



City of San Antonio

Agenda Memorandum

File Number: 17-1108

Agenda Item Number: 3.

Agenda Date: 1/26/2017

In Control: Housing Committee

DEPARTMENT: Department of Planning & Community Development

DEPARTMENT HEAD: Bridgett White, Director

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Consideration of Resolutions of Support or No Objection for 11 multifamily rental housing development projects by applicants seeking competitive 9% Housing Tax Credits with the Texas Department of Housing and Community Affairs.

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 competitive 9% Housing Tax Credit program. Applicants for the following 10 projects are recommended to receive a Resolution of Support:

- Bandera Apartments, located at 10715 Bandera Rd. in District 8
- Basila Apartments, located at 500 N. Zarzamora St. in District 5
- Fountain View Village, located at 9481 Marbach Rd. in District 4
- National Church Residences at Nacogdoches, located at 15709 Nacogdoches in District 10
- Rio Lofts, located at 319 W. Mitchell in District 3
- Sonoma Pointe, located near Bandera and Tezel roads in District 7
- The Acacia, located near Guilbeau and Bandera roads in District 7
- The Bristol, located at Guilbeau and Old Tezel roads in District 7
- The Kensington, located near Potranco and Seascape roads in District 4
- Village at Stahl, located at 4438 Stahl Rd. in District 10

Applicants for the following 1 project are recommended to receive a Resolution of No Objection:

- National Church Residences at Potranco, located at 8451 Potranco Rd. in District 6

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 2017 competitive application period, TDHCA requires applicants to submit completed applications, along with supporting documents, no later than March 1, 2017.

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 2017 Qualified Allocation Plan (QAP), staff developed an application process and schedule. The City issued a Request for Applications (RFA) on December 12, 2016 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 4, 2017 and were required to score at least 85 points in the City's 165-point scoring system to be recommended for a Resolution of Support. Applicants earning less than 85 points may receive a Resolution of No Objection, provided the applicant received at least six experience points in the "General Partner and Property Manager Experience" section of the application.

A total of 16 applications were submitted with scores ranging from 80 points to 105 points, each located inside the city limits. Five applicants withdrew their applications from consideration and, therefore, a total of 11 projects are being recommended for a Resolution of Support or No Objection. Applicants for the following 10 projects earned 85 or more points and are recommended to receive Resolutions of Support:

- A. Bandera Apartments, located at 10715 Bandera Rd. in District 8, proposed by ~~Saigebrook Development~~ *NRP Group (corrected 1/25/17)*. The proposal includes 88 units, of which 79 will serve low-income households earning at or below 60% of the Area Median Income (AMI). The applicant earned 90 points of a possible 165 points.
- B. Basila Apartments, located at 500 N. Zarzamora St. in District 5, proposed by NRP Group. The proposal includes 84 units, of which 77 will be affordable to households earning at or below 60% AMI. The applicant earned 95 points.
- C. Fountain View Village, located at 9481 Marbach Rd. in District 4, proposed by ~~NRP Group~~ *Brownstone*

Affordable Housing (corrected 1/25/17). The proposal includes 132 units, of which 102 will be affordable to households earning at or below 60% AMI. The applicant earned 90 points.

- D. National Church Residences at Nacogdoches, located at 15709 Nacogdoches in District 10, proposed by National Church Residences. The proposal includes 90 units, of which 71 will be affordable to households earning at or below 60% AMI. The applicant earned 87 points.
- E. Rio Lofts, located at 319 W. Mitchell in District 3, proposed by NRP Group. The proposal includes 84 units, of which 78 will be affordable to households earning at or below 60% AMI. The applicant earned 105 points.
- F. Sonoma Pointe, located near Bandera and Tezel roads in District 7, proposed by Madhouse Development. The proposal includes 94 units, of which 69 will be affordable to households earning at or below 60% AMI. The applicant earned 95 points.
- G. The Acacia, located near Guilbeau and Bandera roads in District 7, proposed by Versa Development. The proposal includes 160 units, all of which will be affordable to households earning at or below 60% AMI. The applicant earned 97 points.
- H. The Bristol, located at Guilbeau and Old Tezel roads in District 7, proposed by Madhouse Development. The proposal includes 110 units, of which 95 will be affordable to households earning at or below 60% AMI. The applicant earned 92 points.
- I. The Kensington, located near Potranco and Seascape roads in District 4, proposed by Madhouse Development. The proposal includes 120 units, of which 102 will be affordable to households earning at or below 60% AMI. The applicant earned 85 points.
- J. Village at Stahl, located at 4438 Stahl Rd. in District 10, proposed by Prospera. The proposal includes 108 units, of which 98 will be affordable to households earning at or below 60% AMI. The applicant earned 95 points.

Applicants for the following 1 project earned less than 85 points and are recommended to receive Resolutions of No Objection:

- A. National Church Residences at Potranco, located at 8451 Potranco Rd. in District 6, proposed by National Church Residences. The proposal includes 90 units, of which 71 will be affordable to households earning at or below 60% AMI. The applicant earned 80 points.

ALTERNATIVES:

The Housing Committee may elect not to forward the recommended projects for City Council consideration for Resolutions of Support or No Objection, 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:

There is no fiscal impact to the City's Budget with this staff recommendation.

RECOMMENDATION:

Staff recommends forwarding for City Council consideration of the issuance of Resolutions of Support or No Objection for the 11 multifamily rental housing development projects listed herein seeking housing tax credits from the Texas Department of Housing and Community Affairs.