



City of San Antonio

Agenda Memorandum

File Number: 16-5359

Agenda Item Number: 2.

Agenda Date: 10/26/2016

In Control: Housing Committee

DEPARTMENT: Department of Planning and Community Development

DEPARTMENT HEAD: Bridgett White

COUNCIL DISTRICTS IMPACTED: Council District 2

SUBJECT:

A Resolution in Support of identifying San Antonio Housing Authority's East Meadows Phase II Multi-Family Project as contributing "most significantly to the concerted revitalization efforts" of the City of San Antonio, for the Texas Department of Housing and Community Affairs competitive 9% Housing Tax Credit application.

SUMMARY:

The San Antonio Housing Authority (SAHA) is seeking a resolution from the City Council identifying its East Meadows Phase II Multi-Family Project as contributing "most significantly to the concerted revitalization efforts" in order to obtain additional points in its application before the Texas Department of Housing and Community Affairs' (TDHCA) governing board.

BACKGROUND INFORMATION:

On June 21, 2012, the City approved a Resolution in support of SAHA's Eastside Choice Neighborhood Implementation Grant Proposal submitted to the U.S. Housing and Urban Development (HUD), which included the redevelopment of Wheatley Courts, an obsolete and inefficient public housing site.

On December 12, 2012, in response to its grant proposal, SAHA received a \$29.75 million award from HUD for the Wheatley Choice Transformation Plan.

SAHA submitted an application during the 2016 Housing Tax Credit (HTC) application round for East Meadows Phase II Multi-Family Project and City Council provided a Resolution of Support on February 18, 2016. However, the project was unsuccessful in scoring sufficient points to be competitive. Consequently, SAHA will be submitting an application for the 2017 HTC round for the East Meadows Phase II Multi-Family

Project.

On September 21, 2016, the Housing Committee approved and forwarded to City Council a Resolution of Support for the development of East Meadows Phase II Multi-Family Project. In addition to the Resolution of Support for East Meadows Phase II Multi-Family Project, SAHA is requesting that the City identify East Meadows Phase II Multi-Family Project as the development in the 2017 competitive tax credit application round that contributes "most significantly to the concerted revitalization efforts" of the City.

The TDHCA HTC competitive 9% applications may receive two points if the development is explicitly identified by the City as contributing most significantly to the concerted revitalization efforts of the City. The City may only identify one single development during each application round for the additional points. A resolution from the governing body that approved the plan is required to be submitted in the application.

In February 2016, the City identified East Meadows (Wheatley Family Apartments Phase II) as the development in the 2016 competitive tax credit application round that contributes "most significantly to the concerted revitalization efforts" of the City.

The Wheatley Choice Neighborhood Transformation re-development will now be known as East Meadows, except for Wheatley Park Senior Living which will retain the Wheatley name.

ISSUE:

A Resolution of Support identifying SAHA's East Meadows Phase II Multi-Family Project, a 117-unit multi-family rental housing development located at 1411 N. Walters in Council District 2, as contributing "most significantly to the concerted revitalization efforts" of the City.

SAHA is submitting an application to TDHCA for the 9% HTC for the development of East Meadows Phase II Multi-Family Project. In order to improve SAHA's chances of obtaining a 9% HTC, a Resolution of Support identifying East Meadows Phase II Multi-Family Project as contributing "most significantly to the concerted revitalization efforts" of the City would provide critical points necessary for the application.

The value of the TDHCA tax credit award to the East Meadows Phase II Multi-Family Project will be approximately \$14.4 million. The total development cost for this project will be \$23 million. Ninety-four of the 117 total units will be restricted to 60% of area median income (e.g., a family of four will have a maximum income of \$37,260). The competitive 9% application will be considered by the TDHCA Governing Board on July 1, 2017. If approved, the project will commence in May 2018 and be completed in December 2019. This project is being developed by McCormack Baron Salazar, Inc. and SAHA.

ALTERNATIVES:

If City Council does not elect to provide a Resolution in Support of identifying East Meadows Phase II Multi-Family Project as contributing "most significantly to the concerted revitalization efforts" of the City, the developer would be adversely impacted in its ability to proceed with the completion of the Wheatley Choice Neighborhood revitalization project.

FISCAL IMPACT:

There is no fiscal impact to the City's Budget.

RECOMMENDATION:

Staff recommends forwarding to the full City Council a Resolution in Support of identifying East Meadows Phase II Multi-Family Project as contributing "most significantly to the concerted revitalization efforts" of the City.