



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Community Services

CM/ DCM/ ACM: Christine Taylor

DATE: October 14, 2025

SUBJECT

Consider adoption of an ordinance of the City of Denton reducing roadway impact fees in an amount not to exceed \$140,600.00 for the McAdams Haven apartments to be located at approximately 900, 914, and 920 Lindsey St and 1518 Bernard St, Denton, Texas 76201; and providing an effective date.

BACKGROUND

On February 18, 2025 ([ID 25-107](#)), City Council approved a Resolution of Support for the Denton Affordable Housing Corporation's (DAHC) application for a 9% Housing Tax Credit (HTC) to the Texas Department of Housing and Community Affairs (TDHCA). The project was awarded the HTC by TDHCA and is progressing through the development process. DAHC is working to demonstrate to TDHCA sufficient capital needed to secure their HTC by Nov. 1, 2025, or to receive an extension. DAHC has requested a reduction to their Roadway Impact Fee (RIF) as permitted by Texas Local Government Code Section 395.016(g) to include in their capital commitment.

DISCUSSION

Texas Local Government Code Section 395 allows a municipality to collect RIFs to increase roadway capacity in the service area of a development, and that it may reduce or waive RIFs for any service unit that qualifies as affordable housing under 42 U.S.C. § 12745 (HOME Act). The City collects an average of about \$5 million in annual RIF revenue. McAdams Haven would be in Service Area E, which currently has a balance of \$2.8 million, with \$2.2 million encumbered for capacity improvements to Mayhill Rd.

The HOME Act considers a dwelling unit affordable if the rent does not exceed 30% of the income for a household whose income equals 65% of the Area Median Income, adjusted for household size. DAHC has committed that all 84 of McAdams Haven's units will meet this requirement. The amount to be waived is estimated at \$127,764.00 and shall be no greater than \$140,600.00. A reduction of \$140 thousand in RIF revenue to Service Area E is not expected to impact any currently planned projects.

In DAHC's last update to staff, the project had a remaining gap of about \$4.8 million to demonstrate to TDHCA that the project is eligible to claim its HTC. An ordinance of the City of Denton to reduce the development's RIF may be included in their demonstrated capital to TDHCA to help secure their HTC. If Council decides to grant the RIF reduction, DAHC will be able to count \$140 thousand towards their funding capital as they seek to claim their HTC and strengthen any extension request they may make to TDHCA. If Council decides not to grant the RIF reduction, the project will have the opportunity to continue with its other funding sources.

EXHIBITS

1. Agenda Information Sheet
2. Ordinance
3. Ordinance 24-1125 (Roadway Impact Fees)

Respectfully submitted:
Jesse Kent
Director of Community Services

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