

**SUPPLEMENTAL BOARD BOOK
OF
January 16, 2020**



Leslie Bingham Escareño, Vice-Chair

Paul Braden, 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
JANUARY 16, 2020**

**Dewitt C. Greer State Highway Building
Ric Williamson Hearing Room
125 E. 11th Street
Austin, Texas 78701**

CALL TO ORDER

ROLL CALL

Leslie Bingham Escareño, Vice 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.

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 summaries for October 10, 2019, and November 7, 2019

J. Beau Eccles
General Counsel

ASSET MANAGEMENT

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

Rosalio Banuelos
Director of
Asset Management

01057	Beckley Townhomes	Dallas
09007	Mill Stone Apartments	Fort Worth
060062	Enclave at Parkview Apartments	Fort Worth

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

07131/09914	StoneLeaf at Dalhart	Dalhart
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COMMUNITY AFFAIRS

- d) Presentation, discussion, and possible action regarding authorization to release a Notice of Funding Availability for Program Year 2020 Community Services Block Grant Discretionary funds for education and employment initiatives for Native American and migrant seasonal farm worker populations

Gavin Reid
Manager of
Planning and Training

RULES

- e) Presentation, discussion, and possible action on an order adopting 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*
- f) Presentation, discussion, and possible action on the adoption of the repeal of 10 TAC Chapter 27, Texas First Time Homebuyer Program Rule; the adoption of new 10 TAC Chapter 27, Texas First Time Homebuyer Program Rule; and directing their submission for adoption to the *Texas Register*
- g) Presentation, discussion, and possible action on the adoption of the repeal of 10 TAC Chapter 28, Taxable Mortgage Program; the adoption of new 10 TAC Chapter 28, Taxable Mortgage Program; and directing their submission for adoption to the *Texas Register*

Rosalio Banuelos
Director of
Asset Management

Monica Galuski
Director of
Bond Finance

HOME AND HOMELESSNESS PROGRAMS

- h) Presentation, discussion, and possible action on awards for the 2019 HOME Investment Partnerships Program Single Family Development Open Cycle Notice of Funding Availability

Abigail Versyp
Director of HOME and
Homelessness Programs

CONSENT AGENDA REPORT ITEMS

ITEM 2: THE BOARD ACCEPTS THE FOLLOWING REPORTS:

- a) Outreach and Activities Report (Dec. 2019-Jan. 2020)
- b) Report on the Department’s Swap Portfolio and recent activities with respect thereto

Michael Lyttle
Director of
External Affairs

Monica Galuski
Director of
Bond Finance

ACTION ITEMS

ITEM 3: COMMUNITY AFFAIRS

Presentation, discussion, and possible action regarding authorization to reprogram Community Services Block Grant discretionary funds towards the procurement of one or more providers to provide fiscal and cost allocation related training and technical assistance for Community Services Block Grant eligible entities

Michael DeYoung
Director of
Community Affairs

ITEM 4: FAIR HOUSING, DATA MANAGEMENT AND REPORTING

Presentation, discussion, and possible action authorizing the Department to submit an application for Fair Housing Initiative Program – Education and Outreach Initiative (FR-6300-N-21-A) released by the U.S. Department of Housing and Urban Development, and if successfully awarded to operate such program

Brooke Boston
Director of Programs

ITEM 5: OCI, HTF, AND NSP

Presentation, discussion, and possible action on an amendment to the Neighborhood Stabilization Program 1 Agreement 77090000601 and associated loan documents with City Wide Community Development Corporation and authorization to award additional funding from Neighborhood Stabilization Program – Program Income

Raul Gonzales
Director of
OCI, HTF, and NSP

ITEM 6: MULTIFAMILY FINANCE

- a) Presentation, discussion, and possible action regarding the issuance of Determination Notices for 4% Housing Tax Credit Applications
 - 20422 Brush Country Cottages Dilley
 - 20423 Chula Vista San Diego
 - 20424 Cielo Lindo Edcouch

Teresa Morales
Director of
Multifamily Bonds

20425	La Estancia	Sebastian
20426	La Posada I & II	Elsa
20427	La Reina	La Villa
20428	La Sombra	Donna
20429	Las Palmas	La Feria
20430	Leuty Avenue	Justin
20431	Los Laureles	Edcouch
20432	Los Naranjos	Alton
20433	Oak Haven	Donna
20434	Raintree	Alamo
20435	Seagraves Garden	Seagraves
20436	Silver Trail	Menard
20437	The Village	Tomball
20438	Valley View	Valley View
20439	Villa Vallarta	Rio Grande City
20440	Vista Verde	Cotulla
20441	Willowick	Gainesville
20442	Windmill	Giddings
20423	Windwood I & II	Kingsland
19471	Austin Manor	Austin ETJ

- b) Presentation, discussion, and possible action regarding a waiver of certain requirements in 10 TAC §11.1(d)(122) regarding the definition of Supportive Housing

Marni Holloway
Director of
Multifamily Finance

ITEM 7: RULES

- a) Presentation, discussion, and possible action on an order proposing the repeal of 10 TAC Chapter 1, Subchapter C, Previous Participation and Executive Award Review Advisory Committee; an order proposing new 10 TAC Chapter 1, Subchapter C, Previous Participation and Executive Award Review Advisory Committee; and directing their publication for public comment in the *Texas Register*

Patricia Murphy
Director of Compliance

- b) Presentation, discussion, and possible action on an order adopting the repeal of 10 TAC Chapter 90, Migrant Labor Housing Facilities, an order adopting new 10 TAC Chapter 90, Migrant Labor Housing Facilities and directing publication in the *Texas Register*

Tom Gouris
Director of HOME and
Special Initiatives

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):

Leslie Bingham Escareño
Vice 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 or contact Michael Lyttle, 512-475-4542, TDHCA, 221 East 11th 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

6a

BOARD ACTION REQUEST
MULTIFAMILY FINANCE DIVISION
JANUARY 16, 2020

Presentation, discussion, and possible action regarding the issuance of Determination Notices for 4% Housing Tax Credit Applications

RECOMMENDED ACTION

WHEREAS, 22 applications that are part of one bond portfolio transaction and an additional application, as further detailed below, were submitted to the Department for consideration of a Determination Notice of 4% Housing Tax Credits;

WHEREAS, in accordance with 10 TAC §1.301(d)(1), the compliance history for all applications is designated as a Category 1 and deemed acceptable by Executive Award and Review Advisory Committee (EARAC);

WHEREAS, EARAC considered the program requirements, underwriting requirements, and compliance history associated with each application listed herein; and

WHEREAS, EARAC recommends each of the 23 applications for an award of 4% Housing Tax Credits, in the specific amounts noted in Exhibit A, and subject to any underwriting conditions as noted in the Real Estate Analysis Report;

NOW, therefore, it is hereby

RESOLVED, that the issuance of Determination Notices in the respective amounts for each of the applications listed herein, subject to underwriting conditions as found in the Real Estate Analysis report posted to the Department's website, and subject to any compliance conditions, is hereby approved in the form presented at this meeting.

BACKGROUND

The 4% Housing Tax Credit (HTC) program is considered a non-competitive program in that there is not a specific ceiling amount of HTCs that can be issued each year. Rather, the ceiling amount of HTCs to be issued is limited by the amount of Private Activity Bond volume cap available. The Texas Bond Review Board (BRB) administers the Private Activity Bond program for the State of Texas, and for the 2019 calendar year, the state received approximately \$3 billion in Private Activity Bond authority, of which approximately \$665 million is reserved for multifamily housing until August 15th of each year. After such date there may be more Private Activity Bond volume cap that goes towards multifamily housing.

Individual projects receive a Certification of Reservation from the BRB that allows for a statutory 150-day closing timeline. For those projects seeking 4% HTCs (as the majority of them do), they must complete the Department's review process, the bond issuer's process, and the Attorney General's process in order to close within the prescribed timeframe. The Department accepts applications on a monthly basis throughout the year and the year from which the Certificate of Reservation is issued is what determines the QAP to which the application must adhere. Included in this Board presentation is a list of the 4% HTC applications staff has processed thus far for 2019 which illustrates the volume of applications that pursue the 4% HTC program as a funding source. The list reflects all applications received and includes a column that denotes the applications' status, specifically, those that have already closed, have been approved by the Board, are active and currently under review and those that are pre-applications that will utilize the Department as the bond issuer and an HTC application will be forthcoming. Also included in this Board presentation is a list of the 4% HTC applications that have been submitted so far for 2020. Those noted as being active were submitted as part of the Private Activity Bond Lottery that was held by the BRB in October 2019. The number of applications that participated in the lottery and the two regions (Region 6 and Region 7) that became over-subscribed demonstrates what could be a return of the competitive nature of private activity bond volume cap.

The Certificates of Reservation from the Bond Review Board for the developments described herein were issued under the Priority 3 designation, which does not have a prescribed restriction on the percentage of Area Median Family Income (AMFI) that must be served (beyond the federal requirement). The AMFI levels proposed to be served for each of the projects are indicated in their respective summary below.

The first 22 applications listed below represent the Hamilton Valley TX Bond portfolio, which proposes the acquisition and rehabilitation of 22 developments containing a total of 825 units in predominantly rural areas further detailed in the summaries below. All of the developments were previously financed with USDA-RD Section 515 loans, as well as Housing Tax Credits, and will now be assumed under the USDA Multifamily Revitalization Program. The Texas State Affordable Housing Corporation is serving as the bond issuer. A Certificate of Reservation was issued for the portfolio on January 13, 2020, and will expire July 11, 2020. The recommended 4% Housing Tax Credit amount for each application is provided in Exhibit A.

20422 – Brush Country Cottages

Brush Country Cottages consists of 28 units and is located at 500 Cross Creek in Dilley, Frio County. The project was originally built in 1992 and received an allocation of competitive housing tax credits on December 6, 1990. The USDA Rural Housing rental assistance is anticipated to continue on all of the units. The elderly population will continue to be served; however, an amendment to the existing HTC Land Use Restriction Agreement (LURA) is in process by the Department in order to reflect the USDA 515 definition of elderly. All of the units will be rent and income restricted at 60% of AMFI. Rehabilitation costs (includes building costs and site work) are approximately \$34k per unit.

20423 – Chula Vista

Chula Vista consists of 44 units and is located at 201 Springfield Road, San Diego, Duval County. The development was originally constructed in 1995 and received an allocation of competitive housing tax credits on December 29, 1994. It will continue to serve the general population. All of the units will be rent and income restricted at 60% of AMFI with the exception of one managerial unit. The USDA Rural Housing rental assistance is anticipated to continue on 37 of the 44 units. Rehabilitation costs (includes building costs and site work) are approximately \$37k per unit.

20424– Cielo Lindo Apartments

Cielo Lindo Apartments consists of 34 units and is located at 402 Hinojosa Drive in Edcouch, Hidalgo County. The development was originally constructed in 2002 and received an allocation of competitive housing tax credits on October 31, 2000. The USDA Rural Housing rental assistance is anticipated to continue on 33 of the 34 units. The elderly population will continue to be served; however, an amendment to the existing HTC LURA is in process by the Department in order to reflect the USDA 515 definition of elderly. All of the units will be rent and income restricted at 60% of AMFI, with the exception of one managerial unit. Rehabilitation costs (includes building costs and site work) are approximately \$31k per unit.

20425 La Estancia

La Estancia consists of 32 units and is located at 366 East 8th Street in Sebastian, Willacy County. The development was originally constructed in 2002 and received an allocation of competitive housing tax credits on October 31, 2000. The USDA Rural Housing rental assistance is anticipated to continue on 31 of the 32 units. The elderly population will continue to be served; however, an amendment to the existing HTC LURA is in process by the Department in order to reflect the USDA 515 definition of elderly. All of the units will be rent and income restricted at 60% of AMFI, with the exception of one managerial unit. Rehabilitation costs (includes building costs and site work) are approximately \$37k per unit.

20426 La Posada I & II Apartments

La Posada I & II consists of 74 units and is located at 901 North Lamar in Elsa, Hidalgo County. The developments were originally constructed in 1992 and 2000, respectively. The two projects originally received separate allocations of competitive housing tax credits on December 31, 1991 and October 22, 1999, respectively. The two development sites are separated by North Lamar Street but are contiguous and are now being combined into the one application for non-competitive Housing Tax Credits. The USDA Rural Housing rental assistance is anticipated to continue on 70 of the 74 units and the USDA restrictive covenants will be on the entire property not just those with rental assistance. The elderly population will continue to be served; however, an amendment to the existing HTC LURA is in process by the Department in order to reflect the USDA 515 definition of elderly. All of the units will be rent and income restricted at 60% of AMFI. Rehabilitation costs (includes building costs and site work) are approximately \$37k per unit.

20427 La Reina Apartments

La Reina consists of 30 units and is located at 600 Sauz Street in La Villa, Hidalgo County. The development was originally constructed in 2003 and received an allocation of competitive housing tax credits on December 17, 2001. The USDA Rural Housing rental assistance is anticipated to continue on all of the 30 units. The elderly population will continue to be served; however, an amendment to the existing HTC LURA is in process by the Department in order to reflect the USDA 515 definition of elderly. All of the units will be rent and income restricted at 60% of AMFI. Rehabilitation costs (includes building costs and site work) are approximately \$32k per unit.

20428 La Sombra

La Sombra consists of 50 units and is located at 519 North Main in Donna, Hidalgo County. The development was originally constructed in 1994 and received an allocation of competitive housing tax credits on June 29, 1992. The USDA Rural Housing rental assistance is anticipated to continue on 40 of the 50 units. The elderly population will continue to be served; however, an amendment to the existing HTC LURA is in process by the Department in order to reflect the USDA 515 definition of elderly. All of the units will be rent and income restricted at 60% of AMFI. Rehabilitation costs (includes building costs and site work) are approximately \$37k per unit.

20429 Las Palmas Apartments

Las Palmas consists of 36 units and is located at 27745 South Kansas City Road in La Feria, Cameron County. The development was originally constructed in 2000, and received an allocation of competitive housing tax credits on November 20, 1998. The USDA Rural Housing rental assistance is anticipated to continue on 35 of the 36 units. The elderly population will continue to be served; however, an amendment to the existing HTC LURA is in process by the Department in order to reflect the USDA 515 definition of elderly. All of the units will be rent and income restricted at 60% of AMFI, with the exception of one managerial unit. Rehabilitation costs (includes building costs and site work) are approximately \$34k per unit.

20430 Leuty Avenue Apartments

The project consists of 24 units and is located at 909 West 7th Street in Justin, Denton County. The development was originally constructed in 1978 and received an allocation of competitive housing tax credits on December 22, 1997. It will continue to serve the general population. All of the units will be rent and income restricted at 60% of AMFI and the USDA Rural Housing rental assistance is anticipated to continue on 20 of the 24 units. Rehabilitation costs (includes building costs and site work) are approximately \$45k per unit.

20431 Los Laureles

Los Laureles consists of 23 units and is located at 1100 East Santa Rosa Street in Edcouch, Hidalgo County. The development was originally constructed in 1978, and received an allocation of competitive housing tax credits on December 29, 1994. It will continue to serve the general population. All of the units will be rent and income restricted at 60% of AMFI and the HUD Section 8 rental assistance is anticipated to continue on all of the units. Rehabilitation costs (includes building costs and site work) are approximately \$49k per unit.

20432 Los Naranjos Apartments

Los Naranjos consists of 30 units and is located at 210 North Eagle Pass Street in Alton, Hidalgo County. The development was originally constructed in 2003 and received an allocation of competitive housing tax credits on December 17, 2001. The USDA Rural Housing rental assistance is anticipated to continue on 29 of the 30 units. The elderly population will continue to be served; however, an amendment to the existing HTC LURA is in process by the Department in order to reflect the USDA 515 definition of elderly. All of the units will be rent and income restricted at 60% of AMFI, with the exception of one managerial unit. Rehabilitation costs (includes building costs and site work) are approximately \$31k per unit.

20433 Oak Haven Apartments

The project consists of 24 units and is located at 513 West Frontage Street in Donna, Hidalgo County. The development was originally constructed in 1983, and received an allocation of competitive housing tax credits on October 31, 2000. It will continue to serve the general population. All of the units will be rent and income restricted at 60% of AMFI and the USDA Rural Housing rental assistance is anticipated to continue on all of the units. Rehabilitation costs (includes building costs and site work) are approximately \$41k per unit.

20434 Raintree Apartments

Raintree Apartments consists of 32 units and is located at 650 Raintree Street in Alamo, Hidalgo County. The development was originally constructed in 1986 and received an allocation of competitive housing tax credits on October 31, 2000. It will continue to serve the general population. All of the units will be rent and income restricted at 60% of AMFI and the USDA Rural Housing rental assistance is anticipated to continue on all of the units. Rehabilitation costs (includes building costs and site work) are approximately \$40k per unit.

20435 Seagraves Garden Apartments

Seagraves Garden Apartments consists of 32 units and is located at 1100 12th Street in Seagraves, Gaines County. The development was originally constructed in 1974 and received an allocation of competitive housing tax credits on December 30, 1988. It will continue to serve the general population. All of the units will be rent and income restricted at 60% of AMFI. Additionally, the USDA

Rural Housing rental assistance is anticipated to continue on 31 of the 32 units. Rehabilitation costs (includes building costs and site work) are approximately \$41k per unit.

20436 Silver Trail

Silver Trail consists of 24 units and is located at 403 Mesquite Street in Menard, Menard County. The development was originally constructed in 1991 and received an allocation of competitive housing tax credits on December 6, 1990. The elderly population will be served. An amendment to the existing HTC Land Use Restriction Agreement (LURA) is in process by the Department in order to reflect the USDA 515 definition of elderly. All of the units will be rent and income restricted at 60% of AMFI and the USDA Rural Housing rental assistance is anticipated to continue on 22 of the 24 units. Rehabilitation costs (includes building costs and site work) are approximately \$40k per unit.

20437 The Village Apartments

The Village consists of 64 units and is located at 517 School Street in Tomball, Harris County. The development was originally constructed in 1999 and received an allocation of competitive housing tax credits on October 22, 1999. The USDA Rural Housing rental assistance is anticipated to continue on 63 of the 64 units. The elderly population will continue to be served; however, an amendment to the existing HTC LURA is in process by the Department in order to reflect the USDA 515 definition of elderly. All of the units will be rent and income restricted at 60% of AMFI. Rehabilitation costs (includes building costs and site work) are approximately \$27k per unit.

20438 Valley View Apartments

Valley View consists of 24 units and is located at 513 North Pecan Creek Trail in Valley View, Cooke County. The development was originally constructed in 1979 and received an allocation of competitive housing tax credits on September 17, 1997. It will continue to serve the general population. All of the units will be rent and income restricted at 60% of AMFI and the USDA Rural Housing rental assistance is anticipated to continue on 23 of the 24 units. Rehabilitation costs (includes building costs and site work) are approximately \$40k per unit.

20439 Villa Vallarta

Villa Vallarta consists of 40 units and is located at 600 Fairground Road in Rio Grande City, Starr County. The development was originally constructed in 1995, and received an allocation of competitive housing tax credits on December 29, 1994. The USDA Rural Housing rental assistance is anticipated to continue on 36 of the 40 units. The elderly population will continue to be served; however, an amendment to the existing HTC LURA is in process by the Department in order to reflect the USDA 515 definition of elderly. All of the units will be rent and income restricted at 60% of AMFI. Rehabilitation costs (includes building costs and site work) are approximately \$33k per unit.

20440 Vista Verde

Vista Verde consists of 24 units and is located at 404 Medina Street in Cotulla, La Salle County. The development was originally constructed in 1994 and received an allocation of competitive housing tax credits on December 29, 1993. The USDA Rural Housing rental assistance is anticipated to continue on all 24 units. The elderly population will continue to be served; however, an amendment to the existing HTC LURA is in process by the Department in order to reflect the USDA 515 definition of elderly. All of the units will be rent and income restricted at 60% of AMFI. Rehabilitation costs (includes building costs and site work) are approximately \$38k per unit.

20441 Willowick Apartments

Willowick consists of 60 units and is located at 1501 Newland Drive in Gainesville, Cooke County. The development was originally constructed in 1977 and received an allocation of competitive housing tax credits on July 27, 1989. It will continue to serve the general population, and all of the units will be rent and income restricted at 60% of AMFI, with the exception of one managerial unit. The USDA Rural Housing rental assistance is anticipated to continue on 55 of the 60 units. Rehabilitation costs (includes building costs and site work) are approximately \$44k per unit.

20442 Windmill Apartments

Windmill consists of 28 units and is located at 550 North Montgomery Avenue in Giddings, Lee County. The development was originally constructed in 2003 and received an allocation of competitive housing tax credits on December 11, 2001. It will continue to serve the general population and all of the units will be rent and income restricted at 60% of AMFI. The USDA Rural Housing rental assistance is anticipated to continue on 23 of the 28 units. Rehabilitation costs (includes building costs and site work) are approximately \$32k per unit.

20443 Windwood I & II

The Windwood I & II consists of 68 units and is located at 100 Windwood Drive in Kingsland, Llano County. The development was originally constructed in 1989 and later expanded in 1995. The projects received allocations of competitive housing tax credits in 1988 and again on December 30, 1993. The two properties have been consolidated and the elderly population will continue to be served. All of the units will be rent and income restricted at 60% of AMFI, with the exception of one managerial unit. Additionally, the USDA Rural Housing rental assistance is anticipated to continue on 59 of the 68 units. The Department received a letter of support for the development from Mike Sandoval, Llano County Commissioner, Precinct 3. Rehabilitation costs (includes building costs and site work) are approximately \$37k per unit.

19471 Austin Manor Apartment Homes

Austin Manor Apartment Homes proposes the new construction of 280 units to be located at Bellingham and Boyce Road in the extraterritorial jurisdiction of Austin, Travis County. All of the units will be rent and income restricted at 60% of AMFI and the development will serve the general population. The development is contemplated to be the second phase of Boyce Lane Apartments (#17436), which was approved by the Board on December 14, 2017, and is currently under construction. The Certificate of Reservation was issued on September 27, 2019, and will expire on February 24, 2020. The Strategic Housing HFC of Travis County is serving as the bond issuer. The Department has not received any letters of support or opposition for the development.

EXHIBIT A

Recommended 4% HTC Amounts

Application Number	Development Name	Number of Units	Recommended 4% HTC Amount
20422	Brush Country Cottages	28	\$89,069
20423	Chula Vista	44	\$149,982
20424	Cielo Lindo	34	\$101,022
20425	La Estancia	32	\$101,210
20426	La Posada I & II	74	\$208,076
20427	La Reina	30	\$68,586
20428	La Sombra	50	\$118,354
20429	Las Palmas	36	\$87,983
20430	Leuty Avenue	24	\$80,261
20431	Los Laureles	23	\$88,153
20432	Los Naranjos	30	\$67,810
20433	Oak Haven	24	\$63,090
20434	Raintree	32	\$82,925
20435	Seagraves Garden	32	\$91,709
20436	Silver Trail	24	\$67,091
20437	The Village	64	\$172,768
20438	Valley View	24	\$78,834
20439	Villa Vallarta	40	\$122,529
20440	Vista Verde	24	\$82,514
20441	Willowick	60	\$171,018
20442	Windmill	28	\$77,926
20443	Windwood I & II	68	\$151,618
Hamilton Valley Scattered Portfolio Subtotal		825	\$2,322,528
19471	Austin Manor	280	\$2,241,134
Total		1,105	\$4,563,662

20422 Brush Country Cottages - Application Summary

REAL ESTATE ANALYSIS DIVISION
January 13, 2020

PROPERTY IDENTIFICATION	
Application #	20422
Development	Brush Country Cottages
City / County	Dilley / Frio
Region/Area	9 / Rural
Population	Elderly Limitation
Set-Aside	General
Activity	Acquisition/Rehab (Built in 1992)

RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (4% Credit)	\$89,069	\$89,069	\$3,181/Unit

KEY PRINCIPAL / SPONSOR		
HVM Housing, LLC Dennis Hoover Greystone Affordable Development Amie Cofini (Consultant)		
Related Parties	Contractor - No	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	24	86%	40%	-	0%
2	4	14%	50%	-	0%
3	-	0%	60%	28	100%
4	-	0%	MR	-	0%
TOTAL	28	100%	TOTAL	28	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.17	Expense Ratio	62.5%
Breakeven Occ.	89.7%	Breakeven Rent	\$623
Average Rent	\$660	B/E Rent Margin	\$37
Property Taxes	\$576/unit	Exemption/PILOT	0%
Total Expense	\$4,735/unit	Controllable	\$2,802/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (30% Maximum)	N/A		
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	1 BR/60%	24
Premiums (↑60% Rents)	N/A		
Rent Assisted Units	28	100% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten	TDHCA's Costs - Based on PCA		
Avg. Unit Size	673 SF	Density	9.3/acre
Acquisition		\$38K/unit	\$1,066K
Building Cost	\$46.56/SF	\$31K/unit	\$878K
Hard Cost		\$40K/unit	\$1,108K
Total Cost		\$107K/unit	\$3,002K
Developer Fee	\$284K	(23% Deferred)	Paid Year: 5
Contractor Fee	\$141K	30% Boost	Yes

REHABILITATION COSTS / UNIT				
Site Work	\$4K	10%	Finishes/Fixtures	\$26K 65%
Building Shell	\$K	1%	Amenities	\$1K 1%
HVAC	\$3K	9%	Total Exterior	\$5K 14%
Appliances	\$2K	4%	Total Interior	\$31K 86%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Greystone Servicing Company LLC	40/40	4.60%	\$1,136,000	1.17	Interim Investment Income	0/0	1.65%	\$21,351	1.17	Federal LIHTC - Boston Financial	\$354,781
USDA Existing Debt	30/50	1.00%	\$635,977	1.17	Reserve Funds	0/0	0.00%	\$408,070	1.17	Deferred Developer Fee	\$64,163
					Seller Note	0/0	TBD	\$381,310	1.17		
TOTAL DEBT (Must Pay)			\$1,771,977		CASH FLOW DEBT / GRANTS			\$810,731		TOTAL EQUITY SOURCES	\$418,944
										TOTAL DEBT SOURCES	\$2,582,708
										TOTAL CAPITALIZATION	\$3,001,652

CONDITIONS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER

Issuer	Texas State Affordable Housing Corporation
Expiration Date	July 2020
Bond Amount	\$39,120,000
BRB Priority	Priority 3
Close Date	
Bond Structure	USDA 538 Cash-Collateralized
% Financed with Tax-Exempt Bonds	60.9%
The bond amount represents the total for all properties. Individual loan amounts are reflected in the "Underwritten Capitalization Section".	

RISK PROFILE

STRENGTHS/MITIGATING FACTORS

- Experienced Developer
- USDA \$515 debt deferred for 20 years
- USDA Rental Assistance

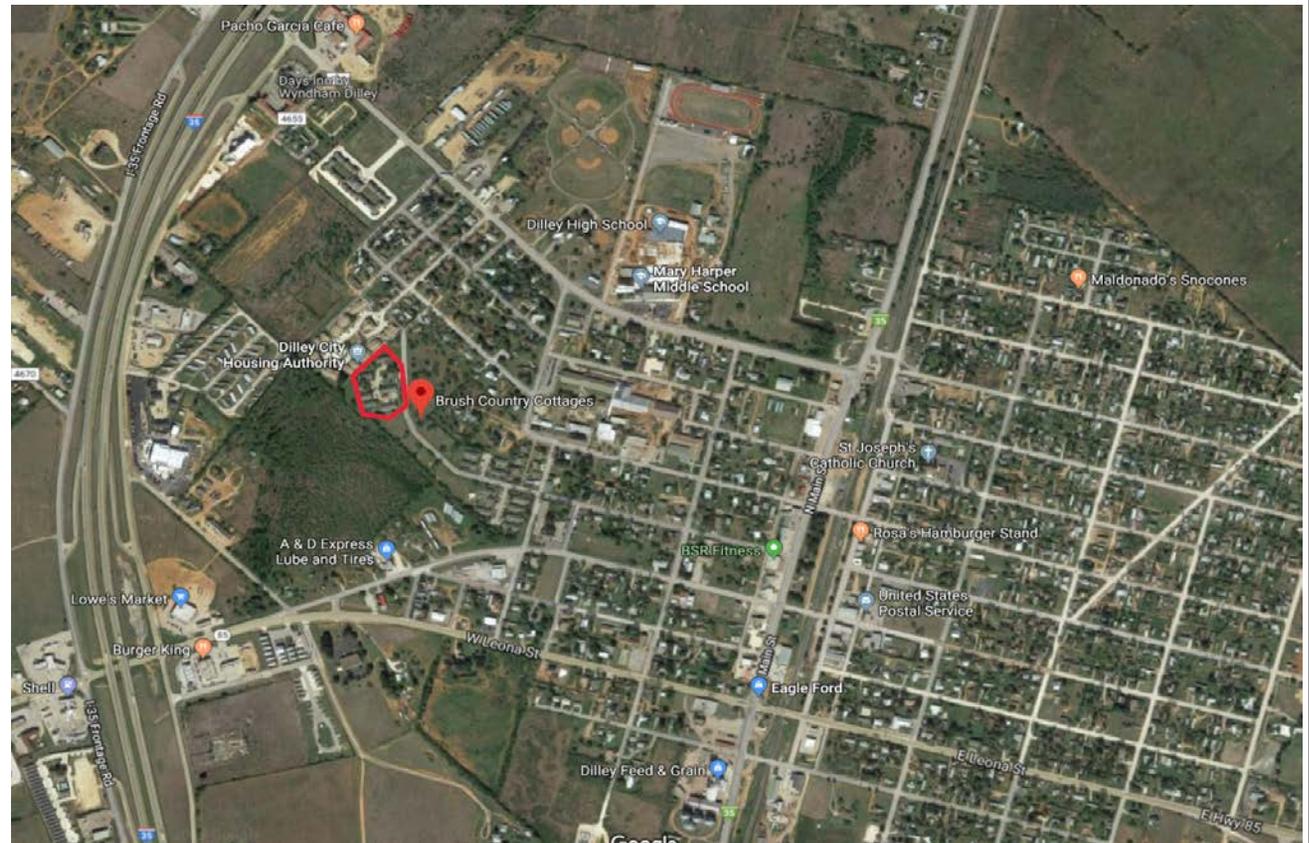
WEAKNESSES/RISKS

- Long-term pro forma does not support resumption of debt service following 20-year deferral
- Feasibility dependent on USDA Rental Assistance

AREA MAP



AERIAL PHOTOGRAPH(S)



20423 Chula Vista - Application Summary

REAL ESTATE ANALYSIS DIVISION
January 13, 2020

PROPERTY IDENTIFICATION	
Application #	20423
Development	Chula Vista
City / County	San Diego / Duval
Region/Area	10 / Rural
Population	General
Set-Aside	General
Activity	Acquisition/Rehab (Built in 1995)

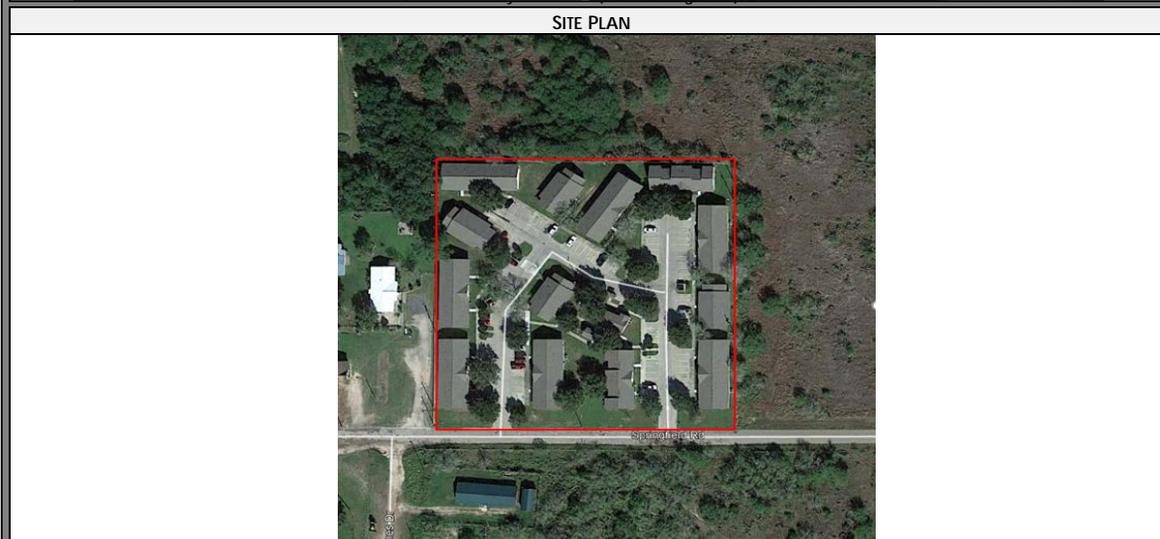
RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (4% Credit)	\$149,982	\$149,982	\$3,409/Unit

KEY PRINCIPAL / SPONSOR		
HVM Housing, LLC Dennis Hoover Greystone Affordable Development Amie Cofini (Consultant)		
Related Parties	Contractor - No	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	8	18%	40%	-	0%
2	28	64%	50%	-	0%
3	8	18%	60%	43	98%
4	-	0%	EO	1	2%
TOTAL	44	100%	TOTAL	44	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.22	Expense Ratio	72.0%
Breakeven Occ.	88.4%	Breakeven Rent	\$564
Average Rent	\$594	B/E Rent Margin	\$30
Property Taxes	\$416/unit	Exemption/PILOT	0%
Total Expense	\$4,817/unit	Controllable	\$3,057/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (30% Maximum)			N/A
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	2 BR/60%	28
Premiums (↑60% Rents)	N/A	N/A	
Rent Assisted Units	37	84% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten		TDHCA's Costs - Based on PCA	
Avg. Unit Size	794 SF	Density	12.0/acre
Acquisition		\$38K/unit	\$1,691K
Building Cost	\$43.14/SF	\$34K/unit	\$1,508K
Hard Cost		\$41K/unit	\$1,783K
Total Cost		\$110K/unit	\$4,850K
Developer Fee	\$444K	(13% Deferred)	Paid Year: 4
Contractor Fee	\$227K	30% Boost	Yes

REHABILITATION COSTS / UNIT			
Site Work	\$2K	6%	Finishes/Fixtures \$29K 72%
Building Shell	\$K	0%	Amenities \$K 0%
HVAC	\$3K	8%	Total Exterior \$3K 7%
Appliances	\$1K	4%	Total Interior \$34K 93%

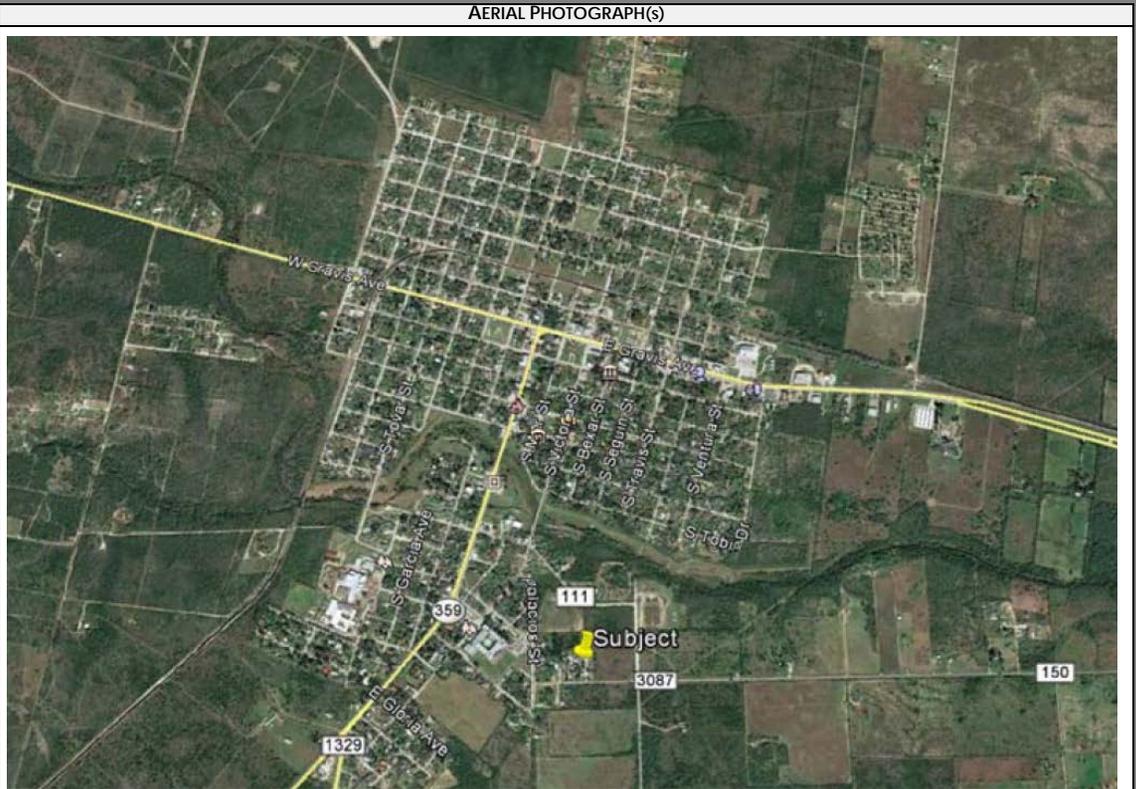
DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Greystone Servicing Company LLC	40/40	4.15%	\$1,206,000	1.22	Interim Investment Income	0/0	1.65%	\$36,234	1.22	Federal LIHTC - Boston Financial	\$1,615,708
USDA Existing Debt	30/50	1.00%	\$1,125,658	1.22	Reserve Funds	0/0	0.00%	\$321,311	1.22	Deferred Developer Fee	\$56,557
					Seller Note	0/0	TBD	\$488,035	1.22		
TOTAL DEBT (Must Pay)			\$2,331,658		CASH FLOW DEBT / GRANTS			\$845,580		TOTAL EQUITY SOURCES	\$1,672,265
										TOTAL DEBT SOURCES	\$3,177,238
										TOTAL CAPITALIZATION	\$4,849,503

CONDITIONS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER	
Issuer	Texas State Affordable Housing Corporation
Expiration Date	July 2020
Bond Amount	\$39,120,000
BRB Priority	Priority 3
Close Date	
Bond Structure	USDA 538 Cash-Collateralized
% Financed with Tax-Exempt Bonds	60.3%
The bond amount represents the total for all properties. Individual loan amounts are reflected in the "Underwritten Capitalization Section".	

RISK PROFILE	
STRENGTHS/MITIGATING FACTORS	
o	USDA \$515 debt deferred for 20 years
o	USDA Rental Assistance
o	Experienced Developer
WEAKNESSES/RISKS	
o	Long-term pro forma does not support resumption of debt service following 20-year deferral
o	Feasibility dependent on USDA Rental Assistance



20424 Cielo Lindo - Application Summary

REAL ESTATE ANALYSIS DIVISION
January 13, 2020

PROPERTY IDENTIFICATION	
Application #	20424
Development	Cielo Lindo
City / County	Edcouch / Hidalgo
Region/Area	11 / Rural
Population	Elderly Limitation
Set-Aside	General
Activity	Acquisition/Rehab (Built in 2002)

RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (4% Credit)	\$101,022	\$101,022	\$2,971/Unit

KEY PRINCIPAL / SPONSOR		
HVM Housing, LLC Dennis Hoover Greystone Affordable Development Amie Cofini (Consultant)		
Related Parties	Contractor - No	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	30	88%	40%	-	0%
2	4	12%	50%	-	0%
3	-	0%	60%	33	97%
4	-	0%	EO	1	3%
TOTAL	34	100%	TOTAL	34	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.18	Expense Ratio	60.6%
Breakeven Occ.	89.2%	Breakeven Rent	\$573
Average Rent	\$611	B/E Rent Margin	\$37
Property Taxes	\$526/unit	Exemption/PILOT	0%
Total Expense	\$4,229/unit	Controllable	\$2,349/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (30% Maximum)	N/A		
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	1 BR/60%	30
Premiums (↑60% Rents)	N/A		
Rent Assisted Units	33	97% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten	TDHCA's Costs - Based on PCA		
Avg. Unit Size	671 SF	Density	8.5/acre
Acquisition	\$39K/unit	\$1,320K	
Building Cost	\$43.56/SF	\$29K/unit	\$994K
Hard Cost	\$35K/unit		\$1,201K
Total Cost	\$100K/unit		\$3,388K
Developer Fee	\$299K	(21% Deferred)	Paid Year: 4
Contractor Fee	\$153K	30% Boost	Yes

REHABILITATION COSTS / UNIT			
Site Work	\$2K	7%	Finishes/Fixtures \$24K 67%
Building Shell	\$K	1%	Amenities \$K 1%
HVAC	\$4K	10%	Total Exterior \$3K 10%
Appliances	\$2K	4%	Total Interior \$29K 90%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Greystone Servicing Company LLC	40/40	4.60%	\$1,322,000	1.18	Interim Investment Income	0/0	1.65%	\$24,156	1.18	Federal LIHTC - Boston Financial	\$317,480
USDA Existing Debt	30/50	1.00%	\$895,467	1.18	Reserve Funds	0/0	0.00%	\$401,934	1.18	Deferred Developer Fee	\$61,677
					Seller Note	0/0	TBD	\$365,033	1.18		
TOTAL DEBT (Must Pay)			\$2,217,467		CASH FLOW DEBT / GRANTS			\$791,123		TOTAL EQUITY SOURCES	\$379,157
										TOTAL DEBT SOURCES	\$3,008,590
										TOTAL CAPITALIZATION	\$3,387,747

CONDITIONS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER

Issuer	Texas State Affordable Housing Corporation
Expiration Date	July 2020
Bond Amount	\$39,120,000
BRB Priority	Priority 3
Bond Structure	USDA 538 Cash-Collateralized
% Financed with Tax-Exempt Bonds	59.4%
The bond amount represents the total for all properties. Individual loan amounts are reflected in the "Underwritten Capitalization Section".	

RISK PROFILE

STRENGTHS/MITIGATING FACTORS

- USDA \$515 debt deferred for 20 years
- USDA Rental Assistance
- Experienced Developer

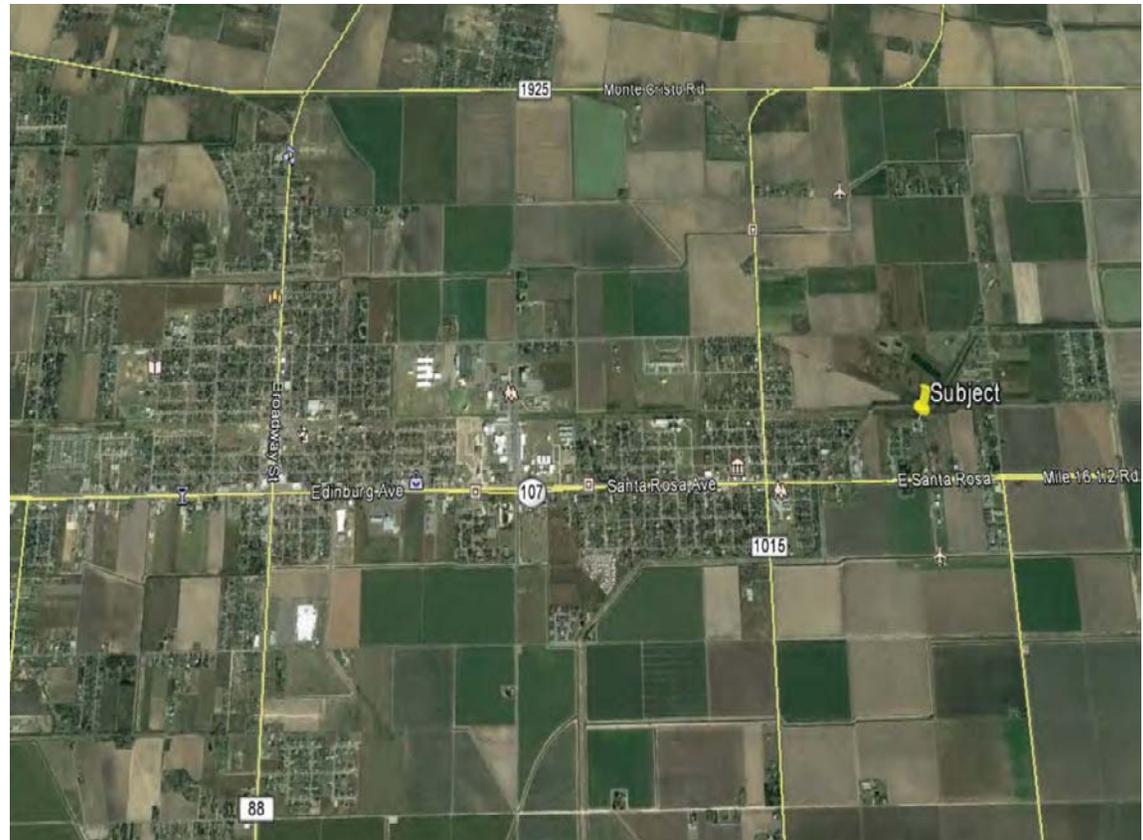
WEAKNESSES/RISKS

- Long-term pro forma does not support resumption of
- Feasibility dependent on USDA Rental Assistance

AREA MAP



AERIAL PHOTOGRAPH(S)



20425 La Estancia - Application Summary

REAL ESTATE ANALYSIS DIVISION
January 13, 2020

PROPERTY IDENTIFICATION	
Application #	20425
Development	La Estancia
City / County	Sebastian / Willacy
Region/Area	11 / Rural
Population	Elderly Limitation
Set-Aside	General
Activity	Acquisition/Rehab (Built in 2000)

RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (4% Credit)	\$101,210	\$101,210	\$3,163/Unit

KEY PRINCIPAL / SPONSOR		
HVM Housing, LLC Dennis Hoover Greystone Affordable Development Amie Cofini (Consultant)		
Related Parties	Contractor - No	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	28	88%	40%	-	0%
2	4	13%	50%	-	0%
3	-	0%	60%	31	97%
4	-	0%	EO	1	3%
TOTAL	32	100%	TOTAL	32	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.18	Expense Ratio	57.0%
Breakeven Occ.	88.8%	Breakeven Rent	\$584
Average Rent	\$625	B/E Rent Margin	\$41
Property Taxes	\$356/unit	Exemption/PILOT	0%
Total Expense	\$4,080/unit	Controllable	\$2,239/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (30% Maximum)	N/A		
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	1 BR/60%	28
Premiums (↑60% Rents)	N/A		
Rent Assisted Units	31	97% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten	TDHCA's Costs - Based on PCA		
Avg. Unit Size	664 SF	Density	10.6/acre
Acquisition	\$34K/unit	\$1,074K	
Building Cost	\$54.11/SF	\$36K/unit	\$1,150K
Hard Cost	\$41K/unit		\$1,313K
Total Cost	\$102K/unit		\$3,265K
Developer Fee	\$324K	(23% Deferred)	Paid Year: 5
Contractor Fee	\$167K	30% Boost	Yes

REHABILITATION COSTS / UNIT			
Site Work	\$1K	3%	Finishes/Fixtures \$27K 66%
Building Shell	\$4K	9%	Amenities \$K 0%
HVAC	\$3K	8%	Total Exterior \$5K 14%
Appliances	\$2K	4%	Total Interior \$32K 86%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Greystone Servicing Company LLC	40/40	4.60%	\$1,402,000	1.18	Interim Investment Income	0/0	1.65%	\$23,843	1.18	Federal LIHTC - Boston Financial	\$404,114
USDA Existing Debt	30/50	1.00%	\$893,939	1.18	Reserve Funds	0/0	0.00%	\$341,666	1.18	Deferred Developer Fee	\$75,384
					Seller Note	0/0	TBD	\$124,365	1.18		
TOTAL DEBT (Must Pay)			\$2,295,939		CASH FLOW DEBT / GRANTS			\$489,874		TOTAL EQUITY SOURCES	\$479,498
										TOTAL DEBT SOURCES	\$2,785,813
										TOTAL CAPITALIZATION	\$3,265,311

CONDITIONS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER

Issuer	Texas State Affordable Housing Corporation
Expiration Date	July 2020
Bond Amount	\$39,120,000
BRB Priority	Priority 3
Close Date	
Bond Structure	USDA 538 Cash-Collateralized
% Financed with Tax-Exempt Bonds	60.1%
The bond amount represents the total for all properties. Individual loan amounts are reflected in the "Underwritten Capitalization Section".	

RISK PROFILE

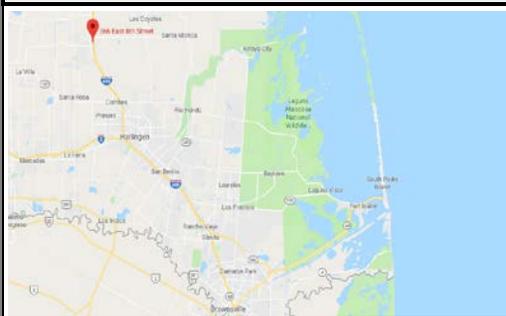
STRENGTHS/MITIGATING FACTORS

- ▣ USDA \$515 debt deferred for 20 years
- ▣ USDA Rental Assistance
- ▣ Experienced Developer

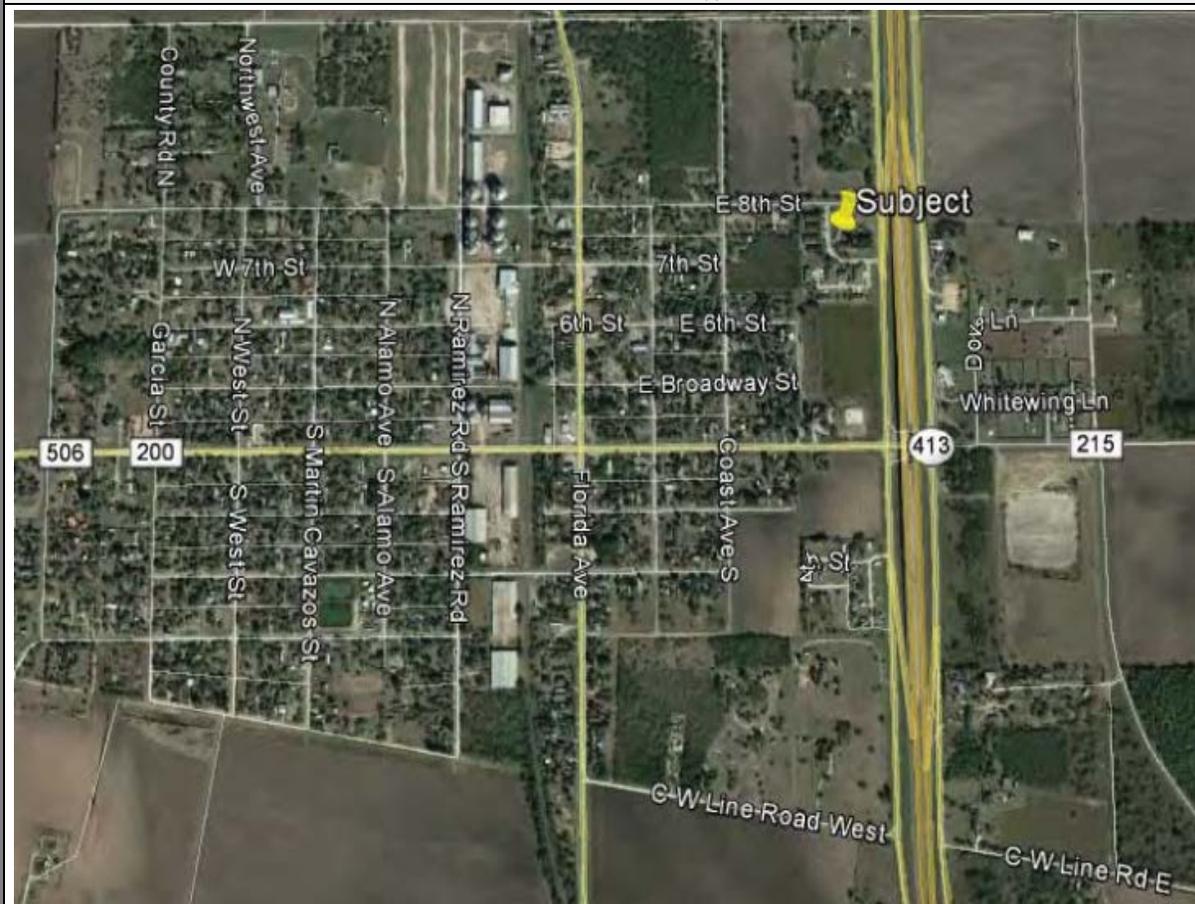
WEAKNESSES/RISKS

- ▣ Long-term pro forma does not support resumption of debt service following 20-year deferral
- ▣ Feasibility dependent on USDA Rental Assistance

AREA MAP



AERIAL PHOTOGRAPH(S)



20426 La Posada I & II - Application Summary

REAL ESTATE ANALYSIS DIVISION
January 13, 2020

PROPERTY IDENTIFICATION	
Application #	20426
Development	La Posada I & II
City / County	Elsa / Hidalgo
Region/Area	11 / Rural
Population	Elderly Limitation
Set-Aside	General
Activity	Acquisition/Rehab 1992, 2000

RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (4% Credit)	\$208,076	\$208,076	\$2,812/Unit

KEY PRINCIPAL / SPONSOR		
HVM Housing, LLC Dennis Hoover Greystone Affordable Development Amie Cofini (Consultant)		
Related Parties	Contractor - No	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	66	89%	40%	-	0%
2	8	11%	50%	-	0%
3	-	0%	60%	74	100%
4	-	0%	EO	-	0%
TOTAL	74	100%	TOTAL	74	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.19	Expense Ratio	67.2%
Breakeven Occ.	90.0%	Breakeven Rent	\$544
Average Rent	\$574	B/E Rent Margin	\$30
Property Taxes	\$449/unit	Exemption/PILOT	0%
Total Expense	\$4,416/unit	Controllable	\$2,648/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (30% Maximum)	N/A		
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	1 BR/60%	66
Premiums (↑60% Rents)	N/A		
Rent Assisted Units	70	95% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten	TDHCA's Costs - Based on PCA		
Avg. Unit Size	668 SF	Density	12.0/acre
Acquisition	\$26K/unit	\$1,891K	
Building Cost	\$51.14/SF	\$34K/unit	\$2,529K
Hard Cost	\$41K/unit		\$3,025K
Total Cost	\$89K/unit		\$6,601K
Developer Fee	\$547K (25% Deferred)	Paid Year: 6	
Contractor Fee	\$386K	30% Boost	Yes

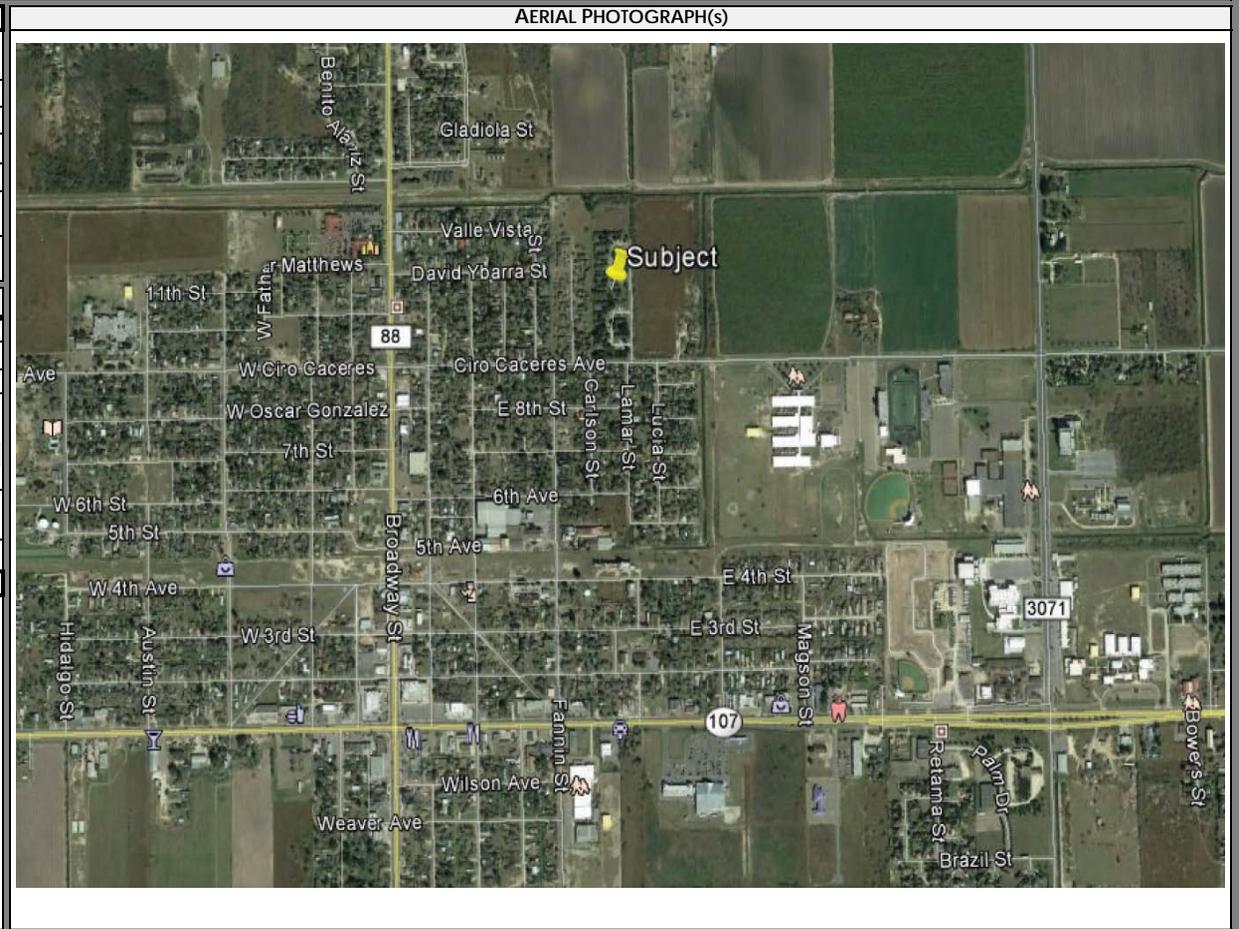
REHABILITATION COSTS / UNIT			
Site Work	\$3K	7%	Finishes/Fixtures \$26K 63%
Building Shell	\$3K	8%	Amenities \$K 1%
HVAC	\$3K	8%	Total Exterior \$6K 17%
Appliances	\$2K	4%	Total Interior \$31K 83%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Greystone Servicing Company LLC	40/40	4.15%	\$2,387,000	1.19	Investment Income	0/0	1.65%	\$48,444	1.19	Federal LIHTC - Boston Financial	\$1,635,643
USDA Existing Debt	30/50	1.00%	\$1,761,991	1.19	Reserve Funds	0/0	0.00%	\$629,333	1.19	Deferred Developer Fee	\$139,032
TOTAL DEBT (Must Pay)			\$4,148,991		CASH FLOW DEBT / GRANTS			\$677,777		TOTAL EQUITY SOURCES	\$1,774,675
										TOTAL DEBT SOURCES	\$4,826,768
										TOTAL CAPITALIZATION	\$6,601,443

CONDITIONS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER	
Issuer	Texas State Affordable Housing Corporation
Expiration Date	July 2020
Bond Amount	\$39,120,000
BRB Priority	Priority 3
Bond Structure	USDA 538 Cash-Collateralized
% Financed with Tax-Exempt Bonds	58.9%
The bond amount represents the total for all properties. Individual loan amounts are reflected in the "Underwritten Capitalization Section".	
RISK PROFILE	
STRENGTHS/MITIGATING FACTORS	
▪	USDA \$515 debt deferred for 20 years
▪	USDA Rental Assistance
▪	Experienced Developer
WEAKNESSES/RISKS	
▪	Long-term pro forma does not support resumption of debt service following 20-year deferral
▪	Feasibility dependent on USDA Rental Assistance
AREA MAP	



20427 La Reina - Application Summary

REAL ESTATE ANALYSIS DIVISION
January 13, 2020

PROPERTY IDENTIFICATION	
Application #	20427
Development	La Reina
City / County	La Villa / Hidalgo
Region/Area	11 / Rural
Population	Elderly Limitation
Set-Aside	General
Activity	Acquisition/Rehab (Built in 2003)

RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (4% Credit)	\$68,586	\$68,586	\$2,286/Unit

KEY PRINCIPAL / SPONSOR		
HVM Housing, LLC Dennis Hoover Greystone Affordable Development Amie Cofini (Consultant)		
Related Parties	Contractor - No	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	26	87%	40%	-	0%
2	4	13%	50%	-	0%
3	-	0%	60%	30	100%
4	-	0%	MR	-	0%
TOTAL	30	100%	TOTAL	30	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.22	Expense Ratio	64.8%
Breakeven Occ.	89.0%	Breakeven Rent	\$622
Average Rent	\$664	B/E Rent Margin	\$42
Property Taxes	\$381/unit	Exemption/PILOT	0%
Total Expense	\$4,921/unit	Controllable	\$3,220/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (30% Maximum)	N/A		
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	1 BR/60%	26
Premiums (↑60% Rents)	N/A		
Rent Assisted Units	30	100% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten	TDHCA's Costs - Based on PCA		
Avg. Unit Size	672 SF	Density	6.0/acre
Acquisition	\$31K/unit	\$933K	
Building Cost	\$45.93/SF	\$31K/unit	\$927K
Hard Cost	\$36K/unit		\$1,079K
Total Cost	\$92K/unit		\$2,764K
Developer Fee	\$270K	(20% Deferred)	Paid Year: 4
Contractor Fee	\$137K	30% Boost	No

REHABILITATION COSTS / UNIT			
Site Work	\$2K	5%	Finishes/Fixtures \$22K 62%
Building Shell	\$4K	10%	Amenities \$K 0%
HVAC	\$3K	10%	Total Exterior \$6K 17%
Appliances	\$2K	4%	Total Interior \$27K 83%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Greystone Servicing Company LLC	40/40	4.60%	\$1,101,000	1.22	Interim Investment Income	0/0	1.65%	\$20,411	1.22	Federal LIHTC - Boston Financial	\$450,075
USDA Existing Debt	30/50	1.00%	\$880,086	1.22	Reserve Funds	0/0	0.00%	\$206,951	1.22	Deferred Developer Fee	\$52,931
					Proj Funds used for Sellers Equity	0/0		\$52,500	1.22		
TOTAL DEBT (Must Pay)			\$1,981,086		CASH FLOW DEBT / GRANTS			\$279,862		TOTAL EQUITY SOURCES	\$503,006
TOTAL DEBT SOURCES											\$2,260,948
TOTAL CAPITALIZATION											\$2,763,954

CONDITIONS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER

Issuer	ate Affordable Housing Corporation
Expiration Date	July 2020
Bond Amount	\$39,120,000
BRB Priority	Priority 3
Bond Structure	USDA 538 Cash-Collateralized
% Financed with Tax-Exempt Bonds	58.3%
The bond amount represents the total for all properties. Individual loan amounts are reflected in the "Underwritten Capitalization Section".	

RISK PROFILE

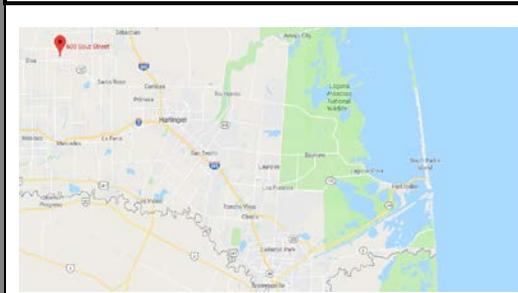
STRENGTHS/MITIGATING FACTORS

- USDA \$515 debt deferred for 20 years
- USDA Rental Assistance
- Experienced Developer

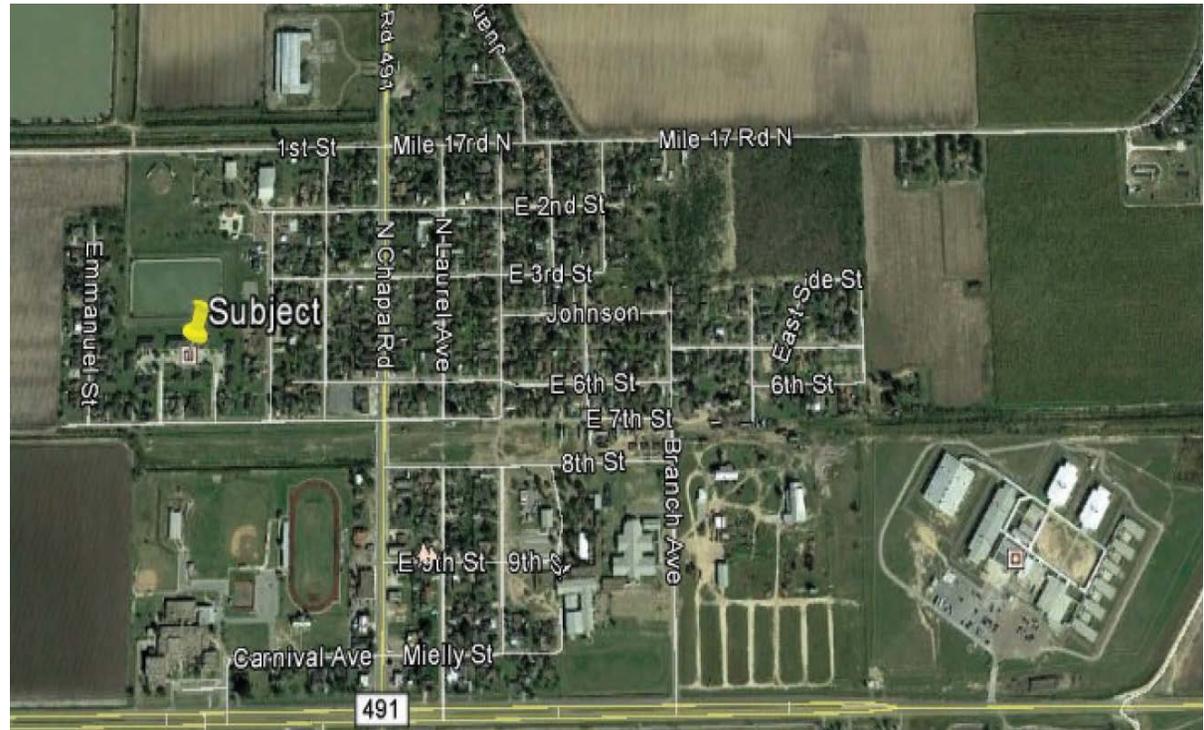
WEAKNESSES/RISKS

- Long-term pro forma does not support resumption of debt service following 20-year deferral
- Feasibility dependent on USDA Rental Assistance

AREA MAP



AERIAL PHOTOGRAPH(S)



20428 La Sombra - Application Summary

REAL ESTATE ANALYSIS DIVISION
January 13, 2020

PROPERTY IDENTIFICATION	
Application #	20428
Development	La Sombra
City / County	Donna / Hidalgo
Region/Area	11 / Rural
Population	Elderly Limitation
Set-Aside	General
Activity	Acquisition/Rehab (Built in 1994)

RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (4% Credit)	\$118,354	\$118,354	\$2,367/Unit

KEY PRINCIPAL / SPONSOR		
HVM Housing, LLC Dennis Hoover Greystone Affordable Development Amie Cofini (Consultant)		
Related Parties	Contractor - No	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	42	84%	40%	-	0%
2	8	16%	50%	-	0%
3	-	0%	60%	50	100%
4	-	0%	MR	-	100%
TOTAL	50	100%	TOTAL	50	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.18	Expense Ratio	62.7%
Breakeven Occ.	89.5%	Breakeven Rent	\$541
Average Rent	\$574	B/E Rent Margin	\$33
Property Taxes	\$476/unit	Exemption/PILOT	0%
Total Expense	\$4,138/unit	Controllable	\$2,381/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (30% Maximum)	N/A		
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	1 BR/60%	42
Premiums (↑60% Rents)	N/A		
Rent Assisted Units	40	80% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten	TDHCA's Costs - Based on PCA		
Avg. Unit Size	649 SF	Density	13.4/acre
Acquisition	\$35K/unit	\$1,752K	
Building Cost	\$49.34/SF	\$32K/unit	\$1,602K
Hard Cost	\$39K/unit		\$1,953K
Total Cost	\$98K/unit		\$4,913K
Developer Fee	\$361K	(26% Deferred)	Paid Year: 5
Contractor Fee	\$249K	30% Boost	No

REHABILITATION COSTS / UNIT			
Site Work	\$3K	9%	Finishes/Fixtures \$26K 68%
Building Shell	\$K	1%	Amenities \$K 1%
HVAC	\$3K	9%	Total Exterior \$4K 12%
Appliances	\$1K	4%	Total Interior \$31K 88%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Greystone Servicing Company LLC	40/40	4.15%	\$1,848,000	1.18	Investment Income	0/0	1.65%	\$34,221	1.18	Federal LIHTC - Boston Financial	\$602,373
USDA Existing Debt	30/50	1.00%	\$1,212,979	1.18	Reserve Funds	0/0	0.00%	\$668,725	1.18	Deferred Developer Fee	\$95,051
					Seller Note	0/0	TBD	\$451,963	1.18		
TOTAL DEBT (Must Pay)			\$3,060,979		CASH FLOW DEBT / GRANTS			\$1,154,909		TOTAL EQUITY SOURCES	\$697,424
										TOTAL DEBT SOURCES	\$4,215,888
										TOTAL CAPITALIZATION	\$4,913,312

CONDITIONS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER

Issuer	Texas State Affordable Housing Corporation
Expiration Date	July 2020
Bond Amount	\$39,120,000
BRB Priority	Priority 3
Bond Structure	USDA 538 Cash-Collateralized
% Financed with Tax-Exempt Bonds	58.4%

RISK PROFILE

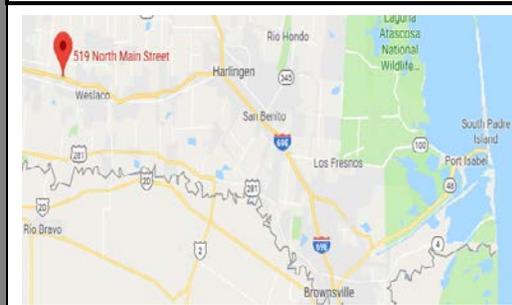
STRENGTHS/MITIGATING FACTORS

- USDA \$515 debt deferred for 20 years
- USDA Rental Assistance
- Experienced Developer

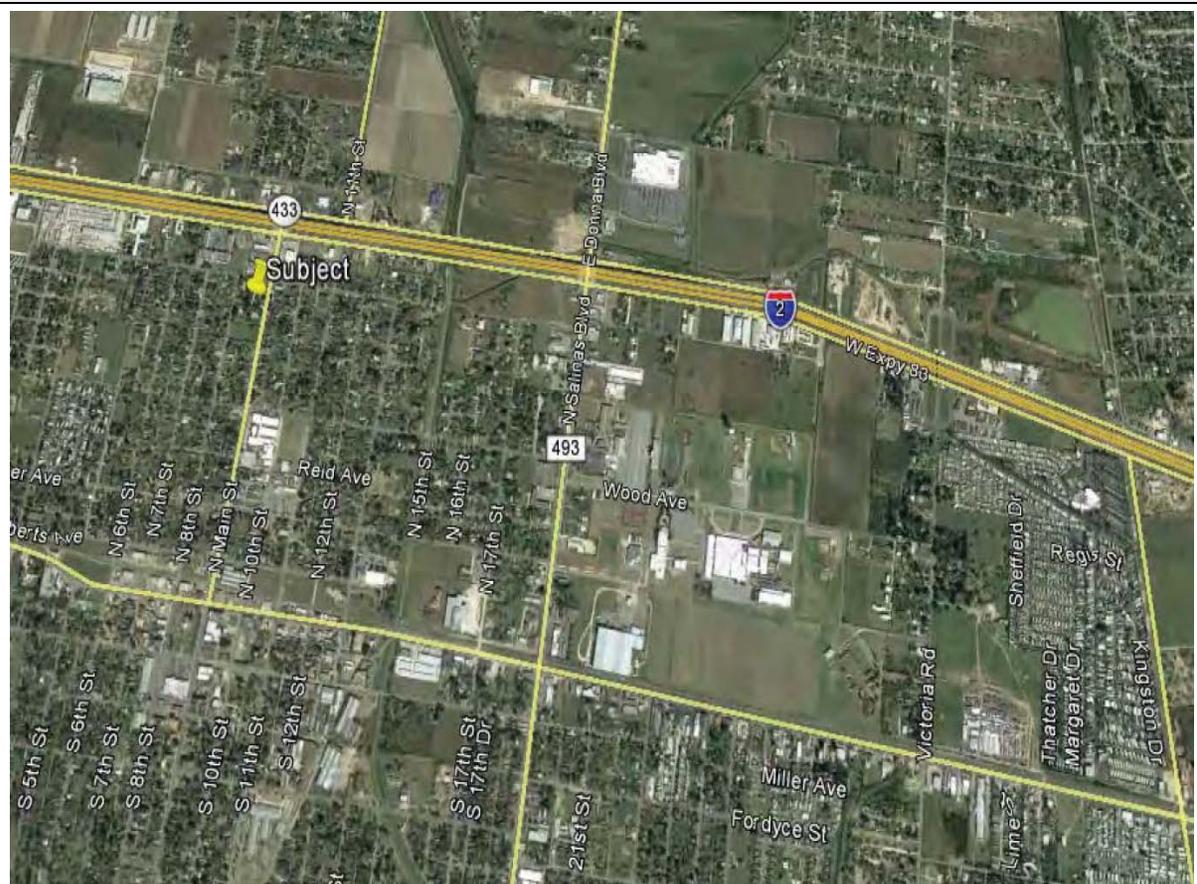
WEAKNESSES/RISKS

- Long-term pro forma does not support resumption of debt service following 20-year deferral
- Feasibility dependent on USDA Rental Assistance

AREA MAP



AERIAL PHOTOGRAPH(S)



20429 Las Palmas Apartments - Application Summary

REAL ESTATE ANALYSIS DIVISION
January 13, 2020

PROPERTY IDENTIFICATION	
Application #	20429
Development	Las Palmas Apartments
City / County	La Feria / Cameron
Region/Area	11 / Urban
Population	Elderly Limitation
Set-Aside	General
Activity	Acquisition/Rehab (Built in 2000)

RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (4% Credit)	\$87,983	\$87,983	\$2,444/Unit

KEY PRINCIPAL / SPONSOR		
HVM Housing, LLC Dennis Hoover Greystone Affordable Development Amie Cofini (Consultant)		
Related Parties	Contractor - No	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	32	89%	40%	-	0%
2	4	11%	50%	-	0%
3	-	0%	60%	35	97%
4	-	0%	EO	1	3%
TOTAL	36	100%	TOTAL	36	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.19	Expense Ratio	60.9%
Breakeven Occ.	89.1%	Breakeven Rent	\$560
Average Rent	\$597	B/E Rent Margin	\$37
Property Taxes	\$417/unit	Exemption/PILOT	0%
Total Expense	\$4,160/unit	Controllable	\$2,243/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (10% Maximum)	N/A		
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	1 BR/60%	32
Premiums (↑60% Rents)	N/A		
Rent Assisted Units	35	97% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten	TDHCA's Costs - Based on PCA		
Avg. Unit Size	667 SF	Density	12.0/acre
Acquisition		\$32K/unit	\$1,146K
Building Cost	\$48.98/SF	\$33K/unit	\$1,176K
Hard Cost		\$39K/unit	\$1,410K
Total Cost		\$96K/unit	\$3,468K
Developer Fee	\$348K	(20% Deferred)	Paid Year: 5
Contractor Fee	\$179K	30% Boost	No

REHABILITATION COSTS / UNIT			
Site Work	\$2K	6%	Finishes/Fixtures \$25K 63%
Building Shell	\$3K	8%	Amenities \$K 1%
HVAC	\$4K	9%	Total Exterior \$6K 17%
Appliances	\$1K	4%	Total Interior \$30K 83%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES		
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount	
Greystone Servicing Company LLC	40/40	4.60%	\$1,353,000	1.19	Investment Income	0/0	1.65%	\$25,625	1.19	Boston Financial Investment Management	\$561,699	
USDA Existing Debt	30/50	1.00%	\$1,082,876	1.19	Reserve Funds	0/0	0.00%	\$375,032	1.19	HVM HOUSING LLC	\$69,885	
TOTAL DEBT (Must Pay)			\$2,435,876		CASH FLOW DEBT / GRANTS			\$400,657		TOTAL EQUITY SOURCES	\$631,584	
TOTAL DEBT SOURCES											\$2,836,533	
											TOTAL CAPITALIZATION	\$3,468,116

CONDITIONS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER

Issuer	Texas State Affordable Housing Corporation
Expiration Date	July 2020
Bond Amount	\$39,120,000
BRB Priority	Priority 3
Bond Structure	USDA 538 Cash-Collateralized
% Financed with Tax-Exempt Bonds	60.6%

RISK PROFILE

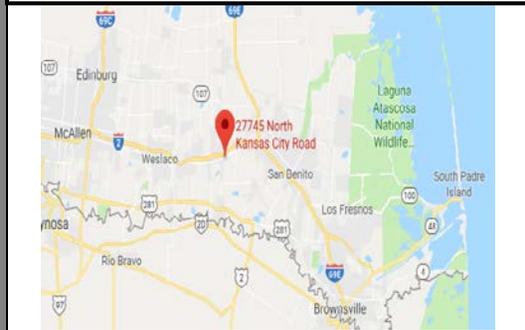
STRENGTHS/MITIGATING FACTORS

- Assumed USDA \$515 debt deferred for 20 years
- USDA Rental Assistance can be adjusted to offset operating cost increases
- Experienced Developer

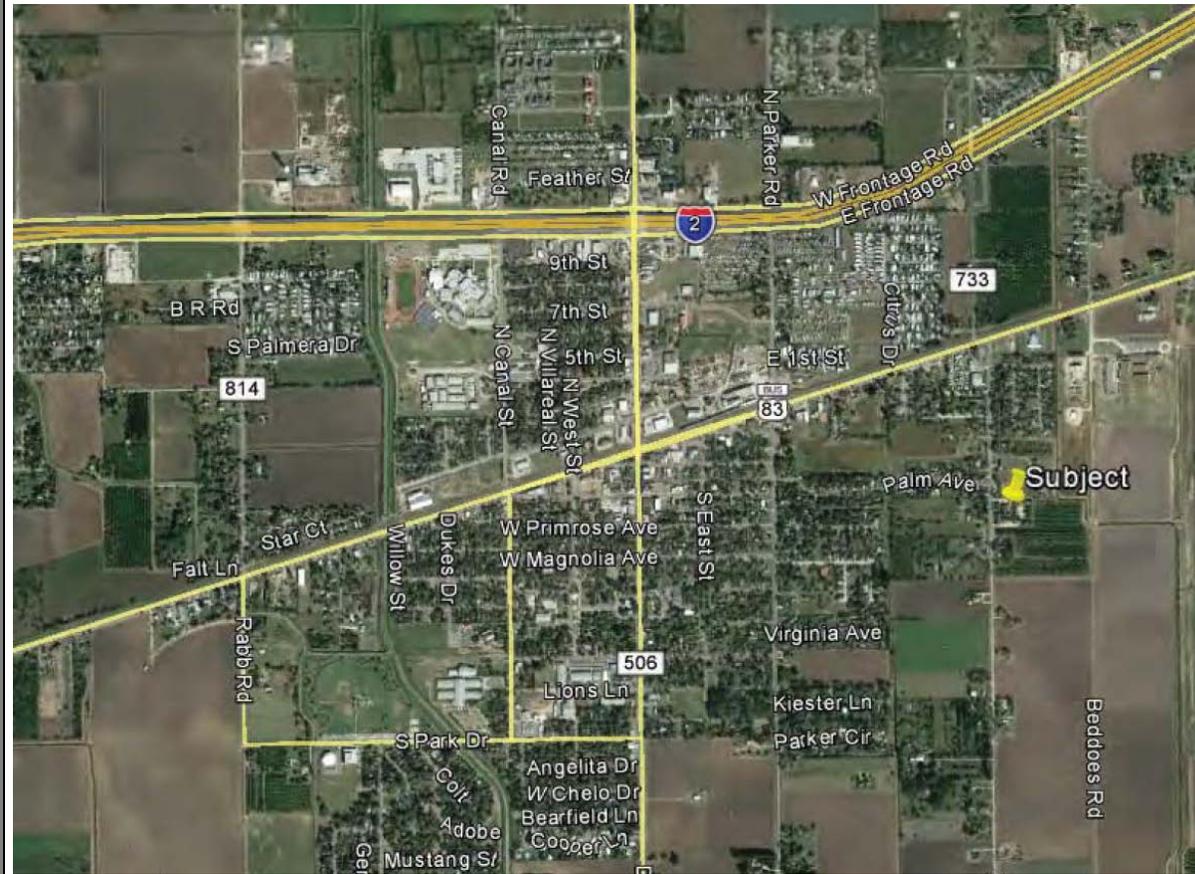
WEAKNESSES/RISKS

- Long-term pro forma does not support resumption of debt service following 20-year deferral
- Feasibility dependent on USDA Rental Assistance

AREA MAP



AERIAL PHOTOGRAPH(S)



20430 Leuty Avenue - Application Summary

REAL ESTATE ANALYSIS DIVISION
January 13, 2020

PROPERTY IDENTIFICATION	
Application #	20430
Development	Leuty Avenue
City / County	Justin / Denton
Region/Area	3 / Urban
Population	General
Set-Aside	General
Activity	Acquisition/Rehab (Built in 1978)

RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (4% Credit)	\$80,261	\$80,261	\$3,344/Unit

KEY PRINCIPAL / SPONSOR		
HVM Housing, LLC Dennis Hoover Greystone Affordable Development Amie Cofini (Consultant)		
Related Parties	Contractor - No	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	8	33%	40%	-	0%
2	16	67%	50%	-	0%
3	-	0%	60%	24	100%
4	-	0%	MR	-	0%
TOTAL	24	100%	TOTAL	24	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.19	Expense Ratio	67.5%
Breakeven Occ.	88.2%	Breakeven Rent	\$645
Average Rent	\$681	B/E Rent Margin	\$36
Property Taxes	\$592/unit	Exemption/PILOT	0%
Total Expense	\$5,184/unit	Controllable	\$3,174/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (10% Maximum)	N/A		
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	2 BR/60%	16
Premiums (↑60% Rents)	N/A		
Rent Assisted Units	20	83% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten	TDHCA's Costs - Based on PCA		
Avg. Unit Size	775 SF	Density	13.6/acre
Acquisition	\$36K/unit	\$869K	
Building Cost	\$50.14/SF	\$39K/unit	\$933K
Hard Cost	\$49K/unit		\$1,186K
Total Cost	\$127K/unit		\$3,060K
Developer Fee	\$305K	(13% Deferred)	Paid Year: 5
Contractor Fee	\$151K	30% Boost	No

REHABILITATION COSTS / UNIT			
Site Work	\$6K	12%	Finishes/Fixtures \$33K 67%
Building Shell	\$1K	1%	Amenities \$K 1%
HVAC	\$3K	7%	Total Exterior \$7K 15%
Appliances	\$2K	3%	Total Interior \$38K 85%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Greystone Servicing Company LLC	40/40	4.60%	\$845,000	1.19	Interim Investment Income	0/0	1.65%	\$23,562	1.19	Federal LIHTC - Boston Financial	\$1,184,352
USDA Existing Debt	30/50	1.00%	\$431,193	1.19	Reserve Funds	0/0	0.00%	\$138,413	1.19	Deferred Developer Fee	\$41,118
					Seller Note	0/0	TBD	\$396,061	1.19		
TOTAL DEBT (Must Pay)			\$1,276,193		CASH FLOW DEBT / GRANTS			\$558,036		TOTAL EQUITY SOURCES	\$1,225,470
										TOTAL DEBT SOURCES	\$1,834,229
										TOTAL CAPITALIZATION	\$3,059,699

CONDITIONS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER

Issuer	Texas State Affordable Housing Corporation
Expiration Date	July 2020
Bond Amount	\$39,120,000
BRB Priority	Priority 3
Bond Structure	USDA 538 Cash-Collateralized
% Financed with Tax-Exempt Bonds	61.2%
The bond amount represents the total for all properties. Individual loan amounts are reflected in the "Underwritten Capitalization Section".	

RISK PROFILE

STRENGTHS/MITIGATING FACTORS

- USDA \$515 debt deferred for 20 years
- USDA Rental Assistance
- Experienced Developer

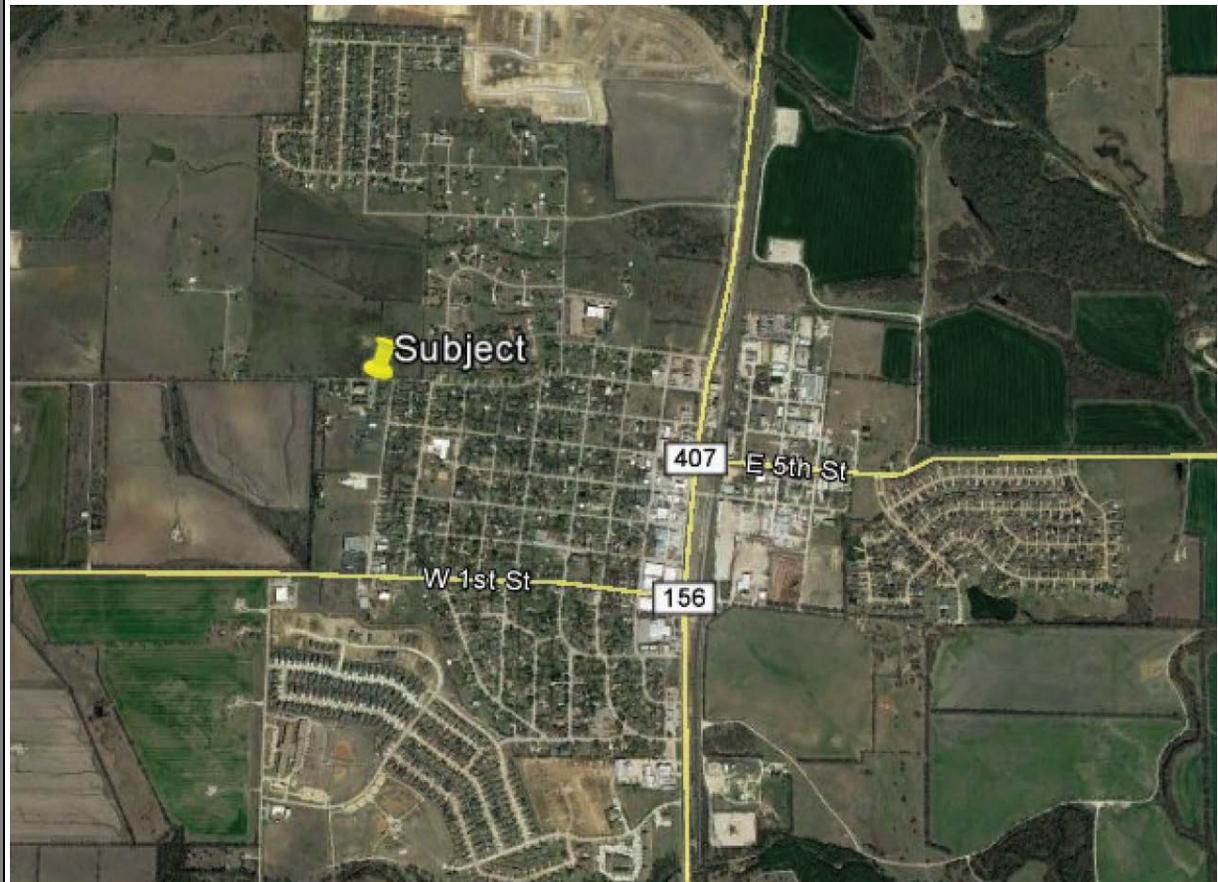
WEAKNESSES/RISKS

- Long-term pro forma does not support resumption of debt service following 20-year deferral
- Feasibility dependent on USDA Rental Assistance

AREA MAP



AERIAL PHOTOGRAPH(S)



20431 Los Laureles - Application Summary

REAL ESTATE ANALYSIS DIVISION
January 13, 2020

PROPERTY IDENTIFICATION	
Application #	20431
Development	Los Laureles
City / County	Edcouch / Hidalgo
Region/Area	11 / Rural
Population	General
Set-Aside	General
Activity	Acquisition/Rehab (Built in 1978)

RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (4% Credit)	\$88,153	\$88,153	\$3,833/Unit

KEY PRINCIPAL / SPONSOR		
HVM Housing, LLC Dennis Hoover Greystone Affordable Development Amie Cofini (Consultant)		
Related Parties	Contractor - No	Seller - Yes

TYPICAL BUILDING ELEVATION/PHOTO



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	4	17%	40%	-	0%
2	8	35%	50%	-	0%
3	11	48%	60%	23	100%
4	-	0%	MR	-	0%
TOTAL	23	100%	TOTAL	23	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.35	Expense Ratio	83.3%
Breakeven Occ.	90.9%	Breakeven Rent	\$565
Average Rent	\$590	B/E Rent Margin	\$26
Property Taxes	\$559/unit	Exemption/PILOT	0%
Total Expense	\$5,662/unit	Controllable	\$3,513/unit

SITE PLAN



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (30% Maximum)	N/A		
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	3 BR/60%	11
Premiums (↑60% Rents)	N/A		
Rent Assisted Units	23	100% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten	TDHCA's Costs - Based on PCA		
Avg. Unit Size	843 SF	Density	6.6/acre
Acquisition	\$27K/unit	\$610K	
Building Cost	\$40.53/SF	\$34K/unit	\$785K
Hard Cost	\$54K/unit		\$1,250K
Total Cost	\$115K/unit		\$2,648K
Developer Fee	\$298K	(2% Deferred)	Paid Year: 1
Contractor Fee	\$159K	30% Boost	Yes

REHABILITATION COSTS / UNIT			
Site Work	\$9K	17%	Finishes/Fixtures \$29K 53%
Building Shell	\$1K	1%	Amenities \$6K 11%
HVAC	\$3K	6%	Total Exterior \$16K 32%
Appliances	\$2K	3%	Total Interior \$34K 68%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES		
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount	
Greystone Servicing Company LLC	40/40	4.60%	\$115,000	3.81	Interim Investment Income	0/0	1.65%	\$20,708	1.35	Federal LIHTC - Boston Financial	\$1,777,107	
USDA Existing Debt	30/50	1.00%	\$398,177	1.35	Reserve Funds	0/0	0.00%	\$119,277	1.35	Deferred Developer Fee	\$6,404	
0	0	x	\$0	0.00	Seller Note	0/0	TBD	\$171,455	1.35	0	\$0	
TOTAL DEBT (Must Pay)			\$513,177		CASH FLOW DEBT / GRANTS			\$311,440		TOTAL EQUITY SOURCES		\$1,783,511
										TOTAL DEBT SOURCES		\$824,617
										TOTAL CAPITALIZATION		\$2,608,129

CONDITIONS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER

Issuer	Texas State Affordable Housing Corporation
Expiration Date	July 2020
Bond Amount	\$39,120,000
BRB Priority	Priority 3
Bond Structure	USDA 538 Cash-Collateralized
% Financed with Tax-Exempt Bonds	62.2%
The bond amount represents the total for all properties. Individual loan amounts are reflected in the "Underwritten Capitalization Section".	

RISK PROFILE

STRENGTHS/MITIGATING FACTORS

- USDA \$515 debt deferred for 20 years
 - USDA Rental Assistance
 - Experienced Developer
- WEAKNESSES/RISKS**
- Long-term pro forma does not support resumption of debt service following 20-year deferral
 - Feasibility dependent on USDA Rental Assistance

AREA MAP



AERIAL PHOTOGRAPH(S)



20432 Los Naranjos - Application Summary

REAL ESTATE ANALYSIS DIVISION
January 13, 2020

PROPERTY IDENTIFICATION	
Application #	20432
Development	Los Naranjos
City / County	Alton / Hidalgo
Region/Area	11 / Urban
Population	Elderly Limitation
Set-Aside	General
Activity	Acquisition/Rehab (Built in 2003)

RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (4% Credit)	\$67,810	\$67,810	\$2,260/Unit

KEY PRINCIPAL / SPONSOR		
HVM Housing, LLC Dennis Hoover Greystone Affordable Development Amie Cofini (Consultant)		
Related Parties	Contractor - No	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	26	87%	40%	-	0%
2	4	13%	50%	-	0%
3	-	0%	60%	29	97%
4	-	0%	MR	1	3%
TOTAL	30	100%	TOTAL	30	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.19	Expense Ratio	62.0%
Breakeven Occ.	89.3%	Breakeven Rent	\$593
Average Rent	\$631	B/E Rent Margin	\$38
Property Taxes	\$395/unit	Exemption/PILOT	0%
Total Expense	\$4,480/unit	Controllable	\$2,753/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (10% Maximum)	N/A		
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	1 BR/60%	25
Premiums (↑60% Rents)	N/A		
Rent Assisted Units	29	97% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten	TDHCA's Costs - Based on PCA		
Avg. Unit Size	672 SF	Density	9.8/acre
Acquisition	\$32K/unit	\$952K	
Building Cost	\$42.33/SF	\$28K/unit	\$853K
Hard Cost	\$35K/unit		\$1,060K
Total Cost	\$93K/unit		\$2,789K
Developer Fee	\$269K	(20% Deferred)	Paid Year: 4
Contractor Fee	\$135K	30% Boost	No

REHABILITATION COSTS / UNIT			
Site Work	\$4K	10%	Finishes/Fixtures \$23K 65%
Building Shell	\$K	1%	Amenities \$K 0%
HVAC	\$3K	10%	Total Exterior \$4K 13%
Appliances	\$2K	4%	Total Interior \$28K 87%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES		
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount	
Greystone Servicing Company LLC	40/40	4.60%	\$1,161,000	1.19	Interim Investment Income	0/0	1.65%	\$20,097	1.19	Federal LIHTC - Boston Financial	\$320,332	
USDA Existing Debt	30/50	1.00%	\$899,542	1.19	Reserve Funds	0/0	0.00%	\$332,821	1.19	Deferred Developer Fee	\$55,142	
TOTAL DEBT (Must Pay)			\$2,060,542		CASH FLOW DEBT / GRANTS			\$352,918		TOTAL EQUITY SOURCES	\$375,474	
TOTAL DEBT SOURCES											\$2,413,460	
											TOTAL CAPITALIZATION	\$2,788,934

CONDITIONS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER

Issuer	Texas State Affordable Housing Corporation
Expiration Date	July 2020
Bond Amount	\$39,120,000
BRB Priority	Priority 3
Close Date	
Bond Structure	USDA 538 Cash-Collateralized
% Financed with Tax-Exempt Bonds	60.4%

RISK PROFILE

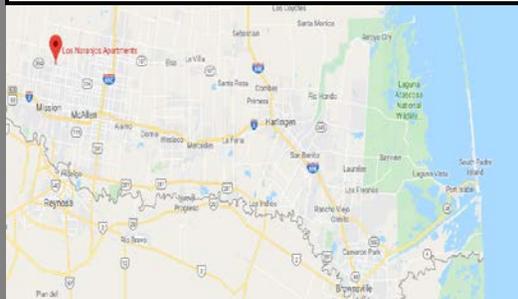
STRENGTHS/MITIGATING FACTORS

- USDA \$515 debt deferred for 20 years
- USDA Rental Assistance
- Experienced Developer

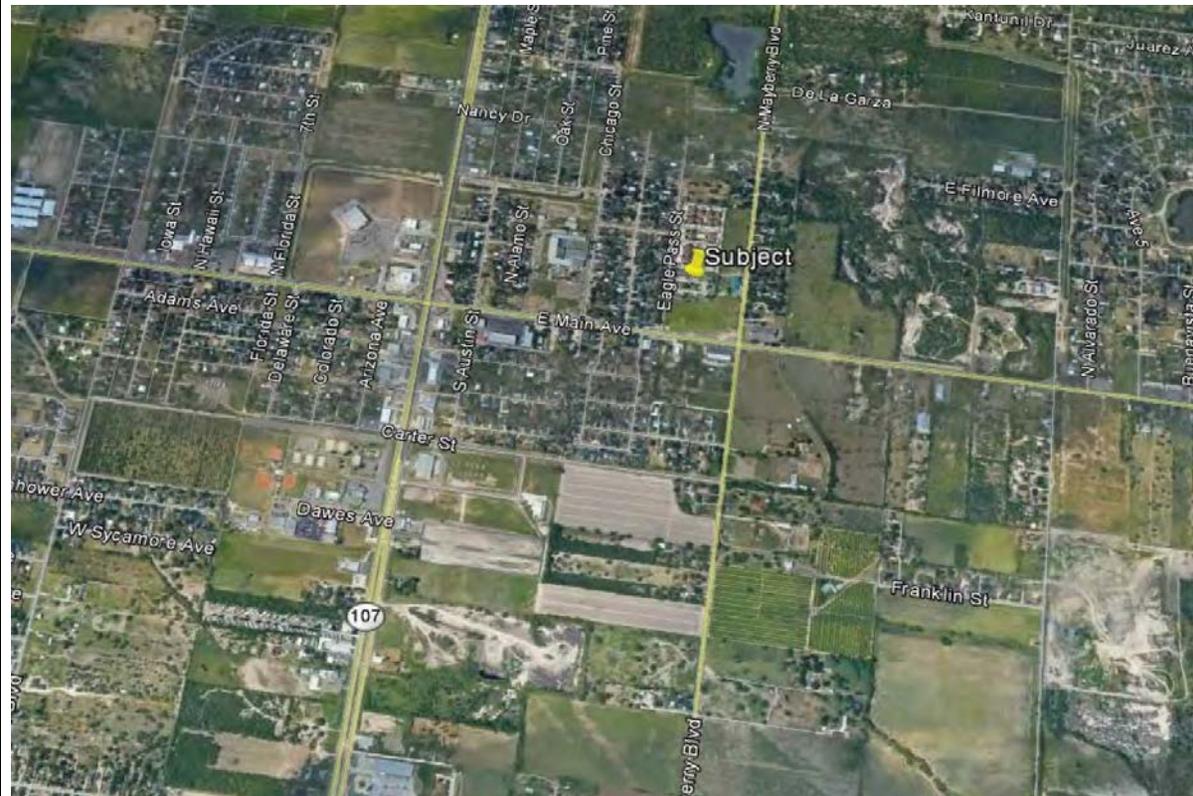
WEAKNESSES/RISKS

- Long-term pro forma does not support resumption of
- Feasibility dependent on USDA Rental Assistance

AREA MAP



AERIAL PHOTOGRAPH(S)



20433 Oak Haven - Application Summary

REAL ESTATE ANALYSIS DIVISION
January 13, 2020

PROPERTY IDENTIFICATION	
Application #	20433
Development	Oak Haven
City / County	Donna / Hidalgo
Region/Area	11 / Urban
Population	General
Set-Aside	General
Activity	Acquisition/Rehab (Built in 1983)

RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (4% Credit)	\$63,090	\$63,090	\$2,629/Unit

KEY PRINCIPAL / SPONSOR		
HVM Housing, LLC Dennis Hoover Greystone Affordable Development Amie Cofini (Consultant)		
Related Parties	Contractor - No	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	12	50%	40%	-	0%
2	12	50%	50%	-	0%
3	-	0%	60%	24	100%
4	-	0%	MR	-	100%
TOTAL	24	100%	TOTAL	24	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.17	Expense Ratio	65.6%
Breakeven Occ.	90.2%	Breakeven Rent	\$648
Average Rent	\$683	B/E Rent Margin	\$35
Property Taxes	\$476/unit	Exemption/PILOT	0%
Total Expense	\$5,153/unit	Controllable	\$3,199/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (10% Maximum)	N/A		
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	1 BR/60%	12
Premiums (↑60% Rents)	N/A		
Rent Assisted Units	24	100% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten	TDHCA's Costs - Based on PCA		
Avg. Unit Size	795 SF	Density	18.3/acre
Acquisition	\$26K/unit	\$622K	
Building Cost	\$45.83/SF	\$36K/unit	\$874K
Hard Cost	\$46K/unit		\$1,111K
Total Cost	\$107K/unit		\$2,561K
Developer Fee	\$276K	(23% Deferred)	Paid Year: 7
Contractor Fee	\$141K	30% Boost	No

REHABILITATION COSTS / UNIT			
Site Work	\$5K	11%	Finishes/Fixtures \$29K 63%
Building Shell	\$2K	5%	Amenities \$K 1%
HVAC	\$4K	8%	Total Exterior \$8K 19%
Appliances	\$1K	3%	Total Interior \$34K 81%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Greystone Servicing Company LLC	40/40	4.60%	\$924,000	1.17	Investment Income	0/0	1.65%	\$18,332	1.17	Federal LIHTC - Boston Financial	\$743,005
USDA Existing Debt	30/50	1.00%	\$446,199	1.17	Reserve Funds	0/0	0.00%	\$232,711	1.17	Deferred Developer Fee	\$63,061
					Seller Note	0/0	TBD	\$133,488	1.17		
TOTAL DEBT (Must Pay)			\$1,370,199		CASH FLOW DEBT / GRANTS			\$384,531		TOTAL EQUITY SOURCES	\$806,066
										TOTAL DEBT SOURCES	\$1,754,730
										TOTAL CAPITALIZATION	\$2,560,796

CONDITIONS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER

Issuer	Texas State Affordable Housing Corporation
Expiration Date	July 2020
Bond Amount	\$39,120,000
BRB Priority	Priority 3
Bond Structure	USDA 538 Cash-Collateralized
% Financed with Tax-Exempt Bonds	61.4%
The bond amount represents the total for all properties. Individual loan amounts are reflected in the "Underwritten Capitalization Section".	

RISK PROFILE

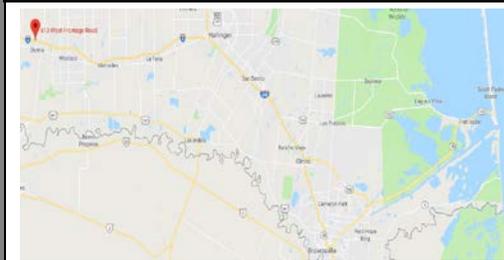
STRENGTHS/MITIGATING FACTORS

- USDA \$515 debt deferred for 20 years
- USDA Rental Assistance
- Experienced Developer

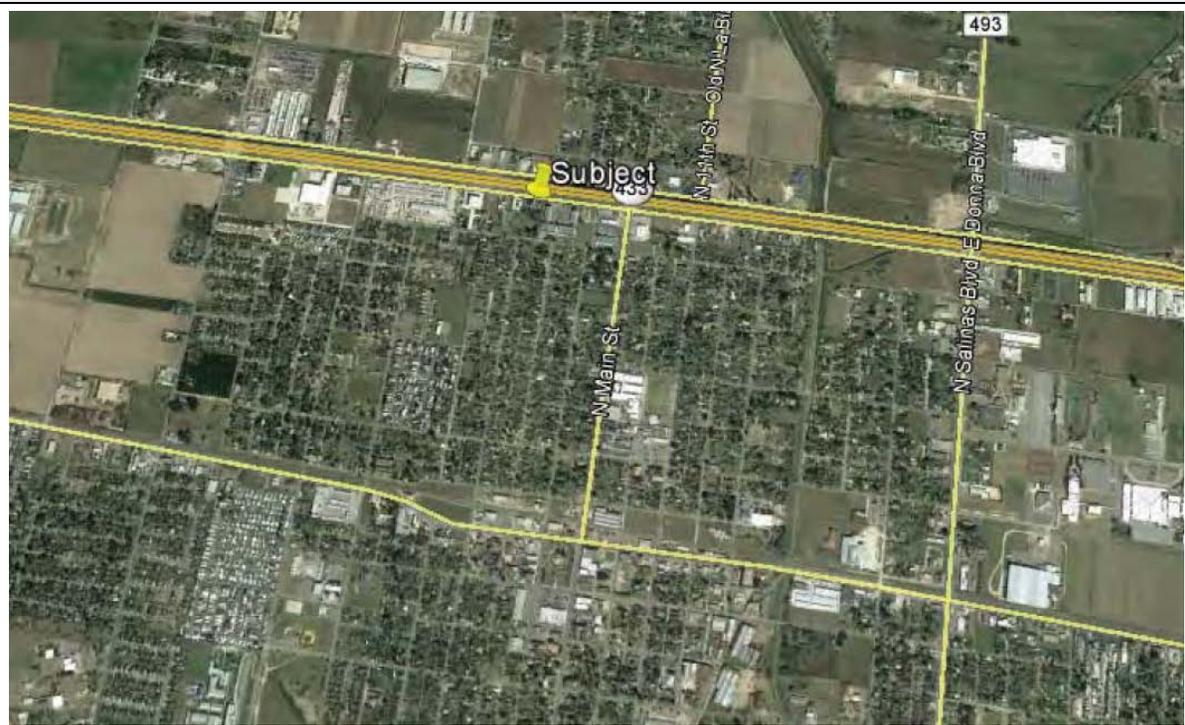
WEAKNESSES/RISKS

- Long-term pro forma does not support resumption of debt service following 20-year deferral
- Feasibility dependent on USDA Rental Assistance

AREA MAP



AERIAL PHOTOGRAPH(S)



20434 Raintree - Application Summary

REAL ESTATE ANALYSIS DIVISION
January 13, 2020

PROPERTY IDENTIFICATION	
Application #	20434
Development	Raintree
City / County	Alamo / Hidalgo
Region/Area	11 / Urban
Population	General
Set-Aside	General
Activity	Acquisition/Rehab (Built in 1986)

RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (4% Credit)	\$82,925	\$82,925	\$2,591/Unit

KEY PRINCIPAL / SPONSOR		
HVM Housing, LLC Dennis Hoover Greystone Affordable Development Amie Cofini (Consultant)		
Related Parties	Contractor - No	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	16	50%	40%	-	0%
2	16	50%	50%	-	0%
3	-	0%	60%	32	100%
4	-	0%	MR	-	0%
TOTAL	32	100%	TOTAL	32	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.16	Expense Ratio	59.7%
Breakeven Occ.	89.6%	Breakeven Rent	\$610
Average Rent	\$645	B/E Rent Margin	\$35
Property Taxes	\$447/unit	Exemption/PILOT	0%
Total Expense	\$4,424/unit	Controllable	\$2,578/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (10% Maximum)	N/A		
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	1 BR/60%	16
Premiums (↑60% Rents)	N/A		
Rent Assisted Units	32	100% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten	TDHCA's Costs - Based on PCA		
Avg. Unit Size	768 SF	Density	12.6/acre
Acquisition	\$29K/unit	\$931K	
Building Cost	\$45.09/SF	\$35K/unit	\$1,108K
Hard Cost	\$43K/unit		\$1,378K
Total Cost	\$105K/unit		\$3,353K
Developer Fee	\$341K	(15% Deferred)	Paid Year: 4
Contractor Fee	\$178K	30% Boost	No

REHABILITATION COSTS / UNIT			
Site Work	\$4K	9%	Finishes/Fixtures \$28K 64%
Building Shell	\$2K	5%	Amenities \$K 1%
HVAC	\$3K	8%	Total Exterior \$6K 17%
Appliances	\$2K	3%	Total Interior \$33K 83%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Greystone Servicing Company LLC	40/40	4.15%	\$1,467,000	1.16	Interim Investment Income	0/0	1.65%	\$23,661	1.16	Federal LIHTC - Boston Financial	\$623,856
USDA Existing Debt	30/50	1.00%	\$377,463	1.16	Reserve Funds	0/0	0.00%	\$348,668	1.16	Deferred Developer Fee	\$51,478
					Seller Note	0/0	TBD	\$460,796	1.16		
TOTAL DEBT (Must Pay)			\$1,844,463		CASH FLOW DEBT / GRANTS			\$833,125		TOTAL EQUITY SOURCES	\$675,334
										TOTAL DEBT SOURCES	\$2,677,588
										TOTAL CAPITALIZATION	\$3,352,922

CONDITIONS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER

Issuer	Texas State Affordable Housing Corporation
Expiration Date	July 2020
Bond Amount	\$39,120,000
BRB Priority	Priority 3
Bond Structure	USDA 538 Cash-Collateralized
% Financed with Tax-Exempt Bonds	61.6%
The bond amount represents the total for all properties. Individual loan amounts are reflected in the "Underwritten Capitalization Section".	

RISK PROFILE

STRENGTHS/MITIGATING FACTORS

- USDA \$515 debt deferred for 20 years
- USDA Rental Assistance
- Experienced Developer

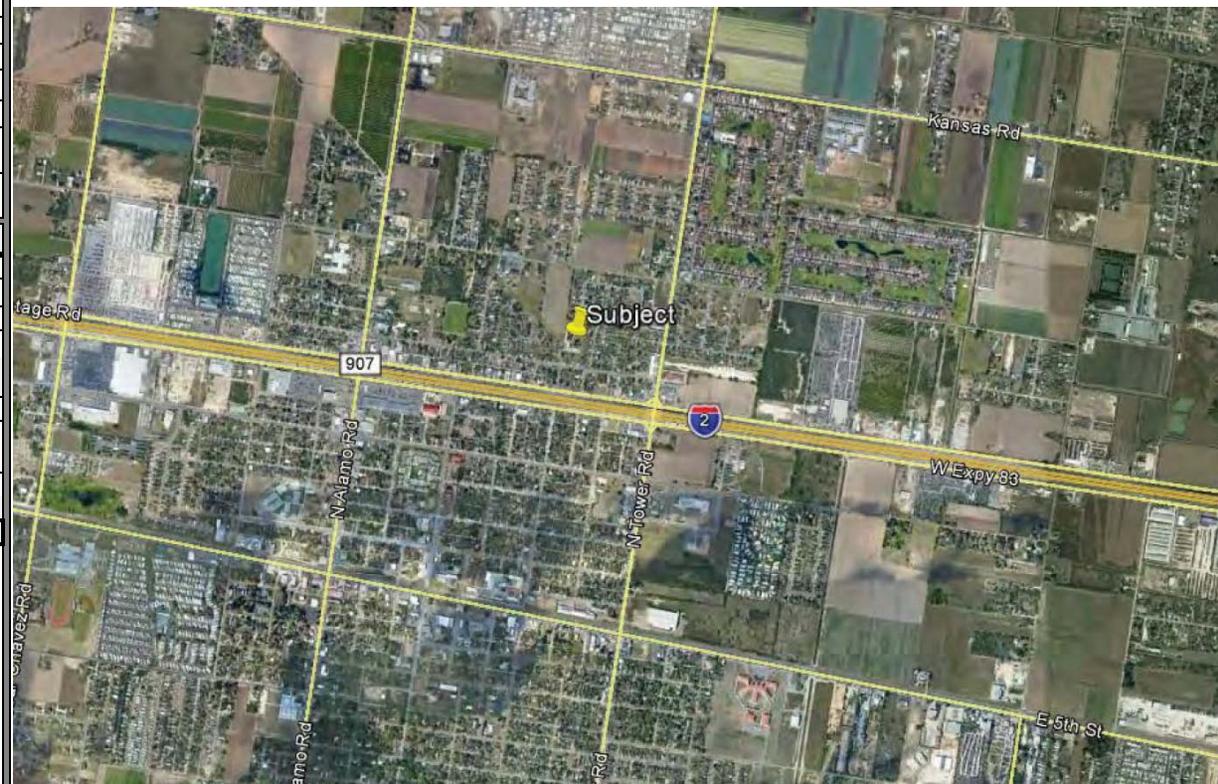
WEAKNESSES/RISKS

- Long-term pro forma does not support resumption of debt service following 20-year deferral
- Feasibility dependent on USDA Rental Assistance

AREA MAP



AERIAL PHOTOGRAPH(S)



20435 Seagraves Garden - Application Summary

REAL ESTATE ANALYSIS DIVISION
January 13, 2020

PROPERTY IDENTIFICATION	
Application #	20435
Development	Seagraves Garden
City / County	Seagraves / Gaines
Region/Area	12 / Rural
Population	General
Set-Aside	General
Activity	Acquisition/Rehab (Built in 1974)

RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (4% Credit)	\$91,709	\$91,709	\$2,866/Unit

KEY PRINCIPAL / SPONSOR		
HVM Housing, LLC Dennis Hoover Greystone Affordable Development Amie Cofini (Consultant)		
Related Parties	Contractor - No	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	-	0%	40%	-	0%
2	27	84%	50%	-	0%
3	5	16%	60%	32	100%
4	-	0%	MR	-	0%
TOTAL	32	100%	TOTAL	32	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.28	Expense Ratio	66.6%
Breakeven Occ.	87.2%	Breakeven Rent	\$636
Average Rent	\$686	B/E Rent Margin	\$50
Property Taxes	\$316/unit	Exemption/PILOT	0%
Total Expense	\$5,176/unit	Controllable	\$3,481/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (30% Maximum)	N/A		
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	2 BR/60%	27
Premiums (↑60% Rents)	N/A		
Rent Assisted Units	31	97% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten	TDHCA's Costs - Based on PCA		
Avg. Unit Size	821 SF	Density	7.4/acre
Acquisition	\$25K/unit	\$786K	
Building Cost	\$45.60/SF	\$37K/unit	\$1,198K
Hard Cost	\$47K/unit		\$1,508K
Total Cost	\$110K/unit		\$3,532K
Developer Fee	\$388K (29% Deferred)	Paid Year: 6	
Contractor Fee	\$192K	30% Boost	No

REHABILITATION COSTS / UNIT			
Site Work	\$5K	10%	Finishes/Fixtures \$32K 68%
Building Shell	\$1K	1%	Amenities \$K 1%
HVAC	\$3K	7%	Total Exterior \$6K 14%
Appliances	\$2K	3%	Total Interior \$37K 86%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES		
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount	
Greystone Servicing Company LLC	40/40	4.15%	\$1,153,000	1.28	Investment Income	0/0	1.65%	\$27,143	1.28	Federal LIHTC - Boston Financial	\$1,346,691	
USDA Existing Debt	30/50	1.00%	\$297,685	1.28	Reserve Funds	0/0	0.00%	\$163,289	1.28	Deferred Developer Fee	\$111,288	
					Seller Note	0/0	0.00%	\$432,637	1.28			
TOTAL DEBT (Must Pay)			\$1,450,685		CASH FLOW DEBT / GRANTS			\$623,069		TOTAL EQUITY SOURCES	\$1,457,979	
											TOTAL DEBT SOURCES	\$2,073,754
											TOTAL CAPITALIZATION	\$3,531,733

CONDITIONS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER

Issuer	Texas State Affordable Housing Corporation
Expiration Date	July 2020
Bond Amount	\$39,120,000
BRB Priority	Priority 3
Close Date	TBD
Bond Structure	USDA 538 Cash Collateralized
% Financed with Tax-Exempt Bonds	62.0%
The bond amount represents the total for all properties. Individual loan amounts are reflected in the "Underwritten Capitalization Section".	

RISK PROFILE

STRENGTHS/MITIGATING FACTORS

- USDA \$515 debt deferred for 20 years
- USDA Rental Assistance
- Experienced Developer

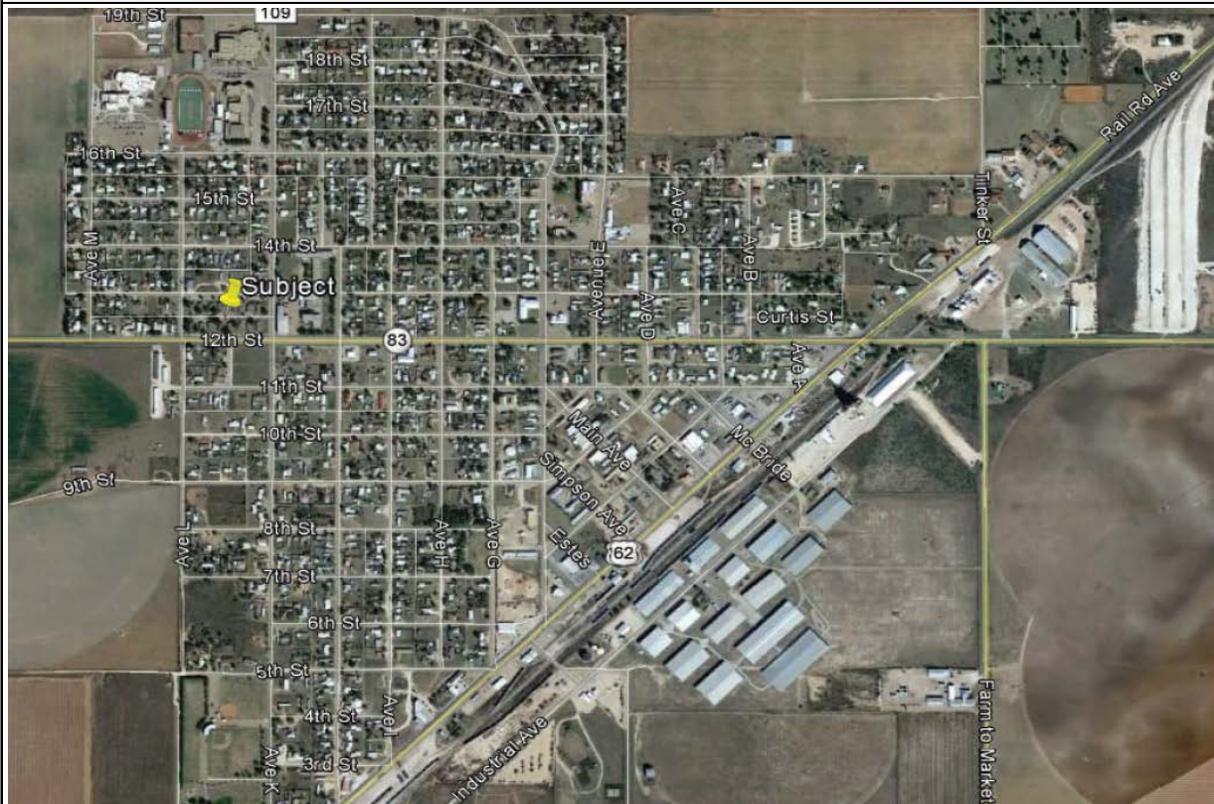
WEAKNESSES/RISKS

- Long-term pro forma does not support resumption of debt service following 20-year deferral
- Feasibility dependent on USDA Rental Assistance

AREA MAP



AERIAL PHOTOGRAPH(S)



20436 Silver Trail - Application Summary

REAL ESTATE ANALYSIS DIVISION
January 13, 2020

PROPERTY IDENTIFICATION	
Application #	20436
Development	Silver Trail
City / County	Menard / Menard
Region/Area	12 / Rural
Population	Elderly Limitation
Set-Aside	General
Activity	Acquisition/Rehab (Built in 1991)

RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (4% Credit)	\$67,091	\$67,091	\$2,795/Unit

KEY PRINCIPAL / SPONSOR		
HVM Housing, LLC Dennis Hoover Greystone Affordable Development Amie Cofini (Consultant)		
Related Parties	Contractor - No	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	22	92%	40%	-	0%
2	2	8%	50%	-	0%
3	-	0%	60%	24	100%
4	-	0%	MR	-	✓
TOTAL	24	100%	TOTAL	24	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.20	Expense Ratio	66.5%
Breakeven Occ.	86.0%	Breakeven Rent	\$550
Average Rent	\$582	B/E Rent Margin	\$32
Property Taxes	\$326/unit	Exemption/PILOT	0%
Total Expense	\$4,241/unit	Controllable	\$2,512/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (30% Maximum)	N/A		
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	1 BR/60%	22
Premiums (↑60% Rents)	N/A		
Rent Assisted Units	22	92% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten	TDHCA's Costs - Based on PCA		
Avg. Unit Size	713 SF	Density	10.3/acre
Acquisition	\$30K/unit	\$714K	
Building Cost	\$47.20/SF	\$34K/unit	\$807K
Hard Cost	\$45K/unit		\$1,088K
Total Cost	\$111K/unit		\$2,666K
Developer Fee	\$275K	(12% Deferred)	Paid Year: 4
Contractor Fee	\$138K	30% Boost	No

REHABILITATION COSTS / UNIT			
Site Work	\$7K	15%	Finishes/Fixtures \$28K 62%
Building Shell	\$1K	1%	Amenities \$1K 1%
HVAC	\$3K	8%	Total Exterior \$8K 20%
Appliances	\$2K	4%	Total Interior \$33K 80%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES		
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount	
Greystone Servicing Company LLC	40/40	4.60%	\$718,000	1.20	Interim Investment Income	0/0	1.65%	\$19,949	1.20	Federal LIHTC - Boston Financial	\$1,063,040	
USDA Existing Debt	30/50	1.00%	\$548,591	1.20	Reserve Funds	0/0	0.00%	\$160,222	1.20	Deferred Developer Fee	\$32,017	
					Seller Note	0/0	TBD	\$123,772	1.20			
TOTAL DEBT (Must Pay)			\$1,266,591		CASH FLOW DEBT / GRANTS			\$303,943		TOTAL EQUITY SOURCES		\$1,095,057
										TOTAL DEBT SOURCES		\$1,570,534
										TOTAL CAPITALIZATION		\$2,665,591

CONDITIONS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER

Issuer	Texas State Affordable Housing Corporation
Expiration Date	July 2020
Bond Amount	\$39,120,000
BRB Priority	Priority 3
Bond Structure	USDA 538 Cash-Collateralized
% Financed with Tax-Exempt Bonds	61.4%
The bond amount represents the total for all properties. Individual loan amounts are reflected in the "Underwritten Capitalization Section".	

RISK PROFILE

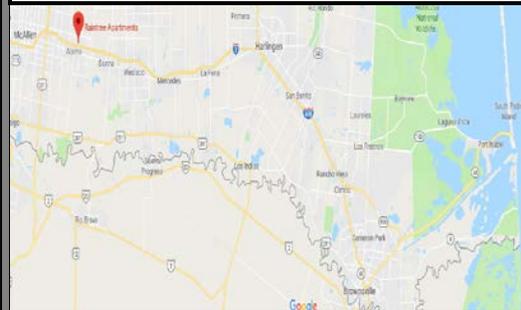
STRENGTHS/MITIGATING FACTORS

- USDA \$515 debt deferred for 20 years
- USDA Rental Assistance
- Experienced Developer

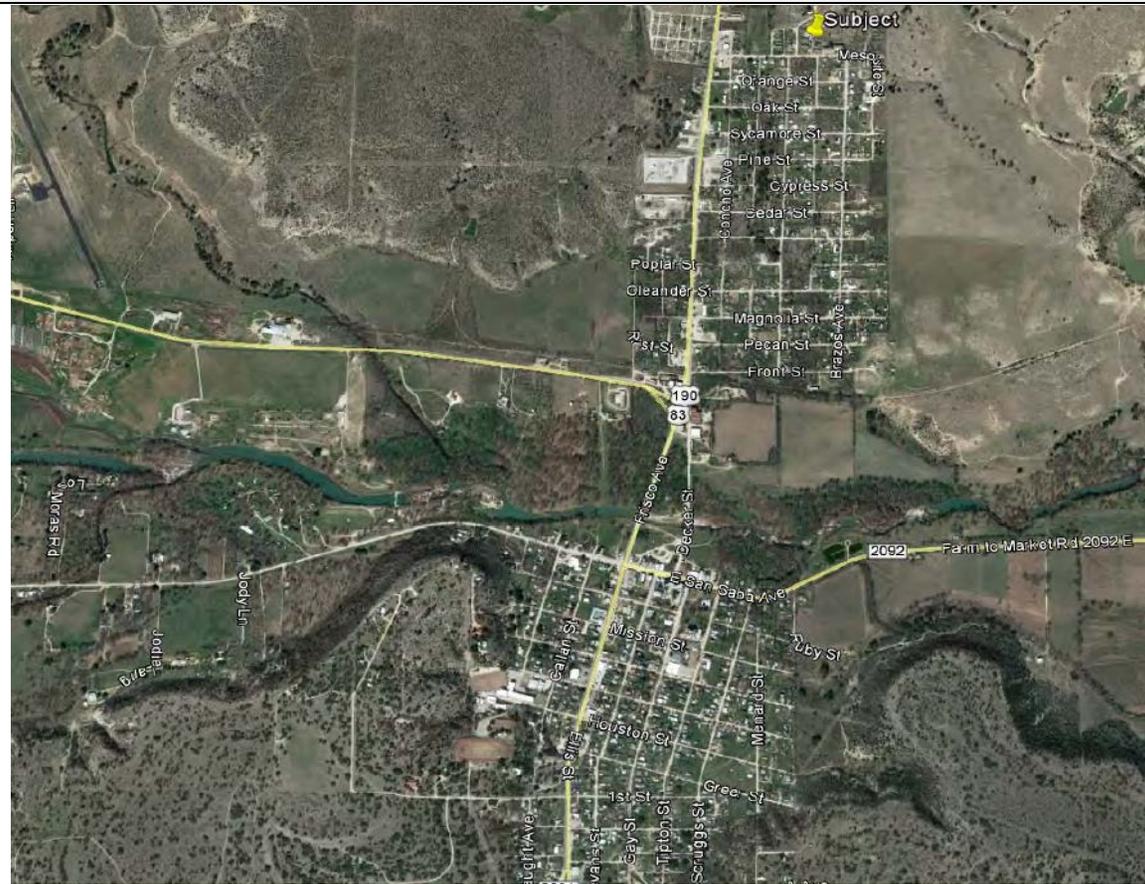
WEAKNESSES/RISKS

- Long-term pro forma does not support resumption of debt service following 20-year deferral
- Feasibility dependent on USDA Rental Assistance

AREA MAP



AERIAL PHOTOGRAPH(S)



20437 The Village - Application Summary

REAL ESTATE ANALYSIS DIVISION
January 13, 2020

PROPERTY IDENTIFICATION	
Application #	20437
Development	The Village
City / County	Tomball / Harris
Region/Area	6 / Rural
Population	Elderly Limitation
Set-Aside	General
Activity	Acquisition/Rehab (Built in 1999)

RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (4% Credit)	\$172,768	\$172,768	\$2,700/Unit

KEY PRINCIPAL / SPONSOR		
HVM Housing, LLC Dennis Hoover Greystone Affordable Development Amie Cofini (Consultant)		
Related Parties	Contractor - No	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	16	25%	30%	-	0%
1	44	69%	40%	-	0%
2	4	6%	50%	-	0%
3	-	0%	60%	64	100%
4	-	0%	MR	-	0%
TOTAL	64	100%	TOTAL	64	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		TDHCA's Pro Forma	
Debt Coverage	✓ 1.37	Expense Ratio	✗ 68.2%
Breakeven Occ.	✓ 86.8%	Breakeven Rent	\$685
Average Rent	\$751	B/E Rent Margin	✓ \$67
Property Taxes	\$649/unit	Exemption/PILOT	0%
Total Expense	\$5,992/unit	Controllable	\$3,957/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (30% Maximum)	N/A		
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	1 BR/60%	44
Premiums (↑60% Rents)	N/A		
Rent Assisted Units	63	98% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten		TDHCA's Costs - Based on PCA	
Avg. Unit Size	522 SF	Density	11.1/acre
Acquisition	\$42K/unit	\$2,694K	
Building Cost	\$57.58/SF	\$30K/unit	\$1,923K
Hard Cost	\$36K/unit \$2,323K		
Total Cost	\$104K/unit \$6,686K		
Developer Fee	\$450K (6% Deferred)	Paid Year: 1	
Contractor Fee	\$296K	30% Boost	No

REHABILITATION COSTS / UNIT			
Site Work	\$2K 5%	Finishes/Fixtures	\$23K 63%
Building Shell	\$K 1%	Amenities	\$K 1%
HVAC	\$3K 9%	Total Exterior	\$2K 7%
Appliances	\$4K 12%	Total Interior	\$31K 93%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Greystone Servicing Company LLC	40/40	4.15%	\$2,321,000	1.37	Interim Investment Income	0/0	1.65%	\$49,220	1.37	Federal LIHTC - Boston Financial	\$1,157,651
USDA Existing Debt	30/50	1.00%	\$2,582,181	1.37	Reserve Funds	0/0	0.00%	\$548,345	1.37	Deferred Developer Fee	\$27,824
TOTAL DEBT (Must Pay)			\$4,903,181		CASH FLOW DEBT / GRANTS			\$597,565		TOTAL EQUITY SOURCES	\$1,185,475
										TOTAL DEBT SOURCES	\$5,500,746
										TOTAL CAPITALIZATION	\$6,686,221

CONDITIONS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER	
Issuer	Texas State Affordable Housing Corporation
Expiration Date	July 2020
Bond Amount	\$39,120,000
BRB Priority	Priority 3
Bond Structure	USDA 538 Cash-Collateralized
% Financed with Tax-Exempt Bonds	57.1%
The bond amount represents the total for all properties. Individual loan amounts are reflected in the "Underwritten Capitalization Section".	
RISK PROFILE	
STRENGTHS/MITIGATING FACTORS	
▫	USDA §515 debt deferred for 20 years
▫	USDA Rental Assistance
▫	Experienced Developer
WEAKNESSES/RISKS	
▫	Long-term pro forma does not support resumption of debt service following 20-year deferral
▫	Feasibility dependent on USDA Rental Assistance
AREA MAP	



20438 Valley View - Application Summary

REAL ESTATE ANALYSIS DIVISION
January 13, 2020

PROPERTY IDENTIFICATION	
Application #	20438
Development	Valley View
City / County	Valley View / Cooke
Region/Area	3 / Rural
Population	General
Set-Aside	General
Activity	Acquisition/Rehab (Built in 1979)

RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (4% Credit)	\$78,834	\$78,834	\$3,285/Unit

KEY PRINCIPAL / SPONSOR		
HVM Housing, LLC Dennis Hoover Greystone Affordable Development Amie Cofini (Consultant)		
Related Parties	Contractor - No	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	9	38%	40%	-	0%
2	15	63%	50%	-	0%
3	-	0%	60%	24	100%
4	-	0%	MR	-	100%
TOTAL	24	100%	TOTAL	24	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.16	Expense Ratio	59.6%
Breakeven Occ.	87.8%	Breakeven Rent	\$659
Average Rent	\$699	B/E Rent Margin	\$40
Property Taxes	\$267/unit	Exemption/PILOT	0%
Total Expense	\$4,710/unit	Controllable	\$3,100/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (30% Maximum)	N/A		
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	2 BR/60%	15
Premiums (↑60% Rents)	N/A		
Rent Assisted Units	23	96% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten	TDHCA's Costs - Based on PCA		
Avg. Unit Size	773 SF	Density	17.4/acre
Acquisition	\$40K/unit	\$958K	
Building Cost	\$45.72/SF	\$35K/unit	\$848K
Hard Cost	\$47K/unit		\$1,121K
Total Cost	\$128K/unit		\$3,063K
Developer Fee	\$293K (26% Deferred)	Paid Year: 7	
Contractor Fee	\$143K	30% Boost	No

REHABILITATION COSTS / UNIT			
Site Work	\$7K	14%	Finishes/Fixtures \$30K 64%
Building Shell	\$1K	1%	Amenities \$K 1%
HVAC	\$3K	7%	Total Exterior \$8K 18%
Appliances	\$2K	3%	Total Interior \$35K 82%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Greystone Servicing Company LLC	40/40	4.15%	\$1,172,000	1.16	Interim Investment Income	0/0	1.65%	\$22,985	1.16	Federal LIHTC - Boston Financial	\$675,554
USDA Existing Debt	30/50	1.00%	\$384,750	1.16	Reserve Funds	0/0	0.00%	\$201,718	1.16	Deferred Developer Fee	\$74,843
					Seller Note	0/0	TBD	\$530,900	1.16		
TOTAL DEBT (Must Pay)			\$1,556,750		CASH FLOW DEBT / GRANTS			\$755,603		TOTAL EQUITY SOURCES	\$750,397
										TOTAL DEBT SOURCES	\$2,312,353
										TOTAL CAPITALIZATION	\$3,062,750

CONDITIONS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER

Issuer	Texas State Affordable Housing Corporation
Expiration Date	July 2020
Bond Amount	\$39,120,000
BRB Priority	Priority 3
Bond Structure	USDA 538 Cash-Collateralized
% Financed with Tax-Exempt Bonds	61.5%
The bond amount represents the total for all properties. Individual loan amounts are reflected in the "Underwritten Capitalization Section".	

RISK PROFILE

STRENGTHS/MITIGATING FACTORS

- USDA \$515 debt deferred for 20 years
- USDA Rental Assistance
- Experienced Developer

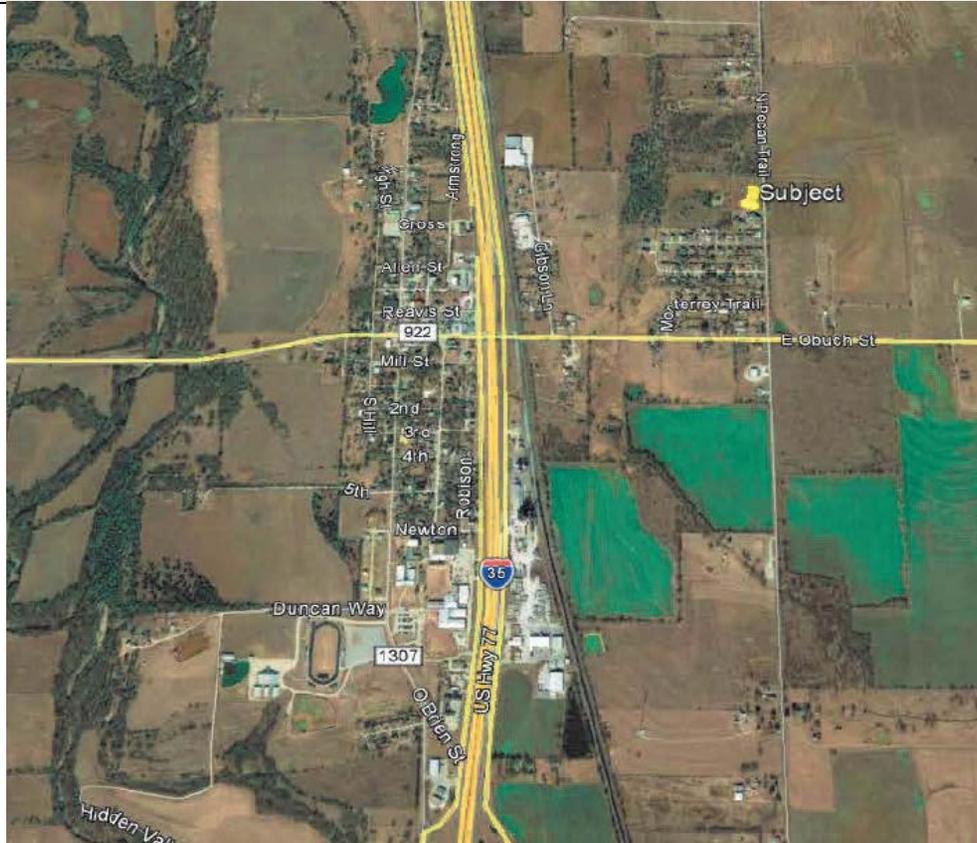
WEAKNESSES/RISKS

- Long-term pro forma does not support resumption of debt service following 20-year deferral
- Feasibility dependent on USDA Rental Assistance

AREA MAP



AERIAL PHOTOGRAPH(S)



20439 Villa Vallarta - Application Summary

REAL ESTATE ANALYSIS DIVISION
January 13, 2020

PROPERTY IDENTIFICATION	
Application #	20439
Development	Villa Vallarta
City / County	Rio Grande City / Starr
Region/Area	11 / Rural
Population	Elderly Limitation
Set-Aside	General
Activity	Acquisition/Rehab (Built in 1995)

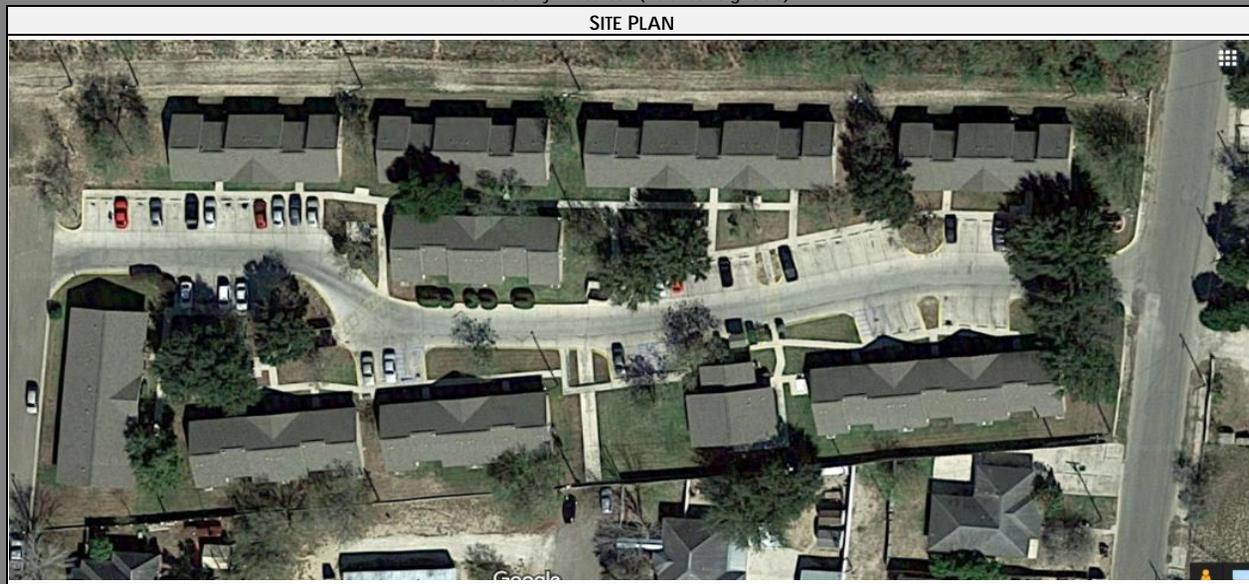
RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (4% Credit)	\$122,529	\$122,529	\$3,063/Unit

KEY PRINCIPAL / SPONSOR		
HVM Housing, LLC Dennis Hoover Greystone Affordable Development Amie Cofini (Consultant)		
Related Parties	Contractor - No	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	36	90%	40%	-	0%
2	4	10%	50%	-	0%
3	-	0%	60%	40	100%
4	-	0%	MR	-	✓
TOTAL	40	100%	TOTAL	40	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.20	Expense Ratio	70.1%
Breakeven Occ.	89.4%	Breakeven Rent	\$514
Average Rent	\$541	B/E Rent Margin	\$27
Property Taxes	\$415/unit	Exemption/PILOT	0%
Total Expense	\$4,316/unit	Controllable	\$2,531/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (30% Maximum)	N/A		
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	1 BR/60%	36
Premiums (↑60% Rents)	N/A		
Rent Assisted Units	36	90% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten	TDHCA's Costs - Based on PCA		
Avg. Unit Size	633 SF	Density	13.2/acre
Acquisition	\$31K/unit	\$1,241K	
Building Cost	\$52.40/SF	\$33K/unit	\$1,326K
Hard Cost	\$41K/unit		\$1,622K
Total Cost	\$100K/unit		\$3,983K
Developer Fee	\$402K (16% Deferred)	Paid Year: 6	
Contractor Fee	\$206K	30% Boost	Yes

REHABILITATION COSTS / UNIT			
Site Work	\$3K	8%	Finishes/Fixtures \$25K 63%
Building Shell	\$3K	7%	Amenities \$K 1%
HVAC	\$3K	8%	Total Exterior \$7K 18%
Appliances	\$1K	4%	Total Interior \$30K 82%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Greystone Servicing Company LLC	40/40	4.60%	\$1,030,000	1.20	Interim Investment Income	0/0	1.65%	\$28,908	1.20	Federal LIHTC - Boston Financial	\$1,252,385
USDA Existing Debt	30/50	1.00%	\$1,093,287	1.20	Reserve Funds	0/0	0.00%	\$435,526	1.20	Deferred Developer Fee	\$64,909
					Seller Note	0/0	TBD	\$77,560	1.20		
TOTAL DEBT (Must Pay)			\$2,123,287		CASH FLOW DEBT / GRANTS			\$541,994		TOTAL EQUITY SOURCES	\$1,317,294
										TOTAL DEBT SOURCES	\$2,665,280
										TOTAL CAPITALIZATION	\$3,982,575

CONDITIONS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER

Issuer	Texas State Affordable Housing Corporation
Expiration Date	July 2020
Bond Amount	\$39,120,000
BRB Priority	Priority 3
Close Date	
Bond Structure	USDA 538 Cash-Collateralized
% Financed with Tax-Exempt Bonds	61.2%
The bond amount represents the total for all properties. Individual loan amounts are reflected in the "Underwritten Capitalization Section".	

RISK PROFILE

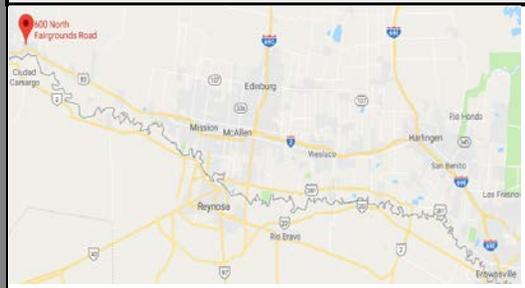
STRENGTHS/MITIGATING FACTORS

- USDA \$515 debt deferred for 20 years
- USDA Rental Assistance
- Experienced Developer

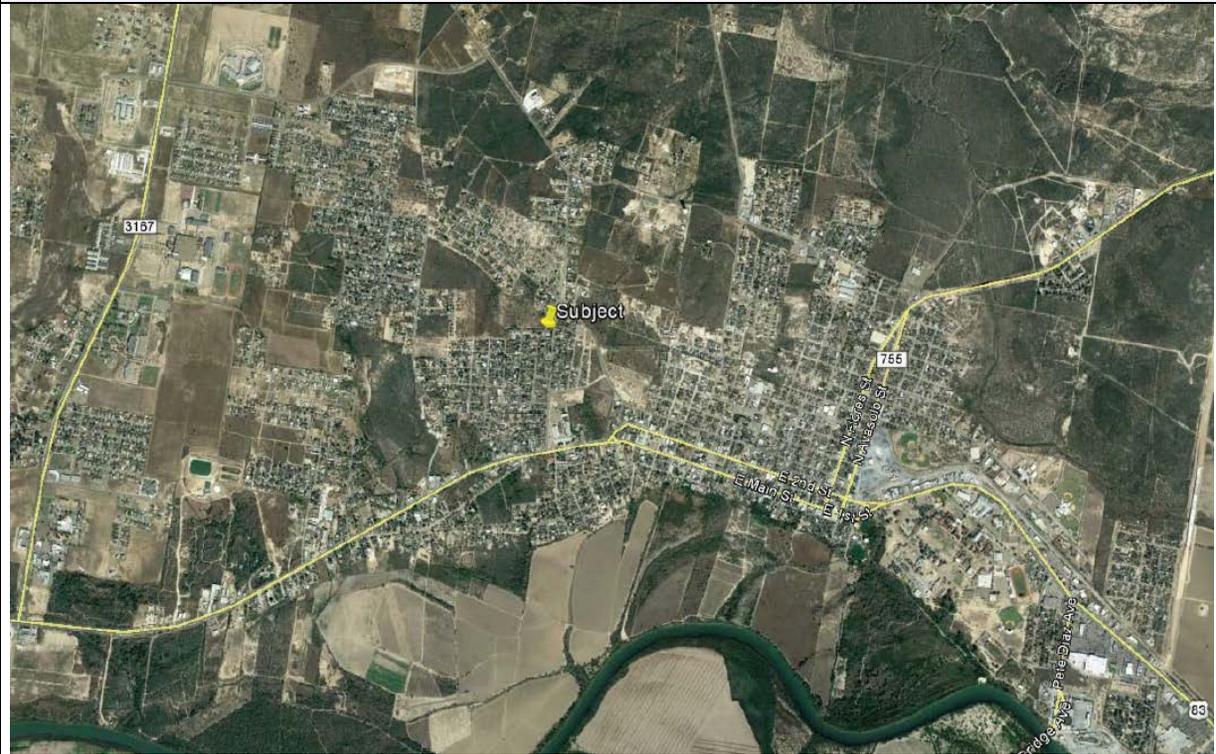
WEAKNESSES/RISKS

- Long-term pro forma does not support resumption of debt service following 20-year deferral
- Feasibility dependent on USDA Rental Assistance

AREA MAP



AERIAL PHOTOGRAPH(S)



20440 Vista Verde - Application Summary

REAL ESTATE ANALYSIS DIVISION
January 13, 2020

PROPERTY IDENTIFICATION	
Application #	20440
Development	Vista Verde
City / County	Cotulla / La Salle
Region/Area	11 / Rural
Population	Elderly Limitation
Set-Aside	General
Activity	Acquisition/Rehab (Built in 1994)

RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (4% Credit)	\$82,514	\$82,514	\$3,438/Unit

KEY PRINCIPAL / SPONSOR		
HVM Housing, LLC Dennis Hoover Greystone Affordable Development Amie Cofini (Consultant)		
Related Parties	Contractor - No	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	20	83%	40%	-	0%
2	4	17%	50%	-	0%
3	-	0%	60%	24	100%
4	-	0%	MR	-	✓
TOTAL	24	100%	TOTAL	24	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	① 1.15	Expense Ratio	① 62.7%
Breakeven Occ.	① 90.3%	Breakeven Rent	\$623
Average Rent	\$658	B/E Rent Margin	① \$34
Property Taxes	\$395/unit	Exemption/PILOT	0%
Total Expense	\$4,880/unit	Controllable	\$3,002/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (30% Maximum)	N/A		
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	1 BR/60%	20
Premiums (↑60% Rents)	N/A		
Rent Assisted Units	24	100% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten	TDHCA's Costs - Based on PCA		
Avg. Unit Size	645 SF	Density	10.9/acre
Acquisition	\$40K/unit	\$959K	
Building Cost	\$51.81/SF	\$33K/unit	\$802K
Hard Cost	\$43K/unit		\$1,036K
Total Cost	\$118K/unit		\$2,831K
Developer Fee	\$264K	(31% Deferred)	Paid Year: 8
Contractor Fee	\$132K	30% Boost	Yes

REHABILITATION COSTS / UNIT			
Site Work	\$5K	13%	Finishes/Fixtures \$28K 65%
Building Shell	\$K	1%	Amenities \$K 1%
HVAC	\$3K	8%	Total Exterior \$6K 16%
Appliances	\$2K	4%	Total Interior \$33K 84%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES		
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount	
Greystone Servicing Company LLC	40/40	4.60%	\$1,011,000	1.15	Interim Investment Income	0/0	1.65%	\$19,602	1.15	Federal LIHTC - Boston Financial	\$429,469	
USDA Existing Debt	30/50	1.00%	\$567,350	1.15	Reserve Funds	0/0	0.00%	\$372,669	1.15	Deferred Developer Fee	\$81,386	
0	0	x	\$0	0.00	Seller Note	0/0	TBD	\$349,654	1.15	0	\$0	
TOTAL DEBT (Must Pay)			\$1,578,350		CASH FLOW DEBT / GRANTS			\$741,925		TOTAL EQUITY SOURCES		\$510,855
										TOTAL DEBT SOURCES		\$2,320,275
										TOTAL CAPITALIZATION		\$2,831,130

CONDITIONS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER

Issuer	Texas State Affordable Housing Corporation
Expiration Date	July 2020
Bond Amount	\$39,120,000
BRB Priority	Priority 3
Close Date	
Bond Structure	USDA 538 Cash-Collateralized
% Financed with Tax-Exempt Bonds	60.9%
The bond amount represents the total for all properties. Individual loan amounts are reflected in the "Underwritten Capitalization Section".	

RISK PROFILE

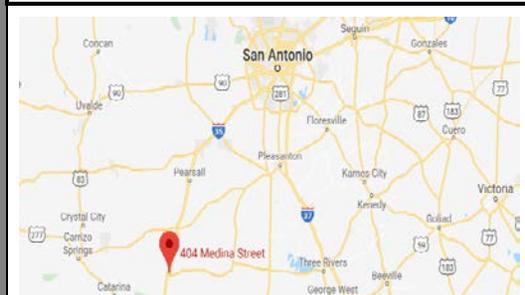
STRENGTHS/MITIGATING FACTORS

- ▣ USDA \$515 debt deferred for 20 years
- ▣ USDA Rental Assistance
- ▣ Experienced Developer

WEAKNESSES/RISKS

- ▣ Long-term pro forma does not support resumption of debt service following 20-year deferral
- ▣ Feasibility dependent on USDA Rental Assistance

AREA MAP



AERIAL PHOTOGRAPH(S)



20441 Willowick - Application Summary

REAL ESTATE ANALYSIS DIVISION
January 13, 2020

PROPERTY IDENTIFICATION	
Application #	20441
Development	Willowick
City / County	Gainesville / Cooke
Region/Area	3 / Rural
Population	General
Set-Aside	General
Activity	Acquisition/Rehab (Built in 1977)

RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (4% Credit)	\$171,018	\$171,018	\$2,850/Unit

KEY PRINCIPAL / SPONSOR		
HVM Housing, LLC Dennis Hoover Greystone Affordable Development Amie Cofini (Consultant)		
Related Parties	Contractor - No	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	30	50%	40%	-	0%
2	30	50%	50%	-	0%
3	-	0%	60%	59	98%
4	-	0%	EO	1	2%
TOTAL	60	100%	TOTAL	60	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.16	Expense Ratio	59.1%
Breakeven Occ.	85.9%	Breakeven Rent	\$634
Average Rent	\$673	B/E Rent Margin	\$39
Property Taxes	\$272/unit	Exemption/PILOT	0%
Total Expense	\$4,428/unit	Controllable	\$2,766/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (30% Maximum)	N/A		
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	1 BR/60%	30
Premiums (↑60% Rents)	N/A		
Rent Assisted Units	54	90% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten	TDHCA's Costs - Based on PCA		
Avg. Unit Size	755 SF	Density	19.2/acre
Acquisition	\$29K/unit	\$1,760K	
Building Cost	\$49.12/SF	\$37K/unit	\$2,225K
Hard Cost	\$46K/unit		\$2,745K
Total Cost	\$108K/unit		\$6,471K
Developer Fee	\$532K	(13% Deferred)	Paid Year: 3
Contractor Fee	\$349K	30% Boost	No

REHABILITATION COSTS / UNIT					
Site Work	\$4K	9%	Finishes/Fixtures	\$30K	66%
Building Shell	\$2K	5%	Amenities	\$K	1%
HVAC	\$3K	7%	Total Exterior	\$7K	16%
Appliances	\$1K	3%	Total Interior	\$35K	84%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Greystone Servicing Company LLC	40/40	4.15%	\$2,815,000	1.16	Interim Investment Income	0/0	1.65%	\$49,979	1.16	Federal LIHTC - Boston Financial	\$1,501,778
USDA Existing Debt	30/50	1.00%	\$878,986	1.16	Reserve Funds	0/0	0.00%	\$381,082	1.16	Deferred Developer Fee	\$67,768
					Seller Note	0/0	TBD	\$776,406	1.16		
TOTAL DEBT (Must Pay)			\$3,693,986		CASH FLOW DEBT / GRANTS			\$1,207,467		TOTAL EQUITY SOURCES	\$1,569,546
										TOTAL DEBT SOURCES	\$4,901,452
										TOTAL CAPITALIZATION	\$6,470,998

CONDITIONS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER

Issuer	Texas State Affordable Housing Corporation
Expiration Date	July 2020
Bond Amount	\$39,120,000
BRB Priority	Priority 3
Bond Structure	USDA 538 Cash-Collateralized
% Financed with Tax-Exempt Bonds	59.6%
The bond amount represents the total for all properties. Individual loan amounts are reflected in the "Underwritten Capitalization Section".	

RISK PROFILE

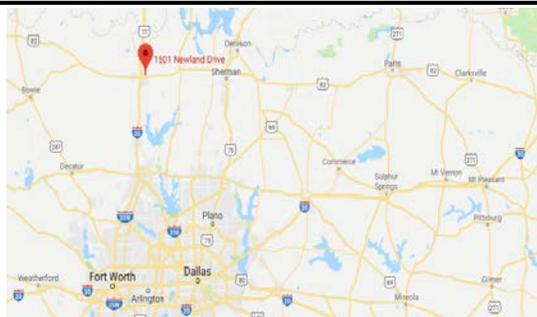
STRENGTHS/MITIGATING FACTORS

- o USDA \$515 debt deferred for 20 years
- o USDA Rental Assistance
- o Experienced Developer

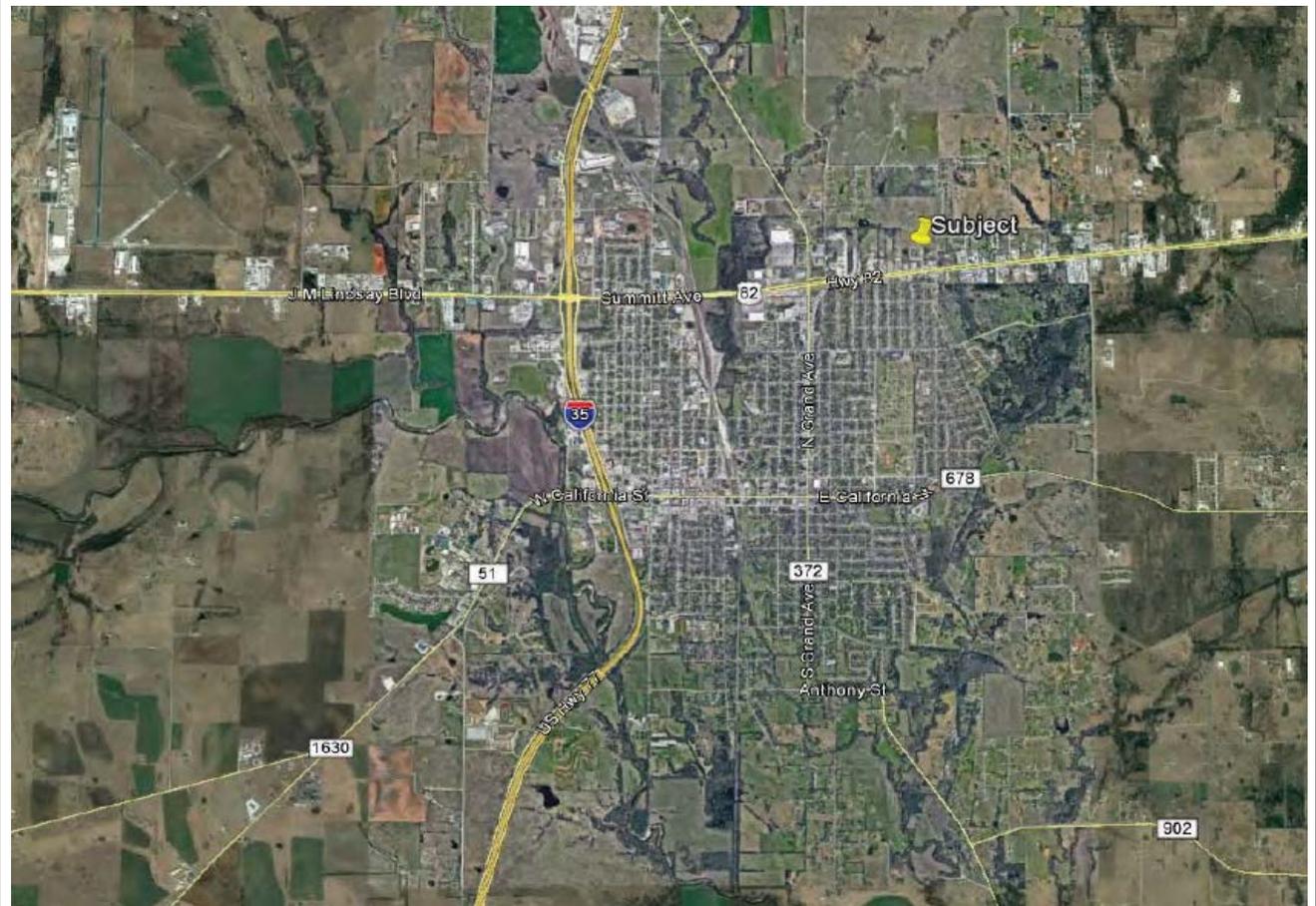
WEAKNESSES/RISKS

- o Long-term pro forma does not support resumption of debt service following 20-year deferral
- o Feasibility dependent on USDA Rental Assistance

AREA MAP



AERIAL PHOTOGRAPH(S)



20442 Windmill - Application Summary

REAL ESTATE ANALYSIS DIVISION
January 13, 2020

PROPERTY IDENTIFICATION	
Application #	20442
Development	Windmill
City / County	Giddings / Lee
Region/Area	7 / Rural
Population	General
Set-Aside	General
Activity	Acquisition/Rehab (Built in 2003)

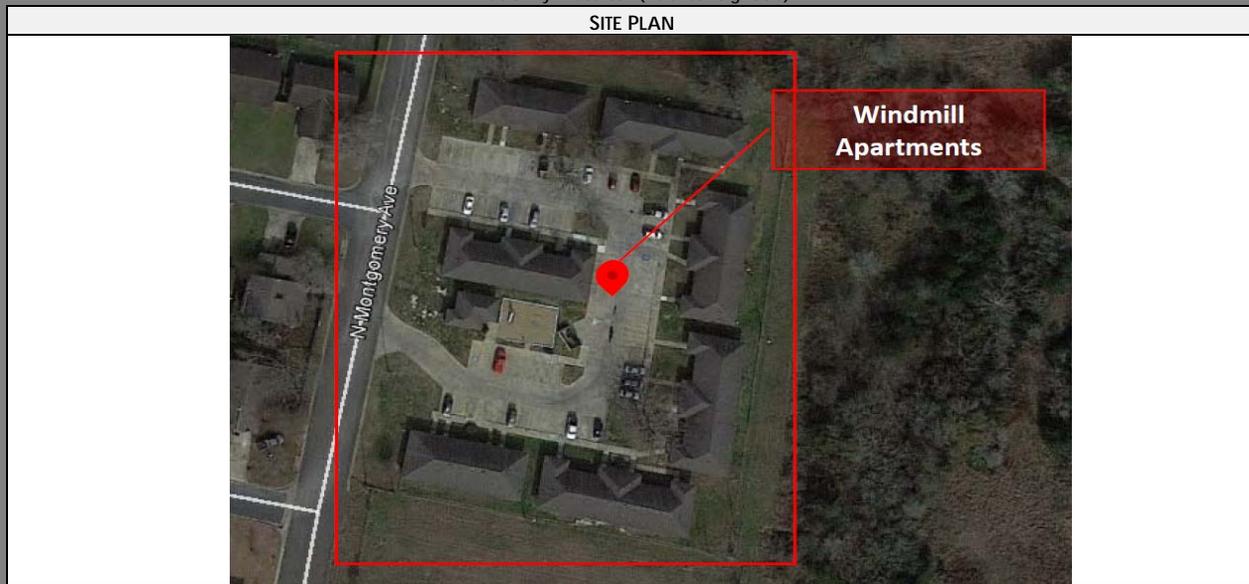
RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (4% Credit)	\$77,926	\$77,926	\$2,783/Unit

KEY PRINCIPAL / SPONSOR		
HVM Housing, LLC Dennis Hoover Greystone Affordable Development Amie Cofini (Consultant)		
Related Parties	Contractor - No	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	8	29%	40%	-	0%
2	20	71%	50%	-	0%
3	-	0%	60%	28	100%
4	-	0%	MR	-	100%
TOTAL	28	100%	TOTAL	28	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.20	Expense Ratio	66.5%
Breakeven Occ.	89.1%	Breakeven Rent	\$641
Average Rent	\$679	B/E Rent Margin	\$37
Property Taxes	\$526/unit	Exemption/PILOT	0%
Total Expense	\$5,141/unit	Controllable	\$3,134/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (30% Maximum)	N/A		
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	2 BR/60%	20
Premiums (↑60% Rents)	N/A		
Rent Assisted Units	23	82% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten	TDHCA's Costs - Based on PCA		
Avg. Unit Size	773 SF	Density	11.7/acre
Acquisition	\$41K/unit	\$1,139K	
Building Cost	\$39.28/SF	\$30K/unit	\$850K
Hard Cost	\$36K/unit		\$1,017K
Total Cost	\$111K/unit		\$3,096K
Developer Fee	\$267K	(27% Deferred)	Paid Year: 6
Contractor Fee	\$130K	30% Boost	No

REHABILITATION COSTS / UNIT			
Site Work	\$3K	7%	Finishes/Fixtures \$25K 70%
Building Shell	\$K	0%	Amenities \$K 0%
HVAC	\$3K	9%	Total Exterior \$3K 8%
Appliances	\$2K	4%	Total Interior \$30K 92%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES		
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount	
Greystone Servicing Company LLC	40/40	4.60%	\$1,017,000	1.20	Interim Investment Income	0/0	1.65%	\$23,183	1.20	Federal LIHTC - Boston Financial	\$706,343	
USDA Existing Debt	30/50	1.00%	\$907,660	1.20	Reserve Funds	0/0	0.00%	\$188,294	1.20	Deferred Developer Fee	\$71,308	
0	0	x	\$0	0.00	Seller Note	0/0	TBD	\$182,577	1.20			
TOTAL DEBT (Must Pay)			\$1,924,660		CASH FLOW DEBT / GRANTS			\$394,054		TOTAL EQUITY SOURCES		\$777,651
										TOTAL DEBT SOURCES		\$2,318,714
										TOTAL CAPITALIZATION		\$3,096,365

CONDITIONS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER

Issuer	Texas State Affordable Housing Corporation
Expiration Date	July 2020
Bond Amount	\$39,120,000
BRB Priority	Priority 3
Bond Structure	USDA 538 Cash-Collateralized
% Financed with Tax-Exempt Bonds	60.2%
The bond amount represents the total for all properties. Individual loan amounts are reflected in the "Underwritten Capitalization Section".	

RISK PROFILE

STRENGTHS/MITIGATING FACTORS

- USDA \$515 debt deferred for 20 years
- USDA Rental Assistance
- Experienced Developer

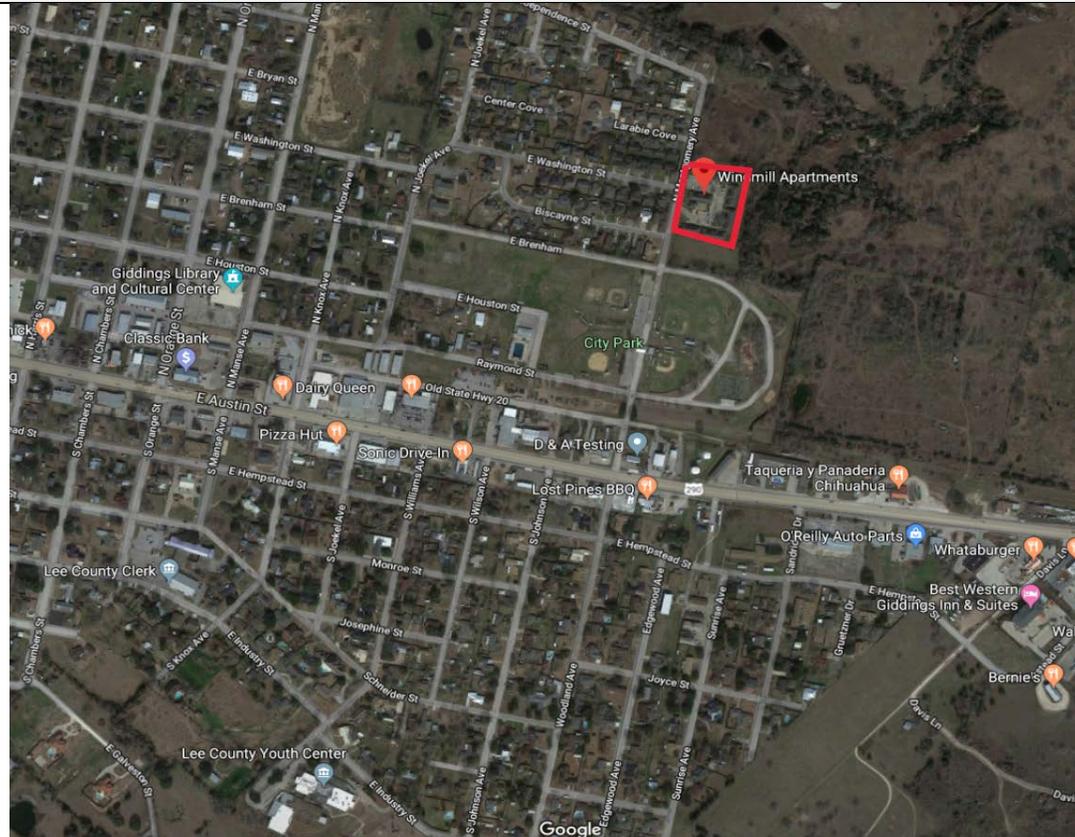
WEAKNESSES/RISKS

- Long-term pro forma does not support resumption of debt service following 20-year deferral
- Feasibility dependent on USDA Rental Assistance

AREA MAP



AERIAL PHOTOGRAPH(S)



20443 Windwood I & II - Application Summary

REAL ESTATE ANALYSIS DIVISION
January 13, 2020

PROPERTY IDENTIFICATION	
Application #	20443
Development	Windwood I & II
City / County	Kingsland / Llano
Region/Area	7 / Rural
Population	Elderly Limitation
Set-Aside	General
Activity	Acquisition/Rehab 1989, 1995

RECOMMENDATION			
TDHCA Program	Request	Recommended	
LIHTC (4% Credit)	\$151,618	\$151,618	\$2,230/Unit

KEY PRINCIPAL / SPONSOR		
HVM Housing, LLC Dennis Hoover Greystone Affordable Development Amie Cofini (Consultant)		
Related Parties	Contractor - No	Seller - Yes



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	-	0%	30%	-	0%
1	58	85%	40%	-	0%
2	10	15%	50%	-	0%
3	-	0%	60%	67	99%
4	-	0%	EO	1	1%
TOTAL	68	100%	TOTAL	68	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.18	Expense Ratio	70.0%
Breakeven Occ.	90.6%	Breakeven Rent	\$567
Average Rent	\$596	B/E Rent Margin	\$29
Property Taxes	\$151/unit	Exemption/PILOT	0%
Total Expense	\$4,937/unit	Controllable	\$3,225/unit



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (30% Maximum)	N/A		
Highest Unit Capture Rate	N/A	N/A	N/A
Dominant Unit Cap. Rate	N/A	1 BR/60%	57
Premiums (↑60% Rents)	N/A		
Rent Assisted Units	58	85% Total Units	

DEVELOPMENT COST SUMMARY			
Costs Underwritten	TDHCA's Costs - Based on PCA		
Avg. Unit Size	657 SF	Density	9.8/acre
Acquisition	\$24K/unit	\$1,645K	
Building Cost	\$51.16/SF	\$34K/unit	\$2,285K
Hard Cost	\$41K/unit		\$2,757K
Total Cost	\$93K/unit		\$6,343K
Developer Fee	\$521K	(20% Deferred)	Paid Year: 5
Contractor Fee	\$351K	30% Boost	No

REHABILITATION COSTS / UNIT			
Site Work	\$3K	7%	Finishes/Fixtures \$28K 68%
Building Shell	\$1K	2%	Amenities \$K 1%
HVAC	\$3K	8%	Total Exterior \$4K 11%
Appliances	\$1K	4%	Total Interior \$33K 89%

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
Greystone Servicing Company LLC	40/40	4.15%	\$2,160,000	1.18	Interim Investment Income	0/0	1.65%	\$45,870	1.18	Federal LIHTC - Boston Financial	\$1,927,168
USDA Existing Debt	30/50	1.00%	\$1,526,080	1.18	Reserve Funds	0/0	0.00%	\$580,317	1.18	Deferred Developer Fee	\$103,770
TOTAL DEBT (Must Pay)			\$3,686,080		CASH FLOW DEBT / GRANTS			\$626,187		TOTAL EQUITY SOURCES	\$2,030,938
TOTAL DEBT SOURCES											\$4,312,267
TOTAL CAPITALIZATION											\$6,343,205

CONDITIONS

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER

Issuer	Texas State Affordable Housing Corporation
Expiration Date	July 2020
Bond Amount	\$39,120,000
BRB Priority	Priority 3
Bond Structure	USDA 538 Cash-Collateralized
% Financed with Tax-Exempt Bonds	60.4%
The bond amount represents the total for all properties. Individual loan amounts are reflected in the "Underwritten Capitalization Section".	

RISK PROFILE

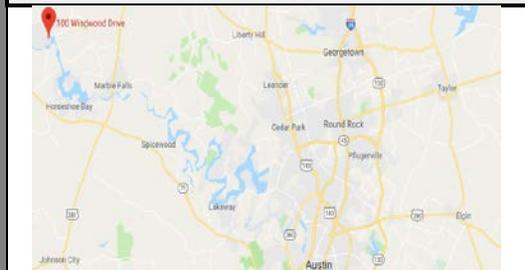
STRENGTHS/MITIGATING FACTORS

- USDA §515 debt deferred for 20 years
- USDA Rental Assistance
- Experienced Developer

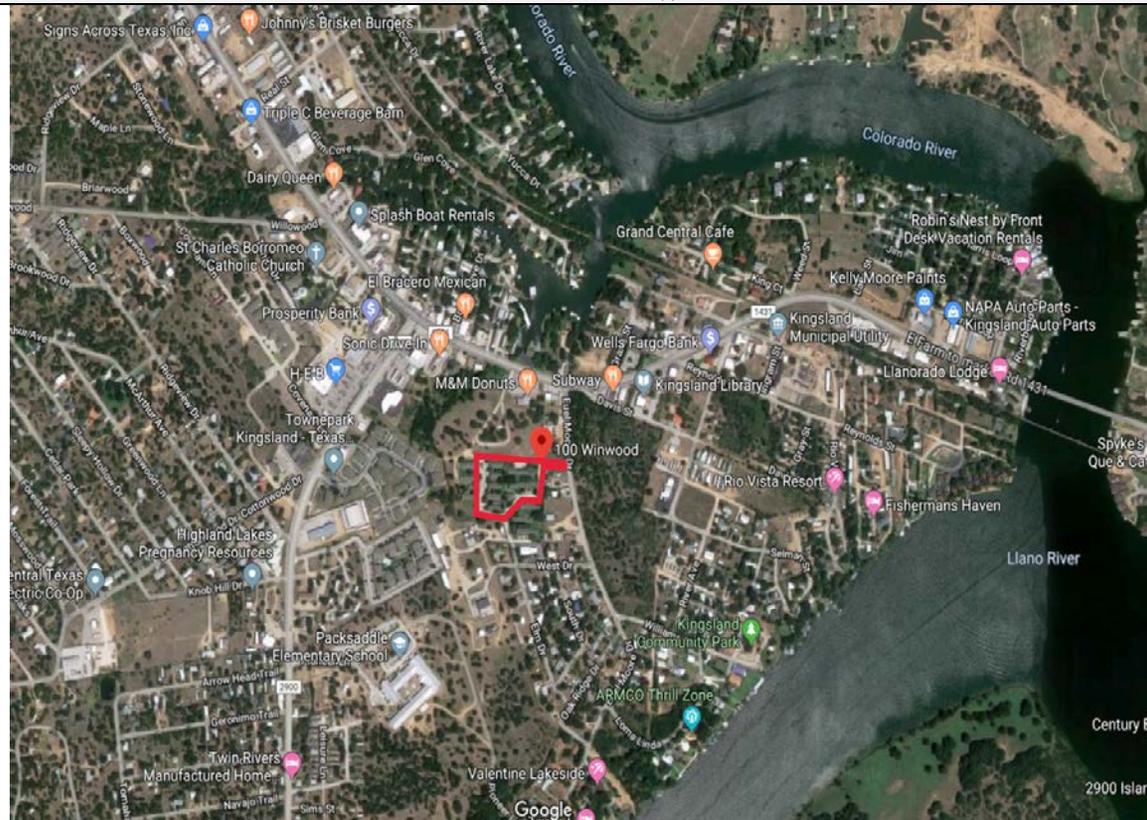
WEAKNESSES/RISKS

- Long-term pro forma does not support resumption of debt service following 20-year deferral
- Feasibility dependent on USDA Rental Assistance

AREA MAP



AERIAL PHOTOGRAPH(S)





Mike Sandoval
Llano County Commissioner, Pct. 3
PO Box 121 Kingsland TX 78639-0121
512-793-2007 - commissioner3@co.llano.tx.us

October 16, 2019

Mr. Dennis Hoover
Hamilton Valley Management, Inc.
P O Box 190
Burnet, TX 78611

Subject: Windwood I & II, Kingsland, TX 78639

Dear Mr. Hoover:

We are pleased to hear of your upcoming expansion plans for Windwood I & II. These apartments have been serving our community very well since 1989 and the later 1994 expansion; providing those 55 years and older on limited incomes a very respectful "neighborhood" in which to live with great location to services.

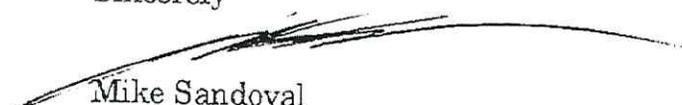
We would be pleased to have you submit this letter to the Texas Department of Housing and Community Affairs to help you in your efforts to secure the rehabilitation funds.

As the Commissioner for Kingsland, Precinct 3, I have no objections and certainly hope that you are able to secure the TDHC funding.

It is my understanding that our County Judge is also going to send you a letter.

If you have any questions, please do not hesitate to contact us.

Sincerely



Mike Sandoval

Commissioner Pct. 3

Cc:

Llano County Attorney Office

19471 Austin Manor Apartment Homes - Application Summary

REAL ESTATE ANALYSIS DIVISION

January 8, 2020

PROPERTY IDENTIFICATION		RECOMMENDATION			
Application #	19471	TDHCA Program	Request	Recommended	
Development	Austin Manor Apartment Homes	LIHTC (4% Credit)	\$2,247,832	\$2,241,134	\$8,004/Unit \$0.90
City / County	Austin ETJ / Travis				
Region/Area	7 / Urban				
Population	General				
Set-Aside	General				
Activity	New Construction				

KEY PRINCIPAL / SPONSOR		
<ul style="list-style-type: none"> Allen W. Sands / LBC Development, LLC Robbye Meyer / Strategic Housing Finance Corp. 		
Related Parties	Contractor - Yes	Seller - No

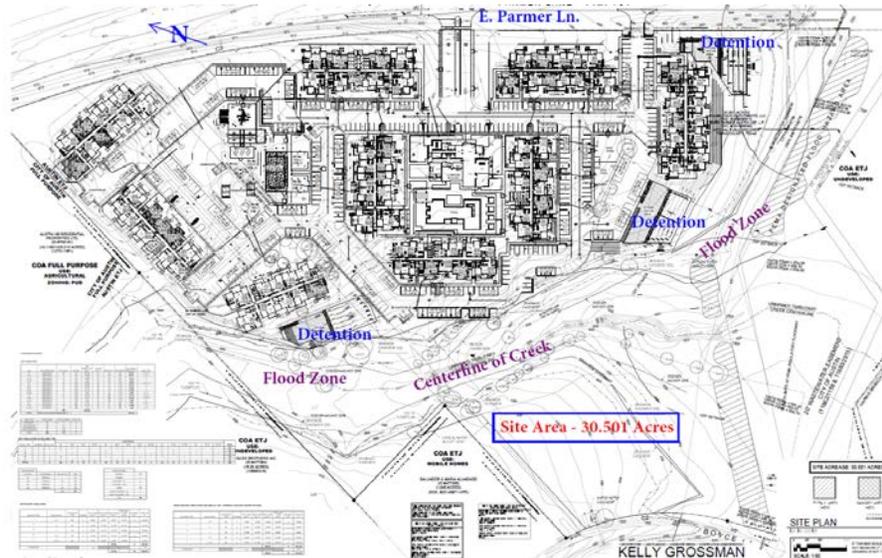
TYPICAL BUILDING ELEVATION/PHOTO



UNIT DISTRIBUTION			INCOME DISTRIBUTION		
# Beds	# Units	% Total	Income	# Units	% Total
Eff	32	11%	30%	-	0%
1	120	43%	40%	-	0%
2	80	29%	50%	-	0%
3	48	17%	60%	280	100%
4	-	0%	MR	-	0%
TOTAL	280	100%	TOTAL	280	100%

PRO FORMA FEASIBILITY INDICATORS			
Pro Forma Underwritten		Applicant's Pro Forma	
Debt Coverage	1.23	Expense Ratio	33.2%
Breakeven Occ.	80.9%	Breakeven Rent	\$978
Average Rent	\$1,122	B/E Rent Margin	\$144
Property Taxes	Exempt	Exemption/PILOT	100%
Total Expense	\$4,203/unit	Controllable	\$3,045/unit

SITE PLAN



MARKET FEASIBILITY INDICATORS			
Gross Capture Rate (15% Maximum)			14.8%
Highest Unit Capture Rate	38%	2 BR/60%	80
Dominant Unit Cap. Rate	38%	1 BR/60%	120
Premiums (↑60% Rents)	N/A	N/A	
Rent Assisted Units	N/A		

DEVELOPMENT COST SUMMARY			
Costs Underwritten		Applicant's Costs	
Avg. Unit Size	902 SF	Density	9.2/acre
Acquisition		\$07K/unit	\$2,065K
Building Cost	\$105.74/SF	\$95K/unit	\$26,705K
Hard Cost		\$120K/unit	\$33,653K
Total Cost		\$206K/unit	\$57,750K
Developer Fee	\$6,712K	(9% Deferred)	Paid Year: 2
Contractor Fee	\$4,711K	30% Boost	Yes

DEBT (Must Pay)					CASH FLOW DEBT / GRANT FUNDS					EQUITY / DEFERRED FEES	
Source	Term	Rate	Amount	DCR	Source	Term	Rate	Amount	DCR	Source	Amount
IBC Bank	15/40	4.25%	\$37,000,000	1.23						42 Equity Partners, LLC	\$20,168,190
										LBC and Strategic Housing (65/35)	\$581,738
TOTAL DEBT (Must Pay)			\$37,000,000		CASH FLOW DEBT / GRANTS			\$0		TOTAL EQUITY SOURCES	\$20,749,928
										TOTAL DEBT SOURCES	\$37,000,000
										TOTAL CAPITALIZATION	\$57,749,928

CONDITIONS

1 Receipt and acceptance before Determination Notice:

- Certification that if the site is in the 100-year floodplain when it places in service, the finished ground floor elevation of the buildings will be at least one foot above the floodplain and that all drives, parking and amenities will be no more than 6 inches below the floodplain; and that the Owner will provide flood insurance coverage for the buildings and for the residents' personal property until such time that the site is officially designated to no longer be in the floodplain.

Should any terms of the proposed capital structure change or if there are material changes to the overall development plan or costs, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other TDHCA funds may be warranted.

BOND RESERVATION / ISSUER

Issuer	Strategic Housing Finance Corporation
Expiration Date	2/24/2020
Bond Amount	\$35,000,000
BRB Priority	Priority 3
Close Date	TBD
Bond Structure	Freddie Mac TEL
% Financed with Tax-Exempt Bonds	73.9%

RISK PROFILE

STRENGTHS/MITIGATING FACTORS

- Expense ratio of 33%
- Good visibility from E. Parmer Lane
- Attractive design & new construction should enhance leasing
- Developer experience

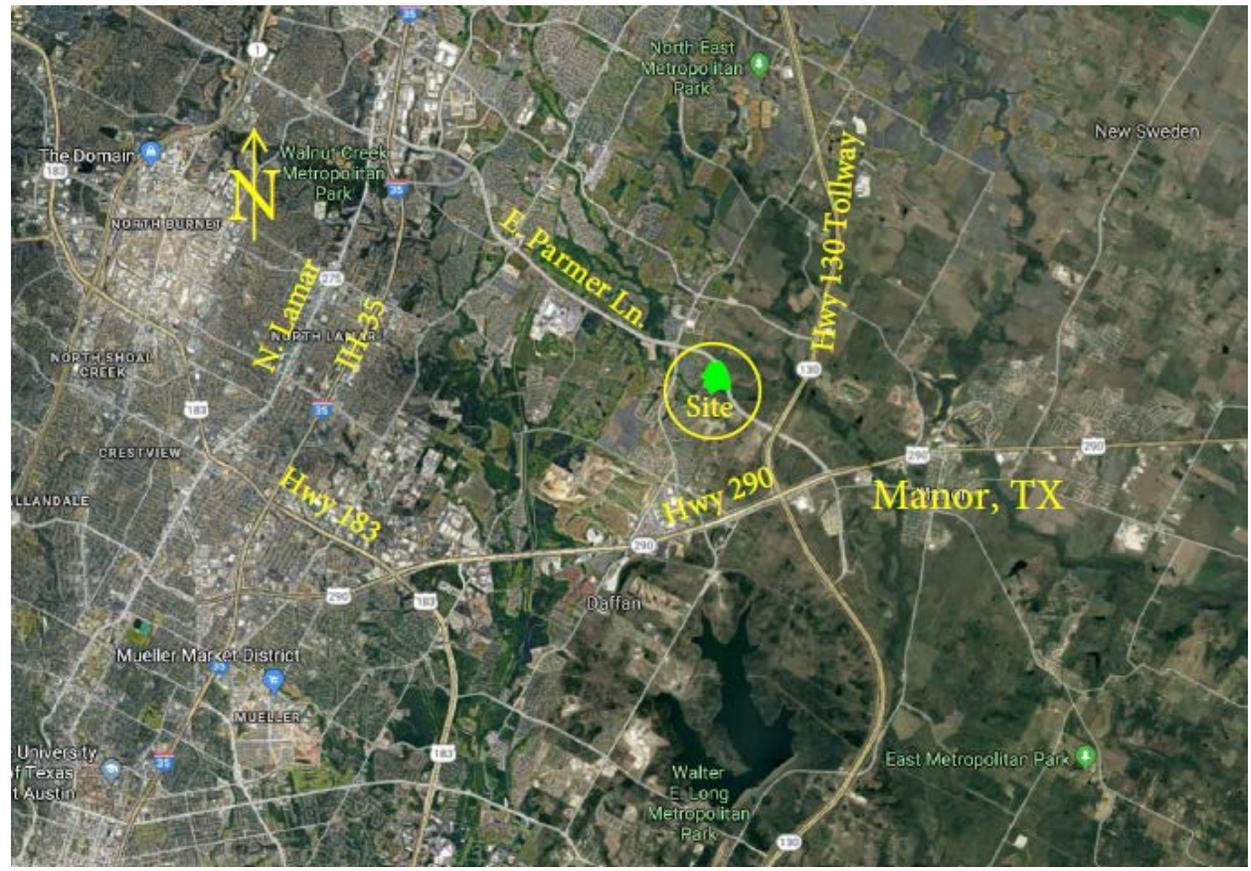
WEAKNESSES/RISKS

- Efficiency and 1BR units comprise 54% of mix
- High unit capture rates
- Feasibility relies on 100% property tax exemption and
- Usable acreage limited by floodplain

AREA MAP



AERIAL PHOTOGRAPH(S)





**4% (Non-Competitive) Housing Tax Credit Program
2019 Application Status Log**

TDHCA #	Previous TDHCA #	Development Name	Development City	Board Meeting Date (MM/DD/YYYY)	Application Status	Total Units	Total Low-Income Units	Bond Reservation Amount	Requested HTC Amount	Recommend HTC Amount
19410	18435	Eisenhower	El Paso	10/11/2018	Closed	66	66	\$ 10,000,000	\$ 380,508	\$ 376,008
19602	18616	Park Yellowstone	Houston	12/6/2018	Closed	210	210	\$ 16,000,000	\$ 893,290	\$ 879,975
19427	18441	Lakeway Apartment Homes	Austin ETJ	12/6/2018	Closed	180	169	\$ 20,000,000	\$ 1,203,960	\$ 1,196,981
19408	18457	Mission Trail at Camino Real	San Marcos	1/17/2019	Closed	352	282	\$ 45,000,000	\$ 1,685,207	\$ 1,683,222
19401		Stallion Ridge	Fort Worth	3/21/2019	Closed	204	193	\$ 20,000,000	\$ 1,292,387	\$ 1,292,387
19416	18455	Alsbury Apartments	San Antonio	3/21/2019	Closed	240	240	\$ 20,000,000	\$ 1,392,094	\$ 1,392,094
19413	18445	The Wurzbach	San Antonio	3/21/2019	Closed	161	160	\$ 20,000,000	\$ 837,177	\$ 837,177
19402		Culebra Creek Apartments	San Antonio	3/21/2019	Closed	312	312	\$ 41,000,000	\$ 2,320,033	\$ 2,320,033
19600		Lago de Plata	Corsicana	4/25/2019	Closed	150	148	\$ 14,000,000	\$ 723,820	\$ 723,820
19603		Northgate Village	Dallas	5/23/2019	Closed	168	168	\$ 20,000,000	\$ 1,142,704	\$ 1,142,704
19404		Legacy Ranch at Dessau East	Austin	5/23/2019	Closed	232	186	\$ 31,000,000	\$ 973,468	\$ 973,468
19421	18402	Hampton Homes	Texarkana	5/23/2019	Closed	50	50	\$20,000,000 (portfolio)	\$ 192,386	\$ 192,386
19422	18403	HATT Scattered Sites	Texarkana	5/23/2019	Closed	42	42	-	\$ 123,946	\$ 123,946
19423	18404	Robison Terrace	Texarkana	5/23/2019	Closed	130	130	-	\$ 460,949	\$ 460,949
19424	18405	Williams Homes	Texarkana	5/23/2019	Closed	52	52	-	\$ 179,313	\$ 179,313
19425	18406	Bright Street	Texarkana	5/23/2019	Closed	20	20	-	\$ 80,615	\$ 80,615
19601	18603	McMullen Square	San Antonio	5/23/2019	Closed	100	100	\$ 10,100,000	\$ 426,577	\$ 425,285
19403		Mesa West Apartments	San Antonio	5/23/2019	Closed	280	280	\$ 35,000,000	\$ 2,079,535	\$ 2,079,535
19409	18454	Grim Hotel	Texarkana	5/23/2019	Closed	93	93	\$ 15,000,000	\$ 1,006,241	\$ 1,006,241
19420		Pythian Manor	Dallas	6/27/2019	Closed	76	76	\$ 8,300,000	\$ 387,412	\$ 387,412
19414	18433	Dewetter	El Paso	7/25/2019	Closed	98	98	\$ 13,000,000	\$ 971,651	\$ 1,017,745
19415	18434	Kathy White	El Paso	7/25/2019	Closed	78	78	\$ 11,000,000	\$ 454,747	\$ 478,404
19436		Bridge at Granada	Austin	10/10/2019	Closed	258	233	\$ 26,000,000	\$ 1,441,515	\$ 1,441,515
19433		Wayman Manor Apartments	Temple	10/10/2019	Closed	160	160	\$ 20,000,000	\$ 868,166	\$ 863,123
19412		Majestic Ranch	San Antonio	9/5/2019	Closed	288	288	\$ 23,000,000	\$ 1,698,636	\$ 1,698,636
19419		Palladium Redbird	Dallas	9/5/2019	Closed	300	210	\$ 30,000,000	\$ 1,585,280	\$ 1,585,280
19407		Norwood Estates	Austin	10/10/2019	Closed	228	228	\$ 35,000,000	\$ 1,467,918	\$ 1,467,918
19406	17401	Primrose Village	Weslaco	11/7/2019	Closed	242	242	\$ 20,000,000	\$ 1,240,364	\$ 1,240,364
19604		Ventura at Hickory Tree	Balch Springs	11/7/2019	Closed	216	216	\$ 30,000,000	\$ 1,886,974	\$ 1,886,974
19411	17409	Bridge at Canyon View	Austin	11/7/2019	Closed	215	215	\$ 25,000,000	\$ 1,620,343	\$ 1,620,343
19444	19605	Oaks on North Plaza	Austin	11/7/2019	Closed	62	62	\$ 15,000,000	\$ 489,428	\$ 483,704
19443		Spanish Park Apartments	Arlington	12/12/2019	Closed	350	350	\$ 35,000,000	\$ 2,047,817	\$ 2,047,817
19417		Green Oaks Apartments	Houston	9/5/2019	Closed	177	175	\$ 20,000,000	\$ 995,271	\$ 995,271
						5,496	5,238	\$ 628,400,000	\$ 34,549,732	\$ 34,580,645
19434		Limestone Ridge Senior	Austin ETJ	9/5/2019	Approved	225	223	\$ 20,000,000	\$ 1,470,110	\$ 1,470,110
19430		Kyle Dacy	Kyle ETJ	9/5/2019	Approved	324	324	\$ 50,000,000	\$ 1,515,943	\$ 1,515,943
19431	18458	Scharbauer Flats	Midland	9/5/2019	Approved	300	300	\$ 40,000,000	\$ 2,667,296	\$ 2,667,296
19418		Bridge at Loyola Lofts	Austin	10/10/2019	Approved	204	200	\$ 30,000,000	\$ 1,382,246	\$ 1,475,411
19429	16453	Govalle Terrace	Austin	10/10/2019	Approved	97	96	\$ 13,000,000	\$ 829,570	\$ 829,570
19437		Residences of Stillwater	Georgetown	10/10/2019	Approved	192	192	\$ 35,000,000	\$ 1,154,635	\$ 1,154,635
19440		Ventura at Parmer Lane	Austin ETJ	10/10/2019	Approved	216	216	\$ 34,000,000	\$ 2,189,841	\$ 2,189,841
19441		Decker Lofts	Austin ETJ	10/10/2019	Approved	262	257	\$ 40,000,000	\$ 1,822,502	\$ 1,822,502
19428		Riverstone	San Marcos	11/7/2019	Approved	336	336	\$ 45,000,000	\$ 2,349,942	\$ 2,349,942
19439		Estates at Shiloh	Dallas	11/7/2019	Approved	264	239	\$ 25,000,000	\$ 1,499,356	\$ 1,499,356
19438		Legacy Seniors	Round Rock	11/7/2019	Approved	157	157	\$ 20,000,000	\$ 732,029	\$ 732,029
19473	17413; 18424	Flora Lofts	Dallas	12/2/2019	Approved	52	52	\$ 15,000,000	\$ 748,340	\$ 748,340
19468		The Walzem	San Antonio	12/12/2019	Approved	200	200	\$ 20,000,000	\$ 1,333,427	\$ 1,326,147
19400	18423	Villas del San Xavier	San Marcos	12/12/2019	Approved	156	156	\$ 25,000,000	\$ 1,059,750	\$ 1,059,750
19470	18456	Jackie Robinson Apartments	El Paso	12/12/2019	Approved	186	186	\$ 20,000,000	\$ 1,290,195	\$ 1,290,195
19467		Auro Crossing	Austin ETJ	12/12/2019	Approved	256	256	\$ 45,000,000	\$ 2,287,808	\$ 2,287,808
19471		Austin Manor Apartment Homes	Austin ETJ	1/16/2020	Approved	280	280	\$ 35,000,000	\$ 2,247,832	\$ 2,241,134
						3,707	3,670	\$ 512,000,000	\$ 26,580,822	\$ 26,660,009
19608		Reserve at San Marcos	San Marcos	1/16/2020	Active	376	320	\$ 41,000,000	\$ 1,844,071	\$ -
19472		Franklin Park	Austin	1/16/2020	Active	163	163	\$ 15,000,000	\$ 749,966	\$ -
19432		St. Johns Square	San Antonio	1/16/2020	Active	252	54	\$ 50,000,000	\$ 473,449	\$ -
19442		Richcrest Apartments	Houston	1/16/2020	Active	288	286	TBD	\$ 1,974,457	\$ -
19610		Fish Pond at Corpus Christi	Corpus Christi	2/20/2020	Active	112	111	\$ 10,000,000	\$ 675,744	\$ -
19607		Havens at Willow Creek	Houston ETJ	2/20/2020	Active	248	248	\$ 18,000,000	\$ 7,694,342	\$ -
19469		EMLI at Pecan Creek	Aubrey	2/20/2020	Active	254	254	\$ 20,000,000	\$ 1,484,333	\$ -
						1,693	1,436	\$ 154,000,000	\$ 14,896,362	\$ -
19606		Pecan Grove	Seguin	6/27/2019	Pre-Application	198	198	\$ 26,000,000	\$ 1,388,840	\$ -
19612		Scott Street Lofts	Houston	9/5/2019	Pre-Application	123	98	\$ 18,000,000	\$ 690,991	\$ -
19611		Granada Terrace Apartments	South Houston	10/10/2019	Pre-Application	156	156	\$ 16,000,000	\$ 983,071	\$ -
19613		333 Holly	The Woodlands	10/10/2019	Pre-Application	332	332	\$ 50,000,000	\$ 2,599,103	\$ -
19614		The Pines	The Woodlands	10/10/2019	Pre-Application	152	152	\$ 30,000,000	\$ 1,388,448	\$ -
19615		Oaks on Clark	San Antonio	10/10/2019	Pre-Application	80	80	\$ 12,000,000	\$ 520,610	\$ -
						1,041	1,016	\$ 152,000,000	\$ 7,571,063	\$ -

TBD	18619	Waters at Redbud	McKinney	N/A	Withdrawn	148	118	\$	-	\$	534,132	\$	-
19405		Patriot Pointe	Arlington	5/23/2019	Withdrawn	184	184	\$	-	\$	1,150,227	\$	-
19426		The Montage	San Antonio ETJ	11/7/2019	Withdrawn	216	216	\$	20,000,000	\$	1,445,547	\$	-
19435		Echo East Apartments	San Antonio	12/5/2019	Withdrawn	192	192		TBD	\$	1,231,341	\$	-
						740	710	\$	20,000,000	\$	4,361,247	\$	-
					TOTAL	11,937	11,360	\$	1,446,400,000	\$	83,597,979	\$	61,240,654



4% (Non-Competitive) Housing Tax Credit Program 2020 Application Status Log

TDHCA #	Previous TDHCA #	Development Name	Development City	Board Meeting Date (MM/DD/YYYY)	Application Status	Total Units	Total Low-Income Units	Bond Reservation Amount	Requested HTC Amount	Recommend HTC Amount
20429	19452	Las Palmas	La Feria	1/16/2020	Approved	36	35	\$39,120,000 (portfolio)	\$ 87,983	\$ 87,983
20422	19445	Brush Country Cottages	Dilley	1/16/2020	Approved	28	28	-	\$ 89,069	\$ 89,069
20423	19446	Chula Vista	San Diego	1/16/2020	Approved	44	44	-	\$ 149,982	\$ 149,982
20424	19447	Cielo Lindo	Edcouch	1/16/2020	Approved	34	34	-	\$ 101,022	\$ 101,022
20425	19448	La Estancia	Sebastian	1/16/2020	Approved	32	32	-	\$ 101,210	\$ 101,210
20426	19449	La Posada I & II	Ela	1/16/2020	Approved	74	74	-	\$ 208,076	\$ 208,076
20427	19450	La Reina	La Villa	1/16/2020	Approved	30	30	-	\$ 65,586	\$ 65,586
20428	19451	La Sombra	Donna	1/16/2020	Approved	50	50	-	\$ 118,354	\$ 118,354
20430	19453	Leuty Avenue	Justin	1/16/2020	Approved	24	24	-	\$ 80,261	\$ 80,261
20431	19454	Los Laureles	Edcouch	1/16/2020	Approved	23	23	-	\$ 88,153	\$ 88,153
20432	19455	Los Naranjos	Alton	1/16/2020	Approved	30	30	-	\$ 67,810	\$ 67,810
20433	19456	Oak Haven	Donna	1/16/2020	Approved	24	24	-	\$ 63,090	\$ 63,090
20434	19457	Raintree	Alamo	1/16/2020	Approved	32	32	-	\$ 82,925	\$ 82,925
20435	19458	Seagraves Gardens	Seagraves	1/16/2020	Approved	32	32	-	\$ 91,709	\$ 91,709
20436	19459	Silver Trail	Menard	1/16/2020	Approved	24	24	-	\$ 67,091	\$ 67,091
20437	19460	The Village	Tomball	1/16/2020	Approved	64	64	-	\$ 172,768	\$ 172,768
20438	19461	Valley View	Valley View	1/16/2020	Approved	24	24	-	\$ 78,834	\$ 78,834
20439	19462	Villa Vallarta	Rio Grande City	1/16/2020	Approved	40	40	-	\$ 122,529	\$ 122,529
20440	19463	Vista Verde	Cotulla	1/16/2020	Approved	24	24	-	\$ 82,514	\$ 82,514
20441	19464	Willowick	Gainesville	1/16/2020	Approved	60	60	-	\$ 171,018	\$ 171,018
20442	19465	Windmill	Giddings	1/16/2020	Approved	28	28	-	\$ 77,926	\$ 77,926
20443	19466	Windwood I & II	Kingsland	1/16/2020	Approved	68	68	-	\$ 151,618	\$ 151,618
						825	824	\$ 39,120,000	\$ 2,319,528	\$ 2,319,528
20400		Palladium West Francis	Midland	3/19/2020	Active	240	188	\$ 25,000,000	\$ 1,499,588	\$ -
20401		Palladium Port Aransas	Port Aransas	3/19/2020	Active	183	165	\$ 19,000,000	\$ 1,241,287	\$ -
20417		St. Joe Apartments	Houston	3/19/2020	Active	307	307	\$ 51,757,648	\$ 4,596,000	\$ -
20412		1604 Lofts Apartments	San Antonio	3/19/2020	Active	324	324	\$ 38,000,000	\$ 1,899,524	\$ -
20414		The Arbor at Wayforest	Houston	3/19/2020	Active	192	192	\$ 20,000,000	\$ 1,262,807	\$ -
20407		New Hope Housing Avenue J	Houston	2/20/2020	Active	100	100	\$ 23,000,000	\$ 1,290,647	\$ -
20405		Gala at Fate	Fate	3/19/2020	Active	185	185	\$ 25,000,000	\$ 1,173,150	\$ -
20408		Vi Collina	Austin	3/19/2020	Active	170	170	\$ 24,000,000	\$ 1,340,220	\$ -
20406		Gala at Central Park Apartments	Hurst	3/19/2020	Active	94	94	\$ 15,000,000	\$ 486,783	\$ -
20415		Avenue on 34th Apartments	Houston	3/19/2020	Active	70	56	\$ 8,000,000	\$ 324,609	\$ -
20404		Tampico Apartments	San Antonio	3/19/2020	Active	200	136	\$ 23,000,000	\$ 740,772	\$ -
20402		333 Holly	The Woodlands	3/19/2020	Active	332	332	\$ 50,000,000	\$ 2,513,320	\$ -
20410		Traders Flats	San Antonio	3/19/2020	Active	324	324	\$ 38,000,000	\$ 1,846,377	\$ -
20416		The Estates at Owen Tech	Austin	3/19/2020	Active	174	174	\$ 20,000,000	\$ 1,239,589	\$ -
20409		Mckinney Flats	McKinney	3/19/2020	Active	205	205	\$ 32,000,000	\$ 1,393,849	\$ -
20403		The Pines	The Woodlands	3/19/2020	Active	152	152	\$ 30,000,000	\$ 1,465,042	\$ -
20411		Kitty Hawk Flats Apartments	San Antonio	3/19/2020	Active	239	239	\$ 28,000,000	\$ 1,482,838	\$ -
20418		Park at 38 Thirty	San Antonio	3/19/2020	Active	196	196	\$ 25,000,000	\$ 1,027,837	\$ -
20413		Residences at Merritt Hill	Rowlett	3/19/2020	Active	260	260	\$ 33,000,000	\$ 1,888,671	\$ -
20600		Oaks on Clark	San Antonio	3/19/2020	Active	80	80	TBD	\$ 592,136	\$ -
20601	19611	Granada Terrace Apartments	Houston	3/19/2020	Active	156	156	TBD	\$ 908,195	\$ -
20603	19612	Scott Street Lofts	Houston	3/19/2020	Active	123	98	TBD	\$ 678,924	\$ -
						4,306	4,133	\$ 527,757,648	\$ 30,892,165	\$ -
TOTAL						5,131	4,957	\$ 566,877,648	\$ 33,211,693	\$ 2,319,528

7b

BOARD ACTION REQUEST
SPECIAL INITIATIVES DIVISION
JANUARY 16, 2020

Presentation, discussion, and possible action on an order adopting the repeal of 10 TAC Chapter 90, Migrant Labor Housing Facilities, an order adopting new 10 TAC Chapter 90, Migrant Labor Housing Facilities and directing publication in the *Texas Register*

RECOMMENDED ACTION

WHEREAS, pursuant to Tex. Gov't Code §2306.053, the Texas Department of Housing and Community Affairs (the Department) is authorized to adopt rules governing the administration of the Department and its programs;

WHEREAS, staff recommends to the Board that there is a continuing need for this rule to exist, which is to ensure compliance with Tex. Gov't Code Chapter 2306, Subchapter LL, for which these rules establish the administrative procedures and substantive requirements, as required by statute;

WHEREAS, at the Board meeting of October 5, 2019, the Board approved the publication of the repeal and proposed new 10 TAC Chapter 90, Migrant Labor Housing Facilities, and the proposed rule was published for public comment in the Texas Register on October 25, 2019; and

WHEREAS, public comment was accepted from October 25, 2019, through November 25, 2019, and reasoned responses to the public comment which was received is now being presented for adoption;

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 cause the repeal of 10 TAC Chapter 90, Migrant Labor Housing Facilities and adoption of new 10 TAC Chapter 90, Migrant Labor Housing Facilities; in the form presented to this meeting, to be published in the *Texas Register* and in connection therewith, make such non-substantive technical corrections, or preamble-related corrections, as they may deem necessary to effectuate the foregoing, including the preparation of the subchapter specific preambles.

BACKGROUND

Tex. Gov't Code Chapter 2306, Subchapter LL (§§2306.921-2306.930), provides for the Department to serve as the agency that provides Licenses to any person or entity that establishes, maintains or operates a Migrant Labor Housing Facility, and outlines requirements relating to license applications, inspections, failing to meet standards, re-inspection, License issuance and term, License posting, fees, and suspension or revocation of License.

While Tex. Gov't Code Chapter 2306, Subchapter LL, provides for the direction and authority of the licensing activity of Migrant Labor Housing Facilities, it does not provide the administrative specificity to fully implement this activity. As such, these rules set Department policy only so far as they provide the administrative implementation of the statutory activity.

Staff recommends that these rules be retained, but that this be accomplished through repeal of the existing rule and the adoption of a new rule. The key changes to the new rule as originally proposed were: the addition of a purpose statement for the rule; removal of definitions that were redundant with statute; addition a definition for the new term "Provider" and previously undefined term "License"; addition of new clarifying language addressing Applicable Standards; significantly streamlining the Facility Standards section to allow it to better align with federal ETA and OSHA facility standards applicable to housing for workers in Texas under H2-A visas; revisions to the fee structure that provided for a reduced application fee when a property already has a current inspection from another State or Federal agency to prevent Providers being discouraged from pursuing a License because of possible cost; revisions to the inspection timeline to reduce the likelihood of a timing conflict with other agencies inspections; updating the process for handling complaints; adding administrative flexibility in the use of the applicable forms; matching the regulatory penalties with those established in the statute; and, improving readability and clarity.

The proposed rule was published in the *Texas Register* on October 25, 2019, for public comment through November 25, 2019, and seven commenters provided comments on numerous issues. Staff recommends changes to the proposed rule as published in the Texas Register in order to address some of the public comments. A blacklined version of the proposed rule is provided; reflecting changes to the proposed rule based upon the public comment and reasoned response provided by staff.

Attachment 1: Preamble, including required analysis, for the adoption of the repeal of 10 TAC Chapter 90, Migrant Labor Housing Facilities

The Texas Department of Housing and Community Affairs (the Department) adopts the repeal of 10 TAC Chapter 90, Migrant Labor Housing Facilities, §§90.1 – 90.8, Migrant Labor Housing Facilities Rule. The purpose of the repeal is to eliminate an outdated rule while adopting a new updated rule under separate action. The Department has analyzed this rulemaking and the analysis is described below for each category of analysis performed.

a. GOVERNMENT GROWTH IMPACT STATEMENT REQUIRED BY TEX. GOV'T CODE §2001.0221. Mr. Bobby Wilkinson, Executive Director, has determined that, for the first five years the repeal will be in effect:

1. The repeal does not create or eliminate a government program, but relates to the repeal, and simultaneous adoption making changes to the licensing of Migrant Labor Housing Facilities.
2. The repeal does not require a change in work that will require the creation of new employee positions, nor will the repeal reduce workload to a degree that any existing employee positions are eliminated.
3. The repeal does not require additional future legislative appropriations.
4. The repeal does not result in an increase in fees paid to the Department but does include a decrease in fees paid to the Department for applicant's that have recently been inspected by another State or Federal agency.
5. The repeal is not creating a new regulation, except that it is being replaced by a new rule simultaneously to provide for revisions.
6. The action will repeal an existing regulation, but is associated with a simultaneous readoption with reasoned response changes based on public comment to the existing Migrant Labor Housing Facilities Rule.
7. The repeal will not increase nor decrease the number of individuals subject to the rule's applicability.
8. The repeal will not negatively nor positively affect this state's economy.

b. ADVERSE ECONOMIC IMPACT ON SMALL OR MICRO-BUSINESSES OR RURAL COMMUNITIES AND REGULATORY FLEXIBILITY REQUIRED BY TEX. GOV'T CODE §2006.002. The Department has evaluated this repeal and determined that the repeal will not create an economic effect on small or micro-businesses or rural communities.

c. TAKINGS IMPACT ASSESSMENT REQUIRED BY TEX. GOV'T CODE §2007.043. The repeal does not contemplate or authorize a taking by the Department, therefore no Takings Impact Assessment is required.

d. LOCAL EMPLOYMENT IMPACT STATEMENTS REQUIRED BY TEX. GOV'T CODE §2001.024(a)(6). The Department has evaluated the repeal as to its possible effects on local economies and has determined that for the first five years the repeal will be in effect there will be no economic effect on local employment; therefore no local employment impact statement is required to be prepared for the rule.

e. PUBLIC BENEFIT/COST NOTE REQUIRED BY TEX. GOV'T CODE §2001.024(a)(5). Mr. Wilkinson has determined that, for each year of the first five years the repeal is in effect, the public benefit

anticipated as a result of the repealed section would be an elimination of an outdated rule while adopting a new updated rule under separate action. There will be no economic costs to individuals required to comply with the repealed section.

f. FISCAL NOTE REQUIRED BY TEX. GOV'T CODE §2001.024(a)(4). Mr. Wilkinson also has determined that for each year of the first five years the repeal is in effect, enforcing or administering the repeal does not have any foreseeable implications related to costs or revenues of the state or local governments.

PUBLIC COMMENT AND REASONED RESPONSE. The public comment period was held from October 25, 2019, through November 25, 2019, to receive input on the proposed repealed rule. One comment on the repeal was received. The comment was provided by Kathy Tyler in conjunction with her comment on the new rule.

Comment Summary: Commenter stated her opposition “to the repeal of 10 TAC Chapter 90 if it lessens the standards of living conditions on licensed facilities, as the new updated rules propose, and thus impacts the health and safety of workers.”

Staff Response: The repeal is necessary in order to effect the proposed changes to the current regulation, including allowing an in-person, on-site inspection conducted by the Texas Workforce Commission (TWC) for federal purposes to be acceptable for the state license through the Department. The TWC inspection along with the certification by the provider of the housing as to 11 specific Texas requirements that may exceed (or are not included in) the federal requirements will replace a second inspection by the Department. The additional 11 requirements maintain key protections provided in the current rule, and are of interest to the state of Texas to preserve. The change in approach is expected to result in more migrant housing facilities seeking licensure under the requirements and resident protections of the state’s licensing program and thus expand the impact of the licensing program on the health and safety of agricultural workers living temporarily in farmworker housing. Repeal and replacement of the current 10 TAC Chapter 90 is recommended by staff as proposed.

STATUTORY AUTHORITY. The repeal is made pursuant to TEX. GOV'T CODE §2306.053, which authorizes the Department to adopt rules. Except as described, herein the repealed rule affects no other code, article, or statute.

10 TAC Chapter 90, Migrant Labor Housing Facility

§90.1. Definitions.

§90.2. Facilities.

§90.3. Licensing.

§90.4. Records.

§90.5. Complaints.

§90.6. Administrative Penalties and Sanctions.

§90.7. Dispute Resolution, Appeals, and Hearings.

§90.8. Forms.

Attachment 2: Preamble, including required analysis, for adopting new 10 TAC Chapter 90, Migrant Labor Housing Facilities Rule

The Texas Department of Housing and Community Affairs (the Department) adopts, with changes, new 10 TAC, Chapter 90, §§90.1 – 90.9, Migrant Labor Housing Facilities Rule. In accordance with Tex. Gov't Code Chapter 2306, Subchapter LL, a person may not establish, maintain, or operate a Migrant Labor Housing Facility without obtaining a License from the Department, and Subchapter LL further outlines requirements relating to the application, inspection, fees, and suspension of Licenses. The purpose of the proposed new chapter is to provide compliance with Tex. Gov't Code Chapter 2306, Subchapter LL, and update the rule to add the purpose of the rule, remove definitions redundant with statute, add a definition for the term "Provider" and previously undefined term "License," add a section addressing Applicable Standards, significantly reduce and streamline the section that had provided Facility standards, revise the fee structure for a reduced application fee in certain circumstances to prevent Providers being discouraged from pursuing a License because of possible cost, revise the inspection timeline to ensure timeliness and reduce the likelihood of a timing conflict, update the process for handling complaints, update the applicable forms, and improve readability and clarity. Tex. Gov't Code §2001.0045(b) does not apply to the rule proposed for action because it is exempt under both §2001(0045(c)(6) which exempts rule changes necessary to protect the health, safety, and welfare of the residents of this state, and §2001.0045(c)(9), which exempts rule changes necessary to implement legislation. Compliance with the proposed rule is intended to ensure adherence to reasonable standards to benefit the health, safety, and welfare of those migrant laborers housed in the Facilities required to be licensed. Tex. Gov't Code Chapter 2306, Subchapter LL, provides for the implementation of this activity. The Department has analyzed this rulemaking and the analysis is described below for each category of analysis performed.

a. GOVERNMENT GROWTH IMPACT STATEMENT REQUIRED BY TEX. GOV'T CODE §2001.0221. Mr. Bobby Wilkinson, Executive Director, has determined that, for the first five years the proposed rulemaking would be in effect:

1. The proposed rule does not create or eliminate a government program, but relates to the re-adoption of this rule, which makes changes to an existing activity, the licensing and oversight of certain Migrant Labor Housing Facilities.
2. The proposed rule does not require a change in work that would require the creation of new employee positions. While some additional work by the Department will be required associated with the acceptance of additional license applications and fees, added inspections, and follow-up of compliance with possible inspections findings, the Department anticipates handling this additional work with existing staff resources. The rule changes do not reduce work load such that any existing employee positions could be eliminated.
3. The proposed rule does not require additional future legislative appropriations.
4. In accordance with Tex. Gov't Code §2306.929, the Department is authorized to set the license fee in an amount not to exceed \$250. Since 2006, this rule has had the fee set at \$250, and the Department is not suggesting changing this basic fee though is proposing a lower fee for certain recently-inspected Facilities. The Department does anticipate an increase in the possible fees received, as there is a more targeted initiative to encourage those Providers that are currently not licensed to apply for licensure, which would increase fee receipts. As an offset to this potential increase and to the extent that the Department can utilize the inspections conducted by other state agencies and thereby limit the cost by eliminating the duplication of work, the

Department is proposing to reduce the fee for new Licensees where they already have a satisfactory housing inspection by another state or federal agency.

5. The proposed rule is not creating a new regulation, except that it is replacing a rule being repealed simultaneously to provide for revisions.

6. The proposed rule will not limit or repeal an existing regulation, but can be considered to “expand” the existing regulations on this activity because the proposed rule clarifies the scope of facilities, standards, and individuals subject to the rule. Many Providers of such housing may have been unaware of the need to obtain a License from the Department, and were unaware of the possibility that housing that met the standards of the Department of Labor might not also meet the Texas licensing standards. This addition to the rule is necessary to clarify the statutory scope of Providers that must be licensed and ensure compliance with Tex. Gov’t Code, Chapter 2306, Subchapter LL.

7. The proposed rule does increase the number of individuals subject to the rule’s applicability as described in item 6 above.

8. The proposed rule may be considered to have a negative effect on the state’s economy because of the potential expense for employers to bring their Migrant Labor Housing Facility into compliance with the requirements of the rule and statutorily-required licensure. Alternatively, the rule could also impact an employer’s ability to procure the labor needed, which may affect the overall productivity of their industry and contribution to the state economy. This is an unavoidable consequence of the statute. The Department is not able to quantify or determine at this time the extent of Providers that are not currently licensed and the extent to which their Facilities are not up to licensure standard.

b. ADVERSE ECONOMIC IMPACT ON SMALL OR MICRO-BUSINESSES OR RURAL COMMUNITIES AND REGULATORY FLEXIBILITY REQUIRED BY TEX. GOV’T CODE §2006.002. The Department has evaluated this rule and determined that:

1. TDHCA has, in drafting this proposed rule, attempted to reduce any adverse economic effect on small or micro-business or rural communities while remaining consistent with the statutory requirements of Tex. Gov’t Code, ch. 2306, subchapter LL.

2. None of the adverse effect strategies outlined in this subsection are applicable.

3. Based on raw data regarding H2-A visas that required housing inspections, there could be between 200 and 400 small or micro-businesses initially subject to the proposed rule, not already licensed and compliant. The latest United States Department of Agriculture Census of Agriculture reports Texas as having 1,610 farms with migrant workers and the same Census shows that approximately 29% of all Texas farms with hired workers have three or more workers, which results in a potential impact on 467 small businesses in total. The Department has determined that there may be adverse economic effects on small or micro-businesses for those Providers of migrant labor housing that are not currently providing housing to their laborers that will meet the proposed standard, but these economic effects are an unavoidable consequence of the statute. A minimal fee of \$250 is in the existing rule and this is not being increased so does not present a new cost, other than for those not previously licensed. The proposed rule does include a \$175 reduction in the cost of a License for applicants who have recently been inspected by and provide a copy of a satisfactory housing inspection by another State or Federal agency. The economic impact of the rule beyond the fee can vary significantly per Provider depending on the extent to which their Facilities are not up to standard. Because the amount of work and materials needed to bring a Facility up to standard can vary dramatically from a Facility only needing to make a few minor repairs, to a possibly significant renovation of Facilities, an estimate is not able

to be calculated. Moreover, though employers of workers on H2-A visas are required to provide housing to their workers, the Department cannot estimate the economic impact of the proposed rule if agricultural employers who currently provide housing to migrant laborers decide to cease providing housing rather than comply with the licensure standards.

The rule is not directly applicable to rural communities, other than through the likelihood that business entities that are subject to this rule may be more likely to be located in those communities. However, for the reasons stated above, the economic consequences of the proposed changes are limited and unpredictable, thus no economic impact of the rule is projected for rural communities.

(3-a) The proposed rule identifies the applicable federal standard for housing of farm workers, where applicable, and an additional 11 requirements, which have already been part of the rule, but that may exceed or not be contained in one or both of the federal standards. Further, though federal requirements exempt places of public accommodation (such as hotels) from inspection, the proposed rules account for the statutory requirements regarding licensure of Facilities by placing the onus on a housing Provider, for example an agricultural employer (who contracts for Facilities used by migrant workers), to obtain a License and facilitate an inspection of such a Facility – which would include rental accommodations such as a hotel.

The purpose of Tex. Gov't Code, Ch. 2306, subchapter LL, is clearly grounded in protection of the health, safety, and welfare of migrant farm workers. Tex. Gov't Code §2306.925 provides the Department with regulatory flexibility to define “the reasonable minimum standards of construction, sanitation, equipment, and operation” in order for a Migrant Labor Housing Facility to receive a License. These minimum federal standards are set out in 29 CFR §§500.130 and 500.132–500.135, (the Employment and Training Administration (ETA) and Occupational Safety and Health Administrations (OSHA) housing standards also referred to as the “ETA and OSHA Housing Standards” respectively), and the proposed rule eliminates the exception for inspecting public accommodations provided in 29 CFR §500.131, and adds 11 additional standards – all grounded in enhanced health and safety. In accordance with the requirements of this analysis, the proposed rule uses “regulatory methods that will accomplish the objectives of the applicable rules while minimizing adverse impacts on small businesses,” but this analysis accepts that any additional regulations that increase health and safety standards accomplish the objectives of the statute at a cost above the “minimum” required by federal regulation.

c. **TAKINGS IMPACT ASSESSMENT REQUIRED BY TEX. GOV'T CODE §2007.043.** The proposed rule does not contemplate or authorize a taking by the Department, therefore no Takings Impact Assessment is required.

d. **LOCAL EMPLOYMENT IMPACT STATEMENTS REQUIRED BY TEX. GOV'T CODE §2001.024(a)(6).** The Department has evaluated the rule as to its possible effects on local economies and has determined that for the first five years the rule will be in effect the proposed rule may have a negative effect on a local economy and its employment if the local Providers in that community conclude that to bring their Facilities into compliance would be cost prohibitive, impact their hiring decisions, and/or impact their ability to procure the labor needed. These issues could possibly effect the overall productivity of their business and impact on local employment. The extent of how many Providers are in a given local economy, and the extent to which that Providers' Facilities would not meet standards, cannot be readily quantified or determined at this time for any given community. Tex. Gov't Code §2001.022(a) states that this “impact statement must describe in detail the probable effect of the rule on employment in each geographic area

affected by the rule...” Considering that the licensing standards in the new rule have largely been in effect for several years, there are no “probable” effects of the new rules on particular geographic regions.

e. PUBLIC BENEFIT/COST NOTE REQUIRED BY TEX. GOV'T CODE §2001.024(a)(5). Mr. Wilkinson has determined that, for each year of the first five years the new section is in effect, the public benefit anticipated as a result of the new section will be increased assurance of the health, safety, and welfare of migrant labor workers that are provided housing by their employers. The possible economic costs to any individuals required to comply with the new section will be the \$75 to \$250 fee for those Providers not already licensed, the up to \$200 per day fee for non-compliance and the cost of improvements needed to bring a Facility into compliance.

f. FISCAL NOTE REQUIRED BY TEX. GOV'T CODE §2001.024(a)(4). Mr. Wilkinson also has determined that for each year of the first five years the new section is in effect, enforcing or administering the new section does have some foreseeable implications related to costs or revenues of the state or local government: The minimal revenue to the state of \$75 to \$250 per application and up to \$200 per day fines for non-compliance will be used to offset additional expenses associated with inspection travel for each application. The other costs to administer the increased activity are being absorbed within current resources by the Department. There are no foreseeable implications relating to cost or revenues of local governments from enforcing or administering the proposed rule.

PUBLIC COMMENT AND REASONED RESPONSE. The public comment period was held from October 25, 2019, through November 25, 2019, to receive input on the new rule. Seven commenters provided public comment: (1) Daniela Dwyer and David Mauch, Texas RioGrande Legal Aid, (2) Scott Evans and Jarrod Sharp, Federation of Employers and Workers of America, (3) Ryan Skrobarczyk, Texas Nursery & Landscape Association, (4) Jay Bragg, Texas Farm Bureau, (5) J. Kelley Green, Texas Cotton Ginners' Association, (6) Steve Verett and Kody Bessent, Plains Cotton Growers, Inc., and (7) Kathy Tyler

The comment summaries and reasoned responses are organized below in order of appearance in the rule. Recommended revisions to the rule are reflected in response to the comments as applicable.

General Comments

Commenter Summary: Commenter (2), (3), (4), (5) and (6) expressed support and appreciation for the efforts to eliminate the duplication of inspection and reduction in fees for H2A employers given the existence of the Texas Workforce Commission (TWC) inspection and the Department of Labor (DOL) audit or enforcement inspections that are materially the same as the inspection conducted by TDHCA.

Staff Response: Staff appreciates the comments and anticipates these changes will improve the number and quality of licensees in the long run.

Commenter Summary: Commenter (1) expressed general concern that the Department is accommodating H2A employers to close the gap between federal and more stringent state standards. The commenter further predicts two negative outcomes of the proposed changes to

be a decrease in the quality of housing and a drastic decrease in the amount of resources dedicated to enforcement. Commenter (7) echoed these general concerns when opposing the reduction in licensing fees being charged to recently-inspected License applicants saying that the Department needs the additional funds to assure current and future implementation and enforcement of the regulations.

Staff Response: There is no evidence that suggests that the elimination of duplicative inspections or a reduction of individual licensing fees will have a negative effect on the quality of housing or the enforcement of regulations. On the contrary, the expansion of the number of licensed housing units and greater recognition of the licensing requirements should continue to improve the identification and quality of housing available to migrant farmworkers. The current increase in the number of licensees has occurred in large part due to the Department's efforts to make it easier for the H2A employers to find out about and apply for the migrant labor housing facility license. The Department has been making licensing easier for H2A employers by emailing electronic versions of the application form directly to H2A employers and allowing employer to use one license to cover scattered site building locations (all of which get inspected individually but under one license and fee). This outreach and accommodation effort has been a significant reason for a more than fivefold increase in licensees and an even greater increase in number of buildings that have been inspected and come under the license program. The proposed changes will continue to provide for an annual in-person inspection for each building under license by a state or federal agency. As more providers become aware of the licensing requirements in Texas, the total number of facilities inspected annually should increase since places of public accommodation and other facilities that might not be inspected annually under federal requirements will be subject to inspection by the Department under the licensing program. Staff has recommended no change as a result of this comment.

§90.1 Purpose.

Comment Summary: Commenter (1) questioned the accuracy of the purpose statement, which they believe should better reflect "access to safe and decent housing" and should avoid discussion of alignment with federal standards for migrant farmworker housing, contending that the state regulations were created specifically to provide greater protections for workers than those available under federal law. The commenter goes on to provide descriptions of five instances where the commenter represented farm workers regarding poor living conditions. Commenter (3) and (4) expressed appreciation for the clarity that is being provided to acknowledge the intent of TDHCA to align state and federal regulatory programs to improve efficiency and to eliminate duplicative efforts.

Staff Response: This new section, §90.1 Purpose, was revised to its current form after an initial draft generated concerns by and discussions with Commenter (1). The purpose clause provides the justification and aim for the rule or in this case the revisions to the rule, but is a plain reference to state statute and related federal regulation without presumptions as to legislative intent. No revisions to the rule based on the comments for this subsection are recommended.

§90.2 Definitions.

Comment Summary: Commenter (4) appreciates the new definition of Provider but suggests "additional language is needed to make it clear that employers of migrant workers that do not

arrange for housing are NOT [housing] providers.” Commenter (2) believes it important to clarify that a worker providing their own housing for their family is not considered a Provider.

Staff Response: This new definition already excludes anyone that does not provide or arrange for housing for Migrant Agricultural Workers, and “arranged” has been changed to reflect the statutory term “established.” Thus, a Provider would not include an employer of Migrant Agricultural Workers that does not provide housing to their employees (presuming that they are not required by another law or regulation to provide such housing). The clarification regarding a worker providing housing for their own family is included in §90.3 and discussed further below. Given the request for clarification to the definition, additions were made to ensure that the term focused on those whom the rule seeks to regulate that actually “provide” housing to Migrant Agricultural workers by establishing the place where they will live during their work. This may include direct employers (e.g. the farm owner) or indirect employers (e.g. an individual or group that supplies labor to farms), but only if a place to temporarily live is actually provided to the Workers. But the term “Provider” would not include common short-term property rental owners and operators who are not engaged in the agricultural industry. Staff proposes the following change to the definition of Provider:

(11) Provider--any Person who provides for the use of a Migrant Labor Housing Facility by Migrant Agricultural Workers, whether the Facility is owned by the Provider, or is contractually obtained ~~for~~ (or otherwise established~~arranged by~~) by the Provider. An agricultural industry employer or a contracted or affiliated entity may be a Provider if it owns, contracts, or pays for the use of a Migrant Labor Housing Facility by Migrant Agricultural Workers, regardless of whether any rent or fee is required to be paid by a Worker. A common short-term property rental owner or operator that does not exclusively rent to Migrant Agricultural Workers is not a Provider solely because they have rented to Migrant Agricultural Workers. The Provider is the operator under Tex. Gov’t Code §2306.928.

§90.3. Applicability.

Comment Summary for §90.3 (a) and (d): Commenter (1) appreciates the clarification provided in the proposed rule that the law does apply to hotel/public accommodations and will continue to require inspections of same, but expressed concern that the §90.3 (a) and (d) limit §2306.922 by excluding entities that do not contract directly with growers or farm labor contractors. In addition, the commenter contends that Tex. Gov’t Code § 2306.922 does not limit the liability to only one party or provide for excluding the owner of a property who house migrant workers but do not have a contractual relationship with them for employment. They also express concern that some farm labor contractors are also workers themselves and may be willing to provide unsafe housing for themselves and relatives they employ thereby undermining the Department’s goals.

Commenter (2) requested clarification in second sentence of the proposed §90.3 (d) because it unnecessarily further defines “Facility” rather than providing an exception to the term “Provider” or a separate applicability clause for workers housed by a family member in a mobile residence on land owned by someone else. Further concern was expressed that an employer or owner of the land in such a situation may be required to have a license. Commenter (3) appreciates the attempted clarity but questions the idea behind overruling the exception for public

accommodations, such as hotels, that is explicitly provided for under the federal rule. They also believe additional clarity should be included to eliminate any possible confusion about the guarantee that no structure, trailer or vehicle is required to be licensed if provided by the worker's family.

Staff Response: The language in this section clarifies that inspection and licensing requirements do not apply to a property owner or operator that is unrelated to their tenant's employment, or where the tenant is providing their own housing on someone else's property. It is recognized that while places of public accommodation are excluded from additional inspection at the federal level, no such exception exists in the state statute. However, the ability to license, inspect, and hold a party responsible for the condition of a dwelling does require a significant legal connection between the person to be licensed and that dwelling. The concept of a "Provider" and a contractual relationship was placed in the rule to signify this significant legal connection. Without such a connection, the Commenter's reading of the statute would lead to nonsensical results: a hotel operator or private lessor could lease rooms to anyone who asks to rent the room and can pay, but would need to inquire as to each guest whether they happen to satisfy the definition of "Migrant agricultural worker" to determine whether leasing to two or more such guests for three days would require a special license to be obtained pre-occupancy. Contrary to the commenters assertion, the language in §90.3(a) does not further limit the licensing requirement, especially given the clarifying changes to the definition of "Provider" and this subsection, but in combination with rest of the section it clarifies who is responsible for having a license. The proposed clarification will reduce confusion over who is responsible and reduce redundant licensing of both the Provider and a property owner or operator. The exceptions for worker controlled housing is intended to only apply when the worker is housing their own family and not in a situation where a farm labor contractor hires workers and houses unrelated employees. Staff does agree that further clarification based on the comments provided would be helpful and proposes the following additional changes to these sections including the separation of a portion of the language in clause (d) to be enumerated as clause (e) and a the prior clause (e) to be renumbered as clause (f):

(a) All Migrant Labor Housing Facilities in the state of Texas, which may include hotels and other public accommodations if owned by or contracted for by Providers ~~employers in the agricultural or agriculturally related industry to house Workers~~, must be inspected and comply with the requirements in this chapter and 29 CFR §§500.130, 500.132 - 500.135, without the exception provided in 29 CFR §500.131.

...

(d) Owners or operators of homeless shelters, public camp grounds, youth hostels, hotels and other public or private accommodations that do not contract for services with ~~agricultural employers or other~~ Providers to house Workers are not required to be licensed. ~~Further, because a "Facility" under Tex. Gov't Code §2306.921(1) requires both elements of one or more structures, trailers, or vehicles, as well as the land appurtenant, In addition, no~~

(e) No License would be required ~~by~~ where a Worker is housed exclusively with ~~or~~ his/her Family using their ~~his/her~~ own structure, trailer, or vehicle, but temporarily residing on the land of another.

~~(e)~~ (f) A Facility may include multiple buildings on scattered or noncontiguous sites, as long as the scattered sites are in a reasonable distance from each other, and the work location and the buildings are operated as one Facility by the Provider.

Comment Summary for §90.3 (b): Commenter (1) suggests the language in §90.3(b) impermissibly narrows the intent of the statute by not being inclusive of anyone other than the employers and suggests that this section requires a contractual relationship between the employer and worker to obligate a Provider to obtain a license for housing.

Staff Response: This subsection (b) does not limit the prior subsection (a) or limit the term Provider in any way but rather it specifically speaks to a specific subset of Providers, agricultural employers. This subsection clarifies when an agricultural employer is a Provider of housing, even if they do not own the housing facility, they are the responsible party for having a license. Since this section is only speaking to this subset of Providers, it does not need to be made broader to include other persons as proposed by the commenter, as doing so would add confusion to explanatory purpose of this subsection. Requiring or even allowing for the regular occurrence of multiple licenses for the same facility is redundant and is an inefficient use of limited inspection and licensing resources. Moreover, Commenter's concern that a "formal written contractual relationship" may not exist is not the requirement in the rule, and if an employer (as postulated by Commenter) were to hire a farm labor provider to house and deliver workers to the worksite, the financial arrangement between the employer and the farm labor provider who secured the dwelling would (under the proposed rule) could still make the employer a "Provider" of housing, and responsible for obtaining a license. Any confusion over who is held accountable for licensing or for the provisions of this regulation will be determined by the Department and its Board in accordance with the rules. No revisions to the rule based on the comments for this subsection are recommended.

§90.4. Standards and Inspections.

Comment Summary: Commenter (1) contends that two major existing state protections have been excluded from the proposed regulations. Namely, they have stated that four-burner stoves would no longer be required and that a vector control plan for vermin infestation would no longer be required. They contend that the exclusion of each of these requirements will cause a health risk to residents. They also contend that the revised standards omit the reference to the Texas Commission on Environmental Quality (TCEQ) Public Drinking Water Standard and suggest the federal regulation is vague as to what drinking water standard is required. Commenter (7) suggested that it is unclear whether the inclusion of the 11 additional standards beyond the ETA and OSHA standards will protect the health and safety of Texas migrant farmworkers as well as the current regulations protect them and therefore believes the Department should continue to ensure compliance with all the current standards.

Commenter (3) appreciates the effort to streamline standards and encourages the clear delineation of standards that are distinct from the federal standards. They also recommend avoiding adding future standards, which may conflict with federal standards or represent burdens, which might prevent employers from securing otherwise safe housing. Commenter (4) also appreciates the clarity and move toward consistency with federal regulation and suggests that §90.4(a) should have language added to make it clear that TDHCA will accept inspections from other applicable state/federal agencies as per §90.5(g) Licensing of this rule.

Staff Response: Staff surveyed several high quality national chain extended stay hotels and was unable to find one that had more than a two burner stove as standard equipment in a unit. Staff believes that Providers who use hotels or motels that meet the federal and local standards for temporary housing and provide either two burner stoves or, in the alternative, furnish all meals for workers should be allowed to use such housing accommodations. The four-burner stove requirement appears in neither the ETA or OSHA standard though extensive cooking facility requirements exist in both. Similarly federal standards requiring a vector control plan are limited, but both require that the facility be free of insects, rodents and other vermin (24 CFR 654.415 and 29 CFR1910.142 (j)). The parameters of a vector control plan in the existing rule are not well defined and it is the outcome of having no pests in the facility that is of measurable importance. The water standards required under TCEQ are of the same enforceability whether they are referenced in this rule or not because they apply to all water supplies and are enforced through TCEQ. Finally, this subsection of the rule speaks to the form of acceptance of inspections conducted by other state or federal agencies on behalf of the Department as being on forms promulgated by those agencies. The actual acceptance of such inspections is already included in other parts of this rule so that adding additional language in this section is not necessary. Therefore, staff is not recommending revisions to the rule based on the comments in this subsection.

§90.5. Licensing.

Comment Summary: Commenter (5) pointed out that the prior rule contained a requirement that the Department had 14 days to issue a letter informing the applicant of any corrections or additions needed for the application. In a process where time is of essence, it would make sense to have some sort of a time limit on this part of the process, and 14 days seems like a reasonable amount of time.

Staff Response: Staff agrees with the importance of performance timelines in the inspection and licensing process. Whenever possible, TDHCA inspection staff has provided deficiency concerns or findings during or immediately at the end of the inspection as standard operating procedure. In rare instances where the licensee or licensee representative is not present during the inspection, the inspector follows up with deficiency concerns and if they are not immediately addressed they would be forwarded to the home office for disposition. The prior rule did include a 14 day timeline for the Department to notify a prospective licensee regarding the need for corrections or additions but did not provide a consequence for not meeting this timeline, i.e. the license was not obligated to be issued nor did the deficiency become cleared as a result of missing this timeline so the existence of the timeline as provided in the old rule added potential confusion. With the acceptance of the inspections done by other agencies in lieu of redundant TDHCA inspections, the confusion with regard to missing this deadline could be even more confusing. Because of the additional confusion that could exist with the outcome of this deadline, staff recommends that it remain part of internal standard operating procedures, and not part of the rule. No revisions to the rule in this subsection are recommended.

Comment Summary for §90.5 (d) and (g): Commenter (4) believes the changes proposed with regard to the fee and inspections are reasonable and should help reduce cost and regulatory burdens of the program without sacrificing the intent of the statute. Commenter (2) and (3) appreciate the fee reduction and elimination of duplicative inspections but have concern regarding when a TDHCA inspection or re-inspection and higher fee would be determined. They

reference §90.5 (d) which currently states: “However, if an inspection or re-inspection by the Department is required at the sole determination by the Department, the full application fee will apply.” The concern here is that no criteria or discernable standard has been provided by the Department to determine when an inspection or re-inspection by TDHCA will be required. At the very least, they suggest, causal factors that would justify utilization of this provision should be provided through interagency guidance.

Commenter (1) indicates that the proposed fee reduction, reflected in §90.5 (d), for TWC inspected facilities will drastically reduce funding for the Department’s enforcement of the statute. Commenter (1) appreciates the attempt by the Department to efficiently utilize limited resources and not duplicate inspections however, they believe the proposed use of an attestation by the Provider with regard to meeting the additional state standards is not a reasonable method in which to generate compliance. They state if attestation is maintained as a method of acceptance: that documentary evidence should be required for each and all attestation elements; that attestations should be required under penalty of perjury; and, that the timing of acceptance of an existing federal inspection should only allow one that has been conducted within the past 90 days.

Commenter (3) appreciates the Department’s acceptance of inspections completed under the H2A program and allowing employers to affirm they are compliance with additional TDHCA standards.

Staff Response: Staff agrees that additional clarification or guidance may need to be developed to help describe when a separate inspection will be required, however as this is a new process and we will be accepting inspection forms from inspectors we do not know and with which we have little to no regular interaction, all of the possible reasons for an additional independent inspection cannot easily be identified. At the current time, staff believes additional inspections will be required when any of the following issues may exist and cannot be corrected quickly: a complaint has been received or a recent past pattern of complaints or deficiencies (corrected through attestation) exists with an applicant; a copy of the license application including attestations is incomplete; or, the federal inspection is incomplete, illegible, beyond the 90 day timeliness criteria or not made available to the Department. The Department will make reasonable efforts to resolve the issue(s), for example, by seeking to obtain a legible copy of the completed federal inspection from the applicant or the agency conducting the inspection. In addition, having a timely inspection is in the interest of the Department, the residents, and the Provider. This is especially true for the Provider, since penalties can be assessed for operating a facility without a current license. Thus, it could be cost effective for the Provider to have an independent TDHCA inspection and pay the additional \$175 where a complaint for operating an unlicensed facility has been received by the Department and a \$200 per day penalty could be assessed while waiting for a copy of the completed federal inspection. With regard to concerns about relying upon the attestation of the Provider, the Department recognizes that most Providers seeking a license are desirous of providing safe and decent housing in compliance with all rules and regulations and will respond truthfully to the information provided in the application. Moreover, with the improved ability for residents to know their rights and report housing that does not meet the Texas standards, identification of such housing will be much easier, and thus the identification of Provider’s who do not provide truthful attestations will also be more evident. No revisions to the rule in this subsection are recommended.

§90.6. Records.

Comment Summary for subsection §90.6 (a): Commenter (5) identified that the term “premises” is not defined in the requirement that “Each Licensee shall maintain on premises, available for inspection by the Department, the following records:” and recommends that the words “maintain on premises,” be replaced with “be maintained and”. Commenters (2), (3) and (4) also suggests the words “on premises” be deleted.

Staff Response: Staff agrees with the commenters that the term premises is not defined and could mean the Provider’s premises, which could be located in another state or for a scattered site could unnecessarily require duplicate records at each site. Staff Recommend the first sentence be changed as follows:

(a) Each Licensee shall maintain ~~on premises, and upon request make~~ available for inspection by the Department, the following records:

Comment Summary for subsection §90.6 (a)(4): Commenter (5) asked for the end of the sentence to be clarified as follows: “and any correspondence to or from such approving or permitting authorities”

Staff Response: Staff agrees with the change, appreciates its identification and recommends it.

Comment Summary for subsection §90.6 (c): Commenter (1) appreciates and supports the requirement to post an informational poster and decal at the housing site to verify that the housing has been inspected and to advise workers of their rights.

Staff Response: Staff appreciates the comment which requires no further change.

§90.7. Complaints.

Comment Summary for subsection §90.7 (g)(6): Commenter (5) identified the phrase “or appeal” to be redundant in that sentence.

Staff Response: Staff agrees with the redundant language and recommends the following change:

(6) The timeframe for the Licensee either to agree to the recommended corrective action, and accept the administrative penalties and/or sanctions, or to appeal ~~or to appeal~~ the matter.

§90.8. Administrative Penalties and Sanctions.

Comment Summary: Commenters (2) and (3) suggested that in §90.8(b) a penalty should only begin to be assessed once notice of the violation has been provided by the Department. Commenter (2) suggests the penalty should only be assessed after an ability to cure the violation has been provided and Commenter (3) recommends the penalty be waived for a fee accrued after notice but corrected in a time appropriate manner. Commenter (2) suggests the following specific change: “For each violation of the Act or rules a penalty of up to \$200 per day per violation may be assessed after a notice of violation has been duly executed and delivered to the Licensee, and a reasonable opportunity has been provided to correct the violation.” This would allow for a circumstance based cure period so that the Provider would have sufficient time to make repairs in the case of a catastrophic incident, such as a hurricane, occurring between the time of the original housing inspection and the violation. Commenter (4) believes the change in fines for violation from up to \$200 to up to \$200 per day per violation is significant and that the intent of such a penalty structure should be compliance not punitive. Commenter (4) suggests the following language: (b) For each violation of the Act or rules a penalty of up to \$200 per day

per violation may be assessed after the date that it is documented that the Provider is made aware of the deficiency by either the TDHCA or a current tenant.

Commenter (1) appreciates the clarification with the per-day per-violation but is concerned about discussions regarding further clarification as to the starting point of the penalty when a violation is known to exist prior to the date which a grower is given official notice by the Department of a violation. They express concern that the proposed clarifications will decrease the housing Providers' day-to-day concern about housing conditions and that they may delay resolving known violations until they get notified by the Department. Commenter (7) suggests adding that assessments of violation penalties shall be up to \$200 per day per violation and *per resident*.

Staff Response: The phrasing of the proposed rule is taken directly from Tex. Gov't Code §2306.933. Though the limitations suggested by some commenters regarding knowledge and notice of violations may ultimately bear on the sufficiency of evidence to sustain a fine and the decision regarding which violations to prosecute (either through the Department's process or through a local County Attorney), the rule, as proposed, does not limit the scope of what violations can be prosecuted. Accordingly, no revisions to the rule in this subsection (beyond non-substantive clarification) are recommended.

STATUTORY AUTHORITY. The new rule is proposed pursuant to Tex. Gov't Code §2306.053, which authorizes the Department to adopt rules. Except as described, herein the adopted new rule affects no other code, article, or statute. The agency certifies that legal counsel has reviewed the new rule and found it to be within the state agency's legal authority to adopt.

10 TAC Chapter 90 Migrant Labor Housing Facilities

§90.1 Purpose.

The purpose of Chapter 90 is to establish rules governing Migrant Labor Housing Facilities that are subject to being licensed under Tex. Gov't Code Chapter 2306, Subchapter LL (§§2306.921-2306.933). It is recognized that alignment of state requirements with the federal standards for migrant farmworker housing that must be inspected in order to participate in other state and federal programs, such as with the U. S. Department of Labor's H2-A visa program, and allows for cooperative efforts between the Department and other state and federal entities to share information. This will reduce redundancies and improve the effectiveness of the required licensing.

§90.2. Definitions.

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise. Additionally, any words and terms not defined in this section but defined or given specific meaning in Tex. Gov't Code Chapter §§2306.921-2306.933, are capitalized. Other terms in 29 CFR §§500.130-500.135, 20 CFR §§654.404 et seq., and 29 CFR §1910.142 or used in those sections and defined elsewhere in state or federal law or regulation, when used in this chapter, shall have the meanings defined therein, unless the context herein clearly indicates otherwise.

(1) Act--the state law that governs the operation and licensure of Migrant Labor Housing Facilities in the state of Texas, found at Tex. Gov't Code, §§2306.921 - 2306.933.

(2) Board--The governing board of the Texas Department of Housing and Community Affairs.

(3) Business Day--any day that is not a Saturday, Sunday, or a holiday observed by the State of Texas.

(4) Business hours--8 a.m. to 5 p.m., local time.

(5) Department--The Texas Department of Housing and Community Affairs.

(6) Director--The Executive Director of the Department.

(7) Family--a group of people, whether legally related or not, that act as and hold themselves out to be a Family; provided, however, that nothing herein shall be construed as creating or sanctioning any unlawful relationship or arrangement such as the custody of an unemancipated minor by a person other than their legal guardian.

(8) License--the document issued to a Licensee in accordance with the Act.

(9) Licensee--any Person that holds a valid License issued in accordance with the Act.

(10) Occupant--any person, including a Worker, who uses a Migrant Labor Housing Facility for housing purposes.

(11) Provider--any Person who provides for the use of a Migrant Labor Housing Facility by Migrant Agricultural Workers, whether the Facility is owned by the Provider, or is contractually obtained ~~for~~ (or otherwise established ~~arranged by~~) by the Provider. An agricultural industry employer or a contracted or affiliated entity may be a Provider if it owns, contracts, or pays for the use of a Migrant Labor Housing Facility by Migrant Agricultural Workers, regardless of whether any rent or fee is required to be paid by a Worker. A common short-term property rental owner or

operator that does not exclusively rent to Migrant Agricultural Workers is not a Provider solely because they have rented to Migrant Agricultural Workers. The Provider is the operator under Tex. Gov't Code §2306.928.

(12) Worker--A Migrant Agricultural Worker, being an individual who is:

(A) Working or available for work seasonally or temporarily in primarily an agricultural or agriculturally related industry, and

(B) Moves one or more times from one place to another to perform seasonal or temporary employment or to be available for seasonal or temporary employment.

§90.3. Applicability.

(a) All Migrant Labor Housing Facilities in the state of Texas, which may include hotels and other public accommodations if owned by or contracted for by Providers ~~employers in the agricultural or agriculturally related industry to house Workers~~, must be inspected and comply with the requirements in this chapter and 29 CFR §§500.130, 500.132 - 500.135, without the exception provided in 29 CFR §500.131.

(b) Where agricultural employers own, lease, rent, or otherwise contract for Facilities "used" by individuals or Families that meet the criteria described in the Act, the employer as Provider of said housing, "establishes" and becomes the "operator" of a Migrant Labor Housing Facility, and is the responsible entity for obtaining and "maintaining" the License on such Facility, as those terms are used in Tex. Gov't Code §2306.921 - .922.

(c) An applicant for a License must facilitate an inspection by the Department with the owner of the property(s) at which the Migrant Labor Housing Facility is located.

(d) Owners or operators of homeless shelters, public camp grounds, youth hostels, hotels and other public or private accommodations that do not contract for services with ~~agricultural employers or other Providers to house Workers~~ are not required to be licensed. ~~Further, because a "Facility" under Tex. Gov't Code §2306.921(1) requires both elements of one or more structures, trailers, or vehicles, as well as the land appurtenant, in addition, no~~

(e) No License would be required by where a Worker is housed exclusively with or his/her Family using their his/her own structure, trailer, or vehicle, but temporarily residing on the land of another.

~~(e)~~ (f) A Facility may include multiple buildings on scattered or noncontiguous sites, as long as the scattered sites are in a reasonable distance from each other, and the work location and the buildings are operated as one Facility by the Provider.

§90.4. Standards and Inspections.

(a) Facilities must follow the appropriate housing standard as defined in 29 CFR §500.132, (the Employment and Training Administration (ETA) and Occupational Safety and Health Administrations (OSHA) housing standards also referred to as the "ETA and OSHA Housing Standards"). The inspection checklists setting forth those standards are available on the Department's website at <https://www.tdhca.state.tx.us/migrant-housing/index.htm>.

(b) Inspections of the Facilities of applicants for a License and Licensees may be conducted by the Department under the authority of Tex. Gov't Code §2306.928 upon reasonable notice and using the appropriate inspection forms noted in subsection (a) of this section. Inspections may be

conducted by other State or Federal agencies, on behalf of the Department, on forms promulgated by those agencies.

(c) In addition to the standards noted in subsection (a) of this section, all Facilities must comply with the following additional state standards:

(1) Facilities shall be constructed in a manner to insure the protection of Occupants against the elements. Facilities shall be maintained in good repair and in a sanitary condition. All doors to the exterior shall have working locks and all windows shall have working interior latches. Each unit shall have a working smoke detector. Fire extinguishing equipment shall be provided in an accessible place located within 100 feet from each Facility. Such equipment shall provide protection equal to a 2 1/2 gallon stored pressure of five gallon pump type water extinguisher.

(2) Combined cooking, eating, and sleeping arrangements must have at least 100 SF per person (aged 18 months and older); the portion of the Facility for sleeping areas must include at least 50 SF per person.

(3) Facilities for Families with children must have a separate room or partitioned area for adult Family members.

(4) In dormitory-type facilities, separate sleeping accommodations shall be provided for each sex. In Family housing units, separate sleeping accommodations shall be provided for each Family unit.

(5) Facilities previously used to mix, load, or store pesticides and toxic chemicals may not be used for cooking, dishwashing, eating, sleeping, housing purposes, or other similar purposes.

(6) In a central mess or multifamily feeding operation, the kitchen and mess hall shall be constructed in accordance with any applicable local or state rules on food services sanitation.

(7) Beds, bunks, or cots shall have a clear space of at least 12 inches from the floor. Triple-deck bunks shall be prohibited. Single beds shall be spaced not closer than 36 inches laterally or end to end. Bunk beds shall be spaced not less than 48 inches laterally or 36 inches end to end. There shall be a clear ceiling height above a mattress of not less than 36 inches. The clear space above the lower mattress of the bunk beds and the bottom of the upper bunk shall not be less than 27 inches.

(8) Communal bathrooms shall have a minimum of one showerhead per 10 persons and one lavatory sink per six persons. Showerheads shall be spaced at least three feet apart to insure a minimum of nine square feet of showering space per showerhead.

(9) In all communal bathrooms separate shower stalls shall be provided.

(10) Mechanical clothes washers shall be provided in a ratio of one per 50 persons. In addition to mechanical clothes washers, one laundry tray per 100 persons shall be provided. In lieu of mechanical clothes washers, one laundry tray or tub per 25 persons may be provided.

(11) All Facility sites shall be provided with electricity. The electrical systems shall conform to all applicable codes and shall be sufficient to provide the electricity with sufficient amperage to operate all required and available features, including but not limited to lighting, stoves, hot water heaters, heating systems, portable heaters, refrigeration, and such other devices as may be connected to wall type convenience outlets.

§90.5. Licensing.

(a) Tex. Gov't Code, §2306.922 requires the licensing of Migrant Labor Housing Facilities.

(b) Any Person who wants to apply for a License to operate a Facility may obtain the application form from the Department. The required form is available on the Department's website at <https://www.tdhca.state.tx.us/migrant-housing/index.htm>.

(c) An application must be submitted to the Department prior to the intended operation of the Facility, but no more than 60 days prior to said operation.

(d) The fee for a License is \$250 per year, except in such cases where the Facility was previously inspected and approved to be utilized for housing under a State or Federal migrant labor housing program, and that such inspection conducted by a State or Federal agency is provided to the Department. Where a copy of such inspection conducted by a State or Federal agency is less than 90 days old, has no material deficiencies or exceptions, and is provided to the Department prior to the Department's scheduled inspection, the application fee shall be reduced to \$75. However, if an inspection or re-inspection by the Department is required at the sole determination by the Department, the full application fee will apply. The License is valid for one year from the date of issuance unless sooner revoked or suspended.

(e) Fees shall be tendered by check, money order, or via an online payment system (if provided by the Department), payable to the Texas Department of Housing and Community Affairs. If any check or other instrument given in payment of a licensing fee is returned for any reason, any License that has been issued in reliance upon such payment being made is null and void.

(f) A fee, when received in connection with an application is earned and is not subject to refund.

(g) Upon receipt of a complete application and fee, the Department shall review the existing inspection conducted by a State or Federal agency, if applicable and/or schedule an inspection of the Facility by an authorized representative of the Department. Inspections shall be conducted during Business Hours on weekdays that the Department is open, and shall cover all units that are subject to being occupied. Inspections by other State or Federal agencies in accordance with the requirements in 29 CFR §§500.130 - 500.135 may be accepted by the Department for purposes of this License, only if notice is given to the Department prior to the inspection in order for the Department to consider the inspection as being conducted by an authorized representative of the Department in accordance with Tex. Gov't Code §2306.928. In addition, a certification of the additional state standards described in 10 TAC §90.4(c), relating to Standards and Inspections, must be provided by the applicant, along with any supplemental documentation requested by the Department, such as photographs.

(h) The Person performing the inspection on behalf of the Department shall prepare a written report of findings of that inspection.

(1) If the Person performing the inspection finds that the Migrant Labor Housing Facility, based on the inspection, is in compliance with 10 TAC §90.4, relating to Standards and Inspections, and the Director finds that there is no other impediment to licensure, the License will be issued.

(2) If the Person performing the inspection finds that although one or more deficiencies were noted that will require timely corrective action which may be confirmed by the Provider without need for re-inspection, and the Director finds that there is no other impediment to licensure, the License will be issued subject to such conditions as the Director may specify. The applicant may, by signed letter, agree to these conditions, request a re-inspection within 60 days from the date of the Director's letter advising of the conditions, provide satisfactory documentation to support the completion of the corrective action as may be required by the Department, or treat the Director's imposing of conditions as a denial of the application.

(3) If the Person performing the inspection finds that although one or more deficiencies were noted that will require timely corrective action, the deficiencies are of such a nature that a re-inspection is required, the applicant shall address these findings and advise the inspector or Department, within 60 days from the date of written notice of the findings, of a time when the Facility may be re-inspected. If a re-inspection is required, the License will not be eligible for the reduced fee described in subsection (d) of this section and the balance of the \$250 fee must be remitted to the Department prior to the re-inspection. If Occupants are allowed to use the Facility prior to the re-inspection the applicant must acknowledge the operation of the Facility in violation of these rules, and pay a fee to the Department of up to \$200 per day of operation through the date the Facility is approved by the inspector, and eligible for licensing. If the results of the re-inspection are satisfactory and the Director finds that there is no other impediment to licensure, the License will be issued. If it is the determination of the Director that the applicant made all reasonable efforts to complete any repairs and have the property re-inspected in a timely manner, the penalty for operating a Facility without a License may be reduced to an amount determined by the Director, but not less than \$200.

(4) If the person performing the inspection finds that the Migrant Labor Housing Facility is in material noncompliance with §90.4 of this chapter, relating to Standards and Inspections, or that one or more imminent threats to health or safety are present, the Director may deny the application. In addition, the Department may also take action in accordance with §90.8, relating to Administrative Penalties and Sanctions ~~of this chapter~~.

(i) If the Director determines that an application for a License ought to be granted subject to one or more conditions, the Director shall issue an order accompanying the License, and such order shall:

- (1) Be clearly incorporated by reference on the face of the License;
- (2) Specify the conditions and the basis in law or rule for each of them; and
- (3) Such conditions may include limitations whereby parts of a Migrant Labor Housing Facility may be operated without restriction and other parts may not be operated until remedial action is completed and documented in accordance with the requirements set forth in the order.

(j) Correspondence regarding an application should be addressed to: Texas Department of Housing and Community Affairs Attention: Migrant Labor Housing Facilities PO BOX 12489 ~~AUSTIN~~ Austin, TX 78711-2489

(k) The Department shall issue a letter informing the applicant of what is needed to complete the application and/or if a deviation found during the inspection requires a correction in order to qualify for issuance of a License.

(l) An applicant or Licensee that wishes to appeal any order of the Director, including the appeal of a denial of an application for a License or an election to appeal the imposing of conditions upon a License, may appeal such order by sending a signed letter to the Director within thirty (30) days from the date specified on such order, indicating the matter that they wish to appeal.

§90.6. Records.

(a) Each Licensee shall maintain ~~on premises~~, and upon request make available for inspection by the Department, the following records:

- (1) Copies of all correspondence to and from the Department. This shall include the current designation of each Provider;

(2) A current list of the Occupants of the Facility and the date that the occupancy of each commenced;

(3) Documentation establishing that all bedding facilities were sanitized prior to their being assigned to the current occupant; and

(4) Copies of any and all required federal, state, or local approvals and permits, including but not limited to any permits to operate a waste disposal system or a well or other water supply, and any correspondence to or from such approving or permitting authorities.

(b) All such records shall be maintained for a period of at least three years.

(c) A Licensee shall post in at least one conspicuous location in a Facility or in at least one building per site for a scattered site Facility:

(1) A copy of the License;

(2) A decal provided by the Department with the licensing program logo and the year for which the License was granted; and,

(3) A poster provided by the Department or the following notice in at least 20 point bold face type: If you have concerns or problems with the condition or operation of this Facility or your unit, the Texas Department of Housing and Community Affairs (the Department) is the state agency that licenses and oversees this Facility. You may make a complaint to the Department by calling, toll-free, 1-833-522-7028, or by writing to Migrant Labor Housing c/o TDHCA, P.O. Box 13941, Austin, TX 78711-3941. This office has staff that speaks Spanish. To the fullest extent that we can, we will keep your identity confidential. The Department's rules prohibit any Facility or Provider from retaliating against you for making a complaint. Si Usted tiene preocupaciones o problemas con la condición u operación de esta instalación o su unidad, el Departamento de Vivienda y Asuntos Comunitarios del Estado de Texas (El Departamento o TDHCA) es la agencia que da licencia y supervisa esta instalación. Usted puede mandar sus quejas al Departamento por teléfono gratuitamente por marcando 1-833-522-7028o escribiendo a Migrant Labor Housing c/o TDHCA, P.O. Box 13941, Austin, TX 78711-3941. La oficina tiene personas que hablan español. A lo mas posible que podemos, protegeremos su identidad. Las regulaciones del Departamento prohíben cualquier represalias por la instalación o por el operador contra personas que se quejen contra ellos.

§90.7. Complaints.

(a) If the Department receives any complaint, it shall investigate it by appropriate means, including the conducting of a complaint inspection. Any complaint inspection will be conducted after giving the Provider notice of the inspection and an opportunity to be present. The complainant will be contacted by the Department as soon as possible but no later than 10 days of making a complaint and such a call may be relayed to local authority(s) if a possible life threatening safety or health issue is involved.

(b) A Licensee, through its Provider, shall be provided a copy of any complaint (or, if the complaint was made verbally, a summary of the matter) and given a reasonable opportunity to respond. Generally, this shall be 10 business days.

(1) Complaints may be made in writing or by telephone to 1-833-522-7028.

(2) Complaints may be made in English, Spanish, or other language.

- (3) To the fullest extent permitted by applicable law, the identity of any complainant shall be maintained as confidential (unless the complainant specifically consents to the disclosure of their identity or requests that the Department disclose their identity).
- (4) Licensees and Providers shall not engage in any retaliatory action against an Occupant for making a complaint in good faith.
- (c) If any complaint involves matters that could pose an imminent threat to health or safety, all time frames shall be accelerated, and such complaint shall be addressed as expeditiously as possible.
- (d) The Department may conduct interviews, including interviews of Providers and Occupants, and review such records as it deems necessary to investigate a complaint.
- (e) The Department shall review the findings of any inspection and its review and, if it finds a violation of the Act or these rules to have occurred, issue a notice of violation.
- (f) A notice of violation and order will be sent to the Licensee to the attention of the Provider.
- (g) The notice of violation will set forth:
- (1) The complaint or other matter made the subject of the notice;
 - (2) The findings of fact;
 - (3) The specific provisions of the Act and or these rules found to have been violated;
 - (4) The required corrective action;
 - (5) Any administrative penalty or other sanction to be assessed; and
 - (6) The timeframe for the Licensee either to agree to the recommended corrective action, and accept the administrative penalties and/or sanctions, or to appeal ~~or to appeal~~ the matter.
- (h) The order will set forth:
- (1) The complaint or other matter made the subject of the order;
 - (2) The findings of fact;
 - (3) The specific provisions of the Act and or these rules found to have been violated;
 - (4) The required corrective action;
 - (5) Any administrative penalty or other sanction assessed; and
 - (6) The date on which the order becomes effective if not appealed or otherwise resolved.
- (i) Complaints regarding Migrant Labor Housing Facilities will be addressed under this section, and not §1.2 of this title, relating to ~~concerning~~ Department Complaint System to the Department, ~~is not applicable.~~

§90.8. Administrative Penalties and Sanctions.

- (a) When the Director finds that the requirements of the Act or these rules are not being met, he or she may assess administrative penalties or impose other sanctions as set forth in subsections (b)-(d) of this section ~~below~~. Nothing herein limits the right, as set forth in the Act, to seek injunctive relief.
- (b) For each violation of the Act or rules a penalty of up to \$200 per day per violation may be assessed.
- (c) For violations that present an imminent threat to health or safety, if not promptly addressed, the Director may suspend or revoke the affected License.

(d) Administrative penalties assessed regarding Migrant Labor Housing Facilities will be addressed exclusively under this section, and not 10 TAC Chapter 2, relating to Enforcement, ~~is not applicable~~.