

## *Low Income Housing Tax Credits: Resolutions of Support or No Objection*

The City of San Antonio (the City) has developed a policy for developers requesting Low Income Housing Tax Credit for rental housing development projects seeking Housing Tax Credits (HTC) through the Texas Department of Housing and Community Affairs (TDHCA). The City has developed this policy to ensure equitable housing opportunities are created for all residents, including individuals and families of color, low/moderate income households, special populations, and households seeking either to rent or own a home.

This policy is also designed to ensure improved coordination with community stakeholders and residents, thereby improving the quality of the built environment in support of the goals, policies, and actions detailed within the adopted SA Tomorrow Comprehensive Plan.

Each year, the TDHCA is required to develop the Qualified Allocation Plan (QAP) to establish the procedures and requirements relating to the allocation of Housing Tax Credits. Once the QAP is submitted and approved by the Office of Governor, which occurs no later than December of each year, the adopted QAP will be published in the Texas Register. In the administration of its HTC Program, the TDHCA awards application points for a resolution from a Governing Body of a local municipality on the following basis:

Within a municipality, the application will receive seventeen (17) points for a resolution from the Governing Body of that municipality expressly setting forth that the municipality supports the application or development; or fourteen (14) points for a resolution from the Governing Body of that municipality expressly setting forth that the municipality has no objection to the application or development.

Within the extraterritorial jurisdiction of a municipality, the application will receive eight and one-half (8.5) points for a resolution from the Governing Body of that municipality expressly setting forth that the municipality supports the application or development; or seven (7) points for a resolution from the Governing Body of that municipality expressly setting forth that the municipality has no objection to the application or development.

For competitive (9%) tax credit applications, the City will issue a Request for Applications for Resolutions of Support or No Objection in December of each year and bring forth recommendations to the Council Subcommittee (as appropriate) and City Council for consideration no later than February of each year. This schedule aligns with the TDHCA program calendar.

For non-competitive (4%) tax credit applications, the City will accept applications on a rolling basis. Non-competitive applications will be subject to the same evaluation criteria as for competitive applications. Staff recommendations will be brought forward to the Council Subcommittee (as appropriate) and City Council for consideration following confirmation that all application requirements have been met.

## Evaluation Criteria

The City has developed a self-scoring application in order to conduct a comprehensive, fair and impartial evaluation of all applications received in response to the Request for Applications process. Each application is analyzed to determine overall responsiveness and qualifications under this policy. Evaluation Criteria are outlined below.

### **Up to 100 Total Points May be Awarded for the Following:**

- **Owner/Property Manager Experience (up to 15 points may be awarded)** – Points are awarded to applicants demonstrating past experience owning, developing, and/or managing affordable multifamily housing developments for a minimum of three (3) years
- **Nonprofit Organization Participation (up to 10 points may be awarded)** – Points are awarded to applications demonstrating participation in the project by a nonprofit organization, including either ownership of the development or other controlling interest
- **Targeted Reinvestment Areas (up to 5 points may be awarded)** – Points are awarded to developments located in a City-designated reinvestment area (e.g. SA Tomorrow Regional Center)
- **Opportunity Area Criteria (up to 15 points may be awarded)** – Points are awarded to applications demonstrating the development of affordable housing in areas with lower-than-average poverty rates
- **Project Feasibility (up to 15 points may be awarded)** – Points are awarded to applications demonstrating that the project pro forma will meet TDHCA requirements for the Housing Tax Credit program
- **Project Site Characteristics (up to 10 points may be awarded)** – Points are awarded to applications that demonstrate the subject property is zoned appropriately for the proposed development type and density
- **Project Amenities & Resident Services (up to 20 points may be awarded)** – Points are awarded to applications that demonstrate they have located the proposed development in areas close to desired amenities, such as public parks, public transportation, public schools, and full-scale grocery stores, as well as to projects demonstrating quality services will be provided on site to residents
- **Project Readiness (up to 10 points may be awarded)** – Points are awarded to applications demonstrating that site control has been achieved and that appropriate environmental reviews have been completed

Using the criteria above, applications earning a minimum of **70** points may be recommended for a Resolution of Support. Applications earning between **50** and **69** points may be recommended for a Resolution of No Objection. Applications earning **fewer than 50** points may not be recommended for either a Resolution of Support or No Objection.

In addition to earning the minimum score to be considered for a Resolution from the City, applicants must also provide all the required items noted below for submission in order to have the application considered by staff. The checklist is provided in the annual application and must include the following:

- **Completed application, signed by the Certifying Officer**
- **Template of Local Government Resolution including language required for the project as shown within the approved QAP**
- **Completed form demonstrating proof of coordination with the respective City Council member** – The template form will be included in the Request for Applications packet as released to the public and must be signed by the Council member (or designated staff member) for the district in which the project is proposed
- **Evidence of City-required public meeting, demonstrating that the applicant took appropriate actions to inform the surrounding community of the proposed development** – The terms of the public meeting will be outlined in the Request for Applications packet as released to the public and will include, *at a minimum*: (a) the meeting is to be held at a publicly-accessible location within three (3) miles of the subject property site; (b) the meeting is to be scheduled on a weeknight, defined as Monday through Thursday, with a scheduled start time no earlier than 5:30 p.m. and no later than 7:30 p.m.; (c) City staff, the respective City Council member’s office, and any registered Neighborhood Associations within one-half mile of the project site must receive notice of the meeting at least seven days in advance of the scheduled meeting date; (d) notice of the meeting must also be posted on the subject property in the form of a sign measuring at least 36 inches wide by 24 inches tall, and will include all relevant meeting details; (e) meeting materials must include legibly notated maps indicating the location of the project site within the surrounding community and photographs of the subject property; (f) all printed and electronic communications regarding the meeting (including signage) must include the following language: “To submit questions or comments related to this proposed development, please contact the City of San Antonio’s Neighborhood and Housing Services Department at [HousingPolicy@sanantonio.gov](mailto:HousingPolicy@sanantonio.gov)”; and, (g) information provided during the public meeting must include the general scope of the development (i.e. total number of units, unit mix, planned amenities, etc.), the value of the tax credits being sought from TDHCA, the total projected cost of development, and the anticipated project schedule
- **Map indicating the shortest walking route from the project site to a public park** – The walking route must lead to an ADA-accessible entrance to a public park that includes an ADA-accessible playground to qualify
- **Map indicating the shortest walking route from the project site to a public transportation stop/station** – The public transportation route that serves the stop/station must provide scheduled service earlier than 8:00 a.m. and later than 5:00 p.m. on weekdays as well as scheduled service on Saturdays and Sundays
- **Map indicating the shortest walking route from the project site to the nearest assigned public elementary or secondary school** – To qualify, the nearest school must be the locally assigned public school at the time of the application and must serve at least three grade levels; the school must not utilize a lottery or similar application system for determining attendance, and must not charge tuition
- **Map indicating the shortest walking route from the project site to a full-service grocer** – A full-service grocer is defined as “offering a wide variety of fresh, frozen,

canned and prepared foods, including but not limited to a variety of fresh meats, poultry, and seafood; a wide selection of fresh produce including a selection of different fruits and vegetables; a selection of baked goods and a wide array of dairy products including cheeses, and a wide variety of household goods, paper goods and toiletry items

- **Map indicating the shortest walking route from the project site to a community center, senior center, and/or public library** – To qualify, a community center, senior center, and/or public library must be publicly accessible during regular business hours and without a cost to visit the facility (this does not prohibit such facilities from charging fees for classes or other special events)
- **Map illustrating the shortest practical driving route and public transportation route (if available) from the project site to the closest major employment center** – A major employment center is defined as an area in San Antonio with an employment density equal to or greater than 4,201 employees per square mile. Applicants can refer to the map linked here:  
[https://www.sanantonio.gov/Portals/0/Files/GMA/Guidance/Employee2012Density\\_150205.pdf](https://www.sanantonio.gov/Portals/0/Files/GMA/Guidance/Employee2012Density_150205.pdf)
- **Map indicating the location of the project site within or nearest to a City targeted reinvestment area** – For the 2018 application period, City targeted reinvestment areas include the 12 Neighborhood Improvement Areas, the Inner City Reinvestment Infill Policy (ICRIP) area, the 13 SA Tomorrow Regional Centers, and REnewSA Target Areas (includes areas from the FY 2014-2015 program and FY 2016-2017 program)
- **Screen capture from the Bexar County Appraisal District website highlighting the parcel(s) to be developed**
- **Screen capture from the City’s Development Services Department One-Stop Zoning Map showing the current zoning district and any overlay districts for the parcel(s) to be developed** – Applicants can locate the One-Stop Zoning Map on the City’s website or by visiting the following link: <https://gis.sanantonio.gov/PDS/onestop/index.html>

#### Additional Information

City staff will evaluate all of the items submitted with the signed application in order to formalize its recommendation to the City Council regarding the issuance of a Resolution of Support or No Objection. Staff will seek to identify the site’s proximity to any existing properties that have previously been awarded Low Income Housing Tax Credits. Except in the case of proposals for senior housing, staff will also coordinate with the local school district to determine the capacity of any assigned schools to accommodate additional students.

Decisions by the City will comply with Federal Fair Housing laws that prohibit discrimination which could result in different or unequal treatment in housing situations because of race, color, sex, religion, national origin, familial status or disability. The City also prohibits discrimination based on an individual’s veteran status, sexual orientation or the individual’s gender identity.

**Appendix: Summary of Proposed Changes from 2017 Application for Resolutions of Support and No Objection**

- The point scale has changed from a maximum score of 165 to a maximum of 100, resulting in the following categorical changes:
  - Owner/Property Manager Experience – increased from 12% of the total score to 15%
  - Nonprofit Organization Participation – increased from 6% of the total score to 10%
  - Targeted Reinvestment Areas – decreased from 22% of the total score to 5%
  - Opportunity Area Criteria – increased from 10% of the total score to 15%
  - Project Feasibility – increased from 12% of the total score to 15%
  - Project Site Characteristics – increased from 6% of the total score to 10%
  - Project Amenities & Resident Services – increased from 17% of the total score to 20%
  - Project Readiness – increased from 6% of the total score to 10%
  - Previously, a score of 85 would deem an application eligible for a Resolution of Support, earning 52% of the total possible points. Using the new criteria, a project must score 70 points (70% of total possible points) to be recommended for a Resolution of Support
- Last year was the first time the City required proof that the applicant had coordinated with the Council member in which the project is located; the new application would include a template form that would be signed by the Council member or a designated staff member to ensure the office is aware of the project proposal
- This policy would now require a developer-initiated public meeting for the first time—this had not been required by the City previously
- There are no significant changes proposed to the maps showing routes to parks, public transportation, grocery stores, community facilities, employment centers, and reinvestment areas—the policy now adds clarification on what qualifies in each category
- The application also adds a requirement mapping the walking route to the nearest public school
- Staff also proposes adding requirements to better identify the proposed development site using BCAD and City maps, which helps determine the actual parcel boundaries and the existing zoning designation of the site