



City of San Antonio

Legislation Details (With Text)

File #: 18-1693

Type: Miscellaneous Item

In control: City Council A Session

On agenda: 2/15/2018

Title: Approval of Resolutions of Support for the following multifamily rental housing development projects seeking competitive 9% Housing Tax Credits with the Texas Department of Housing and Community Affairs: [Peter Zaroni, Deputy City Manager; Verónica R. Soto, Director, Neighborhood & Housing Services]

Sponsors:

Indexes:

Code sections:

Attachments: 1. Draft Resolution - Culebra Place, 2. Draft Resolution - Residences at Thousand Oaks, 3. Staff Presentation

Date	Ver.	Action By	Action	Result
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DEPARTMENT: Neighborhood and Housing Services Department

DEPARTMENT HEAD: Verónica R. Soto, AICP

COUNCIL DISTRICTS IMPACTED: 6 and 10

SUBJECT:

Consideration of Resolutions of Support for multifamily rental housing development projects by applicants seeking competitive 9% Housing Tax Credits with the Texas Department of Housing and Community Affairs for the 2018 program.

SUMMARY:

The City issued a Request for Applications to developers seeking a Resolution of Support or No Objection for applications to the Texas Department of Housing and Community Affairs for the 2018 competitive 9% Housing Tax Credit program. Applicants for the following two projects are recommended to receive a Resolution of Support:

- Culebra Place Apartments, located at 7796 Culebra Rd in Council District 6
- Residences at Thousand Oaks, located at the 4500 block of Thousand Oaks Dr in Council District 10

BACKGROUND INFORMATION:

The Texas Department of Housing and Community Affairs' (TDHCA) Housing Tax Credit (HTC) program is one of the primary means of directing private capital toward the development and preservation of affordable rental housing for low-income households in the state of Texas. HTCs are awarded to eligible participants to offset a portion of their federal tax liability in exchange for the production or preservation of affordable rental housing. There are two types of HTCs: competitive 9% and non-competitive 4%. The non-competitive 4% HTC program is available year round whereas the competitive 9% HTC program has a single annual application period. For the 2018 competitive application period, TDHCA requires applicants to submit completed applications, along with supporting documents, no later than March 1, 2018.

The HTC program awards competitive application points for a resolution(s) from a Governing Body of a municipality showing local government support 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.

ISSUE:

Using the City Council adopted evaluation criteria and TDHCA's 2018 Qualified Allocation Plan (QAP), staff developed an application process and schedule. The City issued a Request for Applications (RFA) on December 15, 2017 for multifamily rental housing development projects seeking a San Antonio City Council Resolution of Support or No Objection in connection with the Texas Department of Housing and Community Affairs (TDHCA) Housing Tax Credit program. Applications were due on January 10, 2018 and were required to score at least 70 points in the City's 100-point scoring system to be recommended for a Resolution of Support. Applicants earning between 50 and 69 points may receive a Resolution of No Objection, provided the applicant received at least 7 experience points in the "Owner/General Partner/Property Management Experience" section of the application.

A total of 21 applications were submitted with scores ranging from 70 points to 98 points. Of those 21 applications, seven applicants withdrew their applications prior to City Council consideration. At the February 8, 2018 City Council meeting, 11 projects were approved for Resolution of Support by the City Council, one project was denied a Resolution and one application (Culebra Place Apartments) was continued to the February 15, 2018 City Council meeting. Applicants for the following 2 projects are recommended to receive Resolutions of Support:

Project Name	Council District	Applicant	Affordable Units/Total Units	Score (out of 100)
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A.	Culebra Place Apartments 7796 Culebra Rd.	D6	Culebra Affordable Housing, LP (Cesar Chavez Foundation & Rufino Contreras Affordable Housing, Inc.	120/140	82
B.	The Residences at Thousand Oaks 4500 Block of Thousand Oaks Dr.	D10	Brownstone Affordable Housing, Ltd.	109/132	89

ALTERNATIVES:

The City Council may elect not to issue Resolutions of Support to one or both of the recommended applicants, which would adversely impact the developers' applications with TDHCA's Housing Tax Credit program and may deem the affordable housing developments financially infeasible.

FISCAL IMPACT:

This authorizes Resolutions of Support for multifamily rental housing development projects by applicants seeking competitive 9% Housing Tax Credits with the Texas Department of Housing and Community Affairs for the 2018 program. There is no impact to the FY 2018 Adopted Budget with this action.

RECOMMENDATION:

Staff recommends City Council approval to issue Resolutions of Support for the multifamily rental housing development projects listed in the Summary section of this memo seeking housing tax credits from the Texas Department of Housing and Community Affairs.