

# **Housing Tax Credit (HTC) Application and Policy**

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# Background

- ▶ Cities can approve a resolution of support, no objection, or opposition for HTC projects
- ▶ June 27, 2017 Work Session
- ▶ What was presented
  - ▶ Summary of research from other cities
  - ▶ Range of methods
    - ▶ No Evaluation Criteria
    - ▶ General Criteria/Factors
    - ▶ Priority Considerations or Preferences
    - ▶ Minimum Policy Thresholds
  - ▶ Draft Application and Policy



# Background

- ▶ What we heard:
  - ▶ Support for an application and process to establish expectations, increase transparency, and streamline review process
  - ▶ Request for additional information on application
    - ▶ Description of neighborhood contact and involvement
    - ▶ Percentage of affordable and market rate units
    - ▶ Access to transportation/mobility options
  - ▶ Develop a point system to evaluate applications and provide clarity to the applicant
  - ▶ Potential for priority considerations
    - ▶ Property tax vs tax exempt
    - ▶ Housing support or units for homeless



## What has been done since

- ▶ Met with Denton Housing Authority
- ▶ Received feedback from potential developers
- ▶ Researched point/ranking system to evaluate applications
- ▶ Revised draft application and policy
  - ▶ Condensed and streamlined the checklist and submittals
  - ▶ Eliminated some duplicate questions that would be addressed through planning and zoning review
  - ▶ Recommend revising the submittal schedule:
    - 9% - establish deadline (~March, based upon TDHCA annual schedule)
    - 4% - accept year-round



# Evaluation

- ▶ Point/ranking system
  - ▶ Difficulties and challenges
    - ▶ Potential subjectivity
    - ▶ Absence of a policy document to base scoring categories
    - ▶ Minimal volume of applications and lack of experience with an application process
- ▶ Other municipalities researched
  - ▶ El Paso has a point system method; however, linked to City's value statements and affordable housing policies
  - ▶ Some municipalities utilize other methods, such as stating policy preferences to help determine support for applications



# Options

- ▶ Option #1: Application and Policy with general criteria/factors for consideration
  - ▶ Staff can provide an analysis based upon the general 4 criteria listed and the checklist
  - ▶ Revisit the application and policy annually after having some experience
  
- ▶ Option #2: Application and Policy with City Council Policy Preferences
  - ▶ Property Tax vs Tax Exempt
  - ▶ Percentages of Affordable Housing vs Market Rate units
  - ▶ Homeless and Transitional Housing requirements
  - ▶ Types of Development (e.g. Senior Housing, Redevelopment, etc.)



# Questions

