner requests approval to partially suspend enforcement of the HTC units that must be maintained pursuant to the LURAs. Such a suspension of the LURAs will permit DHA and the Developer to redevelop the Developments using a relocation plan that relocates existing tenants to vacant units within the Developments, to conduct the extensive renovations without having to move residents off site. In exchange for the requested suspension until construction completion, DHA and the Developer would agree to include an extended compliance over the 40-year periods currently required by the existing LURAs. The Owner indicated that they stopped entering into new leases in August 2025, but lease renewals are still occurring.

The redevelopment is anticipated to include the demolition of 14 units in three buildings, and a new community building will be added. All remaining formerly market rate units will be redeveloped as low-income units. The three buildings to be demolished contain four two-bedroom units and six three-bedroom units from Roseland Townhomes, and four two-bedroom units from Roseland Estates, resulting in an overall unit mix of 15 one-bedroom units, 103 two-bedroom units, 132 three-bedroom units, 23 four-bedroom units, and three five-bedroom units

for the Developments combined. The renovated combined development is anticipated to have 197 units at 50% of Area Median Income (AMI) and 79 units at 60% of AMI instead of the 173 units at 50% AMI and 45 units at 60% AMI currently required by the existing LURAs. The rent rolls as of November 4, 2025, indicate that there are 10 low-income tenants currently at Rosedale Estates and 47 low-income tenants currently at Roseland Townhomes. There are also nine occupied market rate units at Roseland Estates and 12 occupied market rate units at Roseland Townhomes.

The Development Owner held a public hearing regarding this proposed amendment request as required under 10 TAC §10.405(b)(3). The public hearing was held on November 3, 2025. The Owner reported that 30 residents were in attendance. The minutes for the public hearing indicate that several questions were asked regarding the proposed plan, and the residents expressed concern about relocation during construction. No negative public comment was reported regarding the proposed amendment.

Staff recommends approval to suspend monitoring of the vacant units and supportive service requirements under the existing LURAs for five years to allow for the redevelopment. Additionally, staff will require the Owner to submit by January 6, 2026, a list of all LIHTC households, per income level and bedroom size residing at the Development on August 1, 2025, and Owner will be required to attempt to contact these households using at least two Department approved methods at least 90 days but no more than six months before units will be available for lease to offer these households a right of return. Additionally, staff recommends extending the term of the original LURAs and requiring the amendments to be recorded by January 30, 2026 (which may be extended by the Executive Director for good cause) for five years, and a 65 month extension of the Compliance Period for Roseland Townhomes and a 89 month extension of the Compliance Period for Roseland Estates, to compensate for the redevelopment period. The Department will also amend the total number of Units described in each LURA and amend the Appendix As to reflect the removal of the demolished buildings. The redevelopment period will begin as of August 1, 2025, which is the month in which new leases were not accepted, and will end once the rehabilitation has been completed as evidenced by certificates of occupancy or certificate(s) of substantial completion for all buildings in the Developments, and obtaining and correcting any deficiencies from an NSPIRE inspection from the Department. If the redevelopment period is requested to be longer than five years from August 1, 2025, the Development Owner will be required to sign an additional LURA amendment to further extend the applicable provisions. This action is not approving any other amendments to the existing LURAs.

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November 7, 2025

By Email to [Rosalio.Banuelos@tdhca.texas.gov](mailto:Rosalio.Banuelos@tdhca.texas.gov)  
Rosalio Banuelos, Director of Multifamily Asset Management  
Texas Department of Housing and Community Affairs  
221 East 11<sup>th</sup> Street  
Austin, Texas 78701

RE: HTC #99111 – Roseland Townhomes, Dallas, Dallas County, Texas;  
HTC #02006 – Roseland Estates, Dallas, Dallas County, Texas;  
Amended Request for Material LURA Amendments.

Dear Rosalio:

This letter was requested by you to supplement my letter of September 12, 2025 initiating contact with the TDHCA concerning the redevelopment of Roseland Townhomes and Roseland Estates. As you are aware, our client, the Dallas Housing Authority, now known as DHA Housing Solutions of North Texas (“DHA”), developed the referenced multifamily apartment complexes in 1999 for Roseland Townhomes (152 total units, 114 LIHTC units, General population - “Townhomes”) and in 2002 for Roseland Estates (138 total units, 103 LIHTC units, General population - “Estates,” and collectively with Townhomes, the “Properties”). DHA now wishes to redevelop the Properties as a single development, tentatively named “Roseland Homes.” Roseland Homes will additionally incorporate an existing community gym constructed in 2004 and not previously included within the Housing Tax Credit Program. Redevelopment of the Properties will be pursuant to an anticipated 4% Tax Credit and Tax-Exempt Bond financing, as well as HUD’s Rental Assistance Demonstration (RAD) Program.

On behalf of DHA, we ask that the following Material Amendments to the LURAs currently regulating the Properties be granted, based upon an anticipated LURA for the redeveloped single Property (“Roseland Homes”) under the terms indicated:

9 Greenway Plaza, Suite 1000 Houston, Texas 77046  
Phone: 713-651-0111 Fax: 713-651-0220  
Web: [www.coatsrose.com](http://www.coatsrose.com)

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1. **Temporary Suspension of Enforcement.** We request that the TDHCA temporarily suspend enforcement of the minimum number of LIHTC units that must be maintained pursuant to the Land Use Restriction Agreements, as currently amended (collectively, the “LURAs”) for each of Townhomes and Estates until construction completion. Such a suspension of the LURAs will permit DHA and the Developer to redevelop using a Relocation Plan that relocates existing tenants to vacant units within the Properties, in order to conduct the extensive renovations without having to move residents off site. In exchange for the requested suspension until construction completion, DHA and the Developer would agree to include an additional agreed period of extended compliance over the 40-year periods currently required by the Properties’ existing LURAs.
2. **Revisions to Bedroom Mix.** The redevelopment of the two Properties is anticipated to include the demolition of 14 units. All remaining formerly Market Rate units will be redeveloped as Tax Credit Units (w/o public housing subsidy).

**Roseland Townhomes (North Side)**

**Current**

152 Total Units

114 Public Housing/LIHTC:

8 – 1 Bedroom

58 – 2 Bedroom

48 – 3 Bedroom

38 Market Rate Units:

23 – 3 Bedroom

12 – 4 Bedroom

3 – 5 Bedroom

**Proposed Changes**

142 Total Units

114 Public Housing/LIHTC:

8 – 1 Bedroom

54 – 2 Bedroom

52 – 3 Bedroom

28 LIHTC:

13 – 3 Bedroom

12 – 4 Bedroom

3 – 5 Bedroom

**Roseland Estates (South Side)**

**Current**

138 Total Units

103 Public Housing/LIHTC:

7 – 1 Bedroom

53 – 2 Bedroom

43 – 3 Bedroom

35 Market Rate Units:

24 – 3 Bedroom

11 – 4 Bedroom

**Proposed Changes**

134 Total Units

103 Public Housing/LIHTC:

7 – 1 Bedroom

49 – 2 Bedroom

47 – 3 Bedroom

31 LIHTC:

20 – 3 Bedroom

11 – 4 Bedroom

3. **Unit Mix in Redeveloped Property (Roseland Homes).** The two original sites will be redeveloped with placement of buildings not necessarily in the identical locations previously shown. As a whole, the redeveloped Roseland Homes will have the following Bedroom Mix (taken from the “Proposed Changes” shown above):

**Roseland Homes – 276 Total Units**

217 Public Housing/LIHTC:

15 – 1 Bedroom

103 – 2 Bedroom

99 – 3 Bedroom

59 LIHTC:

33 – 3 Bedroom

23 – 4 Bedroom

3 – 5 Bedroom

4. **Current Design of Unit Mix.** The current design of the redeveloped site uses the following income and rent limitations:

**Roseland Homes – 276 Total Units**

<b>Bedroom Type</b>	<b>60% AMGI</b>	<b>50% AMGI</b>	<b>Total</b>
<b>1 – Bedroom</b>	<b>4</b>	<b>11</b>	<b>15</b>
<b>2 – Bedroom</b>	<b>21</b>	<b>82</b>	<b>103</b>
<b>3 – Bedroom</b>	<b>43</b>	<b>89</b>	<b>132</b>
<b>4 – Bedroom</b>	<b>11</b>	<b>12</b>	<b>23</b>
<b>5 – Bedroom</b>	<b>0</b>	<b>3</b>	<b>3</b>
		<b>Total:</b>	<b>276</b>

5. **Evidence of Public Hearing.** Evidence of the Public Hearing that was held at 4:00 pm Central on Monday, November 3, 2025, was previously sent to you under separate cover, including a Sign-in Sheet and Minutes of the Public Hearing.
6. **Request for Approval of Material LURA Amendments.** On behalf of DHA and the Developer, we respectfully request that Staff recommend the TDHCA Board approve Material LURA Amendments that will suspend the effects of the two existing LURAs through a date to be mutually agreed between the DHA and the TDHCA Staff, and for the proposed redevelopment of the two Properties as a single site. These amendments will permit completion of the reconstruction and commencement of the lease-up of the redeveloped Roseland Homes. As previously discussed, we request that this be placed on the Agenda for the December TDHCA Board Meeting.

Rosalio Banuelos, Director of Multifamily Asset Management

November 7, 2025

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Thank you for your consideration of this request for a Material LURA Amendment. If you need any additional information or have any questions, please contact me or Dana Arnette, Director of Development at DHA at [Dana.Arnette@dhantx.com](mailto:Dana.Arnette@dhantx.com) (469-324-2929).

Sincerely,

A handwritten signature in black ink, reading "Tamea A. Dula". The signature is fluid and cursive, with the first name "Tamea" being larger and more prominent than the last name "Dula".

Tamea A. Dula

cc: Lucy Weber  
Troy Broussard  
Debbie Quitugua  
Dana Arnette  
Greg Mayes  
Barry Palmer

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September 12, 2025

By Email to [bobby.wilkinson@tdhca.state.tx.us](mailto:bobby.wilkinson@tdhca.state.tx.us)  
Bobby Wilkinson, Executive Director  
Texas Department of Housing and Community Affairs  
221 East 11<sup>th</sup> Street  
Austin, Texas 78701

RE: HTC #99111 – Roseland Townhomes, Dallas, Dallas County, Texas;  
HTC #02006 – Roseland Estates, Dallas, Dallas County, Texas;  
Request: Material LURA Amendments suspending LURAs through **December 31, 2028.**

Dear Mr. Wilkinson:

In 1998, our client, the Dallas Housing Authority, now known as DHA Housing Solutions of North Texas (“DHA”), received an approximately \$34.9 million HOPE VI revitalization grant from HUD for the purpose of redeveloping 611 substandard public housing units located on the Roseland Homes housing site (“Roseland”). The HOPE VI funding was required to be leveraged by using other funding sources. The DHA started its revitalization mission at Roseland by qualifying for 9% Housing Tax Credits in 1999 for Roseland Townhomes (152 total units, 114 LIHTC units, General population - “Townhomes”) and in 2002 for Roseland Estates (138 total units, 103 LIHTC units, General population - “Estates,” and collectively with Townhomes, the “Properties”).

Under the HOPE VI Program, DHA planned for the 27-acre Roseland site to become a much more mixed-income community. DHA’s plans for a mixed-income community were met with the threat of possible litigation, however, alleging that the proposed redevelopment would contribute toward housing low-income families in neighborhoods within the City of Dallas that provided fewer opportunities for families, while providing market tenants access to prime desirable sites such as the Properties. The threat of litigation forced DHA to place a higher percentage of public housing units at the Properties than had been originally anticipated, which included income- and rent-restricted units in the Properties along with contractual public housing and units receiving operational subsidies from HUD.

In redeveloping the Roseland site, DHA also faced pressure to preserve some of the site’s now 83-year-old historic buildings. As a result, the management and maintenance facilities for Townhomes and Estates are currently located in the historic buildings situated immediately north

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of Townhomes. The result has been that there is not a “defining” entrance to the Properties as is customary in both market and affordable housing communities.

Now, nearly a quarter century after their construction, the Properties’ condition reflects the dwindling operational and capital funding from HUD essential for the upkeep and maintenance of public housing units, resulting in substantial deferred maintenance. Severe foundational issues further exacerbate the Properties’ deteriorating condition. The foundation issues are caused by Dallas soil, which is predominantly black, alkaline clay, often referred to as “black gumbo” or “black velvet” due to its color and texture. The expansive clay has caused significant problems for foundations, as it shrinks and swells with changes in moisture. As a result, the Properties suffer from significant issues with doors closing and cracks in the walls. Occupancy has decreased due to these problems, among other concerns, and the Properties desperately need a major remodeling in order to make them viable for families to reside there. The major remodeling will need to include implementation of a watering system that will serve to mitigate the foundational problems caused by the expansive clay.

DHA and its developer affiliate, North Texas Housing Partners (“Developer”), anticipate redeveloping the Properties as a single development tentatively named “Roseland Homes.” Roseland Homes will additionally incorporate an existing community gym constructed in 2004 and not previously included within the Housing Tax Credit Program. Redevelopment of the Properties will be pursuant to an anticipated 4% Tax Credit and Tax-Exempt Bond financing, as well as HUD’s Rental Assistance Demonstration (RAD) Program.

On behalf of DHA, we ask that the TDHCA suspend enforcement of the minimum number of LIHTC units that must be maintained pursuant to the Land Use Restriction Agreements, as currently amended (collectively, the “LURAs”) for each of Townhomes and Estates. Such a suspension of the LURAs will permit DHA and the Developer to redevelop the Projects using a Relocation Plan that relocates existing tenants to vacant units within the Projects, in order to conduct the extensive renovations without having to move residents off site. In exchange for the requested suspension until construction completion, DHA and the Developer would agree to include an additional five (5) years of extended compliance over the 40-year periods currently required by the Projects’ existing LURAs.

We point out that this technique of postponing compliance requirements and increasing the Extended Use Period has been successfully used several times in the past when major redevelopment means substantial disruption to the operation of a project during the rehabilitation period. Recently, #21419 - 2100 Memorial Drive was able to suspend enforcement of operations during the reconstruction of a high-rise apartment building that had to be totally vacated for rehabilitation purposes. Likewise, #95081/93057 - Parks at Wynnewood was able to suspend enforcement of its LURA for a period of two years during demolition of a part of the project and redevelopment as #10044/11003 - Wynnewood Seniors Housing, with the LURA further extended after placement in service to make up for lost enforcement time. [Wynnewood Seniors Housing was the first time the TDHCA adopted this technique for facilitating redevelopment on a site where redevelopment precluded full enforcement of the LURA’s use provisions due to vacancies necessitated by construction.]

On behalf of DHA and the Developer, we respectfully request that Staff recommend the TDHCA Board approve Material LURA Amendments that will suspend the effects of the two LURAs through **December 31, 2028**. These amendments will permit the completion of the reconstruction and commencement of the lease-up.

Thank you for your consideration of this request for a material LURAs Amendment.

Sincerely,

A handwritten signature in black ink, reading "Tamea A. Dula". The signature is fluid and cursive, with the first name "Tamea" being larger and more prominent than the last name "Dula".

Tamea A. Dula

cc: Rosalio Banuelos  
Lucy Weber  
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Debbie Quitugua  
Dana Arnett  
Greg Mayes