

# LOW INCOME HOUSING TAX CREDIT (LIHTC) RESOLUTION APPLICATION

Updated: December, 2023



## CONTACT INFORMATION

Applicant's Name		Property Owner	
Company		Company	
Applicant's Mailing Address		Owner's Mailing Address	
Applicant's Phone #		Owner's Phone #	
Applicant's Email		Owner's Email	

## PROPERTY INFORMATION

Subject Property Address: \_\_\_\_\_

Tax ID #: R \_\_\_\_\_ Existing Zoning: \_\_\_\_\_

Legal Description: Lot \_\_\_\_\_ Block \_\_\_\_\_ Subdivision \_\_\_\_\_

Existing Use: \_\_\_\_\_ Proposed Use: \_\_\_\_\_

## DESCRIPTION OF REQUEST

Project Name: \_\_\_\_\_

Briefly Describe the Proposal (reason for choosing location, target population, property amenities or services, energy efficient components etc.) (Provide additional pages if needed):  
\_\_\_\_\_

Type of Housing Tax Credit Resolution:

Are you requesting to be exempt from local taxes?

☐ 4% Housing Tax Credit or ☐ 9% Housing Tax Credit

☐ Yes or ☐ No

## DESCRIPTION OF UNITS

UNIT TYPE	MARKET RATE UNITS	AFFORDABLE UNITS	TOTAL
Number of Units			
Percentage of Total Units			

How many units are available to each income bracket listed below (i.e. rent level of tenants)?

≤ 20% AMI	≤ 30% AMI	≤ 40% AMI	≤ 50% AMI	≤ 60% AMI	≤ 70% AMI	≤ 80% AMI	Market Rate	Total Units

Describe the unit mix:

Efficiency	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total Units

How Many Accessible Units are Included: \_\_\_\_\_

## Criteria

Applications must fully meet at least five (5) of the eight (8) criteria below, including criteria #1, in order to receive a staff recommendation which is presented to the Workforce Housing Council Committee. Applications must also receive a recommendation from the Workforce Housing Council Committee prior to consideration by City Council.

Please Indicate which of the criteria your project is consistent with and explain. **Use additional pages if necessary.**

Criteria	Explanation
<input type="checkbox"/> 1. No exemption from local taxes is requested unless the project meets the criteria A-E outlined below. <input type="checkbox"/> <b>A</b> – A minimum of 15% of all units within the project shall be affordable to households at or below 30% percent of the AMI for the duration of the tax exemption. <input type="checkbox"/> <b>B</b> – A minimum of 10% of the units affordable to households at or below 30% of the AMI shall be ADA accessible. <input type="checkbox"/> <b>C</b> – A minimum of 35% of the units within a project that is not age-restricted shall include a minimum of three bedrooms in each unit. <input type="checkbox"/> <b>D</b> – The project shall include these criteria in the Texas Department of Housing and Community Affairs Land Use Restriction Agreement (LURA). <input type="checkbox"/> <b>E</b> – When considering a recommendation of support, preference should be given to projects that utilize a local entity for such tax exemptions.	
<input type="checkbox"/> 2. The proposed units address a housing need identified in the City's Housing Policy or the City's current consolidated plan for HUD programs, which can be found on the <a href="#">City's Website</a> .	
<input type="checkbox"/> 3. The project is located within a high or medium intensity zone on the City's <a href="#">Preferred Scenario Map</a> .	
<input type="checkbox"/> 4. The project is not proposed to develop under a legacy district on the City's current <a href="#">zoning map</a> .	
<input type="checkbox"/> 5. The project is located within half (.5) mile walking distance from services such as grocery, medical facilities, and schools.	
<input type="checkbox"/> 6. The project is located within one quarter (.25) mile walking distance of a proposed or existing bus stop on a current or planned transit route. If the project is not located within one quarter (.25) mile walking distance of a proposed or existing bus stop on a current or planned transit route, a private shuttle service for residents is provided in accordance with TDHCA requirements.	
<input type="checkbox"/> 7. The project is renovating or redeveloping an existing multifamily complex or under-performing development.	
<input type="checkbox"/> 8. The project incorporates wraparound support services that provide flexible voluntary social, economic, or education benefits to the residents. Project should meet criteria A-D outlined below. <input type="checkbox"/> <b>A</b> – Meet the needs of the local community; <input type="checkbox"/> <b>B</b> – Utilize local support services and resources; <input type="checkbox"/> <b>C</b> – Exceed the minimum TDHCA requirements for amenities; and <input type="checkbox"/> <b>D</b> – Submit to the City the Project's TDHCA Application for Low Income Housing Tax Credits and includes the list of amenities in the Project's Land Use Restriction Agreement (LURA).	

### Additional Considerations

In addition to the criteria outlined above, the following may be considered by staff and the Workforce Housing Council Committee as means for recommending approval or denial of a request:

Criteria	Explanation
<input type="checkbox"/> 1. Regardless of compliance with the above criteria, projects located where emergency response times fall out of the National Fire Protection Association (NFPA) standards and / or projects located within or in close proximity to the floodplain may receive a denial recommendation.	
<input type="checkbox"/> 2. Projects seeking tax exemption should <ul style="list-style-type: none"><li>• Include an estimate of the tax revenues which will not be realized by the City, annually, over the life of the project.</li><li>• Describe future plans for placing the property back on the tax roll, if applicable.</li></ul>	
<input type="checkbox"/> 3. For senior housing projects, inclusion of the following, additional, support service: presentations by the Capital Area Council of Governments (CAPCOG) Area Agency on Aging. Applicants must contact CAPCOG to arrange for a presentation of available services no less than once every other year and provide proof of this agreement with the application. <a href="https://www.capcog.org/divisions/area-agency-on-aging#areaagencyon-aging">https://www.capcog.org/divisions/area-agency-on-aging#areaagencyon-aging</a>	
<input type="checkbox"/> 4. For senior housing projects, the distance to medical facilities will receive additional scrutiny. Applicants must indicate the nearest medical facilities and any additional transportation options which will be available to residents in the event of an emergency.	
<input type="checkbox"/> 5. Once approved, additional consideration will be given to applications which show compliance with the Strategic Housing Action Plan.	

## AUTHORIZATION

*I certify that the information on this application is complete and accurate. I understand the fees and the process for this application. I understand my responsibility, as the applicant, to be present at meetings regarding this request.*

Filing Fee \$1,000 plus \$100 per acre    Technology Fee \$15    MAXIMUM COST \$5,015

Submittal of this digital Application shall constitute as acknowledgment and authorization to process this request.

**EMAIL APPLICATION TO – [PLANNINGINFO@SANMARCOSTX.GOV](mailto:PLANNINGINFO@SANMARCOSTX.GOV)**



# CHECKLIST FOR HOUSING TAX CREDIT RESOLUTION APPLICATION

The following items are requested for consideration of this application. These and additional items may be required, at the request of the Department, in order to determine the application complete and filed.		Comments
<input type="checkbox"/>	Pre-development meeting with staff is <u>required</u> unless waived by the Responsible Official <ul style="list-style-type: none"> <li>Please visit <a href="http://sanmarcostx.gov/1123/Pre-Development-Meetings">http://sanmarcostx.gov/1123/Pre-Development-Meetings</a> to schedule, or email <a href="mailto:planninginfo@sanmarcostx.gov">planninginfo@sanmarcostx.gov</a> with any questions.</li> </ul>	
<input type="checkbox"/>	Completed Application for Housing Tax Credit Resolution	
<input type="checkbox"/>	Project Cover Letter	
<input type="checkbox"/>	Draft Texas Department of Housing and Community Affairs Land Use Restriction Agreement with Listed Amenities.	
<input type="checkbox"/>	List of proposed amenities in accordance with TDHCA requirements for amenities.	
<input type="checkbox"/>	Subdivision Plat or Metes and Bounds Description	
<input type="checkbox"/>	If metes & bounds is provided the following may be required: <ul style="list-style-type: none"> <li>CAD file in grid for GIS integration. Projection: NAD 1983 StatePlane Texas South Central FIPS 4204 Feet</li> </ul>	
<input type="checkbox"/>	Authorization to represent the property owner, if the applicant is not the owner	
<input type="checkbox"/>	Filing Fee \$1,000 + \$100 per acre (\$5,000 max) Technology Fee                      \$15	
<b>**San Marcos Development Code Section 2.3.1.1(C): "Every application accepted by the responsible official for filing shall be subject to a determination of completeness...the responsible official is not required to review an application unless it is complete..."</b>		

# Low Income Housing Tax Credit (LIHTC) Policy

## Resolutions of Support Criteria

Applications must fully meet at least five (5) of the eight (8) criteria below, including criteria #1, in order to receive a staff recommendation which is presented to the Workforce Housing Council Committee.

Applications must also receive a recommendation from the Workforcehousing Council Committee prior to consideration by City Council.

### ☐ **Criteria 1** Is the project requesting an exemption from local taxes?

\*Note, if a project is not requesting an exemption from local taxes, criteria 1 is considered met.

Yes

No exemption from local taxes may be considered unless the project meets criteria A-E listed in the LIHTC Policy. The purpose of this criteria is to help increase the City's inventory of affordable units and ensure that units benefiting from the program are reserved for low income households that need them.

No

## Criteria

- ☐ **2** The proposed units address a housing need identified in this housing policy or in the City's current consolidated plan for HUD programs.
- ☐ **3** The project is located within a high or medium intensity zone on the preferred scenario map.
- ☐ **4** The project is not proposed to develop under a legacy district on the City's current zoning map.
- ☐ **5** The project is located within half (.5) mile walking distance from services such as grocery, medical facilities, and schools.
- ☐ **6** The project is located within one quarter (.25) mile walking distance of a proposed or existing bus stop on a current or planned transit route. If the project is not located within one quarter (.25) mile walking distance of a proposed or existing bus stop on a current or planned transit route, a private shuttle service for residents is provided in accordance with TDHCA requirements.
- ☐ **7** The project is renovating or redeveloping an existing multifamily complex or under-performing development.
- ☐ **8** The project incorporates wraparound support services that provide flexible voluntary social, economic, or education benefits to the residents. The project should meet criteria A-D in the LIHTC Policy and will be considered in the analysis of whether criteria 8 is met.

## Additional Criteria

In addition to the criteria outlined above, the following may be considered by staff and the Workforce Housing Council Committee as means for recommending approval or denial of a request:

- ☐ **1** Regardless of compliance with the above criteria, projects located where emergency response times fall out of the National Fire Protection Association (NFPA) standards and / or projects located within or in close proximity to the floodplain may receive a denial recommendation.
- ☐ **2** Projects seeking tax exemption should
  - Include an estimate of the tax revenues which will not be realized by the City, annually, over the life of the project.
  - Describe future plans for placing the property back on the tax roll, if applicable.
- ☐ **3** For senior housing projects, inclusion of the following, additional, support service: presentations by the Capital Area Council of Governments (CAPCOG) Area Agency on Aging. Applicants must contact CAPCOG to arrange for a presentation of available services no less than once every other year and provide proof of this agreement with the application. <https://www.capcog.org/divisions/area-agency-on-aging#areaagencyon-aging>
- ☐ **4** For senior housing projects, the distance to medical facilities will receive additional scrutiny. Applicants must indicate the nearest medical facilities and any additional transportation options which will be available to residents in the event of an emergency.
- ☐ **5** Once approved, additional consideration will be given to applications which show compliance with the Strategic Housing Action Plan.

**RESOLUTION NO. 2023-189R**


**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS APPROVING AMENDMENTS TO THE LOW-INCOME HOUSING TAX CREDIT ("LIHTC") POLICY SECTION OF THE AFFORDABLE/WORKFORCE HOUSING POLICY TO REDUCE THE REQUIRED PERCENTAGE OF UNITS UNDER 30 PERCENT OF THE AREA MEDIAN INCOME FROM 25 PERCENT TO 15 PERCENT; AND DECLARING AN EFFECTIVE DATE.**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:**

**PART 1.** The Affordable/Workforce Housing Policy is hereby amended to reduce the required percentage of units under 30 percent of the Area Median Income from 25 percent to 15 percent as reflected in the attachment hereto.

**PART 2.** This resolution shall be in full force and effect immediately from and after its passage.

**ADOPTED** on December 5, 2023.

  
Jane Hughson  
Mayor

Attest:

  
Elizabeth Trevino  
City Clerk

## Affordable / Workforce Housing Policy

**Purpose:** *Define issues associated with the expansion and preservation of diverse, affordable housing choices, in San Marcos and identify specific goals and strategies to address those issues in a manner consistent with the vision expressed in the City's Comprehensive Plan.*

### Vision San Marcos Neighborhood & Housing Vision Statement

*We envision San Marcos to have a strong, more comprehensive foundation of safe, stable neighborhoods while preserving and protecting the historical, cultural, and natural identities of those neighborhoods.*

**Importance:** Affordable housing is important to the economic vitality of San Marcos as an adequate supply supports the local workforce and allows them to live close to their jobs. Shorter commutes reduce traffic congestion, air pollution, and expenditures on road maintenance. Having an adequate housing supply also provides a competitive advantage for area employers. Affordable housing benefits families by alleviating overcrowding, reduces the potential of foreclosure and evictions, and may provide the housing stability that is vital to the emotional well-being of children.

### **Definitions:**

- Area Median Income (AMI) – The area median income is the midpoint of a region's income distribution. San Marcos is located within the Austin Round Rock MSA. Federal housing programs utilize the area median income as the basis for funding.
  - *Example: the 2018 median family income for a family of 4 in the Austin Round Rock MSA is \$86,000*
- San Marcos Median Family Income (MFI) – The median family annual income for residents of the City of San Marcos as established by the most current data available from the U. S. Census Bureau. This term is defined by the Census Bureau as *"The sum of income of all family members 15 years and older living in the household. Families are groups of two or more people (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family.*
  - This number is expected to change from year to year as census records are updated.
  - *Example: the 2012-2016 American Community Survey data shows that the Median San Marcos Family Income is \$46,736;*
- Affordable Housing – Generally construed to mean that a low or moderate-income family can afford to buy or rent a decent quality dwelling without spending more than 30% of its income on shelter. Generally, affordable housing incentives will be targeted to persons earning 80% or less of the Area Median Income.
- Workforce Housing - Housing for moderate-income workers in professions needed in all communities such as teachers, fire fighters, and nurses. Generally, workforce housing incentives are targeted to employees earning no more than 140% of Area Median Income
- Location Efficient Areas – Areas (a) where transportation costs are low or where public investment will make transportation more affordable in the future, (b) that are located in close proximity to schools, health related facilities, amenities such as parks and childcare, vital retail establishments (pharmacy, groceries, etc.) and (c) are pedestrian/bicycle friendly.

## **OWNER-OCCUPIED HOUSING**

### **ISSUES, GOALS, AND STRATEGIES FOR IMPLEMENTATION**

#### **1. LOW RATES OF HOME OWNERSHIP**

- a. Increase home ownership rate
  - i. Offer targeted homebuyer down payment/closing cost loan programs to encourage those who work in San Marcos to become San Marcos home owners. Review program viability and need for continuing funding during annual budget process. Homes must be located inside the corporate limits. Possible targets might include:
    1. First Time Homebuyers – if funded through the CDBG program, homebuyers will be qualified using HUD income limits.
    2. Texas State Professors (continuation of existing program)
    3. Workforce incentive for school teachers, CTMC employees, Texas State University employees, veterans, and law enforcement professionals who do not earn more than 140% of San Marcos MFI. Generally, this will be targeted to employees working in San Marcos.
    4. City of San Marcos full-time employees who have successfully completed their probationary period. The City Manager may be authorized to review and approve applications by part-time employees on a case-by-case basis.
  - ii. Utilizing San Marcos economic development professionals (city staff & consultants) periodically evaluate new/expanding businesses to have a clearer understanding of the type of housing required and its availability and potential need for targeted homebuyer incentives.
  - iii. Maintain a “Housing” section on City’s Webpage

#### **2. THERE IS A NEED FOR MORE DIVERSITY IN THE TYPES/SIZES OF HOUSING UNITS BEING PRODUCED**

- a. Encourage the creation of a diverse housing stock
  - i. Review development codes to reduce/remove regulatory barriers to allow alternative housing types that foster affordability such as:
    1. Micro homes / efficiency dwelling units
    2. Mixed use buildings
    3. Zero-lot line homes
    4. Courtyard homes
    5. Industrial (pre-fab) housing that meets construction codes – with design standards that will ensure the home is compatible with the surrounding area.
    6. Housing designed for persons with special needs

The Development Code shall establish criteria that ensures alternative housing is appropriately located.

- ii. Provide “pre-approved” building plans for micro/efficiency homes to builders who are constructing affordable housing to expedite review times and reduce up-front costs.
- b. Reduce builder’s costs for owner-occupied affordable / workforce housing development
  - i. Review/modify development regulations that increase costs without clear rationale or benefit such as lot sizes, setbacks, parking requirements, street width standards
  - ii. Provide “pre-approved” building plans suitable for affordable / workforce housing
  - iii. Provide development code/construction permitting fee waivers and/or rebates for community-based non-profit organizations that build affordable housing for developers building affordable or workforce housing.
  - iv. Explore using development incentives to encourage developers to voluntarily include housing designed to be owner-occupied and affordable for low to moderate income households. Incentives might include:
    - 1. Considering an increase in height beyond five stores in the Downtown Smart Code District in proportion to the number of affordable units created.
    - 2. Developing an “affordable housing fund” program that accepts fee-in-lieu payments rather than the construction of affordable housing. As adequate funds accumulate, the City could acquire land to be used for affordable housing construction.
    - 3. Allowing developers to construct the affordable units in off-site locations (sites to be approved by the City at the time the development incentive is approved).
- c. Encourage in-fill housing development in older, established neighborhoods
  - i. Update the City’s existing Infill Housing Incentive Program to provide incentives for affordable and/or workforce housing development.
  - ii. Coordinate as practical the affordable/workforce housing program with the Place Based Economic Development Policy.
  - iii. Market the programs to developers, realtors, and lenders.

3. **THE CITY’S AGING HOUSING STOCK AND OLDER NEIGHBORHOODS NEED TO BE MAINTAINED IN GOOD CONDITION.**

- a. Reduce costs of renovating older homes while ensuring that modern safety concerns are addressed.
  - i. Review development code regulations applicable to non-conforming residential structures regarding repairs and modifications, reconstruction after destruction, and non-conforming moved structures to ensure that the standards provide maximum flexibility while not compromising safety.
- b. Assist low income homeowners with the costs of maintaining their homes.
  - i. Consider providing funding for housing rehabilitation programs that provide free housing rehab to low income families.
  - ii. Seek additional funding sources and identify potential non-profit partners to carry out housing rehab/reconstruction programs.

- c. Assist low income families to create developable lots on property with clouded titles.
  - i. Develop and/or sponsor programs that assist families in clearing title to real property – which will facilitate the rehabilitation of dilapidated structures and the redevelopment of vacant lots.

**4. HOUSING COSTS (OTHER THAN MORTGAGE PAYMENTS) CAN CREATE A BURDEN FOR LOW AND MODERATE INCOME PERSONS**

- a. Reduce transportation costs through development of housing in Location Efficient Areas (LEA).
  - i. Define parameters for establishing Location Efficient Areas & review development codes to ensure they encourage affordable / workforce development therein.
  - ii. Identify areas appropriate for designation as a Local Efficient Area.
  - iii. Target incentives for development of affordable / workforce housing in LEAs.
- b. Improve energy efficiency to reduce housing costs.
  - i. Continue energy audit and indoor water survey programs, maintain funding for energy efficiency rebate programs, and continue public education about programs
  - ii. Utilize energy audits to identify low-income households with a history of very high utility bills whose energy use could be lowered through energy efficiency upgrades. Refer residents to available programs that assist with weatherization or other energy efficiency upgrades.
  - iii. Seek grants supporting this goal and evaluate feasibility of implementing them. The feasibility review shall include staffing requirements and associated costs compared to benefits from the grant.
  - iv. Periodically evaluate and analyze the impact energy efficiency development / improvements has on utility usage and costs.

**5. LAND ACQUISITION COSTS ARE PASSED ON TO HOMEBUYERS**

- a. Increase supply of sites available for owner-occupied housing.
  - i. Enter into cooperative agreements with other taxing entities to create a program that will identify tax-forfeiture properties appropriate for residential development or redevelopment and made them available for affordable housing development.
  - ii. Evaluate existing city-owned property for suitability for residential development and donate appropriate sites to non-profit organizations to build affordable housing.
  - iii. Consider allocating funding to purchase land to be donated to community-based non-profit organizations (such as Habitat for Humanity) for affordable housing development.
  - iv. Utilize the City's Unsafe Structures Program to create clean, developable lots dedicated to affordable housing development.

## **RENTAL HOUSING**

### **1. THERE IS A NEED FOR MORE DIVERSITY IN THE TYPES/SIZES OF HOUSING UNITS BEING PRODUCED**

- a. Encourage the creation of a diverse housing stock
  - i. Review development codes to reduce/remove regulatory barriers to allow alternative housing types that foster affordability such as:
    - 1. Micro homes / efficiency dwelling units
    - 2. Accessory dwelling units - with specific criteria for approval such as the primary dwelling must be the homestead of the homeowner and the house and accessory dwelling unit combined must still be able to comply with any applicable occupancy limits.
    - 3. Mixed use buildings
    - 4. Zero-lot line homes
    - 5. Courtyard homes
    - 6. Industrial (pre-fab) housing that meets construction codes – with design standards that will ensure the home is compatible with the surrounding area.
    - 7. Housing designed for persons with special needs

The Development Code shall establish criteria that ensures alternative housing is appropriately located.

### **2. THE CITY'S AGING HOUSING STOCK AND OLDER NEIGHBORHOODS NEED TO BE MAINTAINED IN GOOD CONDITION.**

- a. Reduce costs of renovating older homes while ensuring that modern safety concerns are addressed.
  - i. Review development code regulations applicable to non-conforming residential structures regarding repairs and modifications, reconstruction after destruction, and non-conforming moved structures to ensure that the standards provide maximum flexibility while not compromising safety.
- b. Ensure that aging rental units remain in compliance with safety codes.
  - i. Establish an inspection program that establishes periodic inspections and appropriate responses to complaints from residents
  - ii. Consider adoption of an incentive program to encourage the renovation of small, older residential rental property; incentives might include fee rebates upon the unit passing final inspection.

### **3. HOUSING COSTS (OTHER THAN RENT PAYMENTS) CAN CREATE A BURDEN FOR LOW AND MODERATE INCOME PERSONS**

- a. Reduce transportation costs through development of housing in Location Efficient Areas (LEA).
  - i. Define parameters for establishing Location Efficient Areas & review development codes to ensure they encourage affordable / workforce development therein.

- ii. Identify areas appropriate for designation as a Local Efficient Area
  - iii. Target incentives for development of affordable / workforce housing in LEAs.
- b. Improve energy efficiency to reduce housing costs.
  - i. Continue energy audit and indoor water survey programs, maintain funding for energy efficiency rebate programs, and continue public education about programs
  - ii. Utilize energy audits to identify low-income households with a history of very high utility bills whose energy use could be lowered through energy efficiency upgrades. Refer residents to available programs that assist with weatherization or other energy efficiency upgrades.

### **LOW INCOME HOUSING TAX CREDIT POLICY (LIHTC)**

The City of San Marcos utilizes the following criteria and additional considerations to determine if a LIHTC project is consistent with the Comprehensive Plan and other policy documents related to housing..

#### **Resolutions of Support / No Objection**

Applications must fully meet at least five (5) of the eight (8) criteria below, including criteria #1, in order to receive a staff recommendation which is presented to the Workforce Housing Council Committee.

Applications must also receive a recommendation from the Workforce Housing Council Committee prior to consideration by City Council.

#### **Criteria**

1. No exemption from local taxes may be considered unless the project meets the criteria listed below. The purpose of this criteria is to help increase the City's inventory of affordable units and ensure that units benefiting from the program are reserved for low income households that need them.
  - a. A minimum of 15% of all units within the project shall be affordable to households at or below 30% percent of the AMI for the duration of the tax exemption.
  - b. A minimum of 10% of the units affordable to households at or below 30% of the AMI shall be ADA accessible.
  - c. A minimum of 35% of the units within a project that is not age-restricted shall include a minimum of three bedrooms in each unit.
  - d. The project shall include these criteria in the Texas Department of Housing and Community Affairs Land Use Restriction Agreement (LURA).
  - e. When considering a recommendation of support, preference should be given to projects that utilize a local entity for such tax exemptions.
2. The proposed units address a housing need identified in this housing policy or in the City's current consolidated plan for HUD programs.
3. The project is located within a high or medium intensity zone on the preferred scenario map.
4. The project is not proposed to develop under a legacy district on the City's current zoning map.
5. The project is located within half (.5) mile walking distance from services such as grocery, medical facilities, and schools.

6. The project is located within one quarter (.25) mile walking distance of a proposed or existing bus stop on a current or planned transit route. If the project is not located within one quarter (.25) mile walking distance of a proposed or existing bus stop on a current or planned transit route, a private shuttle service for residents is provided in accordance with TDHCA requirements.
7. The project is renovating or redeveloping an existing multifamily complex or under-performing development.
8. The project incorporates wraparound support services that provide flexible voluntary social, economic, or education benefits to the residents. Proposed support services should:
  - a. Meet the needs of the local community;
  - b. Utilize local support services and resources;
  - c. Exceed the minimum TDHCA requirements for amenities; and
  - d. Submit to the City the Project's TDHCA Application for Low Income Housing Tax Credits and includes the list of amenities in the Project's Land Use Restriction Agreement (LURA).

### **Additional Considerations**

In addition to the criteria outlined above, the following may be considered by staff and the Workforce Housing Council Committee as means for recommending approval or denial of a request:

- 1) Regardless of compliance with the above criteria, projects located where emergency response times fall out of the National Fire Protection Association (NFPA) standards and / or projects located within or in close proximity to the floodplain may receive a denial recommendation.
- 2) Projects seeking tax exemption should
  - Include an estimate of the tax revenues which will not be realized by the City, annually, over the life of the project.
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- 3) For senior housing projects, inclusion of the following, additional, support service: presentations by the Capital Area Council of Governments (CAPCOG) Area Agency on Aging. Applicants must contact CAPCOG to arrange for a presentation of available services no less than once every other year and provide proof of this agreement with the application. <https://www.capcog.org/divisions/area-agency-on-aging#areaagencyon-aging>
- 4) For senior housing projects, the distance to medical facilities will receive additional scrutiny. Applicants must indicate the nearest medical facilities and any additional transportation options which will be available to residents in the event of an emergency.
- 5) Once approved, additional consideration will be given to applications which show compliance with the Strategic Housing Action Plan.



# STREAMLINE

ADVISORY PARTNERS

February 14, 2024

City of San Marcos  
Planning Department  
630 E. Hopkins  
San Marcos, TX 78666

RE: The Springs-Proposed Affordable Housing Development LIHTC Application

To Whom it may concern,

The purpose of this letter and attached supporting exhibits is to request a resolution of no objection (RONO) for the proposed LIHTC project to be constructed on 12.6 acres of property located between Aquarena Springs Drive and Davis Lane, east of IH-35 (survey attached) known as The Springs.

Streamline Advisory Partners is a privately owned Real Estate development company specializing in Affordable Multifamily housing. Our mission is to construct class-A, highly amenitized homes for families who are, now more than ever, struggling to find housing they can afford. In 2019, managing partners, Mark Gregg and Joel Pollack, founded Streamline AP by combining their extensive backgrounds in real estate finance, management and construction to bring forth their vision of building communities which positively impact the lives of the people who reside within them. To date, Streamline has executed fourteen developments throughout the state of Texas creating over three thousand affordable homes.

The Springs is well positioned to provide support services that meet the needs of the local community. The project includes a robust partnership with the San Marcos Housing Authority and the benefit of a local developer with long standing ties to the community and local organizations such as the Hays Caldwell Women's Center, Community Action Inc of Central Texas, San Marcos Education Foundation and CASA of Central Texas. In addition, The Springs will provide exceptional on-site amenities that far exceed the number of points required by TDHCA and is uniquely well located proximate to transportation, health and food sources as well as social support services.

Sincerely,

Joel Pollack  
Managing Partner, Streamline Advisory Partners



# Federal Emergency Management Agency

Washington, D.C. 20472

August 31, 2022

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

The Honorable Jane Hughson  
Mayor, City of San Marcos  
630 East Hopkins Street  
San Marcos, TX 78666

IN REPLY REFER TO:

Case No.: 22-06-1231R  
Community Name: City of San Marcos, TX  
Community No.: 485505

104

Dear Mayor Hughson:

We are providing our comments with the enclosed Conditional Letter of Map Revision (CLOMR) on a proposed project within your community that, if constructed as proposed, could revise the effective Flood Insurance Study report and Flood Insurance Rate Map (FIRM) for your community.

If you have any questions regarding the floodplain management regulations for your community, the National Flood Insurance Program (NFIP) in general, or technical questions regarding this CLOMR, please contact the Director, Mitigation Division of the Federal Emergency Management Agency (FEMA) Regional Office in Denton, Texas, at (940) 898-5127, or the FEMA Mapping and Insurance eXchange (FMIX) toll free at 1-877-336-2627 (1-877-FEMA MAP). Additional information about the NFIP is available on our website at <https://www.fema.gov/flood-insurance>.

Sincerely,

Patrick "Rick" F. Sacbibit, P.E., Branch Chief  
Engineering Services Branch  
Federal Insurance and Mitigation Administration

Enclosure:

Conditional Letter of Map Revision Comment Document

cc: The Honorable Ruben Becerra  
Hays County Judge

Richard Reynosa, P.E., CFM  
Floodplain Administrator  
City of San Marcos

Eric Van Gaasbeek, R.S., CFM  
Floodplain Administrator  
Hays County

Brad Pickering, P.E., CFM  
Kimley-Horn and Associates, Inc.



April 2, 2024  
City of San Marcos  
Planning & Development Services  
630 East Hopkins  
San Marcos, Texas 78666

***The Springs Multifamily  
LIHTC-24-04 – Engineer's Response***

To Whom it May Concern:

Kimley-Horn and Associates, Inc. is the civil engineer for The Springs multifamily project in San Marcos. The City of San Marcos has requested further explanation for how the floodplain will be addressed and the additional separate permits required as additional information for the LIHTC application for the project.

The two subjects in question are outlined below:

- The site itself will be raised out of the floodplain and the new floodplain boundary will be established with the WPP2 permit plans. The City is in receipt of our hydraulic and hydrologic models proving out the viability of the proposed drainage plan for the site. The new boundaries of the floodplain will be within a recorded channel easement and the buildings will have to be built above the expected 100-year water surface elevation, per City code. The functionality of the on-site drainage will be reviewed and approved by the City and the reviewers will have opportunity to comment on viability through that permit process. This project has been through several rounds of WPP2 review already and was resubmitted recently with the updated site plan, with the anticipation that all or most of the remaining drainage/run-off comments being addressed.
- This site already has several development applications in review. The PICP, WPP2, TIA, Final Plat, and SDP are all currently in review, with several of them having been resubmitted recently, revised to go hand in hand with the new LIHTC application. The final plat application is PC-23-30.

This should provide the explanations that the city is requiring.

Should you require additional information, please contact me at (737) 787-7268 or [andy.graham@kimley-horn.com](mailto:andy.graham@kimley-horn.com).

Best Regards,

A handwritten signature in blue ink, appearing to read "Andy Graham".

Andrew Graham, P.E.  
Project Manager

Springs

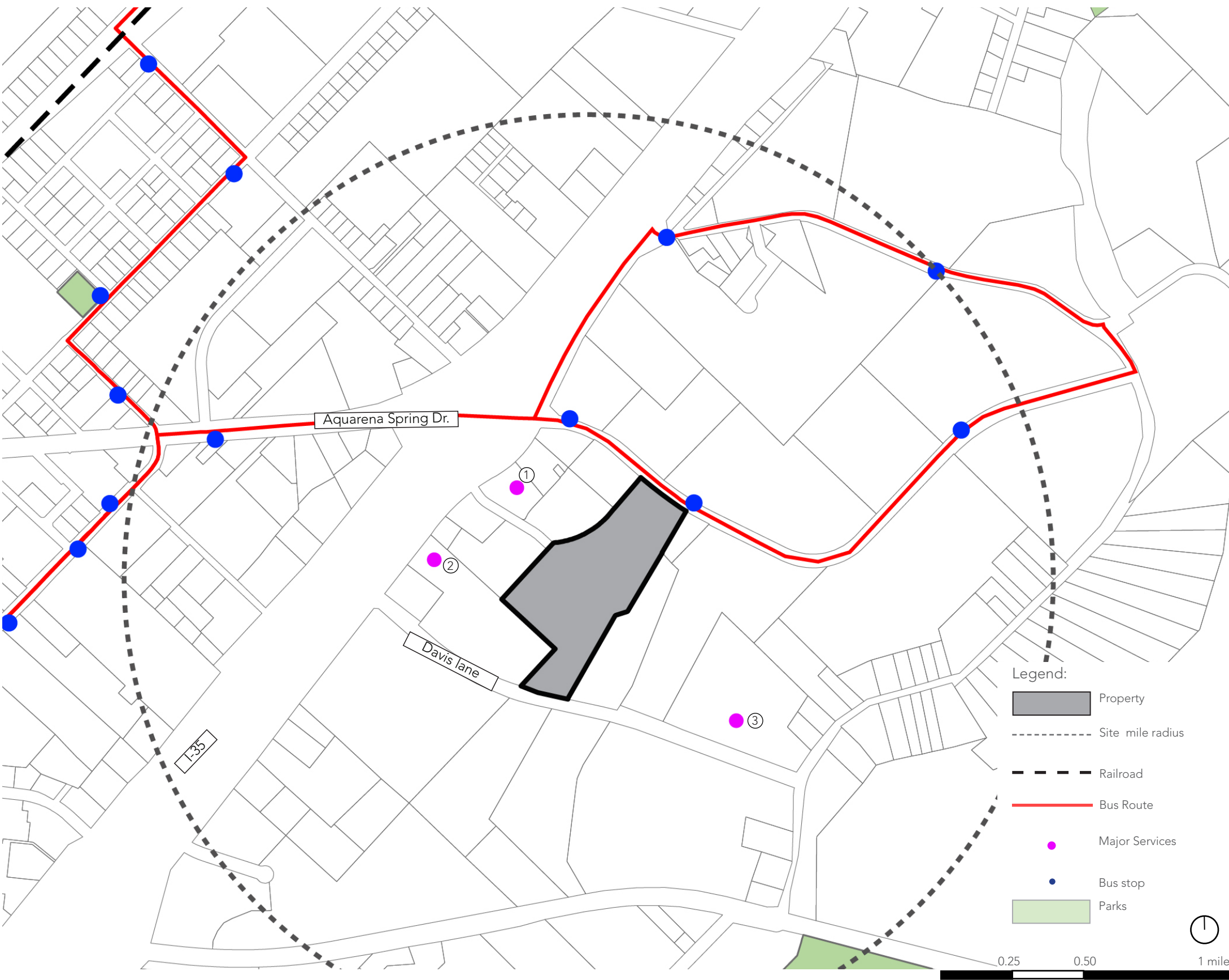
The Springs is located within a growing region of the San Marcos Community with access to new commercial services. The site is currently located within the Midtown High Intensity Land Use Category on the City’s adopted Comprehensive Plan.

The City’s proposed Comprehensive Plan has identified this as Mixed Use - Medium one of the more intense designations. Locating affordable housing within high opportunity areas becomes challenging once property values and competition for land increases. By securing affordable housing in this location now, future residents of the Springs will be located in a high opportunity area with ample access to existing and future services.



Major Services

- 1. Christus Primary Care Office
- 2. Hays Caldwell Women’s Center & Greater San Marcos Youth Council
- 3. Hill Country Christian



# Affordable Housing Criteria

The Springs meets or partially meets the following criteria from the city’s Low Income Housing Tax Credit (LIHTC) Resolution application.

## CRITERIA #1

No exemption from local taxes is requested unless the project meets the criteria A-E outlined below.

**PARTIALLY MEET:** The Springs is requesting exemption from local taxes and will meet Criteria A-E as follows:

**A – A minimum of 15% of all units within the project shall be affordable to households at or below 30% percent of the AMI for the duration of the tax exemption.**

Fifteen percent, or 46 of the 304 apartments will be affordable to families at or below 30% AMI.

**B – A minimum of 10% of the units affordable to households at or below 30% of the AMI shall be ADA accessible.**

Ten percent, or 5 of the 46 apartments affordable to families at or below 30% AMI will be ADA Accessible.

**C – A minimum of 35% of the units within a project that is not age-restricted shall include a minimum of three bedrooms in each unit.**

This project is planned to have a total of 42 3-bedroom units equaling 14% of the units. This project was originally planned and fully permitted as a market rate development. Streamline has made an effort to revise the building plans within the existing building footprints to increase the percentage of 2 and 3 bedroom units, however, the project was not able to achieve 35% three bedroom units without triggering significant modifications to the site.

**D – The project shall include these criteria in the Texas Department of Housing and Community Affairs Land Use Restriction Agreement (LURA).**

All criteria will be included in LURA.

**E – When considering a recommendation of support, preference should be given to projects that utilize a local entity for such tax exemptions.**

The development is partnering with the San Marcos Housing Authority for the Tax Exemption. This partnership creates benefits well beyond the creation of new quality affordable homes for San Marcos residents. The partnership will support the Housing Authority’s mission in many other ways, the most critical of which is by providing a long term stable revenue stream fully directed by the San Marcos Housing Authority for a duration of 15 years plus.

These funds can be used to meet needs and support initiatives not currently backed by federal dollars. A few include;

- Maintenance, Repair and Enhancement of our existing 289 public housing units.
- Expansion and enhancement of the Resident Services Program (currently dependent on grants without any HUD support)
- Creation of additional public housing by way of independently purchasing land and constructing homes to be managed by the Housing Authority.

## CRITERIA #2

**The proposed units address a housing need identified in the City’s Housing Policy or the City’s current consolidated plan for HUD programs, which can be found on the City’s website.**

**MEET:** The City’s consolidated plan sites three of the most common housing problems in San Marcos as:

- High rent with low incomes (housing cost burden); and
- Condition and accessibility of existing housing stock. Overall, about one-third of all renters and nine percent of owners in the city said their home was in fair or poor conditions (2018 San Marcos Housing Survey)
- Displacement prevention. According to the 2018 San Marcos Housing Survey, in the past five years, nearly one in five (18%) San Marcos renters experienced displacement – having to move from a home when they did not want to. The most common factors were rent increases, flood damage (including damage from the 2015 Flood), cost of utilities, and landlord selling the home.

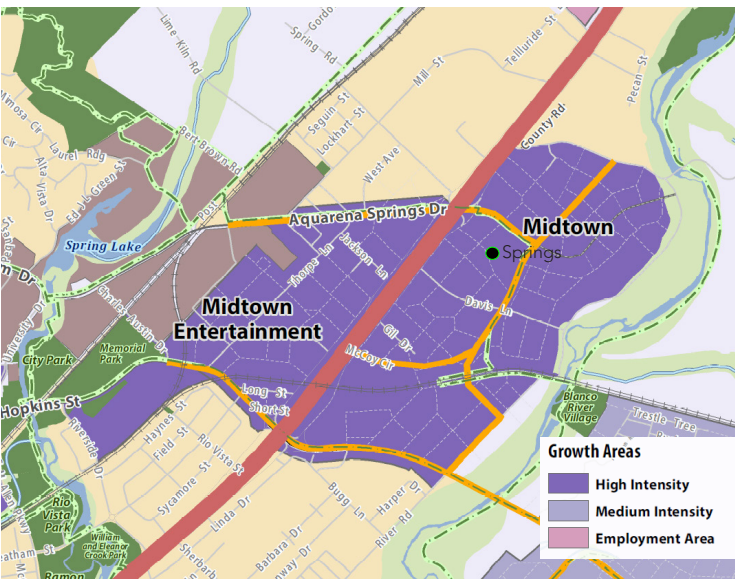
The Springs will address these housing challenges by providing 304 high quality affordable homes to residents at a variety of income levels. By partnering with the San Marcos Housing Authority, the Springs provides critical funding to support the Housing Authority’s mission to serve community members with resources at or below 30% of AMI.

In addition this project will partner with the Hays Caldwell Women’s Center to offer additional housing options that expand the capacity of the Women’s Center’s transitional housing program. All residents receiving services from the Hays Caldwell Women’s Center will qualify for the headstart and early headstart child care program offered on the adjacent HCWC campus.

## CRITERIA #3

**The project is located within a high or medium intensity zone on the City’s Preferred Scenario Map.**

**MEET:** The Springs is currently located in the Midtown High Intensity Zone on the City’s Preferred Scenario Map.

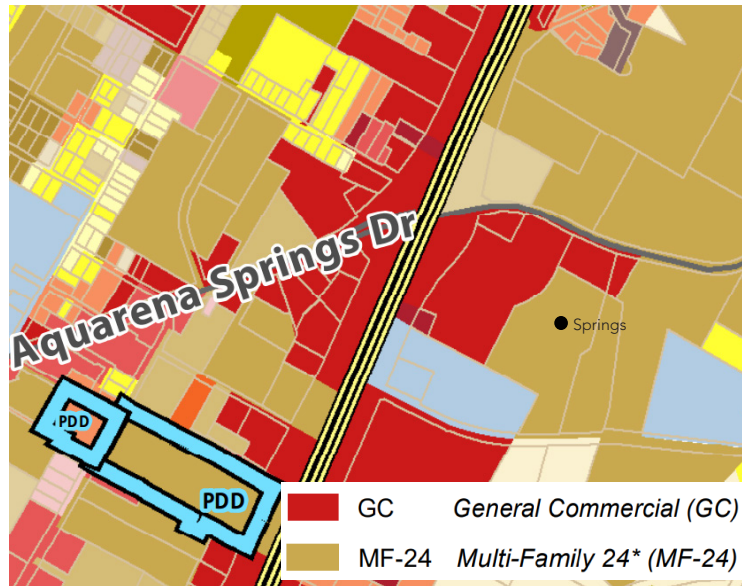


City of San Marcos Current Preferred Scenario Map

## CRITERIA #4

**The project is not proposed to develop under a legacy district on the City’s current zoning map.**

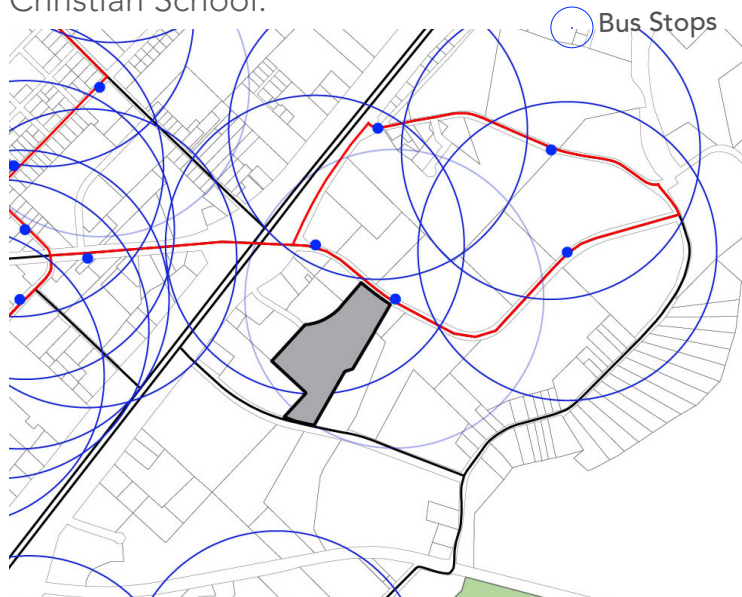
**DOES NOT MEET:** The Springs is located in the MF-24 zoning district and partially in the GC zoning district. The Springs has secured a CUP allowing loft apartments along the frontage of Aquarena Springs Dr. with the inclusion of a gym on the ground floor. A zoning change is not necessary for this property.



#### CRITERIA #5

The project is located within half (.5) mile walking distance from services such as grocery, medical facilities, and schools.

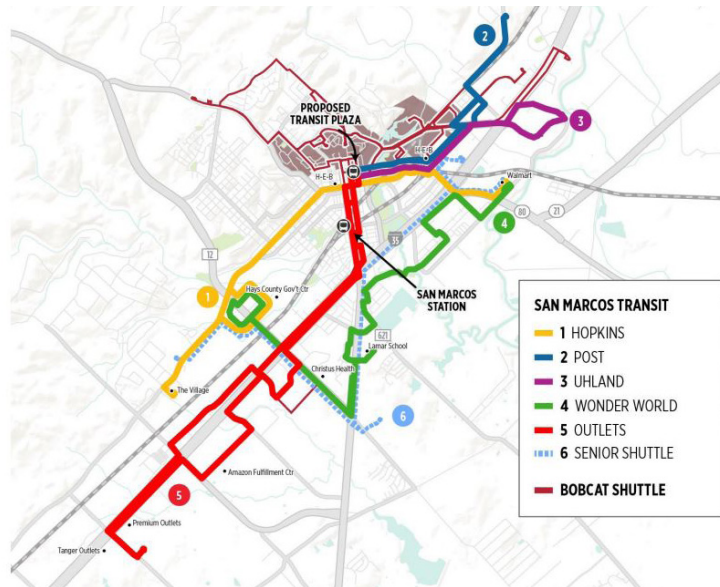
**MEET:** The Springs is located within .5 miles of a 4,000 SF Christus Primary Care Med Clinic that is currently under construction and will be open prior to this development being occupied. In addition the property is located adjacent to other services such as the San Marcos Youth Council, HCWC, and Hill Country Christian School.



#### CRITERIA #6

The project is located within one quarter (.25) mile walking distance of a proposed or existing bus stop on a current or planned transit route. If the project is not located within one quarter (.25) mile walking distance of a proposed or existing bus stop on a current or planned transit route, a private shuttle service for residents is provided in accordance with TDHCA requirements.

**MEET:** The Springs is located within .25 miles of a bus stop on the Uhland transit route. The bus stop is immediately adjacent to the property on Aquarena Springs Dr.



#### CRITERIA #7

The project is renovating or redeveloping an existing multifamily complex or under performing development.

**DOES NOT MEET:** The Springs is a new development.

#### CRITERIA #8

The project incorporates wraparound support services that provide flexible voluntary social, economic, or education benefits to the residents. Project should meet criteria A-D outlined below.

**MEET:** The Springs is well positioned to provide support services that meet the needs of the local community. In addition to strong local ties the Springs will provide exceptional amenities that far exceed the number of points required by TDHCA.

#### A – Meet the needs of the local community;

San Marcos ISD has been identified as having underperforming schools. This is recognized as a local need and thus the Springs has committed that it will operate an after school learning center that offers at a minimum 15 hours of weekly, organized, on-site educational services provided to elementary, middle and high school children by a dedicated service coordinator or Third-Party entity. The service will include at a minimum: homework assistance, tutoring, test preparation, assessment of skill deficiencies and provision of assistance in remediation of those deficiencies (e.g., if reading below grade level is identified for a student, tutoring in reading skills is provided), research and writing skills, providing a consistent weekly schedule, provides for the ability to tailor assistance to the age and education levels of those in attendance, and other evidence-based approaches and activities that are designed to augment classroom performance. Up to 20% of the activities offered may also include other enrichment activities such as music, art, or technology. This commitment will be monitored and regulated by the TDHCA through annual compliance monitoring.

#### B – Utilize local support services and resources;

The project includes a robust partnership with the San Marcos Housing Authority and the benefit of a local developer with long standing ties to the community and local service organizations such as the Hays Caldwell Women's Center, Community Action, the San Marcos Education Foundation, and CASA of Central Texas.

**C – Exceed the minimum TDHCA requirements for amenities; and**

The Springs is required to achieve 18 amenity points by TDHCA requirements. The project is committing to 33 amenity points as described in the table below.

Amenity	Description	Points
Controlled gate access	Controlled gate access for entrance and exit areas, intended to provide access that is limited to the Development’s tenancy	1
Furnished fitness center	Equipped with a variety of fitness equipment (at least one item for every 40 Units). Choose from the following: stationary bicycle, elliptical trainer, treadmill, rowing machine, universal gym, multi-functional weight bench, stair-climber, dumbbell set, or other similar equipment. Equipment shall be commercial use grade or quality. Fitness center must be located indoors or be a designated room with climate control and allow for after-hours access.	1
One Children’s Playscape	One Children’s Playscape Equipped for five to 12 year olds, or one Tot Lot (2 points). Must be covered with a shade canopy or awning, intended to keep equipment cool, and provide shade and ultraviolet protection.	2
Social Games	Horseshoe pit; putting green; shuffleboard court; pool table; ping pong table; or similar equipment in a dedicated location accessible to all residents to play such games	1
Swimming pool	Swimming pool	5
Sport Court or Field	Sport Court or field (including, but not limited to, Tennis, Basketball, Volleyball, Pickleball, Soccer, or Baseball Field)	2
Full perimeter fence	Full perimeter fencing that contains the parking areas and all amenities (excludes guest or general public parking areas)	2
Sun Porch or covered patio	Enclosed community sun porch or covered community porch/ patio	1
Dog Park	Dog Park area that is fully enclosed (the perimeter fencing may be used for part of the enclosure) and intended for tenant owned dogs to run off leash (requires that the Development allow dogs)	2
Lighted Pathways	Lighted pathways along all accessible routes	1
Barbecue grill and picnic table	Barbecue grill and picnic table with at least one of each for every 50 Units. Grill must be permanently installed (no portable grills).	1

Amenity	Description	Points
Business center	Business center with workstations and seating internet access, 1 printer and at least one scanner which may be integrated with the printer, and either 2 desktop computers or laptops available to check-out upon request	2
Furnished community room	Furnished community room	2
Library	Library with an accessible sitting area	1
Activity Room	Activity Room stocked with supplies (Arts and Crafts, board games, etc.)	2
Community Dining Room	Community Dining Room with full or warming kitchen furnished with adequate tables and seating	3
High-speed Wi-Fi in Clubhouse	High-speed Wi-Fi with advanced telecommunications capacity as determined under 47 U.S.C. 1302 or more with coverage throughout the clubhouse or community building	1
Bicycle Parking	Bicycle parking that allows for, at a minimum, one bicycle for every five Units, within reasonable proximity to each residential building that allows for bicycles to be secured with lock (lock not required to be provided to tenant)	1
Package Lockers	Package Lockers or secure package room. Automated Package Lockers or secure package room provided at a location within the complex that can be accessed by residents 24/7 and at no charge to the resident. To qualify, there would need to be at least one locker for every eight residential units	2
Total Points		33

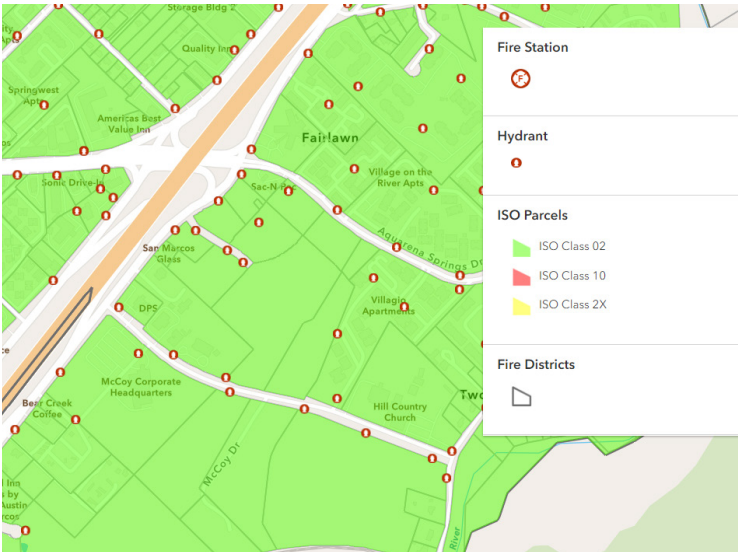
**D – Submit to the City the Project’s TDHCA Application for Low Income Housing Tax Credits and includes the list of amenities in the Project’s Land Use Restriction Agreement (LURA).**

The LURA for TDHCA isn’t required by agency until December of the first year of the Credit Period. We initiate the LURA request in September of that same year. At the earliest, this request will be made in September of 2027. The LURA will be consistent with the TDHCA amenities and requirements as outlined in this application.

ADDITIONAL CONSIDERATIONS #1

Regardless of compliance with the above criteria, projects located where emergency response times fall out of the National Fire Protection Association (NFPA) standards and / or projects located within or in close proximity to the floodplain may receive a denial recommendation.

**MEETS:**The Springs is located within ISO Class 02 according to the City of San Marcos Fire ISO Map. The property is located within a floodplain however a Conditional Letter of Map Revision or CLOMR has been filed and accepted by FEMA for the property. See attached.



ADDITIONAL CONSIDERATIONS #2

Projects seeking tax exemption should

- Include an estimate of the tax revenues which will not be realized by the City, annually, over the life of the project.
- Describe future plans for placing the property back on the tax roll, if applicable.

The Springs is partnering with the San Marcos Housing Authority on this project. The Housing Authority will own the land and is a tax-exempt entity. The partnership is currently structured for a term of 15-years and the below estimates reflect that 15-year term.

Estimated Loss in City Tax Revenue: **\$3,200,000**

San Marcos Housing Authority Proceed Breakdown:

- Developer Fee at Closing: \$398,000
- Portion of Cash Flow from rental income: \$6,044,436 (\$402,000 annually)
- Issuer Fee at Closing: \$250,000

Estimated Total Proceeds to San Marcos Housing Authority over 15-year Term: **\$6,690,000**

**Net Positive to Community over the initial 15-year term: \$3,490,000**

After the initial 15-year term the San Marcos Housing Authority and Streamline Advisory Partners will re-syndicate the project and have the option to sell or continue to own and operate. The affordability term of the property is set by the LURA and will be in place for a minimum of 30-years regardless of ownership.

**The developer is offering a payment in-lieu of taxes (PILOT). The City may choose to receive a lump sum of \$250,000 at closing with \$20,000 paid annually over 15-years OR a one time lump sum of \$400,000 to be paid at closing.**

Total Annual Cash Flow to San Marcos HA (subject to change per market conditions)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Total
Cash Flow	\$190,837	\$263,132	\$282,248	\$306,912	\$331,860	\$357,092	\$382,608	\$408,406	\$434,485	\$460,843	\$472,557	\$498,646	\$525,000	\$541,617	\$585,450	\$6,041,692
Issuer Fee	\$250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$250,000
Developer Fee	\$398,254	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$398,254
Lost Tax Revenue*	(\$190,784)	(\$193,784)	(\$203,272)	(\$199,889)	(\$202,995)	(\$206,136)	(\$209,312)	(\$212,524)	(\$215,770)	(\$219,052)	(\$222,368)	(\$225,718)	(\$229,103)	(\$232,521)	(\$243,709)	(\$3,206,936)
Total Benefit	\$648,307	\$69,348	\$78,976	\$107,023	\$128,865	\$150,956	\$173,296	\$195,882	\$218,714	\$241,791	\$250,189	\$272,927	\$295,897	\$309,096	\$341,741	\$3,483,010

\*Lost Tax Revenue calculated using a 10% CAP Rate on NOI and multiplying by a mill rate of 6.300



April 15, 2024

The Honorable Jane Hughson  
City of San Marcos  
630 E Hopkins  
San Marcos, TX 78666

Dear Mayor Hughson;

The purpose of this letter is to notify you that **SL San Marcos Springs Apartments, LP** is making an application for **4% Housing Tax Credits** funding through the Texas Department of Housing and Community Affairs for the **The Springs Apartments development** which would be located at **approximately the southeast corner of IH-35 & Aquarena Springs Dr. in San Marcos, Texas 78666, in Hays County**. This **new construction development** is an **apartment** community and will be comprised of up to 304 units out of which at least **304** of the **proposed** units would be for low to moderate-income tenants. As proposed the residential density of the development (i.e. number of units per acre) is approximately **24.1**. The development will provide an upfront PILOT payment and is seeking a 100% tax exemption related to this project. The tax exemption will be through a partnership with SMHA Operating PFC, a related entity of the San Marcos Housing Authority.

In the spring, the Department will hold public hearings in various locations around the state or virtually to gather input on Competitive Housing Tax Credit applications. The hearing schedule along with contact information for written public comment will be posted on TDHCA's Public Comment Center website later this year.

An interested party or Neighborhood Organization can provide comments on any and all applications at each hearing, or can provide written comments to the Department by email at [HTCPC@tdhca.state.tx.us](mailto:HTCPC@tdhca.state.tx.us), or by mail at:

Texas Department of Housing and Community Affairs  
Public Comment - Multifamily Finance Division  
P.O. Box 13941  
Austin, Texas 78711-3941

Note that in order for input on Competitive Housing Tax Credit applications to be included in the materials relating to presentation for awards to be provided to the Governing Board of the Texas Department of Housing and Community Affairs; **such input must be received by the Department by 5:00 p.m., Austin local time, on June 1, 2024.**

We are excited at the opportunity to bring another option to residents for quality affordable housing. If you have any questions, please do not hesitate to contact me any time.  
Sincerely,

*Lora Myrick*

Representative of  
**SL San Marcos Springs Apartments, LP**  
**Development Owner**  
401 Sonterra Blvd. Suite 170  
San Antonio, TX 78258  
512-785-3710



**Texas Department of Housing and Community Affairs**  
**Multifamily Finance Division**  
**Notification of Submission of Affordable Housing Applications**

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April 29, 2024

The Honorable Jane Hughson  
Mayor, City of San Marcos  
630 E. Hopkins  
San Marcos, TX 78666

**Re: Notification of Affordable Rental Housing Application(s) Proposed in Your City**

Dear Mayor Hughson:

The Texas Department of Housing and Community Affairs (the Department) has received one or more application(s), for the 4% Housing Tax Credit Program, for the development of affordable rental housing in the community you represent. A development summary for each application submitted, as well as relevant dates relating to the application(s) is included with this correspondence.

This notification is made in accordance with Tex. Gov't Code §2306.1114 to inform you of the housing activity in your community and so that you may provide input on the proposed application(s) should you so choose. The Department appreciates receiving views concerning your community's need for affordable housing and how the proposed development(s) may address that need.

The Department's mission is to administer all of its assigned programs efficiently, transparently, and lawfully and to invest its resources strategically to develop high quality affordable housing which allows Texas communities to thrive. The Housing Tax Credit Program is just part of a wide variety of housing finance programs administered by the Department. Through rental housing finance programs such as this, the Department encourages the new construction, reconstruction or rehabilitation of high quality multifamily rental housing, primarily through partnerships between public-private developers and owners. These developments benefit Texans in your community by providing qualified individuals and families with safe, decent- and quality affordable housing.

Please mail any comments you may have to TDHCA, Multifamily Finance Division, Attention: Teresa Morales, Director of Multifamily Bonds, P.O. Box 13941, Austin, Texas 78711-3941 or submit by email to [teresa.morales@tdhca.texas.gov](mailto:teresa.morales@tdhca.texas.gov). If you have any questions or need additional information, please contact Michael Lyttle at (512) 475-4542 or by email at [michael.lyttle@tdhca.texas.gov](mailto:michael.lyttle@tdhca.texas.gov).

Sincerely,

*Cody Campbell*

Cody Campbell  
Director of Multifamily Programs

**Relevant Development Information as Presented by the Applicant:**

24405

**Programs Applied For:**

- ☐ Housing Tax Credits-Competitive 9% (HTC)  
☐ Multifamily Direct Loan  
☒ Housing Tax Credits-Non Competitive 4% (HTC)  
☐ TDHCA Tax Exempt Bond  
☐ TDHCA Tax Exempt Bond Refunding

**Development Information:**

Development Number: 24405  
Development Name: The Springs Apartments  
Development Address: SEC of IH-35 & Aquarena Springs Dr.  
Development City: San Marcos Development Zip: 78666 Region: 7  
Regional Allocation: Urban  
HTC Set Aside: ☐ Nonprofit ☐ USDA ☐ At-Risk  
Construction Type: New Construction  
Building/Unit Configuration:  
☒ 4 units or more ☐ Duplex ☐ Fourplex  
☐ Townhome ☐ Single Room Occupancy ☐ Single Family Construction  
Total Low Income Units: 304 Total Market Rate Units: 0 Total Units: 304

**Applicant Information:**

Owner Contact: Mark Gregg Owner City: San Antonio  
Owner Address: 401 Sonterra Blvd. Suite 170 Owner State: TX  
Owner Phone: (210) 771-4127 Owner Zip: 78258  
Owner Email: mgregg@streamlineap.com

This Development may include other public benefits such as financing, rental subsidies and tenant supportive services.



**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS**

221 East 11th Street, Austin, TX 78701  
PO Box 13941, Austin, TX 78711

Main Number: 512-475-3800  
Toll Free: 1-800-525-0657

Email: [info@tdhca.texas.gov](mailto:info@tdhca.texas.gov)  
Web: [www.tdhca.texas.gov](http://www.tdhca.texas.gov)

Equal Opportunity Employer/Program. Auxiliary aids and services are available upon request to individuals with disabilities.  
Relay Texas: 800-735-2989 (TTY) and 711 (Voice).

**Relevant Development Information as Presented by the Applicant Continued:**

24405

**Relevant Dates Specific to Programs Applied:**

HTC Non Competitive 4%:

Anticipated Date of TDHCA Board meeting: 7/11/2024

Date HTC 4% Full App Received: 4/17/2024

HTC 4% Public Comment Deadline: 7/5/2024

Bond Issuer: SMHA Finance Public Facility Corporation

Bond Issuer contact:: Lana Wagner

Bond Issuer phone#: (512) 353-5069

Bond Issuer email: lana@smpha.org

TDHCA Tax Exempt Bond:

Date TDHCA Bond Pre-App Received:

TDHCA Bond Pre-App Date of Public Comment Deadline:

TDHCA Board Meeting for Inducement Date:

Public Hearing Date:

Location: TBD

Address: TBD

City, ST, Zip: TBD

December 12, 2023

City of San Marcos

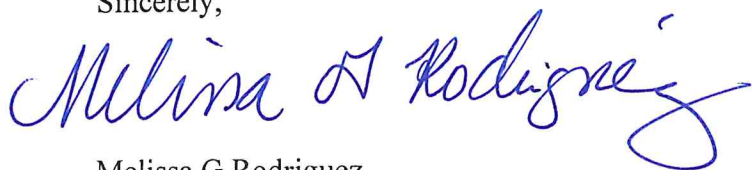
To Mayor and City Council Members,

I am writing to recommend that the City of San Marcos consider the request from Streamline Advisory Partners regarding The Springs – the affordable housing development project which is to be located on Aquarena Springs and nearby the Hays-Caldwell Women's Center campus.

HCWC has a long history of serving local community members who have experienced domestic violence, dating violence, sexual assault, and child abuse and most recently, we added Marla's Place, transitional housing for victims of domestic violence and their children. Affordable housing is one of the top priorities for community members who have experienced violence and abuse. This project will be located close to the HCWC campus and will enable us to serve more community members in need, as well as provide our clients more opportunities for affordable housing.

We look forward to closely partnering with The Springs and bringing a comprehensive approach to serving our community. Thank you for taking the time to consider this request and if you have any questions, feel free to contact me directly.

Sincerely,



Melissa G Rodriguez  
Chief Executive Officer  
HCWC (Hays-Caldwell Women's Center)

The Springs Apartments

CERTIFICATE FOR RESOLUTION

The undersigned officer of the SMHA Finance Public Facility Corporation (the "Issuer") hereby certifies as follows:

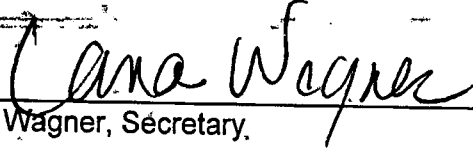
1. In accordance with the bylaws of the Issuer, the Board of Directors of the Issuer (the "Board") held a special meeting on October 4, 2023 (the "Meeting") of the duly constituted officers and members of the Board, at which a duly constituted quorum was present. Whereupon among other business transacted at the Meeting, a written

**RESOLUTION CONCERNING THE APPLICATION OF STREAMLINE ADVISORY PARTNERS RELATING TO THE PROPOSED FINANCING OF UP TO \$50,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE SPRINGS APARTMENTS; TO BE LOCATED AT APPROXIMATELY THE SOUTHEAST CORNER OF AQUARENTA SPRINGS DRIVE AND IH-35, SAN MARCOS, TEXAS; AND OTHER MATTERS IN CONNECTION THEREWITH.**

(the "Resolution") was duly introduced for the consideration of the Board and discussed. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of the Resolution, prevailed and carried by a majority vote of the Board.

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board's minutes of the Meeting; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting; and the Meeting was held and conducted in accordance with the Articles of Incorporation and the Bylaws of the Issuer.

SIGNED October 4, 2023.

  
Lana Wagner, Secretary.

**RESOLUTION CONCERNING THE APPLICATION OF STREAMLINE  
ADVISORY PARTNERS RELATING TO THE PROPOSED FINANCING OF UP  
TO \$50,000,000 OF THE COSTS OF THE ACQUISITION, CONSTRUCTION  
AND EQUIPPING OF CENTERPOINT COMMONS APARTMENTS; TO BE  
LOCATED AT APPROXIMATELY THE SOUTHWEST CORNER OF  
TRANSPORTATION WAY AND COMMERCIAL LOOP, SAN MARCOS, TEXAS;  
AND OTHER MATTERS IN CONNECTION THEREWITH.**

WHEREAS, San Marcos Housing Authority (the "Authority"), has, pursuant to the Texas Public Facility Corporation Act, Chapter 303 Texas Local Government Code, as amended (the "Act"), approved and created the SMHA Finance Public Facility Corporation, a non-stock, non-profit public facility corporation (the "Issuer");

WHEREAS, the Issuer, on behalf of the Authority, is empowered to finance the costs of residential ownership and development that will provide decent, safe, and sanitary housing at affordable prices for residents of the greater San Marcos, Texas area by the issuance of multifamily housing revenue bonds;

WHEREAS, SL Centerpoint Commons, LP, a Texas limited partnership (the "User"), has filed an application for financing (the "Application"), requesting that the Issuer finance the acquisition, construction and equipping of a proposed approximately 312-unit multifamily housing facility to be located at approximately the southwest corner of Transportation Way and Commercial Loop in San Marcos, Texas and known as the Centerpoint Commons Apartments (the "Project"), (ii) the Issuer file and/or refile a 2024 and/or 2025 Allocation Application (defined hereafter) and/or any carryforward applications associated with such Allocation Applications to the Texas Bond Review Board as described herein;

WHEREAS, the User has advised the Issuer that a contributing factor that would further induce the User to proceed with providing for the acquisition, construction, equipping, and improvement of the Project would be a commitment and agreement by the Board of Directors (the "Board") of the Issuer to issue housing revenue bonds pursuant to the Act (the "Bonds") to finance and pay any Development Costs, as defined in the Act for the Project;

WHEREAS, in view of rising construction costs and the necessity of compliance with administrative regulations, it is considered essential that acquisition, construction, equipping, and improvement of the Project be completed at the earliest practicable date after satisfactory preliminary assurances from the Issuer that the proceeds of the sale of the Bonds, or other obligations, of the Issuer in an amount necessary to pay the Development Costs of the Project, will be made available to finance the Project;

WHEREAS; this Resolution shall constitute the Issuer's commitment, subject to the terms hereof, to issue Bonds, or other obligations, pursuant to the Act in an amount prescribed by the User now contemplated not to exceed \$50,000,000, and to expend the proceeds thereof to pay the Development Costs including costs of acquisition, construction, equipping, and improvement of the Project, funding a debt service or other reserve fund for the Project, and paying expenses and costs in connection with the issuance of the Bonds, including costs of obtaining credit enhancement, if any;

WHEREAS, the Bonds are "private activity bonds" as that term is defined in Subchapter A, Section 1372.001 of Chapter 1372, Texas Government Code, as amended, including the rules promulgated pursuant thereto in 34 Texas Administrative Code, Sections 190.1 through 190.8

(together, the "Allocation Act"), and various provisions of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, the Code requires that the applicable elected official of the Authority approve the issuance of the Bonds after a public hearing for which reasonable public notice shall have been given;

WHEREAS, the Issuer is authorized by the provisions of the Act to issue the Bonds;

WHEREAS, in order to issue the Bonds in the manner contemplated, the Issuer must seek an allocation of the State of Texas volume cap pertaining to private activity bonds in order to satisfy the provisions of the Code;

WHEREAS, in order to satisfy, in part, the provisions of the Allocation Act, the Issuer must submit an "Application for Allocation of Private Activity Bonds" (or an "Application for Carryforward for Private Activity Bonds" (together, the "Allocation Application")) to the Texas Bond Review Board and adopt this Resolution authorizing the filing or refiling of the Allocation Application;

WHEREAS, the Allocation Application and the Allocation Act require that the Issuer certify that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer;

WHEREAS, the User intends to make capital expenditures in connection with the acquisition, construction, equipping, and improvement of the Project (the "Expenditures") and expects to reimburse the Expenditures with proceeds of the Bonds;

WHEREAS, in order to allocate under Treasury Regulation §1.150-2 (the "Regulation") proceeds of the Bonds to the Expenditures, the Issuer must declare its reasonable expectation to reimburse the Expenditures;

WHEREAS, the User has requested that the SMHA Operating Public Facility Corporation, a non-stock nonprofit public facility corporation acquire a membership interest in the general partner of the User;

WHEREAS, the User has requested authorization to make all filings necessary to obtain and maintain debt financing and tax credits on the Project; and

WHEREAS, the Board has determined that it is in the public interest and to the benefit of the citizens and residents of San Marcos for the various entities to enter into the transactions described above so that the User may construct the Project; now, therefore,

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SMHA FINANCE PUBLIC FACILITY CORPORATION THAT:

SECTION 1. Subject to the terms hereof, the Issuer agrees that it will:

(a) subject to the negotiation of mutually acceptable agreements, issue the Bonds, in an amount not to exceed \$50,000,000;

(b) cooperate with the User with respect to the issuance of the Bonds, and, if arrangements therefor satisfactory to the User and the Issuer can be made, take such action and authorize the execution of such documents and take such further action as may be necessary or advisable for the authorization, execution, and delivery of any contracts or agreements deemed necessary and desirable by the User or the Issuer in connection with the issuance of the Bonds (collectively, the "Contracts"), providing among other things for payment of the principal of, interest on, redemption premiums on, and paying agents' and trustee's fees and charges, if any, on the Bonds; payment of fees, charges, and expenses of the Issuer and the Authority (including legal and financial advisory expenses); acquisition, construction, equipping, and improvement of the Project; and use, operation, and maintenance of the Project (and the execution of any necessary guaranty agreements), all as shall be authorized, required, or permitted by law and as shall be satisfactory to the Issuer, the Authority, and the User;

(c) if the proceeds from the sale of the Bonds are insufficient to complete the acquisition, construction, equipping, and improvement of the Project, take such actions and execute such documents as may be necessary to permit the issuance from time to time in the future of additional bonds on terms which shall be set forth therein, whether on a parity with other series of bonds or otherwise, for the purpose of paying the costs of completing the acquisition, construction, equipping, and improvement of the Project, as requested by the User and within then applicable limitations; and

(d) take or cause to be taken such other actions as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

The Bonds shall specifically provide that neither the State of Texas (the "State"), the Authority, nor any political issuer, subdivision or agency of the State shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the State, the Authority, or any political issuer, subdivision or agency thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

SECTION 2. It is understood by the Issuer, and the User has represented to the Issuer, that in consideration of the Issuer's adoption of this Resolution and by filing the Application, and subject to the terms and conditions hereof, the User has agreed that

(a) prior to or contemporaneously with the sale of the Bonds in one or more series or issues from time to time as the Issuer and the User shall hereafter agree to in writing, the User will enter into the Contracts with the Issuer under the terms of which the User will obligate itself, on a nonrecourse basis, to pay to the Issuer (or to a trustee, as the case may be) sums sufficient in the aggregate to pay the principal of, interest on, redemption premiums on, paying agents' and trustee's fees and charges, if any, on the Bonds, as and when the same become due and payable, with such Contracts to contain the provisions described in Section 1 hereof and such other provisions as may be required or permitted by law and to be mutually acceptable to the Issuer and the User; and

(b) the User will (1) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of the Bonds and (2) at all times from and after the issuance of the Bonds indemnify and hold harmless the Issuer and the Authority against all losses, costs, damages, expenses, and liabilities of whatsoever nature (including but not limited to reasonable attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or related to the issuance, offering, sale, or delivery of the Bonds, or the design, construction, equipping, installation, operation, use,

occupancy, maintenance, or ownership of the Project (other than claims arising from the gross negligence or willful misconduct of the Issuer or the Authority) and prior to or contemporaneously with the sale of the Bonds will agree to provide indemnification on terms satisfactory to the Issuer.

SECTION 3. The User is hereby authorized to make all filings necessary to obtain and maintain tax credits on the Project.

SECTION 4. Except as expressly extended by the Issuer, it is understood by the Issuer and the User that all commitments of the Issuer with respect to the Project and the Bonds are subject to the condition that the Bonds shall have been issued no later than two years from the date of this Resolution.

SECTION 5. It is recognized and agreed by the Issuer that the User may exercise its rights and perform its obligations with respect to the financing of the Project either through (i) itself in its own name; (ii) any "related person" as defined in section 144(a)(3) of the Code; (iii) any legal successor thereto; (iv) an entity in which any of the above is a general partner or sole member; or (v) or any entity approved by the Issuer, provided that suitable guaranties necessary or convenient for the marketability of the Bonds shall be furnished, if required by the Issuer, and all references herein to the User shall be deemed to include the User acting directly through itself or any such approved entities.

SECTION 6. This Resolution shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing the Project. The Allocation Application and this Resolution shall constitute an agreement between the Issuer and the User effective on the date that this Resolution is adopted. This Resolution is affirmative official action taken by the Issuer towards the issuance of the Bonds in order to comply with the requirements of the Code. **Neither the User nor any other party is entitled to rely on this Resolution as a commitment to issue bonds or loan funds, and the Issuer reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Issuer shall not be subject to any liability or damages of any nature. Neither the User nor any one claiming by, through or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Issuer whatsoever as a result of any decision by the Issuer not to issue the Bonds.**

SECTION 7. In connection with the issuance of the Bonds, the Board hereby authorizes its bond counsel to arrange for the publication of a notice of public hearing in San Marcos, Texas regarding the Bonds for the purpose of complying with section 147(f) of the Code. The form of notice of such hearing and the date, place, and manner of its publication shall be acceptable to the Corporation's counsel. The hearing shall be held by the Corporation's counsel.

SECTION 8. Based upon representations from the User, the Issuer reasonably expects to reimburse the Expenditures with proceeds of the Bonds in a principal amount that will not exceed \$50,000,000. This Resolution shall constitute a declaration of official intent under the Treasury Regulation Section 1.150-2.

SECTION 9. The Issuer hereby adopts this Resolution in order to satisfy the requirements of the Allocation Act pertaining to the issuance of the Bonds and authorizes any officer or designee of the Issuer to prepare and file and/or refile a 2024 and/or 2025 Allocation Application and/or any carryforward applications associated with such Allocation Application, together with all required attachments (including obtaining the Issuer's Certificate of Good

Standing from the Comptroller of Public Accounts for the State of Texas) in the form required by the Texas Bond Review Board.

SECTION 10. The Issuer respectfully requests that the Allocation Application be accepted and approved by the Texas Bond Review Board.

SECTION 11. Any officer of the Issuer (or his designee) is hereby authorized to execute the Allocation Application, to pay (or cause the User to pay) the Application Fee of \$5,000 for each Allocation Application (submitted to the Issuer by the User) to the Texas Bond Review Board and to submit any additional information or to make any necessary corrections or revisions requested by the Texas Bond Review Board in order to satisfy the requirements of the Allocation Act in connection with the Allocation Application.

SECTION 12. The Board certifies that the Bonds are not being issued for the same stated purpose for which the Issuer has received sufficient carryforward during a prior year or for which there exists unexpended proceeds from a prior issue or issues of bonds issued by the Issuer.

SECTION 13. The Board authorizes the President, Vice President, Secretary, or Assistant Secretary, as appropriate, of the Board to execute any documents or certificates necessary to seek the approval of the Bonds by the Texas Attorney General.

SECTION 14. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

SECTION 15. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

SECTION 16. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 17. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 18. This Resolution shall be in force and effect from and after its passage.

\* \* \* \* \*

*Surfhill*  
Chairperson

Attested by:  
*Lana Wogner*  
Secretary

# SMHA Finance Public Facility Corporation

## Agenda Memorandum

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**Agenda Item Number:** 4C

**Agenda Date:** October 4, 2023

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### SUBJECT:

Briefing and possible action regarding an inducement resolution for Streamline Advisory Partners' Springs Apartments Project

### SUMMARY:

This item includes a briefing and possible action regarding a non-binding Resolution concerning the request by Streamline Advisory Partners relating to the proposed financing of up to \$50,000,000 of the costs of the acquisition, construction, and equipping of The Springs Apartments, to be located near the intersection of Aquarena Springs Drive and IH-35 in San Marcos, Texas; and other matters in connection therewith.

### ISSUE:

Staff is requesting authorization to apply for volume cap to issue bonds and obtain tax credits for an approximately 300-unit affordable housing project located near the intersection of Transportation Way and Commercial Loop in San Marcos, Texas, to be known as the Springs Apartments (the "Project"). This will be a tax credit project where all 300 units are anticipated to be restricted to individuals whose income does not exceed sixty percent (60%), of the San Marcos area median income ("AMI"); including 45 units that will be restricted to families whose incomes do not exceed 30% of AMI. The rents for these units will be restricted to 30% of the respective median income category or, for 60% AMI units, approximately \$1314 for a one-bedroom, \$1578 for a two-bedroom, and \$1822 for a three-bedroom and, for 30% AMI units, approximately \$657 for a one-bedroom, \$789 for a two-bedroom, and \$911 for a three-bedroom.

Federal law requires that in order to obtain the tax credits for the Project, the Project must be financed in part with tax exempt bonds. Accordingly, the agenda item indicates your intent to issue up to \$50,000,000 of tax-exempt bonds for the Project, which is a requirement to submit an application with the Texas Bond Review Board. These bonds are only payable from Project revenues and not from any tax or revenue of the City or any income or assets of the San Marcos Housing Authority or any of its affiliates.

Streamline Advisory Partners, LLC will be the Developer and SMHA Operating Public Facility Corporation ("Operating PFC") will control the general partner of the partnership that owns the Project. The Project is expected to cost approximately \$75,775,000 and it is expected that approximately \$40,000,000 of tax-exempt bonds will be issued.

This request is to authorize the Developer and Bond Counsel to take preliminary actions, specifically, to file and/or re-file an Application for Allocation of Private Activity Bonds in the years 2024 and/or 2025 to allow this Project to move forward. Essentially you are authorizing us to get in line with state agencies and to begin to negotiate the terms of this transaction.

None of these actions will be binding on you or the San Marcos Housing Authority. You are not committing to participate in the Project. We will come back to you for actual approval of the Project and authority to issue the bonds.

**ALTERNATIVES:**

If the SMHA Finance Public Facility Corporation board does not approve this transaction, the 300 affordable units will not be constructed.

**FISCAL IMPACT:**

SMHA Finance Public Facility Corporation, as the issuer of tax-exempt bonds to finance the Project, will receive a financing fee equal to 1% of the amount of bonds issued by it.

**RECOMMENDATION:** Staff recommend approval of the attached Resolution.

**ATTACHMENT:** Resolution



SITE LEGEND

- 1 Apartment Building Types
  - Club/Leasing at Building Type 1 Ground Floor
- T Trash Enclosure & Recycling

Scale : 1" = 70'  
Date : 2024.01.16

PROJECT #: 21-021  
TDHCA PACKAGE - COLORED SITE PLAN

The Springs  
San Marcos, Texas

Steinberg  
Dickey  
Collaborative, LLP



Date : 2024.01.16



PROJECT #: 21-021

# The Springs

*San Marcos, Texas*



Collaborative, LLP

TDHCA PACKAGE - RENDERING - 2

**EXHIBIT A****Legal Description of Land**

Being 12.626 acres of land, more or less, being a 1.8826 acre portion of Lot 1, SECTION 3, INTERPARK EAST, a subdivision in Hays County, Texas, according to the map or plat of record in Volume 2, Page 395, of the Plat Records of Hays County, Texas and all of a called 10.750 acres of land, more or less, in the J.M. VERAMENDI LEAGUE NO. 2, ABSTRACT NO. 960, situated in Hays County, Texas, as conveyed in Volume 4033, Page 423, of the Official Public Records of Hays County, Texas and said 12.626 acre tract being more particularly described by metes and bounds as follows:

**FIELD NOTES** to that certain 12.626 acre tract situated in the Juan M. Veramendi Survey, Abstract No. 17, City of San Marcos, Hays County, Texas, being a portion of *LOT 1, SECTION 3, INTERPARK EAST*, an addition to the City of San Marcos, Texas, recorded in Volume 2, Page 395, Plat Records of Hays County, Texas, same being the tract described as 1.8826 acres in a Special Warranty Deed to 1200 North Mansfield, a California Limited Partnership (hereinafter referred to as Tract 1), recorded under Instrument Number 2010-10034997, Official Public Records of Hays County, Texas, also being the tract described as 10.750 acres in said Special Warranty Deed, recorded under Instrument Number 2010-10034997, Official Public Records of Hays County, Texas (hereinafter referred to as Tract 2); the subject tract, surveyed by JPH Land Surveying, Inc., is more particularly described as follows:

**BEGINNING** at a 1/2 inch rebar found in the common line of a curving south right-of-way line of Aquarena Springs Drive (a 60-foot wide right-of-way as shown in Volume 2, Pages 395 of the Plat Records of Hays County, Texas), and the north line of said *LOT 1, SECTION 3, INTERPARK EAST*, being at the northeast corner of said Tract 1;

**THENCE** SOUTH 29° 30' 40" WEST through and across the interior of said *LOT 1, SECTION 3, INTERPARK EAST*, along the east line of said Tract 1, a distance of 271.75 feet to a 1/2 inch capped rebar stamped "JPH Land Surveying" set at the common east corner of said Tract 1 and said Tract 2, being at the north corner of the tract described as 4.810 acres in a Special Warranty Deed to San Marcos Jyad Venture, LLC (hereafter referred to as Jyad Venture tract), recorded under Instrument Number 20007009 of the Official Public Records of Hays County, Texas, from which a 1/2 inch capped rebar stamped "BYRN SURVEY" found at the southeast corner of said *LOT 1, SECTION 3, INTERPARK EAST* bears SOUTH 41° 36' 45" EAST, a distance of 84.32 feet;

**THENCE** Along the common line of said Tract 2 and said Jyad Venture tract the following bearings and distances:

1. SOUTH 29° 32' 34" WEST, a distance of 395.71 feet to a 1/2 inch capped rebar stamped "MBC ENGINEERS" found;
2. SOUTH 72° 40' 48" WEST, a distance of 73.57 feet to a 1/2 inch capped rebar stamped "MBC ENGINEERS" found;
3. SOUTH 29° 34' 35" WEST, a distance of 543.58 feet to a 1/2 inch rebar with a 1" aluminum cap stamped "LCRA" found in the north right-of-way line of Davis Lane (a variable width right-of-way recorded in Volume 2147, Page 75, Deed Records of Hays County, Texas, being at the common souther corner of said Tract 2 and said Jyad Venture tract;

- THENCE** NORTH 69° 53' 03" WEST along the common line of said Tract 2 and the north right-of-way line of said Davis Lane, a distance of 266.20 feet to a 1/2 inch capped rebar stamped "JPH Land Surveying" set in the southeast line of Lot 2, *DAVIS LANE SUBDIVISION*, an addition to the City of San Marcos, Texas, recorded in Volume 14, Pages 22-23, Plat Records of Hays County, Texas, being at the southwest corner of said Tract 2;
- THENCE** Along the common line of said Tract 2 and said Lot 2 the following bearings and distances:
1. NORTH 42° 46' 07" EAST, a distance of 268.41 feet to a 1/2 inch rebar found;
  2. NORTH 47° 34' 46" WEST, a distance of 414.94 feet to a 1/2 inch capped rebar with illegible stamp found at the southeast corner of the tract described as 11.81 acres in a Special Warranty Deed to Aquarena Springs Land Holdings, LTD., a Texas limited partnership (hereafter referred to as Aquarena Springs Land Holdings tract), recorded under Instrument Number 20061039, Official Public Records of Hays County, Texas;
- THENCE** Along the common line of said Tract 2 and said Aquarena Springs Land Holdings tract the following calls:
1. NORTH 42° 28' 13" EAST, a distance of 436.42 feet to a 1/2 inch capped rebar stamped "MBC ENGINEERS" found at the beginning of a curve to the left (concave northwest), having a radius of 470.00 feet and a chord which bears NORTH 62° 49' 01" EAST a distance of 359.12 feet;
  2. along said curve to the left, an arc length of 368.49 feet to a calculated point in water of a drainage river basin;
  3. NORTH 40° 21' 24" EAST, a distance of 41.31 feet to a 1/2 inch capped rebar stamped "UDO RPLS 2433" found in the south line of said *LOT 1, SECTION 3, INTERPARK EAST*, at the common corner of said Tract 1, said Tract 2 and said Aquarena Springs Land Holdings tract;
- THENCE** NORTH 40° 18' 35" EAST through and across the interior of said *LOT 1, SECTION 3, INTERPARK EAST*, along the west line of said Tract 1, a distance of 231.10 feet to a 1/2 inch rebar found in the curving south right-of-way line of said Aquarena Springs Drive, being at the northwest corner of said Tract 1, and at the beginning of a curve to the left (concave northeast), having a radius of 2,560.00 feet and a chord which bears SOUTH 52° 17' 52" EAST a distance of 219.93 feet;
- THENCE** Along the common line of said Tract 1 and south right-of-way line of said Aquarena Springs Drive the following calls:
1. along said curve to the left, an arc length of 219.99 feet to a 3/8 inch rebar found at the beginning of a curve to the left (concave northeast), having a radius of 1,560.00 feet and a chord which bears SOUTH 55° 52' 38" EAST a distance of 93.18 feet;
  2. along said curve to the left, an arc length of 93.19 feet to the **POINT OF BEGINNING**, enclosing 12.626 acres (±549,972 square feet) of land.