

Public Facility Corporation Policies & Procedures Manual

DCPFC 25-005

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DCPFC policies & procedures

A Policies and Procedures manual offers a PFC standard policies and procedures regarding how it accepts applications and makes decisions regarding potential partnerships. It also offers direction to the General Manager on the board's priorities for the PFC and how the board would like the PFC to operate.

Provided today is a draft DCPFC Policy & Procedures Manual for the board to consider and provide direction on. The Manual includes the following:

- Application Process
- Application Scoring Matrix
- Standards for Decision Making
- Reporting and Monitoring Requirements for Partners

Priorities

- **Affordability:** Prioritize developments providing homes for Very Low-Income and Extremely Low-Income Households.
- **Areas of Opportunity:** Prioritize developments located in High Opportunity Areas as determined annually by the Texas Department of Housing and Community Affairs.
- **Supportive and Senior Housing:** Prioritize developments providing housing for seniors or supportive housing for people with disabilities, fleeing domestic violence, or exiting homelessness.
- **Rehabilitation:** Prioritize developments renovating existing structures.
- **Program Participation:** Prioritize developments that dedicate units for households exiting homelessness in Denton by partnering with the Local Homeless Coalition.

Requirements

All developments must meet the following requirements:

- Within City of Denton Limits
- Shall not discriminate on any basis protected by the Fair Housing Act or the Non-Discrimination Ordinance
- Shall not discriminate based on source of income, such as assistance programs like Housing Choice Vouchers
- Shall advertise its affordability commitments on its website along with an explanation of qualifications for its affordable homes.
- Scores a minimum of 40 on the Scoring Matrix*
- Has Completed a Pre-Application Conference with Development Services*

** Suggested DCPFC-Specific Requirements*

Application

The screenshot shows the 'Affordability Incentive Application' form for the City of Denton. At the top is the Denton logo. Below it, the title 'Affordability Incentive Application' is followed by a paragraph explaining the application's purpose and a link to the 'Community Development Website'. A 'Note' section lists three prerequisites: a scheduled neighborhood meeting, completion of a pre-application meeting with community services, and submission of a request for a development conference. Below this is a link to the complete Housing Tax Credit Request for Support Policy and contact information for Laia Atkinson. The form is divided into two main sections: 'General Information' and 'Development Specifics'. The 'General Information' section includes fields for Development Name, Developer (with a note to provide the legal name of partnership entities), Incentives (with a plus icon), Authorized Officer (with a note to provide the best contact), Authorized Officer Title, Email of Authorized Officer, Secondary Officer (with a note to provide a back-up contact), and Email of Secondary Officer. The 'Development Specifics' section includes fields for Development Address (with a note to provide the first line and an example), Zip, Occupancy Type, Building Type, Construction Type, Target Population, Council District (with a note to provide a map of city council districts and a link), Approximate Site Acreage, Is your property currently platted?, and Current Zoning of Property.

- All applicants will apply through the comprehensive Request for Affordability Incentives application form.
- Within five business days, the Assistant Secretary will reach out to the email of the Authorized Officer listed on the application to outline next steps.
- Assistant Secretary will review applications for completeness and alignment with DCPFC goals
 - Including review of threshold scoring matrix
- If the project passes threshold score, Assistant Secretary will schedule a meeting of the DCPFC in response, scheduled the morning prior to the earliest available City Council meeting.

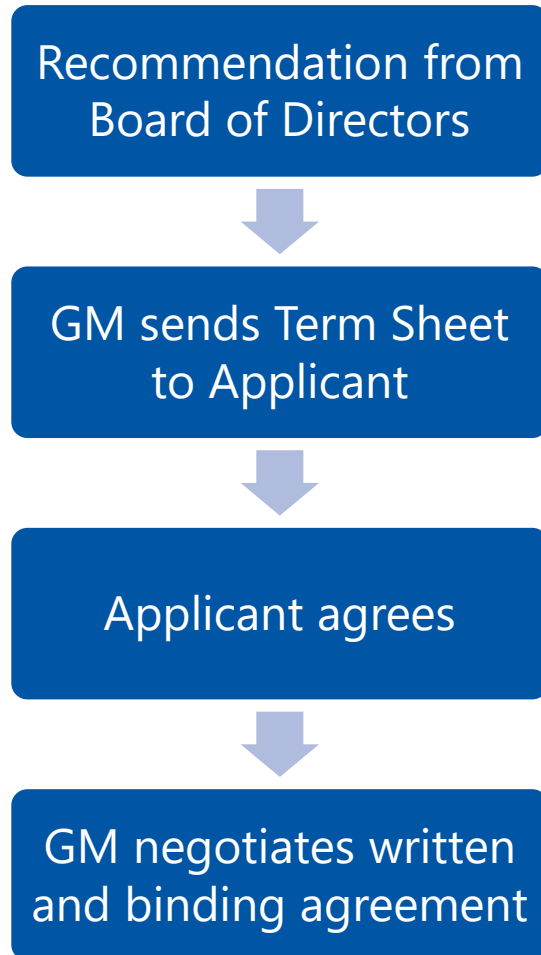
Board review

Scoring Matrix for DCPFC Partnerships

Priorities	Maximum Points
Affordability .5 point for each percent of the overall development dedicated to households 31-50% AMI. 1 point for each percent of the overall development dedicated to households 30% AMI or below.	60
Opportunity The applicant demonstrates that the development is eligible for opportunity index points by virtue of being located entirely within a high opportunity area as defined under TDHCA criteria in the 2025 QAP Section 11.9(c)(5)(A); or an equivalent section in a subsequent year's QAP.	10
Supportive or Senior Housing The entire development is dedicated to Seniors (as defined by TDHCA) or Supportive Housing for people experiencing homelessness, people with mental illness, chronic health conditions, the disabled, and/or survivors of domestic violence.	10
Rehabilitation <ul style="list-style-type: none"> 10 Points: Development is renovating an existing non-residential structure into housing; OR is renovating <u>an existing</u> LIHTC development and extending its affordability commitments. 5 Points: Development is acquiring/renovating existing housing. 	10
Program Participation <ul style="list-style-type: none"> 10 Points: The development enters a Memorandum of Understanding with Denton County's Local Homeless Coalition by which the project will prioritize at least 20% of units for households referred from the local Housing Priority List. 5 Points: The development enters a Memorandum of Understanding with Denton County's Local Homeless Coalition by which the project will prioritize at least 10% of units for households referred from the local Housing Priority List. 	10
TOTAL MAXIMUM POINTS	100
THRESHOLD FOR CONSIDERATION	40

- Assistant Secretary will provide any necessary analysis, information, or other support to aid the Board in their evaluation.
- Part of this analysis will include a scoring matrix, used to quantitatively evaluate a proposal. However, the scoring matrix is only one part of the evaluation process and a high score is not a guarantee of funding.
- The board will have the discretion of inviting applicants for additional oral presentations.
- If the board is interested in proceeding, the General Manager will then procure underwriting and legal services, charged to the applicant.

Term sheet and agreement



- Based on the ultimate recommendation of the Board of Directors, the General Manager will send a term sheet to the recommended applicant with the offer any partnership deal.
- The recommended applicant will be able to accept or reject for the term sheet.
- If the term sheet is accepted, the General Manager & legal counsel will negotiate a written agreement with the chosen developer or agency.

Monitoring

Awardees will be required to complete:

- **Land Use Restriction Agreement:** At time of written agreement or land acquisition,
- **Construction Status Reports:** Quarterly throughout development process,
- **Inspections:** At time of project completion,
- **Rent Approval Sheets:** Quarterly throughout affordability period,
- **Financial Reporting:** Throughout the affordability period,
- All reporting required by Texas Local Government Code [Chapter 9.C.303.](#),
- Other items as recommended by contracted counsel.

Reporting

The Community Services department will collect program-level data regarding the success of the program. This data will be publicly available on the City's website, and formally reported on an annual basis. Metrics reported will be as follows:

- Number of Affordable Housing units constructed
- Number of bedrooms included in units
- Number of Extremely Low-Income (ELIH) and Very Low-Income (VLIH) households served
- Private funding leveraged