

2020 Proposed Affordable Housing Tax Credit Policy

Presented to the Council Worksession
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Policy Requirements for Tax Credit Applications



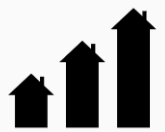
Permanent Supportive Housing (PSH)

- Designed to help end chronic homelessness; housing residents on the CoC list



0-30% Units

- Units set aside for household earning at or below 30% Area Median Income
- 1 person 30% AMI is \$16,000 annual household income
- 4 person 30% AMI is \$22,800 annual household income



Mix of affordable and market rate units

- Create mixed income communities for better quality of life



Last Year's Effort

| Resolutions of Support, Local Development Funding, Concerted Revitalization Plan | Resolution of Support & Local Development Funding | Resolution of No Objection |
|--|--|---------------------------------|
| Palladium Fain Street | Churchill at Golden Triangle Community | Residences at Fairmount |
| Cielo Place | Everly Place | Columbia Renaissance Square III |
| Sunset at Fash Place | Reserve at Risinger | Southside at Broadway |
| Avenue at Sycamore Park | | |



Project awarded tax credits through TDHCA



Proposed 2020 9% and 4% Tax Credit Policy

The development may be given a **Resolution of Support/No Objection** if a minimum of **10%** of the total units are dedicated as market rate units and it has **one** of the following:

- (a) **5%** of the total units dedicated for Permanent Supportive Housing units; or
- (b) **10%** of the total units dedicated for households earning at or below 30% Area Median Income (AMI)



Compare Proposed 2020 Policy to 2019 Policy

2020 – Letters of Support/No Objection 9%

10% Market Rate Required

AND

5% PSH*

OR

10% 0-30% Area Median Income (AMI)

2019 – Letter of Support/No Objection 9%

10% Market Rate Required

AND

5% PSH

2020 – Letters of No Objection 4%

10% Market Rate Required

AND

5% PSH*

OR

10% 0-30% Area Median Income (AMI)

2019 – Letter of No Objection 4%

10% Market Rate required

AND

5% PSH

**PSH units unlikely in 2020 due to unavailability of Project Based Vouchers*

Additional Considerations (9% Only)



Commitment of Development Funding (1 point @ TDHCA)

City Council, at its discretion, may also choose to offer developments that qualify for a Resolution of Support a commitment of development funding in the form of a tax abatement and/or a partial or full waiver of development fees



Resolutions of No Objection

If a Resolution of Support is not granted, City Council may consider granting a Resolution of No Objection for the development

Proposed Changes for “Additional Requirements”



Preference shall be given to developments that were not previously recommended for an award due to TDHCA’s Two-Mile Same-Year Rule (e.g., Palladium at Fain Street)



Service/Target Population may also be considered (Family, Homeless, etc.)



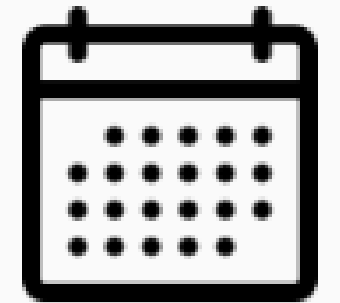
Council Member, City Staff, School, and Neighborhood Notification - only acceptable proof of written notification will be one of the following: Return receipt from certified mail, Written response from recipient, Electronic delivery receipt



Conduct at least **two (2)** information sessions at least **30** days prior to final City Council action

- Information sessions do not have to be held at a scheduled Neighborhood/Homeowner Association Meeting
- Applicable Associations can be combined into **1** information session
- Additional information sessions may be required if staff deems necessary

| DATE | ACTIVITY |
|-------------------|--|
| November 19 | Council consideration & approval of Proposed 2020 Policy |
| January 22, 2020 | Deadline for developers to submit application to Neighborhood Services |
| February 4, 2020 | Staff reports and recommendations for developments to City Council Worksession |
| February 18, 2020 | City Council consideration & approval of resolutions |
| February 28, 2020 | TDHCA deadline for developer applications |
| June, 2020 | TDHCA releases list of projects eligible for tax credit award |
| Late July, 2020 | TDHCA makes final award decisions |





Thank You!



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