

**SUPPLEMENTAL BOARD BOOK  
OF  
December 12, 2019**



**J. B. Goodwin, Chair**

**Leslie Bingham Escareño, Vice-Chair**

**Paul Braden, Member**

**Asusena Reséndiz, Member**

**Sharon Thomason, Member**

**Leo Vasquez, III, Member**

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS  
GOVERNING BOARD MEETING**

**A G E N D A  
9:00 AM  
DECEMBER 12, 2019**

**Texas Capitol Extension, E2.026  
1100 Congress Ave  
Austin, Texas 78701**

CALL TO ORDER

ROLL CALL

**J.B. Goodwin, Chair**

CERTIFICATION OF QUORUM

*Pledge of Allegiance - I pledge allegiance to the flag of the United States of America, and to the republic for which it stands, one nation under God, indivisible, with liberty and justice for all.*

*Texas Allegiance - Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.*

Resolution Commemorating and Recognizing December 21, 2019, as Homeless Persons' Memorial Day in Texas

**CONSENT AGENDA**

Items on the Consent Agenda may be removed at the request of any Board member and considered at another appropriate time on this agenda. Placement on the Consent Agenda does not limit the possibility of any presentation, discussion or approval at this meeting. Under no circumstances does the Consent Agenda alter any requirements under Chapter 551 of the Tex. Gov't Code, Texas Open Meetings Act. Action may be taken on any item on this agenda, regardless of how designated.

**ITEM 1: APPROVAL OF THE FOLLOWING ITEMS PRESENTED IN THE BOARD MATERIALS:**

**EXECUTIVE**

- a) Presentation, discussion, and possible action on Board meeting minutes summary for September 5, 2019

**J. Beau Eccles**  
General Counsel

**ASSET MANAGEMENT**

- b) Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application

**Rosalio Banuelos**  
Director of  
Asset Management

95093 Paseo Plaza Apartments                      Brownsville

17390 Las Palomas                                      McAllen

17445 Nightingale at Goodnight Ranch              Austin

- c) Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Land Use Restriction Agreement

00078 Cypress Ridge                                      Nacogdoches

01166 Churchill Place                                      La Porte

02020 Kings Row Apartments                      Houston

- d) Presentation, discussion, and possible action regarding a Material Amendment to the Housing Tax Credit Application and Multifamily Direct Loan Application

12269/1001750 Stonebridge of Kelsey Park      Lubbock



- e) Presentation, discussion, and possible action regarding approval of a Multifamily Direct Loan subordination  
1002050 Emma Finke Villas Beeville

**COMPLIANCE**

- f) Presentation, discussion, and possible action on a Dispute of the Compliance Division's assessment of the Applicant's compliance history to be reported to the Executive Award Review Advisory Committee regarding Fish Pond at Corpus Christi (19610)

**Patricia Murphy**  
Director of Compliance

**COMMUNITY AFFAIRS**

- g) Presentation, discussion, and possible action on an increase in the annual expenditures for the use of the U.S. Citizenship and Immigration Services' Systematic Alien Verification for Entitlements program from \$8,000 to \$15,000 pursuant to Tex. Gov't Code §2155.088(b)(2)

**Gavin Reid**  
Manager of  
Planning and Training

**HOME AND HOMELESSNESS PROGRAMS**

- h) Presentation, discussion, and possible action on an amendment to the 2018 Emergency Solutions Grants Program Contract for Randy Sams' Outreach Shelter, Inc. and approval of a Contract Term for the City of Texarkana's Ending Homelessness Fund Contract

**Abigail Versyp**  
Director of HOME and  
Homelessness Programs

**LEGAL**

- i) Presentation, discussion, and possible action regarding the adoption of four Agreed Final Orders concerning properties owned by Center for Housing and Economic Opportunities Corporation, including Milam Creek Senior Village (HOME 1000555 / CMTS 4313), Milam Creek Senior Village II (HOME 1001214 / CMTS 4722), Alta Vista Village Retirement Community (HOME 531300 / CMTS 4006), and Floresville Senior Housing (HOME 1000969 / CMTS 4515)

**Jeffrey T. Pender**  
Deputy General Counsel

- j) Presentation and Discussion on Report to Board regarding administrative penalties and initiation of a contested case hearing, and the adoption of an Agreed Final Order as a final settlement offer for Cottonwood and Westway Apartments (HTC 70111 / CMTS 2298)

**BOND FINANCE**

- k) Presentation, discussion, and possible action on Resolution No. 20-008 authorizing the filing of one or more applications for reservation with the Texas Bond Review Board with respect to qualified mortgage bonds and containing other provisions relating to the subject

**John Tomme**  
Senior Financial Analyst

**MULTIFAMILY FINANCE**

- l) Presentation, discussion, and possible action regarding a waiver of certain requirements in 10 TAC §13.11 for Sierra Royale Apartments (TCAP RF Contract #13150019503)
- m) Presentation, discussion, and possible action regarding the approval for publication in the *Texas Register* of the 2020-3 Multifamily Direct Loan Special Purpose Notice of Funding Availability

**Andrew Sinnott**  
Multifamily Loans Program  
Administrator

**SECTION 811**

- n) Presentation, discussion, and possible action authorizing the Department to submit an application for FY 2019 Project Rental Assistance of Section 811 Supportive Housing for Persons with Disabilities Notice of Funding Availability released by the U.S. Department of Housing and Urban Development, and if successfully awarded to operate such program

**Spencer Duran**  
Section 811 Program  
Manager

## RULES

- o) Presentation, discussion, and possible action on the draft 2020 State of Texas Low Income Housing Plan and Annual Report; proposed repeal of 10 TAC Chapter 1, Subchapter A, General Policies and Procedures, §1.23 concerning State of Texas Low Income Housing Plan and Annual Report; proposed new 10 TAC Chapter 1, Subchapter A, General Policies and Procedures, §1.23 concerning State of Texas Low Income Housing Plan and Annual Report; and directing their publication for public comment in the *Texas Register*
- p) Presentation, discussion, and possible action on an order proposing amendments to 10 TAC §8.7, Tenant Selection and Screening; an order proposing amendments to 10 TAC §23.61, Tenant-Based Rental Assistance (TBRA) General Requirements; and directing their publication in the *Texas Register*

**Elizabeth Yevich**  
Director of Housing  
Resource Center

**Brooke Boston**  
Director of Programs

## CONSENT AGENDA REPORT ITEMS

### ITEM 2: THE BOARD ACCEPTS THE FOLLOWING REPORTS:

- a) Outreach and Activities Report (Nov-Dec)
- b) Quarterly Report on Texas Homeownership Division Activity
- c) Report on the Draft Computation of Housing Finance Division Total and Unencumbered Fund Balances and Transfers to the Housing Trust Fund
- d) Report of the 2021 and 2022 QAP Planning Process

**Michael Lyttle**  
Director of  
External Affairs

**Cathy Gutierrez**  
Director of  
Texas Homeownership

**Ernie Palacios**  
Director of  
Financial Administration

**Marni Holloway**  
Director of  
Multifamily Finance

## ACTION ITEMS

### ITEM 3: INTERNAL AUDIT

- a) Report on the meeting of the Internal Audit and Finance Committee
- b) Presentation, discussion, and possible approval of the Annual Internal Audit Plan for Fiscal Year 2020

**Sharon Thomason**  
Chair of Audit and  
Finance Committee

**Mark Scott**  
Director of  
Internal Audit

### ITEM 4: OCI, HTF, AND NSP

- a) Presentation, discussion, and possible action on a proposed amendment to the 2020-2021 State Housing Trust Fund Biennial Plan and authorization for staff to submit the amended plan to all appropriate offices

**Raul Gonzales**  
Director of  
OCI, HTF, and NSP

### ITEM 5: COMMUNITY AFFAIRS

- a) Presentation, discussion, and possible action on the Federal Fiscal Year 2020 Low Income Home Energy Assistance Program Community Energy Assistance Program award for Galveston County Community Action Council, Inc.
- b) Presentation, discussion, and possible action authorizing the Department to submit an application for Community Services Block Grant disaster supplemental funding in response to an action transmittal released by the U.S. Department of Health and Human Services, and if successfully awarded to administer such funds

**Gavin Reid**  
Manager of Planning  
and Training

### ITEM 6: BOND FINANCE

- a) Presentation, discussion, and possible action regarding Resolution No. 20-009 authorizing the implementation of Texas Department of Housing and Community Affairs Mortgage Credit Certificate Program 94, approving the form and substance of the program manual and the program summary, authorizing the execution of

**John Tomme**  
Senior Financial Analyst

documents and instruments necessary or convenient to carry out Mortgage Credit Certificate Program 94, and containing other provisions relating to the subject

**ITEM 7: MULTIFAMILY FINANCE**

**Teresa Morales**  
Director of  
Multifamily Bonds

- a) Presentation, discussion, and possible action regarding the issuance of Determination Notices for 4% Housing Tax Credit Applications
  - 19443 Spanish Park Arlington
  - 19473 Flora Lofts Dallas
  - 19470 Jackie Robinson El Paso
  - 19400 Villas del San Xavier San Marcos
  - 19467 Auro Crossing Austin ETJ
- b) Presentation, discussion, and possible action on a waiver of 10 TAC §11.3 of the Qualified Allocation Plan related to Housing De-Concentration Factors for Austin Manor Apartment Homes (#19471) in the extraterritorial jurisdiction of Austin
- c) Presentation, discussion, and possible action on a Determination Notice for Housing Tax Credits and an Award of Direct Loan Funds for The Walzem (#19468) in San Antonio ETJ

**Marni Holloway**  
Director of  
Multifamily Finance

- d) Presentation, discussion and possible action on a request for return and reallocation of tax credits under 10 TAC §11.6(5) related to Credit Returns Resulting from Force Majeure Events
  - 17239 Abbingtion Ranch Boerne
  - 17736 Providence at Ted Trout Drive Hudson
  - 18376 Lakeview Point Apartments Garland
  - 17700 The Terraces at Arboretum Houston

**Andrew Sinnott**  
Multifamily Loans Program  
Administrator

- e) Presentation, discussion, and possible action to adopt the 2020 Multifamily Programs Application Procedures Manual
- f) Presentation, discussion, and possible action regarding the approval for publication in the *Texas Register* of the 2020-1 Multifamily Direct Loan Annual Notice of Funding Availability
- g) Presentation, discussion, and possible action regarding awards of Direct Loan funds from the 2019-1 Multifamily Direct Loan Notice of Funding Availability
  - 19053 Laurel Creek Apartments Austin
  - 19508 Roosevelt Gardens Austin

**ITEM 8: RULES**

**Andrew Sinnott**  
Multifamily Loans Program  
Administrator

- a) Presentation, discussion, and possible action on an order adopting the repeal of 10 TAC Chapter 13, Multifamily Direct Loan Rule, and an order adopting the new 10 TAC Chapter 13, Multifamily Direct Loan Rule, and directing both its publication in the *Texas Register* and adoption of its Substantial Amendment to the One Year Action Plan (OYAP)
- b) Presentation, discussion, and possible action on an order adopting the repeal of 10 TAC, Subchapter A, Administration, §1.7, Appeals Process; an order adopting new 10 TAC, Subchapter A, Administration, §1.7, Appeals Process; and directing that they be published in the *Texas Register*
- c) Presentation, discussion, and possible action on an order proposing new 10 TAC, Chapter 10, Subchapter G, Affirmative Marketing Requirements and Written Policies and Procedures, and directing its publication for public comment in the *Texas Register*
- d) Presentation, discussion, and possible action on an order adopting the repeal of 10 TAC Chapter 6, Community Affairs Programs; an order adopting new 10 TAC Chapter 6, Community Affairs Programs; and directing that they be published for adoption in

**Brooke Boston**  
Director of Programs

**Gavin Reid**  
Manager of Planning  
and Training

the *Texas Register*

- e) Presentation, discussion, and possible action on amendments to Title 10, Part 1, Chapter 10, Subchapter F of the Texas Administrative Code, in particular 10 TAC §10.602 Notice to Owners and Corrective Action Periods; §10.605 Elections under IRC §42(g); §10.607 Reporting Requirements; §10.609 Notices to the Department; §10.610 Written Policies and Procedures, §10.611 Determination, Documentation and Certification of Annual Income; §10.612 Tenant File Requirements; §10.613 Lease Requirements; §10.614 Utility Allowances; §10.615 Elections under IRC §42(g); Additional Income and Rent Restrictions for HTC, Exchange, and TCAP Developments; §10.616 Household Unit Transfer Requirements for All Programs; §10.617 Affirmative Marketing Requirements, §10.618 Onsite Monitoring; §10.622 Special Rules Regarding Rents and Rent Limit Violations; §10.623 Monitoring Procedures for Housing Tax Credit Properties After the Compliance Period; §10.624 Compliance Requirements for Developments with 811 PRA Units; and Figure §10.625; and directing that they be published for public comment in the *Texas Register*
- f) Presentation, discussion, and possible action on an order approving the repeal of 10 TAC Chapter 10 Subchapter E, Post Award and Asset Management Requirements, and an order adopting new 10 TAC Chapter 10 Subchapter E, Post Award and Asset Management Requirements, and directing their publication in the *Texas Register*

**Patricia Murphy**  
Director of Compliance

**Rosalio Banelos**  
Director of  
Asset Management

#### **PUBLIC COMMENT ON MATTERS OTHER THAN ITEMS FOR WHICH THERE WERE POSTED AGENDA ITEMS**

#### **EXECUTIVE SESSION**

The Board may go into Executive Session (close its meeting to the public):

**J.B. Goodwin**  
Chair

The Board may go into Executive Session Pursuant to Tex. Gov't Code §551.074 for the purposes of discussing personnel matters including to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee;

Pursuant to Tex. Gov't Code §551.071(1) to seek the advice of its attorney about pending or contemplated litigation or a settlement offer;

Pursuant to Tex. Gov't Code §551.071(2) for the purpose of seeking the advice of its attorney about a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Tex. Gov't Code Chapter 551; including seeking legal advice in connection with a posted agenda item;

Pursuant to Tex. Gov't Code §551.072 to deliberate the possible purchase, sale, exchange, or lease of real estate because it would have a material detrimental effect on the Department's ability to negotiate with a third person; and/or

Pursuant to Tex. Gov't Code §2306.039(c) the Department's internal auditor, fraud prevention coordinator or ethics advisor may meet in an executive session of the Board to discuss issues related to fraud, waste or abuse.

#### **OPEN SESSION**

If there is an Executive Session, the Board will reconvene in Open Session. Except as specifically authorized by applicable law, the Board may not take any actions in Executive Session.

#### **ADJOURN**

To access this agenda and details on each agenda item in the board book, please visit our website at [www.tdhca.state.tx.us](http://www.tdhca.state.tx.us) or contact Michael Lyttle, 512-475-4542, TDHCA, 221 East 11<sup>th</sup> Street, Austin, Texas 78701, and request the information. If you would like to follow actions taken by the Governing Board during this meeting, please follow TDHCA account (@tdhca) on Twitter.

Individuals who require auxiliary aids, services or sign language interpreters for this meeting should contact MeLissa Nemecek, ADA Responsible Employee, at 512-475-3959 or Relay Texas at 1-800-735-2989, at least five days before the meeting so that appropriate arrangements can be made. Non-English speaking individuals who require interpreters for this meeting should contact Elena Peinado, 512-475-3814, at least five days before the meeting so that appropriate arrangements can be made. Personas que hablan español y requieren un intérprete, favor de llamar a Elena Peinado, al siguiente número 512-475-3814 por lo menos cinco días antes de la junta para hacer los preparativos apropiados.

#### **NOTICE AS TO HANDGUN PROHIBITION DURING THE OPEN MEETING OF A GOVERNMENTAL ENTITY IN THIS ROOM ON THIS DATE:**

Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly.

De acuerdo con la sección 30.07 del código penal (ingreso sin autorización de un titular de una licencia con una pistola a la vista), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola a la vista.

**THIS RESTRICTION IS APPLICABLE TO THE IDENTIFIED MEETING ROOM ON THIS DATE AND DURING THE MEETING OF THE GOVERNING BOARD OF THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS**

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**BOARD ACTION REQUEST**

**LEGAL DIVISION**

**DECEMBER 12, 2019**

Presentation, Discussion, and possible action on Report to Board regarding administrative penalties and initiation of a contested case hearing, and the adoption of an Agreed Final Order as a final settlement offer for Cottonwood and Westway Apartments (HTC 70111 / CMTS 2298)

**RECOMMENDED ACTION**

**WHEREAS**, Cottonwood and Westway Apartments (fka Annex), owned by 5700 Canyon Drive, LLC and 4710 57th Street, LLC (collectively, Owner), has uncorrected compliance findings relating to the applicable land use restriction agreement and the associated statutory and rule requirements;

**WHEREAS**, representatives of Owner have attended multiple informal conferences, and violated a prior Agreed Final Order earlier this year relating to file monitoring violations;

**WHEREAS**, TDHCA identified findings of noncompliance during its 2019 Uniform Physical Condition Standards (UPCS) inspection and referred them for an administrative penalty when they were not timely corrected;

**WHEREAS**, no corrective documentation has been submitted to the Department;

**WHEREAS**, on October 29, 2019, Owner's representatives participated in an informal conference with the Enforcement Committee and the Enforcement Committee voted to recommend the maximum potential administrative penalty in the amount of \$8,000, but offered a settlement in the form of an Agreed Final Order with \$4,000 to be paid at signing and the remaining \$4,000 to be forgiven if fully acceptable corrections were submitted on or before March 11, 2020;

**WHEREAS**, staff has based its recommendations on the Department's rules for administrative penalties and an assessment of each and all of the statutory factors to be considered in assessing such penalties, applied specifically to the facts and circumstances present in this case;

**WHEREAS**, Owner has not replied to the settlement offer, but staff recommends including the offer in an Agreed Final Order in the event that Owner chooses to settle and comply rather than proceed to a contested case hearing;

**WHEREAS**, Tex. Gov't Code §2306.043 and 10 Tex. Admin. Code §2.302 require the Executive Director to issue a Report to the Board in order to initiate a contested case hearing before the State Office of Administrative Hearings (SOAH);

**WHEREAS**, an administrative penalty in the amount of \$8,000 is appropriate under the statutory factors at Texas Gov't Code §2306.042 and the applicable penalty matrix under 10 TAC §2.302;

**WHEREAS**, consistent with direction from the Department's Enforcement Committee and the requirements of Tex. Gov't. Code §2306.043, the Executive Director presents this Report to the Board; and

**WHEREAS**, Department staff will issue a Notice of Report to the Board to Owner and will do all things necessary to pursue correction of all unresolved violations and the assessment of an administrative penalty in the recommended amount of \$8,000, including, if necessary, a contested case hearing with SOAH.

**NOW, therefore, it is hereby**

**RESOLVED**, that the Board accepts and approves the issuance by the Executive Director of a Report to the Board relating to 5700 Canyon Drive, LLC and 4710 57th Street, LLC and a proposed Agreed Final Order assessing a partially forgivable administrative penalty of \$8,000, substantially in the form presented at this meeting, and authorizing any non-substantive technical corrections, which order is hereby adopted as the order of this Board, and that Owner has 20 days from the date Owner receives a copy of the Notice of Report to the Board to execute and return the Agreed Final Order, or staff shall proceed with a contested case hearing on the matter.



## BACKGROUND

5700 Canyon Drive, LLC and 4710 57th Street, LLC (collectively Owner) are the owners of Cottonwood and Westway Apartments (fka Annex) (Property), a low income apartment complex composed of 53 units, located in Amarillo, Randall County. Records of the Texas Secretary of State list Llano Estacado Management Company, Inc. as the manager for both owning entities, and list Daniel Rogers as the President and Director of that entity. CMTS lists Daniel Rogers as the primary contact for Owner. The property is self-managed via Llano Estacado Management Company, Inc., with Donnie Kellogg listed in CMTS as the property manager.

The Property is subject to a single Land Use Restriction Agreement (LURA) signed by a prior owner in 1991 in consideration for a housing tax credit allocation totaling \$172,350 over 10 years to acquire, rehabilitate and operate the Property. The property was sold multiple times, first in 1992 to Southwood-Driftwood Apartments, Ltd., and again in 1997 to Conny R. Monk, Judy M. Monk, and Steven Craig Monk. In 1998, the Monks notified TDHCA that they did not want to participate in the housing tax credit program, and refused to allow monitoring. Daniel L. Rogers acquired the Property personally in 2005 without prior Department approval, but the LURA remained in effect per Section 2 of the LURA, which stipulates that its restrictions run with the land. Mr. Rogers later transferred the Property to the current owning entities in 2012.

Although the LURA remained a valid encumbrance on the land, the owners from 1998 forward refused to allow monitoring and TDHCA was unable to enforce LURA requirements until it received statutory authority to pursue administrative penalties in 2007. TDHCA attempted monitoring on June 5, 2008. Mr. Rogers and his attorney first attended an informal conference with TDHCA in 2009 for refusing to allow monitoring. He disputed the validity of the LURA because it did not appear on the title search at the time that he purchased the property. He eventually agreed to comply and the Enforcement Committee agreed to allow informal resolution, requiring training, access to conduct a UPCS inspection, and file corrections to be submitted by August 1, 2010. Compliance then opted to conduct an onsite file monitoring review rather than review the mailed submissions because they were so extensive. All findings were eventually resolved, with significant technical support from the Compliance and Legal Divisions.

The Owner was referred for an administrative penalty again in 2013 for reporting and file monitoring findings. He corrected all findings that were subject to correction and submitted a plan for resolution of the uncorrectable findings, so the referral was closed with a warning letter. Uncorrectable findings related to Fair Housing Disclosure Notices, which were uncorrectable because the affected households had moved without signing, and two household income findings relating to households with unexpired leases. Owner sent notices of nonrenewal to both nonqualified households, and occupied the units with qualified households when they became available. Another administrative penalty referral was received for physical condition findings in 2017, but full corrections were submitted before an informal conference notice was issued and no further action was required.

The Owner was later referred for an administrative penalty for findings identified during a file monitoring review conducted during 2018. Referred findings include the following:

1. Failure to maintain complete written policies and procedures, including tenant selection criteria;
2. Failure to include tenant selection criteria in the tenant files for five units;
3. Failure to publish the Tenant Rights and Resources Guide;

4. Failure to implement the updated utility allowance;
5. Failure to provide an Affirmative Marketing Plan and evidence of associated marketing efforts;
6. Failure to provide required lease language for five units;
7. Household income violations for four units, each of which is currently vacant while waiting for an insurance settlement for required roof repairs; and
8. Failure to collect an Annual Eligibility Certification for one unit.

Owner attended an informal conference on January 29, 2019, and stated that the LURA had expired, which is why he did not respond to the 2018 review or subsequent correspondence from the Enforcement Committee. He was not represented by counsel. He indicated that the term of the LURA was 25 years rather than 30 years, including a 10-year Credit Period and a 15-year Extended Use Period. A review by TDHCA staff did not support his conclusion that the LURA had expired. While he was correct about the length of both of those periods, the LURA states that the Extended Use Period will end “15 years from the close of the Compliance Period” not 15 years from the close of the Credit Period. The Compliance Period is not defined in this LURA, which may explain part of the confusion, but the term is defined by 26 USC §42 as, “...the period of 15 taxable years beginning with the 1<sup>st</sup> taxable year of the credit period with respect thereto.” Therefore, the actual term of the LURA is 30 years rather than 25, expiring December 31, 2020.

Owner agreed to sign an Agreed Final Order for a \$10,000 administrative penalty, with a \$2,500 portion due at signing and the remainder to be forgiven if all findings were resolved by May 20, 2019. Corrections were submitted, but tenant file documentation primarily consisted of blank forms and only the utility allowance finding was resolved. Failure to resolve the other findings constituted a violation of the Agreed Final Order, and a demand was sent for the remaining \$7,500 administrative penalty, which remains unpaid to date. This amount will be referred to the Office of the Attorney General for collections once the current penalty referral is concluded.

The Owner was then referred for an administrative penalty for findings identified during a Uniform Physical Condition Standards (UPCS) inspection conducted at the Property on March 21, 2019. The Property has serious roof damage that was reportedly caused by storms in 2018. Owner has self-reported that 21 units are vacant because of the roof damage, however, the Department is unable to permit a two-year casualty loss restoration period because the required casualty loss form was not submitted timely. It should have been submitted within thirty days of the event and, although it is clear that the property manager was aware of the requirement because he requested the form timely, he submitted the completed form 16 months late. The UPCS inspection includes a number of roof, exterior, and unit violations that appear to relate to this roof damage, all of which remain unresolved to date. An informal conference with Daniel Rogers was held on October 29, 2019, but the conference was not productive. A casualty loss form was submitted a few days after the informal conference, acknowledging roof damage to 21 units.

The maximum potential administrative penalty for the 2019 UPCS violations is \$8,000. Many factors support a maximum penalty recommendation. A UPCS score of 70 is poor and the majority of findings are Level 3, the most severe category on a UPCS inspection. No effort has been made to correct the findings. Additional matters that are relevant to the recommended maximum penalty include the violated file monitoring Agreed Final Order, the 66% vacancy rate at the Property, and the fact that Mr. Rogers has no plans for rehabilitation, only indicating that he is waiting for an insurance claim. Enforcement Committee members therefore recommended the maximum administrative penalty

amount of \$8,000, noting that this amount is actually quite low, considering the circumstances. The maximum potential administrative penalty is low because only six units were inspected, and no findings were identified for units being unavailable for rent. As an incentive to comply, the Enforcement Committee recommended a settlement offer in the form of an Agreed Final Order requiring that a \$4,000 portion of the penalty be paid at signing, and that the remainder be forgiven if all findings are resolved by March 11, 2020.

Owner has not replied to the settlement offer outlined above, so the Department is proceeding as though this will be a contested case hearing. However, staff recommends including the original settlement offer in an Agreed Final Order as a final opportunity to settle the case before a hearing is scheduled. The full penalty amount with no forgivable portion would be sought if the Agreed Final Order is not timely accepted.

TDHCA statute and rules outline the procedure for initiating a contested case:

1. Executive Director issues Report to the Board: Required by Tex. Gov't Code §2306.043 and 10 TAC §2.302(f).
2. Notice of Report to the Board, also known as a Notice of Violation, sent to Owner: Required by Tex. Gov't Code §2306.043 and 10 TAC §2.302(g).
3. Owner has 20 days to accept the determination and recommended penalty by signing an Agreed Final Order, or request a hearing.
4. If Owner requests a hearing or does not respond, TDHCA would cause a hearing to be docketed with the State Office of Administrative Hearings ("SOAH") in accordance with 10 TAC §1.13.

Consistent with direction from the Department's Enforcement Committee, an administrative penalty in the amount of \$8,000 is recommended, which shall be partially probated if the Agreed Final Order is signed, and the Department will take all necessary steps to initiate a contested case hearing if the Agreed Final Order accepting the administrative penalty is not signed by Respondent.



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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**To:** TDHCA Governing Board  
**From:** Robert Wilkinson, Executive Director  
**Date:** December 12, 2019  
**Subject:** Report to the Board

The Enforcement Committee has recommended an administrative penalty against Cottonwood and Westway Apartments (fka Annex), owned by 5700 Canyon drive, LLC and 4710 57<sup>th</sup> Street, LLC (collectively known as Respondent) for noncompliance with its Land Use Restriction Agreement and the associated requirements, and has asked the Executive Director to issue a Report to the Board in order to initiate a contested case hearing before the State Office of Administrative Hearings (“SOAH”) in accordance with Tex. Gov’t. Code §2306.043 and 10 TAC §2.302(f).

I have, in my capacity as Executive Director of the Department, made the following **PRELIMINARY DETERMINATIONS:**

**I. JURISDICTION:**

1. During 1991, D and F Investments, Inc. (Prior Owner) was awarded an allocation of Low Income Housing Tax Credits by the Board, in the aggregate amount of \$172,350 over ten years to rehabilitate and operate Cottonwood and Westway Apartments (fka Annex) (Property) (HTC file No. 70111 / CMTS No. 2298 / LDLD No. 39).
2. Prior Owner signed a land use restriction agreement (LURA) regarding the Property. The LURA was effective December 16, 1991, and filed of record at Volume 1362, Page 130 of the Official Public Records of Real Property of Randall County, Texas (Records).
3. The Property was sold multiple times since 1991 without permission by the Department. In accordance with Section 2 of the LURA, the LURA is a restrictive covenant/deed restriction encumbering the Property and binding on all successors and assigns for the full term of the LURA.
4. Daniel L. Rogers purchased the Property in his personal capacity on July 27, 2005 and transferred it to Respondent on December 7, 2012. Although an Agreement to Comply was not signed, Respondent is bound to the terms of the LURA in accordance with Section 2 thereof.

- Respondent is subject to the regulatory authority of TDHCA.

## II. COMPLIANCE VIOLATIONS:

- Property has a history of violations. Respondent signed an Agreed Final Order on April 22, 2019, agreeing to a \$10,000 Administrative Penalty, with \$2,500 due at signing and the remainder to be forgiven if full corrections were submitted on or before May 20, 2019.

The Agreed Final Order was violated. The initial \$2,500 was paid, but the remaining assessed administrative penalty of \$7,500 remains unpaid and all file monitoring violations included in the Agreed Final Order are unresolved, with the exception of the utility allowance violation.

- A Uniform Physical Condition Standards (UPCS) inspection was conducted on March 21, 2019. Inspection reports showed numerous serious property condition violations, a violation of 10 TAC §10.621 (Property Condition Standards). Notifications of noncompliance were sent and a July 16, 2019, corrective action deadline was set.

No corrective documentation has been submitted to date. A list of violations is below, all of which are unresolved.

Inspectible Area Inspectible Item	Deficiency			Comments
Cottonwood and Westway Apartments 4710 SW 57th and 5700 Canyon Dr Amarillo, TX 79109				
Building: Bldg 1				
Unit:				
Building Exterior				
Roofs	Missing/Damaged Shingles		L3	Evidence of roof leaks
Roofs	Damaged Soffits/Fascia/Soffit Vents		L3	Soffit/fascia damaged throughout
Walls	Stained/Peeling/Needs Paint		L2	
Walls	Missing Pieces/Holes/Spalling		L3	Brick frieze loose and damaged throughout
Unit: Unit 10				
Ceiling	Mold/Mildew/Water Stains/Water Damage		L3	Water damage in bedroom
Kitchen	Range/Stove - Missing/Damaged/Inoperable		L3	Stove not grounded/ danger of shock
Smoke Detector	Missing/Inoperable		L3	Smoke detector RDI
Building: Bldg 2				
Unit:				
Building Exterior				
Roofs	Missing/Damaged Shingles		L3	Evidence of roof leaks
Roofs	Damaged Soffits/Fascia/Soffit Vents		L3	Soffit/fascia damaged throughout
Walls	Stained/Peeling/Needs Paint		L2	Exterior needs paint
Unit: Unit 20				
Floors	Soft Floor Covering Missing/Damaged		L3	Flooring missing
Floors	Hard Floor Covering Missing/Damaged Flooring/Tiles		L3	Flooring missing
Walls	Damaged		L3	Missing s/r at tub
Building: Bldg 3				
Unit:				
Building Exterior				
Roofs	Damaged Soffits/Fascia/Soffit Vents		L3	Damaged fascia/soffit throughout
Walls	Stained/Peeling/Needs Paint		L2	Exterior needs paint
Unit: Unit 23				
HVAC System	Not Operable		L3	Wall heater in bedroom inop
Building: Bldg 4				
Unit:				
Building Exterior				
Roofs	Damaged Soffits/Fascia/Soffit Vents		L3	Fascia/soffit damaged throughout
Walls	Stained/Peeling/Needs Paint		L2	Exterior needs paint

*All uses of the term "shingles" in the report above are hereby replaced by the term "roof"*

### **III. LAW/RULE VIOLATIONS:**

1. The Department has jurisdiction over this matter pursuant to Tex. Gov't Code §§2306.041-.0503 and 10 TAC Chapter 2.
2. Respondent is a "housing sponsor" as that term is defined in Tex. Gov't Code §2306.004(14).
3. Pursuant to IRC §42(m)(1)(B)(iii), housing credit agencies are required to monitor for noncompliance with all provisions of the IRC and to notify the Internal Revenue Service of such noncompliance.
4. Respondent violated 10 TAC §10.621 in 2019, by not repairing UPCS violations identified during a physical inspection.
5. Because Respondent is a housing sponsor with respect to the Property, and has violated TDHCA rules, the Board has personal and subject matter jurisdiction over Respondent pursuant to Tex. Gov't Code §2306.041 and §2306.267.
6. Because Respondent is a housing sponsor, TDHCA may order Respondent to perform or refrain from performing certain acts in order to comply with the law, TDHCA rules, or the terms of a contract or agreement to which Respondent and TDHCA are parties, pursuant to Tex. Gov't Code §2306.267.
7. Because Respondent has violated rules promulgated pursuant to Tex. Gov't Code §2306.053 and has violated agreements with the Agency to which Respondent is a party, the Agency may impose an administrative penalty pursuant to Tex. Gov't Code §2306.041.
8. An administrative penalty of \$8,000 is an appropriate penalty 10 TAC Chapter 2.

### **IV. RECOMMENDED ADMINISTRATIVE PENALTY:**

An administrative penalty amount of \$8,000 is appropriate under the penalty matrix at 10 TAC §2.302(j) and the statutory factors identified in TEX. GOV'T. CODE §2306.042.

Accordingly, after consideration of the factors set out in TEX. GOV'T CODE 2306.042 and 10 TAC § 2, I recommend that Respondent correct the outstanding UPCS violations, and pay an administrative penalty in the amount of \$8,000, with the possibility for partial probation and forgiveness of a \$4,000 portion of that penalty if an Agreed Final Order is timely signed to settle the matter. If the settlement is rejected or no reply is received, the full amount shall be pursued via a contested case hearing before an administrative law judge for the State Office of Administrative Hearings.

ENFORCEMENT ACTION AGAINST 5700	§	BEFORE THE
CANYON DRIVE, LLC AND 4710 57TH STREET,	§	TEXAS DEPARTMENT OF HOUSING
LLC WITH RESPECT TO COTTONWOOD AND	§	AND COMMUNITY AFFAIRS
WESTWAY APARTMENTS (FKA ANNEX)	§	
(LIHTC FILE # 70111 / CMTS # 2298)	§	
	§	

**AGREED FINAL ORDER**

**General Remarks and official action taken:**

On this 12th day of December, 2019, the Governing Board (Board) of the Texas Department of Housing and Community Affairs (TDHCA or Department) considered the matter of whether enforcement action should be taken against **5700 CANYON DRIVE, LLC AND 4710 57TH STREET, LLC**, both Texas limited liability companies (Respondent).

This Agreed Order is executed pursuant to the authority of the Administrative Procedure Act (APA), Tex. Gov't Code §2001.056, which authorizes the informal disposition of contested cases. In a desire to conclude this matter without further delay and expense, the Board and Respondent agree to resolve this matter by this Agreed Final Order. The Respondent agrees to this Order for the purpose of resolving this proceeding only and without admitting or denying the findings of fact and conclusions of law set out in this Order.

Upon recommendation of the Enforcement Committee, the Board makes the following findings of fact and conclusions of law and enters this Order:

**WAIVER**

Respondent acknowledges the existence of their right to request a hearing as provided by Tex. Gov't Code §2306.044, and to seek judicial review, in the District Court of Travis County, Texas, of any order as provided by Tex. Gov't Code §2306.047. Pursuant to this compromise and settlement, the Respondent waives those rights and acknowledges the jurisdiction of the Board over Respondent.

**FINDINGS OF FACT ("FOF")**

**Jurisdiction:**

6. During 1991, D and F Investments, Inc. (Prior Owner) was awarded an allocation of Low Income Housing Tax Credits by the Board, in the aggregate amount of \$172,350 over ten years to rehabilitate and operate Cottonwood and Westway Apartments (fka Annex) (Property) (HTC file No. 70111 / CMTS No. 2298 / LDLD No. 39).
7. Prior Owner signed a land use restriction agreement (LURA) regarding the Property. The LURA was effective December 16, 1991, and filed of record at Volume 1362, Page 130 of the Official Public Records of Real Property of Randall County, Texas (Records).

8. The Property was sold multiple times since 1991 without permission by the Department. In accordance with Section 2 of the LURA, the LURA is a restrictive covenant/deed restriction encumbering the Property and binding on all successors and assigns for the full term of the LURA.
9. Daniel L. Rogers purchased the Property in his personal capacity on July 27, 2005 and transferred it to Respondent on December 7, 2012. Although an Agreement to Comply was not signed, Respondent is bound to the terms of the LURA in accordance with Section 2 thereof.
10. Respondent is subject to the regulatory authority of TDHCA.

Compliance Violations<sup>1</sup>:

11. A Uniform Physical Condition Standards (UPCS) inspection was conducted on March 21, 2019. Inspection reports showed numerous serious property condition violations, a violation of 10 TAC §10.621 (Property Condition Standards). Notifications of noncompliance were sent and a July 16, 2019, corrective action deadline was set.  
  
No corrective documentation has been submitted to date. A list of violations is at Exhibit 1, all of which are considered unresolved

**CONCLUSIONS OF LAW**

1. The Department has jurisdiction over this matter pursuant to Tex. Gov't Code §§2306.041-.0503 and 10 TAC Chapter 2.
2. Respondent is a "housing sponsor" as that term is defined in Tex. Gov't Code §2306.004(14).
3. Pursuant to IRC §42(m)(1)(B)(iii), housing credit agencies are required to monitor for noncompliance with all provisions of the IRC and to notify the Internal Revenue Service of such noncompliance.
4. Respondent violated 10 TAC §10.621 in 2019, by not repairing UPCS violations identified during a physical inspection.
5. Because Respondent is a housing sponsor with respect to the Property, and has violated TDHCA rules, the Board has personal and subject matter jurisdiction over Respondent pursuant to Tex. Gov't Code §2306.041 and §2306.267.
6. Because Respondent is a housing sponsor, TDHCA may order Respondent to perform or refrain from performing certain acts in order to comply with the law, TDHCA rules, or the terms of a contract or agreement to which Respondent and TDHCA are parties, pursuant to Tex. Gov't Code §2306.267.

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<sup>1</sup> Within this Agreed Final Order, all references to violations of TDHCA Compliance Monitoring rules at 10 TAC Chapter 10 refers to the versions of the code in effect at the time of the compliance monitoring reviews and/or inspections that resulted in recording each violation. All past violations remain violations under the current code and all interim amendments.



7. Because Respondent has violated rules promulgated pursuant to Tex. Gov't Code §2306.053 and has violated agreements with the Agency to which Respondent is a party, the Agency may impose an administrative penalty pursuant to Tex. Gov't Code §2306.041.
8. An administrative penalty of \$8,000 is an appropriate penalty 10 TAC Chapter 2.

Based upon the foregoing findings of fact and conclusions of law, and an assessment of the factors set forth in Tex. Gov't Code §2306.042 to be considered in assessing such penalties as applied specifically to the facts and circumstances present in this case, the Governing Board of the Texas Department of Housing and Community Affairs orders the following:

**IT IS HEREBY ORDERED** that Respondent is assessed an administrative penalty in the amount of \$8,000, subject to partial deferral as further ordered below.

**IT IS FURTHER ORDERED** that Respondent shall pay and is hereby directed to pay a \$4,000 portion of the assessed administrative penalty by cashier's check payable to the "Texas Department of Housing and Community Affairs" within thirty days of the date this Agreed Final Order is approved by the Board.

**IT IS FURTHER ORDERED** that Respondent shall fully correct the UPCS violations as indicated in Exhibits 1 and 2, and submit full documentation of the corrections to TDHCA via CMTS on or before March 11, 2020.

**IT IS FURTHER ORDERED** that if Respondent timely and fully complies with the terms and conditions of this Agreed Final Order, correcting all violations as required, the satisfactory performance under this order will be accepted in lieu of the remaining assessed administrative penalty in the amount of \$4,000, and that remaining amount of the administrative penalty will be deferred and forgiven.

**IT IS FURTHER ORDERED** that if Respondent fails to satisfy any conditions or otherwise violates any provision of this order, or the property is sold before the terms and conditions of this Agreed Final Order have been fully satisfied, then the remaining administrative penalty in the amount of \$4,000 shall be immediately due and payable to the Department. Such payment shall be made by cashier's check payable to the "Texas Department of Housing and Community Affairs" upon the earlier of (1) within thirty days of the date the Department sends written notice to Respondent that it has violated a provision of this Order, or (2) the property closing date if sold before the terms and conditions of this Agreed Final Order have been fully satisfied.

**IT IS FURTHER ORDERED** that corrective documentation must be uploaded to the Compliance Monitoring and Tracking System ("CMTS") by following the instructions at this link: <http://www.tdhca.state.tx.us/pmcdocs/CMTSUserGuide-AttachingDocs.pdf>. After the upload is complete, an email must be sent to Ysella Kaseman at [ysella.kaseman@tdhca.state.tx.us](mailto:ysella.kaseman@tdhca.state.tx.us) to inform her that the documentation is ready for review. If it comes due and payable, the penalty payment must be submitted to the following address:

If via overnight mail (FedEx, UPS):	If via USPS:
TDHCA Attn: Ysella Kaseman 221 E 11 <sup>th</sup> St Austin, Texas 78701	TDHCA Attn: Ysella Kaseman P.O. Box 13941 Austin, Texas 78711

**IT IS FURTHER ORDERED** that Respondent shall follow the requirements of 10 TAC §10.406, a copy of which is included at Exhibit 3, and obtain approval from the Department prior to consummating a sale of the property, if contemplated.

**IT IS FURTHER ORDERED** that the terms of this Agreed Final Order shall be published on the TDHCA website.

*[Remainder of page intentionally blank]*

Approved by the Governing Board of TDHCA on December 12, 2019.

By: \_\_\_\_\_  
Name: J.B. Goodwin  
Title: Chair of the Board of TDHCA

By: \_\_\_\_\_  
Name: James "Beau" Eccles  
Title: Secretary of the Board of TDHCA

**THE STATE OF TEXAS §**  
**§**  
**COUNTY OF TRAVIS §**

Before me, the undersigned notary public, on this 12<sup>th</sup> day of December, 2019, personally appeared J.B. Goodwin, proved to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

(Seal)

\_\_\_\_\_  
Notary Public, State of Texas

**THE STATE OF TEXAS §**  
**§**  
**COUNTY OF TRAVIS §**

Before me, the undersigned notary public, on this 12<sup>th</sup> day of December, 2019, personally appeared James "Beau" Eccles, proved to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

(Seal)

\_\_\_\_\_  
Notary Public, State of Texas



STATE OF TEXAS §  
§  
COUNTY OF \_\_\_\_\_ §

BEFORE ME, \_\_\_\_\_ (*notary name*), a notary public in and for the State of \_\_\_\_\_, on this day personally appeared Daniel Rogers, known to me or proven to me through circle one: personally known / driver's license / passport to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that (he/she) executed the same for the purposes and consideration therein expressed, who being by me duly sworn, deposed as follows:

1. "My name is Daniel Rogers, I am of sound mind, capable of making this statement, and personally acquainted with the facts herein stated.
2. I hold the offices of President and Director for Respondent, collectively 5700 Canyon Drive, LLC and 4710 57<sup>th</sup> Street LLC. I am the authorized representative for both organizations, owners of the Property, which is subject to a Land Use Restriction Agreement monitored by the TDHCA in the State of Texas, and I am duly authorized to execute this document.
3. Respondent knowingly and voluntarily enters into this Agreed Final Order, and agrees with and consents to the issuance and service of the foregoing Agreed Order by the Governing Board of the Texas Department of Housing and Community Affairs."

**RESPONDENT:**

**4710 57<sup>TH</sup> STREET, LLC**, Texas limited liability company

**LLANO ESTACADO MANAGEMENT COMPANY, INC.**,  
a Texas Limited Liability Company, its manager

By: \_\_\_\_\_

Name: Daniel Rogers

Title: Director and President

Given under my hand and seal of office this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Signature of Notary Public

\_\_\_\_\_  
Printed Name of Notary Public

NOTARY PUBLIC IN AND FOR THE STATE OF \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

**Exhibit 1**

**UPCS Violation List**

Inspectable Area	Inspectable Item	Deficiency	5	3	3	Comments
Cottonwood and Westway Apartments 4710 SW 57th and 5700 Canyon Dr Amarillo, TX 79109						
Building: Bldg 1						
Unit:						
Building Exterior						
	Roofs	Missing/Damaged Shingles				L3 Evidence of roof leaks
	Roofs	Damaged Soffits/Fascia/Soffit Vents				L3 Soffit/fascia damaged throughout
	Walls	Stained/Peeling/Needs Paint		L2		
	Walls	Missing Pieces/Holes/Spalling			L3	Brick frieze loose and damaged throughout
Unit: Unit 10						
	Ceiling	Mold/Mildew/Water Stains/Water Damage			L3	Water damage in bedroom
	Kitchen	Range/Stove - Missing/Damaged/Inoperable			L3	Stove not grounded/ danger of shock
	Smoke Detector	Missing/Inoperable			L3	Smoke detector RDI
Building: Bldg 2						
Unit:						
Building Exterior						
	Roofs	Missing/Damaged Shingles			L3	Evidence of roof leaks
	Roofs	Damaged Soffits/Fascia/Soffit Vents			L3	Soffit/fascia damaged throughout
	Walls	Stained/Peeling/Needs Paint		L2		Exterior needs paint
Unit: Unit 20						
	Floors	Soft Floor Covering Missing/Damaged			L3	Flooring missing
	Floors	Hard Floor Covering Missing/Damaged Flooring/Tiles			L3	Flooring missing
	Walls	Damaged			L3	Missing s/r at tub
Building: Bldg 3						
Unit:						
Building Exterior						
	Roofs	Damaged Soffits/Fascia/Soffit Vents			L3	Damaged fascia/soffit throughout
	Walls	Stained/Peeling/Needs Paint		L2		Exterior needs paint
Unit: Unit 23						
	HVAC System	Not Operable			L3	Wall heater in bedroom inop
Building: Bldg 4						
Unit:						
Building Exterior						
	Roofs	Damaged Soffits/Fascia/Soffit Vents			L3	Fascia/soffit damaged throughout
	Walls	Stained/Peeling/Needs Paint		L2		Exterior needs paint

*NOTE: Some items above are marked under the "Deficiency" category for "Missing/Damaged Shingles", however, Respondent has objected to this categorization because the Property has flat roofs, not shingled roofs. TDHCA acknowledges that the roof is a flat roof and not a shingled roof.*

*TDHCA performs Uniform Physical Condition Standards (UPCS) inspections, a protocol developed by HUD to ensure that housing is decent, safe, sanitary, and in good repair. The inspection checklist under that protocol is available at this link: [https://www.hud.gov/sites/documents/DOC\\_26481.PDF](https://www.hud.gov/sites/documents/DOC_26481.PDF). The "Deficiency" column noted above is based upon set "Observable Deficiency" categories from that inspection protocol and is not customizable for each property. Instead, TDHCA customizes it by adding a "Comments" field to provide detail and clarification about the finding that was identified under the deficiency category. Although fairly comprehensive, it is impossible for a form checklist to contemplate all types of structures, and the checklist section regarding roofing is geared toward shingled roofs since that is the most common apartment roof type. The comments field in the above inspection report indicates that there is evidence of damaged roofing, roof leaks, and that the soffit/fascia is damaged throughout buildings 1, 2, 3, and 4.*

## Exhibit 2:

### UPCS Corrective Instructions:

1. Prepare corrective documentation for each violation listed at Exhibit 1 following the guidelines below.
2. Submit complete corrective documentation for each violation via CMTS upload.

Each Deficiency on the “**List of Deficiencies Found**” must have sufficient documentation of correction submitted in order for the Department to consider the item corrected and to ultimately close your inspection. **All** deficiencies **must** be corrected.

Ideally, a separate work order is created by Building or Unit for deficiencies found in each area. For example, the work order for a single Unit may indicate all identified deficiencies listed (in that unit) if each correction is individually described. However, most developments generate a separate work order for each deficiency to ensure the response is adequately complete and the description of each corrective action is clearly detailed. **Five pieces of information are needed on work orders** or invoices **accompanied by the scope of work** to verify that a deficiency has been corrected:

1. **The location** of the deficiency, i.e. Bldg. 5 Unit 502 or Site- near outside gate, etc.
2. **The deficiency**, i.e. Damaged Doors, Hardware, locks – Bedroom door won’t latch properly. Site-Hazards Other- Broken Glass.
3. **How the deficiency is corrected**. Just a few quick words are sufficient, i.e. “replaced bedroom door latch” or “adjusted bedroom door latch”. “Removed broken glass.” “Sheetrock repair, taped, floated, and painted”. Conversely, words such as “fixed” “done”, “complete” are inadequate and are **NOT** acceptable.
4. **The date the deficiency was corrected** –the department requires a correction date in order to accept the documentation. Additionally, the IRS requires a correction date for Tax Credit properties on form 8823. ***If there is no date of correction listed, the deficiency is NOT considered corrected.***
5. **The signature** of the person who either performed the repair or acknowledges that the repair was performed satisfactorily. This is very important. Someone must certify that the correction was acceptably completed.

**Please:** Turn in all of the work orders that you have **IN THE SAME ORDER THAT THEY APPEAR ON THE “LIST OF DEFICIENCIES FOUND”**. This facilitates faster processing and increases the chances that all violations will be fully addressed.

**For repairs such as concrete repairs, roofing etc.** and vendors are utilized instead of onsite maintenance staff, please **include the scope of work** with the **DATED invoice of the contractor** that performed the work.

**For pest control**, the Structural Pest Control Act (Chapter 1951 of the Occupations Code) requires licensing of businesses and individuals that perform structural pest control for hire. Additionally, persons performing pest control at an apartment building must be licensed. As a result, **you must submit a pest control invoice by a licensed contractor** that includes a date, contractor signature, units treated and the type of pest treated.

Finally, you may submit photographs in support of the above if you wish. However, they are only necessary if the TDHCA asks for them as specific support for a deficiency still in question. If you do submit photographs, please make sure that they are labeled and support work orders and or invoices are attached. Photographs, by themselves, are not acceptable documentation of correction.

### Exhibit 3

#### Texas Administrative Code

TITLE 10                   COMMUNITY DEVELOPMENT  
PART 1                 TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS  
CHAPTER 10             UNIFORM MULTIFAMILY RULES  
SUBCHAPTER E   POST AWARD AND ASSET MANAGEMENT REQUIREMENTS  
RULE §10.406            Ownership Transfers (§2306.6713)

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(a) Ownership Transfer Notification. All multifamily Development Owners must provide written notice and a completed Ownership Transfer packet, if applicable, to the Department at least 45 calendar days prior to any sale, transfer, or exchange of the Development or any portion of or Controlling interest in the Development. Except as otherwise provided herein, the Executive Director's prior written approval of any such transfer is required. The Executive Director may not unreasonably withhold approval of the transfer requested in compliance with this section.

(b) Exceptions. The following exceptions to the ownership transfer process outlined herein apply:

(1) A Development Owner shall be required to notify the Department but shall not be required to obtain Executive Director approval when the transferee is an Affiliate of the Development Owner with no new Principals or the transferee is a Related Party who does not Control the Development and the transfer is being made for estate planning purposes.

(2) Transfers that are the result of an involuntary removal of the general partner by the investment limited partner do not require advance approval but must be reported to the Department as soon as possible due to the sensitive timing and nature of this decision. In the event the investment limited partner has proposed a new general partner or will permanently replace the general partner, a full Ownership Transfer packet must be submitted.

(3) Changes to the investment limited partner, non-Controlling limited partner, or other non-Controlling partners affiliated with the investment limited partner do not require Executive Director approval. A General Partner's acquisition of the interest of the investment limited partner does not require Executive Director approval, unless some other change in ownership is occurring as part of the same overall transaction.

(4) Changes resulting from foreclosure do not require advance approval but acquiring parties must notify the Department as soon as possible of the revised ownership structure and ownership contact information.

(c) General Requirements.

(1) Any new Principal in the ownership of a Development must be eligible under §11.202 of Subchapter C (relating to Ineligible Applicants and Applications). In addition, Principals will be reviewed in accordance with Chapter 1, Subchapter C of this title (relating to Previous Participation and Executive Award Review and Advisory Committee).

(2) Changes in Developers or Guarantors must be addressed as non-material amendments to the application under §10.405 of this subchapter.

(3) To the extent an investment limited partner or its Affiliate assumes a Controlling interest in a Development Owner, such acquisition shall be subject to the Ownership Transfer requirements set forth herein. Principals of the investment limited partner or Affiliate will be considered new Principals and will be reviewed as stated under paragraph (1) of this subsection.

(4) Simultaneous transfer or concurrent offering for sale of the General Partner's and Limited Partner's control and interest will be subject to the Ownership Transfer requirements set forth herein and will trigger a Right of First Refusal, if applicable.

(d) Transfer Actions Warranting Debarment. If the Department determines that the transfer, involuntary removal, or replacement was due to a default by the General Partner under the Limited Partnership Agreement, or other detrimental action that put the Development at risk of failure or the Department at risk for financial exposure as a result of non-compliance, staff may make a recommendation to the Board for the



debarment of the entity and/or its Principals and Affiliates pursuant to the Department's debarment rule. In addition, a record of transfer involving Principals in new proposed awards will be reported and may be taken into consideration by the Executive Award and Review Committee, in accordance with Chapter 1, Subchapter C of this title (relating to Previous Participation and Executive Award Review and Advisory Committee), prior to recommending any new financing or allocation of credits.

(e) Transfers Prior to 8609 Issuance or Construction Completion. Prior to the issuance of IRS Form(s) 8609 (for Housing Tax Credits) or the completion of construction (for all Developments funded through other Department programs) an Applicant may request an amendment to its ownership structure to add Principals. The party(ies) reflected in the Application as having Control must remain in the ownership structure and retain Control, unless approved otherwise by the Executive Director. A development sponsor, General Partner or Development Owner may not sell the Development in whole or voluntarily end their Control prior to the issuance of 8609s.

(f) Nonprofit Organizations. If the ownership transfer request is to replace a nonprofit organization within the Development ownership entity, the replacement nonprofit entity must adhere to the requirements in paragraph (1) or (2) of this subsection.

(1) If the LURA requires ownership or material participation in ownership by a Qualified Nonprofit Organization, and the Development received Tax Credits pursuant to §42(h)(5) of the Code, the transferee must be a Qualified Nonprofit Organization that meets the requirements of §42(h)(5) of the Code and Tex. Gov't Code §2306.6706, if applicable, and can demonstrate planned participation in the operation of the Development on a regular, continuous, and substantial basis.

(2) If the LURA requires ownership or material participation in ownership by a nonprofit organization or CHDO, the Development Owner must show that the transferee is a nonprofit organization or CHDO, as applicable, that complies with the LURA.

(3) Exceptions to the above may be made on a case by case basis if the Development is past its Compliance Period/Federal Affordability Period, was not reported to the IRS as part of the Department's Nonprofit Set Aside in any HTC Award year, and follows the procedures outlined in §10.405(b)(1) - (5) of this chapter (relating to LURA Amendments that require Board Approval). The Board must find that:

(A) The selling nonprofit is acting of its own volition or is being removed as the result of a default under the organizational documents of the Development Owner;

(B) The participation by the nonprofit was substantive and meaningful during the full term of the Compliance Period but is no longer substantive or meaningful to the operations of the Development; and

(C) The proposed purchaser is an affiliate of the current Owner or otherwise meets the Department's standards for ownership transfers.

(g) Historically Underutilized Business (HUB) Organizations. If a HUB is the general partner or special limited partner of a Development Owner and it determines to sell its ownership interest, after the issuance of 8609's, the purchaser of that partnership interest or the general or special limited partner is not required to be a HUB as long as the procedure described in §10.405(b)(1) of this chapter (relating to Non-Material LURA Amendments) has been followed and approved.

(h) Documentation Required. A Development Owner must submit documentation requested by the Department to enable the Department to understand fully the facts and circumstances pertaining to the transfer and the effects of approval or denial. Documentation must be submitted as directed in the Post Award Activities Manual, which includes but is not limited to:

(1) A written explanation outlining the reason for the request;

(2) Ownership transfer information, including but not limited to the type of sale, amount of Development reserves to transfer in the event of a property sale, and the prospective closing date;

(3) Pre and post transfer organizational charts with TINs of each organization down to the level of natural persons in the ownership structure as described in §11.204(13)(A) of Subchapter C;

(4) A list of the names and contact information for transferees and Related Parties;

(5) Previous Participation information for any new Principal as described in §11.204(13)(B) of Subchapter C;

(6) Agreements among parties associated with the transfer;

(7) Owners Certifications with regard to materials submitted further described in the Post Award Activities Manual;

(8) Detailed information describing the organizational structure, experience, and financial capacity of any party holding a controlling interest in any Principal or Controlling entity of the prospective Development Owner;

(9) Evidence and certification that the tenants in the Development have been notified in writing of the proposed transfer at least 30 calendar days prior to the date the transfer is approved by the Department. The ownership transfer approval letter will not be issued until this 30 day period has expired;

(10) Any required exhibits and the list of exhibits related to specific circumstances of transfer or Ownership as detailed in the Post Award Activities Manual.

(i) Once the Department receives all necessary information under this section and as required under the Post Award Activities Manual, staff shall initiate a qualifications review of a transferee, in accordance with Chapter 1, Subchapter C of this title (relating to Previous Participation and Executive Award Review and Advisory Committee), to determine the transferee's past compliance with all aspects of the Department's programs, LURAs and eligibility under this chapter and §11.202 of Subchapter C (relating to Ineligible Applicants and Applications).

(j) Credit Limitation. As it relates to the Housing Tax Credit amount further described in §11.4(a) of this title (relating to Tax Credit Request and Award Limits), the credit amount will not be applied in circumstances described in paragraphs (1) and (2) of this subsection:

(1) In cases of transfers in which the syndicator, investor or limited partner is taking over ownership of the Development and not merely replacing the general partner; or

(2) In cases where the general partner is being replaced if the award of credits was made at least five years prior to the transfer request date.

(k) Penalties, Past Due Fees and Underfunded Reserves. The Development Owner must comply with any additional documentation requirements as stated in Subchapter F of this chapter (relating to Compliance Monitoring). The Development Owner, as on record with the Department, will be liable for any penalties or fees imposed by the Department even if such penalty can be attributable to the new Development Owner unless such ownership transfer is approved by the Department. In the event a transferring Development has a history of uncorrected UPCS violations, ongoing issues related to keeping housing sanitary, safe, and decent, an account balance below the annual reserve deposit amount as specified in §10.404(a) (relating to Replacement Reserve Accounts), or that appears insufficient to meet capital expenditure needs as indicated by the number or cost of repairs included in a PCA, the prospective Development Owner may be required to establish and maintain a replacement reserve account or increase the amount of regular deposits to the replacement reserve account by entering into a Reserve Agreement with the Department. The Department may also request a plan and timeline relating to needed repairs or renovations that will be completed by the departing and/or incoming Owner as a condition to approving the Transfer.

(l) Ownership Transfer Processing Fee. The ownership transfer request must be accompanied by the corresponding ownership transfer fee as outlined in §11.901 of this chapter (relating to Fee Schedule, Appeals, and other Provisions).

Source Note: The provisions of this §10.406 adopted to be effective January 5, 2017, 41 TexReg 10569; amended to be effective January 4, 2018, 42 TexReg 7610; amended to be effective December 30, 2018, 43 TexReg 8297

5b

**BOARD ACTION REQUEST**  
**COMMUNITY AFFAIRS DIVISION**  
**DECEMBER 12, 2019**

Presentation, discussion, and possible action authorizing the Department to submit an application for Community Services Block Grant disaster supplemental funding in response to an action transmittal released by the U.S. Department of Health and Human Services, and if successfully awarded to administer such funds

**RECOMMENDED ACTION**

**WHEREAS**, on November 19, 2019, the U.S. Department of Health and Human Services' Administration for Children and Families Office of Community Services (HHS-ACF-OCS) released a Community Services Block Grant (CSBG) action transmittal announcing application requirements for CSBG Disaster Supplement funds for planning, needs assessment, and cost documentation;

**WHEREAS**, the transmittal establishes criteria that applicants must satisfy in order to receive the funds, and the Texas Department of Housing and Community Affairs (Department) meets each of the criteria and has the appropriate expertise and systems to administer the funds;

**WHEREAS**, the supplemental funds will be released in three stages, the first of which is the planning, needs assessment, and cost documentation stage which includes up to \$100,000 for direct expenses to assess needs and conduct administrative and planning activities directly related to presidentially-declared major disasters DR-4454 and DR-4466;

**WHEREAS**, the Department has not yet been able to confirm that the eligible entities who provide services in the disaster affected areas covered by the action transmittal believe there is need, interest and capacity to pursue the funds, and staff requests the opportunity to potentially pursue these disaster supplemental funds while working with qualified eligible entities to determine if there is such need, interest, and capacity;

**WHEREAS**, staff may determine after further communication with the eligible entities that would be required to administer the funds, that an application for these funds is not well supported, and therefore is clarifying that in spite of this authorization from the Board, an application may not ultimately be submitted to HHS-ACF-OCS; and

**WHEREAS**, any application submission made by the Department will specifically be submitted to provide qualified eligible entities with disaster supplemental funds to address necessary expenses directly related to the consequences of the disasters;

**NOW, therefore, it is hereby**

**RESOLVED**, that the Executive Director and his designees be and each of them hereby are authorized, empowered, and directed, for and on behalf of the Department, to submit an application for CSBG disaster supplemental funds in response to the action transmittal and provide any other appropriate responsive documents to HHS-ACF-OCS; and

**FURTHER RESOLVED**, that if HHS-ACF-OCS makes an award from this application to the Department, the Department is authorized to proceed with accepting such an award, implementing the program, and issuing the funds consistent with the rules and policies in place.

### **BACKGROUND**

On November 19, 2019, as part of the Additional Supplemental Appropriations for Disaster Relief Act, 2019, HHS-ACF-OCS released a CSBG action transmittal announcing application requirements for CSBG Disaster Supplement funds for planning, needs assessment and cost documentation. The transmittal states that applicants must meet the following criteria in order to receive such funds:

- Must be the CSBG Lead Agency and must administer the regular CSBG grant,
- Must have been directly affected by tornados and floods occurring in calendar year 2019 and which have been declared by the President as a major disaster under section 401 or 501 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, and
- Must have received Federal Emergency Management Agency (FEMA) Individual Assistance (IA) authorization for which households have registered for IA assistance.

The Department is designated as the CSBG Lead Agency and administers the regular CSBG grant. Further, the other criteria are met for the state of Texas because two presidentially-declared major disasters occurred in Texas as listed below. Therefore, the Department is currently eligible to apply for a total of up to \$1,918,733 in CSBG disaster supplemental funding.<sup>1</sup>

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<sup>1</sup> This formula could be adjusted by HHS-ACF-OCS if there are additional FEMA declared disasters in calendar year 2019.

- DR-4454-Severe storms and flooding occurring in Cameron, Hidalgo, and Willacy counties in June 2019
- DR-4466-Tropical Storm Imelda occurring in Chambers, Harris, Jefferson, Liberty, Montgomery, Orange, and San Jacinto counties in September 2019

The funding is scheduled to be released by HHS-ACF-OCS in three stages as part of a continuous state and community effort to allow for necessary adjustments during the implementation, and for funds to be expended by eligible entities through the end of Fiscal Year 2022. Stage 1 is the initial planning, needs assessment, and cost documentation stage for which the Department is eligible to receive up to \$100,000. Stage 2 is the Interim Recovery stage for which the Department is eligible to receive up to \$1,043,806. Stage 3 is the Longer Term Recovery stage for which the Department is eligible to receive up to \$774,928. These amounts are only preliminary numbers and are likely to fluctuate depending upon any new disasters occurring in 2019 and new FEMA IA registrations for recent disasters which can affect each state’s share of funding.

For Stage 1 specifically, the Department must use the funds for any necessary administrative expenses, needs assessments and planning activities for interim and longer-term disaster recovery activities. The Department will not spend more than the greater of \$55,000 or 5% for direct expenses at the state level to assess needs and conduct administrative and planning activities. The remaining funds will be allocated to the qualified eligible entities to reimburse them for expenses for activities such as needs assessment conducted by eligible entities or expenses already incurred for disaster recovery.

If approved by the Board to apply for the disaster supplemental funds and successful in the application, the Department will distribute funds to only qualified eligible entities based on need, interest, and capacity. The funding will address necessary expenses directly related to the consequences of the disasters. Eligible entities who receive funds may use the funds to document and reimburse any immediate costs incurred by eligible entities that were directly related to the presidentially declared disaster, provided that they fall within available grant resources under the CSBG Act and provided that states can verify that costs were not previously reimbursed through FEMA or private insurance.

In conjunction with the application process, the Department will work with the qualified eligible entities listed below to determine if there is a need, interest, and capacity for these funds. If need, interest, and capacity is demonstrated by any of the qualifying entities listed below, the funding will be pursued; however, if need, interest, and capacity is not demonstrated for any of the directly affected areas, the Department may choose to not pursue the funds.

**Potential Qualified Eligible Entities and Directly Affected Counties**

Qualified Eligible Entity	Affected Counties
Brazos Valley Community Action Programs	Montgomery

Cameron and Willacy Counties Community Projects, Inc.	Cameron, Willacy
Hidalgo County Community Services Agency	Hidalgo
Greater East Texas Community Action Program	Chambers, Jefferson, Liberty, San Jacinto
Gulf Coast Community Services Association	Harris
Southeast Texas Regional Planning Commission	Orange

Staff requests Board approval to submit the disaster supplemental fund application to HHS-ACF-OCS, so that if qualifying eligible entities have need, interest, and capacity for the funds they have access to them. If funded, the funds would be administered by the Community Affairs Division to those qualifying entities who have demonstrated need, interest, and capacity for the funds. Through its successful administration of regular CSBG funds, the Department has the appropriate expertise and systems to administer such funds.

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**BOARD ACTION REQUEST**  
**MULTIFAMILY FINANCE DIVISION**  
**DECEMBER 12, 2019**

Presentation, discussion and possible action on a request for return and reallocation of tax credits under 10 TAC §11.6(5) related to Credit Returns Resulting from Force Majeure Events for Application 17239, Abbingtion Ranch

**RECOMMENDED ACTION**

**WHEREAS**, an award of Competitive (9%) Housing Tax Credits in the amount of \$500,000 to 17239 Abbingtion Ranch (the Development) was approved by the Board on July 27, 2017;

**WHEREAS**, staff executed a Carryover Allocation Agreement with the Development Owner on December 12, 2017, that included a certification from the Development Owner that each building for which the allocation was made would be placed in service by December 31, 2019;

**WHEREAS**, on October 31, 2019, the Department received from the Development Owner a request to extend the placement in service deadline under the requirements of 10 TAC §11.6(5) related to Credits Returns Resulting from Force Majeure Events;

**WHEREAS**, other than in situations covered by force majeure, the Department lacks authority to extend federal deadlines for placement in service; and

**WHEREAS**, the precipitating events described in the request meet the requirements for force majeure events described in 10 TAC §11.6(5);

**NOW, therefore, it is hereby**

**RESOLVED**, the request for treatment of Abbingtion Ranch under an application of the force majeure rule is approved, with the 2017 Qualified Allocation Plan and Uniform Multifamily Rules, and the 2019 Program Calendar applicable to the Development; and

**FURTHER RESOLVED**, that the Applicant will receive a 2019 Carryover Agreement extending the placed in service deadline until March 2, 2020; and

**FURTHER RESOLVED**, that staff is authorized, empowered, and directed, for and on behalf of the Department to execute such documents, instruments and writings and perform such acts and deeds as may be necessary to effectuate the foregoing.

**BACKGROUND**

An award of \$500,000 in Competitive (9%) Housing Tax Credits to the Development was approved by the Board on July 27, 2017. The Development proposed the New Construction of 48 Units for a general population in Boerne. Staff executed a Carryover Allocation Agreement with the Development Owner on December 12, 2017, that included a certification from the Development Owner that, in order to satisfy

the requirements of §42 of the Internal Revenue Code, each building for which the allocation was made would be placed in service by December 31, 2019.

On October 31, 2019, the Department received from the Development Owner a request to extend the placement-in-service deadline from December 31, 2019, to March 2, 2020, under the provisions of 10 TAC §11.6(5) related to Credits Returns Resulting from Force Majeure Events. This rule allows a Development Owner to return issued credits within three years of award, and have those credits re-allocated to the Development outside of the usual regional allocation system if all of the requirements of the subsection are met. Pursuant to 10 TAC §11.6(5), the Department's Governing Board may approve the execution of a current program year Carryover Allocation Agreement regarding the returned credits with the Development Owner that returned such credits only if:

(A) The credits were returned as a result of "Force Majeure" events that occurred after the start of construction and before issuance of Forms 8609. **Force Majeure events are the following sudden and unforeseen circumstances outside the control of the Development Owner:** acts of God such as fire, tornado, flooding, significant and unusual rainfall or subfreezing temperatures, or loss of access to necessary water or utilities as a direct result of significant weather events; explosion; vandalism; orders or acts of military authority; litigation; changes in law, rules, or regulations; national emergency or insurrection; riot; acts of terrorism; supplier failures; or materials or labor shortages. If a Force Majeure event is also a presidentially declared disaster, the Department may treat the matter under the applicable federal provisions. Force Majeure events must make construction activity impossible or materially impede its progress; (emphasis added)

Of the circumstances listed in the rule, the request indicates that force majeure might be triggered by significant and unusual rainfall, and changes in law, rules, or regulations, particularly "significant changes to permitted civil engineering and utility plans after commencement of construction."

#### **Significant and Unusual Rainfall**

In the request, the Development Owner states that "the General Contractor has recorded 75 days of rain delays since commencement of construction, with approximately 60 days during the initial site work phases." The request included an "Exhibit A" document described as a "contractor's log" of rain days. At staff's request, documentation supporting the contractor's log was provided.

Pursuant to 10 TAC §10.402(h) of the Asset Management Rules, all multifamily developments must submit a construction status report (CSR), due by the tenth day of the month following each reporting quarter's end (January, April, July, and October) and continue on a quarterly basis until the entire development is complete. The first CSR was due on October 10, 2018, and was submitted timely. The request included a CSR dated October 25, 2019. The request and the submitted Construction Loan Agreement indicate that the loan was closed on July 23, 2018. A Notice to Proceed with a start date of August 2, 2018, was issued on July 24, 2018. A construction contract dated July 17, 2018, indicates a completion date of "335 calendar days from the date of commencement of work." If the work started on August 2, 2018, the completion date would be on or about June 30, 2019, though the second CSR indicates the date as October 5, 2019.

Included with the CSRs reviewed for this Development are field reports from the Martin Riley Associates – Architects, P.C. (MRA). The reports are included with this action item. The handwritten CSRs track the progress of construction, and do not mention construction delays due to rainfall.

- Report 1 dated September 14, 2018, briefly notes construction progress and includes photographs of the site.
- Report 2 dated December 1, 2018, notes construction progress and includes photographs of the site. Construction is noted as “on schedule” and estimated as 4% complete.
- Report 3 dated January 7, 2019, details construction progress. Construction is noted as “on schedule” and estimated as 8% complete. Anticipated completion date given as October 5, 2019.
- Report 4 dated February 4, 2019, details construction progress. The CSR notes the weather as “drizzle 65 degrees” and construction as “on schedule.”
- Report 5 dated February 4, 2019 (staff guesses this should be March), details construction progress and includes photographs of the site. The CSR notes the weather as “overcast 36 degrees” and construction as “on schedule.”
- Report 6 dated April 1, 2019, details construction progress. The CSR notes the weather as “overcast 48 degrees” and construction as “on schedule based on GC 4-2-19 revised schedule.” Construction is estimated as 22% complete.
- Report 7 dated April 30, 2019, details construction progress. The CSR notes the weather as “drizzle 71 degrees” and construction as “1 week behind per GC 4-2-19 schedule.” Construction is estimated as 26% complete.
- Report 8 dated June 3, 2019, details construction progress and includes photographs of the site. The CSR notes the weather as “overcast 79 degrees” and construction as “2 weeks behind schedule based on GC 4-29-19 schedule.”
- Report 9 dated July 1, 2019, details construction progress. The CSR notes the weather as “partly cloudy 80 degrees” and construction as “3 weeks behind schedule (4-2-19 sched).”
- Report 10 dated August 5, 2019, details construction progress. The CSR notes the weather as “clear 86 degrees” and construction as “3 weeks behind schedule (7-1-19 schedule).” Construction is estimated as 40% complete.
- Report 11 dated September 3, 2019, details construction progress and notes the weather as “clear 74 degrees” and construction as “(2-3) weeks behind schedule (7-1-19 sched).”
- Report 13 dated October 25, 2019, details construction progress and notes the weather as “partly cloudy 39 degrees.” No construction completion or delay status is given.

### **Changes in Law, Rules, or Regulations**

Per the request:

“The City of Boerne has a very strict Land Subdivision Code which essentially treats all new development as if it were a single-family subdivision. At the preconstruction meeting we were told that no other work on the site would be allowed, including installing on-site utilities, until all offsite work was completed and accepted by the City. At this meeting they also indicated they wanted changes to the approved plans before we could proceed with the offsite construction.

Matkin-Hoover, the civil engineer of record, began making changes and corrections to satisfy the City of Boerne that ended up taking approximately 120 days to satisfy.”

“Additionally, the Public works Department installed a new sanitary line in Cascade Caverns Road several months prior to permitting Abbington Ranch. This new City installed sewer line was substantially shallower than the City's own installation ordinances and design requirements, causing additional conflicts with the connection and installation of the project's onsite service. This further delayed the production of the offsite work until a work around could be engineered.”

The request includes a letter from the civil engineer of the project describing construction and permitting activities that the engineer says contributed to construction delays. While the letter indicates that the City of Boerne (the City) required changes, no evidence of “changes in law, rules, or regulations” was provided. Staff requested such evidence, and the engineer responded that the changes required by the City “effectively resulted in changes to the rules and regulations for which the project was originally designed.”

Staff has determined that the Development Owner has provided sufficient evidence of “sudden and unforeseen circumstances outside the control of the Development Owner” as described in 10 TAC §11.6(5). Particularly, the request included a table described as a “contractor’s log of rain days” and appropriate data supporting that evidence was provided. Staff determined that insufficient evidence that changes required by the City resulted from “changes in law, rules, or regulations” was provided.

If the Board grants the request to consider this a force majeure event, the Development Owner will return \$500,000 in credits. The credits will be returned to the Development Owner with a 2019 Carryover Allocation Agreement and the date for the Development to be placed in service will be the requested date of March 2, 2020, with the 2017 Qualified Allocation Plan and Uniform Multifamily Rules applicable to the Development.

If the Board denies the request to consider this a force majeure event, the Development Owner will retain \$500,000 in credits and the date by which the Development must be placed in service will remain December 31, 2019. If the Development Owner returns the credits, the credits would first be made available in the subregion from which they were originally awarded, pursuant to 10 TAC §11.6(2), related to returned credits; in this case Region 9, Rural. There are pending Applications on the waiting list from that subregion. The next Application requests \$600,000, which is more than the amount of credits that would be returned. Pursuant to 10 TAC §11.6, staff would apply the credits to the collapse and, if enough credits are available, award credits to the next Application on the waiting list.

Staff recommends the Board grant the request for treatment of Abbington Ranch under an application of the force majeure rule.

17239

Abbington Ranch

Force Majeure Request



November 14, 2017

Ms. Marni Holloway  
Director of Multifamily Finance  
Texas Department of Housing and Community Affairs  
221 East 11<sup>th</sup> Street  
Austin, TX 78701

Re: Abbington Ranch (TDHCA #17239), Boerne, Kendall County

Dear Ms. Holloway,

Abbington Ranch (#17239) is a 2017 award of Housing Tax Credits in Region 4 Rural. I am contacting you today to request a 60-day extension of the placed In Service deadline under 10 TAC §11.6(5), Credit Returns Resulting from Force Majeure Events.

The Abbington Ranch development schedule was executed with ample time to construct a 48-unit community:

- Commitment acceptance – September 14, 2017
- Carryover – December 14, 2017
- Land acquisition – January 9, 2018
- 10% Test – June 26, 2019
- Debt & Equity financial closing – July 23, 2018
- Notice to Proceed issued to contractor – July 24, 2018

The original construction schedule was 12 months, with completion projected in August 2019, and lease-up by December 2019. The following unforeseen circumstances outside the control of Boerne Abbington Ranch, LP (the “Development Owner”) and Watermark Construction, LLC (the “General Contractor”) have materially impeded our construction schedule:

1. Significant Rainfall – the General Contractor has recorded 75 days of rain delays since commencement of construction, with approximately 60 days during the initial site work phases. The contractor’s log is attached for your review.
2. City of Boerne – the City Public Works Department required significant changes to permitted civil engineering and utility plans after commencement of construction. The City of Boerne has a very strict Land Subdivision Code which essentially treats all new development as if it were a single-family subdivision. At the preconstruction meeting we were told that no other work on the site would be allowed, including installing on-site utilities, until all offsite work was completed and accepted by the City. At this meeting they also indicated they wanted changes to the approved plans before we could proceed with the offsite construction. Matkin-Hoover, the civil engineer of record, began making changes and corrections to satisfy the City of Boerne that ended up taking approximately 120 days to satisfy. At nearly every meeting and on-site inspection with



the Public Works Department, new conditions and requirements were added which resulted in additional delays and significant cost increases to the Development Owner and General Contractor. A letter from the Civil Engineer is attached describing these delays from their perspective.

3. Additionally, the Public works Department installed a new sanitary line in Cascade Caverns Road several months prior to permitting Abbington Ranch. This new City installed sewer line was substantially shallower than the City's own installation ordinances and design requirements, causing additional conflicts with the connection and installation of the project's onsite service. This further delayed the production of the offsite work until a work around could be engineered.

These post-permit off-site plan changes have resulted in over \$200,000 in change orders, \$44,000 in additional engineering fees, and when combined with the weather delays, will trigger an impactful tax credit delivery adjustor from the equity investor.

As of October 25, 2019, construction is 81% complete. Approved draw #14, Field Report #13 and photographs are attached supporting this percentage. The completion schedule is as follows:

- Clubhouse and Building 200 – November 15
- Building 300 – December 1
- Building 400 – December 15

This schedule assumes no disruptions related to final City approvals and issuance of Certificates of Occupancy, additional weather delays, or impacts from Thanksgiving and Christmas holidays. Accordingly, we respectfully request a 60-day Placed in Service extension and placement on the December 5<sup>th</sup> TDHCA Board meeting agenda for consideration. The City of Boerne is in desperate need of quality affordable housing. Granting this extension will ensure it is delivered for low- to moderate income families in need.

Thank you for your assistance and favorable consideration. If you need any additional information, please do not hesitate to contact me at (404) 226-2591 or [breckkean@reaventures.com](mailto:breckkean@reaventures.com).

Sincerely,

A handwritten signature in blue ink, appearing to read "C. Breck Kean", is written over a printed name and title.

C. Breck Kean  
Vice President of Development

cc: Rosalia Banuelos  
Dee Patience  
Robbye Myer  
Ginger McGuire



**ATTACHMENTS:**

- Rain Log from Watermark Construction, LLC
- Letter from Matkin-Hoover Engineering
- Approved Draw #14
- Field Report #13
- Photographs



November 4, 2019

Mr. Breck Kean  
Rea Ventures Group, LLC  
2964 Peachtree Road NW, Suite 200  
Atlanta, GA 30305

Re: Abington Ranch Apartments, Boerne, Texas  
Permitting and Weather Related Construction Delays

Mr. Kean,

This letter is being provided to you as a summary of circumstances related to the delay of the final completion of this project. A total of 120 days of delay beyond the control of the developer, engineer and contractor have occurred throughout the design, permitting and construction phases of this project.

During permitting of the referenced plans, several factors played a role in the delay of City of Boerne permit approval, in turn delaying the start of construction by approximately 45 days. These factors vary from procedural to unforeseen circumstances and are listed below.

- The City of Boerne only allows a building permit to be issued upon acceptance of any public improvements required for the property to be platted per ordinance. This requires the project to be permitted and constructed in two phases, with offsite construction completed before onsite construction can commence.
- During Design, the City of Boerne required modification to the originally submitted design, requiring an open ditch drainage course to be routed underground (storm sewer) due to a City preferred utility assignment with existing sewer.
- Subsequent to City of Boerne Public Works and Fire Marshall Approval, changes were requested to the water system and fire hydrant layout, necessitating amendments to the construction plans and re-review and permit by the City.

Construction activities also faced delays due to unforeseen circumstances out of the control of the developer, engineer, or contractors.

- A total of 75 days of inclement weather, when the contractor was unable to work, have occurred at the site.
- In addition to the inclement weather days, the rainfalls in September – November of 2018, during construction of the offsite infrastructure, caused increases in the water table, impacting the site. Groundwater seepage continually plagued the storm sewer installation until such point that a French drain solution was engineered and installed to alleviate groundwater seepage in the area. The storm sewer system design was also re-engineered at this time to allow for cast in place construction in lieu of precast, allowing work to commence. Numerous projects in the vicinity have been impacted by similar conditions which have since returned to normal.
- During construction, the contractor discovered an unmarked/unknown fiber-optics line and insufficient depth on an existing water main (less than City standard installation depth) requiring re-route of utilities to avoid vertical conflict.
- During construction, the City of Boerne Public Works Department required a re-design of the water main connections to the existing water main along Cascade Caverns Rd. In addition to the extra design and City approval process time, this also required additional traffic control phasing and overall construction time for the water main and Cascade Caverns Rd improvements.



Please let us know if you have any further questions regarding any of the referenced topics. We appreciate your consideration in this matter.

Thank you,  
Matkin Hoover Engineering & Surveying  
TBPE Firm Registration No. F-4512

A handwritten signature in blue ink, appearing to read 'K. Kolacny', is written over a light gray rectangular background.

Ken Kolacny, P.E.  
Vice President

November 26, 2019

Mr. Breck Kean  
Rea Ventures Group, LLC  
2964 Peachtree Road NW, Suite 200  
Atlanta, GA 30305

Re: Abbington Ranch Apartments, Boerne, Texas  
Permitting and Weather Related Construction Delays (2<sup>nd</sup> letter)

Mr. Kean,

The purpose of this letter is to provide additional details on the circumstances related to the delay of the final completion of this project.

As mentioned in my previous letter, the City of Boerne review and permitting process factored into the project construction delays. Construction on the project commenced after plans were submitted to, and approved by, the City of Boerne. It was understood by the contractor and design team at that time, that the city's rules and regulations for design of the improvements had been met. During construction, the City then informed the contractor that design modifications would be required for a drainage channel. Similarly, design modifications were required to the water system based on fire department regulations. In addition, the city's requirement to re-design the water main tie-in connections expanded the scope of the traffic control measures, which initiated the need to follow additional traffic control regulations.

These design and project scope changes required by the city after commencement of construction effectively resulted in changes to the rules and regulations for which the project was originally designed.

Please let us know if you need anything else. We appreciate your consideration in this matter.

Thank you,  
Matkin Hoover Engineering & Surveying  
TBPE Firm Registration No. F-4512



Ken Kolacny, P.E.  
Vice President

**From:** [Breck Kean](#)  
**To:** [Sharon Gamble](#)  
**Cc:** [robbye@arxadventure.net](mailto:robbye@arxadventure.net); [Marni Holloway](mailto:Marni.Holloway); [HBotts@berkahp.com](mailto:HBotts@berkahp.com)  
**Subject:** FW: 17239 Abbington Ranch - Boerne, TX  
**Date:** Wednesday, December 04, 2019 10:57:59 AM

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Hi Sharon,

AHP is our equity investor in Abbington Ranch. We have kept them fully informed during the construction process and they are aware of the delays and extension request. Below is an email from Hunter Botts from AHP confirming their support and commitment to this development. Hunter will be at the Board meeting next week and will be available for questions from staff or the Board.

Thank you,

*Breck*

Breck Kean  
Rea Ventures Group, LLC  
2964 Peachtree Road NW, Suite 200  
Atlanta, GA 30305  
E-mail: [breckkean@reaventures.com](mailto:breckkean@reaventures.com)  
Cell: (404) 226-2591  
Direct Line: (404) 250-4093 ext. 711  
Fax: (404) 250-4091



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**From:** Hunter Botts <[hbotts@berkahp.com](mailto:hbotts@berkahp.com)>  
**Sent:** Wednesday, December 4, 2019 10:40 AM  
**To:** Breck Kean <[breckkean@reaventures.com](mailto:breckkean@reaventures.com)>  
**Subject:** Abbington Ranch - Boerne, TX

Breck,

We understand that you have submitted a request to TDHCA for an extension on the place in service deadline of December 31, 2019 for Abbington Ranch. AHP is aware of the delay and the reasons for the delay. We remain committed to the development and the funding of the remainder of our equity into the partnership. As you know, AHP is a direct investor for Berkshire Hathaway and is not a syndicator. As such, we control our own funds and make the decisions regarding our equity contributions. We do not have to seek approval from third-party upper tier investors. We look forward to the completion of Abbington Ranch and doing our part to help bring much needed affordable housing to the city of Boerne.

Please feel free to forward this email to the appropriate parties at TDHCA. They should not

hesitate to contact me if they have any questions.

Thank you.

Hunter Botts

Vice President, Acquisitions

Affordable Housing Partners, Inc.

Baton Rouge, LA

Office: (225) 751-6945

Mobile: (225) 938-5250

[hbotts@berkahp.com](mailto:hbotts@berkahp.com)

***Berkshire Hathaway Group of Companies***

**ABBINGTON RANCH - RAIN DELAY**

WEEK DATE

1	WEEK 04	12/6/2018	RAIN
2	WEEK 04	12/7/2018	RAIN
3	WEEK 04	12/8/2018	RAIN
4	WEEK 05	12/23/2018	RAIN
5	WEEK 05	12/24/2018	RAIN
6	WEEK 05	12/25/2018	RAIN
7	WEEK 05	12/26/2018	RAIN
8	WEEK 05	12/27/2018	RAIN
9	WEEK 06	12/31/2019	RAIN
10	WEEK 06	1/1/2019	RAIN
11	WEEK 06	1/2/2019	RAIN
12	WEEK 07	1/9/2019	RAIN
13	WEEK 07	1/10/2019	RAIN
14	WEEK 07	1/11/2019	RAIN
15	WEEK 08	1/14/2019	RAIN
16	WEEK 08	1/15/2019	RAIN
17	WEEK 08	1/16/2019	RAIN
18	WEEK 08	1/18/2019	RAIN
19	WEEK 08	1/19/2019	RAIN
20	WEEK 10	1/30/2019	RAIN
21	WEEK 10	1/31/2019	RAIN
22	WEEK 10	2/1/2019	RAIN
23	WEEK 11	2/4/2019	RAIN
24	WEEK 11	2/5/2019	RAIN
25	WEEK 11	2/6/2019	RAIN
26	WEEK 11	2/7/2019	RAIN
27	WEEK 11	2/8/2019	RAIN
28	WEEK 11	2/9/2019	RAIN
29	WEEK 12	2/11/2019	RAIN
30	WEEK 12	2/12/2019	RAIN
31	WEEK 13	2/19/2019	RAIN
32	WEEK 13	2/20/2019	RAIN
33	WEEK 13	2/21/2019	RAIN

34	WEEK 14	2/26/2019	RAIN
35	WEEK 14	2/28/2019	RAIN
36	WEEK 14	3/2/2019	RAIN
37	WEEK 15	3/4/2019	RAIN
38	WEEK 15	2/5/2019	RAIN
39	WEEK 15	3/9/2019	RAIN
40	WEEK 16	3/11/2019	RAIN
41	WEEK 16	3/12/2019	RAIN
42	WEEK 17	3/20/2019	RAIN
43	WEEK 17	3/23/2019	RAIN
44	WEEK 18	3/30/2019	RAIN
45	WEEK 19	4/4/2019	RAIN
46	WEEK 19	4/6/2019	RAIN
47	WEEK 20	4/8/2019	RAIN
48	WEEK 20	4/9/2019	RAIN
49	WEEK 20	4/13/2019	RAIN
50	WEEK 21	4/15/2019	RAIN
51	WEEK 21	4/17/2019	RAIN
52	WEEK 21	4/18/2019	RAIN
53	WEEK 21	4/19/2019	RAIN
54	WEEK 22	3/22/2019	RAIN
55	WEEK 23	5/3/2019	RAIN
56	WEEK 23	5/4/2019	RAIN
57	WEEK 24	5/6/2019	RAIN
58	WEEK 24	5/7/2019	RAIN
59	WEEK 24	5/8/2019	RAIN
60	WEEK 24	5/9/2019	RAIN
61	WEEK 24	5/10/2019	RAIN
62	WEEK 24	5/11/2019	RAIN
63	WEEK 25	5/17/2019	RAIN
64	WEEK 26	5/21/2019	RAIN
65	WEEK 26	5/22/2019	RAIN
66	WEEK 27	6/1/2019	RAIN

67	WEEK 29	6/10/2019	RAIN
68	WEEK 30	6/17/2019	RAIN
69	WEEK 31	6/24/2019	RAIN
70	WEEK 31	6/26/2019	RAIN
71	WEEK 31	6/27/2019	RAIN
72	WEEK 41	10/11/2019	RAIN
73	WEEK 42	10/19/2019	RAIN
74	WEEK 43	10/29/2019	RAIN
75	WEEK 43	10/30/2019	RAIN

TOTAL : 75 DAYS



Search Locations Log in (Log...)



Recent Cities

Boerne, TX (weather/us/tx/boerne/29.78,-98.73)

29.52 °N, 98.5 °W

# San Antonio, TX Weather History

**56° SAN ANTONIO INTERNATIONAL AIRPORT STATION** ([/WEATHER/US/TX/SAN-ANTONIO/KSAT?CM\\_VEN=LOCALWX\\_PWSHASH](#)) | [CHANGE](#)

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- [WUNDERMAP](#) ([/WUNDERMAP?LAT=29.52&LON=-98.5](#))

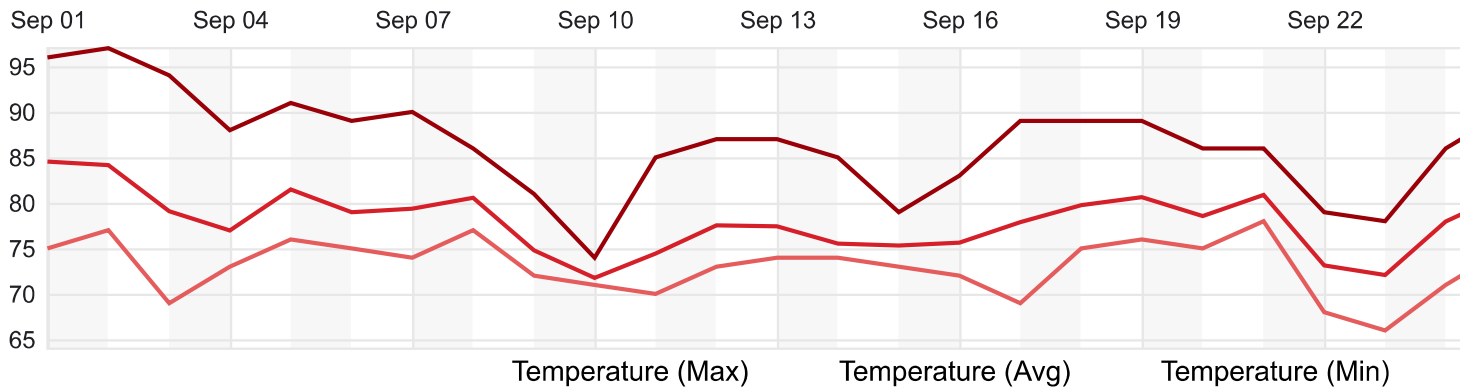
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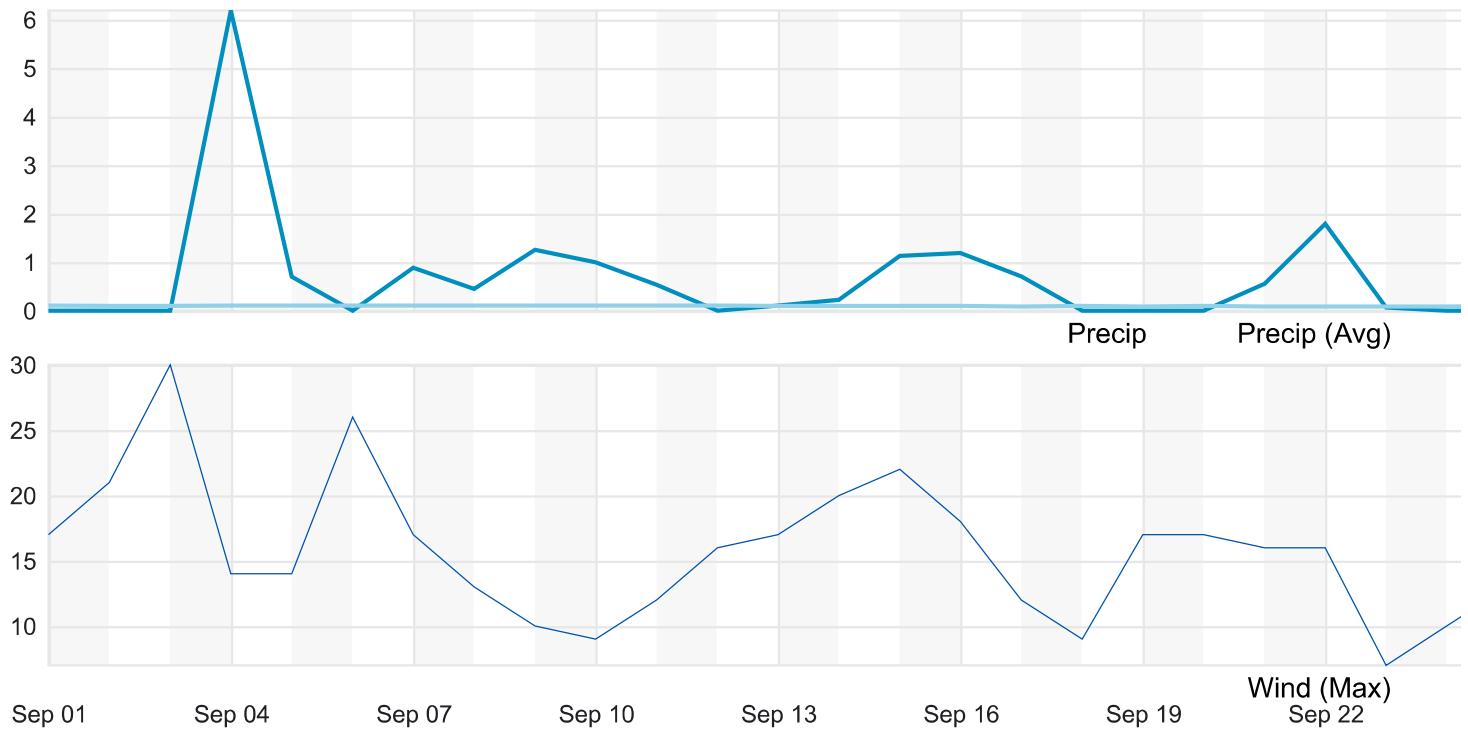
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September

2018

[View](#)





# Summary

Temperature (° F)	Max	Average	Min	▲
Max Temperature	97	86	74	
Avg Temperature	84.54	77.43	71.04	
Min Temperature	78	72.33	64	
Dew Point (° F)	Max	Average	Min	▲
Dew Point	76	70.06	52	
Precipitation (Inches)	Max	Average	Min	Sum ▲
Precipitation	6.19	0.56	0.00	16.86
Snowdepth	0.00	0.00	0.00	0.00
Wind	Max	Average	Min	▲
Wind	30	7.13	0	
Gust Wind	40	1.35	0	

Search Locations Log in (Log...)



Recent Cities

Boerne, TX (weather/us/tx/boerne/29.78,-98.73)

29.52 °N, 98.5 °W

# San Antonio, TX Weather History

**56° SAN ANTONIO INTERNATIONAL AIRPORT STATION** ([WEATHER/US/TX/SAN-ANTONIO/KSAT?CM\\_VEN=LOCALWX\\_PWS DASH](#)) | [CHANGE](#)

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- [WUNDERMAP \(/WUNDERMAP?LAT=29.52&LON=-98.5\)](#)

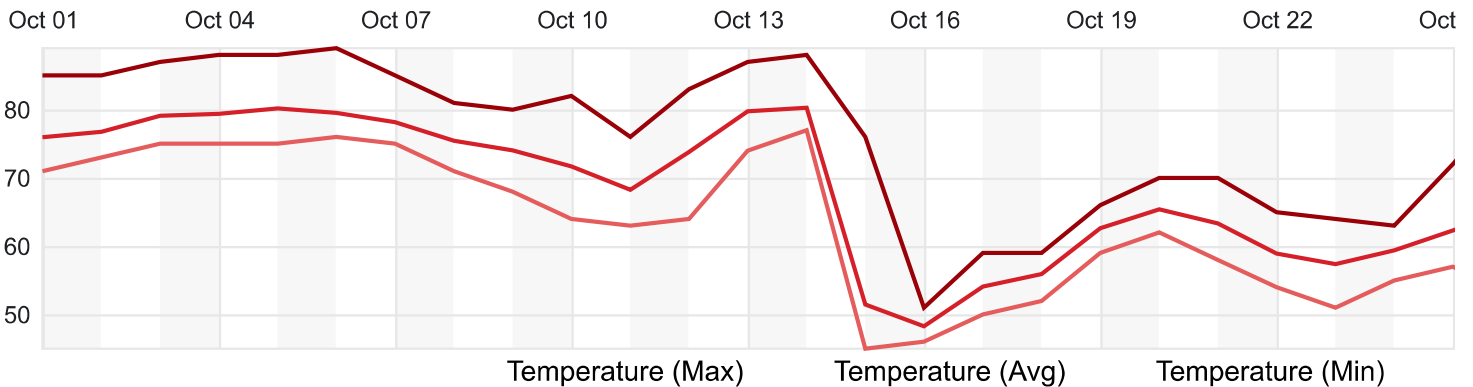
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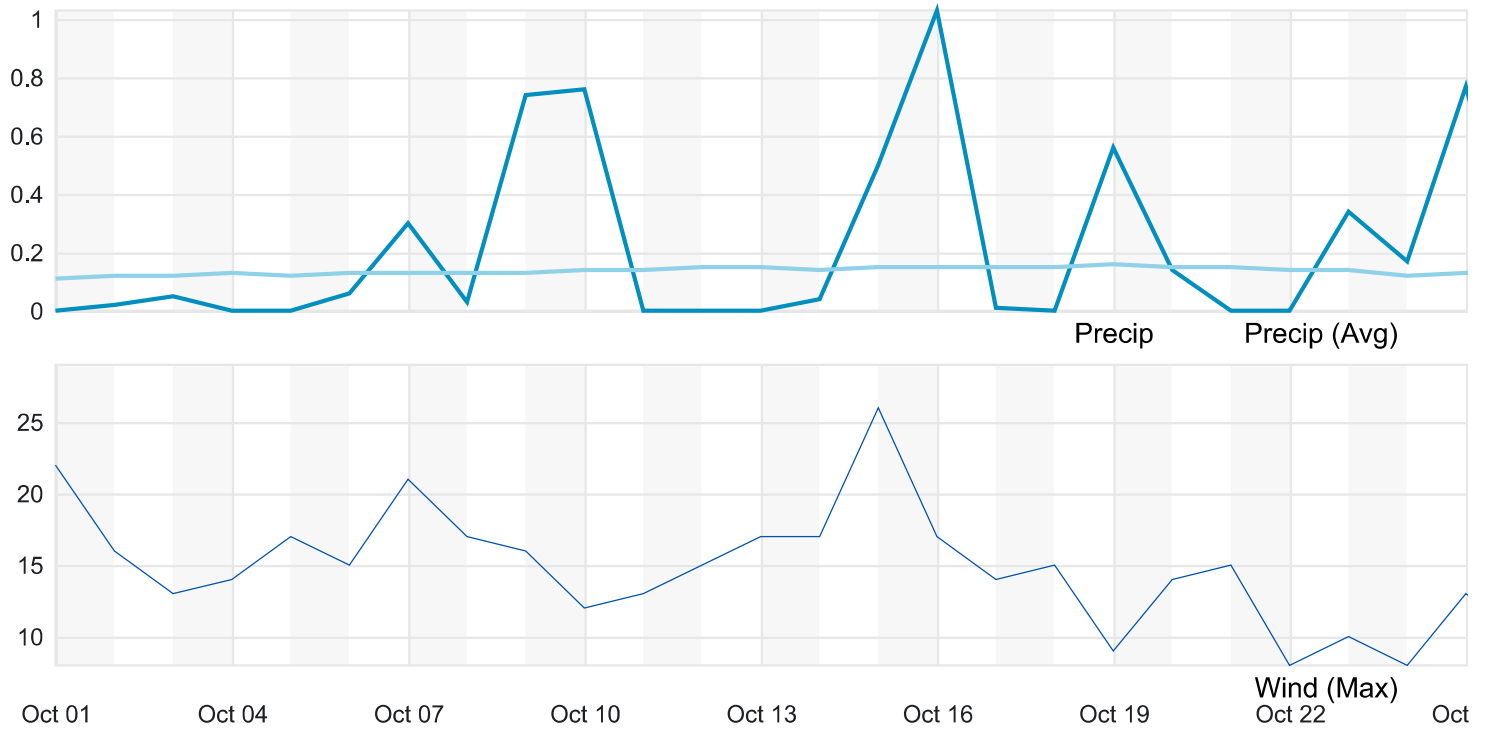
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October

2018

[View](#)





# Summary

Temperature (° F)	Max	Average	Min	▲
Max Temperature	89	76.87	51	
Avg Temperature	80.3	68.53	48.29	
Min Temperature	77	62.52	45	
Dew Point (° F)	Max	Average	Min	▲
Dew Point	75	61.48	42	
Precipitation (Inches)	Max	Average	Min	Sum ▲
Precipitation	1.03	0.18	0.00	5.52
Snowdepth	0.00	0.00	0.00	0.00
Wind	Max	Average	Min	▲
Wind	29	8.6	0	
Gust Wind	40	1.91	0	

Search Locations Log in (Log...)



Recent Cities

Boerne, TX (weather/us/tx/boerne/29.78,-98.73)

29.52 °N, 98.5 °W

# San Antonio, TX Weather History

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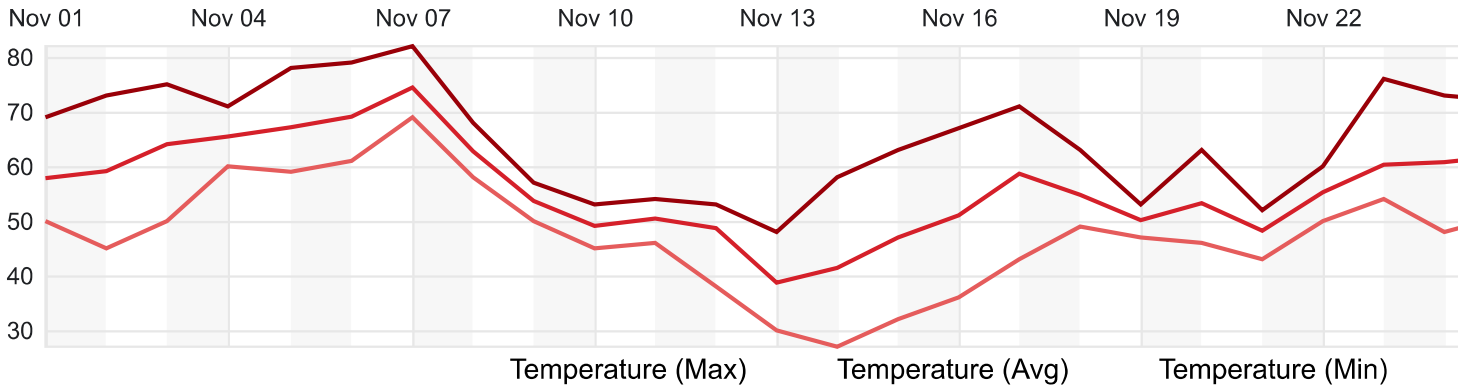
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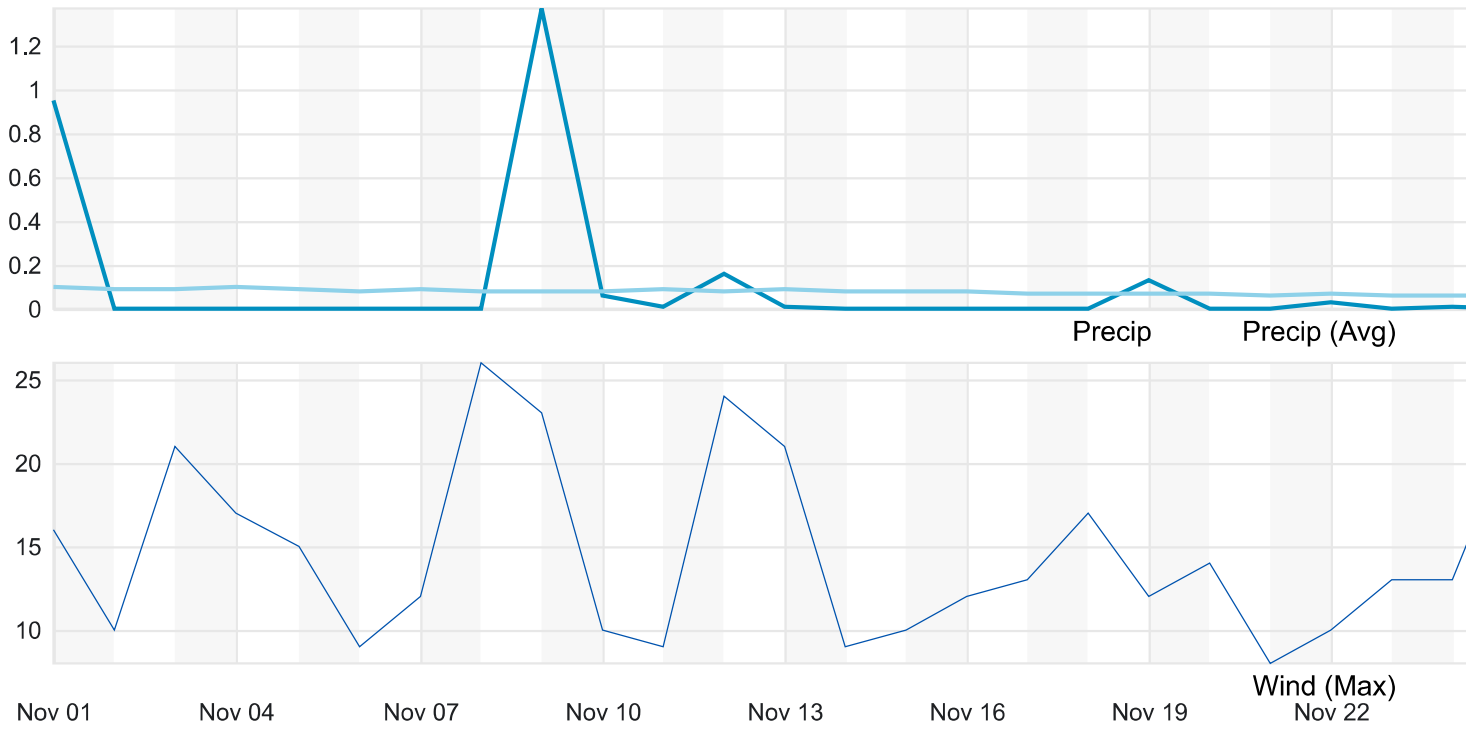
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 [\(/history/monthly/us/tx/san-antonio/KSAT/date/2018-11-4\)](#)

November

2018

[View](#)





# Summary

Temperature (° F)	Max	Average	Min	▲
Max Temperature	82	65.8	48	
Avg Temperature	74.42	56.31	38.71	
Min Temperature	69	47.4	27	
Dew Point (° F)	Max	Average	Min	▲
Dew Point	72	45.19	18	
Precipitation (Inches)	Max	Average	Min	Sum ▲
Precipitation	1.37	0.09	0.00	2.73
Snowdepth	0.00	0.00	0.00	0.00
Wind	Max	Average	Min	▲
Wind	26	7.4	0	
Gust Wind	35	2.57	0	

Search Locations Log in (Logout)

★ Recent Cities  
Boerne, TX (weather/us/tx/boerne/29.78,-98.73)

29.52 °N, 98.5 °W

# San Antonio, TX Weather History ★ 🏠

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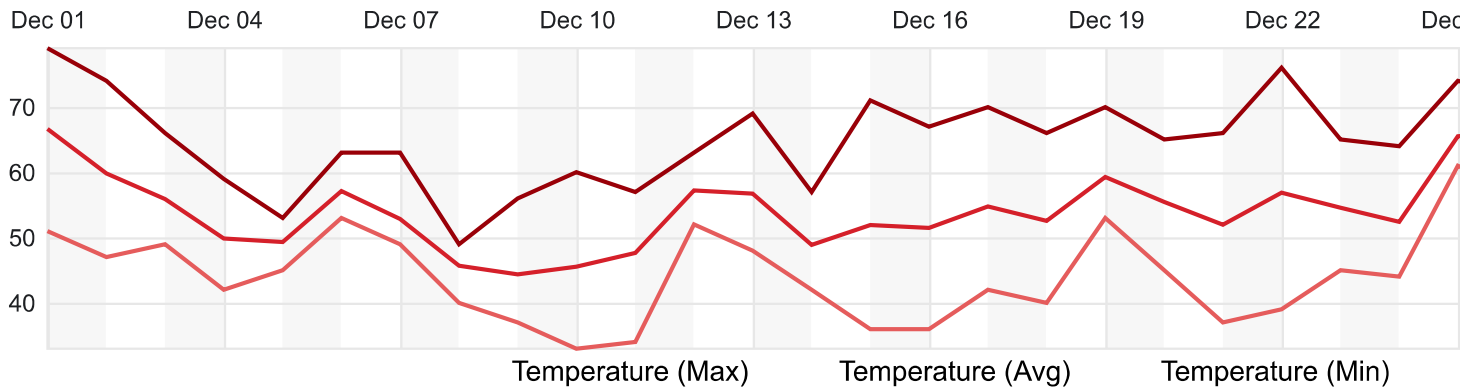
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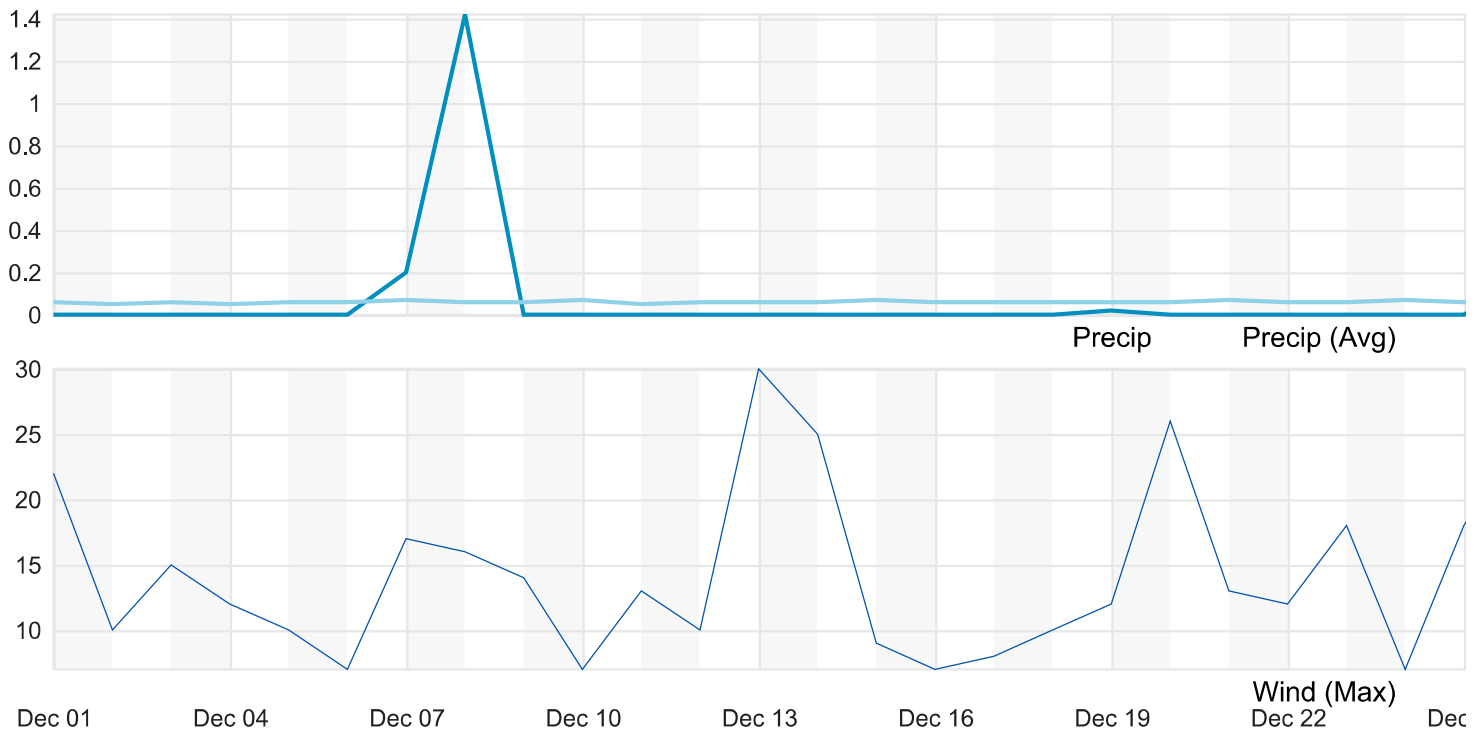
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# Summary

Temperature (° F)	Max	Average	Min	▲
Max Temperature	79	63.65	43	
Avg Temperature	66.65	53.25	41.5	
Min Temperature	61	44.16	33	
Dew Point (° F)	Max	Average	Min	▲
Dew Point	66	39.65	13	
Precipitation (Inches)	Max	Average	Min	Sum ▲
Precipitation	1.42	0.08	0.00	2.35
Snowdepth	0.00	0.00	0.00	0.00
Wind	Max	Average	Min	▲
Wind	30	8.04	0	
Gust Wind	39	3.26	0	



Search Locations Log in (Logout)

★ Recent Cities  
Boerne, TX (weather/us/tx/boerne/29.78,-98.73)

29.52 °N, 98.5 °W

# San Antonio, TX Weather History ★ 🏠

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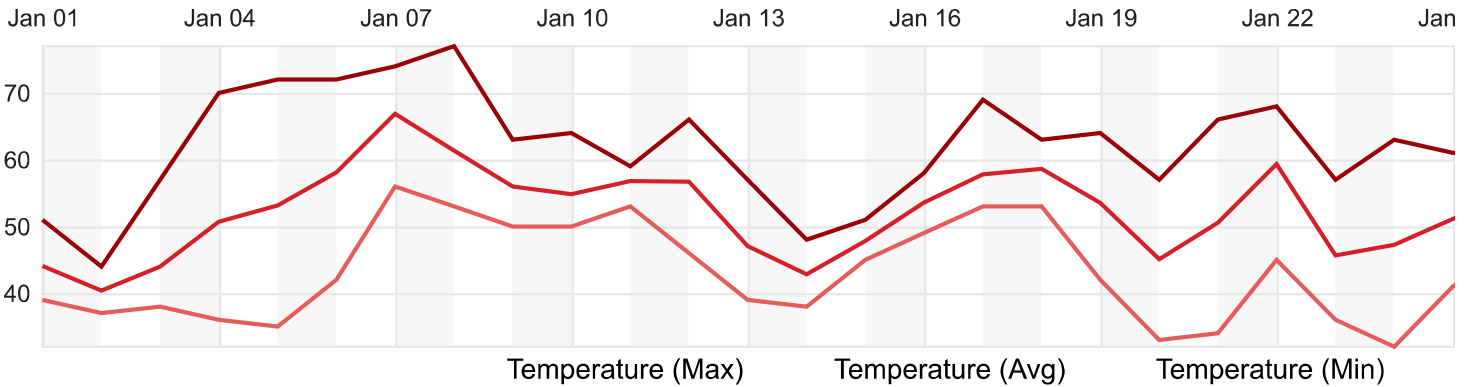
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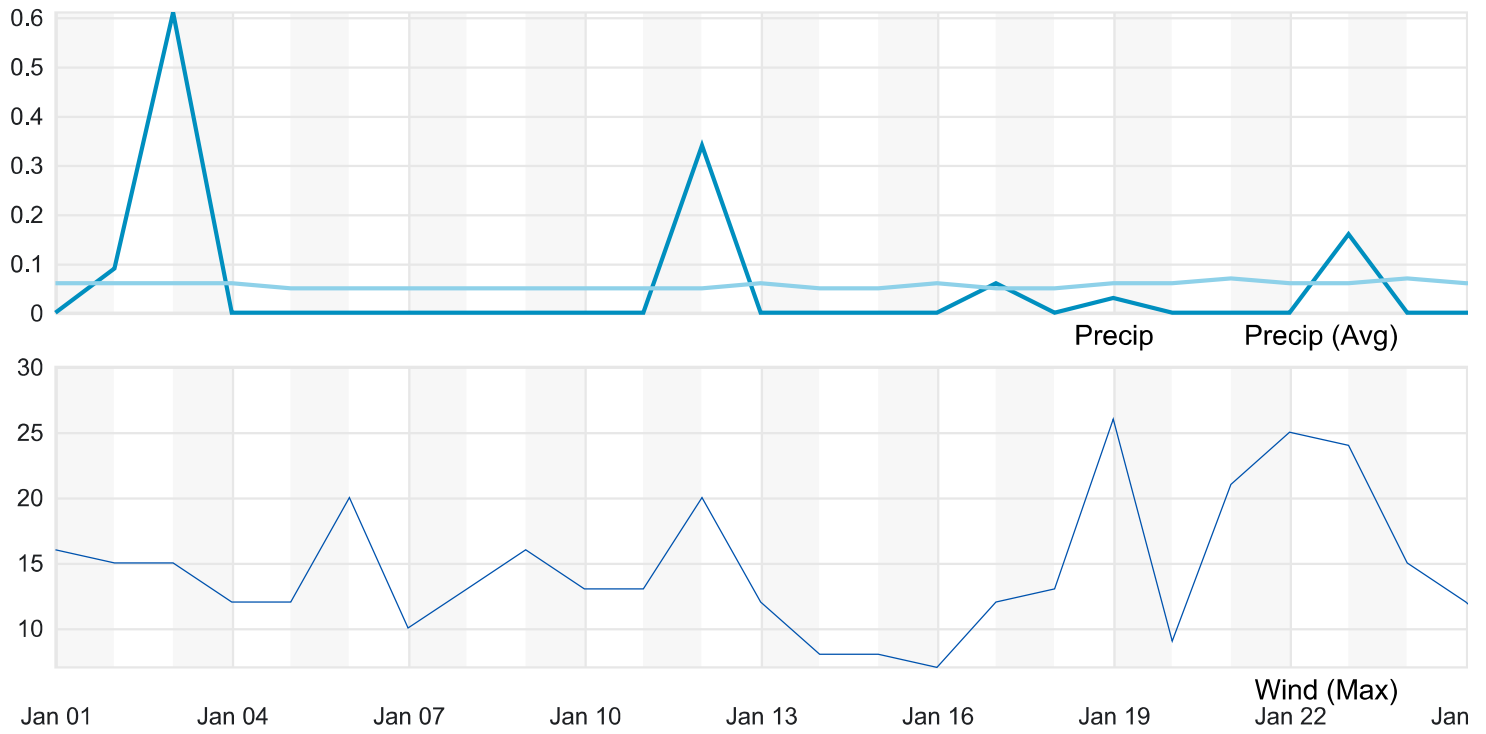
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- [HISTORY](#) ([/HISTORY/DAILY/US/TX/SAN-ANTONIO/KSAT](#))
- [WUNDERMAP](#) ([/WUNDERMAP?LAT=29.52&LON=-98.5](#))

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# Summary

Temperature (° F)	Max	Average	Min	▲
Max Temperature	77	61.68	44	
Avg Temperature	66.86	51.9	40.37	
Min Temperature	56	42.81	32	
Dew Point (° F)	Max	Average	Min	▲
Dew Point	63	40.54	16	
Precipitation (Inches)	Max	Average	Min	Sum ▲
Precipitation	0.61	0.05	0.00	1.63
Snowdepth	0.00	0.00	0.00	0.00
Wind	Max	Average	Min	▲
Wind	30	7.46	0	
Gust Wind	44	2.9	0	

Search Locations Log in (Log...)



Recent Cities  
Boerne, TX (weather/us/tx/boerne/29.78,-98.73)

29.52 °N, 98.5 °W

# San Antonio, TX Weather History

**56° SAN ANTONIO INTERNATIONAL AIRPORT STATION** ([/WEATHER/US/TX/SAN-ANTONIO/KSAT?CM\\_VEN=LOCALWX\\_PWS DASH](#)) | [CHANGE](#)

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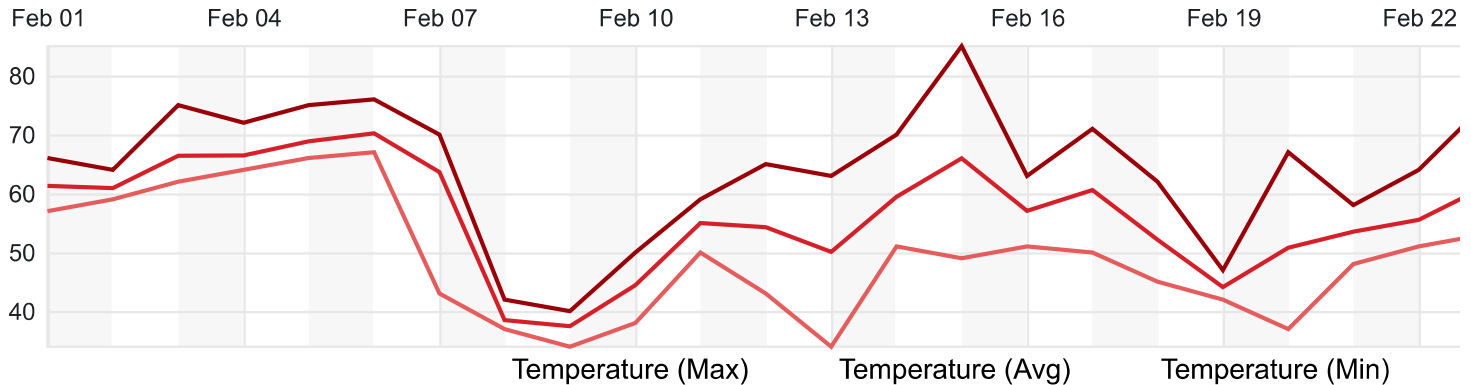
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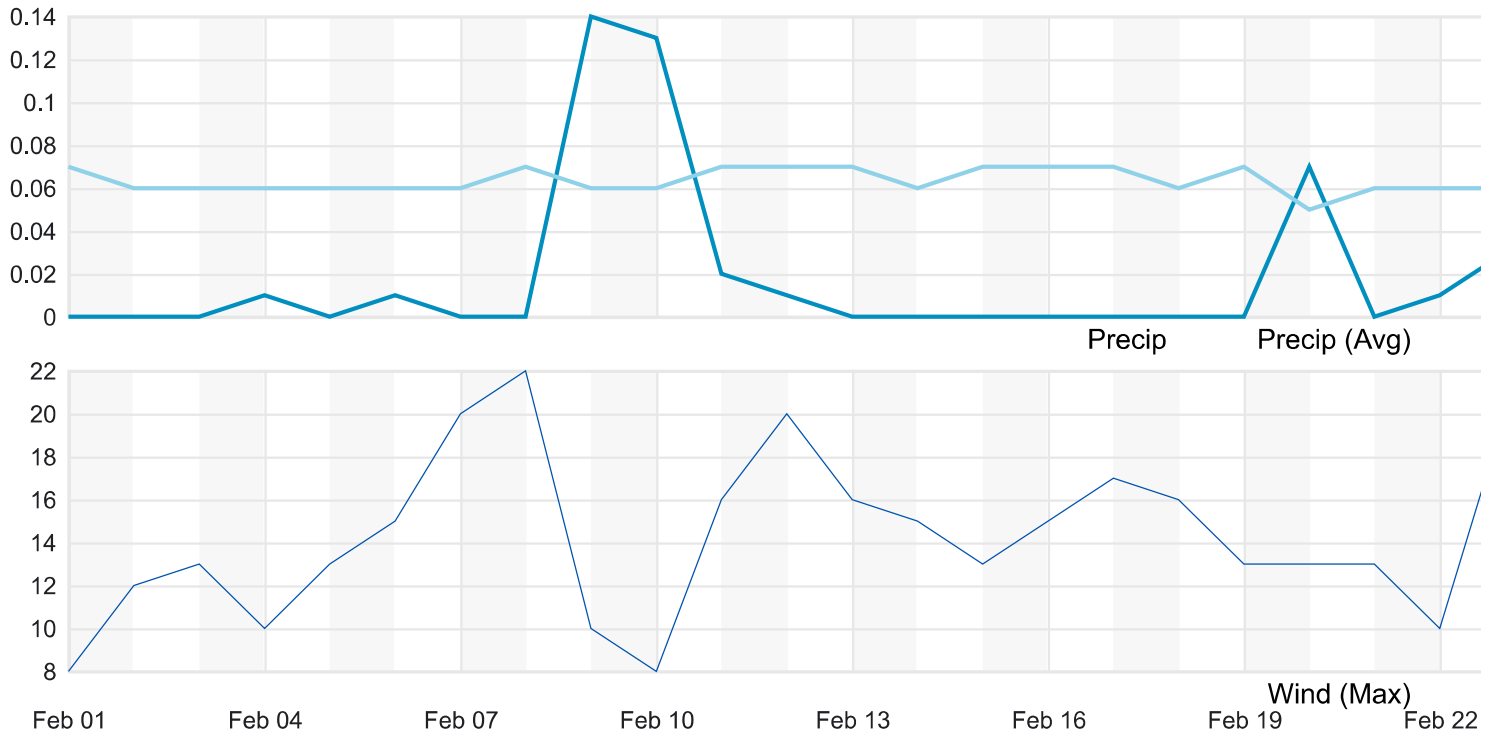
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February

2019

[View](#)





# Summary

Temperature (° F)	Max	Average	Min	▲
Max Temperature	85	65.29	40	
Avg Temperature	70.19	56.74	37.47	
Min Temperature	67	49.57	34	
Dew Point (° F)	Max	Average	Min	▲
Dew Point	67	46.9	19	
Precipitation (Inches)	Max	Average	Min	Sum ▲
Precipitation	0.14	0.02	0.00	0.46
Snowdepth	0.00	0.00	0.00	0.00
Wind	Max	Average	Min	▲
Wind	22	7.69	0	
Gust Wind	33	2.21	0	

Search Locations Log in (Log...)



Recent Cities

Boerne, TX (weather/us/tx/boerne/29.78,-98.73)

29.52 °N, 98.5 °W

# San Antonio, TX Weather History

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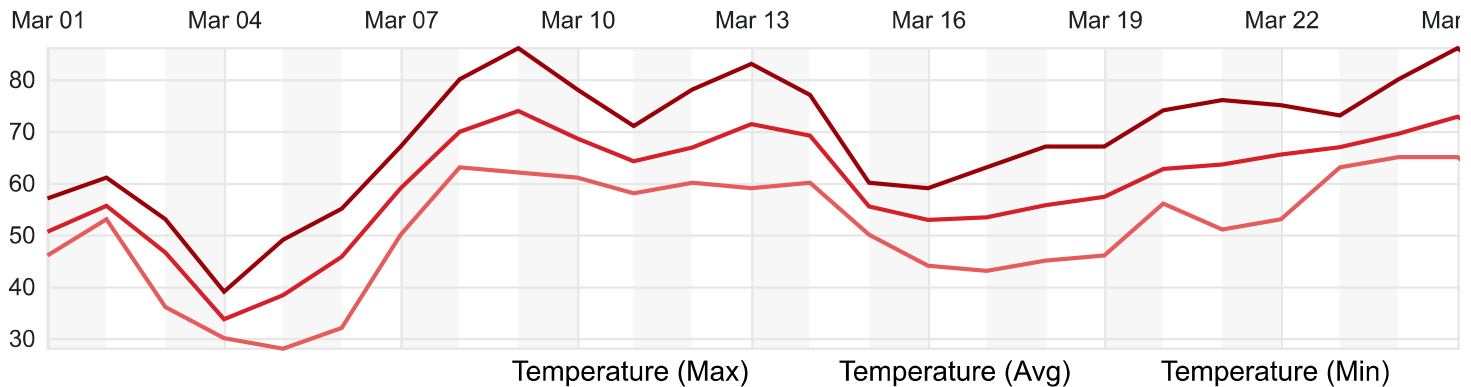
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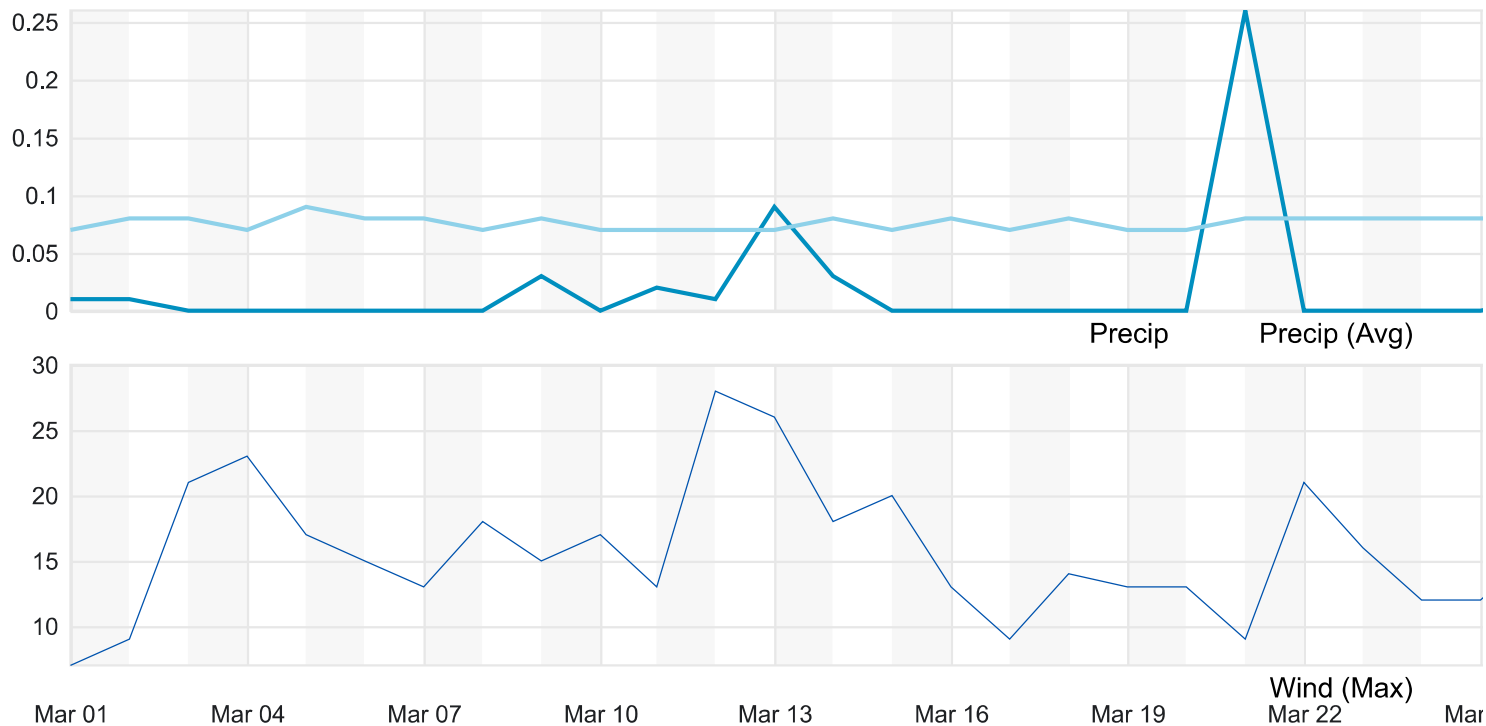
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[March](#)

[2019](#)

[View](#)





# Summary

Temperature (° F)	Max	Average	Min	▲
Max Temperature	86	69.42	39	
Avg Temperature	73.9	60.23	33.69	
Min Temperature	65	51.84	28	
Dew Point (° F)	Max	Average	Min	▲
Dew Point	68	46.96	10	
Precipitation (Inches)	Max	Average	Min	Sum ▲
Precipitation	0.26	0.02	0.00	0.47
Snowdepth	0.00	0.00	0.00	0.00
Wind	Max	Average	Min	▲
Wind	30	9.28	0	
Gust Wind	39	4.4	0	

Search Locations Log in (Log...)



Recent Cities

Boerne, TX (weather/us/tx/boerne/29.78,-98.73)

29.52 °N, 98.5 °W

# San Antonio, TX Weather History

**56° SAN ANTONIO INTERNATIONAL AIRPORT STATION** ([/WEATHER/US/TX/SAN-ANTONIO/KSAT?CM\\_VEN=LOCALWX\\_PWSDASH](#)) | [CHANGE](#)

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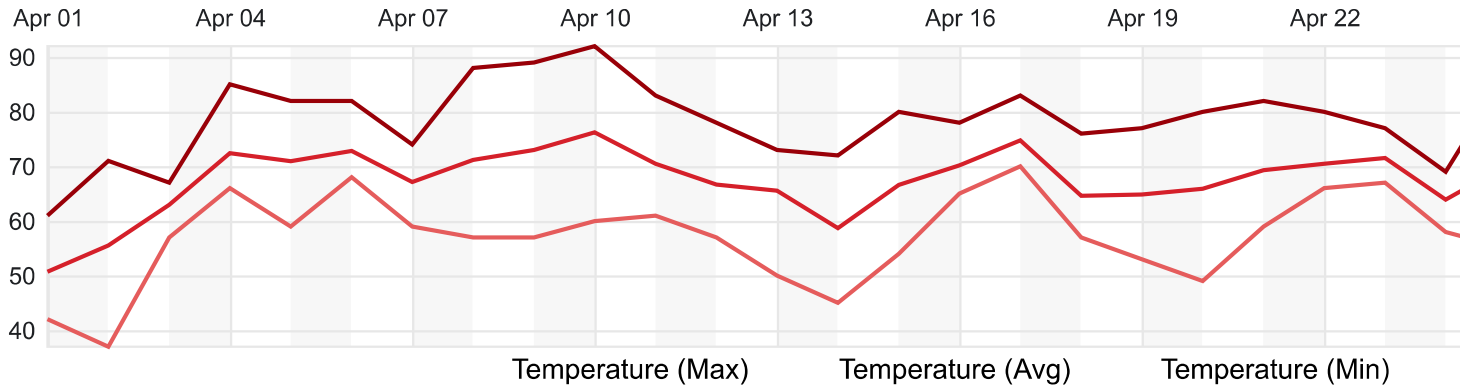
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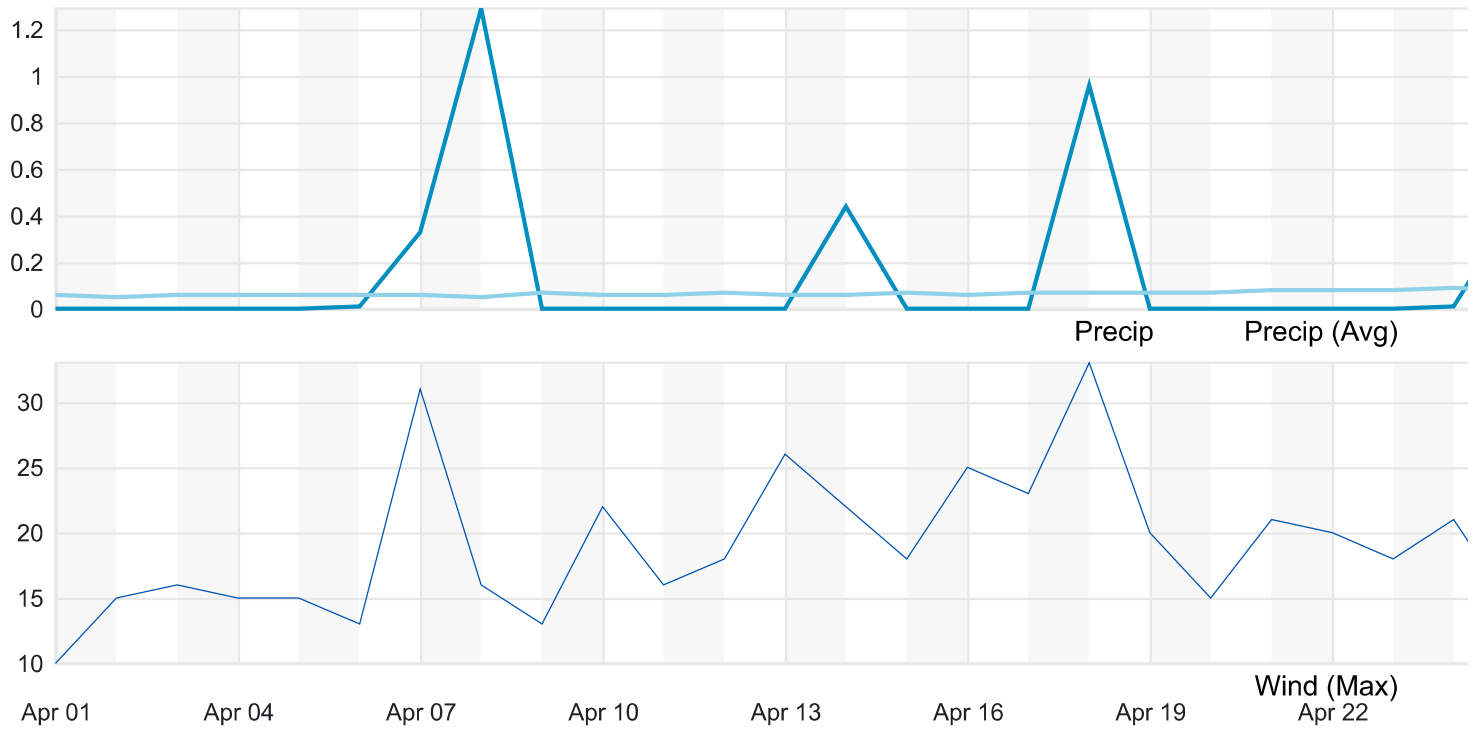
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April

2019

[View](#)





## Summary

Temperature (° F)	Max	Average	Min	▲
Max Temperature	92	79.2	61	
Avg Temperature	76.25	68.42	50.71	
Min Temperature	72	58.57	37	
Dew Point (° F)	Max	Average	Min	▲
Dew Point	73	55.7	26	
Precipitation (Inches)	Max	Average	Min	Sum ▲
Precipitation	1.29	0.12	0.00	3.47
Snowdepth	0.00	0.00	0.00	0.00
Wind	Max	Average	Min	▲
Wind	33	10.49	0	
Gust Wind	52	4.7	0	



Search Locations Log in (Log...)



Recent Cities

Boerne, TX (weather/us/tx/boerne/29.78,-98.73)

29.52 °N, 98.5 °W

# San Antonio, TX Weather History

**56° SAN ANTONIO INTERNATIONAL AIRPORT STATION** ([/WEATHER/US/TX/SAN-ANTONIO/KSAT?CM\\_VEN=LOCALWX\\_PWSDASH](#)) | [CHANGE](#)

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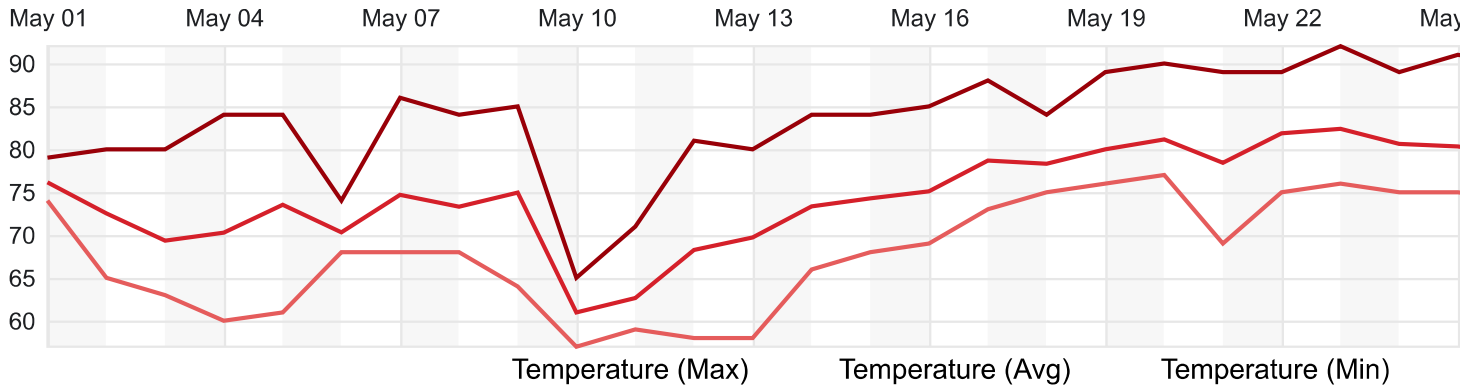
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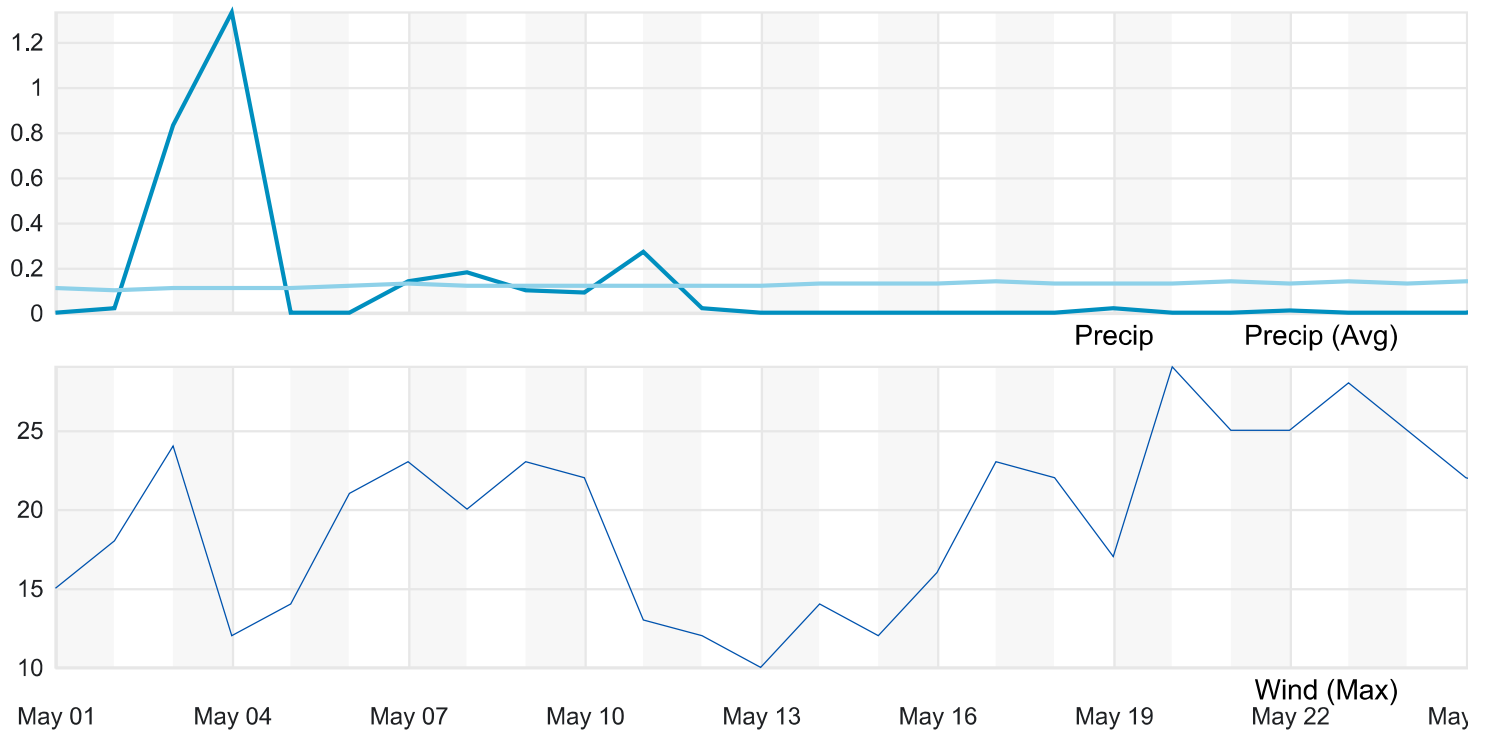
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May

2019

[View](#)





# Summary

Temperature (° F)	Max	Average	Min	▲
Max Temperature	92	84.45	65	
Avg Temperature	82.36	75.44	61	
Min Temperature	78	68.94	57	
Dew Point (° F)	Max	Average	Min	▲
Dew Point	75	66.74	50	
Precipitation (Inches)	Max	Average	Min	Sum ▲
Precipitation	1.33	0.11	0.00	3.31
Snowdepth	0.00	0.00	0.00	0.00
Wind	Max	Average	Min	▲
Wind	29	11.23	0	
Gust Wind	36	5.35	0	

Search Locations Log in (Log...)



Recent Cities

Boerne, TX (weather/us/tx/boerne/29.78,-98.73)

29.52 °N, 98.5 °W

# San Antonio, TX Weather History

**56° SAN ANTONIO INTERNATIONAL AIRPORT STATION** ([/WEATHER/US/TX/SAN-ANTONIO/KSAT?CM\\_VEN=LOCALWX\\_PWS DASH](#)) | [CHANGE](#)

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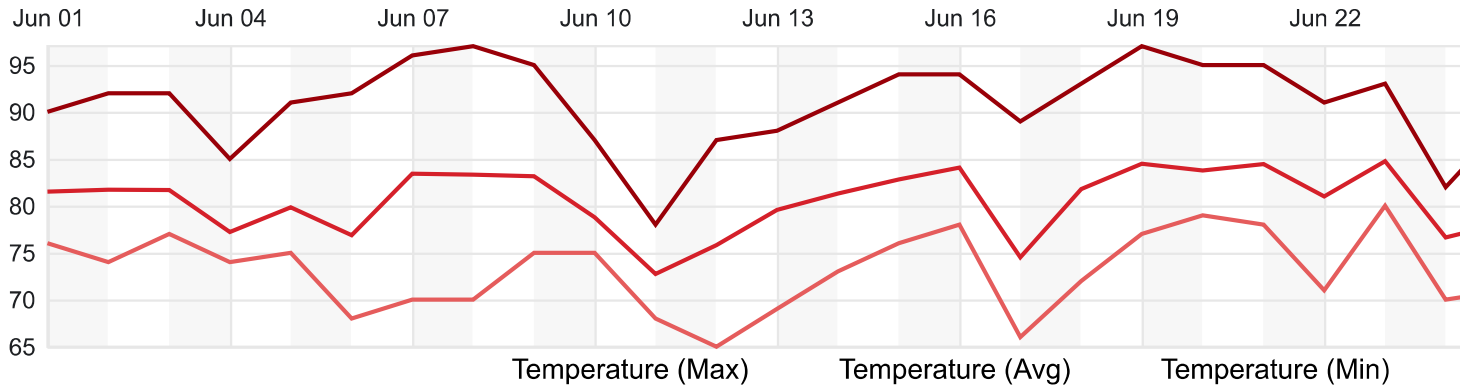
[Daily](#)   [Weekly](#)   **[Monthly](#)**

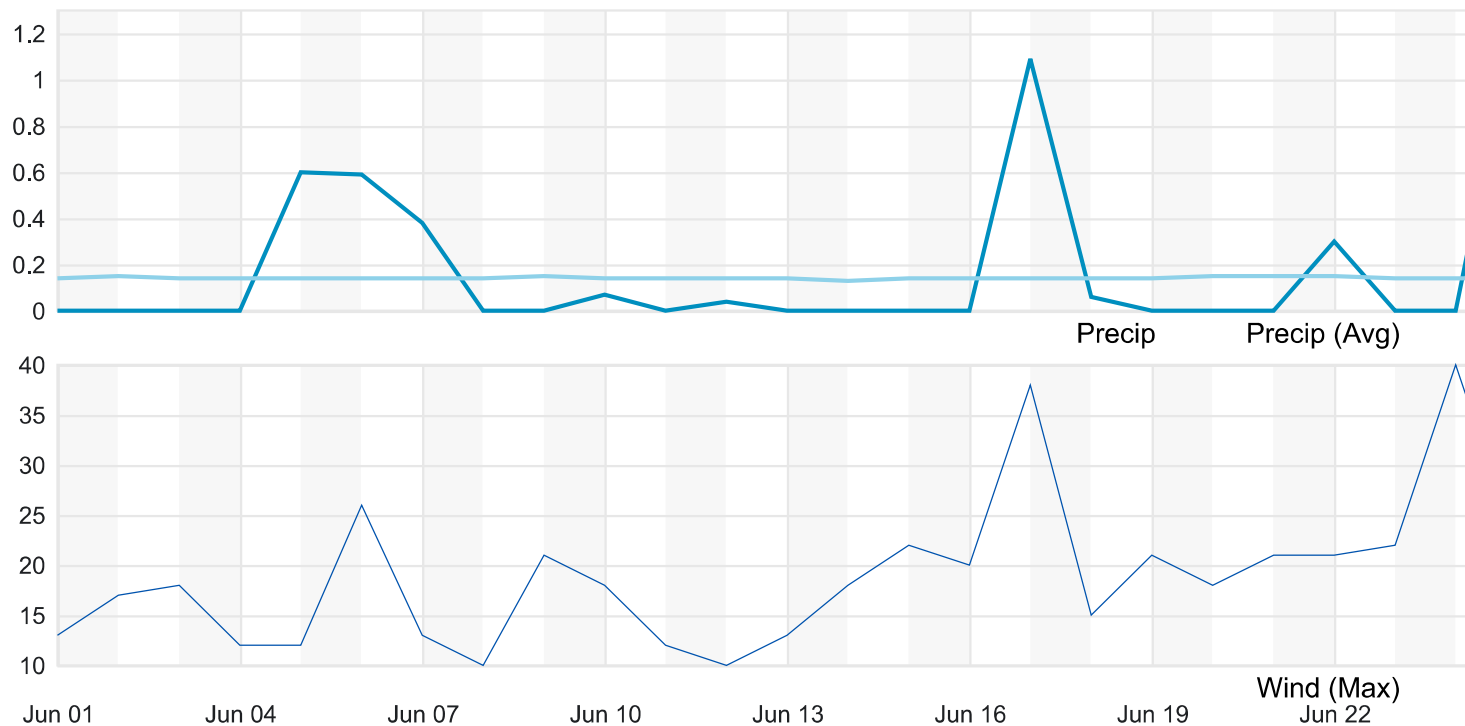
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**June**

**2019**

[View](#)





# Summary

Temperature (° F)	Max	Average	Min	▲
Max Temperature	97	90.6	78	
Avg Temperature	84.75	80.3	72.75	
Min Temperature	80	72.93	65	
Dew Point (° F)	Max	Average	Min	▲
Dew Point	78	69.59	56	
Precipitation (Inches)	Max	Average	Min	Sum ▲
Precipitation	1.30	0.18	0.00	5.50
Snowdepth	0.00	0.00	0.00	0.00
Wind	Max	Average	Min	▲
Wind	40	9.29	0	
Gust Wind	53	3.65	0	

Search Locations Log in (Logout)

★ Recent Cities  
Boerne, TX (weather/us/tx/boerne/29.78,-98.73)

29.52 °N, 98.5 °W

# San Antonio, TX Weather History ★ 🏠

☀️ **56° SAN ANTONIO INTERNATIONAL AIRPORT STATION** ([/WEATHER/US/TX/SAN-ANTONIO/KSAT?CM\\_VEN=LOCALWX\\_PWS DASH](#)) | [CHANGE](#) ▼

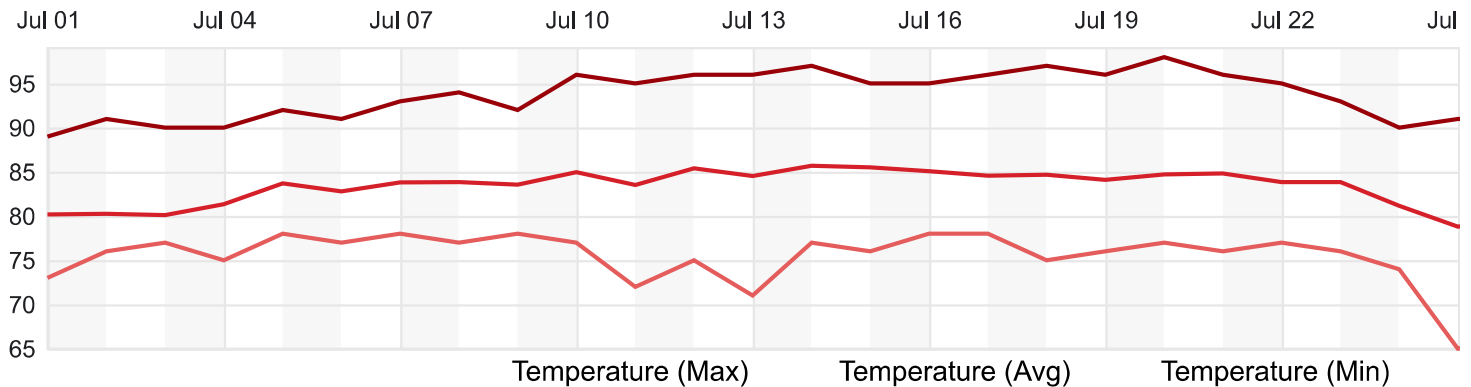
[HISTORY](#) ([/HISTORY/DAILY/US/TX/SAN-ANTONIO/KSAT](#))

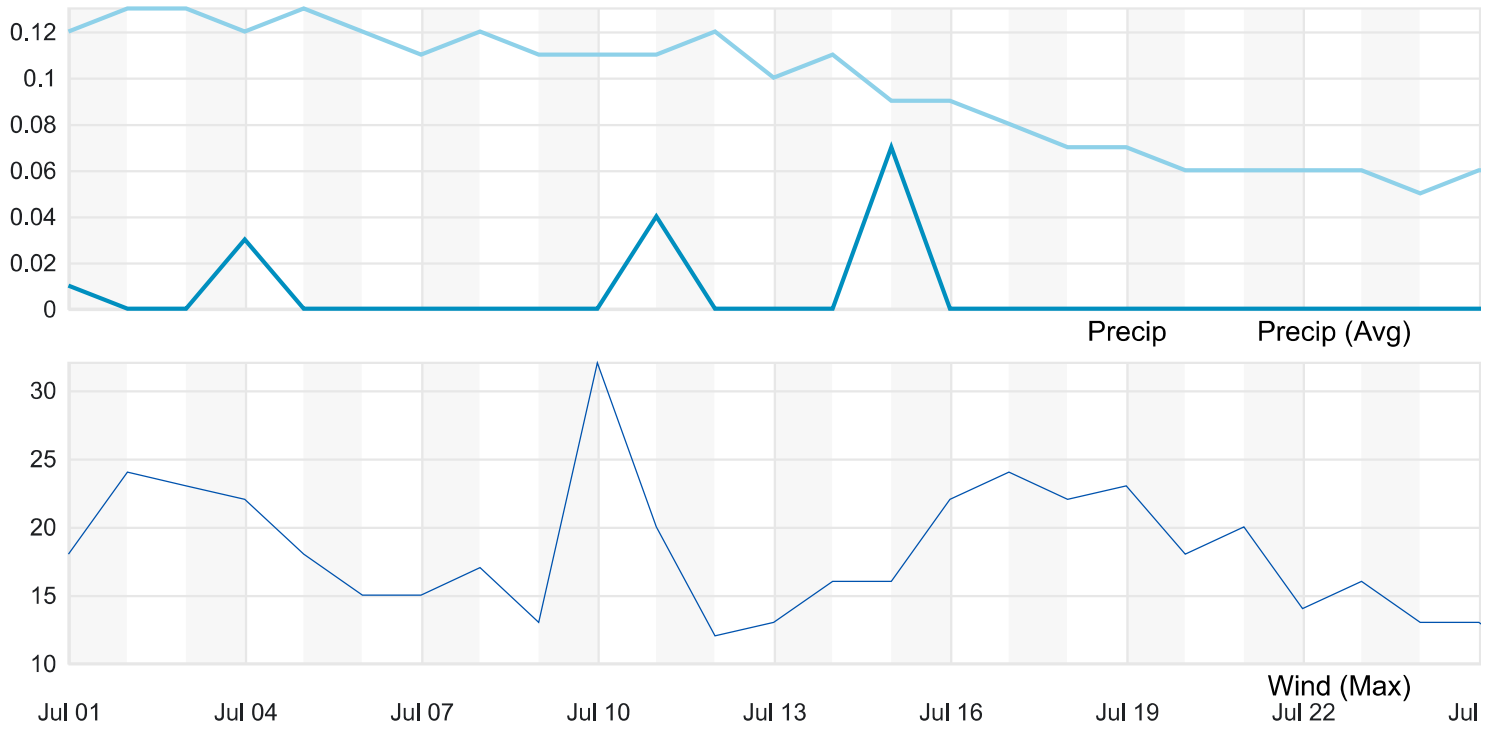
- [TODAY](#) ([/WEATHER/US/TX/SAN-ANTONIO/KSAT](#))
- [HOURLY](#) ([/HOURLY/US/TX/SAN-ANTONIO/KSAT](#))
- [10-DAY](#) ([/FORECAST/US/TX/SAN-ANTONIO/KSAT](#))
- [CALENDAR](#) ([/CALENDAR/US/TX/SAN-ANTONIO/KSAT](#))
- [HISTORY](#) ([/HISTORY/DAILY/US/TX/SAN-ANTONIO/KSAT](#))
- [WUNDERMAP](#) ([/WUNDERMAP?LAT=29.52&LON=-98.5](#))

[Daily](#)   [Weekly](#)   **[Monthly](#)**

([/history/daily/us/tx/san-antonio/KSAT/date/2019-7-4](#))   ([/history/weekly/us/tx/san-antonio/KSAT/date/2019-7-4](#))   ([/history/monthly/us/tx/san-antonio/KSAT/date/2019-7](#))

     [View](#)





# Summary

Temperature (° F)	Max	Average	Min	▲
Max Temperature	99	94.19	89	
Avg Temperature	87.16	83.55	78.79	
Min Temperature	78	75.23	65	
Dew Point (° F)	Max	Average	Min	▲
Dew Point	75	68.47	47	
Precipitation (Inches)	Max	Average	Min	Sum ▲
Precipitation	0.07	0.00	0.00	0.15
Snowdepth	0.00	0.00	0.00	0.00
Wind	Max	Average	Min	▲
Wind	32	9.81	0	
Gust Wind	44	3.56	0	

Search Locations Log in (Log...)



Recent Cities

Boerne, TX (weather/us/tx/boerne/29.78,-98.73)

29.52 °N, 98.5 °W

# San Antonio, TX Weather History

**56° SAN ANTONIO INTERNATIONAL AIRPORT STATION** ([/WEATHER/US/TX/SAN-ANTONIO/KSAT?CM\\_VEN=LOCALWX\\_PWSDASH](#)) | [CHANGE](#)

[HISTORY](#) ([/HISTORY/DAILY/US/TX/SAN-ANTONIO/KSAT](#))

- [TODAY](#) ([/WEATHER/US/TX/SAN-ANTONIO/KSAT](#))
- [HOURLY](#) ([/HOURLY/US/TX/SAN-ANTONIO/KSAT](#))
- [10-DAY](#) ([/FORECAST/US/TX/SAN-ANTONIO/KSAT](#))
- [CALENDAR](#) ([/CALENDAR/US/TX/SAN-ANTONIO/KSAT](#))
- [HISTORY](#) ([/HISTORY/DAILY/US/TX/SAN-ANTONIO/KSAT](#))
- [WUNDERMAP](#) ([/WUNDERMAP?LAT=29.52&LON=-98.5](#))

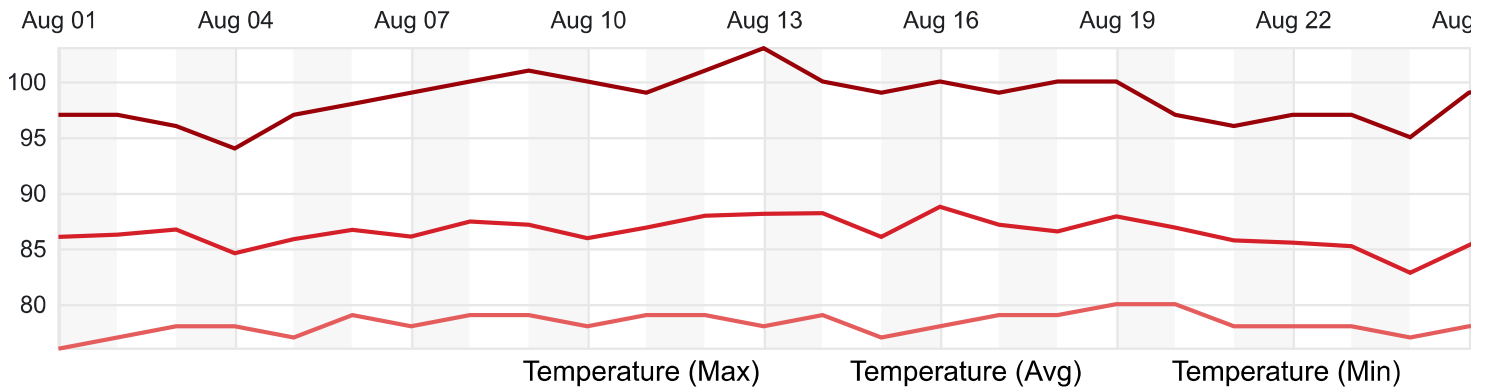
[Daily](#)   [Weekly](#)   **[Monthly](#)**

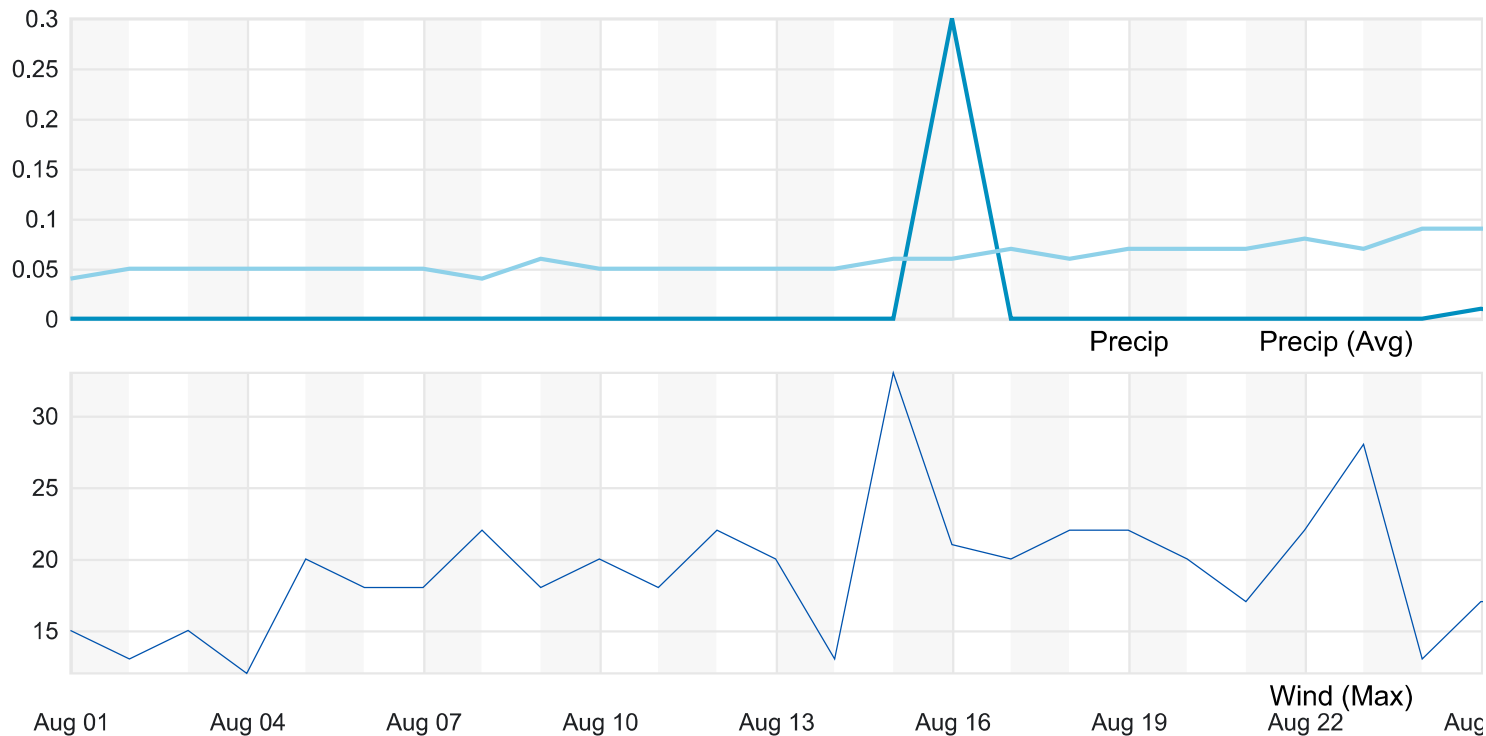
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August

2019

[View](#)





# Summary

Temperature (° F)	Max	Average	Min	▲
Max Temperature	103	98.39	94	
Avg Temperature	88.75	86.5	82.82	
Min Temperature	80	78.39	76	
Dew Point (° F)	Max	Average	Min	▲
Dew Point	77	70.24	60	
Precipitation (Inches)	Max	Average	Min	Sum ▲
Precipitation	0.30	0.01	0.00	0.31
Snowdepth	0.00	0.00	0.00	0.00
Wind	Max	Average	Min	▲
Wind	33	9.43	0	
Gust Wind	45	2.11	0	



Search Locations Log in (Log...)



Recent Cities

Boerne, TX (weather/us/tx/boerne/29.78,-98.73)

29.52 °N, 98.5 °W

# San Antonio, TX Weather History

**56° SAN ANTONIO INTERNATIONAL AIRPORT STATION** ([/WEATHER/US/TX/SAN-ANTONIO/KSAT?CM\\_VEN=LOCALWX\\_PWSDASH](#)) | [CHANGE](#)

[HISTORY](#) ([/HISTORY/DAILY/US/TX/SAN-ANTONIO/KSAT](#))

- [TODAY](#) ([/WEATHER/US/TX/SAN-ANTONIO/KSAT](#))
- [HOURLY](#) ([/HOURLY/US/TX/SAN-ANTONIO/KSAT](#))
- [10-DAY](#) ([/FORECAST/US/TX/SAN-ANTONIO/KSAT](#))
- [CALENDAR](#) ([/CALENDAR/US/TX/SAN-ANTONIO/KSAT](#))
- [HISTORY](#) ([/HISTORY/DAILY/US/TX/SAN-ANTONIO/KSAT](#))
- [WUNDERMAP](#) ([/WUNDERMAP?LAT=29.52&LON=-98.5](#))

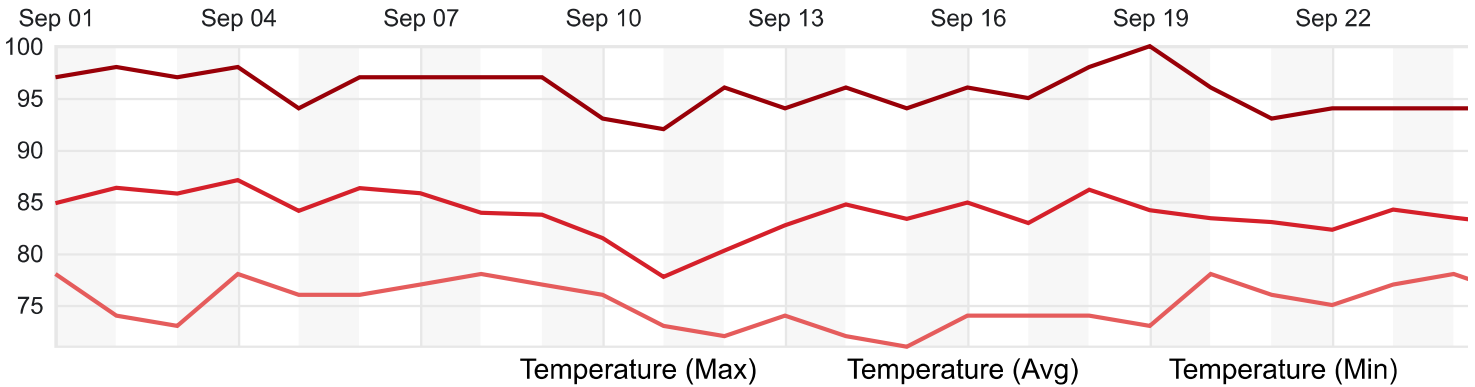
[Daily](#)   [Weekly](#)   **[Monthly](#)**

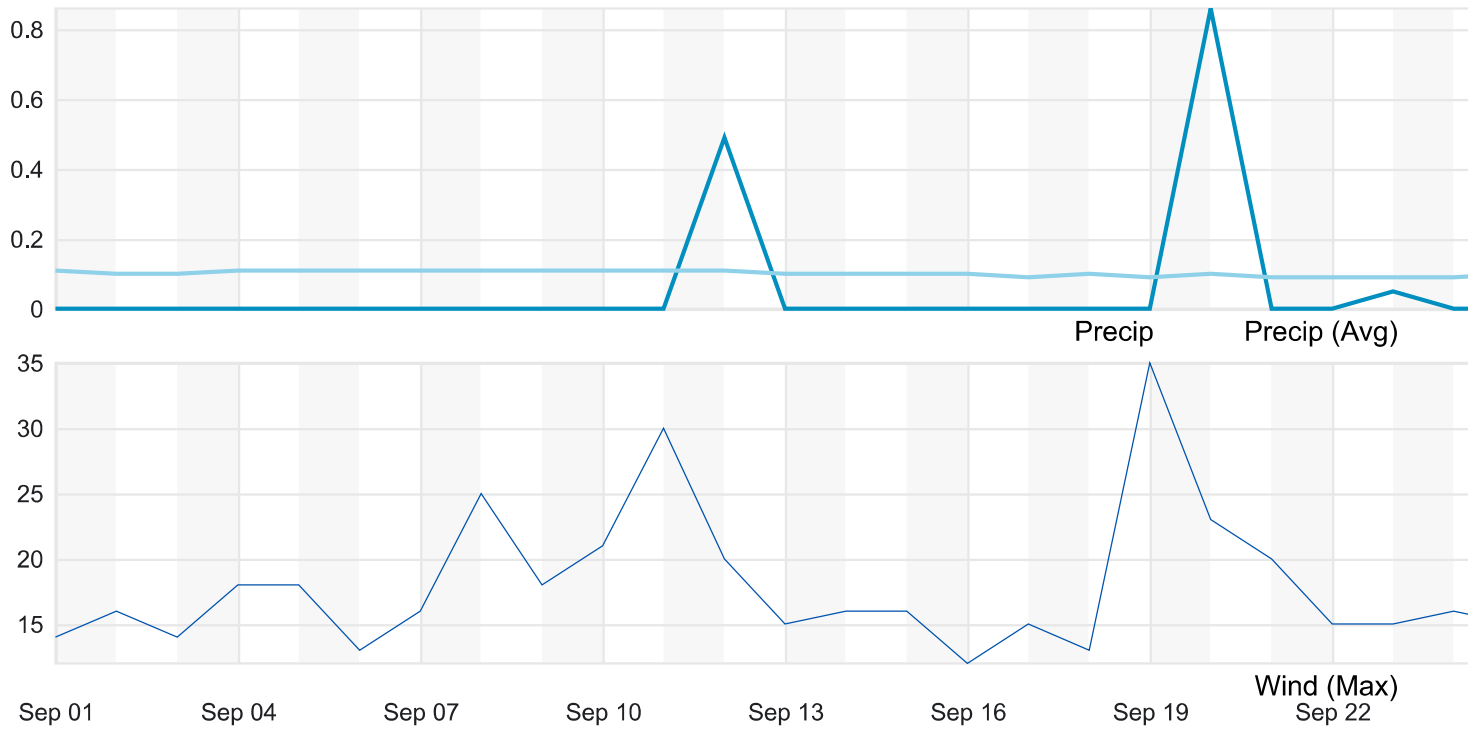
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September

2019

[View](#)





# Summary

Temperature (° F)	Max	Average	Min	▲
Max Temperature	100	95.37	92	
Avg Temperature	87.08	83.65	77.73	
Min Temperature	79	75.57	71	
Dew Point (° F)	Max	Average	Min	▲
Dew Point	77	68.78	54	
Precipitation (Inches)	Max	Average	Min	Sum ▲
Precipitation	0.86	0.05	0.00	1.41
Snowdepth	0.00	0.00	0.00	0.00
Wind	Max	Average	Min	▲
Wind	35	9.02	0	
Gust Wind	46	2.85	0	

Search Locations Log in (Log...)



Recent Cities

Boerne, TX (weather/us/tx/boerne/29.78,-98.73)

29.52 °N, 98.5 °W

# San Antonio, TX Weather History

**56° SAN ANTONIO INTERNATIONAL AIRPORT STATION** ([/WEATHER/US/TX/SAN-ANTONIO/KSAT?CM\\_VEN=LOCALWX\\_PWS DASH](#)) | [CHANGE](#)

[HISTORY](#) ([/HISTORY/DAILY/US/TX/SAN-ANTONIO/KSAT](#))

- [TODAY](#) ([/WEATHER/US/TX/SAN-ANTONIO/KSAT](#))
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- [10-DAY](#) ([/FORECAST/US/TX/SAN-ANTONIO/KSAT](#))
- [CALENDAR](#) ([/CALENDAR/US/TX/SAN-ANTONIO/KSAT](#))
- [HISTORY](#) ([/HISTORY/DAILY/US/TX/SAN-ANTONIO/KSAT](#))
- [WUNDERMAP](#) ([/WUNDERMAP?LAT=29.52&LON=-98.5](#))

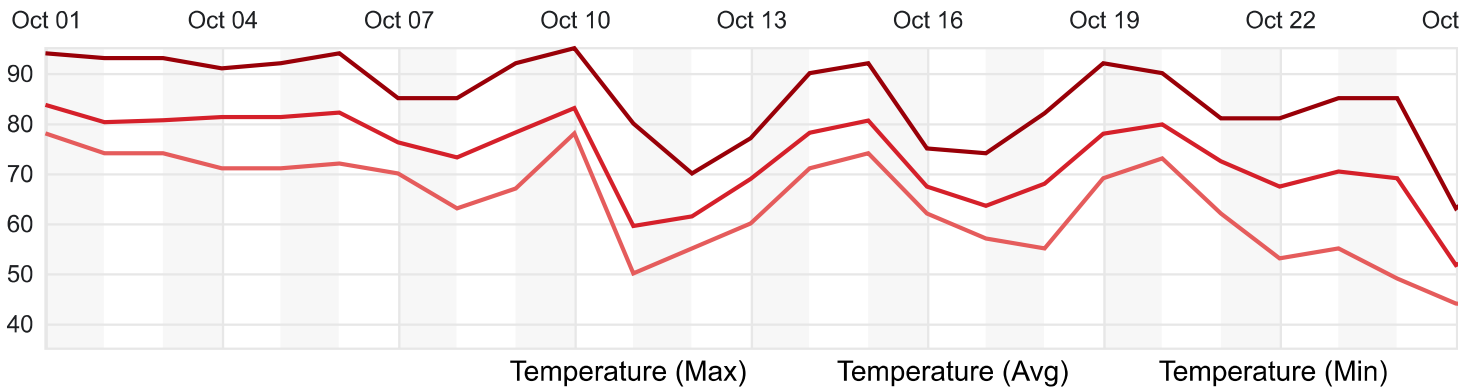
[Daily](#)   [Weekly](#)   **[Monthly](#)**

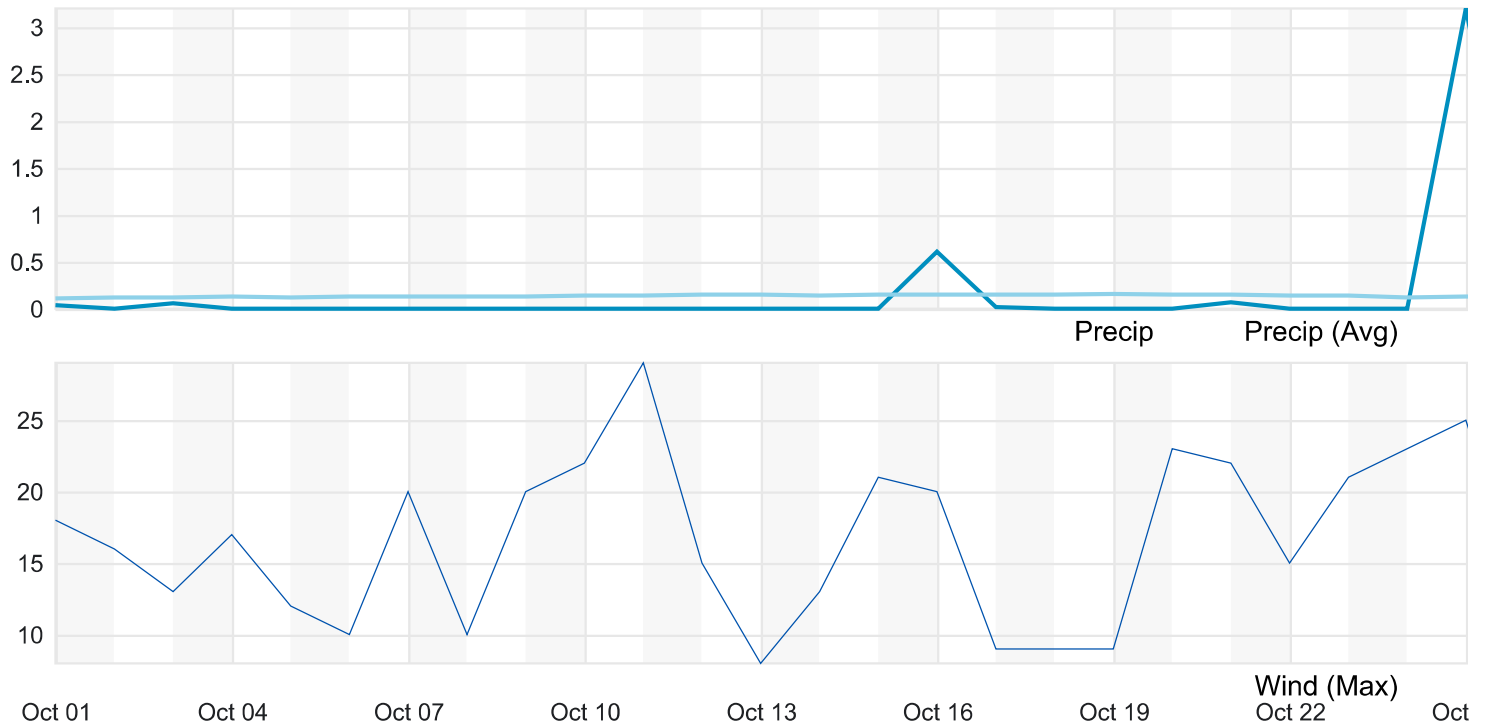
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October

2019

[View](#)





# Summary

Temperature (° F)	Max	Average	Min	▲
Max Temperature	95	82.26	56	
Avg Temperature	83.71	70.16	44.04	
Min Temperature	78	60.65	35	
Dew Point (° F)	Max	Average	Min	▲
Dew Point	75	54.37	20	
Precipitation (Inches)	Max	Average	Min	Sum ▲
Precipitation	3.20	0.13	0.00	4.06
Snowdepth	0.00	0.00	0.00	0.00
Wind	Max	Average	Min	▲
Wind	29	8.6	0	
Gust Wind	41	4.3	0	













































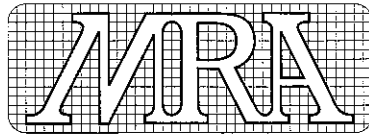


17239

Abbington Ranch  
Construction Status  
Reports



# ARCHITECT'S FIELD REPORT



MARTIN RILEY ASSOCIATES - ARCHITECTS, P.C.  
215 CHURCH STREET SUITE 200 DECATUR, GEORGIA 30030-3329  
404-373-2800 FAX 404-373-2888

PROJECT: Abingtons Ranch  
LOCATION: Boerne TX

FIELD REPORT NO: 1  
ARCHITECT'S PROJECT NO: 16-148

DATE <u>9-14-18</u> TIME	WEATHER	TEMP. RANGE
EST. % OF COMPLETION	CONFORMANCE WITH SCHEDULE (+,-)	
WORK IN PROGRESS	PRESENT AT SITE	

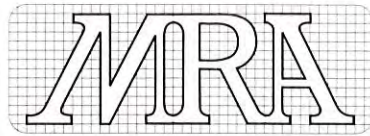
Pay application #2 approved based on photo backup provided by GC as 9-13-18

### OBSERVATIONS

- Construction entrance in place.
- Energy control systems installed.
- Grading / installing of off-site utilities / roads in progress.

REPORT BY: PEL

# ARCHITECT'S FIELD REPORT



MARTIN RILEY ASSOCIATES - ARCHITECTS, P.C.  
215 CHURCH STREET SUITE 200 DECATUR, GEORGIA 30030-3329  
404-373-2800 FAX 404-373-2888

PROJECT: Abbingtas Ranch  
LOCATION: Boerne TX

FIELD REPORT NO: 2  
ARCHITECT'S PROJECT NO: 16-148

DATE 12-1-18 TIME WEATHER TEMP. RANGE  
EST. % OF COMPLETION 4% CONFORMANCE WITH SCHEDULE (+,-) On Schedule  
WORK IN PROGRESS Off site wood work PRESENT AT SITE  
On site mobilization / grading

Pay application #3 approved based on photo back up provided by GC on 11-30-18

### OBSERVATIONS

- City of Boerne has released building permit to allow site development.
- Off-site wood @ subgrade
  - Lime added base graded.
- Construction entrance being maintained.
- Project construction trailer / office on site
- On site erosion control systems in place.
  - Grading (cut/fill) started.
- Anticipated construction completion date of 10-5-19 has not changed.
- First on site draw meeting is scheduled for Jan 3, 2019.
  - Draw #4 will be submitted.

REPORT BY:































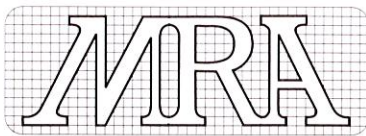








# ARCHITECT'S FIELD REPORT



MARTIN RILEY ASSOCIATES - ARCHITECTS, P.C.  
215 CHURCH STREET SUITE 200 DECATUR, GEORGIA 30030-3329  
404-373-2800 FAX 404-373-2888

PROJECT: Abbingdon Ranch  
LOCATION: Boerne, TX

FIELD REPORT NO: 3  
ARCHITECT'S PROJECT NO: 16-148

DATE 1-7-19 TIME WEATHER TEMP. RANGE  
EST. % OF COMPLETION 8% CONFORMANCE WITH SCHEDULE (+,-) On Schedule  
WORK IN PROGRESS Site grading cut/fill. PRESENT AT SITE  
Sanitary Sewer (Plumbing)

Pay application #4 approved based on photo back up provided by GC as 1-3-19.

### OBSERVATIONS

- Bldg. 400 pod @ subgrade
- Cut/fill grading started @ Bldgs 200 - 300.
- Bldg. sanitary sewer mains/laterals installation started.
- Anticipated construction completion date of 10-5-19 has not changed

REPORT BY:



PROJECT: Abbingtan Ranch  
LOCATION: Boerne, TX

FIELD REPORT NO: 4  
ARCHITECT'S PROJECT NO: 16-148

DATE 2-4-19 TIME 11:00 a

WEATHER Drizzle TEMP. RANGE 65°

EST. % OF COMPLETION

CONFORMANCE WITH SCHEDULE (+,-) On Schedule

WORK IN PROGRESS Site grading, Site  
water, Bldg. slabs

PRESENT AT SITE Alex

Pay application #5 approved.

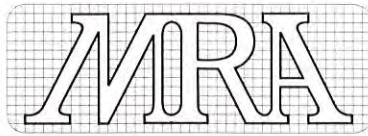
OBSERVATIONS

- Sanitary sewer pipe install completed.
  - Lock only top being made.
- Site water installation in progress.
  - Apx. 90% completed.
  - Lock boring under Coscoda Covenus Road.
  - Boring equipment on site.
- Bldg. 200 grading for subgrade apx. 40%
- Bldg. 300 sub grade locks apx 3' of fill for completion.
- Clubhouse & Bldg. 400 slabs/parches/B'way's poured.
- Discussed:
  - Section details in A5 sheets & structural notes/schedules on sheet S1.0.
  - AV, HC & Fire Massing requirements/notes on sheet A0.2.
  - Electrical outlet heights detailed in E sheet with floor plans.
    - Install per design/requirements called out.

REPORT BY: 



# ARCHITECT'S FIELD REPORT



MARTIN RILEY ASSOCIATES - ARCHITECTS, P.C.  
215 CHURCH STREET SUITE 200 DECATUR, GEORGIA 30030-3329  
404-373-2800 FAX 404-373-2888

PROJECT: Abbingtas Ranch

FIELD REPORT NO: 5

LOCATION: Boerne TX

ARCHITECT'S PROJECT NO: 16-148

DATE 2-4-19 TIME 12:00 p

WEATHER Overcast TEMP. RANGE 36°

EST. % OF COMPLETION

CONFORMANCE WITH SCHEDULE (+,-) On Schedule

WORK IN PROGRESS Grading/Plumbing

PRESENT AT SITE Mike B., Gungen, Alex

Per application # 6 Approved  
CO # 2 executed.

## OBSERVATIONS

- Grading of off-site road castinives:
  - Sleeving (excavated) of GUTC utilities in progress.
- Grading, dewatering & stone base (bullrock) installed along box culvert area.
- Site water:
  - Borings under Coscode Cayenna Rd. completed.
  - Top scheduled to be made in next couple of weeks.
- Select fill brought in for bldg. pads.
  - Bldg. 200 near subgrade
  - Bldg. 300 now @ subgrade.
- Bldg. 300 bldg. covers pinned / batten boards up.
  - Under slab plumbing just getting mobilized.
  - Plumb. materials on site.

## Items discussed:

- GC hoping to start vertical construction in 45 days or so.
- Drainage around bldgs.
  - Add sleeves thru curbs for drain pipe or "V" curb & slope finish grades to roadway?
- Who is Cable TV supplier/installer?
- Elimination of house window trim @ store.
  - Windows to be wrapped in store.
- GC to RFI re: recirculating household fans in lieu of ducting - LED ext. lighting.

REPORT BY:



















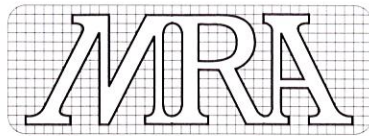








# ARCHITECT'S FIELD REPORT



MARTIN RILEY ASSOCIATES - ARCHITECTS, P.C.  
215 CHURCH STREET SUITE 200 DECATUR, GEORGIA 30030-3329  
404-373-2800 FAX 404-373-2888

PROJECT: Abbingdon Ranch  
LOCATION: Boerne, TX

FIELD REPORT NO: 6  
ARCHITECT'S PROJECT NO: 16-148

DATE 4-1-19 TIME 12:00 p

WEATHER Overcast TEMP. RANGE 48°

EST. % OF COMPLETION 22%

CONFORMANCE WITH SCHEDULE (+) GC 4-2-19 Revised Schedule as schedule base as

WORK IN PROGRESS Road paving prep /  
Storm drainage Culvert install.

PRESENT AT SITE Alex, John G., Mike B.

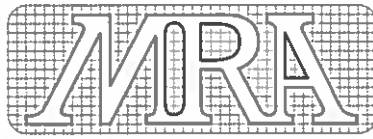
Pay Application #7 approved

## OBSERVATIONS

- Culvert box/trough running along Cascade Cove road footing excavation completed.
  - Form work 98%
  - Rebar for footing & walls tied in place.
  - Precast structures @ outfall under road are set in place.
- Grading for interior roads/parking areas completed.
  - Proof rolls passed @ 75% of sub-grade.
  - Stone base haul-in/placement in progress.
  - Surveyor's staking of curb/nose lines in progress.
- Conduit sleeves for water gland fire alarm & landscape irrigation 50%-60% installed.
- Bldgs. #200 & #300 slabs poured.
  - Post-tension cables tightened on #300.
- Post-tension cables cut & holes grouted @ Clubhouse & Bldg. #400.
- Next on site draw meeting scheduled for April 30.

REPORT BY:

**ARCHITECT'S  
FIELD REPORT**



MARTIN RILEY ASSOCIATES - ARCHITECTS, P.C.  
215 CHURCH STREET SUITE 200 DECATUR, GEORGIA 30030-3329  
404-373-2800 FAX 404-373-2888

PROJECT: Abbingtan Ranch  
LOCATION: Brewer, TX

FIELD REPORT NO: 7  
ARCHITECT'S PROJECT NO: 16-148

DATE 4-30-19 TIME 11:30 a WEATHER Drizzle TEMP. RANGE 71°  
EST. % OF COMPLETION 26% CONFORMANCE WITH SCHEDULE (+/-) 1 week behind per 4-2-19 schedule  
WORK IN PROGRESS Storm Structures, Reroute PRESENT AT SITE Alex, Mike B.

Pay application # 8 approved

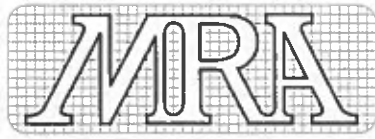
**OBSERVATIONS**

- Water complete, w/ exception of tap.
- Storm sewer underground piping completed.
  - Work continues w/ installation of box culvert system.
- Stair base laid / rolled in place @ interior drive & parking. Lock only main entrance.
- Concrete pavement poured in place in front of Bldg. 300 & partial west of dumpster location.
  - All materials (rebar, 2x10 forms) on site.
- Dumpster pad footings excavated, w/ rebar tied in place.
- \* Assure NC parking spaces, crosswalks, ramps meet required percentage of slope.  
See notes 13, 14 & 15 sheet AD.2

REPORT BY: [Signature]



**ARCHITECT'S  
FIELD REPORT**



MARTIN RILEY ASSOCIATES - ARCHITECTS, P.C.  
215 CHURCH STREET SUITE 200 DECATUR, GEORGIA 30030-3329  
404-373-2800 FAX 404-373-2888

PROJECT: Abbingtan Ranch  
LOCATION: Boerne TX

FIELD REPORT NO: 8  
ARCHITECT'S PROJECT NO: 16-148

DATE 6-3-19 TIME 11:00 a WEATHER Overcast TEMP. RANGE 79°  
EST. % OF COMPLETION CONFORMANCE WITH SCHEDULE (+/-) <sup>2 weeks behind</sup> <sub>4-2-19</sub> <sup>schedule based on GC</sup> <sub>Schedule</sub>  
WORK IN PROGRESS Stam Structures PRESENT AT SITE Alex, Mike B.

Pay application #9 approved

**OBSERVATIONS**

- More road base added to off-site roadway.
- Main section of box culvert now paved in place from existing triple outfall under Cascode Covenants Road down to West outfall.
- Back flow preventers/gate valves for fire risers in place for Bldgs. 200, 300 + 400.
- Concrete pavement (parking + drive) completed w/ exception of sections north of Clubhouse.
- Rough grading around bldg. pads, curbs + islands started.
- Dumpster pad + steel ballands paved in place.
- Discussed GC questions re: accessibility / Fair Housing items.
- Vertical Examining of apartments / CH tentatively scheduled to start on 6-17.

REPORT BY:























# ARCHITECT'S FIELD REPORT



MARTIN RILEY ASSOCIATES - ARCHITECTS, P.C.  
215 CHURCH STREET SUITE 200 DECATUR, GEORGIA 30030-3329  
404-373-2800 FAX 404-373-2888

PROJECT: Abbingtan Ranch

FIELD REPORT NO: 9

LOCATION: Boerne, TX

ARCHITECT'S PROJECT NO: 16-148

DATE 7-1-19 TIME 10:30 a

WEATHER: Partly Cloudy TEMP. RANGE 80°

EST. % OF COMPLETION

CONFORMANCE WITH SCHEDULE (+/-) <sup>3 weeks behind</sup> schedule (4-2-19 Sched.)

WORK IN PROGRESS Off-site road,  
framing

PRESENT AT SITE Alex, Mike B., Brock

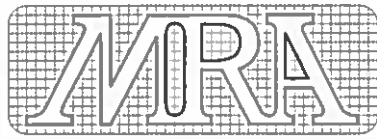
Pay application # 10 approved.  
Change Order # 3 approved.

## OBSERVATIONS

- Box culvert backfilled up to triple outfall structure.
- Compacting (roller) in progress @ Cascade Caverns road along project frontage.  
\* Paving scheduled for next week.
- Concrete pavement installed @ clubhouse bringing entire interior of project to completion.
- Site lighting pole concrete bases poured in place across the site.
- Temporary power provided to the site @ each bldg. pod.
- Framing in progress @ Clubhouse + Bldg. 200 in progress.
  - Apx. 60% of framing materials package stored @ site.
  - All bldg. floor trusses stored @ site.
  - Apx. 50% of windows stored @ site in a secured CavEx. trailer.
- Discussed structural framing notes w sheet S1 & related framing details with Alex.

REPORT BY:

# ARCHITECT'S FIELD REPORT



MARTIN RILEY ASSOCIATES - ARCHITECTS, P.C.  
215 CHURCH STREET SUITE 200 DECATUR, GEORGIA 30030-3329  
404-373-2800 FAX 404-373-2888

PROJECT: Abbingtun Ranch

FIELD REPORT NO: 10

LOCATION: Boerne TX

ARCHITECT'S PROJECT NO: 16-148

DATE 8-5-19 TIME 11:00 a

WEATHER Clear

TEMP. RANGE 86°

EST. % OF COMPLETION 40%

CONFORMANCE WITH SCHEDULE (+/-) schedule (3) weeks behind (7-1-19 schedule)

WORK IN PROGRESS Stone, Siding, MPE rough-ins, Storm Sewer  
PRESENT AT SITE Alex, Mike B.

Pay application #11 approved

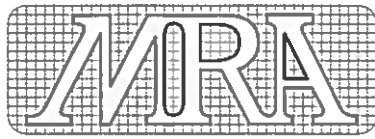
## OBSERVATIONS

- Storm Sewer crossing of Cascade Covenus Rd. completed.
- Water tap made.
- Binder course of asphalt paving completed (98%) along Cascade Covenus frontage & off-site roadway.
- Site lighting poles & fixtures installed.
- Picnic Pavilion concrete pad poured in place.
- Clubhouse
  - Roof trusses & decking installed.
  - Felt paper in place on main sections of roof.
  - Shingles on site.
- Dog houses framed w/ front roof
  - \* Discussed front & side overhang dimensions.
    - ① Front = 12". Sides = 6".
  - Front porch columns/beam construction in progress.
    - \* Discussed 7'-10" clearance noted on sket A8.02.
    - ② Beam to be raised in metal saddles 6" in order to provide 8'-4" clearance. Decrease in porch roof slope acceptable.
- Bldg. wrap installed w/ windows set.

REPORT BY: [Signature]



# ARCHITECT'S FIELD REPORT



MARTIN RILEY ASSOCIATES - ARCHITECTS, P.C.  
215 CHURCH STREET SUITE 200 DECATUR, GEORGIA 30030-3329  
404-373-2800 FAX 404-373-2888

PROJECT: Abbingtun Ranch  
LOCATION: Boerne TX

FIELD REPORT NO: 10  
ARCHITECT'S PROJECT NO: 16-148

DATE 8-5-19 TIME

## OBSERVATIONS

- Extension doors set - Structural holdowns in place.

- Plumbing rough-in completed.

\* Discussed HVAC design:

- Subcontractor thinking it would be better (more efficient) to relocate one of two AHU's to other side of Multipurpose room.

- GC to RFI.

\* Discussed wall notings @ Mount. & Laundry.

③ Pen A8.01 demising walls @ computer room/ laundry + restrooms/mount. to carry Int. noting. See detail 2-AG.4 (U311 assembly)

Bldg. 200

- Roof shingles installed.

- Bldg. wrap completed w/ windows installed.

- Unit entry doors installed.

- B'way steel stair systems installed.

- B'way entry roof's constructed.

- Extension trim/siding started.

④ Assure fiber cement panel rain screen is being installed per 7-A5.05 + per manufacturers recommendations.

- Stage work started.

⑤ Thru-wall membrane flashing needs to be installed per details 1 & 2 - A5.06.

- Sprinkler rough completed.

- Plumbing + mech. rough-ins 90%

- Tubs on site.

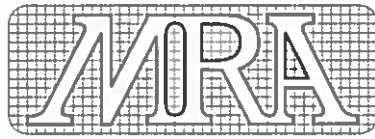
- Structural hold-down systems in place.

- Pre-insulation/drywall completed.

- Pre-gypcrete pours on upper floor completed.

REPORT BY: *TR*

**ARCHITECT'S  
FIELD REPORT**



MARTIN RILEY ASSOCIATES - ARCHITECTS, P.C.  
215 CHURCH STREET SUITE 200 DECATUR, GEORGIA 30030-3329  
404-373-2800 FAX 404-373-2888

PROJECT: Abington Ranch  
LOCATION: Boerne TX

FIELD REPORT NO: 10  
ARCHITECT'S PROJECT NO: 16-148

DATE 8-5-19 TIME

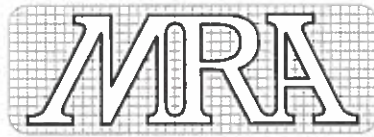
**OBSERVATIONS**

- Drywall stocked in units
- \* Discussed Framing of thru-wall Air Handler / future dehumidifiers in units
- (6) See Vertical FCU Detail 2-MQ.01 & Dehumidifier DH-1 detail on sheet MQ.01
- All floor trusses for bldgs 300 & 400, stored on site.
- All remaining framing materials stored on site.
- Roof trusses for 300 & 400 due on site this week.
- Large portion of stone materials stored on site.

REPORT BY: 



# ARCHITECT'S FIELD REPORT



MARTIN RILEY ASSOCIATES - ARCHITECTS, P.C.  
215 CHURCH STREET SUITE 200 DECATUR, GEORGIA 30030-3329  
404-373-2800 FAX 404-373-2888

PROJECT: Abbingtas Ranch

FIELD REPORT NO: 11

LOCATION: Boerne TX

ARCHITECT'S PROJECT NO: 16-148

DATE 9-3-19 TIME 7:00 a

WEATHER Clear

TEMP. RANGE 74°

EST. % OF COMPLETION

CONFORMANCE WITH SCHEDULE (+) Schedule (7-1-19 sched.) (2-3) weeks behind

WORK IN PROGRESS Drywall, Framing

PRESENT AT SITE Mike B., Alex

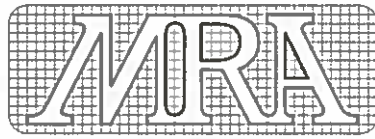
Pay application #12 approved

## OBSERVATIONS

- Concrete paving poured as top of storm piping running across Cascade Caverns Rd + box culvert tie in at site. Stripping of form work in progress.
- Concrete outfall structure poured in place for storm run off behind Bldg. 200.
- Project entry sign monument constructed.
- Secondary sidewalks paved @ Bldg. 200.
  - ① Handrails will be required @ both B'way entries due to slope falling between 5% + 8.3%.
    - Rails req'd on both sides of walk.
- Clubhouse
  - Mail boxes placed.
  - Stave + siding / trim installation completed.
  - \* Cedar posts + cedar 1x trim installed @ front + rear entry porches. Looks good!
  - Drywall hung w/ finishing started.
  - Punch items 1, 2 + 3 from F.R. #10 completed.
- Bldg 200
  - Stave + siding / trim installation completed.
  - \* Small shed roof framing in progress above single windows per elevations on A3 sheets.
    - ② Okay to be framed entirely out of exposed cedar material.
    - 1x6 fascias to be installed.
    - No decking under proposed metal roofing.

REPORT BY:

# ARCHITECT'S FIELD REPORT



MARTIN RILEY ASSOCIATES - ARCHITECTS, P.C.  
215 CHURCH STREET SUITE 200 DECATUR, GEORGIA 30030-3329  
404-373-2800 FAX 404-373-2888

PROJECT: Abington Ranch

FIELD REPORT NO: 11

LOCATION: Boerne TX

ARCHITECT'S PROJECT NO: 16-148

DATE 9-3-19 TIME

OBSERVATIONS - Purch items 4 & 5 from F.R.#10 completed.

- Balcony railings installed.

- 1x4 P.T. trim used @ ceiling corners in B'ways.

- Plans do not specify materials in details.

③ Need to confirm brand trim requirement per TX QAP standards.

- Drywall hung w/ finishing near complete.

\* Discussed framing of dehumidifier box in mech. closet as detailed in MO.I.

④ Remove drywall layer on front face inside closet for easier access for future install.

- Eliminate framing of box altogether @ Bldgs. 300 & 400.

- Bldg. 300

- 2nd floor framing completed - Roof trusses on site.

- Balcony & B'way deck construction in progress.

- Bldg. 400

- Start of 2nd floor walls in progress.

- Roof trusses on site.

- Discussed:

- All exposed cedar materials to be clear coated in lieu of paint? MRA to confirm w/ owner.

⑤ Shutters to be installed on 1st & 2nd floor windows @ stove elevations.

⑥ Eliminate installation of faux angle braces noted on AB sheets @ balconies.

REPORT BY:







































# ARCHITECT'S FIELD REPORT



MARTIN RILEY ASSOCIATES - ARCHITECTS, P.C.  
215 CHURCH STREET SUITE 200 DECATUR, GEORGIA 30030-3329  
404-373-2800 FAX 404-373-2888

PROJECT: Abbingtas Ranch

FIELD REPORT NO: 13

LOCATION: Boerne TX

ARCHITECT'S PROJECT NO: 16-148

DATE 10-25-19 TIME 7:30 a

WEATHER Partly Cloudy TEMP. RANGE 39°

EST. % OF COMPLETION

CONFORMANCE WITH SCHEDULE (+,-)

WORK IN PROGRESS Sidewalks, Drywall, Stone, Painting, MPE trim  
PRESENT AT SITE Alex, Mike B.

Pay application #14 approved

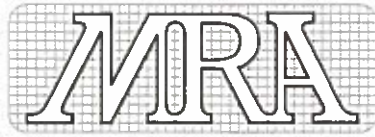
## OBSERVATIONS

- Riprap install completed @ NW storm outfall.
- Sidewalk poured in place along Cascade Caverns Rd. frontage.
- Trees planted along Cascade Caverns Rd.
- Site power transformers set
  - Secondary h/w.
- Irrigation system install started @ frontage + @ Bldg. 200.
- Forming of sidewalks in progress @ Clubhouse, Picnic shelter, Bldg. 300 around perimeter of interior island.
- Clubhouse
  - Ext. finishes completed w/ exception of metal standing seam roof.
  - Cabinets + counters install near complete.
- Bldg. 200
  - Bldg. ext. final paint completed.
  - Int. paint locks final punch.
  - Cabinets/counters installed.
  - MPE trim out near complete.
    - Lock toilets + water heater install. (stocked)
  - Mirror appliances installed.
  - Shelving, door hardware + mirrors installed.
- Bldg. 300
  - Stone work completed.

REPORT BY: *[Signature]*



# ARCHITECT'S FIELD REPORT



MARTIN RILEY ASSOCIATES - ARCHITECTS, P.C.  
215 CHURCH STREET SUITE 200 DECATUR, GEORGIA 30030-3329  
404-373-2800 FAX 404-373-2888

PROJECT: Abington Ranch  
LOCATION: Boerne, TX

FIELD REPORT NO: 13  
ARCHITECT'S PROJECT NO: 16-148

DATE 10-25-19 TIME

## OBSERVATIONS

- Siding, ext. trim install completed.
  - Ext. painting complete.
  - Balcony railings installed.
  - Drywall hung on 1st floor.
    - Hang on 2nd floor w/ finishing in progress.
  - Concrete pour scheduled for Monday, 10-28.
- Bldg. 400
- Roof shingles 95%. (Lock. Bussy gables)
  - Stone work near complete. (In progress @ rear elev.)
  - Siding, ext. trim install completed.
  - Ext. painting complete.
  - Balcony rail installation started.
  - Wall/floor insulation in place.
  - Drywall stocked w/ hanging in progress on 2nd floor.
  - Concrete pour scheduled for Monday, 10-28.
- Asphalt top coat paving of decel/off site scheduled for next week.

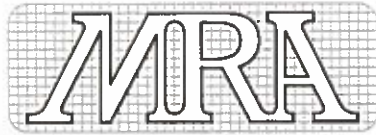
## INTERIORS TYPICAL ITEM PUNCH

### HC units

- Peephole @ unit entry door @ 44" AFF
- Lower wall outlets behind kit. counter to 44" AFF.
- Extend flooring under both removable base cabinets to back wall.
  - Finish out/paint back wall & base.
- Laundry closet door hardware req'd to be lever type.
- Privacy door locks to be push button type @  
bdrm & baths.

REPORT BY:

# ARCHITECT'S FIELD REPORT



MARTIN RILEY ASSOCIATES - ARCHITECTS, P.C.  
215 CHURCH STREET SUITE 200 DECATUR, GEORGIA 30030-3329  
404-373-2800 FAX 404-373-2888

PROJECT: Abington Ranch

FIELD REPORT NO: 13

LOCATION: Boerne, TX

ARCHITECT'S PROJECT NO: 16-148

DATE 10-25-19 TIME

## OBSERVATIONS

- Toilet to be installed 18"  $\pm$  from wall. (no + or -)
  - 36" x 42" grab bars to be installed max. 36" OFF to top of grasping surface.
  - Provide 60" shower hose/wand as 24" adjustable arm. Wand @ lowest adjustable setting to be below 48" OFF.
  - Install pull chain extension to 54" OFF on Fan side of ceiling fan.
  - Place call for emergency pull cord system.
- See 1+3 - E1.01 + 1 - E1.02

## FHA (Ground level) Units

- 36" vanity base w/ sink placed 24" <sup>min.</sup>  $\pm$  from wall in B6 unit most. bath. (Typ.) (5-A1.03)
- Toilet  $\pm$  to be 16"-18" max from adjacent wall surface and 18" min. from adjacent fixture (vanity or tub). See FH note 11-A0.2 + A1.03 elev.

## AV Units

- Install door bell w/ strobe-chime notification device
- Add 2nd outlet + 2nd phase yock @ 36" OFF in livingroom.
- Paint Doors, casing, base + window trim a contrasting color from wall paint. (Suggest bright white)

## Clubhouse

- Leave kitchen sink base open.
- Relocate disposal switch to inside of open sink base.
- Install 18" vertical grab bar in restrooms @ side of toilet above 42" bar. 39"-41"  $\pm$  from back wall and 39"-41" OFF to bottom of bar.

REPORT BY: *peh*



**ABBINGTON RANCH PHOTOGRAPHS – AS OF 10/25/2019**



Bldg 200



Bldg 300



Bldg 400



Clubhouse



Picnic Pavilion



Cascade Road frontage



Unit in bldg. 200



Unit in bldg. 300



Unit in bldg. 400

**BOARD ACTION REQUEST**  
**MULTIFAMILY FINANCE DIVISION**  
**DECEMBER 12, 2019**

Presentation, discussion and possible action on a request for return and reallocation of tax credits under 10 TAC §11.6(5) related to Credit Returns Resulting from Force Majeure Events for Application 17700, The Terraces at Arboretum

**RECOMMENDED ACTION**

**WHEREAS**, an award of Competitive (9%) Housing Tax Credits in the amount of \$1,500,000 to 17700 The Terraces at Arboretum (the Development) was approved by the Board on July 27, 2017;

**WHEREAS**, staff executed a Carryover Allocation Agreement with the Development Owner on December 12, 2017, that included a certification from the Development Owner that each building for which the allocation was made would be placed in service by December 31, 2019;

**WHEREAS**, on November 21, 2019, the Department received from the Development Owner a request to extend the placement in service deadline under the requirements of 10 TAC §11.6(5) related to Credits Returns Resulting from Force Majeure Events;

**WHEREAS**, other than in situations covered by force majeure, the Department lacks authority to extend federal deadlines for placement in service; and

**WHEREAS**, the precipitating events described in the request meet the requirements for force majeure events described in 10 TAC §11.6(5);

**NOW, therefore, it is hereby**

**RESOLVED**, the request for treatment of The Terraces at Arboretum under an application of the force majeure rule is approved, with the 2017 Qualified Allocation Plan and Uniform Multifamily Rules, and the 2019 Program Calendar applicable to the Development;

**FURTHER RESOLVED**, that the Applicant will receive a 2019 Carryover Agreement extending the placed in service deadline until March 6, 2020; and

**FURTHER RESOLVED**, that staff is authorized, empowered, and directed, for and on behalf of the Department to execute such documents, instruments and writings and perform such acts and deeds as may be necessary to effectuate the foregoing.



## BACKGROUND

An award of \$1,500,000 in Competitive (9%) Housing Tax Credits to the Development was approved by the Board on July 27, 2017. The Development proposed the New Construction of 112 Units for a general population in Houston, Fort Bend County. Staff executed a Carryover Allocation Agreement with the Development Owner on December 12, 2017, that included a certification from the Development Owner that, in order to satisfy the requirements of §42 of the Internal Revenue Code, each building for which the allocation was made would be placed in service by December 31, 2019.

On November 21, 2019, the Department received from the Development Owner a request to extend the placement in service deadline from December 31, 2019, to March 6, 2020, under the provisions of 10 TAC §11.6(5) related to Credits Returns Resulting from Force Majeure Events. This rule allows a Development Owner to return issued credits within three years of award, and have those credits re-allocated to the Development outside of the usual regional allocation system if all of the requirements of the subsection are met. Pursuant to 10 TAC §11.6(5), the Department's Governing Board may approve the execution of a current program year Carryover Allocation Agreement regarding the returned credits with the Development Owner that returned such credits only if:

(A) The credits were returned as a result of "Force Majeure" events that occurred after the start of construction and before issuance of Forms 8609. **Force Majeure events are the following sudden and unforeseen circumstances outside the control of the Development Owner:** acts of God such as fire, tornado, flooding, significant and unusual rainfall or subfreezing temperatures, or loss of access to necessary water or utilities as a direct result of significant weather events; explosion; vandalism; orders or acts of military authority; litigation; changes in law, rules, or regulations; national emergency or insurrection; riot; acts of terrorism; supplier failures; or materials or labor shortages. If a Force Majeure event is also a presidentially declared disaster, the Department may treat the matter under the applicable federal provisions. Force Majeure events must make construction activity impossible or materially impede its progress; (emphasis added)

Of the circumstances listed in the rule, the request indicates that force majeure might be triggered by significant and unusual rainfall.

In the request, the Development Owner states that "periods of Severe Weather have led to wet and flooded conditions at the site of the Development. The continuously wet conditions caused by the Severe Weather have delayed critical path construction activities, including: site work, site grading and excavation, underground utility installation, concrete slab and paving placement, wood framing, and dry-in activities." Per the request, "severe weather directly caused 67 days of work delays" and "poor site conditions directly led to 26 additional days of work delays. The request includes an "Exhibit A" document described as a "work log" from the contractor.

Pursuant to 10 TAC §10.402(h) of the Asset Management Rules, all multifamily developments must submit a construction status report (CSR), due by the tenth day of the month following each reporting quarter's end (January, April, July, and October) and continue on a quarterly basis until the entire development is complete. The first CSR was due on October 10, 2018, and was submitted timely. The

request and the submitted Construction Loan Agreement indicate that the loan was closed on January 18, 2018. The first CSR indicates a completion date of December 20, 2018.

Included with the CSRs reviewed for this Development are field reports from JHME Real Estate Advisors (JHME). The reports are included with this action item. The CSRs track the progress of construction and mention construction delays due to rainfall starting with the first report.

- Report 1 of the site visit on February 28, 2018, notes construction progress and includes photographs of the site. Construction is estimated as 2% complete. Per the report, "Due to heavy rains the general contractor was excavating a trench so the water could drain off the property. Excavation of the site is underway but is slow going because of the muddy conditions."
- Report 2 of the site visit on April 1, 2018, notes construction progress and includes photographs of the site. Construction is estimated as 4% complete. Per the report, "The day we visited the site it was cloudy, muddy and wet with several ponds of water scattered throughout the site. The excavation of the detention pond is in progress but we weren't able to get a clear picture of it due to the muddy conditions. A trench was excavated at the east side of the site which runs north and south to help aid drainage off the property. The excavation has been slowed down because of several rain days in March and because of the muddy conditions. We've requested an updated construction schedule as well as an account of how many weather days were requested for the current billing period running through 03/25/2018."
- Report 3 of the site visit on May 1, 2018, notes construction progress and includes photographs of the site. Construction is estimated as 6% complete. Per the report, "The day we visited the site it was cloudy, muddy, and wet with several ponds of water scattered throughout the site. The area where building pad 2 is located is completely under water. The excavation has been slowed down because of several rain days in March and April. We've received an updated construction schedule which shows a new completion date of 04/19/2019 for the apartment buildings and 06/05/2019 for the soccer fields."
- Report 6 of the site visit on August 2, 2018, notes construction progress and includes photographs of the site. Construction is estimated as 18% complete. Per the report, "The original schedule indicated a completion date of 12/20/2018. We received an updated schedule which reflects a revised completion date of 06/19/2019."
- Report 7 of the site visit on August 30, 2018, notes construction progress and includes photographs of the site. Construction is estimated as 25% complete. Per the report, "We received an updated schedule which reflects a revised completion date of 07/18/2019. All buildings are scheduled for completion with an Owner Walk by 05/15/2019. We have not received the additional Schedule for the Soccer Field."
- Report 12 of the site visit on January 30, 2019, notes construction progress and includes photographs of the site. Construction is estimated as 62% complete. Per the report, "The Clubhouse appeared to be 6 weeks behind schedule at the time of our site visit. JHME believes a substantial completion date in early August to be achievable."



- Report 13 of the site visit on February 27, 2019, notes construction progress and includes photographs of the site. Construction is estimated as 66% complete. Per the report, “The conditions at the time of our site visit was extremely wet and muddy.”
- Report 16 of the site visit on May 29, 2019, notes construction progress and includes photographs of the site. Construction is estimated as 77% complete. Per the report, “We have not received the additional Cricket Field Schedule. Based on our observations on site, compared to the schedule provided to our office, we estimate work to be approximately 13 weeks or 3 months behind schedule.”
- Report 21 of the site visit on October 30, 2019, notes construction progress and includes photographs of the site. Construction is estimated as 95% complete. Per the report, “During our most recent site visit, we had a conversation with the Superintendent regarding the delays in the schedule. We were informed of an electrical issue that the city needed to install a new transformer in order to provide an appropriate amount of power to the buildings. Due to a discrepancy in the contract the Electrician is waiting for the Owner to provide a Change Order to perform the final work. The cricket field was in progress, with site work complete. Whenever the electrician can mobilize on site, we believe work to be complete around 12/1/2019.”

Per the request:

“The Severe Weather has also created significant delays in implementing required changes to the electrical design of the Development.”

“In most circumstances, a design failure such as NEng failing to identify the need for dedicated 3-phase service, and inability to utilize a phase converter, would have been resolved during the course of construction and not impacted the Development’s ability to meet the placed in service deadline. However, the Severe Weather mentioned earlier delayed the installation of the dry utilities and therefore the discovery of this design coordination issue until late in the construction progress; unit interiors were essentially complete and ready for turnover.”

The request states that further delays resulted from CenterPoint Energy’s(CPE)\_focus on areas outside of Texas affected by Hurricane Dorian, resulting in labor and worker shortages in other CPE’s service areas, including Texas. Per the Applicant, “As a result of these delays, the Installation was not scheduled until November 15. However, the Installation has suffered additional delays due to Severe Weather. Due to the timing of the Severe Weather events, which are causing Installation to coincide with the Thanksgiving holiday, the Installation may not be completed until early December.” The request includes letters from Nichols Engineering, LLC and Gulf Coast Community Builders, the general contractor for the Development, supporting the request.

Staff has determined that the Development Owner has provided sufficient evidence of “sudden and unforeseen circumstances outside the control of the Development Owner” as described in 10 TAC §11.6(5). Particularly, the request and the CSRs appropriately describe delays due to severe weather.

If the Board grants the request to consider this a force majeure event, the Development Owner will return \$1,500,000 in credits. The credits will be returned to the Development Owner with a 2019 Carryover Allocation Agreement and the date for the Development to be placed in service will be the

requested date of March 6, 2020, with the 2017 Qualified Allocation Plan and Uniform Multifamily Rules applicable to the Development.

If the Board denies the request to consider this a force majeure event, the Development Owner will retain \$1,500,000 in credits and the date by which the Development must be placed in service will remain December 31, 2019. If the Development Owner returns the credits, the credits would first be made available in the subregion from which they were originally awarded, pursuant to 10 TAC §11.6(2), related to returned credits; in this case Region 6, Urban. There are pending Applications on the waiting list from that subregion. The next Application requests \$1,500,000, which equals the amount of credits that would be returned.

Staff recommends the Board grant the request for treatment of The Terraces at Arboretum under an application of the force majeure rule.



17700

The Terraces at  
Arboretum

Force Majeure Request



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www.lockelord.com

Cynthia L. Bast  
Direct Telephone: 512-305-4707  
Direct Fax: 512-391-4707  
cbast@lockelord.com

November 21, 2019

Marni Holloway  
Texas Department of Housing and Community Affairs  
221 East 11th Street  
Austin, Texas 78701

With copy to:  
Sharon Gamble  
Texas Department of Housing and Community Affairs  
221 East 11th Street  
Austin, Texas 78701

Re: The Terraces at Arboretum in the ETJ of Houston, Fort Bend County, Texas (the  
"Development")  
TDHCA No. 17700

Dear Marni:

Our firm represents The Terraces At Arboretum, L.P. ("**Owner**"), which received an allocation of low-income housing tax credits ("**Tax Credits**") from the Texas Department of Housing and Community Affairs ("**TDHCA**") for developing, constructing, owning and operating the Development. On January 18, 2018 Owner closed on the financing and began the construction of the Development, a 112 unit mixed income development. Pursuant to Section 42(h)(1)(E)(i) of the Internal Revenue Code, Owner is required to place the Development in service by December 31, 2019 (the "**Placement in Service Deadline**").

The Development is located in the ETJ of Houston, Fort Bend County, Texas, which has been directly and indirectly impacted by severe rainstorms and flooding (collectively, the "**Severe Weather**"). The Severe Weather has delayed two types of critical path items in the construction of the Development. First, the Severe Weather delayed certain site work, including foundation-laying and framing work. Additionally, the Development was severely impacted by an unforeseen change that was required to the Development's electrical design in order to allow for the installation of the Development's fire pump system (the "**Fire Pump System**").



Severe Weather exacerbated the delays relating to the Fire Pump System by delaying the on-site work required to correct the Development's electrical design.

### **Severe Weather Delays**

Throughout the construction of the Development, periods of Severe Weather have led to wet and flooded conditions at the site of the Development. The continuously wet conditions caused by the Severe Weather have delayed critical path construction activities, including: site work, site grading and excavation, underground utility installation, concrete slab and paving placement, wood framing, and dry-in activities.

To understand why these activities were delayed so significantly by the Severe Weather, it is important to note that these activities relating to preparation of the foundation and framing all require dry conditions. This means that the delays caused by a period of heavy rain can extend well beyond the period of the rain itself as workers wait for the site to dry. For example, during June 2018, the site of the Development saw a total of five inches of rain over four days, preventing the pouring of concrete not only during the four days of rain, but also during the approximately two weeks thereafter while the ground dried.

Overall, the Severe Weather directly caused 67 days of work delays. Because of the delay to the dry-in of the Development, these poor site conditions directly led to 26 additional days of work delays (the "**Additional Delays**"). Had the weather delays during the Severe Weather not occurred, the Owner would have been able to do the work necessary to ensure that the work site was not vulnerable to the Additional Delays. The severe rainstorms and flooding during the Severe Weather were therefore directly responsible for 67 working days of delay during the Severe Weather and indirectly responsible for 26 working days of Additional Delays, for a total of 93 days of work delay. See Exhibit A attached hereto for a work log supporting this assessment from Gulf Coast Community Builders, LLC (the "**Contractor**"), who was overseeing the construction of the Development.

Throughout the project, adverse weather created muddy conditions which prevented the operation of heavy equipment. Therefore, progress on site work including the electrical infrastructure, transformer pads, and meter banks was halted. In an attempt to overcome the impact of the severe rainstorms and flooding, the Owner and the Contractor aggressively worked to dry out the work site as rain and flooding occurred and to de-muck and otherwise mitigate the impact of any Severe Weather

The Contractor had the site dewatered at additional cost to the Owner to help improve site conditions and enable work to progress. The Contractor employed the use of lime stabilization. The lime stabilization was executed using hydrated lime, which was spread over the site using skid steers. Mini excavators were used to spread the material. The material was then left for a day to stabilize the soil and create a hard standing. Once the soil was stabilized,

heavy equipment such as bulldozers, dump trucks, and excavators were able to move and shape the site to meet the civil design. After the lime was spread and heavy equipment mobilized, the Contractor employed the use of submersible pumps. Low points were created on the site to collect all sheet flow. At the low points, pumps were used to extract water to the retention pond.

During the course of construction, this process was repeated when weather conditions created unworkable site conditions. The change order requesting this work, attached to this request as Exhibit E, is the sum of all occurrences. The Owner incurred \$32,648 of costs to improve soil conditions at the site in order to mitigate the delays due to weather.

Further, the Owner and Contractor have taken and continue to take all feasible actions to expedite the construction schedule and mitigate the impact of the severe rainstorms and flooding, and they have done so at great cost.

The Severe Weather has also created significant delays in implementing required changes to the electrical design of the Development, as discussed below.

### **Electrical Design Delays**

On February 2, 2018, the Fort Bend County Engineering Department (the “**County**”) issued a development permit to Owner, permitting the construction of the Development based on the plans and specifications submitted by Owner (the “**Permit**”), attached hereto as Exhibit C. Among the specifications approved by the County when issuing the Permit was the use of a fire pump with a 3-phase motor. The phase classification reflects the process of a power supply distributing the electrical load on a given property.

On February 27, 2018, Owner retained CenterPoint Energy (“**CPE**”) to provide, among other utilities, electricity to the Development. The original design by CPE was to provide single phase power to the Development and then Nichols Engineering, LLC (“**NEng**”), the electrical engineer for the development, designed the fire pump to utilize a phase converter to convert the power from single phase to 3-phase.

On June 19, 2019, the Contractor’s electrical subcontractor submitted a Request for Information (“**RFI**”) to NEng requesting confirmation that the use of a phase converter to power the fire pump was allowable under the National Electrical Code section 695.3(i). After review of the code, NEng clarified that the current design utilizing the phase converter was not permitted for a life safety system like a 3-phase fire pump. It was determined that 3-phase power would need to be brought to the site by CPE in order to power the fire pump.



In response to this news, Owner immediately requested NEng to coordinate with CPE on an electrical design to provide for the 3-phase power required by the National Electrical Code for the fire pump. Unfortunately, requests by NEng for information needed to prepare the necessary electrical design went unanswered by CPE in the weeks following confirmation that 3-phase power was required. Despite the delay in responsiveness by CPE, Owner and NEng were able to finalize and submit the required electrical design by July 23, 2019. Shortly thereafter, on August 15, 2019, NEng finalized their new design and submitted a formal application to CPE to schedule installation of the additional phase drop (the “**Installation**”).

In most circumstances, a design failure such as NEng failing to identify the need for dedicated 3-phase service, and inability to utilize a phase converter, would have been resolved during the course of construction and not impacted the Development’s ability to meet the placed in service deadline. However, the Severe Weather mentioned earlier delayed the installation of the dry utilities and therefore the discovery of this design coordination issue until late in the construction progress; unit interiors were essentially complete and ready for turnover.

By August 30, 2019, all preliminary work required for the Installation of 3-phase power had been completed by the electrical sub-contractor. The only step remaining to resolve the issue was for CPE to proceed with the Installation. From August 15, 2019 through October 2, 2019, Owner continually requested that CPE schedule the Installation, without any response. During this period, CPE had been overloaded with work requests due to damage from Hurricane Dorian. Although it did not affect any areas within the State of Texas, Hurricane Dorian did affect areas within CPE’s service area in North Carolina. As a result, CPE was forced to direct its resources to properties that had been damaged by Hurricane Dorian and required immediate attention, resulting in labor and worker shortages in other CPE’s service areas, including Texas.

As a result of these delays, the Installation was not scheduled until November 15. Once notified of the extensive delay in the Installation, the Owner requested to incur additional costs for overtime to expedite the work to be performed by CPE. On October 15, 2019, CPE finally granted the option to expedite the Installation process to begin on October 27, 2019 for an additional cost of \$1,172. Even with the scheduling delay, the Installation was initially projected to be completed by on or around November 15, 2019. However, the Installation has suffered additional delays due to Severe Weather. Due to the timing of the Severe Weather events, which are causing Installation to coincide with the Thanksgiving holiday, the Installation may not be completed until early December. A final inspection by the County Fire Marshall is not allowed to be scheduled until all work on site has been completed. It is therefore possible that even if there are no further delays and work is completed in December, certificates of occupancy may nonetheless not be issued until early January (and possibly later if other delays occur). The Severe Weather delays relating to the Installation and other activities are described in greater detail in the work log attached as Exhibit B hereto.

Despite all the unforeseeable and uncontrollable Severe Weather and the Fire Pump System delays, the projected Placement in Service Date is December 27, 2019, which leaves only 4 days between our newly projected Placement in Service Date and the Placement in Service Deadline, meaning even a modest delay could cause a loss of Tax Credits.

Although the Owner and Contractor are currently projecting to meet this deadline, the expected completion date falls between the last TDHCA Board Meeting of the year on December 5th and the Placement in Service Deadline on December 31st. As a result, should any circumstances arise after December 5th that are out of the control of the Owner and Contractor that will prevent them from placing the Development in service by the Placement in Service Deadline, they will have no opportunity to request an extension from TDHCA and the Tax Credits for the Development will be lost. This result would not only be a significant financial loss for the Owner but also a significant hardship for the future tenants who are planning to move into the development. In addition, failure to place the development in service would lead to 112 new affordable homes in the ETJ of Houston being lost.

Given this delivery schedule and because of the challenges that have been faced with weather during the project, Owner requests permission to return the Tax Credits and that TDHCA reallocate the Tax Credits in the current year pursuant to the "Force Majeure" provisions in Section 11.6(5) of the 2017 Qualified Allocation Plan (the "QAP"). We believe Owner and the Development meet all of the requirements of Section 11.6(5), in that:

1. The delays were a direct result of significant weather events and supplier failure referenced above which added 67 working days to the construction schedule and materially impeded the progress of construction activity.
2. The delays were not caused by willful negligence or acts of Owner, any Affiliate, or any other Related Party.
3. Evidence of the direct impact of the severe rainstorms and flooding on the construction schedule of the Development is attached as Exhibit B.
4. Owner and the Contractor are experienced at developing these types of properties, and each took every step available to them to mitigate the delays; however, the weather was not within their control.
5. Owner substantially fulfilled all of its obligations that were not impeded by the weather events; the Development was properly insured; and TDHCA was notified of the weather events.
6. The weather events will prevent Owner from meeting the placement in service requirements of the original allocation.



Ms. Marni Holloway  
November 21, 2019  
Page 6

7. The requested current year Carryover Agreement would allocate the same amount of Tax Credits as those that would be returned.
8. The Development continues to be financially viable.

I would greatly appreciate you confirming that Owner may return the Tax Credits and that TDHCA reallocate the Tax Credits in the current year in accordance with the "Force Majeure" provisions of the QAP.

Please feel free to contact me with any questions. We sincerely appreciate your assistance with this matter.

Respectfully submitted,



Rajesh Bandla, Locke Lord LLP

cc: Clients

**Exhibit A**  
**Development Permit**  
(attached)



**Your permit has been issued** (See Page 2)

**follow the instructions listed below to request  
Utility release to Center Point.**

If Utility Services are required follow the instructions below.

- Log into [MyGovernmentonlineonline.org](https://mygovernmentonlineonline.org) and click on “Search Applications” within the Permits and Licesning Section.
- Search for your permit by, click on the appropriate request (Temporary Release of Power or Permanent Release of Power).
- **Please allow Center Point 24 hours to process the power release before contacting your provider.**

If you need any assistance with this process, Please call the Support Team at 1-866-957-3764.



## DEVELOPMENT PERMIT

Permit No: **2017-17643**

Date Issued: **2/2/2018**

**Fort Bend County  
Engineering Department**

301 Jackson Suite 401  
Richmond, Texas 77469  
281.633.7500

[Permits@fortbendcountytx.gov](mailto:Permits@fortbendcountytx.gov)

**Applicant: The Terraces At Arboretum Lp/Humphreys & Partners Architects, L.P., Makie Mosley**

**Project Location: 15928 Old Richmond Road #1, Sugar Land, TX. 77498**

**Project Description: multi-family project with four 3-story and one 2-story breezeway-type buildings with the total of 112 apartment units. Additional buildings are a clubhouse with amenities and a maintenance building.**

The County Administrator has reviewed this application and has determined that the proposed development is not located within an Area of Special Flood Hazard. To maintain compliance with the development standards of the Regulations of Floodplain Management for Fort Bend County, Texas and to eliminate or minimize flood damage potential to the proposed development, you are hereby directed to construct your proposed development in accordance with the following provisions checked below:

**The minimum elevation of the lowest floor is shown on the subdivision plat as \_\_\_\_\_**

### WARNING:

The flood hazard boundary maps and other flood data used by the County Administrator in evaluating flood hazards to proposed developments are considered reasonable and accurate for regulatory purposes and are based on the best available scientific and engineering data provided by the Federal Emergency Management Agency. On rare occasions, greater floods can and will occur and flood heights may be increased by man-made or natural causes. This Development Permit does not imply that areas outside the identified Areas of Special Flood Hazard will be free from flooding or flood damage. Construction standards required by the Regulations of Floodplain Management for Fort Bend County, Texas are the minimum standards deemed necessary to minimize or eliminate flood damage, but reliance on these minimum standards shall not create liability on the part of Fort Bend County, the County Administrator, or any other officer or employee of Fort Bend County in the event of flooding or flood damage occurs.

Lenders are legally required to determine whether flood insurance is required.

Property approved for development under a Development Permit shall remain subject to applicable subdivision deed restrictions, if any, which are not regulated or enforced by Fort Bend County.

### NOTE:

- (1) Fort Bend County also requires that the top of slab elevation at any point on the perimeter of the slab shall not be less than eighteen (18) inches above natural ground.
- (2) A copy of this permit shall be posted at the project site in a location where it will be protected from weather and secure from vandalism, and will remain posted until the work is completed. Failure to post this certification constitutes contempt of Commissioner's Court.
- (3) This permit expires one (1) year from the date of permit if construction has not commenced.
- (4) In accordance with Local Government Code § 233.154, new residential construction must have the following inspection reports submitted to the County no later than the 10th day after the date of the final inspection:
  - a. Foundation inspection, before the placement of concrete
  - b. Framing and mechanical inspection, before covering with drywall or other interior covering
  - c. Final inspection

Judge Robert E. Hebert/County Administrator

Permit Administrator

Date

2/2/2018





## DEVELOPMENT PERMIT

Permit No: **2017-17643**

Date Issued: **2/2/2018**

**Fort Bend County  
Engineering Department**

301 Jackson Suite 401  
Richmond, Texas 77469  
281.633.7500

[Permits@fortbendcountytx.gov](mailto:Permits@fortbendcountytx.gov)

**Applicant: The Terraces At Arboretum Lp/Humphreys & Partners Architects, L.P., Makie Mosley**

**Project Location: 15928 Old Richmond Road #2, Sugar Land, TX. 77498**

**Project Description: multi-family project with four 3-story and one 2-story breezeway-type buildings with the total of 112 apartment units. Additional buildings are a clubhouse with amenities and a maintenance building.**

The County Administrator has reviewed this application and has determined that the proposed development is not located within an Area of Special Flood Hazard. To maintain compliance with the development standards of the Regulations of Floodplain Management for Fort Bend County, Texas and to eliminate or minimize flood damage potential to the proposed development, you are hereby directed to construct your proposed development in accordance with the following provisions checked below:

**The minimum elevation of the lowest floor is shown on the subdivision plat as \_\_\_\_\_**

### WARNING:

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### NOTE:

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- (2) A copy of this permit shall be posted at the project site in a location where it will be protected from weather and secure from vandalism, and will remain posted until the work is completed. Failure to post this certification constitutes contempt of Commissioner's Court.
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  - a. Foundation inspection, before the placement of concrete
  - b. Framing and mechanical inspection, before covering with drywall or other interior covering
  - c. Final inspection

Judge Robert E. Hebert/County Administrator

Permit Administrator

Date

2/2/2018



## DEVELOPMENT PERMIT

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Date Issued: **2/2/2018**

**Fort Bend County  
Engineering Department**

301 Jackson Suite 401  
Richmond, Texas 77469  
281.633.7500

[Permits@fortbendcountytx.gov](mailto:Permits@fortbendcountytx.gov)

**Applicant:** The Terraces At Arboretum Lp/Humphreys & Partners Architects, L.P., Makie Mosley

**Project Location:** 15928 Old Richmond Road #3, Sugar Land, TX. 77498

**Project Description:** multi-family project with four 3-story and one 2-story breezeway-type buildings with the total of 112 apartment units. Additional buildings are a clubhouse with amenities and a maintenance building.

The County Administrator has reviewed this application and has determined that the proposed development is not located within an Area of Special Flood Hazard. To maintain compliance with the development standards of the Regulations of Floodplain Management for Fort Bend County, Texas and to eliminate or minimize flood damage potential to the proposed development, you are hereby directed to construct your proposed development in accordance with the following provisions checked below:

**The minimum elevation of the lowest floor is shown on the subdivision plat as** \_\_\_\_\_

### WARNING:

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Judge Robert E. Hebert/County Administrator

Permit Administrator

2/2/2018

Date





## DEVELOPMENT PERMIT

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Date Issued: **2/2/2018**

**Fort Bend County  
Engineering Department**

301 Jackson Suite 401  
Richmond, Texas 77469  
281.633.7500

[Permits@fortbendcountytx.gov](mailto:Permits@fortbendcountytx.gov)

**Applicant: The Terraces At Arboretum Lp/Humphreys & Partners Architects, L.P., Makie Mosley**

**Project Location: 15928 Old Richmond Road #4, Sugar Land, TX. 77498**

**Project Description: multi-family project with four 3-story and one 2-story breezeway-type buildings with the total of 112 apartment units. Additional buildings are a clubhouse with amenities and a maintenance building.**

The County Administrator has reviewed this application and has determined that the proposed development is not located within an Area of Special Flood Hazard. To maintain compliance with the development standards of the Regulations of Floodplain Management for Fort Bend County, Texas and to eliminate or minimize flood damage potential to the proposed development, you are hereby directed to construct your proposed development in accordance with the following provisions checked below:

**The minimum elevation of the lowest floor is shown on the subdivision plat as \_\_\_\_\_**

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Judge Robert E. Hebert/County Administrator

Permit Administrator

Date

2/2/2018



## DEVELOPMENT PERMIT

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**Fort Bend County  
Engineering Department**

301 Jackson Suite 401  
Richmond, Texas 77469  
281.633.7500

[Permits@fortbendcountytx.gov](mailto:Permits@fortbendcountytx.gov)

**Applicant:** The Terraces At Arboretum Lp/Humphreys & Partners Architects, L.P., Makie Mosley

**Project Location:** 15928 Old Richmond Road #5, Sugar Land, TX. 77498

**Project Description:** multi-family project with four 3-story and one 2-story breezeway-type buildings with the total of 112 apartment units. Additional buildings are a clubhouse with amenities and a maintenance building.

The County Administrator has reviewed this application and has determined that the proposed development is not located within an Area of Special Flood Hazard. To maintain compliance with the development standards of the Regulations of Floodplain Management for Fort Bend County, Texas and to eliminate or minimize flood damage potential to the proposed development, you are hereby directed to construct your proposed development in accordance with the following provisions checked below:

**The minimum elevation of the lowest floor is shown on the subdivision plat as** \_\_\_\_\_

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Judge Robert E. Hebert/County Administrator

Permit Administrator

Date

2/2/2018





## DEVELOPMENT PERMIT

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281.633.7500

[Permits@fortbendcountytx.gov](mailto:Permits@fortbendcountytx.gov)

**Applicant:** The Terraces At Arboretum Lp/Humphreys & Partners Architects, L.P., Makie Mosley

**Project Location:** 15928 Old Richmond Road Clubhouse, Sugar Land, TX. 77498

**Project Description:** multi-family project with four 3-story and one 2-story breezeway-type buildings with the total of 112 apartment units. Additional buildings are a clubhouse with amenities and a maintenance building.

The County Administrator has reviewed this application and has determined that the proposed development is not located within an Area of Special Flood Hazard. To maintain compliance with the development standards of the Regulations of Floodplain Management for Fort Bend County, Texas and to eliminate or minimize flood damage potential to the proposed development, you are hereby directed to construct your proposed development in accordance with the following provisions checked below:

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Judge Robert E. Hebert/County Administrator

Permit Administrator

Date

2/2/2018



## DEVELOPMENT PERMIT

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Date Issued: **2/2/2018**

**Fort Bend County  
Engineering Department**

301 Jackson Suite 401  
Richmond, Texas 77469  
281.633.7500

[Permits@fortbendcountytx.gov](mailto:Permits@fortbendcountytx.gov)

**Applicant:** The Terraces At Arboretum Lp/Humphreys & Partners Architects, L.P., Makie Mosley

**Project Location:** 15928 Old Richmond Road Maintenance, Sugar Land, TX. 77498

**Project Description:** multi-family project with four 3-story and one 2-story breezeway-type buildings with the total of 112 apartment units. Additional buildings are a clubhouse with amenities and a maintenance building.

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Judge Robert E. Hebert/County Administrator

Permit Administrator

Date

2/2/2018





**Exhibit B**  
**Weather Log from Gulf Coast Community Builders, LLC**  
(attached)

For images of the damage caused during the Sever Weather, please visit:  
<https://apcc.sharefile.com/d-sd543ff3587e45308>



Gulf Coast Community Builders, LLC  
3901 South Lamar, Suite 120  
Austin, Texas 78704  
United States

## Daily Log Weather Delays For Terraces at Arboretum

Date	Ground Conditions	Wind Conditions	Sky Conditions	Calamity	Temperature	Average	Precipitation	Comments	Attachments
11/11/19		High Wind	Rain	Other	Cold	60		Critical path delay due to inclement weather is impacting the construction of the 3 phase electrical meter banks, 3 phase underground conduit installation, 3 phase conductor installation, installation of the 3 phase weather head to the pole. This is a day for day delay due to the inclement weather as this task falls squarely on the critical path of the project. The electrical materials, equipment and electrical resources are on site and they are unable to perform the scheduled critical electrical work due to the severely inclement weather. There is no float associated with this task and as a result, this impact due to the weather has delayed the performed on the scheduled task. Other critical tasks which are delayed include installation of chain link fencing, wooden fencing, cricket field irrigation and landscape punch around exterior of apartment buildings and painting cabana.	<ul style="list-style-type: none"> <li>BADD5BE5-7804-41A8-B896-7A3360E8B00A.jpg</li> <li>09255663-8E97-4AE7-9642-AE3E327BA761.jpg</li> <li>C0F7A079-303F-4302-A4E3-475E9C76B22B.jpg</li> <li>67946147-B0B2-4D67-8AB7-D67C70408E5A.jpg</li> <li>B66CACEC-7C56-48C2-8696-6708D9C54489.jpg</li> <li>EF94DCEA-2FBB-4FE2-BCE1-F862C1A073A9.jpg</li> <li>5AC8971C-9C2B-45DF-807F-209832EF3FBF.jpg</li> </ul>
11/08/19	Wet/Muddy	Calm	Rain		Cold	54	Rainy mist	Critical path delay due to inclement weather is impacting the construction of the 3 phase electrical meter banks, 3 phase underground conduit installation, 3 phase conductor installation, installation of the 3 phase weather head to the pole. This is a day for day delay due to the inclement weather as this task falls squarely on the critical path of the project. The electrical materials, equipment and electrical resources are on site and they are unable to perform the scheduled critical electrical work due to the severely inclement weather. There is no float associated with this task and as a result, this impact due to the weather has delayed the performed on the scheduled task. Other critical tasks which are delayed include installation of chain link fencing, wooden fencing, cricket field irrigation and landscape punch around exterior of apartment buildings.	<ul style="list-style-type: none"> <li>7D8EA972-D4B6-4097-9E00-5D41DDE29DF6.jpg</li> <li>81F8E261-A199-4C95-8D12-67A5F4EC9DF4.jpg</li> <li>E694B5A7-E1E1-4ED4-9BE0-44A06A5A5E30.jpg</li> <li>7C1EFD31-7E5C-4AAA-BBF8-082B6FF26E29.jpg</li> </ul>
11/07/19	Wet/Muddy	Light Wind	Rain		Mild	65	1.62" of rain fall	Critical path delay due to inclement weather which is impacting the construction of the 3 phase electrical meter banks, 3 phase underground conduit installation, 3 phase conductor installation, installation of the 3 phase weather head to the electrical pole. This is a day for day delay due to the inclement weather as these tasks falls squarely on the critical path of the project. The electrical materials, equipment and electrical resources are on site and they are unable to perform the scheduled critical electrical work due to the severely inclement weather. There is no float associated with these task and as a result, this delay due to the weather has negatively impacted the performance on the scheduled tasks to the extent that no progress or production was able to be attained. Other critical tasks which are delayed include installation of chain link fencing, wooden fencing, cricket field irrigation and landscape punch around exterior of apartment buildings. Tasks which are also affected due to the inclement weather include the inspection of the MUD District Sewer inspection. Tejas Utilities were on site and we not able to perform the scheduled critical task due to inclement weather.	<ul style="list-style-type: none"> <li>BEF9FBE3-DEB2-4170-A644-519D94517C4F.jpeg</li> </ul>
10/30/19	Wet/Muddy	Light Wind	Rain		Mild	71	Rain	Critical path delays: fencing both wood and iron, irrigation and landscaping, cabana, exterior punch, pavement striping.	
10/29/19	Wet/Muddy	Light Wind	Rain		Mild	73	Rain on off all day heavy at times	Critical path delay affects the following: Irrigation, landscaping, cabana, exterior punch, concrete repairs, pavement striping, fence work both steel and wood.	
10/25/19	Wet/Muddy	High Wind	Rain		Cold	52	80%	Delay affected the following; landscaping, irrigation in cricket field, cabana, fencing both wood and ornamental, exterior punch.	
10/21/19		Light Wind	Rain	Flash Flood	Hot			Critical path rain not allowing fence install,dirt work, grass and tree planting	<ul style="list-style-type: none"> <li>7C86C35A-28E1-49E0-AEF7-F6C3EA9B49BF.jpg</li> </ul>
10/11/19	Wet/Muddy	Light Wind	Rain		Mild	69	80%	At the time of this entry it has rained over a 1/4" and continuing, causing a delay impact concerning the following: grading completion in pool area scheduled concrete pour for remaining sidewalks fencing installation, remaining broadcast seeding at the detention	



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								ponds, Painting the iron fencing, washing the exterior buildings, painting punch exterior buildings, Cabana installation.	
09/27/19	Wet/Muddy	Light Wind	Rain	Other	Hot			Critical path Heavy rain delaying striping, landscaping, gate installation, roof vents, stone columns, and concreting work that was scheduled, ie: wicket pitch, curb and gutter and north end detention flumes. Note: At approximately 2:30 pm we just experienced another inch of rain, to further delay the above work.	<ul style="list-style-type: none"> <li>2B656866-B094-4400-A82A-BAB014083943.jpg</li> <li>A1E68DC5-F260-49F4-B67D-76EC442EAE99.jpg</li> </ul>
09/26/19								Critical Path delay - Wet and muddy conditions; unable to harvest sod.	
09/25/19								Critical Path delay - Wet and muddy conditions; unable to harvest sod and grade.	
09/24/19	Wet/Muddy	Calm	Clear				3/16"	Yesterday evening we had more rain, although relatively light, the ground was already completely saturated; and this just added to it. The impact, cannot cut grades around large detention pond, install curbing in cricket field parking area, or place concrete flumes in smaller detention pond. Cannot grade for sod or install sod.	
09/23/19	Wet/Muddy							Critical Path delay - Wet and muddy conditions; unable to harvest sod and grade. Resources unable to travel to site.	
09/20/19	Wet/Muddy	Light Wind	Overcast		Hot		3/8	Rain gage showed approximately 3/8" rain through the night and this morning. Ground already thoroughly saturated, causing critical path delays, grading, pool deck, flat work, landscaping, exterior paint punch, exterior clean up, curbing repairs and fencing install. An Important note to be considered as well. Due to the severe flooding caused by tropical storm Imelda, many people could not make it to work due to many highway feeder road on and off ramps being filled with water that in many cases submerged entire vehicles.	
09/19/19	Wet/Muddy	Light Wind	Overcast	Flash Flood	Mild			Yesterday we had 1-1/2" another 1/2" Since yesterday evening to this morning, and at time of this writing approximately 12:20pm extreme rainfall 3 inches plus.  Critical delay to landscaping and detention ponds . Exterior paint touch up, concrete curb replacements, sticky stone on gate walls, cricket wicket and restroom building pad.	
09/18/19	Wet/Muddy	Calm	Overcast		Mild		Raining	Raining on and off throughout the night heaven at times in various places. Raining on the way into the project. Current forecast expecting up to 6 more inches of rain today. Critical Path... No: fencing, wicket, concrete for pools deck, secondary drive, north end detention pond flume, sticky stone for sliding gate walls, electrical conduit runs, exterior paint punch, site grading, and carpet cutting for interiors.	
09/17/19		Light Wind	Rain	Flash Flood	Hot			Critical path rain all morning expected throughout day and week not allowing exterior building paint, pool deck pour, carpet cutting, exterior vent install, ground work for cricket field , fence install	<ul style="list-style-type: none"> <li>23F5FCA8-C734-484B-8A6B-A265FA9426C8.jpg</li> <li>32E82B18-5596-41E8-B75F-6A0FCA05C15D.jpg</li> <li>0B530590-40BC-4C77-B226-F1C44518B4DD.jpg</li> </ul>
09/16/19	Wet/Muddy	Light Wind	Overcast		Hot			Started raining approximately 2:00 pm	



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09/13/19	Wet/Muddy	Calm	Clear				Rained last night	Rained last night on and off, power outage as well. Do not know how long that lasted. Exterior conditions very muddy, no ground work today.	
09/12/19		Light Wind	Rain		Hot			Critical path stopping multiple trades from completing exterior work. Pool deck ground prep, concrete cut outs for curb replacing, HVAC vents in soffit, painter exterior punch, carpet install due to space needed to cut for install	<ul style="list-style-type: none"> <li>A0E5EA09-51FD-470A-AA5E-6CDD572404B9.jpg</li> <li>1568321724074.146973_templmage.jpeg</li> <li>1568321723850.511963_templmage.jpeg</li> <li>1568321723609.898926_templmage.jpeg</li> <li>1568321723406.865967_templmage.jpeg</li> <li>1568321723181.864990_templmage.jpeg</li> <li>1568321722904.891113_templmage.jpeg</li> <li>1568321722672.037109_templmage.jpeg</li> <li>1568321722389.049072_templmage.jpeg</li> </ul>
09/11/19	Wet/Muddy	Light Wind	Overcast		Mild		Rain on off since yesterday evening		
09/10/19		High Wind	Rain		Hot			Critical path painters ,concrete pour,perimeter fencing stopped due to heavy rains	<ul style="list-style-type: none"> <li>EBE56392-BA1D-4B0F-A0B9-50397F139E01.jpg</li> <li>1AA69BEF-069F-4B56-B64D-CD3C52A56BBE.jpg</li> <li>0DB2758E-6991-4974-810A-0538F9B2E291.jpg</li> <li>9EDAED84-7BD5-4C9C-BD58-43A575824CD4.jpg</li> </ul>
09/09/19	Wet/Muddy	Calm	Rain				Light to moderate	No site work do to soggy conditions.	
08/15/19	Wet/Muddy	High Wind	Rain		Hot	95	Late evening	Site and landscape guys cannot work today due to ground conditions being very muddy. See picture	<ul style="list-style-type: none"> <li>515E7947-DF8B-4E7F-8C4A-F6C5170574D0.jpeg</li> </ul>
08/14/19	Wet/Muddy	High Wind	Rain		Very Hot	95	3/8"	High winds and heavy rains came down saturated the grounds producing very muddy conditions.	
08/05/19		Light Wind	Rain		Very Hot		3/4rain	Critical path of sudden thunderstorm stopping cricket field dirt work,pouring of sidewalks,trash enclosure progress along with underground irrigation to be finished	<ul style="list-style-type: none"> <li>7AC68253-A319-4B8A-B635-7FFD01185484.jpg</li> <li>6B74CBEF-554A-4EC5-AB0C-637EC33BD062.jpg</li> </ul>
07/01/19	Wet/Muddy	Light Wind	Clear		Hot	74		It rained on and off since last Friday 28th evening through Sunday 30th dropping an accumulated 1-1/4 inches. Causing very wet and muddy conditions. Tejas tried to work this morning but couldn't due to extremely soft ground. They had to stop or cause serious ground damage.	
06/24/19	Wet/Muddy	Light Wind	Overcast		Hot	78	Heavy rains intermittently	See first picture of rain approximately 8:45am.	
06/17/19		Light Wind	Cloudy	Other	Hot			Critical path hard rains over night into morning delaying cricket field, pool decking saw cut ,exterior perimeter sidewalks, underground landscape water lines and dirt work	<ul style="list-style-type: none"> <li>1560883295335.487793_templmage.jpeg</li> </ul>
06/07/19	Wet/Muddy	Light Wind	Overcast		Hot	90	forecasted	Site Conditions are still wet and soggy. I kept the site contractor off the court yard area to prevent rutting that would hold water and cause even further delays. More rain in the forecast for this evening.	



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06/06/19	Wet/Muddy	Light Wind	Rain		Hot	90	0.1	Not site or outdoor work today	
06/05/19		High Wind	Rain	Flash Flood	Very Hot	83	2.5	Critical path 2.5" rain not allowing any exterior site work or pool work to continue	
05/30/19		Calm	Rain		Hot	90	0.79	Critical path rain not allowing coping to continue or any dirt work/ concrete	<ul style="list-style-type: none"> <li>1C39682E-5B9B-450E-9189-C81649B3675C.jpeg</li> <li>0922BBCC-1684-4F98-B521-AAD85CE2342E.jpeg</li> <li>5A161462-AE05-42FC-9232-37159AA1D0C4.jpeg</li> </ul>
05/08/19		Light Wind	Rain	Flash Flood	Hot		1.29	Critical path rain not allowing dirt work or building pain	<ul style="list-style-type: none"> <li>2FE84586-9AD5-4EDC-B7B7-695378D1DAE0.jpeg</li> <li>39A41793-0C66-48F2-B9A1-DDC6E458590A.jpeg</li> </ul>
05/07/19	Wet/Muddy	Light Wind	Rain	Flash Flood	Hot	73	7.82	Critical path rains stopping painters and ground work due to heavy rains	<ul style="list-style-type: none"> <li>769F7236-938E-4EA5-832A-7216E8C44B2A.jpeg</li> <li>344AF1D4-32CB-4DED-99ED-3B6181D55E00.jpeg</li> <li>D504B3AF-2068-4233-A704-A31F90C844CC.jpeg</li> </ul>
05/03/19	Wet/Muddy	Light Wind	Rain		Mild	76	1.47	Rain on and off all day, causing wet and muddy conditions	<ul style="list-style-type: none"> <li>76FCC463-A19C-445E-A89F-0DE583470459.jpeg</li> <li>9789CB77-36A6-4E87-BD20-054DCC4BD152.jpeg</li> </ul>
04/18/19		Light Wind	Rain		Mild			Critical path heavy rains and possible flooding not allowing dirt work, flat work mor paint to progress	
04/05/19	Wet/Muddy		Fog					Unable to progress painting on building 1 to 5	
04/04/19	Wet/Muddy	High Wind					Heavy	Unable to paint building 1-5 Unable to pour lightweight on building #4 and 5 Unable to fabricate hand-railing on site Unable to grade cricket field	
03/13/19		Light Wind	Rain		Hot			Critical path rain not allowing painters to finish paint of exterior of building1 and clubhouse	<ul style="list-style-type: none"> <li>FCF62F2D-29AC-4880-9C79-9E5673E4873C.jpg</li> </ul>
02/26/19		Light Wind	Rain		Cold		Showers throughout day and thunderstorms	70-90% rain and thunderstorms heavy and light rains	
02/21/19		Light Wind	Rain		Cold		Scattered showers	Rain showers and cold weather making it difficult to do any outside work	<ul style="list-style-type: none"> <li>DB5AB4E1-2FB8-4838-93AE-A4E362AF839C.jpg</li> <li>3B0BA1B4-4F43-4F87-827E-B49B9176BFFA.jpg</li> </ul>
02/19/19		High Wind	Cloudy		Cold		Drizzle and moderate showers all day	Do to winds & rains no machinery or workers outside	
02/11/19			Overcast		Mild			Critical Path weather delay - Painting Prep External Buildings	





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02/08/19	Wet/Muddy		Overcast		Very Cold	39.5	.2	Critical Path Weather Delay - external painting prep	
01/23/19	Wet/Muddy		Cloudy		Cold			Critical Path Weather Delay - Rains further hampered access from pavement as well as exterior work. Also continuing to hamper work on Cricket Field. Please see drone photos of site	
01/05/19	Wet/Muddy	Light Wind	Clear		Cold	53	0	Critical Path Weather Delay - Rains from the week created a flooded site delaying exterior work in the courtyard.	
01/04/19	Flooded	Light Wind	Clear		Cold	47	.18	Critical Path Weather Delay - Rains from the week created a flooded site delaying exterior work in the courtyard.	
01/03/19	Wet/Muddy	Light Wind	Rain		Cold	47	1.21	CRITICAL PATH WEATHER DELAY - heavy rains inundated site again today hampering all exterior work as well as access to buildings	
01/02/19	Wet/Muddy	Light Wind	Rain		Mild	51	1.03	CRITICAL PATH WEATHER DELAY - heavy rains inundated site again today hampering all exterior work as well as access to buildings	
12/27/18	Flooded	High Wind	Rain		Mild	63	2.03	Critical Path weather delay - Rains hampering exterior work including door install, stone install, cornice install, etcetera	
12/26/18	Wet/Muddy	High Wind	Rain		Mild	66	.91	Critical Path Weather Delay - Afternoon rains inundated site again	
12/13/18	Wet/Muddy	High Wind	Rain		Mild	64	.52	Critical Path weather delay - Heavy rains overnight further swamped site causing delays on exterior work	
12/07/18	Flooded	Light Wind	Rain		Mild	64	1.69	Critical path weather delay - heavy rains through out the day further hampering all exterior work	
11/19/18	Wet/Muddy	Light Wind	Rain		Cold	49	.37	Critical Path Weather Delay - Cold and rainy day further preventing work on exterior and roofing as well as weatherproofing.	
11/12/18	Wet/Muddy	Light Wind	Rain		Mild	51	.18	Critical Path Weather Delay - Rains throughout the day hampering building exterior work including stone and cornice	
11/10/18	Flooded	High Wind	Overcast		Mild	48	.2	Critical Path Weather Delay - Rains from the week created a flooded site delaying exterior work in the courtyard.	
11/09/18	Wet/Muddy	High Wind	Rain		Mild	55	.23	Critical Path Weather Delay - Heavy rains overnight and through out the day further delaying exterior work in the courtyard and Building 3 roof	
11/02/18	Wet/Muddy	Light Wind	Clear		Mild	58	.19	Critical Path Weather Delay - Due to intense rains recently courtyard and building exterior work has been severely hampered.	
11/01/18	Flooded	High Wind	Rain		Mild	60	2.05	Critical Path Weather Delay - Due to heavy rains recently, courtyard areas are impassable for exterior work as well as roofing operations severely delayed.	



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10/31/18	Flooded	High Wind	Rain		Mild	72	1.86	Critical Path Weather Delay - Heavy rains through out day is further hampering exterior work - Trades working in buildings severely slowed due to rains	
10/24/18	Wet/Muddy	Light Wind	Rain		Mild	64	.86	Critical Path Weather Delay - Heavy rains through out the day prevented exterior work including windows and exterior sheathing in flooded courtyards.	
10/23/18	Wet/Muddy	Light Wind	Rain		Mild	58	.53	Critical Path Weather Delay - Heavy rains preventing dry in operations	
10/15/18	Wet/Muddy	Light Wind	Rain		Mild	65	.5	Critical Path Weather Delay - Rain came in and out throughout the day - sometimes heavy and gusty - site remains wet and muddy from light rains throughout the first part of October	
10/01/18	Wet/Muddy	Light Wind	Cloudy		Mild	76	.45	Critical Path Weather Delay - Heavy rains over the weekend and rains today	
09/26/18	Flooded	Calm	Rain		Hot	78	.35	CRITICAL PATH WEATHER DELAY - Heavy rains in the morning and through out the day made site and buildings unsafe to work	
09/25/18	Wet/Muddy	Light Wind	Rain		Mild	79	.2	CRITICAL PATH WEATHER DELAY - Heavy rains in the AM and intermittent rains later in the day stopped work	
09/15/18	Flooded	Light Wind	Rain	Flash Flood	Mild	79	.67	Critical Path Delay: Unable to conduct onsite activities due to heavy rains.	
09/14/18	Wet/Muddy	Light Wind	Rain		Mild	76		Critical Path Weather Delay - Due to rains throughout the day site is wet and muddy. Unsafe to work	
09/11/18	Wet/Muddy	Light Wind	Cloudy		Mild	75	1 inch	Critical path weather delay due to heavy rains stopping work	
08/04/18	Wet/Muddy	Light Wind	Cloudy		Mild	80	.2	Critical Path Delay: Due to rain, makeup day unable to be conducted.	
07/31/18	Wet/Muddy	Light Wind	Cloudy		Mild	80	1 inch	Critical Path Delay: Paving work stopped due to heavy thunderstorms.	
07/14/18	Wet/Muddy	Calm	Clear		Mild	84	.01	Critical Path Weather Delay - Site too muddy to perform concrete activities.	
07/13/18	Wet/Muddy	Calm			Mild	83		Critical Path Delay: Standing water and muddy conditions preventing concrete paving placement.	
07/12/18	Wet/Muddy	Calm			Mild	83	.07	Critical Path Delay: Standing water and muddy conditions preventing concrete paving placement.	
07/11/18	Wet/Muddy	Light Wind	Clear		Hot	83	0	Critical Path Weather Delay - Standing water on site making site mostly impassable. Concrete activities cancelled.	





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07/10/18	Flooded	Light Wind	Cloudy		Mild	82		Critical Path Weather Delay - Site impassable due to previous heavy rains. Concrete activities postponed.	
07/09/18	Wet/Muddy	Light Wind	Rain			79	1 inch	Critical Path Weather Delay --Site impassable. Concrete activities cancelled.	
07/07/18	Wet/Muddy	Light Wind	Clear		Mild	80	0	Critical Path Weather Delay: No concrete work can be performed. Site remains impassable, wet and muddy	
07/06/18	Wet/Muddy	Light Wind	Clear		Mild	82	0	Critical Path Delay: Site shut down due to flooding. No concrete work can be performed. Worked flooded areas to alleviate ponding.	
07/05/18	Wet/Muddy	Light Wind	Overcast		Mild	80	Light rains in Afternoon	Critical Path Delay: Unable to form and pour concrete. Worked flooded areas to help alleviate standing water	
07/04/18	Flooded	Light Wind	Rain	Flash Flood	Mild	77	6 inches	Critical Path Delay: Heavy downpours caused flash flooding through out the area and inundated the site	
06/22/18	Wet/Muddy	Light Wind	Clear		Hot	84	0	Critical Path Delay - Critical Path Delay - Unable to pour concrete slab on grade. Pour rescheduled for monday. Spent most of morning pushing dirt and drying out site	
06/21/18	Wet/Muddy	Light Wind	Rain		Mild	80	.5	Critical Path Delay - Unable to pour slab on grade	
06/20/18	Wet/Muddy	Light Wind	Rain		Mild	85	2.5	Critical Path Delay - Unable to pour concrete slab on grade. Pour cancelled.	
06/19/18	Wet/Muddy	Light Wind	Rain			77	1.5	Critical Path Delay - Unable to pour concrete slab on grade	
06/18/18	Wet/Muddy	Light Wind	Rain			78	.5	Critical Path Delay - Unable to pour concrete slab on grade. Pour cancelled.	
05/22/18	Wet/Muddy	Calm	Clear		Hot	89	.99	Critical Path Delay: Building form work and steel work delayed due to heavy rains last night	
04/23/18	Wet/Muddy		Clear		Mild	72		Critical path delay- site muddy due to weekend rain. Unable to dig plumbing grounds and underground utilities due to muddy conditions, drying out site	<ul style="list-style-type: none"> <li>• 1524494320562.869141_templmage.jpeg</li> <li>• 1524494321143.445068_templmage.jpeg</li> <li>• 1524494321677.346924_templmage.jpeg</li> </ul>
04/09/18	Wet/Muddy	Light Wind	Mist		Mild			Critical path delay- due to misting conditions and cold , overcast all weekend, site continues to be muddy making it hard for machinery to get traction and move dirt	<ul style="list-style-type: none"> <li>• 1523279306878.900146_templmage.jpeg</li> <li>• 1523279307308.434082_templmage.jpeg</li> <li>• 1523300992853.886963_templmage.jpeg</li> <li>• 1523300993246.013184_templmage.jpeg</li> <li>• 1523300993648.700928_templmage.jpeg</li> <li>• 1523300993916.132080_templmage.jpeg</li> </ul>



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04/06/18	Wet/Muddy	Light Wind	Overcast		Mild	73		Critical path delay- half inch of rain last night, extremely muddy conditions. Working at half speed due to traction issues and getting off. Road truck stuck numerous times	
04/04/18	Wet/Muddy	High Wind	Clear		Mild	68		Critical path delay- last nights rain created wet/muddy conditions, unable to move dirt	<ul style="list-style-type: none"> <li>1522846467975.960938_templimage.jpeg</li> <li>1522845818000.718994_templimage.jpeg</li> <li>1522845818384.503906_templimage.jpeg</li> <li>1522845818753.555176_templimage.jpeg</li> <li>1522846089266.787109_templimage.jpeg</li> <li>1522846089564.166992_templimage.jpeg</li> <li>1522846089932.247070_templimage.jpeg</li> <li>1522846090515.239014_templimage.jpeg</li> <li>1522846091051.239990_templimage.jpeg</li> <li>1522846091393.444092_templimage.jpeg</li> </ul>
03/30/18	Wet/Muddy	Light Wind	Clear		Mild	78		Critical path delay- unable to grade site due to extremely muddy condition	<ul style="list-style-type: none"> <li>1522450288918.504883_templimage.jpeg</li> </ul>
03/29/18	Flooded	Light Wind	Cloudy		Mild	70		Critical path delay, unable to grade site holding rain from last nights and this mornings downpours.	<ul style="list-style-type: none"> <li>1522328481808.670898_templimage.jpeg</li> <li>1522328482205.408936_templimage.jpeg</li> <li>1522328482483.882812_templimage.jpeg</li> <li>1522328482807.760986_templimage.jpeg</li> <li>1522328483103.321045_templimage.jpeg</li> <li>1522328483602.099854_templimage.jpeg</li> <li>1522328483886.532959_templimage.jpeg</li> <li>1522328484173.141113_templimage.jpeg</li> <li>1522328484499.614990_templimage.jpeg</li> <li>1522328484821.660889_templimage.jpeg</li> </ul>
03/06/18	Wet/Muddy	Light Wind	Cloudy		Mild	62	.29	Critical Path Delay - Unable to perform grading activities due to site conditions.	<ul style="list-style-type: none"> <li>1520347368465.314941_templimage.jpeg</li> <li>1520347368849.310791_templimage.jpeg</li> <li>1520347369263.595215_templimage.jpeg</li> <li>1520347369734.166260_templimage.jpeg</li> <li>1520347370177.002930_templimage.jpeg</li> <li>1520350544799.000000_templimage.jpeg</li> <li>1520350561773.818848_templimage.jpeg</li> <li>1520350562211.623047_templimage.jpeg</li> <li>1520350562663.197998_templimage.jpeg</li> <li>1520350562987.238037_templimage.jpeg</li> <li>1520350563400.910889_templimage.jpeg</li> <li>1520350563870.262207_templimage.jpeg</li> </ul>
03/02/18	Wet/Muddy	Light Wind	Cloudy		Mild	64		Critical Path Delay - Unable to perform grading activities due to ground conditions. Wind rolling soil to help dry it out	<ul style="list-style-type: none"> <li>1520006332744.700928_templimage.jpeg</li> <li>1520006333223.588867_templimage.jpeg</li> </ul>
03/01/18	Wet/Muddy	High Wind	Cloudy		Mild	71		Critical Path Delay - Unable to perform grading activities due to ground conditions. Wind rolling site to try to expedite drying.	<ul style="list-style-type: none"> <li>1519926926560.138916_templimage.jpeg</li> <li>1519926927090.009033_templimage.jpeg</li> <li>1519927031373.214844_templimage.jpeg</li> <li>1519927031752.290039_templimage.jpeg</li> </ul>





Gulf Coast Community Builders, LLC  
3901 South Lamar, Suite 120  
Austin, Texas 78704  
United States

Date	Ground Conditions	Wind Conditions	Sky Conditions	Calamity	Temperature	Average	Precipitation	Comments	Attachments
									<ul style="list-style-type: none"> <li>1519927032295.876953_templmage.jpeg</li> </ul>
02/28/18	Wet/Muddy	Light Wind	Cloudy		Mild	78		Critical Path Delay - Unable to perform grading activities due to ground conditions. Continuing to dry out site.	<ul style="list-style-type: none"> <li>1519926789777.555908_templmage.jpeg</li> <li>1519926790170.270996_templmage.jpeg</li> <li>1519926790450.997803_templmage.jpeg</li> </ul>
02/27/18	Wet/Muddy	Light Wind	Cloudy		Mild	70	.01	Critical path delay- Unable to begin grading site. Digging trenches to drain water.	
02/26/18	Wet/Muddy	Light Wind	Cloudy		Mild	61	.39	Critical Path Delay - Unable to perform grading activities due to ground conditions.	<ul style="list-style-type: none"> <li>1519739598909.153076_templmage.jpeg</li> <li>1519739599336.308838_templmage.jpeg</li> </ul>
02/22/18	Wet/Muddy	Light Wind	Rain		Mild	57	.15	Critical Path Delay - Unable to mobilize site prep activities due to site flooded. Equipment delivery postponed.	<ul style="list-style-type: none"> <li>1519390792941.184082_templmage.jpeg</li> <li>1519390793331.665039_templmage.jpeg</li> <li>1519390793684.093994_templmage.jpeg</li> </ul>
02/21/18	Wet/Muddy	Light Wind	Rain		Mild	64	.75	Critical Path Delay - Unable to commence site prep activities due to impassable ground conditions. Cannot mobilize equipment.	<ul style="list-style-type: none"> <li>1519304635783.937988_templmage.jpeg</li> <li>1519304636178.505859_templmage.jpeg</li> <li>1519304636526.760986_templmage.jpeg</li> </ul>
02/20/18	Wet/Muddy	High Wind	Overcast		Mild	74		Critical Path Delay - Unable to mobilize site prep activities due to ground conditions. Site too wet to deliver heavy machinery.	<ul style="list-style-type: none"> <li>1519148592476.573975_templmage.jpeg</li> <li>1519148592954.578857_templmage.jpeg</li> </ul>
02/19/18	Wet/Muddy	High Wind	Clear		Mild	72		Critical Path Delay - Unable to start site prep activities due to site conditions. Unable to mobilize heavy equipment on muddy site.	<ul style="list-style-type: none"> <li>1519134718332.944824_templmage.jpeg</li> <li>1519134718919.532959_templmage.jpeg</li> <li>1519134719363.871094_templmage.jpeg</li> </ul>
02/16/18	Wet/Muddy	Light Wind	Cloudy		Mild	71	.07	Critical Path Delay - Unable to commence site prep activities due to conditions. Unable to move in large equipment.	<ul style="list-style-type: none"> <li>1518809714056.342041_templmage.jpeg</li> <li>1518809714879.563965_templmage.jpeg</li> <li>1518809715516.800781_templmage.jpeg</li> </ul>
02/15/18	Wet/Muddy		Cloudy		Mild	71		Critical Path Delay - Unable to commence site prep activities due to impassable site conditions.	<ul style="list-style-type: none"> <li>1518737391658.187012_templmage.jpeg</li> <li>1518737392280.981934_templmage.jpeg</li> <li>1518737392867.490967_templmage.jpeg</li> </ul>
02/14/18	Flooded		Cloudy		Mild	65	.21	Critical Path Delay - Unable to mobilize site prep activities due to flooded job site.	<ul style="list-style-type: none"> <li>1518650842208.867188_templmage.jpeg</li> <li>1518650842569.200928_templmage.jpeg</li> <li>1518650842937.163818_templmage.jpeg</li> </ul>
02/13/18	Flooded		Rain		Mild	48	.19	Critical Path Delay - Unable to commence site prep activities due to flooded site.	<ul style="list-style-type: none"> <li>1518614850855.137939_templmage.jpeg</li> <li>1518614851419.001221_templmage.jpeg</li> </ul>

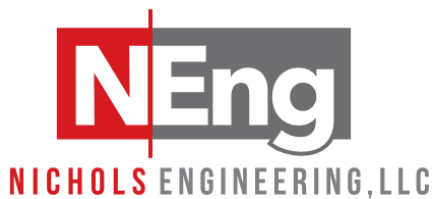


Gulf Coast Community Builders, LLC  
3901 South Lamar, Suite 120  
Austin, Texas 78704  
United States

Date	Ground Conditions	Wind Conditions	Sky Conditions	Calamity	Temperature	Average	Precipitation	Comments	Attachments
									<ul style="list-style-type: none"> <li>1518614851929.987793_templimage.jpeg</li> <li>1518614852371.884766_templimage.jpeg</li> <li>1518614852926.529785_templimage.jpeg</li> </ul>
02/12/18	Wet/Muddy		Mist		Cold	40	1.08	Critical Path Delay - Unable to commence site prep activities due to ground conditions.	<ul style="list-style-type: none"> <li>1518533203059.182129_templimage.jpeg</li> <li>1518533203756.779053_templimage.jpeg</li> </ul>
02/08/18	Wet/Muddy		Overcast		Cold	48	.15	Critical Path Delay - Unable to mobilize surveying and site prep activities due to impassable ground conditions.	<ul style="list-style-type: none"> <li>1518100615123.753906_templimage.jpeg</li> <li>1518100615856.506836_templimage.jpeg</li> <li>1518100616373.999023_templimage.jpeg</li> </ul>
02/07/18	Flooded		Rain		Cold	46	.13	Critical Path Delay - Unable to mobilize surveying and site prep activities due to impassable ground conditions.	<ul style="list-style-type: none"> <li>1518018692744.721924_templimage.jpeg</li> <li>1518018693151.662842_templimage.jpeg</li> <li>1518018693482.902100_templimage.jpeg</li> <li>1518018693883.975098_templimage.jpeg</li> </ul>
02/06/18	Wet/Muddy		Rain		Mild	66	.05	Critical Path Delay - Unable to mobilize surveying and site prep activities due to impassable ground conditions.	<ul style="list-style-type: none"> <li>1517964978710.211914_templimage.jpeg</li> <li>1517964979369.379883_templimage.jpeg</li> <li>1517964979941.686035_templimage.jpeg</li> </ul>
02/05/18	Wet/Muddy		Overcast		Mild	56		Critical Path Delay - Unable to mobilize surveying and site prep activities due to impassable ground conditions.	



**Exhibit C**  
**Supporting Letter from Nichols Engineering, LLC**  
(attached)



Laura DeBellas  
Texas Department of Housing and Community Affairs  
221 East 11<sup>th</sup> Street  
Austin, Texas 78701

Re: Terraces at Arboretum in Fort Bend County, Texas TDHCA No. 17700

Dear Laura:

Nichols Engineering, LLC (“NEng”) is the MEP Consulting Engineering Firm for the development, Terraces at Arboretum (the “Development”). Terraces at Arboretum, LP (the “Owner”) submitted a request to extend the placement in service deadline for the Development. To aid in your review of that request, we submit this letter to provide you with additional information detailing the electrical system design to incorporate the fire pump impacted the construction of the Development by preventing critical path activities from being completed as scheduled.

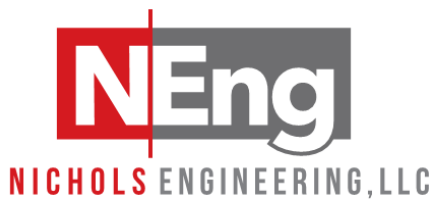
Critical Items of Note Summarized:

- *The difference between single and three phase power supply is extensive. Phase is essentially the process of distributing the electrical load. The line side (supply or ‘utility provider’) to the load side (equipment needing power) must be compatible. If not, the motor either will not start or will prematurely burn up.*
- *Motors can be built in either single or three phase by the manufacturer to a certain point. Most single phase motors can tolerate a load up to 3kilowatts (kW). Whereas a standard three phase motor can tolerate loads up to 300kW. In our case, the entire project site is served with single phase, though due to the local fire marshals flow requirements, they do not manufacturer a fire pump that can carry the required load in single phase.*
- *Generally for scenarios described above, you would utilize a ‘phase convertor’, which is a transformer built to convert single phase into three phase on privately owned property. Because a fire pump is considered a life safety item, a constant reliable power source with less the 15% voltage drop must be provided directly from the utility company.*
- *Local utilities are not governed under the National Electrical Code (NEC). Instead they size based on a proprietary diversification. The point of ‘service’ being where the governance changes from the local utility to the private property. The Electrical Engineer is governed by the in force NEC code. The utilities diversification can range anywhere from 60% - 40% of NEC calculated load.*

Delays in finalizing power for the pump:

- *On June 19<sup>th</sup>, 2019 an additional phase drop was requested form CenterPoint Energy (CPE) to serve the Fire Pump per the fire marshal’s requirements.*
- *On July 23<sup>rd</sup>, 2019 NEng submitted an electrical design on the customers side of ‘service’ for an additional phase drop after delay’s in CPE’s coordination and responsiveness.*
- *On August 15<sup>th</sup>, 2019 NEng submitted a formal application for CPE to schedule the additional phase drop.*
- *On August 19<sup>th</sup>, 2019 an electrical sub-contractor was procured to finalize the customers side of service.*





- *On August 26<sup>th</sup>, 2019 the electrical sub-contractor started running the necessary underground conduits.*
- *On August 30<sup>th</sup>, 2019 the electrical sub-contractor completed the wiring and panel work required.*
- *On September 6<sup>th</sup>, 2019 the Development was ready for CPE to install the additional phase drop for the fire pump.*
- *On August 27<sup>th</sup>, 2019 CP stated that they had put in a request to schedule their field team.*
- *Through October 25<sup>th</sup>, 2019 multiple requests were made by the Owner, to CP in order to coordinate construction on the utilities side of 'service'.*

We hope this letter was helpful in your review of the Development's request for an extension to the placement in service deadline. Should you find it helpful to visit the site or meet in person to better understand the project's design, please feel free to contact me at (512) 593-5616, ext. 103.

Thank you,

A handwritten signature in blue ink that reads 'Bryan Smith'.

Bryan Smith  
Project Manager  
Nichols Engineering, LLC

**Exhibit D**  
**Supporting Letter from Gulf Coast Community Builders LLC**  
(attached)



## GULF COAST COMMUNITY BUILDERS

November 6, 2019

Laura DeBellas  
Texas Department of Housing and Community Affairs  
221 East 11<sup>th</sup> Street  
Austin, Texas 78701

Re: Terraces at Arboretum in Fort Bend County, Texas TDHCA No. 17700

Dear Laura:

Gulf Coast Community Builders (“GCCB”) is the General Contractor for the development, Terraces at Arboretum (the “Development”). Terraces at Arboretum, LP (the “Owner”) submitted a request to extend the placement in service deadline for the Development. To aid in your review of that request, we submit this letter to provide you with additional information detailing how the severe rain and flooding throughout the project to date impacted the construction of the Development by preventing critical path activities from being completed as scheduled.

In February 2018, the construction of the Development began with site surveying and clearing of the project site.

Following the clearing and staking of the site, the subsequent critical construction activities and their sequence for the Development were as follows:

- 1) site grading and excavation,
- 2) underground utility installation
- 3) concrete slab on grade placement
- 4) concrete paving placement
- 5) wood framing
- 6) dry-in activities (i.e. windows, doors, roofing, waterproofing)

These major milestone activities and their sequence establish the critical path of the project, and completion of all these activities is required prior to the commencement of MEP rough-in activities and to achieve a weathertight building.

During the time period of these critical activities, the project suffered (67) working days of weather delay, resulting in a (93) day delay to the dry-in and weathertightness of the project. Following the dry-in of the buildings and the commencement of MEP installation, the project endured (46) more days of work stoppage and hinderance due to weather, resulting in an additional (64) days of delay to the project’s completion.

From the day of the project’s groundbreaking through the date of this letter, the project has suffered (113) days of work stoppage, extending the completion of the project by (157) days, due to adverse weather. These additional (5) months of impact to the project’s schedule exceeds anything the Contractor and Owner could have reasonably anticipated.

Unfortunately, the delays caused by adverse weather conditions and the corresponding delays that followed as a result is preventing the Development from meeting the Placed in Service deadline of 12/31/2019.

We hope this letter was helpful in your review of the Development's request for an extension to the placement in service deadline. Should you find it helpful to visit the site or meet in person to better understand the project's design, landscape, and impact of the adverse weather, please feel free to contact me at (512) 348-9133.

Thank you,

Michael Mueller  
Project Executive  
Gulf Coast Community Builders



**Exhibit E**  
**Site Dewatering Change Order**  
(attached)



**PCPCO #036**

Gulf Coast Community Builders, LLC  
 3901 South Lamar, Suite 120  
 Austin, Texas 78704  
 Phone: (512) 971-9916

**Project:** 4003 - Terraces at Arboretum  
 15928 Old Richmond Road  
 Fort Bend County, Texas 77498

**Prime Contract Potential Change Order #036: CE #68 - Site Dewatering**

<b>TO:</b>	Terraces at Arboretum, LP. 12950 S.W. 27th Ave. Suite 200 Miami, Florida, 33133	<b>FROM:</b>	Gulf Coast Community Builders, LLC 3901 South Lamar, Suite 120 Austin Texas, 78704
<b>PCO NUMBER/REVISION:</b>	036 / 0	<b>CONTRACT:</b>	1 - KL Standard Project Template Prime Contract
<b>STATUS:</b>	Pending - In Review	<b>CREATED BY:</b>	Katie Ciavolella (Gulf Coast Community Builders, LLC)
<b>SCHEDULE IMPACT:</b>		<b>DATE CREATED:</b>	2/25 /2019
		<b>TOTAL AMOUNT:</b>	\$32,648.57

**POTENTIAL CHANGE ORDER TITLE:** CE #68 - Site Dewatering

**CHANGE REASON:** Adverse Weather

**POTENTIAL CHANGE ORDER DESCRIPTION:** (The Contract Is Changed As Follows)

CE #68 - Site Dewatering

Please see the attached costs for dewatering the site.  
 This is currently affecting the following tasks:

The construction of the pool  
 The installation of the secondary electrical rough infrastructure installation The Transformer pads Implementation of temporary electric power via the meter banks Delay to permanent power milestones .

**ATTACHMENTS:**

- [Dale Dozer Work - Site.pdf](#)
- [Dale Cricket Field Dozer Work.pdf](#)
- [Dewatering Email.pdf](#)
- [Copy of 4003 - GCCB - Cost Impact Due to Rain Delays Cleanup - 2010205.xlsx](#)
- [Radley Signed Agreement.pdf](#)

#	Cost Code	Description	Funding Source	Type	Amount
1	2-141 - Additional DeWattering	equipment operator		Subcontractor	\$ 17,500.00
2	2-141 - Additional DeWattering	labor		Subcontractor	\$ 8,680.00
3		overhead		Expensed J/C Overhead	<del>\$ 604.00</del>
4	17-999 - Fee	fee		Subcontractor	<del>\$ 7,018.84</del>
5	9-655 - Final Clean:Interior Finishes	Rental of Skid Steer	Owner Change Order	Subcontractor	\$ 4,050.16
<b>Subtotal:</b>					<del>\$32,048.57</del>
<b>Grand Total:</b>					<del>\$32,648.57</del>

*This is one time cost to Owner to dewater this site. There will be no further cost to Owner for dewatering if necessary. Any further costs will be covered by GC or subcontractor.*

\$30,230.16  
 8% fee  
 \$2,418.41  
**Total \$32,648.57**

**BY SIGNING BELOW, OWNER AUTHORIZES CONTRACTOR TO PROCEED AND AGREES TO ALL TERMS INCLUDING PAYMENT AS DESCRIBED IN THIS POTENTIAL CHANGE ORDER.**

Terraces at Arboretum, LP.  
 12950 S.W. 27th Ave. Suite 200  
 Miami, Florida 33133

Gulf Coast Community Builders, LLC  
 3901 South Lamar, Suite 120  
 Austin Texas 78704

*[Signature]* 3-1-19  
 SIGNATURE DATE  
 Gulf Coast Community Builders, LLC

\_\_\_\_\_  
 SIGNATURE DATE



# DALE CONSTRUCTION SERVICES,LLC.

---

P.O Box 79839 Houston, TX 77279

**TO: Luis Velasquez/ Richard Emmanuel**  
**2/5/19**

**EMAIL: on file**

**COMPANY: Gulf Coast Builders**

**JOB NAME: Terraces Arboretum Apartments**

## CO Request - Dozer Work

Dry out and dress up pool area, around club, and around apartment slabs

Grade out entire area and repair ruts that where previously to a rough grade

All labor and machine included

Mobilize= \$550

JD 650 Dozer, fuel, and operator per day= \$780

Demobilize= \$550

Lime pallets = \$640/ pallet

**\*\*Total fixed cost = \$12,700**

- Price figured from mobilize, demobilize, 9 days dozer work, and 7 pallets lime

Thanks,

Please call with any questions

Michael Dale

Cell- 832 466 2599

Office- 281 752 7270

**Exclusions**

Specialty embeds, hidden underground structures, permits, lab work, shop drawings, de-watering, surveying, lab testing, add-mixtures or curing compounds, hand-rails, striping or signs, and anything not listed.



# DALE CONSTRUCTION SERVICES,LLC.

---

P.O Box 79839 Houston, TX 77279

**TO: Luis Velasquez/ Richard Emmanuel**  
**2/5/19**

**EMAIL: on file**

**COMPANY: Gulf Coast Builders**

**JOB NAME: Terraces Arboretum Apartments**

## **CO Request – Dozer Work Cricket field**

Dry out cricket field area

Grade out and dry entire area

All labor and machine included

JD 650 Dozer, fuel, and operator per day

Lime pallets = 4 pallets

Total= \$4,800

\*\*Total fixed cost for days dozer work, and 3 pallets lime

Thanks,

Please call with any questions

Michael Dale

Cell- 832 466 2599

Office- 281 752 7270

**Exclusions**

Specialty embeds, hidden underground structures, permits, lab work, shop drawings, de-watering, surveying, lab testing, add-mixtures or curing compounds, hand-rails, striping or signs, and anything not listed.



## Katie Ciavolella

---

**From:** Richard Emmanuel  
**Sent:** Friday, February 15, 2019 11:41 AM  
**To:** Katie Ciavolella  
**Cc:** Michael Mueller; Luis Velasquez; Chris Davis  
**Subject:** FW: Flat Work

Katie,  
Please add as backup to the dewatering change event.

Thank you,

**Richard Emmanuel, Project Manager**



Office: (512) 808-0881 | Cell: (512) 417-8421 | Fax: (512) 647-2315  
3901 South Lamar | Suite 120 | Austin, TX 78704

An Atlantic Pacific Builders and Kaufman Lynn Construction company.

**From:** michael dale <daleconstructionservices@gmail.com>  
**Sent:** Friday, February 15, 2019 11:14 AM  
**To:** Richard Emmanuel <remmanuel@gccbllc.com>  
**Cc:** Luis Velasquez <lvelasquez@gccbllc.com>; Geronimo Ibarra <gibarra@gccbllc.com>; Thomas Christopher Long <tlong@gccbllc.com>  
**Subject:** Re: Flat Work

We are ready to start, but site is to wet. Can we get some lime and approval to Demuck? Very muddy and water standing, especially in forklift ruts. We have our rebar there and other materials coming. We currently can't set forms.

Thanks, Michael Dale

On Feb 15, 2019, at 9:38 AM, Richard Emmanuel <[remmanuel@gccbllc.com](mailto:remmanuel@gccbllc.com)> wrote:

Dale,

Have we started the flatwork?  
It is my understanding that these are ready for you to start.

Please confirm start date.

Thank you,

**Richard Emmanuel, Project Manager**

<image001.jpg>

Office: (512) 808-0881 | Cell: (512) 417-8421 | Fax: (512) 647-2315  
3901 South Lamar | Suite 120 | Austin, TX 78704

An Atlantic Pacific Builders and Kaufman Lynn Construction company.

**From:** michael dale <[daleconstructionservices@gmail.com](mailto:daleconstructionservices@gmail.com)>  
**Sent:** Thursday, February 14, 2019 11:36 AM  
**To:** Luis Velasquez <[lvelasquez@gccbllc.com](mailto:lvelasquez@gccbllc.com)>  
**Cc:** Geronimo Ibarra <[gibarra@gccbllc.com](mailto:gibarra@gccbllc.com)>; Richard Emmanuel <[remmanuel@gccbllc.com](mailto:remmanuel@gccbllc.com)>; Thomas Christopher Long <[tlong@gccbllc.com](mailto:tlong@gccbllc.com)>  
**Subject:** Re: Flat Work

you have entire building fronts and sides ready? we would like whole chunks of a few slabs to make pours worth it

On Thu, Feb 14, 2019 at 11:20 AM Luis Velasquez <[lvelasquez@gccbllc.com](mailto:lvelasquez@gccbllc.com)> wrote:

Sounds good we are going to start flat work in front of all building while we work on getting court yard dry I have plenty of work for you

Luis Velasquez

On Feb 14, 2019, at 11:16 AM, michael dale <[daleconstructionservices@gmail.com](mailto:daleconstructionservices@gmail.com)> wrote:

Material should be there by now or in route. I will check. Emilio will be doing doors probably tomorrow. Please contact him 7135454875. In order to start flatwork we need to dry site. Are we approved to de muck / lime ? It is very wet.

Thanks, Michael Dale

On Feb 14, 2019, at 11:02 AM, Luis Velasquez <[lvelasquez@gccbllc.com](mailto:lvelasquez@gccbllc.com)> wrote:

Michael

What's going on with materials for flat work and cutting concrete for the patio doors?

Luis Velasquez

On Feb 11, 2019, at 12:02 PM, michael dale <[daleconstructionservices@gmail.com](mailto:daleconstructionservices@gmail.com)> wrote:

Yes. Getting materials dropped tomorrow to start walks. Emilio coming to fix door as well. How do we look on co request to dry out site ? We need to do something to de muck site because it is pretty wet

Thanks, Michael Dale

On Feb 11, 2019, at 10:11 AM, Luis Velasquez <[lvelasquez@gccbllc.com](mailto:lvelasquez@gccbllc.com)> wrote:



Michael,

Any word on starting flat work out here at Terraces. I also need to get concrete cut at the patio door in building 1. Please let me know.

Thank you,

**Luis Velasquez, Superintendent**

<image001.jpg>

**Office:** (512) 808-0881 | **Cell:** (512) 534-8204 | **Fax:** (512) 3901 South Lamar | Suite 120 | Austin, TX 78704

An Atlantic Pacific Builders and Kaufman Lynn Construction company.

Michael Dale  
**Dale Construction Services, LLC**  
P. O. Box 79839  
Houston, Texas 77279  
cell:832.466.2599 office: 281 752 7270  
[daleconstructionservices@gmail.com](mailto:daleconstructionservices@gmail.com)

Site Works - Dewatering and Removal of clay due to weather

<b>Contractor?</b>	<b>Item No</b>	<b>Description</b>	<b>Quantity</b>
	1.0	Mobilisation of Equipment	1
		JD 650 Dozer, fuel, and operator per	
	2.0	day	7
	3.0	Lime pallets if needed= \$640/ pallet	4
	4.0	Demobilisation of Equipment	1
	5.0	Rental of Skid Steer - Sunbelt	14
		Provision of Labour for Mud Removal	
	6.0	in buildings	560
	7.0	<b>Anticipated Cost Impact</b>	



<b>Unit of Measure</b>	<b>Rate</b>	<b>Total</b>	
LS		550 \$	550.00
days		780 \$	5,460.00
Pallet		640 \$	2,560.00
LS		550 \$	550.00
days		400 \$	5,600.00
			rate to be confirmed
manhours		15.5 \$	8,680.00
		\$	<b>23,400.00</b>



Radley Staffing, LLC.

We hereby propose:

To provide Gulf Coast General Contractors (Client) Terraces at Artoretum (Project) with temporary labor personnel to assist in the day to day activities as needed and directed by jobsite management. Client will safeguard its premises, processes, or systems, and not permit Assigned Workers to operate any vehicle or mobile equipment, or entrust them with unattended premises, cash, checks, keys, credit cards, merchandise, confidential or trade secret information, negotiable instruments, or other valuables. Client will also not hire Assigned Workers from Radley Staffing unless given written approval. If Client would like to hire Radley employees Radley's placement fee will be 20% of one year's annual salary calculated using 2,080 hours.

**Bill rates are all inclusive of Background Checks, SS Verifications and Drug Tests. NO HIDDEN FEES with Radley.**

<u>Description of personnel</u>	<u>Bill rate per hour</u>	<u>Description of personnel</u>	<u>Bill rate per hour</u>
General Personnel	\$15.50/hr.	Carpenter/Punch-Out	\$24.00/hr.
Lead Personnel	\$17.00/hr.	Certified Flagger	\$18.00/hr.
Semi-Skilled Personnel	\$20.00/hr.	Equipment Operator	\$20.00/hr.
Preferred Personnel <i>(Client Determined Wage)</i>	35% Margin		

Rates Include: Workers' Compensation Insurance, FICA, Medicare, state and federal unemployment insurance, state and federal taxes, and all other employee burdens, recruiting, administration, payroll funding, liability insurance and flexible staffing services.

Radley Staffing invoices will be submitted every two weeks and payment is due within ten (10) business days. Invoices will be supported by the pertinent timesheets or other agreed system for documenting time worked by the Assigned Workers. Client's signature or other agreed method of approval of the work time submitted for Assigned Workers certifies the documented hours are correct and authorizes Staffing Firm to bill Client for those hours. A bill rate of 1.5 times the regular hourly bill rate will be charged for overtime hours worked. If a portion of any invoice is disputed, CLIENT will pay the undisputed portion.

Indemnity: Each party shall indemnify, defend and hold the other party harmless from and against all liabilities, claims, losses, damages, injuries including death, fees, costs, charges and expenses, including attorneys' fees and costs except to the extent the damages and/or losses are caused by any breach of this Agreement by the other party or the gross negligence and/or willful misconduct by the other party.

PROJECT MANAGER.  
RICHARD EMMANUEL  
On behalf of Client (Printed Name & Title)

Signature

1/30/2019  
Date

\_\_\_\_\_  
On behalf of Radley (Printed Name & Title)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Thank you for your business!



17700

The Terraces at  
Arboretum

Construction Status  
Reports



**MONTHLY PROJECT REVIEW – Report #1**  
(Pay Application #2 and Draw #2)

**Terraces at Arboretum**  
15928 Old Richmond Road  
Sugar Land, TX 77498

Reference: 17-17-072  
WF-HOU-17-018603

Prepared for:

**Wells Fargo Bank, N.A.**



Terraces at Arboretum  
Monthly Project Review – Pay App #2/Draw #2

---

**EXECUTIVE SUMMARY:**

Application Number: Draw #2  
Requested Draw Amount: [REDACTED]  
Approved Draw Amount: [REDACTED]  
Contract Start Date: 11/24/2017  
Reported Percent Complete: 2%

Application Period Thru: 02/25/2018  
Date Received: 03/08/2018  
Site Visit Date: 02/28/2018  
Contract Completion Date: 12/20/2018  
Estimated Percent Complete: 2%

**PROJECT DESCRIPTION:**

The Terraces at Arboretum involves the construction of 5 wood framed three-story multifamily buildings totaling 137,763. The square shaped 10-acre property is located approximately 3 miles from Sugar Land and 19 miles southwest of the Houston metro area.

**DISCUSSION OF WORK IN PROGRESS:**

Jhme visited the site on 2/28/18. The day we visited the site it was cloudy and wet. Erosion control measures have been placed around the perimeter of the site. The site has been grubbed and is in the process of being cleared. Due to heavy rains the general contractor was excavating a trench so the water could drain off the property. Excavation of the site is underway but is slow going because of the muddy conditions. A construction trailer will be moved to the site within the next week or two per the conversation we had with the superintendent.

**QUALITY OF CONSTRUCTION:**

The quality of work completed by the contractor to date is in accordance with the scope of work shown in the construction documents. It is in general compliance to the local building codes and regulations.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



Terraces at Arboretum  
Monthly Project Review – Pay App #2/Draw #2

---

[Redacted content]

[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]

**SCHEDULE:**  
The current schedule indicates a completion date of 12/20/2018. We have requested an up to date schedule and an actual start date and once we review these items we will comment on the timetable and progress of the project.

**TESTING:**  
We have not received testing results but have requested to be added to the testing labs direct distribution list. We will comment further on next month’s report as to the status of the reports.

**TEMS OF CONCERN:**  
None at this time.

Exhibit 'A'– Site Photographs: 02/28/2018



1. Rip rap construction entrance.



2. The bull dozer is removing excess water from the site.



3. The site has been grubbed.



4. The site will be cleared of the trees, shrubs and stumps next week.





5. The entire site is wet and muddy due to the rains in the Houston area.



6. Northern portion of the site that has been cleared and grubbed.

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**Exhibit 'B' – Provided Documents**

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**MONTHLY PROJECT REVIEW – Report #2**  
(Pay Application #3 and Draw #3)

**Terraces at Arboretum**  
15928 Old Richmond Road  
Sugar Land, TX 77498

Reference: 17-17-072  
WF-HOU-17-103469

Prepared for:

**Wells Fargo Bank, N.A.**



**Terraces at Arboretum  
Monthly Project Review – Pay App #3/Draw #3**

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**EXECUTIVE SUMMARY:**

Application Number: Draw #3  
Requested Draw Amount: [REDACTED]  
Approved Draw Amount: [REDACTED]  
Contract Start Date: 11/24/2017  
Reported Percent Complete: 4%

Application Period Thru: 03/25/2018  
Date Received: 03/27/2018  
Site Visit Date: 04/01/2018  
Contract Completion Date: 12/20/2018  
Estimated Percent Complete: 4%

**PROJECT DESCRIPTION:**

The Terraces at Arboretum involves the construction of 5 wood framed three-story multifamily buildings totaling 137,763 sf. The square shaped 10-acre property is located approximately 3 miles from Sugar Land and 19 miles southwest of the Houston metro area.

**DISCUSSION OF WORK IN PROGRESS:**

Jhme visited the site on 04/02/18. The day we visited the site it was cloudy, muddy and wet with several ponds of water scattered throughout the site. The site is now 100% cleared and grubbed. The excavation of the detention pond is in progress but we weren't able to get a clear picture of it due to the muddy conditions. Excavation of the clubhouse and building pads 1-4 is well underway and also at the paving area at the east and west side of the site. A trench was excavated at the east side of the site which runs north and south to help aid drainage off the property. The excavation has been slowed down because of several rain days in March and because of the muddy conditions. We've requested an updated construction schedule as well as an account of how many weather days were requested for the current billing period running through 03/25/2018.

**QUALITY OF CONSTRUCTION:**

The quality of work completed by the contractor to date is in accordance with the scope of work shown in the construction documents. It is in general compliance to the local building codes and regulations.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



Terraces at Arboretum  
Monthly Project Review – Pay App #3/Draw #3

---

[REDACTED]

**STORED MATERIALS:**

None at this time.

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

**SCHEDULE:**

The current schedule indicates a completion date of 12/20/2018. We have requested an up to date schedule and an actual start date and once we review these items we will comment on the timetable and progress of the project.

**TESTING:**

We have not received testing results but have requested to be added to the testing labs direct distribution list. We will comment further on next month's report as to the status of the reports.

**TEMS OF CONCERN:**

None at this time.



Exhibit 'A'– Site Photographs: 04/01/2018



The pad at the clubhouse is in progress.



Select fill has been added at building pad #1.



The excavation of building pad #2 is underway.



The site has been staked for cutting and filling.



Select fill and compaction at building pad #4.



In the background the detention pond excavation is nearing completion.





Rough grading at building pad #4 is underway.



The site is quite muddy and wet which has slowed down excavation.

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### Exhibit 'B'– Provided Documents

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**MONTHLY PROJECT REVIEW – Report #3**  
(Pay Application #4 and Draw #4)

**Terraces at Arboretum**  
15928 Old Richmond Road  
Sugar Land, TX 77498

jhme Reference: 17-17-072  
WF-HOU-17-018603

Prepared for:

**Wells Fargo Bank, N.A.**



Terraces at Arboretum
Monthly Project Review - Pay App #4/Draw #4

EXECUTIVE SUMMARY:

Application Number: Draw #4
Requested Draw Amount: [REDACTED]
Approved Draw Amount: [REDACTED]
Contract Start Date: 11/24/2017
Reported Percent Complete: 6%

Application Period Thru: 04/25/2018
Date Received: 05/08/2018
Site Visit Date: 05/01/2018
Contract Completion Date: 06/05/2019
Estimated Percent Complete: 6%

Inspection Budget Analysis (IBA) table showing project details, budget items, and cost overruns.

Application for Payment Summary thru Application # 4 Dated: 4/26/2018. Includes contract sum, net change, and payment due.

Contractor's AIA table with columns: Item No, Budget Items, Original Budget, Revisions to Budget, Current Budget, Previous Applications, Work Completed This Period, Total Completed & Stored to Date, % Comp, Imp % Comp, Value in Place, Availability, Cost Overrun to Date.



**PROJECT DESCRIPTION:**

The Terraces at Arboretum involves the construction of 5 wood framed three-story multifamily buildings totaling 137,763 sf. The square shaped 10-acre property is located approximately 3 miles from Sugar Land and 19 miles southwest of the Houston metro area.

**DISCUSSION OF WORK IN PROGRESS:**

Jhme visited the site on 05/01/18. The day we visited the site it was cloudy, muddy, and wet with several ponds of water scattered throughout the site. The area where building pad 2 is located is completely under water. The excavation of the detention pond and spillway leading to the detention pond is underway. Excavation of the clubhouse and building pads 1-6 is well underway and also at the paving area at the east and west side of the site. The excavation has been slowed down because of several rain days in March and April. Underground utility work is in progress at building 1 and the clubhouse. Storm sewer lines and sanitary sewer manholes were being installed throughout the site. We've received an updated construction schedule which shows a new completion date of 04/19/2019 for the apartment buildings and 06/05/2019 for the soccer fields.

**QUALITY OF CONSTRUCTION:**

The quality of work completed by the contractor to date is in accordance with the scope of work shown in the construction documents. It is in general compliance to the local building codes and regulations.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



Terraces at Arboretum  
Monthly Project Review – Pay App #4/Draw #4

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

**SCHEDULE:**

The original schedule indicated a completion date of 12/20/2018. We received an updated schedule this pay period which reflects a revised completion date of 04/19/2019 for the apartment buildings and a completion date of 06/05/2018 for the soccer fields.

**TESTING:**

We have not received testing results but have requested to be added to the testing labs direct distribution list. We will comment further on next month's report as to the status of the reports.

**TEMS OF CONCERN:**

The revised construction schedule we received this pay period reflects a new completion date of 04/19/2019 which is four months behind the original scheduled completion date of 12/20/2018 and we note this for your information.



Exhibit 'A'– Site Photographs

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Excavation is still underway at building pads 3 and 4.



Excavation of spill way to the detention pond is nearing completion.



Excavation of the detention pond is underway.



Surveying and staking is underway at the clubhouse.





The manholes have been installed throughout the site.



Underground utilities are underway at building 1.



Excavation for the underground utilities is underway at building 1 and the clubhouse.



Stubbed up plumbing at a portion of building 1.





The area at building 2 is under water.





**MONTHLY PROJECT REVIEW – Report #4**  
(Pay Application #5 and Draw #5)

**Terraces at Arboretum**  
15928 Old Richmond Road  
Sugar Land, TX 77498

jhme Reference: 17-17-072  
WF-HOU-17-018603

Prepared for:

**Wells Fargo Bank, N.A.**

**Terraces at Arboretum**  
**Monthly Project Review – Pay App #5/Draw #5**

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**EXECUTIVE SUMMARY:**

Application Number:	Draw #5	Application Period Thru:	05/25/2018
Requested Draw Amount:	[REDACTED]	Date Received:	05/08/2018
Approved Draw Amount:	[REDACTED]	Site Visit Date:	05/29/2018
Contract Start Date:	11/24/2017	Contract Completion Date:	<b>06/05/2019</b>
Reported Percent Complete:	10%	Estimated Percent Complete:	10%



**PROJECT DESCRIPTION:**

The Terraces at Arboretum involves the construction of 5 wood framed three-story multifamily buildings totaling 137,763 sf. The square shaped 10-acre property is located approximately 3 miles from Sugar Land and 19 miles southwest of the Houston metro area.

**DISCUSSION OF WORK IN PROGRESS:**

Jhme visited the site on 05/29/18. The day we visited the site it was partly cloudy, and fairly dry throughout other than a few wet areas at the back of the site. Excavation of the detention pond is substantially complete. Excavation of the clubhouse and building pads 1-5 are substantially complete. Underground utility work is substantially complete at the clubhouse and at all the building pads. Storm sewer lines and manholes were being installed throughout the site. The fire line has been buried and backfill is in progress. Excavation for the grade beam, formwork, rebar and the vapor barrier were substantially complete at the clubhouse and at building #1. Grade beam excavation, formwork and rebar were underway at building pad #2. A new site superintendent will be on the project this coming pay period per my conversation with the project manager.

**QUALITY OF CONSTRUCTION:**

The quality of work completed by the contractor to date is in accordance with the scope of work shown in the construction documents. It is in general compliance to the local building codes and regulations.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

**SCHEDULE:**  
The original schedule indicated a completion date of 12/20/2018. We received an updated schedule last pay period which reflects a revised completion date of 04/19/2019 for the apartment buildings and a completion date of 06/05/2018 for the soccer fields.

**TESTING:**  
We have not received testing results but have requested to be added to the testing labs direct distribution list. We will comment further on next month's report as to the status of the reports.

**ITEMS OF CONCERN:**  
Review and approval of the Previously Funded Amount indicated on Application for Payment #5.  
  
The revised construction schedule we received this last period reflects a new completion date of 04/19/2019 which is four months behind the original scheduled completion date of 12/20/2018 and we note this for your information.



Exhibit 'A'– Site Photographs



A job trailer is on site.



The formwork and vapor barrier are substantially complete at building #1.



The formwork and vapor barrier are complete at the clubhouse.



The underground fire line was being backfilled.



**Terraces at Arboretum**  
**Monthly Project Review – Pay App #5/Draw #5**



Underground utilities, staking and formwork is underway at building #3.



Excavation for the grade beams at building 2 is underway.



Staking throughout the site is nearing completion.



Underground utilities are substantially complete at building #4.





**MONTHLY PROJECT REVIEW – Report #5**  
(Pay Application #6 and Draw #6)

**Terraces at Arboretum**  
15928 Old Richmond Road  
Sugar Land, TX 77498

jhme Reference: 17-17-072  
WF-HOU-17-018603

Prepared for:

**Wells Fargo Bank, N.A.**

**Terraces at Arboretum  
Monthly Project Review – Pay App #6/Draw #6**

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**EXECUTIVE SUMMARY:**

Application Number: #6  
Requested Draw Amount: [REDACTED]  
Approved Draw Amount: [REDACTED]  
Contract Start Date: 11/24/2017  
Reported Percent Complete: 15%

Application Period Thru: 06/25/2018  
Date Received: 07/05/2018  
Site Visit Date: 07/02/2018  
Contract Completion Date: **06/05/2019**  
Estimated Percent Complete: 15%



**PROJECT DESCRIPTION:**

The Terraces at Arboretum involves the construction of 5 wood framed three-story multifamily buildings totaling 137,763 sf. The square shaped 10-acre property is located approximately 3 miles from Sugar Land and 19 miles southwest of the Houston metro area.

**DISCUSSION OF WORK IN PROGRESS:**

Jhme visited the site on 07/02/18. The day we visited the site it was partly cloudy, and fairly dry throughout other than a few wet areas at the northern portion of the site. Grade beams, formwork, rebar, vapor barriers and the slabs were substantially complete at buildings 2-5. Electrical conduit was being placed in the trenches leading to the transformer locations at building 4 when we visited. The fire lines have been buried and backfilled throughout the site and the work is substantially complete. Fire hydrant work is substantially complete. Formwork was underway at the western edge of the site for the paving. Grading was underway at the eastern edge of the site for the future paving areas. Workers were tying rebar for the paving at the western side of the site upon our arrival. We met with the new site superintendent during our visit and walked the job site with him and discussed the work in progress.

**QUALITY OF CONSTRUCTION:**

The quality of work completed by the contractor to date is in accordance with the scope of work shown in the construction documents. It is in general compliance to the local building codes and regulations.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

**SCHEDULE:**

The original schedule indicated a completion date of 12/20/2018. We received an updated schedule which reflects a revised completion date of 04/19/2019 for the apartment buildings and a completion date of 06/05/2018 for the soccer fields.

**TESTING:**

We have not received testing results but have requested to be added to the testing labs direct distribution list. We will comment further on next month's report as to the status of the reports.

**ITEMS OF CONCERN:**

The revised construction schedule we received this last period reflects a new completion date of 04/19/2019 which is four months behind the original scheduled completion date of 12/20/2018 and we note this for your information.



Exhibit 'A'– Site Photographs

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The slab at building 2 has been poured



The slab at building 3 has been poured.



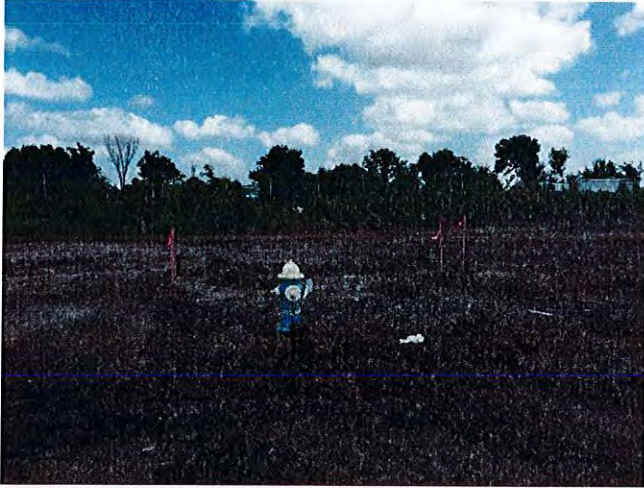
The slab at building 4 has been poured.



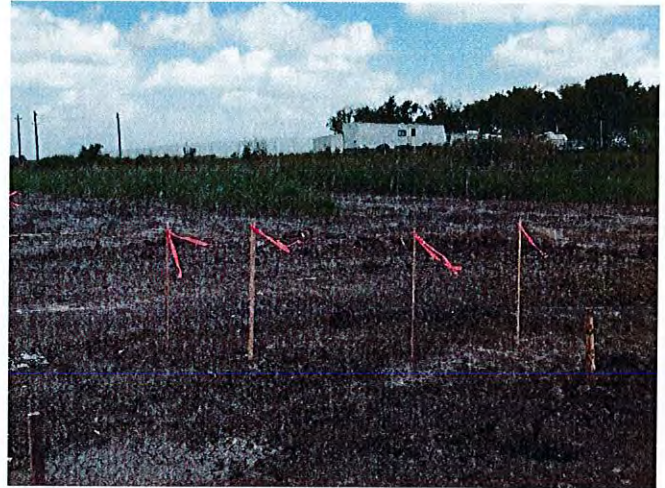
Grading and formwork for the paving is underway at the west side of the site.



Terraces at Arboretum  
Monthly Project Review – Pay App #6/Draw #6



The fire hydrants have been installed throughout.



New staking is in place throughout the site.



Underground electrical conduit work was complete at the clubhouse.



Electrical conduit was being buried at building 4.



**Terraces at Arboretum**  
**Monthly Project Review – Pay App #6/Draw #6**



Grading at the southeastern edge of the property for the paving was underway.



Workers are tying rebar for the paving on the western edge of the site.



**MONTHLY PROJECT REVIEW – Report #6**  
(Pay Application #7 and Draw #7)

**Terraces at Arboretum**  
15928 Old Richmond Road  
Sugar Land, TX 77498

jhme Reference: 17-17-072  
WF-HOU-17-103469; Loan #453000113

Prepared for:

**Wells Fargo Bank, N.A.**



**Terraces at Arboretum**  
**Monthly Project Review – Pay App #7/Draw #7**

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**EXECUTIVE SUMMARY:**

Application Number:	#7	Application Period Thru:	07/25/2018
Requested Draw Amount:	[REDACTED]	Date Received:	08/01/2018
Approved Draw Amount:	[REDACTED]	Site Visit Date:	08/02/2018
Contract Start Date:	11/24/2017	Contract Completion Date:	<b>6/21/19</b>
Reported Percent Complete:	18%	Estimated Percent Complete:	18%

**PROJECT DESCRIPTION:**

The Terraces at Arboretum involves the construction of 5 wood framed three-story multifamily buildings totaling 137,763 sf. The square shaped 10-acre property is located approximately 3 miles from Sugar Land and 19 miles southwest of the Houston metro area.

**DISCUSSION OF WORK IN PROGRESS:**

Jhme visited the site on 08/02/18. The day we visited the site it was sunny and dry throughout the site. Work on the project continues with the focus on the concrete formwork for the paving areas and related site work. Installation of the underground site utilities to include storm sewer pipe and drains, electrical conduit, and plumbing in slab rough ins to building slabs is nearing completion. Fire sprinkler riser in slab rough ins to buildings are in place. Fire hydrants are in place as well. Layout of walls for the building slabs is in progress. Placement of rebar and formwork for the remaining proposed paving areas is in progress.

**QUALITY OF CONSTRUCTION:**

The quality of work completed by the contractor to date is in accordance with the scope of work shown in the construction documents. It is in general compliance to the local building codes and regulations.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



Terraces at Arboretum  
Monthly Project Review – Pay App #7/Draw #7

---

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

**SCHEDULE:**

The original schedule indicated a completion date of 12/20/2018. **We received an updated schedule which reflects a revised completion date of 06/19/2019.**

**TESTING:**

We have not received testing results but have requested to be added to the testing labs direct distribution list. We will comment further on next month's report as to the status of the reports.

**ITEMS OF CONCERN:**

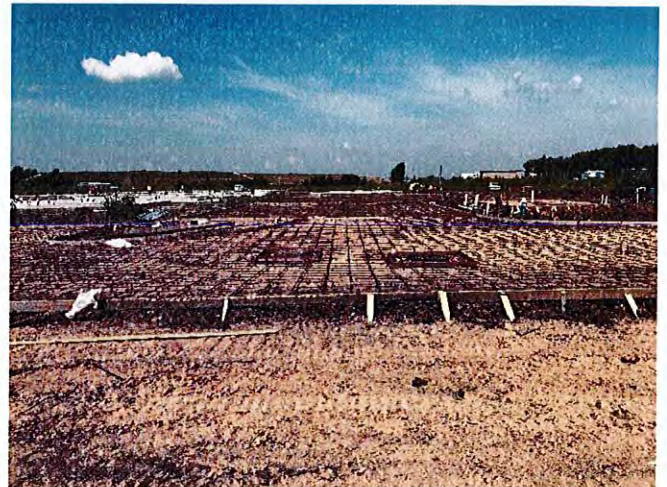
None at this time



Exhibit 'A'– Site Photographs



Overall view of the site.



Formwork and rebar for paving areas are in place.



Preparation for tie-in work for the approaches is in progress.



Overall view of a portion of the completed paving areas.



Terraces at Arboretum  
Monthly Project Review – Pay App #7/Draw #7



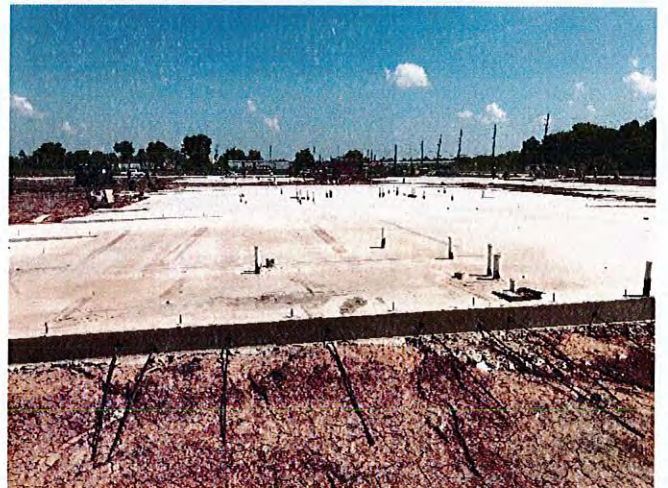
Overall view of Building 1 slab.



Overall view of Building 2 slab.



Overall view of Building 3 slab.



Overall view of Building 4 slab.





## **MONTHLY PROJECT REVIEW – Report #7**

**Terraces at Arboretum**  
15928 Old Richmond Road  
Sugar Land, TX 77498

jhme Reference: 17-17-072  
WF-HOU-17-103469; Loan #453000113

Prepared for:

**Wells Fargo Bank, N.A.**



**Terraces at Arboretum  
Monthly Project Review – Pay App #8/Draw #8**

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**EXECUTIVE SUMMARY:**

Application Number: #8  
Requested Draw Amount: [REDACTED]  
Approved Draw Amount: [REDACTED]  
Contract Start Date: 11/24/2017  
Reported Percent Complete: 25%

Application Period Thru: 08/25/2018  
Date Received: 09/14/2018  
Site Visit Date: 08/30/2018  
Contract Completion Date: **07/18/2019**  
Estimated Percent Complete: 25%

**PROJECT DESCRIPTION:**

The Terraces at Arboretum involves the construction of 5 wood framed three-story multifamily buildings totaling 137,763 sf. The square shaped 10-acre property is located approximately 3 miles from Sugar Land and 19 miles southwest of the Houston metro area.

**DISCUSSION OF WORK IN PROGRESS:**

Jhme visited the site on 08/30/18. Work on the project continues with the focus on the rough framing operations on buildings 1,2, 3, and the club house. Concrete building pads are in place for all 6 buildings along with underground utility lines. Rough framing on the club house is well underway. The first-floor rough framing on buildings 1 and 2 is substantially complete and the framing on the second floors are well underway. Building 3 rough framing on the first floor is substantially complete. Buildings 5 and 6 concrete foundations are in place and framing materials are stockpiled on site.

**QUALITY OF CONSTRUCTION:**

The quality of work completed by the contractor to date is in accordance with the scope of work shown in the construction documents. It is in general compliance to the local building codes and regulations.

[REDACTED]

[REDACTED]

[REDACTED]

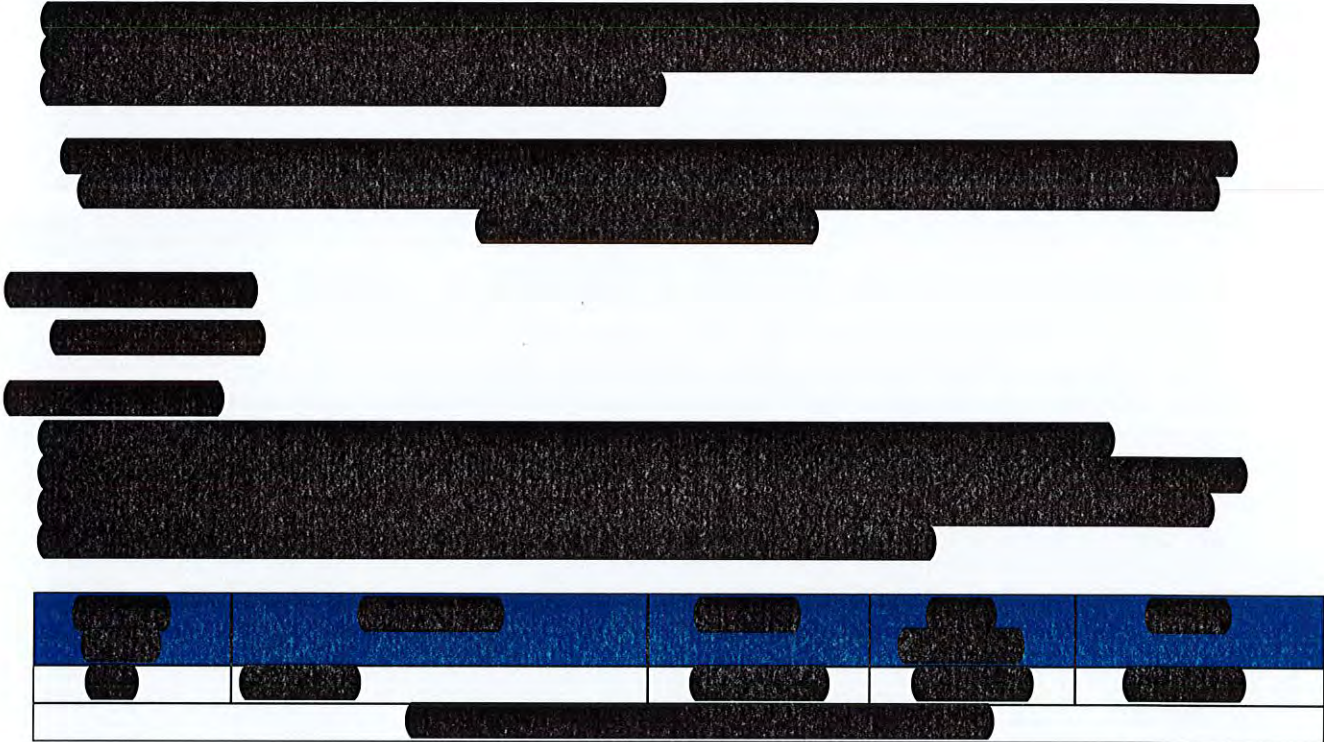
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]





**SCHEDULE:**

We received an updated schedule which reflects a revised completion date of 07/18/2019. All buildings are scheduled for completion with an Owner Walk by 05/15/2019. We have not received the additional Schedule for the Soccer Field and we mention this for your information. We attached a copy of the schedule to 'Exhibit B' for your review and information.

**TESTING:**

We have not received testing results but have requested to be added to the testing labs direct distribution list. We will comment further on next month's report as to the status of the reports.

**ITEMS OF CONCERN:**

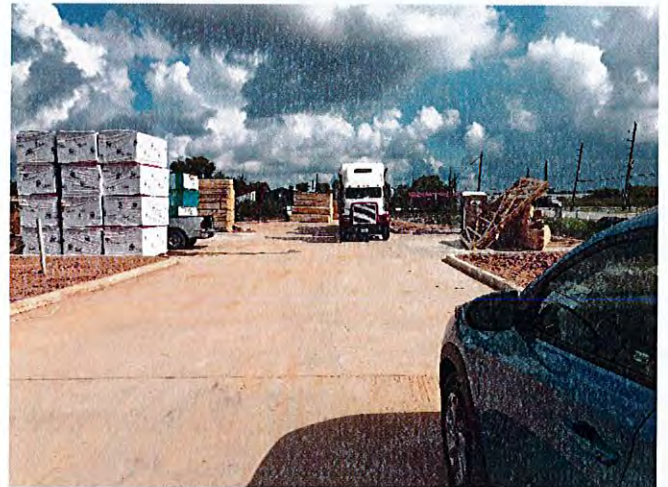
1. Jhme recommends receiving a copy of the Change Order documentation before proceeding with funding. We leave this to your final approval.
-



Exhibit 'A' – Site Photographs



Overall view of the site.



View of concrete driveway in place and framing materials stockpiled on site.



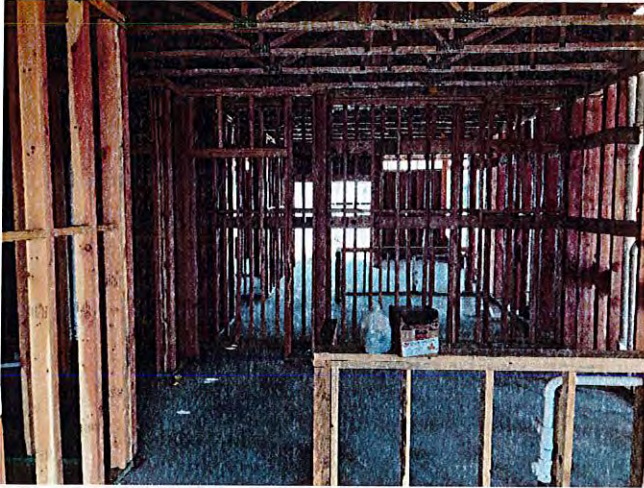
Rough framing operations are well underway on the club house.



Rough framing on the second floor is underway on Building 1.



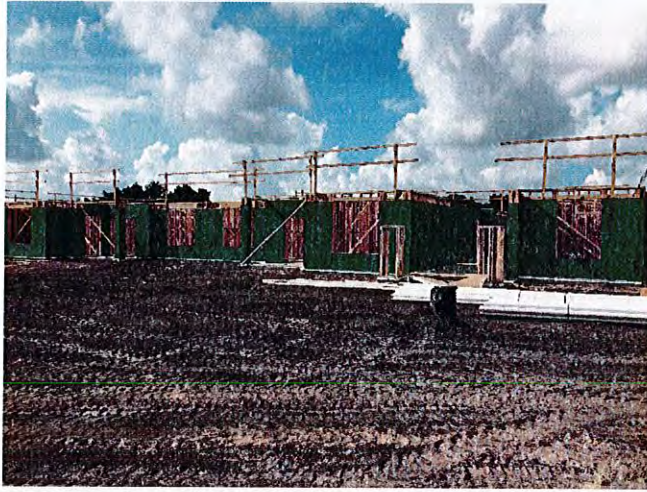
Terraces at Arboretum  
Monthly Project Review – Pay App #8/Draw #8



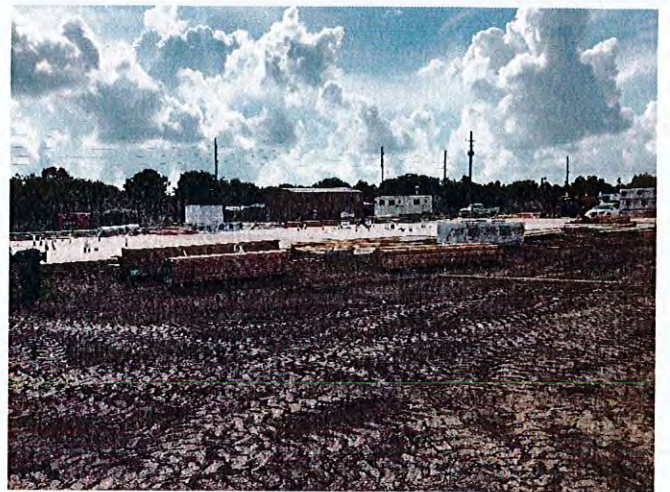
Interior view of Building 1 with plumbing lines in place.



Overall view of Building 2.



Overall view of Building 3.



Overall view of Building 4 slab and Job Trailer.





## **MONTHLY PROJECT REVIEW – Report #8**

**Terraces at Arboretum**  
15928 Old Richmond Road  
Sugar Land, TX 77498

jhme Reference: 17-17-072

Prepared for:

CommunityBank of Texas, N.A.



**EXECUTIVE SUMMARY:**

Application Number:	#9	Application Period Thru:	09/25/2018
Requested Draw Amount:	[REDACTED]	Date Received:	10/10/2018
Approved Draw Amount:	[REDACTED]	Site Visit Date:	09/26/2018
Contract Start Date:	11/24/2017	Contract Completion Date:	7/18/19
Reported Percent Complete:	35%	Estimated Percent Complete:	35%

**PROJECT DESCRIPTION:**

The Terraces at Arboretum involves the construction of 5 wood framed three-story multifamily buildings totaling 137,763 sf. The square shaped 10-acre property is located approximately 3 miles from Sugar Land and 19 miles southwest of the Houston metro area.

**DISCUSSION OF WORK IN PROGRESS:**

jhme visited the site on 09/26/18. Work on the project continues with the focus on the weatherproofing operations on buildings 1,2, and the club house. Rough framing operations were nearing completion on buildings 1, 2 and the clubhouse and were well underway on buildings 3,4, and 5. The roof trusses were being installed on building 2. The second floor on building 3 and 5 rough framing were well underway and the first floor on building 4 was nearing completion. Lumber materials for framing were being stockpiled on site.

**QUALITY OF CONSTRUCTION:**

The quality of work completed by the contractor to date is in accordance with the scope of work shown in the construction documents. It is in general compliance to the local building codes and regulations.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]





**SCHEDULE:**

We received an updated schedule which reflects a revised completion date of 07/18/2019. All buildings are scheduled for completion with an Owner Walk by 05/15/2019. We have not received the additional Schedule for the Soccer Field and we mention this for your information. We attached a copy of the schedule to 'Exhibit B' for your review and approval.

**TESTING:**

We have not received testing results but have requested to be added to the testing labs direct distribution list. We will comment further on next month's report as to the status of the reports.

**ITEMS OF CONCERN:**

1. None indicated



Exhibit 'A'– Site Photographs



Overall view of the site.



HVAC ductwork was being installed at the Clubhouse.



View of building 1 weatherproofing operations were well underway.



Roof trusses were being installed on building 2.





Rough framing operations were in progress on the third floor on building 3.



Overall view of building 5.



Overall view of proposed soccer field.



Rough framing materials were being stockpiled on site.





## **MONTHLY PROJECT REVIEW – Report #9**

**Terraces at Arboretum**  
15928 Old Richmond Road  
Sugar Land, TX 77498

jhme Reference: 17-17-072

Prepared for:

**CommunityBank of Texas, N.A.**



Terraces at Arboretum  
Monthly Project Review – Pay App #10/Draw #10

EXECUTIVE SUMMARY:

Application Number: #10      Application Period Thru: 10/25/2018  
 Requested Draw Amount: [REDACTED]      Date Received: 11/09/2018  
 Approved Draw Amount: [REDACTED]      Site Visit Date: 10/30/2018  
 Contract Start Date: 11/24/2017      Contract Completion Date: 07/18/2019  
 Reported Percent Complete: 45%      Estimated Percent Complete: 45%

**Inspection Budget Analysis (IBA)**

Project Name: The Terraces at Arboretum  
 Address: 15928 Old Richmond Road  
 Date of Budget: 10/25/18  
 Bank Draw No.: 10  
 Request Dated: 11/09/18

Item No	Budget Items	Original Budget	Revisions to Budget	Current Budget	Previous Requests	Current Request (Net Amount)	Total Requested to Date	% Avx.	Insp % Comp.	Value in Place	Availability	Cost Overruns to Date
1	Contract Hard Costs	12,524,375	203,513	12,727,888	4,147,188.30	1,177,267.54	5,324,455.64	42%	45%	5,767,538	7,403,432	0
2	open	0	0	0	0.00	0.00	0.00	0%	0%	0	0	0
3	Hard Cost Contingency	619,569	(203,513)	416,056	0.00	0.00	0.00	0%	0%	0	416,056	0
<b>Hard Cost Budget Total</b>		<b>13,143,944</b>	<b>0</b>	<b>13,143,944</b>	<b>4,147,188.30</b>	<b>1,177,267.54</b>	<b>5,324,455.64</b>	<b>41%</b>	<b>44%</b>	<b>5,767,538</b>	<b>7,819,488</b>	<b>0</b>

CONSULTANT MAY NEED TO UPDATE IBA LINE ITEMS TO MATCH CONTRACTOR'S APPLICATION FOR PAYMENT

For multiple contracts, duplicate the next two sections

**Application for Payment Summary thru Application # 10** Dated: 10/25/2018

1	Original Contract Sum	\$12,524,375.00	Contingency reallocated to date	33%	0
2	Net change by Change Orders	\$203,512.53	Exp. Budget	Current Change	0
3	Contract Sum to Date	\$12,727,887.53	\$12,618,708.66	\$109,178.85	0
4	Total Completed & Stored to Date (gross)	\$5,745,827.75			0
5	Retainage: 7.33%	\$421,371.91			0
6	Total Earned Less Retainage (net)	\$5,324,455.84			0
7	Less Previous Certificates for Payment (net)	\$4,147,188.30			0
8	Current Payment Due (net)	\$1,177,267.54	Recommended	Hold Back	\$0.00
9	Balance to Finish, Plus Retainage (net)	\$7,403,431.69	\$ 1,177,267.54	\$0.00	0

Consultant / JM to Modify the budget items to match the contractor's SOV

Item No	Contractor's AIA Budget Items	Original Budget	Revisions to Budget	Current Budget	Previous Applications	Work Completed This Period	Total Completed & Stored to Date	% Complete	Insp % Comp.	Value in Place	Availability	Cost Overruns to Date
<b>Gross Contract Summary</b>												
1	Surveying	29,650	0	29,650	24,009.87	0.00	24,009.87	80.99%	81	24,017	5,840	0
2	Earthwork	562,570	992,400	1,554,970	1,221,700.00	0.00	1,221,700.00	78%	79	1,228,428	333,270	0
3	Street Sweeping	6,600	0	6,600	0.00	0.00	0.00	0%	0	0.00	6,600	0
4	Site Benches	2,460	0	2,460	0.00	0.00	0.00	0%	0	0	2,460	0
5	Temp Fencing	7,977	0	7,977	5,388.18	0.00	5,388.18	67.56%	74	5,908	2,070	0
6	Erosion Control	28,125	(28,125)	0	0.00	0.00	0.00	0%	0	0	0	0
7	Trellis	5,000	0	5,000	0.00	0.00	0.00	0%	0	0	5,000	0
8	Misc. Site Concrete	564,943	(564,943)	0	0.00	0.00	0.00	0%	0	0	0	0
9	Curbing & Striping	20,411	0	20,411	0.00	0.00	0.00	0%	0	0	20,411	0
10	Site Utilities	482,690	123,941	606,631	518,520.10	0.00	518,520.10	85.48%	85	518,548	88,111	0
11	Sanitary Sewer	305,001	(105,381)	0	0.00	0.00	0.00	0%	0	0	0	0
12	Soil Poisoning	11,698	(4,743)	6,955	0.00	6,955.33	6,955.33	100%	100	6,955	0	0
13	Silt Fence	108,530	(108,530)	0	0.00	0.00	0.00	#DIV/0!	0	0	0	0
14	Landscape and Irrigation	219,984	(18,884)	201,100	265,000	0.00	0.00	0%	0	0	265,000	0
15	Pavers - ALLOWANCE	45,880	0	45,880	0.00	0.00	0.00	0%	0	0	45,880	0
16	Grills & Picnic Tables	10,239	0	10,239	0.00	0.00	0.00	0%	0	0	10,239	0
17	Trash Receptacles	2,500	0	2,500	0.00	0.00	0.00	0%	0	0	2,500	0
18	Site Security	46,764	0	46,764	0.00	0.00	0.00	0%	0	0	46,764	0
19	Concrete Package	443,088	(443,088)	0	0.00	0.00	0.00	0%	0	0	0	0
20	Gypcrete	237,480	(3,660)	234,000	234,000	0.00	234,000	100%	100	234,000	0	0
21	Masonry Package	360,006	(10,006)	350,000	0.00	0.00	0.00	0%	0	0	350,000	0
22	Misc. Metal Materials	14,803	227,340	242,143	0.00	0.00	0.00	0%	0	0	242,143	0
23	Star & Railings	103,694	(103,694)	0	0.00	0.00	0.00	#DIV/0!	0	0	0	0
24	Building Railings	36,029	(36,029)	0	0.00	0.00	0.00	#DIV/0!	0	0	0	0
25	Rough Carpentry - Materials	894,730	193,592	1,088,322	802,916.22	240,910.84	1,043,827.06	99.67%	100	1,048,322	4,495	0
26	Framing Hardware	49,872	0	49,872	0.00	0.00	0.00	0%	0	0	49,872	0
27	Rough Carpentry - Labor	973,480	(90,285)	883,195	473,281.00	208,286.00	681,567.00	77.97%	78	681,872	192,628	0
28	Project Carpenter - Labor	55,565	0	55,565	0.00	0.00	0.00	0%	0	0	55,565	0
29	Finish Carpentry - Labor	101,146	(101,146)	0	0.00	0.00	0.00	0%	0	0	0	0
30	Cabinetry	280,875	(33,366)	247,510	0.00	0.00	0.00	0%	0	0	247,510	0
31	Trusses	315,600	20,800	336,400	254,339.28	82,060.72	336,400.00	100%	100	336,400	0	0
32	Insulation	132,000	(2,000)	130,000	0.00	0.00	0.00	0%	0	0	130,000	0
33	Gutters & Downspouts	27,932	0	27,932	0.00	0.00	0.00	0%	0	0	27,932	0
34	Membrane Roofing	136,733	(4,733)	132,000	11,000.00	45,812.68	56,812.68	42.89%	43	56,760	75,387	0
35	Weather Protection	5,000	0	5,000	0.00	0.00	0.00	0%	0	0	5,000	0
36	Metal Doors & Frames	226,902	23,058	249,960	0.00	0.00	0.00	0%	0	0	249,960	0
37	Roll-Up/Overhead Doors	21,660	0	21,660	0.00	0.00	0.00	0%	0	0	21,660	0
38	Special Doors	1,500	0	1,500	0.00	0.00	0.00	0%	0	0	1,500	0
39	Windows	118,126	2,994	121,120	0.00	0.00	0.00	0%	0	0	121,120	0
40	Drywall Package	460,040	115,863	575,903	0.00	0.00	0.00	0%	0	0	575,903	0
41	Ceramic Tile	191,596	(191,596)	0	0.00	0.00	0.00	#DIV/0!	0	0	0	0
42	Resilient Tile/Carpet	191,938	205,150	397,088	0.00	0.00	0.00	0%	0	0	397,088	0
43	Final Clean	61,500	(27,250)	34,250	0.00	0.00	0.00	0%	0	0	34,250	0
44	Painting Package	242,599	67,406	310,000	0.00	0.00	0.00	0%	0	0	310,000	0
45	Mirrors	18,400	(18,400)	0	0.00	0.00	0.00	#DIV/0!	0	0	0	0
46	Fire Extinguishers/Specialties	9,580	(9,580)	0	0.00	0.00	0.00	#DIV/0!	0	0	0	0
47	Postal Specialties	9,921	(9,921)	0	0.00	0.00	0.00	#DIV/0!	0	0	0	0
48	Closet Shelving Units	9,680	(9,680)	0	0.00	0.00	0.00	#DIV/0!	0	0	0	0
49	Towel/Bath Accessories	21,023	(21,023)	0	0.00	0.00	0.00	#DIV/0!	0	0	0	0
50	Signage	30,000	0	30,000	0.00	0.00	0.00	0%	0	0	30,000	0
51	Access Control	30,300	(30,300)	0	0.00	0.00	0.00	#DIV/0!	0	0	0	0
52	Appliances	238,452	29,323	267,775	0.00	0.00	0.00	0%	0	0	267,775	0
53	Window Treatments	20,000	2,500	22,500	16,000.00	0.00	16,000.00	71.11%	71	16,000	8,500	0
54	Swimming Pool	127,325	(3,325)	124,000	0.00	0.00	0.00	0%	0	0	124,000	0
55	Fire Protection	165,000	53,846	218,846	120,573.00	36,400.00	156,973.00	71.69%	72	157,641	61,973	0
56	Fire P. Break Tank ALLOWANCE	36,000	(37,478)	0	0.00	0.00	0.00	0%	0	0	0	0
57	Plumbing	496,036	25,888	522,824	155,900.00	115,161.20	271,151.20	51.86%	52	271,868	251,673	0
58	Unit Sub-Meters - ALLOWANCE	14,336	0	14,336	0.00	0.00	0.00	0%	0	0	14,336	0
59	HVAC	592,441	(8,841)	583,600	0.00	204,654.00	204,654.00	37.27%	38	206,188	327,948	0
60	Basic Electrical	684,000	11,249	695,249	57,327.08	174,800.00	232,127.08	33.39%	34	236,385	463,122	0
61	Residential Light Fixtures	142,453	0	142,453	0.00	0.00	0.00	0%	0	0	142,453	0
62	Low Voltage Access Control	70,560	(70,560)	0	0.00	0.00	0.00	#DIV/0!	0	0	0	0
63	CCTV	35,000	(35,000)	0	0.00	0.00	0.00	#DIV/0!	0	0	0	0
64	FPL/CATV Primary	85,000	(45,372)	39,628	0.00	0.00	0.00	0%	0	0	39,628	0
64	Fire Alarms	73,500	82,226	155,726	0.00	25,275.00	25,275.00	16.25%	15	25,273	140,452	0
65	Job Reserves	0	176,483	176,483	0.00	0.00	0.00	0%	0	0	176,483	0
66	General Conditions	651,463	(50,000)	601,463	372,264.35	46,533.00	418,797.35	69.63%	70	421,024	182,666	0
67	Mobilization	0	50,000	50,000	0.00	50,000.00	50,000.00	100%	100	50,000	0	0
68	Project Overhead	217,155	1,747	218,902	76,112.20	21,255.38	97,367.58	44.46%	44	97,368	121,534	0
69	GL Insurance	146,579	0	146,579	85,881.61	0.00	85,881.61	58.59%	59	86,482	60,697	0
70	Management Fee	651,462	6,241	657,703	228,335.55	63,760.84	292,101.39	44.46%	44	292,101	364,601	0
71	Rough Clean	0	56,150	56,150	0.00	0.00	0.00	0%	0	0	0	0
Change Order #1		0	0	0	0.00	0.00	0.00	0%	0	0	0	0
Change Order #2		0	0	0	0.00	0.00	0.00	0%	0	0	0	0
Change Order #3		0	0	0	0.00	0.00	0.00	0%	0	0	0	0
Change Order #4		0	0	0	0.00	0.00	0.00	0%	0	0	0	0
Change Order #5		0	0	0	0.00							



**PROJECT DESCRIPTION:**

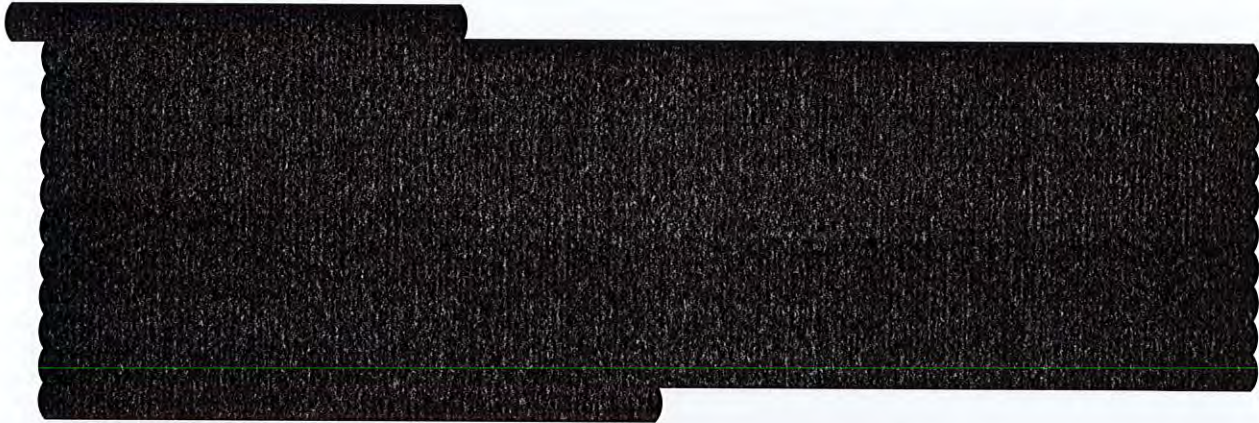
The Terraces at Arboretum involves the construction of 5 wood framed three-story multifamily buildings totaling 137,763 sf. The square shaped 10-acre property is located approximately 3 miles from Sugar Land and 19 miles southwest of the Houston metro area.

**DISCUSSION OF WORK IN PROGRESS:**

Jhme visited the site on 10/30/18. Work on the project continues despite the extremely wet conditions. Rough framing operations were substantially complete on all of the buildings. Weatherproof wrapping operations were substantially complete on buildings 1,2,3, and 5 and were nearing completion on building 4. Roofs had been installed on buildings 1,2,3 and 5 and was being placed during the time of our visit on building 4. HVAC ductwork and electrical wiring was being placed in buildings 1,2 and 3. Plumbing rough-ins were in place on all buildings and was substantially complete on the clubhouse.

**QUALITY OF CONSTRUCTION:**

The quality of work completed by the contractor to date is in accordance with the scope of work shown in the construction documents. It is in general compliance to the local building codes and regulations.





[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

**SCHEDULE:**

We received an updated schedule which reflects a revised completion date of 07/18/2019. All buildings are scheduled for completion with an Owner Walk by 05/15/2019. We have not received the additional Schedule for the Soccer Field and we mention this for your information. We attached a copy of the schedule to 'Exhibit B' for your review and approval.

**TESTING:**

We have not received testing results but have requested to be added to the testing labs direct distribution list. We will comment further on next month's report as to the status of the reports.

**ITEMS OF CONCERN:**

- 1. None indicated
-



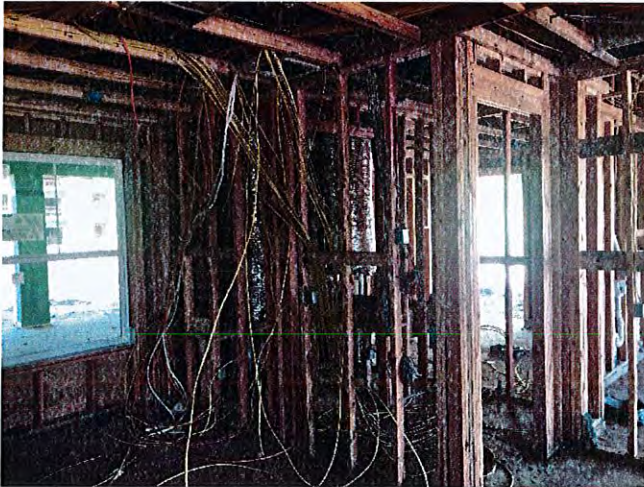
Exhibit 'A'– Site Photographs



Overall view of the site.



Overall view of building 1.



Electrical wiring was being installed in building 1.



HVAC ductwork was being placed in building 1.



Terraces at Arboretum  
Monthly Project Review – Pay App #10/Draw #10



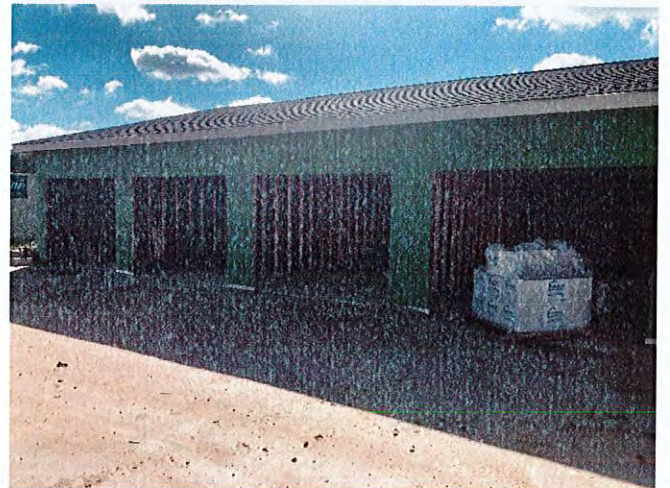
Overall view of building 2.



Roof was substantially complete on building 2.



Overall view of building 4.



Exterior garages had roofs in place.





## **MONTHLY PROJECT REVIEW – Report #10**

**Terraces at Arboretum**  
15928 Old Richmond Road  
Sugar Land, TX 77498

jhme Reference: 17-17-072

Prepared for:

**CommunityBank of Texas, N.A.**



**Terraces at Arboretum  
Monthly Project Review – Pay App #11**

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**EXECUTIVE SUMMARY:**

Application Number:	#11	Application Period Thru:	11/25/2018
Requested Draw Amount:	[REDACTED]	Date Received:	12/18/2018
Approved Draw Amount:	[REDACTED]	Site Visit Date:	11/28/2018
Contract Start Date:	11/24/2017	Contract Completion Date:	07/18/2019
Reported Percent Complete:	52%	Estimated Percent Complete:	52%

**PROJECT DESCRIPTION:**

The Terraces at Arboretum involves the construction of 5 wood framed three-story multifamily buildings totaling 137,763 sf. The square shaped 10-acre property is located approximately 3 miles from Sugar Land and 19 miles southwest of the Houston metro area.

**DISCUSSION OF WORK IN PROGRESS:**

jhme visited the site on 11/28/18. The conditions at the time of our site visit was extremely wet and muddy. Rough framing operations were substantially complete on all the buildings. Weatherproof wrapping operations were substantially complete on buildings. Roofs were substantially complete on all the buildings. HVAC ductwork, electrical wiring and plumbing were substantially complete on buildings 1,2 and 3 nearing completion on 4 and being installed on 5 and 6. The club house had rough framing substantially complete and HVAC ductwork was being installed. The exterior garages were nearing completion around the perimeter of the buildings.

**QUALITY OF CONSTRUCTION:**

The quality of work completed by the contractor to date is in accordance with the scope of work shown in the construction documents. It is in general compliance to the local building codes and regulations.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

**SCHEDULE:**

We received an updated schedule which reflects a revised completion date of 07/18/2019. All buildings are scheduled for completion with an Owner Walk by 05/15/2019. We have not received the additional Schedule for the Soccer Field and we mention this for your information. We attached a copy of the schedule to 'Exhibit B' for your review and approval.

**TESTING:**

We have not received testing results but have requested to be added to the testing labs direct distribution list. We will comment further on next month's report as to the status of the reports.

**ITEMS OF CONCERN:**

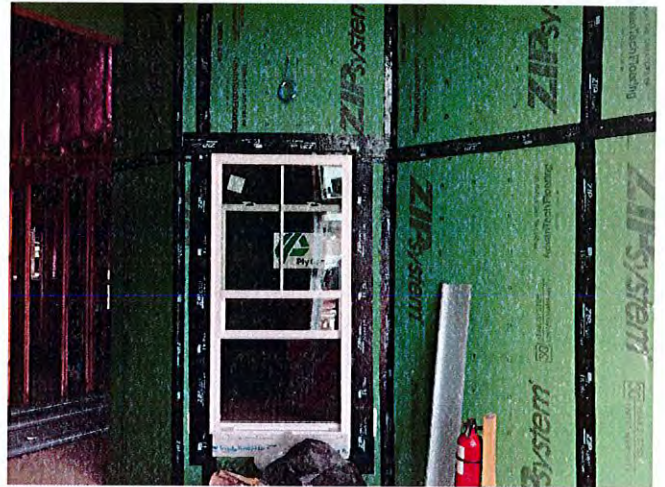
- 1. None indicated



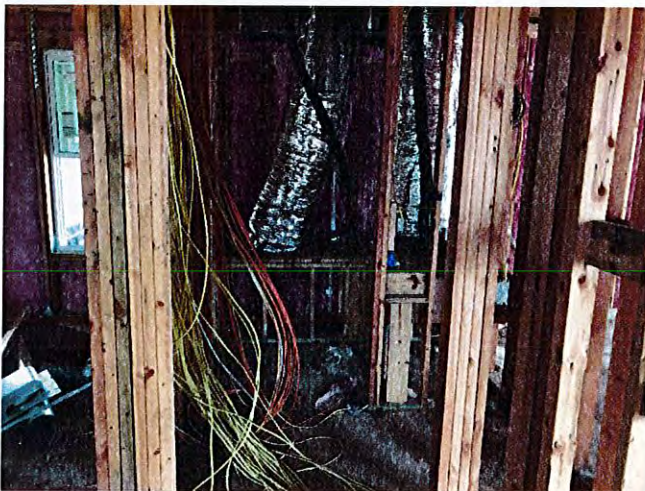
Exhibit 'A' – Site Photographs



Overall view of the site.



Weatherproof wrapping and windows were being installed at the Clubhouse.



Electrical wiring and HVAC ductwork were being installed at the Clubhouse.



Overall view of Building 1.



Terraces at Arboretum  
Monthly Project Review – Pay App #11



Overall view of Building 2.



Brick work around the base of Buildings 1-2 was well underway.



Overall view of building 4.



The installation of the roof was substantially complete on all the Buildings.





## **MONTHLY PROJECT REVIEW – Report #12**

**Terraces at Arboretum**  
15928 Old Richmond Road  
Sugar Land, TX 77498

jhme Reference: 17-17-072

Prepared for:

**CommunityBank of Texas, N.A.**



**Terraces at Arboretum  
Monthly Project Review – Pay App #13**

---

**EXECUTIVE SUMMARY:**

Application Number:	#13	Application Period Thru:	01/25/2019
Requested Draw Amount:	[REDACTED]	Date Received:	02/06/2019
Approved Draw Amount:	[REDACTED]	Site Visit Date:	01/30/2019
Contract Start Date:	11/24/2017	Contract Completion Date:	07/18/2019
Reported Percent Complete:	62%	Estimated Percent Complete:	62%

**PROJECT DESCRIPTION:**

The Terraces at Arboretum involves the construction of 5 wood framed three-story multifamily buildings totaling 137,763 sf. The square shaped 10-acre property is located approximately 3 miles from Sugar Land and 19 miles southwest of the Houston metro area.

**DISCUSSION OF WORK IN PROGRESS:**

jhme visited the site on 01/30/19. The conditions at the time of our site visit was extremely wet and muddy. Rough framing operations were substantially complete on all the buildings. Weatherproof wrapping operations were substantially complete on all buildings. Exterior masonry was substantially complete at all Buildings. Siding operations was nearing completion on all buildings. Roofs were substantially complete on all the buildings. HVAC ductwork, electrical wiring and plumbing were substantially complete on buildings #1 through #5. HVAC ductwork, electrical wiring and plumbing were nearing completion at building #6. Siding installation was nearing completion at building #6 Siding and masonry operations were underway at the Clubhouse. Interior electrical, plumbing and HVAC was being installed at the clubhouse. Materials for framing and HVAC were being stockpiled on site and installed accordingly.

**QUALITY OF CONSTRUCTION:**

The quality of work completed by the contractor to date is in accordance with the scope of work shown in the construction documents. It is in general compliance to the local building codes and regulations.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



Systems' line item, and a budget increase for the 'Rough Carpentry-Materials' line item. We did observe work

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

**SCHEDULE:**

We received an updated schedule which reflects a revised completion date of 07/18/2019. All buildings are scheduled for completion with an Owner Walk by 05/15/2019. We have not received the additional Schedule for the Cricket Field and we mention this for your information. The Clubhouse appeared to be 6 weeks behind schedule at the time of our site visit. jhme believes a substantial completion date in early August to be achievable.

**TESTING:**

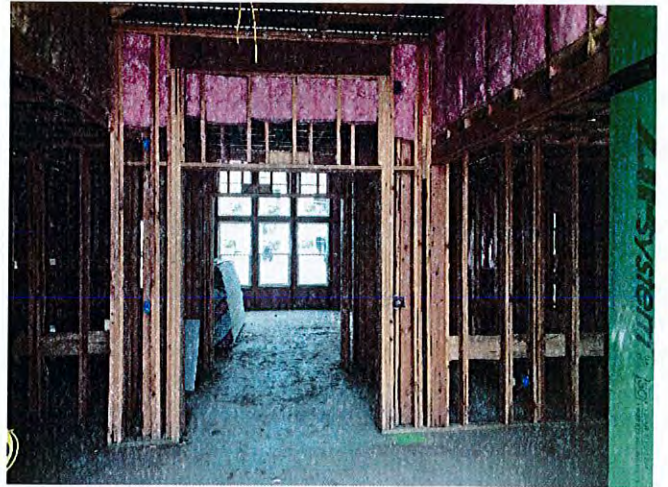
We have not received testing results but have requested to be added to the testing labs direct distribution list. We will comment further on next month's report as to the status of the reports.



Exhibit 'A' – Site Photographs



Overall view of the site.



Insulation was being installed throughout the Clubhouse.



HVAC and electrical work was well underway at the Clubhouse.



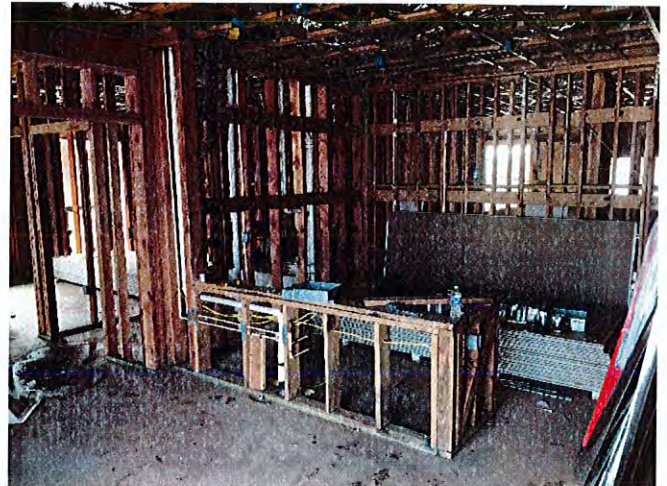
Drywall materials were being stockpiled inside the Clubhouse.



Terraces at Arboretum  
Monthly Project Review – Pay App #13



Overall view of Building #1.



Interior rough framing operations and electrical wiring was well underway at Building #1.



Overall view of Building #2 with siding substantially complete.

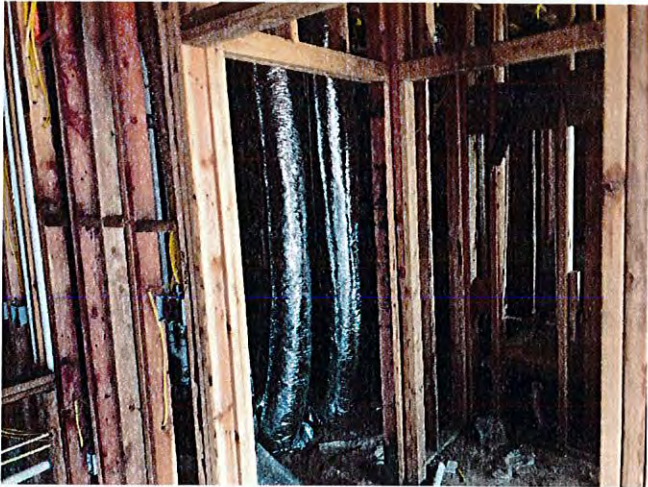


The installation of the electrical wiring and HVAC was nearing completion at Building #2.





Overall view of Building #4.



HVAC was being installed at Building #4.



Siding was being installed on the south end of Building #6.



Overall view of the proposed cricket field.





## **MONTHLY PROJECT REVIEW – Report #13**

**Terraces at Arboretum**  
15928 Old Richmond Road  
Sugar Land, TX 77498

jhme Reference: 17-17-072

Prepared for:

**CommunityBank of Texas, N.A.**



**Terraces at Arboretum  
Monthly Project Review – Pay App #14**

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**EXECUTIVE SUMMARY:**

Application Number:	#14	Application Period Thru:	02/25/2019
Requested Draw Amount:	[REDACTED]	Date Received:	03/15/2019
Approved Draw Amount:	[REDACTED]	Site Visit Date:	02/27/2019
Contract Start Date:	11/24/2017	Contract Completion Date:	07/18/2019
Reported Percent Complete:	66%	Estimated Percent Complete:	64%

**PROJECT DESCRIPTION:**

The Terraces at Arboretum involves the construction of 5 wood framed three-story multifamily buildings totaling 137,763 sf. The square shaped 10-acre property is located approximately 3 miles from Sugar Land and 19 miles southwest of the Houston metro area.

**DISCUSSION OF WORK IN PROGRESS:**

jhme visited the site on 02/27/19. The conditions at the time of our site visit was extremely wet and muddy. Rough framing operations were substantially complete on all the buildings. Weatherproof wrapping operations were substantially complete on all buildings. Exterior masonry was substantially complete at all Buildings. Siding operations was substantially complete on all buildings. Roofs were substantially complete on all the buildings. HVAC ductwork, electrical wiring and plumbing were substantially complete on buildings #1 through #6. Siding was substantially complete at all buildings. Painting operations were well underway at the clubhouse. Interior electrical, plumbing and HVAC was being installed at the clubhouse. Interior doors, frames and windows were being installed at the clubhouse. Drywall operations were nearing completion inside the clubhouse.

**QUALITY OF CONSTRUCTION:**

The quality of work completed by the contractor to date is in accordance with the scope of work shown in the construction documents. It is in general compliance to the local building codes and regulations.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]







**SCHEDULE:**

We received an updated schedule which reflects a revised completion date of 07/18/2019. All buildings are scheduled for completion with an Owner Walk by 05/15/2019. We have not received the additional Schedule for the Cricket Field and we mention this for your information. The Clubhouse appeared to be 6 weeks behind schedule at the time of our site visit. jhme believes a substantial completion date in early August to be achievable.

**TESTING:**

We have not received testing results but have requested to be added to the testing labs direct distribution list. We will comment further on next month's report as to the status of the reports.

**ITEMS OF CONCERN:**

1. Schedule

Exhibit 'A' – Site Photographs



Overall view of the site.



Interior drywall was nearing completion.



Interior doors and windows were being installed.



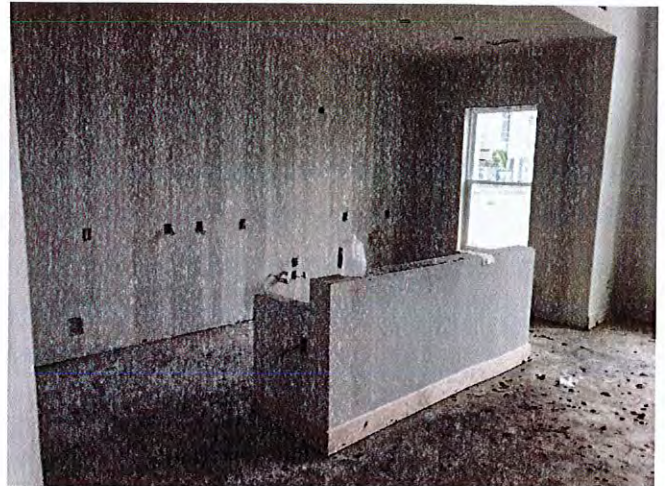
Overall view of the jobsite conditions.



**Terraces at Arboretum  
Monthly Project Review – Pay App #14**



Overall view of Building #1.



Interior drywall operations were underway.



Overall view of Building #2 with siding substantially complete.



The exterior parking garages were nearing completion.





Overall view of Building #3 with siding nearing completion.



Electrical and plumbing was substantially complete at building 4.



Masonry operations were nearing completion at building 6.



New electrical meter bank had been installed at building 5.





## **MONTHLY PROJECT REVIEW – Report #14**

**Terraces at Arboretum**  
15928 Old Richmond Road  
Sugar Land, TX 77498

jhme Reference:17072

Prepared for:

**CommunityBank of Texas, N.A.**



**Terraces at Arboretum  
Monthly Project Review – Pay App #15**

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**EXECUTIVE SUMMARY:**

Application Number:	#15	Application Period Thru:	03/25/2019
Requested Draw Amount:	[REDACTED]	Date Received:	04/01/2019
Approved Draw Amount:	[REDACTED]	Site Visit Date:	03/27/2019
Contract Start Date:	11/24/2017	Contract Completion Date:	07/18/2019
Reported Percent Complete:	68%	Estimated Percent Complete:	68%

**PROJECT DESCRIPTION:**

The Terraces at Arboretum involves the construction of 5 wood framed three-story multifamily buildings totaling 137,763 sf. The square shaped 10-acre property is located approximately 3 miles from Sugar Land and 19 miles southwest of the Houston metro area.

**DISCUSSION OF WORK IN PROGRESS:**

jhme visited the site on 03/27/19. The conditions at the time of our site visit were wet and sunny. Weatherproof wrapping operations were substantially complete on all buildings. Exterior masonry was substantially complete at all Buildings. Siding operations were substantially complete on all buildings. HVAC ductwork, electrical wiring and plumbing were substantially complete on Buildings #1 through #6. Insulation had been installed in buildings 1,2 and 3. With drywall operations nearing completion in building 2 and underway at building 1 and 3. Bathtubs had been installed throughout the first 5 buildings. Painting operations were well underway at the clubhouse and floors in the main lobby were being installed. Interior electrical, plumbing and HVAC was being installed at the clubhouse. Excavation and earthwork had just begun at the proposed cricket field.

**QUALITY OF CONSTRUCTION:**

The quality of work completed by the contractor to date appears to be in accordance with the scope of work shown in the construction documents and is in general compliance to the local building codes and regulations.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]





**SCHEDULE:**

We received an updated schedule which reflects a revised completion date of 07/18/2019. All buildings are scheduled for completion with an Owner Walk by 05/15/2019. We have not received the additional Schedule for the Cricket Field and we mention this for your information. The Clubhouse appeared to be 6 weeks behind schedule at the time of our site visit. jhme believes a substantial completion date in early August to be achievable.

**TESTING:**

We have not received testing results but have requested to be added to the testing labs direct distribution list. We will comment further on next month's report as to the status of the reports.



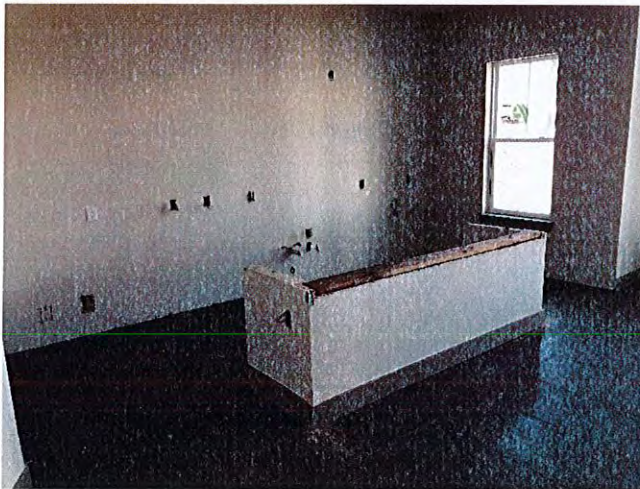
Exhibit 'A' – Site Photographs



Overall view of the site.



Interior drywall was nearing completion.



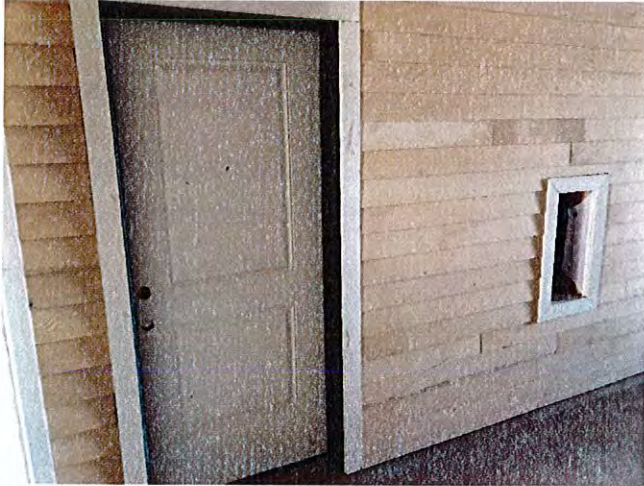
Flooring in the main lobby was being installed.



Overall view Building #1.



Terraces at Arboretum  
Monthly Project Review – Pay App #15



Interior doors were being installed and siding in the hallways was nearing completion.



Interior windows had been installed and insulation was nearing completion.



Interior drywall operations were well underway at building 2.



Sliding glass doors were in place at building 2.



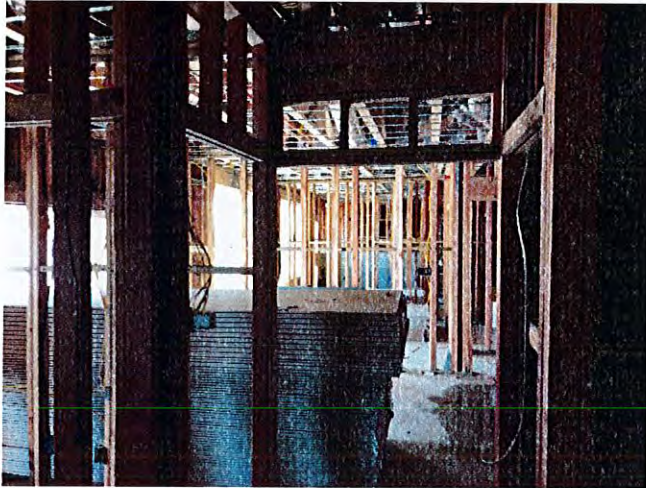
Terraces at Arboretum  
Monthly Project Review – Pay App #15



Bathtubs were in place at building 2.



Overall view of building 4.



Interior rough framing was substantially complete, and drywall was being stockpiled on site.



Excavation work was underway at the cricket field.





## **MONTHLY PROJECT REVIEW – Report #15**

**Terraces at Arboretum**  
15928 Old Richmond Road  
Sugar Land, TX 77498

jhme Reference:17072

Prepared for:

**CommunityBank of Texas, N.A.**



Terraces at Arboretum  
Monthly Project Review – Pay App #16

**EXECUTIVE SUMMARY:**

Application Number:	#16	Application Period Thru:	04/25/2019
Requested Draw Amount:	[REDACTED]	Date Received:	05/02/2019
Approved Draw Amount:	[REDACTED]	Site Visit Date:	04/24/2019
Contract Start Date:	11/24/2017	Contract Completion Date:	07/18/2019
Reported Percent Complete:	74%	Estimated Percent Complete:	73%

**PROJECT DESCRIPTION:**

The Terraces at Arboretum involves the construction of 5 wood framed three-story multifamily buildings totaling 137,763 sf. The square shaped 10-acre property is located approximately 3 miles from Sugar Land and 19 miles southwest of the Houston metro area.

**DISCUSSION OF WORK IN PROGRESS:**

jhme visited the site on 04/24/19. Site conditions at the time of our visit were muddy with rain. Weatherproof wrapping operations were substantially complete on all buildings. Exterior masonry was substantially complete at all Buildings. Siding operations were substantially complete and exterior painting operations were nearing completion at all Buildings. HVAC ductwork, electrical wiring and plumbing were substantially complete at Buildings #1 through #6. Insulation had been installed in buildings 1,2, 3, with improvements in progress at Building 4. Drywall operations were nearing completion in buildings 1,2, and 3. Bathtubs had been installed throughout the first 5 buildings. Interior painting operations were well underway at the clubhouse and Main Lobby flooring improvements were in progress. Rough electrical, plumbing and HVAC improvements were in progress, along with rough framing operations. Excavation and earthwork were nearing completion at the proposed cricket field.

**QUALITY OF CONSTRUCTION:**

The quality of work completed by the contractor to date appears to be in accordance with the scope of work shown in the construction documents and is in general compliance to the local building codes and regulations.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]







Exhibit 'A'– Site Photographs



Overall view of the site.



Building 1 had exterior work substantially complete.



Installation of the fire sprinkler system was well underway.



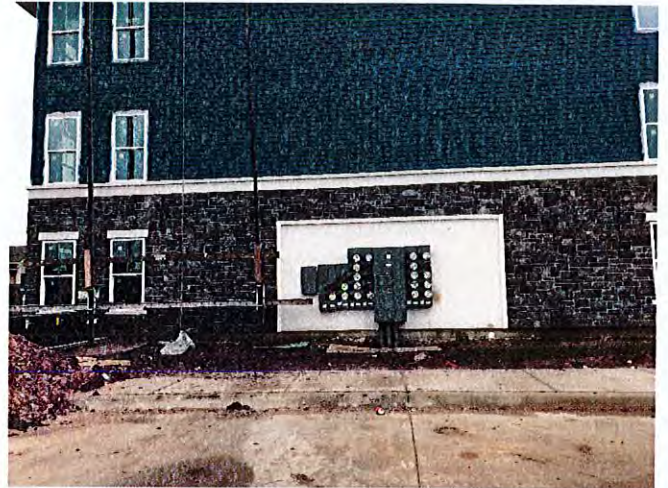
View of conditions in the courtyard.



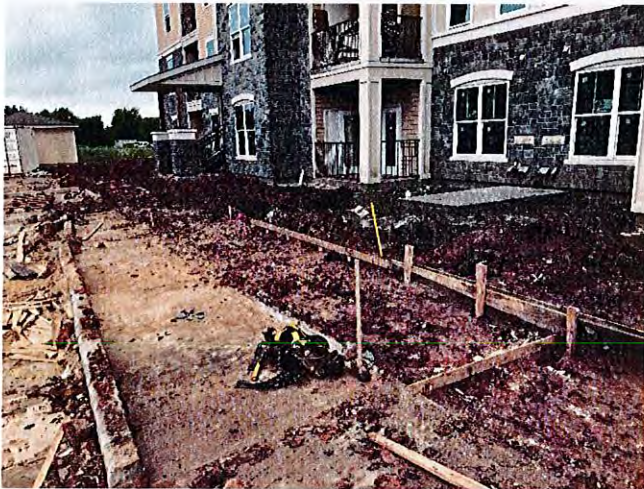
Terraces at Arboretum  
Monthly Project Review – Pay App #16



Condensing units had been installed around the buildings.



Electrical meter boxes were in place at most of the buildings.



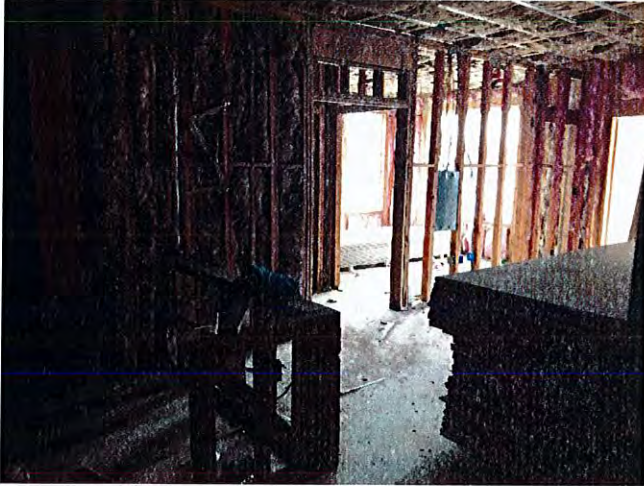
Formwork was being installed for sidewalks.



Overall view of reinforcement in place for the sidewalks to be installed.



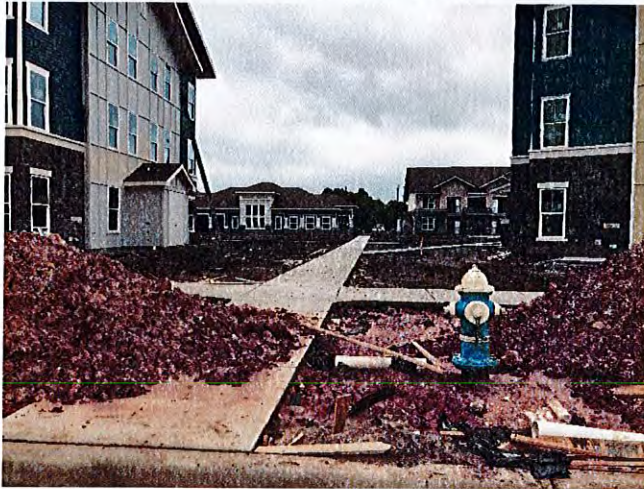
Terraces at Arboretum  
Monthly Project Review – Pay App #16



Rough framing was substantially complete at building 4 and insulation was being installed.



Overall view of building 4 with painting upgrades underway.



Concrete sidewalks had been installed throughout the courtyard to the clubhouse.



Overall view of the cricket field which had earthwork nearing completion.





## **MONTHLY PROJECT REVIEW – Report #16**

**Terraces at Arboretum**  
15928 Old Richmond Road  
Sugar Land, TX 77498

jhme Reference:17072

Prepared for:

**CommunityBank of Texas, N.A.**



**Terraces at Arboretum  
Monthly Project Review – Pay App #17**

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**EXECUTIVE SUMMARY:**

Application Number:	#17	Application Period Thru:	05/25/2019
Requested Draw Amount:	[REDACTED]	Date Received:	05/29/2019
Approved Draw Amount:	[REDACTED]	Site Visit Date:	05/29/2019
Contract Start Date:	11/24/2017	Contract Completion Date:	07/18/2019
Reported Percent Complete:	77%	Estimated Percent Complete:	75%

**PROJECT DESCRIPTION:**

The Terraces at Arboretum involves the construction of 5 wood framed three-story multifamily buildings totaling 137,763 sf. The square shaped 10-acre property is located approximately 3 miles from Sugar Land and 19 miles southwest of the Houston metro area.

**DISCUSSION OF WORK IN PROGRESS:**

jhme visited the site on 05/29/19. Site conditions at the time of our visit were sunny and dry. Weatherproof wrapping operations were substantially complete on all buildings. Exterior masonry was substantially complete at all Buildings. Siding operations were substantially complete and exterior painting operations were substantially complete at all Buildings. HVAC ductwork, electrical wiring and plumbing were substantially complete at Buildings #1 through #6. Insulation had been at all six of the buildings. Drywall operations were nearing completion in buildings 1,2, and 3. Bathtubs had been installed throughout all the buildings. Interior painting operations were well underway at the clubhouse and Main Lobby flooring improvements were well underway. Rough electrical, plumbing and HVAC improvements were well underway, along with rough framing operations. Earth work was substantially complete at the cricket field. We met with the new superintendent while on site who has appeared to make substantial improvements since taking over.

**QUALITY OF CONSTRUCTION:**

The quality of work completed by the contractor to date appears to be in accordance with the scope of work shown in the construction documents and is in general compliance to the local building codes and regulations.

[REDACTED]

[REDACTED]

[REDACTED]

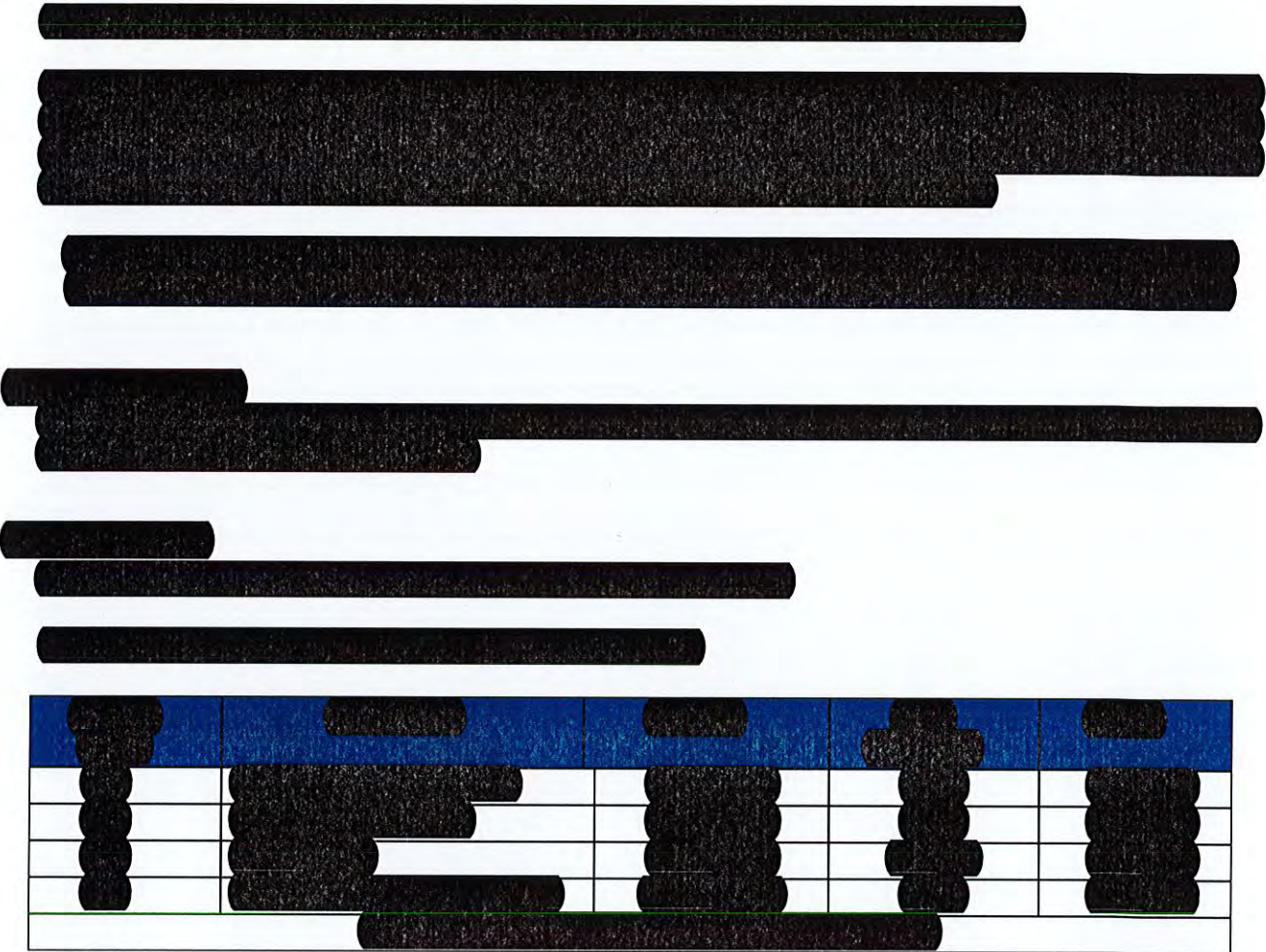
[REDACTED]

[REDACTED]



Terraces at Arboretum  
Monthly Project Review – Pay App #17

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**SCHEDULE:**  
We received an updated schedule which reflects a revised completion date of 07/18/2019. All buildings are scheduled for completion with an Owner Walk by 05/15/2019. We have not received the additional Cricket Field Schedule and we mention this for your information. Based on our observations on site, compared to the schedule provided to our office, we estimate work to be approximately 13 weeks or 3 months behind schedule. We will continue to request and updated schedule and comment additionally once our office has received one.

**TESTING:**  
We have not received testing results but have requested to be added to the testing labs direct distribution list. We will comment further on next month’s report as to the status of the reports.

- ITEMS OF CONCERN:**
- Cricket field schedule



Exhibit 'A'– Site Photographs

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Overall view of the site.



View of the concrete curbs in place and the clean up process that was substantially complete.



View of the storefront entrance to the clubhouse with doors and windows in place.



Drywall was nearing completion and painting operations were underway.



**Terraces at Arboretum**  
**Monthly Project Review – Pay App #17**



Cabinets were awaiting installation at the clubhouse.



Overall view of two buildings and the concrete pool which was being installed in the courtyard.



Interior at building 1 with cabinets stockpiled on site.



Bathrooms had tubs installed and drywall was substantially complete with painting substantially complete.



**Terraces at Arboretum**  
**Monthly Project Review – Pay App #17**

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Overall view of building 3 with siding and painting operations substantially complete.



Overall view of building 4 with painting upgrades substantially complete.



Drywall was substantially complete throughout building 4.



Overall view of the cricket field which had excavation operations substantially complete.





## **MONTHLY PROJECT REVIEW – Report #17**

**Terraces at Arboretum**  
15928 Old Richmond Road  
Sugar Land, TX 77498

jhme Reference:17072

Prepared for:

**CommunityBank of Texas, N.A.**



**Terraces at Arboretum  
Monthly Project Review – Pay App #18**

**EXECUTIVE SUMMARY:**

Application Number:	#18	Application Period Thru:	06/25/2019
Requested Draw Amount:	[REDACTED]	Date Received:	07/10/2019
Approved Draw Amount:	[REDACTED]	Site Visit Date:	06/26/2019
Contract Start Date:	11/24/2017	Contract Completion Date:	07/18/2019
Reported Percent Complete:	84%	Estimated Percent Complete:	82%

**PROJECT DESCRIPTION:**

The Terraces at Arboretum involves the construction of 5 wood framed three-story multifamily buildings totaling 137,763 sf. The square shaped 10-acre property is located approximately 3 miles from Sugar Land and 19 miles southwest of the Houston metro area.

**DISCUSSION OF WORK IN PROGRESS:**

jhme visited the site on 06/26/19. Site conditions at the time of our visit were sunny and dry. Weatherproof wrapping operations were substantially complete on all buildings. Exterior masonry was substantially complete at all Buildings. Siding operations were substantially complete and exterior painting operations were substantially complete at all Buildings. HVAC ductwork, electrical wiring and plumbing were substantially complete at Buildings #1 through #6. Insulation had been installed at all six buildings. Drywall operations were substantially complete at buildings 1,2,3,4 & 5, and were nearing completion at building 6. Bathtubs had been installed throughout all the buildings. Interior painting operations were substantially complete at the clubhouse and Main Lobby flooring improvements were nearing completion. Countertops and cabinets had been installed throughout the clubhouse. Earth work was substantially complete at the cricket field. Clean up at the main entrance of the facility was nearing completion; overall, the progress at the job site was increasing.

**QUALITY OF CONSTRUCTION:**

The quality of work completed by the contractor to date appears to be in accordance with the scope of work shown in the construction documents and is in general compliance to the local building codes and regulations.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



**Terraces at Arboretum**  
**Monthly Project Review – Pay App #18**

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**SCHEDULE:**

We received an updated schedule which reflects a revised completion date of 07/18/2019. All buildings are scheduled for completion with an Owner Walk by 05/15/2019. We have not received the additional Cricket Field Schedule and we mention this for your information. Based on our observations on site, compared to the schedule provided to our office, we estimate work to be approximately 13 weeks or 3 months behind schedule.

**TESTING:**

We have not received testing results but have requested to be added to the testing labs direct distribution list.

**ITEMS OF CONCERN:**

- Cricket field schedule

Exhibit 'A' – Site Photographs



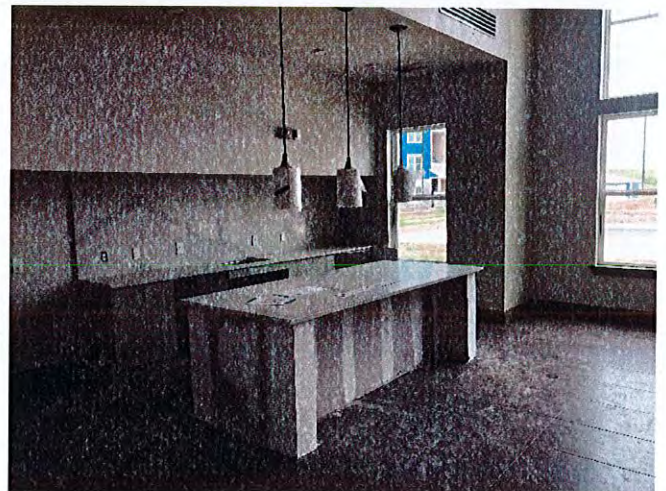
Overall view of the site.



Storefront of the clubhouse was nearing completion.



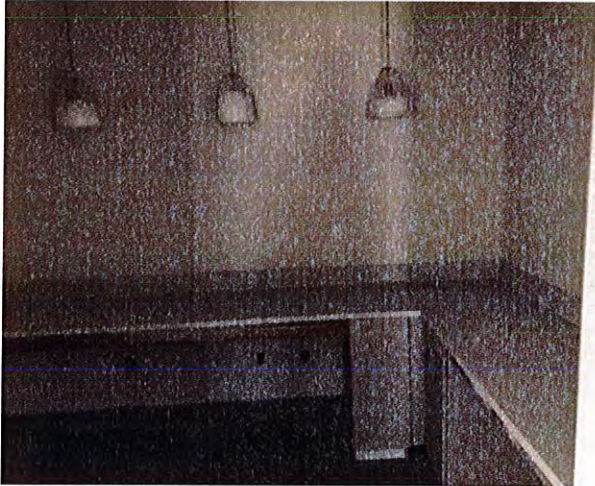
Floors were being installed at the clubhouse.



Countertops and lighting had been installed.



Terraces at Arboretum  
Monthly Project Review – Pay App #18



Countertops in the computer room were substantially complete.



Overall view of the courtyard with the pool nearing completion.



View of the interior at building 1 with countertops and cabinets in place.



The cabinets had been installed in the kitchen.



Terraces at Arboretum  
Monthly Project Review – Pay App #18

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Overall view of building 4 with windows, siding and painting in place.



The concrete pad for the trash enclosure was substantially complete.



Concrete sidewalks had been installed throughout the job site.



View of the kitchen of a unit in building 5 with drywall in place.





## **MONTHLY PROJECT REVIEW – Report #18**

**Terraces at Arboretum**  
15928 Old Richmond Road  
Sugar Land, TX 77498

jhme Reference:17072

Prepared for:

**CommunityBank of Texas, N.A.**



**Terraces at Arboretum  
Monthly Project Review – Pay App #19**

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**EXECUTIVE SUMMARY:**

Application Number:	#19	Application Period Thru:	07/25/2019
Requested Draw Amount:	[REDACTED]	Date Received:	08/01/2019
Approved Draw Amount:	[REDACTED]	Site Visit Date:	07/31/2019
Contract Start Date:	11/24/2017	Contract Completion Date:	07/18/2019
Reported Percent Complete:	88%	Estimated Percent Complete:	85%

**PROJECT DESCRIPTION:**

The Terraces at Arboretum involves the construction of 5 wood framed three-story multifamily buildings totaling 137,763 sf. The square shaped 10-acre property is located approximately 3 miles from Sugar Land and 19 miles southwest of the Houston metro area.

**DISCUSSION OF WORK IN PROGRESS:**

jhme visited the site on 07/31/19. Site conditions at the time of our visit were sunny and dry. Weatherproof wrapping operations were substantially complete on all buildings. Exterior masonry was substantially complete at all Buildings. Siding operations were substantially complete and exterior painting operations were substantially complete at all Buildings. Landscaping operations were underway around the jobsite. HVAC ductwork, electrical wiring and plumbing were substantially complete at Buildings #1 through #6. Insulation had been installed at all six buildings. Drywall operations were substantially complete at all 6 buildings. Bathtubs had been installed throughout all the buildings with tile floors in the bathrooms nearing completion. Interior painting operations were substantially complete at the clubhouse and Main Lobby flooring improvements were nearing completion. Countertops and cabinets had been installed throughout the clubhouse. The toilet and sinks had been installed at the bathroom in the clubhouse. Earth work was substantially complete at the cricket field. Clean up at the main entrance of the facility was nearing completion.

**QUALITY OF CONSTRUCTION:**

The quality of work completed by the contractor to date appears to be in accordance with the scope of work shown in the construction documents and is in general compliance to the local building codes and regulations.

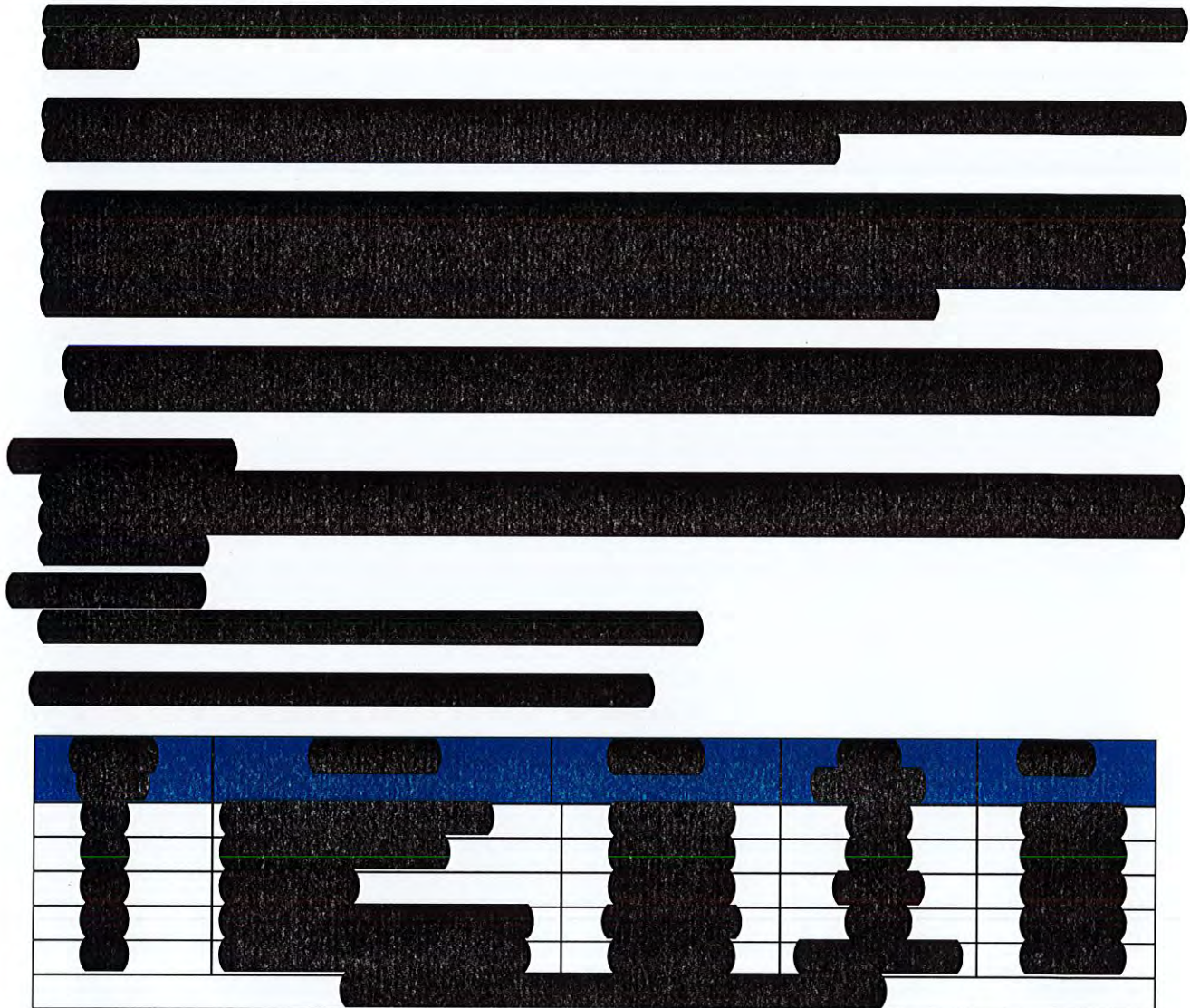
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]





**SCHEDULE:**

We received an updated schedule which reflects a revised completion date of 07/18/2019. All buildings are scheduled for completion with an Owner Walk by 05/15/2019. We have not received the additional Cricket Field Schedule and we mention this for your information. Based on our observations on site, compared to the schedule provided to our office, we estimate work to be approximately 13 weeks or 3 months behind schedule.

**TESTING:**

We have not received testing results but have requested to be added to the testing labs direct distribution list.

**ITEMS OF CONCERN:**

- Cricket field schedule



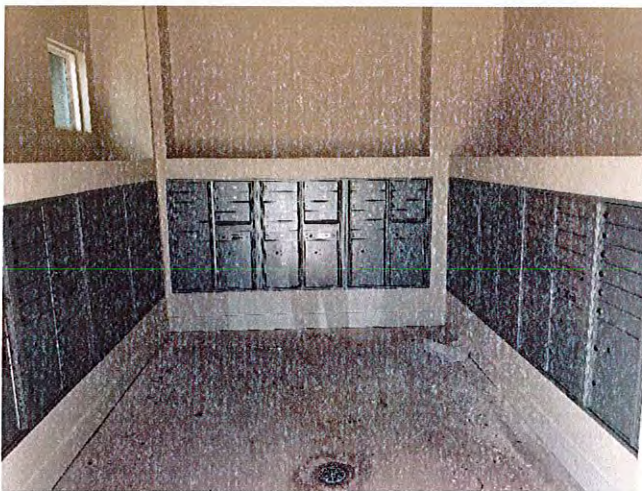
Exhibit 'A' – Site Photographs



Overall view of the site.



Landscaping was being installed around the buildings.



Mailboxes were installed at the clubhouse.



View of the interior of the clubhouse with countertops installed.



**Terraces at Arboretum**  
**Monthly Project Review – Pay App #19**



View of the sinks which had been installed at the clubhouse.



Overall view of the courtyard with the pool nearing completion.



Sidewalks were being poured at the south end of the clubhouse.



Overall view of building 1 with landscaping operations underway.



Terraces at Arboretum  
Monthly Project Review – Pay App #19



Tile floors were installed at the bathrooms in building 1.



Overall view of the kitchen in building 3.



Overall view of building 3.



Overall view of the cricket field which had earthwork substantially complete.





**MONTHLY PROJECT REVIEW – Report #19**

**Terraces at Arboretum**  
15928 Old Richmond Road  
Sugar Land, TX 77498

jhme Reference:17072

Prepared for:

**CommunityBank of Texas, N.A.**



**Terraces at Arboretum  
Monthly Project Review – Pay App #20**

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**EXECUTIVE SUMMARY:**

Application Number:	#20	Application Period Thru:	08/25/2019
Requested Draw Amount:	[REDACTED]	Date Received:	09/17/2019
Approved Draw Amount:	[REDACTED]	Site Visit Date:	08/28/2019
Contract Start Date:	11/24/2017	Contract Completion Date:	07/18/2019
Reported Percent Complete:	90%	Estimated Percent Complete:	88%

**PROJECT DESCRIPTION:**

The Terraces at Arboretum involves the construction of 5 wood framed three-story multifamily buildings totaling 137,763 sf. The square shaped 10-acre property is located approximately 3 miles from Sugar Land and 19 miles southwest of the Houston metro area.

**DISCUSSION OF WORK IN PROGRESS:**

jhme visited the site on 08/28/19. Site conditions at the time of our visit were dry. Weatherproof wrapping operations were substantially complete on all buildings. Exterior masonry was substantially complete at all Buildings. Siding operations were substantially complete and exterior painting operations were substantially complete at all Buildings. Landscaping operations were on-going around the jobsite. The storefront at the clubhouse was substantially complete with paint in place. The pool had been installed and was awaiting fill. Landscaping in the courtyard behind the clubhouse was in progress. HVAC ductwork, electrical wiring and plumbing were substantially complete at Buildings #1 through #6. Insulation had been installed at all six buildings. Drywall operations were substantially complete at all 6 buildings. Bathtubs had been installed throughout all the buildings with tile floors in the bathrooms nearing completion. Interior painting operations were substantially complete at the clubhouse and Main Lobby flooring improvements were nearing completion. HVAC and hot water heaters had been installed at buildings 1-4 and were being installed at building 5. Earthwork for the cricket field was substantially complete.

**QUALITY OF CONSTRUCTION:**

The quality of work completed by the contractor to date appears to be in accordance with the scope of work shown in the construction documents and is in general compliance to the local building codes and regulations.

[REDACTED]

[REDACTED]

[REDACTED]





**Terraces at Arboretum**  
**Monthly Project Review – Pay App #20**

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Field Schedule and we mention this for your information. Based on our observations on site, compared to the schedule provided to our office, we estimate work to be approximately 13 weeks or 3 months behind schedule.

**TESTING:**

We have not received testing results but have requested to be added to the testing labs direct distribution list.

**ITEMS OF CONCERN:**

- Cricket field schedule

- 



Exhibit 'A'– Site Photographs



Overall view of the site.



Landscaping was being placed around the clubhouse.



Overall view of the pool and on-going landscaping operations.



Trees and grass in place at building 1.



**Terraces at Arboretum**  
**Monthly Project Review – Pay App #20**



Sinks, toilets, tubs and floors had been installed at the bathrooms at building 1.



HVAC and hot water heater units were in place at building 1.



Overall view of building 2 with exterior work substantially complete.



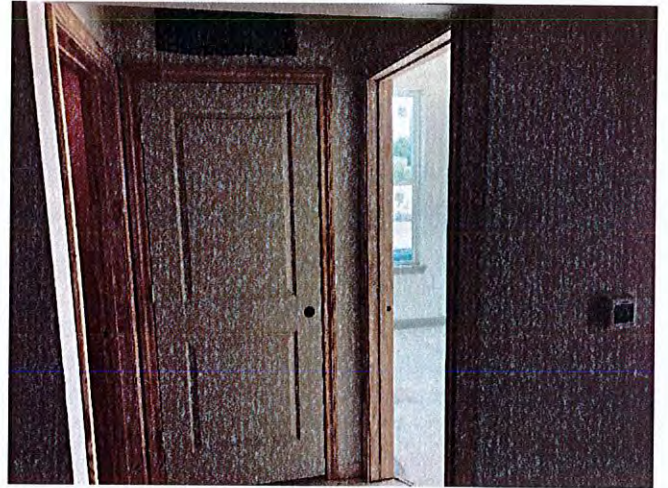
View of a kitchen in a unit at building 2 with countertops and cabinets in place.



**Terraces at Arboretum**  
**Monthly Project Review – Pay App #20**



Overall view of building 3.



Door frames and doors appeared to be in place at building 3, awaiting paint.



Overall view of building 6.



Caulk work was on-going, cabinets and countertops had been installed.





**MONTHLY PROJECT REVIEW – Report #20**

**Terraces at Arboretum**  
15928 Old Richmond Road  
Sugar Land, TX 77498

jhme Reference:17072

Prepared for:

**Community Bank of Texas, N.A.**



**Terraces at Arboretum  
Monthly Project Review – Pay App #21**

**EXECUTIVE SUMMARY:**

Application Number:	#21	Application Period Thru:	09/25/2019
Requested Draw Amount:	[REDACTED]	Date Received:	09/14/2019
Approved Draw Amount:	[REDACTED]	Site Visit Date:	09/25/2019
Contract Start Date:	11/24/2017	Contract Completion Date:	07/18/2019
Reported Percent Complete:	93%	Estimated Percent Complete:	92%

**PROJECT DESCRIPTION:**

The Terraces at Arboretum involves the construction of 5 wood framed three-story multifamily buildings totaling 137,763 sf. The square shaped 10-acre property is located approximately 3 miles from Sugar Land and 19 miles southwest of the Houston metro area.

**DISCUSSION OF WORK IN PROGRESS:**

jhme visited the site on 09/25/19. Site conditions at the time of our visit were dry. Weatherproof wrapping operations were substantially complete on all buildings. Exterior masonry was substantially complete at all Buildings. Siding operations were substantially complete and exterior painting operations were substantially complete at all Buildings. Landscaping operations were nearing completion around the jobsite. The storefront at the clubhouse was substantially complete with paint in place. Interior floors and countertops had been installed at the main lobby in the clubhouse. The bathroom was nearing completion. The pool had been installed and was awaiting fill. Landscaping in the courtyard behind the clubhouse was in progress. HVAC ductwork, electrical wiring and plumbing were substantially complete at Buildings #1 through #6. Insulation had been installed at all six buildings. Drywall operations were substantially complete at all 6 buildings. Bathtubs had been installed throughout all the buildings with tile floors in the bathrooms substantially complete. Interior painting operations were substantially complete at the clubhouse and Main Lobby flooring improvements were substantially complete. HVAC and hot water heaters had been installed at buildings 1-6. Appliances had been installed at all but building 6. Interior walkways had paint in place with unit numbers installed at each unit. Earthwork for the cricket field was substantially complete.

**QUALITY OF CONSTRUCTION:**

The quality of work completed by the contractor to date appears to be in accordance with the scope of work shown in the construction documents and is in general compliance to the local building codes and regulations.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



The table is almost entirely redacted with black bars. Only the grid structure and a blue header row are visible. The content within the cells is illegible.

**SCHEDULE:**

We have not received an official updated schedule after reaching out to the Superintendent via email and phone calls. The most recent schedule provided indicates a completion date of July 2019. Based on our observations on site, with work increasing due to more teams on site, we estimate work to remain approximately 13 weeks or 3 months behind schedule.

**TESTING:**

We have not received testing results but have requested to be added to the testing labs direct distribution list.



Exhibit 'A'– Site Photographs



Overall view of the site.



Masonry work for the signage was in place.



Concrete sidewalk at the north end of the job site was in place with landscaping on-going.



Floors had been installed at the clubhouse.



Terraces at Arboretum  
Monthly Project Review – Pay App #21



View of the interior lights, carpet and wall decorations which appeared to be in place.



Cabinets, countertops and light fixtures had been installed at the clubhouse.



Concrete around the pool appeared to be in place.



Overall view of building 1 with exterior work complete.



Terraces at Arboretum  
Monthly Project Review – Pay App #21



Appliances, countertops and cabinets were in place throughout building 1.



Unit 2301 had floors and appliances in place.



Unit 3104 had the bathroom nearing completion.



Unit 5103 was awaiting installation of appliances.





**MONTHLY PROJECT REVIEW – Report #21**

**Terraces at Arboretum**  
15928 Old Richmond Road  
Sugar Land, TX 77498

jhme Reference:17072

Prepared for:

**Community Bank of Texas, N.A.**



**Terraces at Arboretum  
Monthly Project Review – Pay App #22**

**EXECUTIVE SUMMARY:**

Application Number:	#22	Application Period Thru:	10/25/2019
Requested Draw Amount:	[REDACTED]	Date Received:	11/14/2019
Approved Draw Amount:	[REDACTED]	Site Visit Date:	10/30/2019
Contract Start Date:	11/24/2017	Contract Completion Date:	07/18/2019
Reported Percent Complete:	95%	Estimated Percent Complete:	94%

**PROJECT DESCRIPTION:**

The Terraces at Arboretum involves the construction of 5 wood framed three-story multifamily buildings totaling 137,763 sf. The square shaped 10-acre property is located approximately 3 miles from Sugar Land and 19 miles southwest of the Houston metro area.

**DISCUSSION OF WORK IN PROGRESS:**

jhme visited the site on 10/30/19. Site conditions at the time of our visit were dry. Weatherproof wrapping operations were substantially complete on all buildings. Exterior masonry was substantially complete at all Buildings. Siding operations were substantially complete and exterior painting operations were substantially complete at all Buildings. Landscaping operations were substantially complete around the jobsite. The storefront at the clubhouse was substantially complete with paint complete. Interior floors and countertops had been installed at the main lobby in the clubhouse. Landscaping in the courtyard behind the clubhouse was substantially complete. The pool had been filled with concrete and a security fence in place. The gazebo was in place at the south end of the pool area. HVAC ductwork, electrical wiring and plumbing were substantially complete at Buildings #1 through #5. Insulation had been installed at all five buildings. Drywall operations were substantially complete at all 5 buildings. Bathtubs had been installed throughout all the buildings with tile floors in the bathrooms substantially complete. Interior painting operations were substantially complete at the clubhouse and Main Lobby flooring improvements were substantially complete. HVAC and hot water heaters had been installed at all buildings. Appliances had been installed at all buildings. Interior walkways had paint in place with unit numbers installed at each unit. Earthwork for the cricket field was substantially complete. The club house was awaiting furniture to arrive to receive the Certification of Occupancy. Final punch list had been performed at building 1 and 2. Rough punches were being performed during our site visit at all other buildings. The Superintendent was waiting for the final Change Order from the Owner to install the remaining electrical boxes to provide power to all buildings. The city had to come install a new power line at the street front to provide the appropriate amount of power to the development.

**QUALITY OF CONSTRUCTION:**

The quality of work completed by the contractor to date appears to be in accordance with the scope of work shown in the construction documents and is in general compliance to the local building codes and regulations.

[REDACTED]







**Terraces at Arboretum**  
**Monthly Project Review – Pay App #22**

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punches at all buildings and final punches at building 1 and 2. We await power to provide the final inspection to obtain the Certification of Occupancy.

The cricket field was in progress, with site work complete. The fence had been installed with the concrete slab in place for the outside restrooms. Whenever the electrician can mobilize on site, we believe work to be complete around 12/1/2019.

**TESTING:**

We have not received testing results but have requested to be added to the testing labs direct distribution list.

**ITEMS OF CONCERN:**

- Cricket field schedule

Exhibit 'A'– Site Photographs



Overall view of the site.



View of the gates which had been installed at the north end of the job site.



Landscaping was nearing completion around the job site. Gates around the club house had been installed.



View of the pool with the gazebo which had been installed.



**Terraces at Arboretum  
Monthly Project Review – Pay App #22**



View of building 1 which is substantially complete.



Appliances had been installed at unit 1201.



The bathrooms were substantially complete at building 1.



Final touch up work was nearing completion.



**Terraces at Arboretum**  
**Monthly Project Review – Pay App #22**



Final cleaning operations were nearing completion at unit 3401.



View of the cricket field with the fence around the perimeter being installed.



View of the new electrical transformers that had to be installed.



New power and electrical boxes had been installed.



**BOARD ACTION REQUEST**  
**MULTIFAMILY FINANCE DIVISION**  
**DECEMBER 12, 2019**

Presentation, discussion and possible action on a request for return and reallocation of tax credits under 10 TAC §11.6(5) related to Credit Returns Resulting from Force Majeure Events for Application 17736, Providence at Ted Trout Drive

**RECOMMENDED ACTION**

**WHEREAS**, an award of Competitive (9%) Housing Tax Credits in the amount of \$890,357 to 17736 Providence at Ted Trout Drive (the Development) was approved by the Board on July 27, 2017;

**WHEREAS**, staff executed a Carryover Allocation Agreement with the Development Owner on December 28, 2017, that included a certification from the Development Owner that each building for which the allocation was made would be placed in service by December 31, 2019;

**WHEREAS**, on September 5, 2019, the Department received from the Development Owner a request to extend the placement in service deadline under the requirements of 10 TAC §11.6(5) related to Credits Returns Resulting from Force Majeure Events;

**WHEREAS**, other than in situations covered by force majeure, the Department lacks authority to extend federal deadlines for placement in service; and

**WHEREAS**, the precipitating events described in the request do not meet the requirements for force majeure events described in 10 TAC §11.6(5);

**NOW, therefore, it is hereby**

**RESOLVED**, the request for treatment of Providence at Ted Trout Drive under an application of the force majeure rule is denied.

**BACKGROUND**

An award of \$890,357 in Competitive (9%) Housing Tax Credits to the Development was approved by the Board on July 27, 2017. The Development proposed the New Construction of 76 Units for an Elderly population in Hudson located in Angelina County. Staff executed a Carryover Allocation Agreement with the Development Owner on December 28, 2017, that included a certification from the Development Owner that, in order to satisfy the requirements of §42 of the Internal Revenue Code, each building for which the allocation was made would be placed in service by December 31, 2019.

On September 5, 2019, the Department received from the Development Owner a request to extend the placement in service deadline from December 31, 2019, to December 31, 2022, or an earlier date to be

determined by the Board<sup>1</sup>, under the requirements of 10 TAC §11.6(5) related to Credit Returns Resulting from Force Majeure Events. This rule allows a Development Owner to return issued credits within three years of award and have those credits re-allocated to the Development outside of the usual regional allocation system if all of the requirements of the subsection are met. Pursuant to 10 TAC §11.6(5), the Department's Governing Board may approve the execution of a current program year Carryover Allocation Agreement regarding the returned credits with the Development Owner that returned such credits only if:

(A) The credits were returned as a result of "Force Majeure" events that occurred after the start of construction and before issuance of Forms 8609. **Force Majeure events are the following sudden and unforeseen circumstances outside the control of the Development Owner:** acts of God such as fire, tornado, flooding, significant and unusual rainfall or subfreezing temperatures, or loss of access to necessary water or utilities as a direct result of significant weather events; explosion; vandalism; orders or acts of military authority; litigation; changes in law, rules, or regulations; national emergency or insurrection; riot; acts of terrorism; supplier failures; or materials or labor shortages. If a Force Majeure event is also a presidentially declared disaster, the Department may treat the matter under the applicable federal provisions. Force Majeure events must make construction activity impossible or materially impede its progress; (emphasis added)

Of the circumstances listed in the rule, the request indicates that force majeure might be triggered by acts of God related to Hurricane Harvey, including materials and labor shortages. The request also cites increased costs as a factor and mentions that "complications arose due to the tax reform that occurred at the end of 2017; investors were wary of new deals until more information as to the nature and long-term repercussions of the changes became available, causing further delays."

#### **Materials and Labor Shortages and Costs**

In the request, the Development Owner states that "sudden and unforeseen circumstances due to the aftermath of Presidential declared disaster Hurricane Harvey" resulted in "significant cost increases of materials, labor and the decreased availability of contractors which have significantly affected the feasibility of the development, necessitating changes to the financing structure and requiring us to pursue measures to further reduce the gap in financing, including architectural changes."<sup>2</sup> Per the request, the Development was feasible at the time of award, "however, the availability and cost of both materials and labor were directly impacted by the immense scope of devastation in the aftermath of the storm, resulting in construction cost increases of approximately 15-20 percent." The request indicates that the Development Owner considered or took the following actions to reduce construction costs:

- "To accommodate for the increased pricing, we initially made adjustments in our financing structure and were able to receive more favorable terms and credit pricing. However, this did not reduce the gap to the extent needed to make the development financially viable."
- "We have considered and pursued several options, including proposed architectural design changes and a request for TDHCA Multifamily Direct Home Loan Funds."

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<sup>1</sup> The request asks for "2020 credits, which would effectively extend the placed in service deadline for this project until December 31, 2022." However, if approved, 2019 credits would be awarded and staff requests the Board determine a new placed in service deadline.

<sup>2</sup> The request notes that Angelina County, in which the Development Site is located, was not included in the Presidential declaration of August 25, 2017, but was included in the Governor's declaration on August 28, 2017.



- “We considered and explored layering approximately 25 units with Section 8 Project Based Vouchers. This would have effectively increased our rental income and allowed additional leverage on the development. We pursued this option with the Deep East Texas Council of Government, however we were not able to get a commitment prior to the financial closing.”
- “We also attempted a [HUD Section 221] D4 loan with Davis Penn in order to help with the financing gap, which we were not able to secure due to the shortened time frame in which we would have had to receive HUD approval and complete the project.”<sup>3</sup>
- “The remaining option under consideration is the aforementioned architectural design change. However, we discovered that it would not save as much on costs as we had hoped, and we determined that we would have lost even more time in the process of having completely new plans drawn up and permitted. Once we determined that this plan was not a viable option – financially or time-wise – we re-evaluated the original architectural plans and began to value engineer in order to reduce costs where possible.”

The request includes an “Exhibit C” detailing these design changes. Per the request, “these changes, for which we seek staff level approval in a separate letter, will not affect the quality of life for residents.”

Pursuant to 10 TAC §10.402(h) of the Asset Management Rules, all multifamily developments must submit a construction status report (CSR), due by the tenth day of the month following each reporting quarter's end (January, April, July, and October) and continue on a quarterly basis until the entire development is complete. The first CSR was due on October 10, 2018. The Development Owner informed staff that they had not closed on the loan by that date, and nothing was submitted. Each quarter until April 2019, the Development Owner informed staff that the loan had not closed and nothing could be submitted. The loan closed on April 15, 2019, and the Construction and Bridge Loan Agreement and prime subcontract were submitted on April 16, 2019. The Limited Partnership Agreement is dated May 29, 2019. The submitted Construction and Bridge Loan Agreement indicates a completion date of December 15, 2019. Staff requested that the Development Owner provide evidence that the lender has agreed to extend the completion deadline, and the Development Owner provided such.

Included with the CSRs submitted to date for this Development are field reports from CODA Consulting Group (CODA), which are included with this action item. Review of the reports indicates that the notice to proceed with construction was issued on April 15, 2019. The CSR indicates that the Contractor is Nautical Affordable Housing, Incorporated, a part of the Development Owner, and that ICON Builders, LLC, a subsidiary of the Development Owner, is the General Contractor. The Application indicates that ICON is also the Cost Estimator.

The CSRs track the progress of construction.

- Report 1 dated June 10, 2019, of a May 30 site visit notes construction 1.5% complete and includes photographs of the site. Per the report:
  - Based on the actual start date and the project progress, the project is slightly behind schedule.”
  - “Work schedule will be 7 day work weeks as requested by 80% of the subcontractors.”
  - “Contractor will provide 2 site rotating superintendents to have site coverage 7 days a week.”
  - “The contract time is currently 17 percent complete and the work is 1.5 percent complete.”

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<sup>3</sup> The FHA 221(d)(4) loan was shown as in place in the initial underwriting so was already planned for the Development at the time the credits were awarded.

- “Variable rainy weather has delayed the site preparation and infrastructure work.”
- “Clearing of the property has been completed.”
- “All demo of existing structures completed.”
- “Site grading is underway.”
- “Site utilities are being installed.”
- “Building pad layouts installations have begun.”
- “It was raining heavily before our site visit and the site was very muddy.”

Regarding the building contracts, the report states:

**“Subcontractor Contract:** The Subcontractor Contract subcontracts 100 percent of the work and fees to ICON Builders and binds them to the schedule and other provisions of the General Contractor Contract. The contract is draft and not signed.

**Sub-Subcontractor Contract:** The Sub-Subcontractor Contract apparently subcontracts 100 percent of the work and fees to Ewing Industrial Services and, we suspect, binds them to the schedule and other provisions of the General Contractor Contract and Subcontractor Contract. A copy of this contract was not provided.”

- Report 2 dated July 1, 2019, of a June 26 site visit notes construction is 11% complete and includes photographs of the site. Per the report:
  - Based on the actual start date and the project progress, the project is slightly behind schedule.”
  - “Progress is strong, and crews working 7 day schedule per plan.”
  - “The contract time is currently 27 percent complete and the work is 11 percent complete.”
  - “Variable rainy weather has delayed the site preparation and infrastructure work.”
  - “Site clearing is complete.”
  - “Erosion control fencing is in-place.”
  - “Construction office trailer is set up.”
  - “Building pad installations is complete.”
  - “Storm sewer installed.”
  - “Sanitary sewer lines are in place with manholes being set.”
  - “Storm water lines are being installed with drop inlet around Bldg. 3.”
  - “Water lines and hydrants are staged at the site.”
  - “Driveway grading starting.”
- Report 3 dated August 2, 2019, of a July 30 site visit notes construction is 20% complete and includes photographs of the site. Per the report:
  - Based on the actual start date and the project progress, the project is 4.6 weeks behind schedule.”
  - “Progress is strong, and crews working 7 day schedule per plan.”
  - “The contract time is currently 40 percent complete and the work is 20 percent complete.”
  - “Variable rainy weather has delayed the site preparation and infrastructure work.”
  - “Water lines and hydrants are installed.”
  - “Driveway grading starting.”
  - “Framing well underway with 6 buildings completely framed and 3 in progress.”



- Report 4 dated September 10, 2019, of an August 27 site visit notes construction is 39% complete and includes photographs of the site. Per the report:
  - Based on the actual start date and the project progress, the project is 4 weeks behind schedule.”
  - “Very good progress this period. Framing crews are working 7 day schedule per plan.”
  - “The contract time is currently 50 percent complete and the work is 39 percent complete.”
  - “Variable rainy weather had previously delayed the site preparation and infrastructure work.”
  - “Building pad installations is complete except for Buildings 1 and 2.”
  - “Framing well underway with 12 buildings completely framed.”
  - “Roofing deck complete on 8 buildings.”
  - “Plumbing rough in started on 6 buildings.”
- Report 5 dated October 4, 2019, of an October 1 site visit notes construction is 52% complete and includes photographs of the site. Per the report:
  - Based on the actual start date and the project progress, the project is about one month behind schedule.”
  - “Very good progress this period. Framing crews are still working 6 day schedule.”
  - “Strong evidence that ICON and Ewing are pressing subs for completion by end of year.”
  - “Activity on site by several trade subs is busy and aggressive.”
  - “The contract time is currently 63.7 percent complete and the work is 52 percent complete. At 63% time complete, a typical project should be about 80% complete.”

Staff notes that the Development Owner has submitted an amendment request seeking staff approval of “value engineering initiatives” to reduce the cost of the Development. The initial underwriting report cited “lower than typical building cost” as a strength/mitigating factor, and as a risk cited “higher building cost would make the development infeasible.” Real Estate Analysis and Asset Management are in the process of evaluating the changes described in “Exhibit C” of the September 5, 2019, request letter and the changes sent under separate cover.

Staff has determined that the Development Owner has not provided sufficient evidence that the Development has been affected by “sudden and unforeseen circumstances outside the control of the Development Owner” as described in 10 TAC §11.6(5), particularly materials and labor shortages caused by Hurricane Harvey. The request included statements from several articles written in the immediate aftermath of the hurricane describing how labor shortages and materials costs were exacerbated after the storm. However, the request did not explain how the Development Owner’s failure to close financing until nearly two years after the credits were awarded was a direct result of materials and labor shortages caused by Hurricane Harvey. The loan closed on April 15, 2019, and was the last loan to close of the 2017 awards.

If the Board denies the request to consider this a force majeure event, the Development Owner will retain \$890,357 in credits and the date by which the Development must be placed in service will remain December 31, 2019. If the Development Owner returns the credits, the credits would first be made available in the subregion from which they were originally awarded, pursuant to 10 TAC §11.6(2), related to returned credits; in this case Region 5, Rural. There are no pending Applications on the waiting list from that subregion. Pursuant to 10 TAC §11.6, staff would apply the credits to the collapse and, if enough credits are available, award credits to the next Application on the waiting list.

If the Board grants the request to consider this a force majeure event, the Development Owner will return \$890,357 in credits. The credits will be returned to the Development Owner with a 2019

Carryover Allocation Agreement and the date for the Development to be placed in service will be as determined by the Board, with the 2017 Qualified Allocation Plan and Uniform Multifamily Rules applicable to the Development.

Staff recommends the Board deny the request for treatment of Providence at Ted Trout Drive under an application of the force majeure rule.



17736

Providence at Ted Trout  
Drive

CSR Communications

**From:** [Miranda Sprague](#)  
**To:** [Kent Bedell](#)  
**Cc:** [Michelle Harder](#)  
**Subject:** Re: Construction Status Report for Providence at Ted Trout Drive  
**Date:** Friday, May 31, 2019 9:07:38 AM  
**Attachments:** [image002.png](#)  
[image003.png](#)  
[image.png](#)

---

Hi Kent - Attached is the Providence at Ted Trout Drive LPA that you had requested once we have it.

Miranda Sprague, Vice President of Real Estate Development



ITEX Group  
3735 Honeywood Court, Port Arthur, Texas 77642  
[Miranda.Sprague@itexgrp.com](mailto:Miranda.Sprague@itexgrp.com)  
Direct: 409.853.3681 | Cell: 409.720.7803 | Fax: 409.721.6603

On Wed, Apr 17, 2019 at 2:18 PM Kent Bedell <[kent.bedell@tdhca.state.tx.us](mailto:kent.bedell@tdhca.state.tx.us)> wrote:

Received, thank you.

### **Kent Bedell**

Asset Manager

Texas Department of Housing and Community Affairs

221 E. 11th Street | Austin, TX 78701

Office: 512.475.3882

Fax: 512.475.1895

*Any person receiving guidance from TDHCA staff should be mindful that, as set forth in [10 TAC Section 11.1\(b\)](#), there are important limitations and caveats (Also see [10 TAC §10.2\(b\)](#)).*

### **About TDHCA**

The Texas Department of Housing and Community Affairs administers a number of state and federal programs through for-profit, nonprofit, and local government partnerships to strengthen communities through affordable housing development, home ownership opportunities, weatherization, and community-based services for Texans in need. For more information, including current funding opportunities and information on local providers, please visit [www.tdhca.state.tx.us](http://www.tdhca.state.tx.us).

**From:** Michelle Harder <[michelle.harder@itexgrp.com](mailto:michelle.harder@itexgrp.com)>  
**Sent:** Tuesday, April 16, 2019 11:19 AM  
**To:** Miranda Sprague <[miranda.sprague@itexgrp.com](mailto:miranda.sprague@itexgrp.com)>; Kent Bedell <[kent.bedell@tdhca.state.tx.us](mailto:kent.bedell@tdhca.state.tx.us)>  
**Subject:** Re: Construction Status Report for Providence at Ted Trout Drive

Kent,

The Construction Contract for this project has been uploaded to Serve-U.



image.png



**Michelle Harder**, Development Team



ITEX Group

3735 Honeywood Court, Port Arthur, Texas 77642

[Michelle.Harder@itexgrp.com](mailto:Michelle.Harder@itexgrp.com)

Cell: [409.201.4462](tel:409.201.4462)

On Tue, Apr 16, 2019 at 10:14 AM Michelle Harder <[michelle.harder@itexgrp.com](mailto:michelle.harder@itexgrp.com)> wrote:

Will do.

**Michelle Harder**, Development Team



ITEX Group

3735 Honeywood Court, Port Arthur, Texas 77642

[Michelle.Harder@itexgrp.com](mailto:Michelle.Harder@itexgrp.com)

Cell: [409.201.4462](tel:409.201.4462)

On Tue, Apr 16, 2019 at 9:22 AM Miranda Sprague <[miranda.sprague@itexgrp.com](mailto:miranda.sprague@itexgrp.com)> wrote:

Hi Michelle, can you upload for Kent?

Begin forwarded message:

**From:** Kent Bedell <[kent.bedell@tdhca.state.tx.us](mailto:kent.bedell@tdhca.state.tx.us)>  
**Date:** April 16, 2019 at 9:00:33 AM EDT  
**To:** Miranda Sprague <[miranda.sprague@itexgrp.com](mailto:miranda.sprague@itexgrp.com)>  
**Subject: RE: Construction Status Report for Providence at Ted Trout Drive**

Miranda,

Please upload to serve-u as I cannot access this link.

Regards,

### **Kent Bedell**

Asset Manager

Texas Department of Housing and Community Affairs

221 E. 11th Street | Austin, TX 78701

Office: 512.475.3882

Fax: 512.475.1895

*Any person receiving guidance from TDHCA staff should be mindful that, as set forth in [10 TAC Section 11.1\(b\)](#) there are important limitations and caveats (Also see [10 TAC §10.2\(b\)](#)).*

### **About TDHCA**

The Texas Department of Housing and Community Affairs administers a number of state and federal programs through for-profit, nonprofit, and local government partnerships to strengthen communities through affordable housing development, home ownership opportunities, weatherization, and community-based services for Texans in need. For more information, including current funding opportunities and information on local providers, please visit [www.tdhca.state.tx.us](http://www.tdhca.state.tx.us).

**From:** Miranda Sprague <[miranda.sprague@itexgrp.com](mailto:miranda.sprague@itexgrp.com)>  
**Sent:** Tuesday, April 16, 2019 7:25 AM  
**To:** Kent Bedell <[kent.bedell@tdhca.state.tx.us](mailto:kent.bedell@tdhca.state.tx.us)>  
**Cc:** Michelle Harder <[michelle.harder@itexgrp.com](mailto:michelle.harder@itexgrp.com)>  
**Subject:** Re: Construction Status Report for Providence at Ted Trout Drive

Hi Kent - Due to the size, here is a link to the construction contract: <https://www.dropbox.com/s/oudta1grrbtu2fa/Providence%20at%20Ted%20Trout%20Prime%20Subcontract%20-%20Final%20-%2004.09.19%20Executed.pdf?dl=0>

If I need to upload to serv-u just let me know.



Miranda Sprague, Vice President of Real Estate Development



ITEX Group

3735 Honeywood Court, Port Arthur, Texas 77642

[Miranda.Sprague@itexgrp.com](mailto:Miranda.Sprague@itexgrp.com)

Direct: 409.853.3681 | Cell: 409.720.7803 | Fax: 409.721.6603

On Tue, Apr 16, 2019 at 7:22 AM Miranda Sprague <[miranda.sprague@itexgrp.com](mailto:miranda.sprague@itexgrp.com)> wrote:

Hi Kent -

We are closing Providence at Ted Trout Drive in two closings. Yesterday, we closed on the loan. Attached is the construction and bridge loan agreement. The equity closing will be in a couple weeks - I'll send the LPA then.

Miranda Sprague, Vice President of Real Estate Development



ITEX Group

3735 Honeywood Court, Port Arthur, Texas 77642

[Miranda.Sprague@itexgrp.com](mailto:Miranda.Sprague@itexgrp.com)

Direct: 409.853.3681 | Cell: 409.720.7803 | Fax: 409.721.6603

On Tue, Apr 9, 2019 at 1:56 PM Kent Bedell <[kent.bedell@tdhca.state.tx.us](mailto:kent.bedell@tdhca.state.tx.us)> wrote:

Miranda,

After you have closed, please send me the Partnership Agreement and Construction Contract and Loan Agreement once they are available. Then you will start submitting the AIA, Inspection Report, and Minority Owned Business Report with the July 10, 2019 Report.

Regards,

**Kent Bedell**

Asset Manager

Texas Department of Housing and Community Affairs

221 E. 11th Street | Austin, TX 78701

Office: 512.475.3882

Fax: 512.475.1895

*Any person receiving guidance from TDHCA staff should be mindful that, as set forth in [10 TAC Section 11.1\(b\)](#) there are important limitations and caveats (Also see [10 TAC §10.2\(b\)](#)).*

**About TDHCA**

The Texas Department of Housing and Community Affairs administers a number of state and federal programs through for-profit, nonprofit, and local government partnerships to strengthen communities through affordable housing development, home ownership opportunities, weatherization, and community-based services for Texans in need. For more information, including current funding opportunities and information on local providers, please visit [www.tdhca.state.tx.us](http://www.tdhca.state.tx.us).

**From:** Miranda Sprague <[miranda.sprague@itexgrp.com](mailto:miranda.sprague@itexgrp.com)>  
**Sent:** Tuesday, April 09, 2019 1:15 PM  
**To:** Kent Bedell <[kent.bedell@tdhca.state.tx.us](mailto:kent.bedell@tdhca.state.tx.us)>  
**Cc:** Michelle Harder <[michelle.harder@itexgrp.com](mailto:michelle.harder@itexgrp.com)>  
**Subject:** Re: Construction Status Report for Providence at Ted Trout Drive

Hi Kent - How should we handle this deal's submittal? We are planning to close Friday or Monday, so therefore I do not have anything to provide at this time.

Miranda Sprague, Vice President of Real Estate Development



ITEX Group

3735 Honeywood Court, Port Arthur, Texas 77642

[Miranda.Sprague@itexgrp.com](mailto:Miranda.Sprague@itexgrp.com)

Direct: [409.853.3681](tel:409.853.3681) | Cell: [409.720.7803](tel:409.720.7803) | Fax: [409.721.6603](tel:409.721.6603)

On Tue, Apr 9, 2019 at 1:04 PM Kent Bedell <[kent.bedell@tdhca.state.tx.us](mailto:kent.bedell@tdhca.state.tx.us)> wrote:

Miranda,

I wanted to remind you that the construction status report for the above referenced development is due tomorrow, April 10, 2019.

Regards,

**Kent Bedell**

Asset Manager

Texas Department of Housing and Community Affairs

221 E. 11th Street | Austin, TX 78701

Office: 512.475.3882

Fax: 512.475.1895



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**From:** Miranda Sprague <[miranda.sprague@itexgrp.com](mailto:miranda.sprague@itexgrp.com)>  
**Sent:** Thursday, January 10, 2019 10:19 AM  
**To:** Kent Bedell <[kent.bedell@mail.tdhca.state.tx.us](mailto:kent.bedell@mail.tdhca.state.tx.us)>  
**Subject:** Re: Construction Status Report for Providence at Ted Trout Drive

We have not closed on Providence at Ted Trout Drive. We will at the end of this month.

Miranda Sprague, Vice President of Real Estate Development



ITEX Group

3735 Honeywood Court, Port Arthur, Texas 77642

[Miranda.Sprague@itexgrp.com](mailto:Miranda.Sprague@itexgrp.com)

Direct: 409.853.3681 | Cell: 409.720.7803 | Fax: 409.721.6603

On Thu, Jan 10, 2019 at 10:15 AM Kent Bedell <[kent.bedell@tdhca.state.tx.us](mailto:kent.bedell@tdhca.state.tx.us)> wrote:

Miranda,

Today is the due date for construction status reports. Have you closed on the construction loan for this Development yet?

Regards,

**Kent Bedell**

Asset Manager

Texas Department of Housing and Community Affairs

221 E. 11th Street | Austin, TX 78701

Office: 512.475.3882

Fax: 512.475.1895

*Any person receiving guidance from TDHCA staff should be mindful that, as set forth in [10 TAC Section 11.1\(b\)](#) there are important limitations and caveats (Also see [10 TAC §10.2\(b\)](#)).*

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**From:** Miranda Sprague <[miranda.sprague@itexgrp.com](mailto:miranda.sprague@itexgrp.com)>  
**Sent:** Wednesday, October 10, 2018 2:50 PM  
**To:** Kent Bedell <[kent.bedell@mail.tdhca.state.tx.us](mailto:kent.bedell@mail.tdhca.state.tx.us)>  
**Cc:** Tracy Ambridge <[tracy.ambridge@itexgrp.com](mailto:tracy.ambridge@itexgrp.com)>  
**Subject:** Re: Construction Status Report for Providence at Ted Trout Drive

Hi Kent,

We have not closed on this deal yet. We are getting hard bids to price the deal out, and will keep you updated.

Thank you,

Miranda Sprague, Vice President of Real Estate Development



ITEX Group

3735 Honeywood Court, Port Arthur, Texas 77642

[Miranda.Sprague@itexgrp.com](mailto:Miranda.Sprague@itexgrp.com)

Direct: 409.853.3681 | Cell: 409.720.7803 | Fax: 409.721.6603

On Mon, Oct 8, 2018 at 4:28 PM Kent Bedell <[kent.bedell@tdhca.state.tx.us](mailto:kent.bedell@tdhca.state.tx.us)> wrote:

Miranda,

I just wanted to remind you that the construction status report for the above referenced development is due this Wednesday, October 10<sup>th</sup>.

Regards,



**Kent Bedell**

Asset Manager

Texas Department of Housing and Community Affairs

221 E. 11th Street | Austin, TX 78701

Office: 512.475.3882

Fax: 512.475.1895

*Any person receiving guidance from TDHCA staff should be mindful that, as set forth in [10 TAC Section 11.1\(b\)](#) there are important limitations and caveats (Also see [10 TAC §10.2\(b\)](#)).*

**About TDHCA**

The Texas Department of Housing and Community Affairs administers a number of state and federal programs through for-profit, nonprofit, and local government partnerships to strengthen communities through affordable housing development, home ownership opportunities, weatherization, and community-based services for Texans in need. For more information, including current funding opportunities and information on local providers, please visit [www.tdhca.state.tx.us](http://www.tdhca.state.tx.us).

17736

Providence at Ted Trout  
Drive

Force Majeure Request



Application 17736  
Providence at Ted Trout Drive  
Force Majeure Event

Providence Ted Trout Drive, LP  
3735 Honeywood Court  
Port Arthur, Texas 77642

September 5, 2019

Texas Department of Housing and Community Affairs  
Attn: Kent Bedell  
221 E. 11<sup>th</sup> Street  
Austin, Texas 78701  
Via email: [Kent.Bedell@tdhca.state.tx.us](mailto:Kent.Bedell@tdhca.state.tx.us)

RE: TDHCA # 17736 Providence at Ted Trout Drive Force Majeure Event

Dear Mr. Bedell,

Providence Ted Trout Drive, LP respectfully submits this request for an exchange of 2017 tax credits for 2020 tax credits pursuant to 11.6(5) of the Qualified Allocation Plan ("QAP") based on Force Majeure events that could not be foreseen by the Owner.

Providence at Ted Trout Drive development, a new construction of 76 elderly (55+) units located in Hudson, Angelina County, Texas, received a commitment for an annual allocation of 2017 Housing Tax Credits which are required to be placed in service by December 31, 2019. The debt closing was April 12, 2019, allowing a notice to proceed to be issued on April 15, 2019, which is when construction commenced. Physical completion of the project is at approximately 39% based on AIA #5, dated August 23, 2019. Based upon the current status of the project, it is highly unlikely that the project will be placed in service by required placed in service date.

We believe that specific occurrences, since the application was awarded in July 2017, have resulted in a "Force Majeure" event:

There have been "sudden and unforeseen circumstances" due to the aftermath of Presidential declared disaster Hurricane Harvey resulting in significant cost increases of materials, labor and the decreased availability of contractors which have significantly affected the feasibility of the development, necessitating changes to the financing structure and requiring us to pursue measures to further reduce the gap in financing, including architectural changes.

### **Hurricane Harvey Disaster Proclamations**

**Exhibit A:** On August 23, 2017, Texas Governor Greg Abbott released a proclamation declaring a state of disaster to extend to 30 counties. On August 25, 2017, President Donald J. Trump declared a Major Disaster in Texas, prompting FEMA's response to release federal funding for



Providence Ted Trout Drive, LP  
3735 Honeywood Court  
Port Arthur, Texas 77642

recovery of a Major Disaster from an Incident Period of: August 23, 2017 through September 15, 2017 for 41 counties.

**Exhibit B:** While Angelina County received no designation within the boundaries of the Presidentially-declared disaster, it is immediately bordered by several counties inside of the disaster area, and has since been included in Governor Abbott's Proclamation under Section 418.014 of the Texas Government Code, which extended to include a total of 60 counties and was renewed on a monthly basis to evidence a continuing state of disaster through July 5, 2019

### **Widespread Economic Impacts of Harvey**

The adverse economic impact in the aftermath of Harvey spread throughout the state of Texas, and was even reflected nationwide as material and gas shortages in conjunction with increased demand caused prices to rise, and an already-tight labor pool surged to the storm-ravaged areas, abandoning other areas in which there had already been a labor shortage.

Phil Crone, head of the [Dallas Builders Association](#) stated that an already 20,000 construction worker shortage increased to a post-Harvey shortage of 38,500 despite wages rising 35 percent for most needed trades; Texas A&M Real Estate Center Chief Economist Dr. Jim Gaines conducted a post-Harvey study, concluding that the labor shortage was exacerbated by the aftermath of the storm, as reported by **Dallas News** (a), and **Gov Tech Emergency Management Newsletter** (b). Phil Crone is quoted by the Dallas Morning News as saying "More than 92 percent of our members cite the lack of labor as having a significant impact on their business" according to the **Texas GOP Vote Newsletter** (c).

Pia Orrenius, Vice President and Senior Economist for the Federal Reserve Bank of Dallas, said the anticipated bleed-off of construction workers to the damaged areas came at a time when hourly wages for construction workers were rising steadily. "Supply is not keeping up with demand and with a tightening labor pool, prices are just going to keep going up for all types of construction," Orrenius told the **Fort Worth Business Press**.

Ken Simonson Chief Economist for the Associated General Contractors of America reports that, in the wake of Harvey, two-thirds of the Texas workers reported they have the most difficulty finding concrete workers, well above the national average of 51 percent, followed by electricians at 61 percent, cement masons at 59 percent, carpenters at 57 percent, plumbers at 54 percent and installers at 52 percent as reported by the **Waco Tribune**.

Similar figures were reported by **CBS News**, citing a post-Harvey survey by the [National Association of Homebuilders](#), which found shortages of some construction trades are at their worst level since 2000. The trade group found more than 70 percent of builders reported difficulty in hiring carpenters, 63 percent had

Providence Ted Trout Drive, LP  
3735 Honeywood Court  
Port Arthur, Texas 77642

trouble in attracting masons and more than half experienced challenges in finding roofers, plumbers, painters, and electricians.

**The Thomas Index** calculates direct spending after the storm focused on procuring building and flood repair supplies, reflecting a spike in demand for construction materials. Increased activity post-Harvey was cited for plywood and drywall at 400 percent, doors at 1,200 percent, concrete, masonry and stone at 1,100 percent, and engineered wood products at 700 percent.

**Texas Comptroller** fiscal note #19 indicates the impact of the storm on the price of manufactured goods as significant. Upward pressure on prices increased in September following the storm. The raw materials prices index pushed up eight points to 34.5, its highest reading since July 2011. The finished goods prices index climbed seven points to 17.5.

**The Houston Chronicle** (a) reports: Hourly rates for construction workers rose on average 7.2 percent from September to November 2017, according to Xactware. Siding installers saw the biggest wage increase, 19.3 percent; followed by drywall installers, 11.8 percent; demolition labor, 11.2 percent; and carpenters, 11 percent. Material costs have risen by a more moderate 1.6 percent, **Xactware** (b) said.

**Wall Street Journal** reported a post-Harvey surge in lumber costs. Lumber futures for September 2017 delivery touched \$402.80 per 1,000 board of feet at the Chicago Mercantile Exchange, up 4% for the week and less than a dollar short of what would be the highest closing price in 12 years.

**Traders Community** commodities report, published in September of 2017 reflected that the most noted price increases were in lumber and gasoline, also noting the rising cost of wallboard. Prices had begun to increase prior to the storm, but were anticipated to rise further due to the increased demand, resulting in an annual inflation of 10% for 2017.

**NAOIP** released a commercial construction costs outlook in mid-September of 2017, reflecting that already rising construction costs throughout the year had seen a temporary disruption due to the storm, causing them to spike as well as exacerbating the already gaping shortage of skilled labor.

Providence at Ted Trout was priced prior to Hurricane Harvey and was financially feasible at the time of TDHCA underwriting and award in July 2017. Following Hurricane Harvey in August 2017, however, the availability and cost of both materials and labor were directly impacted by the immense scope of devastation in the aftermath of the storm, resulting in construction cost increases of approximately 15-20 percent.

To accommodate for the increased pricing, we initially made adjustments in our financing structure and were able to receive more favorable terms and credit pricing. However, this did not



Providence Ted Trout Drive, LP  
3735 Honeywood Court  
Port Arthur, Texas 77642

reduce the gap to the extent needed to make the development financially viable. In order to reduce the gap, we have considered and pursued several options, including proposed architectural design changes and a request for TDHCA Multifamily Direct Home Loan Funds. Simultaneously, we considered and explored layering approximately 25 units with Section 8 Project Based Vouchers. This would have effectively increased our rental income and allowed additional leverage on the development. We pursued this option with the Deep East Texas Council of Government, however we were not able to get a commitment prior to the financial closing. We also attempted a D4 loan with Davis Penn in order to help with the financing gap, which we were not able to secure due to the shortened time frame in which we would have had to receive HUD approval and complete the project. Additionally, complications arose due to the tax reform that occurred at the end of 2017; investors were wary of new deals until more information as to the nature and long-term repercussions of the changes became available, causing further delays.

As our other options have been exhausted, the remaining option under consideration is the aforementioned architectural design change. The initial architectural changes would have included revamping the entire design; rather than 19 residential fourplexes with a clubhouse, we sought plans for one building in which to combine all units hoping this would save on costs. However, we discovered that it would not save as much on costs as we had hoped, and we determined that we would have lost even more time in the process of having completely new plans drawn up and permitted. Once we determined that this plan was not a viable option – financially or time-wise – we re-evaluated the original architectural plans and began to value engineer in order to reduce costs where possible.

**Exhibit C:** These changes, for which we seek staff level approval in a separate letter, will not affect the quality of life for residents. These value engineering initiatives will reduce the costs of the development to be closer in line to that of initial underwritten.

**Exhibit D:** A cost comparison was completed between the Building Hard Costs submitted in the TDHCA application on the Development Hard Cost Schedule and the current Building Hard Costs, as broken down in the current Schedule of Values. While the comparison was done after the value engineering, a total cost increase of 15 percent is still reflected. This is largely due to the most notable increases, which were in the costs of concrete and mechanicals. Concrete site-work costs increased by 124 percent, concrete building costs by 149 percent, plumbing and HVAC by 55 percent, and electrical by 23 percent. The cost comparison reflects significant decreases in masonry and specialty items, as these were items that were part of our value engineering initiative as a way to offset other cost increases over which we had no control.

In light of the foregoing, we believe that it is in the best interest of the project and the LIHTC program to recognize the unforeseen circumstances which caused delays in the aftermath of Hurricane Harvey as a Force Majeure Event. As such, we hereby respectfully request that the TDHCA accept the return of the awarded tax credits for the Providence at Ted Trout Drive, and reissue an equal amount of 2020 credits, which would effectively extend the placed in service deadline for this project until December 31, 2022 or such other time period as the TDHCA may determine.

Providence Ted Trout Drive, LP  
3735 Honeywood Court  
Port Arthur, Texas 77642

Our team is deeply committed to utilizing every option available in order to ensure the feasibility of this project so that we may see it through to completion. Thank you in advance for your consideration and assistance with this matter.

Please feel free to contact us at [apps@itexgrp.com](mailto:apps@itexgrp.com) if you have any questions or concerns.

Sincerely,



Donald R. Ball  
Executive Director of the Sole Member of the General Partner

**Sources referenced above under the Widespread Economic Impacts of Harvey:**

1.
  - a. <https://www.dallasnews.com/business/economy/2018/08/20/desperate-can-texas-get-construction-labor-look-houston-after-hurricane-harvey>
  - b. <https://www.govtech.com/em/disaster/How-Desperate-can-Texas-get-for-Construction-Labor-Look-at-Houston-After-Hurricane-Harvey.html>
  - c. <https://www.texasgovvote.com/economy/hurricane-recovery-and-high-demand-worsen-labor-shortage-0010487>
2. [http://www.fortworthbusiness.com/collin\\_county\\_business\\_press/harvey-s-ripple-labor-shortages-likely-as-gulf-coast-rebuilds/article\\_4ad55966-94ed-11e7-9400-cfd658ff089b.html](http://www.fortworthbusiness.com/collin_county_business_press/harvey-s-ripple-labor-shortages-likely-as-gulf-coast-rebuilds/article_4ad55966-94ed-11e7-9400-cfd658ff089b.html)
3. [https://www.wacotrib.com/news/business/rebuilding-after-hurricane-harvey-to-create-construction-ripples-locally/article\\_59da766d-47a8-5577-b4a9-84bc38f9d658.html](https://www.wacotrib.com/news/business/rebuilding-after-hurricane-harvey-to-create-construction-ripples-locally/article_59da766d-47a8-5577-b4a9-84bc38f9d658.html)
4. <https://www.cbsnews.com/news/hurricane-harvey-houston-workers-to-rebuild/>
5. <https://www.supplychaindive.com/news/Harvey-sourcing-trends-ThomasNet-Thomas-Index-construction/505140/>
6. <https://comptroller.texas.gov/economy/fiscal-notes/2018/special-edition/endnotes.php#en19>
7.
  - a. <https://www.houstonchronicle.com/business/real-estate/article/Homeowners-feel-post-Harvey-pinch-in-construction-12379258.php>
  - b. <https://www.xactware.com/en-us/solutions/weather-analytics/respond/hurricane-harvey/>
8. <https://www.wsj.com/livecoverage/hurricane-irma/card/1504889661>
9. <https://traderscommunity.com/index.php/commodities/227-gypsum-and-sheetrock-market-price-pressures-follow-hurricanes>
10. <https://www.naiop.org/en/Magazine/2017/Winter-2017-2018/Business-Trends/Construction-Costs-Outlook>



## Exhibit A

**STATEMENTS & RELEASES**

# President Donald J. Trump Approves Texas Disaster Declaration

**LAND & AGRICULTURE**Issued on: **August 25, 2017**

Today, President Donald J. Trump declared that a major disaster exists in the State of Texas and ordered Federal aid to supplement State and local recovery efforts in the areas affected by Hurricane Harvey beginning on August 23, 2017, and continuing.

The President's action makes Federal funding available to affected individuals in the counties of Bee, Goliad, Kleberg, Nueces, San Patricio, and Refugio.

Assistance can include grants for temporary housing and home repairs, low-cost loans to cover uninsured property losses, and other programs to help individuals and business owners recover from the effects of the disaster.

Federal funding also is available to the State and to eligible local governments and certain private nonprofit organizations on a cost-sharing basis for emergency work in the counties of Bee, Goliad, Kleberg, Nueces, San Patricio, and Refugio Counties.

Federal funding is also available on a cost-sharing basis for hazard mitigation measures statewide.

Brock Long, Administrator, Federal Emergency Management Agency (FEMA), Department of Homeland Security, named Kevin L. Hannes as the Federal Coordinating Officer for Federal recovery operations in the affected areas.



Damage assessments are continuing in other areas, and more counties and additional forms of assistance may be designated after the assessments are fully completed.

Residents and business owners who sustained losses in the designated counties can begin applying for assistance tomorrow by registering online at <http://www.DisasterAssistance.gov> or by calling 1-800-621-FEMA(3362) or 1-800-462-7585 (TTY) for the hearing and speech impaired. The toll-free telephone numbers will operate from 7 a.m. to 10 p.m. (local time) seven days a week until further notice.

FOR FURTHER INFORMATION MEDIA SHOULD CONTACT THE FEMA NEWS DESK AT (202) 646-3272 OR [FEMA-NEWS-DESK@FEMA.DHS.GOV](mailto:FEMA-NEWS-DESK@FEMA.DHS.GOV) .



# FEMA <sup>(L)</sup> Initial Notice

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## Date of Notice:

Friday, August 25, 2017

Billing Code 9111-23-P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Internal Agency Docket No. FEMA-4332-DR]

[Docket ID FEMA-2017-0001]

Texas; Major Disaster and Related Determinations

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: This is a notice of the Presidential declaration of a major disaster for the State of Texas (FEMA-4332-DR), dated August 25, 2017, and related determinations.

DATE: The declaration was issued August 25, 2017.

FOR FURTHER INFORMATION CONTACT: Dean Webster, Office of Response and Recovery, Federal Emergency Management Agency, 500 C Street, SW, Washington, DC 20472, (202) 646-2833.

SUPPLEMENTARY INFORMATION: Notice is hereby given that, in a letter dated August 25, 2017, the President issued a major disaster declaration under the authority of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 *et seq.* (the "Stafford Act"), as follows:



I have determined that the damage in certain areas of the State of Texas resulting from Hurricane Harvey beginning on August 23, 2017, and continuing, is of sufficient severity and magnitude to warrant a major disaster declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 et seq. (the "Stafford Act"). Therefore, I declare that such a major disaster exists in the State of Texas.

In order to provide Federal assistance, you are hereby authorized to allocate from funds available for these purposes such amounts as you find necessary for Federal disaster assistance and administrative expenses.

You are authorized to provide Individual Assistance and assistance for debris removal and emergency protective measures (Categories A and B) under the Public Assistance program in the designated areas, Hazard Mitigation throughout the State, and any other forms of assistance under the Stafford Act that you deem appropriate subject to completion of Preliminary Damage Assessments (PDAs). Direct Federal assistance is authorized.

Consistent with the requirement that Federal assistance is supplemental, any Federal funds provided under the Stafford Act for Hazard Mitigation and Other Needs Assistance will be limited to 75 percent of the total eligible costs. Federal funds provided under the Stafford Act for Public Assistance also will be limited to 75 percent of the total eligible costs, with the exception of projects that meet the eligibility criteria for a higher Federal cost-sharing percentage under the Public Assistance Alternative Procedures Pilot Program for Debris Removal implemented pursuant to section 428 of the Stafford Act.

Further, you are authorized to make changes to this declaration for the approved assistance to the extent allowable under the Stafford Act.

The time period prescribed for the implementation of section 310(a), Priority to Certain Applications for Public Facility and Public Housing Assistance, 42 U.S.C. 5153, shall be for a period not to exceed six months after the date of this declaration.

The Federal Emergency Management Agency (FEMA) hereby gives notice that pursuant to the authority vested in the Administrator, under Executive Order 12148, as amended, Kevin L. Hannes, of FEMA is appointed to act as the Federal Coordinating Officer for this major disaster.

The following areas of the State of Texas have been designated as adversely affected by this major disaster:

Bee, Goliad, Kleberg, Nueces, Refugio, and San Patricio Counties for Individual Assistance.

Bee, Goliad, Kleberg, Nueces, Refugio, and San Patricio Counties for debris removal and emergency protective measures (Categories A and B), including direct federal assistance, under the Public Assistance program.

All areas within the State of Texas are eligible for assistance under the Hazard Mitigation Grant Program.

The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 97.030, Community Disaster Loans; 97.031, Cora Brown Fund; 97.032, Crisis Counseling; 97.033, Disaster Legal Services; 97.034, Disaster Unemployment Assistance (DUA); 97.046, Fire Management Assistance Grant; 97.048, Disaster Housing Assistance to Individuals and Households In Presidentially Declared Disaster Areas; 97.049, Presidentially Declared



Disaster Assistance - Disaster Housing Operations for Individuals and Households; 97.050, Presidentially Declared Disaster Assistance to Individuals and Households - Other Needs; 97.036, Disaster Grants - Public Assistance (Presidentially Declared Disasters); 97.039, Hazard Mitigation Grant.

/s/

Brock Long,

Administrator,

Federal Emergency Management Agency.

Last Updated: 08/26/2017 - 15:09

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# FEMA <sup>(/)</sup> Initial Public Notice for DR-4332-TX

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(/disaster/notices/updates-  
blog-and-news)

## Date of Notice:

Wednesday, September 27, 2017

The Federal Emergency Management Agency (FEMA) hereby gives notice to the public of its intent to reimburse eligible applicants for eligible costs to repair and/or replace facilities damaged by Hurricane Harvey beginning August 23, 2017, and ending September 15, 2017. This notice applies to the Public Assistance (PA), Individual Assistance (IA), and Hazard Mitigation Grant (HMGP) programs implemented under the authority of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. §§ 5121-5207.

Under a major disaster declaration (FEMA 4332-DR-TX) signed by the President on August 25, 2017, and amended on August 27, 2017, August 30, 2017, September 1, 2017, September 2, 2017, September 4, 2017, September 12, 2017, September 15, 2017, September 18, 2017, and September 19, 2017 the following counties have been designated adversely affected by the disaster and eligible for PA: Aransas, Austin, Bastrop, Bee, Bexar, Brazoria, Burleson, Calhoun, Chambers, Colorado, Dallas, DeWitt, Fayette, Fort Bend, Galveston, Goliad, Gonzales, Grimes, Hardin, Harris, Jackson, Jasper, Jefferson, Karnes, Kleberg, Lavaca, Lee, Liberty, Madison, Matagorda, Montgomery, Newton, Nueces, Orange, Polk, Refugio, Sabine, San Jacinto, San Patricio, Tarrant, Travis, Tyler, Victoria, Walker, Waller, Washington, and Wharton. The following counties have been designated eligible for IA: Aransas, Austin, Bastrop, Bee, Brazoria, Calhoun, Chambers, Colorado, DeWitt, Fayette, Fort



Bend, Galveston, Goliad, Gonzales, Hardin, Harris, Jackson, Jasper, Jefferson, Karnes, Kleberg, Lavaca, Lee, Liberty, Matagorda, Montgomery, Newton, Nueces, Orange, Polk, Refugio, Sabine, San Jacinto, San Patricio, Tyler, Victoria, Walker, Waller, and Wharton. Additional counties may be designated at a later date. All counties in the State of Texas are eligible for HMGP.

This notice concerns activities that may affect historic properties, activities that are located in or affect wetland areas or the 100-year floodplain, and critical actions within the 500-year floodplain. Such activities may adversely affect the historic property, floodplain or wetland, or may result in continuing vulnerability to flood damage.

Presidential Executive Orders 11988 and 11990 require that all federal actions in or affecting the floodplain or wetlands be reviewed for opportunities to relocate, and evaluated for social, economic, historical, environmental, legal and safety considerations. Where there is no opportunity to relocate, FEMA is required to undertake a detailed review to determine what measures can be taken to minimize future damages. The public is invited to participate in the process of identifying alternatives and analyzing their impacts through this notification.

FEMA has determined that for certain types of facilities there are normally no alternatives to restoration in the floodplain/wetland. These are facilities that meet all of the following criteria: 1) FEMA's estimate of the cost of repairs is less than 50 percent of the cost to replace the entire facility, and is less than \$100,000; 2) the facility is not located in a floodway; 3) the facility has not sustained major structural damage in a previous

presidentially declared flooding disaster or emergency; and 4) the facility is not critical (e.g., the facility is not a hospital, generating plant, emergency operations center, or a facility that contains dangerous materials). FEMA intends to provide assistance for the restoration of these facilities to their pre-disaster condition, except that certain measures to mitigate the effects of future flooding or other hazards may be included in the work. For example, a bridge or culvert restoration may include a larger waterway opening to decrease the risk of future washouts.

For routine activities, this will be the only notice provided. Other activities and those involving facilities that do not meet the four criteria are required to undergo a more detailed review, including the study of alternate locations. Subsequent public notices regarding such projects will be published if necessary, as more specific information becomes available.

In many cases, an applicant may have started facility restoration before federal involvement. Even if the facility must undergo detailed review and analysis of alternate locations, FEMA will fund eligible restoration at the original location if the facility is functionally dependent on its floodplain location (e.g., bridges and piers), or the project facilitates an open-space use, or the facility is an integral part of a larger network that is impractical or uneconomical to relocate, such as a road. In such cases, FEMA must also examine the possible effects of not restoring the facility, minimize floodplain/wetland impacts, and determine both that an overriding public need for the facility clearly outweighs the Executive Order requirements to avoid the floodplain/wetland, and that the site is the only practicable alternative. The State of Texas and local officials will confirm to FEMA that proposed actions comply with all applicable state and local floodplain management and wetland protection requirements.



FEMA intends to provide IA program funding for disaster-related emergency housing. These actions may adversely affect a floodplain or wetland, or may result in continuing vulnerability to floods. These actions may include repair, restoration, or construction of housing or private bridges, purchase and placement of travel trailers or manufactured housing units, or repair of structures as minimum protective measures. This will be the only public notice concerning these actions.

FEMA also intends to provide HMGP funding to the State of Texas to mitigate future disaster damages. These projects may include construction of new facilities, modification of existing, undamaged facilities, relocation of facilities out of floodplains, demolition of structures, or other types of projects to mitigate future disaster damages. In the course of developing project proposals, subsequent public notices will be published if necessary, as more specific information becomes available.

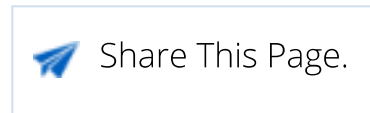
The National Historic Preservation Act requires federal agencies to take into account the effects of their undertakings on historic properties. Those actions or activities affecting buildings, structures, districts or objects 50 years or older or that affect archeological sites or undisturbed ground will require further review to determine if the property is eligible for listing in the National Register of Historic Places (Register).

If the property is determined to be eligible for the Register, and FEMA's undertaking will adversely affect it, FEMA will provide additional notices. For historic properties not adversely affected by FEMA's undertaking, this will be the only notice.

As noted, this may be the only notice regarding the above-described actions under the PA, IA, and HMGP programs. Interested persons may obtain information about these actions or a specific project by writing to Kevin Jaynes, Regional Environmental Officer, Federal Emergency Management Agency, Region 6, 800 North Loop 288, Denton, TX 76209 or by emailing

[FEMA-R6-EHP@fema.dhs.gov](mailto:FEMA-R6-EHP@fema.dhs.gov) (mailto:FEMA-R6-EHP@fema.dhs.gov). Comments should be sent in writing within 15 days of the date of this notice.

Last Updated: 09/26/2017 - 19:06



[Home \(/\)](#) [About Us \(/about-agency\)](#) [Download Plug-ins \(/download-plug-ins\)](#) [Doing Business with FEMA \(/industry-liaison-program\)](#) [Privacy Policy \(/privacy-policy\)](#) [Accessibility \(/accessibility\)](#) [FOIA \(/foia\)](#) [No Fear Act Data \(/no-fear-act-data\)](#) [Office of the Inspector General \(/www.oig.dhs.gov/\)](#) [Strategic Plan \(/strategic-plan\)](#) [Whitehouse.gov \(/www.whitehouse.gov\)](#) [DHS.gov \(/www.dhs.gov\)](#) [Ready.gov \(/www.ready.gov\)](#) [USA.gov \(/www.usa.gov\)](#) [DisasterAssistance.gov \(https://www.disasterassistance.gov/\)](#)



(<https://www.oig.dhs.gov/hotline>)

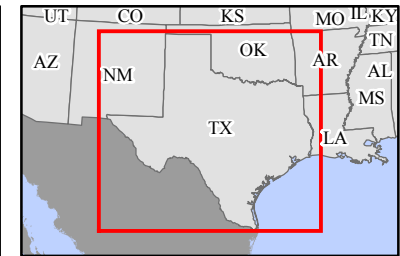
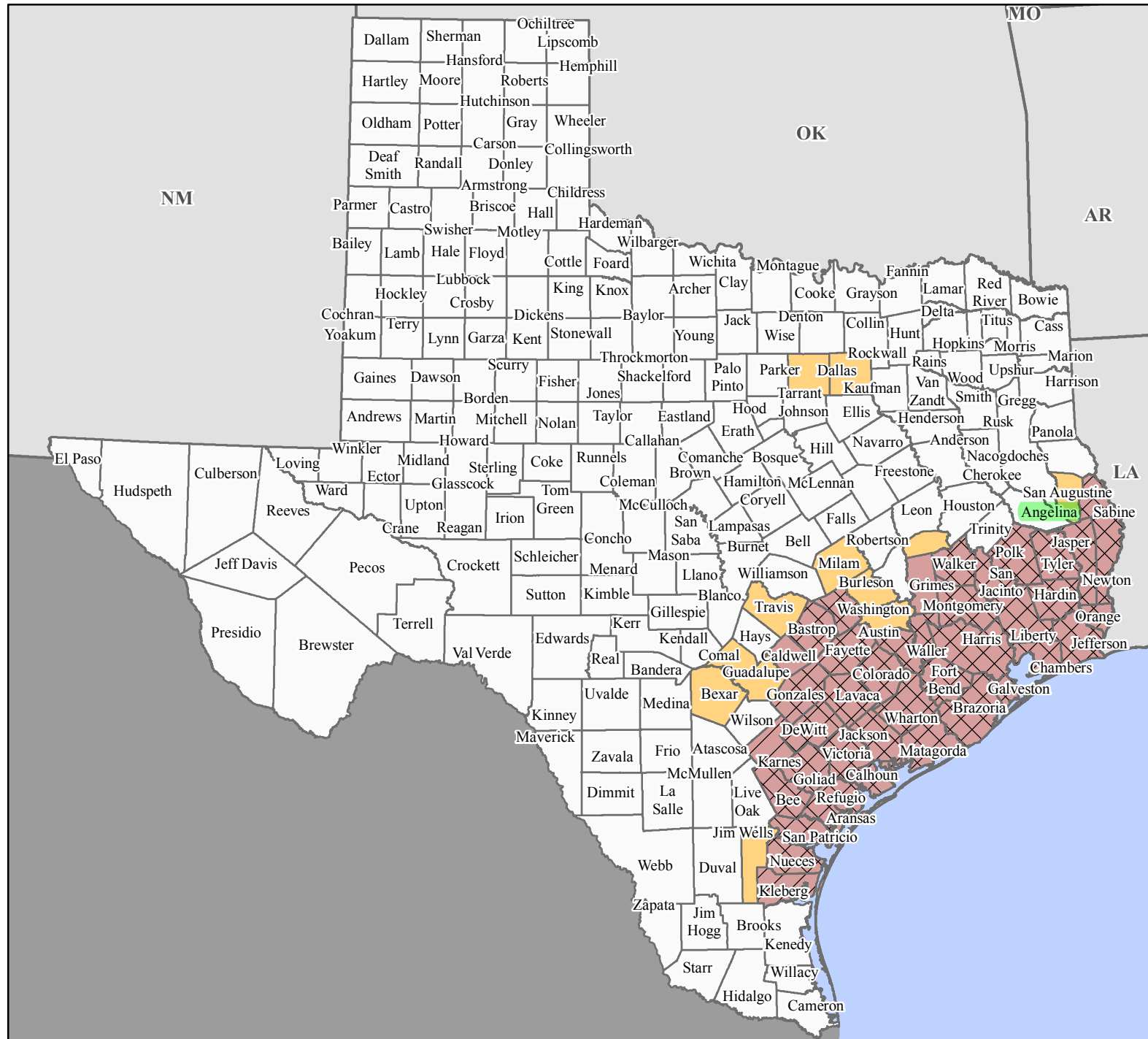
 Official website of the Department of Homeland Security



# FEMA-4332-DR, Texas Disaster Declaration as of 10/11/2017



FEMA

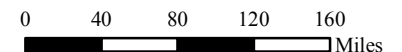
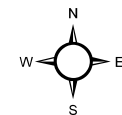


**Data Layer/Map Description:**  
The types of assistance that have been designated for selected areas in the State of Texas.

All designated areas in the State of Texas are eligible to apply for assistance under the Hazard Mitigation Grant Program.

**Designated Counties**

- No Designation
- Public Assistance
- Individual Assistance and Public Assistance
- Public Assistance (Category B)
- Individual Assistance and Public Assistance (Categories A and B)
- Individual Assistance and Public Assistance (Categories A - G)



**Data Sources:**  
FEMA, ESRI;  
Initial Declaration: 08/25/2017  
Disaster Federal Registry Notice:  
Amendment #10 - 10/11/2017  
Datum: North American 1983  
Projection: Lambert Conformal Conic

## Exhibit B



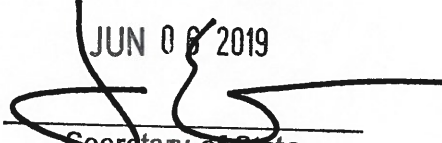


GOVERNOR GREG ABBOTT

June 6, 2019

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
11:15 AM O'CLOCK

Mr. Joe Esparza  
Deputy Secretary of State  
State Capitol Room 1E.8  
Austin, Texas 78701

JUN 06 2019  
  
Secretary of State

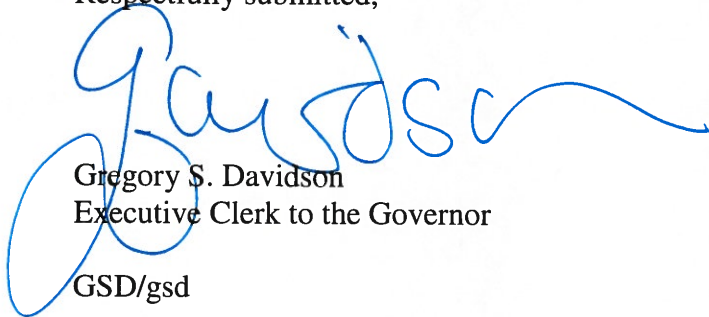
Dear Mr. Deputy Secretary:

Pursuant to his powers as Governor of the State of Texas, Greg Abbott has issued the following:

A proclamation stating that a state of disaster continues to exist in Texas as a result of catastrophic damage caused by Hurricane Harvey in Angelina, Aransas, Atascosa, Austin, Bastrop, Bee, Bexar, Brazoria, Brazos, Burleson, Caldwell, Calhoun, Cameron, Chambers, Colorado, Comal, DeWitt, Fayette, Fort Bend, Galveston, Goliad, Gonzales, Grimes, Guadalupe, Hardin, Harris, Jackson, Jasper, Jefferson, Jim Wells, Karnes, Kerr, Kleberg, Lavaca, Lee, Leon, Liberty, Live Oak, Madison, Matagorda, Milam, Montgomery, Newton, Nueces, Orange, Polk, Refugio, Sabine, San Patricio, San Augustine, San Jacinto, Trinity, Tyler, Victoria, Walker, Waller, Washington, Wharton, Willacy, and Wilson Counties.

The original proclamation is attached to this letter of transmittal.

Respectfully submitted,

  
Gregory S. Davidson  
Executive Clerk to the Governor  
GSD/gsd

Attachment

# PROCLAMATION

BY THE

## Governor of the State of Texas

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TO ALL TO WHOM THESE PRESENTS SHALL COME:

WHEREAS, I, GREG ABBOTT, Governor of the State of Texas, issued a disaster proclamation on August 23, 2017, certifying that Hurricane Harvey posed a threat of imminent disaster for Aransas, Austin, Bee, Brazoria, Calhoun, Chambers, Colorado, DeWitt, Fayette, Fort Bend, Galveston, Goliad, Gonzales, Harris, Jackson, Jefferson, Jim Wells, Karnes, Kleberg, Lavaca, Liberty, Live Oak, Matagorda, Nueces, Refugio, San Patricio, Victoria, Waller, Wharton and Wilson counties; and

WHEREAS, the disaster proclamation of August 23, 2017, was subsequently amended on August 26, August 27, August 28 and September 14 to add the following counties to the disaster proclamation: Angelina, Atascosa, Bastrop, Bexar, Brazos, Burleson, Caldwell, Cameron, Comal, Grimes, Guadalupe, Hardin, Jasper, Kerr, Lee, Leon, Madison, Milam, Montgomery, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Trinity, Tyler, Walker, Washington and Willacy; and

WHEREAS, on September 20, 2017, and in each subsequent month effective through today, I issued proclamations renewing the disaster declaration for all counties listed above; and

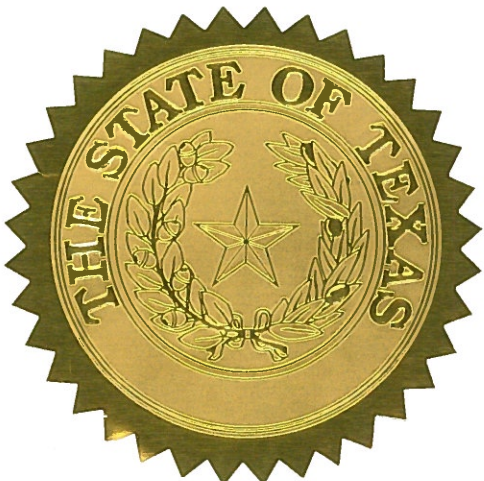
WHEREAS, due to the catastrophic damage caused by Hurricane Harvey, a state of disaster continues to exist in those same counties;

NOW, THEREFORE, in accordance with the authority vested in me by Section 418.014 of the Texas Government Code, I do hereby renew the disaster proclamation for the 60 counties listed above.

Pursuant to Section 418.017 of the code, I authorize the use of all available resources of state government and of political subdivisions that are reasonably necessary to cope with this disaster.

Pursuant to Section 418.016 of the code, any regulatory statute prescribing the procedures for conduct of state business or any order or rule of a state agency that would in any way prevent, hinder or delay necessary action in coping with this disaster shall be suspended upon written approval of the Office of the Governor. However, to the extent that the enforcement of any state statute or administrative rule regarding contracting or procurement would impede any state agency's emergency response that is necessary to protect life or property threatened by this declared disaster, I hereby authorize the suspension of such statutes and rules for the duration of this declared disaster.

In accordance with the statutory requirements, copies of this proclamation shall be filed with the applicable authorities.



IN TESTIMONY WHEREOF, I have hereunto signed my name and have officially caused the Seal of State to be affixed at my office in the City of Austin, Texas, this the 6th day of June, 2019.

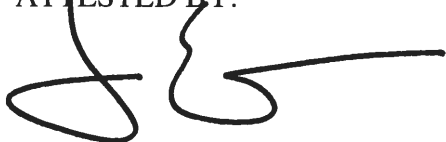
  
GREG ABBOTT  
Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
11:15 AM O'CLOCK

JUN 06 2019



ATTESTED BY:



---

JOE ESPARZA  
Deputy Secretary of State

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
11:15 AM O'CLOCK

JUN 06 2019

## Exhibit C



**Project Name: Providence at Ted Trout Duplex Project**

**Value Engineering Items Incorporated into Revised Plans**

- 1 Reduce lime percentage at concrete paving from 6% to 5%
- 2 Lay fire line and water line in same ditch
- 3 Delete 1" service meter - 19 each
- 4 Delete 1.5" service meter - 1 each
- 5 Reduce size of leasing and community building from 4339 sf to 2060 sf.
- 6 Reduce Window Quantity per new VE drawings from Architect ( 98 total less windows )  
B unit - Delete (1) A window in each bedroom (2) B Windows from living room; A unit - Delete (1) A window in Bedroom and (1) B window in living room
- 7 Redesign site fencing and gates and extend fencing around detention pond and decrease to setback at west of clubhouse.
- 8 Change site sidewalks from 5 ft wide to 3 ft wide with turn pads.
- 9 Change unit ceramic tile floors to vinyl plank in unit bathrooms, utility/linen rooms.
- 10 Change ceramic wall tile in bath to prefabricated tub surround.
- 11 Change granite counter to plastic laminate
- 12 Change 2x6 wall framing to 2x4 framing.
- 13 Delete second vanity and second lavatory in unit B master bath.
- 14 Revise Clubhouse ceiling from 3 ceiling heights (14', 10' 4", and 9'4" for the drops) and 13 gables to 9 ft flat ceiling, no gables
- 15 Revise exterior doors and clubhouse interior doors from 8'0" to standard height 6'-8"
- 16 Delete cased openings in hallway, Change to gyp materials in 2 locations each in all units.
- 17 Remove exterior decorative millwork and brackets in all units and Clubhouse.
- 18 Delete crown molding in clubhouse and units
- 19 Replace wood base with vinyl base in all rooms of units and clubhouse.
- 20 Revise brick detail to reduce quantity of brick, at soilder course and butt edges.
- 21 Reduce downspout count from 160 to 80 - 4 per building.

## Exhibit D



	Pre-Harvey (Costs submitted with Application)	Post-Harvey (Costs from GC EWING SOV)	Difference	%
<b>Site Work</b>				
On-Site Concrete	\$110,200.00	\$247,601.00	\$137,401.00	124.68 %
On-Site Paving	\$570,000.00	\$528,797.00	-\$41,203.00	-7.23 %
Landscaping	\$114,000.00	\$129,000.00	\$15,000.00	13.16 %
Bumper Stops, stripping, signs	\$4,940.00	\$10,000.00	\$5,060.00	102.43 %
Rough Grading	\$106,400.00	\$108,000.00	\$1,600.00	1.50 %
Fencing	\$15,200.00	\$55,733.00	\$40,533.00	266.66 %
On-Site Electrical	\$42,560.00	\$50,000.00	\$7,440.00	17.48 %
On-Site Utilities	\$275,880.00	\$307,323.00	\$31,443.00	11.40 %
Trash Chutes, Courtyard	\$30,400.00	\$45,000.00	\$14,600.00	48.03 %

<b>Building Costs</b>				
Concrete	\$297,000.00	\$740,856.00	\$443,856.00	149.45 %
Masonry	\$342,000.00	\$243,800.00	-\$98,200.00	-28.71 %
Metals	\$53,200.00	\$40,509.00	-\$12,691.00	-23.86 %
Woods/Plastics	\$1,228,718.00	\$1,498,599.00	\$269,881.00	21.96 %
Thermal Moisture Protection	\$53,162.00	\$95,073.00	\$41,911.00	78.84 %
Roof Covering	\$279,098.00	\$294,656.00	\$15,558.00	5.57 %
Doors/Windows	\$197,600.00	\$201,504.00	\$3,904.00	1.98 %
Finishes	\$545,920.00	\$287,522.00	-\$258,398.00	-47.33 %
Specialties	\$152,000.00	\$96,455.00	-\$55,545.00	-36.54 %
Equipment	\$136,800.00		-\$136,800.00	-100.00 %
Furnishings	\$38,000.00		-\$38,000.00	-100.00 %
Mechanical (Plumbing & HVAC)	\$684,800.00	\$1,064,695.00	\$379,895.00	55.48 %
Electrical	\$532,000.00	\$657,184.00	\$125,184.00	23.53 %

<b>Total</b>	<b>\$5,809,878.00</b>	<b>\$6,702,307.00</b>	<b>\$892,429.00</b>	<b>15.36 %</b>
Total Site Work	\$1,269,580.00	\$1,481,454.00	\$211,874.00	16.69 %
Total Building Costs	\$4,540,298.00	\$5,220,853.00	\$680,555.00	14.99 %

Total SF **66452.00**

<b>Building Cost per sf</b>	<b>\$ 68.32</b>	<b>\$ 78.57</b>	<b>\$ 10.24</b>	<b>14.99 %</b>
-----------------------------	-----------------	-----------------	-----------------	----------------

<b>Contingency (TDHCA App)</b>	<b>\$ 290,494.00</b>			
JOB PROFIT (EWING)		<b>\$ 220,149.00</b>		
PROJECT OVERHEAD (EWING)		<b>\$ 141,386.00</b>		
GENERAL CONDITIONS (EWING)		<b>\$ 424,158.00</b>		
GENERAL OVERHEAD EXPENSES (EWING)		<b>\$ 50,000.00</b>		
Asbestos Abatement (EWING)		<b>\$ 12,000.00</b>		
<b>Total Hard Costs (TDHCA App)</b>	<b>\$ 6,100,372.00</b>			
Total Ewing Contract after VE		<b>\$ 7,550,000.00</b>		









**“Confidential”  
Revision 10**

March 22, 2019

The ITEX Group  
9 Greenway Plaza, Ste. 1250  
Houston, Texas 77046

VIA Email: [kevin.hardy@itexgrp.com](mailto:kevin.hardy@itexgrp.com)

**ATTENTION: Kevin Hardy**

**REFERENCE: Providence at Ted Trout Duplex Project**

We propose to furnish all necessary labor, materials, equipment, insurance, supervision and taxes necessary for completion of work on the above referenced project, per attachments.

**FOR THE LUMP SUM OF:       \$ 7,550,000.00**

We estimate our construction schedule to be approximately 300 days.

Attached to this proposal are the following supporting documents:

- Schedule of Values                      Page 2-3
- Clarifications, Exclusions            Page 4
- Value Engineering                      Page 5
- Alternate Pricing                        Page 6

We thank you for the opportunity to quote this project and look forward to working with you.

Sincerely,

EWING INDUSTRIAL SERVICES, LLC

Bill Ewing, Jr.  
Owner





Revision ten ( 10 )  
March 22 , 2019

"Confidential"

Project Name: Providence at Ted Trout Duplex Project

Schedule of Values			
Description:	Dollar Value	sub/vendor	Added to scope
SWPP - Permit (noi & plan )	\$ -	Hydrex	pre construction item
Swppp 3rd party inspections	\$ 4,180.00	Hydrex	added
disconnect existing utilities	\$ -		alternate
cap and plug water well	\$ 1,557.00	English water well service	per TCEQ & TNRCC
relocate transformer for residence	\$ -	Oncor	alternate
relocate gas meter for residence	\$ -	Center Point	alternate
testing of sitework and concrete	\$ -	Terracon	alternate
Earthwork-demo, lime , pad	\$ 346,570.00	Angelina	
Maintenance for Erosion Controls	\$ -	Angelina	
Asbestos abatement	\$ -	cap ce	alternate
Lead based paint	\$ -	cap ce	alternate
Site layout for utilities	\$ 27,000.00	Angelina	added back
Sanitary and lift station	\$ 121,988.00	Angelina	
Water Line	\$ 104,151.00	Angelina	
Storm Sewer	\$ 117,951.00	Angelina	
Site wood fencing	\$ 48,600.00	Southland	
Ornamental fence and gates	\$ 50,000.00	Southland	
Landscaping - Allowance	\$ 45,000.00	allowance	allowance
Irrigation - Allowance	\$ -	NIC	
BBQ Pit and Picnic tables	\$ -	Ewing	alternate
Site caulking	\$ -	Angelina	
Concrete paving	\$ 353,969.00	Angelina	added parking
light pole bases	\$ -	Hayes	
Sidewalks and sand cushion	\$ 116,046.00	Hayes	
Striping signage and wheel stops	\$ 9,308.00	Pro Seal	
Soil Treatment - termites	\$ -	NIC	
Concrete foundation	\$ 746,202.00	Hayes	
Rebar and cables	\$ -	Hayes	
Masonry and CMU at dumpster	\$ 273,900.00	kadex masonry	
Misc. steel	\$ -	NIC	
Erection & installation of metals	\$ -	NIC	
Wood framing package	\$ 232,518.00	stine	
Joist and trusses	\$ 133,500.00	sci	
Framing labor	\$ 482,225.00	escorpien	
Finish carpentry labor	\$ 65,400.00	phoenix	
Hardi plank siding	\$ 92,120.00	stine	
Casework	\$ 136,770.00	leedo	
Plastic laminate tops	\$ 32,040.00	leedo	
Sink bowls	\$ -	w/plumbing	
Insulation	\$ 77,500.00	Riteway	
Exterior caulking	\$ 6,000.00	Ewing	
Insulation liner system	\$ -	w/ zip syst.	
Roofing	\$ 182,550.00	Hostetler	
Gutter and down spouts	\$ -	w/above	
exterior doors	\$ 20,520.00	tri supply	
fire riser room hollow metal	\$ 16,999.00	tri supply	
Interior door package	\$ 57,871.00	tri supply	
Door hardware	\$ 18,528.00	décor syst	
trim package ( and shelving )	\$ 42,650.00	tri supply	
Windows	\$ 78,274.00	plygem	
Drywall & tape and float	\$ 393,800.00	faith	
LVT and Carpet in units	\$ 117,334.00	goldens	
LVT and Ceramic in clubhouse	\$ 15,697.00	goldens	
Sealed concrete flooring	\$ -	NIC	
Paint	\$ 191,545.00	bcp	
Bath accessories	\$ 10,374.00	décor	
Vanity mirror	\$ 14,537.00	décor	
Fire extinguishers	\$ 3,635.00	AFS	
Corner guards	\$ -	NIC	
Postal specialties	\$ 9,970.00	décor	
Appliances and laundry equipment	\$ 125,047.00	ge appiance	
Blinds	\$ 15,000.00	sytex	
specialty item installation	\$ -	with above	

Fire sprinkler,	\$	168,000.00	AFS
5 ft. OSB for sprinkler ( riser )	\$	25,900.00	AFS
Plumbing	\$	465,922.00	Loggins
tub surrounds prefab & shower	\$	43,649.00	Loggins
HVAC and Condensate and pads	\$	382,000.00	twa
Electrical	\$	456,000.00	SCE
Fire alarm	\$	47,500.00	afpg
Light fixture Package	\$	78,296.00	value
Security alarm system for units	\$	20,600.00	sce
security alarm system for clubhouse	\$	3,000.00	sce
Gate access controls	\$	4,000.00	w/ electrical
clubhouse audio system	\$	3,000.00	sce
Wind storm inspections	\$	-	NIC
Dumpster	\$	20,000.00	Ewing
General clean-housekeeping labor	\$	15,000.00	Ewing
Final clean	\$	16,000.00	Ewing
laydown area	\$	16,000.00	Ewing
General Conditions- Supervision and Insurance	\$	533,900.00	Ewing
<b>SUBTOTAL</b>	<b>\$</b>	<b>7,237,593.00</b>	
Material Tax (8%)	\$	-	
Profit and Overhead	\$	312,407.00	
	\$	-	
<b>TOTAL</b>	<b>\$</b>	<b>7,550,000.00</b>	



"Confidential"

**Project Name: Providence at Ted Trout Duplex Project**

**QUALIFICATIONS**

- 1) closet shelves are included
- 2) value engineering approved items are included on next page
- 3) capping of waterwell included
- 4) relocation of neighbor driveway is included
- 5) relocation of transformer is pending Oncor meeting.

**Exclusions**

- 1) Builders risk insurance
- 2) Permit and tap fees
- 3) Nurse call station
- 4) Surveying report required by HUD
- 5) Retaining wall
- 6) irrigation sleeves & irrigations
- 7) underground tv or cable service to each unit - provider not determined
- 8) medicine cabinets in units
- 9)

**Clarifications**

- 1) landscaping is an allowance
- 2) Wrought iron Fencing is redesigned by ewing for value engineering
- 3) picnic tables and bbq pit is an alternate
- 4) driveway relocation will need to be coordinated with neighbor occupying the residence
- 5) lead paint abatement has been added to alternates
- 6) gas line relocation for adjacent property owners residence is pending Center Point
- 7) one SCE is included
- 8) easement documents by ITEX and coordination and fees
- 9) prefabricated showers do not include seats
- 10) asbestos abatement if required is priced as an alternate
- 11) one water meter for project included
- 12) ITEX will provide sufficient informaiton to Ewing A.R. insurance carrier Euhler Hermes for policy.
- 13) added 23 additional parking spaces

"Confidential"

**Project Name: Providence at Ted Trout Duplex Project**

**Value Engineering Items included in Pricing Revisions**

- 1) Angelina Excavating Option 2 for on site fill, cut and balance and 2.5 ft of VFT
- 2) Reduce lime percentage at concrete paving from 6% to 5%
- 3) Better pricing on storm sewer materials and labor
- 4) lay fire line and water line in same ditch
- 5) Delete 1" service meter - 19 each
- 6) delete 1.5" service meter - 1 each
- 7) reduce concrete paving pricing
- 8) Reduce size of leasing and community building
- 9) Reduce Window Quantity per new VE drawings from Architect ( 98 total less windows )
- 10) Redesign site fencing and gates and extend fencing around detention pond and decrease to setback at west of clubhouse.
- 11) Change site sidewalks from 5 ft wide to 3 ft wide with turn pads.
- 12) change unit ceramic tile floors to vinyl plank.
- 13) change ceramic wall tile in bath to prefabricated tub surround.
- 14) change granite counter to plastic laminate
- 15) change 2x6 wall framing to 2x 4 framing.
- 16) delete second vanity and second lavatory in unit B master bath.
- 17) reduce square footage of clubhouse by ,1667 sf , with 9 ft flat ceiling, 2 gables only.
- 18) revise exterior doors and clubhouse interior doors to standard height = 6'-8"
- 19) delete cased openings in hallway, change to gyp materials
- 20) remove exterior decorative millwork and brackets
- 21) delete laundry equipment
- 22) delete crown molding in clubhouse and units
- 23) revise wood base to vinyl base
- 24) revise casing to 2 1/8" FJ
- 25) revise brick detail to reduce quantity of brick, at soilder course and butt edges.
- 26) revise plumbing fixtures, based on owner approval
- 27) revise hvac equipment based on owner approval
- 28) revise electrical fixture package based on owner approval
- 29) revise roof perimeter material from ice and water shield to standard synthetic felt
- 30) reduce downspout count from 160 to 80 - 4 per building.





Revision ten ( 10 )  
March 22, 2019

"Confidential"

**Project Name: Providence at Ted Trout Duplex Project**

**Alternate Pricing Options**

1)	Disconnect existing utilities - per Angelia not required at this time.	\$	2,241.00
2)	Testing of earthwork and concrete	\$	31,980.00
3)	asbestos abatement if required per report	\$	3,500.00
4)	lead based paint abatement if required per report	\$	9,950.00
5)	relocate gas meter for neighbor from Center Point on easement( price pending )	\$	-
6)	relocate transformer for neighbor for Oncor on easement ( price pending )	\$	-
7)		\$	-
8)	bbq pit and picnic tables for gazebo - allowance - no specs	\$	6,000.00
9)		\$	-
10)		\$	-
11)	funds control by suretec, if by ewing	\$	228,000.00
12)		\$	-
13)	add additional stabilized construction entrance if required for a total of 2	\$	3,800.00
14)	add cmu for dumpster fencing, 2 locations in lieu of wood barrier fence	\$	6,000.00
15)	add wood base in lieu of vinyl base	\$	18,000.00
16)	add Electrical permits to pricing	\$	11,000.00
17)	add Mechanical permits to pricing	\$	475.00
18)	make neighbors driveway 12 ft wide in lieu of 9 ft wide	\$	9,000.00
19)			
20)			
21)			
22)			
23)			
24)			
25)			
26)			
27)			
28)			
29)			
30)			

# CONTINUATION SHEET

AIA DOCUMENT G703

PAGE

OF

PAGES

AIA Document G702, APPLICATION AND CERTIFICATION FOR PAYMENT, containing Contractor's signed certification is attached.

APPLICATION NO:  
APPLICATION DATE:

~~In tabulations below, amounts are stated to the nearest dollar.~~

PERIOD TO:  
ARCHITECT'S PROJECT NO:

Use Column I on Contracts where variable retainage for line items may apply.

A ITEM NO.	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		F MATERIALS PRESENTLY STORED (NOT IN D OR E)	G		H BALANCE TO FINISH (C - G)	I RETAINAGE (IF VARIABLE RATE)
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD		TOTAL COMPLETED AND STORED TO DATE (D+E+F)	% (G ÷ C)		
1	EARTHWORK	\$355,601.00						\$355,601.00	
2	ASBESTOS ABATEMENT	\$12,000.00						\$12,000.00	
3									
4									
5									
6	LANDSCAPE & IRRIGATION	\$129,000.00						\$129,000.00	
7	SITE FENCING & GATES	\$100,733.00						\$100,733.00	
8	CONCRETE WORK SITE	\$528,797.00						\$528,797.00	
9	SITE UTILITIES	\$357,323.00						\$357,323.00	
10	CONCRETE WORK BUILDING	\$740,856.00						\$740,856.00	
11	GAZEBO	\$10,000.00						\$10,000.00	
12									
13	MASONRY	\$243,800.00						\$243,800.00	
14	STRUCTURAL STEEL FABRICATIONS								
15	ROUGH CARPENTRY MATERIALS	\$247,932.00						\$247,932.00	
16	ROUGH CARPENTRY LABOR	\$386,159.00						\$386,159.00	
17	WOOD TRUSSES & BEAMS	\$141,320.00						\$141,320.00	
18	TRIM CARPENTRY MATERIAL	\$36,332.00						\$36,332.00	
19	TRIM CARPENTRY LABOR	\$41,500.00						\$41,500.00	
20	WOOD CABINETS	\$133,241.00	\$1,498,599.00			\$1,498,599.00	1124.73%	(\$1,365,358.00)	\$149,859.90
21	LAMINATE COUNTERTOPS	\$39,565.00						\$39,565.00	
22	WATERPROOFING SIDING MATERIAL	\$95,073.00						\$95,073.00	
23	INSULATION	\$82,300.00						\$82,300.00	
24	ROOFING	\$185,471.00						\$185,471.00	
25	GUTTER & DOWNSPOUTS	\$26,885.00						\$26,885.00	
26			\$294,656.00			\$294,656.00		(\$294,656.00)	\$29,465.60
27	METAL DOORS & FRAMES	\$40,509.00						\$40,509.00	
28	WOOD DOORS & FRAMES	\$57,811.00						\$57,811.00	
29	DOOR HARDWARE	\$25,312.00						\$25,312.00	
30									



# CONTINUATION SHEET

AIA DOCUMENT G703

PAGE

OF

PAGES

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			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD		TOTAL COMPLETED AND STORED TO DATE (D+E+F)	% (G ÷ C)		
31	WINDOWS	\$99,138.00	\$201,504.00					\$99,138.00	
32									
33	MIRRORS	\$14,121.00						\$14,121.00	
34									
35	DRYWALL	\$375,600.00						\$375,600.00	
36	CERAMIC TILE	\$47,242.00						\$47,242.00	
37	FLOORING - RESILIENT	\$96,950.00						\$96,950.00	
38	PAINTING DIRECT LABOR	\$161,582.00	\$287,522.00			\$287,522.00	177.94%	(\$125,940.00)	\$28,752.20
39									
40	TOILET PARTITIONS & ACCESSORIES	\$11,792.00						\$11,792.00	
41	SIGNAGE	\$10,000.00						\$10,000.00	
42									
43	FIRE EXTINGUISHERS	\$5,125.00	\$96,455.00					\$5,125.00	
44	MAILBOXES	\$8,175.00						\$8,175.00	
45									
46									
47									
48	RESIDENTIAL APPLIANCES	\$125,940.00						\$125,940.00	
49									
50	RECREATIONAL EQUIPMENT								
51									
52	WINDOW TREATMENTS	\$19,243.00						\$19,243.00	
53									
54									
55	FIRE SPRINKLER SYSTEM	\$171,000.00						\$171,000.00	
56	PLUMBING	\$475,000.00	\$1,064,695.00					\$475,000.00	
57	HEATING, COOLING & VENTILATION	\$418,695.00						\$418,695.00	
58									
59	ELECTRICAL SYSTEMS	\$456,000.00						\$456,000.00	
60	LIGHTING FIXTURES	\$83,594.00						\$83,594.00	
61	FIRE ALARM SYSTEM	\$49,000.00	\$657,184.00					\$49,000.00	

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			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD		TOTAL COMPLETED AND STORED TO DATE (D+E+F)	% (G ÷ C)		
62	SECURITY, AUDIO, VIDEO, ACCESS SYST.	\$68,590.00						\$68,590.00	
63	JOB PROFIT	\$220,149.00						\$220,149.00	
64	PROJECT OVERHEAD	\$141,386.00						\$141,386.00	
65	GENERAL CONDITIONS	\$424,158.00						\$424,158.00	
66	BONDS AND OTHER ASSOCIATED								
67	GENERAL OVERHEAD EXPENSES	\$50,000.00						\$50,000.00	
68									
69									
70									
71									
72									
73									
<b>GRAND TOTALS</b>		\$7,550,000.00	\$4,100,615.00	\$0.00	\$0.00	\$2,080,777.00		\$5,469,223.00	\$208,077.70

Users may obtain validation of this document by requesting of the license a completed AIA Document D401 - Certification of Document's Authenticity



**From:** [Kent Bedell](#)  
**To:** [Sharon Gamble](#)  
**Cc:** [Marni Holloway](#)  
**Subject:** FW: 17736 Providence at Ted Trout Drive - Request for TDHCA Staff and Board Review  
**Date:** Friday, September 27, 2019 3:04:55 PM

---

FYI...additional information regarding delays due to Hurricane Harvey.

Regards,

**Kent Bedell**

Asset Manager  
Texas Department of Housing and Community Affairs  
221 E. 11th Street | Austin, TX 78701  
Office: 512.475.3882  
Fax: 512.475.1895

*Any person receiving guidance from TDHCA staff should be mindful that, as set forth in [10 TAC Section 11.1\(b\)](#) there are important limitations and caveats (Also see [10 TAC §10.2\(b\)](#)).*

**About TDHCA**

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**From:** Michelle Harder <michelle.harder@itexgrp.com>  
**Sent:** Friday, September 27, 2019 2:18 PM  
**To:** Kent Bedell <kent.bedell@tdhca.state.tx.us>  
**Cc:** Miranda Sprague <Miranda.Sprague@itexgrp.com>; Bobken Simonians <bobken.simonians@itexgrp.com>; Ali Morris <ali.morris@itexgrp.com>; Tamea A. Dula <tdula@coatsrose.com>  
**Subject:** Re: 17736 Providence at Ted Trout Drive - Request for TDHCA Staff and Board Review

Mr. Bedell,

I just wanted to update you -- I have reviewed the specified financial tabs for our application, and they are currently being reviewed just to ensure accuracy.

In the meantime, I have put together a timeline with some additional information regarding the delays that kept us from closing the construction loan.

When Hurricane Harvey hit on August 25, 2017, it brought the entire area to a standstill, impacting residents and businesses alike, including many of

our employees; it was toward well into September, even early October 2017 before all of the roads were open, power and water restored to many surrounding areas, evacuees were able to return home, and businesses were back up and running at a normal pace. At this point, we became aware the labor shortage and the increased cost of materials; we began to reach out for new bids, understanding that our former bids would no longer be applicable and even that some of the former bidders were no longer available.

We completed a revised financial model in December 2017 based on these new bids; it was apparent that we were not in a good position with the financial viability of the project. In the first quarter of 2018, we pursued a second round of bids in hopes that, as time went on, the labor pool and the material costs may have begun to return to pre-Harvey prices. They did not.

Throughout the second and third quarters of 2018, we sought multiple ways to both reduce costs through complete architectural plan revisions and pursue additional funding sources including a request for TDHCA Multifamily Direct Home Loan Funds, Section 8 Project Based Vouchers with the Deep East Texas Council of Government, and D4 loan with Davis Penn in order to help with the financing gap. None of these efforts proved to be fruitful; the investors that we had secured began to withdraw their commitments, made wary by the impending time constraints and by the changes brought about by the newly implemented federal tax reform. By the last quarter of 2018, we understood that a complete plan revision would not reduce costs to any meaningful degree and would cause even further delays. We began to work with the architect to do Value Engineering and secure a new equity provider, which we had successfully completed by the end of 2018, allowing us to begin working toward a financial closing throughout the first quarter of 2019. We had our debt closing on April 12, 2019, and began construction on April 15, 2019.

I have put together a visual timeline to accompany this information. Please let me know if you have any questions.

Thank you for all of your assistance with this.

**Michelle Harder**

Development Team

Acquisitions & Development

■ [Direct 409.201.4462](tel:409.201.4462) | [Fax 409.721.6603](tel:409.721.6603)

■ [michelle.harder@itexgrp.com](mailto:michelle.harder@itexgrp.com)

■ [itexgrp.com](http://itexgrp.com)

■ 3735 Honeywood Court, Port Arthur, Texas 77642







On Fri, Sep 13, 2019 at 2:52 PM Kent Bedell <[kent.bedell@tdhca.state.tx.us](mailto:kent.bedell@tdhca.state.tx.us)> wrote:

Michelle,

Multifamily is currently reviewing the Force Majeure request and I am sure they will be in contact with you regarding any questions they have. Should the Force Majeure request be approved, one issue that may come up is that the Initial Construction Status Report was due on October 10, 2018. Per our rules you were required to request an extension and pay the \$2,500 fee, if it was not submitted by this date. Furthermore, our rules indicate that for each subsequent extension request on the same activity will increase by increments of \$500. Your first report was not submitted until April 16, 2019, which means you missed three reporting dates, which means you should have paid \$9,000 (\$2,500, \$3,000, and \$3,500) in extension fees. You do not need to do anything yet, but I just wanted put this on your radar.

Also, can you clarify why it took so long to close on the construction loan and submit your first construction status report? I know your Force Majeure letter addresses this to some degree, but could you address the delays specifically related to submitting the construction status reports?

Thanks,

**Kent Bedell**

Asset Manager  
Texas Department of Housing and Community Affairs  
221 E. 11th Street | Austin, TX 78701  
Office: 512.475.3882  
Fax: 512.475.1895

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**From:** Michelle Harder <[michelle.harder@itexgrp.com](mailto:michelle.harder@itexgrp.com)>

**Sent:** Tuesday, September 10, 2019 4:00 PM

**To:** Kent Bedell <[kent.bedell@tdhca.state.tx.us](mailto:kent.bedell@tdhca.state.tx.us)>

**Cc:** Miranda Sprague <[Miranda.Sprague@itexgrp.com](mailto:Miranda.Sprague@itexgrp.com)>; Bobken Simonians <[bobken.simonians@itexgrp.com](mailto:bobken.simonians@itexgrp.com)>; Ali Morris <[ali.morris@itexgrp.com](mailto:ali.morris@itexgrp.com)>; Tamea A. Dula <[tdula@coatsrose.com](mailto:tdula@coatsrose.com)>

**Subject:** Re: 17736 Providence at Ted Trout Drive - Request for TDHCA Staff and Board Review

Mr. Bedell,

Thank you for the clarification! I will work to get these docs over to you; the check that has been requested to go out this week. If I have any more questions, I will give you a call.

Thank you for your help!

**Michelle Harder**

Development Team

Acquisitions & Development

■ Direct 409.201.4462 | Fax 409.721.6603

■ [michelle.harder@itexgrp.com](mailto:michelle.harder@itexgrp.com)

■ [itexgrp.com](http://itexgrp.com)

■ 3735 Honeywood Court, Port Arthur, Texas 77642



On Tue, Sep 10, 2019 at 3:57 PM Kent Bedell <[kent.bedell@tdhca.state.tx.us](mailto:kent.bedell@tdhca.state.tx.us)> wrote:

Michelle,

I got your voice message. I need you to submit the Development Cost Schedule, Rent Schedule, Utility Allowance Schedule, Annual Operating Expenses, 15 Year Pro forma, and Summary of Sources and Uses. For the Architectural plans, you do not need to submit the plans that show the value engineering necessarily. We just need to see what changed from the plans submitted from Application to now, which includes substantial changes to elevations.

I am available now if you want to give me a call.

Regards,

**Kent Bedell**

Asset Manager

Texas Department of Housing and Community Affairs

221 E. 11th Street | Austin, TX 78701

Office: 512.475.3882



Fax: 512.475.1895

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**From:** Michelle Harder <[michelle.harder@itexgrp.com](mailto:michelle.harder@itexgrp.com)>

**Sent:** Friday, September 06, 2019 8:56 AM

**To:** Kent Bedell <[kent.bedell@tdhca.state.tx.us](mailto:kent.bedell@tdhca.state.tx.us)>

**Cc:** Miranda Sprague <[Miranda.Sprague@itexgrp.com](mailto:Miranda.Sprague@itexgrp.com)>; Bobken Simonians <[bobken.simonians@itexgrp.com](mailto:bobken.simonians@itexgrp.com)>; Ali Morris <[ali.morris@itexgrp.com](mailto:ali.morris@itexgrp.com)>; Tamea A. Dula <[tdula@coatsrose.com](mailto:tdula@coatsrose.com)>

**Subject:** Re: 17736 Providence at Ted Trout Drive - Request for TDHCA Staff and Board Review

Thank you! We will get the additional items over to you so that you can process.

**Michelle Harder**

Development Team  
Acquisitions & Development

■ [Direct 409.201.4462](tel:409.201.4462) | [Fax 409.721.6603](tel:409.721.6603)  
■ [michelle.harder@itexgrp.com](mailto:michelle.harder@itexgrp.com)  
■ [itexgrp.com](http://itexgrp.com)  
■ 3735 Honeywood Court, Port Arthur, Texas 77642



On Fri, Sep 6, 2019 at 9:34 AM Kent Bedell <[kent.bedell@tdhca.state.tx.us](mailto:kent.bedell@tdhca.state.tx.us)> wrote:

Michelle,

Multifamily will be handling the Force Majeure request and I will process the Amendment request. I will need you to submit revised Application financial exhibits, site plan, and architectural drawings for me to process this request. You will also need to submit the \$2,500 amendment fee as this will be a material amendment because there is a greater than

3% reduction in the square footage of the common areas. As of now, the amendment request will go to the November board meeting as we have already passed the deadline for the October meeting and REA will more than likely need to re-underwrite.

Please let me know if you have any questions.

Regards,

**Kent Bedell**

Asset Manager  
Texas Department of Housing and Community Affairs  
221 E. 11th Street | Austin, TX 78701  
Office: 512.475.3882  
Fax: 512.475.1895

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**From:** Michelle Harder <[michelle.harder@itexgrp.com](mailto:michelle.harder@itexgrp.com)>

**Sent:** Thursday, September 05, 2019 4:29 PM

**To:** Kent Bedell <[kent.bedell@tdhca.state.tx.us](mailto:kent.bedell@tdhca.state.tx.us)>

**Cc:** Miranda Sprague <[Miranda.Sprague@itexgrp.com](mailto:Miranda.Sprague@itexgrp.com)>; Bobken Simonians <[bobken.simonians@itexgrp.com](mailto:bobken.simonians@itexgrp.com)>; Ali Morris <[ali.morris@itexgrp.com](mailto:ali.morris@itexgrp.com)>; Tamea A. Dula <[tdula@coatsrose.com](mailto:tdula@coatsrose.com)>

**Subject:** Re: 17736 Providence at Ted Trout Drive - Request for TDHCA Staff and Board Review

Thank you!

I'll wait to hear back. Have a good evening!

**Michelle Harder**

Development Team  
Acquisitions & Development

■ [Direct 409.201.4462](tel:409.201.4462) | [Fax 409.721.6603](tel:409.721.6603)  
■ [michelle.harder@itexgrp.com](mailto:michelle.harder@itexgrp.com)  
■ [itexgrp.com](http://itexgrp.com)  
■ 3735 Honeywood Court, Port Arthur, Texas 77642







On Thu, Sep 5, 2019 at 5:15 PM Kent Bedell <[kent.bedell@tdhca.state.tx.us](mailto:kent.bedell@tdhca.state.tx.us)> wrote:

Michelle,

I have received your request and need to get with Multifamily to discuss your request and will be back in contact with you shortly.

Regards

**Kent Bedell**

Asset Manager

Texas Department of Housing and Community Affairs

221 E. 11th Street | Austin, TX 78701

Office: 512.475.3882

Fax: 512.475.1895

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**From:** Michelle Harder <[michelle.harder@itexgrp.com](mailto:michelle.harder@itexgrp.com)>

**Sent:** Thursday, September 05, 2019 2:27 PM

**To:** Kent Bedell <[kent.bedell@tdhca.state.tx.us](mailto:kent.bedell@tdhca.state.tx.us)>

**Cc:** Miranda Sprague <[Miranda.Sprague@itexgrp.com](mailto:Miranda.Sprague@itexgrp.com)>; Bobken Simonians <[bobken.simonians@itexgrp.com](mailto:bobken.simonians@itexgrp.com)>; Ali Morris <[ali.morris@itexgrp.com](mailto:ali.morris@itexgrp.com)>; Tamea A. Dula <[tdula@coatsrose.com](mailto:tdula@coatsrose.com)>

**Subject:** 17736 Providence at Ted Trout Drive - Request for TDHCA Staff and Board Review

Good afternoon, Mr. Bedell.

Attached, you will find two letters of request, packaged with their referenced exhibits for Application 17736.

The first letter is a Force Majeure Request, in which we ask TDHCA to consider exchange of our 2017 awarded credits for that of 2020 credits, effectively extending our placed in service date. We would like this request to be placed on the October 10, 2019 TDHCA Board Agenda if this is possible.

The second letter is a Staff-Level Request for approval of architectural changes that were made to the plans.

Thank you for your time and consideration; if you have any questions or require any further documentation, please let me know.

Thank you, and have a wonderful day!

**Michelle Harder**

Development Team

Acquisitions & Development



[Direct 409.201.4462](tel:409.201.4462) | [Fax 409.721.6603](tel:409.721.6603)



[michelle.harder@itexgrp.com](mailto:michelle.harder@itexgrp.com)



[itexgrp.com](http://itexgrp.com)



3735 Honeywood Court, Port Arthur, Texas 77642







17736  
Providence at Ted Trout  
Drive  
Construction Status  
Reports





Michelle Harder &lt;michelle.harder@itexgrp.com&gt;

---

## Requesting Permission for Use of 18-1897 CR Lufkin - Providence at Ted Trout Reports

---

David Ochs &lt;dochs@codaconsults.com&gt;

Thu, Sep 26, 2019 at 4:01 PM

To: Michelle Harder &lt;michelle.harder@itexgrp.com&gt;, Barbara Kubeczka &lt;bkubeczka@codaconsults.com&gt;

Cc: Shelly Peabody &lt;speabody@codaconsults.com&gt;

CODA consulting Group, LLC gives permission to TDHCA to use and rely on our monthly construction progress reports for the 18-1897 Providence at Ted Trout project in Lufkin, TX.

David N. Ochs, P.E. (TX)

CODA Consulting Group

2210 Hiline Drive

Bulverde, TX 78163

E-mail: DOchs@CODAConsults.com

Phone – Office: 832-302-9074

**From:** Michelle Harder [mailto:michelle.harder@itexgrp.com]**Sent:** Thursday, September 26, 2019 2:41 PM**To:** Barbara Kubeczka**Cc:** David Ochs; Shelly Peabody**Subject:** Requesting Permission for Use of 18-1897 CR Lufkin - Providence at Ted Trout Reports

Barbara,

We have requested an extension from TDHCA for our placed in service date for Providence at Ted Trout.

TDHCA would like to know if they have permission to use our latest construction status report in their upcoming board meeting as a reference point for our current construction completion.

Here was their exact request:

The site inspection report from CODA is marked "Privileged and Confidential" and the cover letter states that the report cannot be used by us without CODA's consent. In order to provide the best information to the Board regarding your force majeure request, we need to be able to provide the report to them, which means that we would have to post it in the board book.

We do not intend to include the information regarding contracts, agreements, and contractor requests and payments.

Please contact CODA and let them know how we intend to use the report. We would prefer to have something from them in writing acknowledging our use of the report. Feel free to have them contact me personally if they have any questions.

Would CODA be ok with TDHCA using the report in this manner?

**Michelle Harder**  
Development Team  
Acquisitions & Development

[Direct 409.201.4462](tel:409.201.4462) | [Fax 409.721.6603](tel:409.721.6603)

[michelle.harder@itexgrp.com](mailto:michelle.harder@itexgrp.com)

[itexgrp.com](http://itexgrp.com)

3735 Honeywood Court, Port Arthur, Texas 77642



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**I. EXECUTIVE SUMMARY**

G.C. Application No.	01	Application Date:	5/25/19
Date Received:	5/31/19	Site Visit Date:	5/30/19
Requested Draw Amount:	[REDACTED]		
Recommended Approved Draw Amount:	[REDACTED]		
Commencement Date:	4/15/18 Est.	Substantial Completion Date:	12/01/19
NTP Date:	04/15/19 Loan Closing: 1/09/18	Estimated Completion Date:	12/01/19
Project on Schedule:	No Slightly behind		
Reported Finan. % Complete:	1.46%	Estimated Physical % Complete:	1.5%*
Building Permits:	Site Work, UG plumbing, Structural		



**CONSTRUCTION SCHEDULE**

Note: Based on 3/21/19 Schedule provided. This schedule will be updated if an updated schedule is provided and will be included in construction phase monthly reports.

Construction Activity	Start	Finish	Actual Finish			
<b>SITE WORK</b>						
Demolition	4/01/19	4/09/19	4/19			
Grading	4/01/19	4/26/19				
Detention Pond	4/29/19	5/06/19				
Wet Utilities	4/29/19	5/23/19				
Paving	6/04/19	7/11/19				
<b>BUILDING WORK</b>	<b>Bldg. Pads / Slabs</b>	<b>Framing</b>		<b>Building TCO</b>		
	<b>Schedule Start</b>	<b>Actual Start</b>	<b>Schedule Start</b>	<b>Actual Start</b>	<b>Schedule Date</b>	<b>Actual Date</b>
Comm. Bldg.	4/12/18	5/19	5/06/19		8/28/19	
Bldg. 10, 9, 8	4/12/19	5/19	5/31/19		9/16/19	
Bldg. 11,12,13	5/02/19		5/23/19		10/17/19	
Bldg. 4,5,6,7	5/22/19	5/19	6/13/19		10/15/19	
Bldg. 14,15,16	6/12/19		7/03/19		11/27/19	
Bldg. 17,18,19	7/02/19		7/24/19		11/27/19	
Bldg. 1,2,3	7/23/19	5/19	8/13/19		11/29/19	

**Project Contacts**

Title	Name	Company	Phone No.
Developer Proj. Mgr.		Nautical Affordable Housing/ltex Development of Beaumont	

Attachments

1. Prime Subcontractor Agreement
2. Prime Subcontractor's Qualification Statement (A305-1986)
3. General Conditions of the Contract for Construction (AIA A201-2007)
4. Insurance Requirements
5. Compliance Provisions for Professional Services Contract
6. Construction Schedule
7. Insurance Certificate
8. Exclusions

**Subcontractor Contract:** The Subcontractor Contract subcontracts 100 percent of the work and fees to ICON Builders and binds them to the schedule and other provisions of the General Contractor Contract. The contract is draft and not signed.

**Sub-Subcontractor Contract:** The Sub-Subcontractor Contract apparently subcontracts 100 percent of the work and fees to Ewing Industrial Services and, we suspect, binds them to the schedule and other provisions of the General Contractor Contract and Subcontractor Contract. A copy of this contract was not provided.

**Tax Credit Application:** TDHCA Tax Credit Application provided. See table in Appendix A for Tax Credit Application required items versus provided construction features and amenities.

## **II. PROJECT DESCRIPTION**

The Providence at Ted Trout Drive apartments will include the construction of 76 senior apartments on 8.699 acres in Hudson, Texas. The site is about 3.5 miles west of downtown Lufkin, Texas in east Texas. The planned development includes 76 one- and two-bedroom apartments in 19 one-story four-plexes with a Community Center building at the front of the site. Parking will be provided along two drives that serve the buildings. Building construction will include post-tensioned slab-on-grade and grade beam foundations, wood framing with sloped shingle roofs and brick and fiber cement siding. The 4,339 square foot (SF) Community Center will include a Leasing Office, Community Room, Dining Room with kitchen, Business Center, Laundry, Maintenance Room, Tenant Mail Center and restrooms. Site amenities include perimeter fence and gates, barbeque/picnic areas and a gazebo with seating. Apartment amenities include covered entries, 9-foot ceilings, black appliances, Energy Star refrigerators with icemaker, range / oven, Energy Star dishwasher and microwave / hood combos.

## **III. STATUS OF CONSTRUCTION**

### **A. SITE VISIT**

Date: May 30, 2019  
Individual: Mike Rogers  
Company: CODA Consulting Group



CODA attends the on-site monthly Construction Progress Meetings. The Developer / Contractor informed us Construction Progress Meetings will be held the last Tuesday of the month, on site at 1:00pm.

<b>Present</b>	<b>Name</b>	<b>Company</b>	<b>Function-Title</b>
Yes	Bill Ewing	Ewing Industrial Services	Project Manager
Yes	Zac Janca	Ewing Industrial Services	Contractor-Supt.
Yes	John Schroeder	JHP Architecture of Dallas	Const. Proj. Mgr.
Yes	Tim Zehnder	ICON Construction	Project Manager
Yes	Mike Rogers	CODA Consulting Group	Construction Rep.

[REDACTED]

- [REDACTED]
- [REDACTED]

- [REDACTED]
- [REDACTED]

Items discussed with the superintendent included:

- The status of the buildings permits was discussed.
- The schedule of the construction was discussed and provided.
- Sub contracts have been issued.
- Work schedule will be 7 day work weeks as requested by 80% of the subcontractors.
- Contractor will provide 2 site rotating superintendents to have site coverage 7 days a week.
- Construction fencing will be installed to provide security and protect site and material storage.
- Leasing office/clubhouse will need to be relocated 20 foot further from the road in order to avoid water lines located outside the easement show on documents.
- Building 19 will move 2 ft for the same issue.

- Architect is reviewing plans & documents to determine if the planned building movements is a workable plan.
- Clearing of the property has been completed.
- All demo of existing structures completed.
- Site grading is underway.
- Site utilities are being installed.
- Building pad layouts installations have begun.

Note: It was raining heavily before our site visit and the site was very muddy. Photographs were taken only of the front portions of the site.

Photographs taken during the site visit are attached in Appendix B.

## **B. CONSTRUCTION PROGRESS**

### **Progress this Period:**

Considering the stage of construction, the geographic area, the time of year, the weather, site conditions and project staffing, was typical/expected construction progress made to date?: **YES.**

**If No – Why Not?:** NA

### **Progress to Date:**

#### **SITE WORK**

- Site clearing is complete.
- Erosion control fencing is in-place.
- Construction office trailer is set up.
- Site grading is in progress.
- Building pad installations is in progress.
- Storm sewer being installed.
- Sanitary sewer lines are in place with manholes being set.
- Storm water lines are being installed with drop inlet around Bldg. 3.
- Water lines and hydrants are staged at the site.

#### **PAVEMENTS AND SIDEWALKS**

- Work not started.

#### **BUILDING SHELL**

- Work not started.

#### **INTERIOR BUILD-OUT**

- Work not started.

#### **INTERIOR FINISHES**

- Work not started.

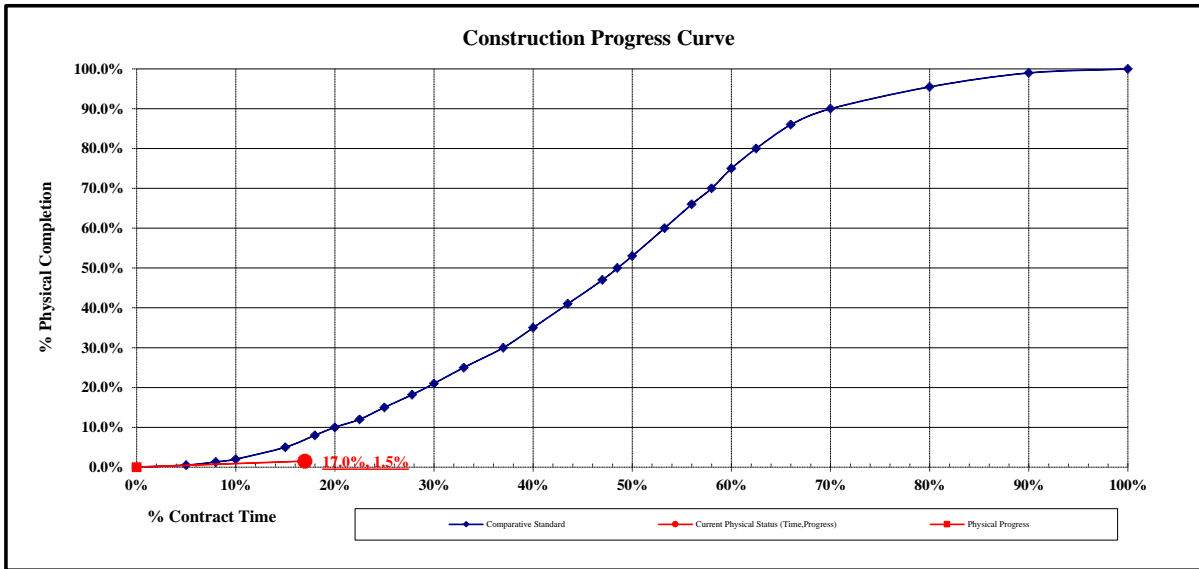
#### **AMENITIES AND LANDSCAPING**

- Work not started.



**Construction Progress Graph**

Cedar Rapids Bank and Trust Company and AHP Housing Fund, LLC have requested that we track progress based on the construction start date and the expected completion date based on the contract duration. The Construction Progress Curve below compares the actual construction progress to the construction start date, a construction finish date based on the contract duration and the HUD Form 5372 theoretical progress curve. If the “Current Physical Status” point (red dot) is left of the corresponding point on the Comparative Standard S-curve (blue), the project is ahead of schedule by the % variance. Conversely, if the “Current Physical Status” point is right of the corresponding point on the S-curve, the project is behind schedule by the % variance:



Actual construction start date:	<b>4/15/18 Est.</b>
Based on the actual start date and the project progress, the project is:	<b>Slightly behind schedule</b>
The TDHCA Placed in service date for this project is:	<b>12/31/19</b>
Estimated completion date if rate of progress to date continues to completion:	<b>12/01/19</b>

The contract time is currently 17 percent complete and the work is 1.5 percent complete. Variable rainy weather has delayed the site preparation and infrastructure work.

**Construction Progress Tables:** CODA has prepared Construction Progress Tables for the Civil/Site Work and Building Construction which provide a more detailed summary of the construction progress. These tables are updated each month during our site visits and the current month’s information or progress is shown in **dark type**. The tables are included in Appendix A.

**Stored Materials:** The contractor is not requesting separate payment for stored materials this application. We observed the following stored materials on-site.

Storm water piping, Drop inlets, Sanitary manholes, Domestic water piping, Hydrants

**Percent Complete:** Based on our experience, the project schedule of values, the provided Application for Payment and our observations on-site, we estimate the project construction percent complete as:

**Reported Financial Percent Complete: 1.46%**

**Estimated Physical Percent Complete: 1.5%**

**Photographs:** Photographs documenting the site conditions and construction progress during our site visit are included in Appendix B.

#### **IV. QUALITY OF CONSTRUCTION**

##### **A. TESTING LABORATORY**

Name: Terracon  
City, State: Lufkin, TX  
Phone No.: 936-634-5400  
Contact Person: Zachary Dubberly

##### **B. GEOTECHNICAL REPORT RECOMMENDATIONS**

A Geotechnical Report was provided from Science Engineering of Nederland, Texas. The borings encountered 0 to 2 feet of silty sand underlain by plastic (expansive) clay to depths of 6 feet and then underlain to low plasticity clay to depths of 13 to 20 feet. The potential vertical rise (PVR), which is the surface movement of the soils between periods of drought followed by a period of wet weather, was not estimated.

**Foundations:** The original Geotechnical Report recommended the building pad areas be undercut 24 inches and backfilled with compacted “select fill”, with a Liquid Limit of 36 percent or less and a Plasticity Index (Liquid Limit minus Plastic Limit) of 10 to 20, to a depth of 30 inches. The upper on-site soils did not meet the requirements of “select fill” so the “select fill” was expected to need to be off-site soils. An addendum Geotechnical Report evaluated the soils to be excavated from the planned detention pond and concluded the excavated soil could be used as building pad and pavement fill if the upper four feet of silty sand soils was mixed with the lower low plasticity clay soils. The PVR of the prepared building pads was estimated at less than one inch. Foundations are recommended as post-tensioned slab-on-grade and grade beams with a maximum bearing pressure of 1,800 psf. Grade beam minimum widths and depths recommendations were not provided.

**Pavements:** Pavement areas should be excavated 24 inches and the exposed subgrade should be lime stabilized to a depth of 8-inches. Compacted select fill should then be installed to pavement subgrade level. If the thickness of select fill is less than 12 inches, the pavement subgrade should also be lime stabilized. Concrete pavement thickness should be 5 inches for parking areas and 7 inches for drives. Pavement reinforcing and jointing recommendations were not provided.



**CIVIL/SITE DEVELOPMENT PROGRESS  
PROVIDENCE AT TED TROUT  
LUFKIN (HUDSON), TEXAS**

**Report No. : 1.0**

Legend: "blank" = Not Started    P = Partial Completion    X = Substantially Completed  
"dark type" = Current Period Item

Description	Status	Comments
<b>Demolition</b>	<b>X</b>	
3 Residences & outbuildings	<b>X</b>	
Existinbg Pavements	<b>X</b>	
Asbestos & Lead Paint Abatement		Assumed completed
<b>Construction</b>		
Clearing/Erosion Control	<b>X</b>	
Grading	<b>P</b>	
Structural Fill/Building Pads	<b>P</b>	Clubhouse & Bldgs 3, 4, 5, 7 &10
Site Storm Sewer System	<b>P</b>	
Site Sanitary Sewer System	<b>P</b>	
Site Fire/Water Lines		
Site Electric System		
Site Telephone System		
Detention Pond (NW Corner)		
Pavement Compacted Subgrade		
Concrete Pavement - Site		
Concrete Private Drive		
Pavement Clean & Stripe		
Sidewalks		
Finish Grading		
Landscaping		
Landscape Irrigation (deleted)		
Monument Sign @ main entrance		
Site Signage		

**CIVIL/SITE DEVELOPMENT PROGRESS  
PROVIDENCE AT TED TROUT  
LUFKIN (HUDSON), TEXAS**

**Report No. : 1.0**

Legend: "blank" = Not Started    P = Partial Completion    X = Substantially Completed  
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Description	Status	Comments
Site Lighting		
Community Building		
Community Room		
Dining Room w/kitchen		
Business Center		
Tenant Mail Center		
2 Picnic Tables & grills		
Gazebo w/sitting area		
Maintenance Room (23'x12') - in Comm Bldg. w/garage door & personnel door to exterior		
Laundry - 3 W & 3 D in Comm Bldg., has exterior access		
Trash Dumpster/Enclosures (2), one at front, one at rear		
Perimeter Fences & Gates		
6' metal fence w/automatic auto gate @ main entrance. Emergency entrance/exit @ west entrance. Pedestrian gate adjacent to auto gate bside Comm Bldg. Sides & rear will have 6' wood privacy fence. An added wood fence will separate detention pond from Apt. Bldgs.		
4 fire hydrants along site driveway		















**BUILDING CONSTRUCTION PROGRESS  
PROVIDENCE AT TED TROUT  
LUFKIN (HUDSON), TEXAS**

**Report No. : 1.0**

Legend: "blank" = Not Started    P = Partial Completion    X = Substantially Completed

**"dark type"** = Current Period Item

Description	Buildings				Remarks
	4-Plex 16	4-Plex 17	4-Plex 18	4-Plex 19	
Foundation Pads					
Building Underground Utilities					
Foundation Forms & Reinforcing					
Foundation/Slab Concrete					
Floor/Wall Framing/Sheathing					
Roof Framing/Sheathing					
Draftstops/Fire Blocking					
Roofing					
Gutters & Downspouts					
Windows & Exterior Doors					
Brick (30%)					
Cementitious Siding in alternating vertical sections					
Stairs					
Balcony/Patio Railings - NA					
Porch @ each Apt Entrance					
Exterior Paint					
Electrical Rough-In					
Plumbing Rough-In					
Fire Sprinkler Rough In					
HVAC Rough-In & Equip.					
Tubs Set					
Wall Insulation					
Attic Insulation					
Drywall					
Interior Trim and Doors					
Interior Paint-textured & painted drywall					
Cabinets and Countertops					
Tub Surround					
Plumbing Fixtures					
Water Heaters					

**BUILDING CONSTRUCTION PROGRESS  
PROVIDENCE AT TED TROUT  
LUFKIN (HUDSON), TEXAS**

**Report No. : 1.0**

Legend: "blank" = Not Started    P = Partial Completion    X = Substantially Completed

**"dark type"** = Current Period Item

Description	Buildings				Remarks
	4-Plex 16	4-Plex 17	4-Plex 18	4-Plex 19	
Plumbing Finish					
Electrical Trim & Lights					
HVAC Trim, Thermostat					
Window Treatments					
Appliances					
Final Cleaning					
Building & Apt. Signs					
Final Punch List					
Certificate of Occupancy					
Tenant Move-In					





**Photograph 1:** Site work at entrance.



**Photograph 2:** Site & pad work on Clubhouse.



**Photograph 3:** Site work towards neighboring house.



**Photograph 4:** Site work facing Building 1 pad.





**Photograph 5:** Site work towards rear of property.

**I. EXECUTIVE SUMMARY**

G.C. Application No.	02	Application Date:	6/25/19
Date Received:	6/27/19	Site Visit Date:	6/26/19
Requested Draw Amount:	[REDACTED]		
Recommended Approved Draw Amount:	[REDACTED]		
Commencement Date:	4/15/18 Est.	Substantial Completion Date:	12/01/19
NTP Date:	04/15/19 Loan Closing: 1/09/18	Estimated Completion Date:	12/01/19
Project on Schedule:	No Slightly behind		
Reported Finan. % Complete:	12.13%	Estimated Physical % Complete:	11%
Building Permits:	Site Work, UG plumbing, Structural		

[REDACTED]

[REDACTED]

[REDACTED]

**CONSTRUCTION SCHEDULE**

Note: Based on 3/21/19 Schedule provided. This schedule will be updated if an updated schedule is provided and will be included in construction phase monthly reports.

Construction Activity	Start	Finish	Actual Finish			
<b>SITE WORK</b>						
Demolition	4/01/19	4/09/19	4/19			
Grading	4/01/19	4/26/19	6/15/19			
Detention Pond	4/29/19	5/06/19				
Wet Utilities	4/29/19	5/23/19				
Paving	6/04/19	7/11/19				
<b>BUILDING WORK</b>	<b>Bldg. Pads / Slabs</b>		<b>Framing</b>		<b>Building TCO</b>	
	<b>Schedule Start</b>	<b>Actual Start</b>	<b>Schedule Start</b>	<b>Actual Start</b>	<b>Schedule Date</b>	<b>Actual Date</b>
Comm. Bldg.	4/12/18	5/19	5/06/19		8/28/19	
Bldg. 10, 9, 8	4/12/19	5/19	5/31/19		9/16/19	
Bldg. 11,12,13	5/02/19		5/23/19		10/17/19	
Bldg. 4,5,6,7	5/22/19	5/19	6/13/19		10/15/19	
Bldg. 14,15,16	6/12/19		7/03/19		11/27/19	
Bldg. 17,18,19	7/02/19		7/24/19		11/27/19	
Bldg. 1,2,3	7/23/19	5/19	8/13/19		11/29/19	

**Project Contacts**

Title	Name	Company	Phone No.
Developer Proj. Mgr.		Nautical Affordable Housing/Itex Development of Beaumont	
Developer Administrator	Miranda Sprague	ITEX Group	409-853-3681



Title	Name	Company	Phone No.
Non-Profit GC	Don Ball	Nautical Affordable Housing, Inc	409-988-1851
Arch. Const. PM		JHP Architecture of Dallas	
Prime Subcontractor	Tim Zehnder	Icon Builders, LLC	989-996-1071
Prime Sub-Subcontractor Mgr.	Bill Ewing	Ewing Industries, LLC	361-813-6525
Contractor Supt.	Zac Janca	Ewing Industries, LLC	
Tax Credit Syndicator	Sam Kramer	Cedar Rapids Bank & Trust Co.	319-743-7122
CODA Proj. Mgr.	David Ochs, PE	CODA Consulting Group	832-302-9074 C
CODA Field Inspector	Mike Rogers	CODA Consulting Group	281-635-3306 C

**Construction Contract:** The Construction Contract is in AIA A101 – 2017 Stipulated Sum format. The provided contract was not dated or signed. Also provided were Contract General Conditions – AIA A201-2007.

The Construction Contract information included:

Contractor: Nautical Affordable Housing, Inc.  
 Format: AIA A101 – 2017 Stipulated Sum  
 Date: Undated  
 Date of Commencement: Contract Date  
 Substantial Completion Date: 191 work days from Date of Commencement  
 Contract Sum: \$7,550,000  
 Contingency: \$377,500 (5% to be confirmed)  
 Payment Provisions: Monthly based on completed work and stored materials  
 Retainage Provisions: 10% on completed work.  
 Retainage Exclusions: Stored materials on- or off-site  
 Retainage Reductions: None listed  
 Penalty Provisions: \$1,000 per day per building for each day of TCO delay after dates listed:

Building No.	Date	Building No.	Date	Building No.	Date
Comm. Bldg.	8/28/19	7	10/15/19	16	11/27/19
8	9/16/19	11	10/17/19	17	11/27/19
9	9/16/19	12	10/17/19	18	11/27/19
10	9/16/19	13	10/17/19	1	11/29/19
4	10/15/19	17	11/27/19	2	11/29/19
5	10/15/19	14	11/27/19	3	11/29/19
6	10/15/19	15	11/27/19		

Incentive Provisions: None listed.  
 Payment and Performance Bonds: To be provided and paid from soft costs.

The contract provided was draft and not signed.

Attachments

1. Prime Subcontractor Agreement
2. Prime Subcontractor's Qualification Statement (A305-1986)

3. General Conditions of the Contract for Construction (AIA A201-2007)
4. Insurance Requirements
5. Compliance Provisions for Professional Services Contract
6. Construction Schedule
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**Tax Credit Application:** TDHCA Tax Credit Application provided. See table in Appendix A for Tax Credit Application required items versus provided construction features and amenities.

## **II. PROJECT DESCRIPTION**

The Providence at Ted Trout Drive apartments will include the construction of 76 senior apartments on 8.699 acres in Hudson, Texas. The site is about 3.5 miles west of downtown Lufkin, Texas in east Texas. The planned development includes 76 one- and two-bedroom apartments in 19 one-story four-plexes with a Community Center building at the front of the site. Parking will be provided along two drives that serve the buildings. Building construction will include post-tensioned slab-on-grade and grade beam foundations, wood framing with sloped shingle roofs and brick and fiber cement siding. The 4,339 square foot (SF) Community Center will include a Leasing Office, Community Room, Dining Room with kitchen, Business Center, Laundry, Maintenance Room, Tenant Mail Center and restrooms. Site amenities include perimeter fence and gates, barbeque/picnic areas and a gazebo with seating. Apartment amenities include covered entries, 9-foot ceilings, black appliances, Energy Star refrigerators with icemaker, range / oven, Energy Star dishwasher and microwave / hood combos.

## **III. STATUS OF CONSTRUCTION**

### **A. SITE VISIT**

Date: June 26, 2019  
Individual: Mike Rogers  
Company: CODA Consulting Group

CODA normally attends the on-site monthly Construction Progress Meetings. The Developer / Contractor informed us Construction Progress Meetings will be held the last Tuesday of the month, on site at 1:00pm. The CODA inspector did not attend this month's meeting because of a scheduling conflict.



<b>Present</b>	<b>Name</b>	<b>Company</b>	<b>Function-Title</b>
No	Bill Ewing	Ewing Industrial Services	Project Manager
Yes	Zac Janca	Ewing Industrial Services	Contractor-Supt.
No	John Schroeder	JHP Architecture of Dallas	Const. Proj. Mgr.
No	Tim Zehnder	ICON Construction	Project Manager
Yes	Mike Rogers	CODA Consulting Group	Construction Rep.

[REDACTED]

[REDACTED]

[REDACTED]

Items discussed with the superintendent included:

- Progress is strong, and crews working 7 day schedule per plan.
- Leasing office/clubhouse will not be relocated as previously suggested. The water lines will be relocated to avoid conflict.
- Fill material was recovered from detention pond for building pads.
- Structural fill building pads are complete for buildings 3, 4, 5, & 10 are complete.
- Pads are underway for buildings 6, 7, 9, 11, 12, 13, 14, 17, & 18.
- Grading doe site drives is starting
- Storm & sanitary systems are nearing completion.
- Foundation slabs are complete on Buildings 3, 4 & 5.
- Building pad layouts installations for framing have begun.

Photographs taken during the site visit are attached in Appendix B.

## **B. CONSTRUCTION PROGRESS**

### **Progress this Period:**

Considering the stage of construction, the geographic area, the time of year, the weather, site conditions and project staffing, was typical/expected construction progress made to date?: **YES.**

**If No – Why Not?:** NA

### **Progress to Date:**

#### **SITE WORK**

- Site clearing is complete.
- Erosion control fencing is in-place.
- Construction office trailer is set up.
- Building pad installations is complete.
- Storm sewer installed.
- Sanitary sewer lines are in place with manholes being set.
- Storm water lines are being installed with drop inlet around Bldg. 3.
- Water lines and hydrants are staged at the site.

#### **PAVEMENTS AND SIDEWALKS**

- Driveway grading starting.

#### **BUILDING SHELL**

- Work not started.

#### **INTERIOR BUILD-OUT**

- Work not started.

#### **INTERIOR FINISHES**

- Work not started.

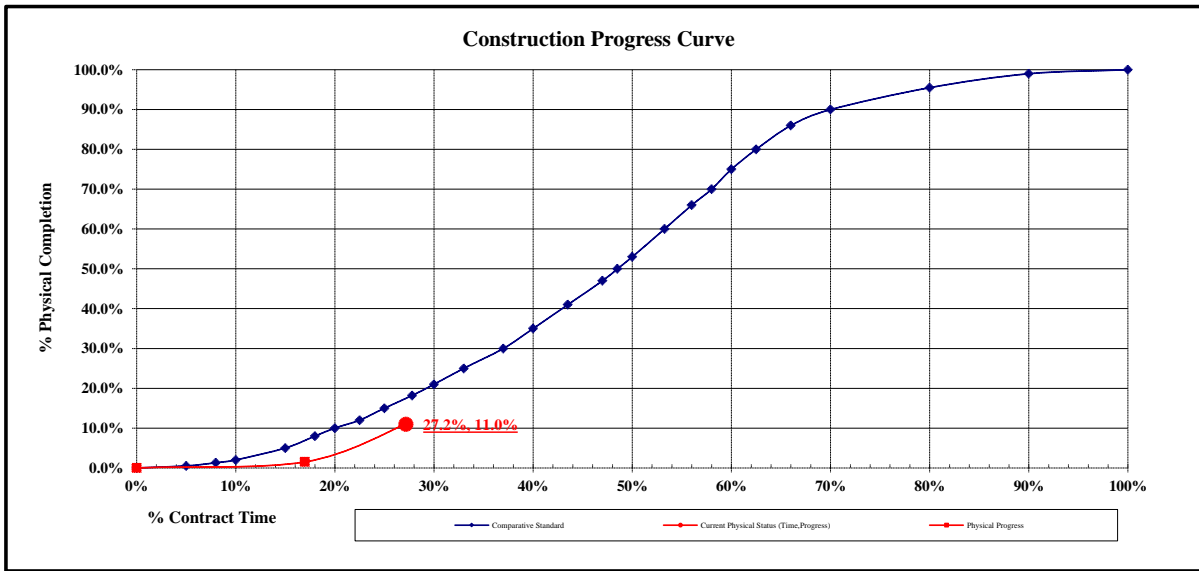
#### **AMENITIES AND LANDSCAPING**

- Work not started.

### **Construction Progress Graph**

Cedar Rapids Bank and Trust Company and AHP Housing Fund, LLC have requested that we track progress based on the construction start date and the expected completion date based on the contract duration. The Construction Progress Curve below compares the actual construction progress to the construction start date, a construction finish date based on the contract duration and the HUD Form 5372 theoretical progress curve. If the “Current Physical Status” point (red dot) is left of the corresponding point on the Comparative Standard S-curve (blue), the project is ahead of schedule by the % variance. Conversely, if the “Current Physical Status” point is right of the corresponding point on the S-curve, the project is behind schedule by the % variance:





Actual construction start date:	<b>4/15/18 Est.</b>
Based on the actual start date and the project progress, the project is:	<b>Slightly behind schedule</b>
The TDHCA Placed in service date for this project is:	<b>12/31/19</b>
Estimated completion date if rate of progress to date continues to completion:	<b>12/01/19</b>

The contract time is currently 27 percent complete and the work is 11 percent complete. Variable rainy weather has delayed the site preparation and infrastructure work.

**Construction Progress Tables:** CODA has prepared Construction Progress Tables for the Civil/Site Work and Building Construction which provide a more detailed summary of the construction progress. These tables are updated each month during our site visits and the current month’s information or progress is shown in **dark type**. The tables are included in Appendix A.

**Stored Materials:** The contractor is not requesting separate payment for stored materials this application. We observed the following stored materials on-site.

Storm water piping, Drop inlets, Sanitary manholes, Domestic water piping, Hydrants

**Percent Complete:** Based on our experience, the project schedule of values, the provided Application for Payment and our observations on-site, we estimate the project construction percent complete as:

**Reported Financial Percent Complete: 12.13%**

**Estimated Physical Percent Complete: 11%**

**Photographs:** Photographs documenting the site conditions and construction progress during our site visit are included in Appendix B.

**CIVIL/SITE DEVELOPMENT PROGRESS  
PROVIDENCE AT TED TROUT  
LUFKIN (HUDSON), TEXAS**

**Report No. : 2**

Legend: "blank" = Not Started    P = Partial Completion    X = Substantially Completed  
"dark type" = Current Period Item

Description	Status	Comments
<b>Demolition</b>	<b>X</b>	
3 Residences & outbuildings	<b>X</b>	
Existing Pavements	<b>X</b>	
Asbestos & Lead Paint Abatement	<b>X</b>	Assumed completed
<b>Construction</b>		
Clearing/Erosion Control	<b>X</b>	
Grading	<b>X</b>	
Structural Fill/Building Pads	<b>P</b>	Clubhouse & Bldgs 3, 4, 5, 7, 9, 10, 11, 12,13, 17 & 18
Site Storm Sewer System	<b>X</b>	
Site Sanitary Sewer System	<b>X</b>	
Site Fire/Water Lines		
Site Electric System		
Site Telephone System		
Detention Pond (NW Corner)	<b>X</b>	
Pavement Compacted Subgrade		
Concrete Pavement - Site		
Concrete Private Drive		
Pavement Clean & Stripe		
Sidewalks		
Finish Grading		
Landscaping		
Landscape Irrigation (deleted)		
Monument Sign @ main entrance		
Site Signage		



**CIVIL/SITE DEVELOPMENT PROGRESS  
PROVIDENCE AT TED TROUT  
LUFKIN (HUDSON), TEXAS**

**Report No. : 2**

Legend: "blank" = Not Started    P = Partial Completion    X = Substantially Completed  
**"dark type"** = Current Period Item

Description	Status	Comments
Site Lighting		
Community Building		
Community Room		
Dining Room w/kitchen		
Business Center		
Tenant Mail Center		
2 Picnic Tables & grills		
Gazebo w/sitting area		
Maintenance Room (23'x12') - in Comm Bldg. w/garage door & personnel door to exterior		
Laundry - 3 W & 3 D in Comm Bldg., has exterior access		
Trash Dumpster/Enclosures (2), one at front, one at rear		
Perimeter Fences & Gates		
6' metal fence w/automatic auto gate @ main entrance. Emergency entrance/exit @ west entrance. Pedestrian gate adjacent to auto gate bside Comm Bldg. Sides & rear will have 6' wood privacy fence. An added wood fence will separate detention pond from Apt. Bldgs.		
4 fire hydrants along site driveway		













**BUILDING CONSTRUCTION PROGRESS  
PROVIDENCE AT TED TROUT  
LUFKIN (HUDSON), TEXAS**

Report No. : 2

Legend: "blank" = Not Started    P = Partial Completion    X = Substantially Completed

**"dark type"** = Current Period Item

Description	Buildings				Remarks
	4-Plex 16	4-Plex 17	4-Plex 18	4-Plex 19	
Foundation Pads		P	P		
Building Underground Utilities					
Foundation Forms & Reinforcing					
Foundation/Slab Concrete					
Floor/Wall Framing/Sheathing					
Roof Framing/Sheathing					
Draftstops/Fire Blocking					
Roofing					
Gutters & Downspouts					
Windows & Exterior Doors					
Brick (30%)					
Cementitious Siding in alternating vertical sections					
Stairs					
Balcony/Patio Railings - NA					
Porch @ each Apt Entrance					
Exterior Paint					
Electrical Rough-In					
Plumbing Rough-In					
Fire Sprinkler Rough In					
HVAC Rough-In & Equip.					
Tubs Set					
Wall Insulation					
Attic Insulation					
Drywall					
Interior Trim and Doors					
Interior Paint-textured & painted drywall					
Cabinets and Countertops					
Tub Surround					
Plumbing Fixtures					
Water Heaters					



**BUILDING CONSTRUCTION PROGRESS  
PROVIDENCE AT TED TROUT  
LUFKIN (HUDSON), TEXAS**

Report No. : 2

Legend: "blank" = Not Started    P = Partial Completion    X = Substantially Completed

**"dark type"** = Current Period Item

Description	Buildings				Remarks
	4-Plex 16	4-Plex 17	4-Plex 18	4-Plex 19	
Plumbing Finish					
Electrical Trim & Lights					
HVAC Trim, Thermostat					
Window Treatments					
Appliances					
Final Cleaning					
Building & Apt. Signs					
Final Punch List					
Certificate of Occupancy					
Tenant Move-In					



**Photograph 1:** Property entrance site parking. Future site of building 1.



**Photograph 2:** Building 3 foundation.





**Photograph 3:** Building 4 foundation.



**Photograph 4:** Street grading in progress.



**Photograph 5:** Underground utility excavation.



**Photograph 6:** Building 4 foundation stabilizers.





**Photograph 7:** Street storm sewer vaults.



**Photograph 8:** Building 5 foundation.



**Photograph 9:** Building 7 pad site plumbing rough in.



**Photograph 10:** Building 8 pad site.





**Photograph 11:** Building 9 pad site.



**Photograph 12:** Building 10 pad site.



**Photograph 13:** Detention pond site at end of drive.



**Photograph 14:** Building 12 pad next to neighboring property.





**Photograph 15:** Pad site building 14.



**Photograph 16:** Building 18 pad site.

**I. EXECUTIVE SUMMARY**

G.C. Application No.	04	Application Date:	7/30/19
Date Received:	7/31/19	Site Visit Date:	7/30/19
Requested Draw Amount:	[REDACTED]		
Recommended Approved Draw Amount:	[REDACTED]		
Commencement Date:	4/15/18 Est.	Substantial Completion Date:	12/01/19
NTP Date:	04/15/19 Loan Closing: 1/09/18	Estimated Completion Date:	12/01/19
Project on Schedule: No, approximately 4 and a half weeks behind schedule.			
Reported Finan. % Complete:	24.91%	Estimated Physical % Complete:	20%*
Building Permits:	Site Work, UG plumbing, Structural		

[REDACTED]

[REDACTED]

[REDACTED]

**CONSTRUCTION SCHEDULE**

Note: Based on 3/21/19 Schedule provided. This schedule will be updated if an updated schedule is provided and will be included in construction phase monthly reports.

Construction Activity	Start	Finish	Actual Finish			
<b>SITE WORK</b>						
Demolition	4/01/19	4/09/19	4/19			
Grading	4/01/19	4/26/19	6/15/19			
Detention Pond	4/29/19	5/06/19	7/15/19			
Wet Utilities	4/29/19	5/23/19				
Paving	6/04/19	7/11/19				
<b>BUILDING WORK</b>	<b>Bldg. Pads / Slabs</b>		<b>Framing</b>		<b>Building TCO</b>	
	<b>Schedule Start</b>	<b>Actual Start</b>	<b>Schedule Start</b>	<b>Actual Start</b>	<b>Schedule Date</b>	<b>Actual Date</b>
Comm. Bldg.	4/12/18	5/19	5/06/19		8/28/19	
Bldg. 10, 9, 8	4/12/19	5/19	5/31/19		9/16/19	
Bldg. 11,12,13	5/02/19	7/1	5/23/19		10/17/19	
Bldg. 4,5,6,7	5/22/19	5/19	6/13/19		10/15/19	
Bldg. 14,15,16	6/12/19		7/03/19		11/27/19	
Bldg. 17,18,19	7/02/19		7/24/19		11/27/19	
Bldg. 1,2,3	7/23/19	5/19	8/13/19		11/29/19	

**Project Contacts**

Title	Name	Company	Phone No.
Developer Proj. Mgr.		Nautical Affordable Housing/Itex Development of Beaumont	
Developer Administrator	Miranda Sprague	ITEX Group	409-853-3681



3. General Conditions of the Contract for Construction (AIA A201-2007)
4. Insurance Requirements
5. Compliance Provisions for Professional Services Contract
6. Construction Schedule
7. Insurance Certificate
8. Exclusions

**Subcontractor Contract:** The Subcontractor Contract subcontracts 100 percent of the work and fees to ICON Builders and binds them to the schedule and other provisions of the General Contractor Contract. The contract is draft and not signed.

**Sub-Subcontractor Contract:** The Sub-Subcontractor Contract apparently subcontracts 100 percent of the work and fees to Ewing Industrial Services and, we suspect, binds them to the schedule and other provisions of the General Contractor Contract and Subcontractor Contract. A copy of this contract was not provided.

**Tax Credit Application:** TDHCA Tax Credit Application provided. See table in Appendix A for Tax Credit Application required items versus provided construction features and amenities.

## **II. PROJECT DESCRIPTION**

The Providence at Ted Trout Drive apartments will include the construction of 76 senior apartments on 8.699 acres in Hudson, Texas. The site is about 3.5 miles west of downtown Lufkin, Texas in east Texas. The planned development includes 76 one- and two-bedroom apartments in 19 one-story four-plexes with a Community Center building at the front of the site. Parking will be provided along two drives that serve the buildings. Building construction will include post-tensioned slab-on-grade and grade beam foundations, wood framing with sloped shingle roofs and brick and fiber cement siding. The 4,339 square foot (SF) Community Center will include a Leasing Office, Community Room, Dining Room with kitchen, Business Center, Laundry, Maintenance Room, Tenant Mail Center and restrooms. Site amenities include perimeter fence and gates, barbeque/picnic areas and a gazebo with seating. Apartment amenities include covered entries, 9-foot ceilings, black appliances, Energy Star refrigerators with icemaker, range / oven, Energy Star dishwasher and microwave / hood combos.

## **III. STATUS OF CONSTRUCTION**

### **A. SITE VISIT**

Date: July 30, 2019  
Individual: Mike Rogers  
Company: CODA Consulting Group

CODA normally attends the on-site monthly Construction Progress Meetings. The Developer/Contractor informed us Construction Progress Meetings will be held the last Tuesday of the month, on site at 1:00pm. The CODA inspector did not attend this month's meeting because of a scheduling conflict.

<b>Present</b>	<b>Name</b>	<b>Company</b>	<b>Function-Title</b>
No	Bill Ewing	Ewing Industrial Services	Project Manager
Yes	Zac Janca	Ewing Industrial Services	Contractor-Supt.
No	John Schroeder	JHP Architecture of Dallas	Const. Proj. Mgr.
No	Tim Zehnder	ICON Construction	Project Manager
Yes	Mike Rogers	CODA Consulting Group	Construction Rep.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Items discussed with the superintendent included:

- Progress is strong, and framing crews are working 7 day schedule per plan.
- Supervision on site 7 days.
- Security fencing in place to protect large quantities of lumber on site.
- Framing complete on building 3, 4 and 5.
- Roof truss installation is in progress on 4 buildings.
- Transformer relocation that serves the neighbor is in progress.
- Framing in progress on buildings 6, 7, 8, 9 and 10.
- Storm & sanitary systems are complete.
- Water main relocation along highway is in progress. Will complete this week.
- Contractor supervision has strong control of site, subs, and scheduling.

Photographs taken during the site visit are attached in Appendix B.



## B. CONSTRUCTION PROGRESS

### Progress this Period:

Considering the stage of construction, the geographic area, the time of year, the weather, site conditions and project staffing, was typical/expected construction progress made to date?: **YES.**

**If No – Why Not?:** NA

### Progress to Date:

#### **SITE WORK**

- Site clearing is complete.
- Erosion control fencing is in-place.
- Construction office trailer is set up.
- Building pad installations is complete.
- Storm sewer installed.
- Sanitary sewer lines are in place with manholes being set.
- Water lines and hydrants are installed.
- **Water main line being relocated closer to highway to avoid conflict with building sites at clubhouse and buildings 18 & 19.**
- **Relocation of existing electrical service transformer to neighbor is in progress.**

#### **PAVEMENTS AND SIDEWALKS**

- Driveway grading starting.

#### **BUILDING SHELL**

- Framing well underway with 6 buildings completely framed and 3 in progress.

#### **INTERIOR BUILD-OUT**

- Work not started.

#### **INTERIOR FINISHES**

- Work not started.

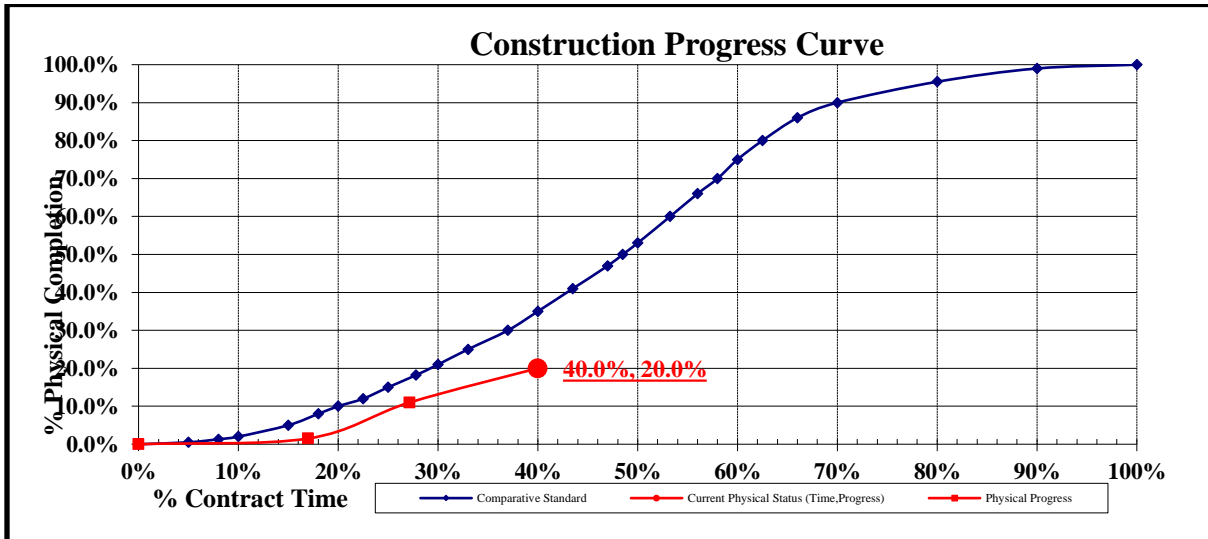
#### **AMENITIES AND LANDSCAPING**

- Work not started.

### Construction Progress Graph

Cedar Rapids Bank and Trust Company and AHP Housing Fund, LLC have requested that we track progress based on the construction start date and the expected completion date based on the contract duration. The Construction Progress Curve below compares the actual construction progress to the construction start date, a construction finish date based on the contract duration and the HUD Form 5372 theoretical progress curve. If the “Current Physical Status” point (red dot) is left of the corresponding point on the Comparative Standard S-curve (blue), the project is ahead of schedule by the % variance. Conversely, if the “Current Physical Status” point is right of the corresponding point on the S-curve, the

project is behind schedule by the % variance:



Actual construction start date:	<b>4/15/18 Est.</b>
Based on the actual start date and the project progress, the project is:	<b>4.6 week behind schedule</b>
The TDHCA Placed in service date for this project is:	<b>12/31/19</b>
Estimated completion date if rate of progress to date continues to completion:	<b>12/01/19</b>

The contract time is currently 40 percent complete and the work is 20 percent complete. Variable rainy weather has delayed the site preparation and infrastructure work.

**Construction Progress Tables:** CODA has prepared Construction Progress Tables for the Civil/Site Work and Building Construction which provide a more detailed summary of the construction progress. These tables are updated each month during our site visits and the current month’s information or progress is shown in **dark type**. The tables are included in Appendix A.

**Stored Materials:** The contractor is not requesting separate payment for stored materials this application. We observed the following stored materials on-site.

Storm water piping, Drop inlets, Sanitary manholes, Domestic water piping, Hydrants

**Percent Complete:** Based on our experience, the project schedule of values, the provided Application for Payment and our observations on-site, we estimate the project construction percent complete as:

**Reported Financial Percent Complete: 24.91%\***

**Estimated Physical Percent Complete: 20%\***

\*Financial % complete somewhat ahead of physical % due to large quantities of lumber materials stored on site to keep pace with actual work being pushed, working 7 day schedule, in order to meet required completion date.



**CIVIL/SITE DEVELOPMENT PROGRESS  
PROVIDENCE AT TED TROUT  
LUFKIN (HUDSON), TEXAS**

**Report No. : 3**

Legend: "blank" = Not Started    P = Partial Completion    X = Substantially Completed  
"dark type" = Current Period Item

Description	Status	Comments
<b>Demolition</b>	X	
3 Residences & outbuildings	X	
Existinbg Pavements	X	
Asbestos & Lead Paint Abatement	X	Assumed completed
<b>Construction</b>		
Clearing/Erosion Control	X	
Grading	<b>X</b>	
Structural Fill/Building Pads	<b>P</b>	Clubhouse & Bldgs 3, 4, 5, 7, 9, 10, 11, 12,13, 17 & 18
Site Storm Sewer System	<b>X</b>	
Site Sanitary Sewer System	<b>X</b>	
Site Fire/Water Lines	<b>P</b>	
Site Electric System	<b>P</b>	
Site Telephone System		
Detention Pond (NW Corner)	<b>X</b>	
Pavement Compacted Subgrade	<b>P</b>	
Concrete Pavement - Site		
Concrete Private Drive		
Pavement Clean & Stripe		
Sidewalks		
Finish Grading		
Landscaping		
Landscape Irrigation (deleted)		
Monument Sign @ main entrance		
Site Signage		

**CIVIL/SITE DEVELOPMENT PROGRESS  
PROVIDENCE AT TED TROUT  
LUFKIN (HUDSON), TEXAS**

**Report No. : 3**

Legend: "blank" = Not Started    P = Partial Completion    X = Substantially Completed  
"dark type" = Current Period Item

Description	Status	Comments
Site Lighting		
Community Building		
Community Room		
Dining Room w/kitchen		
Business Center		
Tenant Mail Center		
2 Picnic Tables & grills		
Gazebo w/sitting area		
Maintenance Room (23'x12') - in Comm Bldg. w/garage door & personnel door to exterior		
Laundry - 3 W & 3 D in Comm Bldg., has exterior access		
Trash Dumpster/Enclosures (2), one at front, one at rear		
Perimeter Fences & Gates		
6' metal fence w/automatic auto gate @ main entrance. Emergency entrance/exit @ west entrance. Pedestrian gate adjacent to auto gate bside Comm Bldg. Sides & rear will have 6' wood privacy fence. An added wood fence will separate detention pond from Apt. Bldgs.		
4 fire hydrants along site driveway		















**BUILDING CONSTRUCTION PROGRESS  
PROVIDENCE AT TED TROUT  
LUFKIN (HUDSON), TEXAS**

Report No. : 3

Legend: "blank" = Not Started    P = Partial Completion    X = Substantially Completed

**"dark type"** = Current Period Item

Description	Buildings				Remarks
	4-Plex 16	4-Plex 17	4-Plex 18	4-Plex 19	
Foundation Pads		X	X		
Building Underground Utilities		X	X		
Foundation Forms & Reinforcing					
Foundation/Slab Concrete					
Floor/Wall Framing/Sheathing					
Roof Framing/Sheathing					
Draftstops/Fire Blocking					
Roofing					
Gutters & Downspouts					
Windows & Exterior Doors					
Brick (30%)					
Cementitious Siding in alternating vertical sections					
Stairs					
Balcony/Patio Railings - NA					
Porch @ each Apt Entrance					
Exterior Paint					
Electrical Rough-In					
Plumbing Rough-In					
Fire Sprinkler Rough In					
HVAC Rough-In & Equip.					
Tubs Set					
Wall Insulation					
Attic Insulation					
Drywall					
Interior Trim and Doors					
Interior Paint-textured & painted drywall					
Cabinets and Countertops					
Tub Surround					
Plumbing Fixtures					
Water Heaters					

**BUILDING CONSTRUCTION PROGRESS  
PROVIDENCE AT TED TROUT  
LUFKIN (HUDSON), TEXAS**

Report No. : 3

Legend: "blank" = Not Started    P = Partial Completion    X = Substantially Completed

**"dark type"** = Current Period Item

Description	Buildings				Remarks
	4-Plex 16	4-Plex 17	4-Plex 18	4-Plex 19	
Plumbing Finish					
Electrical Trim & Lights					
HVAC Trim, Thermostat					
Window Treatments					
Appliances					
Final Cleaning					
Building & Apt. Signs					
Final Punch List					
Certificate of Occupancy					
Tenant Move-In					





**Photograph 1:** Large quantities of lumber on site for framing.



**Photograph 2:** Building 1 framing complete.



**Photograph 3:** Building 1 plumbing rough in progress.



**Photograph 4:** Street grading in progress, in front of buildings 4 through 7.





**Photograph 5:** Building 5 & 6 framing.



**Photograph 6:** Building 8 framing in progress.



**Photograph 7:** Building 9 framing started.



**Photograph 8:** Detention pond complete.





**Photograph 9:** Building 1 pad ready for concrete pour.



**Photograph 10:** Building 12 formed.



**Photograph 11:** Building 13 pad site.



**Photograph 12:** Transformer to neighbor's house to be relocated this week.





**Photograph 13:** Site view towards clubhouse and highway.



**Photograph 14:** Drive between buildings 15 and clubhouse grading.



**Photograph 15:** Pad site building 17, plumbing underground.



**Photograph 16:** Water line relocation in progress along front of property.



**I. EXECUTIVE SUMMARY**

G.C. Application No.	04 Nautical	Application Date:	8/25/19
Date Received:	9/04/19*	Site Visit Date:	8/27/19
Requested Draw Amount:	[REDACTED]		
Recommended Approved Draw Amount:	[REDACTED]		
Commencement Date:	4/15/18 Est.	Substantial Completion Date:	12/01/19
NTP Date:	04/15/19 Loan Closing: 1/09/18	Estimated Completion Date:	12/31/19
Project on Schedule: No, approximately 4 and a half weeks behind schedule.			
Reported Finan. % Complete:	39.5%	Estimated Physical % Complete:	39%*
Building Permits:	Site Work, UG plumbing, Structural		



**CONSTRUCTION SCHEDULE**

Note: Based on 3/21/19 Schedule provided. This schedule will be updated if an updated schedule is provided and will be included in construction phase monthly reports.

Construction Activity	Start	Finish	Actual Finish			
<b>SITE WORK</b>						
Demolition	4/01/19	4/09/19	4/19			
Grading	4/01/19	4/26/19	6/15/19			
Detention Pond	4/29/19	5/06/19	7/15/19			
Wet Utilities	4/29/19	5/23/19				
Paving	6/04/19	7/11/19				
<b>BUILDING WORK</b>						
	<b>Bldg. Pads / Slabs</b>		<b>Framing</b>		<b>Building TCO</b>	
	<b>Schedule Start</b>	<b>Actual Start</b>	<b>Schedule Start</b>	<b>Actual Start</b>	<b>Schedule Date</b>	<b>Actual Date</b>
Comm. Bldg.	4/12/18	5/19	5/06/19		8/28/19	
Bldg. 10, 9, 8	4/12/19	5/19	5/31/19	7/15/19	9/16/19	
Bldg. 11,12,13	5/02/19	7/1	5/23/19	8/15/19	10/17/19	
Bldg. 4,5,6,7	5/22/19	5/19	6/13/19	7/15/19	10/15/19	
Bldg. 14,15,16	6/12/19		7/03/19		11/27/19	
Bldg. 17,18,19	7/02/19	7/15/19	7/24/19	8/1/19	11/27/19	
Bldg. 1,2,3	7/23/19	5/19	8/13/19		11/29/19	

**Project Contacts**

Title	Name	Company	Phone No.
Developer Proj. Mgr.		Nautical Affordable Housing/Itex Development of Beaumont	
Developer Administrator	Miranda Sprague	ITEX Group	409-853-3681

Title	Name	Company	Phone No.
Non-Profit GC	Don Ball	Nautical Affordable Housing, Inc	409-988-1851
Arch. Const. PM		JHP Architecture of Dallas	
Prime Subcontractor	Tim Zehnder	Icon Builders, LLC	989-996-1071
Prime Sub-Subcontractor Mgr.	Bill Ewing	Ewing Industries, LLC	361-813-6525
Contractor Supt.	Zac Janca	Ewing Industries, LLC	
Tax Credit Syndicator	Sam Kramer	Cedar Rapids Bank & Trust Co.	319-743-7122
CODA Proj. Mgr.	David Ochs, PE	CODA Consulting Group	832-302-9074 C
CODA Field Inspector	Mike Rogers	CODA Consulting Group	281-635-3306 C

**Construction Contract:** The Construction Contract is in AIA A101 – 2017 Stipulated Sum format. The provided contract was not dated or signed. Also provided were Contract General Conditions – AIA A201-2007.

The Construction Contract information included:

Contractor: Nautical Affordable Housing, Inc.  
 Format: AIA A101 – 2017 Stipulated Sum  
 Date: Undated  
 Date of Commencement: Contract Date  
 Substantial Completion Date: 191 work days from Date of Commencement  
 Contract Sum: \$7,550,000  
 Contingency: \$377,500 (5% to be confirmed)  
 Payment Provisions: Monthly based on completed work and stored materials  
 Retainage Provisions: 10% on completed work.  
 Retainage Exclusions: Stored materials on- or off-site  
 Retainage Reductions: None listed  
 Penalty Provisions: \$1,000 per day per building for each day of TCO delay after dates listed:

Building No.	Date	Building No.	Date	Building No.	Date
Comm. Bldg.	8/28/19*	7	10/15/19	16	11/27/19
8	9/16/19	11	10/17/19	17	11/27/19
9	9/16/19	12	10/17/19	18	11/27/19
10	9/16/19	13	10/17/19	1	11/29/19
4	10/15/19	17	11/27/19	2	11/29/19
5	10/15/19	14	11/27/19	3	11/29/19
6	10/15/19	15	11/27/19		

\* **Community Building is in \$1,000 per day penalty phase.**

Incentive Provisions: None listed.  
 Payment and Performance Bonds: To be provided and paid from soft costs.

The contract provided was draft and not signed.



Attachments

1. Prime Subcontractor Agreement
2. Prime Subcontractor's Qualification Statement (A305-1986)
3. General Conditions of the Contract for Construction (AIA A201-2007)
4. Insurance Requirements
5. Compliance Provisions for Professional Services Contract
6. Construction Schedule
7. Insurance Certificate
8. Exclusions

**Subcontractor Contract:** The Subcontractor Contract subcontracts 100 percent of the work and fees to ICON Builders and binds them to the schedule and other provisions of the General Contractor Contract. The contract is draft and not signed.

**Sub-Subcontractor Contract:** The Sub-Subcontractor Contract apparently subcontracts 100 percent of the work and fees to Ewing Industrial Services and, we suspect, binds them to the schedule and other provisions of the General Contractor Contract and Subcontractor Contract. A copy of this contract was not provided.

**Tax Credit Application:** TDHCA Tax Credit Application provided. See table in Appendix A for Tax Credit Application required items versus provided construction features and amenities.

## **II. PROJECT DESCRIPTION**

The Providence at Ted Trout Drive apartments will include the construction of 76 senior apartments on 8.699 acres in Hudson, Texas. The site is about 3.5 miles west of downtown Lufkin, Texas in east Texas. The planned development includes 76 one- and two-bedroom apartments in 19 one-story four-plexes with a Community Center building at the front of the site. Parking will be provided along two drives that serve the buildings. Building construction will include post-tensioned slab-on-grade and grade beam foundations, wood framing with sloped shingle roofs and brick and fiber cement siding. The 4,339 square foot (SF) Community Center will include a Leasing Office, Community Room, Dining Room with kitchen, Business Center, Laundry, Maintenance Room, Tenant Mail Center and restrooms. Site amenities include perimeter fence and gates, barbeque/picnic areas and a gazebo with seating. Apartment amenities include covered entries, 9-foot ceilings, black appliances, Energy Star refrigerators with icemaker, range / oven, Energy Star dishwasher and microwave / hood combos.

## **III. STATUS OF CONSTRUCTION**

### **A. SITE VISIT**

Date: August 27, 2019  
Individual: Mike Rogers  
Company: CODA Consulting Group

CODA normally attends the on-site monthly Construction Progress Meetings. The Developer/Contractor informed us Construction Progress Meetings will be held the last Tuesday of the month, on site at 1:00pm.

<b>Present</b>	<b>Name</b>	<b>Company</b>	<b>Function-Title</b>
Yes	Bill Ewing	Ewing Industrial Services	Project Manager
Yes	Zac Janca	Ewing Industrial Services	Contractor-Supt.
Yes	John Schroeder	JHP Architecture of Dallas	Const. Proj. Mgr.
Yes	Tim Zehnder	ICON Construction	Project Manager
Yes	Mike Rogers	CODA Consulting Group	Construction Rep.

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

■ [REDACTED]

Items discussed with the superintendent included:

- Very good progress this period. Framing crews are working 7 day schedule per plan.
- Framing materials, masonry and windows on site to keep up with production.
- New electrical power has been re routed to the neighboring house per agreement.
- Driveway to neighbor's house is nearly complete per agreement.



- Temporary fencing is scheduled to go in around the neighbor's house for safety and security.
- GC is getting ready to relocate the job trailer so work can begin on pads for buildings 1 & 2.
- Roofing being installed on several buildings. Complete on Buildings 3 & 4.
- Water main relation is complete.
- Contractor supervision has strong control of site, subs, and scheduling.

Photographs taken during the site visit are attached in Appendix B.

## **B. CONSTRUCTION PROGRESS**

### **Progress this Period:** (19.5%)

Considering the stage of construction, the geographic area, the time of year, the weather, site conditions and project staffing, was typical/expected construction progress made to date?: **YES.** 19.5% is considered very good progress.

**If No – Why Not?:** NA

### **Progress to Date:**

#### **SITE WORK**

- Site clearing is complete.
- Erosion control fencing is in-place.
- Construction office trailer is set up.
- Building pad installations is complete except for Buildings 1 and 2.
- Storm sewer installed.
- Sanitary sewer lines are in place with manholes being set.
- Water lines and hydrants are installed.

#### **PAVEMENTS AND SIDEWALKS**

- Driveway grading starting.

#### **BUILDING SHELL**

- Framing well underway with 12 buildings completely framed.
- Roofing deck complete on 8 buildings

#### **INTERIOR BUILD-OUT**

- Plumbing rough in started on 6 buildings.

#### **INTERIOR FINISHES**

- Work not started.

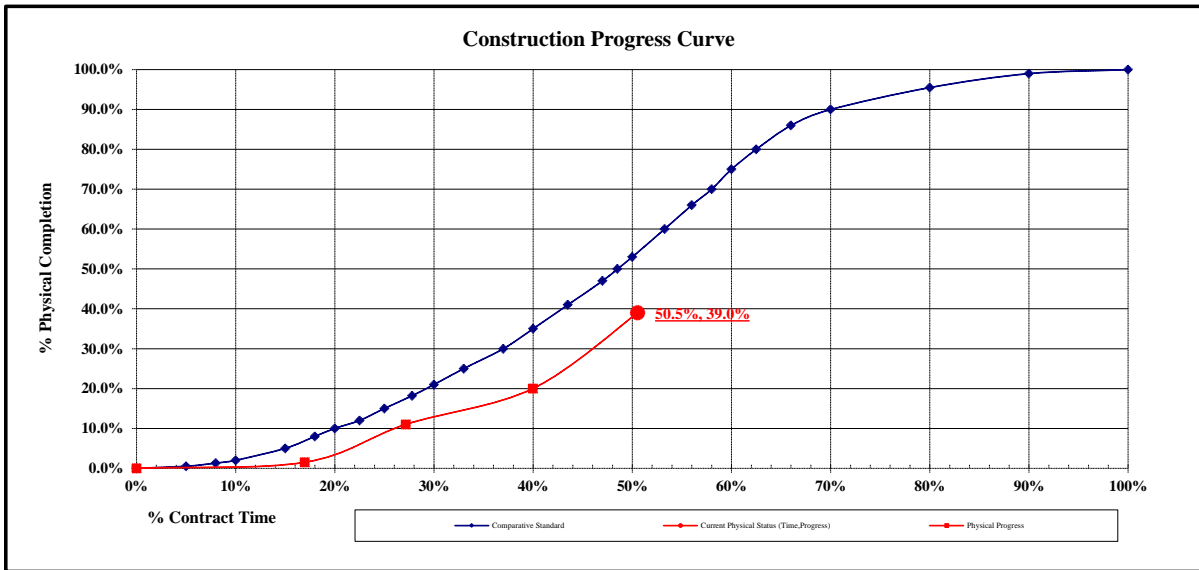
#### **AMENITIES AND LANDSCAPING**

- Work not started.

### **Construction Progress Graph**

Cedar Rapids Bank and Trust Company and AHP Housing Fund, LLC have requested that

we track progress based on the construction start date and the expected completion date based on the contract duration. The Construction Progress Curve below compares the actual construction progress to the construction start date, a construction finish date based on the contract duration and the HUD Form 5372 theoretical progress curve. If the “Current Physical Status” point (red dot) is left of the corresponding point on the Comparative Standard S-curve (blue), the project is ahead of schedule by the % variance. Conversely, if the “Current Physical Status” point is right of the corresponding point on the S-curve, the project is behind schedule by the % variance:



Actual construction start date:	<b>4/15/18 Est.</b>
Based on the actual start date and the project progress, the project is:	<b>4 weeks behind schedule</b>
The TDHCA Placed in service date for this project is:	<b>12/31/19</b>
Estimated completion date if rate of progress to date continues to completion:	<b>12/31/19</b>

The contract time is currently 50 percent complete and the work is 39 percent complete. Variable rainy weather had previously delayed the site preparation and infrastructure work.

**Construction Progress Tables:** CODA has prepared Construction Progress Tables for the Civil/Site Work and Building Construction which provide a more detailed summary of the construction progress. These tables are updated each month during our site visits and the current month’s information or progress is shown in **dark type**. The tables are included in Appendix A.

**Stored Materials:** The contractor is not requesting separate payment for stored materials this application. We observed the following stored materials on-site.

Framing, sheathing, brick, showers/surrounds and windows.

**Percent Complete:** Based on our experience, the project schedule of values, the provided Application for Payment and our observations on-site, we estimate the project construction percent complete as:



**Reported Financial Percent Complete: 39.5%**

**Estimated Physical Percent Complete: 39%\***

**Photographs:** Photographs documenting the site conditions and construction progress during our site visit are included in Appendix B.

**IV. QUALITY OF CONSTRUCTION**

**A. TESTING LABORATORY**

Name: Terracon  
City, State: Lufkin, TX  
Phone No.: 936-634-5400  
Contact Person: Zachary Dubberly

**B. GEOTECHNICAL REPORT RECOMMENDATIONS**

A Geotechnical Report was provided from Science Engineering of Nederland, Texas. The borings encountered 0 to 2 feet of silty sand underlain by plastic (expansive) clay to depths of 6 feet and then underlain to low plasticity clay to depths of 13 to 20 feet. The potential vertical rise (PVR), which is the surface movement of the soils between periods of drought followed by a period of wet weather, was not estimated.

**Foundations:** The original Geotechnical Report recommended the building pad areas be undercut 24 inches and backfilled with compacted “select fill”, with a Liquid Limit of 36 percent or less and a Plasticity Index (Liquid Limit minus Plastic Limit) of 10 to 20, to a depth of 30 inches. The upper on-site soils did not meet the requirements of “select fill” so the “select fill” was expected to need to be off-site soils. An addendum Geotechnical Report evaluated the soils to be excavated from the planned detention pond and concluded the excavated soil could be used as building pad and pavement fill if the upper four feet of silty sand soils was mixed with the lower low plasticity clay soils. The PVR of the prepared building pads was estimated at less than one inch. Foundations are recommended as post-tensioned slab-on-grade and grade beams with a maximum bearing pressure of 1,800 psf. Grade beam minimum widths and depths recommendations were not provided.

**Pavements:** Pavement areas should be excavated 24 inches and the exposed subgrade should be lime stabilized to a depth of 8-inches. Compacted select fill should then be installed to pavement subgrade level. If the thickness of select fill is less than 12 inches, the pavement subgrade should also be lime stabilized. Concrete pavement thickness should be 5 inches for parking areas and 7 inches for drives. Pavement reinforcing and jointing recommendations were not provided.

**C. GEOTECHNICAL RECOMMENDATIONS AND TESTING LAB RESULTS**

11 reports received period dated 8/22/19. Reports included concrete sampling for concrete placement for Buildings 9, 10, 11, 12, 17, & 18 foundations/slabs. Two reports of post-tension cable stressing monitoring reports for Buildings 17 & 18 indicate results not in

**CIVIL/SITE DEVELOPMENT PROGRESS  
PROVIDENCE AT TED TROUT  
LUFKIN (HUDSON), TEXAS**

**Report No. : 4**

Legend: "blank" = Not Started    P = Partial Completion    X = Substantially Completed  
"dark type" = Current Period Item

Description	Status	Comments
<b>Demolition</b>	X	
3 Residences & outbuildings	X	
Existing Pavements	X	
Asbestos & Lead Paint Abatement	X	Assumed completed
<b>Construction</b>		
Clearing/Erosion Control	X	
Grading	X	
Structural Fill/Building Pads	P	Clubhouse & Bldgs 3, 4, 5, 7, 9, 10, 11, 12, 17 & 18
Site Storm Sewer System	X	
Site Sanitary Sewer System	X	
Site Fire/Water Lines	<b>X</b>	
Site Electric System	P	
Site Telephone System		
Detention Pond (NW Corner)	<b>X</b>	
Pavement Compacted Subgrade	<b>P</b>	
Concrete Pavement - Site		
Concrete Private Drive		
Pavement Clean & Stripe		
Sidewalks		
Finish Grading		
Landscaping		
Landscape Irrigation (deleted)		
Monument Sign @ main entrance		
Site Signage		



**CIVIL/SITE DEVELOPMENT PROGRESS  
PROVIDENCE AT TED TROUT  
LUFKIN (HUDSON), TEXAS**

**Report No. : 4**

Legend: "blank" = Not Started    P = Partial Completion    X = Substantially Completed  
**"dark type"** = Current Period Item

Description	Status	Comments
Site Lighting		
Community Building		
Community Room		
Dining Room w/kitchen		
Business Center		
Tenant Mail Center		
2 Picnic Tables & grills		
Gazebo w/sitting area		
Maintenance Room (23'x12') - in Comm Bldg. w/garage door & personnel door to exterior		
Laundry - 3 W & 3 D in Comm Bldg., has exterior access		
Trash Dumpster/Enclosures (2), one at front, one at rear		
Perimeter Fences & Gates		
6' metal fence w/automatic auto gate @ main entrance. Emergency entrance/exit @ west entrance. Pedestrian gate adjacent to auto gate bside Comm Bldg. Sides & rear will have 6' wood privacy fence. An added wood fence will separate detention pond from Apt. Bldgs.		
4 fire hydrants along site driveway		













**BUILDING CONSTRUCTION PROGRESS  
PROVIDENCE AT TED TROUT  
LUFKIN (HUDSON), TEXAS**

Report No. : 4

Legend: "blank" = Not Started    P = Partial Completion    X = Substantially Completed

**"dark type"** = Current Period Item

Description	Buildings				Remarks
	4-Plex 16	4-Plex 17	4-Plex 18	4-Plex 19	
Foundation Pads	<b>X</b>	X	X		
Building Underground Utilities		X	X		
Foundation Forms & Reinforcing		<b>X</b>	<b>X</b>		
Foundation/Slab Concrete		<b>X</b>	<b>X</b>		
Floor/Wall Framing/Sheathing		<b>X</b>	<b>P</b>		
Roof Framing/Sheathing					
Draftstops/Fire Blocking					
Roofing					
Gutters & Downspouts					
Windows & Exterior Doors					
Brick (30%)					
Cementitious Siding in alternating vertical sections					
Stairs					
Balcony/Patio Railings - NA					
Porch @ each Apt Entrance					
Exterior Paint					
Electrical Rough-In					
Plumbing Rough-In					
Fire Sprinkler Rough In					
HVAC Rough-In & Equip.					
Tubs Set					
Wall Insulation					
Attic Insulation					
Drywall					
Interior Trim and Doors					
Interior Paint-textured & painted drywall					
Cabinets and Countertops					
Tub Surround					
Plumbing Fixtures					
Water Heaters					



**BUILDING CONSTRUCTION PROGRESS  
PROVIDENCE AT TED TROUT  
LUFKIN (HUDSON), TEXAS**

Report No. : 4

Legend: "blank" = Not Started    P = Partial Completion    X = Substantially Completed

**"dark type"** = Current Period Item

Description	Buildings				Remarks
	4-Plex 16	4-Plex 17	4-Plex 18	4-Plex 19	
Plumbing Finish					
Electrical Trim & Lights					
HVAC Trim, Thermostat					
Window Treatments					
Appliances					
Final Cleaning					
Building & Apt. Signs					
Final Punch List					
Certificate of Occupancy					
Tenant Move-In					



**Photograph 1:** Clubhouse pad plumbing rough in.



**Photograph 2:** Building 3 roof completed.





**Photograph 3:** Building 3 plumbing rough in complete.



**Photograph 4:** Building 4 roof and wall sheathing complete.



**Photograph 5:** Building 5 & 6 roofing in progress.



**Photograph 6:** Building 6 roof sheathing.





**Photograph 7:** Storm drain and hydrant by building 8.



**Photograph 8:** Building 8 roof and wall sheathing complete.



**Photograph 9:** Building 8 plumbing rough in.



**Photograph 10:** Building 8 siding started.





**Photograph 11:** Buildings 9 & 10 progress.



**Photograph 12:** Building 11 roof trusses in progress.



**Photograph 13:** Building 13 pad site with underground plumbing in progress.



**Photograph 14:** Building 14 plumbing rough in underground in progress.





**Photograph 15:** Pad site building 17 framing & sheathing.



**Photograph 16:** Building 18 framing progress.

**I. EXECUTIVE SUMMARY**

G.C. Application No.	05 Nautical	Application Date:	9/25/19
Date Received:	09/30/19*	Site Visit Date:	10/01/19
Requested Draw Amount:	[REDACTED]		
Recommended Approved Draw Amount:	[REDACTED]		
Commencement Date:	4/15/18 Est.	Substantial Completion Date:	12/01/19
NTP Date:	04/15/19 Loan Closing: 1/09/18	Estimated Completion Date:	12/31/19
Project on Schedule: No, approximately one month behind schedule.			
Reported Finan. % Complete:	52.06%	Estimated Physical % Complete:	52%*
Building Permits:	Site Work, UG plumbing, Structural		



**CONSTRUCTION SCHEDULE**

Note: Based on 3/21/19 Schedule provided. This schedule will be updated if an updated schedule is provided and will be included in construction phase monthly reports.

Construction Activity	Start	Finish	Actual Finish			
<b>SITE WORK</b>						
Demolition	4/01/19	4/09/19	4/19			
Grading	4/01/19	4/26/19	6/15/19			
Detention Pond	4/29/19	5/06/19	7/15/19			
Wet Utilities	4/29/19	5/23/19	9/15/19			
Paving	6/04/19	7/11/19				
<b>BUILDING WORK</b>	<b>Bldg. Pads / Slabs</b>		<b>Framing</b>		<b>Building TCO</b>	
	<b>Schedule Start</b>	<b>Actual Start</b>	<b>Schedule Start</b>	<b>Actual Start</b>	<b>Schedule Date</b>	<b>Actual Date</b>
Comm. Bldg.	4/12/18	5/19	5/06/19	9/23/19	8/28/19	
Bldg. 10, 9, 8	4/12/19	5/19	5/31/19	7/15/19	9/16/19	
Bldg. 11,12,13	5/02/19	7/1	5/23/19	8/15/19	10/17/19	
Bldg. 4,5,6,7	5/22/19	5/19	6/13/19	7/15/19	10/15/19	
Bldg. 14,15,16	6/12/19	9/15/19	7/03/19		11/27/19	
Bldg. 17,18,19	7/02/19	7/15/19	7/24/19	8/1/19	11/27/19	
Bldg. 1,2,3	7/23/19	5/19	8/13/19		11/29/19	

**Project Contacts**

Title	Name	Company	Phone No.
Developer Proj. Mgr.		Nautical Affordable Housing/ltex Development of Beaumont	
Developer Administrator	Miranda Sprague	ITEX Group	409-853-3681



Title	Name	Company	Phone No.
Non-Profit GC	Don Ball	Nautical Affordable Housing, Inc	409-988-1851
Arch. Const. PM		JHP Architecture of Dallas	
Prime Subcontractor	Tim Zehnder	Icon Builders, LLC	989-996-1071
Prime Sub-Subcontractor Mgr.	Bill Ewing	Ewing Industries, LLC	361-813-6525
Contractor Supt.	Zac Janca	Ewing Industries, LLC	
Tax Credit Syndicator	Sam Kramer	Cedar Rapids Bank & Trust Co.	319-743-7122
CODA Proj. Mgr.	David Ochs, PE	CODA Consulting Group	832-302-9074 C
CODA Field Inspector	Mike Rogers	CODA Consulting Group	281-635-3306 C

**Construction Contract:** The Construction Contract is in AIA A101 – 2017 Stipulated Sum format. The provided contract was not dated or signed. Also provided were Contract General Conditions – AIA A201-2007.

The Construction Contract information included:

Contractor: Nautical Affordable Housing, Inc.  
 Format: AIA A101 – 2017 Stipulated Sum  
 Date: Undated  
 Date of Commencement: Contract Date  
 Substantial Completion Date: 191 work days from Date of Commencement  
 Contract Sum: \$7,550,000  
 Contingency: \$377,500 (5% to be confirmed)  
 Payment Provisions: Monthly based on completed work and stored materials  
 Retainage Provisions: 10% on completed work.  
 Retainage Exclusions: Stored materials on- or off-site  
 Retainage Reductions: None listed  
 Penalty Provisions: \$1,000 per day per building for each day of TCO delay after dates listed:

Building No.	Date	Building No.	Date	Building No.	Date
Comm. Bldg.	8/28/19*	7	10/15/19	16	11/27/19
8	9/16/19	11	10/17/19	17	11/27/19
9	9/16/19	12	10/17/19	18	11/27/19
10	9/16/19	13	10/17/19	1	11/29/19
4	10/15/19	17	11/27/19	2	11/29/19
5	10/15/19	14	11/27/19	3	11/29/19
6	10/15/19	15	11/27/19		

**\* Community Building, Buildings 8, 9, 10 are in \$1,000 per day penalty phase per contract.**

Incentive Provisions: None listed.  
 Payment and Performance Bonds: To be provided and paid from soft costs.

The contract provided was draft and not signed.

Attachments

1. Prime Subcontractor Agreement
2. Prime Subcontractor's Qualification Statement (A305-1986)
3. General Conditions of the Contract for Construction (AIA A201-2007)
4. Insurance Requirements
5. Compliance Provisions for Professional Services Contract
6. Construction Schedule
7. Insurance Certificate
8. Exclusions

**Subcontractor Contract:** The Subcontractor Contract subcontracts 100 percent of the work and fees to ICON Builders and binds them to the schedule and other provisions of the General Contractor Contract. The contract is draft and not signed.

**Sub-Subcontractor Contract:** The Sub-Subcontractor Contract apparently subcontracts 100 percent of the work and fees to Ewing Industrial Services and, we suspect, binds them to the schedule and other provisions of the General Contractor Contract and Subcontractor Contract. A copy of this contract was not provided.

**Tax Credit Application:** TDHCA Tax Credit Application provided. See table in Appendix A for Tax Credit Application required items versus provided construction features and amenities.

## **II. PROJECT DESCRIPTION**

The Providence at Ted Trout Drive apartments will include the construction of 76 senior apartments on 8.699 acres in Hudson, Texas. The site is about 3.5 miles west of downtown Lufkin, Texas in east Texas. The planned development includes 76 one- and two-bedroom apartments in 19 one-story four-plexes with a Community Center building at the front of the site. Parking will be provided along two drives that serve the buildings. Building construction will include post-tensioned slab-on-grade and grade beam foundations, wood framing with sloped shingle roofs and brick and fiber cement siding. The 4,339 square foot (SF) Community Center will include a Leasing Office, Community Room, Dining Room with kitchen, Business Center, Laundry, Maintenance Room, Tenant Mail Center and restrooms. Site amenities include perimeter fence and gates, barbeque/picnic areas and a gazebo with seating. Apartment amenities include covered entries, 9-foot ceilings, black appliances, Energy Star refrigerators with icemaker, range / oven, Energy Star dishwasher and microwave / hood combos.

## **III. STATUS OF CONSTRUCTION**

### **A. SITE VISIT**

Date: October 1, 2019  
Individual: Mike Rogers  
Company: CODA Consulting Group



CODA normally attends the on-site monthly Construction Progress Meetings. The Developer/Contractor informed us Construction Progress Meetings will be held the last Tuesday of the month, on site at 1:00pm.

<b>Present</b>	<b>Name</b>	<b>Company</b>	<b>Function-Title</b>
Yes	Bill Ewing	Ewing Industrial Services	Project Manager
Yes	Zac Janca	Ewing Industrial Services	Contractor-Supt.
Yes	John Schroeder	JHP Architecture of Dallas	Const. Proj. Mgr.
Yes	Tim Zehnder	ICON Construction	Project Manager
Yes	Mike Rogers	CODA Consulting Group	Construction Rep.

[REDACTED]

Items discussed with the superintendent included:

- Very good progress this period. Framing crews are still working 6 day schedule.
- Progress scheduled discussed by ICON and Ewing.
- Strong evidence that ICON and Ewing are pressing subs for completion by end of year.
- New privacy fencing installed along west neighbor's property line to keep up with agreement.
- Electrical relocation and drive complete to neighbor's property per agreement.
- Construction trailer relocated to make area available for pad sites for buildings 1 & 2.
- Foundations for buildings 1 & 2 are currently being poured.
- Roofing being installed on several buildings. Complete on Buildings 3 through 10.
- Activity on site by several trade subs is busy and aggressive.

Photographs taken during the site visit are attached in Appendix B.

**B. CONSTRUCTION PROGRESS**

**Progress this Period:** (12.5%)

Considering the stage of construction, the geographic area, the time of year, the weather, site conditions and project staffing, was typical/expected construction progress made to date?: **YES and NO** 12.5% in a month is typically good progress.

**If No – Why Not?:** With the very tight schedule on this project, the Contractor will need to complete 20% per month for the remainder of the project to be complete by the Schedule end of November date. To be complete by the TDHCA Placed-in-Service Date of 12/31/19, the contractor will need to complete 15% per month. The contractor is making a very good effort to accelerate the schedule but, because of the late construction start, it will be very difficult to complete the project to the building TCO stage by 12/31/19.

**Progress to Date:**

**SITE WORK**

- Site clearing is complete.
- Erosion control fencing is in-place.
- Construction office trailer is set up.
- Building pad installations is complete except for Buildings 1 and 2.
- Storm sewer installed.
- Sanitary sewer lines are in place with manholes being set.
- Water lines and hydrants are installed.

**PAVEMENTS AND SIDEWALKS**

- Driveway grading starting.

**BUILDING SHELL**

- Framing well underway with 12 buildings completely framed.
- Roofing deck complete on 8 buildings

**INTERIOR BUILD-OUT**

- Plumbing rough in started on 6 buildings.

**INTERIOR FINISHES**

- Work not started.

**AMENITIES AND LANDSCAPING**

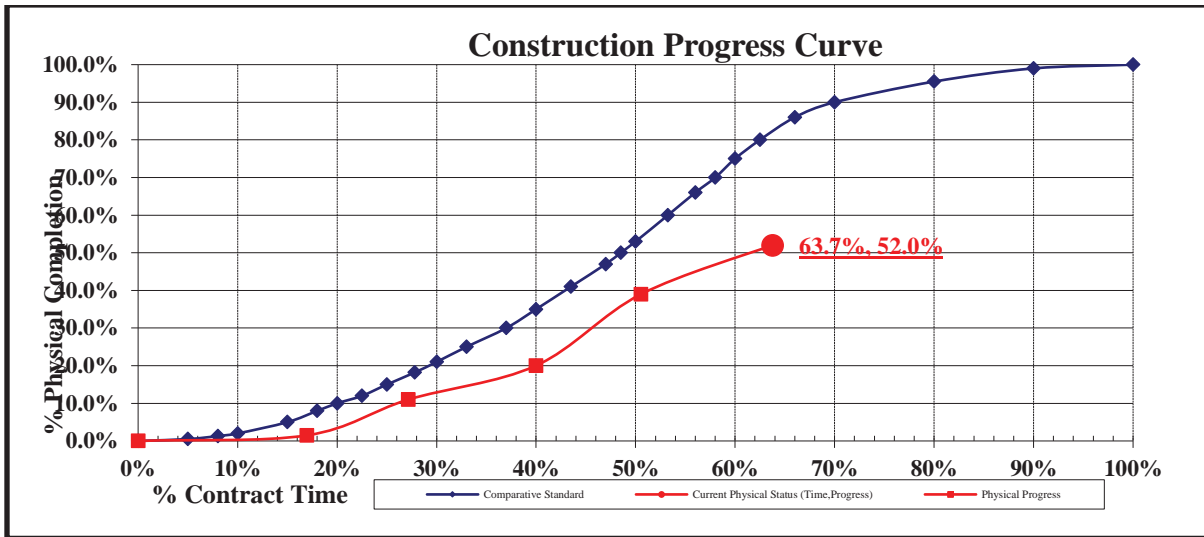
- Work not started.

**Construction Progress Graph**

Cedar Rapids Bank and Trust Company and AHP Housing Fund, LLC have requested that we track progress based on the construction start date and the expected completion date based on the contract duration. The Construction Progress Curve below compares the actual construction progress to the construction start date, a construction finish date based on the contract duration and the HUD Form 5372 theoretical progress curve. If the “Current Physical Status” point (red dot) is left of the corresponding point on the Comparative



Standard S-curve (blue), the project is ahead of schedule by the % variance. Conversely, if the “Current Physical Status” point is right of the corresponding point on the S-curve, the project is behind schedule by the % variance:



Actual construction start date:	<b>4/15/18 Est.</b>
Based on the actual start date and the project progress, the project is:	<b>About one month behind schedule</b>
The TDHCA Placed in service date for this project is:	<b>12/31/19</b>
Estimated completion date if rate of progress to date continues to completion:	<b>12/31/19</b>

The contract time is currently 63.7 percent complete and the work is 52 percent complete. At 63% time complete, a typical project should be about 80% complete. Variable rainy weather had previously delayed the site preparation and infrastructure work.

**Construction Progress Tables:** CODA has prepared Construction Progress Tables for the Civil/Site Work and Building Construction which provide a more detailed summary of the construction progress. These tables are updated each month during our site visits and the current month’s information or progress is shown in **dark type**. The tables are included in Appendix A.

**Stored Materials:** The contractor is not requesting separate payment for stored materials this application. We observed the following stored materials on-site.

Framing, sheathing, brick, showers/surrounds and windows.

**Percent Complete:** Based on our experience, the project schedule of values, the provided Application for Payment and our observations on-site, we estimate the project construction percent complete as:

**Reported Financial Percent Complete: 52%**

**Estimated Physical Percent Complete: 52%**

**CIVIL/SITE DEVELOPMENT PROGRESS  
PROVIDENCE AT TED TROUT  
LUFKIN (HUDSON), TEXAS**

**Report No. : 5**

Legend: "blank" = Not Started    P = Partial Completion    X = Substantially Completed  
**"dark type"** = Current Period Item

Description	Status	Comments
<b>Demolition</b>	X	
3 Residences & outbuildings	X	
Existing Pavements	X	
Asbestos & Lead Paint Abatement	X	Assumed completed
<b>Construction</b>		
Clearing/Erosion Control	X	
Grading	X	
Structural Fill/Building Pads	<b>X</b>	All buildings
Site Storm Sewer System	X	
Site Sanitary Sewer System	X	
Site Fire/Water Lines	X	
Site Electric System	<b>X</b>	
Site Telephone System		
Detention Pond (NW Corner)	X	
Pavement Compacted Subgrade	<b>X</b>	
Concrete Pavement - Site		
Concrete Private Drive		
Pavement Clean & Stripe		
Sidewalks		
Finish Grading		
Landscaping		
Landscape Irrigation (deleted)		
Monument Sign @ main entrance		
Site Signage		



**CIVIL/SITE DEVELOPMENT PROGRESS  
PROVIDENCE AT TED TROUT  
LUFKIN (HUDSON), TEXAS**

**Report No. : 5**

Legend: "blank" = Not Started    P = Partial Completion    X = Substantially Completed  
**"dark type"** = Current Period Item

Description	Status	Comments
Site Lighting		
Community Building		
Community Room		
Dining Room w/kitchen		
Business Center		
Tenant Mail Center		
2 Picnic Tables & grills		
Gazebo w/sitting area		
Maintenance Room (23'x12') - in Comm Bldg. w/garage door & personnel door to exterior		
Laundry - 3 W & 3 D in Comm Bldg., has exterior access		
Trash Dumpster/Enclosures (2), one at front, one at rear		
Perimeter Fences & Gates		
6' metal fence w/automatic auto gate @ main entrance. Emergency entrance/exit @ west entrance. Pedestrian gate adjacent to auto gate bside Comm Bldg. Sides & rear will have 6' wood privacy fence. An added wood fence will separate detention pond from Apt. Bldgs.	<b>P</b>	Wood fence installed on west side adjacent to private residence.
4 fire hydrants along site driveway	<b>X</b>	













**BUILDING CONSTRUCTION PROGRESS  
PROVIDENCE AT TED TROUT  
LUFKIN (HUDSON), TEXAS**

Report No. : 5

Legend: "blank" = Not Started    P = Partial Completion    X = Substantially Completed

**"dark type"** = Current Period Item

Description	Buildings				Remarks
	4-Plex 16	4-Plex 17	4-Plex 18	4-Plex 19	
Foundation Pads	X	X	X	X	
Building Underground Utilities	P	X	X		
Foundation Forms & Reinforcing	P	X	X		
Foundation/Slab Concrete		X	X		
Floor/Wall Framing/Sheathing		X	X		
Roof Framing/Sheathing		X	X		
Draftstops/Fire Blocking		X	X		
Roofing		X	X		
Gutters & Downspouts					
Windows & Exterior Doors		X	X		
Brick (30%)					
Cementitious Siding in alternating vertical sections					
Stairs					
Balcony/Patio Railings - NA					
Porch @ each Apt Entrance					
Exterior Paint					
Electrical Rough-In					
Plumbing Rough-In					
Fire Sprinkler Rough In					
HVAC Rough-In & Equip.					
Tubs Set					
Wall Insulation					
Attic Insulation					
Drywall					
Interior Trim and Doors					
Interior Paint-textured & painted drywall					
Cabinets and Countertops					
Tub Surround					
Plumbing Fixtures					
Water Heaters					



**BUILDING CONSTRUCTION PROGRESS  
PROVIDENCE AT TED TROUT  
LUFKIN (HUDSON), TEXAS**

Report No. : 5

Legend: "blank" = Not Started    P = Partial Completion    X = Substantially Completed

**"dark type"** = Current Period Item

Description	Buildings				Remarks
	4-Plex 16	4-Plex 17	4-Plex 18	4-Plex 19	
Plumbing Finish					
Electrical Trim & Lights					
HVAC Trim, Thermostat					
Window Treatments					
Appliances					
Final Cleaning					
Building & Apt. Signs					
Final Punch List					
Certificate of Occupancy					
Tenant Move-In					



**Photograph 1:** Building 1 foundation being poured.



**Photograph 2:** Building 2 foundation poured.





**Photograph 3:** Building 3 exterior brick installed.



**Photograph 4:** Building 4 exterior progress.



**Photograph 5:** Building 4 plumbing rough in.



**Photograph 6:** Building 5 exterior progress.





**Photograph 7:** Building 6 ready for siding.



**Photograph 8:** Building 8 exterior brick installation beginning.



**Photograph 9:** Building 10 roofing complete.



**Photograph 10:** Building 10 plumbing rough in.





**Photograph 11:** Buildings 9 & 10 exterior progress.



**Photograph 12:** Building 12 Foundation poured.



**Photograph 13:** Building 13 formed for foundation.



**Photograph 14:** Clubhouse framing in progress.





**Photograph 15:** Privacy fence installed next to neighboring home.



**Photograph 16:** Building 19 pad progress.

**BOARD ACTION REQUEST**  
**MULTIFAMILY FINANCE DIVISION**  
**DECEMBER 12, 2019**

Presentation, discussion and possible action on a request for return and reallocation of tax credits under 10 TAC §11.6(5) related to Credit Returns Resulting from Force Majeure Events for Application 18376, Lakeview Pointe Apartments

**RECOMMENDED ACTION**

**WHEREAS**, an award of Competitive (9%) Housing Tax Credits in the amount of \$1,500,000 to 18376 Lakeview Pointe Apartments (the Development) was approved by the Board on July 26, 2018;

**WHEREAS**, staff executed a Carryover Allocation Agreement with the Development Owner on December 11, 2018, that included a certification from the Development Owner that each building for which the allocation was made would be placed in service by December 31, 2020;

**WHEREAS**, on October 7, 2019, the Department received a request for extension of the 10% Test to December 10, 2019, one day prior to the last possible day allowed by Internal Revenue Code;

**WHEREAS**, the Department received from the counsel for Development Owner a request to extend the placement in service deadline under the requirements of 10 TAC §11.6(5) related to Credits Returns Resulting from Force Majeure Events, on October 25, 2019, with a request that it appear on the November Board Agenda ;

**WHEREAS**, the force majeure request did not appear on the November agenda, and the December meeting is after the December 10, 2019 deadline;

**WHEREAS**, in order that the Development Owner not lose the award of 9% credits, staff has executed a 2019 Carryover Allocation Agreement prior to the Board meeting and now requests Board ratification of that Agreement;

**WHEREAS**, other than in situations covered by force majeure, the Department lacks authority to extend federal deadlines for placement in service; and

**WHEREAS**, the precipitating events described in the request meet the requirements for force majeure events described in 10 TAC §11.6(5);

**NOW, therefore, it is hereby**

**RESOLVED**, the request for ratification of the staff action related to treatment of Lakeview Pointe Apartments under an application of the force majeure rule is approved along with the 2019 Carryover Allocation Agreement, with the 2018 Qualified Allocation Plan and



Uniform Multifamily Rules, and the 2019 Program Calendar applicable to the Development;

**FURTHER RESOLVED**, that the Applicant has received a 2019 Carryover Agreement extending the placed in service deadline until December 31, 2021; and

**FURTHER RESOLVED**, that staff is authorized, empowered, and directed, for and on behalf of the Department to execute such documents, instruments and writings and perform such acts and deeds as may be necessary to effectuate the foregoing.

### **BACKGROUND**

An award of \$1,500,000 in Competitive (9%) Housing Tax Credits to the Development was approved by the Board on July 26, 2018. The Development proposed the New Construction of 144 Units for a general population in Garland. Staff executed a Carryover Allocation Agreement with the Development Owner on December 11, 2018, that included a certification from the Development Owner that, in order to satisfy the requirements of §42 of the Internal Revenue Code, each building for which the allocation was made would be placed in service by December 31, 2020.

On October 7, 2019, the Department received a request from the Development Owner to extend the 10% Test deadline to December 10, 2019, which is one day prior to the last possible date allowed by Internal Revenue Code.

On October 25, 2019, the Department received from the Development Owner a request to extend the placement in service deadline from December 31, 2020, to December 31, 2021, under the provisions of 10 TAC §11.6(5) related to Credits Returns Resulting from Force Majeure Events. The request was timely received, but did not appear on the November Board agenda. This rule allows a Development Owner to return issued credits within three years of award, and have those credits re-allocated to the Development outside of the usual regional allocation system if all of the requirements of the subsection are met. Pursuant to 10 TAC §11.6(5), the Department's Governing Board may approve the execution of a current program year Carryover Allocation Agreement regarding the returned credits with the Development Owner that returned such credits only if:

(A) The credits were returned as a result of "Force Majeure" events that occurred before issuance of Forms 8609. **Force Majeure events are the following sudden and unforeseen circumstances outside the control of the Development Owner:** acts of God such as fire, tornado, flooding, significant and unusual rainfall or subfreezing temperatures, or loss of access to necessary water or utilities as a direct result of significant weather events; explosion; vandalism; orders or acts of military authority; unrelated party litigation; changes in law, rules, or regulations; national emergency or insurrection; riot; acts of terrorism; supplier failures; or materials or labor shortages. If a Force Majeure event is also a presidentially declared disaster, the Department may treat the matter under the applicable federal provisions. Force Majeure events must make construction activity impossible or materially impede its progress; (emphasis added)

Of the circumstances listed in the rule, the request indicates that force majeure might be triggered by changes in law, rules, or regulations, particularly, the City of Garland (the City) requested a change to the access for the Development and “adopted a new transportation plan to mandate the extension of Zion Road.”

### **Changes in Law, Rules, or Regulations**

Per the request:

- In February 2018, the City discovered a conceptual plan to extend Zion Road that had been prepared by the Texas Department of Transportation on an earlier date.
- The required “Take Area” is owned by the City of Dallas (COD) but controlled the Dallas Water Utilities (DWU).
- An extension of Zion Road requires an easement from the COD, but procedure required the City to request the easement from DWU, which projected that its approval process would take approximately 6 months.
- Owner proceeded with revising and submitting its site plan to the City, which was ultimately approved by City Council in September 2018.
- The City then advised that it would not request the easement from DWU until detailed civil design plans were complete; it would not work on a parallel path.
- The civil design plans were submitted in April 2019, the City did not request the easement from DWU until May 31, 2019, and DWU did not respond until June 25, 2019.
- DWU determined that a tri-party agreement between the City, COD, and the Development Owner would be required, and the Development Owner was advised that it would take multiple months for an attorney to be assigned to draft the tri-party agreement.
- As of today’s date, the legal descriptions for the easements have been approved and draft easement agreements have been circulated; a COD approval is not in place.

The request includes a timeline of relevant events and letters from the lender and investor expressing support for the request. In their letters, both indicate that unless the deadline to place the Development in service is extended, they will be unable to move forward with the project.

Staff has determined that the Development Owner has provided sufficient evidence of “sudden and unforeseen circumstances outside the control of the Development Owner” as described in 10 TAC §11.6(5). In order that the Development Owner not lose the award of 9% credits, staff has executed a 2019 Carryover Allocation Agreement. If the Board grants the request to ratify staff actions and consider this a force majeure event, the Development Owner’s return of \$1,500,000 in credits and execution of a 2019 Carryover Allocation Agreement, will result in the new date for the Development to be placed in service by December 31, 2021, with the 2018 Qualified Allocation Plan and Uniform Multifamily Rules applicable to the Development.

If the Board denies the request to ratify the staff action regarding this force majeure event, the date by which the Development must be placed in service will remain December 31, 2020. Because the Development Owner would not have met the 10% Test deadline on December 10, 2019, the credits



would be returned. If the Development Owner returns the credits, the credits would first be made available in the subregion from which they were originally awarded, pursuant to 10 TAC §11.6(2), related to returned credits; in this case Region 3, Urban. There are pending Applications on the waiting list from that subregion. The next Application requests \$1,500,000, which equals the amount of credits that would be returned.

Staff recommends the Board approve the request for ratification of staff actions regarding treatment of Lakeview Pointe Apartments under an application of the force majeure rule.

18376  
Lakeview Pointe  
Apartments  
Force Majeure Request





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October 25, 2019

**Via Email**

Marni Holloway  
Rosalio Banuelos  
Texas Department of Housing and Community Affairs  
221 East 11th Street  
Austin, Texas 78701

**Re: Lakeview Pointe Apartments in Garland, Texas (the "Development")  
TDHCA No. 18376**

Dear Marni and Rosalio:

Our firm represents GL Lakeview Pointe Housing, LP (**Owner**), which received an allocation of low-income housing tax credits (**Tax Credits**) from the Texas Department of Housing and Community Affairs ("**TDHCA**") for the construction of the Development, and this letter is sent on Owner's behalf. Pursuant to Section 42(h)(1)(E)(i) of the Internal Revenue Code, Owner is required to place the Development in service by December 31, 2020. In a meeting held in your offices on September 30, we discussed challenges that Owner has faced due to an unanticipated request from the City of Garland ("**COG**") to change the access for the Development.

**Opening Statement**

The City of Garland's request to change the access for the Development has submerged Owner into a complex process, involving three different governmental entities, that is a case of first impression for all involved. As a result, Owner's ability to complete the Development by the federally required placement in service date is now jeopardized. The investor and lender for the Development are unwilling to close without assurances that the placement in service date will be extended by TDHCA. See Exhibit 1.

### **Detailed Description**

The Development site is in a highly desirable area for affordable housing. The complex will be located on the shore of Lake Ray Hubbard, offering outstanding views and approximately 1.25 miles from a \$1.3 billion mixed use construction project to include high rise office and condominium buildings, retail and restaurants, entertainment venues, and water-based recreational facilities.

Owner began meeting with COG prior to the submission of its tax credit application. A site plan was provided; comments from COG were received and incorporated. After submission of the tax credit application on January 26, 2018, COG advised that it would not approve the Development with the access originally planned. Rather, COG wanted Zion Road to be extended, so that it would provide access for the Development, other properties and ease traffic patterns in the area. Zion Road currently terminates approximately 41 feet away from the Development site. The land between the end of Zion Road and the Development site (called the "Take Area") is owned by the City of Dallas ("COD") but controlled by Dallas Water Utilities ("DWU"). The Take Area is also sensitive due to the proximity to Lake Ray Hubbard. See Exhibit 2. Owner has been advised that no one has ever tried to construct a road in a Take Area before.

The issue first arose in February 2018, when COG discovered a conceptual plan to extend Zion Road that had been prepared by the Texas Department of Transportation on an earlier date. Because the Take Area is owned by COD, any extension of Zion Road from its current location requires an easement from COD, but procedure required COG to commence with a request for easement to DWU. After multiple meetings with DWU and various COG departments, DWU projected that its approval process would take approximately 6 months. Owner proceeded with revising and submitting its site plan to COG, which was ultimately approved by COG City Council in September 2018. COG then advised that it would not request the easement from DWU until detailed civil design plans were complete; it would not work on a parallel path. Steep slopes and proximity to the lake, which serves as a potable water supply complicated the design. While Owner continued to work diligently with its professionals and the governmental entities, the civil design plans were not submitted until April 2019.

COG did not request the easement from DWU until May 31, 2019, and DWU did not respond until June 25, 2019. At that point, DWU decided that a tri-party agreement between COG, COD, and Owner would be required, something that had not been mentioned in any previous correspondence. Further, Owner was advised that it would take multiple months for an attorney to be assigned to draft the tri-party agreement. Owner pursued a temporary construction easement to start construction while the three governmental entities worked through their procedures.



As of today's date, the legal descriptions for the easements have been approved and draft easement agreements have been circulated; a COD approval is not in place. Progress continues to be made, but it is painfully slow. Throughout this process, Owner has been as diligent as possible. It hired a facilitator with experience with both COG and COD. Owner and its professionals responded promptly to each request from each governmental entity and followed up regularly. Meanwhile, Owner has been working to negotiate all of its financing with its investor and lender so that it will be ready to close as soon as the permits are available from COG. Owner has been in an entirely unexpected and untenable situation, with no ability to control the timing and action of COG, COD, and DWU. A detailed Sequence of Events is attached for your reference as Exhibit 3.

Because of these challenges, Owner submits this request to return the Tax Credits and that TDHCA reallocate the Tax Credits in the current year pursuant to the "Force Majeure" provisions in Section 11.6(5) of the 2019 Qualified Allocation Plan (the **QAP**). We believe Owner and the Development meet all of the requirements of Section 11.6(5), in that:

1. The delays in construction were a direct result of changes in rules and regulations, as COG adopted a new transportation plan to mandate the extension of Zion Road.
2. The delays were not caused by willful negligence or acts of Owner, any Affiliate, or any other Related Party.
3. Owner took all steps available to mitigate the delays; however, actions of governmental staff are not within its control.
4. Owner substantially fulfilled all of its obligations that were not impeded by the change in law. Owner has kept TDHCA informed, through extension requests and an amendment request for the change in site plan.
5. The delays imposed by the City will prevent Owner from meeting the placement in service requirements of the original allocation.
6. The requested current year Carryover Agreement would allocate the same amount of Tax Credits as those that would be returned.
7. The Development continues to be financially viable. All additional expenditures associated with this situation were considered at the time Owner processed an application amendment, in September 2019. Acquiring the easement necessary for the extension is expected to cost \$10.00.

Please feel free to contact me with any questions. We sincerely appreciate your assistance with this matter.

October 25, 2019

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**Respectfully submitted,**



**Cynthia L. Bast**

**cc:   Deepak Sulakhe  
      Jason Lain  
      Alyssa Carpenter  
      Sarah Anderson**

**Exhibit 1 -   Letters from Lender and Investor  
Exhibit 2 -   Images for Zion Road Extension  
Exhibit 3 -   Sequence of Events**



**Exhibit 1**

**Letters from Lender and Investor**



Benjamin Glispie  
Capital One, National Association  
8000 Dominion Parkway, 2<sup>nd</sup> Floor  
Plano, TX 75024

Office: 972-295-1031  
Cell: 214-605-7637  
capitalone.com

October 2, 2019

Mr. Deepak P. Sulakhe  
President & CEO  
OM Housing  
5033 Brookview Drive  
Dallas, TX 75220

Re: Exchange of 9% Low Income Housing Tax Credits (“LIHTCs”) for Lakeview Pointe Apartments in Garland, TX

Dear Mr. Sulakhe,

Capital One is currently underwriting the Lakeview Pointe Apartments project, the proposed 132-unit mixed-income family apartment property in Garland, TX. Capital One’s Community Finance Group is excited to be considered as the construction lender and the investor in the 9% LIHTCs. In addition, Capital One’s Multifamily Agency Finance Group is underwriting a forward commitment for a Freddie Mac permanent loan. Although these facilities are still subject to final credit approval, we are very far along in our underwriting process, and could be in a position to close within weeks of receiving the building/site permits.

Capital One has been working closely with the sponsor, Deepak Sulakhe and OM Housing, on underwriting and closing the project. During this time, Mr. Sulakhe has expanded the construction scope to include the construction of Zion Road along with associated improvements, both required by the City of Garland and the City of Dallas, as well as securing the necessary easements required from the City of Dallas. These items have caused the closing to experience several delays. As a result of these delays and the proposed expanded construction schedule, our underwriting guidelines surrounding the Placed in Service date of 12/31/2020 currently has not been met. Due to this, Capital One would not be able to make an investment in the tax credits unless this date is extended.

Capital One is in support of swapping the 2018 tax credit award for a 2019 award, which will allow the Placed in Service date to be extended to 12/31/2021. Capital One is confident this project will make a major impact in the community and provide much needed affordable housing.

Sincerely,

Benjamin Glispie  
Director





Boston Financial  
Investment Management, LP  
*a Limited Partnership*

101 Arch Street  
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October 1, 2019

Mr. Deepak P. Sulakhe  
President & CEO, OM Housing  
5033 Brookview Drive  
Dallas, Texas 75220

**Re: Lakeview Pointe Apartments  
Garland, TX**

Dear Deepak,

I'm writing regarding our investment in Lakeview Pointe Apartments. We have finalized our due diligence and are looking forward to closing a tax credit deal with the rare appeal of lake frontage. At this point, barring some clean-up items, our 3<sup>rd</sup> party reports and underwriting are completed. We have already turned a draft of the partnership agreement and ancillary docs, and expect to turn a draft of the loan docs soon.

We've kept a close eye on the construction schedule as the delays attributable to securing the easement from the City of Dallas have arisen. At this time, it appears that even under an optimistic completion schedule, completion won't be achieved until the month of the deadline or some time thereafter.

Under these circumstances, we would not be able to make an investment in this transaction unless we could be assured that some sort of extension were possible. Some states, like North Carolina, have exchange procedures within their actual QAPs. I'm not certain as to how Texas handles situations like this, but we've found most states to be amenable to agreeing to extensions if the conditions giving rise to them are out of the developer's control. We believe that this would certainly be one of those cases.

As a result, we are formally asking that you pursue an extension. If we're going to be able to proceed to a closing on Lakeview, we'll need to know that we'll have one in hand in order to get concerns about placed in service risk off the table. If you have any questions, please call me directly at 617-488-3524.

Sincerely,

A handwritten signature in blue ink, appearing to read "SAN", with a long horizontal flourish underneath.

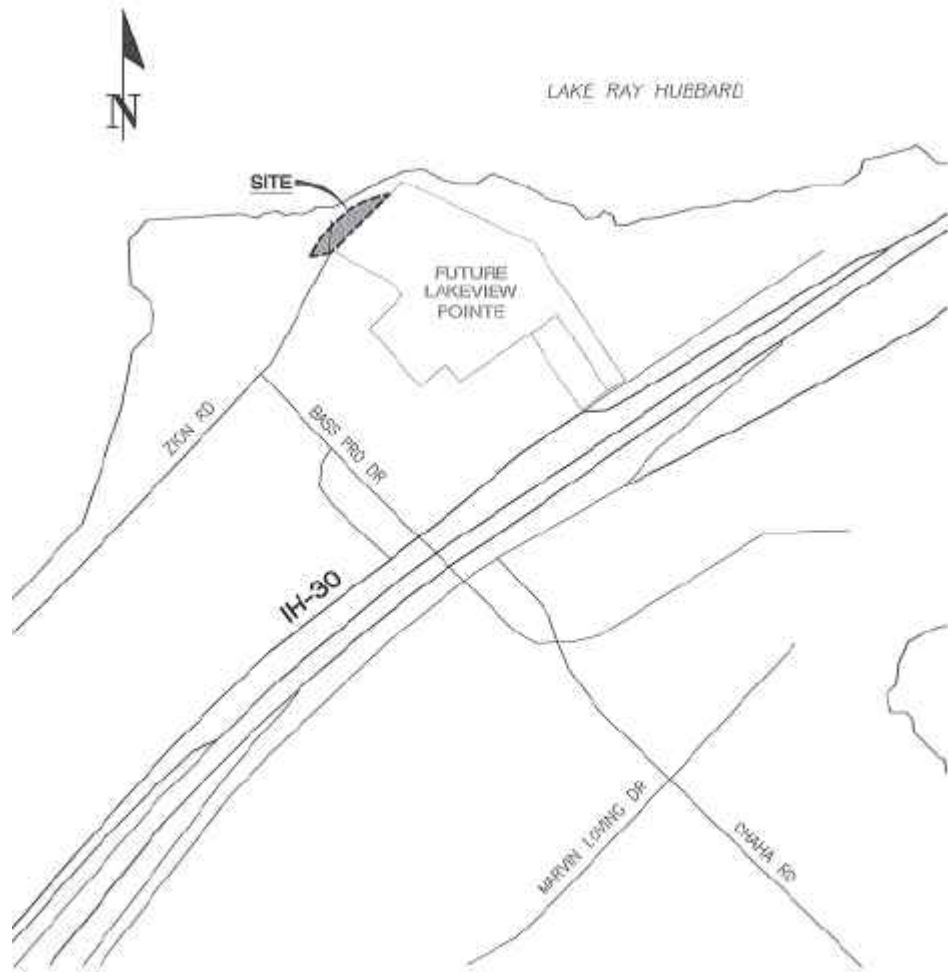
Steven A. Napolitano  
Senior Vice President

**Exhibit 2**

**Images for Zion Road Extension**







 AREA TO BE ACQUIRED FOR RIGHT OF WAY AND DRAINAGE EASEMENT



**Exhibit 3**  
**Sequence of Events**

## **Sequence of Events:**

- 1) Site located adjacent to Lake Ray Hubbard in **November 2017**.
- 2) Engaged Civil Engineer and had informal meeting with City of Garland in **December 2017**.
  - We were informed that site was located within an area to be zoned for multifamily.
  - Design was to be Urban / Walkable with flat roofs, etc.
- 3) COG Pre-Development Meeting with all City Departments – **January 16<sup>th</sup>, 2018**.
  - Site plan was reviewed, and comments were provided.
  - All comments were incorporated into design.
- 4) COG Rezoning Application / TDHCA Final Application - **January 26<sup>th</sup>, 2018**.
  - Simultaneous submissions to COG for Rezoning and TDHCA for Final Application were made that included comments from Pre-Development meetings earlier in January.
- 5) Several subsequent Meetings and Coordination with various COG departments and DWU – **February to May 2018**.
  - On **February 27<sup>th</sup>, 2018**, a conceptual plan to extend Zion Road to I-30, prepared by TxDOT at some earlier date, was presented by COG as a possible requirement to be included into the site plan. The development team then started researching how Zion Road would and could be extended.
  - Because the Take Area is owned by COD, any extension of Zion Road from its current location required an easement from COD, but procedure required COG to make a request for easement to DWU.
  - Discussions at joint meetings with DWU and COG Engineering, Parks and Transportation Departments indicated that this would be a routine approval. DWU appeared cooperative and stated that their mission included supporting development for neighboring cities. DWU projected approval would take approximately **6 months**, which was within our required timeframes at that time.
  - Design was modified to accommodate COG's request of extending Zion Road and consequentially other design modifications were made to accommodate the extension within the site.
- 6) COG Rezoning Application Resubmittal – **May 21st, 2018**.
  - Site Plan submitted to COG.
- 7) COG City Council Approval – **September 4<sup>th</sup>, 2018**.
  - After routine comments from the different departments, the revised plans were approved by staff, Planning and Zoning Commission and eventually by City Council.



- 8) COG revised their Transportation Plan to include the Zion Road Extension – November 6, 2018.
- 9) Detail Civil Design Stage – September 2018 to April 2019.
  - After we obtained the required zoning in September 2018, the detailed civil design commenced with extending Zion Road to I-30.
  - We requested DWU to commence the easement process since it was a 6 month process.
  - DWU insisted that they could start the process of providing the required easement only if COG first formally requested it. COG insisted that all design work had to be done by development team, at least up to an initial approvable stage, before they could make such a request to DWU.
  - Design on a project with steep slopes adjacent to a lake, which is used as a potable water reservoir for the metroplex, required meticulous coordination between the various consultants and took longer than normal.
  - Design was substantially complete by January 23<sup>rd</sup>, 2019; however, due to site complexity and coordination of multiple departments at COG and DWU, additional design adjustments were required. First formal submittal of Zion Road Plans was April 4<sup>th</sup>, 2019.
  - We had another meeting with COG and DWU and some additional design were required to better protect the land area from eroding into the lake. These items required design from a third-party sub-contractor, which was performed.
  - After much coordination, a design acceptable to all pertinent entities was reached.
- 10) TDHCA Amendment Request – May 29<sup>th</sup>, 2019.
  - Once we believed that our design was firm, having incorporated all of the comments from the various different pertinent entities, we made our submission for an amendment to TDHCA for including Zion Road.
- 11) COG Request for Easement – May 31<sup>st</sup>, 2019.
  - After some internal processing, COG sent a letter requesting the easement from DWU.

12) DWU Response to COG – June 25<sup>th</sup>, 2019.

- DWU responded stating that the easement process would first require a tri-party agreement between COD, COG and the Developer (which had not been previously raised). It also mentioned that we could get approved for a Temporary Construction Easement (TCE) if we needed to start construction earlier.

13) DWU Processing – July 2019 to present.

- We engaged Master Plan – Land Use Specialists to help expedite the process. Master Plan had staff that had good working relations with both cities.
- Upon numerous phone calls and emails to DWU from several members of the development team, we were informed that it would take 4-6 weeks from the date of the DWU letter for an attorney to be assigned to draft the tri-party agreement.
- As of August 26<sup>th</sup>, 2019, we were informed that the actual Easement would take several more months. However, we are still relying on the TCE to be granted sooner.
- Since the DWU letter indicated a possibility of a TCE, we are pursuing that simultaneously to build a temporary road until the final easements are granted.

14) TDHCA Amendment Approval – September 5<sup>th</sup>, 2019.

- TDHCA Board approved the amendment to include Zion Road extension.

15) Option to allow for Construction License September 10, 2019.

- It appears that COG and COD have determined that they could grant us an Entry License to allow usage of the land until a permanent easement was approved at COD.
- We were asked to provide COG and COD with legal descriptions for the Entry Easement, which were provided immediately.

16) As of September 30, 2019– Draft easement agreements have been provided and reviewed by COG. We have been informed that the sequence of events for permits (and closing) is:

- Easement agreement is to be agreed upon and finalized by the parties.
- Approval of easement agreement from COD City Council on consent agenda.
- Place COD recording information on the final plat, obtain final plat approval, and record final plat.
- Obtain permits from COG for Zion Road extension, site, and building plans.

7e



**BOARD ACTION REQUEST**  
**MULTIFAMILY FINANCE DIVISION**  
**DECEMBER 12, 2019**

Presentation, discussion, and possible action to adopt the 2019 Multifamily Programs Application Procedures Manual

**RECOMMENDED ACTION**

**WHEREAS**, the rules relating to multifamily program funding are contained in the Administration Rules, Housing Tax Credit Qualified Allocation Plan, Multifamily Housing Revenue Bond Rules, and the Multifamily Direct Loan Program Rules;

**WHEREAS**, pursuant to Tex. Gov't Code §2306.67022 the Board shall adopt a manual to provide information regarding the administration of and eligibility for participation in the housing tax credit program; and

**WHEREAS**, the Department has created the Multifamily Programs Application Procedures Manual (the "Manual") as a resource guide for applicants, and the Manual and its contents are not rules;

**NOW, therefore, it is hereby,**

**RESOLVED**, the 2019 Multifamily Programs Application Procedures Manual is hereby approved and the publication of the Manual on the Department's website; and

**FURTHER RESOLVED**, the Executive Director and his designees be and each of them hereby are authorized, empowered, and directed, for and on behalf of the Department to make such changes and conforming technical corrections as they may deem necessary to effectuate the foregoing, to revise the manual as required based on the final approved rules, and amend the manual from time to time as it deems necessary to provide guidance on the filing of multifamily related documents.

**BACKGROUND**

In concert with the annual rule-making process for multifamily-related programs, the Multifamily Finance Division revises the Manual. The purpose of the Manual is to provide guidance on the filing of a multifamily application and other multifamily program-related documents. Staff created this manual as a resource guide which includes references to the rules and examples of acceptable documentation or development plans based on the program

rules and requirements.

The Board's action in approving the adoption of this manual allows staff the flexibility to provide more detailed instructions and amend the Manual as necessary in order to implement the Department's multifamily program rules effectively once such rules have been adopted and approved by the Governor. Additionally, from time to time staff may update the manual based on additional information that may become available or to correct inconsistencies or to clarify information contained therein.

On November 30, 2019, the Governor approved the QAP with one change: the addition of item §11.9(c)(6)(B), as follows:

**§11.9.Competitive HTC Selection Criteria.**

**(c) Criteria to serve and support Texans most in need.**

(6) Residents with Special Housing Needs. (§42(m)(1)(C)(v)) An Application may qualify to receive up to three (3) points by serving Residents with Special Housing Needs.

(A) The Development must commit at least 5% of the total Units to Persons with Special Housing Needs. The Units identified for this scoring item may not be the same Units identified previously for the Section 811 PRA Program. For purposes of this subparagraph, Persons with Special Housing Needs is defined as a household where one or more individuals have alcohol and/or drug addictions, is a Colonia resident, a Person with a Disability, has Violence Against Women Act Protections (domestic violence, dating violence, sexual assault, and stalking), HIV/AIDS, homeless, veterans, , and farmworkers. Throughout the Compliance Period, unless otherwise permitted by the Department, the Development Owner agrees to specifically market Units to Persons with Special Housing Needs. In addition, the Department will require an initial minimum twelve-month period during which Units must either be occupied by Persons with Special Housing Needs or held vacant, unless the Units receive HOME funds from any source. After the initial twelve-month period, the Development Owner will no longer be required to hold Units vacant for Persons with Special Housing Needs, but will be required to continue to specifically market Units to Persons with Special Housing Needs. (2 points)

(B) If the Development has committed units under 10 TAC 11.9(c)(6)(A), the Development must commit at least an additional 2% of the total Units to Persons referred from the Continuum of Care or local homeless service providers to be made available for those experiencing homelessness. Rejection of an applicant's tenancy for those referred may not be for reasons of credit history or prior rental payment history. Throughout the Compliance Period, unless otherwise permitted by the Department, the Development Owner agrees to specifically market the 2% of Units through the Continuum of Care and other homelessness providers local to the Development Site. In addition, the Department will require an initial minimum twelve-month period in Urban subregions, and an initial

six-month period in Rural subregions, during which Units must either be occupied by Persons referred from the Continuum of Care or local homeless service providers, or held vacant, unless the Units receive HOME funds from any source. After the initial twelve-month or six-month period, the Development Owner will no longer be required to hold Units vacant but will be required to continue to provide quarterly notifications to the Continuum of Care and other homeless service providers local to the Development Site on the availability of Units at the Development Site. Applications in the At-risk or USDA setasides are not eligible for this scoring item. Developments are not eligible under this paragraph unless points have also been selected under 10 TAC 11.9(c)(6)(A). (1 point)

Appropriate changes have been made to the draft Application and Manual. The Manual will be posted to the Department's website, and an email announcement will be sent out when it is available.





# 2020 Multifamily Programs Application Procedures Manual

Texas Department of Housing and Community Affairs  
221 East 11<sup>th</sup> Street  
Austin, Texas 78701

**This manual is a resource made available to help Applicants prepare and submit accurate information for complete and compliant Applications.** Applicants should understand that this type of guidance is limited by its nature and that staff will apply the Qualified Allocation Plan (QAP) Multifamily Housing Revenue Bond (MHRB) Rules, the Multifamily Direct Loan (MFDL) Rule, and any other applicable rules to each specific situation as it is presented. The Multifamily Programs Application Procedures Manual and the Application webinar are provided as good faith guidance and assistance, but in all respects the statutes and rules governing multifamily programs supersede these guidelines and are controlling. Furthermore, any staff guidance is subject to the Governing Board's right to be the final interpreter of its rules.

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## Using this Manual

The purpose of this manual is to provide a brief and general description of each tab in the Application, high level guidance as to the Department's submission requirements and what staff would generally view as acceptable supporting documentation. Guidance is also provided regarding actions that may be necessary in the course of Application review, such as waiver requests or appeals. While this guide cannot and will not contemplate all situations, we hope that the information provides a foundation upon which you may build your Application in accordance with the Rules. This manual provides limited examples of documentation that could be submitted to comply with a particular rule or requirement. In some instances the rule may allow for alternative documentation not specifically contemplated in this manual, and in those instances staff will review the documentation for compliance with and fulfillment of the substantive requirements articulated in the applicable rule.

Although the Department may compile data from outside sources in order to assist Applicants in the application process, **it remains the sole responsibility of the Applicant to perform independently all necessary due diligence to research, confirm, and verify any data, opinions, interpretations, or other information upon which an Applicant bases an Application or includes in any submittal in connection with an Application.**

All American Community Survey data must be 5-year estimates as published in the Site Demographics report posted to the Department's website, unless otherwise specified. The availability of more current data will be disregarded. Where other data sources are specifically required, such as Neighborhood Scout or OnTheMap, the data available after October 1, but before Pre-application Final Delivery Date, will be permissible. The Application must include a copy of the reports including the report date.

Any Application that staff identifies as having insufficient supporting information will be directed to cure the matter via the deficiency process. A deficiency unsusceptible to being resolved because documentation that existed prior to submission of the Application is not available or is not presented with the Application constitutes a Material Deficiency. Matters that are curable during the deficiency process constitute an Administrative Deficiency. (Note that in all matters discussed in this manual, determinations made by staff MAY be subject to rights of appeal to the Governing Board in accordance with applicable rules). Applicants are cautioned that this process may not be used to increase a scoring item's points or to change any aspect of the proposed Development, financing structure, or other element of the Application. The sole purpose of the deficiency process will, in accordance with Tex. Gov't Code §2306.6708(b), be to substantiate, correct, or clarify one or more aspects of the Application to enable an efficient and effective review by staff. Although a responsive narrative will be created after Application submission, all facts and materials to substantiate any item in response to such a deficiency must have already been clearly established at or prior to the time of submission of the Application. Failure to resolve a matter that began as an Administrative Deficiency may be determined to constitute a Material Deficiency. Material Deficiencies or lack of response to any deficiency notice may result in termination of the Application.

The Department staff always stands ready to assist in developing an understanding of the tax credit program and other sources of multifamily financing offered by the Department and the means by which an Application is to be presented. Application submission requires a thorough knowledge of the applicable program(s). The Department will offer limited direct assistance (subject to the strictures imposed by Tex. Gov't Code §2306.1113 including, without limitation, the provisions of §2306.113(a-2)(1)) to any individual that requires this service in the preparation of the multifamily application. However, the Department staff cannot and will not take responsibility for completing an Application package or any portion thereof, including issuing deficiency notices that ultimately serve as instructions to complete a materially incomplete and deficient Application. Applicants should refer to 10 TAC §11.1(b) Due Diligence and Applicant Responsibility regarding guidance received from staff.

Where appropriate, information regarding questions asked during the recent application webinar has been added to this manual. The Department looks forward to your continuing interest in the Multifamily Finance programs and in the creation of safe, decent and high quality affordable housing for Texans.

# Introduction to the 2020 Multifamily Uniform Application

## Programs

All multifamily funding programs are subject to the Qualified Allocation Plan (QAP). Specific Applications may be subject to the Multifamily Direct Loan Program (MFDL) or Multifamily Housing Revenue Bond (MHRB) rules. The programs administered by the Multifamily Finance Division currently include:

- 9% Competitive Housing Tax Credits (9% HTC)
- 4% Housing Tax Credits
- 
- Multifamily Direct Loan Program (MFDL)
  - HOME
  - Tax Credit Assistance Program Repayment Funds (TCAP RF)
  - National Housing Trust Fund (NHTF)
  -

Consistent with the Department's rules that govern the aforementioned programs, staff has updated the Multifamily Uniform Application and this Manual for 2020.

## Pre-application Requirements

An Applicant for 4% Housing Tax Credits and Tax Exempt Bonds **where TDHCA is the bond issuer** must submit a pre-application. Prior to submitting a pre-application, the Department will require the submission of the Pre-Inducement Questionnaire, properly and fully completed, which will give the Department a preliminary understanding of the proposed Development. The Pre-Inducement Questionnaire, the Multifamily Bond Pre-application Submission Procedures Manual, the Uniform Multifamily Application (parts of which constitute the Bond Pre-application) and the Multifamily Bond Pre-application Supplement can be found on the Department's website at: <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>.

Applicants for 9% HTC **may** submit a pre-application to be eligible for six (6) points on the Application self-score. The pre-application collects limited information and is divided into five (5) parts, listed below, each of which will be fully explained later in this Manual.

- Applicant Contact Information
- Development Information
- Notifications
- Self Score
- Attachments and Certifications

The Multifamily Direct Loan Program (MFDL) does not have a pre-application requirement. If MFDL is paired with either the 4% or 9% program, the pre-application requirements of those programs must be met.

## General Organization of the Application

The 2020 Multifamily Uniform Application has incorporated each of the Multifamily Programs in one Application which is divided into nine parts. Certain parts of the Application are applicable to a specific Program. Applicants are cautioned that failure to complete all applicable parts will be considered a material deficiency and may result in termination. Each part will be briefly described in this section and fully explained later in this Manual.

- Administrative
- Development Site
- Development Activities
- Finance
- Organization
- Community Input (9% HTC only)
- Third Party Reports
- Tie-Breakers (9% HTC only)
- Review Tabs (for Department use only)

The **Administrative** section of the Application collects certain high level information about the proposed Development and the Applicant's contact information. In this section the Applicant must identify the program(s) for which the Application is being submitted and provide the completed Applicant and Developer Certifications.

The **Development Site** section of the Application requires information related to the physical location of the proposed Development Site, such as the development address, census tract number, and flood zone designation, as well as information about the schools that will serve the Development and elected officials in the community who must receive notifications.

The **Development Activities** section of the Application requires information about the proposed Development, including construction and services provided to the tenants. This section also includes the architectural drawings and information regarding existing structures on the Development Site.

The **Finance** section of the Application requires the identification of all sources and terms of financing, the development cost schedule, *pro forma* annual operating expenses, and the proposed rent schedule.

The **Organization** section of the Application requires certain information about the Development Owner, Developer, Guarantor, Affiliates, Development Team and Nonprofit entities involved with the Application, along with their Owners, managers, and members. It includes the organizational charts and evidence of experience as well as credit limit documentation. The information in this section is used for, among other things, conducting Previous Participation Reviews under 10 TAC §1.301.

The **Community Input** applies to scoring for the 9% HTC only. The section may include Local Government Support in the form of a resolution(s), State Representative letters, and letters and supporting documentation from Community Organizations.

The **Third Party Reports** section briefly identifies who performed the Environmental Site Assessment, Market Study, and Property Condition Assessment, as well as any other required reports.

The **Tie-Breakers** section collects information relevant to the tie-breakers for the 9% HTC program.

The **Review Tabs** section is used by Department staff to place application review documents in the posted Application. This section will not be used by the Applicant but must be included in the submitted application .pdf.



# Instructions for Completing the 9% HTC Electronic Pre-application

**Applicants for programs other than the 9% HTC may skip these instructions and this section.**

The 9% HTC pre-application will be submitted via an online form, a link to which will be posted on the Department's website on Friday, January 3, 2020. A courtesy PDF of the pre-application form, and a webinar showing how to complete the form, are available on the Department's website at <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>. **The courtesy PDF is for planning purposes only and will not be accepted as the submitted pre-application.**

**The Pre-application Final Delivery Date is Wednesday, January 8, 2020, at 5:00 p.m. (Austin local time).**

## What you will learn in this section:

- ✓ Pre-application Documentation and Assembly
- ✓ Pre-application Delivery

## Pre-application Documentation and Assembly

The 9% HTC pre-application is **not** mandatory; however, Applicants that provide a pre-application are eligible for six (6) points in the full Application (assuming all applicable requirements are met), and Applicants that do not submit a pre-application will not be eligible for those points.

For each pre-application, the Applicant will follow a link on the Department's webpage to initiate submission. Once opened, the link will require the Applicant to enter an email address and the name of the Development. This information will be used to create a unique URL to access the pre-application form. An email including a link to the form will be sent to the email address entered, so ensure that the address is one that the person that will complete the pre-application can access. The Applicant will use this link to initiate the pre-application.

The online pre-application is divided into six pages, as described below. There are certain fields marked with an asterisk, which are all required to be completed. The form will not allow the Applicant to move to the next page without completing these fields.

### ❖ Page 1: Contact Information

- This page identifies the persons responsible for responding to questions and deficiencies issued by staff regarding the pre-application. The information entered for the primary and secondary contacts is included on the pre-application Log.
- **This form must be completed and saved before an application number can be assigned.** Once the form is saved, an email including the assigned application number and a link to the form will be sent to the email address entered. The Applicant will use this link to complete and edit the pre-application prior to submission.

**TO AVOID HAVING TO RE-ENTER INFORMATION, APPLICANTS ARE ENCOURAGED TO "SAVE" THE DOCUMENT REGULARLY.**

- Depending on the next action desired, use the **“Save”, or “Save and Continue”** button.

#### ❖ **Page 2: Development Information**

- Enter the **Proposed Entity Name** and **Development Name**.
- Choose the appropriate **Development Type** from the drop down list, then the **Secondary Development Type** if applicable. Note that Applications proposing adaptive reuse must select “New Construction” as the construction type and select “Adaptive Reuse” as the secondary type. If applicable, enter the **Previous TDHCA #**. If the Development did not previously receive an award, you do not need to enter a number.
  - If **Acquisition/Rehab, Adaptive Reuse, or Rehab Only** is selected, enter **Initial construction year**.
  - If Reconstruction is selected, enter **Units Demolished** and **Units Reconstructed**.
- Enter a number (even if zero) for **Number of Noncontiguous Sites**.
- Enter **Number of Census Tracts**.
- Choose the applicable **Target Population** from the drop down list.
- Enter the Development’s **Address, City, ZIP Code, ETJ, County, Region** and **Rural/Urban** designation.
- Enter the 11-digit **Census Tract** number; the field will not allow less than 11 digits. If the Development Site is located within multiple census tracts, click “Add” for additional fields. If you add a row, you must complete it or delete it.

**IMPORTANT!! Double check that the census tract number is correct, as a change in census tract between pre-application and full Application may result in a loss of Pre-application Participation points!**

- Enter the **Total Low Income (“LI”) Units**, as well as the **Total Market Rate (“MR”) Units** (enter 0 if none). The form will calculate the Total Units.
- Enter the **Annual Housing Tax Credit Request**. Note that pursuant to 10 TAC §11.4(b), related to Maximum Request Limit, an Applicant may not request more than 150 percent of the credit amount available in the subregion based on estimates released by the Department, or \$1,500,000, whichever is less, or \$2,000,000 for Applications under the At-Risk Set-Aside. The amount entered should not exceed the maximum funding request/award limits posted in the “2020 HTC Award Limits and Estimated Regional Allocation” as of November 29, 2019.
  - The form will calculate the **pre-application fee due**. This fee is calculated without consideration for discounts related to Applications with a private nonprofit sponsor, so the actual fee may be less than what appears on this form. When submitting fees, ensure that each check is accompanied by a completed Multifamily Payment Receipt, which is available on the Apply for Funds webpage <https://www.tdhca.state.tx.us/multifamily/docs/19-PaymentReceipt.xls>. If the nonprofit discount applies, upload documentation of nonprofit status at the end of the form. The Applicant is responsible for calculating the correct amount of the fee due if requesting the nonprofit sponsor discount. Fees are refundable only if the pre-application is withdrawn. ***In order to protect your financial information, do not include a copy of the check in your Pre-Application.***
- If payment has already been submitted to the Department select “Yes” from the drop-down menu, and a box will appear where the **Check Name and Check #** can be entered.
- Check the boxes for the appropriate **Set-Aside Elections**.
- Depending on the next action desired, use the **“Save and Go Back”, “Save”, or “Save and Continue”** button.

❖ **Page 3: Notifications**

- Enter the U.S. Representative. The Department staff will notify the U.S. Representative, and the Applicant is responsible for all other notifications.
- Enter the State Senator and State Representative and the appropriate Districts.
- Enter the School District officers.
- Enter **ALL** of the Local Elected Officials. As with the Census Tract fields, click “Add” for additional fields. If you add a row, you must complete it or delete it.
- Answer the question, “Are there Neighborhood Organizations whose boundaries contain the Development Site?”
  - If the answer is no, read the certification. **When you submit the pre-application you are certifying to an understanding of the program requirements and the accuracy of the submission.** Depending on the next action desired, use the “Save and Go Back”, “Save”, or “Save and Continue” button.
  - If yes, then a space will appear allowing you to list the name of the organization and its address. As with previous items, click “Add” for additional fields. If you add a row, you must complete it or delete it.
- Depending on the next action desired, use the “Save and Go Back”, “Save”, or “Save and Continue” button.

**IT IS THE APPLICANT'S RESPONSIBILITY TO IDENTIFY ALL NEIGHBORHOOD ORGANIZATIONS THAT MUST BE NOTIFIED. YOU SHOULD RETAIN RECORDS OF THE DUE DILIGENCE YOU PERFORMED TO IDENTIFY ALL OF THE ORGANIZATIONS**

❖ **Page 4: Self Score**

- Select points for each scoring item from the drop-down boxes. Subtotals and the total self-score will auto-populate. *Note that the score cannot change by more than four (4) points between pre-application and full Application in order to qualify for Pre-application Participation points.*
- The Readiness to Proceed, Local Government Support, Quantifiable Community Participation, Support from State Representative, Input from Community Organizations, and Concerted Revitalization Plan sections are not available for Applicants to Self-Score. While these scoring items will not be included in the calculation to determine eligibility for Pre-application Participation points in the full Application, **you MUST indicate points you intend to claim for these items.**

**Note:** There is a point adjustment field prior to the Final Self Score. This can be used to adjust a self-score based on a staff determination. For example, a scattered site Development may have an Opportunity Index score calculated to be six points, which is not an option on the drop-down menu for that scoring item. In this case, an Applicant may need to adjust the final self-score. Enter negative numbers to reduce the score. *This field must not be used for manipulation of the self-score in order to increase chances of being eligible for Pre-application Participation points and Applicants entering information in this field must also upload their staff determination or request for such determination under the “Other Pertinent Information” section on the next page of the pre-application.*

- Depending on the next action desired, use the “Save and Go Back”, “Save”, or “Save and Continue” button.



❖ **Page 5: Attachments and Certifications**

- Read the certifications regarding the Electronic Filing Agreement. Multiple documents may be attached under each section as needed. Select the type of file to be uploaded from the drop-down menu and click the “Choose File” button to navigate to the document you wish to upload. The pre-application uploads should show up as hyperlinks. **Make sure the documents open and that they are complete.**

**Staff recommends that to ensure that the correct documents are uploaded, applicants should establish a “Final Documents” folder that includes ONLY the final documents to be uploaded, named to specify the type of document.**

- Attach **Site Control Documentation**. By attaching the document(s), the Applicant is certifying that the site control conforms to all applicable rules. Files should not be larger than 7 MB total.
- Attach a **Census Tract Map(s)**. You can find census tract maps here: [https://www.huduser.gov/portal/sadda/sadda\\_qct.html](https://www.huduser.gov/portal/sadda/sadda_qct.html). Make sure the map shows the entire census tract and the full tract number, and has an outline of the Development Site boundaries (may require more than one map). If an information box showing the tract demographics and **full tract number** does not appear, click on the census tract to open it. The census tract map(s) will be verified against the census tract(s) entered on the Development Information Page. **Again – be sure to double check your census tract number(s)!** Files should not be larger than 5 MB total.
- **Neighborhood Risk Factors**. Upload information regarding the presence of Neighborhood Risk Factors per §11.8(b)(1)(I) as such factors are more fully described in §11.101(a)(3). Note that disclosure is required to be submitted with the pre-application. The remainder of the information required to be submitted with the Neighborhood Risk Factors Report may be submitted with the pre-application or with the full Application.
 

**Remember: The Neighborhood Risk Factors related to crime and schools MUST be disclosed at Pre Application.** Elderly Developments, Developments encumbered by a TDHCA LURA on the first day of the Application Acceptance Period or date the pre-application is submitted (if applicable), and Supportive Housing SRO Developments or Supportive Housing Developments where all Units are Efficiency Units are exempt and are not required to disclose for schools. **If the Applicant wishes to have the Board make a determination of site eligibility prior to full Application, the request may be presented prior to the February 28, 2020 full Application deadline. The Board will make a determination of site eligibility based on the information provided by the Applicant. The Neighborhood Risk Factors Packet on the TDHCA website provides a structure for submission of a complete request.**
- **Other Pertinent Information:** For prospective developments that do not fit neatly within the pre-application, there is an attachment field that can be used to provide further information. For example, this field could be used to upload documentation of nonprofit status, or if an Application has more than 25 local officials, or to submit a staff determination. The vast majority of pre-applications will not need to attach anything in this field. Files should not be larger than 5 MB total.
- Read the notes related to uploads. Text is included below each upload section.
- The pre-application uploads should show up as hyperlinks. **Make sure the documents open and that they are complete. If they will not open for you, they will not open for us.**
- Depending on the next action desired, use the “Back” or “Continue” button.

**Any complete waiver request submitted with a pre-application will be taken to the February Board meeting. Anyone seeking a waiver should include any and all materials they will rely upon to argue that waiver.**

## Pre-application Delivery

- The Electronic Filing Agreement is incorporated into the pre-application form and does not need to be submitted separately. *No hard copies of signed certifications are required*, but **by submitting the pre-application Applicants are certifying to an understanding of the program requirements and the accuracy and completeness of the submission.**
- It is strongly recommended that the Applicant use the **“Back”** button to review the entire pre-application before submission.

The browser will display a submission confirmation page, which includes a link to a printer-friendly version of the submitted pre-application. You can save a .pdf copy if you wish. In the event that an error is identified after submission, the Applicant can revoke the submission, edit the form, and then resubmit prior to the submission deadline. Review the posted pre-application webinar for more information.

**Applicants are encouraged to submit the pre-application well before the deadline as the ability to edit submissions will be disabled at 5:00 p.m. (Austin local time) on Wednesday, January 8, 2020. A last minute submission poses the risk of encountering computer malfunctions or other factors that could result in failure to complete submission before the 5:00 p.m. deadline. If the complete pre-application is not submitted by the deadline, the Applicant will be deemed to have not made a pre-application submission.**

**Applicants will not be able to access, edit or submit a pre-application after the deadline.**

# Instructions for Completing the Electronic Application

## What you will learn in this section:

- ✓ How to download the Electronic Application Materials
- ✓ How to complete the Excel Application
- ✓ How to convert the Excel Application to PDF
- ✓ How to insert documents into the PDF
- ✓ How to set Bookmarks
- ✓ How to submit the Application

**The Full Application Delivery Date for 9% HTC Applications is Friday, February 28, 2020 at 5:00 p.m., Austin local time.**

**Application Acceptance periods as well as Application Acceptance dates are listed in NOFAs.**

## Application Download

All Applicants are required to use the 2020 Multifamily Uniform Application, along with the applicable supplemental files provided by TDHCA located at the following link: (<http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>).

1. To download any of the electronic Application files, right-click on the link at the website provided above, select "Save Target As" and choose the storage location on your computer. The Excel file should be named in the following format -- <Application #\_Development Name>.xls (e.g. 19001\_Austin\_Crossing.xls). If an application number has not been previously assigned then the file should be named as follows -- <Development Name>.xls (e.g. Austin\_Crossing.xls).
2. Please do not transfer tabs from one Excel file to another, even if it is for the same Application. If you plan to submit more than one Application, please make additional copies of the 2020 Multifamily Uniform Application file **after** completing portions of the Application that are common to all of your Applications and **before** completing any portions that are not common to all of your Applications.
3. Any cell that is highlighted yellow is available to be manipulated by the applicant. All other cells (unless specifically stated) are for Department use only, have been pre-formatted to automatically calculate information provided, and are locked. Applicants may view any formulas within the cells. Applicants may not add additional columns or rows to the spreadsheets, unless otherwise stated.
4. All questions are intended to elicit a response, so do not leave out any requested information. If references are made by the Applicant to external spreadsheets those references must be removed prior



to submission to TDHCA as this may hamper the proper functioning of internal evaluation tools and make pertinent information unavailable to TDHCA.

5. The electronic Application has been designed so that many of the calculations regarding development cost, eligible basis, and eligible point items will automatically compute once enough information has been entered. If you see a “#VALUE” or “DIV/0” in a cell these values should disappear upon data entry in other tabs.

**Tip – Complete the Development Narrative and the Rent Schedule in the Development Activities and Finance Parts of the Application first to take full advantage of the automated calculations.**

6. **Be sure to save the file frequently as you are filling it out to avoid losing work!**

If you have difficulty downloading files from the website, contact Jason Burr at (512) 475-3986, or [Jason.burr@tdhca.state.tx.us](mailto:Jason.burr@tdhca.state.tx.us).

### Completing Required Forms and Exhibits

**REMEMBER – For 9% HTC, if a pre-application was not submitted, the Applicant must separately submit the Electronic Filing Agreement form! For 9% HTC Applications submitted by the February 28, 2020 deadline, the form is due by February 14, 2020.**

**For 4% Housing Tax Credit Applications, the Electronic Filing Agreement should be submitted 3-5 business days prior to the anticipated application submission date.**

**For Multifamily Direct Loans, if the application is submitted as part of a 4% or 9% HTC application, no additional Electronic Filing Agreement is required. Otherwise, the form should be submitted 3-5 business days prior to the anticipated application submission date.**

The 2020 Multifamily Uniform Application consists of eight (8) parts for the Applicant to complete. Complete all applicable parts. Any portion of the Application that the Applicant considers not applicable must be included in the Application with an indication that the Applicant believes that section to be “not applicable.” Those cells that require entry are highlighted yellow. Some of the required information for this form has been entered in a previous tab and will auto fill here as applicable. Where applicable, Applicants should mark boxes with an “x.” The use of a different symbol may result in misinformation in another part of the Application. Please review and ensure all information is accurate.

The Application must include any supporting documentation needed to evidence that the Application meets the specific requirements of the rules. Where supportive information has been published by the Department, e.g., information included in the Site Demographic Characteristics Report, the Application may refer to that information.

**REMEMBER – Pursuant to 10 TAC §11.9(a) of the QAP, Applicants that elect points where supporting documentation is required but fail to provide any supporting documentation will not be allowed to cure the issue through the Administrative Deficiency process.**

Applicants are cautioned that some parts of the Application are specific to certain fund sources and programs. For instance, parts of the Application are labeled “Direct Loan Only” and should only be completed if requesting that funding source. However, where a specific funding source is not stated, Applicants must complete all other parts of the Application.

## Part 1 – Administrative Tabs

### ❖ Tab 1a – Application Certification

- Enter data in yellow highlighted cells.
- The certification can be found in the 2020 Multifamily Uniform Application Certifications document posted at <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>. The Application Certification must be signed by the Applicant or person with authority to execute documents on the Applicant's behalf and must be dated and notarized. **No hard copy is required, only a LEGIBLE scanned copy within the PDF file. The Applicant must, however, retain the originals and provide them to the Department on request.**

### ❖ Tab 1b –4% HTC-Bond Filing

The *4% HTC/Bond Application Filing* form is required for 4% HTC Applications only. Select the yellow boxes associated with the application type (i.e. Lottery or Non-Lottery and applicable sub-boxes), select the targeted board meeting date and note the due date for the complete Application. **NEW: A 4% HTC APPLICATION WILL NOT BE ACCEPTED BY THE DEPARTMENT UNLESS EVIDENCE OF A CERTIFICATE OF RESERVATION IS ATTACHED TO THE PAYMENT RECEIPT.** The Department will require at least 90 days to review an application. Applicants are cautioned that while the Department will make its best efforts to present the Application at the requested meeting, delays with reviewing and underwriting along with peak volume of applications being processed may result in the Application being presented at a subsequent board meeting.

### ❖ Tab 2 – Development Owner Certification

- **Complete the yellow boxes on Tab 2 of the Application regarding disclosure of §11.101(a)(2), §11.101(a)(3), §11.202(1)(M), §11.202(1)(N), and/or §11.901(16) of the QAP, if applicable.**
- The certification can be found in the 2020 Multifamily Uniform Application Certifications document posted at <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm> and must be executed by the Development Owner. This certification addresses the specific requirements associated with the Development, and the Person executing the certification is responsible for ensuring all individuals referenced therein are in compliance with the certification.
- Applicants are encouraged to read the certification carefully as it contains certain construction and Development specifications that each Development must meet.
- **Note that the certification includes the Applicant's understanding that all third party reports will be posted on the Department's website.**
- **Note that the certification includes the Applicant's understanding of the penalty ramifications if they do not perform under readiness to proceed.**
- Check the appropriate boxes on pages 3, 4, and 5 for any disclosures pursuant to the Uniform Multifamily Rules regarding Undesirable Site Features [§11.101(a)(2)], Neighborhood Risk Factors [§11.101(a)(3)], termination of a relationship in an affordable housing transaction [§11.202(1)(M)], voluntary compliance agreements [§11.202(1)(N)], and Unused Credit Fee [§11.901(16)].
- Submit any relevant documentation behind the tab, including the **Neighborhood Risk Factors Report**, if applicable. **NOTE:** Elderly Developments, Developments encumbered by a TDHCA LURA on the first day of the Application Acceptance Period or date the pre-application is submitted (if applicable), and Supportive Housing SRO Developments or Supportive Housing Developments where all Units are Efficiency Units are exempt and are not required to provide mitigation for schools.

- The form must be signed, dated, and notarized. **No hard copy is required, only a LEGIBLE scanned copy within the PDF file. The Applicant must, however, retain the originals and provide them to the Department on request.**

❖ **Tab 3 – Applicant Eligibility Certification**

- Complete the yellow boxes.
- The certification identifies the various criteria relating to eligibility requirements associated with multifamily funding from the Department and can be found in the 2020 Multifamily Uniform Application Certifications document posted at <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>.
- **The form must be executed by all individuals included on the organizational chart who are identified pursuant to §11.204(2) of the QAP and who have the ability to exercise control over the Development.**
- The submission may include one copy of the certification along with a copy of each signature page. A signed, dated, and notarized signature page for each individual described above must be included. **No hard copy is required, only a LEGIBLE scanned copy within the PDF file. The Applicant must, however, retain the originals and provide them to the Department on request.**

Remember: The requirement for individuals that must execute Certifications ties directly to the definition of **Control at 10 TAC §11.1(d)(30)**. If a board member is not able to exercise control over actions of the organization other than as a voting member, they may not have control that fits within the definition. If a Board member is able to execute contracts or take other actions on behalf of the organization, they likely will meet the definition of Control and should provide execution of the Certifications. If there is a question, the Applicant will be best served by having all parties sign the Certification.

❖ **Tab 4 – Multifamily Direct Loan Certification** (if applying for Multifamily Direct Loan funds)

- Complete the yellow boxes.
- The certification can be found in the 2020 Multifamily Uniform Application Certifications document posted at <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm> and must be executed by the Development Owner. It addresses the specific requirements associated with the Development, and the Person executing the certification is responsible for ensuring all individuals referenced therein are in compliance with the certification. Applicants are encouraged to read the certification carefully as it contains certain statements regarding lead based paint, Section 3 requirements, environmental requirements, relocation requirements, and a general threshold certification.
- The Development Owner must initial pages 5, 6, and 7. The form must be signed, dated, and notarized. **No hard copy is required, only a LEGIBLE scanned copy within the final PDF file. The Applicant must, however, retain the originals and provide them to the Department upon request.**

❖ **Tab 5 – Applicant Information Page**

Section 1 must include contact information for the person responsible for responding to Administrative Deficiencies. Note that this may not necessarily be the Development Owner or Applicant. The person listed here will be required to submit requested documentation within a relatively short time period, and should be generally available throughout the review process. The person listed here is also expected to be available primarily via email. Contact may include the persons listed in sections 2 and 3 as well.

❖ **Tabs 6a (Competitive HTC Only) and 6b (MFDL Only or MFDL Layered with HTC) – Self-Score**

- These forms completely auto-populate from information entered throughout the Application. As noted in the introduction, the Application has been divided into sections that more closely follow the



development process than the selection criteria in the QAP. Near the beginning of each section of the Application is a form that reflects information related to a particular aspect of Development (e.g. site, finance, ownership), and that form may include statements or selections that result in the Application being eligible for points.

- The self-score form contains hyperlinks that allow the Applicant to skip to the part of the Application that is relevant to that particular scoring item. For example, clicking on “[Financial Feasibility](#)” takes you to the Finance Scoring tab, where the Applicant can manipulate cells. As revisions are made to scoring items within the Application, the self-score will auto-populate and also produces a real-time self-score in the top right corner of the relevant tab. The Applicant can then click on “[Self Score Total](#)” at a number of different places in the Application and return to the self-score form. These internal links are designed to allow an Applicant is quickly toggle back and forth between the self-score form and the location in the Application where support documentation for that scoring item is required.
- If the Self Score does not reflect points that the Applicant expects to receive, changes must be made on the appropriate linked tab; not on the self-score form.

## Part 2 – Development Site

The blue colored Development Site tabs (7-16) collect all information specific to the physical location of the Development Site.

### ❖ **Tab 7 – Site Information Form Part I**

This form is divided into 4 parts, all of which should be completed by all Applicants. Complete the yellow highlighted cells in each part as applicable. Some portions of this form will make reference to supporting documents which are listed and collected in Tab 8.

- **Part 1 – Development Address:** Enter the information in this section as indicated by the label for each of the boxes present. If there is no mailing address for the site, please do not use phrases such as, “1 mile east of the corner” or “approximately 300 feet from” but only indicate direction from an intersection. Shorten Street to St., Boulevard to Blvd., etc. Use acronyms for directional descriptions, such as “NEC” for “northeast corner”. For example, “NEQ of Hickory St. and Red River Dr.,” where NEQ stands for northeast quadrant. Also, avoid the use of all capital letters. Use the drop-down menu to indicate whether the site is within city boundaries, in the ETJ, etc.
- **Part 2 – Census Tract Information:** Enter the **11-digit** 2010 census tract number with no dashes, commas, decimals, or spaces. Indicate whether or not the tract is a Qualified Census Tract (QCT). Each of the subsequent highlighted cells further describing the demographics of the census tract will auto-populate. Applicants should exercise caution in identifying the correct census tract. Address searches generally yield approximate census tract matches and in some cases such searches are incorrect. It is the Applicant’s responsibility to identify the correct census tract.

**NEW: if the poverty rate is greater than 40% for individuals (or 55% for Regions 11 and 13), submit a resolution as described in the rule.**

Applicants can double-check this information using the US Census Bureau’s Fact Finder tool at <https://factfinder.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>. Any clarifying notes about the address or census tract(s) can be entered in the space provided.

- **Part 3 – Resolutions:** Mark the appropriate box indicating whether or not a resolution is required in order to satisfy a requirement under §11.3 related to Housing De-concentration factors or §11.101(a)(3)(D) of the QAP.
  - **For Competitive HTC Applications pursuant to §11.3 of the QAP, these are due with the Application and must be included behind this tab.**
  - For Tax-Exempt Bond Applications, these resolutions must be submitted no later than the Resolutions Delivery Date described in §11.2(b) of the QAP.

- For Tax-Exempt Bond Applications, the Resolution of No Objection to satisfy the requirement of §11.204(4) should be included behind this tab if available at the time of Application submission.
  - If no resolution is required, this section can be marked “Not Applicable”.
  - **Part 4 – Two Mile Same Year Rule:** This section has been added to collect information about the proposed Development Site and other applicable Development Sites. Our hope is that this information will help us to complete mapping of sites and sorting of applications sooner in the process.
    - **NOTE:** Per 10 TAC §11.3(b)(2), the Two Mile Same Year rule exempts certain municipalities with a population of two million or more where a federal disaster has been declared and the municipality is authorized to administer disaster recovery funds as a subgrant recipient for the disaster that has been declared, if the Development has been authorized by resolution.
  - **Part 5 – Proximity of Development Sites:** This section has been added to collect information about the proposed Development Site and the proximity of any other Development Sites. Our hope is that this information will help us to complete mapping of sites and sorting of applications sooner in the process.
  - **NEW! One Award per Census Tract Limitation:** Per 10 TAC §11.3(h), if two or more Competitive HTC Applications are proposing Developments **in the same census tract in an Urban subregion**, the lower scoring Application(s), including consideration of tie breakers, will be considered ineligible and will not be reviewed unless the higher scoring Application is terminated or withdrawn. **This rule does not apply to Applications submitted under the USDA or the At-Risk Set-Aside.**
  - **Part 6 – Zoning and Flood Zone Designation:** For the Zoning Designation, enter the code or descriptive name of the Site’s current zoning exactly as it is stated in the local zoning code. For Flood Zone Designation, enter the FEMA description exactly as it appears on the FEMA floodplain map that is included in the ESA. Determine if the Site is inside or outside the 100-year floodplain according to the FEMA description corresponding to the FEMA code for the Development Site that appears on the map. Requirements regarding the floodplain are specified in detail in §11.101(a)(1) of the QAP.
  - **Farmland Designation:** to be completed if requesting Direct Loan funds under the 2020-2 NOFA or Soft Repayment Set-Aside of the 2020-1 NOFA.
  - **Part 7 – Site and Neighborhood Standards (New Construction Direct Loan Only or Reconstruction if requesting Direct Loan funds under the 2020-2 NOFA or Soft Repayment Set-Aside of the 2020-1 NOFA):** Both boxes in this part must be checked if requesting Direct Loan funds and proposing new construction/reconstruction.
  - **Part 8 – School Rating:** Include the 2019 TEA rating documents in the Application.
    - Elderly Developments, Developments encumbered by a TDHCA LURA on the first day of the Application Acceptance Period or date the pre-application is submitted (if applicable), and Supportive Housing SRO Developments or Supportive Housing Developments where all Units are Efficiency Units **are not required to disclose for schools, but they MUST complete all information on this form regarding schools.**
- ❖ **Tab 8 – Supporting Documentation for the Site Information Form**
- Each of the applicable exhibits listed on this form must be included behind it. Some of the boxes on the Supporting Documentation page will auto-populate. Supporting documents must be included for any that auto-populate or the response that originated the automatically marked box must be corrected.
- **Street Map:** should indicate the location and approximate shape of the Development Site outlined on the map.
  - **Census Tract Map:** must bear the full 11-digit number and indicate the location of the Development Site.
  - **Resolutions:** sample resolutions are provided in the 2020 Multifamily Uniform Application Template file on the Department’s website.
  - **Evidence of Zoning or Re-zoning in process:** must exactly match the representation made in the Site Information Form. Acceptable evidence includes one of the following:

- A letter from the local government official with appropriate jurisdiction stating that either there is no zoning or that the Site is appropriately zoned.
- A letter from a local government official with jurisdiction over zoning matters that the Applicant or Affiliate is in the process of seeking a zoning change (may include an acknowledgement that a zoning application was received by the political subdivision) and that the jurisdiction received a release agreeing to hold the political subdivision and all other parties harmless.
- For Rehabilitation Developments, documentation of current zoning and, if necessary, a letter from the local government official with appropriate jurisdiction addressing any overlays or issues of non-conforming uses. See §11.204(11)(D) of the Uniform Multifamily Rules.
- **NOTE: In instances where annexation of a Development Site occurs while the Application is under review, the Applicant must submit evidence of appropriate zoning with the Commitment or Determination Notice. Applicants receiving points for readiness to proceed must have final zoning by the time of the award.**
- **Flood Zone Designation:** must be the FEMA flood map submitted in the Environmental Site Assessment that contains the development area or documentation that substantiates sufficient mitigation efforts the local government has undertaken. Refer to the 2019 QAP Subchapter B – Site and Development Requirements and Restrictions §11.101(a)(1), and Subchapter D – Underwriting and Loan Policy, §11.305(b)(3). **NOTE: The Certification of Development Owner includes stipulations regarding the conformity of the Site with the Department’s rules regarding the floodplain.**
- **Farmland Designation: to be completed only if requesting Direct Loan funds under the the 2020-2 NOFA or Soft Repayment Set-Aside of the 2020-1 NOFA.**
- **Site and Neighborhood Standards:** A statement from the Applicant regarding how the Development will promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons AND DP-1 demographic Census data must be submitted behind this tab if the Applicant for Direct Loan funds is proposing a new construction/reconstruction Development.**School Rating:**
  - The table allows you to identify up to five public schools, the grade levels served at those schools, and the school rating from TEA.
  - These schools may need to be combined to obtain the overall rating for each type of school (elementary, middle, or high school). Refer to §11.101(a)(3)(B)(iv) of the QAP in order to determine what schools may need to be combined to meet TEA requirements.
  - Complete the yellow box if the school district has no attendance zones and provide evidence of such.
  - **Complete the form for all schools for both years. Include supporting documentation behind the tab, including but not limited to printouts from the TEA website indicating school ratings. Only the 2019 TEA information is required in the Application (or 2018 or 2017 if the Hurricane Harvey provision applies). If the Neighborhood Risk Factors Report is required, place all support documents in that packet behind Tab 2.**

**Remember: If any elementary, middle, or high school has a 2019 TEA Accountability Rating of D and a 2018 Improvement Required Rating or a 2019 TEA Accountability Rating of F and a 2018 Met Standard Rating, submit the Neighborhood Risk Factors Report with backup documentation (excluding Elderly Developments, Developments encumbered by a TDHCA LURA on the first day of the Application Acceptance Period or date the pre-application is submitted (if applicable), and Supportive Housing SRO Developments or Supportive Housing Developments where all Units are Efficiency Units).**

Any Development that falls within the attendance zone of a school that has a 2019 TEA Accountability Rating of F and a 2018 Improvement Required Rating is ineligible pursuant to §11.101(b)(1)(C).



Consideration of such sites will require a waiver under 10 TAC §11.207. **Anyone seeking a waiver should include any and all materials they will rely upon to argue that waiver of ineligibility satisfies the waiver standard.** The NRF report cannot be used for this purpose. Developments that are encumbered by a TDHCA LURA on the first day of the Application Acceptance Period or at the time of Pre-application (if applicable), an Elderly Development, or a Supportive Housing SRO Development or Supportive Housing Development where all Units are Efficiency Units are exempt.

❖ **Tab 9 – Site Information Form Part II**

This form should be completed for Competitive HTC and Direct Loan Applications. All items on this form are related to scoring criteria and the selections made here will populate the self-score form.

**NOTE: The Concerted Revitalization Plan (CRP) packet will be included in the Application behind Tab 10. The packet is posted at <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>.**

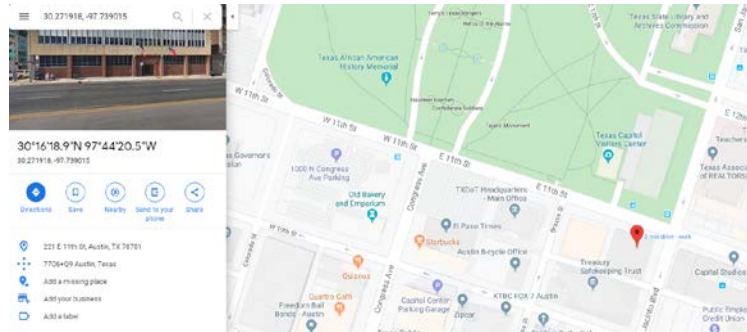
- If the amenities selected in this section are related to a Concerted Revitalization Plan and NOT to Opportunity Index, select yes in the first box and skip down to select amenities under Urban or Rural. Backup documentation for amenities must be included in the CRP Packet.
- Certify that no members of the Applicant or Affiliates had an ownership position in the amenity or served on the board or staff of a nonprofit that owned or managed that amenity within the year preceding the Pre-application Final Delivery Date.
- **Part 1 – Opportunity Index:**
  - Applications must meet one of the threshold requirements in order to score points for amenities.
  - Use the drop-down boxes to indicate items selected for points.
  - The Application must include one or more maps indicating the location of the Development Site and the related distance to the applicable facility.
  - Distances are to be measured from the nearest boundary of the Development Site to the nearest boundary of the property or easement containing the facility, unless otherwise noted. For the purposes of this section, all measurements will include ingress/egress requirements and any easements regardless of how they will be held.
  - Include backup documentation for ALL selections.
  - Certify that no members of the Applicant or Affiliates had an ownership position in the amenity or served on the board or staff of a nonprofit that owned or managed that amenity within the year preceding the Pre-application Final Delivery Date.
  - Select the Total Points Claimed from the drop-down box.
- **Part 2 – Underserved Area:** Select from the seven options available if requesting points for this item, and select the Total Points Claimed from the drop-down box.
  - **Remember:** the rule states “less than 15 years ago” and “less than 30 years ago”. Staff counts back 15 years from January 1 of the calendar year for that year's cycle. So, for the 2020 cycle, the 15-year time frame would count back 15 years from Jan. 1, 2020, to Jan. 1, 2005. Any award made after Jan. 1, 2005, makes the census tract ineligible for these points. The 30-year period would count back 30 years from Jan. 1, 2020, to Jan. 1, 1990. Any award made after Jan. 1, 1990, makes the census tract ineligible for these points.
  - If §11.9(c)(5)(E) is selected and there are more than six contiguous tracts, include a separate page in the pdf Application listing those tracts.
  - If an Application qualifies for points under Opportunity Index (§11.9(c)(4)), then the Application is not eligible for points under the Colonia or Economically Distressed Area items (§11.9(c)(6)).
- **Part 3 – Proximity to Job Areas: Applicants can score under only one option.**
  - **Proximity to the Urban Core:** Complete the applicable box if the Development Site is located within the required distance of the urban core.
  - **NEW! Proximity to Jobs:** Complete the applicable box if the Development Site is located within one mile of the corresponding number of jobs.

- Select the Total Points Claimed from the drop-down box.

**Instructions for using the OnTheMap tool for Proximity to Jobs:**

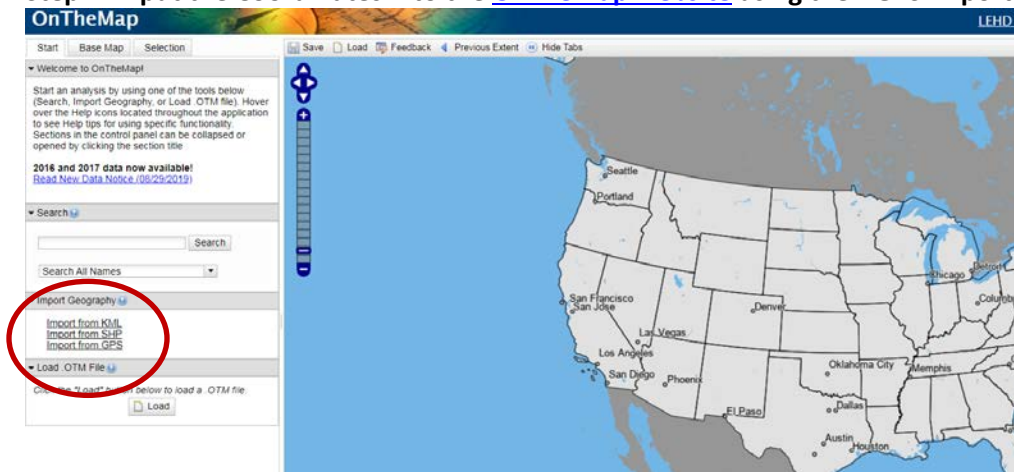
**Step 1: Provide the GPS coordinates that clearly fall within the boundaries of the Development Site.**

An Application may have coordinates on the survey provided to meet the requirements of 10 TAC §11.204(15)(D), however this is not required. Staff will accept Applicant verification of GPS coordinates through an online map like Google Maps or Google Earth, but it must be clear to staff that the GPS coordinates are tied to a spatial point that unequivocally falls within the boundaries of the Development Site.

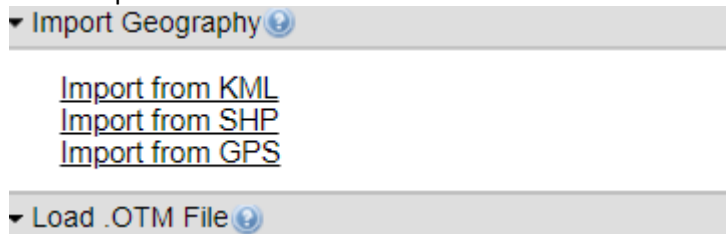


If using Google Maps or Google Earth or a similar mapping program/software, evidence similar to what is seen above must be placed in the Application.

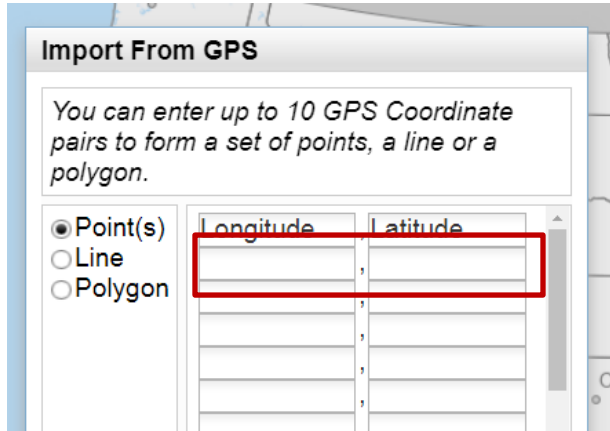
**Step 2: Input the Coordinates into the [OnTheMap website](#) using their GPS Import function.**



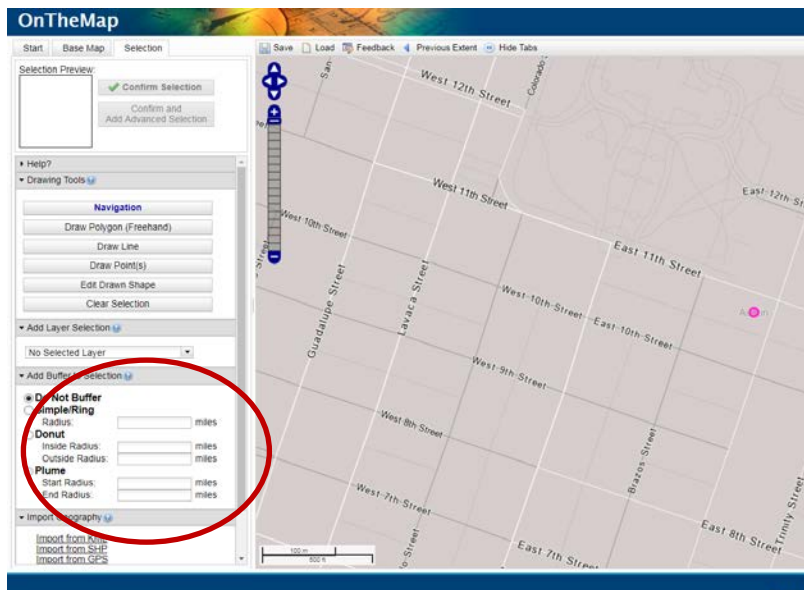
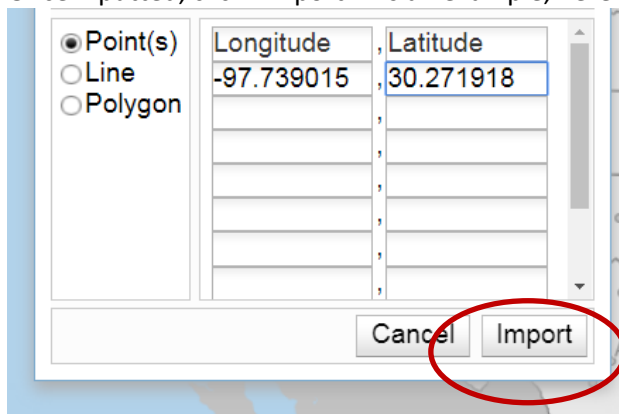
Click “Import from GPS” in the area circled above:



Input the Longitude and Latitude coordinates.



Once inputted, click "Import." As an example, here are coordinates for the TDHCA headquarters.



After clicking "Import," you will see a screen similar to above, with your GPS coordinates now represented as a spatial point. In the area circled above, you now specify that you will look at jobs within a 1 mile radius of the spatial point.



▼ Add Buffer to Selection

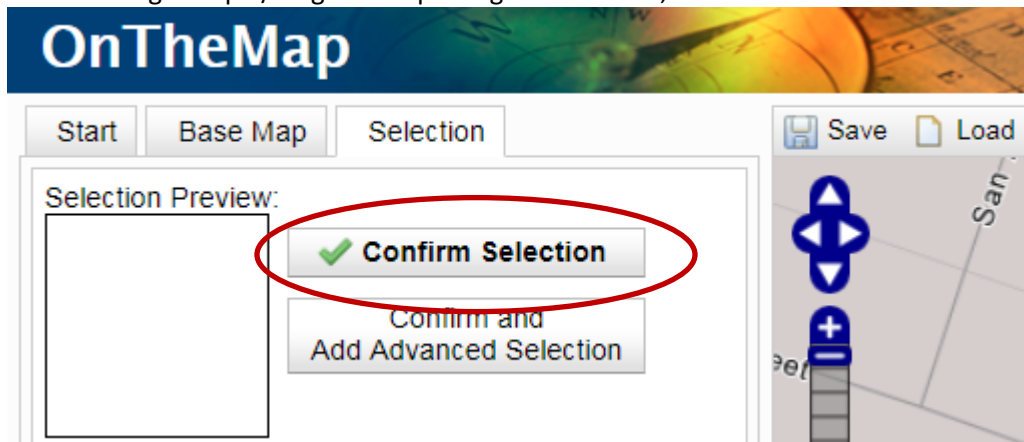
Do Not Buffer

**Simple/Ring**  
 Radius:  miles

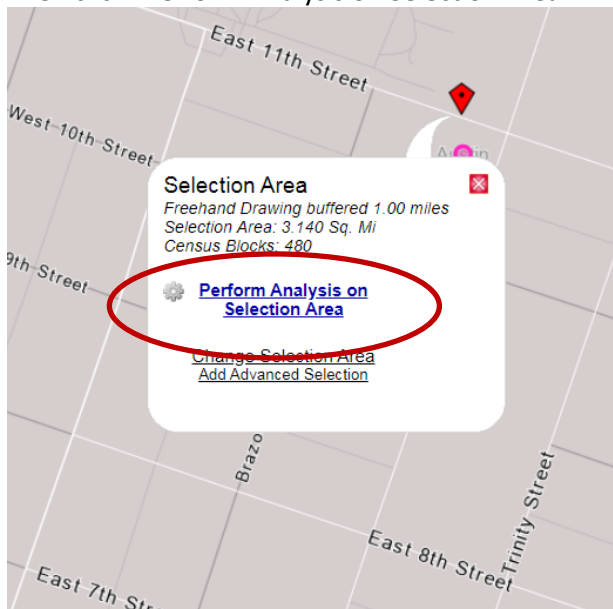
Donut  
 Inside Radius:  miles  
 Outside Radius:  miles

Plume  
 Start Radius:  miles  
 End Radius:  miles

After clicking “Simple/Ring” and inputting “1” for miles, click “Confirm Selection.”



Then click “Perform Analysis on Selection Area”



Then check the following boxes for certain categories: “Work” in column 1; “Area Profile” and “All Workers” in column 2; “2017” in column 3; and “Primary Jobs” in column 4.

**Analysis Settings**

Area Profile Analysis in 2017 by Primary Jobs

**Home/Work Area**  
Determines whether the selection area is analyzed on where workers live ("Home") or where workers are employed ("Work").

Home  
 Work

**Analysis Type**  
Determines the type of results that will be generated for the selected area.

Area Profile  
Labor Market Segment: All Workers

Area Comparison  
Areas to Compare: Places (Cities, CDPs, etc.)  
Labor Market Segment: All Workers

Distance/Direction  
 Destination  
Destination Type: Places (Cities, CDPs, etc.)

Inflow/Outflow  
Note: Home/Work choice does not affect results

**Year**  
Determines the year(s) of data that will be processed in the analysis.

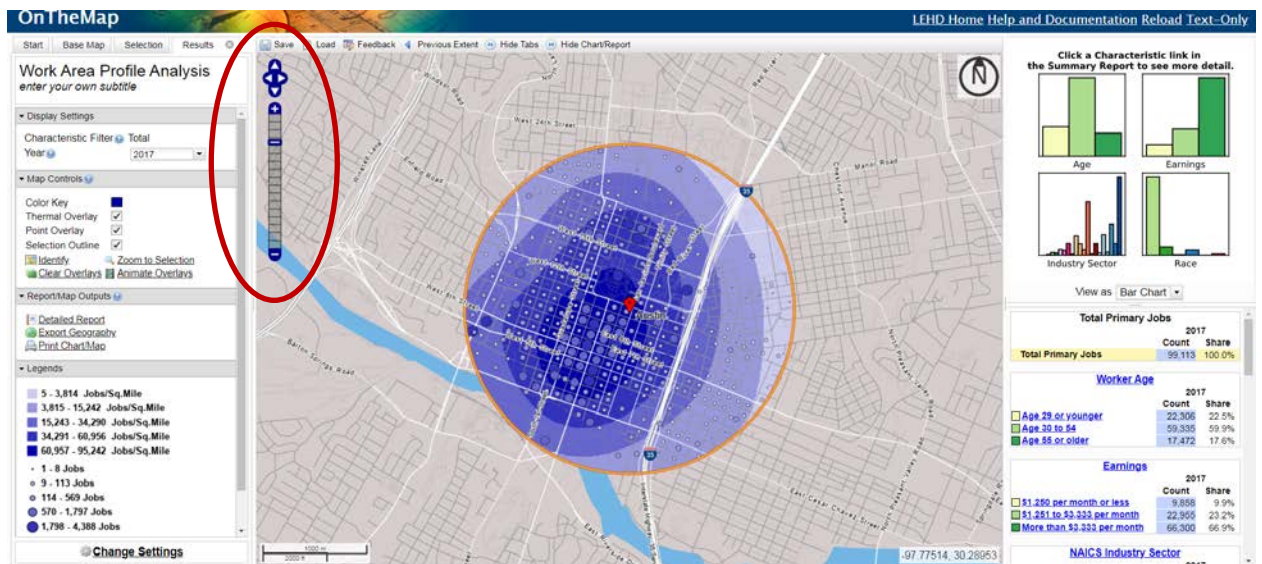
2017  
 2016  
 2015  
 2014  
 2013  
 2012  
 2011  
 2010  
 2009  
 2008  
 2007  
 2006  
 2005  
 2004  
 2003  
 2002

**Job Type**  
Determines the scope of jobs that will be processed in the analysis.

All Jobs  
 Primary Jobs  
 All Private Jobs  
 Private Primary Jobs

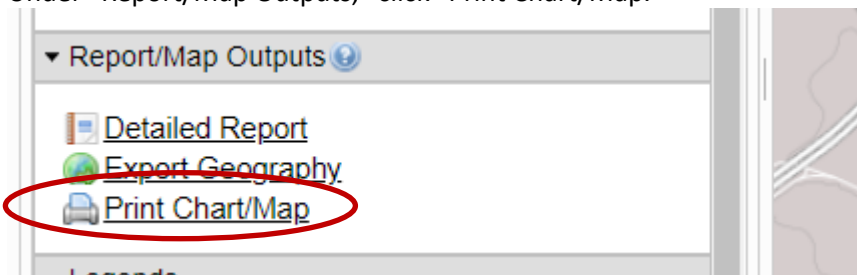
Cancel Go!

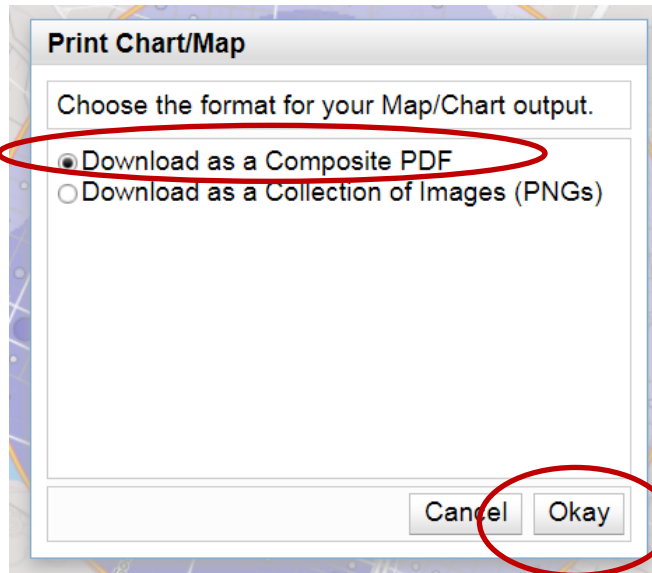
Click "Go." You will then see a screen showing the jobs analysis, similar to this:



Be sure to zoom out, using the zoom tools circled above, so that the entire 1 mile radius can be seen around the spatial point.

Under "Report/Map Outputs," click "Print Chart/Map."





Select “Download as a Composite PDF” and then click “Okay.”

## OnTheMap

### Work Area Profile Report Primary Jobs for All Workers in 2017

Created by the U.S. Census Bureau's OnTheMap <https://onthemap.ces.census.gov> on 10/24/2019

#### Counts and Density of Primary Jobs in Work Selection Area in 2017

##### All Workers

This produces a PDF report, with the map and the total job count. This report also has a time stamp so that staff can confirm that the report was generated on or after October 1, 2019 but before the Pre-Application Final Delivery Date.

- Part 4 – Concerted Revitalization:** If claiming points, be sure that no points are being claimed under the Opportunity Index. Complete the appropriate boxes and select amenities in the Urban or Rural section of Opportunity Index. Make sure supporting documentation, including documentation of area amenities, is included in the CRP packet. **The CRP Packet is required for Urban and Rural Applications requesting these points, and must be included behind Tab 10.** Select the Total Points Claimed from the drop-down box.

The CRP packet must include evidence that the CRP is current at the time of Application and that it officially continues for a minimum of three years thereafter, OR that the work to address items outlined in the CRP has already begun and the Applicant includes confirmation from the appropriate public official that the objectives of the CRP will be met on schedule and no budgetary or other obstacles stand in the way. A CRP consists of policies instigated by a host of governmental and public-private entities. Staff would expect to see robust evidence of those policies continuing on an ongoing basis, with further proof that they will continue for 3 years within the plan OR that they have already begun to make significant impacts. A letter from a city may point to these policies and direct staff’s attention to other evidence. Many CRP plans include target dates as part of their plan. The Applicant must also present



evidence of **sufficient, documented and committed funding** that will allow the CRP to meet its objectives.

- **Part 5 – Declared Disaster Area:** If claiming points, simply mark the yellow box and select the Total Points Claimed from the drop-down box. The 2020 list of eligible counties is posted on the TDHCA website at <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>.
- **Part 6 – Readiness to Proceed in Disaster Impacted Counties** –Applications proposing development in a county declared by the Federal Emergency Management Agency to be eligible for individual assistance within the **three years preceding December 1, 2019** that provide the required evidence can qualify for five points.

❖ **Tab 10 – Supporting Documentation for the Site Information Form Part II**

- **Opportunity Index information:**
  - The map(s) should indicate the location of the Development Site and include an accurate radius appropriate for the asset. Refer to §11.9(c)(4)(B) for details regarding the radius.
  - Supporting documentation for each amenity selected should be included behind this tab. The documentation must provide evidence that the amenity meets each requirement of the QAP.
  - **Written statements that the amenity meets the rules are not sufficient; evidence of how the amenity meets the rule is required.**
  - Where applicable, Applicant must include a print-out of an online form showing that the entity is included in the applicable database:
    - Evidence of the licenses held by child care centers can be found by searching for the child care center on the Department of Family and Protective Services (DFPS) website at: [http://www.dfps.state.tx.us/Child\\_Care/Search\\_Texas\\_Child\\_Care/ppFacilitySearchDayCare.asp](http://www.dfps.state.tx.us/Child_Care/Search_Texas_Child_Care/ppFacilitySearchDayCare.asp).
    - Evidence of university of community college accreditation can be found by downloading the list of universities or community colleges on the Texas Higher Education Coordination Board (THECB) website. If the institution is listed, it is properly accredited: <http://www.txhighereddata.org/Interactive/Institutions.cfm>.
- **Evidence of Underserved area:**
  - For sites located within a colonia, provide a letter from the appropriate local government official or other evidence that the colonia lacks water, wastewater, or electricity at a level commensurate with the quality and quantity expected of a municipality and that the Development will make available any such missing water, wastewater, and electricity for current dwellings within the colonia to connect to such infrastructure (refer to §11.9(c)(6)(A) for further details). Evidence of the boundaries of the colonia from the Office of the Attorney General and a map showing the colonia is located within 150 miles of the Rio Grande river border is also required. Information regarding colonias can be found by using the Border Colonia Geography Online tool on the Attorney General’s website at: <https://www.texasattorneygeneral.gov/cpd/colonias>
  - For sites in an economically distressed area, the Application must include evidence that the site is located in both of the following:
    1. A census tract that has a median household income that is less than 75 percent of the statewide median household income.
    2. A municipality or county that has been awarded EDAP funds administered by the Texas Water Development Board (TWDB) within the five (5) years ending at the beginning of the Application Acceptance Period (as of January 3, 2015). This information can be found by clicking on “EDAP status report” on the right side of the page of the TWDB website at: <http://www.twdb.texas.gov/financial/programs/EDAP/index.asp>.
  - For sites located in areas covered in items (C), (D), (E) or (F), the year count will be based on January 1 of the year of **award**. A Development that is less than 30 years old would be one that was awarded

January 1, 1990 or earlier, and a Development that is less than 15 years old would be one that was awarded January 1, 2005 or earlier. **Use the year indicated in the “Board Approval Year” column of the Property Inventory tab of the Site Demographic Characteristics Report to find this information.**

- For item (G), the dataset used for this scoring item is called the “Affordable Housing Needs Indicator” and is available in the Site Demographic Characteristics Report for your convenience.
- For item (H), include evidence of the date the Development was placed in service, evidence that the Development is still occupied, and evidence of the source(s) of funds for any rehabilitation that has been performed on the Development.
- **Proximity to Job Areas**
  - **Proximity to the Urban Core:** The map should indicate the location of the Development Site and include an accurate straight-line distance to the municipal government administration building where regularly scheduled municipal governing body meetings are held.
  - **Proximity to Jobs:** Provide the Composite PDF report showing the date the report was run.
- **Concerted Revitalization Plan: If requesting points for a concerted revitalization plan, the CRP packet must be submitted behind this tab.** The packet may include either the entire plan or a link to the plan. In general, the CRP packet must include a description of where specific information can be found in the plan including evidence of adoption and any delegation of parts of the plan. Identify where each component of §11.9(d)(7)(A)(iii)(I-V) for Urban and §11.9(d)(7)(B)(i-iii) for Rural have been met within the plan itself or using third party evidence. No more than two (2) plans may be submitted for each Application.
  - If in an Urban Area:
    - A letter from the appropriate local official providing documentation of measurable improvements within the revitalization area based on target efforts outlined in the plan and discussing how the improvements will lead to an appropriate area for housing is required.
    - If claiming an additional two points under §11.9(d)(7)(A)(iv)(II) of the QAP, a resolution must be included behind this tab.
    - If claiming an additional one point under §11.9(d)(7)(A)(iv)(III), insert a map here showing amenities and radius, along with back-up documentation for each amenity.
  - If in a Rural Area:
    - Provide evidence of construction date, evidence of supporting funds, evidence regarding demolition/relocation (as applicable), a CNA/PCA. **A rent roll should be provided as a separate document, do not include it in the Application.**
    - If claiming an additional two points under §11.9(d)(7)(B)(ii), provide resolution from the appropriate governing body or bodies, if site crosses jurisdictional boundaries.
    - If claiming an additional one point under §11.9(d)(7)(B)(iii), insert a map here showing amenities and radius, along with back-up documentation for each amenity.
- **Declared Disaster Area:** If the county in which the Development Site is located is listed on the 2020 List of Declared Disaster Areas, no further documentation is required.
  - If the Applicant believes the county in which the Development Site is located was omitted from the list and should be listed, include evidence that the Development Site is located in an area declared to be a disaster area under Tex. Gov’t Code §418.014 at the time of the Full Application Delivery Date, or at any time within the two-year period preceding the Full Application Delivery Date (on or after February 28, 2020).
- **Readiness to Proceed:** The Applicant must include a certification from the Applicant stating that the Applicant will be able to close all financing and fully execute the construction contract on or before November 30, 2020, because of evidence provided in the Application. **The Application MUST include evidence that appropriate zoning will be in place by the time of award. The Applicant must also include acknowledgement from all lenders and the syndicator of the required closing date.**

On or before November 30, 2020, the Applicant must provide a final settlement statement from the title company indicating that all financing has closed; and a fully executed construction contract.

❖ **Tab 11 – Site Information Form Part III**

This form is divided into 5 parts. All Applicants must complete the first four parts, and part five is relevant for tax credit (9% and 4%) Applications only.

- **Part 1 – Site Acreage:** Identify the acreage listed on each of the four application exhibits. The site acreage in each of the four spaces should agree. If there are discrepancies, the acreage of the site plan should at least be contained within the acreage of each of the other exhibits.
  - The site control document (*e.g.* purchase contract, lease and/or deed) often reflects more land than the site plan but may never indicate less (unless the site control documents include multiple documents, each relating to a portion of the site, all of which encompass the entirety of the site).
  - The entry for the site plan is the most important of the four entries. It must be the actual size of the final Development Site, taking into account any reductions for any circumstances (easements, dedications, *etc.*) that require land to be taken away from the final Site as it will be defined in the LURA.
  - The size of the Site that is reflected by the appraisal, if applicable, should match the size indicated by the site plan in that it should never be less than the size in the site plan. However, under certain circumstances, more land might be appraised than the final Site.
  - The ESA, like the site control document, often encompasses more land than the area of the final Development Site, but it may never be a lesser amount.
  - Added are the survey and the engineer’s Site Plan that are found in the Site Development Design and Feasibility Report.
  - **Note: Any differences in the sizes of the land stated in any of the four responses should be explained in the space provided, e.g., more land was purchased and studied in the ESA than is projected to be used for the Development Site. We want to know any and all factors that may make the size of the FINAL Development Site different from that presented in application documents.**
- **Part 2 – Site Control:**
  - Complete the yellow highlighted cells identifying the seller, date of sale and any relationship between the seller and the Applicant and/or any member of the Development Team. Explain any relevant affiliations.
  - Identify all sellers of the property or any interest therein for the 36 months prior to January 4, 2019, and their relationship to the Applicant.
  - Be sure to include the date of last sale.
  - Indicate the document being presented as evidence of site control by marking the appropriate box and fill in the expiration date and estimated closing date of the contract for lease, purchase, or other form of conveyance as applicable.
  - If the Applicant will not have fee simple ownership of the property upon closing on the financing, please indicate the type of interest the Applicant will have in the property in the text box at the bottom of Part 2.
- **Part 3 – Ingress/Egress and Easements:** If land for ingress and/or egress and any easements is held separately from the property described in the site control documents, describe how the land is held. Documentation of rights of ingress/egress must be included within site control
- **Part 4 – NEW! Re-platting or Vacating Requirement:** If control of the entire proposed Development Site requires that a plat or right of way be vacated, evidence that the vacation/re-platting process has started must be included in the Application, and evidence of control of the entire Development Site must be provided by the time of Commitment.



- **Part 5 - 30% Increase in Eligible Basis (“Basis Boost”):** The “boost” may be granted to tax credit Developments in certain locations and/or for certain types of Developments. If the Development is Rural, Supportive Housing, or in a high opportunity area, these boxes will auto-populate. If claiming the boost under §11.4(c)(2) or §11.4(c)(3)(D) or (E) or (F), mark the appropriate box.
  - If claiming eligibility for the boost for a Development located in a Small Area Difficult Development Area (SADDA), a SADDA map must be submitted that clearly shows the proposed Development is located within the boundaries of a SADDA.  
[https://www.huduser.gov/portal/sadda/sadda\\_qct.html](https://www.huduser.gov/portal/sadda/sadda_qct.html)
  - If claiming eligibility for the boost by restricting additional units for households below 30% AMGI, note that the Application does not make this calculation and that applicants should reference §11.4(c)(3)(D) as well as §11.9(c)(1) and (2) of the QAP to ensure that enough units are set aside to meet these requirements.  
For Competitive HTC Applications submitted in 2020, the 2020 lists of QCTs and DDAs are effective. For 4% HTC Applications, Applications submitted prior to January 1, 2020, the 2019 list of QCTs and DDAs will apply; for Applications submitted on or after January 1, 2020, the 2020 list will apply.
  - If claiming eligibility for the boost for a Development located in a Qualified Opportunity Zone, a Qualified Opportunity Zone map must be submitted that clearly shows the proposed Development is located within the boundaries of an eligible census tract.  
[https://www.cims.cdfifund.gov/preparation/?config=config\\_nmtc.xml](https://www.cims.cdfifund.gov/preparation/?config=config_nmtc.xml)

❖ **Tab 12 – Supporting Documentation from Site Information Part III**

Provide the site control document, title commitment or policy and each MFDL exhibit as applicable, according to the list given in the Application. **IMPORTANT:** For Applications involving scattered sites, please group all applicable items below, identifying the Site by the line number in the *Multiple Site Information Form* (e.g. if there are five different scattered sites, provide the site control, zoning, etc. for Site #1 in a group, and the same for Site #2, etc.)

- **Evidence of Site Control:** See 2020 QAP Subchapter C, §11.204(10) for details regarding site control. Be aware that for Competitive HTC Applications the rules for scoring the submission of a pre-application are affected by site control.
  - If the evidence is not in the name of the Development Owner, then an Affiliate of the Development Owner must have site control that does not expressly preclude an ability to assign the Site Control to the Development Owner or another party.
  - If in the form of a lease or contract for lease, the existing lease must have 45 years remaining, or the contract must be for a minimum 45-year term.
  - For identity of interest transactions, submit documentation requirements described in Subchapter D §11.302(e)(1)(B) of the QAP.
  - For **scattered sites**, if you are submitting multiple contracts, deeds, etc. each one must meet all of the requirements of §11.204(10) of the 2020 QAP. Each must clearly have the address identified and be consistent with the Scattered Site Information Form (e.g. If the Development consists of 3 parcels of Property, 3 contracts/deeds, etc. must be provided or one form of site control must clearly identify and cover all 3 parcels).
  - If ingress and egress to a public right of way are not part of the Property described in the site control documentation, the Applicant must provide evidence of an easement, leasehold, or similar documented access, along with evidence that the fee title owner of the property agrees that the LURA may extend to the access easement.
- **Title Commitment or Title Policy:** See 2020 QAP Subchapter C, §11.204(12) for detailed instructions of the rules regarding title documents.

- The title commitment or policy should be in the name of the Development Owner. In addition, the current owner reflected on any title commitment or policy should match the current owner listed on any purchase or lease agreements.
- If documentation is more than six months old prior to the beginning of the Application Acceptance Period a letter from the title company/Bureau of Indian Affairs indicating that nothing further has transpired on the policy, commitment, or status report must be provided.
- For **scattered sites**, a title for each separate Site must be submitted. Each must have the Site clearly identified. It must be consistent with the site control document submitted for the same piece of Property as well as the Scattered Site Information Form (e.g. if the Development consists of 3 parcels of Property, 3 separate labeled titles must be provided).
- **Increase in Eligible Basis:**
  - If claiming eligibility for the boost for a Development located in a Qualified Census Tract (“QCT”), a QCT map must be submitted that clearly shows the proposed Development is located within the boundaries of a QCT. **In addition**, New Construction or Adaptive Reuse Developments must include a resolution if claiming eligibility for the boost for a Development located in a QCT with **greater than 20% HTC Units** per total households, pursuant to QAP Subchapter A, §11.4(c)(1).
  - If claiming eligibility for the boost for a Development located in a Small Area Difficult Development Area (SADDA), a SADDA map must be submitted that clearly shows the proposed Development is located within the boundaries of a SADDA.
  - 30% Units used for the boost cannot be used to meet any scoring criteria or used to meet any Multifamily Direct Loan program requirement.

#### ❖ **Tab 13 – Multiple Site Information Form**

The Application’s Multiple Site Information Form was created as an aid to determining how lots and tracts that have separate descriptions fit together to form the Development.

- If a Development proposal requires the submission of more than one purchase contract, lease contract or deed to evidence Site Control, the Applicant must complete one block of the Multiple Site Information Form for each Property that will be aggregated into the Development.
- In general, the Application must sufficiently describe the properties in the contracts and deeds so that each Property can be identified within the survey(s) of the Development Site(s).
- Evidence must show that the Property determined by the survey of the Development Site is entirely under the Applicant’s Control and any land that is purchased in excess of the Development Site must be described in a way that makes the excess area apparent in both quantity and location.
- In all cases, the Application must include a survey that indicates the legal description of each lot, alley, roadway and tract as described in the documents evidencing the Applicant’s Control. If more than one survey is necessary to depict the land under control, the relative locations of the land should be clear and the fit of each part into the whole should be apparent. If a contract includes land that is only described by metes and bounds, a survey showing the boundaries corresponding to these same metes and bounds and labeled with the corresponding bearings and distances should be provided.
- The desired result of these descriptions and drawings is a clear depiction of the land under the Applicant’s Control and the relationship of this land to the Property that will be the Development Site(s). A further explanation of the information requested for multiple site development proposals is provided by the instructions for filling out the Multiple Site Information Form in the Application itself. **Note: Lines 141-439 are hidden and available should additional spaces be needed.**

#### ❖ **Tab 14 – Elected Officials**

- If a pre-application was submitted which correctly identified all the elected officials, and no re-notifications or corrections are required (e.g., no information has changed), check the first box and leave the rest of the form blank.

- If a pre-application was submitted and additional notification or re-notification was required for any reason, check the second box. Complete the entire form, indicating the elected official(s) that were notified or re-notified prior to submission of the full Application.
- If no pre-application was submitted, check the third box and complete the entire form.
- Note that this form becomes part of the Certification of Notifications. For details regarding the notification requirements, refer to §11.203 of the QAP.

❖ **Tab 15 – Neighborhood Organizations**

- If a pre-application was submitted which correctly identified all the Neighborhood Organizations, and no re-notifications or corrections are required (e.g., no information has changed), check the first box and leave the rest of the form blank.
- If a pre-application was submitted and additional notification or re-notification was required for any reason (whether changes to the Application or to the Neighborhood Organization), check the second box. Complete the entire form, indicating the Neighborhood Organization(s) that were notified or re-notified prior to submission of the full Application.
- If no pre-application was submitted, check the third box and complete the entire form.

❖ **Tab 16 – Certification of Notifications (All Programs)**

This form is divided into four parts. The third part applies only to competitive HTC Applications.

- **Part 1 – Mark the appropriate box.**
- **Part 2 – Mark all certifications.**
- **Part 3 – If no neighborhood organizations exist** mark this box, indicating also that no neighborhood organizations were notified.
- **Part 4 – Certifications.** The form must be signed, dated and notarized. The individual signing the certification must be the Applicant or the person that has the authority to sign on behalf of the Applicant. No hard copy is required, but a scanned copy of the signed and notarized form should be included in the Application.  
**NOTE: Refer to §11.203 and §11.8(b)(2) of the QAP for details regarding notification requirements, particularly those involving Development Sites located in ETJs.**
- The *Public Notifications Template* located in the 2020 Uniform Multifamily Templates file should be utilized to meet these requirements. The file can be found on the website at: <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>.

**NOTE: For Competitive HTC Applications, if re-notification was required because the number of Units increased by more than 10% then the Application will not be eligible for pre-application participation points.**

### Part 3 – Development Activities

❖ **Tab 17 – Development Narrative**

The Development Activities tabs are colored red, and contain all information regarding the planned construction on the Site. This includes physical features, such as architectural drawings, Development amenities, and Target Population.

- **Part 1 - Construction Type:** Choose one construction type from the drop-down menu and answer all appropriate questions. Note that Applications proposing adaptive reuse must select “New Construction” as the construction type and select “Adaptive Reuse” as the secondary type. If questions are not relevant, answer with N/A, leaving no yellow highlighted cells blank.
- **Part 2 – Target Population:** Identify the Target Population from the drop-down menu provided. Refer to §11.1(d)(47) of the 2020 QAP for more information on how Elderly Development is defined. **If**



**selecting Elderly because the proposed Development receives federal funding that has a requirement for a preference or limitation for elderly persons or households, but must accept qualified households with children, complete the statement in this section by choosing the funding source from the drop-down menu in the space provided and submit supporting documentation for that financing behind the tab.** To the extent that the Development will receive other funding that has a requirement for a preference or limitation with regard to population(s) served, a text box is available for Applicants to indicate the type of funding and the preference or limitation imposed by that type of funding.

- **Part 3 – Staff Determinations:** If a staff determination was made pursuant to §11.1(k), mark the box with an “x” and submit a copy of the determination behind this tab. If no determination was required, simply leave the box blank.
- **Part 4 – Narrative:** Applicants are required to provide a brief development narrative and should also use this space as an opportunity to explain any unique circumstances surrounding the proposed Development. Unless there are unusual aspects of the Development, the narrative should be one sentence, such as a statement that the Development is a fee simple, garden style apartment complex that is typical for the Target Population. If there are unusual aspects, such as those listed below, the narrative must describe them:
  - unusual or complex Site Control arrangements and/or relationships between buyer and seller or landlord and tenant, e.g., condominium, leasehold, leased fee, Related Parties, etc.;
  - whether the Development is an additional phase, and name, address and TDHCA number of the prior phase development;
  - unusual building types, e.g., mid-rise, high-rise, modular construction, historic structure;
  - uses other than residential rental units, e.g., structured parking garage, commercial space (retail, office, etc.), community center, etc.;
  - rental subsidies and/or operating subsidies (summary in Development Narrative with detail in Financing Narrative);
  - age or population restrictions;
  - considerations regarding general public use requirements and the Integrated Housing Rule;
  - descriptions of unusual tenant services; e.g., if space will be provided for medical services/exams, state clearly who will provide those services to ensure no violation of 10 TAC 11.101(b)(1)(A)(iii);
  - Unit configuration changes on Rehabilitation Developments;
  - any and all issues that would require approval or clearance by staff or the Board.

Please double-check that any specific information about the Development that is also provided elsewhere in the Application is consistent. For example, if the narrative describes 4 residential buildings, then the architectural plans should reflect the same.

- **Part 5 – Funding Request:** Applicants should carefully fill in all relevant cells highlighted in yellow. This form is used to auto-populate other parts of the Application, including the scoring item related to Leveraging of Private, State and Federal Resources. Applicants are encouraged to review this form carefully for errors.
  - There is no verification of funding amounts built into the Application, so Applicants should also be aware of any funding limit requirements before completing this form.
  - Clicking on the funding sources (Multifamily Direct Loan, Housing Tax Credits, etc.) will link Applicants to the Summary of Sources and Uses page in the finance section. That section also links back to this page so that funding requests can be manipulated easily as Applicants develop their financing structures.
- **Part 6 – Set-Aside:** This section is applicable to Multifamily Direct Loan and Competitive HTC Applications only.
  - Applicants will be asked to submit the appropriate supporting documentation for the set-aside at different parts of the Application.

- **Selections for At-Risk and USDA are independent of each other. Only select both if both apply. You can be At-Risk without being USDA, and the opposite is true. Only select what is true for your application.**
- **For the MFDL selections, indicate which NOFA applies and which Set-Aside applies.**
- **NOTE: For Competitive HTC Applications seeking pre-application participation points, Set-Asides may not be changed from pre-application to Application.**
- **Part 7 – Previously Awarded State and Federal Funding:** All cells highlighted in yellow require data entry or selection by the Applicant. If a particular question is not applicable to the Application, type in “N/A.”
- **Part 8 – Qualified Low Income Housing Development Election:** This applies only to HTC (both 9% and 4%) Applications. Applicants should understand that once an election is made it is irrevocable. Applicants are also encouraged to check this election against the Rent Schedule to ensure that there are enough 50% or 60% Units (whichever is applicable) to be consistent with the election, or that the average does not exceed 60% AMFI if electing income averaging, and, for competitive HTCs, that the average does not exceed the percentage pursued through competitive scoring in §11.9(c)(1)(C) or (D).

**Remember: 20/50 requires ALL Units in the set-aside to be 50% or less and they can NEVER rise to 60%. 40/60 allows for Units to be at 50%, and they can rise to 60% in the future.**

#### ❖ **Tab 18 – Development Activities Part I**

This tab is divided into 4 parts, all of which need to be completed for all Applications. The selections made here serve to certify that the Development will meet various requirements under §11.101 of the QAP.

- **Part 1 – Common Amenities** – The number of units will auto-populate, but Applicants should fill in the appropriate number of points associated with amenities according to §11.101(b)(5) of the QAP. Applicants proposing scattered site Developments should review this rule carefully in order to determine the appropriate number of points.
- **Part 2 – Unit Requirements** – Mark the one appropriate highlighted cell each from Part A and Part B.
- **Part 3 – Resident Supportive Services** - Mark the highlighted cell that is applicable.
- **Part 4 – Development Accessibility Requirements** - Mark the appropriate cells. **Applicants should pay special attention to ensure that the design of the Development is in compliance with the rules found at §10 TAC 11.101(b)(8).**

#### ❖ **Tab 19 – Development Activities Part II**

This tab is divided into 10 parts. All items on this form relate to scoring criteria. Except for Parts 2 and 3 which relate to MFDL, the selections made here will populate the self-score form..

- **Part 1 – Size and Quality of the Units:** Mark the appropriate highlighted cell. Points claimed will auto-populate.
- **Part 2 – Rent Levels/Tie Breaker for Direct Loan Program:** Only Applicants applying for MFDL need to complete this part. Applicants electing to restrict Units at 30% AMGI for Competitive HTC or income averaging purposes may not count those HTC-layered Units for point scoring under 10 TAC §13.6(e). However, 40% AMGI, 50% AMGI, and 60% AMGI Units that are layered with 30% AMGI Units for Direct Loan purposes may count for point scoring under §13.6(5). **Points claimed here do not affect the 9% HTC self-score and will only appear on the MFDL Self Score tab (6b).** Additionally, MFDL Applicants can indicate the percentage of 30% AMGI Units that they would restrict to 15% AMGI in the event of a tie with another Application or Applications.
- **Part 3 – Subsidy Per Unit for Direct Loan Program:** Only Applicants applying for MFDL need to complete this part. MFDL Applicants can indicate one of three lower per unit subsidy limits that they would like to voluntarily use to determine the number of Direct Loan or NHTF units required. MFDL Applicants

should use the 2020 Direct Loan Unit Calculator Tool to confirm that all necessary cost allocation and subsidy layering requirements are met.

- **Part 4 – Income Levels of the Residents - The Rent Schedule must be completed before a score can be calculated.**

**For Applications electing 20% at 50% or 40% at 60%: Note that the structure and scoring for this item has changed.**

- The *Total Number of Low-Income Units at 50% or less of AMGI* will auto-populate from the Rent Schedule.
- You must enter (in the second box) the number of 30% Units from the above number that will be used for points under §11.9(c)(2) of the QAP. **NOTE: This number cannot be greater than but can be less than or equal to the total number of 30% Units indicated in the Rent Schedule.**
- You must enter (in the third box) the number of 30% Units that will be used to satisfy the requirements of §11.4(c)(3)(D) related to the Increase in Eligible Basis (30% boost). **Applicants not requesting the boost or achieving the boost under another provision (QCT, Rural, etc.) should leave this box blank.**
- The fourth box will subtract all of the 30% Units used for either points or the boost from the total number of Units at 50% or less of AMGI.
- The fifth box will calculate the percentage of Units at or below 50% of AMGI available for points under §11.9(c)(1) of the QAP.
- **The boxes to the right of the scoring items will populate based on the information entered. This is to allow the Applicant to see the score supported by the entries. These scores do not populate the Self Score form. Select your score in the yellow box at the end of the scoring item.**

**For Applications electing income averaging:**

- See the income average calculation worksheet added under Tab 24 Rent Schedule. Based on data entered in the Tab 24 worksheet, the average income percentage calculation will populate in cell Y78. Changes must be made on the calculation worksheet if the average is not what the Applicant intended.
- Select requested points in the yellow highlighted cell (if requesting points).
- **Part 5 – Rent Levels of the Residents - Select the highlighted cell that is applicable. The Rent Schedule must be complete before a score can be calculated, and the Total Points claimed will not auto-populate if more than one box is marked. NOTE: There is no calculation to determine eligibility for points. Applicants need to double check that points claimed here are consistent with the number of Units represented in Part 3 - cell B36, “Number of Units used to score points under §11.9(c)(2).”**

**IMPORTANT!!! Income & Rent Levels of Residents Worksheet –**

**The worksheet does not apply for those Applications electing income averaging.**

Except for the income averaging portion, Parts 3 and 4 above both deal with income targeting and are similar in many ways. However, it is important to note that the Income Levels of Residents awards points for the number of Units at or below 50% AMGI, which may include 30% Units. The Rent Levels of Residents awards points solely on the number of Units at 30% AMGI. **It is extremely important that the same 30 % Units are not counted for both scoring items.** Staff created a table located outside of the print area of the Development Activities exhibit to assist Applicants in determining their eligibility for points. The worksheet ***does not*** need to be submitted in the PDF Application. The worksheet is a tool for use by Applicants to determine their eligibility for points under §§11.9(c)(1)(A) or (B) and 11.9(c)(2) of the QAP depending on how many total LI Units are proposed.

- Column (a) contains a highlighted yellow cell that represents the total number of LI Units. Applicants can manipulate this cell to determine the number of Units at or below 50% AMGI



needed for points under §11.9(c)(1) and the number of LI Units left over to qualify for points under §11.9(c)(2).

- Once the *Rent Schedule* has been completed, the top right-hand corner of the worksheet pulls from it the total number of low-income (LI) Units as well as the total number of 30% Units. These two numbers **cannot** be manipulated.
- Right above column (a), there is a cell for Applicants to input the number of 30% Units being used to satisfy the boost provision under §11.4(c)(2)(D); **applicants not requesting the boost or achieving the boost under another provision (QCT, Rural, etc.) should not enter anything into this cell in order to effectively use the worksheet.** TIP: In order to double-check the final Application submission and eligibility for points, this number should equal the red bolded number that auto-populates in the right-hand corner.

**Applicants should always independently verify that the calculations are correct and that the spreadsheet is not rounding.** Staff attempts to include calculations in certain areas as a courtesy but it is the Applicant's responsibility to verify that their Application meets the underlying rules.

- **Part 6 – Resident Services: This is a scoring item for all 9% HTC and MFDL Applications.** Select a highlighted cell if applicable (Note that the score will not populate if both of the first two boxes are selected).
- **Part 7 – Resident Populations with Special Housing Needs: This is a scoring item for all 9% HTC Applications.**
  - The Section 811 Program is no longer a part of the QAP, so all associated references have been removed.
  - Units identified for this scoring item may not be the same Units identified previously for the Section 811 Program.
  - **NEW!** This is now a two-part scoring item worth up to 3 points. Refer to the rule for all of the requirements for the scoring items.:
    - In Part A, the Applicant elects to commit at least 5% of the total Units for Persons with Special Housing Needs. That's worth two points.
    - **One point can be scored in Part B only if points were elected in Part A.** In Part B, the Applicant elects to commit at least an additional 2% of the total Units to Persons referred from the Continuum of Care or local homeless service providers to be made available for those experiencing homelessness. **Applications in the At-risk or USDA set-asides are not eligible for this scoring item.**
- **Part 8 – Pre-application Participation:** Mark the highlighted cell if claiming points.
- **Part 9 – Extended Affordability:** Mark the highlighted cell of the applicable election if claiming points.
- **Part 10 – Historic Preservation:** If claiming points for Historic Preservation, all yellow boxes must be marked for the appropriate score box to populate. Documentation must be submitted behind this tab. A letter from the Texas Historical Commission stating that the property is already a Certified Historic Structure OR that the Commission has established preliminary eligibility for the structure are acceptable for points.
- **Part 11 – Right of First Refusal:** Mark the highlighted cell if claiming points.
- **Part 12 – Funding Request Amount:** Mark the highlighted cell if claiming points.

❖ **Tab 20 – Existing Development Information**

This form is divided into three sections which are all relevant to specific types of Applications. See the headings for each part to determine if it is applicable.

- **Part 1 – At-Risk Set-Aside (Competitive HTC Developments applying under the At-Risk Set-Aside ONLY):**
  - Section A: Mark the highlighted cell next to all applicable subsidies or benefits. Mark each condition that is applicable.

- Section B: If the At-Risk units are owned by a Public Housing Authority, mark each box that is applicable. Be sure to include all applicable information for RAD Developments. **The Application should indicate the PIC under which the RAD Units proposed for the Development have been reserved.**
- The boxes under Part C should be marked for all applicable At-Risk Developments.
- **Part 2 – Existing Development Assistance**
  - Section A. Indicate the type of assistance the Development is expected to have or continue from the drop down box and include a brief description of the restrictions or subsidies in the space provided. Fill in the remaining highlighted cells based on the information in the contract which should be included behind Tab 35.
  - Section B. If claiming acquisition credits in an HTC Application, fill in all applicable highlighted cells.
- **Part 3 – Lead Based Paint (Multifamily Direct Loan Applications Only).** If the Development was constructed before January 1, 1978 mark each of the highlighted cells that applies.

#### ❖ **Tab 21 – Occupied Developments**

- If any structure on the Development Site is occupied at any time after the beginning of the Application Acceptance Period, even if demolition is proposed, or if a federal subsidy is being transferred from another site and the costs of relocation will be part of the Total Development Costs the following items must be provided (Mark the appropriate box):
  - Historical monthly operating statements for 12 consecutive months ending not more than three (3) months from the first day of the Application Acceptance Period; or
  - The two most recent consecutive annual operating statement summaries; or
  - The most recent consecutive six months of operating statements and the most recent available annual operating summary; or
  - All monthly or annual operating summaries available.
- Each of the following items, as applicable, must be provided:
  - A rent roll not more than 6 months old as of the first day of the Application Acceptance Period that discloses the terms and rates of leases, rental rates offered at the date of the rent roll, Unit mix, and tenant names or vacancy. **The rent roll should not be included in the Application, submit it as a separate document to protect resident information. Ensure that rent rolls do not include unnecessary information, such as identifying who lives in mobility accessible Units.**
  - written explanation of the process used to notify and consult with the tenants in preparing the Application,
  - a relocation plan outlining relocation requirements and a budget with an identified funding source,
  - any documentation necessary for the Department to facilitate, or advise an Applicant with respect to or to ensure compliance with the Uniform Relocation Act and any other relocation laws or regulations as may be applicable, and
  - evidence that a relocation plan has been submitted to the appropriate legal or governmental agency.
- If one or more of the above is not applicable, based upon the type of occupied structures on the Development Site, provide an explanation in the highlighted box.
- URA Applicability to MFDL. Select the box and provide additional information as applicable.
- Complete the certification.
- RARAP Certification (*MFDL Only*). If any yellow highlighted box is marked, then the Residential Anti-Displacement and Relocation Assistance Plan Certification must be submitted.

#### ❖ **Tab 22 – Architectural Drawings**

Make sure all drawings are LEGIBLE. *Do not submit drawings above and beyond those required under the rules.*

**DO NOT SUBMIT LAYERED PLANS. If when you open your plans the document loads a little bit at a time, the document is layered and we cannot accept it. In order to reduce the file size and speed review of drawings, Applicants are encouraged to submit plans as 300dpi images. Following these steps in Adobe Acrobat will convert most plans:**

File > Print > Printer: Adobe PDF > Advanced > Settings: Custom > [V] Print As Image 300dpi > OK Properties > Adobe PDF Settings > Default Settings: High Quality Print

As a guard against inconsistencies in the application, if accessible units are of the same floor plan/unit type as other units, applicants are not required to specially denote such accessible units within the architect's table or Building/Unit Type exhibit as long as these units are specified in the site plan or building floor plans.

- **Site Plan – NOTE: Be sure that your architect follows the list closely.**
- **Building Floor Plans** - must be submitted for each building type. Building floor plans must include the locations of the accessible Units and must also include square footage calculations for balconies, breezeways, corridors and any other areas not included in Net Rentable Area.
- **If average income is elected, application must provide assurance that 20%, 30%, 40%, 50%, 60%, 70% and 80% Unit designations are/will be dispersed across all Unit Types in a manner that does not violate fair housing laws. (10 TAC §10.605)**
- **Unit Floor Plans** - must be submitted for each Unit type and must include the square footage for each type of Unit. Applications for Adaptive Reuse are only required to submit Unit floor plans for each typical Unit type and for all Unit types that vary in NRA by more than 10% from the typical Unit of each type. **Unit floor plans must be submitted for the accessible Units for all Developments.**
- **Building Elevations** - must be submitted for each side of each building type **(or include a statement that all other sides are of similar composition to the front)** and must include percentage estimates of each exterior material and proposed roof pitch. Rehabilitation and Adaptive Reuse Developments may submit photographs if the Unit configurations are not being altered and after- renovation drawings must be submitted if Unit configurations are proposed to be altered.

**Applicants are encouraged to submit architectural plans grouped by type of plans (e.g., building floor plans for all buildings, followed by unit plans for all units, followed by elevations for all buildings, etc.) as opposed to building by building (e.g., all plan sheets for building one, all plan sheets for building two, etc.).**

#### ❖ **Tab 23 – Specifications and Building/Unit Configuration**

- **Specifications and Amenities** - Required for all Development types (i.e. New Construction, Rehabilitation, etc.); no exceptions. Complete all yellow highlighted cells as applicable. Under parking requirements, indicate number of spaces of each parking type that will be free of charge and number of spaces that will be available to tenants for a fee.
- **Building/Unit Configuration** – Information on this chart should be consistent with the *Rent Schedule* and the architectural drawings. **For Supportive Housing Applications Only:** The breakdown of common area square footage at the bottom of the page must agree with the architectural plans.
  - This form includes worksheets 23a, 23b, and 23c. These worksheets will help you determine the distribution of mobility and hearing/visual accessible Units and accessible parking spaces. **Include these worksheets in the Application.**
  - Specifics about parking:
    - **Basic requirement:** The number of parking spaces must be adequate and consistent with local code, unless there is no local code, in which case the requirement is one and a half (1.5) spaces per Unit for non- Elderly Developments and one (1) space per Unit for Elderly Developments. The minimum number of required spaces must be available to the tenants at no cost.



- **ADA Chapter 2 Section 208 standards always apply to all parking in every development.** In some instances, Fair Housing Accessibility (“FHA”) requirements will also apply. Below are links to both standards.  
<https://www.ada.gov/regs2010/2010ADAStandards/2010ADAStandards.pdf>  
<https://www.huduser.gov/publications/pdf/fairhousing/fairch2.pdf>
- **DO NOT ENTER INFORMATION AT THE BOTTOM OF THE FORM UNLESS YOUR APPLICATION PROPOSES SUPPORTIVE HOUSING.**
  - Per 10 TAC §11.9(e)(2) related to Cost of Development per Square Feet: If the proposed Development is a Supportive Housing Development, the NRA will include Common Area up to 75 square feet per Unit, **of which at least 50 square feet will be conditioned.**

**If a revised form is submitted during the application review process, indicate the date of submission at the bottom of the form.**

#### Part 4 – Development Financing

- ❖ **Tab 24 – Rent Schedule:** Submit the final *Rent Schedule* after deleting any rows that indicate zero (0) as the unit count. The *Rent Schedule* has been intentionally placed immediately following the *Building/Unit Configuration* exhibit in an effort to reduce the number of inconsistencies.
  - Gross Rent cannot exceed the HUD maximum rent limits unless documentation of project-based rental assistance is provided.
  - The unit mix and net rentable square footages must be consistent with the site plan and architectural drawings.
  - If any non-rental income is included, describe the source(s) of the income. “Misc” or “Etc.” in the income description is not acceptable.
  - If the Development includes loft/efficiency Units, label these Units as “0” bedrooms as provided in the drop-down list.
  - If applying for Multifamily Direct Loan funds, the column titled “MFDL-HOME Units” also includes the Income level required for each MF Direct Loan Unit designation.
  - If applying for MFDL funds under the 2020-2 NOFA or the Soft Repayment set-aside of the 2020-1 NOFA, please use the NHTF Units column to indicate Direct Loan units.
  - A calculation worksheet for income averaging has been added in the area outside of the print area for the form. The worksheet is not required for the PDF Application but should be included in the Excel Application document.
  - **Tax-Exempt Bond Developments ONLY.**
    - Choose the applicable Private Activity Bond Priority from the drop-down list.
    - Priority must be designated, as submitted to the Bond Review Board, regardless of Bond Issuer. The priority designations include the following:
      - Priority 1(a): Set-aside 50% of the Units at 50% AMGI and 50% at 60% AMGI.
      - Priority 1(b): Set-aside 15% of the Units at 30% AMGI and 85% at 60% AMGI.
      - Priority 1(c): Set-aside 100% of the Units at 60% AMGI for Developments located in a census tract with a median income that is higher than the median income of the county, MSA or PMSA in which the census tract is located.
      - Priority 2: Set-aside 80% of the Units at 60% AMGI; up to 20% of the Units can be at market rate.
      - Priority 3: Includes any qualified residential rental Development. Market rate Units can be included under this priority.

- **Cost of Development per Square Foot.** These cells will calculate automatically when both the *Rent Schedule* and *Development Cost Schedule* are completed.
  - Points for this item will be selected at the end of the Development Cost Schedule.
- **Average Income Distribution Tool:** the worksheet is included in the space to the right of the Rent Schedule form. It is not required to be included in the PDF application.
  - Enter information in the yellow boxes as applicable. Other boxes will auto-populate.
  - A number, even if it is zero, must be entered in the box for “Number of 30% Units used for 30% boost.”
  - The average will not calculate unless a number is entered for the boost Units and the table is completed.

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❖ **Tab 25 – Utility Allowances:**

- Drop down lists are provided to identify “Who Pays” for the utility service and what type of “Energy Source” will be used.
- If Development is **all bills paid**, utilities and energy source is still required.
- The “Total paid by tenant” calculates only those energy sources for which it is indicated the tenant pays.
- **Remember to include your support documentation:**
  - Current PHA utility allowances sheet
  - USDA Rural Housing Services utility schedule (for RHS-regulated buildings)
  - HUD utility schedule (for HUD-regulated buildings)
  - TDHCA **pre-approval** of the following *is required prior to application submission (10 TAC §10.614(k))*:
    - HUD Utility Schedule Model
    - Written Local Estimate
    - Energy Consumption Model
    - Actual Use Method/Agency Estimate

**NOTE:** More information can be found at: <http://www.tdhca.state.tx.us/pmcomp/utility-allowance.htm>

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❖ **Tab 26 – Annual Operating Expenses:**

- Fill in all yellow highlighted cells.
- You must describe any “Other” cost included in any of the expense categories. “Misc” and “Etc.” are not acceptable descriptions. The cells state “describe” in red to remind you to enter a description.
- Annual Debt Service should be consistent with information provided in the *Summary of Sources and Uses of Funds* form as well as the *15 Year Pro Forma*.
- Expense per Unit, Expense to Income ratio, and Debt Service Ratio will be calculated automatically. Applicants should familiarize themselves with the underwriting rules (Subchapter D of the QAP) regarding thresholds for these items.
- **If Bond Trustee or compliance fees are included elsewhere in the Application, provide an explanation of where and why.**

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❖ **Tab 27 – 15 Year Pro Forma:**

- Refer to §11.302(d) of the QAP regarding the underwriting analysis for a discussion that encompasses the items in the pro forma.
- Any deferred developer’s fee must be shown to be fully repaid by year 15.
- Enter rental concessions as a negative value.
- You must describe any “Other” debt service included in the pro forma.
- The form includes an optional certification, signature, and contact information for the lender for Competitive HTC Applications claiming points under §11.9(e)(1) of the QAP.

**If a revised form is submitted during the application review process, indicate the date of submission at the bottom of the form.**

❖ **Tab 28 – Offsite Costs Breakdown**

- This form must be completed if there are any offsite costs associated with the Development, whether or not they are included in the *Development Cost Schedule*. For example, if offsite costs are embedded in the acquisition costs, this form must be completed. If there are any unusual circumstances surrounding the costs and/or payment of off-site costs, please include an explanation behind this tab.
- The form must be completed, signed and sealed by a professional engineer. See §11.204(8)(E)(ii) of the QAP.
- If any Off-site Costs are included in Eligible Basis:
  - A letter from a certified public accountant must be submitted allocating which portions of those costs should be included in Eligible Basis; and
  - If off-site costs are based on PLR 200916007 the certified public accountant must provide a statement of findings describing the facts relevant to the Development and that the fact pattern matches the PLR 200916007.

**If a revised form is submitted during the application review process, indicate the date of submission at the bottom of the form.**

❖ **Tab 29 – Site Work Costs Breakdown**

- This form is applicable to all Developments, regardless of the amount of Site Work cost attributed to the Development.
- If the Site Work cost is above \$15,000 per Unit and are included in Eligible Basis, a letter must be provided from a certified public accountant allocating which portions of those site costs should be included in Eligible Basis.
- The total Site Work costs entered in this exhibit should match the amount reflected in the *Development Cost Schedule*.

**If a revised form is submitted during the application review process, indicate the date of submission at the bottom of the form.**

❖ **Tab 30 – Development Cost Schedule**

- All applicable yellow highlighted cells under the Total Development Summary (columns C, D, and E) should be completed. A section for notes regarding the costs is provided as well; this should be used to add any information that could be helpful for the underwriting review, to explain line items that may be particularly low or high costs.



- This form separates contingency from general requirements, overhead and profit. “Voluntary Eligible Building/Hard Costs” allows the Applicant to list the **actual** building and hard costs in the schedule on line 75, then indicate only the amount of the actual costs to be used to score points under §11.9(e)(2) Cost per Square Foot. The Applicant should adjust the voluntary number until the desired percentage is reached. The score will be entered at the end of the form.
- **Supportive Housing Developments** should review the “Specifications and Building/Unit Type Configuration” form to ensure that information required for such developments is entered at the bottom of that form. Per 10 TAC §11.9(e)(2) related to Cost of Development per Square Feet: If the proposed Development is a Supportive Housing Development, the NRA will include Common Area up to 75 square feet per Unit, **of which at least 50 square feet will be conditioned.**
- **Where development costs are reduced by contributions by local government entities** for the purpose of scoring points under §11.9(d)(2) Commitment of Development Funding by Local Political Subdivision, those reductions should be indicated in the “Notes” column next to the cost.
- **NOTE:** No syndication costs should be included in the Eligible Basis.
- The “Credits Supported by Eligible Basis” cell is automatically calculated. This figure should be equal to or greater than the annual Housing Tax Credit Funding Request.
- **IMPORTANT:** If a 130% High Cost Area Adjustment is included in the *Development Cost Schedule* the Application should meet one of the criteria identified in §11.4(c) of the QAP and indicate under which criteria the Application qualifies for the Eligible Basis boost in Part 3 of the *Site Information Form Part III*.
- You must describe any “Other” costs reflected in the Cost Schedule. The cells will prompt you when an amount is inserted to “please specify” under a footnote.

**Include the contact name and phone number in the space provided of the person providing the cost estimate for the Hard Costs.**

**If a revised form is submitted during the application review process, indicate the date of submission at the bottom of the form.**

❖ **Tab 31 – Financing Narrative and Schedule of Sources:**

- Identify the name of each Financing Participant in the left-hand column. (Note that Department Funds have been auto populated based on data entered on the Development Narrative Tab, and are hyperlinked to move back and forth between tabs.)
- Choose the Funding Descriptions from the drop-down list for *Debt* and *Third Party Equity*:
- **Where there are financial contributions by local government entities** for the purpose of scoring points under §11.9(d)(2) Commitment of Development Funding by Local Political Subdivision, those contributions should be entered as debt, a grant, or “Other”, as applicable.
- Match (MF Direct Loan only) is included as “Other”.
- Note that the Funding Description column under “Deferred Developer Fee” and “Other” do not have drop-down menus. Applicants should write in a funding description.
- For each source identified you are required to include the interest rate, amortization, term and syndication rate, where applicable. **THE INFORMATION INCLUDED HERE MUST BE CONSISTENT WITH THE FINANCING NARRATIVE, TERM SHEETS, AND DEVELOPMENT COST SCHEDULE.**
- The priority of lien must be indicated in the “Lien Position” column for interim and permanent financing.
- Total sources of funds in the “Permanent Period” portion of the form must equal the total uses of funds reflected in the *Development Cost Schedule*.
- Complete the financing narrative, **again ensuring that any information written here is consistent** with the other exhibits in the Application. The narrative should identify any non-traditional financing arrangements; use of funds with respect to the Development; funding sources including

construction, permanent, bridge loans, rents, operating subsidies, and replacement reserves; and commitment status of funding sources for the Development.

**If a revised form is submitted during the application review process, indicate the date of submission at the bottom of the form.**

❖ **Tab 32 – Financial Capacity and Construction Oversight (Direct Loan Applications only)**

This tab is applicable for the Department’s Direct Loan Applications if: (1) the Direct Loan amount to more than 50% of the Total Housing Development Cost, except for Developments also financed through the USDA-515 program, or (2) the Direct Loan is the only source of Department funding (no HTCs are being requested) for the Development. Place the documentation described in the tab behind the tab.

❖ **Tab 33 – Matching Funds (Direct Loan Applications only)**

This form is applicable for Multifamily Direct Loan Applications, only. Detail the type of Match, amount, and source in the appropriate columns. See the Match Guidance section of the tab page as well as 10 TAC §13.2(6) and the NOFA for information and requirements about Match. Match in the amount of at least 5% of the MF Direct Loan funds requested under the 2020-2 NOFA, and 7.5% of the MF Direct Loan funds requested under the 2020-1 NOFA must be documented.

❖ **Tab 34 – Finance Scoring (competitive HTC Applications only)** This form is divided into 3 parts and is only applicable to Competitive HTC Applications.

- **Part 1 – Commitment of Development Funding by Local Political Subdivision (LPS) (§11.9(d)(2))**  
To request the point, enter the name of the Local Political Subdivision providing the funding in the highlighted box at the top of this part. Indicate in the following three check boxes that the letter meets each of these criteria. **The letter must indicate the dollar value of the contribution and the dollar value of the contribution must be reflected in the Application.** If the contribution reduces costs, it must be noted on the Development Cost Schedule. If the contribution is in the form of a loan, grant or similar instrument, it must be included with the development sources and uses. Contributions must equal \$500 or more if the Application is Urban and \$250 if the Application is Rural or USDA. The letter committing the funding and naming the same Local Political Subdivision named in the top box of this scoring item must be present in the “Tab 35. Supporting Docs.” The total points claimed will auto-populate the score box only if the boxes above it have entries.
- **Part 2 – Financial Feasibility (§11.9(e)(1))** Make only one selection from the options listed on the form in this section. The Total Points Claimed will auto-populate based on your selection. As support for these points, **submit both a 15-year pro forma itemizing all projected income and expenses, signed by the permanent or construction lender AND a lender letter indicating financial feasibility and/or acceptable Principals. A template exists for an acceptable letter but an alternative letter may be used, as long as it contains the same information as the template.**
- **Part 3 – Leveraging of Private, State, and Federal Resources (§11.9(e)(4))**
  - At least 5% of the total Units must be restricted to 30% AMGI. The form will calculate the percentage based on the information reflected in the *Rent Schedule*.
  - If the Development leverages CDBG Disaster Recovery, HOPE VI, RAD, or Choice Neighborhoods funding, mark the appropriate box.
  - The form will calculate Housing Tax Credit funding request as a percent of Total Housing Development Cost based on information reflected in the *Development Narrative* and the *Development Cost Schedule*. **Note that the rule calls for the funding request to be LESS THAN a certain percentage without rounding.**
  - No more than 50% of the developer fee can be deferred to be eligible. **NOTE: This form does not perform this calculation.**

- No supporting documentation is necessary unless claiming points based on a commitment of CDBG-DR, HOPE VI, RAD or Choice Neighborhood Funding.

**NOTE: Remember to select the points being requested from the drop-down in the “Total Points Claimed” field. Although the form will calculate eligible points based on the information provided, the points requested WILL NOT auto-populate.**

#### ❖ **Tab 35 – Supporting Documentation**

- Evidence must be consistent with the *Summary Sources and Uses of Funds and Financing Narrative*. If changes occur, update the form to match the new information.
- Executed Pro Forma from a Permanent or Construction Lender (if requesting points for financial feasibility). The pro forma must include:
  - the first 5 years and every fifth year thereafter for a 15 year period;
  - all projected income, operating expenses, and debt service;
  - the general growth factor applied to income and expense;
  - a minimum 1.15 DCR throughout the 15 years for all Third Party lenders that require scheduled repayment;
  - signature and contact information of an authorized representative of the lender.
- Letter from lender regarding approval of Principals.
- Include term sheets for all interim and permanent financing that are consistent with other parts of the Application, and provided in one or more of the forms identified and include the requirements set forth in §11.204(7)(A)-(B) of the QAP. **Reminder!! Term sheet must include an acknowledgment of the amounts and terms of all other anticipated sources of funds or the Sources and Uses must be signed by an authorized representative from each funding source.**
- **Reminder:** For Direct Loan Applications or Tax Exempt Bond Applications utilizing FHA financing, the Application shall include applicable pages from the HUD Application for Multifamily Housing Project. If the HUD application has not yet been submitted then a statement to that effect should be included in the Application along with an estimated date for submission.
- Any federal, state or local gap financing, whether soft or hard debt must be identified at the time of Application and a term sheet must be provided for each.
- If the Development is financed through more than 5% Development Owner contributions provide the required documentation described in §11.204(7)(C) in the full Application.
- Include term sheets for syndication of tax credits that include the requirements set forth in §11.204(7)(D) of the QAP.
- Letter from the Texas Historical Commission as applicable to historic tax credit financing under §11.9(e)(6) or otherwise.
- Include evidence of rental assistance or other subsidies if applicable.

## Part 5 – Development Organization

The Development Organization tabs are colored green, and include all information regarding the Development Team members. The Organizational Charts, Previous Participation exhibits, and Credit Limit documents are all located in this section.

- ❖ **Tab 36 – Sponsor Characteristics** This form is only applicable for Competitive HTC Applications, and is divided into two Parts. Applications may qualify for two points for having a Certified HUB or Qualified Nonprofit in the ownership structure (with exception for the HUB of a HUD 202 Rehabilitation project), or for one point for having a Certified HUB or nonprofit organization involved with the Development Services



or in the provision of on-site tenant services during the Development's Affordability Period. To be eligible for the two points using a Qualified Nonprofit, the Application must be applying in the Nonprofit Set-Aside (a selection made in the *Development Narrative* and which will be auto-populated in this section.) The HUB must be registered with the Texas Comptroller of Accounts, and evidence of such registration must be provided behind this tab.

- **Part 1 – Certified HUB or Qualified Nonprofit in the Ownership Structure:**
  - Indicate if attempting to score two points as a certified HUB or Qualified Nonprofit.
  - Complete the yellow highlighted cells with the percentages of ownership interest, cash flow from operations, and developer fee.
  - Certify that the Nonprofit or HUB will materially participate in the Development.
  - Indicate the experience of the Nonprofit or HUB by marking the checkboxes (Property Management, Construction, Development, Financing, or Compliance).
  - Certify there is no relationship between the Principals of the Nonprofit or HUB and any other Principals of the Applicant or Developer.
  - A narrative describing the HUB's or Nonprofit's experience in the housing industry as well as a statement indicating **how** the Nonprofit or HUB will materially participate must be included behind this tab. Acceptable evidence of experience includes, but is not limited to a resume or TDHCA experience certificate. *(Note, however, that such certificate is not necessarily sufficient to satisfy a 2020 experience requirement.)*
  - Indicate points claimed (zero if this option is not selected).
- **Part 2 – Certified HUB or nonprofit involved with the Development Services or in the provision of on-site tenant services during the Development's Affordability Period:**
  - Complete the yellow highlighted cells indicating which will be involved with Development services.
  - Evidence of experience in the provision of Development Services or in the provision of on-site tenant services as well as a narrative statement indicating how the HUB or Nonprofit will provide such services must be included behind this tab.
  - Indicate points claimed (zero if this option is not selected).

**The score will populate based on the selections made on this form. If it is not filled out correctly, points will not be included on the self-score form.**

❖ **Tab 37 – Applicant, Developer, and Guarantor Ownership Charts:** This sheet shows a basic format for organizational charts. Be sure that charts follow the example given and that they contain the following information:

- Correct name and ownership percentage of each entity and person. Avoid nicknames.
- Clear indication of role, e.g. Member, Member/Manager, Class B, LP, etc., and ability to exercise Control.
- Trusts must include the trustee and list all beneficiaries that have the legal ability to access, control, or direct activities of the trust and are not just financial beneficiaries.
- Nonprofit entities, public housing authorities and publicly traded corporations must show name of organization, individual board members and executive director. **For individual board members, indicate those board members that have the ability to exercise Control. Any other persons with the ability to exercise Control must also be identified.**
- In cases of to-be-formed instrumentalities of PHAs where the board members and executive director remain to be determined, the PHA itself is shown.
- Ownership must be described to the level of natural persons, whether Owners or board members.
- Charts show the structure of the Owner, Developer and Guarantor and include the following:
  - Any Person receiving more than 10% of the Developer Fee is on the Developer chart

- Nonprofit entities, public housing authorities and publicly traded corporations show name of organization, individual board members and executive director
- Ownership to the level of natural persons, whether Owners or board members
- Any other relationships involving the power to control the Applicant directly or indirectly.
- Create separate charts for the Owner, Developer and Guarantor, ensuring that each of the three is a complete representation of the structure of each organization, and attach them behind this Tab.

❖ **Tab 38 – List of Organizations and Principals**

- Complete the yellow highlighted cells as needed, beginning with the Applicant name.
- **All information that the form solicits must be legible in the Acrobat version of the form (reduce the font size or make other provisions as necessary to accomplish this).**
- All organizations AND persons should be listed on this form.
- Each ***entity*** except a natural person will have its own section, in which its individual structure will be given.
- Select the appropriate description of TDHCA experience for each Person from the Yes/No drop-down menu. Make a selection for each entry.
- Indicate whether the entity has the ability to exercise Control over the Development.
- Be sure names exactly match the organizational charts. Avoid nicknames.
- Additional spaces for Sub-Entities or Principals are available by un-hiding rows. (There are 30 entries available for Sub-Entities or Principals.)
- Submit as many pages of the form as necessary to report all organizations and natural persons, including Guarantors and recipients of the developer fee.

**When converting to PDF format, be sure to adjust page breaks as necessary, keep all information legible, and do not submit blank pages.**

❖ **Tab 39 – Previous Participation Form**

- **A separate form is required for each Person or entity, regardless of whether the Person or entity has previous experience with TDHCA funding or assistance.**
- **A separate form must be completed for each entity shown on the Owner and Developer organizational charts, and also for only those natural Persons shown on the Owner and Developer organizational charts that exercise Control.**
- For Applications with MFDL, each Person (as defined by 2 CFR Part 180), Board Member, or Affiliate must complete a PPR form. **See 10 TAC §1.301 for further information about previous participation review.**
- Note that the appropriate fields should be marked at the bottom to indicate other TDHCA programs the entity or person has participated in.
- For “Control Begin”/”Control End” enter the time period a person’s or entity’s role in each property identified began and ended. This applies to any Developments in which a Person or entity was originally involved, but have since been transferred to another Person or entity.
- If the Person’s or entity’s role in a property or service-related activity has not ended then leave the “Control End” column blank.
- If more space is needed, unlock rows after row 40.
- Do not submit pages that are blank.
- The Excel version of the form(s) must be uploaded with the Application.

❖ **Tab 40 – Nonprofit Participation**

- All nonprofit Applicants or Principals must complete this form regardless of the level of ownership or application set-aside.

- Complete all appropriate yellow highlighted cells. Yes/No questions have drop-down menus.
- The worksheet allows listing up to 20 board members. If more space is needed, print additional forms or contact staff.
- Include the Board Members' **home** address.
- Do not submit pages that are blank.

❖ **Tab 41 – Nonprofit Supporting Documentation**

- Applications involving 501(c)(3) or (4) nonprofit General Partners that DO NOT elect to be included under the Nonprofit Set-Aside only need to submit the IRS determination letter described below, or if the nonprofit designation is not due to a 501(c)(3) or (4) determination, the Application must contain a disclosure of the basis of the nonprofit status. **Tax Exempt Bond Applications only need to submit the first item below in addition to the Nonprofit Participation Form.**
  - **IRS Determination Letter** which states that the nonprofit organization is a §501(c)(3) or (4) entity. ***This designation must be in place as of the beginning of the Application Acceptance Period.*** If the organization is a Qualified Nonprofit Organization as defined in the tax code, notwithstanding any apparent limitations in the QAP about the particular parts of the Code under which a nonprofit may qualify, submit an IRS determination letter.
- The additional documentation requirements identified in this section must be completed **only** if the Applicant is eligible and has elected to compete under the Nonprofit Set-Aside Allocation pursuant to §2306.6706, which requires that the organization's 501(c)(3) or (4) designation be in place at the beginning of the Application Acceptance Period.
  - **Third Party Legal Opinion** – Be sure your legal opinion contains all of the required statements pursuant to §2306.6706 and §10.204(14)(A)(iii). A template is provided on the website at: <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>. **The Third Party Legal Opinion letter template was revised in 2017. Be sure to share the current letter with your counsel as soon as possible so that they can determine if they will be able to provide any required opinion or they can contact us if there are questions as to form.**
  - **Financial Statement** - The nonprofit's most recent financial statement prepared by a Certified Public Accountant.
  - **Certification of Residence**- a certification that a majority of the board members reside in the State of Texas if the Development is in a Rural Area, or within 90 miles of the Development if it is not in a Rural Area.
- The worksheet allows up to (20 board members to be listed. If more space is needed, simply print out another form or contact staff, but do not submit pages that are blank.

❖ **Tab 42 – Development Team Members:** Enter information as requested. Note that drop-down menus will facilitate identification of HUB participants and related team members.

❖ **Tab 43 – Engineer/Architect Certification:**

- This certification must be executed by the Development engineer or accredited architect can be found on the Department's website at <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>.
- New Construction Direct Loan Applicants must have the architect certify Development Site is sufficient in size, exposure, and contour to accommodate the number of Units proposed. **NOTE:** The certification requires a separate statement be submitted that describes how the accessibility requirements for the physically accessible /hearing and visual impaired Units will be met, along with related parking requirements. Be sure this statement is attached to this certification.



- The form must be signed, dated, and notarized. ***No hard copy with original signature/stamp is required, only a scanned copy within the final PDF file. However, a signed and stamped original must be retained and provided on request.***

#### ❖ **Tab 44 – Experience Certificate**

- Experience certifications issued by the Department from 2014-2019 are valid for use.
- If a Principal of the Development Owner, General Partner or Developer for the Application is seeking an Experience Certificate from the Department, the ***2020 Experience Certification Request Form***, along with the required documentation (found in §11.204(6) of the QAP) to establish experience must be submitted to the Department within the Application behind this placeholder tab. Alternative experience documentation may be provided in accordance with 10 TAC §13.5(d)(1) if MFDL is the only source of Department funding being requested.
  - Names on the evidence must tie back to the individual seeking the experience certificate.
  - Experience certification may be withheld if the individual has, at any time within the preceding three years, been involved with affordable housing in another state which has been the subject of issued IRS form 8823 citing non-compliance that has not been or is not being corrected with reasonable due diligence.
  - If the Principal is determined by the Department to not have the required experience, an acceptable replacement for that Principal must be identified prior to the date the award is made by the Board.
  - No person may be used to establish the required experience if that person or an affiliate of that person would not be eligible to be an Applicant themselves.
  - The *2020 Experience Certification Request Form* is located in the Multifamily Applications section of the TDHCA website or at: <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>.
  - Experience documentation **may be submitted prior to the March 1st** Competitive HTC Application deadline. If the documentation has been submitted but no experience certificate issued, indicate such on the form and include a copy of the request.
- **DUNS Number and SAM.gov Registration (Direct Loan Applications Only)** If available, include the DUNS and SAM.gov registration for the Applicant entity behind this tab. This information is an absolute requirement prior to Contract execution should the Applicant receive an award of federal funds.

#### ❖ **Tab 45 – 9% Applicant Credit Limit Documentation and Certification**

- In general, each entity and Person listed on the Owner’s and the Developer’s organizational charts should be listed on Part 1a.
- Part 1a must list all Board Members of Nonprofits that have the ability to exercise control, all Executive Directors, and any other person capable of exercising control.
- In Part 1b, use the drop-down menu to state whether the person or entity has more than one Application competing in the current Application Round.
- **Be sure all names exactly match the organizational charts and are used consistently. Avoid nicknames.**
- For each Person or entity that indicates affiliation with another Application in Part 1b, you must submit a Part 2. Scroll down to find Part 2 of the form.
- Up to 30 separate persons or entities may be entered in Part 1.
- **Part 2: Complete a Part 2 for each Person that answered “Yes” on Part 1b. Print the complete forms, have them signed, and insert the executed copies back into the PDF Application.**

**For 9% HTC Applicants only:**

The Housing Tax Credit cap is \$3 million and applies to all Applicants, Developers, Affiliates or Guarantors in the Application. See §11.4(a) of the QAP for details regarding how to apply the cap.

**Part 6 – Community Input Scoring Items**

- ❖ **Tab 46** – Fill-in the form and include the letters behind the form as applicable.
  - **Section 1 - Local Government Support** - An Application may qualify for up to seventeen (17) points for a resolution or resolutions voted on and adopted by the bodies reflected in subparagraphs (A) - (C) below. The resolution(s) must be dated prior to and submitted no later than 5:00 p.m. (Austin local time) on **February 28, 2020**. Resolution(s) must specifically identify the Development by legal description, address, Development name, Application number or other verifiable method. A municipality or county should consult its own staff and legal counsel as to whether their handling of actions regarding such resolution(s) are consistent with Fair Housing laws as they may apply, including any Fair Housing Activity Statement-Texas (“FHAAT”) form on file, any current Analysis of Impediments to Fair Housing Choice, or any current plans such as one year action plans or five year consolidated plans for HUD block grant funds, such as HOME or CDBG funds. Once a resolution is submitted to the Department it may not be changed or withdrawn. For an Application with a proposed Development Site that, at the time of the initial filing of the Application, is:
    - (A) Within a municipality, the Application can receive seventeen (17) points for a resolution from the Governing Body of that municipality expressly stating that the municipality supports the Application or Development; or fourteen (14) points if the resolution states that the municipality has no objection to the Application or Development.
    - (B) Within the extraterritorial jurisdiction of a municipality, the Application may receive(i) eight and one-half (8.5) points for a resolution from the Governing Body of that municipality expressly stating that the municipality supports the Application or Development; or seven (7) points if the resolution states that the municipality has no objection to the Application or Development. In addition, the Application can receive eight and one-half (8.5) points for a resolution from the Governing Body of the county expressly stating that the county supports the Application or Development; or seven (7) points if the resolution states that the county has no objection to the Application or Development.
    - (C) Within a county and not within a municipality or the extraterritorial jurisdiction of a municipality scores seventeen (17) points for a resolution from the Governing Body of that county expressly setting forth that the county supports the Application or Development; or fourteen (14) points if the resolution expressly sets forth that the county has no objection to the Application or Development.
  - **Section 2 - Community Support from State Representative** –
    - **Letter from a State Representative:** The Applicant may qualify for eight (8) points for letters of support from the appropriate State Representative. Letters must be on the State Representative's letterhead and be signed by the State Representative, identify the specific Development and clearly state support for, opposition to or neutrality toward the specific Development. The letter will be accepted with the Application or via delivery from the Applicant or State Representative and must be submitted no later than 5:00 p.m. (Austin local time) on **February 28, 2020**. After submission, letters may not be changed or withdrawn. Representative letters, whose statements are based on the relevant community's expression of support, will be considered a support letter and will receive eight (8) points. Neutral letters or letters that do not specifically refer to the Development will receive zero (0) points, and letters of opposition will receive negative eight (-8) points. If the relevant Representative's office is vacant, the Application will be considered to have

- received a neutral letter. Letters opposing the Application/Development will be added to the Application posted on the Department's website.
- **NEW! No Letter from a State Representative:** (or a letter conveys to the Department that no written statement of support, neutrality, or opposition will be provided by the State Representative for a particular Development): Points available under this subparagraph will be based on how an Application scores under §11.9(d)(1), of this section, relating to Local Government Support:
    - 8, 0, or -8 points if the Development Site is within a municipality, or within a county and not within a municipality or ETJ; or
    - 4, 0, or -4 points **each** for the municipality **and** the county if the Development Site is within the ETJ of a municipality.
  - **Section 3 - Input from Community Organizations** - Development Sites outside the boundaries of qualifying Neighborhood Organizations may score up to four (4) points for letters of support submitted with the Application. Once a letter is submitted to the Department it may not be changed or withdrawn. This option means losing one (1) point from the score under this paragraph for each letter in opposition that is from an organization that would otherwise qualify under this paragraph. Letters of opposition will be added to the Application, posted on the Department's website. The score of this item will never be less than zero (0), calculated as follows:
    - Two (2) points for a letter of support from a community or civic organization serving the community containing the Development Site, identifying and stating support for the Development at the proposed location. The organization must be tax exempt and its primary purpose must be the overall betterment, development, or improvement of the community as a whole or one of its major aspects such as schools, fire protection, law enforcement, city-wide transit, flood mitigation or similar activities. The Applicant must include:
      - Evidence of the organization's tax-exempt status, e.g. a copy of the organization's IRS determination letter.
      - Evidence that the tax-exempt status of the organization is current as of October 1 of the year preceding Application submission. Evidence of IRS exemption can be found at <https://apps.irs.gov/app/eos/>, and evidence of state exemption can be found at <https://comptroller.texas.gov/taxes/exempt/search.php>.
      - Evidence that it either has a location or conducts activities within the specific city or county of the Development. Evidence can include a listing of activities and where they are held, membership lists showing addresses, brochures indicating activities and the geographical service area, annual reports, etc. Churches can be eligible for these points if they operate a beneficial activity to the community outside of religious services (food pantry, clothes closet, after-school care available to the community regardless of membership, etc.).
      - Community and civic organizations do not include neighborhood organizations, governmental entities (excluding Special Management Districts), or taxing entities so evidence of how the organization was created and by whom/what group, etc., should be included.
    - Two (2) points for a letter of support from a property owners association created for a master planned community containing the Development Site that does not meet the requirements of a Neighborhood Organization for the purpose of awarding points under §11.9(d)(4) of the QAP. Include documentation evidencing the establishment of the association and the master planned community to which it belongs.
    - Two (2) points for a letter of support from a Special Management District whose boundaries include the Development Site, as of the Full Application Delivery Date as identified in



§11.2(a) of the QAP. Include evidence of the District’s boundaries, indicating the location of the Development Site inside those boundaries, along with evidence of the existence of the District itself.

Note that input evidencing unlawful discrimination under Fair Housing law or whose scoring the Department determines to be contrary to the Department's efforts to affirmatively further fair housing will not be considered. The Department will refer input appearing to indicate non-compliance under the Fair Housing Act, to the Texas Workforce Commission for investigation, but the referral will not, standing alone, cause staff or the Department to terminate the Application. Staff will report all such referrals to the Board and summarize the status of any such referrals in any recommendations.

## Part 7 – Third Party Reports

All third party reports must be submitted in their entirety by the deadline. Incomplete reports will result in termination of the Application. Reports should be submitted in a searchable electronic copy in the format of a single file containing all of the required information and conform to Subchapter D of the QAP. Exhibits should be clearly bookmarked.

All third party reports must contain the following statement, “all persons who have a property interest in this report hereby acknowledge that the Department may publish the full report on the Department’s website, release the report in response to a request for public information and make other use of the report as authorized by law.”

- **Tab 47 – Third Party Reports**

- The required **Environmental Site Assessment (ESA)** must be submitted to the Department no later than 5:00 p.m. (Austin local time) on **February 28, 2020** for competitive HTC Applications, pursuant to §11.201(2) of the QAP for Tax-Exempt Bond Applications or at the time of Application submission for all other programs.
  - The ESA must not be dated more than twelve (12) months prior to the first day of the Application Acceptance Period. If the timeframe is exceeded an updated report or letter must be provided, dated not more than six (6) months prior to the date of Application submission or the first day of the Application Acceptance Period for Competitive HTC Applications from the party who completed the original report confirming that the site has been re-inspected and reaffirming the conclusions of the initial report or identifying any changes.
  - If the Application is receiving funding from USDA, an ESA will not be required; however it is the responsibility of the Applicant to ensure that the Development is in compliance with all state and federal environmental hazard requirements.
  - Prior to submission, confirm that the report is addressed to the Department or has a statement granting the Department authority to rely on the report findings. Also required are statements that the report preparer has read and understood §11.305 of the QAP; a statement confirming that the person or company preparing the report will not materially benefit from the Development in any other way than receiving a fee for performing the ESA; and that the fee is in no way contingent upon the outcome of the assessment.
  - If the report includes a recommendation for any additional assessments to be performed, include a statement that the recommendations will be followed prior to closing.

- All Applications for Direct Loans from the Department, except for those which are ultimately awarded TCAP RF must complete the environmental clearance process in accordance with 24 CFR Part 93 or Part 58 (prior to engaging in choice limiting activities such as closing on land, loans, beginning demolition or construction activities, or entering into construction contracts). A Phase I Environmental Site Assessment (ESA) WILL NOT satisfy the environmental clearance required for use of Direct Loan funds. Mark the appropriate yellow highlighted cells.
- **The Primary Market Area (PMA) Map is required with full Application submission.** For competitive HTC Applications, this is on **February 28, 2020**. *A pdf copy of the map as well as the definition of the PMA, based on census tracts, ZIP codes, or census place should be included with the Application to ensure timely submission.*
- The **Market Analysis** is required for all Developments and must be submitted no later than 5:00 (Austin local time) on **April 1, 2020** for competitive HTC Applications, pursuant to §11.201(2) of the QAP for Tax-Exempt Bond Applications, or at the time of Application submission for all other programs.
  - The report must be prepared by a Qualified Market Analyst approved by the Department. The approved list is found on the REA page of the TDHCA website.
  - Applications in the USDA Set-Aside proposing Rehabilitation with residential structures at or above 80% occupancy at the time of Application submission may use the Appraisal (required for Rehabs and prepared in accordance with §11.304) to satisfy the Market Analysis requirement.
  - The report must include a statement from the Market Analyst that they have read and understood §11.303 of the QAP.
  - **NEW: It is the responsibility of the Applicant to ensure that this analysis forms a sufficient basis for the Applicant to be able to use the information obtained to ensure that the Development will comply with fair housing laws.**
- If applicable, the **Scope and Cost Review (SCR) (formerly Property Condition Assessment )** must be submitted to the Department no later than 5:00 p.m. (Austin local time) on **February 28, 2020** for competitive HTC Applications, pursuant to §11.201(2) of the QAP for Tax-Exempt Bond Applications or at the time of Application submission for all other programs.
  - The SCR must not be dated more than six (6) months prior to the date of Application submission or the first day of the Application Acceptance Period for Competitive HTC Applications. If the report is older than six (6) months, but not more than twelve (12) months prior to the date of Application submission or the first day of the Application Acceptance Period for Competitive HTC Applications, the report provider may provide a statement that reaffirms the findings of the original SCR. The statement may not be dated more than six (6) months prior to the date of Application submission or the first day of the Application Acceptance Period for Competitive HTC Applications and must be accompanied by the original SCR.
  - If submitting a capital needs assessment from USDA in lieu of a SCR, it may be more than six (6) months old, as long as written evidence from USDA is submitted confirming the existing capital needs assessment is still acceptable and meets the requirements of §10.306 of the QAP.

- Prior to submission, confirm that the report is addressed to the Department or has a statement granting the Department authority to rely on the report findings. Also required are statements that the report preparer has read and understood §10.306 of the QAP; a statement confirming that the person or company preparing the report will not materially benefit from the Development in any other way than receiving a fee for performing the SCR; and that the fee is in no way contingent upon the outcome of the assessment.
  - The Applicant must upload the Department’s SCR Supplement as an Excel workbook.
- If applicable, the **Appraisal** must be submitted to the Department no later than 5:00 p.m. (Austin local time) on **February 28, 2020** for competitive HTC Applications, pursuant to §11.201(2) of the QAP for Tax-Exempt Bond Applications or at the time of Application submission for all other programs.
  - The appraisal must not be dated more than six (6) months prior to the date of Application submission or the first day of the Application Acceptance Period for Competitive HTC Applications.
  - If submitting an appraisal from USDA, it may be more than six (6) months old, as long as written evidence from USDA is submitted confirming the appraisal is still acceptable and meets the requirements of §10.304 of the QAP.
  - Prior to submission, confirm that the appraisal is addressed to the Department or has a statement granting the Department authority to rely on the report findings and that the report preparer has read and understood §11.304 of the QAP.
- If applicable, the **Feasibility Report** must be submitted to the Department no later than 5:00 p.m. (Austin local time) on **February 28, 2020** for Competitive HTC Applications, pursuant to §11.201(2) of the QAP for Tax-Exempt Bond Applications or at the time of Application submission for all other programs.
  - Required for all Developments and must meet the requirements of §11.204(15) of the QAP.

The feasibility report should include a statement regarding local design requirements, which includes requirements related to parking. Local parking code will be reviewed for compliance with §11.101(b)(4)(L) of the QAP.

### Part 8 – Tie-Breakers (10 TAC §11.7)

10 TAC §11.7(1) is a two-step tie-breaker, with the second part (rent burden) **only** applying if the first part (poverty) is met by both (or more) tied Applications. If tied Applications do not meet the first step, the entire tie-breaker does not apply, and those tied Applications move straight to distance (10 TAC §11.7(2)).

### Part 9 – Review Tabs

These tabs will be used by staff in the review process. While there is nothing to be completed or supplied with these tabs at submission, they should be included and bookmarked.

Tab 48 - Deficiency Documents



Tab 49 – Scoring Notice

Tab 50 - Third-Party Requests for Administrative Deficiency

Tab 51 – REA Division RFI Documents


Tab 52 – Board Action

Tab 53 – Public Comment

Tab 54 – Commitment or Determination Notice

Tab 55 – MFDL Award Letter

Tab 56 – Carryover Documents




## Instructions for Converting the Excel file to PDF

Once the Excel Application file is complete and you are ready to convert the file to PDF, follow these instructions. **Be sure to check all of the Page Breaks in the Excel files before you convert to PDF.**

**Applicants are reminded that both the Excel and PDF files must be submitted in order for the Application to be considered complete. The Excel file must be converted to PDF, Applications submitted as a scanned copy of the Excel file will be rejected as materially deficient.**

### Excel 2007 Users:

Click the **Microsoft Office Button**  , point to the arrow next to **Save As**, and then click **PDF or XPS**.

1. In the **File Name** list, type or select a name for the workbook.
2. In the **Save as type** list, click **PDF**.
3. If you want to open the file immediately after saving it, select the **Open file after publishing** check box. This check box is available only if you have a PDF reader installed on your computer.
4. Next to **Optimize for**, do one of the following, depending on whether file size or print quality is more important to you:
  - If the workbook requires high print quality, click **Standard (publishing online and printing)**.
  - If the print quality is less important than file size, click **Minimum size (publishing online)**.
5. Click **Options**. Under **Publish What** select **Entire Workbook** and click **OK**.
6. Click **Publish**.

### Excel 1997-2003 Users:

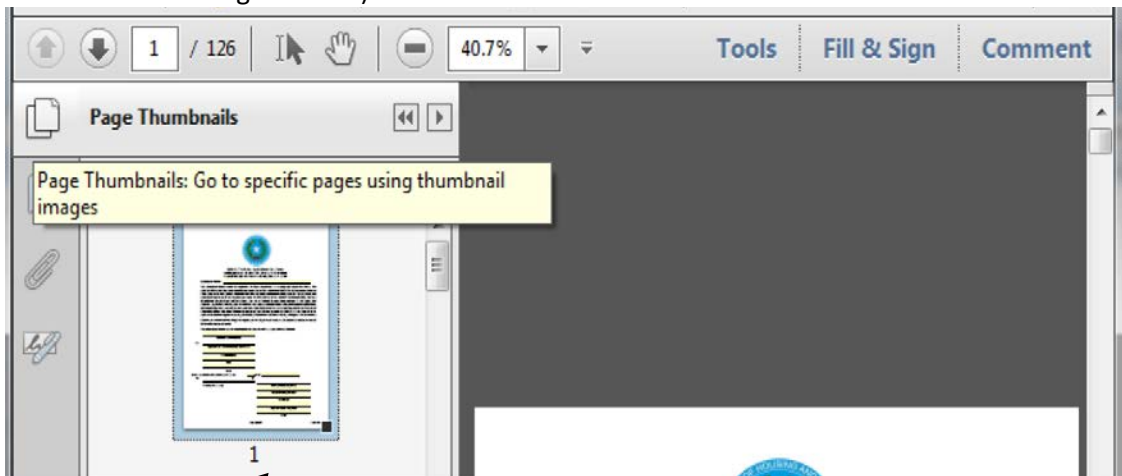
1. With the Excel file open go to the Adobe PDF drop-down box from the task bar (if using Excel 2007 click on "Acrobat" tab in the task bar)
2. Select "Convert to Adobe PDF" from the drop-down list (Excel 2007- select "Create PDF")
3. The Adobe PDFMaker box will appear. On the left hand side of the box all of the sheets within the Excel file will be listed and you will be prompted to select the sheets you would like to convert to PDF. Once the sheets you want to convert are selected click on the "Add Sheets" button to move those sheets over to the right-handed side of the Adobe PDFMaker box, this will list the sheets selected to be converted to PDF. Make sure the sheets are in order.
4. Once all sheets you have selected appear on the right-hand side under "Sheets in PDF" click on the "Convert to PDF" button.
5. You will be prompted to create a name and save the PDF file. The PDF file should be named in the following format -- <Application #\_Development Name>.pdf (e.g. 18001\_Austin\_Crossing.pdf). If an Application number has not been previously assigned then the file should be named as follows -- <Development Name>.pdf (e.g. Austin\_Crossing.pdf)
6. A pop-up box will appear that asks "Do you want to proceed without creating tags?" Click Yes.

## Inserting Documents into the PDF

***“No hard copy is required, only a LEGIBLE scanned copy within the final PDF file”***

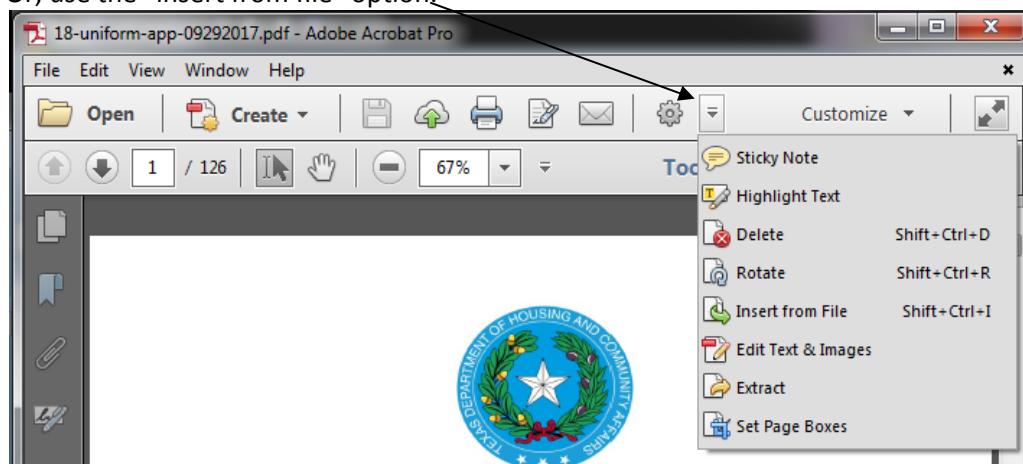
If there are documents to be submitted as part of the Application, include those documents in the pdf Application.

1. Convert the Excel application to pdf per the instructions above.
2. Once you have collected all required executed documents, scan them as individual files and name them (“app-cert.pdf”, “owner-cert.pdf”, etc).
3. Insert the scanned forms into the the pdf application in the order required. For instance, you will need to insert the signed Applicant Certification form. You can either:
  - Click the “thumbnails” button, then drag and drop the pdf form before or after the existing form (then delete the un-signed form):



Drag document to here. A line will appear showing where the document will be placed. You can also use this feature to put documents in the correct order.

- Or, use the “insert from file” option.



Select “Insert from File”, navigate to document to be inserted and select it. In the dialog box, selected appropriate page number and indicate whether the document is to be inserted before or after that page. Click okay.

**Do not submit a scanned copy of the Excel or PDF file.  
Scanned copies will be rejected as materially deficient.**



The Application submitted should be the pdf file created from converting the Excel file (into which additional application documentation has been inserted), as well as the Excel file itself. A scanned Application cannot be reviewed, nor can an Excel file, both will be rejected.

## Creating Bookmarks

**Because they cannot be reviewed, Applications without bookmarks will be rejected as materially deficient**

Once the file has been converted to PDF and all executed forms have been inserted into their appropriate locations within the file, the Applicant will need to create Bookmarks. Bookmarks may or may not have already been created as part of the conversion process. The locations may need to be designated for the rest. To correctly set the Bookmark locations, open the PDF file in Adobe Acrobat. Click on the Bookmark icon located on the left-hand side of the Adobe Acrobat screen, or go to the task bar and select these options in the following order: **View** → **Navigation Panels** → **Bookmarks**.

If a Bookmark has already been created for each tab within the Excel file, re-set the bookmarks to the correct locations. To re-set the location for the Bookmarks, go to the first page of each separately labeled form/exhibit, right-click on the corresponding Bookmark for the form/exhibit, select **Set Destination** and a pop-up box will appear ask: "Are you sure you want to set the destination of the selected bookmark to the current location?" Select **Yes**.

If Bookmarks were not already created within the Excel file, they will need to be created. Go to **Document** → **Add Bookmark**. Right-click on the first Bookmark and re-name it for the appropriate form or exhibit. Set the location of the Bookmark by going to the first page of each form or exhibit, right click on the corresponding Bookmark and select **Set Destination**. A pop-up box will appear asking: "Are you sure you want to set the destination of the selected bookmark to the current location?" Select **Yes**.

*Tabs within the Excel Application workbook have been color coded to distinguish between "Parts" of the Application consistent with this manual. Additionally, beside each bulleted item a label to use for purposes of bookmarking the final PDF Application file is included in parentheses.*

If there are extra blank pages of any exhibit after conversion of the Excel file to PDF, they must be deleted in order to limit the size of the Application file. To delete any extra, unnecessary pages identify the page number(s) to be deleted. On the Adobe Acrobat Task Bar click on Document and select Delete Pages from the drop down list. A box will appear prompting a selection of the page(s) to be deleted. Enter the page numbers to be deleted and hit OK. If a page is deleted, the Applicant is responsible for ensuring it was done correctly and did not inadvertently delete pages that should have been retained.

The PDF formatted file must be checked for the following prior to submission:

- ✓ All tabs and/or volumes must be correctly bookmarked
- ✓ Files should average less than 100 kilobytes per page
- ✓ Files must be readable with free PDF file viewers including Adobe Reader and be compatible with Adobe Reader 5.0 and above
- ✓ Files should be saved so that "Fast Web View" (or page at a time downloading) is enabled
- ✓ Text within the PDF file should be searchable using the "Find" command in the PDF viewer

For questions on using or difficulties with the Microsoft Excel based Application, contact Multifamily Finance Division staff via email. Contact information may be found at

<http://www.tdhca.state.tx.us/multifamily/contacts.htm> . In some instances a file may have small variations in bookmarks, file sizes, or readability that are not explicitly cited as requirements in the rule. Staff will use a reasonableness standard in determining when such deviations rise to the level of necessitating termination or other remedy.

### Application Assembly Instructions

**Prior to submitting any Application fees or the Application itself, a fully executed 2020 Electronic Application Filing Agreement should have already been submitted.**

**Applicants are reminded that both the Excel and PDF files must be submitted in order for the Application to be considered complete. The Excel file must be converted to PDF, Applications submitted as a scanned copy of the Excel file will be rejected as materially deficient.**

For each Application, the Applicant must ensure execution of all necessary forms and supporting documentation, and place them in the appropriate order according to this manual. The submitted Application should be the Excel file as well as the PDF created from the Excel file (with added documents). Do not print and scan the Excel file. Do not print and scan the PDF file. Convert the Excel form to a PDF, and then insert scanned pages only as indicated below. Scanned copies of the Application are difficult to read, are not searchable, raise questions regarding accuracy and will not be accepted.

All Application materials must be submitted via the Department’s secure web transfer server. The Applicant must physically deliver the following:

1. Completed hard copy of the 2020 Payment Receipt. Attach evidence of nonprofit status (as applicable) and a check for the correct Application Fee made out to “Texas Department of Housing and Community Affairs”; and
2. Copy of the Certificate of Reservation (for Tax-Exempt Bond Developments only). **NEW: Applicants intending to submit an Application Fee that do not include evidence that a Certificate of Reservation from the Texas Bond Review Board has been issued will not be accepted.** Payment – submit the applicable Application Fee pursuant to §11.901(3) of the QAP. *Please do not submit checks for more than the applicable fee. **In order to protect your financial information, do not include a copy of the check in your Application.***

### Application Delivery Instructions

Applications are accepted only through the Serv-U portal. Physical delivery of Applications will not be accepted. For guidance on using Serv-U, refer to the **Electronic Document Upload User Guide (MF Serv-U FTP)** posted on the Department’s “Apply for Funds” page.

Application payments are accepted during regular business hours:

Deliver To: Multifamily Finance Division  
(overnights) Texas Department of Housing and Community Affairs  
221 East 11th Street  
Austin, Texas 78701

**DO NOT SEND REGULAR MAIL TO THIS ADDRESS!**

Regular Mail: P.O. Box 13941

Austin, Texas 78711

Please note that the Applicant is solely responsible for proper delivery of the Application and payment.

#### 4% HTC and Bond Applications

4% Tax Credit Applications for Bond Financed Developments can be submitted throughout the year. Submission dates are posted on the Department's website at the following link: <http://www.tdhca.state.tx.us/multifamily/htc/index.htm>.

#### Multifamily Direct Loan Program Applications

Multifamily Direct Loan Applications may be submitted throughout the submission period described in the applicable Notice of Funding Availability ("NOFA") <http://www.tdhca.state.tx.us/multifamily/nofas-rules.htm>

#### 9% HTC Applications

The Application and fee payment for competitive Applications must be received by TDHCA no later than 5:00 p.m. (Austin local time) on Friday, **February 28, 2020**. Mailed or couriered payments must be received by the same deadline; postmarks do not matter. TDHCA is not responsible for any delivery failure on the part of the Applicant. If the Applicant chooses to use a postal or courier service to deliver the payment to TDHCA and such service fails to deliver the payment by the deadline, then the Application will be considered untimely and will not be accepted.

On **February 28, 2020**, the Department will accept walk-in delivery of the Application fee payment only; the Application must be uploaded to Department's ServU system by 5:00 p.m. (Austin local time). **All required supplemental reports must be submitted simultaneously with the Application (unless otherwise noted)**. The ServU system will be disabled at 5:00 p.m. (Austin local time) on Friday, **February 28, 2020**. **The Department is not responsible for transmission failures whether caused by malware, internet connectivity problems or equipment failures on the part of the Applicant.**

Applicants are advised to take any steps necessary to ensure timely delivery of all application materials. Applicants should not expect to have the opportunity to complete the Application materials at TDHCA offices on the final day of the submission period.



# Multifamily Direct Loan Program Information

## Application Delivery Instructions

All Applicants must upload a PDF copy and Excel copy of the complete Application to the Department's secure web transfer server. Each copy must be in a single file and individually bookmarked as further described in this manual. Additional files required for Application submission (e.g., Third Party Reports) outside the Multifamily Uniform Application must also be uploaded to the secure web transfer server. It is the responsibility of the Applicant to confirm the upload to the Department's secure web transfer server was successful. Applications will not be considered received until all of the required Third Party Reports are submitted.

If for the Application is for Multifamily Direct Loan ("MFDL") funds in conjunction with 4% or 9% Housing Tax Credits, the following sections of 2020 Multifamily Uniform Application must be completed *in addition* to those required when applying for 4% or 9% Housing Tax Credits:

- Multifamily Direct Loan Certification
- Tab 6a – Auto-populated based on selections made in Tabs 9 and 19
- Tab 8 – Site and Neighborhood Standards (New Construction only)
- Tab 9 – Applicable sections (if seeking points under the 2020 MFDL NOFA)
- Tab 10 – Applicable sections (if seeking points under the 2020 MFDL NOFA)
- Tab 17 – Section 5 (Direct Loan request)
- Tab 17 – Section 6
- Tab 19 – Sections 2, 3 and 6 (if seeking points under the 2020 MFDL NOFA)
- Tab 20 – Section 3 (Rehab, if applicable)
- Tab 21 – Uniform Relocation Act (Rehabilitation or New Construction that involves demolition or removal of existing occupied housing units)
- Tab 24 –National HTF Units (2020-2 NOFA or Soft Repayment SetAside under 2020-1 NOFA) or MF Direct Loan Units (all other Set-Asides) column as applicable
- Tab 32 - (if applicable)
- Tab 33
- Tab 44 – DUNS Number and SAM.gov Registration and Davis Bacon Labor Standards
- Tab 47 – Section 2

Applications for Multifamily Direct Loan funds as the only source of Department funds, must include all sections of the 2020 Multifamily Uniform Application, except for those sections that reference Housing Tax Credit applications only. All applicable Third Party Reports are required in accordance with 10 TAC §11.205 regardless of whether the Application is layered with Housing Tax Credits.

The Application submission deadline and Application Acceptance Dates are described in the 2020-1, 2020-2, and 2020-3 NOFAs. If the Application is for HOME funds under the CDHO Set Aside, the CHDO box in Tab 17 of the 2020 Multifamily Uniform Application must be checked, and the 2020 CHDO Certification Packet (located on the Apply for Funds page of the Multifamily Programs page) must be submitted with the Application. Applicants for HOME

funds under the CHDO Set Aside are eligible to apply for up to \$50,000 in CHDO Operating Expense Grant funds (Tab 17 – Funding Request) that can be used to pay for necessary costs for the operation of the CHDO. These costs include salaries, wages, and other employee compensation and benefits; employee education, training, and travel; rent; utilities; communication costs; taxes; insurance; equipment; materials; and supplies.

### Multifamily Direct Loan Program Information

Multifamily Direct Loan funds may be made available through program income generated from prior year HOME allocations, de-obligated funds from prior year HOME allocations, the 2018 and 2019 Grant Year HOME allocations, loan repayments from the Tax Credit Assistance Program (TCAP Repayment Funds or "TCAP RF"), the 2018 and 2019 Grant Year National Housing Trust Fund (NHTF) allocations. Set asides under the annual NOFA for the Multifamily Direct Loan Program include Supportive Housing and Community Housing Development Organizations (CHDO), in the amounts described in the NOFA. Other Set-Asides may be described in the annual NOFA or a special purpose NOFA.

Except Applications submitted under the Soft Repayment Set-Aside, Multifamily Direct Loan funds are structured as a fully repayable loan with a term of 10-40 years and an amortization of 30-40 years. This does not apply in cases where the first lien mortgage is a federally insured HUD or FHA mortgage, as described in 10 TAC §13.8(c)(5) or (6). If the Direct Loan is in a second or third lien position, the term should match within six months of the shortest term of the senior loan(s) so long as neither exceeds 40 years and 6 months. The interest rate requested on the loan may be as low as the minimum interest rate described in the NOFA. The final approved interest rate may be the interest rate requested by the Applicant, or higher depending on the financial feasibility determination by the Real Estate Analysis Division in the Underwriting Report.

Please refer to the [2020-1 or 2020-2 Multifamily Direct Loan NOFA](#) and [10 TAC Chapter 13](#) for more information. The NOFA, the QAP, and the Multifamily Direct Loan Rule work in conjunction; Applicants are encouraged to fully review all federal and state laws and regulations.

### CHDO Overview

The 2020 CHDO Certification Packet must be submitted for all Applicants requesting funds under the CHDO Set-Aside. Applicants, or the sole members of the general partners of applicants, for HOME funds under the CHDO Set Aside must meet the requirements of the definition of Community Housing Development Organization in [24 CFR §92.2](#) and 10 TAC §13.2(4). Applicants are cautioned to read carefully the requirements under the CHDO definition in 24 CFR §92.2 and 10 TAC §13.2(4) to ensure the organization meets these requirements before submitting an application under the CHDO Set Aside. Furthermore, a CHDO must be the Owner, developer, or sponsor of the housing proposed to be built in accordance with [24 CFR §92.300](#). Finally, a member of a CHDO's board cannot be a Principal of the Development beyond his/her role as a board member of the CHDO or be an employee of the Development Team, and may not receive financial benefit other than reimbursement of expenses from the CHDO (*e.g.* a voting board member cannot also be the paid executive director of the CHDO).

A CHDO must demonstrate its accountability to the low income community where the housing is being proposed in accordance with 8(i) and (ii) of the CHDO definition in 24 CFR §92.2. This requirement may be met, in part, by having board members from the community where the housing is being proposed and/or having an advisory board comprised of members from the community where the housing is being proposed. Additionally, the CHDO must have a formal process for low-income input to advise the organization in its decisions regarding the design, siting, development, and management of affordable housing. As a final requirement within 8(i) and (ii), the CHDO must have a designated service area (*i.e.* the "community" in which it produces housing) and have demonstrated

experience serving the community for at least one year prior to applying for HOME funds. A community can be a neighborhood or neighborhoods, city, county, metropolitan area, or multi-county area (but not the entire state).



# Supplemental Information

## Requests for Waiver and Staff Determinations

The Department will accept requests for waivers and staff determinations during the Application Acceptance Period. These requests can be submitted with the pre-application or full Application submission, or separately. Requests WILL NOT be accepted after full Application submission for Competitive HTC Applications. Requests should be submitted directly to the appropriate staff below and when possible submitted electronically, either through the ServeU system (with an email to the appropriate staff member), or by email attachment. Hard copies will not be accepted.

For Competitive 9% HTC Applications, Sharon Gamble at [sharon.gamble@tdhca.state.tx.us](mailto:sharon.gamble@tdhca.state.tx.us);

For 4% HTC/Bond Applications, Teresa Morales at [teresa.morales@tdhca.state.tx.us](mailto:teresa.morales@tdhca.state.tx.us);

For Multifamily Direct Loan Program Applications, Andrew Sinnott at [andrew.sinnott@tdhca.state.tx.us](mailto:andrew.sinnott@tdhca.state.tx.us).

Requests for waivers are appropriate when an Applicant violates a rule and/or proposes a development that violates a rule, and as such they must be specific to an actual proposed Development (or Application). Requests should include an explanation of how the circumstances surrounding the request are out of the applicant's control and how, if such waiver is not granted, the Department would not fulfill some specific requirements of law. Applicants should familiarize themselves with §11.207(a) of the QAP and are encouraged to contact staff to discuss the request before submission. Waivers for Direct Loans are also limited by 10 TAC §13.1(c), and may be further limited by NOFA.

Where the requirements of the QAP or Chapter 13 do not readily align with the activities proposed in an Application, an Applicant may request and Department staff may provide a determination to an Applicant explaining how staff will review an Application in relation to the applicable rules. In no instance will staff provide a determination regarding a scoring item. Any such request must be received by the Department prior to submission of the pre-application (if applicable to the program) or Application (if no pre-application was submitted). Staff may, in its sole discretion, provide the request to the Board for it to make the determination. For example, if an applicant proposes a scattered site development that involves different census tracts that would score differently on the Opportunity Index, that applicant may request a staff determination prior to application submission in order to ascertain how staff will apply the rule and ultimately award points. Similarly, an applicant proposing a combination of rehabilitation and adaptive reuse may request a staff determination as to how to classify the activity. Applicants should familiarize themselves with §11.1(k) of the QAP.

## Appeals

**For 9% Applications**, an Applicant or Development Owner may appeal decisions made by the Department pursuant to Tex. Gov't Code §2306.0321 and §2306.6715 and the process identified 10 TAC §11.902. Matters that can be appealed are described in the Rule. An Applicant or Development Owner may not appeal a decision made regarding an Application filed by or an issue related to another Applicant or Development Owner.

Appeals must be filed in writing not later than seven (7) calendar days after the date the Department publishes the results of any stage of the Application evaluation or otherwise notifies the Applicant or Development Owner of a decision subject to appeal. The appeal must be signed by the person designated to act on behalf of the Applicant or an attorney that represents the Applicant. The Applicant must specifically identify the grounds for appeal, based on the original Application and additional documentation filed as a result of the Deficiency process. Appeals may not be used to introduce new information or documents that were not available prior to Application submission.

The Executive Director may respond in writing not later than fourteen (14) calendar days after the date of actual receipt of the appeal by the Department. If the Applicant is not satisfied with the Executive Director's response to the appeal or the Executive Director does not respond, the Applicant may appeal directly in writing to the Board.

An appeal filed with the Board must be received by Department staff not more than seven (7) days after a response from the Executive Director and at least seven (7) days prior to the applicable Board meeting or if the period for an Executive Director response has elapsed the appeal can be heard by the Board if filed at least three (3) days prior to the applicable meeting.

Board review of an Application related appeal will be based on the original Application. A witness in an appeal may not present or refer to any document, instrument, or writing not already contained within the Application. The decision of the Board regarding an appeal is the final decision of the Department.

**For 4%, Tax-Exempt Bond and Direct Loan only Applications,** an Applicant or Development Owner may appeal decisions made by the Department pursuant to 10 TAC §1.7, as applicable. Matters that can be appealed are described in the Rule.

Applicants must file a written Appeal of a staff decision with the Executive Director not later than the seventh calendar day after notice has been provided to the Appealing Party of the staff decision. Posting of materials or logs on the Department's website is considered "notice". The written appeal must specifically identify the grounds for the Appeal.

The Executive Director will respond in writing not later than the fourteenth day after the date of receipt of the Appeal. If the Applicant is not satisfied with the Executive Director's response, they may appeal in writing directly to the Board within seven days after the date of the Executive Director's response. The Appeal must be received by the Department at least fourteen days prior to the next scheduled Board meeting. Appeals received after the fourteenth calendar day prior to the Board meeting will generally be scheduled at the next subsequent Board meeting.

If the Applicant receives additional information after the Executive Director has denied the Appeal, but prior to the posting of the Appeal for Board consideration, the new information must be provided to the Executive

Director for further consideration or the Board will not consider it. New information will cause the appeal deadlines to begin again.

The Board will hear public comment on the Appeal under its Public Comment Procedures in 10 TAC §1.10. While public comment will be heard, persons making public comment are not parties to the Appeal and no rights accrue to them as a result of the Appeal process.

Applicable appeals not submitted in accordance with 10 TAC §1.7 will not be considered, unless the Executive Director or Board, in the exercise of its discretion, determines there is good cause to consider the appeal.

All written appeals should be submitted to the Multifamily Finance Director and the Administrator of the applicable program, at a minimum. Appeals may be uploaded to the ServU file for the Application, in all instances the Applicant must email notification of the Appeal to staff as follows in order for it to be considered received:

For all Applications, Marni Holloway at [Marni.holloway@tdhca.state.tx.us](mailto:Marni.holloway@tdhca.state.tx.us)

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For Competitive 9% HTC Applications, Sharon Gamble at [sharon.gamble@tdhca.state.tx.us](mailto:sharon.gamble@tdhca.state.tx.us);

For 4% HTC/Bond Applications, Teresa Morales at [teresa.morales@tdhca.state.tx.us](mailto:teresa.morales@tdhca.state.tx.us);

For Multifamily Direct Loan Program Applications, Andrew Sinnott at [andrew.sinnott@tdhca.state.tx.us](mailto:andrew.sinnott@tdhca.state.tx.us).

## Public Viewing of Pre-applications and Applications

The Department will allow the public to view any pre-applications or Applications that have been submitted to the Department in an electronic format. These electronic versions should be available within approximately two weeks of the close of the Application Acceptance Period on the Department's website at <http://www.tdhca.state.tx.us/multifamily/housing-tax-credits-9pct/> for competitive (9%) Applications and at <http://www.tdhca.state.tx.us/multifamily/housing-tax-credits-4pct/index.htm> for 4% Applications. An Applicant may request, via an open records request, a paper copy between the hours of 8:00 a.m. and 5:00 p.m. (Austin local time) Monday through Friday. There may be an associated cost with requesting this information.

## Applicable Rules and Reference Materials

### 2020 SITE DEMOGRAPHIC CHARACTERISTICS REPORT

2020 Multifamily Housing Revenue Bond Rule (10 TAC Chapter 12)

2020 Multifamily Direct Loan Rule (10 TAC Chapter 13)

2020 Post Award and Asset Management Requirements (10 TAC Chapter 10 Subchapter E)



2020 QUALIFIED ALLOCATION PLAN (10 TAC Chapter 11)

TEXAS GOVERNMENT CODE CHAPTER 2306

INTERNAL REVENUE CODE SECTION 42

TEXAS GOVERNMENT CODE CHAPTER 1372

NOTICES OF FUNDING AVAILABILITY (NOFA)