



City of Denton

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

AGENDA INFORMATION SHEET

DEPARTMENT: Community Services

CM/ DCM/ ACM: Chirstine Taylor

DATE: February 3, 2026

SUBJECT

Hold a Public Hearing and consider approval of a resolution of the City of Denton supporting Palladium Fallmeadow Denton, Ltd.'s 9% housing tax credit application to the Texas Department of Housing and Community Affairs for the proposed new construction of Palladium Denton West Living to provide affordable rental housing; committing to provide fee reductions in an amount of \$500.00; and providing an effective date.

STRATEGIC ALIGNMENT

This action supports Key Focus Area: Foster Economic Opportunity and Affordability.

BACKGROUND

The Housing Tax Credit (HTC) program is one of the biggest funders of affordable rental homes. Housing Tax Credits are funded federally and administered by states. In Texas, the program is administered by the Texas Department of Housing and Community Affairs (TDHCA).

HTC applicants must request a resolution of support or no objection from the local municipality as part of the application process. The City of Denton approved a policy for considering these requests December 2, 2025 ([ID 25-2169](#)).

DISCUSSION

The City has received an application seeking a Resolution of Support (ROS) for a 9% Housing Tax Credit application to TDHCA for new construction (Exhibit 5). Staff has evaluated this request, finds it aligned with the HTC Policy, and is therefore presenting the application to City Council.

Previous Consideration

On February 18, 2025, following a public hearing, this development was provided a Resolution of Support from City Council for the 2025 9% HTC application cycle (Exhibit 7). The application scored highly with TDHCA but ultimately was not awarded in the competitive cycle. The development team is re-applying for the 2026 9% HTC application cycle.

Development Information

- **Development Name:** Palladium Denton West Living
- **Applicant:** Palladium USA International, Inc.
- **Location:** NEQ of Gardenview Circle and Fallmeadow Street
- **Property Type:** New Construction
- **City Council District:** 2

- **Total Units:** 120 units
- **Taxable Status of the Development:** Development will pay full property tax.
- **Proposed Tenant Population:** Proposed housing will provide affordable housing to individuals and families.

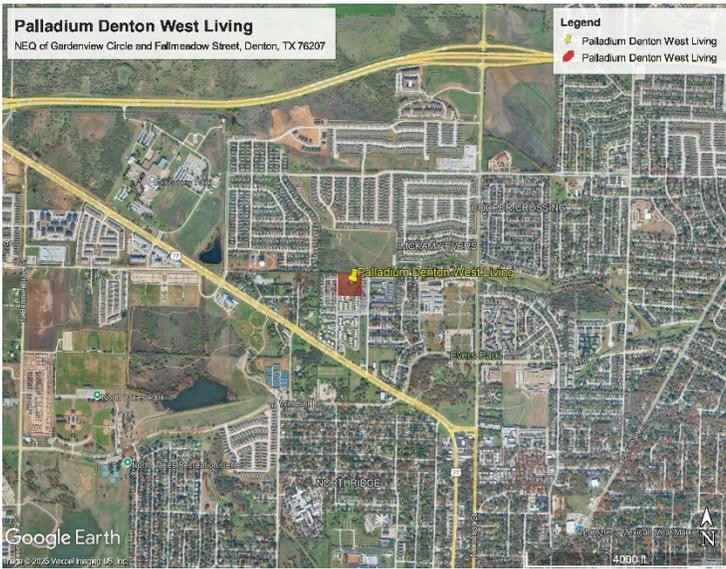


Figure 1 – Location map

	# of Total Units	# of Units							SF Range of Units	Rent Range of Units
		30%	40%	50%	60%	70%	80%	MR		
0 (Efficiency)	0									
1 BR	36	5		19	4	1		7	680	\$599-\$1,499
2 BR	60	2		12	26	1		19	945	\$715-\$1,954
3 BR	24	1		1	3	3		16	1,145	\$816-\$2,295
4 BR	0									
Total Units	120	8	0	32	33	5	0	42		
% of Total		7%	0%	27%	28%	4%	0%	35%		

Figure 2– Unit Mix

Housing Tax Credit Application Analysis										
Rent Savings			Total Units			Scoring Matrix				
Bedrooms	Total Monthly	Total Annual	30%	40%	50%	60%	70%	80%	Market	
0	\$0	\$0	8	0	32	33	5	0	42	
1	\$1,937	\$23,243								
2	\$2,035	\$24,420								
3	\$1,081	\$12,977								
4	\$0	\$0								
Total/Average	\$5,053	\$60,639	120	100%	100%	100%	100%	100%	100%	
Annual Rent Savings	\$60,639		Affordability Score			20			Total Score	35
Annual Exempt Prop. Tax*	\$0		Total Score Threshold			10			Threshold Score	10
Benefit	\$60,639									

* Estimate based on current tax rate and pro forma's estimate of net operating income in the 5th year of operation after full lease up

Figure 3 – Scoring Matrix

Neighborhood Engagement

The development team hosted a neighborhood meeting January 28, at 6 pm virtually due to inclement weather. Additionally, during the 2025 application cycle, they hosted neighborhood meetings January 15, 2025 and February 24, 2025, and secured letters of support from United Way of Denton County, Denton County MHMR, National Shared Housing Resource Center, and North Texas Fair Housing Center (Exhibit 3). Additionally, the project was approved for a Specific Use Permit July 15, 2025.

Analysis

This development is:

- Committing 33% of its units as affordable for Denton, meaning they are affordable for households at or below 50% of the Area Median Income.
- Scoring opportunity index points with TDHCA, because the development site is within a census tract that has a poverty rate less than 20% and has a median income in the third highest quartile for the region, and the site is within a mile of a census tract with a median income in the first or second highest quartile for the region.
- Committed to reducing income requirements for households utilizing a Housing Choice Voucher to no higher than a monthly household income equal to 250 percent of the individual's or family's share of the total monthly rent payable for a unit.

The development will pay all applicable property taxes. The development would provide an estimated \$60,639 in annual rent reduction to residents.

Based on City Council's Request for Support Policy, the development scores 35 points on the established scoring matrix, exceeding the relevant threshold score of 10.

OPTIONS

1. Approve a Resolution of No Objection as presented
2. Do Not Approve the Resolution of No Objection
3. Postpone to a date certain to allow for further deliberation

EXHIBITS

1. Agenda Information Sheet
2. Presentation
3. Application for a Resolution of Support
4. Staff Analysis
5. Draft Resolution of Support
6. Draft Fee Reduction Letter
7. Previous Resolution of Support

Respectfully submitted:
Jesse Kent
Director of Community Services

Prepared By:
Leia Atkinson
Housing Programs Coordinator