



City of San Antonio

Agenda Memorandum

File Number:21-1708

Agenda Item Number: 22.

Agenda Date: 2/18/2021

In Control: City Council A Session

DEPARTMENT: Neighborhood and Housing Services

DEPARTMENT HEAD: Verónica R. Soto, FAICP

COUNCIL DISTRICTS IMPACTED: District 7

SUBJECT:

Resolution of Support for the Snowden Apartments at 7223 Snowden Road in Council District 7 proposed by SAHA so they may seek Competitive 9% Housing Tax Credits with the Texas Department of Housing and Community Affairs (TDHCA) for the 2021 program.

SUMMARY:

Consideration of Resolution of Support for the Snowden Apartments proposed by SAHA so they may seek Competitive 9% Housing Tax Credits with the Texas Department of Housing and Community Affairs for the 2021 program.

BACKGROUND INFORMATION:

The Texas Department of Housing and Community Affairs (TDHCA)'s Housing Tax Credit (HTC) Program allocates federal tax credits to developers to encourage the construction and rehabilitation of affordable multifamily housing. There are two types of tax credits: 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. The 9% Program is allocated through an annual competitive process in which projects are evaluated and scored according to the TDHCA's established criteria. An application must include a Resolution of Support or a Resolution of No Objection from the governing body of the municipality where the project is located.

On October 31, 2019, City Council adopted an updated Housing Tax Credit (HTC) Policy for the issuance of Resolutions of Support and Resolutions of No Objection. The new policy added a focus on deeper affordability and developments in targeted areas including Regional Centers. Developers submitting 2021 Competitive 9% HTC applications to TDHCA must score 75 points on their city application to be recommended for a Resolution of Support by staff. Developers must score 60 points and have ownership/ management experience

to be recommended for a Resolution of No Objection. Applications for the 2021 Competitive 9% HTC are due to TDHCA no later than March 1, 2021.

On November 30, 2020, Neighborhood & Housing Services Department (NHSD) issued a call for applications to those developers that would be pursuing the 9% tax credit for their project. Applications were due on January 4, 2021. NHSD received 15 applications for a Resolution of Support from City Council to include in their TDHCA 2021 Competitive 9% HTC application.

In some cases, TDHCA will not award HTCs to a project if certain conditions exist unless the municipality specifically waives the requirement in the Resolution of Support. Example conditions include if a project is located within one mile of a development awarded within the last three years, if the project is in a census tract that would result in more than 20% of the total housing units being supported by HTCs, and if the project is in a census tract with a poverty rate that exceeds 40%. Additionally, a project will receive an additional two points if it is located within a revitalization zone designated by a municipality's governing body. These conditions are taken into consideration in the City Council approved evaluation criteria.

All 15 applications have scored more than 75 points. However, four applications have been withdrawn and therefore staff is only recommending that 11 applications receive a Resolution of Support.

On February 11, 2021, City Council approved Resolutions of Support for 10 of the 11 projects.

Development	Applicant
Cosmopolitan Apartments	Cosmopolitan Apartments, LLC (Loopy Limited)
Four25 San Pedro	ARDC San Pedro, Ltd (Franklin)
Denver Heights Senior Village	CSH Denver Heights Senior Village, Ltd. (SuperUrban Realty Ventures)
Village at Boyer	ALT Affordable Housing Services, Inc.- Arbor (Prospera)
Ada Street Apartments	Ada Street Apartments, Ltd. (NRP)
Fish Pond at Prospect Hill	FishPond Living at Prospect Hill, LP
Village at Medical Senior Apartments	ALT Affordable Housing Services, Inc.- Arbor (Prospera)
Fiesta Trails	Fiesta Trails, Ltd (NRP)
Vista Med	Vista Me, LP (Atlantic Pacific)
Village at Perrin Beitel	ALT Affordable Housing Services, Inc.- Arbor (Prospera)

City Council delayed consideration for the Snowden Apartments Project proposed by SAHA to February 18, 2021. The purpose of the delay was to facilitate a public meeting for the project prior to Council approving a Resolution of Support.

ISSUE:

The City approved 10 Resolutions of Support for the TDHCA 2021 Competitive 9% HTC application on February 11, 2021 and delayed consideration for the Snowden Apartment project proposed by SAHA to allow for the scheduling of a public meeting prior to Council's approval of a Resolution of Support. The meeting is scheduled for February 15, 2021. Staff is recommending a of a Resolution of Support for the Snowden Apartments project.

ALTERNATIVES:

City Council may elect to not issue some the Resolutions recommended by staff which would adversely impact SAHA's application with TDHCA's Housing Tax Credit program and deem the affordable housing developments financially infeasible.

FISCAL IMPACT:

This authorizes a Resolution of Support for the Snowden Apartments proposed by SAHA so they may seek Competitive 9% Housing Tax Credits with the Texas Department of Housing and Community Affairs for the 2021 program. There is no fiscal impact to the FY 2021 Adopted Budget with this action.

RECOMMENDATION:

City Staff is recommending a Resolution of Support for the Snowden Apartments in District 7 proposed by SAHA.