



Palladium Denton West Living

ID 25-2371

Presenter: Jesse Kent

Director of Community Services

February 3, 2026

A vibrant mural on a wall depicting a blue parrot with its wings spread, perched on a branch. The parrot is surrounded by large, colorful flowers, including yellow and pink ones. The mural is set against a dark background, possibly a wall or a large piece of fabric. The scene is framed by a diagonal border of blue, white, and red stripes.

COMMUNITY SERVICES

Housing Tax Credits

The Housing Tax Credit 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).

Housing Tax Credits (HTC) and Property Tax Exemptions are two distinct things:

HTC	<ul style="list-style-type: none">• Applied for by a developer with municipality support and issued by TDHCA• Funded by the federal government; not supported by local taxes• One-time funding disbursed over time for multifamily housing with rent restrictions for a set affordability period
Property Tax Exemption	<ul style="list-style-type: none">• Achieved through partnership with specific 501(c)(3)'s such as Housing Authorities, Public Facility Corporations (PFC's), Housing Finance Corporations (HFC's), or Community Housing Development Organizations (CHDO's)• Is an ongoing exemption from local property taxes to county, municipality, and school district

Competitive Application Cycle Timeline

- **December 2, 2025** TDHCA releases the Qualified Allocation Plan, which is the annual policies and scoring for the competition
- **January 6, 2026** The application to receive a resolution of support from the City of Denton closes
- **February 27, 2026** The full application, including the resolution of support, is due to TDHCA
- **July 2026** Awards will be announced by TDHCA
- **December 2028** Deadline to Place in Service (Lease up)

Map

NEQ of Fallmeadow Street and Gardenview Street, Denton, TX 76207

- **±4.1 ACRES**
- **CURRENT ZONING: R7**
- **TAX STATUS:**
 - The development will be subject to full property taxes.



Projected Rents

- **INCOME RESTRICTIONS:** Individuals and Families/Seniors earning between 30% and 70% AMI.
- **PROJECTED UNITS/RENTS:**

	# 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%		

Scoring Matrix

Housing Tax Credit Application Analysis

		Rent Savings		Total Units	% of Units	Scoring Matrix		
Bedrooms	Total Monthly	Total Annual		30%	8	7%	Affordability - 50% AMI Units (1/2 pt for 1% of Dev.)	13
0	\$0	\$0		40%	0	0%	Affordability - 30% AMI Units (1 pt for 1% of Dev.)	7
1	\$1,937	\$23,243		50%	32	27%	Opportunity - Scoring Opportunity Index Points w/ THDCA based on Location	10
2	\$2,035	\$24,420		60%	33	28%	Supportive or Senior Housing	0
3	\$1,081	\$12,977		70%	5	4%	Rehabilitation	0
4	\$0	\$0		80%	0	0%	Program Participation - Reducing Income Requirements for HCV HHs	5
Total/Average		\$5,053	\$60,639	Market	42	35%	Program Participation – Prioritizes 10% Units for Persons Exiting Homelessness	0
				Total	120	100%	<i>Property Tax Exemption</i>	0%
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

OPTIONS

- Approve a Resolution of Support as presented
- Do Not Approve the Resolution of Support
- Postpone to a date certain to allow for further deliberation