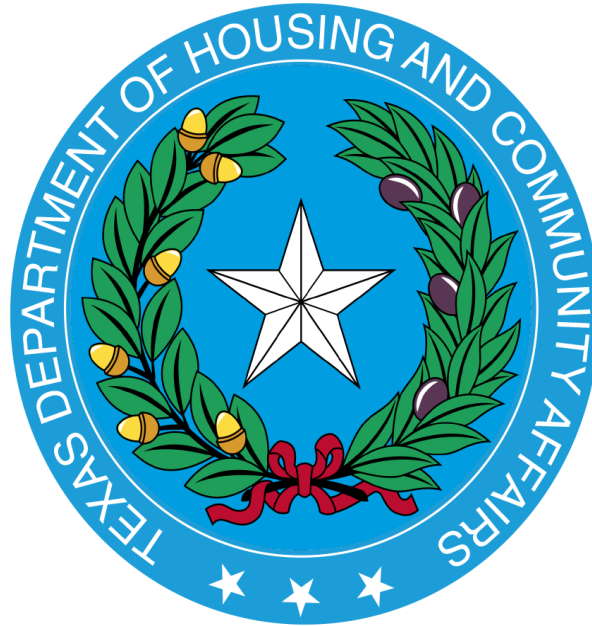


# SUPPLEMENTAL BOARD BOOK OF MAY 26, 2016



**J. Paul Ozer, Chair**  
**Juan Muñoz, Vice-Chair**  
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**Tom H. Gann, Member**  
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4b

**BOARD ACTION ITEM**  
**MULTIFAMILY FINANCE DIVISION**  
**MAY 26, 2016**

Presentation, Discussion, and Possible Action on Timely Filed Scoring Notice Appeals under the Department's Multifamily Program Rules

**RECOMMENDED ACTION**

**WHEREAS**, a 9% Housing Tax Credit Application for Baxter Lofts was submitted to the Department by the Full Application Delivery Date;

**WHEREAS**, staff originally determined that the schools used to claim Educational Excellence points do not meet requirements, a resolution from the Local Governing Body identifying the Development Site as contributing most significantly to the concerted revitalization efforts was not received, and that the point reduction from these two items is more than six (6) points, rendering the application ineligible for Pre-application points;

**WHEREAS**, Competitive HTC scoring notices were provided to the Applicant identifying points that the Applicant elected but did not qualify to receive under 10 TAC §11.9 related to Competitive HTC Selection Criteria, after the Administrative Deficiency process was completed;

**WHEREAS**, the Applicants timely filed an appeal of the scoring notice;

**WHEREAS**, the Executive Director denied the appeal; and

**WHEREAS**, staff has re-evaluated all issues and now believes that the Board's intent was to allow a lower threshold for educational excellence in Region 11 middle and high schools, thereby allowing the Application to receive three points for Educational Excellence and six points for Pre-application Participation;

**NOW, therefore, it is hereby**

**RESOLVED**, that the scoring appeal for Application 16029, Baxter Lofts is approved in part reinstating nine points and denied in part resulting in the loss of four points.

**BACKGROUND**

10 TAC §11.9 related to Competitive HTC Selection Criteria identifies the scoring criteria used in evaluating and ranking Applications. It includes those items required under Texas Government Code, Chapter 2306, §42 of the Internal Revenue Code ("the Code"), and other criteria established in a manner consistent with Chapter 2306 and §42 of the Code.

Pursuant to §10.201(7) Administrative Deficiency Process, staff sends the deficiency notice via e-mail to the Applicant requesting the Applicant provide clarification, correction, or non-material missing information to resolve inconsistencies in the original Application or to assist staff in evaluating the Application. The five business day time period for responding to a deficiency notice commences on the first business day following the deficiency notice date. After the Applicants response to the Administrative Deficiency is received and evaluated by staff, a scoring notice is issued to the Applicant. Applicants have the option of appealing the scoring notice if they believe staff has deducted points from an Application without basis in Rule, Statute or Code. The Executive Director evaluates the merits of appeals timely received, and has the option to grant or deny the appeal, based on the information presented. If the Executive Director denies the appeal of the scoring notice, the Applicant has the option to present their appeal to the Governing Board.

The §11.10, Third-Party Request for Administrative Deficiency process allows an unrelated person or entity to bring new, material information regarding an application to Staff's attention. Staff considers each request in light of the applicable rules, and makes a determination whether or not the Request should result in an Administrative Deficiency requiring response from the Applicant.

The Baxter Lofts Application proposes the adaptive reuse of a 9-story office building in downtown Harlingen. The Baxter building was originally constructed in 1927, and has been vacant for approximately 30 years. The Applicant proposes to create 24 apartments in the building.

Staff review of the Application indicates that it is not eligible to receive the maximum points claimed under three categories; §11.9(c)(5) Educational Excellence §11.9(d)(7)(A) Concerted Revitalization Plan, and §11.9(e)(3) Pre-application Participation. The Applicant is appealing the scoring result for all three categories.

### **§11.9(c)(5) Educational Excellence**

For points under §11.9(c)(5) of the 2016 Qualified Allocation Plan (“QAP”), Educational Excellence, the Applicant originally claimed points in the pre-application and in the self-score of the full Application using the very highly ranked Early College High School in Harlingen, a magnet school with an application process for enrollment. In general an application process for a magnet school precludes students from the immediate area from attending the magnet school without meeting some additional entrance requirement. Moreover, with regard to the attendance zone for the students living at the proposed development, §11.9(c)(5) specifically states that “An attendance zone does not include schools with district wide possibility of enrollment or no defined attendance zones, sometime known as magnet schools.” The Applicant has not demonstrated that all students living at the property may attend this high school by right.

A Third Party Request for Administrative Deficiency received by the Department addressed the schools listed this Application, including a map of the high school attendance zones for the Harlingen Consolidated Independent School District (“HCISD”). The map indicates that the proposed Development Site is located within the attendance zone of Harlingen High School. Harlingen High School has an "Improvement Required" rating from the Texas Education Agency.



The Applicant's appeal of this scoring item has two parts; the first describes their position regarding the use of the Early College High School for scoring. It includes a letter from the HCISD Superintendent indicating that “residents of Baxter Lofts would ordinarily attend Harlingen High School”, but that since this school has an “Improvement Required” rating “a student assigned to that campus is eligible to attend any other school in the district.” While the HCISD has a policy allowing students zoned to Harlingen High School the option to attend another school, this does not negate the fact that the district does have attendance zones, and that residents of Baxter Lofts are zoned to attend Harlingen High School. The Applicant claims that due to this policy, it is appropriate to use the higher accountability rating for the application-only magnet high school.

The second part of the Applicant's appeal of this item states that even if staff does not agree with their position regarding the Early College High School, other schools (middle and elementary) in the properties attendance zone still warrant points under the Educational Excellence scoring item. Staff's original analysis of the schools in the attendance zone for Baxter Lofts indicates that the schools zoned to Baxter Lofts should receive zero (0) points because the high school does not meet the minimum score for Region 11.

The subject site is within the attendance zone of Zavala Elementary School, which has an Index 1 score of 83 and Memorial Middle School, with an Index 1 score of 70, both of which have a Met Standard rating. It is also in the attendance zone of Harlingen High School, which has an Index 1 score of 59 and an Improvement Required accountability rating.

The Applicants appeal asserts that the property should be eligible for at least 3 points under §11.9(c)(5)(B) which is as followings:

(B) The Development Site is within the attendance zone of any two of the following three schools (an elementary school, a middle school, and a high school) with a Met Standard rating and an Index 1 score of at least 77. For Developments in Region 11, the middle school and high school must achieve an Index 1 score of at least 70 to be eligible for these points; (3 points, or 2 points for a Supportive Housing Development); or

For development in Region 11, the Applicant contends that the 3 points can be achieved if the elementary school meets the Index 1 score of 77 and either the middle or high school meets the Index 1 score of 70. That is not how the rule actually reads, since it literally requires the middle and high schools achieve an Index 1 score of at least 70. Taken in context of the entire section which provide alternative 1 and 5 point options each of which includes the same parenthetical for Region 11, staff has reconsidered this item and believes it was the intent of the Board to lower the threshold score for high schools and middle schools in Region 11 to 70. This would allow the application to receive 3 points for this item.

Staff notes that per §10.101(a)(4) Undesirable Neighborhood Characteristics, if the Development Site has certain characteristics, the Applicant must disclose the presence of such characteristics to the Department at the time the Application is submitted to the Department. Development Sites located within the attendance zones of an elementary school, a middle school and a high school that does not have a Met Standard rating by the Texas Education Agency is a condition which requires disclosure. Staff has not found evidence that Applicant provided such a disclosure however staff has not sent a notice of this potential concern. Depending on the outcome of this scoring appeal this separate but related issue may advance to the Board in a future meeting.

### §11.9(d)(7)(A) Concerted Revitalization Plan

The Community Revitalization scoring item at §11.9(d)(7)(A) includes differentiation by providing four points for being eligible as a community revitalization area and two additional points for the resolution from the Local Government governing body identifying the Development as contributing **most** significantly to the revitalization effort. In this way, the local government is able to provide input to the Application scoring process, supporting the development that they believe best supports their revitalization efforts. The Rule does not require that the development be named in the original plan, allowing necessary flexibility as opportunities arise during the revitalization process.

The Applicant states in their appeal that they have followed the requirement for the two points by providing a copy of the original Resolution by the Harlingen City Commission, adopting the Downtown Improvement District ("DID"). Adoption of the DID plan is one of the threshold requirements found at §11.9(d)(7)(A)(i) for Concerted Revitalization Plans, so that the resolution provided simply allows the DID plan to be eligible for the four points under this category as long as the letter required under §11.9(d)(7)(A)(ii)(I) is also provided.

Section §11.9(d)(7)(A)(ii)(II) describes the requirements for a resolution specific to the development for the Application to receive two points

(II) Applications may receive (2) points in addition to those under subclause (I) of this clause **if the Development is explicitly identified by the city or county as contributing most significantly to the concerted revitalization efforts of the city or county (as applicable).** [emphasis added] A city or county may only identify one single Development during each Application Round for the additional points under this subclause. **A resolution from the Governing Body of the city or county that approved the plan is required to be submitted in the Application (this resolution is not required at pre-application).** [emphasis added] If multiple Applications submit resolutions under this subclause from the same Governing Body, none of the Applications shall be eligible for the additional points. A city or county may, but is not required, to identify a particular Application as contributing most significantly to concerted revitalization efforts.

The Applicant makes the statement in their appeal that the original resolution adopting the plan would not have anticipated a future development. This consideration is mitigated by the opportunity for an applicant to approach the governing body for a current resolution naming the application, as required in the rules. Ten active applications requested points for this part of the scoring item, and of those, only two failed to provide such a resolution. The Applicant failed to provide the resolution required to receive the two additional points under (II).

### **§11.9(e)(3) Pre-application Participation**

Per §11.9(e)(3) Pre-application Participation, one of the requirements for an application to qualify to receive up to six points under this item is that the application final score (inclusive of only scoring items reflected on the self score form) does not vary by more than six points from the pre-application self score. Due to the loss of five points under §11.9(c)(5) and two points under §11.9(d)(7), the application would not have been eligible to receive six pre-application points. However with reinstatement of three of the five points for §11.9(c)(5) the net loss is now only four points and the development is once again eligible for the six points for pre-application participation.

16029

Scoring Notice and  
Documentation



**MULTIFAMILY FINANCE PRODUCTION DIVISION**  
**Housing Tax Credit Program - 2016 Application Round**  
**Scoring Notice - Competitive Housing Tax Credit Application**

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Daniel Sailler III

Phone #:

Email: [dsailer@mrecapital.com](mailto:dsailer@mrecapital.com)

Second Email: [jmooney@mrecapital.com](mailto:jmooney@mrecapital.com)

Date: April 26, 2016

**THIS NOTICE WILL ONLY BE  
TRANSMITTED VIA EMAIL**

**RE: 2016 Competitive Housing Tax Credit (HTC) Application for Baxter Lofts, TDHCA Number: 16029**

The Texas Department of Housing and Community Affairs has completed its program review of the Application referenced above as further described in the 2016 Qualified Allocation Plan ("QAP"). This scoring notice provides a summary of staff's assessment of the application's score. The notice is divided into several sections.

Section 1 of the scoring notice provides a summary of the score requested by the Applicant followed by the score staff has assessed based on the Application submitted. You should note that four scoring items are not reflected in this scoring comparison but are addressed separately.

Section 2 of the scoring notice includes each of the four scoring criteria for which points could not be requested by the Applicant in the application self-score form and include: §11.9(d)(1) Local Government Support, §11.9(d)(4) Quantifiable Community Participation, §11.9(d)(5) Community Support from State Representative, and §11.9(d)(6) Input from Community Organizations.

Section 3 provides information related to any point deductions assessed under §11.9(f) of the QAP or §10.201(7)(A) of the Uniform Multifamily Rules.

Section 4 provides the final cumulative score in bold.

Section 5 includes an explanation of any differences between the requested and awarded score as well as any penalty points assessed.

The scores provided herein are merely informational at this point in the process and may be subject to change. For example, points awarded under §11.9(e)(2) "Cost of Development per Square Foot" and §11.9(e)(4) "Leveraging of Private, State, and Federal Resources" may be adjusted should the underwriting review result in changes to the Application that would affect these scores. If a scoring adjustment is necessary, staff will provide the Applicant a revised scoring notice.

Be further advised that if the Applicant failed to properly disclose information in the Application that could have a material impact on the scoring information provided herein, the score included in this notice may require adjustment and/or the Applicant may be subject to other penalties as provided for in the Department's rules.

This preliminary scoring notice is provided by staff at this time to ensure that an Applicant has sufficient notice to exercise any appeal process provided under §10.902 of the Uniform Multifamily Rules. All information in this scoring notice is further subject to modification, acceptance, and/or approval by the Department's Governing Board.



MULTIFAMILY FINANCE PRODUCTION DIVISION  
 Housing Tax Credit Program - 2016 Application Round  
 Scoring Notice - Competitive Housing Tax Credit Application

Page 2 of Final Scoring Notice: 16029, Baxter Lofts

**Section 1:**

Score Requested by Applicant (Does not include points for §11.9(d)(1), (4), (5), or (6) of the 2016 QAP):	128
Score Awarded by Department staff (Does not include points for §11.9(d)(1), (4), (5), or (6) of the 2016 QAP):	115
Difference between Requested and Awarded:	13

**Section 2:**

Points Awarded for §11.9(d)(1) Local Government Support:	17
Points Awarded for §11.9(d)(4) Quantifiable Community Participation:	4
Points Awarded for §11.9(d)(5) Community Support from State Representative:	8
Points Awarded for §11.9(d)(6) Input from Community Organizations:	4

**Section 3:**

Points Deducted for §11.9(f) of the QAP or §10.201(7)(A) of the Uniform Multifamily Rules:	0
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**Section 4:**

<b>Final Score Awarded to Application by Department staff:</b>	<b>148</b>
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**Section 5:**

**Explanation for Difference between Points Requested and Points Awarded by the Department as well as penalties assessed:**

- §11.9(c)(5) Educational Excellence. The deficiency process revealed that the incorrect high school was named in the Application. (Requested 5, Awarded 0)
- §11.9(d)(7) Concerted Revitalization Plan. The resolution from the governing body does not identify the Development as contributing most significantly to the revitalization effort. (Requested 6, Awarded 4)
- §11.9(e)(3) Pre-Application Participation. The Application final score varied from the Pre-Application Score by more than 6 points. (Requested 6, Awarded 0)

Restrictions and requirements relating to the filing of an appeal can be found in §10.902 of the Uniform Multifamily Rules. If you wish to appeal this scoring notice, you must file your appeal with the Department no later than 5:00 p.m. Austin local time, Wednesday, May 4, 2016. If an appeal is denied by the Executive Director, an Applicant may appeal to the Department's Board.

In an effort to increase the likelihood that Board appeals related to scoring are heard at the Board meeting, the Department has provided an Appeal Election Form for all appeals submitted to the Executive Director. In the event an appeal is denied by the Executive Director, the Applicant is able to request that the appeal automatically be added to the Board agenda.

If you have any concerns regarding potential miscalculations or errors made by the Department, please contact Sharon Gamble at (512) 936-7834 or by email at <mailto:sharon.gamble@tdhca.state.tx.us>.

Sincerely,

*Sharon Gamble*

Sharon Gamble  
 9% Competitive HTC Program Administrator

## Site Information Form Part II

Self Score: 128

**1. §11.9(c)(5) - Educational Excellence (Competitive HTC Applications Only)**

Residents of the proposed development will attend:

School Name	Grades X through X	Accountability Rating	Index 1 Score (e.g. 78)	Overall Rating
<input checked="" type="checkbox"/> Zavala ES	K through 5	Met Standard	83	77+ (Met Standard)
				Elementary
<input checked="" type="checkbox"/> Memorial MS	6 through 8	Met Standard	70	70+ (Met Standard) - reg. 11 app
				Middle School
<del>Early College HS</del>	<del>9 through 12</del>	<del>Met Standard</del>	<del>94</del>	<del>77+ (Met Standard)</del>
				High School

Harlingen HS is closest for grades 9-12 - bps

District School Rating (if never rated by TEA):

School district has district-wide enrollment and closest school is identified in notes below.

Elementary has earned at least one TEA Distinction Designation. Distinction Earned:

Application is seeking points for Educational Excellence. Total Points Claimed: 5

Notes:

**2. §11.9(c)(4) - Opportunity Index (Competitive HTC Applications Only)**

Development is Urban and:

Development is located in a census tract that has a poverty rate below 15% for individuals.

OR

Development is located in either Region 11 or 13 and has a poverty rate below 35% for individuals.

Development is Rural and:

Development is located in a census tract that has a poverty rate below 15% for individuals or in regions 11 or 13 and has a poverty rate below 35% for individuals.

OR

Development is located within a census tract with income in the top or 2nd quartile of median household income for the county or MSA as applicable.

OR

Development is located within the attendance zone of an elementary school that has a Met Standard rating and has achieved a 77 or greater on index 1 of the performance index.

AND

The development site is located in an area of open enrollment for grades 9 through 10. Grade 9 has 3 choices: Dr. Abraham P. Cano Freshman Academy, Early College High School, and Harlingen School of Health Professions. Grades 10 – 12 have 3 options: Early College High School, Harlingen School of Health Professions, and Harlingen High School. Harlingen High School does not have a met standard rating.

bps



**MGROUP**

March 28, 2016

Sharon Gamble  
Housing Tax Credit Program Administrator  
Texas Department of Housing and Community Affairs  
221 East 11<sup>th</sup> Street  
Austin, Texas 78701-2410

RE: Request for Third Party Administrative Deficiency TDHCA # 16029 Baxter Lofts

Dear Sharon:

We are submitting herewith our request for staff to consider an Administrative Deficiency regarding 11.9 (c)(5)(A) Educational Excellence and 11.9(e)(6) Historic Preservation. The request is based upon the following:

**Incorrect High School**

The applicant doesn't provide any supporting evidence of any school boundary map and attempts to claim points for Early College High School. The site is not zoned to Early College High but is actually zoned to Harlingen High School. Harlingen HS does not have a Met Standard rating and has an index 1 score of 62. This school does not meet the criteria for Educational Excellence and pursuant to the §10.101(a)(4)(B)(iv) of the Rules, disclosure to the department would have been required for any school that does not have a Met Standard rating. We are unable to verify if proper disclosures were made.

Harlingen ISD has only two zoned high schools and neither one meets an index 1 score of at least 70. Pursuant to the QAP, an attendance zone does not include schools with district-wide possibility of enrollment or no defined attendance zones. Harlingen ISD considers Early College High to be an "open campus" with district wide enrollment. This campus doesn't even have structured sports or any athletic facilities which is fundamental for any high school.

Admission to Early College High is based on competitive applications open to students within the entire district. The admission process uses a defined selection criteria such as students' prior academic record, entrance essays, financial aid status, etc. thus this school has no zoned boundary and is not eligible for Educational Excellence schools.

Please see attached proper school boundary map, school rating for Harlingen HS and application information for Early College High School. The applicant claimed 5 points for Educational Excellence under §11.9(c)(5)(A) but only qualifieds for 3 points under §11.9(c)(5)(B).

**Application does not qualify for full 5 points for Historic Preservation**

Because the site location qualifies for 3 points under Educational Excellence, the application can only qualify for 3 points under Historic Preservation. Five points were erroneously claimed.

Thank you for your consideration of this request.

Sincerely,

MGROUP HOLDINGS, INC.

Mark Musemeche, Vice-President

/MM



# Harlingen Consolidated Independent School District

- HIGH SCHOOLS**
- 1. HARLINGEN HIGH SCHOOL  
1201 East Marshall - O11
  - 2. HARLINGEN HIGH SCHOOL-SOUTH  
1701 Dismaland Rd. - S7
  - 3. EARLY COLLEGE HIGH SCHOOL  
2510 Pecan, Bldg. R - N12
  - 4. KEYS ACADEMY  
216 North 21st - N10
- MIDDLE SCHOOLS**
- 5. COAKLEY MIDDLE SCHOOL  
1401 South 8th - R10
  - 6. GUTIERREZ MIDDLE SCHOOL  
3205 West Wilson Rd. - O6
  - 7. MEMORIAL MIDDLE SCHOOL  
13th & Madison - O11
  - 8. VELA MIDDLE SCHOOL  
922 S Palm Blvd - R5
  - 9. VERNON MIDDLE SCHOOL  
125 South 10th - Q11
- ELEMENTARY SCHOOLS**  
Elementary School boundaries are indicated by a red border.

- 16. JEFFERSON ELEMENTARY  
601 South "J" - Q8
  - 17. LAMAR ELEMENTARY  
1100 McLary Rd. - R8
  - 18. LONG ELEMENTARY  
2601 North 7th - N10
  - 19. MEANS ELEMENTARY  
1204 East Loop 499 - MN11
  - 20. MILAM ELEMENTARY  
1215 Rangerville Rd. - T9
  - 21. RODRIGUEZ ELEMENTARY  
8400 Wilson Rd. - O3
  - 22. STUART PLACE ELEMENTARY  
0701 Business Hwy B3 - S4
  - 23. TRAVIS ELEMENTARY  
600 East Polk - O10
  - 24. TREASURE HILLS ELEMENTARY  
2525 Haide Drive - S13
  - 25. WILSON ELEMENTARY  
1111 North "B" - P9
  - 26. ZAVALA ELEMENTARY  
1901 North 77 Sunshine Strip - O9
- OTHER LOCATIONS**
- 27. ADMINISTRATION BLDG.  
407 North 77 Sunshine Strip - Q11
  - 28. BOARD / INSTRUCTION / CNTL MEDIA CTR  
1409 East Harrison - Q11
  - 29. HCISD RECEIVING WAREHOUSE  
3132 West Wilson Rd. - O10
  - 30. J. GORDON NW SUPPORT CENTER  
905 East Tyler - O10, O11
  - 31. NEW PATHWAYS CENTER  
208 South "F" - O9
  - 32. SECONDARY ALTERNATIVE CTR  
1310 South Stry Houston - S11
  - 33. SERVICE CENTER  
1901 North 77 Sunshine Strip - O9

**BOUNDARY BORDERS BY COLOR**

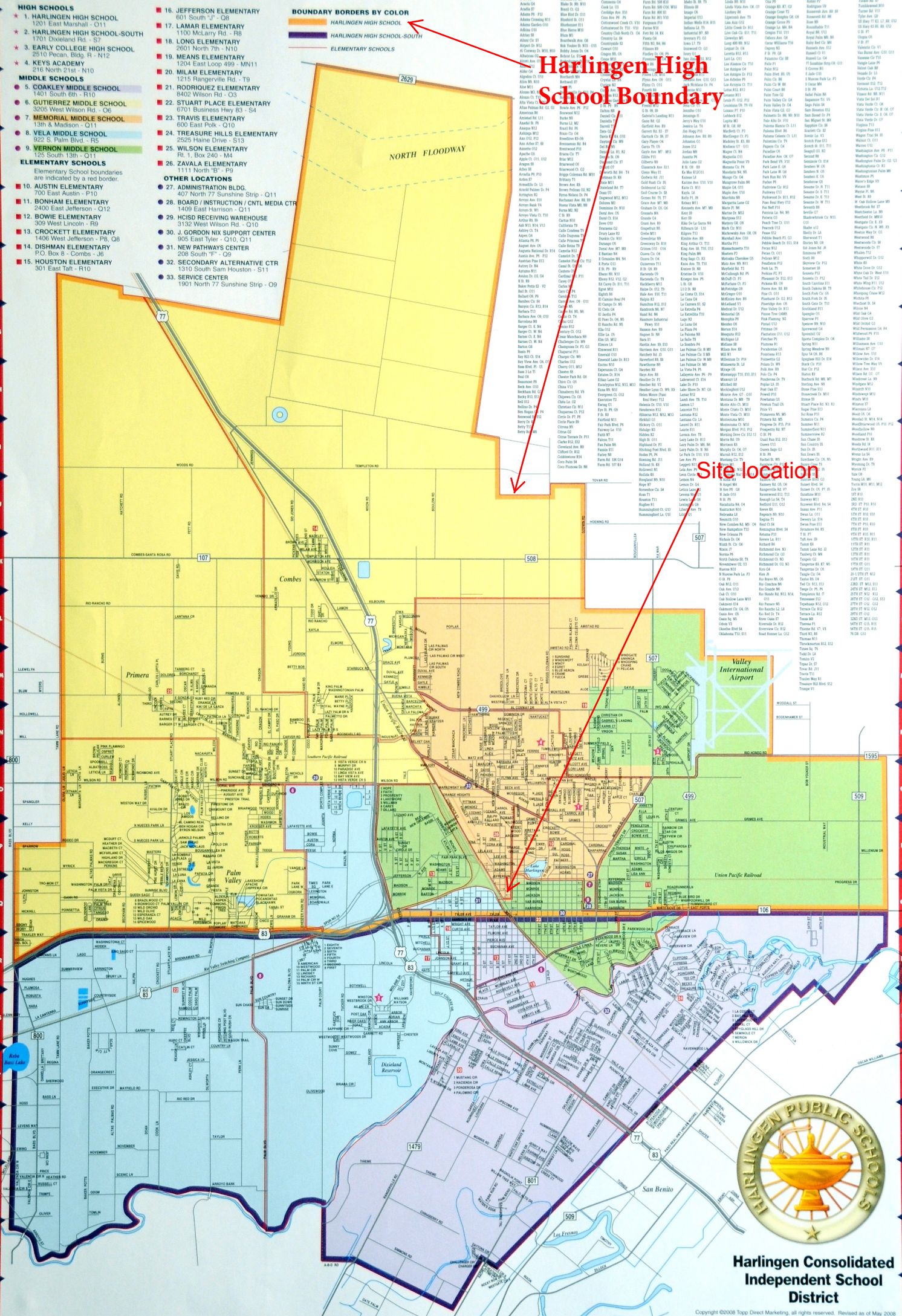
- HARLINGEN HIGH SCHOOL
- HARLINGEN HIGH SCHOOL-SOUTH
- ELEMENTARY SCHOOLS

**STREET INDEX**

Combes St	Fern St 1479 W	Harley St 910	Lincoln St 86	Madison St 812	Roberts St	Tom Mink St 011
Concepcion St	Fern St 1479 W	Harley St 910	Lincoln St 86	Madison St 812	Roberts St	Tom Mink St 011
Concepcion St	Fern St 1479 W	Harley St 910	Lincoln St 86	Madison St 812	Roberts St	Tom Mink St 011

**Harlingen High School Boundary**

**Site location**



**Harlingen Consolidated Independent School District**

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**TEXAS EDUCATION AGENCY**  
**2015 Accountability Summary**  
**HARLINGEN H S (031903001) - HARLINGEN CISD**

**Accountability Rating**

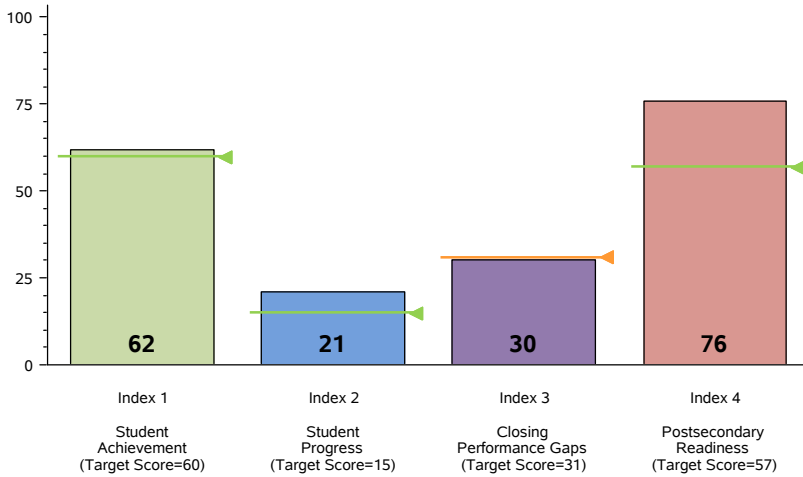
**Improvement Required**

<b>Met Standards on</b> - Student Achievement - Student Progress - Postsecondary Readiness	<b>Did Not Meet Standards on</b> - Closing Performance Gaps
In 2015, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4.	

**Distinction Designation**

Academic Achievement in Reading/ELA	<b>NO DISTINCTION EARNED</b>
Academic Achievement in Mathematics	<b>NO DISTINCTION EARNED</b>
Academic Achievement in Science	<b>NO DISTINCTION EARNED</b>
Academic Achievement in Social Studies	<b>NO DISTINCTION EARNED</b>
Top 25 Percent Student Progress	<b>NO DISTINCTION EARNED</b>
Top 25 Percent Closing Performance Gaps	<b>NO DISTINCTION EARNED</b>
Postsecondary Readiness	<b>NO DISTINCTION EARNED</b>

**Performance Index Report**



**Campus Demographics**

Campus Type	High School
Campus Size	2,013 Students
Grade Span	09 - 12
Percent Economically Disadvantaged	65.9
Percent English Language Learners	4.3
Mobility Rate	14.9

**Performance Index Summary**

Index	Points Earned	Maximum Points	Index Score
1 - Student Achievement	1,592	2,584	62
2 - Student Progress	208	1,000	21
3 - Closing Performance Gaps	237	800	30
4 - Postsecondary Readiness			
STAAR Score	10.6		
Graduation Rate Score	22.3		
Graduation Plan Score	22.6		
Postsecondary Component Score	20.2		76

**State System Safeguards**

**Number and Percent of Indicators Met**

Performance Rates	5 out of 21 = 24%
Participation Rates	11 out of 11 = 100%
Graduation Rates	4 out of 5 = 80%
<b>Total</b>	<b>20 out of 37 = 54%</b>

For further information about this report, please see the Performance Reporting Division website at <http://ritter.tea.state.tx.us/perfreport/account/2015/index.html>

cover page from Early College High application

## ECHS Application Part I:

Section A: General Student Information & Parent/Guardian Information

Section B: Student Essay

Applicant's Name: \_\_\_\_\_

confirms Open Campus status by requesting information as to which existing zoned school student is currently enrolled \_\_\_\_\_

Current Middle School / High School Campus

Circle your current campus:

Coakley

Gutierrez

Memorial

Vela

Vernon

Harlingen High School

Harlingen South High School

Other: \_\_\_\_\_

### NONDISCRIMINATION

"Harlingen Consolidated Independent School District does not discriminate on the basis of race, color, national origin, age, religion, sex, disability, or any other legally protected status in employment or provision of services, programs, or activities."

"El distrito escolar de Harlingen no discrimina en base a raza, color, origen de nacionalidad, edad, religión, sexo, discapacidad, o cualquier otro estado legalmente protegido en el empleo o en la prestación de servicios, programas o actividades."

STATE OF TEXAS  
COUNTY OF CAMERON

WHEREAS, Chapter 372 of the Texas Local Government Code (the "Act") authorizes the creation of public improvement districts; and

WHEREAS, owners of real property located within Harlingen's downtown area delivered to the City of Harlingen (the "City") a petition (the "Petition") of property owners representing more than fifty percent (50%) of the appraised value of taxable real property liable for the assessment under the current roll of the Cameron County Appraisal District and the record owners of real property liable for assessment under the proposal who own real property constituting more than fifty percent (50%) of the geographic area request the City Commission create a Downtown Public Improvement District (the "DID"), as shown on the map attached hereto and made part hereof and marked Exhibit "A"; and

WHEREAS, after providing the notices required by the Act, the City Commission on August 19, 2015, has conducted a public hearing on the advisability of the improvements and services; and

WHEREAS, the City Commission finds that the preservation, development, and improvement of the DID, its estimated costs, the method of assessment, and the apportionment of cost between the DID and the City as set out in the Petition and service plan is advisable, and will improve the quality of life throughout the downtown area and the entire City and is hereby approved; therefore

BE IT RESOLVED BY THE CITY OF HARLINGEN:

Section 1. Pursuant to the requirements of the Act, the City Commission, after considering the Petition for the proposed DID and the evidence and testimony presented at the public hearing on August 19, 2015, hereby finds and declares:

- (a) The Advisability of the Services and Improvements. Since the 1980s, the DID has provided services and coordinated improvements and promotions to foster economic growth and redevelopment in the downtown area, in partnership with various public and private individuals and groups. There has been a great deal of progress in revitalization of historic city center, and it is advisable that redevelopment efforts continue to achieve the goal of a fully revitalized, thriving, and vibrant downtown.
- (b) The Nature of the Services and Improvements. The general nature of the proposed improvements described in detail in the service plan, attached hereto and made part hereof and marked Exhibit "B" include, but are not limited to: landscaping, improving streets and sidewalks, erection of signs, drainage, administration, and special supplemental services for improvement and promotion of the DID including advertising, promotion, safety, security, business recruitment, development and cultural

enhancement. A full-time DID manager (the “Manager”) funded out of the annual cost will provide district management. The services and improvements to be provided are not intended to replace or supplant existing City services provided within the DID.

- (c) Estimated Cost of the Services and Improvements and Apportionment of Costs. Of the estimated \$249,000 annual cost, approximately \$29,000 annually will be funded through these assessments. The City and/or the Development Corporation of Harlingen, Inc., will fund the remainder.
- (d) The Boundaries of the District. The boundaries of the DID are as displayed on the map marked as Exhibit “A” and described as follows: from Fourth Street at the alley immediately north of Harrison Avenue, west to the railroad tracks, then south along the railroad tracks to the centerline of Harrison Avenue, then west on Harrison Avenue to the centerline of West Street, then north to the centerline of Jackson Avenue, then east to the railroad tracks, then north along the railroad tracks to the alley immediately north of Monroe Avenue, then east to the centerline of Commerce Street, then north to the centerline of Madison Avenue, then east to the centerline of First Street, then south 130 feet, then east 60 feet, then south 50 feet to the alley immediately north of Monroe Avenue, then east along the alley to the centerline of Fourth Street, then south to the alley immediately north of Harrison Avenue.
- (e) Assessment Roll, Setting of Rate, and Method of Assessment. The DID will assess commercial properties at a rate of \$.15 per \$100 in valuation based on the 2014-2015 Cameron County Appraisal District Certified Tax Roll, with a maximum annual assessment of \$5,000 per property. Assessments will be collected by the Harlingen Tax Office, will normally be billed in October of each year, and will be included in the regular property tax statement, beginning October 2015. A lien is effective on each property subject to the assessment until said assessment is paid and shall be enforced by the City in the same manner that the City may enforce an ad valorem tax lien against property.

Section 2. The Downtown Improvement District is hereby authorized and created as a Public Improvement District under the Act in accordance with the findings, conditions, and limitations set forth in this Resolution. The City Secretary is directed to give notice of said authorization of establishment of the DID by publishing a copy of this Resolution once in a newspaper of general circulation in the City of Harlingen. Such authorization shall take effect and the DID shall be deemed to be established effective upon the publication of said notice. The DID shall automatically dissolve at the end of fiscal year 2020 (September 30, 2020) unless the DID is renewed through the petition and approval process provided for in the Act, or the DID is sooner terminated in accordance with the Act.

Section 3. The DID Board of Directors (the "Board") is created with seven (7) members, of which no less than six (6) members shall be record owners of taxable real property within the DID liable for the assessment under the current roll of the Cameron County Appraisal District. Members of said Board are appointed by the Mayor and City Commission, with the Mayor having two (2) appointments and each City Commissioner having one (1) appointment. Of the two (2) appointments authorized to the Mayor, at least one (1) appointment shall be an owner and/or general manager of a business located on real property subject to the assessment in the DID. The terms of all appointees to the Board shall be concurrent with the term of the Mayor or City Commissioner making said appointment. Any member of the Board who fails to attend three (3) consecutive regular meetings automatically shall forfeit such position. The Board must have a quorum consisting of a majority of the current members for official action. The Chairperson shall vote only to break a tie vote. The Board shall have the following duties:

- (a) Elect a Chairperson and Vice-chairperson for one-year terms; and
- (b) Recommend the annual budget and approve expenditures of DID assessment funds; and
- (c) Implement and annually revise the five-year service plan (Exhibit "B"); and
- (d) Elect an Executive Committee to include the Chairperson, Vice-chairperson, and one additional Board member. The Executive Committee shall provide general direction to the Manager necessary for the benefit of the DID, but shall not approve expenditures of DID funds or conduct any other business that may violate the Texas Open Meetings Act.

Section 4. The DID is considered a department of the City with the Manager accountable to the City Manager, in accordance with the City's organizational chart. The Manager shall serve at will and be subject to termination by action of the City Manager. The Board shall meet no less than once monthly to give direction to the Manager as to the day-to-day implementation of the Service Plan, and to approve the expenditure of DID assessment funds.

CONSIDERED AND ADOPTED THIS 19<sup>th</sup> day of August, 2015 at a regular meeting of the Elective Commission of the City of Harlingen, Texas at which a quorum was present and which was held in accordance with TEXAS GOVERNMENT CODE, CHAPTER 551, as amended.

CITY OF HARLINGEN

  
Chris Boswell, Mayor

ATTEST:

  
Amanda Elizondo, City Secretary

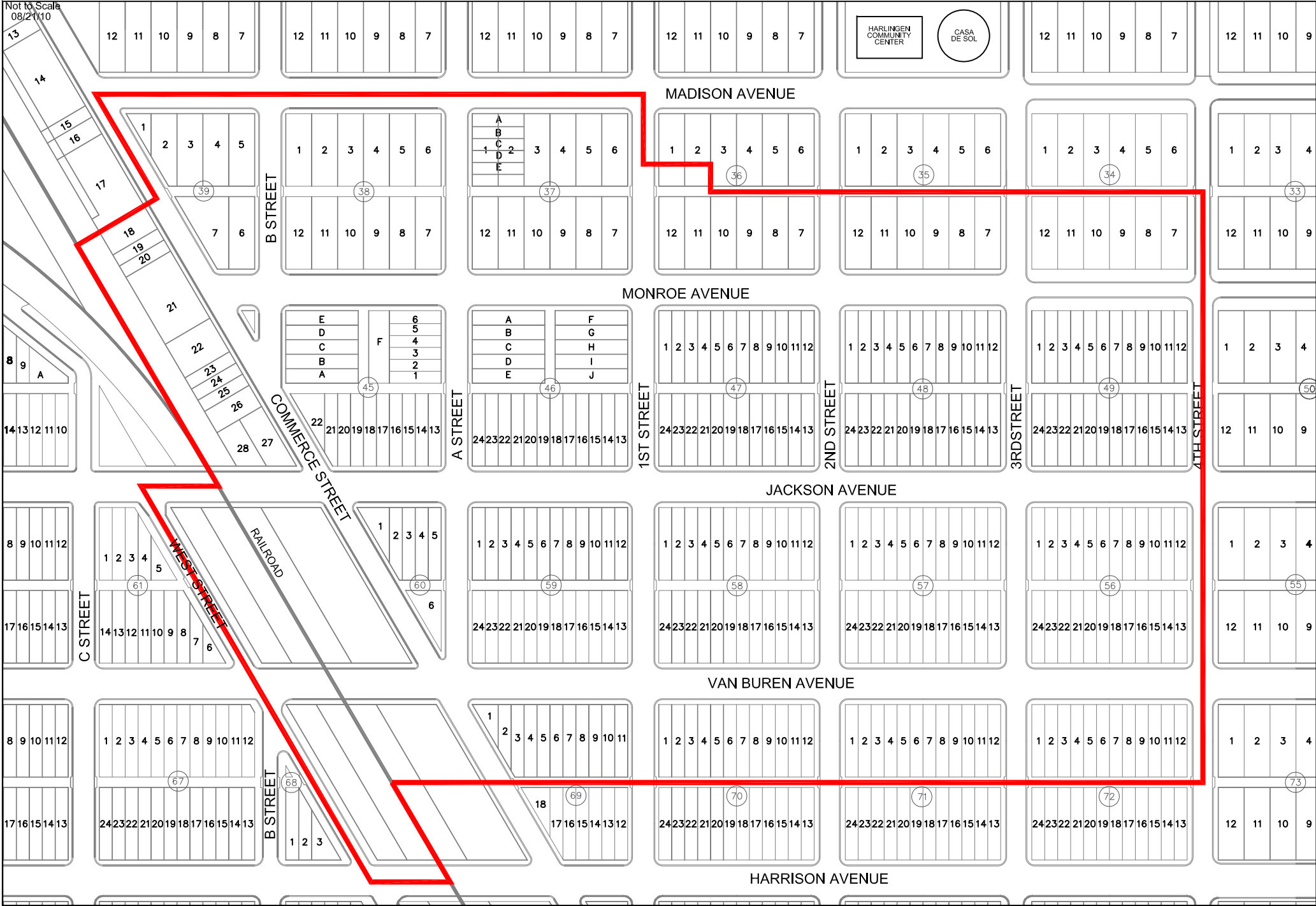
# DOWNTOWN DISTRICT

(Effective October 1, 2015)

## Exhibit "A"



Not to Scale  
08/21/10







## Downtown Harlingen Service Plan 2015 - 2020

### SHORT RANGE

- Maintain corner landscape beds and Gordon Hill Park; address issues w/electric, irrigation, insects
- Regularly paint/maintain distinctive vintage light poles and trash receptacles provided for visitors
- Regularly pick up and dispose of litter, trash, and debris on sidewalks and in streets and alleys
- Clean drains to facilitate water flow/deter flooding
- Regularly trim trees in district & remove debris
- Address graffiti and other forms of vandalism
- Work with city departments and property owners to maintain alleys and discourage illegal dumping
- Maintain existing public parking lots in the district
- Develop ways to help property owners upgrade and improve off-street parking lots, to encourage usage and enhance their appearance & security
- Coordinate promotions and marketing initiatives to enhance the image of the district and help drive traffic to activities, attractions, businesses
- Market and promote the district to attract new investors, businesses, and residents
- Produce maps and guides to promote the district
- Partner with businesses & volunteers to develop programs, tours, and events that attract visitors
- Develop and implement financial incentives for both new and expanding businesses
- Encourage property owner compliance with city codes with regard to structural and appearance issues, to enhance safety and discourage blight
- Develop strategies, designs, and incentives to help property owners improve the appearance of downtown buildings & enhance the public realm
- Develop activities to enhance public awareness of local history and encourage historic preservation
- Continue to promote murals as an attraction
- Develop a strategy for creation of new murals
- Develop a plan for regular maintenance of murals
- Develop a plan to enhance and identify "A" Street as an art corridor, with public art installations and activities that enhance the visitor experience

### MEDIUM RANGE

- Identify locations where trees and plants might be added; develop plans to install and maintain
- Create/install better signage to attract visitors, welcome them, direct them to off-street parking
- Partner with property owners and businesses to improve the quality of signage in the district to reduce clutter, be more effective, and enhance the overall appearance of the area
- Assess need for additional handicapped ramps and parking spaces and develop plans to address
- Develop a parking plan to address long-term needs of downtown businesses and residents
- Develop strategies to promote downtown living and incentives to encourage property upgrades
- Partner with property owners to develop "pocket park" opportunities in the district
- Identify possible locations and plan for bike racks
- Work with city officials to upgrade downtown design standards and associated ordinances to facilitate redevelopment of existing buildings in ways that preserve distinctive historic features, enhance the pedestrian streetscape, and create quality places that will attract visitors and investors
- Partner with local business resource groups to offer trainings that help foster business growth
- Develop plan for public restrooms, from possible locations and costs to property acquisition and construction, operation, maintenance, and security
- Identify a location and develop a plan for an off-street public space for the weekly farmers market
- Develop plans and secure funding to repair and/or replace deteriorated sidewalks and alleys

### LONG RANGE

- Consider ways to improve lighting in the district to enhance security and develop a plan for regular maintenance of distinctive lights outlining buildings
- Develop plans to periodically clean sidewalks in the district to remove gum and other residue
- Work with partners to acquire property for future off-street parking facility; develop plan for funding, construction, maintenance of multi-story facility
- Consider upgrading public trash containers and implementing a more frequent trash collection plan
- Consider ways to enhance existing parks and open spaces to better serve the public and assess the possibilities for developing more places to gather
- Work with partners to improve mass transportation facilities to enhance safety and encourage usage

### AREAS OF EMPHASIS

*Enhance downtown's physical appearance through building rehabilitation, storefront improvements, signs, landscaping, and murals. Partner with public and private groups on beautification and improvement projects. Educate about the importance of adaptive reuse, historic preservation, and quality design.*

*Strengthen and diversify downtown's economic base by helping businesses grow, property owners convert underutilized buildings into productive commercial and residential space, and downtown businesspeople sharpen their competitiveness and marketing skills.*

*Market and promote the commercial district through public relations, advertising, print materials, social media, and events to attract customers, visitors, potential investors, new businesses, and residents.*

*Build consensus and cooperation among public and private groups and individuals through partnerships, ongoing management, and advocacy for downtown.*



Downtown Harlingen is a nationally accredited Main Street Program affiliated with the Texas Historical Commission and the National Main Street Center, a subsidiary of the National Trust for Historic Preservation. The Main Street Approach that guides Harlingen's downtown revitalization involves staff and volunteers working to implement projects in four areas.







## CAPITAL OF THE LOWER RIO GRANDE VALLEY

**Mission Statement:**

"Ensure a business-friendly climate focused on economic growth, quality of life and efficient delivery of excellent services to our community."

February 24, 2016

Ms. Sharon Gamble  
9% Competitive Housing Tax Credit Program Administrator  
Texas Department of Housing and Community Affairs  
221 East 11<sup>th</sup> Street  
Austin, TX 78701

Re: Baxter Lofts 16029 Concerted Revitalization Plan  
City of Harlingen Downtown Revitalization Plan

Dear Ms. Gamble:

I am writing on behalf of the City of Harlingen to inform you about our downtown revitalization and specifically the Downtown Revitalization Plan. The City of Harlingen has, over the past several years, been active in revitalizing downtown, including restoring the historic Baxter Building to its former glory as one of the centerpieces of our community and a shining example of our ongoing revitalization efforts.

The Downtown Public Improvement District is the dedicated financing mechanism for the City of Harlingen Downtown Revitalization Plan. Funds collected through an annual assessment are poured directly back into the Downtown District. Recent public projects that are outlined in the plan include investments in parking lots, streets, sidewalks, alleys, drainage; benches, public art, and landscaping; upgrades to electrical infrastructure, creation of parks and green space, and more. We have also allocated funds to improve the safety of downtown Harlingen with surveillance systems and a more visible police presence. Specifically, since adoption August 19, 2015, the City has spent approximately \$119,956.54 implementing projects outlined in the Downtown Revitalization Plan.

Harlingen has a dedicated staff of three professionals (Downtown Manager, Redevelopment Specialist, and Maintenance Coordinator) who are responsible for implementing the Downtown Revitalization Plan. This year's total annual budget for Downtown Revitalization is \$253,906, which includes assessment revenue and allocations from the City's hotel/motel fund and general fund.

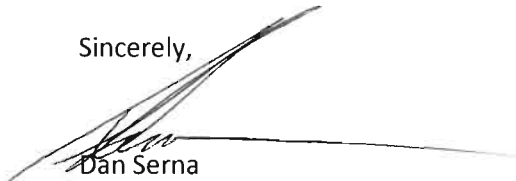
*"Recipient of Keep Texas Beautiful Governor's Achievement Award"*

118 E. Tyler ★ P.O. Box 2207 ★ Harlingen, Texas 78551

The City of Harlingen and the Harlingen Community Improvement Board have invested approximately \$500,000.00 toward saving the Baxter Building and bringing it back to life. The City of Harlingen considers the Baxter Lofts as contributing most significantly to its concerted revitalization efforts. We know that the Baxter Lofts will become a shining symbol for the City of Harlingen and serve as a catalyst for many more redevelopment projects in Downtown Harlingen.

Please feel free to contact me or the Downtown Manager, Cheryl LaBerge, if you have any questions about the City of Harlingen Downtown Revitalization Plan.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dan Serna', with a long horizontal flourish extending to the right.

Dan Serna  
City Manager

16029

Applicant Appeal to  
Executive Director



May 3, 2016

Tim Irvine, Executive Director  
Texas Department of Housing and Community Affairs  
221 E 11th Street  
Austin, TX 78701

RE: Application 16029, Baxter Lofts, Harlingen, Texas Scoring Notice Appeal

Dear Mr. Irvine.

On behalf of Baxter Housing Partners, LP, please accept this appeal of the scoring notice issued to Application 16029, Baxter Lofts. We are appealing educational excellence points and CRP points and the associated pre-application points.

### **Educational Excellence**

The scoring notice awarded zero points for educational excellence. This appeal has two components: 1) High School Attendance Zone and 2) Educational Excellence Thresholds for Region 11.

#### ***High School Attendance Zone***

The deficiency process provided documentation from Harlingen Consolidated Independent School District that a student residing at the Baxter Lofts can attend Early College High School. The Applicant followed the QAP literally in a situation with district-wide enrollment where the Applicant may choose the closest school, but it is not required to choose the closest school. We contend as demonstrated in the deficiency process that students who reside at the Baxter Lofts may freely attend Early College High School and the project should yield 5 educational excellence points. See attached deficiency response dated April 13, 2016.

#### ***Educational Excellence Thresholds for Region 11***

Even if you do not agree with our documentation of the High School score, the other schools in Harlingen do warrant educational excellence points. Sharon Gamble stated via email that zero points were awarded in the scoring notice because Harlingen High School does not have an index score of at least 70, thereby using the index score as a threshold for additional points for other schools. We believe this is a misinterpretation of the scores as written in the QAP.

The QAP states the following:

*(B) The Development Site is within the attendance zone of any two of the following three schools (an elementary school, a middle school, and a high school) with a Met Standard rating and an Index 1 score of at least 77. For Developments in Region 11, the middle school **and** high school must achieve an Index 1 score of at least 70 to be eligible for these points; (3 points, or 2 points for a Supportive Housing Development); or*

Ms. Gamble appears to interpret this section to mean that in Region 11 an elementary school must meet the standard of 77 as well as have both a middle AND high school that meet 70 in order to obtain three points. However, this would mean that all three schools meet a specified standard. This is the exact same standard for five points under educational excellence. The purpose of paragraph B is to allow a lower point score for sites with *two out of three* schools that meet the specified standard. In Ms. Gamble's

interpretation a site could never obtain three points, it would either receive 5 points because all three schools were above a 77/70 or yield 0 points if the middle or high school did not score at least a 70.

We offer the following examples to demonstrate that Ms. Gamble’s methodology would preclude a Region 11 school from ever earning any educational excellence points if a middle or high school scored less than 70 as permitted by paragraph B under Educational Excellence in the QAP.

Number of Schools Scoring	Region	Elementary 77 required	Middle 77 & 70 (Region 11)	High 77 & 70 (Region 11)	Total Educational Excellence Points
All	3	77	77	77	5
	11	77	70	70	5
Any 2	3	77	77	60	3
	11	77	70	60	0
Any 1	3	77	60	60	1
	11	77	60	60	0
None	3	60	60	60	0
	11	60	60	60	0

We contend that the language “For Developments in Region 11, the middle and high school must achieve an Index 1 score of at least 70 to be eligible for these points” applies only to the schools meeting said score and contributing to the 1, 3, or 5 educational excellence points and does not mean that BOTH the middle and high school must achieve the score. We are requesting that the Department analyze Ms. Gamble’s interpretation of the Educational Excellence requirements for Region 11 and provide a written response to this inquiry.

### **Concerted Revitalization Plan**

The scoring notice states that the resolution from the governing body does not identify the Development as contributing most significantly to the revitalization effort. We dispute that that the QAP requires this declaration in the form of a resolution. See the QAP excerpt below:

*Applications may receive (2) points in addition to those under subclause (1) of this clause if the Development is explicitly identified by the city or county as contributing most significantly to the concerted revitalization efforts of the city or county (as applicable). A city or county may only identify one single Development during each Application Round for the additional points under this subclause.*

The Applicant included a letter from the Chief Administrative Officer, Dan Serna, City Manager, making this declaration. Furthermore, the term city or county is not capitalized. Nor is there a reference that the Government Body make the statement of significant contribution. Thus, the city explicitly identified the Development as contributing most significantly to the concerted revitalization efforts.

The Section does require a resolution regarding plan approval. The resolution that approved the plan was submitted with the application. See the following QAP language.

*A resolution from the Governing Body of the city or county that approved the plan is required to be submitted in the Application (this resolution is not required at preapplication). If multiple Applications submit resolutions under this subclause from the same Governing Body, none of the Applications shall be eligible for the additional points. A city or county may, but is not required, to identify a particular Application as contributing most significantly to concerted revitalization efforts.*

The Applicant understood the text literally that the resolution is for the plan, not the explicit identification that the development contributed most significantly. This understanding is underscored because nowhere else in the QAP is the inclusion of a resolution adopting the plan required.

Moreover, a revitalization plan would not necessarily be developed with a specific tax credit project in mind. Therefore, a resolution that approves a plan would not contemplate or mention a LIHTC property if it was enacted in the months or years prior to the proposed project. A letter would provide the necessary confirmation from a city that the proposed project contributes most significantly to the plan in any given year.

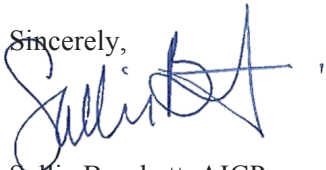
The Baxter Building is the tallest building in downtown Harlingen at 9 stories, over twice the size of its neighbors. It has been vacant for more than 30 years. A site visit to downtown Harlingen reveals that the restoration of the Baxter Building - without a doubt - would be the most significant contribution to the revitalization of downtown Harlingen. We respectfully request that you restore the 2 points since the documentation provided meets the written QAP requirements to earn the concerted revitalization points.

### **Conclusion**

We respectfully request that the Department restore the 5 educational excellence points, the 2 concerted revitalization points, and associated 6 pre-application points. It is evident in the written documentation above that the Development meets the requirements of the QAP and merits the full score as provided in the Application.

As always, please feel free to contact me if you have any questions.

Sincerely,



Sallie Burchett, AICP  
Consultant to the Project



600 Congress, Suite 2200  
Austin, TX 78701  
Telephone: 512-305-4700  
Fax: 512-305-4800  
www.lockelord.com

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

April 13, 2016

Ms. Sharon Gamble  
Texas Department of Housing and Community Affairs  
221 East 11th Street  
Austin, Texas 78701

Re: Baxter Lofts in Harlingen – Response to Third Party Request for Administrative  
Deficiency  
TDHCA No. 16029

Dear Sharon:

This response is provided to a third party request for administrative deficiency as follows:

1. *The requester questions whether Early College High School should be listed as the high school that residents of the proposed Development will attend on the Site Information Form II, Section 1 Educational Excellence. The provided information appears to indicate that:*

a. *The Harlingen ISD does have district boundaries, and those boundaries name Harlingen High School as the high school that residents of the proposed Development will attend.*

b. *Early College High School is what §11.9(c)(5) of the QAP describes as “schools with district-wide possibility of enrollment or no defined attendance zones, sometimes known as magnet schools”. The QAP further states that an attendance zone does not include such schools, and in districts with district-wide enrollment an Applicant may use the rating of the closest elementary, middle, or high schools, respectively, which may possibly be attended by the tenants.*

*The item offers two options for responding:*

- *If the development site is located within the attendance zone of qualifying public schools, then the application may qualify to receive up to 5 points...*

*or*

- *If the development site is not located within the attendance zone of qualifying public schools, then the application may use the closest school that may be possibly attended...*

*There is no provision in the rules that gives the Applicant any other option; the form must either list the school in the attendance zone or the closest school.*

*The Department notes that the original selection was made based on a letter provided by the Superintendent of Schools stating that the students "have an opportunity to attend" Early College High School. To preserve the 5 points requested for this item, provide evidence from the Superintendent of Schools that the district boundary map provided by the requester is not in effect, and that Early College High School is not what the QAP describes as a magnet school.*

### **Response**

Please find attached a letter from the Superintendent of the Harlingen Consolidated Independent School District. He confirms that, by rule, HCISD has "district-wide" enrollment for its high schools. Thus, the QAP states that ". . . in districts with district-wide enrollment an Applicant may use the rating of the closest elementary, middle, or high schools, respectively, which may possibly be attended by the tenants." The Superintendent's letter confirms that Harlingen School of Health Professions is the closest to the proposed development. When the Application was submitted, it read the QAP literally that, in situations with district-wide enrollment, the Applicant may choose the closest school but is not required to choose the closest school. (If TDHCA had wanted the Applicants to choose the closest school, it should have used the word "shall" or "must".) Thus, the Applicant provided the information with regard to Early College High School in the Application. Regardless, both Harlingen School of Health Professions and Early College High School have Met Standard ratings, as evidenced by the enclosed information.

TDHCA asked for the following response:

*To preserve the 5 points requested for this item, provide evidence from the Superintendent of Schools that the district boundary map provided by the requester is not in effect, and that Early College High School is not what the QAP describes as a magnet school.*

The attached letter from the Superintendent does confirm that the boundary map is not in effect, and that a student can freely attend Early College High School or Harlingen School for Health Professions. The Applicant believes this is responsive to TDHCA's request and



Ms. Sharon Gamble  
April 13, 2016  
Page 3

compliant with the QAP for 5 points under Section 11.9(c)(5)(A) and 5 points under Section 11.9(e)(6).

If additional information is required, we are happy to respond.

Sincerely,

A handwritten signature in cursive script that reads "Cynthia L. Bast".

Cynthia L. Bast

enclosure

cc: Dan Sailler  
Sarah Andre  
Sallie Burchett

# HARLINGEN

Consolidated Independent School District

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April 12, 2016

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

Re: Baxter Lofts, #16029

Ladies and Gentlemen:

With regard to the application for low-income housing tax credits for Baxter Lofts in Harlingen, I understand TDHCA has questions regarding the high school(s) that could be attended by residents of this proposed development. Harlingen has two high schools – Harlingen High School and Harlingen High School South. Residents of Baxter Lofts would ordinarily attend Harlingen High School.

However, both of these high schools have an "Improvement Required" (IR) rating with the Texas Education Agency for 2015. According to rules adopted by HCISD, when a campus is deemed IR, a student assigned to that campus is eligible to attend *any other school in the district*. Therefore, consistent with my letter dated January 27, 2016, students who would be assigned to Harlingen High School may attend Early College High School or Harlingen School of Health Professions, at their discretion. This essentially gives our high school students district-wide enrollment. We use an application process to administer the transfers for Early College High School and Harlingen School of Health Professions, but the process is not competitive. The school closest to the proposed development site is the Harlingen School of Health Professions, which provides students from 8<sup>th</sup> – 12<sup>th</sup> grade an opportunity to receive a rigorous instruction and an opportunity to learn in an environment simulating real world experiences. In addition, Early College High School was recently ranked as one of the top high schools in the nation according to the U.S. News and World Report national ranking and provides students with an opportunity to earn college credit and/or an Associate Degree prior to high school graduation.

If you need additional information, please let me know.

Respectfully,

A handwritten signature in black ink that reads "Dr. Art Cavazos".

Arturo J. Cavazos, Ed.D.  
Superintendent of Schools

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**Office of the Superintendent of Schools**

407 N. 77 Sunshine Strip Harlingen, Texas 78550 Telephone: (956) 430-9500 Fax (956) 430-9514

**TEXAS EDUCATION AGENCY**  
**2015 Accountability Summary**  
**HARLINGEN SCHOOL OF HEALTH PROFESS (031903008) - HARLINGEN CISD**

**Accountability Rating**

**Met Standard**

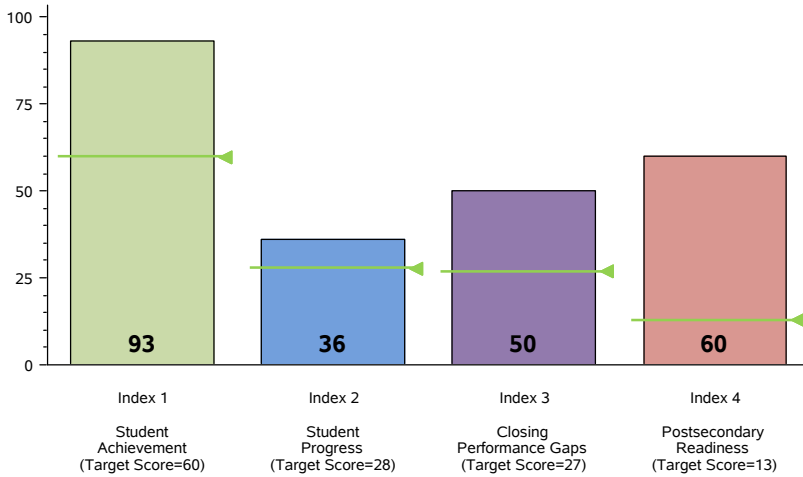
Met Standards on	Did Not Meet Standards on
<ul style="list-style-type: none"> <li>- Student Achievement</li> <li>- Student Progress</li> <li>- Closing Performance Gaps</li> <li>- Postsecondary Readiness</li> </ul>	<ul style="list-style-type: none"> <li>- NONE</li> </ul>
In 2015, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4.	

**Distinction Designation**



Academic Achievement in Reading/ELA <b>DISTINCTION EARNED</b>
Academic Achievement in Mathematics <b>NO DISTINCTION EARNED</b>
Academic Achievement in Science <b>NOT ELIGIBLE</b>
Academic Achievement in Social Studies <b>DISTINCTION EARNED</b>
Top 25 Percent Student Progress <b>NO DISTINCTION EARNED</b>
Top 25 Percent Closing Performance Gaps <b>DISTINCTION EARNED</b>
Postsecondary Readiness <b>DISTINCTION EARNED</b>

**Performance Index Report**



**Campus Demographics**

Campus Type	Middle School
Campus Size	205 Students
Grade Span	08 - 09
Percent Economically Disadvantaged	52.2
Percent English Language Learners	2.0
Mobility Rate **	N/A

**Performance Index Summary**

Index	Points Earned	Maximum Points	Index Score
1 - Student Achievement	603	650	93
2 - Student Progress	217	600	36
3 - Closing Performance Gaps	399	800	50
4 - Postsecondary Readiness			
STAAR Score	59.5		
Graduation Rate Score	N/A		
Graduation Plan Score	N/A		
Postsecondary Component Score	N/A		60

**State System Safeguards**

**Number and Percent of Indicators Met**

Performance Rates	12 out of 12 = 100%
Participation Rates	6 out of 6 = 100%
Graduation Rates	N/A
<b>Total</b>	<b>18 out of 18 = 100%</b>

\*\* District Mobility Rate was used when the mobility rate was not available for a campus.

For further information about this report, please see the Performance Reporting Division website at <http://ritter.tea.state.tx.us/perfreport/account/2015/index.html>

**TEXAS EDUCATION AGENCY**  
**2015 Accountability Summary**  
 EARLY COLLEGE H S (031903005) - HARLINGEN CISD

**Accountability Rating**

**Met Standard**

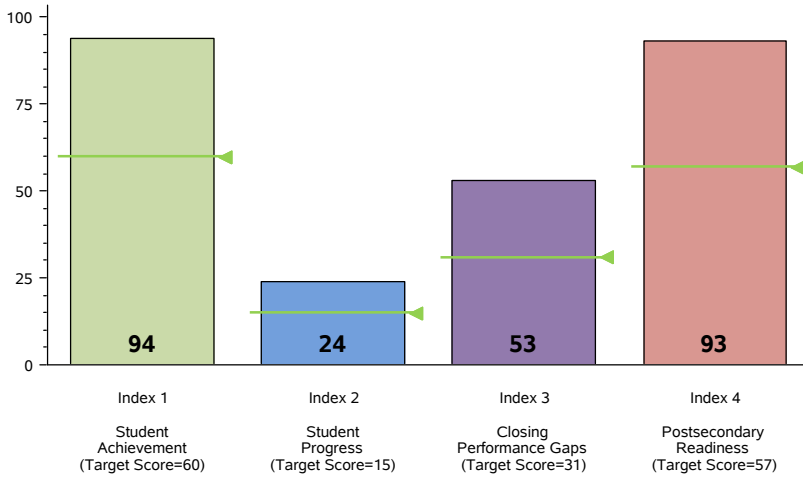
Met Standards on	Did Not Meet Standards on
<ul style="list-style-type: none"> <li>- Student Achievement</li> <li>- Student Progress</li> <li>- Closing Performance Gaps</li> <li>- Postsecondary Readiness</li> </ul>	<ul style="list-style-type: none"> <li>- NONE</li> </ul>
In 2015, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4.	

**Distinction Designation**



Academic Achievement in Reading/ELA
<b>DISTINCTION EARNED</b>
Academic Achievement in Mathematics
<b>DISTINCTION EARNED</b>
Academic Achievement in Science
<b>DISTINCTION EARNED</b>
Academic Achievement in Social Studies
<b>DISTINCTION EARNED</b>
Top 25 Percent Student Progress
<b>NO DISTINCTION EARNED</b>
Top 25 Percent Closing Performance Gaps
<b>DISTINCTION EARNED</b>
Postsecondary Readiness
<b>DISTINCTION EARNED</b>

**Performance Index Report**



**Campus Demographics**

Campus Type	High School
Campus Size	320 Students
Grade Span	09 - 12
Percent Economically Disadvantaged	52.5
Percent English Language Learners	0.9
Mobility Rate	3.2

**Performance Index Summary**

Index	Points Earned	Maximum Points	Index Score
1 - Student Achievement	358	382	94
2 - Student Progress	97	400	24
3 - Closing Performance Gaps	423	800	53
4 - Postsecondary Readiness			
STAAR Score	19.3		
Graduation Rate Score	25.0		
Graduation Plan Score	25.0		
Postsecondary Component Score	23.7		93

**State System Safeguards**

**Number and Percent of Indicators Met**

Performance Rates	11 out of 11 = 100%
Participation Rates	5 out of 5 = 100%
Graduation Rates	3 out of 3 = 100%
<b>Total</b>	<b>19 out of 19 = 100%</b>

For further information about this report, please see the Performance Reporting Division website at <http://ritter.tea.state.tx.us/perfreport/account/2015/index.html>



**MULTIFAMILY FINANCE PRODUCTION DIVISION  
Housing Tax Credit Program - 2016 Application Round  
Scoring Notice - Competitive Housing Tax Credit Application**

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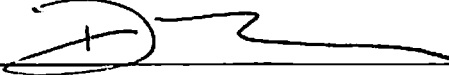
**Appeal Election Form: 16029, Baxter Lofts**

**Note: If you do not wish to appeal this notice, you do not need to submit this form.**

I am in receipt of my 2016 scoring notice and am filing a formal appeal to the Executive Director on or before Wednesday, May 4, 2016.

**If my appeal is denied by the Executive Director:**

- I do wish to appeal to the Board of Directors and request that my application be added to the Department Board of Directors meeting agenda. My appeal documentation, which identifies my specific grounds for appeal, is attached. If no additional documentation is submitted, the appeal documentation to the Executive Director will be utilized.
- I do not wish to appeal to the Board of Directors.

Signed   
Title Authorized Signer  
Date May 2, 2016

**Please email to Sharon Gamble:  
<mailto:sharon.gamble@tdhca.state.tx.us>**

16029

Executive Director's  
Response



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

[www.tdhca.state.tx.us](http://www.tdhca.state.tx.us)

Greg Abbott  
GOVERNOR

BOARD MEMBERS

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May 18, 2016

Writer's direct phone # (512) 475-3296  
Email: [tim.irvine@tdhca.state.tx.us](mailto:tim.irvine@tdhca.state.tx.us)

Ms. Sallie Burchett, AICP  
Structure Development  
702 San Antonio Street  
Austin, Texas 78702

RE: APPEAL OF SCORING NOTICE: 16029 BAXTER LOFTS, HARLINGEN, TEXAS

Dear Ms. Burchett:

The Texas Department of Housing and Community Affairs (the "Department") is in receipt of your appeal, dated May 3, 2016, of the scoring notice for the above referenced Application. This Application was denied points under §11.9(c)(5) of the 2016 Qualified Allocation Plan ("QAP"), related to Educational Excellence, because the Development Site is not within the attendance zone of schools with the appropriate school rating. The subject site is within the attendance zone of Zavala Elementary School, which has an Index 1 score of 83 and Memorial Middle School, with an Index 1 score of 70, both of which have a Met Standard rating and distinction designations. It is also in the attendance zone of Harlingen High School, which has an Index 1 score of 59 and an Improvement Required accountability rating.

The appeal asserts that the Applicant followed the QAP literally in a situation with district-wide enrollment where the Applicant may choose the closest school, but it is not required to choose the closest school. The appeal included a letter from the Harlingen Consolidated Independent School District ("HCISD") indicating that "residents of Baxter Lofts would ordinarily attend Harlingen High School . . ." but that since this school has an "Improvement Required" rating "a student assigned to that campus is eligible to attend any other school in the district." In a Third Party Request for Administrative Deficiency received by the Department regarding this same issue for this Application, the requestor included a map of the high school attendance zones for the HCISD which indeed showed that the proposed Development is located within the attendance zone of Harlingen High School. While the HCISD may have a supplemental policy of allowing students the choice to apply to attend another school, this does not negate the fact that the district does have attendance zones, and that residents of Baxter Lofts would ordinarily attend Harlingen High School. Therefore, per §11.9(c)(5) of the 2016 QAP, "an attendance zone does not include schools with district-wide possibility of enrollment." To find otherwise would contradict the very idea of purposeful placement of affordable housing developments in the attendance zones of highly rated schools.



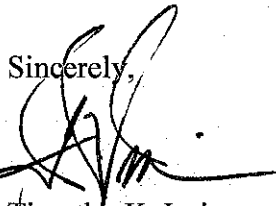
MAY 18, 2016

Page 2

The appeal further asserts that staff misinterpreted the rule when reviewing the scoring criteria for this item to determine if this Application is eligible for points under §11.9(c)(5) Educational Excellence. Per the description of the rule presented in the appeal, in order for applications in Region 11 to qualify for 3 points, the requirement is that the middle or high school achieves an Index 1 score of at least 70. The appeal does not address the requirement that any two of the three schools must have a Met Standard rating. If this description were accurate, then as long as either the middle or high school achieves an Index 1 score of at least 70, the application would qualify for 1, 3, or 5 points. Taking both parts of the rule – the Met Standard rating requirements and the Index 1 score requirements – differentiates the point thresholds. If the middle and high schools achieve an Index 1 score of at least 70 and one of the two has a Met Standard rating, the application would score three points. As written, the rule provides a lesser threshold in the form of a lower Index 1 score requirement for schools in Region 11. The middle and high schools applicable to this Application do not meet the requirements of the rule, and therefore the Application is not eligible for points under this item.

Regarding the appeal for points under §11.9(d)(7) Community Revitalization Plan, by allowing for additional points for a resolution from the governing body identifying the Development as contributing most significantly to the revitalization effort, this section differentiates between what is to be included in a letter for four points and what is to be included in a resolution for an additional two points. That the original resolution adopting the plan cannot have anticipated a certain future development is mitigated by the opportunity for an Applicant to approach the governing body for a current resolution naming the Application as required in the rules. Ten active applications requested points for this part of the scoring item, and of those, only two failed to provide such a resolution.

I do not find that the points raised in your appeal clearly demonstrate that the documentation submitted for §11.9(c)(5) Educational Excellence and §11.9(d)(7) Community Revitalization Plan are sufficient to award the requested points; accordingly I must deny the appeal. You have indicated that you wish to appeal this decision directly to the Governing Board. Therefore, this appeal has been placed on the agenda for the next meeting scheduled for May 26, 2016. Should you have any questions, please contact Sharon Gamble, Competitive Tax Credit Program Administrator, at [sharon.gamble@tdhca.state.tx.us](mailto:sharon.gamble@tdhca.state.tx.us) or by phone at 512-936-7834.

Sincerely,  
  
Timothy K. Irvine  
Executive Director

TKI

cc: Dan Sailler



16029

Applicant Appeal  
to Board

# THE SENATE OF TEXAS

P.O. BOX 12068  
CAPITOL BUILDING, 3S.5  
AUSTIN, TEXAS 78711  
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1210 W. INTERSTATE 2, STE. 10  
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700 EAST KLEBERG AVENUE  
KINGSVILLE, TX 78363  
(361) 592-3252

SENATOR  
EDDIE LUCIO, JR.

May 23, 2016

Mr. J. Paul Oxer, Chairman  
Texas Department of Housing and Community Affairs (TDHCA)  
221 E. 11th St.  
Austin, TX 78711

## **RE: Letter of Support for Harlingen, Texas' Baxter Lofts Property**

Dear Chairman Oxer and Members of the TDHCA Board:

It has come to my attention that one of the cities that I represent in District 27, the City of Harlingen, has an appeal before you on a critical tax credit revitalization project that is important to its community. It is my understanding that the appeal pertains to Educational Excellence and Revitalization scoring items.

As your agency staff leadership is keenly aware, I have always been (and will continue to be) a proponent of Fair Housing. Every individual should have the ability to live where they choose without confronting any discrimination. I wholeheartedly believe that our children should be able to live in communities with first-class schools and should have a second-to-none school system in our state. These are notable goals that guide my public service as Vice Chairman of the Senate Committee on Education.

I also understand that clear disparities exist in our state in terms of available resources (e.g., differences in tax base) that make providing opportunities found in other regions of the state a difficult task to achieve in areas that are economically challenged, such as those that I represent in Region 11. As the Board may agree, students who live in affluent communities like Plano East, Westlake, and Cypress Fairbanks have resources available to them due to their vibrant local tax base and property rich school districts that are few and far between in regions with low per capita income that have high unemployment and high poverty. While I am optimistic that in the years to come reforms that we are implementing at the state level will help transform the socio-economic realities of the district that I represent, Region 11 currently does not have the abundant resources, tax base, and related schools that are found in property rich regions of our state.

While I wholeheartedly agree in the Fair Housing goal that the Board is striving to achieve, I respectfully ask that the Board continue to carefully refine the Educational Excellence elements of the tax credit program in areas like Region 11, especially when considering revitalization projects. As you may have seen through the tax credit program, more affluent areas of our state may more easily meet an Education Excellence criterion for



new projects and new developments than may an economically challenged region. Because this is part of the reality in trying to address the increasing housing needs in distressed areas of our state, I implore the Board to carefully consider the position that will be conveyed to you by those representing Harlingen. While meeting an Education Excellence criterion may be challenging while undertaking new projects, it is even more difficult while trying to revitalize existing property. By definition, our communities do not have the schools that are supported by property rich communities. As Harlingen and its team make their case in this appeal, I ask that the Board try to see their application through the eyes of someone who is trying to meet the affordable housing needs of a community in an economically strained region of our state. After hearing their unique situation, I implore the Board to consider the arguments in a favorable light and assist this community address their affordable housing needs.

It is my understanding that the application is also being denied "revitalization points." I am informed that the project is supported by a general resolution of support (Resolution No. R16 - 3, Passed and Approved February 3, 2016) and a letter outlining revitalization goals of the City from the city manager.

The property in question has been vacant for some time and is owned by the City. City officials report that it is a historical site and needs to be preserved. The City considers this project necessary to accomplish all of the City's goals regarding this property. Since the City has told me it now and always has deemed this project of highest importance to the revitalization of Harlingen -- due to the importance of this project to the community -- I respectfully ask you to consider allowing the City to rectify this deficiency. If the City of Harlingen failed to pass the proper resolution, I respectfully ask the Board to afford them an opportunity to do so, especially considering that they have previously submitted to the Board a letter from the city manager to address this requirement.

I thank the Board in advance for your consideration of this appeal, and I appreciate any assistance that you may be able to provide my constituents in Harlingen.

Sincerely,



Eddie Lucio, Jr.  
State Senator

ELJ/de







## Office of the Mayor

P.O. Box 2207, Harlingen, TX 78551-2207

*(Office at 118 East Tyler)*

(956) 216-5008 phone; (956) 430-8526 (fax)

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May 20, 2016

Honorable J. Paul Ozer, Chair  
Texas Department of Housing and Community Affairs  
221 East 11<sup>th</sup> Street  
Austin, Texas 78711

RE: APPEAL OF SCORING NOTICE: 16029 BAXTER LOFTS, HARLINGEN, TEXAS

Dear Mr. Chairman and Members of the Board of the Texas Department of Housing and Community Affairs:

Improving the appearance of the community, revitalizing our downtown core, enhancing economic vitality and improving opportunities for housing for the residents of Harlingen have been among my top goals since becoming Mayor of Harlingen in 2007. Restoring the nine-story Baxter Building to its historic role as a premier address in Harlingen is critical to all of these efforts. This restoration was identified as a goal in the Harlingen 100 Strategic Plan adopted by the City Commission in 2008.

Since its construction in 1927, the Baxter building has been the tallest in Harlingen; it was the tallest building in the entire Rio Grande Valley for more than 50 years. The Baxter Building is the only building in Harlingen eligible for listing on the national Register of historic properties deemed worthy of preservation. "The building is an important local landmark, and reveals much about the pre-Depression aspirations for both the City of Harlingen and the developer," said Greg Smith, national Register Coordinator for the Texas Historical Commission. He said it would make an excellent candidate for rehabilitation and federal tax credits. This revitalization is important to our Comprehensive Plan and is in line with the "Twelve Steps to Revitalization" set forth in a 2005 Brookings Institution white paper on Downtown Revitalization.

I don't mind telling you that attracting a developer with the vision, knowledge and skillset to tackle a structure of this kind has been one of the most difficult things I have tried to accomplish in my nine years as Mayor of this great City. The current applicant for this project can finally help our City achieve one of its most important goals and, significantly, provide affordable housing to an area of our City which deserves it.

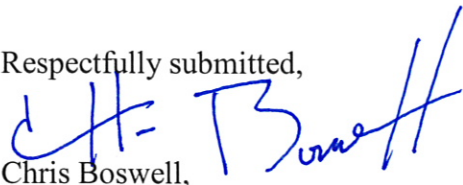
However, I have been troubled to learn that over the last 15 years Harlingen has received Housing Tax Credit allocations for only 55 families. And now I am told that because neither of our High Schools meet the required standards for "Educational Excellence", the applicant may not be awarded the tax credits which would enable this project to move forward and achieve the important

goals of revitalizing a nine story eyesore and magnet for delinquent activity into a beautifully restored apartment building for deserving families.

I appeal to the Board's broadest interpretation of the rules and their purpose and intent taken as a whole. The Rio Grande Valley has made great strides in the last few decades to strengthen public education, higher education and provide higher paying jobs to its residents and particularly young people. While we are on the right track, we still have some distance to go. Many of our residents have children that may be the first generation of their family to complete a high school education. In the meantime, TDHCA seems to be punishing the entirety of Harlingen, even with the high scoring high school alternatives open to all students. It seems unfair to foreclose opportunities for affordable housing in areas where affordable housing is needed the most because our high schools are facing the myriad challenges which accompany public education in the Border Region.

I urge you to reconcile this inconsistency with the legislature's direction to give priority to rehabilitative and adaptive reuse of historic structures. In doing so, you will help my community and its residents achieve some long sought-after dreams of restoring the historic Baxter building and providing quality housing to those most in need.

Respectfully submitted,

  
Chris Boswell,  
Mayor



LANGLEY & BANACK  
INCORPORATED

Attorneys and Counselors at Law

WILLIAM T. ARMSTRONG  
warmstrong@langleybanack.com  
ERICA E. VALLADARES  
evalladares@langleybanack.com

May 23, 2016

Ms. Sharon Gamble  
Texas Department of Housing and Community Affairs  
221 East 11<sup>th</sup> Street  
Austin, Texas 78701

Re: Baxter Lofts in Harlingen – Appeal to Governing Board of Scoring Notice;  
TDHCA No. 16029

Dear Ms. Gamble:

The City of Harlingen, Texas has requested the undersigned to submit the following response and supplementary materials in support of the appeal to the Board of the Texas Department of Housing and Community Affairs (“TDHCA”) regarding the scoring notice granted to the application for the Baxter Lofts in Harlingen, Texas, TDHCA No. 16029 (the “Application”).

Following the receipt of a third-party request for administrative deficiency, the TDHCA denied the Application points under § 11.9(c)(5) of the 2016 Qualified Allocation Plan (“QAP”), related to Educational Excellence. Specifically, the TDHCA determined the subject site of the Application is in an attendance zone with schools that do not meet the criteria for scoring points under § 11.9(c)(5). The Superintendent of the Harlingen Consolidated Independent School District (“HCISD”), Mr. Arturo J. Cavazos, has supported with letters the Application explaining why HCISD should be viewed as a school district with “district-wide enrollment” with respect to students attending high school (grades 9-12). To further elaborate on this point, we hereby submit the following:

The introductory paragraph to § 11.9(c)(5) of the 2016 QAP, “Educational Excellence” states:

(5) Educational Excellence. Except for Supportive Housing Developments, an Application may qualify to receive up to five (5) points for a Development Site located within the attendance zones of public schools meeting the criteria as described in subparagraphs (A) - (C) of this paragraph, as determined by the Texas Education Agency. A Supportive Housing Development may qualify to receive no more than two (2) points for a Development Site located within the attendance zones of public schools meeting the criteria as described in subparagraphs (A) and (B) of this paragraph, as determined by the Texas Education Agency. *An attendance zone does not include schools with district-wide possibility of enrollment or no defined attendance zones,*

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*sometimes known as magnet schools. However, in districts with district-wide enrollment an Applicant may use the rating of the closest elementary, middle, or high schools, respectively, which may possibly be attended by the tenants. The applicable school rating will be the 2015 accountability rating assigned by the Texas Education Agency....*

Thereafter, subparts (A) – (C) of § 11.9(c)(5) sets out the points an application may be awarded:

(A) The Development Site is within the attendance zone of an elementary school, a middle school and a high school with a Met Standard rating and an Index 1 score of at least 77. For Developments in Region 11, the middle school and high school must achieve an Index 1 score of at least 70 to be eligible for these points (5 points, or 2 points for a Supportive Housing Development);

(B) The Development Site is within the attendance zone of any two of the following three schools (an elementary school, a middle school, and a high school) with a Met Standard rating and an Index 1 score of at least 77. For Developments in Region 11, the middle school and high school must achieve an Index 1 score of at least 70 to be eligible for these points; (3 points, or 2 points for a Supportive Housing Development);  
or

(C) The Development Site is within the attendance zone of an elementary school, a middle school and a high school either all with a Met Standard rating or any one of the three schools with Met Standard rating and an Index 1 score of at least 77. For Developments in Region 11, the middle school and high school must achieve an Index 1 score of at least 70 to be eligible for these points. (1 point)

Originally, the Application was for 5 points under § 11.9(c)(5). However, upon receipt of a Request for Third-Party Administrative Deficiency from MGROUP on March 28, 2016, and responses from Ms. Sallie Burchett, AICP on behalf of Baxter Housing Partners, LP and Ms. Cynthia L. Bast of Locke Lord LLP, the TDHCA denied the Application any points under §11.9(c)(5) of the 2016 QAP. The denial of points was based on the TDHCA's conclusion that HCISD does not have district-wide enrollment and the Application's inclusion of Early College High School as the designated high school for students residing in the subject site was erroneous since Harlingen High School is the designated high school in that "attendance zone." Although an appeal in support of the Application was filed, on May 18, 2016, the TDHCA Executive Director denied the appeal finding the documentation submitted in support of the application to be insufficient for awarding points under § 11.9(c)(5).

HCISD does not dispute it utilizes attendance zones to determine what schools students residing in the City of Harlingen will attend; however, with respect to high school students, the practical effect is that HCISD is a district with district-wide enrollment.

Chapter 39 of the Texas Education Code governs Public School System Accountability and establishes the criteria for assessing the performance of state public schools. Pursuant to these provisions, independent school districts and each public school within the district is rated on performance and accountability. A public school's overall performance index is derived from

four distinct indices: (1) Student Achievement, (2) Student Progress, (3) Closing Performance Gaps and (4) Postsecondary Readiness as those indices are defined and described by the Texas Education Agency (“TEA”). These indices are measured on a scale of 0 to 100. *See* 2015 Accountability Manual of the Texas Education Agency, Chapter 4 – Performance Index Indicators, attached hereto at Exhibit “A.” For purposes of awarding points for Educational Excellence under § 11.9(c)(a) of the QAP, only the score for Index 1 – “Student Achievement” is relevant.

As for accountability, the TEA assigns ratings to public schools with the following designations: “Met Standard;” “Met Alternative Standard;” or “Improvement Required.” The accountability standard is tied to a public school’s acceptable or unacceptable performance in meeting the targets outlined in the four indices discussed above – student achievement; student progress; closing performance gaps; and postsecondary readiness. *See* 2015 Accountability Manual of the Texas Education Agency, Chapter 2 – Ratings Criteria and Index Targets, attached hereto at Exhibit “B.”

The subject site of the Application falls within the attendance zone for the following HCISD schools: Zavala Elementary; Memorial Middle School; and Harlingen High School. The corresponding TEA report card for each campus for the 2014-2015 school year is attached at Exhibits “C” “D” and “E,” respectively.

Based on the scoring criteria in subparts (A) – (C) of § 11.9(c)(5) of the QAP, both Zavala Elementary and Memorial Middle School have an accountability rating of “Met Standard” and an Index 1 score of at least 77 (for elementary schools) and 70 (for middle schools). Thus, per the language in §11.9 (c)(5)(B), since two out of the three designated schools within the attendance zone of the subject site meet the criteria for Educational Excellence, the TDHCA should have at least awarded the Application three (3) points.

Going further, however, the City of Harlingen, in agreement with the letter of the Superintendent of HCISD, believes the Application should be awarded the initial five (5) points under § 11.9 (c)(5) since HCISD operates as a district with “district-wide enrollment” at the high school level. Currently, HCISD operates seven high schools – Harlingen High School, Harlingen South High School, Early College High School, Harlingen School of Health Professions, Keys Academy, Dr. Abraham P. Cano Freshman Academy and the Secondary Alternative Center. The Early College High School, Harlingen School of Health Professions and Keys Academy have open enrollment and any student in the District in grades 9-12 may apply to attend these campuses. Under § 11.9 (c)(5), these schools would be excluded from the “attendance zone” as they are considered magnet schools. All ninth-grade students that choose not to attend the Early College High School, Harlingen School of Health Professions, or Keys Academy attend the Dr. Abraham P. Cano Freshmen Academy, after which they attend either Harlingen High School or Harlingen South High School based on their place of residence.

However, since both Harlingen High School and Harlingen South High School have accountability ratings of “Improvement Required,” any student attending either of these high schools has the right to transfer to another high school in the District, so long as space is available for the student. This is so because Section 29.202 (a) of the Texas Education Code provides:



ELIGIBILITY. (a) A student is eligible to receive a public education grant or to attend another public school in the district in which the student resides under this subchapter if the student is assigned to attend a public school campus:

- (1) at which 50 percent or more of the students did not perform satisfactorily on an assessment instrument administered under Section 39.023(a) or (c) in any two of the preceding three years; or
- (2) that, at any time in the preceding three years, failed to satisfy any standard under Section 39.054(e).<sup>1</sup>

This statutory right is embodied in HCISD's Board Policy FDB (LEGAL) regarding "Students in Unacceptable Schools." Thus, because the "Improvement Required" accountability rating for Harlingen High School and Harlingen South High School entitles students "assigned" to those schools to attend any other high school in the District, HCISD essentially operates under a "district-wide enrollment" policy with respect to students attending high school.

With respect to students in grades 10-12 who may reside at the subject site of the Application, those students would be entitled to attend any other high school in HCISD, subject to available space, given the current accountability rating for Harlingen High School. Given this legal right and the reality that in practice, HCISD has district-wide enrollment for high school students, the alternative rule in § 11.9 (c)(5) should have applied such that the Application correctly identified the Early College High School as the closest high school that could possibly be attended by the tenants at the subject site.<sup>2</sup> Based on Early College High School's 2015 performance index of 94 and 2015 "Met Standard" accountability rating (attached hereto at Exhibit "G"), the criteria in § 11.9 (c)(5)(A) of the 2016 QAP are met and the Application is entitled to an award of five (5) points for Educational Excellence.

Although the third-party request for Administrative Deficiency argues HCISD utilizes "attendance zones" and may not include a campus with open enrollment such as the Early College High School to determine whether the criteria in subparts (A) – (C) are met, the unique circumstances of HCISD and the practical reality that both high schools in designated "attendance zones" have current accountability ratings of "Improvement Required" result in the District operating under "district-wide enrollment" for high school students. When the rule for these districts is applied, the Application correctly identified the Early College High School as the closest high school the tenants of the subject site would be able to attend, per the legal rights granted them under the Texas Education Code and HCISD's local Board policies.

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<sup>1</sup> Section 39.054 (e) of the Texas Education Code states: "Each annual performance review under this section shall include an analysis of the achievement indicators adopted under Sections 39.053(c)(1)-(4) to determine school district and campus performance in relation to standards established for each indicator." Section 39.053 of the Texas Education Code is attached for reference at Exhibit "F."

<sup>2</sup> It is noted that the closest high school that tenants of the subject site could attend under the standard for district-wide enrollment is still Harlingen High School but based on the "Improvement Required" rating and the ability of these students to attend any high school in HCISD (subject to available space), the next closest high school is the Early College High School.

Alternatively, if the TDHCA Board were to disagree with the conclusion of the HCISD Superintendent, City of Harlingen and other parties who have offered their support for the Application, under the language in § 11.9 (c)(5)(B), the Application was entitled to an award of at least three (3) points since two of the three schools within the “attendance zone” of the subject site meet the criteria for Educational Excellence.

We strongly encourage the Board to reconsider the arguments that have presented by the various parties in support of the initial scoring of the Application with respect to § 11.9(c)(5) for Educational Excellence. The availability of affordable housing to citizens of the City of Harlingen is vitally important and strict readings of the 2016 QAP that ignore the practical reality of a school district’s operations only serves to exacerbate the problems faced by the poorest and most vulnerable members of our communities.

Very truly yours,

By: William T. Armstrong  
William T. Armstrong  
Erica E. Valladares

EEV/lj

cc: Mr. Dan Serna, City Manager  
City of Harlingen

## Chapter 4 – Performance Index Indicators

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The accountability system uses a performance index framework to combine a broad range of indicators into a comprehensive measure of campus and district performance. The previous chapter described index construction and how index scores are calculated. The indicators used to determine performance and calculate index scores are based on STAAR results, PEIMS data, or other assessment results.

This chapter discusses the three broad types of indicators and details how these indicators are used in each performance indexes.

### STAAR-Based Indicators

#### Exclusion of Assessments for Grade 3–8 Mathematics, STAAR A, and STAAR Alternate 2

As announced by the commissioner of education on April 8, 2015, results of the following are excluded from all four performance indexes:

- STAAR assessments in mathematics for grades 3–8
- STAAR A and STAAR Alternate 2 assessments for all subjects and grade levels including EOC tests

#### Accountability Subset Rule

A subset of test results from both campuses and districts is used to calculate each performance index. The calculation includes only test results for students enrolled in the campus or district in the previous fall, as reported on the Public Education Information Management System (PEIMS) October snapshot. Three test administration periods are considered for accountability purposes:

STAAR results included in the subset of campus/district accountability	If a student was enrolled in the campus/district on this date:
EOC summer 2014 administration	Fall 2013 enrollment snapshot
EOC fall 2014 administration	Fall 2014 enrollment snapshot
EOC spring 2015 administration	
Grades 3–8 spring 2015 administration	

The 2015 accountability subset rules apply to the STAAR performance results evaluated across all four indexes.

- Grades 3–8 – districts and campuses are responsible for students reported as enrolled in the fall (referred to as October snapshot) in the spring assessment results.
- End-of-Course (EOC) – districts and campuses are responsible for
  - summer 2014 results for students reported as enrolled in fall 2013 snapshot;
  - fall results for students reported as enrolled in the fall 2014 snapshot; and
  - spring 2015 results for students reported as enrolled in the fall 2014 snapshot.

### STAAR Retest Performance

Due to the transition to revised statewide curriculum standards in mathematics, STAAR assessments for grades 5 and 8 mathematics will be administered only once in the 2014–15 school year. As a result, the Student Success Initiative (SSI) requirement that students in grades 5 and 8 must pass the STAAR mathematics assessment in order to move onto the next grade level is suspended for the 2014–15 school year.

The opportunity to retest is available to students who have taken grades 5 and 8 STAAR reading or EOC tests in any subject.

- Student Success Initiative (SSI) – For students in grades 5 and 8, performance indexes will include test results for reading from the first administration and first re-test administration of all STAAR test versions. The second re-test administration in June 2015 is not used.

The best result in each subject is selected and only assessments evaluated in 2015 are included for accountability and applied to campus and district performance. The best result is based on the highest student performance level or progress measure. The calculation for campus and district performance includes only test results for students enrolled in the campus or district in the previous fall, as reported on the Public Education Information Management System (PEIMS) October snapshot.

- EOC – Districts and campuses are accountable for three EOC administrations: 1) summer results for students enrolled on the prior-year fall snapshot, 2) fall results for students enrolled on the current-year fall snapshot, and 3) spring results for students enrolled on the fall snapshot (current school year). For students who are enrolled and tested on the same campus or district during the 2015 accountability cycle, calculation of the performance indexes will include the best EOC results among tests administered in summer 2014, fall 2014, or spring 2015. The following chart illustrates this process.

Fall 2013 Snapshot	Summer 2014	Fall 2014 Snapshot	Fall 2014	Spring 2015
Campus A	CAMPUS A	Campus A	CAMPUS A	CAMPUS A
The best test result is selected. Each test meets the accountability subset rule.				

For students who enrolled and tested at a different campus or district during the 2014–15 school year, the student’s single best result for each course is selected. If all test results have the same level of performance, then the most recent test result is selected in calculating the index. The selected test is applied to the campus and district that administered the test, if the student meets the accountability subset rule (discussed above).

Fall 2013 Snapshot	Summer 2014	Fall 2014 Snapshot	Fall 2014	Spring 2015
Campus A	CAMPUS A	Campus A	CAMPUS B	CAMPUS B
The best test result is selected. However, only the Summer 2014 test meets the accountability subset rule.				

### PEIMS-Based Indicators

One of the primary sources for data used in the accountability system is the Public Education Information Management System (PEIMS) data collection. The PEIMS data collection has a prescribed process and timeline that offer school districts the opportunity to correct data submission errors or data omissions discovered following the initial data submission. PEIMS data provided by school districts used to create specific indicators for Index 4 are listed below.

PEIMS data used for indicators of campus/district accountability in Index 4	Data for
4-year Longitudinal Graduation Rate	Class of 2014
5-year Longitudinal Graduation Rate	Class of 2013
6-year Longitudinal Graduation, Continuer, and GED Rate (AEA Provisions Only)	Class of 2012
Longitudinal Recommended High School Program or Distinguished Achievement Program (RHSP/DAP) Rate	Class of 2014
Annual Dropout Rate	2013–14 School Year
Annual RHSP/DAP Rate	
Career and Technical Education (CTE) Coherent Sequence of Courses	
Advanced/Dual Enrollment Course Completion	2013–14 and 2012–13 School Years

### Other Assessment Indicators

Index 4 includes an identification of College-Ready Graduates that contribute to the College and Career Readiness indicator. The statewide Texas Assessment of Knowledge and Skills (TAKS) exit-level test plus SAT or ACT test results are used for this indicator.

Other assessment data used for campus/district accountability indicator Index 4: College & Career Readiness	Data Reported for:
TAKS grade 11 exit-level	Spring 2013
SAT college admissions test	Tests as of June 2014 administration
ACT college admissions test	Tests as of June 2014 administration

## Index 1: Student Achievement

Index 1 is a snapshot of performance across subjects at the satisfactory performance standard.

### Index 1 Targets for Districts and Campuses

Please refer to *Chapter 2 – Ratings Criteria and Index Targets* for a detailed discussion of 2015 Index Targets.

### Index 1 Student Performance Standards

Index 1 credits students who meet the Phase-in 1 Level II performance standard. ELL students in their second, third, and fourth year of enrollment in U.S. schools are credited for meeting or exceeding expectations on the ELL Progress Measure. Students meeting the student equivalency standard on substitute assessments are also credited in the Index 1 calculation.

The Index 1 **Phase-in Satisfactory Standard** refers to any of the following: meeting the Phase-in 1 Level II standard, meeting or exceeding expectations on the ELL Progress Measure, or meeting the equivalency standard on substitute assessments as a measure of overall student achievement.

Assessments Evaluated in 2015 Accountability Cycle				
	Summer 2014	Fall 2014	Spring 2015	
Index 1: Student Achievement	STAAR End-of-Course			
	<i>Assessments</i>			
		STAAR and STAAR L*: Algebra I English I English II Biology U.S. History		
	<i>Student Performance Standards</i>			
		STAAR and STAAR L*: Phase-in 1 Level II or above <i>or</i> ELL Progress Measures*: Meets or Exceeds Expectation <i>or</i> Substitute Assessments**: Meets Equivalency Standard		
	<i>Retests</i>			
		Performance standards can be met by: End-of-Course (EOC) tests taken for the first time within the 2015 accountability cycle (summer 2014, fall 2014, or spring 2015); or, EOC tests that were retaken within the 2015 accountability cycle following a first attempt in a prior accountability cycle.		
	STAAR Grades 3 – 8			
	<i>Assessments</i>			
		n/a	STAAR and STAAR L*: Grades 3 – 8 English (excluding mathematics) Grades 3 – 5 Spanish (excluding mathematics)	
	<i>Student Performance Standards</i>			
		n/a	STAAR and STAAR L*: Phase-in 1 Level II or above <i>or</i> ELL Progress Measures*: Meets or Exceeds Expectation	
	<i>Retests</i>			
	For grades 5 and 8 reading only, performance standards can be met by tests taken in either the first administration or the May retest.			

\* See following table for inclusion of ELL students based on ELL Progress Measure.

\*\* For more information about the equivalency standard, please see <http://ritter.tea.state.tx.us/rules/tac/chapter101/ch101dd.html>.

## Assessments for English Language Learners

Index 1: Student Achievement	ELL Students tested on STAAR			
	TELPAS Reported Years in U.S. Schools	Served by BE/ESL Instructional Services		Parental Denials for Instructional Services and ELLs not eligible for ELL progress measure due to Years in U.S. Schools exceeding ELL Plan Year
		English test version	Spanish test version	Any test version
	<i>First year</i>	Not included		
	<i>Second year</i>	STAAR ELL Progress Measure	STAAR Phase-in 1 Level II	STAAR Phase-in 1 Level II
	<i>Third year</i>			
	<i>Fourth year</i>			
<i>Fifth year</i>	STAAR Phase-in 1 Level II			
<i>Sixth year or more*</i>				

\* Asylees/refugees are not included in state accountability until their sixth year of enrollment in U.S. schools.

See *Appendix I – Inclusion of ELL Students in 2015 and Beyond* for more information.

### Subjects Evaluated

Test results for all subject areas (reading/English language arts [ELA], mathematics [Algebra I only], writing, science, and social studies) are combined.

### Student Groups Evaluated

All students, including ELLs described above, are evaluated as one group.

### Minimum Size Criteria and Small Numbers Analysis

- All students are evaluated; small numbers analysis applies only if STAAR tests consist of fewer than 10 tests, combined across all subjects.
- A three-year average is calculated using three years of Index 1 student achievement data for all students. The Index 1 calculation is based on an aggregated three-year uniform average.
- The All Students group is evaluated if the three-year average has at least 10 tests. For very small campuses with fewer than ten *students* tested across the three years, small numbers analysis may include additional analyses to ensure there are sufficient test results to assign a rating.
- The prior year 2013 and 2014 data used for small numbers analysis are the same Index 1 results previously reported for those school years.

### Accountability Subset

Please see accountability subset rules described earlier in this chapter.

### Methodology

Assessment results are summed across all grade levels and subject areas. The number of assessments meeting the Index 1 Phase-in Satisfactory performance standard is divided by the number of assessments taken as described here:

$$\frac{\text{Number of Reading + Mathematics (Algebra I only) + Writing + Science + Social Studies Tests Meeting Phase-In Satisfactory Standard}}{\text{Number of Reading + Mathematics (Algebra I only) + Writing + Science + Social Studies Tests Taken}}$$

## Rounding

The Index 1 Phase-in Satisfactory Standard calculation is expressed as a percent, rounded to whole numbers. For example, 59.87% is rounded to 60%; 79.49% is rounded to 79%; and 89.5% is rounded to 90%.

## Index Score

Index 1 has one indicator; therefore, the total index points and index score are equivalent:  
Index Score = Total Points.

## Index 2: Student Progress

Index 2 measures student progress and provides an opportunity for districts and campuses to receive credit for improving student performance independent of the student's pass/fail status on STAAR.

### Index 2 Targets for Districts and Campuses

Please refer to *Chapter 2 – Ratings Criteria and Index Targets* for a detailed discussion of 2015 Index Targets.

### Index 2 Student Progress Standards

Index 2 credits students who meet the student-level criteria for progress in either the STAAR Progress Measure or the ELL Progress Measure. Points for progress in each subject are weighted by the students' level of performance: one point for each percentage of tests that Met or Exceeded progress; one additional point for each percentage of tests that Exceeded progress.

The Index 2 **Student Progress Standards** refers to the combination of these results as a measure of overall student progress.

*STAAR Progress Measure:* Progress is measured at the student-level by the difference between the STAAR scores a student achieved in the prior and current years. A student's progress is then designated as *Did Not Meet*, *Met*, or *Exceeded*, depending upon the degree of difference in the scores.

Information on how to calculate a STAAR Progress Measure can be found at the Student Assessment website in the STAAR® General Resources section. See: <http://tea.texas.gov/student.assessment/staar/>. A Questions and Answers document on the progress measure is posted at the same location.

*ELL Progress Measure:* The English Language Learner (ELL) Progress Measure is reported for ELL students. The ELL Progress Measure accounts for the time needed to acquire the English language and to fully demonstrate grade-level academic competency in English. Year-to-year performance expectations for the STAAR content-area tests identify ELL student progress as meeting or exceeding an individual year-to-year expectation plan. An ELL student's plan is determined by the number of years the student has been enrolled in U.S. schools and the student's Texas English Language Proficiency Assessment System (TELPAS) composite proficiency level.



Information on how to calculate an ELL Progress Measure can be found at the Student Assessment/State Assessments for English Language Learners website in the General Resources section. See: <http://tea.texas.gov/student.assessment/ell/>. A Questions and Answers document on the ELL Progress Measure is posted at the same location.

*Spanish to English Transition proxy calculation.* For students who take the STAAR reading Spanish-version in 2014, transition in 2015 to the STAAR reading English version, and do not have a STAAR progress measure or ELL progress measure, Index 2 is calculated as follows:

- Phase-in 1 Level II (English-version): One point for each percent of tests meeting phase-in 1 Level II or above; and
- Final Level II (English-version): One additional point for each percent of tests meeting the Final Level II standard.

Assessments Evaluated in 2015 Accountability Cycle				
	Summer 2014	Fall 2014	Spring 2015	
<b>Index 2: Student Progress</b>	<b>STAAR End-of-Course</b>			
	<i>Assessments</i>			
		STAAR and STAAR L*: Algebra I English I (ELL Progress Measure only) English II		
	<i>Student Progress Standards</i>			
		STAAR Progress Measures: Meets or Exceeds Progress <i>or</i> ELL Progress Measures*: Meets or Exceeds Expectation		
	<i>Retests</i>			
		Progress standards can be met by EOC tests taken for the first time within the 2015 accountability cycle (summer 2014, fall 2014, or spring 2015).		
	<b>STAAR Grades 3 – 8</b>			
	<i>Assessments</i>			
		n/a	STAAR and STAAR L*:  Grades 3 – 8 English (excluding mathematics) Grades 3 – 5 Spanish (excluding mathematics)	
	<i>Student Progress Standards</i>			
		n/a	STAAR Progress Measures: Meets or Exceeds Progress <i>or</i> ELL Progress Measures*: Meets or Exceeds Expectation <i>or</i> Spanish to English Transition Proxy*	
<i>Retests</i>				
	For grades 5 and 8 reading, progress standards can be met by tests taken in either the first administration or the May retest.			

\* Either the ELL Progress Measure or the Spanish to English Transition proxy calculation is applied if a STAAR progress measure is not reported. See following table for inclusion of ELL students.

## Assessments for English Language Learners

Index 2: Student Progress	ELL Students	
	Years in U.S. Schools	
	<i>First year</i>	Not included
	<i>Second year</i>	ELL Progress Measure or STAAR Progress Measure or Spanish to English Transition Proxy
	<i>Third year</i>	
	<i>Fourth year</i>	
	<i>Fifth year</i>	
<i>Sixth year or more*</i>		

\* Asylees/refugees are not included in state accountability until their sixth year of enrollment in U.S. schools.

See *Appendix I – Inclusion of ELL Students in 2015 and Beyond* for more information.

### Subjects Evaluated

Reading/ELA, mathematics (Algebra I only), and writing are evaluated for applicable grades. All subjects are combined. New for 2015, STAAR progress measures are reported for grade 7 writing.

### Student Groups Evaluated

Ten student groups are evaluated.

- All students
- Students served by special education
- ELL students identified as having limited English proficiency during the reported school year or are in their first or second years of monitoring after exiting ELL status
- Seven racial/ethnic groups: African American, American Indian, Asian, Hispanic, Pacific Islander, White, and Two or More Races

### Minimum Size Criteria and Small Numbers Analysis

- All students are evaluated.
- Student groups are evaluated if there are at least 25 test results attributable to the group.
- The minimum size for the ELL student group is determined using the testers' current ELL status only. Rates will be reported for current and monitored ELL testers.
- Small numbers analysis applies only if the All Students group consists of fewer than 10 tests.
- A three-year average is calculated for combined subjects using three years of student progress data for the all students group. The Index 2 calculation is based on an aggregated three-year uniform average.
- The *All Students* group is evaluated if the three-year average has at least 10 tests.
- The prior year 2013 and 2014 data used for small numbers analysis are the combination of all subject areas for the same Index 2 results previously reported for that school year, including the 2014 progress measure results that were reported only for high schools, K–12 campuses, and charter districts and AECs evaluated under AEA provisions.

### Accountability Subset

Please see accountability subset rules described earlier in this chapter.

### Methodology

Points are weighted according to performance.

- Met or Exceeded Progress – one point for each percentage of tests at the Met or Exceeded progress level.
- Exceeded Progress – one additional point for each percentage of tests at the Exceeded progress level.

### Rounding

The total weighted progress calculation is expressed as a percent: total points divided by maximum points, rounded to a whole number. For example, 479 total points divided by 800 maximum points is 59.87%, which is rounded to 60%; 79.49% is rounded to 79%; and 89.5% is rounded to 90%.

### Index Score

The Index 2 score is the rounded result of total points divided by the maximum points.

## Index 3: Closing Performance Gaps

Index 3 emphasizes advanced academic achievement of the economically disadvantaged student group and the lowest performing racial/ethnic student groups at each campus and district.

### Index 3 Targets for Districts and Campuses

Please refer to *Chapter 2 – Ratings Criteria and Index Targets* for a detailed discussion of 2015 Index Targets.

### Index 3 Student Performance Standards

Evaluation of Index 3 is based on students who meet the **Phase-in Satisfactory** and **Advanced** performance standards. The Phase-in Satisfactory standard for Index 3 refers to the combination of Phase-in 1 Level II performance, and ELL Progress Measure results. *Note that the Phase-in Satisfactory performance results used in Index 3 do not include substitute assessments.*

The Index 3 Advanced standards are based on Level III Advanced performance and given twice the weight of the Phase-in Satisfactory standard. ELL students in their second, third, and fourth year of enrollment in U.S. schools are also credited two points in Index 3 when the Final Level II performance standard is met.

Advanced standards are the highest assessment level, where student performance gaps are the greatest, and likely to be a strong indicator of student preparedness for the next grade or course with little to no academic intervention required. Advanced standards are also tied to statutory and accountability goals stating Texas will be among the top 10 states in postsecondary readiness by 2020, with no significant achievement gaps by race, ethnicity, or socioeconomic status.

Assessments Evaluated in 2015 Accountability Cycle			
	Summer 2014	Fall 2014	Spring 2015
Index 3: Closing Performance Gaps	<b>STAAR End-of-Course</b>		
	<i>Assessments</i>		
		STAAR and STAAR L*: Algebra I English I English II Biology U.S. History	
	<i>Student Performance Standards</i>		
		STAAR and STAAR L*: Phase-in 1 Level II or above and Level III Advanced <i>or</i> ELL Progress Measures*: Meets or Exceeds Expectation and STAAR Final Level II or above	
	<i>Retests</i>		
		Performance standards can be met by: EOC tests taken for the first time within the 2015 accountability cycle (summer 2014, fall 2014, or spring 2015); or, EOC tests that were retaken within the 2015 accountability cycle following a first attempt in a prior accountability cycle.	
	<b>STAAR Grades 3 – 8</b>		
	<i>Assessments</i>		
		n/a	STAAR and STAAR L*: Grades 3 – 8 English (excluding mathematics) Grades 3 – 5 Spanish (excluding mathematics)
<i>Student Performance Standards</i>			
	n/a	STAAR and STAAR L*:Phase-in 1 Level II or above and Level III Advanced <i>or</i> ELL Progress Measures*: Meets or Exceeds Expectation and STAAR Final Level II or above	
<i>Retests</i>			
	For grades 5 and 8 reading, performance standards can be met by tests taken in either the first administration or the May retest.		

\* See following table for inclusion of ELL students based on ELL Progress Measure.

## Assessments for English Language Learners

		ELL Students tested on STAAR		
		English test version	Spanish test version	Any test version
Index 3: Closing Performance Gaps	TELPAS Reported Years in U.S. Schools	Served by BE/ESL Instructional Services		Parental Denials for Instructional Services and ELLs not eligible for ELL progress measure due to Years in U.S. Schools exceeding ELL Plan Year
	<i>First year</i>	Not included		
	<i>Second year</i>	One Point: ELL Progress Measure Two Points: STAAR Final Level II	One Point: STAAR Phase-in 1 Level II	One Point: STAAR Phase-in 1 Level II
	<i>Third year</i>			
	<i>Fourth year</i>	One Point: STAAR Phase-in 1 Level II Two Points: STAAR Advanced Level III	Two Points: STAAR Advanced Level III	Two Points: STAAR Advanced Level III
	<i>Fifth year</i>			
	<i>Sixth year or more*</i>			

\* Asylees/refugees are not included in state accountability until their sixth year of enrollment in U.S. schools.

See *Appendix I – Inclusion of ELL Students in 2015 and Beyond* for more information.

### Student Groups Evaluated

- Economically Disadvantaged
- Two Lowest Performing Racial/Ethnic groups determined by comparing performance of racial/ethnic groups on the Index 1 student achievement indicator from the prior year (2013–14). (Racial/ethnic groups are not included in Index 1, but the disaggregated student group rates are reported on the Index 1 data table. In the event that two or more of the lowest performing groups [meeting minimum size] have the same performance rate, the lowest performing groups with the largest denominator will be selected.)

### Prior Year Minimum Size Criteria

The following criteria are used to identify the racial/ethnic student groups based on the prior-year (2013–14) performance results.

- 1) Identify the racial/ethnic student groups that have 25 or more tests in reading/ELA and 25 or more tests in mathematics in the prior year.
- 2) Select the lowest performance student group(s) that meet the minimum size above based on all subjects results in the prior year.
  - If the campus or district has three or more racial/ethnic student groups that meet prior year minimum size criteria, performance of the two lowest performing racial/ethnic groups is included in the index if the current year minimum size criteria are met, as described below.
  - If the campus or district has two racial/ethnic student groups that meet minimum size criteria above, performance of the lowest performing racial/ethnic group is included in the index if the current year minimum size criteria are met, as described below.
  - If the campus or district has only one racial/ethnic student group that meets the prior year minimum size criteria, then the racial/ethnic group is not included in the index.

### **Current-Year Minimum Size Criteria**

The current year (2014–15) subject area performance results for the identified racial/ethnic student group(s) are included in the Index 3 evaluation if there are at least 25 test results in the subject area.

Campuses and districts that do not meet minimum size criteria in any subject area for the racial/ethnic student groups are evaluated on the economically disadvantaged student group alone.

### **Small Numbers Analysis**

- Small numbers analysis applies to the Economically Disadvantaged student group by subject:
  - *Reading, writing, science, and social studies.*  
If the number of STAAR results by subject is fewer than 10 in the accountability subset, a three-year average is calculated for the Economically Disadvantaged student group. The Index 3 calculation is based on the aggregated three-year uniform average.
  - *Mathematics (Algebra I only).*  
Due to the exclusion of grade 3–8 mathematics from 2015 accountability, small numbers analysis will not be performed for mathematics in Index 3. Campuses and districts that have less than ten Algebra I EOC tests in 2014–15 school year will not be evaluated for mathematics.
- The prior year 2013 and 2014 data used for small numbers analysis are the same Index 3 results previously reported for that school year.
- Small numbers analysis is not applied to racial/ethnic student groups. If there are fewer than 25 test results in a subject area for the identified lowest performing racial/ethnic student groups, that group's performance on that subject area is excluded from Index 3 calculations.

### **Accountability Subset**

See the accountability subset rules described earlier in this chapter.

### **Methodology**

Index 3 results are based on points reflecting STAAR performance.

- Phase-in Satisfactory – one point for each percentage of tests meeting the phase-in Satisfactory standard or the Advanced Standard
- Advanced – one additional point for each percentage of tests meeting the Advanced standard

### **Rounding**

The total performance rate calculation is expressed as a percent, total points divided by maximum points, rounded to a whole number. For example, 800 total points divided by 1,500 maximum points is 53.33% is rounded to 53%; 79.49% is rounded to 79%; and 89.5% is rounded to 90%.

## Index Score

The Index 3 score is the rounded result of total points divided by the maximum points.

## Index 4: Postsecondary Readiness

Index 4 emphasizes the role of elementary and middle schools in preparing students for the rigors of high school and the importance of earning a high school diploma that prepares students for success in college, the workforce, job training programs, or the military. The index includes test performance for high schools and grades 3–8 at the postsecondary readiness standard.

### Index 4 Targets for Districts and Campuses

Please refer to *Chapter 2 – Ratings Criteria and Index Targets* for a detailed discussion of 2015 Index Targets.

### Index 4 Student Performance Standards

Index 4 credits campuses and districts for students who meet postsecondary readiness standards on two or more STAAR subject area tests. Students tested in only one subject area are required to meet the postsecondary readiness standard on that test for credit in Index 4. The postsecondary readiness standards are based on the combined results of students achieving the Final Level II performance or above and students meeting the student equivalency standard on substitute assessments.

### Evaluation of Index 4 components

Index 4 is based on all four of the following components **or** solely on the STAAR postsecondary readiness standard component when any of the three non-STAAR components are unavailable. For districts, high school campuses, and campuses serving grades K–12, the four components of Index 4 are equally weighted.

Index 4 Components for Non-AEA Districts and Campuses		Weight
1.	STAAR Postsecondary Readiness Standard	25%
2.	Graduation Rate	25%
3.	Graduation Plan (Recommended High School Program or Distinguished Achievement Program (RHSP/DAP) Rate	25%
4.	Postsecondary Component: College and Career Readiness	25%

Elementary and middle school campuses report only STAAR results, therefore, the Index 4 evaluation of these campuses is based solely on this component.

### 1. STAAR Component: Postsecondary Readiness Standard

The STAAR component is defined as the percentage of students who met the STAAR Final Level II standard on two or more subject-area STAAR tests. This component is reported for all students combined and for each racial/ethnic group. If a student takes only one subject-area STAAR test, the result for that test is included. For example, a student in grade 3 or grade 6 who takes only the STAAR reading test in 2015 will be included in the calculation of the STAAR postsecondary readiness component of Index 4.

For the STAAR component of Index 4, the STAAR EOC results are evaluated for students who tested for the first time during the 2015 accountability cycle (summer 2014, fall 2014, or spring 2015). Only the EOC results for the students' first and subsequent retests during the 2015 accountability cycle are used to evaluate Index 4. Therefore, retest results for students who tested for the first time prior to the 2015 accountability cycle are not included in Index 4.

### STAAR Postsecondary Readiness Standard—Student Groups Evaluated

Eight student groups are evaluated.

- All students
- Seven racial/ethnic groups: African American, American Indian, Asian, Hispanic, Pacific Islander, White, and Two or More Races

Assessments Evaluated in 2015 Accountability Cycle				
	Summer 2014	Fall 2014	Spring 2015	
<b>Index 4: Postsecondary Readiness</b>	<b>STAAR End-of-Course*</b>			
	<i>Assessments</i>			
		STAAR: Algebra I English I English II Biology U.S. History		
	<i>Student Performance Standards</i>			
		STAAR: Final Level II or above <i>or</i> Substitute Assessments: Meets Equivalency Standard**		
	<i>Retests</i>			
		Performance standards can be met by EOC tests taken for the first time or any subsequent retests in the 2015 accountability cycle (summer 2014, fall 2014, or spring 2015).		
	<b>STAAR Grades 3 – 8*</b>			
	<i>Assessments</i>			
		n/a	STAAR: Grades 3 – 8 English (excluding mathematics) Grades 3 – 5 Spanish (excluding mathematics)	
<i>Student Performance Standards</i>				
	n/a	STAAR: Final Level II or above		
<i>Retests</i>				
	For grades 5 and 8 reading, performance standards can be met by tests taken in either the first administration or the May retest.			

\* See following table for inclusion of ELL students.

\*\* For more information about the equivalency standard, please see <http://ritter.tea.state.tx.us/rules/tac/chapter101/ch101dd.html>.



## Assessments for English Language Learners

Index 4: Postsecondary Readiness	ELL Students tested on STAAR		
	TELPAS reported Years in U.S. Schools	English test version	Spanish test version *
	<i>First year</i>	Not included	Not included
	<i>Second year</i>		STAAR Final Level II
	<i>Third year</i>		
	<i>Fourth year</i>		
	<i>Fifth year</i>	STAAR Final Level II	
<i>Sixth year or more**</i>			

\* ELL students in grades 3 – 5 tested on Spanish versions in *any* subject.

\*\* Asylees/refugees are not included in state accountability until their sixth year of enrollment in U.S. schools.

See *Appendix I – Inclusion of ELL Students in 2015 and Beyond* for more information.

### STAAR Postsecondary Readiness Standard—Minimum Size Criteria and Small Numbers Analysis

- All Students – the group comprising of All Students is evaluated if there are at least 10 students in the STAAR component.
- Student groups are evaluated if there are at least 25 students in the STAAR component.
- Small numbers analysis applies only if the *All Students* group consists of fewer than 10 students.
- A two-year average is calculated using two years of STAAR postsecondary readiness data for the all students group. The Index 4 STAAR postsecondary readiness standard calculation is based on an aggregated two-year uniform average.
- The *All Students* group is evaluated if the two-year average has at least 10 students.
- The prior year 2014 data used for small numbers analysis are the same Index 4 results previously reported for that school year.

### Accountability Subset

Please see the accountability subset rules described earlier in this chapter.

### STAAR Postsecondary Readiness Standard—Methodology

The percent of students meeting the Final Level II performance standard in two or more subject areas **or** one subject area, if only one subject area test is taken. This component is defined as:

$$\frac{\begin{array}{l} \text{Number of students meeting the} \\ \text{STAAR postsecondary readiness standard} \\ \text{on at least two subject area tests} \end{array} + \begin{array}{l} \text{Number of students meeting the} \\ \text{STAAR postsecondary readiness standard} \\ \text{on the subject area test} \end{array}}{\begin{array}{l} \text{Number of students with test results in} \\ \text{two or more subject areas} \end{array} + \begin{array}{l} \text{Number of students with test results in} \\ \text{only one subject area} \end{array}}$$

### **STAAR Postsecondary Readiness Standard—Rounding**

The percent *Met* STAAR Postsecondary Readiness Standard calculation is expressed as a percent, rounded to whole numbers. For example, 59.87% is rounded to 60%; 79.49% is rounded to 79%; and 89.5% is rounded to 90%.

## **2. Graduation Rate (or Annual Dropout Rate) Component**

High school graduation rates include the four-year and five-year graduation rates or annual dropout rate, if no graduation rate is available.

- Class of 2014 four-year graduation rate is calculated for campuses and districts with students in grade 9 and either grade 11 or 12 in both years one and five of the cohort. Alternatively, the rate can be based on campuses and districts with grade 12 in both years one and five of the cohort.
- Class of 2013 five-year graduation rate follows the same cohort of students for one additional year.
- Annual Dropout Rate for school year 2013–14 for grades 9–12. If a campus has students enrolled in grade 9, 10, 11, or 12 but does not have a four-year or five-year graduation rate, a proxy for the graduation rate is calculated by converting the grade 9–12 annual dropout rate into a positive measure. Please see *Annual Dropout Rate—Conversion* on the following pages.

### **Graduation Rate—Student Groups Evaluated**

Ten student groups are evaluated.

- All students
- Students served by special education
- ELL student group: Students who were ever identified as limited English proficient since entering grade 9 in the Texas public school system
- Seven racial/ethnic groups: African American, American Indian, Asian, Hispanic, Pacific Islander, White, and Two or More Races

### **Graduation Rate—Minimum Size Criteria and Small Numbers Analysis**

- All students – the group comprising of All Students is evaluated there are at least 10 students in the class.
- Student groups are evaluated if there are at least 25 students in the class.
- Small numbers analysis applies to all students, if the number of students in the class of 2014 cohort (4-year) or class of 2013 cohort (5-year) is fewer than 10. The total number of students in the class cohort consists of graduates, continuing students, General Educational Development (GED) recipients, and dropouts.
- A three-year-average graduation rate is calculated for all students. The calculation is based on an aggregated three-year uniform average.
- The *All Students* group is evaluated if the three-year average has at least 10 students.

### **Graduation Rate—Methodology**

The four-year graduation rate follows a cohort of first-time students in grade 9 through their expected graduation three years later. The five-year graduation rate follows the same cohort of students for one additional year. A cohort is defined as the group of students who begin grade 9 in Texas public schools for the first time in the same school year plus students who, in the next three school years, enter the Texas public school system in the grade level expected for the cohort. Students who transfer out of the Texas public school system over the four or five years for non-graduate reasons are removed from the class.

The four-year and five-year graduation rate measures the percent of graduates in a class.

$$\frac{\text{Number of Graduates in the Class}}{\text{Number of Students in the Class}} \\ (\text{Graduates} + \text{Continuers} + \text{GED Recipients} + \text{Dropouts})$$

### **Graduation Rate—Rounding**

Four-year and five-year graduation rates used in Index 4 calculations are expressed as a percent rounded to one decimal place. For example, 74.875% rounds to 74.9%, not 75%.

### **Annual Dropout Rate Component**

For districts and campuses that serve students enrolled in grades 9–12, the grade 9–12 annual dropout rate is used if a four- or five-year graduation rate is not available.

### **Annual Dropout Rate—Student Groups Evaluated**

Ten student groups are evaluated.

- All students
- Students served by special education
- ELL student group: students identified as limited English proficient during the reported school year
- Seven racial/ethnic groups: African American, American Indian, Asian, Hispanic, Pacific Islander, White, and Two or More Races

### **Annual Dropout Rate—Minimum Size Criteria and Small Numbers Analysis**

- All students – the group comprising of all students is evaluated there are at least 10 students enrolled during the school year.
- Student groups are evaluated if there are at least 25 students enrolled during the school year.
- Small numbers analysis applies to the group of all students if the number of students enrolled in grades 9–12 during the 2013–14 school year is less than 10.
- A three-year-average annual dropout rate is calculated for all students. The calculation is based on an aggregated three-year uniform average.
- The All Students group is evaluated if the three-year average has at least 10 students.

### **Annual Dropout Rate—Methodology**

The annual dropout rate is calculated by dividing the number of students in grades 9–12 designated as having dropped out by the number of students enrolled in grades 9–12 at any time during the 2013–14 school year.

$$\frac{\text{Number of students who dropped out during the school year}}{\text{Number of students enrolled during the school year}}$$

### **Annual Dropout Rate—Conversion**

Because the annual dropout rate is a measure of negative performance—the rate rises as performance declines—it must be transformed into a positive measure in order to be used as a component of the Index 4 score. The following calculation converts the annual dropout rate for a non-AEA district or campus into a positive measure that is a proxy for the graduation rate.

$$100 - (\text{Grade 9–12 Annual Dropout Rate} \times 10) \text{ with a floor of zero}$$

The multiplier of 10 allows the non-AEA district or campus to accumulate points towards the Index 4 score only if its annual dropout rate is less than 10%.

### Annual Dropout Rate—Rounding

Grade 9–12 Annual Dropout Rates used in Index 4 calculations are expressed as a percent rounded to one decimal place. For example, 24 dropouts divided by 2,190 students enrolled in grades 9–12 is 1.095% which rounds to 1.1% annual dropout rate.

### 3. Graduation Plan (RHSP/DAP Rate) Component

- The graduation plan component is based on a four-year longitudinal cohort and represents the percent of students in the class of 2014 who graduated under the RHSP or DAP.
- Alternatively, the annual percent of RHSP/DAP graduates for the 2013–14 school year applies to districts or campuses that do not have a four-year longitudinal graduation cohort or do not meet the minimum size requirement. The annual RHSP/DAP graduate rate also applies to new campuses until sufficient data to calculate a longitudinal graduation rate is available.

### RHSP/DAP Rate—Student Groups Evaluated

Eight student groups are evaluated.

- All students
- Seven racial/ethnic groups: African American, American Indian, Asian, Hispanic, Pacific Islander, White, and Two or More Races

### RHSP/DAP Rate—Minimum Size Criteria and Small Numbers Analysis

- All Students – the group comprising of all students is evaluated if there are at least 10 graduates.
- Student groups are evaluated if there are at least 25 graduates.
- Small numbers analysis applies to all students if the total count of graduates is less than 10.
- A three-year average RHSP/DAP rate is calculated for all students. The calculation is based on an aggregated three-year uniform average. The annual RHSP/DAP rate will have a similar three-year uniform average.
- The *All Students* group is evaluated if the uniform average has at least 10 graduates.

### RHSP/DAP Rate—Methodology

The RHSP/DAP longitudinal rate applies to high schools and districts with adequate enrollment data. The rate requires tracking the status of a cohort of students from the time they enter grade 9 in 2010–11 through their expected graduation with the class of 2014. A class consists of all members of a cohort, minus students who leave the Texas public school system for reasons other than graduation, earning a GED certificate, or dropping out. The class of 2014 RHSP/DAP longitudinal rates exclude Foundation High School Plan (FHSP) graduates. The rate is calculated as:

$$\frac{\text{Number of RHSP/DAP graduates in the Class}}{\text{Number of graduates in the Class excluding FHSP graduates}}$$

When applicable, the RHSP/DAP graduates annual rate is calculated as the percent of prior year graduates reported as having satisfied the course requirements for the RHSP or DAP. Like the longitudinal rate, the annual RHSP/DAP graduates annual rate excludes FHSP graduates.

$$\frac{\text{Number of RHSP/DAP annual graduates}}{\text{Number of annual graduates excluding FHSP graduates}}$$

### RHSP/DAP Rate—Rounding

RHSP/DAP rates are expressed as a percent rounded to one decimal place. For example, 540 RHSP/DAP graduates divided by 570 total graduates is 94.737%, which rounds to 94.7%.

## 4. Postsecondary Component - College and Career Readiness

The aim of the postsecondary component of Index 4 is to measure high school students' preparedness for college, the workforce, job training programs, or the military. New for 2015, the College and Career Readiness indicator measures the percent of annual graduates for the 2013–14 school year who demonstrated postsecondary readiness in any one of three ways:

- 1) *College-Ready Graduate*. A graduate meeting the Texas Success Initiative (TSI) college readiness standards in both reading/ELA and mathematics; specifically, the college-ready criteria on the Texas Assessment of Knowledge and Skills (TAKS) exit-level test, or the SAT test, or the ACT test, in both English language arts and mathematics. Students reported as graduates in the 2013–14 school year were required to test on the grade 11 TAKS exit-level test administered in the spring of 2013. The college admissions test results included in this measure include tests through the June 2014 administration of SAT and ACT. See *Appendix K – Data Sources* for a more detailed explanation.
- 2) *Advanced/Dual Enrollment Completion*. A graduate who completed and earned credit for at least two advanced/dual credit enrollment courses in either the 2013–14 or 2012–13 school year. See *Appendix K – Data Sources* for a more detailed explanation and list of courses.
- 3) *Career and Technical Education (CTE) Coherent Sequence of Courses*. A graduate enrolled and reported in a coherent sequence of CTE courses as part of a four-year plan of study to take two or more CTE courses for three or more credits during the 2013–14 school year. For 2015, a graduate reported as enrolled in the secondary education component of a Tech Prep program are included in the College and Career Readiness indicator. See *Appendix K – Data Sources* for a more detailed explanation.

### Postsecondary Component—Student Groups Evaluated

Eight student groups are evaluated.

- All students
- Seven racial/ethnic groups: African American, American Indian, Asian, Hispanic, Pacific Islander, White, and Two or More Races

### Postsecondary Component —Minimum Size Criteria

- All Students – the group comprising of all students is evaluated if there are at least 10 graduates.
- Student groups are evaluated if there are at least 25 graduates.
- Small numbers analysis is not applied to this component.

### Postsecondary Component —Methodology

The percent of annual graduates is defined in this component is:

graduates meeting TSI criteria in both reading/ELA and mathematics (TAKS, SAT, or ACT)	or	graduates who completed and earned credit for at least two advanced/dual enrollment course in the current or prior school year	or	graduates who were enrolled in a coherent sequence of CTE courses as part of a four-year plan of study to take two or more CTE courses for three or more credits*
Number of annual graduates				

\* Includes graduates reported as enrolled in the secondary education component of a Tech Prep program.

### Postsecondary Component —Rounding

The percent meeting college and career readiness criteria calculation is expressed as a percent rounded to one decimal place. For example 597 annual graduates meeting the college and career readiness criteria divided by 1100 annual graduates is 54.27%, which rounds to 54.3%.

### Index 4 Score

The Index 4 overall score is the sum of the weighted four component scores: STAAR, graduation rate, graduation plan, and postsecondary component rounded to a whole number.

## Index 4: Postsecondary Readiness for AEA Campuses and Charter Districts

Alternative procedures applicable to the Index 4 calculation are provided for approved campuses and charter districts serving at-risk students in alternative education programs. For more information on the alternative education accountability (AEA) eligibility criteria, please see *Chapter 6 – Other Accountability System Processes*.

### Index 4 Targets for AEA Campuses and Charters

Please refer to *Chapter 2 – Ratings Criteria and Index Targets* for a detailed discussion of 2015 Index Targets.

### Index 4 Student Performance Standards

Index 4 credits campuses and districts for students who meet postsecondary readiness standards on assessments in two or more subject areas. Students tested in only one subject area are required to meet the postsecondary readiness standard on that test for credit in Index 4. The postsecondary readiness standards are based on the combined results of students achieving the Final Level II performance or above and students meeting the student equivalency standard on substitute assessments.

For a charter district or alternative education campus (AEC) evaluated by AEA provisions, Index 4 is based on two components, weighted as follows.

	Index 4 Components for AEA Campuses and Charters	Weight
1.	STAAR Postsecondary Readiness Standard	25%
2.	Graduation/Annual Dropout Rate Component: Four-, Five-, or Six-year Graduation, Continuer, and GED Rate or Annual Dropout Rate	75%

To reach the absolute targets established for Index 4 in 2015, AEA campuses and charters apply a weighted evaluation of two components necessary for postsecondary readiness.

Bonus points, described later in this section, are earned according to either the longitudinal or annual rate of RHSP/DAP graduates, excluded students credit, and the postsecondary indicator. A maximum of 30 bonus points is added to the final index score.

### **1. STAAR Postsecondary Readiness Standard**

The STAAR component, described above, is calculated in the same manner for AEA campuses and charters.

#### **STAAR Postsecondary Readiness Standard—Minimum Size Criteria and Small Numbers Analysis**

- All Students – the group comprising all students is evaluated if there are at least 10 students in the STAAR component.
- Student groups are evaluated if there are at least 25 students in the STAAR component. Small numbers analysis applies only if the *All Students* group consists of fewer than 10 students.
- A two-year average is calculated using two years of STAAR Postsecondary Readiness data for the all students group. The Index 4 STAAR postsecondary readiness standard calculation is based on an aggregated two-year uniform average.
- The *All Students* group is evaluated if the two-year average has at least 10 students.
- The prior year 2014 data used for small numbers analysis are the same results previously reported for that school year.

#### **Accountability Subset**

Please see the accountability subset rules described earlier in this chapter.

#### **STAAR Postsecondary Readiness Standard—Methodology**

The percent of students meeting the postsecondary readiness standard in two or more subject areas **or** one subject area, if only one subject area test is taken.

#### **STAAR Postsecondary Readiness Standard—Rounding**

The calculation of students who meet the postsecondary readiness standard is expressed as a percent, rounded to whole numbers. For example, 59.87% rounds to 60%; 79.49% rounds to 79%; and 89.5% rounds to 90%.



## **2. Graduation/Annual Dropout Rate Component**

The graduation rate calculation is modified to credit AEA campuses and charters for graduates, continuing students (continuers), and GED recipients. Four-year, five-year, and six-year graduation, continuer, and GED rates are calculated for AEA campuses and charters. The grade 9–12 annual dropout rate is used if no combined graduation, continuer, and GED rate is available.

- Class of 2014 four-year graduation, continuer, and GED rates are calculated for AEA campuses and charters with students in grade 9 and either grade 11 or 12 in both years one and year five, or with grade 12 in both years one and year five.
- Class of 2013 five-year graduation, continuer, and GED rates follow the same cohort of students for one additional year; therefore, most AEA campuses and charters that have a four-year graduation, continuer, and GED rate in one year will have a five-year graduation, continuer, and GED rate for that cohort in the following year. The five-year graduation, continuer, and GED rate lags behind the four-year graduation, continuer, and GED rate by one year.
- Class of 2012 six-year graduation, continuer, and GED rates continue to follow the same cohort of students for one additional year; therefore, most AEA campuses and charters that have a five-year graduation, continuer, and GED rate in one year will have a six-year graduation, continuer, and GED rate for that cohort in the following year. The six year graduation, continuer, and GED rate lags behind the four-year graduation, continuer, and GED rate by two years.
- Annual Dropout Rate for school year 2013–14 for grades 9–12. If an AEA charter or campus has students enrolled in grade 9, 10, 11, or 12 but does not have a four-year, five-year, or six-year graduation, continuer, and GED rate, a proxy for the graduation rate is calculated by converting the grade 9–12 annual dropout rate into a positive measure.

### **Graduation, Continuer, and GED Rates—Student Groups Evaluated**

Ten student groups are evaluated.

- All students
- Students served by special education
- ELL student group: Students who were ever identified as limited English proficient since entering grade 9 in the Texas public school system
- Seven racial/ethnic groups: African American, American Indian, Asian, Hispanic, Pacific Islander, White, and Two or More Races.

### **Graduation, Continuer, and GED Rates—Minimum Size Criteria**

- All Students – All students are evaluated; small numbers analysis applies if fewer than 10 students in the class.
- Student groups are evaluated if there are at least 25 students in the class.

### **Graduation, Continuer, and GED Rates—Small Numbers Analysis**

- Small numbers analysis applies if there are fewer than 10 students in the Class of 2014 (4-year), Class of 2013 (5-year) or Class of 2012 (6-year). The total number of students in the class cohort consists of graduates, continuers, GED recipients, and dropouts.
- A three-year-average graduation, continuer, and GED rate is calculated for all students. The calculation is based on an aggregated three-year uniform average.
- The *All Students* group is evaluated if the three-year average has at least 10 students.

### **Graduation, Continuer, and GED Rates—Methodology**

The four-year graduation, continuer, and GED rate follows a cohort of first-time students in grade 9 through their expected graduation three years later. The five-year graduation rate follows the same cohort of students for one additional year. The six-year graduation rate continues to follow the same cohort of students for one additional year. A cohort is defined as the group of students who begin grade 9 in Texas public schools for the first time in the same school year plus students who, in the next three school years, enter the Texas public school system in the grade level expected for the cohort. Students who transfer out of the Texas public school system over the four, five, or six years due to non-graduate, non-dropout reasons are removed from the class. The graduation, continuer, and GED rate measures the percent of graduates, continuers, and GED recipients in a cohort.

$$\frac{\text{Number of Graduates + Continuers + GED Recipients in the Class}}{\text{Number of Students in the Class}} \\ (\text{Graduates + Continuers + GED Recipients + Dropouts})$$

### **Graduation, Continuer, and GED Rates—Rounding**

Four-year, five-year, and six-year graduation rates used in Index 4 calculations are expressed as a percent rounded to one decimal place. For example, 74.875% is rounded to 74.9%, not 75%.

### **Annual Dropout Rates Included**

If an AEA charter or campus has students enrolled in grade 9, 10, 11, or 12 but does not have a four-year, five-year, or six-year graduation, continuer, and GED rate, a proxy for the graduation rate is calculated by converting the grade 9–12 annual dropout rate into a positive measure. Please see the explanation of converting annual dropout rates on the next page.

### **Annual Dropout Rates—Student Groups Evaluated**

Ten student groups are evaluated.

- All Students
- Students served by Special Education
- ELL students identified as students with limited English proficiency during the reported school year
- Seven racial/ethnic groups: African American, American Indian, Asian, Hispanic, Pacific Islander, White, and Two or More Races

### **Annual Dropout Rates—Minimum Size Criteria and Small Numbers Analysis**

Please refer to the previous section for information on the minimum size criteria and small numbers analysis for this indicator.

### **Annual Dropout Rates—Methodology**

The annual dropout rate is calculated by dividing the number of students in grades 9–12 designated as dropouts by the number of students enrolled in grades 9–12 at any time during the 2013–14 school year.

$$\frac{\text{Number of students who dropped out during the school year}}{\text{Number of students enrolled at any time during the school year}}$$

### Annual Dropout Rates—Conversion

Because the annual dropout rate is a measure of negative performance—the rate rises as performance declines—it must be transformed into a positive measure in order to be used as a component of the Index 4 score. The following calculation converts the annual dropout rate for an AEA charter or campus into a positive measure that is a proxy for the graduation, continuer, and GED rate.

$$100 - (\text{Grade 9–12 Annual Dropout Rate} \times 5) \text{ with a floor of zero}$$

By using the multiplier of 5, an AEA charter or campus accumulates points towards the Index 4 score as long as its annual dropout rate is less than 20%. The formula for the proxy for dropout rates for non-AEA districts and campuses uses a multiplier of 10; non-AEA districts and campuses accumulate points towards the Index 4 score only if their annual dropout rates are less than 10%.

### Annual Dropout Rates—Rounding

Grade 9–12 annual dropout rates used in Index 4 calculations are expressed as a percent rounded to one decimal place. For example, 24 grade 9–12 students reported as dropouts divided by 2,190 students enrolled in grades 9–12 is 1.096% which is rounded to 1.1% annual dropout rate.

### Bonus Point Indicators for AEA Campuses and Charters

A maximum of 30 bonus points are added to the Index 4 score for the following indicators.

- RHSP/DAP rates based on the four-year longitudinal cohort. For AEA campuses and districts that use the Annual Dropout Rate, an annual RHSP/DAP rate is calculated for bonus points. The annual rate is also used if the longitudinal RHSP/DAP data does not meet the minimum size requirement.
- The new College and Career Readiness indicator measures the percent of annual graduates who either 1) met the Texas Success Initiative (TSI) college readiness standards in both reading/ELA and mathematics; or 2) completed and earned credit for at least two advanced/dual credit enrollment courses; or 3) were reported enrolled in a CTE-Coherent Sequence of courses as part of a four-year plan of study to take two or more CTE courses for three or more credits.
- Excluded Students Credit will give AEA campuses and districts bonus points for serving recovered dropouts and other students who graduate or earn a GED, but are statutorily excluded from the graduation and dropout rate calculations.

### RHSP/DAP Rate (longitudinal or annual)

- Student Groups: *All Students* only
- Please refer to the previous section for information on the minimum size criteria, small numbers analysis, and methodology for this indicator.

For AEA campuses and districts that use the Annual Dropout Rate, the RHSP/DAP annual rate is calculated as the percent of prior year graduates reported as having satisfied the course requirements for the RHSP or DAP.

### Postsecondary Component—College and Career Readiness

- Student Groups: *All Students* only
- Please refer to the previous section for information on the minimum size criteria, small numbers analysis, and methodology for this indicator.

### Excluded Students Credit

- Student Groups: *All Students* only.
- Minimum Size: None; the AEA excluded students credit is based on the four-year graduation, continuer, and GED rate with exclusions which may be subject to small numbers analysis.
- Methodology: Number of graduates, continuers, and GED recipients in the 4-year graduation cohort without exclusions (federal rate) minus the number of graduates, continuers, and GED recipients in the 4-year graduation cohort with exclusions (state rate).

$$\begin{array}{r} \text{Graduates, continuers, and GED} \\ \text{recipients from 4-year graduation} \\ \text{cohort *without* exclusions (federal rate)} \\ \text{of most recent cohort (Class of 2014)} \end{array} - \begin{array}{r} \text{Graduates, continuers, and GED} \\ \text{recipients from 4-year graduation} \\ \text{cohort *with* exclusions (state rate) of} \\ \text{same cohort (Class of 2014)} \end{array} \quad \begin{array}{l} \text{With a floor} \\ \text{of zero} \end{array}$$

The number of students derived from this calculation is added as bonus points to the overall Index 4 score.

### Index 4 Score for AEA Campuses and Charters

The STAAR postsecondary readiness standard component contributes 25 percent of the points. The graduation/annual dropout rate component contributes 75 percent of the points. A maximum of 30 bonus points are added to the Index 4 score. The Index 4 score for AEA campuses and charters is the sum of the STAAR postsecondary readiness standard component score, graduation/annual dropout rate score, and bonus points rounded to a whole number.

As noted, the RHSP/DAP rate along with the college-ready graduates rate and excluded students credit contribute bonus points, which are added to the STAAR postsecondary readiness standard component and the graduation rate component to determine the overall Index 4 score.

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## Chapter 2 – Ratings Criteria and Index Targets

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The *2015 Accountability Manual* describes the 2015 accountability system and explains how information from different sources is used to calculate and assign accountability ratings and award distinction designations. The manual attempts to address all possible scenarios; however, because of the number and diversity of districts and campuses in Texas, there could be some unforeseen circumstances that are not anticipated in the manual. Should such circumstances arise, the commissioner of education will interpret the manual as needed to assign the appropriate ratings and/or award distinction designations that preserve both the intent and the integrity of the accountability system.

### 2015 Ratings

To meet state statutory requirements, the accountability system must assign ratings that designate acceptable and unacceptable performance for districts and campuses. In 2015, one of the following ratings is assigned to each district and campus based on its performance on the required indexes. Unless otherwise noted, the term districts includes open-enrollment charters.

**Met Standard** indicates acceptable performance and is assigned to districts and campuses that meet the targets on all required indexes for which they have performance data.

**Met Alternative Standard** indicates acceptable performance and is assigned to eligible CHARTER DISTRICTS AND ALTERNATIVE EDUCATION CAMPUSES (AECs) that are evaluated by ALTERNATIVE EDUCATION ACCOUNTABILITY (AEA) provisions. To receive this rating, eligible charter districts and AECs must meet modified targets on all required indexes for which they have performance data.

**Improvement Required** indicates unacceptable performance and is assigned to districts and campuses, including charter districts and AECs evaluated under AEA provisions, that do not meet the targets on all required indexes for which they have performance data.

In a few specific circumstances, a district or campus does not receive a rating. When this occurs, a district or campus is given one of the following two labels.

**Not Rated** indicates that a district or campus did not receive a rating for one or more of the following reasons:

- The district or campus serves only students enrolled in early education (EE).
- The district or campus has no data in the ACCOUNTABILITY SUBSET.
- The district or campus has insufficient data to assign a rating after SMALL NUMBERS ANALYSIS has been conducted.
- The district operates only residential facilities.
- The campus is a Juvenile Justice Alternative Education Program (JJAEP).
- The campus is a Disciplinary Alternative Education Program (DAEP).
- The campus is a residential facility.
- The test documents for either the district or campus were lost in transit between the district and the test contractor.

**Not Rated: Data Integrity Issues** indicates that data accuracy and/or integrity have compromised performance results, making it impossible to assign a rating. The assignment of a *Not Rated: Data Integrity Issues* label may be permanent or temporary pending further investigation.

## 2015 Index Targets

For each index, a specific target is determined, and districts and campuses must meet an index's target in order to demonstrate acceptable performance for that index. Districts and non-AEA campuses (campuses not evaluated under alternative education accountability provisions) have separate targets from charter districts and AECs evaluated under alternative education accountability provisions. In addition, for non-AEA campuses only, separate targets are identified for each SCHOOL TYPE for Index 2, Index 3, and Index 4. (Please see the explanation of school type later in this chapter).

The 2015 targets for Index 1, Index 3, and Index 4 are provided in the table below. The 2015 Index 2 targets for campuses are set at about the fifth percentile of 2015 campus performance by campus type and will be identified prior to the release of the 2015 accountability ratings. The 2015 Index 2 target for non-AEA districts is set at about the fifth percentile of 2015 campus performance across all non-AEA campuses and will be identified prior to the release of the 2015 accountability ratings.

For non-AEA districts and campuses, Index 4 is comprised of four components: STAAR results, graduation rate, graduation diploma plan rate, and postsecondary indicator. Because not all districts and campuses have data for each of these components, Index 4 has two separate and distinct targets: one based on the four components and one based on STAAR results only. The target that a district, campus, or charter is required to meet is determined by whether it has data for each of the four components. For a district, high school campus, or campus serving grades K–12, the target for Index 4 is based on all four components. For elementary campuses, middle school campuses, and any other district or campus that does not have data for each of the four components of Index 4, the target is based on the STAAR component only.

For AEA charter districts and campuses, Index 4 evaluates two components **or** the graduation rate/annual dropout rate component only. For AEA charters and campuses, the components of Index 4 are 1) STAAR results and 2) graduation rate/annual dropout rate. If both components are available, then Index 4 evaluates both components with a target of **33**. Otherwise, the Index 4 evaluation is based only on the graduation rate/annual dropout rate with a target of **45**. In either case, bonus points are added as described in *Chapter 4 – Performance Index Indicators*.

2015 Accountability Performance Index Targets for Non-AEA Districts and Campuses

Target	Index 1	Index 2	Index 3	Index 4	
				All Components	STAAR Component Only
Districts	60	5 <sup>th</sup> Percentile*	28	57	13
Campuses					
Elementary	60	5 <sup>th</sup> Percentile*	28	n/a	12
Middle		5 <sup>th</sup> Percentile*	27	n/a	13
High School/K-12		5 <sup>th</sup> Percentile*	31	57	21

\* Targets for non-AEA campuses are set at about the fifth percentile of non-AEA 2015 campus performance by campus type. Targets for non-AEA districts correspond to about the fifth percentile of non-AEA 2015 campus performance across all campus types.



**2015 Accountability Performance Index Targets – AEA Charter Districts and Campuses**

Target	Index 1	Index 2	Index 3	Index 4	
				Both Components	Graduation/ Dropout Rate Component Only
AEA Charter Districts and Campuses	35	5 <sup>th</sup> Percentile*	11	33	45

\* Targets for both AEA charter districts and campuses are set at about the fifth percentile of AEA 2015 campus performance.

**Index Targets for Certain Districts or Charters**

A district or charter comprised of only one campus that shares the same 2015 performance data with that campus must meet the index target required for the campus in order to demonstrate acceptable performance. For these single-campus districts and charters, the 2015 index targets applied to the campus will also be applied to the district, ensuring that both the district and campus receive identical ratings. Certain districts or charters that meet the definition above are considered single-campus districts or charters in any criteria outlined in this manual.

**2015 Ratings Criteria**

Unlike in previous years, districts and campuses will not be required to meet the target on all four indexes for 2015 accountability. To receive a *Met Standard* or *Met Alternative Standard* rating, districts and campuses must meet the performance index target on the following indexes if they have performance data for evaluation:

Index 1 **OR** Index 2    **AND**    Index 3    **AND**    Index 4

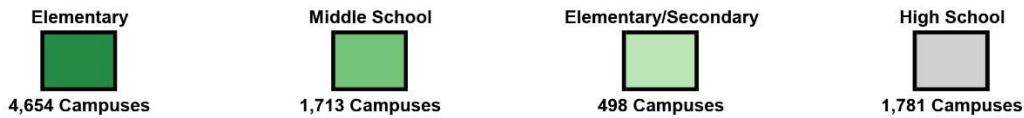
For example, a campus with performance data for all four indexes must meet the target on either Index 1 or Index 2 and the targets on Index 3 and Index 4. A campus with performance data for Index 1, Index 3, and Index 4 must meet the target on all three of those. A campus with performance data for only Index 1 and Index 3 must meet the target on both indexes. A campus with performance data for only Index 1 and Index 2 needs only to meet the target on either of those indexes.

**2015 Accountability System School Types**

Every campus is labeled as one of four school types according to its grade span based on 2014–15 fall enrollment data. The four types—elementary, middle school, elementary/secondary, and high school—are illustrated by the table on the following page. The table shows every combination of grade levels served by campuses in Texas and the number of campuses that serve each of those combinations. The shading indicates the school type to which each grade span corresponds.

To find out how a campus that serves a certain grade span is labeled, find the lowest grade level served by that campus along the left column and the highest grade level along the top row. The shading of the cell where the two grade levels intersect indicates which of the four school types that campus is considered. The number inside the cell indicates how many campuses in Texas serve that grade span. For example, a campus that serves early elementary (EE) through fourth grade only is labeled elementary; there are 171 campuses that serve only that grade span. A campus that serves grades five and six only is labeled middle school, and there are 145 such campuses statewide.

### 2015 Accountability System School Types (8,646 Total Campuses)



		Highest Grade Level Served →														
		EE	PK	KG	1	2	3	4	5	6	7	8	9	10	11	12
Lowest Grade Level Served ↓	EE	7	71	52	48	66	53	171	1005	123	0	8	1	1	0	35
	PK		29	15	7	27	27	176	1128	187	7	68	5	2	1	135
	KG			1	4	18	18	135	624	127	8	55	5	6	5	64
	1				3	15	22	6	36	18	0	1	1	2	2	6
	2					1	21	12	20	6	0	0	0	1	3	13
	3						0	15	90	8	0	7	3	0	0	6
	4							2	57	38	0	8	1	0	3	9
	5								11	145	2	82	4	3	6	9
	6									36	9	1097	16	7	23	140
	7										5	261	19	16	25	130
	8											14	15	11	16	39
	9												60	33	22	1306
	10													14	6	38
11														20	26	
12															19	

## Who is Rated?

Districts and campuses that have students enrolled in the fall of the 2014–15 school year are assigned a state accountability rating.

### Districts

Beginning the first year they report fall enrollment, districts and charter operators are rated based on the aggregate results of their campuses. Districts without any students enrolled in the grades for which STAAR assessments are administered (3–12) are assigned the rating label of *Not Rated*.

State-administered school districts, including Texas School for the Blind and Visually Impaired, Texas School for the Deaf, Texas Juvenile Justice Department, and Windham School District are not assigned a state accountability rating.

### Campuses

Beginning the first year they report fall enrollment, campuses, including AECs and open-enrollment charter schools, are rated based on the performance of their students. For the purposes of assigning accountability ratings, campuses that do not serve any of the grade levels for which the STAAR assessments are given are PAIRED with campuses in their district that serve students who take STAAR. (Please See *Chapter 6 – Other Accountability System Processes* for information on pairing.)

The following campuses are assigned the rating label of *Not Rated* in 2015:

- **Residential facilities:** For AECs identified as residential facilities, and AEA charter districts that operate only residential facilities, performance index results are reported, but a rating label is not assigned. Students enrolled in AECs and charter districts operating as residential facilities are excluded from accountability only if the student attribution codes are entered and submitted accurately during the fall 2014 Public Education Information Management System (PEIMS) submission. (Please see *Appendix G – Inclusion or Exclusion of Performance Data*.)
- **Campuses that close mid-year:** If data for an accountability index exists for a campus that closes mid-year, the data are included in the district's accountability rating. A campus that closes after the end of the school year is assigned a rating for that school year.
- **JJAEPs and DAEPs:** Attendance and performance data for students served in JJAEPs and DAEPs are reported to the students' home campuses, and the HOME CAMPUS is evaluated based on the results.
- **Campuses that have no students in the accountability subset:** Campuses that serve students in grades 3–12, but have no test results due to the accountability subset are not rated. This includes AECs with short-term student placements.
- **Charter campuses with no students in grades tested:** Open-enrollment charter schools without any students enrolled in the grades for which STAAR assessments are administered (3–12) are not rated.

## Timeline for Ratings Release

**Thursday, July 30, 2015:** Data used to calculate the 2015 accountability ratings are released to districts and campuses through the TEA Secure Environment (TEASE) website. (Please see *Appendix E – TEASE Accountability*.)

**Thursday, August 6, 2015:** Accountability ratings are released to districts and campuses through the TEASE website.

**Friday, August 7, 2015:** Accountability ratings and distinction designations are released to the public on the TEA website.

**Early November 2015:** Final accountability ratings that reflect the outcome of any ratings appeals are released to the public on the TEA website.

## TEA Data Integrity Activities

Accurate data is fundamental to accountability ratings. The system depends on the responsible collection and submission of assessment and PEIMS information by school districts and charter operators. Responsibility for the accuracy and quality of data used to determine campus and district ratings, therefore, rests with local authorities. Any appeal of an *Improvement Required* rating that are based on a district's submission of inaccurate data will be denied.

Because accurate and reliable data are the foundation of the accountability system, TEA has established several steps to protect the quality and integrity of the data and the accountability ratings that are based on that data.

- **Campus Number Tracking** Requests for campus number changes are approved in light of prior state accountability ratings. An *Improvement Required* rating for the same campus assigned two different campus numbers may be considered to be consecutive years of low ratings for accountability interventions and sanctions.
- **Data Validation Monitoring** The Performance-Based Monitoring (PBM) system is a comprehensive system designed to improve student performance and program effectiveness. The PBM system, like the state accountability system, is a data-driven system based on data submitted by districts; therefore, the integrity of districts' data is critical. The PBM system includes annual data validation analyses that examine districts' leaver and dropout data, student assessment data, and discipline data. Districts identified with potential data integrity concerns engage in a process to either validate the accuracy of its data or determine that erroneous data were submitted. This process is fundamental to the integrity of all the agency's evaluation systems. For more information, see the Data Validation Manuals on the PBM website at <http://tea.texas.gov/pbm/DVManuals.aspx>.
- **Test Security** As part of ongoing efforts to improve security measures surrounding the assessment program, TEA uses a comprehensive set of test security procedures designed to assure parents, students, and the public that test results are meaningful and valid. Among other measures, districts are required to implement seating charts during all administrations, conduct annual training for all testing personnel, and maintain test security materials for five years. Detailed information about test security policies for the state assessment program is available online at <http://tea.texas.gov/student.assessment/security/>.
- **Not Rated: Data Integrity Issues** This rating is used when the accuracy and/or integrity of performance results have been compromised, preventing the assignment of a rating. This label may be assigned temporarily pending an on-site investigation or may be the final rating for the year. It is not equivalent to an *Improvement Required* rating, though the commissioner of education has the authority to lower a rating, assign an *Improvement*

*Required* rating due to data quality issues, or consider the rating of *Improvement Required* for purposes of determining consecutive years of low ratings for accountability interventions and sanctions. All districts and campuses with a final rating label of *Not Rated: Data Integrity Issues* are automatically subject to desk audits the following year.

These steps can occur either before or after the ratings release, and sanctions can be imposed at any time. To the extent possible, ratings for the year are finalized when updated ratings are released following the resolution of appeals. A rating change resulting from an imposed sanction will stand as the final rating for the year.

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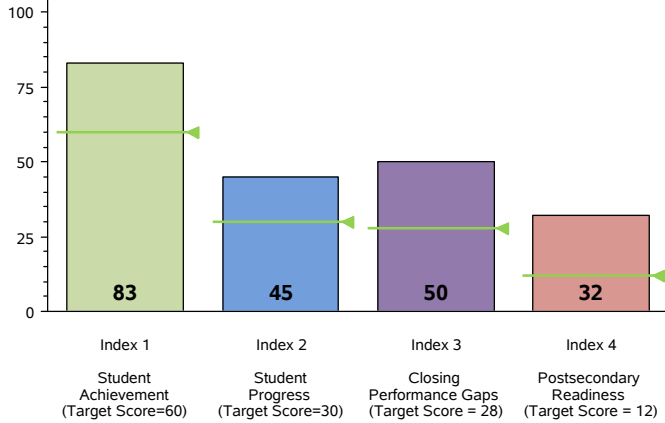
**Texas Education Agency  
2014-15 School Report Card  
ZAVALAEL (031903114)**

District Name: **HARLINGEN CISD**  
Campus Type: **Elementary**

Total Students: **380**  
Grade Span: **PK - 05**

### 2015 Performance Index

State accountability ratings are based on four performance indexes: Student Achievement, Student Progress, Closing Performance Gaps, and Postsecondary Readiness. The bar chart below illustrates the index scores for this campus. The target score required to meet each index's standard is indicated below the index description and as a line on each bar. In 2015, to receive the Met Standard or Met Alternative Standard accountability rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4.



### 2015 Accountability Rating

**Met Standard**

For 2015 state accountability, campuses are rated as **Met Standard**, **Improvement Required** or **Not Rated**. The rating, **Met Alternative Standard**, is assigned to charters and alternative education campuses evaluated under alternative education accountability (AEA) provisions.

### Distinction Designations

Reading/ELA	Science
Top 25% Student Progress	Top 25% Closing Perform Gaps
Postsecondary Readiness	

Campuses that receive a rating of **Met Standard** are eligible for seven distinction designations: **Academic Achievement in Reading/English Language Arts (ELA)**, **Academic Achievement in Mathematics**, **Academic Achievement in Science**, **Academic Achievement in Social Studies**, **Top 25%: Student Progress**, **Top 25%: Closing Performance Gaps**, and **Postsecondary Readiness**.

### School and Student Information

This section provides demographic information about the campus, including attendance rates; enrollment percentages for various student groups; student mobility rates; and class size averages at the campus, district, and state level, where applicable.

	Campus	District	State
<b>Attendance Rate (2013-14)</b>	96.9%	95.9%	95.9%
<b>Enrollment by Race/Ethnicity</b>			
African American	0.0%	0.5%	12.6%
Hispanic	97.9%	91.5%	52.0%
White	2.1%	7.2%	28.9%
American Indian	0.0%	0.1%	0.4%
Asian	0.0%	0.5%	3.9%
Pacific Islander	0.0%	0.0%	0.1%
Two or More Races	0.0%	0.2%	2.0%
<b>Enrollment by Student Group</b>			
Economically Disadvantaged	95.0%	73.7%	58.8%
English Language Learners	29.7%	14.4%	18.2%
Special Education	8.4%	8.6%	8.5%
<b>Mobility Rate (2013-14)</b>	24.1%	21.7%	16.9%

	Campus	District	State
<b>Class Size Averages by Grade or Subject</b>			
<b>Elementary</b>			
Grade 1	19.0	19.2	19.3
Grade 3	13.0	17.9	19.1
Grade 4	18.5	18.2	19.1

### School Financial Information (2013-14)

Various financial indicators are reported for the campus, district, and state, where applicable, based on actual data from the prior year. For more information, see <http://tea.texas.gov/financialstandardreports/>.

	Campus	District	State		Campus	District	State
<b>Instructional Staff Percent</b>	n/a	60.3%	64.6%	<b>Expenditures per Student</b>			
<b>Instructional Expenditure Ratio</b>	n/a	62.2%	63.7%	Total Operating Expenditures	\$7,355	\$9,057	\$8,692
				Instruction	\$4,822	\$5,076	\$4,956
				Instructional Leadership	\$164	\$222	\$129
				School Leadership	\$671	\$555	\$503



		State	District	All Students	African American	Hispanic	White	American Indian	Asian	Pacific Islander	Two or More Races	Econ Disadv
<b>STAAR Percent at Phase-in Satisfactory Standard or Above (Sum of All Grades Tested)</b>												
All Subjects	2015	77%	73%	<b>83%</b>	-	84%	*	-	-	-	-	83%
Reading	2015	77%	73%	<b>83%</b>	-	85%	*	-	-	-	-	83%
Writing	2015	72%	72%	<b>75%</b>	-	75%	-	-	-	-	-	76%
Science	2015	78%	75%	<b>91%</b>	-	91%	-	-	-	-	-	91%
<b>STAAR Percent at Postsecondary Readiness Standard (Sum of All Grades Tested)</b>												
Two or More Subjects	2015	41%	33%	<b>31%</b>	-	32%	*	-	-	-	-	31%
Reading	2015	46%	38%	<b>40%</b>	-	41%	*	-	-	-	-	39%
Writing	2015	34%	29%	<b>38%</b>	-	38%	-	-	-	-	-	35%
Science	2015	44%	37%	<b>47%</b>	-	47%	-	-	-	-	-	48%
<b>STAAR Percent at Advanced Standard (Sum of All Grades Tested)</b>												
All Subjects	2015	16%	11%	<b>17%</b>	-	17%	*	-	-	-	-	17%
Reading	2015	17%	12%	<b>20%</b>	-	20%	*	-	-	-	-	20%
Writing	2015	9%	5%	<b>14%</b>	-	14%	-	-	-	-	-	15%
Science	2015	16%	10%	<b>13%</b>	-	13%	-	-	-	-	-	14%
<b>STAAR Percent Met or Exceeded Progress</b>												
All Subjects	2015	57%	52%	<b>66%</b>	-	66%	-	-	-	-	-	66%
Reading	2015	59%	56%	<b>63%</b>	-	63%	-	-	-	-	-	63%
Writing	2015	56%	49%	*	-	*	-	-	-	-	-	*
<b>STAAR Percent Exceeded Progress</b>												
All Subjects	2015	15%	13%	<b>19%</b>	-	19%	-	-	-	-	-	18%
Reading	2015	16%	15%	<b>19%</b>	-	19%	-	-	-	-	-	18%
Writing	2015	7%	4%	*	-	*	-	-	-	-	-	*
<b>Progress of Prior Year STAAR Failers: Percent of Failers Passing STAAR (Sum of Grades 4-8)</b>												
Reading	2015	39%	42%	<b>52%</b>	-	52%	-	-	-	-	-	52%
	2014	45%	47%	<b>63%</b>	-	63%	-	-	-	-	-	62%
<b>Students Success Initiative</b>												
Grade 5												
Students Meeting Phase-in 1 Level II Standard on First STAAR Administration												
Reading	2015	75%	74%	<b>78%</b>	-	78%	-	-	-	-	-	77%
Students Requiring Accelerated Instruction												
Reading	2015	25%	26%	<b>22%</b>	-	22%	-	-	-	-	-	23%
STAAR Cumulative Met Standard												
Reading	2015	84%	83%	<b>84%</b>	-	84%	-	-	-	-	-	83%
STAAR Failers Promoted by Grade Placement Committee												
Reading	2014	92%	95%	*	-	*	-	-	-	-	-	*

'?' Indicates that the data for this item were statistically improbable, or were reported outside a reasonable range.

'-' Indicates zero observations reported for this group.

'\*' Indicates results are masked due to small numbers to protect student confidentiality.

'n/a' Indicates data reporting is not applicable for this group.

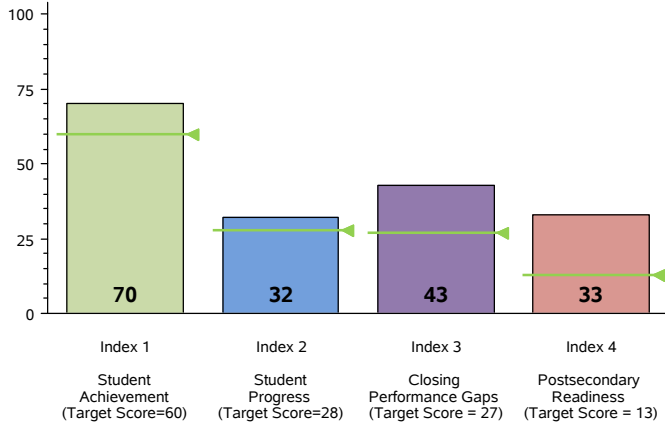
**Texas Education Agency  
2014-15 School Report Card  
MEMORIAL MIDDLE (031903042)**

District Name: **HARLINGEN CISD**  
Campus Type: **Middle School**

Total Students: **856**  
Grade Span: **06 - 08**

### 2015 Performance Index

State accountability ratings are based on four performance indexes: Student Achievement, Student Progress, Closing Performance Gaps, and Postsecondary Readiness. The bar chart below illustrates the index scores for this campus. The target score required to meet each index's standard is indicated below the index description and as a line on each bar. In 2015, to receive the Met Standard or Met Alternative Standard accountability rating, districts and campuses must meet targets on three indexes: Index 1 **or** Index 2 **and** Index 3 **and** Index 4.



### 2015 Accountability Rating

**Met Standard**

For 2015 state accountability, campuses are rated as **Met Standard**, **Improvement Required** or **Not Rated**. The rating, **Met Alternative Standard**, is assigned to charters and alternative education campuses evaluated under alternative education accountability (AEA) provisions.

### Distinction Designations

**Science**

**Top 25% Closing Perform Gaps**

Campuses that receive a rating of **Met Standard** are eligible for seven distinction designations: **Academic Achievement in Reading/English Language Arts (ELA)**, **Academic Achievement in Mathematics**, **Academic Achievement in Science**, **Academic Achievement in Social Studies**, **Top 25%: Student Progress**, **Top 25%: Closing Performance Gaps**, and **Postsecondary Readiness**.

### School and Student Information

This section provides demographic information about the campus, including attendance rates; enrollment percentages for various student groups; student mobility rates; and class size averages at the campus, district, and state level, where applicable.

	Campus	District	State
<b>Attendance Rate (2013-14)</b>	95.3%	95.9%	95.9%

#### Enrollment by Race/Ethnicity

	Campus	District	State
African American	0.5%	0.5%	12.6%
Hispanic	93.5%	91.5%	52.0%
White	5.5%	7.2%	28.9%
American Indian	0.2%	0.1%	0.4%
Asian	0.2%	0.5%	3.9%
Pacific Islander	0.0%	0.0%	0.1%
Two or More Races	0.1%	0.2%	2.0%

#### Enrollment by Student Group

	Campus	District	State
Economically Disadvantaged	79.9%	73.7%	58.8%
English Language Learners	4.4%	14.4%	18.2%
Special Education	12.0%	8.6%	8.5%

	Campus	District	State
<b>Mobility Rate (2013-14)</b>	14.0%	21.7%	16.9%

	Campus	District	State
<b>Class Size Averages by Grade or Subject</b>			

#### Elementary

Grade 6	23.8	21.4	20.3
---------	------	------	------

#### Secondary

English/Language Arts	19.3	16.4	17.2
Foreign Languages	22.8	17.8	18.9
Mathematics	22.0	18.8	18.1
Science	22.8	18.1	19.1
Social Studies	22.8	20.0	19.6

### School Financial Information (2013-14)

Various financial indicators are reported for the campus, district, and state, where applicable, based on actual data from the prior year. For more information, see <http://tea.texas.gov/financialstandardreports/>.

	Campus	District	State
<b>Instructional Staff Percent</b>	n/a	60.3%	64.6%
<b>Instructional Expenditure Ratio</b>	n/a	62.2%	63.7%

	Campus	District	State
<b>Expenditures per Student</b>			
Total Operating Expenditures	\$7,624	\$9,057	\$8,692
Instruction	\$5,025	\$5,076	\$4,956
Instructional Leadership	\$230	\$222	\$129
School Leadership	\$526	\$555	\$503

		State	District	All Students	African American	Hispanic	White	American Indian	Asian	Pacific Islander	Two or More Races	Econ Disadv
<b>STAAR Percent at Phase-in Satisfactory Standard or Above (Sum of All Grades Tested)</b>												
All Subjects	2015	77%	73%	<b>70%</b>	*	69%	87%	*	*	-	-	66%
Reading	2015	77%	73%	<b>73%</b>	*	72%	90%	*	*	-	-	69%
Mathematics	2015	81%	70%	<b>98%</b>	-	97%	100%	-	-	-	-	98%
Writing	2015	72%	72%	<b>71%</b>	-	71%	69%	*	-	-	-	67%
Science	2015	78%	75%	<b>67%</b>	*	65%	100%	-	-	-	-	60%
Social Studies	2015	78%	72%	<b>57%</b>	*	56%	73%	-	-	-	-	51%
<b>STAAR Percent at Postsecondary Readiness Standard (Sum of All Grades Tested)</b>												
Two or More Subjects	2015	41%	33%	<b>28%</b>	*	27%	45%	*	*	-	-	23%
Reading	2015	46%	38%	<b>29%</b>	*	28%	48%	*	*	-	-	25%
Mathematics	2015	48%	38%	<b>85%</b>	-	85%	89%	-	-	-	-	86%
Writing	2015	34%	29%	<b>33%</b>	-	33%	*	*	-	-	-	29%
Science	2015	44%	37%	<b>35%</b>	*	35%	47%	-	-	-	-	30%
Social Studies	2015	44%	34%	<b>18%</b>	*	16%	40%	-	-	-	-	14%
<b>STAAR Percent at Advanced Standard (Sum of All Grades Tested)</b>												
All Subjects	2015	16%	11%	<b>11%</b>	*	11%	15%	*	*	-	-	8%
Reading	2015	17%	12%	<b>11%</b>	*	10%	18%	*	*	-	-	9%
Mathematics	2015	20%	13%	<b>44%</b>	-	47%	*	-	-	-	-	43%
Writing	2015	9%	5%	<b>4%</b>	-	5%	*	*	-	-	-	*
Science	2015	16%	10%	<b>13%</b>	*	12%	*	-	-	-	-	9%
Social Studies	2015	19%	12%	<b>5%</b>	*	5%	*	-	-	-	-	5%
<b>STAAR Percent Met or Exceeded Progress</b>												
All Subjects	2015	57%	52%	<b>55%</b>	*	55%	50%	*	*	-	-	53%
Reading	2015	59%	56%	<b>52%</b>	*	52%	55%	*	*	-	-	52%
Mathematics	2015	47%	35%	<b>78%</b>	-	81%	*	-	-	-	-	78%
Writing	2015	56%	49%	<b>55%</b>	-	56%	*	*	-	-	-	53%
<b>STAAR Percent Exceeded Progress</b>												
All Subjects	2015	15%	13%	<b>13%</b>	*	13%	16%	*	*	-	-	13%
Reading	2015	16%	15%	<b>14%</b>	*	13%	21%	*	*	-	-	14%
Mathematics	2015	19%	13%	<b>34%</b>	-	36%	*	-	-	-	-	30%
Writing	2015	7%	4%	<b>5%</b>	-	5%	*	*	-	-	-	5%
<b>Progress of Prior Year STAAR Failers: Percent of Failers Passing STAAR (Sum of Grades 4-8)</b>												
Reading	2015	39%	42%	<b>37%</b>	*	36%	*	-	-	-	-	35%
	2014	45%	47%	<b>42%</b>	-	41%	*	-	-	-	*	40%

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'\*' Indicates results are masked due to small numbers to protect student confidentiality.

'n/a' Indicates data reporting is not applicable for this group.

		State	District	All Students	African American	Hispanic	White	American Indian	Asian	Pacific Islander	Two or More Races	Econ Disadv
<b>Students Success Initiative</b>												
Grade 5												
STAAR Met Standard (Failed in Previous Year) Promoted to Grade 6												
Reading	2015	14%	16%	<b>20%</b>	-	20%	-	-	-	-	-	*
Grade 8												
Students Meeting Phase-in 1 Level II Standard on First STAAR Administration												
Reading	2015	76%	73%	<b>65%</b>	*	63%	93%	-	-	-	-	59%
Students Requiring Accelerated Instruction												
Reading	2015	24%	27%	<b>35%</b>	*	37%	*	-	-	-	-	41%
STAAR Cumulative Met Standard												
Reading	2015	85%	81%	<b>78%</b>	*	77%	93%	-	-	-	-	74%
STAAR Failers Promoted by Grade Placement Committee												
Reading	2014	95%	98%	<b>96%</b>	-	96%	-	-	-	-	-	95%

'?' Indicates that the data for this item were statistically improbable, or were reported outside a reasonable range.

'-' Indicates zero observations reported for this group.

'\*' Indicates results are masked due to small numbers to protect student confidentiality.

'n/a' Indicates data reporting is not applicable for this group.

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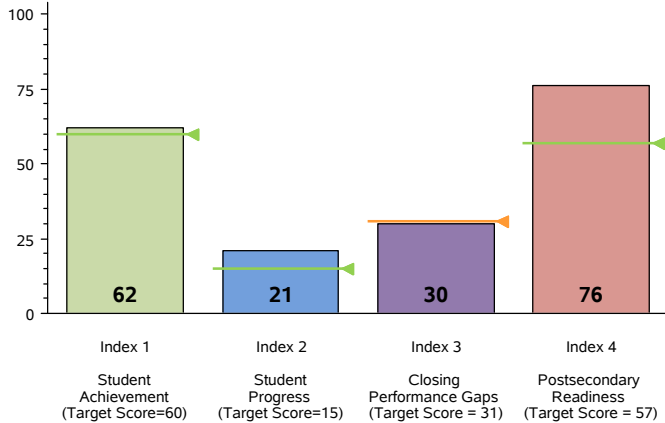
**Texas Education Agency  
2014-15 School Report Card  
HARLINGEN H S (031903001)**

District Name: **HARLINGEN CISD**  
Campus Type: **High School**

Total Students: **2,013**  
Grade Span: **09 - 12**

### 2015 Performance Index

State accountability ratings are based on four performance indexes: Student Achievement, Student Progress, Closing Performance Gaps, and Postsecondary Readiness. The bar chart below illustrates the index scores for this campus. The target score required to meet each index's standard is indicated below the index description and as a line on each bar. In 2015, to receive the Met Standard or Met Alternative Standard accountability rating, districts and campuses must meet targets on three indexes: Index 1 **or** Index 2 **and** Index 3 **and** Index 4.



### 2015 Accountability Rating

**Improvement Required**

For 2015 state accountability, campuses are rated as **Met Standard**, **Improvement Required** or **Not Rated**. The rating, **Met Alternative Standard**, is assigned to charters and alternative education campuses evaluated under alternative education accountability (AEA) provisions.

### School and Student Information

This section provides demographic information about the campus, including attendance rates; enrollment percentages for various student groups; student mobility rates; and class size averages at the campus, district, and state level, where applicable.

	Campus	District	State
<b>Attendance Rate (2013-14)</b>	94.5%	95.9%	95.9%
<b>Enrollment by Race/Ethnicity</b>			
African American	0.7%	0.5%	12.6%
Hispanic	91.5%	91.5%	52.0%
White	7.0%	7.2%	28.9%
American Indian	0.1%	0.1%	0.4%
Asian	0.5%	0.5%	3.9%
Pacific Islander	0.0%	0.0%	0.1%
Two or More Races	0.1%	0.2%	2.0%
<b>Enrollment by Student Group</b>			
Economically Disadvantaged	65.9%	73.7%	58.8%
English Language Learners	4.3%	14.4%	18.2%
Special Education	9.5%	8.6%	8.5%
<b>Mobility Rate (2013-14)</b>	14.9%	21.7%	16.9%

	Campus	District	State
<b>Class Size Averages by Grade or Subject</b>			
<b>Secondary</b>			
English/Language Arts	18.7	16.4	17.2
Foreign Languages	20.3	17.8	18.9
Mathematics	21.0	18.8	18.1
Science	21.0	18.1	19.1
Social Studies	22.7	20.0	19.6

### School Financial Information (2013-14)

Various financial indicators are reported for the campus, district, and state, where applicable, based on actual data from the prior year. For more information, see <http://tea.texas.gov/financialstandardreports/>.

	Campus	District	State
<b>Instructional Staff Percent</b>	n/a	60.3%	64.6%
<b>Instructional Expenditure Ratio</b>	n/a	62.2%	63.7%

	Campus	District	State
<b>Expenditures per Student</b>			
Total Operating Expenditures	\$8,624	\$9,057	\$8,692
Instruction	\$5,208	\$5,076	\$4,956
Instructional Leadership	\$187	\$222	\$129
School Leadership	\$557	\$555	\$503

		State	District	All Students	African American	Hispanic	White	American Indian	Asian	Pacific Islander	Two or More Races	Econ Disadv
<b>STAAR Percent at Phase-in Satisfactory Standard or Above (Sum of All Grades Tested)</b>												
All Subjects	2015	77%	73%	<b>62%</b>	70%	61%	75%	*	80%	-	-	58%
Reading	2015	77%	73%	<b>57%</b>	60%	56%	68%	-	86%	-	-	54%
Mathematics	2015	81%	70%	<b>43%</b>	*	42%	*	-	-	-	-	43%
Science	2015	78%	75%	<b>54%</b>	*	53%	*	-	-	-	-	50%
Social Studies	2015	78%	72%	<b>82%</b>	100%	81%	92%	*	*	-	-	80%
<b>STAAR Percent at Postsecondary Readiness Standard (Sum of All Grades Tested)</b>												
Two or More Subjects	2015	41%	33%	<b>36%</b>	*	35%	56%	*	71%	-	-	30%
Reading	2015	46%	38%	<b>29%</b>	*	28%	46%	-	*	-	-	23%
Mathematics	2015	48%	38%	*	-	*	-	-	-	-	-	*
Science	2015	44%	37%	*	*	*	*	-	-	-	-	*
Social Studies	2015	44%	34%	<b>44%</b>	*	43%	66%	*	*	-	-	39%
<b>STAAR Percent at Advanced Standard (Sum of All Grades Tested)</b>												
All Subjects	2015	16%	11%	<b>4%</b>	*	3%	14%	*	*	-	-	2%
Reading	2015	17%	12%	<b>1%</b>	*	1%	*	-	*	-	-	*
Mathematics	2015	20%	13%	*	*	*	*	-	-	-	-	*
Science	2015	16%	10%	*	*	*	*	-	-	-	-	*
Social Studies	2015	19%	12%	<b>12%</b>	*	11%	34%	*	*	-	-	9%
<b>STAAR Percent Met or Exceeded Progress</b>												
All Subjects	2015	57%	52%	*	*	*	*	-	*	-	-	*
Reading	2015	59%	56%	*	*	*	*	-	*	-	-	*
Mathematics	2015	47%	35%	*	-	*	*	-	-	-	-	*
<b>STAAR Percent Exceeded Progress</b>												
All Subjects	2015	15%	13%	*	*	*	*	-	*	-	-	*
Reading	2015	16%	15%	*	*	*	*	-	*	-	-	*
Mathematics	2015	19%	13%	*	-	*	*	-	-	-	-	*

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'n/a' Indicates data reporting is not applicable for this group.



	State	District	All Students	African American	Hispanic	White	American Indian	Asian	Pacific Islander	Two or More Races	Econ Disadv
<b>Annual Dropout Rate (Gr 9-12)</b>											
2013-14	2.2%	1.8%	<b>2.0%</b>	0.0%	2.0%	1.3%	*	0.0%	*	*	2.3%
2012-13	2.2%	2.6%	<b>1.8%</b>	0.0%	1.8%	1.5%	*	0.0%	*	0.0%	1.7%
<b>4-Year Longitudinal Rate (Gr 9-12)</b>											
Class of 2014											
Graduated	88.3%	86.3%	<b>89.5%</b>	80.0%	89.1%	95.8%	-	*	*	-	87.3%
Received GED	0.8%	0.9%	<b>0.7%</b>	0.0%	0.8%	0.0%	-	*	*	-	1.0%
Continued HS	4.3%	6.5%	<b>4.3%</b>	20.0%	4.3%	2.1%	-	*	*	-	5.0%
Dropped Out	6.6%	6.3%	<b>5.6%</b>	0.0%	5.8%	2.1%	-	*	*	-	6.7%
Graduates and GED	89.1%	87.2%	<b>90.1%</b>	80.0%	89.8%	95.8%	-	*	*	-	88.2%
Grads, GED, & Cont	93.4%	93.7%	<b>94.4%</b>	100.0%	94.2%	97.9%	-	*	*	-	93.3%
Class of 2013											
Graduated	88.0%	88.3%	<b>90.6%</b>	*	91.1%	85.7%	*	*	-	*	90.6%
Received GED	0.8%	1.6%	<b>1.2%</b>	*	1.3%	0.0%	*	*	-	*	1.4%
Continued HS	4.6%	4.6%	<b>3.0%</b>	*	2.8%	5.4%	*	*	-	*	2.7%
Dropped Out	6.6%	5.6%	<b>5.3%</b>	*	4.8%	8.9%	*	*	-	*	5.3%
Graduates and GED	88.9%	89.9%	<b>91.7%</b>	*	92.4%	85.7%	*	*	-	*	92.0%
Grads, GED, & Cont	93.4%	94.4%	<b>94.7%</b>	*	95.2%	91.1%	*	*	-	*	94.7%
<b>5-Year Extended Longitudinal Rate (Gr 9-12)</b>											
Class of 2013											
Graduated	90.4%	89.8%	<b>91.4%</b>	*	91.9%	87.5%	*	*	-	*	91.5%
Received GED	1.1%	2.2%	<b>1.8%</b>	*	2.0%	0.0%	*	*	-	*	1.9%
Continued HS	1.3%	2.1%	<b>1.5%</b>	*	1.3%	3.6%	*	*	-	*	1.0%
Dropped Out	7.2%	5.9%	<b>5.3%</b>	*	4.8%	8.9%	*	*	-	*	5.6%
Graduates and GED	91.5%	92.0%	<b>93.2%</b>	*	93.9%	87.5%	*	*	-	*	93.5%
Grads, GED, & Cont	92.8%	94.1%	<b>94.7%</b>	*	95.2%	91.1%	*	*	-	*	94.4%
Class of 2012											
Graduated	90.4%	90.3%	<b>91.3%</b>	*	91.2%	92.2%	*	*	-	-	92.4%
Received GED	1.2%	2.5%	<b>2.6%</b>	*	2.5%	3.9%	*	*	-	-	1.7%
Continued HS	1.3%	0.9%	<b>0.4%</b>	*	0.4%	0.0%	*	*	-	-	0.3%
Dropped Out	7.1%	6.3%	<b>5.7%</b>	*	6.0%	3.9%	*	*	-	-	5.6%
Graduates and GED	91.6%	92.8%	<b>93.9%</b>	*	93.6%	96.1%	*	*	-	-	94.1%
Grads, GED, & Cont	92.9%	93.7%	<b>94.3%</b>	*	94.0%	96.1%	*	*	-	-	94.4%
<b>RHSP/DAP Graduates (Longitudinal Rate)</b>											
Class of 2014	85.5%	88.0%	<b>88.0%</b>	*	87.3%	95.7%	-	*	-	-	85.2%
Class of 2013	83.5%	89.2%	<b>89.8%</b>	*	89.0%	97.9%	*	*	-	*	86.9%
<b>SAT/ACT Results</b>											
Tested											
Class of 2014	66.3%	61.1%	<b>58.8%</b>	80.0%	55.2%	91.7%	-	*	-	-	49.6%
Class of 2013	63.8%	58.8%	<b>61.5%</b>	*	58.2%	95.8%	*	*	-	*	56.6%
At/Above Criterion											
Class of 2014	25.1%	14.4%	<b>14.0%</b>	*	9.9%	38.6%	-	*	-	-	8.6%
Class of 2013	25.4%	11.9%	<b>8.6%</b>	*	7.1%	15.2%	*	*	-	*	4.6%
Average SAT Score											
Class of 2014	1417	1334	<b>1333</b>	*	1303	1502	-	*	-	-	1279
Class of 2013	1422	1338	<b>1304</b>	*	1290	1376	*	*	-	*	1257
Average ACT Score											
Class of 2014	20.6	18.7	<b>18.1</b>	*	17.9	20.3	-	*	-	-	17.2
Class of 2013	20.6	18.1	<b>17.7</b>	-	17.3	19.5	*	*	-	*	16.9

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[Vernon's Texas Statutes and Codes Annotated](#)

[Education Code \(Refs & Annos\)](#)

[Title 2. Public Education \(Refs & Annos\)](#)

[Subtitle H. Public School System Accountability](#)

[Chapter 39. Public School System Accountability \(Refs & Annos\)](#)

[Subchapter C. Accreditation \(Refs & Annos\)](#)

V.T.C.A., Education Code § 39.053

§ 39.053. Performance Indicators: Achievement

Effective: June 19, 2015

[Currentness](#)

(a) The commissioner shall adopt a set of indicators of the quality of learning and achievement. The commissioner biennially shall review the indicators for the consideration of appropriate revisions.

(a-1) The indicators adopted by the commissioner under Subsection (a), including the indicators identified under Subsection (c), must measure and evaluate school districts and campuses with respect to:

(1) improving student preparedness for success in:

(A) subsequent grade levels; and

(B) entering the workforce, the military, or postsecondary education;

(2) reducing, with the goal of eliminating, student academic achievement differentials among students from different racial and ethnic groups and socioeconomic backgrounds; and

(3) informing parents and the community regarding campus and district performance in the domains described by Subsection (c) and, for the domain described by Subsection (c)(5), in accordance with local priorities and preferences.

(b) Performance on the achievement indicators adopted under Subsections (c)(1)-(4) shall be compared to state-established standards. The indicators must be based on information that is disaggregated by race, ethnicity, and socioeconomic status.

(c) School districts and campuses must be evaluated based on five domains of indicators of achievement adopted under this section that include:

(1) in the first domain, the results of:

(A) assessment instruments required under [Sections 39.023\(a\), \(c\), and \(l\)](#), including the results of assessment instruments required for graduation retaken by a student, aggregated across grade levels by subject area, including:

(i) for the performance standard determined by the commissioner under [Section 39.0241\(a\)](#), the percentage of students who performed satisfactorily on the assessment instruments, aggregated across grade levels by subject area; and

(ii) for the college readiness performance standard as determined under [Section 39.0241](#), the percentage of students who performed satisfactorily on the assessment instruments, aggregated across grade levels by subject area; and

(B) assessment instruments required under [Section 39.023\(b\)](#), aggregated across grade levels by subject area, including the percentage of students who performed satisfactorily on the assessment instruments, as determined by the performance standard adopted by the agency, aggregated across grade levels by subject area;

(2) in the second domain:

(A) for assessment instruments under Subdivision (1)(A):

(i) for the performance standard determined by the commissioner under [Section 39.0241\(a\)](#), the percentage of students who met the standard for annual improvement on the assessment instruments, as determined by the commissioner by rule or by the method for measuring annual improvement under [Section 39.034](#), aggregated across grade levels by subject area; and

(ii) for the college readiness performance standard as determined under [Section 39.0241](#), the percentage of students who met the standard for annual improvement on the assessment instruments, as determined by the commissioner by rule or by the method for measuring annual improvement under [Section 39.034](#), aggregated across grade levels by subject area; and

(B) for assessment instruments under Subdivision (1)(B), the percentage of students who met the standard for annual

improvement on the assessment instruments, as determined by the commissioner by rule or by the method for measuring annual improvement under [Section 39.034](#), aggregated across grade levels by subject area;

(3) in the third domain, the student academic achievement differentials among students from different racial and ethnic groups and socioeconomic backgrounds;

(4) in the fourth domain:

(A) for evaluating the performance of high school campuses and districts that include high school campuses:

(i) dropout rates, including dropout rates and district completion rates for grade levels 9 through 12, computed in accordance with standards and definitions adopted by the National Center for Education Statistics of the United States Department of Education;

(ii) high school graduation rates, computed in accordance with standards and definitions adopted in compliance with the No Child Left Behind Act of 2001 ([20 U.S.C. Section 6301 et seq.](#));

(iii) the percentage of students who successfully completed the curriculum requirements for the distinguished level of achievement under the foundation high school program;

(iv) the percentage of students who successfully completed the curriculum requirements for an endorsement under [Section 28.025\(c-1\)](#);

(v) the percentage of students who completed a coherent sequence of career and technical courses;

(vi) the percentage of students who satisfy the Texas Success Initiative (TSI) college readiness benchmarks prescribed by the Texas Higher Education Coordinating Board under [Section 51.3062\(f\)](#) on an assessment instrument in reading, writing, or mathematics designated by the Texas Higher Education Coordinating Board under [Section 51.3062\(c\)](#);

(vii) the percentage of students who earn at least 12 hours of postsecondary credit required for the foundation high school program under [Section 28.025](#) or to earn an endorsement under [Section 28.025\(c-1\)](#);

(viii) the percentage of students who have completed an advanced placement course;

(ix) the percentage of students who enlist in the armed forces of the United States; and

(x) the percentage of students who earn an industry certification;

(B) for evaluating the performance of middle and junior high school and elementary school campuses and districts that include those campuses:

(i) student attendance; and

(ii) for middle and junior high school campuses:

(a) dropout rates, computed in the manner described by Paragraph (A)(i); and

(b) the percentage of students in grades seven and eight who receive instruction in preparing for high school, college, and a career that includes information regarding the creation of a high school personal graduation plan under [Section 28.02121](#), the distinguished level of achievement described by [Section 28.025\(b-15\)](#), each endorsement described by [Section 28.025\(c-1\)](#), college readiness standards, and potential career choices and the education needed to enter those careers; and

(C) any additional indicators of student achievement not associated with performance on standardized assessment instruments determined appropriate for consideration by the commissioner in consultation with educators, parents, business and industry representatives, and employers; and

(5) in the fifth domain, three programs or specific categories of performance related to community and student engagement locally selected and evaluated as provided by [Section 39.0546](#).

(c-1) An indicator adopted under Subsection (c) that would measure improvements in student achievement cannot negatively affect the commissioner's review of a school district or campus if that district or campus is already achieving at the highest level for that indicator.

(c-2) The commissioner by rule shall determine a method by which a student's performance may be included in determining the performance rating of a school district or campus under [Section 39.054](#) if, before the student graduates, the student:

(1) satisfies the Texas Success Initiative (TSI) college readiness benchmarks prescribed by the Texas Higher Education Coordinating Board under [Section 51.3062\(f\)](#) on an assessment instrument designated by the Texas Higher Education Coordinating Board under [Section 51.3062\(c\)](#); or

(2) performs satisfactorily on an assessment instrument under [Section 39.023\(c\)](#), notwithstanding Subsection (d).

(d) For purposes of Subsection (c), the commissioner by rule shall determine the period within which a student must retake an assessment instrument for that assessment instrument to be considered in determining the performance rating of the district under [Section 39.054](#).

(d-1) In aggregating results of assessment instruments across grade levels by subject in accordance with Subsection (c)(1), the performance of a student enrolled below the high school level on an assessment instrument required under [Section 39.023\(c\)](#) is included with results relating to other students enrolled at the same grade level.

(e) Repealed by [Acts 2015, 84th Leg., ch. 1094](#) (H.B. 2804), § 22.

(f) Annually, the commissioner shall define the state standard for the current school year for each achievement indicator described by Subsections (c)(1)-(4) and shall project the state standards for each indicator for the following two school years. The commissioner shall periodically raise the state standards for the college readiness achievement indicator described by Subsection (c)(1)(A)(ii) for accreditation as necessary to reach the goals of achieving, by not later than the 2019-2020 school year:

(1) student performance in this state, disaggregated by race, ethnicity, and socioeconomic status, that ranks nationally in the top 10 states in terms of college readiness; and

(2) student performance with no significant achievement gaps by race, ethnicity, and socioeconomic status.

(g) In defining the required state standard for the dropout rate indicator described by Subsections (c)(4)(A)(i) and (B)(ii)(a), the commissioner may not consider as a dropout a student whose failure to attend school results from:

(1) the student's expulsion under [Section 37.007](#); and

(2) as applicable:



(A) adjudication as having engaged in delinquent conduct or conduct indicating a need for supervision, as defined by [Section 51.03, Family Code](#); or

(B) conviction of and sentencing for an offense under the Penal Code.

(g-1) In computing dropout and completion rates under Subsections (c)(4)(A)(i) and (B)(ii)(a) , the commissioner shall exclude:

(1) students who are ordered by a court to attend a high school equivalency certificate program but who have not yet earned a high school equivalency certificate;

(2) students who were previously reported to the state as dropouts, including a student who is reported as a dropout, reenrolls, and drops out again, regardless of the number of times of reenrollment and dropping out;

(3) students in attendance who are not in membership for purposes of average daily attendance;

(4) students whose initial enrollment in a school in the United States in grades 7 through 12 was as unschooled refugees or asylees as defined by [Section 39.027\(a-1\)](#);

(5) students who are in the district exclusively as a function of having been detained at a county detention facility but are otherwise not students of the district in which the facility is located; and

(6) students who are incarcerated in state jails and federal penitentiaries as adults and as persons certified to stand trial as adults.

(g-2) In computing completion rates under Subsection (c)(2), the commissioner shall exclude students who:

(1) are at least 18 years of age as of September 1 of the school year as reported for the fall semester Public Education Information Management System (PEIMS) submission and have satisfied the credit requirements for high school graduation;

(2) have not completed their individualized education program under [19 T.A.C. Section 89.1070\(b\)\(2\)](#) and the Individuals with Disabilities Education Act ([20 U.S.C. Section 1400 et seq.](#)); and

(3) are enrolled and receiving individualized education program services.

(h) Each school district shall cooperate with the agency in determining whether a student is a dropout for purposes of accreditation and evaluating performance by school districts and campuses under this chapter.

(i) The commissioner by rule shall adopt accountability measures to be used in assessing the progress of students who have failed to perform satisfactorily as determined by the commissioner under [Section 39.0241\(a\)](#) or under the college readiness standard as determined under Section 39.0241 in the preceding school year on an assessment instrument required under [Section 39.023\(a\), \(c\), or \(l\)](#).

### Credits

Added by [Acts 1995, 74th Leg., ch. 260, § 1, eff. May 30, 1995](#). Amended by [Acts 1997, 75th Leg., ch. 767, § 6, eff. Sept. 1, 1997](#); [Acts 1999, 76th Leg., ch. 396, § 2.20, eff. Sept. 1, 1999](#); [Acts 1999, 76th Leg., ch. 397, § 7, eff. Sept. 1, 1999](#); [Acts 1999, 76th Leg., ch. 1422, § 3, eff. Sept. 1, 1999](#); [Acts 2001, 77th Leg., ch. 8, § 3, eff. April 11, 2001](#); [Acts 2001, 77th Leg., ch. 725, §§ 4, 5, eff. June 13, 2001](#); [Acts 2001, 77th Leg., ch. 834, § 10, eff. Sept. 1, 2001](#); [Acts 2001, 77th Leg., ch. 1420, §§ 4.007, 4.008, eff. Sept. 1, 2001](#); [Acts 2003, 78th Leg., ch. 201, § 26, eff. Sept. 1, 2003](#); [Acts 2003, 78th Leg., ch. 433, § 2, eff. June 20, 2003](#); [Acts 2003, 78th Leg., ch. 805, § 1, eff. Sept. 1, 2003](#); [Acts 2006, 79th Leg., 3rd C.S., ch. 5, §§ 3.10, 3.11, eff. May 26, 2006](#); [Acts 2007, 80th Leg., ch. 1312, § 15, eff. Sept. 1, 2007](#); [Acts 2007, 80th Leg., ch. 1340, § 5, eff. June 15, 2007](#). Redesignated from V.T.C.A., Education Code § 39.051 and amended by [Acts 2009, 81st Leg., ch. 895, § 59, eff. June 19, 2009](#). Amended by [Acts 2011, 82nd Leg., ch. 307 \(H.B. 2135\), § 5, eff. June 17, 2011](#); [Acts 2013, 83rd Leg., ch. 211 \(H.B. 5\), §§ 42\(a\), 43\(a\), eff. June 10, 2013](#); [Acts 2015, 84th Leg., ch. 1094 \(H.B. 2804\), §§ 1, 2, 22, eff. June 19, 2015](#); [Acts 2015, 84th Leg., ch. 1222 \(S.B. 1867\), § 1, eff. June 19, 2015](#).

### Notes of Decisions (3)

V. T. C. A., Education Code § 39.053, TX EDUC § 39.053  
Current through the end of the 2015 Regular Session of the 84th Legislature

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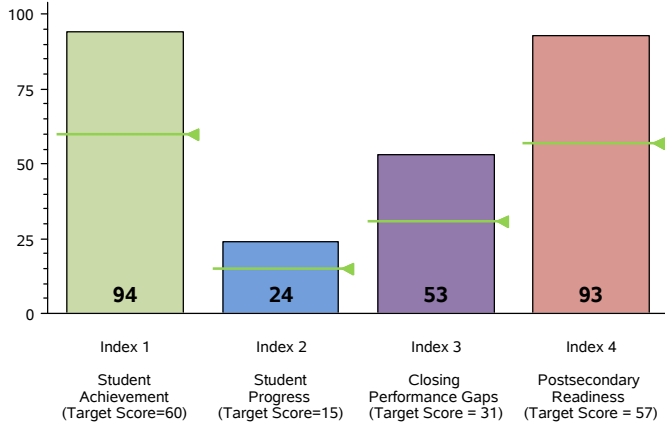
**Texas Education Agency  
2014-15 School Report Card  
EARLY COLLEGE H S (031903005)**

District Name: **HARLINGEN CISD**  
Campus Type: **High School**

Total Students: **320**  
Grade Span: **09 - 12**

### 2015 Performance Index

State accountability ratings are based on four performance indexes: Student Achievement, Student Progress, Closing Performance Gaps, and Postsecondary Readiness. The bar chart below illustrates the index scores for this campus. The target score required to meet each index's standard is indicated below the index description and as a line on each bar. In 2015, to receive the Met Standard or Met Alternative Standard accountability rating, districts and campuses must meet targets on three indexes: Index 1 **or** Index 2 **and** Index 3 **and** Index 4.



### 2015 Accountability Rating

**Met Standard**

For 2015 state accountability, campuses are rated as **Met Standard**, **Improvement Required** or **Not Rated**. The rating, **Met Alternative Standard**, is assigned to charters and alternative education campuses evaluated under alternative education accountability (AEA) provisions.

### Distinction Designations

Reading/ELA	Mathematics
Science	Social Studies
Top 25% Closing Perform Gaps	Postsecondary Readiness

Campuses that receive a rating of **Met Standard** are eligible for seven distinction designations: **Academic Achievement in Reading/English Language Arts (ELA)**, **Academic Achievement in Mathematics**, **Academic Achievement in Science**, **Academic Achievement in Social Studies**, **Top 25%: Student Progress**, **Top 25%: Closing Performance Gaps**, and **Postsecondary Readiness**.

### School and Student Information

This section provides demographic information about the campus, including attendance rates; enrollment percentages for various student groups; student mobility rates; and class size averages at the campus, district, and state level, where applicable.

	Campus	District	State
<b>Attendance Rate (2013-14)</b>	97.3%	95.9%	95.9%

#### Enrollment by Race/Ethnicity

	Campus	District	State
African American	0.9%	0.5%	12.6%
Hispanic	85.6%	91.5%	52.0%
White	12.2%	7.2%	28.9%
American Indian	0.0%	0.1%	0.4%
Asian	0.3%	0.5%	3.9%
Pacific Islander	0.0%	0.0%	0.1%
Two or More Races	0.9%	0.2%	2.0%

#### Enrollment by Student Group

	Campus	District	State
Economically Disadvantaged	52.5%	73.7%	58.8%
English Language Learners	0.9%	14.4%	18.2%
Special Education	1.6%	8.6%	8.5%

	Campus	District	State
<b>Mobility Rate (2013-14)</b>	3.2%	21.7%	16.9%

	Campus	District	State
<b>Class Size Averages by Grade or Subject</b>			

#### Secondary

English/Language Arts	18.6	16.4	17.2
Foreign Languages	12.2	17.8	18.9
Mathematics	17.0	18.8	18.1
Science	18.3	18.1	19.1
Social Studies	18.6	20.0	19.6

### School Financial Information (2013-14)

Various financial indicators are reported for the campus, district, and state, where applicable, based on actual data from the prior year. For more information, see <http://tea.texas.gov/financialstandardreports/>.

	Campus	District	State
<b>Instructional Staff Percent</b>	n/a	60.3%	64.6%
<b>Instructional Expenditure Ratio</b>	n/a	62.2%	63.7%

	Campus	District	State
<b>Expenditures per Student</b>			
Total Operating Expenditures	\$4,867	\$9,057	\$8,692
Instruction	\$2,879	\$5,076	\$4,956
Instructional Leadership	\$47	\$222	\$129
School Leadership	\$994	\$555	\$503

		State	District	All Students	African American	Hispanic	White	American Indian	Asian	Pacific Islander	Two or More Races	Econ Disadv
<b>STAAR Percent at Phase-in Satisfactory Standard or Above (Sum of All Grades Tested)</b>												
All Subjects	2015	77%	73%	<b>94%</b>	100%	94%	94%	-	*	-	-	91%
Reading	2015	77%	73%	<b>89%</b>	*	88%	91%	-	*	-	-	84%
Mathematics	2015	81%	70%	<b>92%</b>	*	90%	100%	-	-	-	-	90%
Science	2015	78%	75%	<b>100%</b>	*	100%	100%	-	-	-	-	100%
Social Studies	2015	78%	72%	<b>99%</b>	*	100%	90%	-	-	-	-	98%
<b>STAAR Percent at Postsecondary Readiness Standard (Sum of All Grades Tested)</b>												
Two or More Subjects	2015	41%	33%	<b>72%</b>	*	69%	91%	-	*	-	-	64%
Reading	2015	46%	38%	<b>77%</b>	*	76%	91%	-	*	-	-	72%
Mathematics	2015	48%	38%	<b>47%</b>	*	41%	*	-	-	-	-	33%
Science	2015	44%	37%	<b>71%</b>	*	67%	100%	-	-	-	-	59%
Social Studies	2015	44%	34%	<b>73%</b>	*	69%	90%	-	-	-	-	70%
<b>STAAR Percent at Advanced Standard (Sum of All Grades Tested)</b>												
All Subjects	2015	16%	11%	<b>16%</b>	*	14%	24%	-	*	-	-	12%
Reading	2015	17%	12%	<b>9%</b>	*	9%	*	-	*	-	-	8%
Mathematics	2015	20%	13%	*	*	*	*	-	-	-	-	*
Science	2015	16%	10%	<b>16%</b>	*	12%	*	-	-	-	-	*
Social Studies	2015	19%	12%	<b>33%</b>	*	29%	60%	-	-	-	-	28%
<b>STAAR Percent Met or Exceeded Progress</b>												
All Subjects	2015	57%	52%	*	-	*	*	-	*	-	-	*
Reading	2015	59%	56%	*	-	*	*	-	*	-	-	*
Mathematics	2015	47%	35%	*	-	*	*	-	-	-	-	*
<b>STAAR Percent Exceeded Progress</b>												
All Subjects	2015	15%	13%	*	-	*	*	-	*	-	-	*
Reading	2015	16%	15%	*	-	*	*	-	*	-	-	*
Mathematics	2015	19%	13%	*	-	*	*	-	-	-	-	*

'?' Indicates that the data for this item were statistically improbable, or were reported outside a reasonable range.

'-' Indicates zero observations reported for this group.

'\*' Indicates results are masked due to small numbers to protect student confidentiality.

'n/a' Indicates data reporting is not applicable for this group.

	State	District	All Students	African American	Hispanic	White	American Indian	Asian	Pacific Islander	Two or More Races	Econ Disadv
<b>Annual Dropout Rate (Gr 9-12)</b>											
2013-14	2.2%	1.8%	0.3%	*	0.4%	0.0%	-	-	-	*	0.6%
2012-13	2.2%	2.6%	0.0%	*	0.0%	0.0%	-	-	-	*	0.0%
<b>4-Year Longitudinal Rate (Gr 9-12)</b>											
Class of 2014											
Graduated	88.3%	86.3%	100.0%	*	100.0%	*	-	-	-	-	100.0%
Received GED	0.8%	0.9%	0.0%	*	0.0%	*	-	-	-	-	0.0%
Continued HS	4.3%	6.5%	0.0%	*	0.0%	*	-	-	-	-	0.0%
Dropped Out	6.6%	6.3%	0.0%	*	0.0%	*	-	-	-	-	0.0%
Graduates and GED	89.1%	87.2%	100.0%	*	100.0%	*	-	-	-	-	100.0%
Grads, GED, & Cont	93.4%	93.7%	100.0%	*	100.0%	*	-	-	-	-	100.0%
Class of 2013											
Graduated	88.0%	88.3%	100.0%	-	100.0%	100.0%	-	-	-	-	100.0%
Received GED	0.8%	1.6%	0.0%	-	0.0%	0.0%	-	-	-	-	0.0%
Continued HS	4.6%	4.6%	0.0%	-	0.0%	0.0%	-	-	-	-	0.0%
Dropped Out	6.6%	5.6%	0.0%	-	0.0%	0.0%	-	-	-	-	0.0%
Graduates and GED	88.9%	89.9%	100.0%	-	100.0%	100.0%	-	-	-	-	100.0%
Grads, GED, & Cont	93.4%	94.4%	100.0%	-	100.0%	100.0%	-	-	-	-	100.0%
<b>5-Year Extended Longitudinal Rate (Gr 9-12)</b>											
Class of 2013											
Graduated	90.4%	89.8%	100.0%	-	100.0%	100.0%	-	-	-	-	100.0%
Received GED	1.1%	2.2%	0.0%	-	0.0%	0.0%	-	-	-	-	0.0%
Continued HS	1.3%	2.1%	0.0%	-	0.0%	0.0%	-	-	-	-	0.0%
Dropped Out	7.2%	5.9%	0.0%	-	0.0%	0.0%	-	-	-	-	0.0%
Graduates and GED	91.5%	92.0%	100.0%	-	100.0%	100.0%	-	-	-	-	100.0%
Grads, GED, & Cont	92.8%	94.1%	100.0%	-	100.0%	100.0%	-	-	-	-	100.0%
<b>RHSP/DAP Graduates (Longitudinal Rate)</b>											
Class of 2014	85.5%	88.0%	100.0%	*	100.0%	*	-	-	-	-	100.0%
Class of 2013	83.5%	89.2%	100.0%	-	100.0%	100.0%	-	-	-	-	100.0%
<b>SAT/ACT Results</b>											
Tested											
Class of 2014	66.3%	61.1%	95.0%	*	90.9%	*	-	-	-	-	90.6%
Class of 2013	63.8%	58.8%	89.9%	-	89.1%	92.9%	-	-	-	-	93.9%
At/Above Criterion											
Class of 2014	25.1%	14.4%	19.3%	*	14.0%	80.0%	-	-	-	-	6.9%
Class of 2013	25.4%	11.9%	17.7%	-	14.3%	30.8%	-	-	-	-	19.4%
Average SAT Score											
Class of 2014	1417	1334	1371	*	1338	1648	-	-	-	-	1304
Class of 2013	1422	1338	1405	-	1362	1568	-	-	-	-	1376
Average ACT Score											
Class of 2014	20.6	18.7	19.0	*	18.6	*	-	-	-	-	19.0
Class of 2013	20.6	18.1	18.9	-	17.9	23.5	-	-	-	-	18.3

'?' Indicates that the data for this item were statistically improbable, or were reported outside a reasonable range.

'-' Indicates zero observations reported for this group.

'\*' Indicates results are masked due to small numbers to protect student confidentiality.

'n/a' Indicates data reporting is not applicable for this group.

**BOARD ACTION ITEM**  
**MULTIFAMILY FINANCE DIVISION**  
**MAY 26, 2016**

Presentation, Discussion, and Possible Action on Timely Filed Scoring Notice Appeal under the Department's Multifamily Program Rules

**RECOMMENDED ACTION**

**WHEREAS**, a 9% Housing Tax Credit Application for Cottages at San Saba was submitted to the Department by the Full Application Delivery Date;

**WHEREAS**, staff has determined that the property described in site control documents submitted at pre-application is for an entirely different site than submitted at full Application and is not within tolerances allowed under §11.9(e)(3) Pre-application Participation requirements for sites that moved within a larger tract because the larger tract was not identified at Pre-application;

**WHEREAS**, Competitive HTC scoring notices were provided to the Applicants identifying points that the Applicant elected but did not qualify to receive under 10 TAC §11.9 related to Competitive HTC Selection Criteria, after the Administrative Deficiency process was completed;

**WHEREAS**, the Applicants timely filed an appeal; and

**WHEREAS**, the Executive Director denied the appeal;

**NOW, therefore, it is hereby**

**RESOLVED**, that the scoring appeal for Application 16130, Cottages at San Saba is denied.

**BACKGROUND**

10 TAC §11.9 related to Competitive HTC Selection Criteria identifies the scoring criteria used in evaluating and ranking Applications. It includes those items required under Texas Government Code, Chapter 2306, §42 of the Internal Revenue Code ("the Code"), and other criteria established in a manner consistent with Chapter 2306 and §42 of the Code.

Pursuant to §10.201(7) Administrative Deficiency Process, staff sends the deficiency notice via e-mail to the Applicant requesting the Applicant provide clarification, correction, or non-material missing information to resolve inconsistencies in the original Application or to assist staff in evaluating the Application. The five business day time period for responding to a deficiency notice commences on the first business day following the deficiency notice date.

The Cottages at San Saba Application #16130, proposes new construction of 36 units to serve the general population in San Saba, Texas.

In order for an Application to receive up to six points under §11.9(e)(3) Pre-application Participation, the Development Site at Application must be, at least in part, the same Development Site submitted at pre-application.

At pre-application, the Applicant submitted site control documentation indicating that the Development would be built on a five-acre parcel that is part of the 18.6 acre tract. The documentation submitted with the full Application indicates that Applicant plans to construct the Development on a 4.06 acre parcel that is part of the 41.91 acre tract. The 4.06 acre site is not within the 18.6 acre tract submitted with the pre-application, and therefore the Application does not meet requirements for six points under §11.9(e)(3) Pre-application Participation. The Applicant has pointed out that both sites are part of an original 80.65 acre tract of land owned by the City of San Saba, however they have provided no evidence that this piece of information was provided to the Department as part of the Pre-application. Moreover, the larger tract identified at Pre-application (18.6 acres) and the 41.91acre tract described at full application do not overlap.

In their appeal, the Applicant takes the position that the site depicted in the pre-application was mistakenly drawn in the wrong place. This does not appear to be the case, as the Unimproved Property Contract provided in the Application describes the site as being “SW corner 5 (five) acres out of 18.60 tract...”, which appears to match the site as drawn. The site included in the Application is located within the 41.91 acre tract which was not previously identified and which does not contain any of the tract described at Pre-application and therefore it cannot be considered the same site under the Rule.

Because of the change in site between pre-application and application, staff recommends denial of the appeal.



16130

Scoring Notice and  
Documentation



MULTIFAMILY FINANCE PRODUCTION DIVISION  
Housing Tax Credit Program - 2016 Application Round  
Scoring Notice - Competitive Housing Tax Credit Application

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Mark Mayfield

Phone #:

Email: [mmayfield@txhf.org](mailto:mmayfield@txhf.org)

Second Email: [Kyoungquist@hamiltonvalley.com](mailto:Kyoungquist@hamiltonvalley.com)

Date: April 27, 2016

**THIS NOTICE WILL ONLY BE  
TRANSMITTED VIA EMAIL**

**RE: 2016 Competitive Housing Tax Credit (HTC) Application for Cottages at San Saba, TDHCA Number:  
16130**

The Texas Department of Housing and Community Affairs has completed its program review of the Application referenced above as further described in the 2016 Qualified Allocation Plan ("QAP"). This scoring notice provides a summary of staff's assessment of the application's score. The notice is divided into several sections.

Section 1 of the scoring notice provides a summary of the score requested by the Applicant followed by the score staff has assessed based on the Application submitted. You should note that four scoring items are not reflected in this scoring comparison but are addressed separately.

Section 2 of the scoring notice includes each of the four scoring criteria for which points could not be requested by the Applicant in the application self-score form and include: §11.9(d)(1) Local Government Support, §11.9(d)(4) Quantifiable Community Participation, §11.9(d)(5) Community Support from State Representative, and §11.9(d)(6) Input from Community Organizations.

Section 3 provides information related to any point deductions assessed under §11.9(f) of the QAP or §10.201(7)(A) of the Uniform Multifamily Rules.

Section 4 provides the final cumulative score in bold.

Section 5 includes an explanation of any differences between the requested and awarded score as well as any penalty points assessed.

The scores provided herein are merely informational at this point in the process and may be subject to change. For example, points awarded under §11.9(e)(2) "Cost of Development per Square Foot" and §11.9(e)(4) "Leveraging of Private, State, and Federal Resources" may be adjusted should the underwriting review result in changes to the Application that would affect these scores. If a scoring adjustment is necessary, staff will provide the Applicant a revised scoring notice.

Be further advised that if the Applicant failed to properly disclose information in the Application that could have a material impact on the scoring information provided herein, the score included in this notice may require adjustment and/or the Applicant may be subject to other penalties as provided for in the Department's rules.

This preliminary scoring notice is provided by staff at this time to ensure that an Applicant has sufficient notice to exercise any appeal process provided under §10.902 of the Uniform Multifamily Rules. All information in this scoring notice is further subject to modification, acceptance, and/or approval by the Department's Governing Board.



MULTIFAMILY FINANCE PRODUCTION DIVISION  
Housing Tax Credit Program - 2016 Application Round  
Scoring Notice - Competitive Housing Tax Credit Application

Page 2 of Final Scoring Notice: 16130, Cottages at San Saba

**Section 1:**

Score Requested by Applicant (Does not include points for §11.9(d)(1), (4), (5), or (6) of the 2016 QAP):	124
Score Awarded by Department staff (Does not include points for §11.9(d)(1), (4), (5), or (6) of the 2016 QAP):	118
Difference between Requested and Awarded:	6

**Section 2:**

Points Awarded for §11.9(d)(1) Local Government Support:	17
Points Awarded for §11.9(d)(4) Quantifiable Community Participation:	4
Points Awarded for §11.9(d)(5) Community Support from State Representative:	8
Points Awarded for §11.9(d)(6) Input from Community Organizations:	4

**Section 3:**

Points Deducted for §11.9(f) of the QAP or §10.201(7)(A) of the Uniform Multifamily Rules:	0
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**Section 4:**

<b>Final Score Awarded to Application by Department staff:</b>	<b>151</b>
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**Section 5:**

**Explanation for Difference between Points Requested and Points Awarded by the Department as well as penalties assessed:**

§11.9(e)(3) Pre-Application Participation. The Development Site indicated in the Application is in no part the same Development Site indicated at pre-application. (Requested 6, Awarded 0)

Restrictions and requirements relating to the filing of an appeal can be found in §10.902 of the Uniform Multifamily Rules. If you wish to appeal this scoring notice, you must file your appeal with the Department no later than 5:00 p.m. Austin local time, Wednesday, May 4, 2016. If an appeal is denied by the Executive Director, an Applicant may appeal to the Department's Board.

In an effort to increase the likelihood that Board appeals related to scoring are heard at the Board meeting, the Department has provided an Appeal Election Form for all appeals submitted to the Executive Director. In the event an appeal is denied by the Executive Director, the Applicant is able to request that the appeal automatically be added to the Board agenda.

If you have any concerns regarding potential miscalculations or errors made by the Department, please contact Sharon Gamble at (512) 936-7834 or by email at <mailto:sharon.gamble@tdhca.state.tx.us>.

Sincerely,

*Sharon Gamble*

Sharon Gamble  
9% Competitive HTC Program Administrator



PROMULGATED BY THE TEXAS REAL ESTATE COMMISSION (TREC)

06-30-08

UNIMPROVED PROPERTY CONTRACT

NOTICE: Not For Use For Condominium Transactions

1. PARTIES: The parties to this contract are City of San Saba (Seller) and Texas Housing Foundation (Buyer). Seller agrees

2. PROPERTY: Lot ... Block S.W. Corner 5 (five) acres out of 18.60 tract owned by the City of San Saba Addition, City of San Saba County of San Saba Texas, own as 206 N. Harkey Street, San Saba, TX 76877 (address/zip code), or as described on attached exhibit together with all rights, privileges and appurtenances pertaining thereto, including but not limited to: water rights, claims, permits, strips and gores, easements, and cooperative or association memberships (the Property).

3. SALES PRICE: A. Cash portion of Sales Price payable by Buyer at closing \$ 25,000.00 B. Sum of all financing described below (excluding any loan funding fee or mortgage insurance premium) \$ C. Sales Price (Sum of A and B) \$ 25,000.00

4. FINANCING: The portion of Sales Price not payable in cash will be paid as follows: (Check applicable boxes below)

A. THIRD PARTY FINANCING: One or more third party mortgage loans in the total amount of \$ (excluding any loan funding fee or mortgage insurance premium).

(1) Property Approval: If the Property does not satisfy the lenders' underwriting requirements for refunded to Buyer

The site control contract submitted with the Pre-application indicates a site that is 5 acres out of a tract that is 18.60 acres.

(2) Financing Approval (a) This contract attached (b) This contract involve Financing

B. ASSUMPTION: The assumption of the unpaid principal balance of one or more promissory notes described in the attached TREC Loan Assumption Addendum.

C. SELLER FINANCING: A promissory note from Buyer to Seller of \$ secured by vendor's and deed of trust liens, and containing the terms and conditions described in the attached TREC Seller Financing Addendum. If an owner policy of title insurance is furnished, Buyer shall furnish Seller with a mortgagee policy of title insurance.

5. EARNEST MONEY: Upon execution of this contract by all parties, Buyer shall deposit \$ as earnest money with Highland Lakes Title as escrow agent, at 100 Ave H Ste 102 Marble Falls, TX (address). Buyer shall deposit additional earnest money of \$ with escrow agent within days after the effective date of this contract. If Buyer fails to deposit the earnest money as required by this contract, Buyer will be in default.

6. TITLE POLICY AND SURVEY:

A. TITLE POLICY: Seller shall furnish to Buyer at Seller's Buyer's expense an owner policy of title insurance (Title Policy) issued by (Title Company) in the amount of the Sales Price, dated at or after closing, insuring Buyer against loss under the provisions of the Title Policy, subject to the promulgated exclusions (including existing building and zoning ordinances) and the following exceptions:

- (1) Restrictive covenants common to the platted subdivision in which the Property is located.
(2) The standard printed exception for standby fees, taxes and assessments.
(3) Liens created as part of the financing described in Paragraph 4.
(4) Utility easements created by the dedication deed or plat of the subdivision in which the Property is located.
(5) Reservations or exceptions otherwise permitted by this contract or as may be approved by Buyer in writing.
(6) The standard printed exception as to marital rights.
(7) The standard printed exception as to waters, tidelands, beaches, streams, and related matters.
(8) The standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements. Buyer, at Buyer's expense, may have the exception amended to read, "shortages in area".

B. COMMITMENT: Within 20 days after the Title Company receives a copy of this contract, Seller shall furnish to Buyer a commitment for title insurance (Commitment) and, at Buyer's expense, legible copies of restrictive covenants and documents evidencing exceptions in the

Initialed for identification by Buyer and Seller

TREC NO. 9-7

Contract Concerning 206 N. Harkey Street, San Saba, TX 76877 Page 2 of 8 06-30-08  
(Address of Property)

Commitment (Exception Documents) other than the standard printed exceptions. Seller authorizes the Title Company to deliver the Commitment and Exception Documents to Buyer at Buyer's address shown in Paragraph 21. If the Commitment and Exception Documents are not delivered to Buyer within the specified time, the time for delivery will be automatically extended up to 15 days or the Closing Date, whichever is earlier.

C. SURVEY: The survey must be made by a registered professional land surveyor acceptable to the Title Company and Buyer's lender(s). (Check one box only)

(1) Within \_\_\_\_\_ days after the effective date of this contract, Seller shall furnish to Buyer and Title Company Seller's existing survey of the Property and a Residential Real Property Affidavit promulgated by the Texas Department of Insurance (Affidavit). If the existing survey or Affidavit is not acceptable to Title Company or Buyer's lender(s), Buyer shall obtain a new survey at  Seller's  Buyer's expense no later than 3 days prior to Closing Date. **If Seller fails to furnish the existing survey or Affidavit within the time prescribed, Buyer shall obtain a new survey at Seller's expense no later than 3 days prior to Closing Date.**

(2) Within \_\_\_\_\_ days after the effective date of this contract, Buyer shall obtain a new survey at Buyer's expense. Buyer is deemed to receive the survey on the date of actual receipt or the date specified in this paragraph, whichever is earlier.

(3) Within \_\_\_\_\_ days after the effective date of this contract, Seller, at Seller's expense shall furnish a new survey to Buyer.

D. OBJECTIONS: Buyer may object in writing to (i) defects, exceptions, or encumbrances to title; disclosed on the survey other than items 6A(1) through (7) above; or disclosed in the Commitment other than items 6A(1) through (8) above; (ii) any portion of the Property lying in a special flood hazard area (Zone V or A) as shown on the current Federal Emergency Management Agency map; or (iii) any exceptions which prohibit the following use or activity:

Buyer must object the earlier of (i) the Closing Date or (ii) 10 days after Buyer receives the Commitment, Exception Documents, and the survey. Buyer's failure to object within the time allowed will constitute a waiver of Buyer's right to object; except that the requirements in Schedule C of the Commitment are not waived. Provided Seller is not obligated to incur any expense, Seller shall cure the timely objections of Buyer or any third party lender within 15 days after Seller receives the objections and the Closing Date will be extended as necessary. If objections are not cured within such 15 day period, this contract will terminate and the earnest money will be refunded to Buyer unless Buyer waives the objections.

E. TITLE NOTICES:

(1) ABSTRACT OR TITLE POLICY: Broker advises Buyer to have an abstract of title covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a Title Policy. If a Title Policy is furnished, the Commitment should be promptly reviewed by an attorney of Buyer's choice due to the time limitations on Buyer's right to object.

(2) PROPERTY OWNERS' ASSOCIATION MANDATORY MEMBERSHIP: The Property  is  is not subject to mandatory membership in a property owners' association. If the Property is subject to mandatory membership in a property owners' association, Seller notifies Buyer under §5.012, Texas Property Code, that, as a purchaser of property in the residential community identified in Paragraph 2 in which the Property is located, you are obligated to be a member of the property owners' association. Restrictive covenants governing the use and occupancy of the Property and a dedicatory instrument governing the establishment, maintenance, and operation of this residential community have been or will be recorded in the Real Property Records of the county in which the Property is located. Copies of the restrictive covenants and dedicatory instrument may be obtained from the county clerk. You are obligated to pay assessments to the property owners' association. The amount of the assessments is subject to change. Your failure to pay the assessments could result in a lien on and the foreclosure of the Property. **If Buyer is concerned about these matters, the TREC promulgated Addendum for Property Subject to Mandatory Membership in a Property Owners' Association should be used.**

(3) STATUTORY TAX DISTRICTS: If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fee of the district prior to final execution of this contract.

(4) TIDE WATERS: If the Property abuts the tidally influenced waters of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included in the contract. An addendum containing the notice promulgated by TREC or required by the parties must be used.

(5) ANNEXATION: If the Property is located outside the limits of a municipality, Seller notifies Buyer under §5.011, Texas Property Code, that the Property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to

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Contract Concerning 206 N. Harkey Street, San Saba, TX 76877  
(Address of Property)

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annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.

- (6) **PROPERTY LOCATED IN A CERTIFICATED SERVICE AREA OF A UTILITY SERVICE PROVIDER:** Notice required by §13.257, Water Code: The real property, described in Paragraph 2, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned Buyer hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in Paragraph 2 or at closing of purchase of the real property.
- (7) **PUBLIC IMPROVEMENT DISTRICTS:** If the Property is in a public improvement district, §5.014, Property Code, requires Seller to notify Buyer as follows: As a purchaser of this parcel of real property you are obligated to pay an assessment to a municipality or county for an improvement project undertaken by a public improvement district under Chapter 372, Local Government Code. The assessment may be due annually or in periodic installments. More information concerning the amount of the assessment and the due dates of that assessment may be obtained from the municipality or county levying the assessment. The amount of the assessments is subject to change. Your failure to pay the assessments could result in a lien on and the foreclosure of your property.
- (8) **TEXAS AGRICULTURAL DEVELOPMENT DISTRICT:** The Property  is  is not located in a Texas Agricultural Development District. For additional information, contact the Texas Department of Agriculture.

**7. PROPERTY CONDITION:**

**A. ACCESS, INSPECTIONS AND UTILITIES:** Seller shall permit Buyer and Buyer's agents access to the Property at reasonable times. Buyer may have the Property inspected by inspectors selected by Buyer and licensed by TREC or otherwise permitted by law to make inspections. Seller at Seller's expense shall turn on existing utilities for inspections.  
**NOTICE:** Buyer should determine the availability of utilities to the Property suitable to satisfy Buyer's needs.

**B. ACCEPTANCE OF PROPERTY CONDITION: (Check one box only)**

- (1) Buyer accepts the Property in its present condition.
- (2) Buyer accepts the Property in its present condition provided Seller, at Seller's expense, shall complete the following specific repairs and treatments: \_\_\_\_\_

**C. COMPLETION OF REPAIRS:** Unless otherwise agreed in writing, Seller shall complete all agreed repairs prior to the Closing Date. All required permits must be obtained, and repairs must be performed by persons who are licensed or otherwise permitted by law to provide such repairs. At Buyer's election, any transferable warranties received by Seller with respect to the repairs will be transferred to Buyer at Buyer's expense. If Seller fails to complete any agreed repairs prior to the Closing Date, Buyer may do so and receive reimbursement from Seller at closing. The Closing Date will be extended up to 15 days, if necessary, to complete repairs.

**D. ENVIRONMENTAL MATTERS:** Buyer is advised that the presence of wetlands, toxic substances, including asbestos and wastes or other environmental hazards, or the presence of a threatened or endangered species or its habitat may affect Buyer's intended use of the Property. If Buyer is concerned about these matters, an addendum promulgated by TREC or required by the parties should be used.

- E. SELLER'S DISCLOSURES:** Except as otherwise disclosed in this contract, Seller has no knowledge of the following:
  - (1) any flooding of the Property;
  - (2) any pending or threatened litigation, condemnation, or special assessment affecting the Property;
  - (3) any environmental hazards or conditions affecting the Property;
  - (4) any dumpsite, landfill, or underground tanks or containers now or previously located on the Property;
  - (5) any wetlands, as defined by federal or state law or regulation, affecting the Property; or
  - (6) any threatened or endangered species or their habitat affecting the Property.

**8. BROKERS' FEES:** All obligations of the parties for payment of brokers' fees are contained in separate written agreements.

Initialed for Identification by Buyer mm and Seller Cal

Contract Concerning 206 N. Harkey Street, San Saba, TX 76877 Page 4 of 8 06-30-08  
 (Address of Property)

**9. CLOSING:**

- A. The closing of the sale will be on or before January 21, 2017, or within 7 days after objections made under Paragraph 6D have been cured or waived, whichever date is later (Closing Date). If either party fails to close the sale by the Closing Date, the non-defaulting party may exercise the remedies contained in Paragraph 15.
- B. At closing:
- (1) Seller shall execute and deliver a general warranty deed conveying title to the Property to Buyer and showing no additional exceptions to those permitted in Paragraph 6 and furnish tax statements or certificates showing no delinquent taxes on the Property.
  - (2) Buyer shall pay the Sales Price in good funds acceptable to the escrow agent.
  - (3) Seller and Buyer shall execute and deliver any notices, statements, certificates, affidavits, releases, loan documents and other documents required of them by this contract, the Commitment or law necessary for the closing of the sale and the issuance of the Title Policy.
  - (4) There will be no liens, assessments, or security interests against the Property which will not be satisfied out of the sales proceeds unless securing the payment of any loans assumed by Buyer and assumed loans will not be in default.

**10. POSSESSION:** Seller shall deliver to Buyer possession of the Property in its present or required condition upon closing and funding.

**11. SPECIAL PROVISIONS:** (Insert only factual statements and business details applicable to the sale. TREC rules prohibit licensees from adding factual statements or business details for which a contract addendum or other form has been promulgated by TREC for mandatory use.)

n/a

**12. SETTLEMENT AND OTHER EXPENSES:**

- A. The following expenses must be paid at or prior to closing:
- (1) Expenses payable by Seller (Seller's Expenses):
    - (a) Releases of existing liens, including prepayment penalties and recording fees; release of Seller's loan liability; tax statements or certificates; preparation of deed; one-half of escrow fee; and other expenses payable by Seller under this contract.
    - (b) Seller shall also pay an amount not to exceed \$ \_\_\_\_\_ to be applied in the following order: Buyer's Expenses which Buyer is prohibited from paying by FHA, VA, Texas Veterans Land Board or other governmental loan programs, and then to other Buyer's Expenses as allowed by the lender.
  - (2) Expenses payable by Buyer (Buyer's Expenses):
    - (a) Loan origination, discount, buy-down, and commitment fees (Loan Fees).
    - (b) Appraisal fees; loan application fees; credit reports; preparation of loan documents; interest on the notes from date of disbursement to one month prior to dates of first monthly payments; recording fees; copies of easements and restrictions; mortgagee title policy with endorsements required by lender; loan-related inspection fees; photos; amortization schedules; one-half of escrow fee; all prepaid items, including required premiums for flood and hazard insurance, reserve deposits for insurance, ad valorem taxes and special governmental assessments; final compliance inspection; courier fee; repair inspection; underwriting fee; wire transfer fee; expenses incident to any loan; and other expenses payable by Buyer under this contract.
- B. Buyer shall pay Private Mortgage Insurance Premium (PMI), VA Loan Funding Fee, or FHA Mortgage Insurance Premium (MIP) as required by the lender.
- C. If any expense exceeds an amount expressly stated in this contract for such expense to be paid by a party, that party may terminate this contract unless the other party agrees to pay such excess. Buyer may not pay charges and fees expressly prohibited by FHA, VA, Texas Veterans Land Board or other governmental loan program regulations.

Initialed for identification by Buyer MM and Seller [Signature]

TREC NO. 9-7



Contract Concerning 206 N. Harkey Street, San Saba, TX, 76877  
(Address of Property)

Page 5 of 8 06-30-08

**13. PRORATIONS AND ROLLBACK TAXES:**

- A. PRORATIONS: Taxes for the current year, interest, maintenance fees, assessments, dues and rents will be prorated through the Closing Date. The tax proration may be calculated taking into consideration any change in exemptions that will affect the current year's taxes. If taxes for the current year vary from the amount prorated at closing, the parties shall adjust the prorations when tax statements for the current year are available. If taxes are not paid at or prior to closing, Buyer shall pay taxes for the current year.
- B. ROLLBACK TAXES: If this sale or Buyer's use of the Property after closing results in the assessment of additional taxes, penalties or interest (Assessments) for periods prior to closing, the Assessments will be the obligation of Buyer. If Seller's change in use of the Property prior to closing or denial of a special use valuation on the Property claimed by Seller results in Assessments for periods prior to closing, the Assessments will be the obligation of Seller. Obligations imposed by this paragraph will survive closing.

**14. CASUALTY LOSS:** If any part of the Property is damaged or destroyed by fire or other casualty after the effective date of this contract, Seller shall restore the Property to its previous condition as soon as reasonably possible, but in any event by the Closing Date. If Seller fails to do so due to factors beyond Seller's control, Buyer may (a) terminate this contract and the earnest money will be refunded to Buyer (b) extend the time for performance up to 15 days and the Closing Date will be extended as necessary or (c) accept the Property in its damaged condition with an assignment of insurance proceeds and receive credit from Seller at closing in the amount of the deductible under the insurance policy. Seller's obligations under this paragraph are independent of any other obligations of Seller under this contract.

**15. DEFAULT:** If Buyer fails to comply with this contract, Buyer will be in default, and Seller may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money as liquidated damages, thereby releasing both parties from this contract. If, due to factors beyond Seller's control, Seller fails within the time allowed to make any non-casualty repairs or deliver the Commitment, or survey, if required of Seller, Buyer may (a) extend the time for performance up to 15 days and the Closing Date will be extended as necessary or (b) terminate this contract as the sole remedy and receive the earnest money. If Seller fails to comply with this contract for any other reason, Seller will be in default and Buyer may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money, thereby releasing both parties from this contract.

**16. MEDIATION:** It is the policy of the State of Texas to encourage resolution of disputes through alternative dispute resolution procedures such as mediation. Any dispute between Seller and Buyer related to this contract which is not resolved through informal discussion  will  will not be submitted to a mutually acceptable mediation service or provider. The parties to the mediation shall bear the mediation costs equally. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.

**17. ATTORNEY'S FEES:** A Buyer, Seller, Listing Broker, Other Broker, or escrow agent who prevails in any legal proceeding related to this contract is entitled to recover reasonable attorney's fees and all costs of such proceeding.

**18. ESCROW:**

- A. ESCROW: The escrow agent is not (i) a party to this contract and does not have liability for the performance or nonperformance of any party to this contract, (ii) liable for interest on the earnest money and (iii) liable for the loss of any earnest money caused by the failure of any financial institution in which the earnest money has been deposited unless the financial institution is acting as escrow agent.
- B. EXPENSES: At closing, the earnest money must be applied first to any cash down payment, then to Buyer's Expenses and any excess refunded to Buyer. If no closing occurs, escrow agent may require payment of unpaid expenses incurred on behalf of the parties and a written release of liability of escrow agent from all parties.
- C. DEMAND: Upon termination of this contract, either party or the escrow agent may send a release of earnest money to each party and the parties shall execute counterparts of the release and deliver same to the escrow agent. If either party fails to execute the release, either party may make a written demand to the escrow agent for the earnest money. If only one party makes written demand for the earnest money, escrow agent shall promptly provide a copy of the demand to the other party. If escrow agent does not receive written objection to the demand from the other party within 15 days, escrow agent may disburse the earnest money to the party making demand reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and escrow agent may pay the same to the creditors. If escrow agent complies with the provisions of this paragraph, each party hereby releases escrow agent from all adverse claims related to the disbursement of the earnest money.

Initialed for identification by Buyer mm and Seller [Signature]

Contract Concerning 206 N. Harkey Street, San Saba, TX 76877 Page 6 of 8 06-30-08  
(Address of Property)

- D. DAMAGES: Any party who wrongfully falls or refuses to sign a release acceptable to the escrow agent within 7 days of receipt of the request will be liable to the other party for liquidated damages in an amount equal to the sum of: (i) three times the amount of the earnest money; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.
- E. NOTICES: Escrow agent's notices will be effective when sent in compliance with Paragraph 21. Notice of objection to the demand will be deemed effective upon receipt by escrow agent.

**19. REPRESENTATIONS:** All covenants, representations and warranties in this contract survive closing. If any representation of Seller in this contract is untrue on the Closing Date, Seller will be in default. Unless expressly prohibited by written agreement, Seller may continue to show the Property and receive, negotiate and accept back up offers.

**20. FEDERAL TAX REQUIREMENTS:** If Seller is a "foreign person," as defined by applicable law, or if Seller fails to deliver an affidavit to Buyer that Seller is not a "foreign person," then Buyer shall withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the same to the Internal Revenue Service together with appropriate tax forms. Internal Revenue Service regulations require filing written reports if currency in excess of specified amounts is received in the transaction.

**21. NOTICES:** All notices from one party to the other must be in writing and are effective when mailed to, hand-delivered at, or transmitted by facsimile or electronic transmission as follows:

**To Buyer at:**

Mark Mayfield, President and CEO of the Texas Housing Foundation  
1110 Broadway  
Marble Falls, TX. 78654

Telephone: ( 830 ) 693-4521

Facsimile: ( )

E-mail: mmayfield@txhf.org

**To Seller at:**

Stan Weik  
City of San Saba Manager  
303 S. Clear Street, San Saba, TX 76877

Telephone: ( 325 ) 372-5144

Facsimile: ( 325 ) 372-3989

E-mail: sansaba@centex.net

**22. AGREEMENT OF PARTIES:** This contract contains the entire agreement of the parties and cannot be changed except by their written agreement. Addenda which are a part of this contract are (check all applicable boxes):

- Third Party Financing Condition Addendum
- Seller Financing Addendum
- Addendum for Property Subject to Mandatory Membership in a Property Owners' Association
- Buyer's Temporary Residential Lease
- Seller's Temporary Residential Lease
- Other (list): \_\_\_\_\_
- Addendum for "Back-Up" Contract
- Addendum for Coastal Area Property
- Environmental Assessment, Threatened or Endangered Species and Wetlands Addendum
- Addendum for Property Located Seaward of the Gulf Intracoastal Waterway
- Addendum for Sale of Other Property by Buyer

Initialed for identification by Buyer (mm) and Seller [Signature]

Contract Concerning 206 N. Harkey Street, San Saba, Tx. 76877 Page 8 of 8 06-30-08  
(Address of Property)

**BROKER INFORMATION AND RATIFICATION OF FEE**

Listing Broker has agreed to pay Other Broker \_\_\_\_\_ of the total sales price when Listing Broker's fee is received. Escrow Agent is authorized and directed to pay Other Broker from Listing Broker's fee at closing.

Other Broker \_\_\_\_\_ License No. \_\_\_\_\_  
represents  Buyer only as Buyer's agent  
 Seller as Listing Broker's subagent

Listing Broker \_\_\_\_\_ License No. \_\_\_\_\_  
represents  Seller and Buyer as an intermediary  
 Seller only as Seller's agent

Associate \_\_\_\_\_ Telephone \_\_\_\_\_  
Listing Associate \_\_\_\_\_ Telephone \_\_\_\_\_

Broker's Address \_\_\_\_\_  
Listing Associate's Office Address \_\_\_\_\_ Facsimile \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Facsimile \_\_\_\_\_  
Email Address \_\_\_\_\_

Email Address \_\_\_\_\_  
Selling Associate \_\_\_\_\_ Telephone \_\_\_\_\_

Selling Associate's Office Address \_\_\_\_\_ Facsimile \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Email Address \_\_\_\_\_  
Email Address \_\_\_\_\_

**OPTION FEE RECEIPT**

Receipt of \$ \_\_\_\_\_ (Option Fee) in the form of \_\_\_\_\_ is acknowledged.

Seller or Listing Broker \_\_\_\_\_ Date \_\_\_\_\_

**CONTRACT AND EARNEST MONEY RECEIPT**

Receipt of  Contract and  \$ \_\_\_\_\_ Earnest Money in the form of \_\_\_\_\_ is acknowledged.

Escrow Agent: \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_ Email Address \_\_\_\_\_

Address \_\_\_\_\_ Telephone (\_\_\_\_\_) \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ Facsimile: (\_\_\_\_\_) \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Contract Concerning 206 N. Harkey Street, San Saba, TX 76877 Page 7 of 8 06-30-08  
(Address of Property)

**23. TERMINATION OPTION:** For nominal consideration, the receipt of which is hereby acknowledged by Seller, and Buyer's agreement to pay Seller \$\_\_\_\_\_ (Option Fee) within 2 days after the effective date of this contract, Seller grants Buyer the unrestricted right to terminate this contract by giving notice of termination to Seller within \_\_\_\_\_ days after the effective date of this contract. If no dollar amount is stated as the Option Fee or if Buyer fails to pay the Option Fee to Seller within the time prescribed, this paragraph will not be a part of this contract and Buyer shall not have the unrestricted right to terminate this contract. If Buyer gives notice of termination within the time prescribed, the Option Fee will not be refunded; however, any earnest money will be refunded to Buyer. The Option Fee  will  will not be credited to the Sales Price at closing. **Time is of the essence for this paragraph and strict compliance with the time for performance is required.**

**24. CONSULT AN ATTORNEY:** Real estate licensees cannot give legal advice. READ THIS CONTRACT CAREFULLY. If you do not understand the effect of this contract, consult an attorney BEFORE signing.

Buyer's  
Attorney is: Dominic Audino

Seller's  
Attorney is: Knight & Partners  
223 W. Anderson Lane, Suite A-105  
Austin, TX 78752

Telephone: (512) 251-5004

Telephone: (800) 603-0967

Facsimile: ( )


Facsimile: (512) 323-5773

E-mail: dominicaudino@yahoo.com

Barbara Boulware-Wells  
E-mail: bbw@cityattorneytexas.com

**EXECUTED the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (EFFECTIVE DATE).  
(BROKER: FILL IN THE DATE OF FINAL ACCEPTANCE.)**

  
\_\_\_\_\_  
Buyer

  
\_\_\_\_\_  
Seller

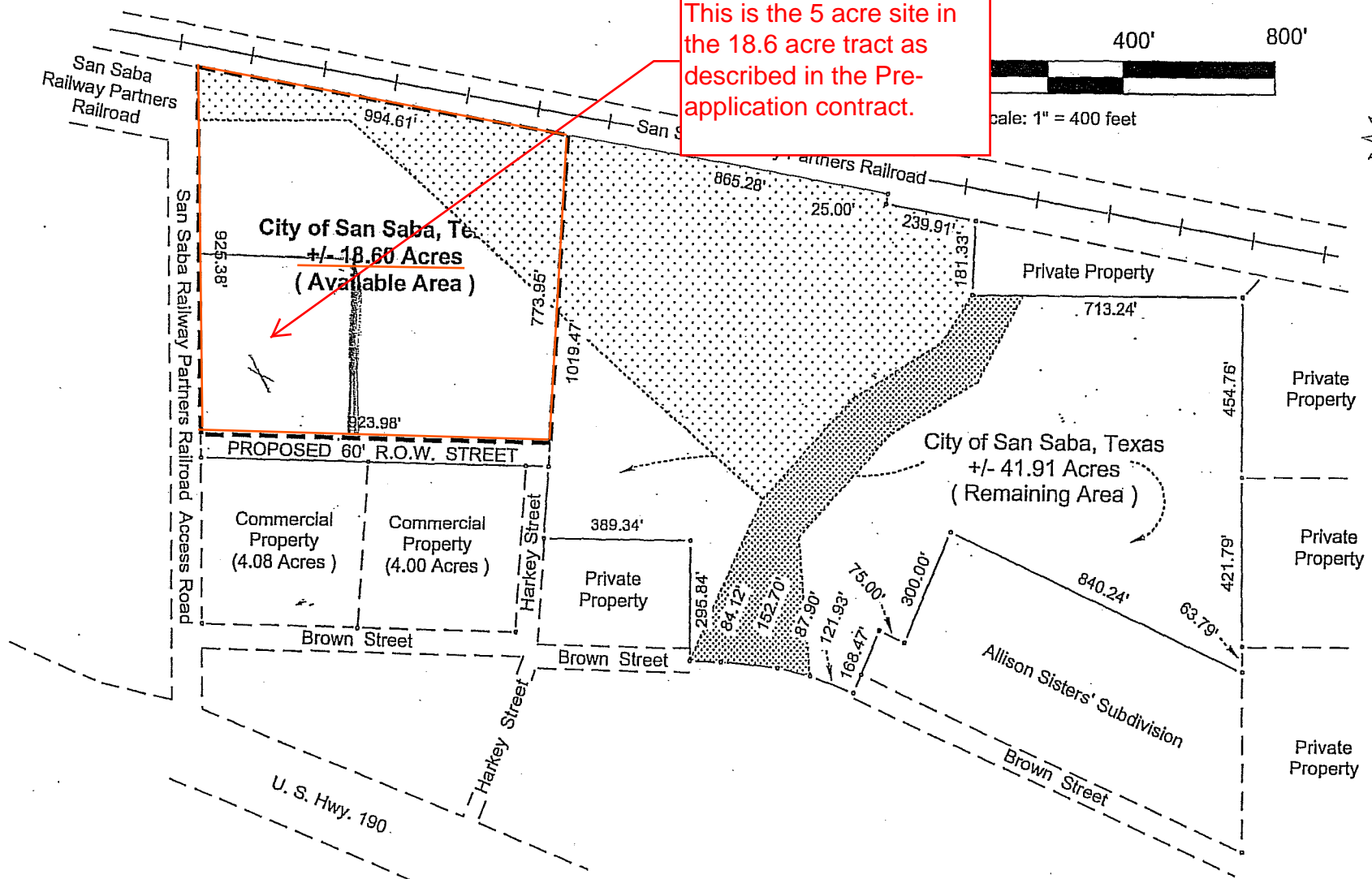
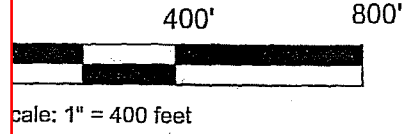
\_\_\_\_\_  
Buyer

\_\_\_\_\_  
Seller

The form of this contract has been approved by the Texas Real Estate Commission. TREC forms are intended for use only by trained real estate licensees. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, 1-800-250-8732 or (512) 459-6544 (<http://www.trec.state.tx.us>) TREC NO. 9-7. This form replaces TREC NO. 9-6.

Working sketch of a tract of land lying in the City of San Saba, County of San Saba, Texas.

This is the 5 acre site in the 18.6 acre tract as described in the Pre-application contract.



Preliminary, this document shall not be recorded for any purpose". This plat/drawing does "not" represent an on-the-ground survey.

GMA Engineering & Surveying  
 1807 W. Wallace  
 San Saba, Texas 76877  
 PH: (325) 372-3028  
 Drawing No. 102010/811/oz

George M. Amthor III  
 R.P.L.S. 2684  
 October 20, 2010 (release date)





The site control contract submitted with the full Application introduces the entire 80.65-acre tract.

UNIMPROVED PROPERTY CONTRACT

NOTICE: Not For Use For Condominium Transactions

1. PARTIES: The parties to this contract are City of San Saba (Seller) and Texas Housing Foundation (Buyer). Seller agrees to sell and convey to Buyer and Buyer agrees to buy from Seller the Property defined below.

2. PROPERTY: Lot owned by the City of San Saba (see attached legal description) Addition, City of San Saba, County of San Saba, Texas, known as 206 N. Harkey Street, San Saba, TX 76877 (address/zip code), or as described on attached exhibit together with all rights, privileges and appurtenances pertaining thereto, including but not limited to: water rights, claims, permits, strips and gores, easements, and cooperative or association memberships (the Property).

3. SALES PRICE: A. Cash portion of Sales Price payable by Buyer at closing \$ 25,000.00 B. Sum of all financing described below (excluding any loan funding fee or mortgage insurance premium) \$ C. Sales Price (Sum of A and B) \$ 25,000.00

4. FINANCING: The portion of Sales Price not payable in cash will be paid as follows: (Check applicable boxes below)

- A. THIRD PARTY FINANCING: One or more third party mortgage loans in the total amount of \$ (excluding any loan funding fee or mortgage insurance premium). (1) Property Approval: If the Property does not satisfy the lenders' underwriting requirements for the loan(s), this contract will terminate and the earnest money will be refunded to Buyer. (2) Financing Approval: (Check one box only) (a) This contract is subject to Buyer being approved for the financing described in the attached Third Party Financing Condition Addendum. (b) This contract is not subject to Buyer being approved for financing and does not involve FHA or VA financing. B. ASSUMPTION: The assumption of the unpaid principal balance of one or more promissory notes described in the attached TREC Loan Assumption Addendum. C. SELLER FINANCING: A promissory note from Buyer to Seller of \$ secured by vendor's and deed of trust liens, and containing the terms and conditions described in the attached TREC Seller Financing Addendum. If an owner policy of title insurance is furnished, Buyer shall furnish Seller with a mortgagee policy of title insurance.

5. EARNEST MONEY: Upon execution of this contract by all parties, Buyer shall deposit \$ 1,000.00 as earnest money with San Saba County Abstract, as escrow agent, at 200 E. Wallace St., San Saba, TX (address). Buyer shall deposit additional earnest money of \$ -0- with escrow agent within days after the effective date of this contract. If Buyer fails to deposit the earnest money as required by this contract, Buyer will be in default.

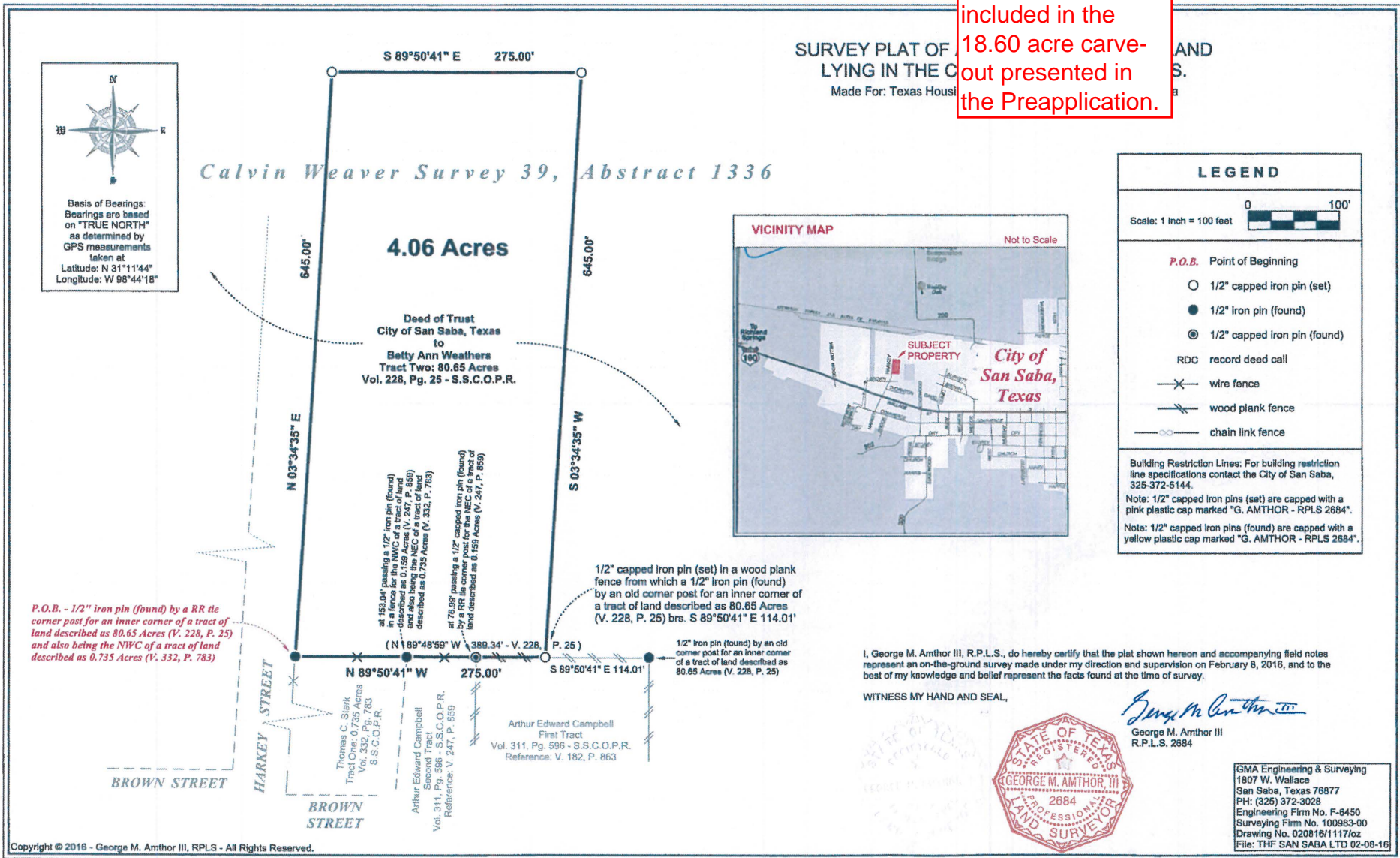
6. TITLE POLICY AND SURVEY:

- A. TITLE POLICY: Seller shall furnish to Buyer at Seller's Buyer's expense an owner policy of title insurance (Title Policy) issued by (Title Company) in the amount of the Sales Price, dated at or after closing, insuring Buyer against loss under the provisions of the Title Policy, subject to the promulgated exclusions (including existing building and zoning ordinances) and the following exceptions: (1) Restrictive covenants common to the platted subdivision in which the Property is located. (2) The standard printed exception for standby fees, taxes and assessments. (3) Liens created as part of the financing described in Paragraph 4. (4) Utility easements created by the dedication deed or plat of the subdivision in which the Property is located. (5) Reservations or exceptions otherwise permitted by this contract or as may be approved by Buyer in writing. (6) The standard printed exception as to marital rights. (7) The standard printed exception as to waters, tidelands, beaches, streams, and related matters. (8) The standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements. Buyer, at Buyer's expense, may have the exception amended to read, "shortages in area". B. COMMITMENT: Within 20 days after the Title Company receives a copy of this contract, Seller shall furnish to Buyer a commitment for title insurance (Commitment) and, at Buyer's expense, legible copies of restrictive covenants and documents evidencing exceptions in the

Initialed for identification by Buyer MM and Seller



Application site is in part of 80-acre tract that was not included in the 18.60 acre carve-out presented in the Preapplication.



SURVEY PLAT OF LAND Lying IN THE Calvin Weaver Survey 39, Abstract 1336  
Made For: Texas House of Representatives

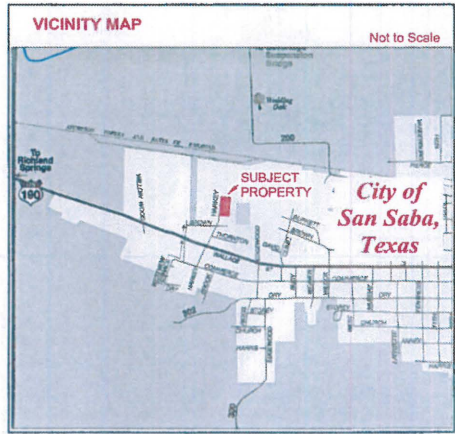
AND S. a

**Basis of Bearings:**  
Bearings are based on "TRUE NORTH" as determined by GPS measurements taken at  
Latitude: N 31°11'44"  
Longitude: W 98°44'18"

*Calvin Weaver Survey 39, Abstract 1336*

**4.06 Acres**

Deed of Trust  
City of San Saba, Texas  
to  
Betty Ann Weathers  
Tract Two: 80.65 Acres  
Vol. 228, Pg. 25 - S.S.C.O.P.R.



**LEGEND**

Scale: 1 Inch = 100 feet

**P.O.B.** Point of Beginning

- 1/2" capped iron pin (set)
- 1/2" iron pin (found)
- ⊙ 1/2" capped iron pin (found)

RDC record deed call

- X— wire fence
- ||— wood plank fence
- chain link fence

Building Restriction Lines: For building restriction line specifications contact the City of San Saba, 325-372-5144.  
Note: 1/2" capped Iron pins (set) are capped with a pink plastic cap marked "G. AMTHOR - RPLS 2684".  
Note: 1/2" capped iron pins (found) are capped with a yellow plastic cap marked "G. AMTHOR - RPLS 2684".

P.O.B. - 1/2" iron pin (found) by a RR tie corner post for an inner corner of a tract of land described as 80.65 Acres (V. 228, P. 25) and also being the NWC of a tract of land described as 0.735 Acres (V. 332, P. 783)

at 153.04' passing a 1/2" iron pin (found) in a fence for the NW corner of a tract of land described as 0.159 Acres (V. 247, P. 859) and also being the NEC of a tract of land described as 0.735 Acres (V. 332, P. 783)

at 76.99' passing a 1/2" capped iron pin (found) by a RR tie corner post for the NEC of a tract of land described as 0.159 Acres (V. 247, P. 859)

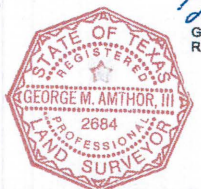
1/2" capped iron pin (set) in a wood plank fence from which a 1/2" iron pin (found) by an old corner post for an inner corner of a tract of land described as 80.65 Acres (V. 228, P. 25) brs. S 89°50'41" E 114.01'

1/2" iron pin (found) by an old corner post for an inner corner of a tract of land described as 80.65 Acres (V. 228, P. 25)

I, George M. Amthor III, R.P.L.S., do hereby certify that the plat shown hereon and accompanying field notes represent an on-the-ground survey made under my direction and supervision on February 8, 2016, and to the best of my knowledge and belief represent the facts found at the time of survey.

WITNESS MY HAND AND SEAL,

*George M. Amthor III*  
George M. Amthor III  
R.P.L.S. 2684



GMA Engineering & Surveying  
1807 W. Wallace  
San Saba, Texas 76877  
PH: (325) 372-3028  
Engineering Firm No. F-6450  
Surveying Firm No. 100983-00  
Drawing No. 020816/117/0z  
File: THF SAN SABA LTD 02-08-16



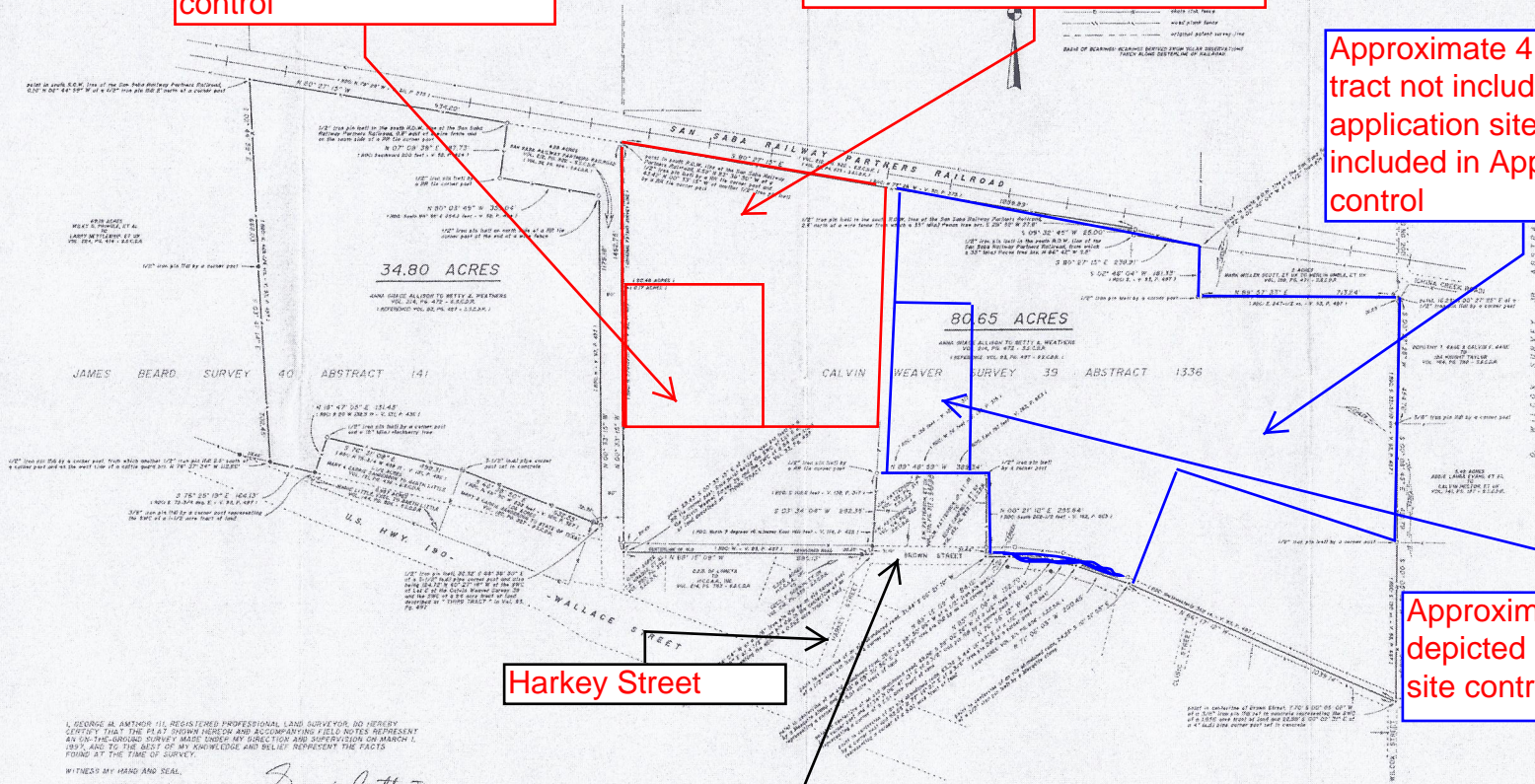
SURVEY PLAT OF TWO (2) TRACTS OF LAND LYING IN SAN SABA COUNTY, TEXAS.

MADE FOR: CITY OF SAN SABA

Approximate site depicted in Pre-application site control

Approximate 18.60 acre tract depicted in Pre-application site control contract

Approximate 41.91 acre tract not included in Pre-application site control but included in Application site control



Harkey Street

Brown Street

I, GEORGE M. ANTHONY, II, REGISTERED PROFESSIONAL LAND SURVEYOR, DO HEREBY CERTIFY THAT THE PLAT SHOWN HEREON AND ACCOMPANYING FIELD NOTES REPRESENT AN ON-THE-GROUND SURVEY MADE UNDER MY DIRECTION AND SUPERVISION ON MARCH 1, 2014, AND TO THE BEST OF MY KNOWLEDGE AND BELIEF REPRESENT THE FACTS FOUND AT THE TIME OF SURVEY.

WITNESS MY HAND AND SEAL



*George M. Anthony, II*  
GEORGE M. ANTHONY II  
R.P.L.S. 2, 2004



16130

Applicant Appeal to  
Executive Director



May 3, 2016

Mr. Tim Irvine  
Executive Director  
Texas Department of Housing and Community Affairs  
221 E. 11th Street  
Austin, TX 78701

RE: THF 2016 San Saba, Ltd.  
Property Name: Cottages at San Saba  
TDHCA #:16130

Dear Mr. Irvine:

This is a formal appeal of the scoring notice received on the above mentioned application. This appeal addresses one scoring item that we believe this application is eligible for based on the 2016 Qualified Allocation Plan ("QAP").

*Section 11.9(f) of the QAP and Section 10.20(7)(A) of the 2016 Multifamily Rules (the "Rules")*

**Section 11.9(f) reads:**

**Pre-application Participation.** (§2306.6704) An Application may qualify to receive up to six (6) points provided a pre-application was submitted during the Pre-Application Acceptance Period. Applications that meet the requirements described in subparagraphs (A) - (G) of this paragraph will qualify for six (6) points:

- (A) The total number of Units does not increase by more than ten (10) percent from pre-application to Application;
- (B) The designation of the proposed Development as Rural or Urban remains the same;
- (C) The proposed Development serves the same Target Population;
- (D) The pre-application and Application are participating in the same set-asides (At-Risk, USDA, Non-Profit, and/or Rural);
- (E) The Application final score (inclusive of only scoring items reflected on the self score form) does not vary by more than six (6) points from what was reflected in the pre-application self score;
- (F) The Development Site at Application is at least in part the Development Site at pre-application, and the census tract number listed at pre-application is the same at Application; and
- (G) The pre-application met all applicable requirements.

Section 10.20(7)(A) is the Administrative Deficiency process.

Applicant, THF 2016 San Saba, Ltd. (“*Applicant*”) submitted a pre-application for 9% tax credits. All requirements for submission were met. Applicant then timely submitted a full Application. The matter at issue is (f) above. “The Development Site at Application is at least in part the Development Site at pre-application, and the census tract number listed at pre-application is the same at Application”.

There is no question that the census tract remained the same. The only issue is whether the Development Site at Application is at least in part the Development Site at pre-application. In the pre-application, the Applicant submitted an Unimproved Property Contract (the “*Contract*”) by and between the City of San Saba, Texas and Texas Housing Foundation (a partner in the Applicant) for the purchase of property with a physical address of **206 N. Harkey Street, San Saba, TX 76877**. Based on a rough plat provided by the City of San Saba, the Contract further described the property as being “SW Corner 5 (five) acres out of 18.60 tract owned by the City of San Saba”. Attached to the Contract was a copy of a drawing of the site with the property hand drawn in.. It is clearly drawn in the wrong place since it is not on Harkey Street. At the time of pre-application, the property had not been formally surveyed and there was no exact legal description. All of the 18.65 acres described in the pre-application are part of a larger parcel owned by the City of San Saba containing 80.65 acres, which contains the 4.06 acre development tract.

When the full application was filed, the property had been surveyed so the Contract was redone to describe the actual tract as STILL being **206 N. Harkey Street, San Saba, TX 76877**, but further described as being “NW Corner 4.06 acres out of 80.65 tract”, with attachment clearly showing the property on Harkey Street.

The QAP requires that the Development Site at application be at least in part the Development Site at pre-application. In this case, that is a correct statement. The Development Site has always been 206 N. Harkey Street, San Saba, Texas. That is an actual address provided to the Applicant by the City of San Saba. The acreage descriptions on both the pre-application and the Application do not clearly define a site that you could find on a map. I believe this requirement is to ensure that the project site does not significantly move or change from pre-application to Application. In no way did the Applicant change the Development Site. That is clear from the street address. And in no way did the Seller or the City of San Saba, ever change the intended Development Site. In the first Contract the City of San Saba provided the Contract and described the site. The Applicant relied on the City’s description.

In addition, even if you solely relied on the description, the 18.25 acres referenced in the pre-application is part of the larger 80.65 acres referenced in the Application. Therefore, the Development Site is at least in part the same as at pre-application. Attached is a copy of the survey of the full 80.65 acres and an email from the surveyor explaining that the 18.25 is within the 80.65 acres.

Based on the reasons set forth herein, I respectfully request that the six (6) pre-application participation points be reinstated.

Thank you for your consideration and concern for this project. Should you require further information, please contact me directly.

Sincerely,

A handwritten signature in cursive script that reads "Claire G. Palmer". The signature is written in black ink and is positioned below the word "Sincerely,".

Claire G. Palmer



**Claire Palmer**

---

**Subject:** FW: San Saba Title and Survey Requirements  
**Attachments:** CITY 80.pdf

---

**From:** George A [mailto:gmarpis@centex.net]  
**Sent:** Monday, May 02, 2016 4:33 PM  
**To:** Kim Youngquist  
**Subject:** Re: San Saba Title and Survey Requirements

Kim,  
The 4.06 acre tract is a part of that certain 80.65 acre tract of land that we surveyed for the City on March 1, 1997 and is all the land surrounding this 4.06 acres, save and except that land that lies to the south of the 4.06 acres. The 4.06 acre tract is almost out of the center of the 80.65 acre tract. The buildings to the west the 4.06 acre tract (the new assisted living building - I think that is what it is, and the San Saba Equine Supply building); the City's soccer fields on the north side of your 4.06 acre tract; and the Allison Sister's Subdivision which lies in the southeast corner of the 80.65 acre tract make up all the tracts of land that have been sold out of the 80.65 acres, so far as I know.

I have attached a copy of the original plat of the 80.65 acre tract for your info.. If you have any further questions, please let me know.

Thanks,

George Amthor  
P.E., R.P.L.S.  
Engineering Firm # F-6450  
Surveying Firm # 10098300





16130

Executive Director's  
Response





TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

[www.tdhca.state.tx.us](http://www.tdhca.state.tx.us)

Greg Abbott  
GOVERNOR

BOARD MEMBERS

J. Paul Oxer, *Chair*  
Juan S. Muñoz, PhD, *Vice Chair*  
Leslie Bingham-Escareño  
T. Tolbert Chisum  
Tom H. Gann  
J.B. Goodwin

May 18, 2016

Writer's direct phone # (512) 475-3296  
Email: [tim.irvine@tdhca.state.tx.us](mailto:tim.irvine@tdhca.state.tx.us)

Ms. Claire G. Palmer  
The Law Offices of Claire G. Palmer, PLLC  
2224 Clearspring Drive South  
Irving, Texas 75063

RE: SCORING NOTICE APPEAL: 16130 COTTAGES AT SAN SABA, SAN SABA, TEXAS

Dear Ms. Palmer:

The Texas Department of Housing and Community Affairs (the "Department") is in receipt of your appeal, dated May 3, 2016, of the scoring notice for the above referenced Application. This Application was denied points under §11.9(e)(3) of the 2016 Qualified Allocation Plan ("QAP"), related to Pre-application Participation, because the Development Site indicated in the Application is in no part the same Development Site indicated at pre-application.

In denying these points, staff referred to the site control documentation included in each submission. The documentation submitted with the pre-application indicates that the Applicant had the necessary control of a 5-acre site that is part of a tract that is 18.6 acres. The documentation submitted with the Applicant indicates that the Applicant had the necessary control of a 4.06 acre site that is part of a tract that is 80.65 acres. While the 18.6 acre tract is indeed a part of the 80.65 acre tract, the Applicant did not provide evidence of necessary control of the 80.65 acre tract at pre-application, and the 4.06 acre site is not within the 18.6 acre tract submitted with the pre-application.

In your appeal you take the position that the site depicted in the pre-application was mistakenly drawn in the wrong place. This does not appear to be the case because, as you stated in your appeal, the Unimproved Property Contract provided describes the site as being "SW corner 5 (five) acres out of 18.60 tract...", which appears to match the proximity of the site as drawn.

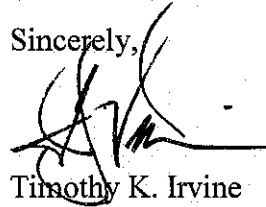
I do not find that the points raised in your appeal clearly demonstrate that the Development Site indicated in the Application is in any part the same Development Site indicated at pre-application, and accordingly I must deny the appeal. If you are not satisfied with this decision, you may file a further appeal with the Board of Directors of the Texas Department of Housing and Community Affairs. Please review §10.902 of the 2016 Uniform Multifamily Rules for full instruction on the appeals process.





Should you have any questions, please contact Sharon Gamble, Competitive Tax Credit Program Administrator, at [sharon.gamble@tdhca.state.tx.us](mailto:sharon.gamble@tdhca.state.tx.us) or by phone at 512-936-7834.

Sincerely,

A handwritten signature in black ink, appearing to read 'TKI', with a horizontal line extending to the right.

Timothy K. Irvine  
Executive Director

TKI

cc: Will Henderson

16130

Applicant Appeal  
to Board



May 3, 2016

Mr. Tim Irvine  
Executive Director  
Texas Department of Housing and Community Affairs  
221 E. 11th Street  
Austin, TX 78701

RE: THF 2016 San Saba, Ltd.  
Property Name: Cottages at San Saba  
TDHCA #:16130

Dear Mr. Irvine:

This is a formal appeal of the scoring notice received on the above mentioned application. This appeal addresses one scoring item that we believe this application is eligible for based on the 2016 Qualified Allocation Plan ("QAP").

*Section 11.9(f) of the QAP and Section 10.20(7)(A) of the 2016 Multifamily Rules (the "Rules")*

**Section 11.9(f) reads:**

**Pre-application Participation.** (§2306.6704) An Application may qualify to receive up to six (6) points provided a pre-application was submitted during the Pre-Application Acceptance Period. Applications that meet the requirements described in subparagraphs (A) - (G) of this paragraph will qualify for six (6) points:

- (A) The total number of Units does not increase by more than ten (10) percent from pre-application to Application;
- (B) The designation of the proposed Development as Rural or Urban remains the same;
- (C) The proposed Development serves the same Target Population;
- (D) The pre-application and Application are participating in the same set-asides (At-Risk, USDA, Non-Profit, and/or Rural);
- (E) The Application final score (inclusive of only scoring items reflected on the self score form) does not vary by more than six (6) points from what was reflected in the pre-application self score;
- (F) The Development Site at Application is at least in part the Development Site at pre-application, and the census tract number listed at pre-application is the same at Application; and
- (G) The pre-application met all applicable requirements.

Section 10.20(7)(A) is the Administrative Deficiency process.

Applicant, THF 2016 San Saba, Ltd. (“*Applicant*”) submitted a pre-application for 9% tax credits. All requirements for submission were met. Applicant then timely submitted a full Application. The matter at issue is (f) above. “The Development Site at Application is at least in part the Development Site at pre-application, and the census tract number listed at pre-application is the same at Application”.

There is no question that the census tract remained the same. The only issue is whether the Development Site at Application is at least in part the Development Site at pre-application. In the pre-application, the Applicant submitted an Unimproved Property Contract (the “*Contract*”) by and between the City of San Saba, Texas and Texas Housing Foundation (a partner in the Applicant) for the purchase of property with a physical address of **206 N. Harkey Street, San Saba, TX 76877**. Based on a rough plat provided by the City of San Saba, the Contract further described the property as being “SW Corner 5 (five) acres out of 18.60 tract owned by the City of San Saba”. Attached to the Contract was a copy of a drawing of the site with the property hand drawn in.. It is clearly drawn in the wrong place since it is not on Harkey Street. At the time of pre-application, the property had not been formally surveyed and there was no exact legal description. All of the 18.65 acres described in the pre-application are part of a larger parcel owned by the City of San Saba containing 80.65 acres, which contains the 4.06 acre development tract.

When the full application was filed, the property had been surveyed so the Contract was redone to describe the actual tract as STILL being **206 N. Harkey Street, San Saba, TX 76877**, but further described as being “NW Corner 4.06 acres out of 80.65 tract”, with attachment clearly showing the property on Harkey Street.

The QAP requires that the Development Site at application be at least in part the Development Site at pre-application. In this case, that is a correct statement. The Development Site has always been 206 N. Harkey Street, San Saba, Texas. That is an actual address provided to the Applicant by the City of San Saba. The acreage descriptions on both the pre-application and the Application do not clearly define a site that you could find on a map. I believe this requirement is to ensure that the project site does not significantly move or change from pre-application to Application. In no way did the Applicant change the Development Site. That is clear from the street address. And in no way did the Seller or the City of San Saba, ever change the intended Development Site. In the first Contract the City of San Saba provided the Contract and described the site. The Applicant relied on the City’s description.

In addition, even if you solely relied on the description, the 18.25 acres referenced in the pre-application is part of the larger 80.65 acres referenced in the Application. Therefore, the Development Site is at least in part the same as at pre-application. Attached is a copy of the survey of the full 80.65 acres and an email from the surveyor explaining that the 18.25 is within the 80.65 acres.

Based on the reasons set forth herein, I respectfully request that the six (6) pre-application participation points be reinstated.

Thank you for your consideration and concern for this project. Should you require further information, please contact me directly.

Sincerely,

A handwritten signature in cursive script that reads "Claire G. Palmer". The signature is written in black ink and is positioned above the printed name.

Claire G. Palmer



**Claire Palmer**

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**Subject:** FW: San Saba Title and Survey Requirements  
**Attachments:** CITY 80.pdf

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**From:** George A [mailto:gmarpis@centex.net]  
**Sent:** Monday, May 02, 2016 4:33 PM  
**To:** Kim Youngquist  
**Subject:** Re: San Saba Title and Survey Requirements

Kim,  
The 4.06 acre tract is a part of that certain 80.65 acre tract of land that we surveyed for the City on March 1, 1997 and is all the land surrounding this 4.06 acres, save and except that land that lies to the south of the 4.06 acres. The 4.06 acre tract is almost out of the center of the 80.65 acre tract. The buildings to the west the 4.06 acre tract (the new assisted living building - I think that is what it is, and the San Saba Equine Supply building); the City's soccer fields on the north side of your 4.06 acre tract; and the Allison Sister's Subdivision which lies in the southeast corner of the 80.65 acre tract make up all the tracts of land that have been sold out of the 80.65 acres, so far as I know.

I have attached a copy of the original plat of the 80.65 acre tract for your info.. If you have any further questions, please let me know.

Thanks,

George Amthor  
P.E., R.P.L.S.  
Engineering Firm # F-6450  
Surveying Firm # 10098300







**GMA ENGINEERING & SURVEYING**

Engineering Firm No. F-6450  
Surveying Firm No. 100983-00

George M. Amthor III  
County Surveyor  
Registered Professional Land Surveyor  
Professional Engineer

Office  
325-372-3028  
1807 W. Wallace  
San Saba, Texas 76877

**Field notes of a tract of land lying in the City of San Saba, County of San Saba, State of Texas containing 4.06 acres of land out of the Calvin Weaver Survey 39, Abstract 1336. Said 4.06 acre tract of land is a part of that land described as Tract Two of 80.65 acres in a Deed of Trust from the City of San Saba to Betty Ann Weathers as recorded and described in Volume 228, Page 25 of the San Saba County Official Public Records. Survey was made for the City of San Saba, Texas and the Texas Housing Foundation, LTD.**

**Beginning** at a 1/2" iron pin (found) by a railroad tie corner post in the east line of Harkey Street, the same being an inner corner of said 80.65 acre tract of land and also being the northwest corner of a tract of land described as TRACT ONE of 0.735 acres in a deed from Michael Shay Easterwood and Brandi J. Easterwood to Thomas C. Stark recorded in Volume 332, Page 783 of the San Saba County Official Public Records.

**Thence N 03°34'35" E 645.00 feet** along the east line of Harkey Street to a 1/2" capped iron pin (set) for the northwest corner of this 4.06 acre tract of land;

**Thence S 89°50'41" E 275.00 feet** along the north line of this 4.06 acre tract to a 1/2" capped iron pin (set) for the northeast corner of this 4.06 acre tract;

**Thence S 03°34'35" W 645.00 feet** to a 1/2" capped iron pin (set) in a wood plank fence for the southeast corner of this 4.06 acre tract, from which a 1/2" iron pin (found) by a corner post for an inner corner of said 80.65 acre tract (Volume 228, Page 25) bears S 89°50'41" E 114.01 feet;

**Thence N 89°50'41" W** along said wood plank fence, at 76.99 feet passing a 1/2" capped iron pin (found) by a railroad tie corner post at the end of said wood plank fence for the northwest corner of a tract of land called First Tract in a deed to Arthur Edward Campbell recorded in Volume 311, Page 596 of said deed records (see Volume 182, Page 863 for further description), the same being the northeast corner of a 0.159 acre tract called Second Tract in said deed recorded in Volume 311, Page 596 (see Volume 247, Page 859 for further description), continuing along a wire fence, at 153.04 feet passing a 1/2" iron pin (found) in said fence for the northwest corner of said 0.159 acre tract, the same also being the northeast corner of a 0.735 acre tract as described in a deed to Thomas C. Stark in Volume 332, Page 783, continuing along said wire fence **a total distance of 275.00 feet to place of beginning.**

**Basis of Bearings:** Bearings are based on "True North" as determined by GPS measurements taken at Lat: N 31°14'44"; Long: W 98°44'18".

**NOTE:** 1/2" capped iron pins (set) are capped with a pink plastic cap marked "G. AMTHOR - RPLS 2684".

**NOTE:** 1/2" capped iron pins (found) are capped with a yellow plastic cap marked "G. AMTHOR - RPLS 2684".

I, George M. Amthor III, R.P.L.S., do hereby certify that the field notes shown hereon and accompanying plat represent an on-the-ground survey made under my direction and supervision on February 8, 2016 and to the best of my knowledge and belief represent the facts found at the time of survey.

WITNESS MY HAND AND SEAL,



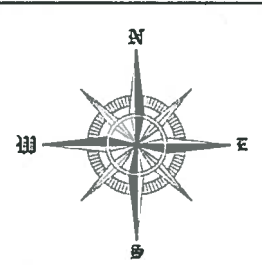
George M. Amthor III  
R.P.L.S. 2684





**SURVEY PLAT OF A 4.06 ACRE TRACT OF LAND  
LYING IN THE CITY OF SAN SABA, TEXAS.**

Made For: Texas Housing Foundation LTD and City of San Saba

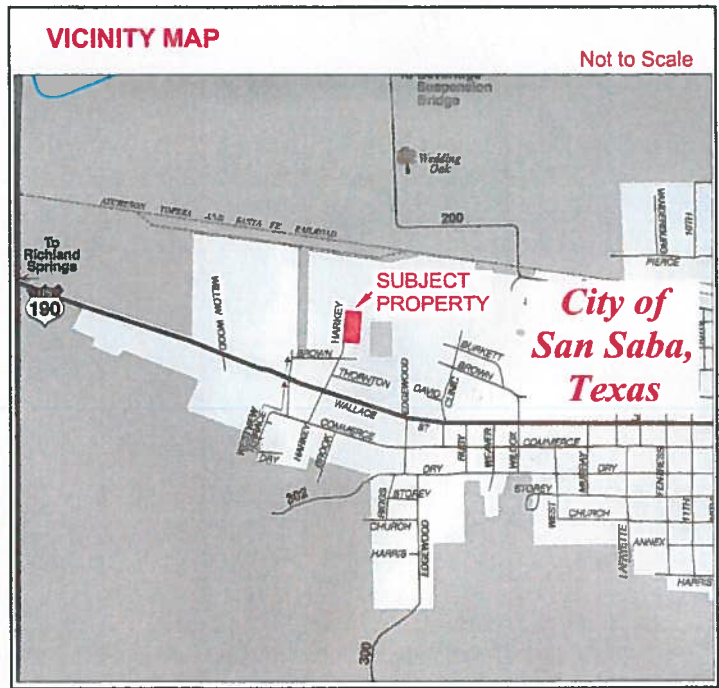


Basis of Bearings:  
Bearings are based on "TRUE NORTH" as determined by GPS measurements taken at  
Latitude: N 31°11'44"  
Longitude: W 98°44'18"

*Calvin Weaver Survey 39, Abstract 1336*

**4.06 Acres**

Deed of Trust  
City of San Saba, Texas  
to  
Betty Ann Weathers  
Tract Two: 80.65 Acres  
Vol. 228, Pg. 25 - S.S.C.O.P.R.



**LEGEND**

Scale: 1 Inch = 100 feet

**P.O.B.** Point of Beginning

- 1/2" capped iron pin (set)
- 1/2" iron pin (found)
- ⊙ 1/2" capped iron pin (found)

RDC record deed call

- X— wire fence
- //— wood plank fence
- chain link fence

Building Restriction Lines: For building restriction line specifications contact the City of San Saba, 325-372-5144.

Note: 1/2" capped iron pins (set) are capped with a pink plastic cap marked "G. AMTHOR - RPLS 2684".

Note: 1/2" capped iron pins (found) are capped with a yellow plastic cap marked "G. AMTHOR - RPLS 2684".

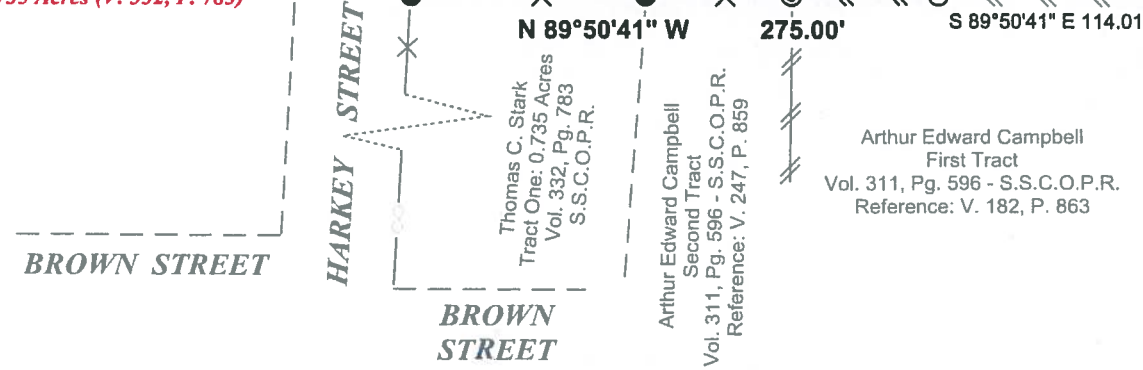
P.O.B. - 1/2" iron pin (found) by a RR tie corner post for an inner corner of a tract of land described as 80.65 Acres (V. 228, P. 25) and also being the NWC of a tract of land described as 0.735 Acres (V. 332, P. 783)

at 153.04' passing a 1/2" iron pin (found) in a fence for the NWC of a tract of land described as 0.159 Acres (V. 247, P. 859) and also being the NEC of a tract of land described as 0.735 Acres (V. 332, P. 783)

at 76.99' passing a 1/2" capped iron pin (found) by a RR tie corner post for the NEC of a tract of land described as 0.159 Acres (V. 247, P. 859)

1/2" capped iron pin (set) in a wood plank fence from which a 1/2" iron pin (found) by an old corner post for an inner corner of a tract of land described as 80.65 Acres (V. 228, P. 25) brs. S 89°50'41" E 114.01'

1/2" iron pin (found) by an old corner post for an inner corner of a tract of land described as 80.65 Acres (V. 228, P. 25)



I, George M. Amthor III, R.P.L.S., do hereby certify that the plat shown hereon and accompanying field notes represent an on-the-ground survey made under my direction and supervision on February 8, 2016, and to the best of my knowledge and belief represent the facts found at the time of survey.

WITNESS MY HAND AND SEAL,

*George M. Amthor III*  
George M. Amthor III  
R.P.L.S. 2684



GMA Engineering & Surveying  
1807 W. Wallace  
San Saba, Texas 76877  
PH: (325) 372-3028  
Engineering Firm No. F-6450  
Surveying Firm No. 100983-00  
Drawing No. 020816/1117/oz  
File: THF SAN SABA LTD 02-08-16

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**BOARD ACTION ITEM**  
**MULTIFAMILY FINANCE DIVISION**  
**MAY 26, 2016**

Presentation, Discussion, and Possible Action on Timely Filed Scoring Notice Appeals under the Department's Multifamily Program Rules

**RECOMMENDED ACTION**

**WHEREAS**, a 9% Housing Tax Credit Application for Churchill at Golden Triangle was submitted to the Department by the Full Application Delivery Date;

**WHEREAS**, during Application review, staff identified Administrative Deficiencies that required resolution within five business days of notice or suffer a five point deduction for each day and potential termination after seven days;

**WHEREAS**, the Applicant failed to timely resolve the Administrative Deficiencies, and consequently was assessed a five point penalty;

**WHEREAS**, Competitive HTC scoring notices were provided to the Applicant, identifying points that the Applicant elected but did not qualify to receive under 10 TAC §11.9 related to Competitive HTC Selection Criteria, after the Administrative Deficiency process was completed

**WHEREAS**, the Applicants timely filed an appeal of the scoring notice; and

**WHEREAS**, the Executive Director denied the appeals;

**NOW, therefore, it is hereby**

**RESOLVED**, that the scoring appeals for Application 16260 Churchill at Golden Triangle is hereby denied.

**BACKGROUND**

10 TAC §11.9 related to Competitive HTC Selection Criteria identifies the scoring criteria used in evaluating and ranking Applications. Included in the Scoring Criteria are those items required under Texas Government Code, Chapter 2306, §42 of the Internal Revenue Code ("the Code"), and other criteria established in a manner consistent with Chapter 2306 and §42 of the Code.

Pursuant to §10.201(7) Administrative Deficiency Process, staff sends the deficiency notice via e-mail to the Applicant requesting the Applicant provide clarification, correction, or non-material missing information to resolve inconsistencies in the original Application or to assist staff in evaluating the Application. The five business day time period for responding to a deficiency notice commences on the first business day following the deficiency notice date.

This Application was assessed a penalty of five points under 10 TAC §10.201(7)(A) of the 2016 Uniform Multifamily Rules, related to the Administrative Deficiency Process, because the Applicant failed to resolve Administrative Deficiencies to the satisfaction of the Department by 5:00 p.m. on the fifth business day following the date of the deficiency notice. The rule reads in relevant part:

Unless an extension has been timely requested and granted, if an Administrative Deficiency **is not resolved** (*emphasis supplied*) to the satisfaction of the Department by 5:00 p.m. on the fifth business day following the date of the deficiency notice, then (5 points) shall be deducted from the selection criteria score for each additional day the deficiency remains unresolved. If Administrative Deficiencies are not resolved by 5:00 p.m. on the seventh business day following the date of the deficiency notice, then the Application shall be terminated.

The appeal was denied based on the consistent position of staff that the rule contemplates and requires that by 5:00 p.m. Austin local time on the fifth day after notice of an administrative deficiency, the applicant will have taken the necessary steps to ensure staff understands the applicant's response in sufficient detail that the deficiency has been resolved. In this instance, a response for 16 deficiency items was submitted at 4:28 p.m. on April 18, 2016, thirty-two minutes before the deadline at 5:00 p.m. Austin local time.

The Administrative Deficiency response included 36 pages of documentation. While the responses and documentation for the deficiencies were submitted prior to the deadline, the timing of the submission did not leave sufficient time for staff to review the documents and determine whether the Administrative Deficiencies had been resolved to the satisfaction of the Department and 10 TAC §10.201(7)(A) prior to the required deadline.

The appeal asserts that the deficiencies cited were "excessively vague", that the reviewer was out of the office and thus unavailable for two days, and that it was not possible for them to submit the response earlier as they were not "invited" to submit the response in portions. The Applicant has provided no evidence that in the time between receipt of the Notice of Administrative Deficiency and the response submission did the Applicant request explanation of any of the deficiency items that they did not understand, or that the Applicant contacted staff or management in the Multifamily Division regarding the ability to submit a part of the response separately, or that the Applicant requested an extension to the response deadline due to any difficulty in reaching the reviewer or understanding the requirements of the notice.

Finally, while the appeal asserts that the reviewer was in possession of all requested information prior to the deadline, review of that information revealed that in fact four of the deficiencies had not been cured:

- The first uncured deficiency regarding the earnest money deposit was prompted by Section 4 of the Purchase and Sale Agreement, which requires that the "Within 2 business days after the Effective Date, Purchaser must deliver to the Escrow Agent an Earnest Money deposit of \$10,000 in Cash Funds." No evidence of that deposit was provided in the Application. The Applicant provided evidence that the title company acknowledged it was obligated to perform the duties set out in this section of the contract, but that acknowledgement does

not equate to evidence that the deposit was made by the Applicant. Staff accepts that the Contract for Ground Lease was inconsequential to the deficiency, but the earnest money question was not resolved by the deadline.

- The second uncured deficiency regarding the inconsistent count of units between the building floor plans and the Building/Unit Configuration form states specifically “The plans for buildings 1 and 3 do not match the unit distribution given on the Building/Unit Configuration Form. Revise the incorrect exhibit.” The Applicant did not follow the request in the notice, but rather referred to the unit matrix provided by the architect and revised information to attempt to correct the deficiency had to be submitted after the deficiency deadline.
- The third uncured deficiency concerning the List of Organizations and Principals remained uncured because the Applicant did not address the issues that created the deficiency. Clear instructions for completion of the form appear at the top, which provides a map of the ownership structure and supplements the Organizational Chart. In the appeal, the Applicant states “FWHA Golden Triangle Public Facilities Corporation is not a sub entity of the General Partner – exactly the opposite is, in fact, correct.” The Organizational Chart clearly shows this entity as a sub entity of the General Partner. The matter remained unresolved and revised information to attempt to correct the deficiency had to be submitted after the deficiency deadline.
- Regarding the fourth uncured deficiency, the Applicant provided revised information after the deadline to attempt to correct the deficiency..

16260

Scoring Notice and  
Documentation



**MULTIFAMILY FINANCE PRODUCTION DIVISION**  
**Housing Tax Credit Program - 2016 Application Round**  
**Scoring Notice - Competitive Housing Tax Credit Application**

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Bradley E. Forslund

Phone #: (972) 550-7800

Email: [bforslund@cri.bz](mailto:bforslund@cri.bz)

Second Email: [bvillanueva@cri.bz](mailto:bvillanueva@cri.bz)

Date: May 19, 2016

**THIS NOTICE WILL ONLY BE  
TRANSMITTED VIA EMAIL**

**RE: 2016 Competitive Housing Tax Credit (HTC) Application for Churchill at Golden Triangle  
Community, TDHCA Number: 16260**

The Texas Department of Housing and Community Affairs has completed its program review of the Application referenced above as further described in the 2016 Qualified Allocation Plan ("QAP"). This scoring notice provides a summary of staff's assessment of the application's score. The notice is divided into several sections.

Section 1 of the scoring notice provides a summary of the score requested by the Applicant followed by the score staff has assessed based on the Application submitted. You should note that four scoring items are not reflected in this scoring comparison but are addressed separately.

Section 2 of the scoring notice includes each of the four scoring criteria for which points could not be requested by the Applicant in the application self-score form and include: §11.9(d)(1) Local Government Support, §11.9(d)(4) Quantifiable Community Participation, §11.9(d)(5) Community Support from State Representative, and §11.9(d)(6) Input from Community Organizations.

Section 3 provides information related to any point deductions assessed under §11.9(f) of the QAP or §10.201(7)(A) of the Uniform Multifamily Rules.

Section 4 provides the final cumulative score in bold.

Section 5 includes an explanation of any differences between the requested and awarded score as well as any penalty points assessed.

The scores provided herein are merely informational at this point in the process and may be subject to change. For example, points awarded under §11.9(e)(2) "Cost of Development per Square Foot" and §11.9(e)(4) "Leveraging of Private, State, and Federal Resources" may be adjusted should the underwriting review result in changes to the Application that would affect these scores. If a scoring adjustment is necessary, staff will provide the Applicant a revised scoring notice.

Be further advised that if the Applicant failed to properly disclose information in the Application that could have a material impact on the scoring information provided herein, the score included in this notice may require adjustment and/or the Applicant may be subject to other penalties as provided for in the Department's rules.

This preliminary scoring notice is provided by staff at this time to ensure that an Applicant has sufficient notice to exercise any appeal process provided under §10.902 of the Uniform Multifamily Rules. All information in this scoring notice is further subject to modification, acceptance, and/or approval by the Department's Governing Board.



**MULTIFAMILY FINANCE PRODUCTION DIVISION**  
**Housing Tax Credit Program - 2016 Application Round**  
**Scoring Notice - Competitive Housing Tax Credit Application**

**Page 2 of Final Scoring Notice: 16260, Churchill at Golden Triangle Community**

**Section 1:**

Score Requested by Applicant (Does not include points for §11.9(d)(1), (4), (5), or (6) of the 2016 QAP):	123
Score Awarded by Department staff (Does not include points for §11.9(d)(1), (4), (5), or (6) of the 2016 QAP):	123
Difference between Requested and Awarded:	0

**Section 2:**

Points Awarded for §11.9(d)(1) Local Government Support:	17
Points Awarded for §11.9(d)(4) Quantifiable Community Participation:	4
Points Awarded for §11.9(d)(5) Community Support from State Representative:	8
Points Awarded for §11.9(d)(6) Input from Community Organizations:	4

**Section 3:**

Points Deducted for §11.9(f) of the QAP or §10.201(7)(A) of the Uniform Multifamily Rules:	5
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**Section 4:**

<b>Final Score Awarded to Application by Department staff:</b>	<b>151</b>
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**Section 5:**

**Explanation for Difference between Points Requested and Points Awarded by the Department as well as penalties assessed:**

§10.201(7) Administrative Deficiency Process. Administrative Deficiency was not resolved to the satisfaction of the Department by 5:00 p.m. on the fifth business day following the date of the deficiency notice. (Penalty applied: -5 points)

Restrictions and requirements relating to the filing of an appeal can be found in §10.902 of the Uniform Multifamily Rules. If you wish to appeal this scoring notice, you must file your appeal with the Department no later than 5:00 p.m. Austin local time, Thursday, May 26, 2016. If an appeal is denied by the Executive Director, an Applicant may appeal to the Department's Board.

In an effort to increase the likelihood that Board appeals related to scoring are heard at the Board meeting, the Department has provided an Appeal Election Form for all appeals submitted to the Executive Director. In the event an appeal is denied by the Executive Director, the Applicant is able to request that the appeal automatically be added to the Board agenda.

If you have any concerns regarding potential miscalculations or errors made by the Department, please contact Sharon Gamble at (512) 936-7834 or by email at <mailto:sharon.gamble@tdhca.state.tx.us>.

Sincerely,

*Sharon Gamble*

Sharon Gamble  
 9% Competitive HTC Program Administrator



**From:** Elizabeth Henderson  
**To:** "[Becky Villanueva](#)"; [Brad Forslund](#)  
**Subject:** RE: 16260 - 9% HTC Application Deficiency Notice - TIME SENSITIVE - Churchill at Golden Triangle Community  
**Date:** Monday, April 18, 2016 4:36:00 PM

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Hi Becky,

I have received the submission but I won't have it cleared before 5pm so I'll give you an end result tomorrow. I hope everything is right!

Have a great day!  
Elizabeth Henderson

---

**From:** Becky Villanueva [<mailto:bvillanueva@cri.bz>]  
**Sent:** Monday, April 18, 2016 4:30 PM  
**To:** Elizabeth Henderson; Brad Forslund  
**Subject:** RE: 16260 - 9% HTC Application Deficiency Notice - TIME SENSITIVE - Churchill at Golden Triangle Community

Hi Elizabeth,

I just submitted to the Department's Serv-U HTTPs System our response to the below deficiency. Please let me know if you have any questions or need any additional information after your review.

Would you also confirm your receipt.

Thanks, Becky

---

**From:** Elizabeth Henderson [<mailto:elizabeth.henderson@tdhca.state.tx.us>]  
**Sent:** Monday, April 11, 2016 11:56 AM  
**To:** Brad Forslund <[bforslund@cri.bz](mailto:bforslund@cri.bz)>; Becky Villanueva <[bvillanueva@cri.bz](mailto:bvillanueva@cri.bz)>  
**Subject:** 16260 - 9% HTC Application Deficiency Notice - TIME SENSITIVE - Churchill at Golden Triangle Community

In the course of the Department's Housing Tax Credit **Eligibility/Selection/Threshold** and/or Direct Loan review of the above referenced application, a possible Administrative Deficiency as defined in §10.3(a)(2) and described in §10.201(7)(A) and/or §10.201(7)(B) of the 2016 Uniform Multifamily Rules was identified. By this notice, the Department is requesting documentation to correct the following deficiency or deficiencies. Any issue initially identified as an Administrative Deficiency may ultimately be determined to be beyond the scope of an Administrative Deficiency, and the distinction between material and non-material missing information is reserved for the Director of Multifamily Finance, Executive Director, and Board.

1. Tab 12, Site Control – The contract does not include the paragraph pertaining to

environmental review. Provide an addendum, signed by both parties, which makes this paragraph part of the purchase contract. You will find the language in the Direct Loan NOFA.

2. Tab 12, Site Control – Provide proof of consideration as required by the contract(s).
3. Tab 12, General Demographic Characteristics – The demographics were provided for the census tract but not for the city specifically. Provide the city demographics.
4. Tab 18, Unit Amenities and Tenant Supportive Services – The box was left blank for HOME/Direct Loan. Check the boxes and resubmit.
5. Tab 22, Detention Pond – There was no detention pond depicted on the site plan but the feasibility study says there must be one. Add the pond to the site plan.
6. Tab 22, Building Plans – The plans for buildings 1 and 3 do not match the unit distribution given on the Building/Unit Configuration Form. Revise the incorrect exhibit.
7. Tab 22, Unit Floor Plans – The dimensions of each perimeter wall were not given on the unit plans. Provide plans with the dimensions.
8. Tab 22, Elevations – The elevations don't indicate which side of the building is depicted. Submit better labeled elevations.
9. Tab 24, Direct Loan Proportionality Test – The percentage of Direct Loan units is not less than the percentage of Direct Loan funds to total development cost. Revise the amount of Direct Loan units or funds in order to meet this requirement.
10. Tab 24, **Direct Loan Informational Deficiency – No Action Required** – Because there are 80% High HOME units, 90% of the HOME units have to be leased to households at 60% High HOME or below at initial occupancy, per 24 CFR 92.216. Once the initial occupants move out, the 80% High HOME rent and income limits may start for those units designated 80% High HOME.
11. Tab 35, Equity Letter – The equity letter did not state how much in developer fees would be paid during construction. Obtain this information. You can accept it by email rather than getting another letter.
12. Tab 37, Guarantor Chart – Provide a guarantor chart.
13. Tab 38, List of Organization – The form is not complete and is inconsistent with the organizational charts. Revise the form.
14. Tab 39, Previous Participation – Forms were not provided for all entities on the organizational charts. Provide the missing forms.
15. Tab 45, Credit Limit I and II – The forms did not include all entities and persons on the organizational charts. Revise and resubmit.
16. Feasibility Report – I did not find the required survey or plat and the preliminary site plan, with the “material adherence” statement included. Provide these two documents or indicate where I have missed them.

**The above list may not include all Administrative Deficiencies such as those that may be identified upon a supervisory review of the application. Notice of additional**

**Administrative Deficiencies may appear in a separate notification.**

All deficiencies must be corrected or otherwise resolved by 5 pm CST on the fifth business day following the date of this deficiency notice. Deficiencies resolved after 5 pm on the fifth business day will have 5 points deducted from the final score. For each additional day beyond the fifth day that any deficiency remains unresolved, the application will be treated in accordance with §10.201(7)(A) of the 2016 Uniform Multifamily Rules.

All deficiencies related to the Direct Loan portion of the Application must be corrected or clarified by 5pm CST on the fifth business day following the date of this deficiency notice. Deficiencies resolved after 5pm CST on the fifth business day will be subject to a \$500 fee for each business day that the deficiency remains unresolved. Applications with unresolved deficiencies after 5pm CST on the tenth day may be terminated.

Unless the person that issued this deficiency notice, named below, specifies otherwise, submit all documentation at the same time and in only one file using the Department's Serv-U HTTPs System. Once the documents are submitted to the Serv-U HTTPs system, please email the staff member issuing this notice. If you have questions regarding the Serv-U HTTPs submission process, contact Liz Cline at [liz.cline@tdhca.state.tx.us](mailto:liz.cline@tdhca.state.tx.us) or by phone at (512)475-3227. You may also contact Jason Burr at [jason.burr@tdhca.state.tx.us](mailto:jason.burr@tdhca.state.tx.us) or by phone at (512)475-3986.

**All applicants should review §§11.1(b) and 10.2(b) of the 2016 QAP and Uniform Multifamily Rules as they apply to due diligence, applicant responsibility, and the competitive nature of the program for which they are applying.**

**\*\*All deficiencies must be corrected or clarified by 5 pm on April 18, 2016. Please respond to this email as confirmation of receipt.\*\***

**About TDHCA**

The Texas Department of Housing and Community Affairs administers a number of state and federal programs through for-profit, nonprofit, and local government partnerships to strengthen communities through affordable housing development, home ownership opportunities, weatherization, and community-based services for Texans in need. For more information, including current funding opportunities and information on local providers, please visit [www.tdhca.state.tx.us](http://www.tdhca.state.tx.us).

*Elizabeth Henderson*

*Program Specialist III*

*Texas Department of Housing and Community Affairs*

*221 E. 11th Street | Austin, TX 78701*

*Office: 512.463.9784 | Fax: 512.475.0764*

*Any person receiving guidance from TDHCA staff should be mindful that, as set forth in 10 TAC Section 11.1(b) there are important limitations and caveats (Also see 10 TAC §10.2(b)).*

**From:** Elizabeth Henderson  
**To:** ["Becky Villanueva"](#)  
**Cc:** [Brad Forslund](#)  
**Subject:** RE: 16260 - 9% HTC Application Deficiency Notice - TIME SENSITIVE - Churchill at Golden Triangle Community  
**Date:** Tuesday, April 19, 2016 11:10:00 AM

---

Hi Becky,

I gotten through the deficiency response. There are 4 that I could not clear so this one will be cleared a day late, provided they're cleared by 5pm today. Here are the ones that are still outstanding. We can discuss them if you need to.

#2. Tab 12, Site Control – Proof of consideration. Both site control documents required consideration/deposits. The amounts were different for each. I got confirmation for one of them with your submission but not the other.

#6. Tab 22, Building Plans – The plans for building 1 still don't match the unit count on the Building Unit Configuration Form. You said you didn't see the problem but the unit count on the form doesn't match what I'm getting with the plans.

#13. The List of Organizations and Principals still isn't complete. The first mistake I saw is still there in the new form.

#15. One of the Credit Limit Part II's was not completed correctly. One was done correctly but the other was not.

Since these are not new deficiencies, they don't get 5 extra days. You need to clear these today in order to avoid losing 5 more points.

Give me a call if you need to,  
Elizabeth Henderson

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**From:** Becky Villanueva [mailto:[bvillanueva@cri.bz](mailto:bvillanueva@cri.bz)]  
**Sent:** Monday, April 18, 2016 4:30 PM  
**To:** Elizabeth Henderson; Brad Forslund  
**Subject:** RE: 16260 - 9% HTC Application Deficiency Notice - TIME SENSITIVE - Churchill at Golden Triangle Community

Hi Elizabeth,

I just submitted to the Department's Serv-U HTTPs System our response to the below deficiency. Please let me know if you have any questions or need any additional information after your review.

Would you also confirm your receipt.

Thanks, Becky

16260

Applicant Appeal to  
Executive Director

April 28, 2016

**By Email to [tim.irvine@tdhca.state.tx.us](mailto:tim.irvine@tdhca.state.tx.us)**

Mr. Tim Irvine  
Executive Director  
TDHCA  
221 East 11<sup>th</sup> Street  
Austin Texas 78701

Subject: TDHCA # 16260 - Churchill at Golden Triangle Community;  
Appeal of 5 Point Penalty in Administrative Deficiency Process.

Dear Mr. Irvine:

The aforementioned 9% tax credit application is being assessed a 5 point penalty by Staff due to their position that 4 of the 16 deficiency items were not fully cleared by the April 18<sup>th</sup> 5:00 p.m. deadline. We are appealing this determination, as we strongly believe this penalty is not warranted.

Churchill received a Notice of Administrative Deficiency dated April 11, 2016. Answers and documentation for 16 deficiency items were submitted timely at 4:28 p.m. prior to the April 18<sup>th</sup> deadline at 5:00 p.m. Central. Receipt of the response was confirmed, but Staff indicated that there was not sufficient time to clear them all before the 5:00 p.m. deadline. On the morning of April 19<sup>th</sup> we received an email indicating 4 items from the original 16 were not cleared and were told we would be charged the 5 point penalty. We have attached both the original deficiency notice and our response as well as the response we sent on April 19<sup>th</sup> related to the 4 items stated to be not cleared on April 18<sup>th</sup>. We think that the deficiencies should have been regarded as cured on April 18, 2016.

**Deficiency item #2- Site Control. Proof of Consideration. . Tab 12, Site Control – Provide proof of consideration as required by the contract(s). Site Control was fully demonstrated in the Application with proof of consideration by the Escrow Agents receipt of earnest money deposit in the Purchase & Sale agreement that was included in the Application. The 2<sup>nd</sup> contract in question, the Contract for Ground Lease, was only included in the Application to document the future tax exemption** In a phone conversation with the reviewer, it was explained that the receipt signed by the title company at the end of the Purchase and Sale Agreement was the necessary proof of receipt of earnest money deposit. The receipt states “Escrow Agent agrees to be bound by the terms and provisions of this Agreement, including those described in Section 4 hereof.” Section 4 relates to the Earnest Money Deposit being held in escrow by the title company. Further documentation was requested, suggesting that an email from the title company would be acceptable, and that was provided. In the conversation no reference was made to the Contract for Ground Lease, which was in the Application to show how the Fort Worth Housing Authority (“FWHA”) would own the fee interest and the Partnership would ground lease the Project site, which meets requirements for a 100% ad valorem tax exemption, as shown in the Application. We did not consider the Contract for Ground Lease in our deficiency response because (i) it is not part of site control, and (ii) the Purchase and Sale Agreement had been assigned to the Partnership –



demonstrating full site control. No further documentation was needed to fulfill the site control requirements. The second Deficiency Notice stated: *#2. Tab 12, Site Control – Proof of consideration. Both site control documents required consideration/deposits. The amounts were different for each. I got confirmation for one of them with your submission but not the other. We had already shown proper site control in the original Application. This transaction is in partnership with the FWHA and that information is fully disclosed in the Application, with the FWHA signing an Applicant Certification for the Application. The Contract for Ground Lease was included to show the structure supporting the 100% property tax exemption shown on the Operating Expenses form. This structure requires a ground lease and proper site control was shown in the Application. We believe this is a misunderstanding of the ground lease structure, and that no deficiency ever existed. Please read our response for this #2 item in the attached copy for a further explanation. Since the deficiency was cleared on April 19<sup>th</sup> without any further documentation being provided, we believe that there was no deficiency in the Application at all, and therefore Deficiency item #2 should not be considered to contribute to incurring a 5 point penalty.*

**Deficiency item #6.** *Tab 22, Building Plans – The plans for buildings 1 and 3 do not match the unit distribution given on the Building/Unit Configuration Form. Revise the incorrect exhibit. **We made a substantial effort to answer the reviewer’s questions in a timely manner however the reviewer’s request was unclear. By the deadline the Building/Unit Configuration was correct, Building Matrix on Site Plan was correct , and Architectural Plans met all requirements of 10.204(9).*** The building/unit plan mix was matched in the Application between the matrix shown on the Site Plan and the Building/Unit Configuration Plan (template form provided in the application form). Staff cleared 1 of the 2 building sections in question, and said there was an error in Building One in our initial deficiency response. The second Deficiency Notice stated: *#6. Tab 22 Building Plans – The plans for building 1 still don’t match the unit count on the Building Unit Configuration Form. You said you didn’t see the problem but the unit count on the form doesn’t match what I’m getting with the plans.* It wasn’t until further conversation with the reviewer we realized she was looking at the building plans and we were looking at the site plan. We quickly had our architect correct that one building’s floor plans on April 19. This is not a threshold item, it is basically a typo by the architect on one of the 4 buildings. As it turned out, our architect had mistakenly identified an A1 unit as a B1 unit on three different floors. Again, this is not a threshold or Application requirement. The tabulations on the Building/Unit Configuration form were correct when the deficiency was responded to the first time. All architectural requirements were met in the Application. We feel that the perceived deficiency was not properly stated, and that therefore our response was fated to be incorrect.

**Deficiency item #13 - List of Organizations and Principals.** *Tab 38, List of Organization – The form is not complete and is inconsistent with the organizational charts. Revise the form. **All of the entities that are on the Organizational Chart were represented in the Application on the List of Organizations & Principals the reviewer wanted sub-entities listed; however we still made a substantial effort to answer the reviewer’s questions*** In our initial deficiency response we provided information on the limited partners of a limited partnership that was shown as Co-Developer and Guarantor. This was either not the information requested, or else was only a portion of the information requested, and in the second Deficiency Notice Staff stated *“The List of Organizations and Principals still isn’t complete. The first mistake I saw is still there in the new form.”* This was not very helpful in locating the information regarded as missing. As it eventually

developed, the missing information being requested was acknowledgment that FWHA Golden Triangle Public Facilities Corporation as a sub entity of the General Partner/Co-Developer (Organization 1) and showing Churchill Senior Residential, LLC as a sub entity of Churchill Senior Communities, L.P. (Organization 3). We provided the names and indicated that each of these entities has TDHCA experience. The information for these two entities was already shown independently on the form for Organizations 2 and 6. Additionally, FWHA Golden Triangle Public Facilities Corporation is not a sub-entity of the General Partner/Co-Developer. In actuality, the General Partner/Co-Developer is a sub-entity of FWHA Golden Triangle Public Facilities Corporation. This form is very complicated and not intuitive, as admitted by Staff. In any event, all new information was presented in our April 18<sup>th</sup> response, so we believe the deficiency should have been regarded as cured on that date.

**Deficiency item #15- Credit Limit Form.** *Tab 45, Credit Limit I and II – The forms did not include all entities and persons on the organizational charts. Revise and resubmit. By the deadline we had returned the Credit Limit I & II for the additional entities although the Credit Limit II form was missing the entity name at the top but was clearly noted at the bottom signed by the President of the Board. It was clear which entity it was representing.* After our response to the first Deficiency Notice, the second Deficiency Notice stated: “#15. One of the Credit Limit Part II’s was not completed correctly. One was done correctly but the other was not.” The response did not even identify the form which was considered to be correct, so we were left to speculate regarding this. As it turned out, the name of the entity was missing from the top of the page ( FWHA info ), which was considered to be a disqualifying error, even though the name of the entity was at the bottom of the page, and the page was signed by the President of the FWHA. There should have been be no question about the entity involved as it was contained on the subject page.

This Application is a partnership with the Fort Worth Housing Authority ( FWHA ). The FWHA is a very large organization that has ownership in many partnerships containing affordable/tax credit housing. Obtaining Previous Participation Information on all of their existing relationships with the TDHCA took substantial time, and therefore delayed the filing of the initial deficiency response until the due date. The Deficiency Notice states that unless advised otherwise, all deficiencies must be addressed in one submission. For that reason, we were not able to make a partial submission and determine in advance of the deadline that materials we were providing were not considered sufficient to clear the matter.

We also believe that the vague manner in which the reviewer advised of deficiencies substantially contributed to our inability to respond in the manner desired to cure the deficiencies. In support of this assertion, we are including a redacted copy of a Deficiency Notice that was provided to another applicant. Please note the degree of detail identifying where information was missing or incorrect. Detail such as this was missing in both the original April 11, 2016 Deficiency Notice and in the April 19, 2016 follow-up Deficiency Notice. Additionally, the reviewer was out of the office for at least a day and a half from April 13<sup>th</sup> to April 14<sup>th</sup>, as we were advised in response to email requesting clarification of the deficiencies, making it necessary in several instances for us to simply guess what information the reviewer was actually requesting. We made every effort to clarify and respond to the deficiencies in a timely manner and believe that this point reduction is not warranted, given these circumstances.



Churchill Residential operates or is in the process of developing over 2,500 units of high quality affordable housing mostly in Region 3. We have been commended by several U.S. Congressmen in their tours of our properties in DFW. We have an excellent track record with successful tax credit applications and compliance issues. We believe we develop and operate some of the highest quality properties within the TDHCA portfolio. Churchill at Golden Triangle is an important priority of both the City of Fort Worth and the FWHA. We respectfully submit that you make a final staff decision to NOT assess the 5 point penalty as it will of course make this application non-competitive. We submitted on a timely basis making every effort to what we thought were adequate answers to all of the 16 deficiency questions. We believe this is a communication issue with this particular reviewer, and that the 4 items cited as the April 19<sup>th</sup> deficiencies are very immaterial to this application.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley E. Forslund".

Bradley E. Forslund  
Authorized Representative

**From:** [REDACTED]  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** TIME SENSITIVE: REQUEST FOR ADDITIONAL INFORMATION TDHCA [REDACTED]  
Application  
**Date:** Thursday, April 07, 2016 9:10:00 AM  
**Importance:** High

In the course of the Department's Housing Tax Credit **Eligibility/Selection/Threshold** and/or HOME review of the above referenced application, a possible Administrative Deficiency as defined in §10.3(a)(2) and described in §10.201(7)(A) and/or §10.201(7)(B) of the 2015 Uniform Multifamily Rules was identified. By this notice, the Department is requesting documentation to correct the following deficiency or deficiencies. Any issue initially identified as an Administrative Deficiency may ultimately be determined to be beyond the scope of an Administrative Deficiency, and the distinction between material and non-material missing information is reserved for the Director of Multifamily Finance, Executive Director, and Board.

1. **Applicant Eligibility Certification:** Confirm the correct spelling of the last name of the Board Member, [REDACTED] versus [REDACTED].
2. Confirm whether or not [REDACTED] and [REDACTED] are one in the same person. His name is inconsistent throughout the application. Additional forms do not need to be provided, a statement will suffice.
3. **Site Plan:** The submitted site plan indicates acreage of 4.13 acres; however that appears to be inconsistent with the other documents. Provide an explanation.
4. **Site Plan:** Identify on the submitted site plan the floodplain boundaries or a statement as to the presence of such as well as any detention /retention ponds.
5. **Site Plan:** Based on the site plan and the Specifications and Building form there will be 186 parking spaces. It appears as each unit will have a 2 car garage; however the site plan does not appear to identify where any of the additional parking spots will be (with the exception of the common building). Indicate where on the site plan the other parking spaces will be.
6. **Building Floor Plans:** Identify on the building floor plans for each building type and floor the square footage tabulation for any breezeways, corridors, utility closets, porches and patios. The submitted documents do not appear to identify said items.
7. **Elevations:** Confirm that the side elevations for each building type are the same or provide the other side elevation for each. A statement will suffice.
8. **Tab 36 Sponsor Characteristics:** Submit a statement that explains how the HUB will materially participate.

9. **Tab 45 Applicant Credit Limit Form Part I:** The box indicating yes or no for [REDACTED] has not been completed.
10. **Tab 45 Applicant Credit Limit Form Part II:** Revise the forms to include those acting as Guarantor, based on the org chart it should be selected on the forms for [REDACTED], [REDACTED] and [REDACTED], LLC.
11. Revise the form for [REDACTED] LP to reflect the entity is a Developer, per the org chart. Please include any others who are Developers, per the org chart. Revise the form for [REDACTED] to include the date.
12. **Site Design and Feasibility:** Identify where the current survey dated after January 4, 2015 can be found in this report or the application. Should be signed by the preparer and show evidence it has been recorded.

**Any applicant requesting points for Commitment of Development Funding by Local Political Subdivision must provide a firm commitment of funds as a condition of the Commitment Notice (except for Applicants electing the point under [§11.9(d)(2)(C)]). All commitments of funds *must* include a statement from the provider that the funds were not first received from the applicant or related party. [§11.9(d)(2)]**

**The above list may not include all Administrative Deficiencies such as those that may be identified upon a supervisory review of the application. Notice of additional Administrative Deficiencies may appear in a separate notification.**

All deficiencies must be corrected or otherwise resolved by 5 pm CST on the fifth business day following the date of this deficiency notice. Deficiencies resolved after 5 pm on the fifth business day will have 5 points deducted from the final score. For each additional day beyond the fifth day that any deficiency remains unresolved, the application will be treated in accordance with §10.201(7)(A) of the 2015 Uniform Multifamily Rules.

All deficiencies related to the HOME portion of the Application must be corrected or clarified by 5pm CST on the fifth business day following the date of this deficiency notice. Deficiencies resolved after 5pm CST on the fifth business day will be subject to a \$500 fee for each business day that the deficiency remains unresolved. Applications with unresolved deficiencies after 5pm CST on the tenth day will be treated in accordance with §10.201(7)(B) of the 2015 Uniform Multifamily Rules.

Unless the person that issued this deficiency notice, named below, specifies otherwise, submit all documentation at the same time and in only one file using the Department's Serv-U HTTPs System. Once the documents are submitted to the Serv-U HTTPs system, please email the staff member issuing this notice. If you have questions regarding the Serv-U HTTPs submission process, contact Liz Cline at [liz.cline@tdhca.state.tx.us](mailto:liz.cline@tdhca.state.tx.us) or by phone at (512)475-3227. You may also contact Jason Burr at [jason.burr@tdhca.state.tx.us](mailto:jason.burr@tdhca.state.tx.us) or by phone at (512)475-3986.



April 18, 2016

Ms. Elizabeth Henderson  
Program Specialist III  
Texas Department of Housing and Community Affairs  
221 E. 11th Street  
Austin, TX 78701

Subject: 16260 Application – 9% HTC Application Deficiency Notice  
Churchill at Golden Triangle Community

Dear Ms. Henderson,

On behalf of Churchill at Golden Triangle Community, please see our responses below and attachments if noted to address the deficiencies sited in your email of April 11, 2016.

1. Tab 12, Site Control – The contract does not include the paragraph pertaining to environmental review. Provide an addendum, signed by both parties, which makes this paragraph part of the purchase contract. You will find the language in the Direct Loan NOFA.

[Please see the attached amendment to the contract with the language preferred by HUD for the environmental review.](#)

2. Tab 12, Site Control – Provide proof of consideration as required by the contract(s).

[Please see the email received from the title company on 1/7/16 confirming the receipt of the \\$10,000 earnest money.](#)

3. Tab 12, General Demographic Characteristics – The demographics were provided for the census tract but not for the city specifically. Provide the city demographics.

[Please see the attached demographics for the City of Fort Worth.](#)

4. Tab 18, Unit Amenities and Tenant Supportive Services – The box was left blank for HOME/Direct Loan. Check the boxes and resubmit.

[We don't believe that we are to check this box. Our application is not "HOME only" it is 9% HTC layered with HOME/direct loan. The heading states for Competitive HTC Applications, see Tab 19 for Unit and Development Features. We have elected the higher point level.](#)

5. Tab 22, Detention Pond – There was no detention pond depicted on the site plan but the feasibility study says there must be one. Add the pond to the site plan.

[The pond is not depicted on the site plan because it is an underground very small detention; the seller is handling the offsite drainage.](#)



6. Tab 22, Building Plans – The plans for buildings 1 and 3 do not match the unit distribution given on the Building/Unit Configuration Form. Revise the incorrect exhibit.

[Please see the attached revised building/unit configuration. We do not note an error on building 1; however we have revised building 3 to match the site plan.](#)

7. Tab 22, Unit Floor Plans – The dimensions of each perimeter wall were not given on the unit plans. Provide plans with the dimensions.

[Please see the revised unit floor plans with the perimeter wall dimensions.](#)

8. Tab 22, Elevations – The elevations don't indicate which side of the building is depicted. Submit better labeled elevations.

[Please see the revised elevations with the sides of the buildings noted in the key plan box.](#)

9. Tab 24, Direct Loan Proportionality Test – The percentage of Direct Loan units is not less than the percentage of Direct Loan funds to total development cost. Revise the amount of Direct Loan units or funds in order to meet this requirement.

[Please see the attached Rent Schedule revised to 17 Direct Loan units.](#)

10. Tab 24, **Direct Loan Informational Deficiency – No Action Required** – Because there are 80% High HOME units, 90% of the HOME units have to be leased to households at 60% High HOME or below at initial occupancy, per 24 CFR 92.216. Once the initial occupants move out, the 80% High HOME rent and income limits may start for those units designated 80% High HOME.

11. Tab 35, Equity Letter – The equity letter did not state how much in developer fees would be paid during construction. Obtain this information. You can accept it by email rather than getting another letter.

[Please see the attached letter of intent revised to note the amount of the developer fees paid during construction will be \\$570,881.](#)

12. Tab 37, Guarantor Chart – Provide a guarantor chart.

[Please see the attached chart of the Guarantor.](#)

13. Tab 38, List of Organization – The form is not complete and is inconsistent with the organizational charts. Revise the form.

[Please see the attached revised list of organizations & principals.](#)

14. Tab 39, Previous Participation – Forms were not provided for all entities on the organizational charts. Provide the missing forms.

[Attached are three additional Previous Participation forms.](#)

15. Tab 45, Credit Limit I and II – The forms did not include all entities and persons on the organizational charts. Revise and resubmit.

Please see the revised Applicant Credit Limit documentation and Certification along with the two additional entities.

16. Feasibility Report – I did not find the required survey or plat and the preliminary site plan, with the “material adherence” statement included. Provide these two documents or indicate where I have missed them.

Please see the last page of the Kimley Horn site feasibility report they are at the very back.

**If you have any additional questions, please contact me at 972-550-7800 x 222 or [bforsslund@cri.bz](mailto:bforsslund@cri.bz).**

Sincerely,



Bradley E. Forslund

Enclosures

## SECOND AMENDMENT TO PURCHASE AND SALE AGREEMENT

This Second Amendment to Purchase and Sale Agreement ("Second Amendment") is made and entered into by and between **TRIANGLE I-35 REALTY, LTD**, a Texas limited partnership ("Seller") and **CHURCHILL AT GOLDEN TRIANGLE COMMUNITY, L.P.**, a Texas limited partnership ("Purchaser") as of the 14th day of April 2016 ("Second Amendment Effective Date").

### RECITALS

A. Seller and Purchaser entered into a Purchase and Sale Agreement ("Agreement") with an Effective Date of January 7, 2016, for the sale and purchase of approximately 5.282 +/- acres (**Land**) of real property of land located in Fort Worth, Tarrant County, Texas.

B. Pursuant to Section 15 – Special Provisions, Seller and Purchaser desire to amend the Agreement to revise the Special Provisions.

C. All defined terms in this Second Amendment that are not defined herein have the same meanings given to those terms in the Purchase and Sale Agreement.

### AGREEMENT

In consideration of the mutual covenants contained in this Second Amendment, Seller and Purchaser amend the Purchase and Sale Agreement as follows:

#### SECTION 15 – SPECIAL PROVISIONS

**15.3 HUD Environmental.** Notwithstanding any other provisions of this Contract, Purchaser shall have no obligation to purchase the Property, and no transfer of title to the Purchaser may occur, unless and until TDHCA has provided Purchaser and/or Seller with a written notification that: (1) it has completed a federally required environmental review and its request for release of funds has been approved and, subject to Contingencies in this Contract, (a) the purchase may proceed, or (b) the purchase may proceed only if certain conditions to address issues in the environmental review shall be satisfied before or after the purchase of the property; or (2) it has determined that the purchase is exempt from federal environmental review and a request for release of funds is not required. TDHCA shall use its best efforts to conclude the environmental review of the property expeditiously. Closing will be within 30 days of HUD approval of Environmental Clearance.

Except as amended by the First Amendment and this Second Amendment, the Purchase and Sale Agreement is ratified and confirmed by Seller and Purchaser.


Executed by Seller and Purchaser as of the Second Amendment Effective Date, in multiple counterparts.

SELLER:

**TRIANGLE I-35 REALTY, LTD**


A Texas limited partnership

By Western Green Oaks Corporation,  
A Texas corporation,  
Its general partner

By:   
Name: TOD. A. BROWN  
Title: \_\_\_\_\_

PURCHASER:

**CHURCHILL AT GOLDEN TRIANGLE COMMUNITY, L.P.,**  
a Texas limited partnership

By:   
Name: Bradley E. Forslund,  
Title: Manager of Special Limited Partner

#

## Becky Villanueva

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**From:** Sheryl Stevenson <sstevenson@RattikinTitle.com>  
**Sent:** Thursday, January 07, 2016 2:31 PM  
**To:** David L. Bailiff; Becky Villanueva; Wes Gotcher; Tony Sisk; Michelle Bless  
**Cc:** Magliolo, Holly; Eric Seeley  
**Subject:** RE: Contract execution

We are in receipt of the wire for \$10,000 representing the earnest money.

David Bailiff will be the closer, so please include David Bailiff in all emails.

THANK YOU

Sheryl Stevenson  
Escrow Assistant to David Bailiff  
Rattikin Title Company  
3707 Camp Bowie Blvd. #120  
Fort Worth, TX 76107  
817-737-4800- ext. 208  
Fax: 817- 737 4801

-----Original Message-----

**From:** David L. Bailiff  
**Sent:** Thursday, January 07, 2016 12:18 PM  
**To:** 'Becky Villanueva' <bvillanueva@cri.bz>; Wes Gotcher <Wes@moriahgroup.net>; Tony Sisk <tsisk@cri.bz>; Michelle Bless <mbless@cri.bz>  
**Cc:** Sheryl Stevenson <sstevenson@RattikinTitle.com>; Magliolo, Holly <hmagliolo@winstead.com>; Eric Seeley <ESeeley@grahamcivil.com>  
**Subject:** RE: Contract execution

Receipted Contract attached. Thanks.

David Bailiff  
VP/Escrow Officer  
Rattikin Title Company  
3707 Camp Bowie Blvd., Ste 120/ Ft. Worth, TX 76107  
Direct:817-737-4800 x206/ Fax: 817-737-4801 dbailiff@rattikintitle.com www.RattikinTitle.com

-----Original Message-----

**From:** Becky Villanueva [mailto:bvillanueva@cri.bz]  
**Sent:** Thursday, January 07, 2016 12:11 PM  
**To:** David L. Bailiff <dbailiff@RattikinTitle.com>; Wes Gotcher <Wes@moriahgroup.net>; Tony Sisk <tsisk@cri.bz>; Michelle Bless <mbless@cri.bz>  
**Cc:** Sheryl Stevenson <sstevenson@RattikinTitle.com>; Magliolo, Holly <hmagliolo@winstead.com>; Eric Seeley <ESeeley@grahamcivil.com>  
**Subject:** RE: Contract execution

Ok then we will wire the money after 2pm today. Can you go ahead and send me a receipt.

Thanks, Becky

-----Original Message-----

From: David L. Bailiff [mailto:dbailiff@RattikinTitle.com]  
Sent: Thursday, January 07, 2016 12:09 PM  
To: Becky Villanueva; Wes Gotcher; Tony Sisk; Michelle Bless  
Cc: Sheryl Stevenson; Magliolo, Holly; Eric Seeley  
Subject: RE: Contract execution

The way it is worded I can receipt without the earnest money in hand.

David Bailiff  
VP/Escrow Officer  
Rattikin Title Company  
3707 Camp Bowie Blvd., Ste 120/ Ft. Worth, TX 76107  
Direct:817-737-4800 x206/ Fax: 817-737-4801 dbailiff@rattikintitle.com www.RattikinTitle.com

-----Original Message-----

From: Becky Villanueva [mailto:bvillanueva@cri.bz]  
Sent: Thursday, January 07, 2016 11:46 AM  
To: Wes Gotcher <Wes@moriahgroup.net>; Tony Sisk <tsisk@cri.bz>; Michelle Bless <mbless@cri.bz>  
Cc: Sheryl Stevenson <sstevenson@RattikinTitle.com>; David L. Bailiff <dbailiff@RattikinTitle.com>; Magliolo, Holly <hmagliolo@winstead.com>; Eric Seeley <ESeeley@grahamcivil.com>  
Subject: RE: Contract execution

David,

Will you please send us wiring instructions. I need to get the receipt today.

Thanks, Becky

-----Original Message-----

From: Wes Gotcher [mailto:Wes@moriahgroup.net]  
Sent: Thursday, January 07, 2016 11:26 AM  
To: Tony Sisk  
Cc: Becky Villanueva; Sheryl Stevenson; David L. Bailiff; Magliolo, Holly; Eric Seeley  
Subject: Re: Contract execution

Attached you will find the fully executed PSA for the Churchill/Triangle I-35 Realty transaction.

Mr. Bailiff, please send receipted contract upon receiving the wired earnest money funds from the buyer. Thank you.

Moriah Real Estate Company  
Wes Gotcher, Vice President  
p. 432.682.2510 m. 432.853.9783  
303 West Wall Street, Ste. 1500 | Midland, TX 79701

On 1/7/16, 9:59 AM, "Tony Sisk" <tsisk@cri.bz> wrote:





DP-1

Profile of General Population and Housing Characteristics: 2010

2010 Census Summary File 1

NOTE: For information on confidentiality protection, nonsampling error, and definitions, see <http://www.census.gov/prod/cen2010/doc/sf1.pdf>.

## Geography: Fort Worth city, Texas

Subject	Number	Percent
<b>SEX AND AGE</b>		
Total population	741,206	100.0
Under 5 years	66,819	9.0
5 to 9 years	62,825	8.5
10 to 14 years	56,257	7.6
15 to 19 years	52,811	7.1
20 to 24 years	54,371	7.3
25 to 29 years	62,232	8.4
30 to 34 years	59,147	8.0
35 to 39 years	56,773	7.7
40 to 44 years	51,346	6.9
45 to 49 years	48,987	6.6
50 to 54 years	44,017	5.9
55 to 59 years	36,349	4.9
60 to 64 years	28,711	3.9
65 to 69 years	19,572	2.6
70 to 74 years	13,594	1.8
75 to 79 years	10,964	1.5
80 to 84 years	8,402	1.1
85 years and over	8,029	1.1
Median age (years)	31.2	(X)
16 years and over	544,755	73.5
18 years and over	523,563	70.6
21 years and over	492,030	66.4
62 years and over	76,974	10.4
65 years and over	60,561	8.2
<b>Male population</b>		
Under 5 years	33,959	4.6
5 to 9 years	31,973	4.3
10 to 14 years	28,802	3.9
15 to 19 years	26,673	3.6
20 to 24 years	26,543	3.6
25 to 29 years	30,372	4.1
30 to 34 years	29,245	3.9
35 to 39 years	28,064	3.8
40 to 44 years	25,722	3.5
45 to 49 years	24,678	3.3
50 to 54 years	21,813	2.9
55 to 59 years	17,459	2.4
60 to 64 years	13,616	1.8
65 to 69 years	8,969	1.2
70 to 74 years	5,874	0.8

Subject	Number	Percent
75 to 79 years	4,556	0.6
80 to 84 years	3,100	0.4
85 years and over	2,478	0.3
Median age (years)	30.6	( X )
16 years and over	263,805	35.6
18 years and over	253,012	34.1
21 years and over	237,312	32.0
62 years and over	32,766	4.4
65 years and over	24,977	3.4
Female population	377,310	50.9
Under 5 years	32,860	4.4
5 to 9 years	30,852	4.2
10 to 14 years	27,455	3.7
15 to 19 years	26,138	3.5
20 to 24 years	27,828	3.8
25 to 29 years	31,860	4.3
30 to 34 years	29,902	4.0
35 to 39 years	28,709	3.9
40 to 44 years	25,624	3.5
45 to 49 years	24,309	3.3
50 to 54 years	22,204	3.0
55 to 59 years	18,890	2.5
60 to 64 years	15,095	2.0
65 to 69 years	10,603	1.4
70 to 74 years	7,720	1.0
75 to 79 years	6,408	0.9
80 to 84 years	5,302	0.7
85 years and over	5,551	0.7
Median age (years)	31.9	( X )
16 years and over	280,950	37.9
18 years and over	270,551	36.5
21 years and over	254,718	34.4
62 years and over	44,208	6.0
65 years and over	35,584	4.8
<b>RACE</b>		
Total population	741,206	100.0
One Race	718,239	96.9
White	452,885	61.1
Black or African American	140,133	18.9
American Indian and Alaska Native	4,762	0.6
Asian	27,615	3.7
Asian Indian	4,733	0.6
Chinese	1,964	0.3
Filipino	2,468	0.3
Japanese	520	0.1
Korean	2,048	0.3
Vietnamese	7,605	1.0
Other Asian [1]	8,277	1.1
Native Hawaiian and Other Pacific Islander	746	0.1
Native Hawaiian	180	0.0
Guamanian or Chamorro	153	0.0
Samoan	89	0.0
Other Pacific Islander [2]	324	0.0
Some Other Race	92,098	12.4

Subject	Number	Percent
Two or More Races	22,967	3.1
White; American Indian and Alaska Native [3]	2,663	0.4
White; Asian [3]	2,983	0.4
White; Black or African American [3]	4,195	0.6
White; Some Other Race [3]	8,138	1.1
<b>Race alone or in combination with one or more other races: [4]</b>		
White	472,242	63.7
Black or African American	147,411	19.9
American Indian and Alaska Native	9,188	1.2
Asian	32,411	4.4
Native Hawaiian and Other Pacific Islander	1,651	0.2
Some Other Race	102,621	13.8
<b>HISPANIC OR LATINO</b>		
Total population	741,206	100.0
Hispanic or Latino (of any race)	252,468	34.1
Mexican	219,653	29.6
Puerto Rican	5,650	0.8
Cuban	1,495	0.2
Other Hispanic or Latino [5]	25,670	3.5
Not Hispanic or Latino	488,738	65.9
<b>HISPANIC OR LATINO AND RACE</b>		
Total population	741,206	100.0
Hispanic or Latino	252,468	34.1
White alone	143,573	19.4
Black or African American alone	3,192	0.4
American Indian and Alaska Native alone	2,281	0.3
Asian alone	520	0.1
Native Hawaiian and Other Pacific Islander alone	131	0.0
Some Other Race alone	91,105	12.3
Two or More Races	11,666	1.6
Not Hispanic or Latino	488,738	65.9
White alone	309,312	41.7
Black or African American alone	136,941	18.5
American Indian and Alaska Native alone	2,481	0.3
Asian alone	27,095	3.7
Native Hawaiian and Other Pacific Islander alone	615	0.1
Some Other Race alone	993	0.1
Two or More Races	11,301	1.5
<b>RELATIONSHIP</b>		
Total population	741,206	100.0
In households	727,229	98.1
Householder	262,652	35.4
Spouse [6]	122,158	16.5
Child	242,714	32.7
Own child under 18 years	188,393	25.4
Other relatives	60,907	8.2
Under 18 years	25,801	3.5
65 years and over	5,937	0.8
Nonrelatives	38,798	5.2
Under 18 years	2,997	0.4
65 years and over	1,166	0.2
Unmarried partner	16,774	2.3
In group quarters	13,977	1.9
Institutionalized population	8,117	1.1
Male	4,660	0.6

Subject	Number	Percent
Female	3,457	0.5
Noninstitutionalized population	5,860	0.8
Male	2,923	0.4
Female	2,937	0.4
<b>HOUSEHOLDS BY TYPE</b>		
Total households	262,652	100.0
Family households (families) [7]	176,923	67.4
With own children under 18 years	95,916	36.5
Husband-wife family	122,158	46.5
With own children under 18 years	64,734	24.6
Male householder, no wife present	14,602	5.6
With own children under 18 years	7,314	2.8
Female householder, no husband present	40,163	15.3
With own children under 18 years	23,868	9.1
Nonfamily households [7]	85,729	32.6
Householder living alone	69,613	26.5
Male	32,445	12.4
65 years and over	4,995	1.9
Female	37,168	14.2
65 years and over	12,374	4.7
Households with individuals under 18 years	107,728	41.0
Households with individuals 65 years and over	45,740	17.4
Average household size	2.77	( X )
Average family size [7]	3.41	( X )
<b>HOUSING OCCUPANCY</b>		
Total housing units	291,086	100.0
Occupied housing units	262,652	90.2
Vacant housing units	28,434	9.8
For rent	15,756	5.4
Rented, not occupied	542	0.2
For sale only	3,990	1.4
Sold, not occupied	646	0.2
For seasonal, recreational, or occasional use	1,085	0.4
All other vacants	6,415	2.2
Homeowner vacancy rate (percent) [8]	2.5	( X )
Rental vacancy rate (percent) [9]	12.8	( X )
<b>HOUSING TENURE</b>		
Occupied housing units	262,652	100.0
Owner-occupied housing units	155,420	59.2
Population in owner-occupied housing units	458,312	( X )
Average household size of owner-occupied units	2.95	( X )
Renter-occupied housing units	107,232	40.8
Population in renter-occupied housing units	268,917	( X )
Average household size of renter-occupied units	2.51	( X )

X Not applicable.

[1] Other Asian alone, or two or more Asian categories.

[2] Other Pacific Islander alone, or two or more Native Hawaiian and Other Pacific Islander categories.

[3] One of the four most commonly reported multiple-race combinations nationwide in Census 2000.

[4] In combination with one or more of the other races listed. The six numbers may add to more than the total population, and the six percentages may add to more than 100 percent because individuals may report more than one race.

[5] This category is composed of people whose origins are from the Dominican Republic, Spain, and Spanish-speaking Central or South American countries. It also includes general origin responses such as "Latino" or "Hispanic."

[6] "Spouse" represents spouse of the householder. It does not reflect all spouses in a household. Responses of "same-sex spouse" were

edited during processing to "unmarried partner."

[7] "Family households" consist of a householder and one or more other people related to the householder by birth, marriage, or adoption. They do not include same-sex married couples even if the marriage was performed in a state issuing marriage certificates for same-sex couples. Same-sex couple households are included in the family households category if there is at least one additional person related to the householder by birth or adoption. Same-sex couple households with no relatives of the householder present are tabulated in nonfamily households. "Nonfamily households" consist of people living alone and households which do not have any members related to the householder.

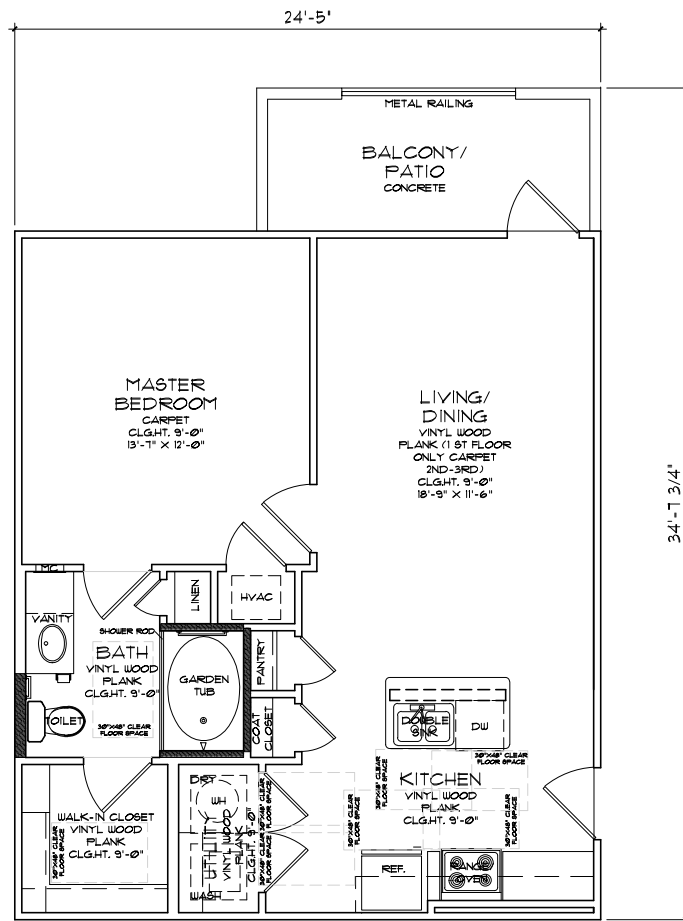
[8] The homeowner vacancy rate is the proportion of the homeowner inventory that is vacant "for sale." It is computed by dividing the total number of vacant units "for sale only" by the sum of owner-occupied units, vacant units that are "for sale only," and vacant units that have been sold but not yet occupied; and then multiplying by 100.

[9] The rental vacancy rate is the proportion of the rental inventory that is vacant "for rent." It is computed by dividing the total number of vacant units "for rent" by the sum of the renter-occupied units, vacant units that are "for rent," and vacant units that have been rented but not yet occupied; and then multiplying by 100.

Source: U.S. Census Bureau, Census 2010 Summary File 1, Tables P5, P6, P8, P12, P13, P17, P19, P20, P25, P29, P31, P34, P37, P43, PCT5, PCT8, PCT11, PCT12, PCT19, PCT23, PCT24, H3, H4, H5, H11, H12, and H16.

Source: U.S. Census Bureau, 2010 Census.





UNIT A1

-NET SQFT. 700

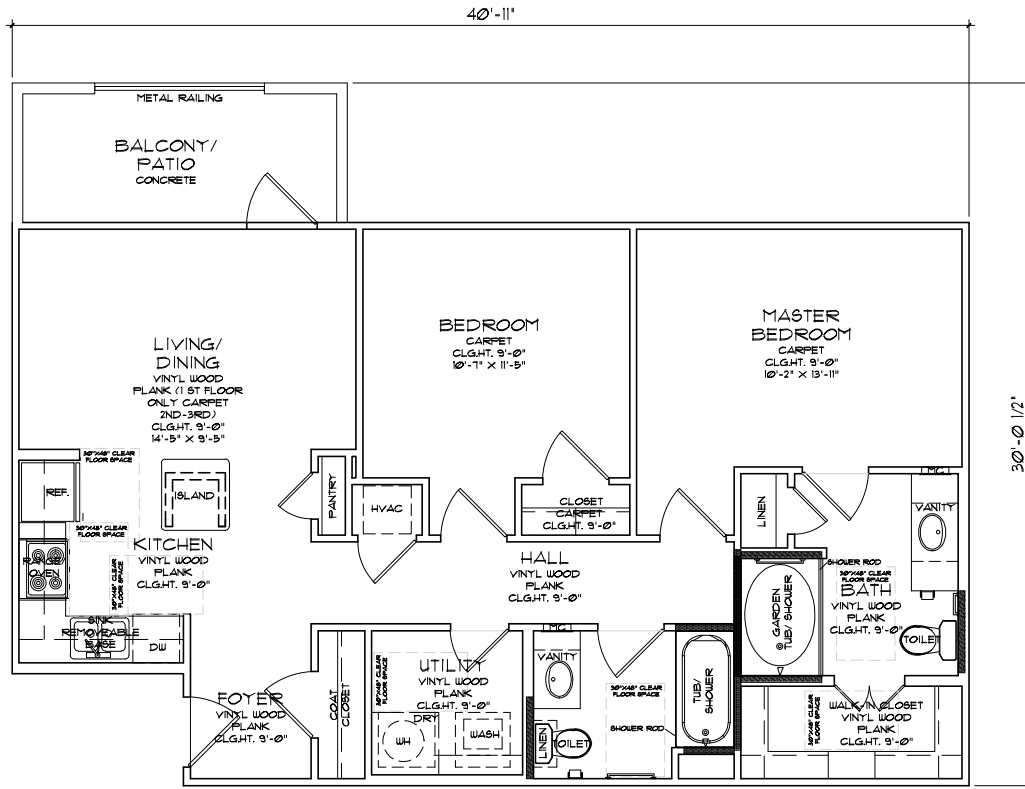
SCALE 1/8" = 1'-0"

UNIT AMENITIES

- Covered Entries
- 9' Ceilings
- Refrigerator with icemaker
- Microwave ovens
- Covered patios or balconies (on most)



Date:  
04-13-16



UNIT B1

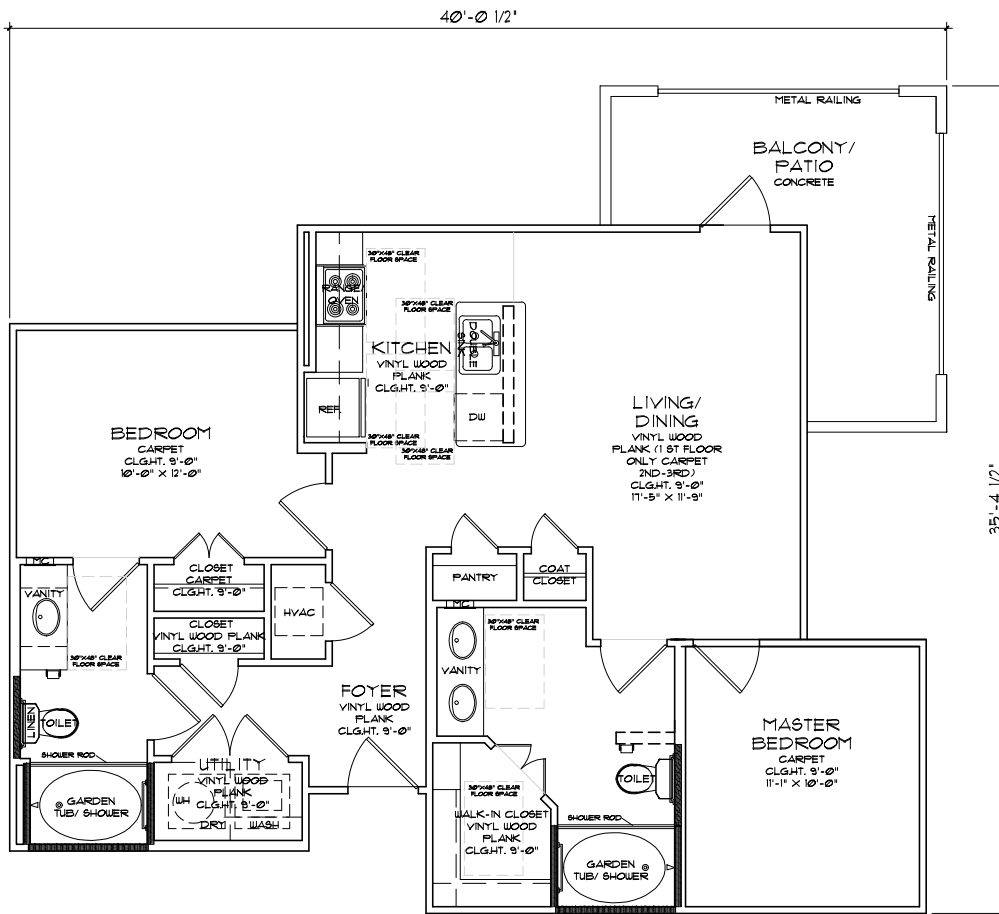
-NET SQFT. 950

SCALE 1/8" = 1'-0"

UNIT AMENITIES

- Covered Entries
- 9" Ceilings
- Refrigerator with icemaker
- Microwave ovens
- Covered patios or balconies (on most)

CHURCHILL @ GOLDEN TRIANGLE  
Fort Worth, Texas



UNIT B2

-NET SQFT. 950

SCALE 1/8" = 1'-0"

UNIT AMENITIES

- Covered Entries
- 9' Ceilings
- Refrigerator with icemaker
- Microwave ovens
- Covered patios or balconies (on most)

Date:  
02-25-16

**CHURCHILL @ GOLDEN TRIANGLE**  
Fort Worth, Texas

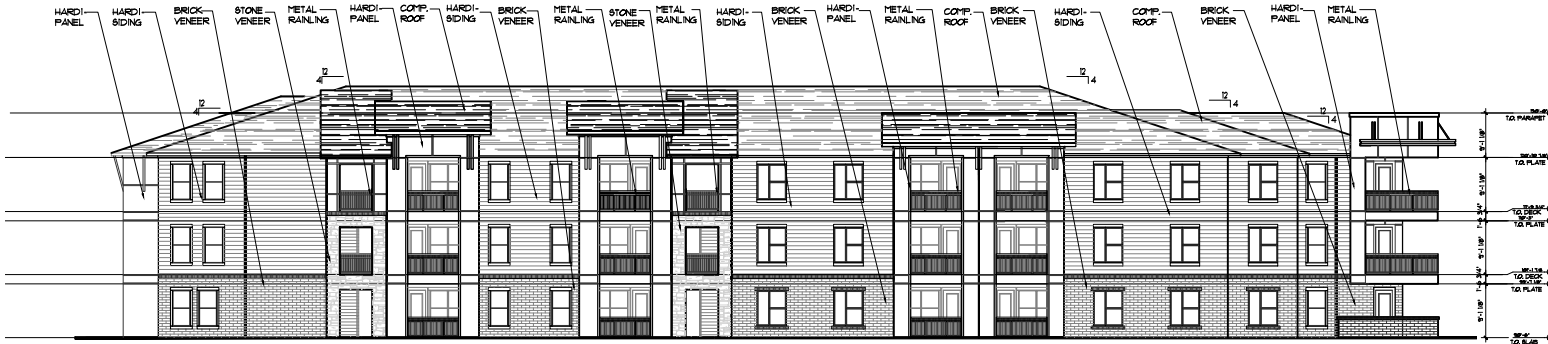




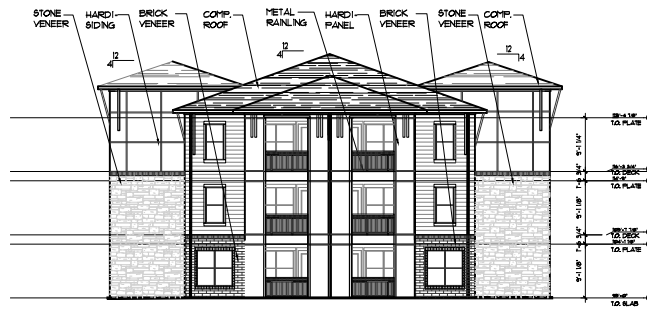
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**CHURCHILL @ GOLDEN TRIANGLE**  
Fort Worth, Texas

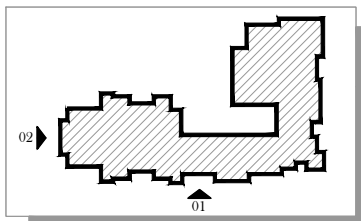
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1. BUILDING TYPE 1 EXTERIOR ELEVATION



2. BUILDING TYPE 1 EXTERIOR ELEVATION



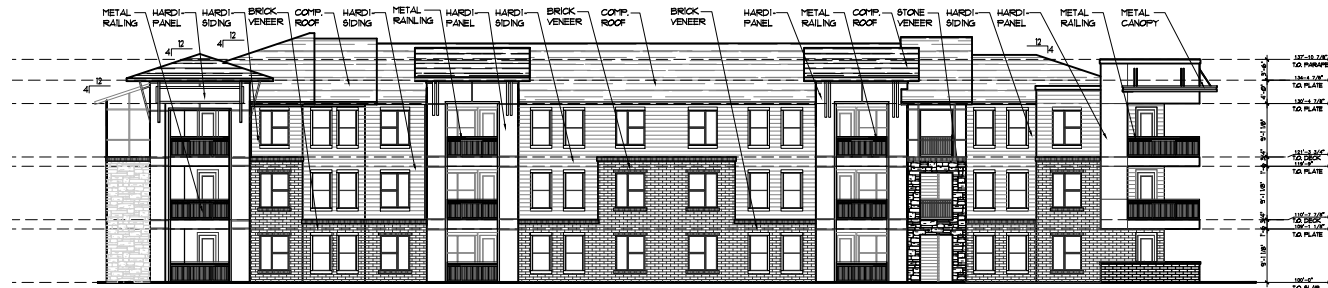
KEY PLAN



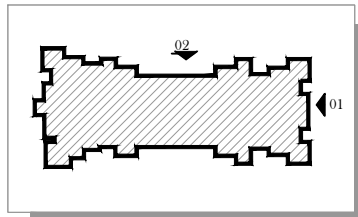
30% BRICK VENEER  
70% CEMENTITIOUS BOARD



1. BUILDING TYPE 2 EXTERIOR ELEVATION



2. BUILDING TYPE 2 EXTERIOR ELEVATION



KEY PLAN

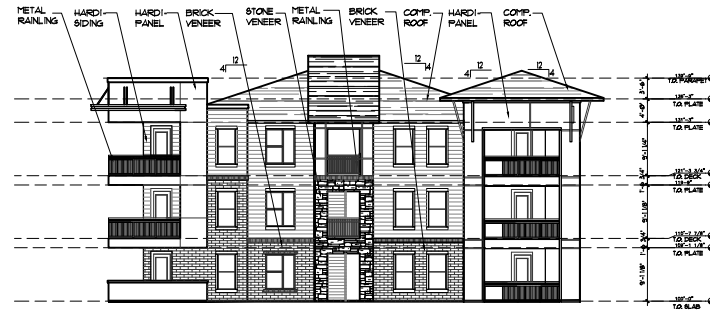


30% BRICK VENEER  
70% CEMENTITIOUS BOARD

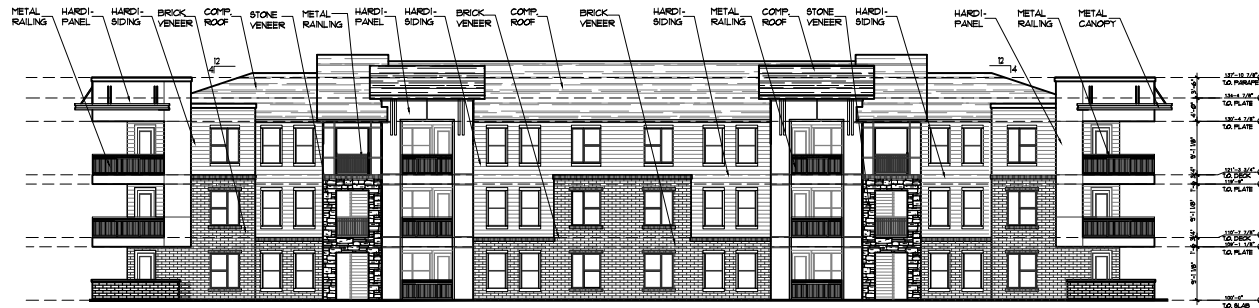
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**CHURCHILL @ GOLDEN TRIANGLE**  
Fort Worth, Texas

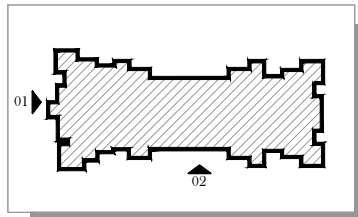
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1. BUILDING TYPE 2 EXTERIOR ELEVATION



2. BUILDING TYPE 2 EXTERIOR ELEVATION



KEY PLAN

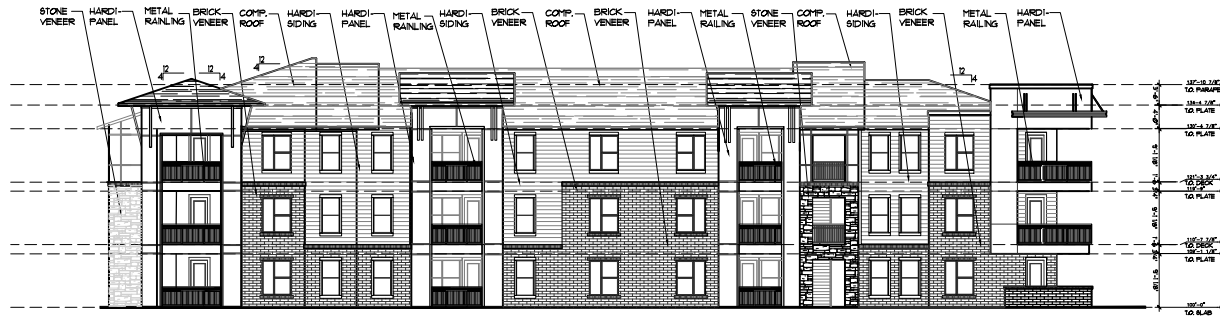


30% BRICK VENEER  
70% CEMENTITIOUS BOARD

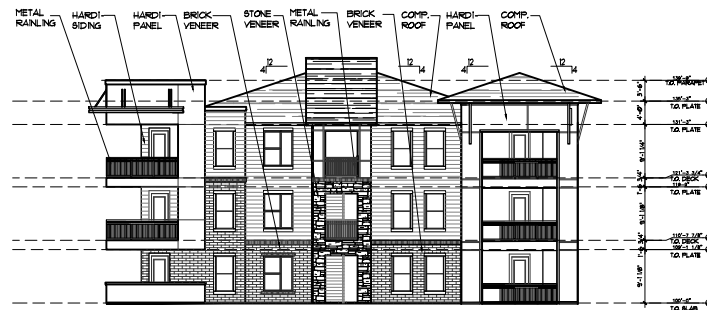


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04-13-16

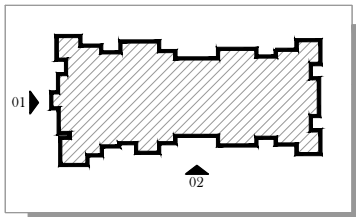
**CHURCHILL @ GOLDEN TRIANGLE**  
Fort Worth, Texas



3. BUILDING TYPE 3 EXTERIOR ELEVATION



2. BUILDING TYPE 3 EXTERIOR ELEVATION

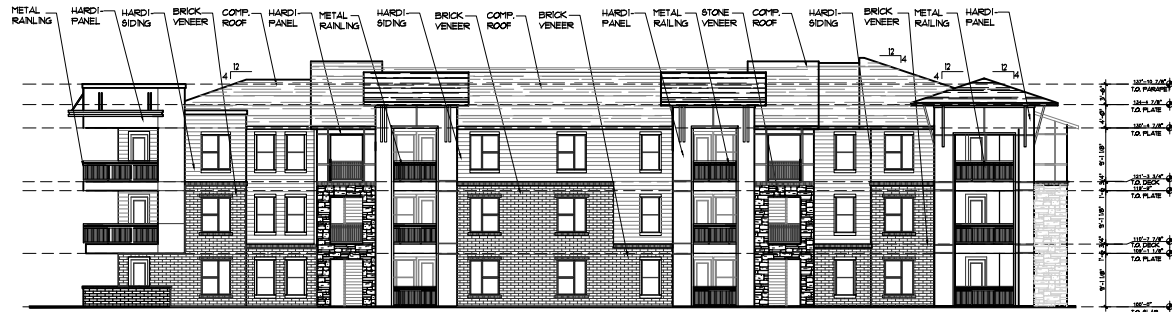


**KEY PLAN**



30% BRICK VENEER  
70% CEMENTITIOUS BOARD

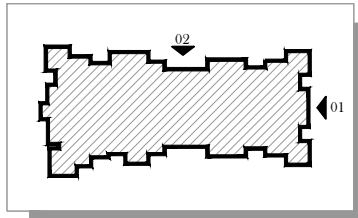
Date:  
04-13-16



1. BUILDING TYPE 3 EXTERIOR ELEVATION



2. BUILDING TYPE 3 EXTERIOR ELEVATION



KEY PLAN



30% BRICK VENEER  
70% CEMENTITIOUS BOARD

CHURCHILL @ GOLDEN TRIANGLE  
Fort Worth, Texas

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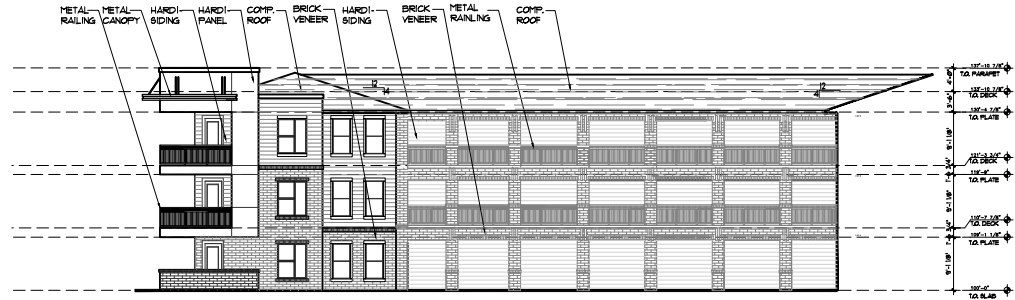
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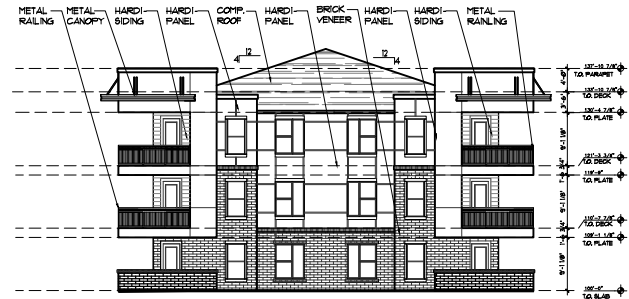


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04-13-16

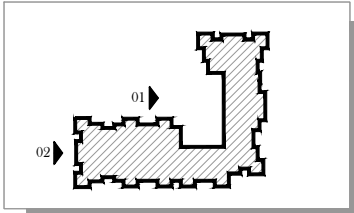
**CHURCHILL @ GOLDEN TRIANGLE**  
Fort Worth, Texas



1. BUILDING TYPE 4 EXTERIOR ELEVATION



2. BUILDING TYPE 4 EXTERIOR ELEVATION



KEY PLAN



30% BRICK VENEER  
70% CEMENTITIOUS BOARD

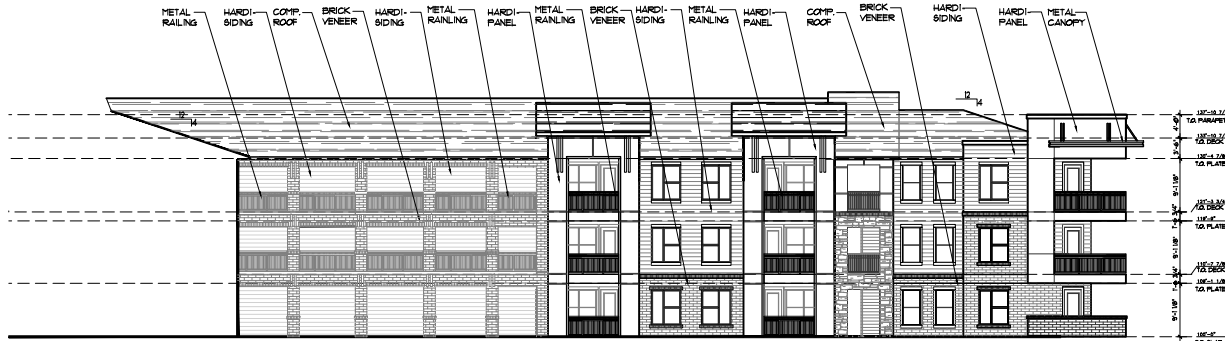
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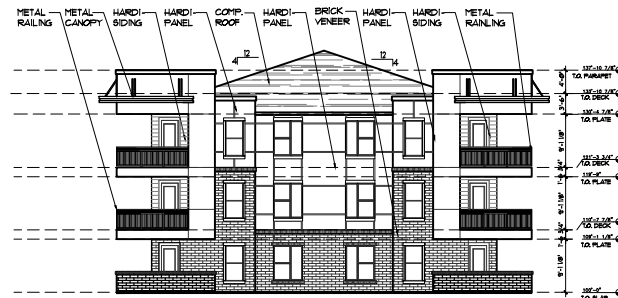
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04-13-16

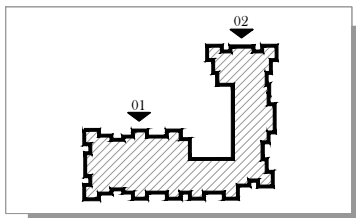
**CHURCHILL @ GOLDEN TRIANGLE**  
Fort Worth, Texas



1. BUILDING TYPE 4 EXTERIOR ELEVATION



2. BUILDING TYPE 4 EXTERIOR ELEVATION



KEY PLAN



30% BRICK VENEER  
70% CEMENTITIOUS BOARD



## Rent Schedule (Continued)

		% of LI	% of Total	
<b>HOUSING TAX CREDITS</b>	TC30%	11%	10%	12
	TC40%			0
	TC50%	41%	38%	45
	TC60%	49%	46%	54
	<b>HTC LI Total</b>			<b>111</b>
	EO			0
	MR			7
	<b>MR Total</b>			<b>7</b>
	<b>Total Units</b>			<b>118</b>
<b>MORTGAGE REVENUE BOND</b>	MRB30%			0
	MRB40%			0
	MRB50%			0
	MRB60%			0
	<b>MRB LI Total</b>			<b>0</b>
	MRBMR			0
	<b>MRBMR Total</b>			<b>0</b>
	<b>MRB Total</b>			<b>0</b>

		% of LI	% of Total	
<b>HOUSING TRUST FUND</b>	HTF30%			0
	HTF40%			0
	HTF50%			0
	HTF60%			0
	HTF80%			0
	<b>HTF LI Total</b>			<b>0</b>
	MR			0
	<b>MR Total</b>			<b>0</b>
	<b>HTF Total</b>			<b>0</b>
<b>HOME</b>	30%			0
	LH/50%	24%	24%	4
	HH/60%			0
	HH/80%	76%	76%	13
	<b>HOME LI Total</b>			<b>17</b>
	EO			0
	MR			0
	<b>MR Total</b>			<b>0</b>
	<b>HOME Total</b>			<b>17</b>
<b>OTHER</b>			<b>Total OT Units</b>	<b>0</b>

<b>BEDROOMS</b>	0			0
	1			53
	2			59
	3			6
	4			0
	5			0

<b>ACQUISITION + HARD</b>			
Cost Per Sq Ft	\$ 99.98		
<b>HARD</b>			
Cost Per Sq Ft	\$ 99.98		
<b>BUILDING</b>			
Cost Per Sq Ft	\$ 67.74		
		<b>Total Points claimed:</b>	<b>12</b>

Applicants are advised to ensure that figure is not rounding down to the maximum dollar figure to support the elected points.



February 25, 2016

Churchill at Golden Triangle Community, L.P.  
Brad Forslund  
Churchill Residential  
5605 N. McArthur Blvd, Ste 580  
Irving, TX 75038

*Re: Churchill at Golden Triangle – Preliminary Commitment*

Dear Mr. Forslund:

This letter is a preliminary equity investment commitment from the National Equity Fund, Inc. (NEF) for Churchill at Golden Triangle, a proposed family affordable housing LIHTC project to be located in Fort Worth, TX.

NEF, an affiliate of the Local Initiatives Support Corporation (LISC), was incorporated in 1987 with the mission to identify and develop new sources of financing to help provide affordable housing for the low income families and to assist non-profit organizations in creating this housing. NEF has worked with 700 local development partners in forming partnerships which acquire, develop, rehabilitate and manage low-income rental housing. Since the enactment of the Federal Low Income Housing Tax Credit in 1986, NEF has raised more than \$10 billion in equity and invested it in more than 2,100 affordable housing projects in 46 states, including Washington, D.C. and Puerto Rico.

Described below are the basic terms, conditions and assumptions of this preliminary commitment:

- Churchill at Golden Triangle will be a 118 unit newly constructed family housing development containing one, two and three bedroom apartments. 111 units will be LIHTC and available to individuals with incomes at or below 30%, 50%, and 60% of Area Median Income and the remaining 7 units will be market rate.
- The project will be owned by Churchill at Golden Triangle Community, L.P. The Fort Worth Housing Authority will own the General Partner, Churchill Golden Triangle Community G.P., LLC, and Churchill Senior Residential will act as Special Limited Partner. The Limited Partner will be NEF Assignment Corporation.
- NEF proposes to be the Federal tax credit investor with an equity investment of \$13,950,000 which represents a price of \$0.93 based upon an annual allocation of Federal low income housing tax credits of approximately \$1,500,000. NEF's proposed equity pay-in schedule is depicted on the following page:

- 12.5% of equity paid at Admission;
- 12.5% at 100% Construction Completion;
- 75% at Stabilized Occupancy.

The final timing and amounts of equity payments at closing and during construction will be agreed upon by NEF and the General Partner/Special Limited Partner prior to closing.

- **Developer Fee** - The current projections indicate a payment of developer fee in the amount of \$1,911,853 of which \$570,881 will be paid during construction. It is projected that \$678,472 of the developer fee will be deferred and will be payable from cash flow.
- **Reserves** - The Limited Partner will require the following reserves: Lease-up Reserve of \$448,123; Operating Reserve of \$250,000, and Escrow Reserve of \$428,918.
- **Guaranties and Adjusters** – NEF will require the General Partner, Special Limited Partner, and guarantors acceptable to NEF in its sole discretion to provide guaranties of development completion, operating deficits, and the repurchase of NEF's interest if the project fails to meet basic tax credit benchmarks. The project's partnership agreement will include adjusters to the Limited Partner's capital contributions if there is a change in the agreed upon amounts of total projected tax credits or projected first year credits.

A final determination of our investment will depend upon confirmation of the project's assumptions; a full underwriting of the Project, the development team and their financial statements; the review of plans and specifications; the commitment for all other sources of financing; the development schedule; review of due diligence materials; successful negotiation of the partnership agreement and approval by NEF's Investment Review Committee and by its final tax credit investors.

Sincerely,



Jason Aldridge  
Vice President  
National Equity Fund

# Guarantor

**Churchill Senior Communities L.P.**

Developer- 50% of Dev fee\*

**Churchill Senior Residential,  
LLC**

.01% General Partner

**Bradley E.  
Forslund  
Sole Member/Manager**

**24.9975% Limited Partner  
Bradley E Forslund Inheritor's Trust  
Bradley E. Forslund, Sole Trustee**

**24.9975% Limited Partner  
Tina M. Forslund Inheritor's Trust  
Bradley E. Forslund, Sole Trustee**

**24.9975% Limited Partner  
J. Anthony Sisk Inheritor's Trust  
J. Anthony Sisk, Sole Trustee**

**24.9975% Limited Partner  
L. Catherine Sisk Inheritor's Trust  
J. Anthony Sisk, Sole Trustee**

## List of Organizations and Principals

Provide the requested information for all partnerships, corporations, limited liability companies, trusts, or any other public or private entity and their Affiliates identified on the Owner and Developer Organization Charts. Organizations that own or control other organizations should also be identified until the only remaining sub-entity would be natural persons. Organizations that are Developers and/or Guarantors must also be listed on this form as must any organization (and natural person whose ownership interest in an applicable entity is direct instead of via membership in an organization) that will receive more than 10% of the developer fee. (Note - Entity Names, Principals, and ownership percentage should coincide with the Owner and Developer Organization Charts)

Applicant Legal Name: <u>Churchill at Golden Triangle Community, L.P.</u>	
Address: <u>5605 N. MacArthur Blvd. Suite 580</u>	City: <u>Irving</u> State: <u>TX</u> Zip: <u>75038</u>
Name(s) of Entities the Organization Owns or Controls: <u>N/A</u>	
Organization legally formed? <u>No</u>	Date formed: _____ Legal Org is or will be: <u>Limited Partnership</u>
Previous TDHCA Experience? <u>No</u>	Phone: <u>#####</u> Email: <u>bforslund@cri.bz</u>

**Org. 1**

Organization Legal Name: <u>Churchill Golden Triangle Community GP, LLC</u>		Role/Title: <u>General Partner</u>
Address: <u>5605 N. MacArthur Blvd. Suite 580</u>	City: <u>Irving</u> State: <u>TX</u> Zip: <u>75038</u>	
Name(s) of Entities the Organization Owns or Controls: <u>Applicant</u>		
Organization legally formed? <u>No</u>	Date formed: _____	Legal Org is or will be: <u>Limited Liability Company</u>
Previous TDHCA Experience? <u>No</u>	Phone: _____	Email: _____
Organization is identified on Org. Chart: <u>Yes</u>		
List of Sub-Entities or Principals:		
1. _____	2. _____	3. _____
TDHCA Experience: <u>Yes</u>	TDHCA Experience: _____	TDHCA Experience: _____
4. _____	5. _____	6. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____

**Org. 2**

Organization Legal Name: <u>Churchill Senior Residential, LLC</u>		Role/Title: <u>Special Limited Partnr</u>
Address: <u>5605 N. MacArtur Blvd. Suite 580</u>	City: <u>Irving</u> State: <u>TX</u> Zip: <u>75038</u>	
Name(s) of Entities the Organization Owns or Controls: <u>Applicant</u>		
Organization legally formed? <u>Yes</u>	Date formed: <u>11/30/2010</u>	Legal Org is or will be: <u>Special Limited Partner</u>
Previous TDHCA Experience? <u>Yes</u>	Phone: <u>972-550-7800</u>	Email: <u>bforslund@cri.bz</u>
Organization is identified on Org. Chart: <u>Yes</u>		
List of Sub-Entities or Principals:		
1. <u>Brad Forslund</u>	2. _____	3. _____
TDHCA Experience: <u>Yes</u>	TDHCA Experience: _____	TDHCA Experience: _____
4. _____	5. _____	6. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____

**Org. 3**

Organization Legal Name: <u>Churchill Senior Communities, L.P.</u>		Role/Title: <u>Developer/Guaranto</u>
Address: <u>5605 N. MacArthur Blvd. Suite 580</u>	City: <u>Irving</u> State: <u>TX</u> Zip: <u>75038</u>	
Name(s) of Entities the Organization Owns or Controls: <u>None</u>		
Organization legally formed? <u>Yes</u>	Date formed: <u>10/20/2010</u>	Legal Org is or will be: <u>Limited Partnership</u>
Previous TDHCA Experience? <u>Yes</u>	Phone: <u>972-550-7800</u>	Email: <u>bforslund@cri.bz</u>
Organization is identified on Org. Chart: <u>Yes</u>		
List of Sub-Entities or Principals:		
1. <u>Bradley E. Forslund, Inheritor's Trust</u>	2. <u>Tina M. Forslund, Inheritors's Trust</u>	3. <u>J. Anthony Sisk, Inheritor's Trust</u>
TDHCA Experience: <u>Yes</u>	TDHCA Experience: <u>Yes</u>	TDHCA Experience: <u>Yes</u>
4. <u>L. Catherine Sisk, Inheritor's Trust</u>	5. _____	6. _____
TDHCA Experience: <u>Yes</u>	TDHCA Experience: _____	TDHCA Experience: _____

Org. 4

Organization Legal Name: Fort Worth Affordability, Inc. Role/Title Co-Developer

Address: 1201 E. 13th Street City: Fort Worth State: TX Zip: 76102

Name(s) of Entities the Organization Owns or Controls: Churchill Golden Triangle Community GP, LLC

Organization legally formed? Yes Date formed: 9/22/2004 Legal Org is or will be: Non-Profit

Previous TDHCA Experience? Yes Phone: 817-333-3400 Email: \_\_\_\_\_

Organization is identified on Org. Chart: Yes

List of Sub-Entities or Principals:

1. <u>Terri Attaway, President Board</u> TDHCA Experience: <u>Yes</u>	2. <u>Naomi W. Byrne, Secretary Board</u> TDHCA Experience: <u>Yes</u>	3. <u>Mark Presswood, V P Board</u> TDHCA Experience: <u>Yes</u>
4. <u>Richard M. Stinson, Board Member</u> TDHCA Experience: <u>Yes</u>	5. <u>Michael Ramirez, Board Member</u> TDHCA Experience: <u>Yes</u>	6. <u>Zelda Randle, Board Member</u> TDHCA Experience: <u>Yes</u>

Org. 5

Organization Legal Name: Fort Worth Housing Authority Role/Title \_\_\_\_\_

Address: 1201 E. 14th Street City: Fort Worth State: TX Zip: 76102

Name(s) of Entities the Organization Owns or Controls: \_\_\_\_\_

Organization legally formed? Yes Date formed: 1/5/1938 Legal Org is or will be: Non-Profit

Previous TDHCA Experience? Yes Phone: 817-333-3400 Email: \_\_\_\_\_

Organization is identified on Org. Chart: Yes

List of Sub-Entities or Principals:

1. <u>Naomi W. Byrne, President/CEO FWHA</u> TDHCA Experience: <u>Yes</u>	2. <u>Terri Attaway, BOD Chair</u> TDHCA Experience: <u>Yes</u>	3. <u>Mark Presswood, Board Member</u> TDHCA Experience: <u>Yes</u>
4. <u>Richard M. Stinson, Board Member</u> TDHCA Experience: <u>Yes</u>	5. <u>Michael Ramirez, Board Member</u> TDHCA Experience: <u>Yes</u>	6. <u>Zandel Randle, Board Member</u> TDHCA Experience: <u>Yes</u>

Org. 6

Organization Legal Name: FWHA Golden Triangle Public Facility Corporation Role/Title 100% Owner GP

Address: 1201 E. 14th Street City: Fort Worth State: TX Zip: 76102

Name(s) of Entities the Organization Owns or Controls: Churchill Golden Triangle Community GP, LLC

Organization legally formed? No Date formed: \_\_\_\_\_ Legal Org is or will be: Corporation

Previous TDHCA Experience? Yes Phone: 817-333-3400 Email: \_\_\_\_\_

Organization is identified on Org. Chart: \_\_\_\_\_

List of Sub-Entities or Principals:

1. <u>Terri Attaway, President Board</u> TDHCA Experience: <u>Yes</u>	2. <u>Naomi W. Byrne, Secretary Board</u> TDHCA Experience: <u>Yes</u>	3. <u>Mark Presswood, V P Board</u> TDHCA Experience: <u>Yes</u>
4. <u>Richard M. Stinson, Board Member</u> TDHCA Experience: <u>Yes</u>	5. <u>Michael Ramirez, Board Member</u> TDHCA Experience: <u>Yes</u>	6. <u>Zelda Randle, Board Member</u> TDHCA Experience: <u>Yes</u>

Org. 7

Organization Legal Name: Bradley E. Forslund, Inheritor's Trust Role/Title Trustee

Address: 5605 N. MacArthur Blvd. Suite 580 City: Irving State: TX Zip: 75038

Name(s) of Entities the Organization Owns or Controls: Churchill Senior Communities, L.P.

Organization legally formed? Yes Date formed: 10/20/2010 Legal Org is or will be: Limited Partnership

Previous TDHCA Experience? Yes Phone: 972-550-7800 Email: bforslund@cri.bz

Organization is identified on Org. Chart: Yes

List of Sub-Entities or Principals:

1. <u>Bradley E. Forslund, Sole Trustee</u> TDHCA Experience: _____	2. _____ TDHCA Experience: _____	3. _____ TDHCA Experience: _____
4. _____ TDHCA Experience: _____	5. _____ TDHCA Experience: _____	6. _____ TDHCA Experience: _____

Org.  
8

Organization Legal Name: Tina M.. Forslund Inheritor's Trust Role/Title Member

Address: 5605 N. MacArthur Blvd. Suite 580 City: Irving State: TX Zip: 75038

Name(s) of Entities the Organization Owns or Controls: Churchill Senior Communities, L.P.

Organization legally formed? Yes Date formed: 10/20/2010 Legal Org is or will be: Limited Partnership

Previous TDHCA Experience? Yes Phone: 972-550-7800 Email: bforslund@cri.bz

Organization is identified on Org. Chart: Yes

List of Sub-Entities or Principals:

1. <u>Bradley E. Forslund, Sole Trustee</u>	2. _____	3. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____
4. _____	5. _____	6. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____

Org.  
9

Organization Legal Name: J. Anthony Sisk, Inheritor's Trust Role/Title Trustee

Address: 5605 N. MacArthur Blvd. Suite 580 City: Irving State: TX Zip: 75038

Name(s) of Entities the Organization Owns or Controls: Churchill Senior Communities, L.P.

Organization legally formed? Yes Date formed: 10/20/2010 Legal Org is or will be: Limited Partnership

Previous TDHCA Experience? Yes Phone: 972-550-7800 Email: tsisk@cri.bz

Organization is identified on Org. Chart: Yes

List of Sub-Entities or Principals:

1. <u>J. Anthony Sisk, sole Trustee</u>	2. _____	3. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____
4. _____	5. _____	6. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____

Org.  
10

Organization Legal Name: L. Catherine Sisk Role/Title Member

Address: 5605 N. MacArthur Blvd. Suite 580 City: Irving State: TX Zip: 75038

Name(s) of Entities the Organization Owns or Controls: Churchill Senior Communities, L.P.

Organization legally formed? Yes Date formed: 10/20/2010 Legal Org is or will be: Limited Partnership

Previous TDHCA Experience? Yes Phone: 972-550-7800 Email: tsisk@cri.bz

Organization is identified on Org. Chart: Yes

List of Sub-Entities or Principals:

1. <u>J. Anthony Sisk, Sole Trustee</u>	2. _____	3. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____
4. _____	5. _____	6. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____

## Previous Participation Form

Form must be completed separately for each person that has or will have a controlling interest or oversight in the contract, award, agreement, or ownership transfer being considered. This form should also be completed for each board member, individual with signature authority, executive director, or elected official that represents the person/entity (as applicable).

Person/Role: Fort Worth Housing Authority

Email Address: \_\_\_\_\_

City & State of Home Addr: Fort Worth, TX

Applicant Legal Name: Churchill at Golden Triangle Community, L.P.

**1. List experience with all TDHCA rental development programs (including: HTC, HTC Exchange, HOME (RHD), and BOND) that you have controlled at any time.**

By selecting this box I certify that I have no prior experience with any TDHCA administered affordable rental program.

TDHCA ID#	Property Name	Property City	Program	Control began (mm/yy)	Control End (mm/yy)
1468	Overton Park Townhomes	Fort Worth	HTC	2001	Pending
5004	Pavilion at Samuels	Fort Worth	HTC	2005	Pending
60053	Candletree Apartments	Fort Worth	HTC	2006	Pending
8205	Wind River Apartments	Fort Worth	HTC	2008	Pending
8005	Cambridge Court Apartments	Fort Worth	HTC	2005	Pending
93109	Spring Hill Apartments	Fort Worth	HTC	1993	Pending
93110	Spring Glen Apartments	Fort Worth	HTC	1993	Pending
9135	Lincoln Terrace Apartments - Villas on the Hill	Fort Worth	HTC	2009	Pending
4435	Aventine Apartments	Fort Worth	HTC	2011	Pending
4433	Post Oak East Apartments	Fort Worth	HTC	2010	Pending
9607	Woodmont Apartment	Fort Worth	HTC	2009	Pending
NSP77090000265	Villas by the Park	Fort Worth	NSP	2010	Pending
NSP77090000218	Carlyle	Fort Worth	NSP	2012	Pending
7409	HomeTowne at Matador Ranch	Fort Worth	HTC	2013	Pending
14407	Hunter Plaza	Fort Worth	HTC	2014	Pending
95048	Hillside Apartments	Fort Worth	HTC	2015	Pending
14205	Avondale apartments	Fort Worth	HTC	2015	Pending

**2. Identify all Community Affairs and Single Family department programs that you have participated in within the last three(3) years by placing an "x" next to the program name.**

By selecting this box I certify that I have no prior experience with any TDHCA Single Family or Community Affairs Programs.

<b>Community Affairs:</b>	CEAP	<input type="checkbox"/>	DOE	<input type="checkbox"/>	HHSP	<input type="checkbox"/>	WAP	<input type="checkbox"/>
	CSBG	<input type="checkbox"/>	ESG	<input type="checkbox"/>	LIHEAP	<input type="checkbox"/>		
<b>HOME:</b>	CFDC	<input type="checkbox"/>	HBA	<input type="checkbox"/>	PWD	<input type="checkbox"/>	TBRA	<input type="checkbox"/>
	DR	<input type="checkbox"/>	HRA	<input type="checkbox"/>	SFD	<input type="checkbox"/>		
<b>HTF/OCI:</b>	AYBR	<input type="checkbox"/>	Bootstrap	<input type="checkbox"/>	CFDC	<input type="checkbox"/>	Self-Help	<input type="checkbox"/>
<b>Other:</b>							<b>NSP</b>	<input type="checkbox"/>



## Previous Participation Form

Form must be completed separately for each person that has or will have a controlling interest or oversight in the contract, award, agreement, or ownership transfer being considered. This form should also be completed for each board member, individual with signature authority, executive director, or elected official that represents the person/entity (as applicable).

Person/Role: Fort Worth Affordability, Inc.

Email Address: \_\_\_\_\_

City & State of Home Addr: Fort Worth, TX

Applicant Legal Name: Churchill at Golden Triangle Community, L.P.

**1. List experience with all TDHCA rental development programs (including: HTC, HTC Exchange, HOME (RHD), and BOND) that you have controlled at any time.**

By selecting this box I certify that I have no prior experience with any TDHCA administered affordable rental program.

TDHCA ID#	Property Name	Property City	Program	Control began (mm/yy)	Control End (mm/yy)
1468	Overton Park Townhomes	Fort Worth	HTC	2001	Pending
5004	Pavilion at Samuels	Fort Worth	HTC	2005	Pending
60053	Candletree Apartments	Fort Worth	HTC	2006	Pending
8205	Wind River Apartments	Fort Worth	HTC	2008	Pending
8005	Cambridge Court Apartments	Fort Worth	HTC	2005	Pending
93109	Spring Hill Apartments	Fort Worth	HTC	1993	Pending
93110	Spring Glen Apartments	Fort Worth	HTC	1993	Pending
9135	Lincoln Terrace Apartments - Villas on the Hill	Fort Worth	HTC	2009	Pending
4435	Aventine Apartments	Fort Worth	HTC	2011	Pending
4433	Post Oak East Apartments	Fort Worth	HTC	2010	Pending
9607	Woodmont Apartment	Fort Worth	HTC	2009	Pending
P77090000265	Villas by the Park	Fort Worth	NSP	2010	Pending
P77090000218	Carlyle	Fort Worth	NSP	2012	Pending
7409	HomeTowne at Matador Ranch	Fort Worth	HTC	2013	Pending
14407	Hunter Plaza	Fort Worth	HTC	2014	Pending
95048	Hillside Apartments	Fort Worth	HTC	2015	Pending
14205	Avondale apartments	Fort Worth	HTC	2015	Pending
5004	Pavilion at Samuels	Fort Worth	HTC	2005	Pending
8005	Cambridge Court Apartments	Fort Worth	HTC	2005	Pending
9135	Lincoln Terrace Apartments -Villas on the Hill	Fort Worth	HTC	2009	Pending
NSP770900	Villas by the Park	Fort Worth	NSP	2010	Pending
NSP770900	Carlyle	Fort Worth	NSP	2012	Pending
14407	Hunter Plaza	Fort Worth	HTC	2014	Pending
95048	Hillside Apartments	Fort Worth	HTC	2015	Pending

**2. Identify all Community Affairs and Single Family department programs that you have participated in within the last three(3) years by placing an "x" next to the program name.**

By selecting this box I certify that I have no prior experience with any TDHCA Single Family or Community Affairs Programs.

<b>Community Affairs:</b>	CEAP		DOE		HHSP		WAP	
	CSBG		ESG		LIHEAP			
<b>HOME:</b>	CFDC		HBA		PWD		TBRA	
	DR		HRA		SFD			
<b>HTF/OCI:</b>	AYBR		Bootstrap		CFDC		Self-Help	
<b>Other:</b>							NSP	



## Applicant Credit Limit Documentation and Certification (Competitive HTC Only)

Pursuant to §11.4(a) of the Qualified Allocation Plan, the Department shall not allocate more than \$3 million of Competitive Housing Tax Credits from the current Application Round to any Applicant, Developer, Affiliate or Guarantor (unless the Guarantor is also the General Contractor, and is not a Principal of the Applicant, Developer, or Affiliate of the Development Owner). All Applications must be identified herein to ensure that the Department is advised of all Applications, Applicants, Affiliates, Developers, General Partners or Guarantors involved to avoid any statutory violation of Texas Government Code, §2306.6711(b).

**Instructions:** Complete Part I of this form. For each person or entity in Part I that answers "Yes" to Part I b., a Part II form must be submitted (i.e. if 4 persons/entities answer "Yes" to Part I b., then 4 separate Part II forms must be provided).

**Part I. Applicant Credit Limit Documentation**

a. Applicant, Developers, Affiliates, and Guarantors - List below all entities or Persons meeting the definition of Applicant, Affiliate, Developer or Guarantor.	b. Person/entity has at least one other application in the current Application Round.	
1. Churchill at Golden Triangle, L.P.	<input type="checkbox"/> No	<input type="text"/>
2. Churchill Golden Triangle GP, LLC	<input type="checkbox"/> No	<input type="text"/>
3. Churchill Senior Residential, LLC	<input type="checkbox"/> No	<input type="text"/>
4. Bradley E. Forslund, Sole Member/Manager	<input type="checkbox"/> No	<input type="text"/>
5. Churchill Senior Communities, L.P.	<input type="checkbox"/> No	<input type="text"/>
6. Bradley E. Forslund, Sole Trustee	<input type="checkbox"/> No	<input type="text"/>
7. J. Anthony Sisk, Sole Trustee	<input type="checkbox"/> No	<input type="text"/>
8. Bradley E. Forslund, Inheritor's Trust	<input type="checkbox"/> No	<input type="text"/>
9. Tina M. Forslund, Inheritor's Trust	<input type="checkbox"/> No	<input type="text"/>
10. J. Anthony Sisk, Inheritor's Trust	<input type="checkbox"/> No	<input type="text"/>
11. L. Catherine Sisk, Inheritor's Trust	<input type="checkbox"/> No	<input type="text"/>
12. Terri Attaway, President	<input checked="" type="checkbox"/> Yes	Submit Part II
13. Naomi W. Byrne, Secretary/Treasurer	<input checked="" type="checkbox"/> Yes	Submit Part II
14. Mark Presswood, Vice President	<input checked="" type="checkbox"/> Yes	Submit Part II
15. Richard M. Stinson, Member	<input checked="" type="checkbox"/> Yes	Submit Part II
16. Michael Ramirez, Member	<input checked="" type="checkbox"/> Yes	Submit Part II
17. Zelda Randle, Member	<input checked="" type="checkbox"/> Yes	Submit Part II
18. Fort Worth Housing Authority	<input checked="" type="checkbox"/> Yes	Submit Part II
19. Fort Worth Affordability, Inc.	<input checked="" type="checkbox"/> Yes	Submit Part II
20. FWHA Golden Triangle Public Facility Corporation	<input type="checkbox"/> No	<input type="text"/>
21.	<input type="checkbox"/>	<input type="text"/>
22.	<input type="checkbox"/>	<input type="text"/>
23.	<input type="checkbox"/>	<input type="text"/>
24.	<input type="checkbox"/>	<input type="text"/>
25.	<input type="checkbox"/>	<input type="text"/>
26.	<input type="checkbox"/>	<input type="text"/>
27.	<input type="checkbox"/>	<input type="text"/>
28.	<input type="checkbox"/>	<input type="text"/>
29.	<input type="checkbox"/>	<input type="text"/>
30.	<input type="checkbox"/>	<input type="text"/>
31.	<input type="checkbox"/>	<input type="text"/>
32.	<input type="checkbox"/>	<input type="text"/>
33.	<input type="checkbox"/>	<input type="text"/>
34.	<input type="checkbox"/>	<input type="text"/>
35.	<input type="checkbox"/>	<input type="text"/>
36.	<input type="checkbox"/>	<input type="text"/>
37.	<input type="checkbox"/>	<input type="text"/>
38.	<input type="checkbox"/>	<input type="text"/>
39.	<input type="checkbox"/>	<input type="text"/>
40.	<input type="checkbox"/>	<input type="text"/>

Individually, or as the General Partner(s) of officer(s) of the Applicant entity, I (we) certify that we are submitting behind this tab one signed Credit Limit Certification form for each person and/or entity that answered "Yes" to Part b. above.

By:       2/25/2016      Its: Authorized Representative

**Part II. Credit Limit Certification**

**Instructions:**

Each Person and/or Entity that answered "Yes" to Part 1 (b) must complete this form.

Name and role of Person or Entity completing this form:

*Should be the same as listed in Part I.*

- Which is:  the Applicant (Entity that generally manages or controls the "Applicant," i.e. General Partner, Managing Partner, etc.)
- a Special Limited Partner or Class B Limited Partner or equivalent of the Applicant
- a Developer for the Applicant for this specific Application
- an Affiliate to the Applicant
- a Guarantor on the Application

Pursuant to §11.4(a) of the Qualified Allocation Plan, the Department shall not allocate more than \$3 million of tax credits from the current Application Round to any Applicant, Developer, Affiliate or Guarantor. The undersigned represents to the Department that the following is a list of all developments for which the Applicant, the Developer, Affiliate, or Guarantor, has applied for an allocation of tax credit authority from the Department in the current Application Round.

Development Name:	Region:	City:	% Ownership:	% of Dev. Fee:
<u>Churchill at Golden Triangle Community</u>	<u>3</u>	<u>Fort Worth</u>	<u>0.00%</u>	<u>50.00%</u>
<u>The Standard at Boswell Marketplace</u>	<u>3</u>	<u>Fort Worth</u>	<u>0.00%</u>	<u>50.00%</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

I acknowledge that Bradley E. Forslund is authorized to terminate the Application in the event of a conflict with §11.4(a) of the Qualified Allocation Plan.

I hereby certify that the foregoing is a complete list of Developments with respect to which I am seeking a current allocation of tax credit authority from the Department. I certify that, if the Department makes a recommendation to the Board or issues a commitment which may cause Applications for which I am the Applicant, the Developer, Affiliate or Guarantor, to receive credits in excess of \$3 million, I will notify the Department in writing within three business days of the recommendation or issuance of the Commitment.

I acknowledge that if the Department determines that an Applicant, Developer, Affiliate or Guarantor, has received (in the aggregate) allocations in the current Application Round from the Department exceeding \$3 million, the Department must refuse to Issue one or more Commitments or Carryover Allocations, or must terminate one or more Commitments or Carryover Allocations.

Under penalty of perjury, I certify that this information and these statements are true, complete, and accurate:

By:  Fort Worth Housing Authority 4.15.16  
*Signature of Applicant, Developer, Affiliate or Guarantor (as appropriate)* *Printed Name* *Date*



**Part II. Credit Limit Certification**

**Instructions:**

Each Person and/or Entity that answered "Yes" to Part 1 (b) must complete this form.

Name and role of Person or Entity completing this form:

Fort Worth Affordability, Inc.

- Which is:  the Applicant (Entity that generally manages or controls the "Applicant," i.e. General Partner, Managing Partner, etc.)  
 a Special Limited Partner or Class B Limited Partner or equivalent of the Applicant  
 a Developer for the Applicant for this specific Application  
 an Affiliate to the Applicant  
 a Guarantor on the Application

Pursuant to §11.4(a) of the Qualified Allocation Plan, the Department shall not allocate more than \$3 million of tax credits from the current Application Round to any Applicant, Developer, Affiliate or Guarantor. The undersigned represents to the Department that the following is a list of all developments for which the Applicant, the Developer, Affiliate, or Guarantor, has applied for an allocation of tax credit authority from the Department in the current Application Round.

Development Name:	Region:	City:	% Ownership:	% of Dev. Fee:
<u>Churchill at Golden Triangle Community</u>	<u>3</u>	<u>Fort Worth</u>	<u>0.00%</u>	<u>0.00%</u>
<u>The Standard at Boswell Marketplace</u>	<u>3</u>	<u>Fort Worth</u>	<u>0.00%</u>	<u>0.00%</u>

I acknowledge that Bradley E. Forslund is authorized to terminate the Application in the event of a conflict with §11.4(a) of the Qualified Allocation Plan.

I hereby certify that the foregoing is a complete list of Developments with respect to which I am seeking a current allocation of tax credit authority from the Department. I certify that, if the Department makes a recommendation to the Board or issues a commitment which may cause Applications for which I am the Applicant, the Developer, Affiliate or Guarantor, to receive credits in excess of \$3 million, I will notify the Department in writing within three business days of the recommendation or issuance of the Commitment.

I acknowledge that if the Department determines that an Applicant, Developer, Affiliate or Guarantor, has received (in the aggregate) allocations in the current Application Round from the Department exceeding \$3 million, the Department must refuse to issue one or more Commitments or Carryover Allocations, or must terminate one or more Commitments or Carryover Allocations.

Under penalty of perjury, I certify that this information and these statements are true, complete, and accurate:

By:   
 Signature of Applicant, Developer, Affiliate or Guarantor (as appropriate)

Fort Worth Affordability, Inc.  
 Printed Name

4/18/16  
 Date



April 19, 2016

Ms. Elizabeth Henderson  
Program Specialist III  
Texas Department of Housing and Community Affairs  
221 E. 11th Street  
Austin, TX 78701

Subject: 16260 Application – 9% HTC Application Deficiency Notice  
Churchill at Golden Triangle Community

Dear Ms. Henderson,

On behalf of Churchill at Golden Triangle Community, please see our responses below and attachments if noted to address the deficiencies cited in your email of April 19, 2016.

#2. Tab 12, Site Control – Proof of consideration. Both site control documents required consideration/deposits. The amounts were different for each. I got confirmation for one of them with your submission but not the other.

The Contract for Ground Lease between the Housing Authority of the City of Fort Worth, Texas (the “FWHA”) and the Partnership is not required to establish site control. Site control is established by the assignment of the Purchase and Sale Agreement to the Partnership. The Partnership is controlled by its general partner, and that general partner is controlled by a public facility corporation created and controlled by the FWHA. For that reason, the FWHA has complete effective site control via the Partnership. The Contract for Ground Lease was included in the Application for the purpose of showing the structure that will provide a 100% ad valorem tax exemption, which is shown in the Annual Operating Expenses form. The FWHA is shown as a participant in the Application by Naomi Byrne’s execution of the 2016 Applicant Eligibility Certification on behalf of the FWHA (see page 35 of the Application).

#6. Tab 22, Building Plans – The plans for building 1 still don’t match the unit count on the Building Unit Configuration Form. You said you didn’t see the problem but the unit count on the form doesn’t match what I’m getting with the plans.

Please see the attached plan for Building 1 to match to the Building/Unit Type Configuration

#13. The List of Organizations and Principals still isn’t complete. The first mistake I saw is still there in the new form.

Attached is a revised list of Organizations & Principals.

#15. One of the Credit Limit Part II’s was not completed correctly. One was done correctly but the other was not.

The Credit Limit Part II for the Fort Worth Housing Authority has been corrected and is attached.

**If you have any additional questions, please contact me at 972-550-7800 x 222 or bforsslund@cri.bz.**

Sincerely,

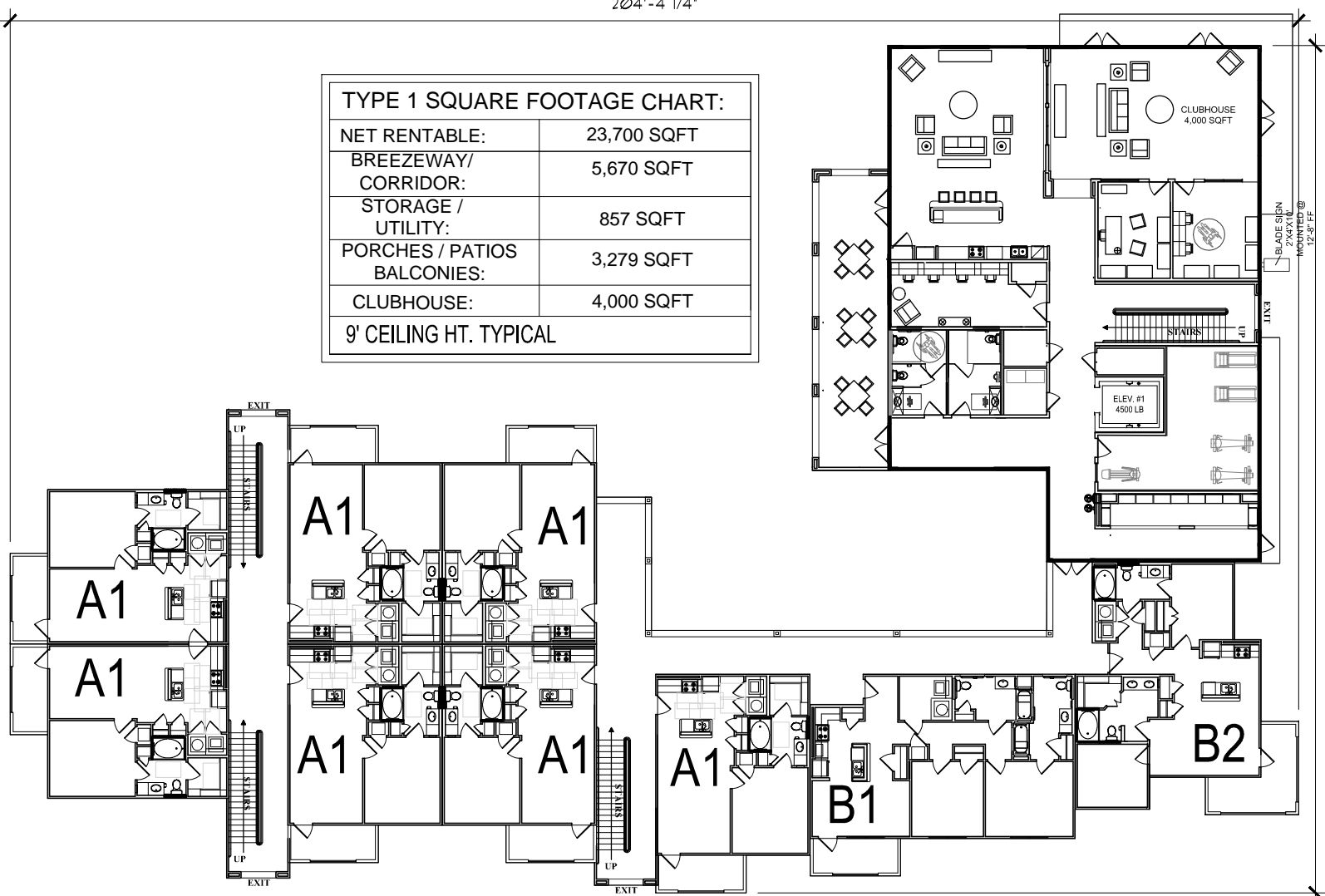
A handwritten signature in blue ink, appearing to read "Bradley E. Forslund".

Bradley E. Forslund

Enclosures

204'-4 1/4"

TYPE 1 SQUARE FOOTAGE CHART:	
NET RENTABLE:	23,700 SQFT
BREEZEWAY/ CORRIDOR:	5,670 SQFT
STORAGE / UTILITY:	857 SQFT
PORCHES / PATIOS BALCONIES:	3,279 SQFT
CLUBHOUSE:	4,000 SQFT
9' CEILING HT. TYPICAL	



NOTE:  
BUILDING ROTATED TO FIT.

## BLDG. TYPE 1 - FIRST FLOOR



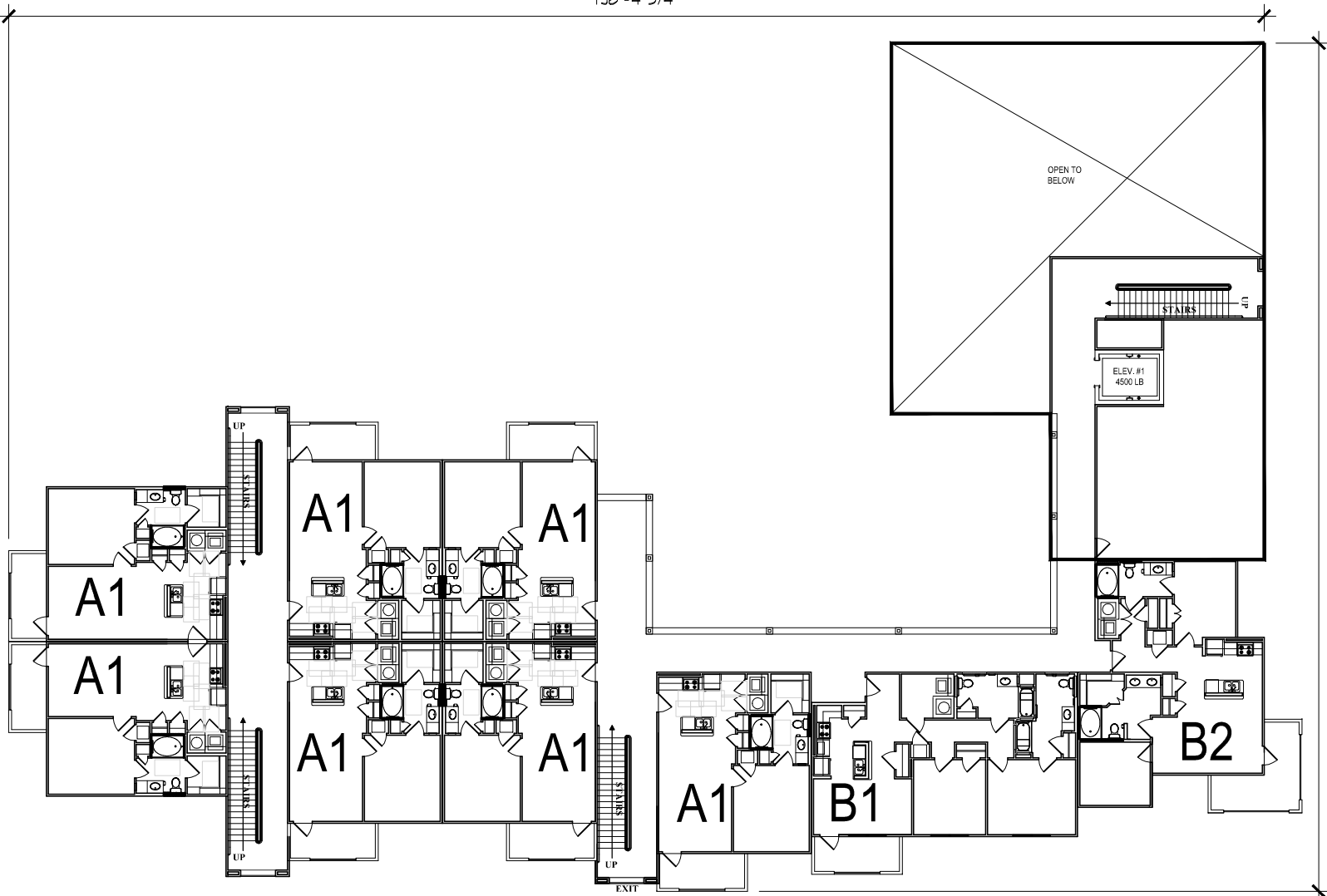
Date:  
04-13-16

**CHURCHILL @ GOLDEN TRIANGLE**  
Fort Worth, Texas

**ARRIVET** ARCHITECTURE GROUP  
Architecture  
Planning  
Project Management  
2344 Highway 121 - Suite 100 - Bedford, Texas 76021 - www.ArriveAG.com  
Ph: 817.514.0584 - Fx: 817.514.0594



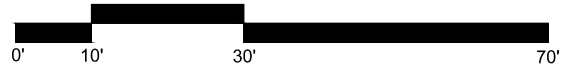
198'-4 3/4"



134'-1 1/4"

NOTE:  
BUILDING ROTATED TO FIT.

# BLDG. TYPE 1 - SECOND FLOOR



Date:  
04-13-16

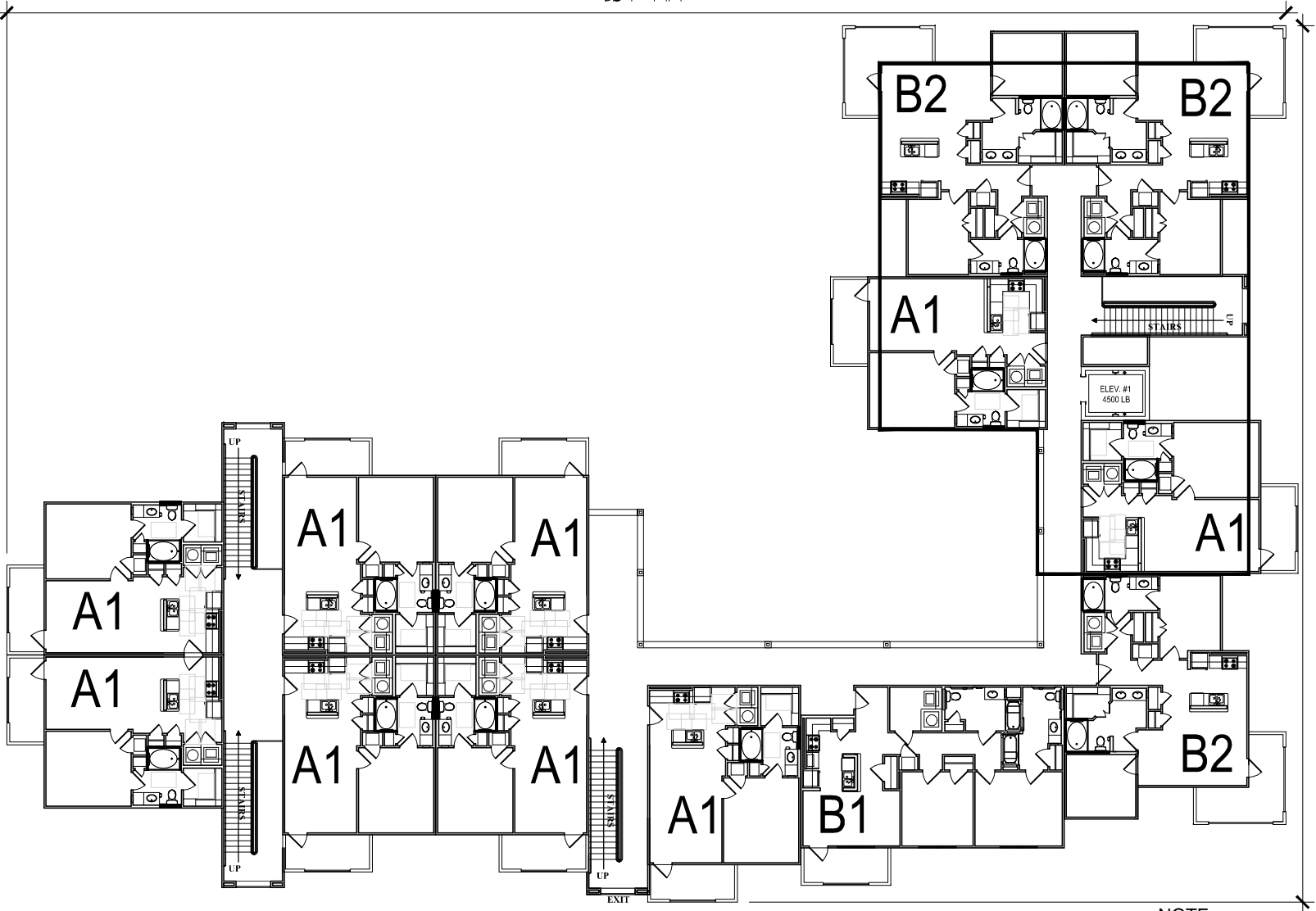
CHURCHILL @ GOLDEN TRIANGLE  
Fort Worth, Texas

**ARRIVE**  
ARCHITECTURE GROUP

Architecture  
Planning  
Project Management

2344 Highway 121 · Suite 100 · Bedford, Texas 76021 · www.ArriveAG.com  
Ph: 817.514.0564 · Fx: 817.514.0694

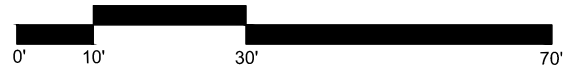
204'-4 1/4"



142'-0 3/4"

NOTE:  
BUILDING ROTATED TO FIT.

# BLDG. TYPE 1 - THIRD FLOOR



Date:  
04-13-16

CHURCHILL @ GOLDEN TRIANGLE  
Fort Worth, Texas

**ARRIVE**  
ARCHITECTURE GROUP

Architecture  
Planning  
Project Management

2344 Highway 121 - Suite 100 - Bedford, Texas 76021 - www.ArriveAG.com  
PH 817.514.0584 - FX 817.514.0694

## List of Organizations and Principals

Provide the requested information for all partnerships, corporations, limited liability companies, trusts, or any other public or private entity and their Affiliates identified on the Owner and Developer Organization Charts. Organizations that own or control other organizations should also be identified until the only remaining sub-entity would be natural persons. Organizations that are Developers and/or Guarantors must also be listed on this form as must any organization (and natural person whose ownership interest in an applicable entity is direct instead of via membership in an organization) that will receive more than 10% of the developer fee. (Note - Entity Names, Principals, and ownership percentage should coincide with the Owner and Developer Organization Charts)

Applicant Legal Name: <u>Churchill at Golden Triangle Community, L.P.</u>	
Address: <u>5605 N. MacArthur Blvd. Suite 580</u>	City: <u>Irving</u> State: <u>TX</u> Zip: <u>75038</u>
Name(s) of Entities the Organization Owns or Controls: <u>N/A</u>	
Organization legally formed? <u>No</u>	Date formed: _____ Legal Org is or will be: <u>Limited Partnership</u>
Previous TDHCA Experience? <u>No</u>	Phone: <u>#####</u> Email: <u>bforslund@cri.bz</u>

**Org. 1**

Organization Legal Name: <u>Churchill Golden Triangle Community GP, LLC</u>		Role/Title: <u>General Partner</u>
Address: <u>5605 N. MacArthur Blvd. Suite 580</u>		City: <u>Irving</u> State: <u>TX</u> Zip: <u>75038</u>
Name(s) of Entities the Organization Owns or Controls: <u>Applicant</u>		
Organization legally formed? <u>No</u>	Date formed: _____	Legal Org is or will be: <u>Limited Liability Company</u>
Previous TDHCA Experience? <u>No</u>	Phone: _____	Email: _____
Organization is identified on Org. Chart: <u>Yes</u>		
List of Sub-Entities or Principals:		
1. <u>FWHA Golden Triangle Public Facilities Corp.</u>	2. _____	3. _____
TDHCA Experience: <u>No</u>	TDHCA Experience: _____	TDHCA Experience: _____
4. _____	5. _____	6. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____

**Org. 2**

Organization Legal Name: <u>Churchill Senior Residential, LLC</u>		Role/Title: <u>Special Limited Partnr</u>
Address: <u>5605 N. MacArtur Blvd. Suite 580</u>		City: <u>Irving</u> State: <u>TX</u> Zip: <u>75038</u>
Name(s) of Entities the Organization Owns or Controls: <u>Applicant</u>		
Organization legally formed? <u>Yes</u>	Date formed: <u>11/30/2010</u>	Legal Org is or will be: <u>Special Limited Partner</u>
Previous TDHCA Experience? <u>Yes</u>	Phone: <u>972-550-7800</u>	Email: <u>bforslund@cri.bz</u>
Organization is identified on Org. Chart: <u>Yes</u>		
List of Sub-Entities or Principals:		
1. <u>Brad Forslund</u>	2. _____	3. _____
TDHCA Experience: <u>Yes</u>	TDHCA Experience: _____	TDHCA Experience: _____
4. _____	5. _____	6. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____

**Org. 3**

Organization Legal Name: <u>Churchill Senior Communities, L.P.</u>		Role/Title: <u>Developer/Guaranto</u>
Address: <u>5605 N. MacArthur Blvd. Suite 580</u>		City: <u>Irving</u> State: <u>TX</u> Zip: <u>75038</u>
Name(s) of Entities the Organization Owns or Controls: <u>None</u>		
Organization legally formed? <u>Yes</u>	Date formed: <u>10/20/2010</u>	Legal Org is or will be: <u>Limited Partnership</u>
Previous TDHCA Experience? <u>Yes</u>	Phone: <u>972-550-7800</u>	Email: <u>bforslund@cri.bz</u>
Organization is identified on Org. Chart: <u>Yes</u>		
List of Sub-Entities or Principals:		
1. <u>Bradley E. Forslund, Inheritor's Trust</u>	2. <u>Tina M. Forslund, Inheritors's Trust</u>	3. <u>J. Anthony Sisk, Inheritor's Trust</u>
TDHCA Experience: <u>Yes</u>	TDHCA Experience: <u>Yes</u>	TDHCA Experience: <u>Yes</u>
4. <u>L. Catherine Sisk, Inheritor's Trust</u>	5. <u>Churchill Residential, LLC</u>	6. _____
TDHCA Experience: <u>Yes</u>	TDHCA Experience: <u>Yes</u>	TDHCA Experience: _____

Org. 4

Organization Legal Name: Fort Worth Affordability, Inc. Role/Title Co-Developer

Address: 1201 E. 13th Street City: Fort Worth State: TX Zip: 76102

Name(s) of Entities the Organization Owns or Controls: Churchill Golden Triangle Community GP, LLC

Organization legally formed? Yes Date formed: 9/22/2004 Legal Org is or will be: Non-Profit

Previous TDHCA Experience? Yes Phone: 817-333-3400 Email: \_\_\_\_\_

Organization is identified on Org. Chart: Yes

List of Sub-Entities or Principals:

1. <u>Terri Attaway, President Board</u> TDHCA Experience: <u>Yes</u>	2. <u>Naomi W. Byrne, Secretary Board</u> TDHCA Experience: <u>Yes</u>	3. <u>Mark Presswood, V P Board</u> TDHCA Experience: <u>Yes</u>
4. <u>Richard M. Stinson, Board Member</u> TDHCA Experience: <u>Yes</u>	5. <u>Michael Ramirez, Board Member</u> TDHCA Experience: <u>Yes</u>	6. <u>Zelda Randle, Board Member</u> TDHCA Experience: <u>Yes</u>

Org. 5

Organization Legal Name: Fort Worth Housing Authority Role/Title \_\_\_\_\_

Address: 1201 E. 14th Street City: Fort Worth State: TX Zip: 76102

Name(s) of Entities the Organization Owns or Controls: \_\_\_\_\_

Organization legally formed? Yes Date formed: 1/5/1938 Legal Org is or will be: Non-Profit

Previous TDHCA Experience? Yes Phone: 817-333-3400 Email: \_\_\_\_\_

Organization is identified on Org. Chart: Yes

List of Sub-Entities or Principals:

1. <u>Naomi W. Byrne, President/CEO FWHA</u> TDHCA Experience: <u>Yes</u>	2. <u>Terri Attaway, BOD Chair</u> TDHCA Experience: <u>Yes</u>	3. <u>Mark Presswood, Board Member</u> TDHCA Experience: <u>Yes</u>
4. <u>Richard M. Stinson, Board Member</u> TDHCA Experience: <u>Yes</u>	5. <u>Michael Ramirez, Board Member</u> TDHCA Experience: <u>Yes</u>	6. <u>Zandel Randle, Board Member</u> TDHCA Experience: <u>Yes</u>

Org. 6

Organization Legal Name: FWHA Golden Triangle Public Facility Corporation Role/Title 100% Owner GP

Address: 1201 E. 14th Street City: Fort Worth State: TX Zip: 76102

Name(s) of Entities the Organization Owns or Controls: Churchill Golden Triangle Community GP, LLC

Organization legally formed? No Date formed: \_\_\_\_\_ Legal Org is or will be: Corporation

Previous TDHCA Experience? Yes Phone: 817-333-3400 Email: \_\_\_\_\_

Organization is identified on Org. Chart: \_\_\_\_\_

List of Sub-Entities or Principals:

1. <u>Terri Attaway, President Board</u> TDHCA Experience: <u>Yes</u>	2. <u>Naomi W. Byrne, Secretary Board</u> TDHCA Experience: <u>Yes</u>	3. <u>Mark Presswood, V P Board</u> TDHCA Experience: <u>Yes</u>
4. <u>Richard M. Stinson, Board Member</u> TDHCA Experience: <u>Yes</u>	5. <u>Michael Ramirez, Board Member</u> TDHCA Experience: <u>Yes</u>	6. <u>Zelda Randle, Board Member</u> TDHCA Experience: <u>Yes</u>

Org. 7

Organization Legal Name: Bradley E. Forslund, Inheritor's Trust Role/Title Trustee

Address: 5605 N. MacArthur Blvd. Suite 580 City: Irving State: TX Zip: 75038

Name(s) of Entities the Organization Owns or Controls: Churchill Senior Communities, L.P.

Organization legally formed? Yes Date formed: 10/20/2010 Legal Org is or will be: Limited Partnership

Previous TDHCA Experience? Yes Phone: 972-550-7800 Email: bforslund@cri.bz

Organization is identified on Org. Chart: Yes

List of Sub-Entities or Principals:

1. <u>Bradley E. Forslund, Sole Trustee</u> TDHCA Experience: _____	2. _____ TDHCA Experience: _____	3. _____ TDHCA Experience: _____
4. _____ TDHCA Experience: _____	5. _____ TDHCA Experience: _____	6. _____ TDHCA Experience: _____

Org. 8

Organization Legal Name: Tina M.. Forslund Inheritor's Trust Role/Title Member

Address: 5605 N. MacArthur Blvd. Suite 580 City: Irving State: TX Zip: 75038

Name(s) of Entities the Organization Owns or Controls: Churchill Senior Communities, L.P.

Organization legally formed? Yes Date formed: 10/20/2010 Legal Org is or will be: Limited Partnership

Previous TDHCA Experience? Yes Phone: 972-550-7800 Email: bforslund@cri.bz

Organization is identified on Org. Chart: Yes

List of Sub-Entities or Principals:

1. <u>Bradley E. Forslund, Sole Trustee</u>	2. _____	3. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____
4. _____	5. _____	6. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____

Org. 9

Organization Legal Name: J. Anthony Sisk, Inheritor's Trust Role/Title Trustee

Address: 5605 N. MacArthur Blvd. Suite 580 City: Irving State: TX Zip: 75038

Name(s) of Entities the Organization Owns or Controls: Churchill Senior Communities, L.P.

Organization legally formed? Yes Date formed: 10/20/2010 Legal Org is or will be: Limited Partnership

Previous TDHCA Experience? Yes Phone: 972-550-7800 Email: tsisk@cri.bz

Organization is identified on Org. Chart: Yes

List of Sub-Entities or Principals:

1. <u>J. Anthony Sisk, sole Trustee</u>	2. _____	3. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____
4. _____	5. _____	6. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____

Org. 10

Organization Legal Name: L. Catherine Sisk Role/Title Member

Address: 5605 N. MacArthur Blvd. Suite 580 City: Irving State: TX Zip: 75038

Name(s) of Entities the Organization Owns or Controls: Churchill Senior Communities, L.P.

Organization legally formed? Yes Date formed: 10/20/2010 Legal Org is or will be: Limited Partnership

Previous TDHCA Experience? Yes Phone: 972-550-7800 Email: tsisk@cri.bz

Organization is identified on Org. Chart: Yes

List of Sub-Entities or Principals:

1. <u>J. Anthony Sisk, Sole Trustee</u>	2. _____	3. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____
4. _____	5. _____	6. _____
TDHCA Experience: _____	TDHCA Experience: _____	TDHCA Experience: _____

**Part II. Credit Limit Certification**

**Instructions:**

Each Person and/or Entity that answered "Yes" to Part 1 (b) must complete this form.

Name and role of Person or Entity completing this form:

Fort Worth Housing Authority

- Which is:  the Applicant (Entity that generally manages or controls the "Applicant," i.e. General Partner, Managing Partner, etc.)
- a Special Limited Partner or Class B Limited Partner or equivalent of the Applicant
- a Developer for the Applicant for this specific Application
- an Affiliate to the Applicant
- a Guarantor on the Application

Pursuant to §11.4(a) of the Qualified Allocation Plan, the Department shall not allocate more than \$3 million of tax credits from the current Application Round to any Applicant, Developer, Affiliate or Guarantor. The undersigned represents to the Department that the following is a list of all developments for which the Applicant, the Developer, Affiliate, or Guarantor, has applied for an allocation of tax credit authority from the Department in the current Application Round.

Development Name:	Region:	City:	% Ownership:	% of Dev. Fee:
<u>Churchill at Golden Triangle Community</u>	<u>3</u>	<u>Fort Worth</u>	<u>0.00%</u>	<u>50.00%</u>
<u>The Standard at Boswell Marketplace</u>	<u>3</u>	<u>Fort Worth</u>	<u>0.00%</u>	<u>50.00%</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

I acknowledge that Bradley E. Forslund is authorized to terminate the Application in the event of a conflict with §11.4(a) of the Qualified Allocation Plan.

I hereby certify that the foregoing is a complete list of Developments with respect to which I am seeking a current allocation of tax credit authority from the Department. I certify that, if the Department makes a recommendation to the Board or issues a commitment which may cause Applications for which I am the Applicant, the Developer, Affiliate or Guarantor, to receive credits in excess of \$3 million, I will notify the Department in writing within three business days of the recommendation or issuance of the Commitment.

I acknowledge that if the Department determines that an Applicant, Developer, Affiliate or Guarantor, has received (in the aggregate) allocations in the current Application Round from the Department exceeding \$3 million, the Department must refuse to Issue one or more Commitments or Carryover Allocations, or must terminate one or more Commitments or Carryover Allocations.

Under penalty of perjury, I certify that this information and these statements are true, complete, and accurate:

By:  Fort Worth Housing Authority 4.15.16  
 Signature of Applicant, Developer, Affiliate or Guarantor (as appropriate) Printed Name Date

16260

Executive Director's  
Response





TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

[www.tdhca.state.tx.us](http://www.tdhca.state.tx.us)

Greg Abbott  
GOVERNOR

BOARD MEMBERS  
J. Paul Oxer, *Chair*  
Juan S. Muñoz, PhD, *Vice Chair*  
Leslie Bingham-Escareño  
T. Tolbert Chisum  
Tom H. Gann  
J.B. Goodwin

May 13, 2016

Writer's direct phone # (512) 475-3296  
Email: [tim.irvine@tdhca.state.tx.us](mailto:tim.irvine@tdhca.state.tx.us)

Mr. Bradley E. Forslund  
Churchill Residential  
5605 N MacArthur Blvd, Suite 580  
Irving, TX 75038

RE: APPEAL OF SCORING NOTICE: 16260 CHURCHILL AT GOLDEN TRIANGLE COMMUNITY, FORT WORTH, TEXAS

Dear Mr. Forslund:

The Texas Department of Housing and Community Affairs (the "Department") is in receipt of your appeal, dated April 28, 2016, of the scoring notice for the above referenced Application. This Application was assessed a penalty of -5 points under 10 TAC §10.201(7)(A) of the 2016 Uniform Multifamily Rules, related to the Administrative Deficiency Process, because the Applicant failed to resolve Administrative Deficiencies to the satisfaction of the Department by 5:00 p.m. on the fifth business day following the date of the deficiency notice. The rule reads in relevant part:

Unless an extension has been timely requested and granted, if an Administrative Deficiency **is not resolved** (*emphasis supplied*) to the satisfaction of the Department by 5:00 p.m. on the fifth business day following the date of the deficiency notice, then (5 points) shall be deducted from the selection criteria score for each additional day the deficiency remains unresolved. If Administrative Deficiencies are not resolved by 5:00 p.m. on the seventh business day following the date of the deficiency notice, then the Application shall be terminated.

The appeal is being denied based on the consistent position of staff that what the rule contemplates and requires is that by 5:00 p.m. Austin local time on the fifth day after notice of an administrative deficiency the applicant will have taken the necessary steps to ensure that staff understands the applicant's response and position in sufficient detail that the deficiency has been (past tense) resolved. Staff believes, and I agree, that this is the standard that the rule articulates. Merely submitting materials that an applicant hopes will be responsive by the 5:00 p.m. deadline leaves open the distinct possibility that the matter is not resolved and as a result the processing of the application will be delayed. In a program where the Multifamily Programs Division handles hundreds of administrative deficiencies in a 9% tax credit application cycle, each application is typically on the order of 400 pages (this one was slightly longer), and applications must be reviewed such that applications considered for award may be underwritten, and all waivers, deficiencies, and appeals fully resolved all within the scope of five months, that would be an unworkable and unmanageable burden.



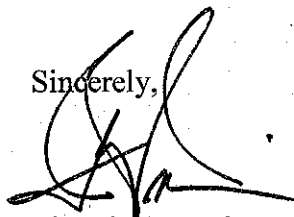
Even if *arguendo* it is assumed that a fully responsive submittal is accomplished by the 5:00 p.m. deadline, in this instance the materials submitted did not fully address staff's concerns as regards Deficiency item #6: Building Plans, and Deficiency item #13: List of Organizations and Principals.

The appeal asserts, and email supports, that answers and documentation for 16 deficiency items were submitted timely at 4:28 p.m. prior to the April 18, 2016, deadline at 5:00 p.m. Austin local time. The response included thirty six (36) pages of documentation for the reviewer to complete. Whereas the responses and documentation for the deficiencies was submitted prior to the deadline, the timing of the submission did not leave sufficient time for staff to review the submission and to determine whether the Administrative Deficiencies had been "resolved" to the satisfaction of the Department and 10 TAC §10.201(7)(A) prior to the required deadline.

The appeal further asserts that regardless of the fact that <sup>1</sup>such a determination could not be made by staff, the submission did resolve the deficiencies. In reviewing the Notice of Administrative Deficiency and the response provided, staff and management in the Multifamily Division have determined that the submission did not sufficiently answer, and, therefore, did not resolve Deficiency item #6: Building Plans, and Deficiency item #13: List of Organizations and Principals. The Applicant has provided no evidence that in the time between receipt of the Notice of Administrative Deficiency and the response provided the Applicant requested explanations of any of the deficiency items that the Applicant did not understand, or that the Applicant contacted staff or management in the Multifamily Division regarding any difficulty in meeting the deadline.

I do not find that the points raised in your appeal clearly demonstrate that the Administrative Deficiencies were actually resolved to the satisfaction of the Department by the deadline. Accordingly I must deny the appeal. If you are not satisfied with this decision, you may file a further appeal with the Board of Directors of the Texas Department of Housing and Community Affairs. Please review 10 TAC §10.902 of the 2016 Uniform Multifamily Rules for full instruction on the appeals process. Should you have any questions, please contact Sharon Gamble, Competitive Tax Credit Program Administrator, at [sharon.gamble@tdhca.state.tx.us](mailto:sharon.gamble@tdhca.state.tx.us) or by phone at 512-936-7834.

Sincerely,



Timothy K. Irvine  
Executive Director

TKI/sdg

cc: Becky Villanueva

---

16260

Applicant Appeal  
to Board



May 16, 2016

TDHCA Board  
221 East 11th Street  
Austin Texas 78701

Subject: TDHCA # 16260 - Churchill at Golden Triangle Community;  
Appeal of 5 Point Penalty in Administrative Deficiency Process.

Dear TDHCA Board Members:

This letter appeals the loss of five points as a penalty for failure to submit Administrative Deficiency Responses within the TDHCA's five business day deadline. The penalty in question will take the Churchill at Golden Triangle Community (the "Project") out of the running for an award. We think this is an extremely harsh penalty because:

- (i) the administrative deficiencies cited were excessively vague compared to the method of identifying deficiencies used by other reviewers;
- (ii) the reviewer was out of the office for two of the five business days, and could not be reached for explanation or elaboration concerning the deficiencies; and
- (iii) all of the information requested was made available to the reviewer within the response period, but the reviewer wanted that information presented in multiple places, and we missed some of the repetitive areas where the reviewer wanted the same information included.

Because the deficiency response was submitted at 4:28 pm on the day of the deadline, the reviewer indicated that there was insufficient time to confirm that all deficiencies were completely resolved. We were unable to submit earlier because under the rules only complete submissions may be made unless you are invited to submit a portion of the response separately – and we received no such invitation.

**Excessive vagueness in identifying deficiencies**

Attached to this letter as Exhibit A is the original Notice of Administrative Deficiencies. Please note the inexactitude with which deficiencies are identified. For example, see deficiency #6 which states:

6. Tab 22 Building Plans – The plans for buildings 1 and 3 do not match the unit distribution given on the Building/Unit Configuration Form. Revise the incorrect exhibit.

When compared to deficiency #5 in Exhibit B which is a similar Deficiency Notice from another reviewer, the lack of detail in the Notice provided on the Project is apparent.

5. Please revise the Building/Unit charts in the architectural plans to agree with the Building/Unit Type Configuration form. It would be helpful to eliminate the distinction between upper story units and lower story units in the architect's table, and to consistently refer to each unit type by the same designation, i.e.



use C2-1 or C2.1 but not both. The upper and lower parts of the table seem to use different designations for the same units from the middle part of the table. The table at the top right of the site plan adds complexity because information is presented in a different format from the Building/Unit Configuration form (that is primary) and the other architectural table. Note that the easiest way to deal with this requirement is to simply submit the architect's table in the same format as the Building/Unit Type Configuration form.

**Reviewer was unavailable for questions during a substantial part of the response period.**

The Deficiency Notice was received by the developer at 11:56 am on Monday, April 11, 2016. Unfortunately, the developer was in the midst of a construction and equity closing, and did not respond to the Deficiency Notice until the next morning when the third party potential investor was contacted for revisions to its equity letter and the morning of April 13<sup>th</sup>, when the architect was contacted for requested revisions to the architectural drawings. By the time the developer was able to address other elements of the deficiency, and realized that there were questions of intent, the reviewer was out of the office on business and could not be reached for explanations. Two days passed before the reviewer could be contacted concerning questions relating to the deficiencies – at approximately 2:00 pm on Thursday, April 14<sup>th</sup>.

**Reviewer was in possession of all information requested prior to deadline.**

We think that the five point penalty is particularly egregious because the reviewer had received all of the information requested prior to the deadline on April 18<sup>th</sup>.

1. The first deficiency that was regarded as “uncured” on April 18<sup>th</sup> was not a deficiency at all. Site control, as defined in the 2016 Rules, was shown in the original Application. The reviewer did not like the manner in which the earnest money deposit was referenced as received by the title company (the title company acknowledged that they were obligated to perform the duties set out in the section of the purchase contract that dealt with the earnest money deposit). The Contract for Ground Lease that was included in the Application was not needed to establish Site Control – it was only included to show the structure that would support the 100% ad valorem tax exemption for the Project that was evidenced by the Annual Operating Expenses.
2. The second deficiency “uncured” on April 18<sup>th</sup> was that the reviewer had counted units as shown on the building plans and came up with a different number than was shown in the Building/Unit Configuration Form. Since the Building/Unit Configuration Form matched the number of units/types shown in the architect's matrix in the building plans, the developer believed that the item was resolved. The original deficiency never made it apparent that the reviewer was not referring to the architect's compilation, but instead was counting units shown on floor plans. The Building/Unit Configuration Form and the architect's compilation did match and were correct.



3. The third deficiency “uncured” on April 18<sup>th</sup> was that the List of Organizations and Principals was not considered complete. The reviewer said “The first mistake I saw is still there in the new form,” but never revealed what that mistake was. As it turned out, all of the various entities were named and their relationships were provided in the organizational charts and the information was all in the form, but the reviewer wanted two entities that were already shown on the form to be added under additional organizational sections. One of the desired insertions is inappropriate, in our view, since FWHA Golden Triangle Public Facilities Corporation is not a sub entity of the General Partner – exactly the opposite is, in fact, correct. We made the change, however, to get the item cleared.
  
4. The fourth and final deficiency “uncured” on April 18<sup>th</sup> was one of two Credit Limit Forms that had been provided for entities related to the Fort Worth Housing Authority. The Fort Worth Housing Authority had executed and returned the requisite forms, however the name of the entity somehow fell off the form at the top of the page. This was considered a disqualification even though the name of the entity was filled in at the bottom of the page in connection with the signature on the form. To evaluate the degree of conflict or confusion created by this problem, please see Exhibit C attached.

In summary, we strongly believe that the submissions provided on April 18, 2016, essentially cured all of the deficiencies that were found by the reviewer. We were handicapped by the vagueness of the observations made concerning the deficiencies and believe that there is a serious discrepancy in the amount of information provided by various reviewers. Additionally, the unavailability of our reviewer during a substantial period of our response period made it more difficult to respond to the Deficiency Notice in a manner that would resolve all issues. Finally, although three units were incorrectly labeled in building floor plans, and the name of the Housing Authority of the City of Fort Worth was missing at the top of the page on one of the Credit Limit forms, those issues so not, in our mind, rise to the level of an administrative deficiency because they did not create conflict or confusion in the Application. Churchill Residential, Inc. has developed more than 2,500 tax credit units in Texas during the last 14 years. In EARAC compliance reviews our firm has a Category One rating. In responding to this Deficiency Notice we made every effort to meet the reviewer’s requirements completely and in a timely manner. We think that the issues that arguably remained outstanding on April 19<sup>th</sup> were either duplicative information already properly disclosed, or else constituted an error by our architect. We point out that had we known the perceived problem with the building plans, we could have requested an extension of time to get the units re-numbered, since the architect is a third party. Given these circumstances, we think that the five point penalty is an overly harsh punishment, and we request that you grant this appeal and rescind the penalty.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Anthony Sisk", written over a light blue horizontal line.

J. Anthony Sisk  
Authorized Representative



## Exhibit A



**From:** Elizabeth Henderson [mailto:elizabeth.henderson@tdhca.state.tx.us]

**Sent:** Monday, April 11, 2016 11:56 AM

**To:** Brad Forslund <bforslund@cri.bz>; Becky Villanueva <bvillanueva@cri.bz>

**Subject:** 16260 - 9% HTC Application Deficiency Notice - TIME SENSITIVE - Churchill at Golden Triangle Community

In the course of the Department's Housing Tax Credit **Eligibility/Selection/Threshold** and/or Direct Loan review of the above referenced application, a possible Administrative Deficiency as defined in §10.3(a)(2) and described in §10.201(7)(A) and/or §10.201(7)(B) of the 2016 Uniform Multifamily Rules was identified. By this notice, the Department is requesting documentation to correct the following deficiency or deficiencies. Any issue initially identified as an Administrative Deficiency may ultimately be determined to be beyond the scope of an Administrative Deficiency, and the distinction between material and non-material missing information is reserved for the Director of Multifamily Finance, Executive Director, and Board.

1. Tab 12, Site Control – The contract does not include the paragraph pertaining to environmental review. Provide an addendum, signed by both parties, which makes this paragraph part of the purchase contract. You will find the language in the Direct Loan NOFA.
2. Tab 12, Site Control – Provide proof of consideration as required by the contract(s).
3. Tab 12, General Demographic Characteristics – The demographics were provided for the census tract but not for the city specifically. Provide the city demographics.
4. Tab 18, Unit Amenities and Tenant Supportive Services – The box was left blank for HOME/Direct Loan. Check the boxes and resubmit.
5. Tab 22, Detention Pond – There was no detention pond depicted on the site plan but the feasibility study says there must be one. Add the pond to the site plan.
6. Tab 22, Building Plans – The plans for buildings 1 and 3 do not match the unit distribution given on the Building/Unit Configuration Form. Revise the incorrect exhibit.
7. Tab 22, Unit Floor Plans – The dimensions of each perimeter wall were not given on the unit plans. Provide plans with the dimensions.
8. Tab 22, Elevations – The elevations don't indicate which side of the building is depicted. Submit better labeled elevations.
9. Tab 24, Direct Loan Proportionality Test – The percentage of Direct Loan units is not less than the percentage of Direct Loan funds to total development cost. Revise the amount of Direct Loan units or funds in order to meet this requirement.

10. Tab 24, **Direct Loan Informational Deficiency – No Action Required** – Because there are 80% High HOME units, 90% of the HOME units have to be leased to households at 60% High HOME or below at initial occupancy, per 24 CFR 92.216. Once the initial occupants move out, the 80% High HOME rent and income limits may start for those units designated 80% High HOME.
11. Tab 35, Equity Letter – The equity letter did not state how much in developer fees would be paid during construction. Obtain this information. You can accept it by email rather than getting another letter.
12. Tab 37, Guarantor Chart – Provide a guarantor chart.
13. Tab 38, List of Organization – The form is not complete and is inconsistent with the organizational charts. Revise the form.
14. Tab 39, Previous Participation – Forms were not provided for all entities on the organizational charts. Provide the missing forms.
15. Tab 45, Credit Limit I and II – The forms did not include all entities and persons on the organizational charts. Revise and resubmit.
16. Feasibility Report – I did not find the required survey or plat and the preliminary site plan, with the “material adherence” statement included. Provide these two documents or indicate where I have missed them.

**The above list may not include all Administrative Deficiencies such as those that may be identified upon a supervisory review of the application. Notice of additional Administrative Deficiencies may appear in a separate notification.**

All deficiencies must be corrected or otherwise resolved by 5 pm CST on the fifth business day following the date of this deficiency notice. Deficiencies resolved after 5 pm on the fifth business day will have 5 points deducted from the final score. For each additional day beyond the fifth day that any deficiency remains unresolved, the application will be treated in accordance with §10.201(7)(A) of the 2016 Uniform Multifamily Rules.

All deficiencies related to the Direct Loan portion of the Application must be corrected or clarified by 5pm CST on the fifth business day following the date of this deficiency notice. Deficiencies resolved after 5pm CST on the fifth business day will be subject to a \$500 fee for each business day that the deficiency remains unresolved. Applications with unresolved deficiencies after 5pm CST on the tenth day may be terminated.

Unless the person that issued this deficiency notice, named below, specifies otherwise, submit all documentation at the same time and in only one file using the Department’s Serv-U HTTPs System. Once the documents are submitted to the Serv-U HTTPs system, please email the staff member issuing this notice. If you have questions regarding the Serv-U HTTPs submission process, contact Liz Cline at [liz.cline@tdhca.state.tx.us](mailto:liz.cline@tdhca.state.tx.us) or by phone at (512)475-3227. You may also contact Jason Burr at [jason.burr@tdhca.state.tx.us](mailto:jason.burr@tdhca.state.tx.us) or by phone at (512)475-3986.

**All applicants should review §§11.1(b) and 10.2(b) of the 2016 QAP and Uniform Multifamily Rules as they apply to due diligence, applicant responsibility, and the competitive nature of the program for which they are applying.**

**\*\*All deficiencies must be corrected or clarified by 5 pm on April 18, 2016. Please respond to this email as confirmation of receipt.\*\***

The Texas Department of Housing and Community Affairs administers a number of state and federal programs through for-profit, nonprofit, and local government partnerships to strengthen communities through affordable housing development, home ownership opportunities, weatherization, and community-based services for Texans in need. For more information, including current funding opportunities and information on local providers, please visit [www.tdhca.state.tx.us](http://www.tdhca.state.tx.us).

*Elizabeth Henderson*

*Program Specialist III*

*Texas Department of Housing and Community Affairs*

*221 E. 11th Street | Austin, TX 78701*

*Office: 512.463.9784 | Fax: 512.475.0764*

*Any person receiving guidance from TDHCA staff should be mindful that, as set forth in 10 TAC Section 11.1(b) there are important limitations and caveats (Also see 10 TAC §10.2(b)).*



## Exhibit B

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

On [REDACTED] 2016 at 9:28 AM, [REDACTED]@tdhca.state.tx.us> wrote:

In the course of the Department's Housing Tax Credit **Eligibility/Selection/Threshold** and/or Direct Loan review of the above referenced application, a possible Administrative Deficiency as defined in §10.3(a)(2) and described in §10.201(7)(A) and/or §10.201(7)(B) of the 2016 Uniform Multifamily Rules was identified. By this notice, the Department is requesting documentation to correct the following deficiency or deficiencies. Any issue initially identified as an Administrative Deficiency may ultimately be determined to be beyond the scope of an Administrative Deficiency, and the distinction between material and non-material missing information is reserved for the Director of Multifamily Finance, Executive Director, and Board.

1. A preliminary site plan prepared by a civil engineer to include a statement that the plan materially adheres to all applicable zoning, site development, and building code ordinances is required.
2. [REDACTED] must sign Eligibility Certification.
3. School attendance zones are not documented.
4. In all identity of interest transactions the Applicant is required to provide the original acquisition cost evidenced by an executed settlement statement or, if a settlement statement is not available, the original asset value listed in the most current financial statement for the identity of interest owner.
5. Please revise the Building/Unit charts in the architectural plans to agree with the Building/Unit Type Configuration form. It would be helpful to eliminate the distinction between upper story units and lower story units in the architect's table, and to consistently refer to each unit type by the same designation, i.e. use C2-1 or C2.1 but not both. The upper and lower parts of the table seem to use different designations for the same units from the middle part of the table. The table at the top right of the site plan adds complexity because information is presented in a different format from the Building/Unit Configuration form (that is primary) and the other architectural table. Note that the easiest way to deal with this requirement is to simply submit the architect's table in the same format as the Building/Unit Type Configuration form.
6. Pages 18 and 19 of the plans both say they are Building IV elevations.
7. The community building plan should state separate totals for the areas of the maintenance room, laundry, porches, and storage.
8. Document by email or otherwise that the utility allowance documentation was submitted to Compliance for approval. If it was not, please submit it to Billy Bryant.
9. [REDACTED] must be listed in the List of Organizations and Principals.
10. [REDACTED] must be in the List of Organizations and Principals.
11. Each natural person and organization in one of the organization charts, including the consultant chart, must have a separate Previous Participation Form.

**The above list may not include all Administrative Deficiencies such as those that may be identified upon a supervisory review of the application. Notice of additional Administrative Deficiencies may appear in a separate notification.**



## Exhibit C

**Part II. Credit Limit Certification**

**Instructions:**

Each Person and/or Entity that answered "Yes" to Part 1 (b) must complete this form.

Name and role of Person or Entity completing this form:

Fort Worth Housing Authority

This was blank on the submission of 4/18 and added back on 4/19 with the second submission with the name of the entity and signature at the bottom of the page the reviewer knew who it was for.

- Which is:
- the Applicant (Entity that generally manages or controls the "Applicant," i.e. General Partner, Managing Partner, etc.)
  - a Special Limited Partner or Class B Limited Partner or equivalent of the Applicant
  - a Developer for the Applicant for this specific Application
  - an Affiliate to the Applicant
  - a Guarantor on the Application

Pursuant to §11.4(a) of the Qualified Allocation Plan, the Department shall not allocate more than \$3 million of tax credits from the current Application Round to any Applicant, Developer, Affiliate or Guarantor. The undersigned represents to the Department that the following is a list of all developments for which the Applicant, the Developer, Affiliate, or Guarantor, has applied for an allocation of tax credit authority from the Department in the current Application Round.

Development Name:	Region:	City:	% Ownership:	% of Dev. Fee:
Churchill at Golden Triangle Community	3	Fort Worth	0.00%	50.00%
The Standard at Boswell Marketplace	3	Fort Worth	0.00%	50.00%

I acknowledge that Bradley E Forslund is authorized to terminate the Application in the event of a conflict with §11.4(a) of the Qualified Allocation Plan.

I hereby certify that the foregoing is a complete list of Developments with respect to which I am seeking a current allocation of tax credit authority from the Department. I certify that, if the Department makes a recommendation to the Board or issues a commitment which may cause Applications for which I am the Applicant, the Developer, Affiliate or Guarantor, to receive credits in excess of \$3 million, I will notify the Department in writing within three business days of the recommendation or issuance of the Commitment.

I acknowledge that if the Department determines that an Applicant, Developer, Affiliate or Guarantor, has received (in the aggregate) allocations in the current Application Round from the Department exceeding \$3 million, the Department must refuse to issue one or more Commitments or Carryover Allocations, or must terminate one or more Commitments or Carryover Allocations.

Under penalty of perjury, I certify that this information and these statements are true, complete, and accurate:

By: Naomi W. [Signature] Fort Worth Housing Authority 4.15.16  
 Signature of Applicant, Developer, Affiliate or Guarantor (as appropriate) Printed Name Date

This was on the submission on 4/18 at 4:28pm