

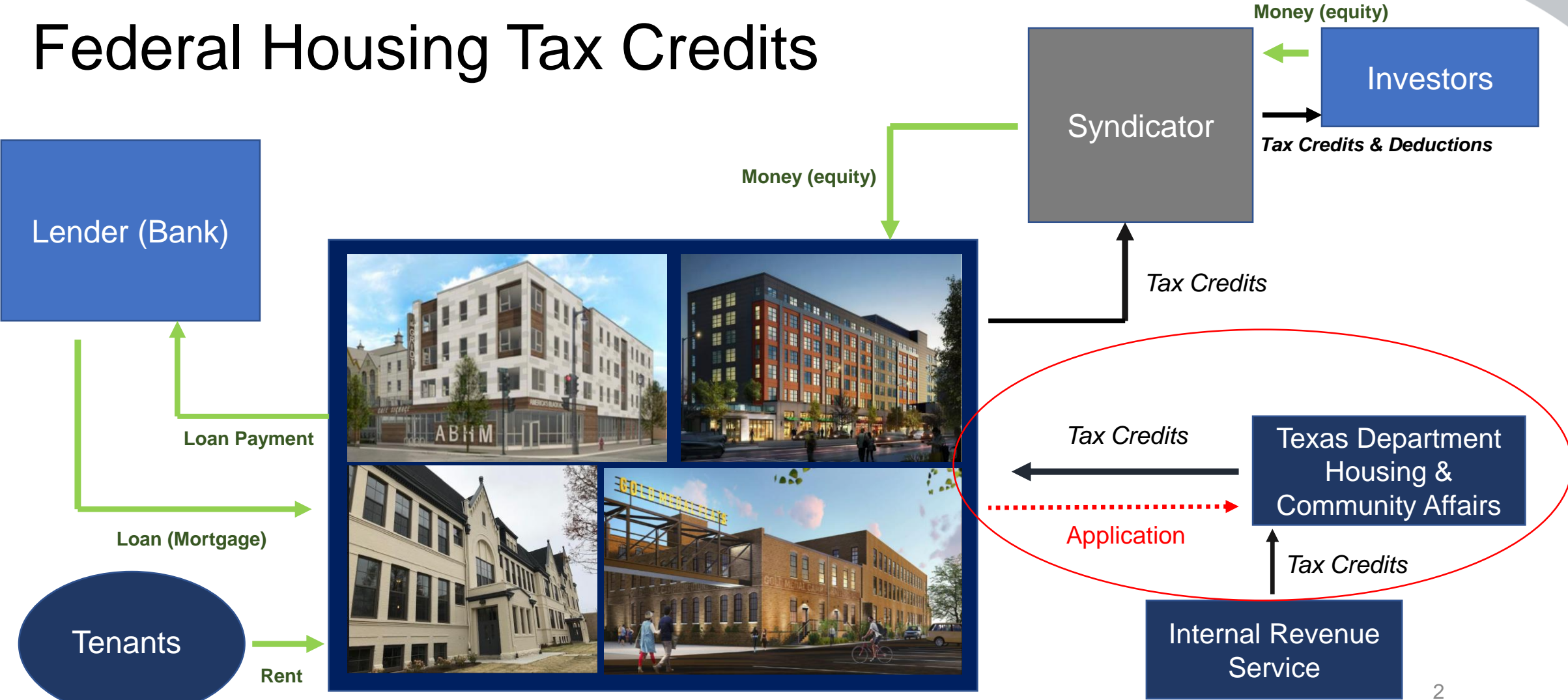
2021 Competitive 9% Housing Tax Credit Applications

Council Worksession
Tuesday, February 2, 2021

Amy Connolly, Assistant Director, Neighborhood Services



Federal Housing Tax Credits



9% “Competitive” Tax Credits

- 9% tax credits are “competitive” because they are granted by state housing finance agencies through a competitive process and scored through a **Qualified Allocation Plan** (QAP) which is approved by state legislatures.
- Generally available for new construction or extensive rehabilitation
- Each year for 10 years, a tax credit equal to 9% of a project’s **qualified costs** of construction may be claimed.
- Qualified costs = (development costs – land and costs covered by grants) x % of total units for low-income households or total square footage of low income units. **More tax credit equity can be received if there are more low income units.**
- A good rule of thumb is that the **9 percent credit** covers about **half** of a project’s cost

9% Tax Credits Awarded in Fort Worth

Year	9% Federal Housing Tax Credits Awarded
2020	Palladium Fain Street, Ltd. (\$1,377,102) Avenue at Sycamore Park (\$1,475,000) The Park Tower (\$1,462,000)
2019	Everly Plaza (\$1,439,065) Cielo Place (\$1,447,760) Sunset at Fash Place (\$1,198,485) Churchill at Golden Triangle (\$1,500,000)
2018	Columbia Renaissance Square II (\$1,500,000)
2017	Palladium Fort Worth (\$1,500,000) Mistletoe Station (\$1,500,000) The Vineyard on Lancaster (\$1,330,273)
2016	Avondale Farms Senior (\$1,500,000) Harmon Senior Villas (\$1,470,360) The Standard at Boswell Marketplace (\$1,500,000)

City Council Impacts the Scoring of TDHCA 9% Applications

1. Resolution of Support

Highest form of support; only available if tax credit policy is met
17 points given on TDHCA's application

2. Resolution of No Objection

Reduces a project's competitiveness
14 points given on TDHCA's application

****Possible Additional Points Given by TDHCA**

- Development Contributes to *Concerted Revitalization* (**up to 7** points)
- Development in a High Opportunity Area (**up to 7** points)
- Commitment of Development Funding (**1** point)

2021 9% Requirements: Resolutions of Support

THREE requirements:

Minimum 10% market rate units

Minimum 5% permanent supportive units

Minimum 10% 0-30% AMI units

Located in Opportunity Index area, mixed-use growth center, city or federal revitalization area, or CNI Neighborhood

AND

EITHER

AND

2021 9% Requirements: Resolutions of No Objection

TWO requirements:

Minimum 10% market rate units

Minimum 5% permanent supportive units

Minimum 10% 0-30% AMI units

AND

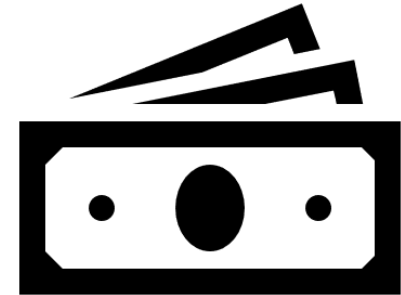
EITHER

Commitment of Development Funding

-- Council discretion

-- Resolution of support required

--Provides partial or full waiver of development fees



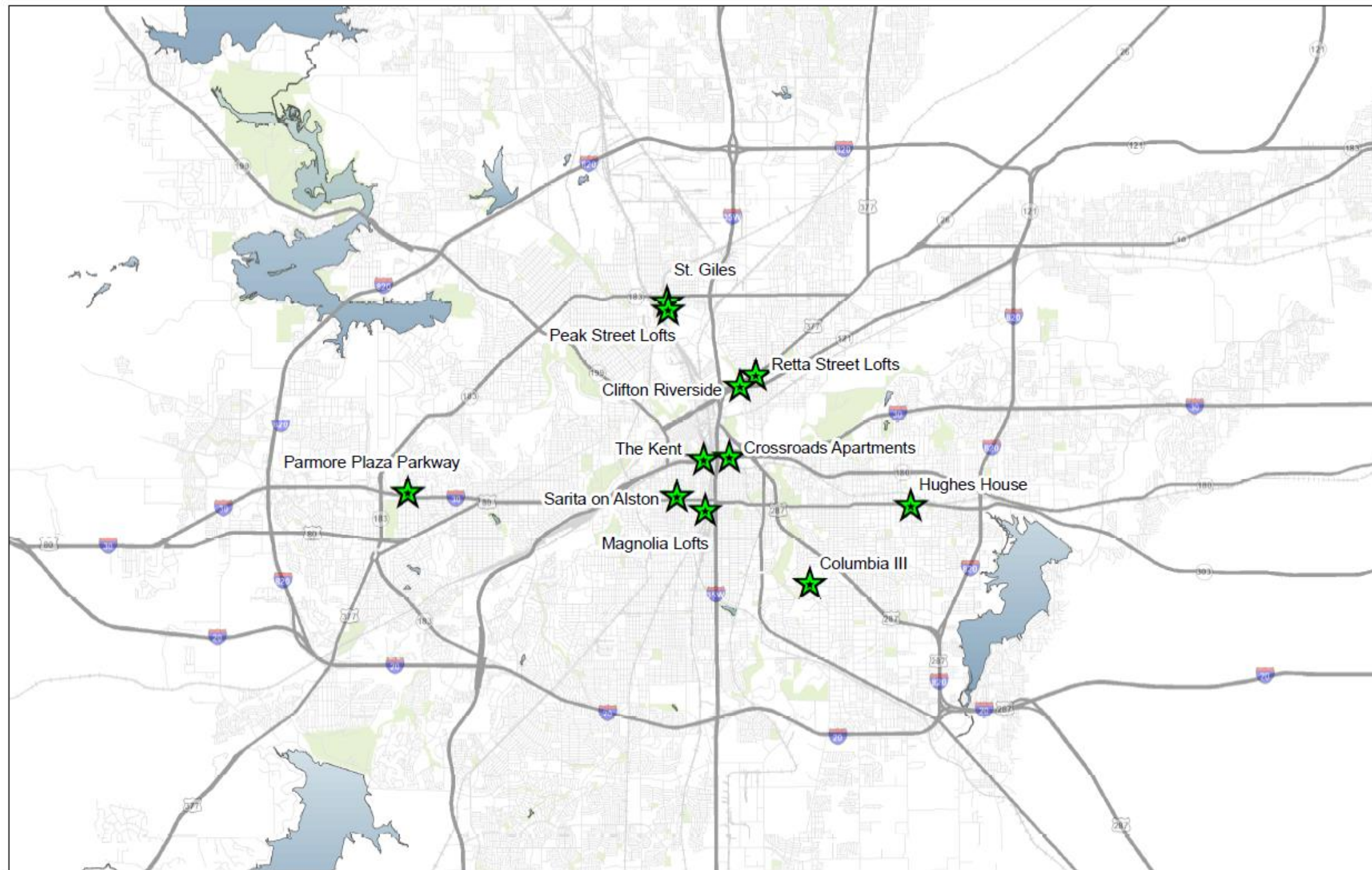
2021 Tax Credit Applications

Review of Compliance with City Policy



- 12 total applications submitted - 1 application withdrew prior to committee presentation, 1 application withdrew in the past week - 10 applications moving forward
 - All applications met the community outreach and notification requirements
 - All applications met the 10% market rate units requirement
 - All but 1 application met the 10% 0-30% AMI units requirement
 - 1 application opting for PSH units
 - All applications in either a designated revitalization area or a high opportunity area
-
- 9 applications have zoning in place (or PUDs), 2 applications require rezoning
 - TDHCA's self-scoring report shows that Dallas County's disaster declaration points might disadvantage Tarrant County applicants
 - Uneven Council District distribution of applications and 3 districts have no applications

Tax Credit Development Applications



District 2 – CM Flores



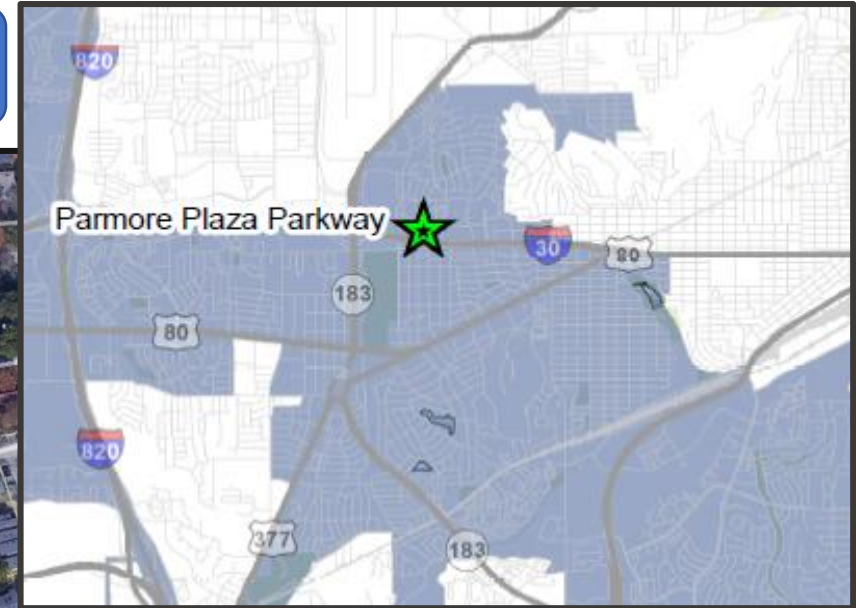
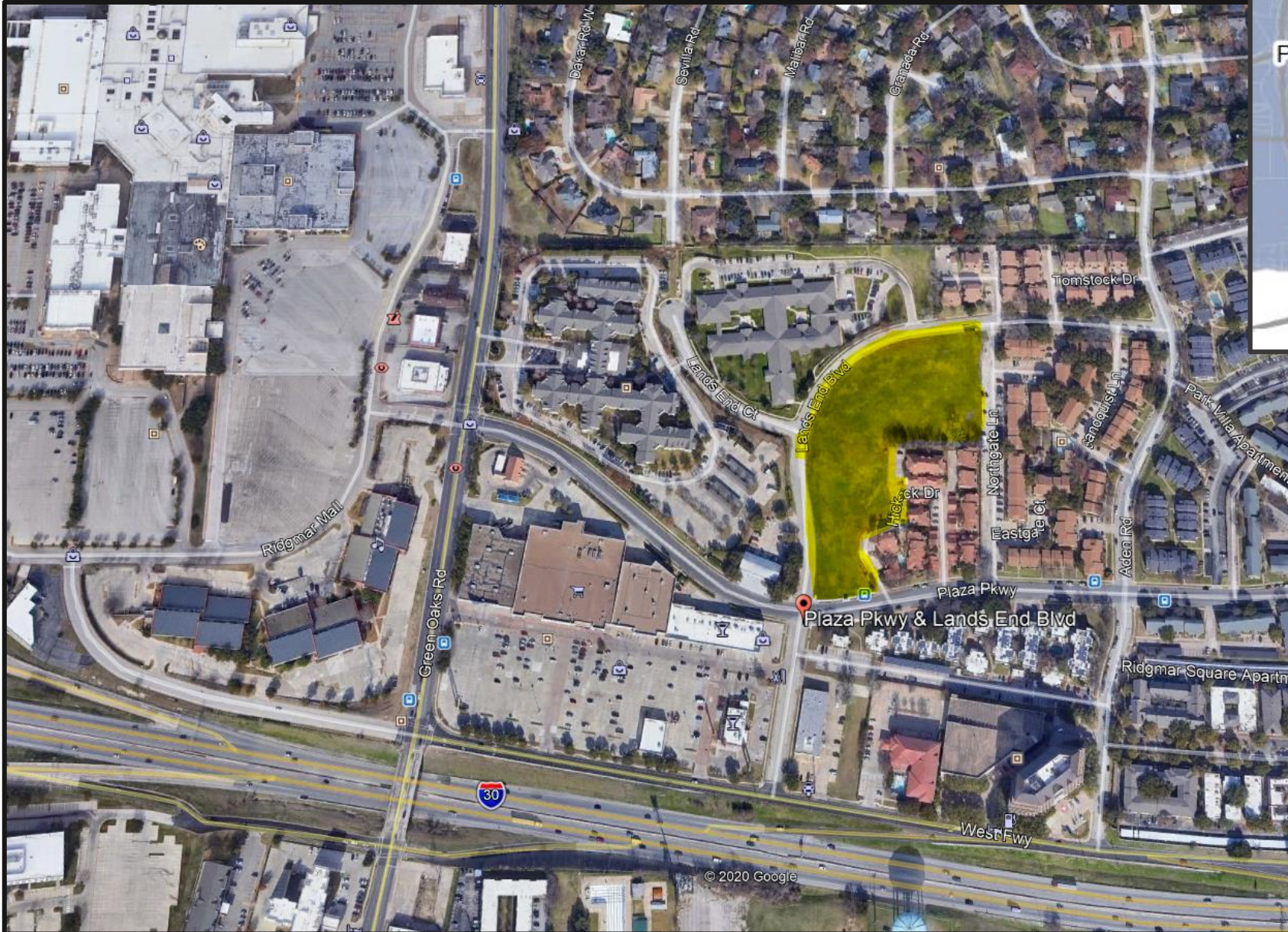
A. St. Giles

- *Withdrawn*

B. Peak Street Lofts

- 2510 Decatur Avenue
- CSH - Vault
- 80 units – Senior
- CRP: None

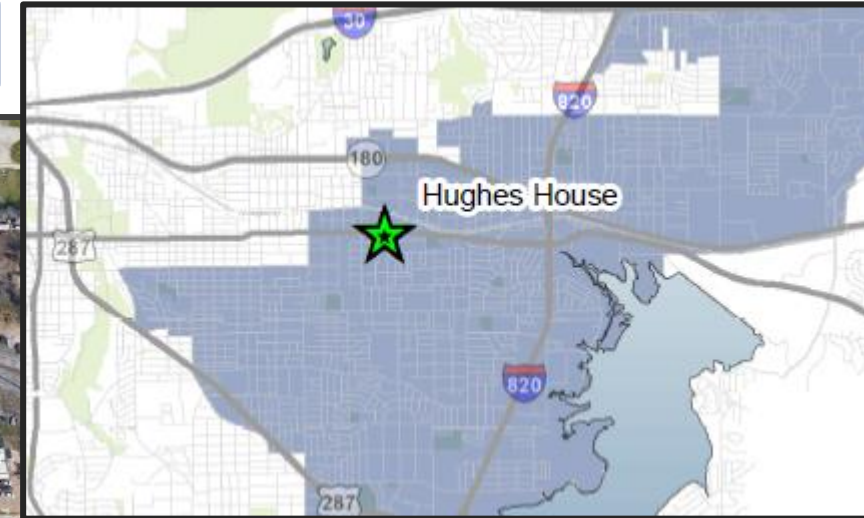
District 3 – CM Byrd



Parmore Plaza Parkway

- NE corner of Parkway Plaza and Lands End Boulevard
- JPI
- 91 Units - Senior
- High Opportunity Area

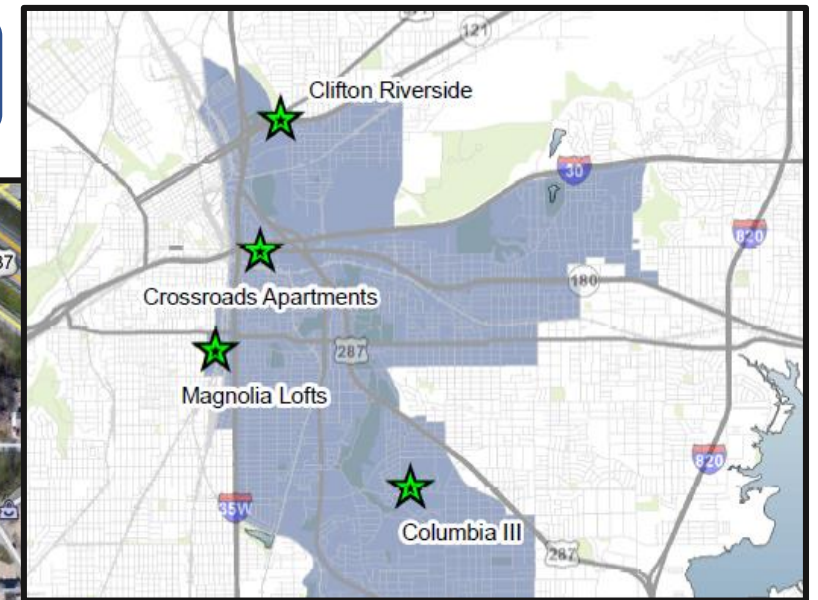
District 5 – CM Bivens



Hughes House

- 4830 E. Rosedale St.
(SW & SE corner of Rosedale and Amanda)
- Fort Worth Housing Solutions
- 210 Units - Family
- CRP: CNI – Stop Six

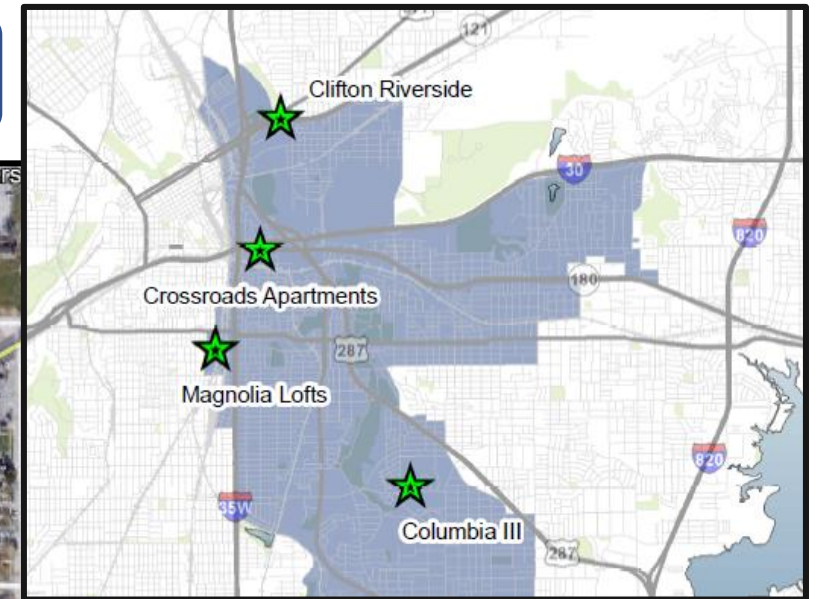
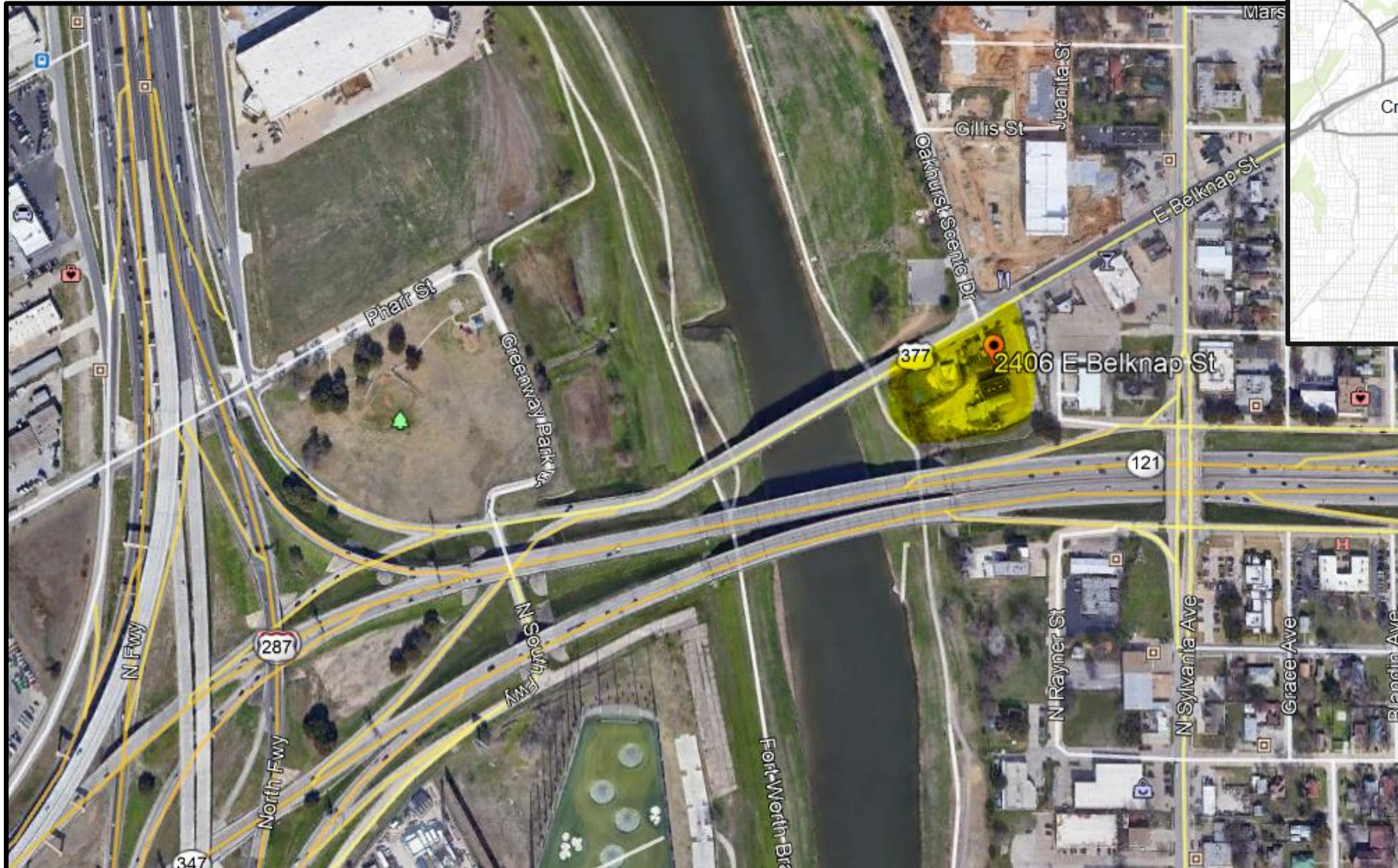
District 8 – CM Gray



Columbia III

- 2757 Moresby St.
- Columbia Renaissance
- 120 units – Family
- CRP: TIF 12 – East Berry/Renaissance

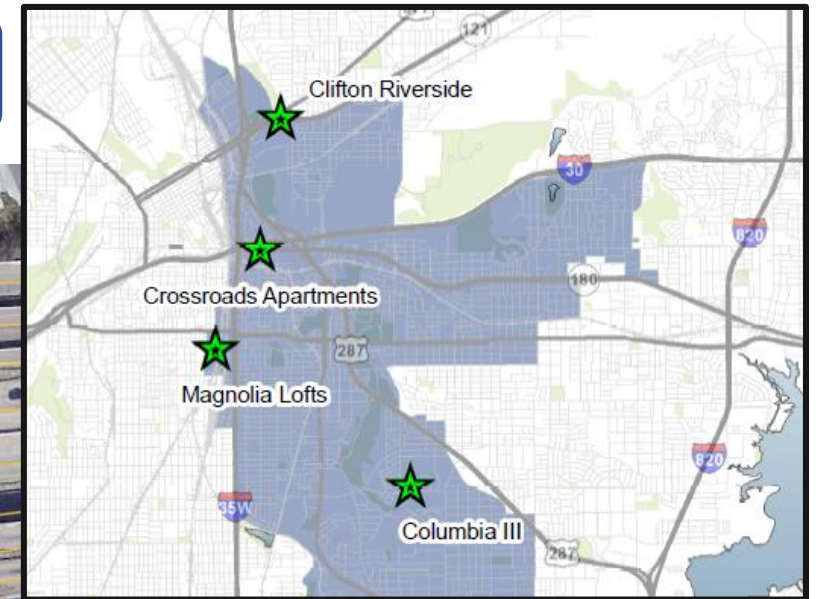
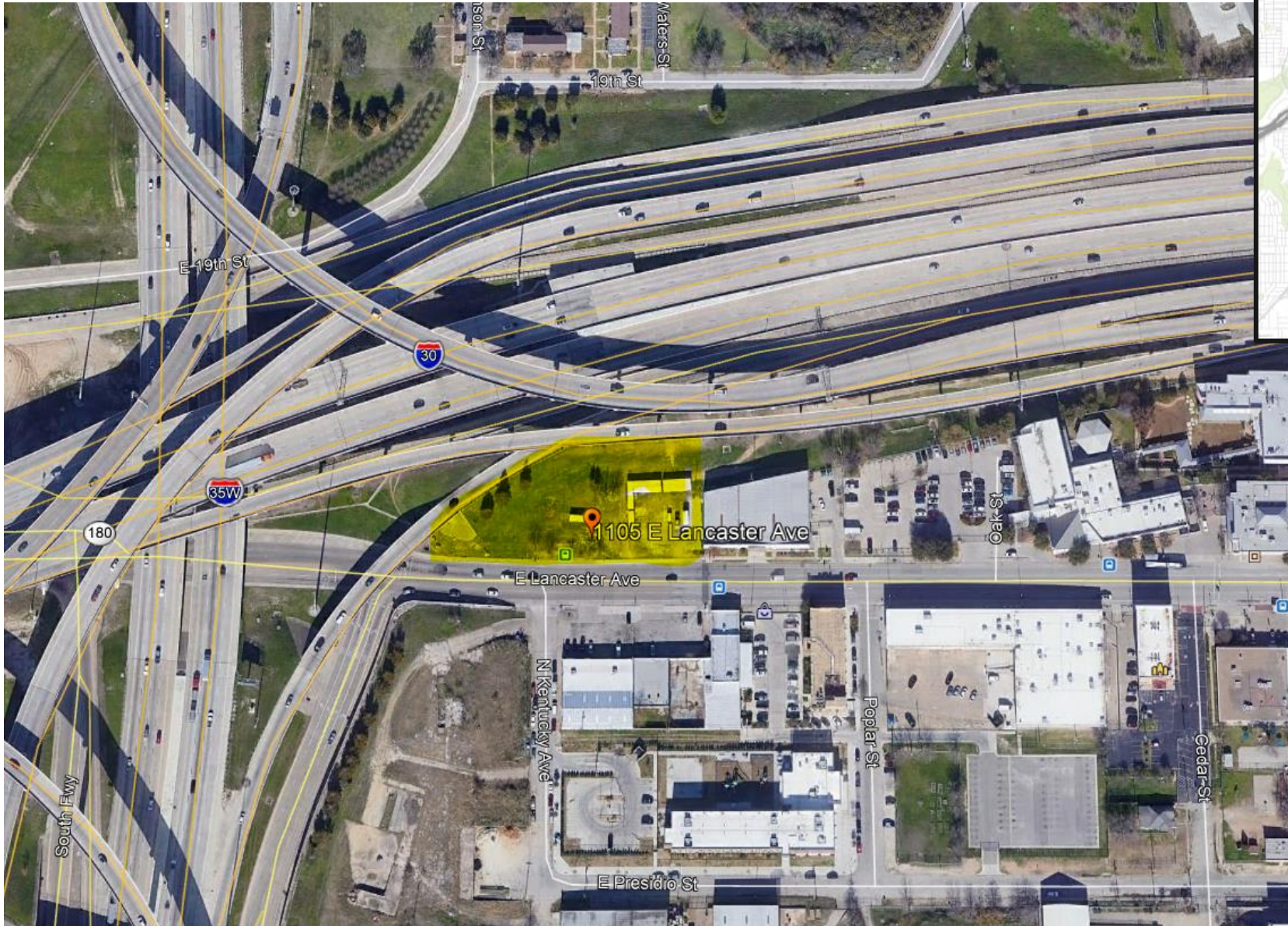
District 8 – CM Gray



Clifton Riverside

- 2406 & 2412 E. Belknap St.
- Saigebrook/O-SDA
- 87 Units - Family
- CRP: NEZ #4

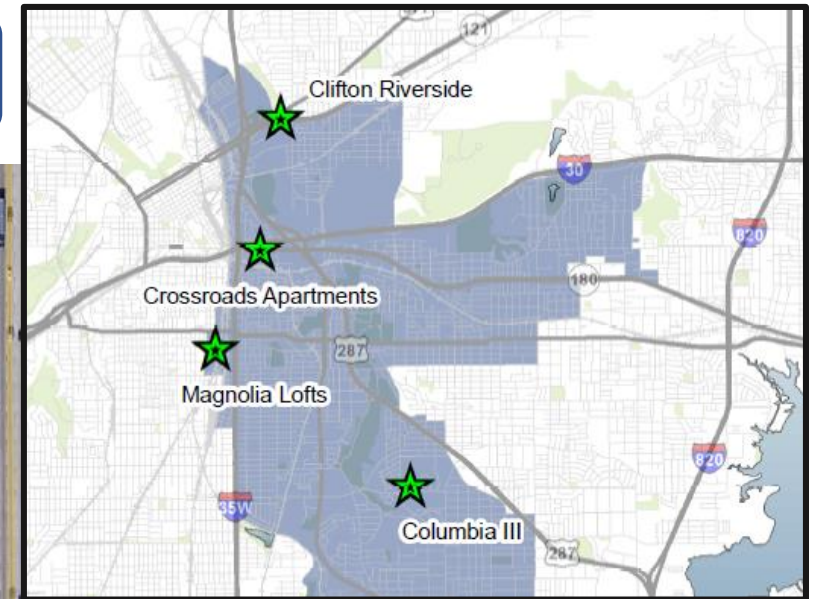
District 8 – CM Gray



Crossroads Apartments

- 1105 E. Lancaster Ave.
- Union Gospel Mission
- 68 Units – Supportive
- CRP: Urban Village – Near East Side

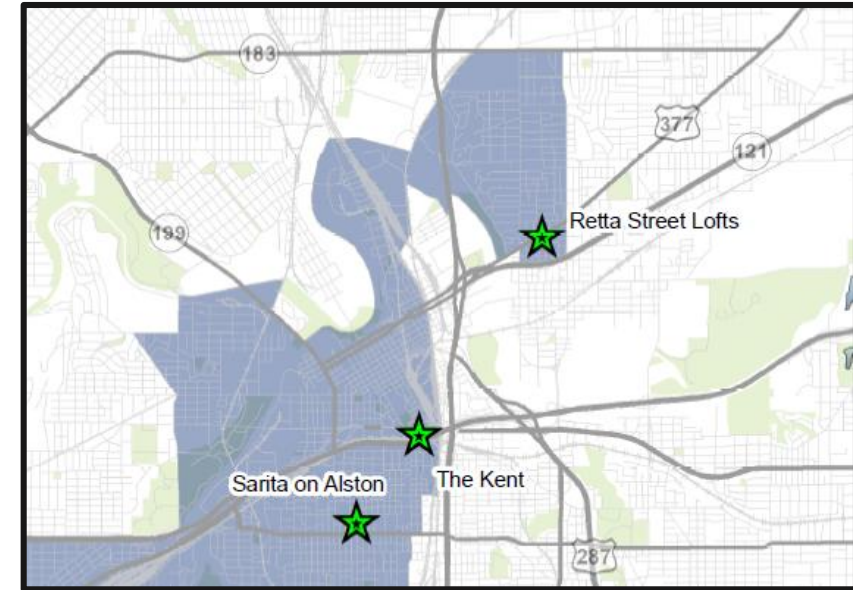
District 8 – CM Gray



Magnolia Lofts

- 300 E. Magnolia Avenue
- NRP/JPS
- 69 units – Family
- CRP: TIF 4 – Near Southside

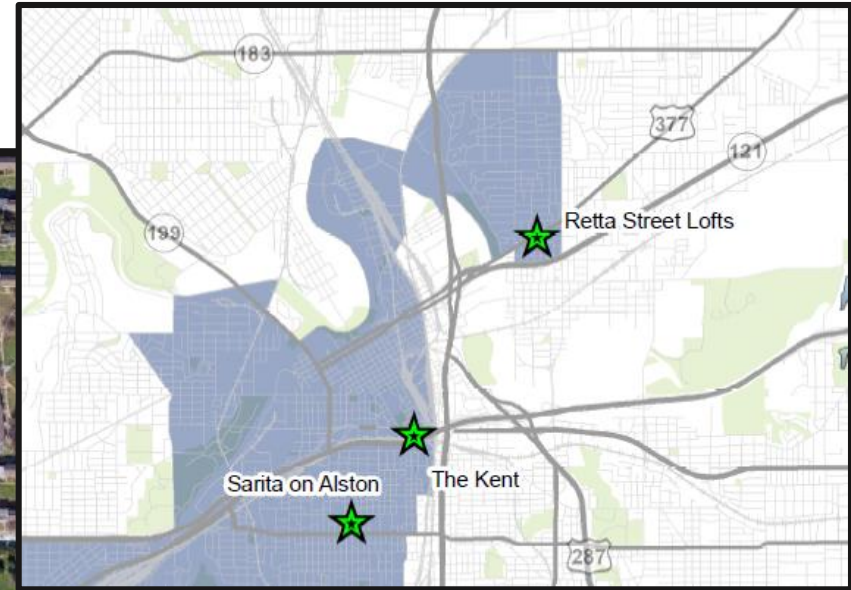
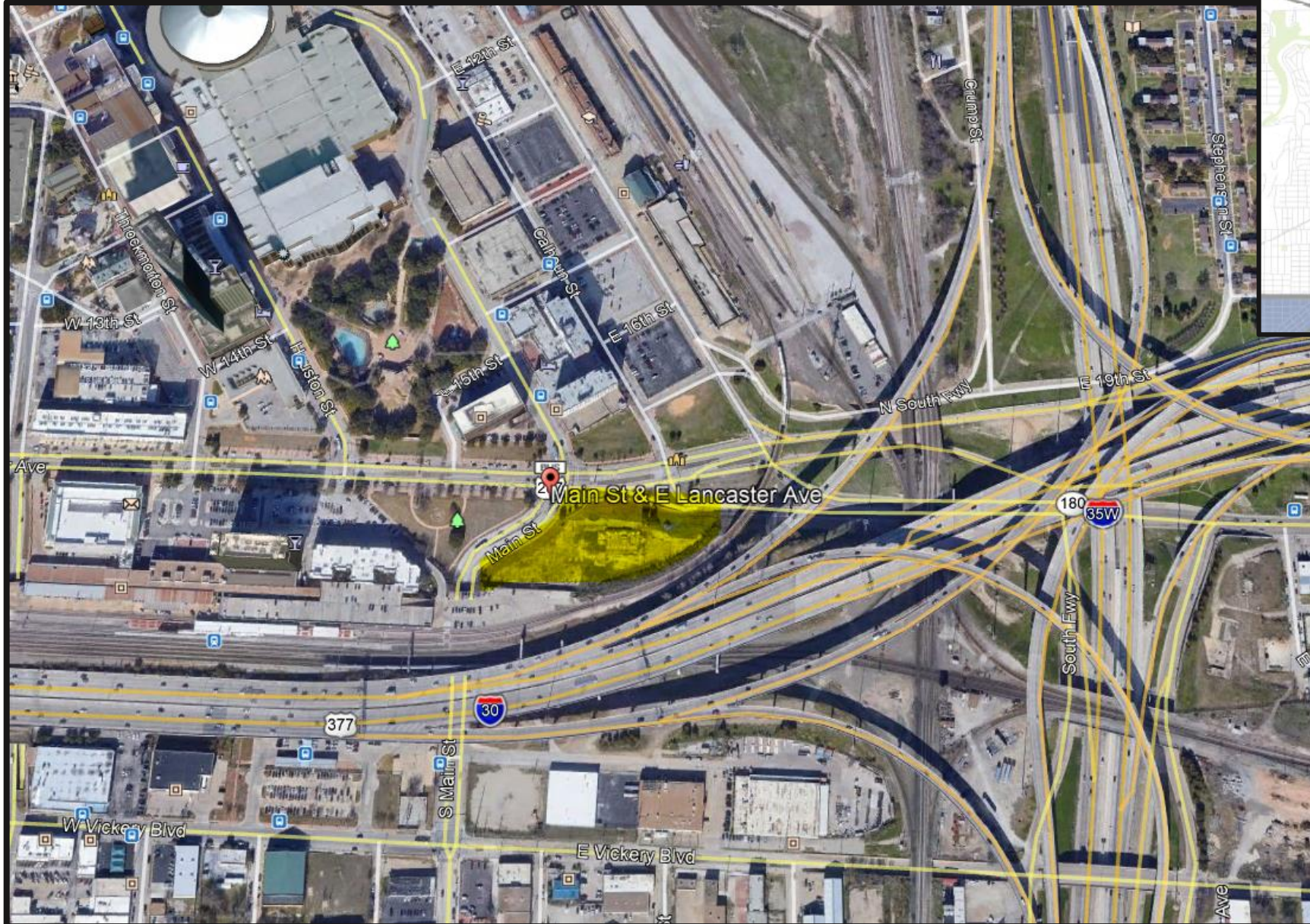
District 9 – CM Zadeh



Sarita on Alston

- 922-2018 Alston Ave.
- SGI Ventures
- 88 units – Senior
- High Opportunity Area

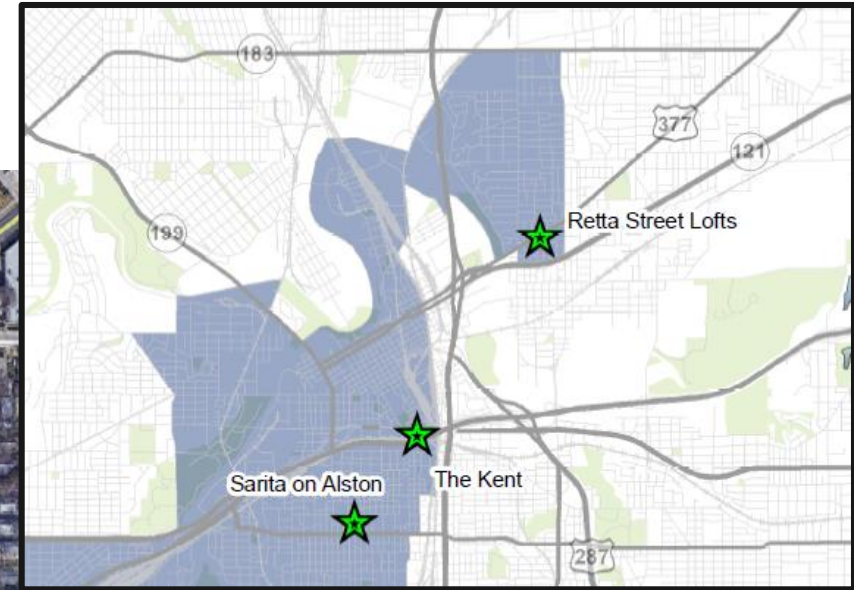
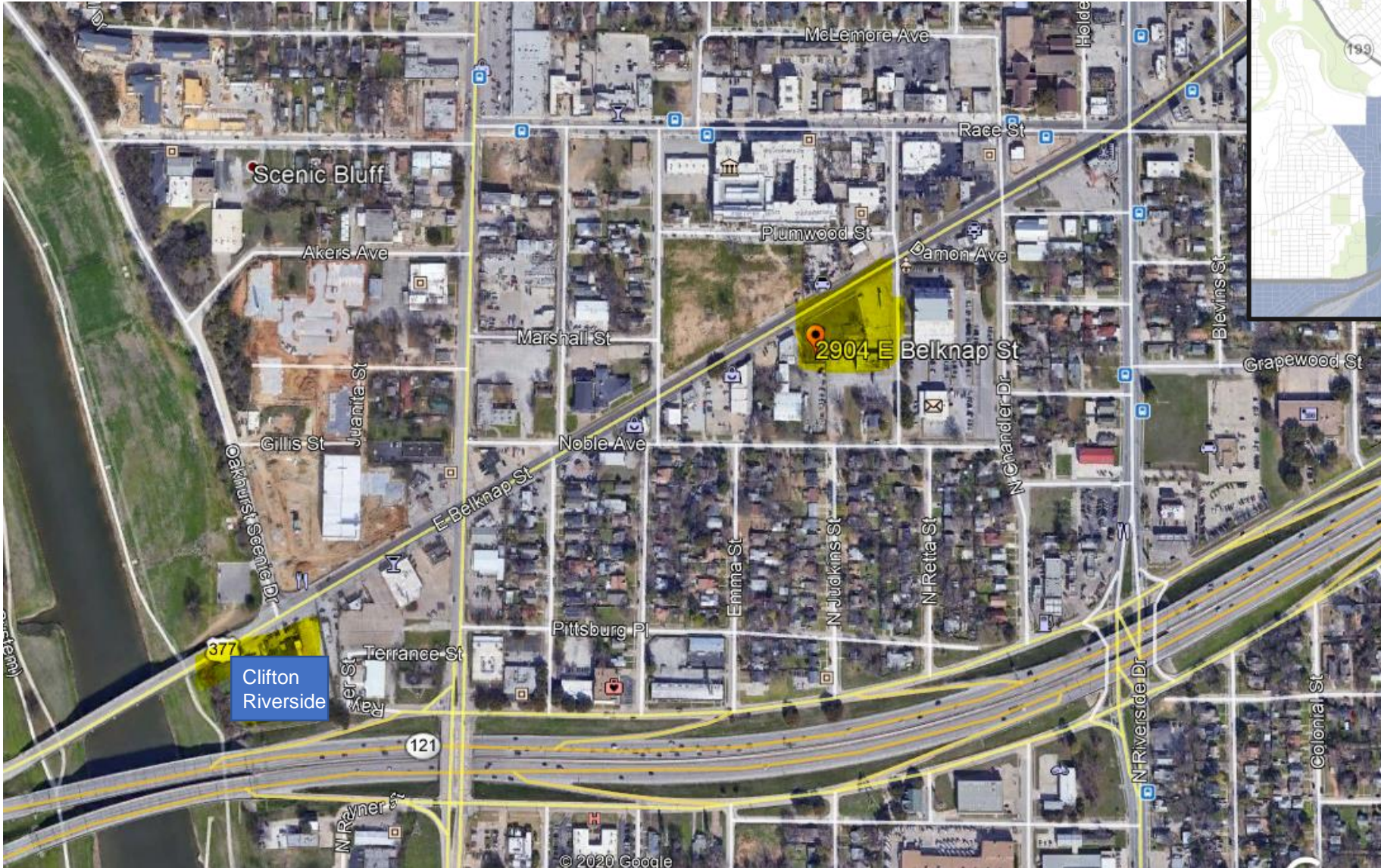
District 9 – CM Zadeh



The Kent

- SE Corner of Main St. & E. Lancaster Ave.
- Sphinx Development Corporation
- 248 Units – Family
- High Opportunity Area

District 9 – CM Zadeh



Retta Street Lofts

- 2904 E. Belknap St.
- CSH - Vault
- 80 units – Senior
- CRP: Urban Village – Six Points

Project Name	Council District	Type	Developer	Location	Tax Exempt	Total Units	Zoning Change	CRP Points?	1 mile/ 3 year rule?	>20% HTC units in tract	>40% poverty rate in tract
Peak Street Lofts	2-Flores	Senior	CSH – Vault	2510 Decatur Ave	N	80	J to UR	N	N	N	N
St. Giles (withdrawn)	2-Flores	Family	HTC	2707 Decatur Ave	N	65	K to MU-1	TIF 15 – Stockyards/ Northside	N	N	N
Parmore Plaza Parkway	3-Byrd	Senior	JPI	NE Corner - Plaza Pkwy and Lands End Blvd	N	91	N	Did Not Request	N	N	N
Hughes House	5-Bivens	Family	FWHS	4830 E. Rosedale St	Y	210	N - PUD	CNI – Stop Six	N	N	Y
Columbia III	8-Gray	Family	Columbia Renaissance	2757 Moresby St	N	120	N - PUD	TIF 12 – East Berry/Renaissance	N	Y	N
Crossroads Apartments	8-Gray	Support	Union Gospel	1105 E. Lancaster Ave	N	68	N	Urban Village – Near East Side	Yes – Vineyard on Lancaster	N	Y
Magnolia Lofts	8-Gray	Family	NRP/JPS	300 E. Magnolia Ave	Y	69	N	TIF 4 – Near Southside	N	N	N
Clifton Riverside	8-Gray	Family	Saigebrook/ O-SDA	2406 & 2412 E. Belknap St	N	87	N	NEZ #4	Yes – Cielo Place	N	N
Sarita on Alston	9-Zadeh	Senior	SGI Ventures	922-2018 Alston Ave	N	88	N	Did Not Request	Yes – Everly Plaza	N	N
The Kent	9-Zadeh	Family	Sphinx Development Corporation	SE Corner Main St/Lancaster Ave	N	248	N - PUD	N (TDHCA High Opportunity Area)	N	N	N
Retta Street Lofts	9-Zadeh	Senior	CSH-Vault	2904 E. Belknap St	N	80	N	Urban Village – Six Points	N	N	N



Recommendations

Resolution of Support + Concerted Revitalization Plan + Commitment of Development Funding
Clifton Riverside
Renaissance Square III
Crossroads Apartments
Magnolia Lofts
Hughes House
Retta Street Lofts

Resolution of Support + Commitment of Development Funding
Parmore Plaza Parkway
Peak Street Lofts
Sarita on Alston
Impacted by 3 Year/1 Mile Rule
Crossroads Apartments
Clifton Riverside
Sarita on Alston

No Resolution & No Commitment of Funding
The Kent
The St. Giles (withdrawn)
Resolution of No Objection
None

Rationale for Recommendations

The Kent

- Staff recommends providing no resolution of support and no resolution of no objection because application does not meet the 10% - 0-30% AMI unit requirement by City policy
- 2% of total units (5 units) out of 248 units would be offered to residents in 0-30% AMI category
- Developer has chosen a TDHCA program that does not meet the City's requirement to provide extremely low income units (*which is our significant housing gap*).
- Application does meet market rate requirements = 80% of units are market rate

Peak Street Lofts

- Site is only partially (less than 1/3) in the Northside-Stockyards TIF; recommend no CRP points

Sarita on Alston & Parmore on Parkway

- Both did not request CRP points in their application; choosing High Opportunity Area points instead

Sarita on Alston, Clifton Riverside, and Crossroads

- Requested waiving the 3 year/1 mile rule, which we recommend because CFW is an urban, fast-growing community with substantial need for affordable housing

Timeline

February 2, 2021 – Work Session Briefing

February 16, 2021 – City Council consideration & approval of resolutions

March 1, 2021 – TDHCA deadline for applications

June 2021 – TDHCA releases list of projects eligible for tax credit award

July 2021 – TDHCA makes final award decisions

Projects awarded credits likely to start mid to late 2022 - pending closing of permanent financing and tax credits



QUESTIONS?

