

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF DENTON ADOPTING A HOUSING TAX CREDIT REQUEST FOR SUPPORT POLICY AND HOUSING TAX CREDIT APPLICATION REQUEST FORM; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, The Texas Department of Housing and Community Development (“TDHCA”) offers application points to housing developers applying for Federal Housing Tax Credit as defined by the TDHCA Qualified Action Plan (“QAP”) required by Tex. Gov't Code §2306.67022.; and

WHEREAS, housing developers can receive points for applications that include resolutions of support or no objection from the city wherein the project is proposed; and

WHEREAS, it is deemed necessary to provide a policy and application process for the City of Denton (“City”) to respond to housing developers requests for support and determine when resolutions of support or no objection should be provided; and

WHEREAS, Council requested a process be put in place that would streamline the review of applications, support the establishment of specific applicant expectations, and increase transparency; and

WHEREAS, staff performed research, drafted a policy and application, and reviewed policy and procedure options with Council during work sessions on June, 27, 2017, October 10, 2017, and April 24, 2018; NOW, THEREFORE,

THE COUNCIL OF THE CITY OF DENTON HEREBY RESOLVES:

SECTION 1. The City council hereby adopts a Housing Tax Credit (“HTC”) Request for Support Policy and HTC Request for Support Application, copies of which are attached as Exhibits “A” and “B,” respectively.

SECTION 2. This Resolution shall become effective immediately upon its passage and approval.

The motion to approve this resolution was made by _____ and seconded by _____, the resolution was passed and approved by the following vote [____ - ____]:

Mayor Chris Watts: _____

Gerard Hudspeth, District 1: _____

Keely G. Briggs, District 2: _____

Don Duff, District 3: _____

John Ryan, District 4: _____

Dalton Gregory, At Large Place 5: _____

Sara Bagheri, At Large Place 6: _____

PASSED AND APPROVED this the _____ day of _____, 2018.

CHRIS WATTS, MAYOR


ATTEST:

JENNIFER WALTERS, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:

AARON LEAL, CITY ATTORNEY

BY:  _____



**CITY OF DENTON
HOUSING TAX CREDIT (HTC)
REQUEST FOR SUPPORT POLICY**

Policy Statement: To meet the housing and development objectives of the City of Denton, it shall be the City's policy to analyze projects requesting support for proposed Housing Tax Credits (HTC). Such analysis is to determine if the projects comply with certain principles and policies in the City's [Denton 2030 Plan](#) and the [5-Year Consolidated Plan for Housing and Community Development](#) as well as various other master, strategic, and redevelopment or neighborhood plans adopted by the City of Denton. The goal of this analysis is to (a) establish if HTC projects merit local support, and (b) prioritize HTC submissions if more than a single proposal is received during an evaluation period. The Community Development Division serves as the City's primary staff and point of contact for all HTC programs.

Evaluation Criteria: The City of Denton is committed to the goal of improving the quality of life in the City, its neighborhoods and for its residents. As part of this commitment to a comprehensive community development and improvement program, the City supports the development of decent, safe, sanitary, and affordable housing options that provides full and equal access to all persons.

Preferences in evaluation of projects for consideration of City support are listed below:

- ☐ Acquisition, rehabilitation or renovation of existing affordable housing
- ☐ Senior Housing developments
- ☐ Mix of Affordable and Market Rate
- ☐ Distance between other HTC projects
- ☐ Whether the proposed development will be subject to property tax or demonstrates significant investment into the community
- ☐ Designating set-aside units for supportive housing programs to house vulnerable populations including people experiencing homelessness, people with mental illness, chronic health conditions, the disabled, seniors, and/or victims of domestic violence.

The City of Denton reserves the right to deny applications that do not coincide with the City's Housing Tax Credit Request for Support Policy, various strategic and master plans, or policy direction from the Denton City Council.

Required Information: Before a project will be evaluated by the staff, each applicant requesting support must submit the City of Denton's HTC Request for Support application with all attachments. The application and list of required documents are available on the City's website at www.cityofdenton.com.

Annual Schedule: The City of Denton will establish and announce each year an annual schedule of deadlines and other dates of importance for consideration of City support for HTC projects. The schedule is available on the City's website at www.cityofdenton.com.

Meeting with City Staff: No less than one meeting with the applicant, developer, sponsor, and relevant

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HOUSING TAX CREDIT (HTC)
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City staff will take place to discuss the proposed project in general, and any issues and concerns identified in the application in particular.

Presentation to City Council: The Applicant will be requested to give a presentation to the City Council regarding their proposed project. Presentations will generally be scheduled during a City Council Work Session in the month of February.

Substantial Changes: Should a project which receives support from the City have a substantial change including, but not limited to, the following before the start of construction, the Developer must notify the City of Denton in writing and request a new commitment of support:

- Number of units
- Number of Affordable Units or Affordability period
- Type of units
- Target population
- Amenities
- Type of construction
- Developer / sponsor / owner
- Final site development plan

Administration of the HTC Program: The HTC program in the State of Texas is administered by the Texas Department of Housing & Community Affairs. The City of Denton has no responsibility for application approval for HTC projects or for the administration of the HTC program.

Development Review: Consideration of the applicant's request for a Resolution of Support or a Resolution of No Objection in no way impacts the City's rights to approve, disapprove, or modify the developers proposed site plans or to modify the zoning for the proposed development.



City of Denton
Housing Tax Credit (HTC) - Request for Support
Application

Exhibit B

Please note: The City of Denton reserves the right to deny applications that do not coincide with the City's Housing Tax Credit Request for Support and Policy, various strategic and master plans, or policy direction from the Denton City Council. Before a project will be evaluated, each applicant requesting support must submit a completed application with all attachments in accordance with the timeline prescribed herein.

1. PROJECT INFORMATION

Legal Name of Developer/Entity

Name of Proposed Development

Physical address of the project

Census tract #

Council District #

School District

Project type: ☐ General ☐ Senior ☐ Supportive Housing - Special Populations

Applicant Role: ☐ Owner ☐ Developer ☐ Other (list below):

Housing Tax Credit application for: ☐ 9% HTC ☐ 4% HTC

Applicant is requesting Council Resolution: ☐ of Support ☐ Stating No Objection

Is the property: ☐ New construction ☐ Renovation ☐ Acquisition/Redevelopment

Total number of units:

	# of Total Units	# of Market Rate Units	# of Affordable Units			\$ Estimated Rent	# SF of Each Unit
			#30%	#50%	MR		
SRO*							
1 BR							
2 BR							
3 BR							
Total Units	0	0	0	0	0		
% of Total		0.0%	0.0%	0.0%	0.0%		
Length of Affordability on the Project:							

*Single Room Occupancy

2. APPLICANT INFORMATION

Name

ST

ZIP

City

Telephone

Contact person

Contact Telephone

Contact Email

DUNS #:

Federal Tax ID#

For Developers and Partners, check all that apply: ☐ For Profit ☐ Nonprofit ☐ Public Housing Authority



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In the last ten years:

Have you developed other Housing Tax Credit projects? ☐Yes ☐No

If yes, please list project names and addresses:

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Have you developed other affordable housing projects? ☐Yes ☐No

If yes, please list project names and addresses:

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3. PROJECT NARRATIVE & ATTACHMENT CHECKLIST

A project narrative and attachments must be attached to this application and briefly address, at a minimum, each of the following items:

a.	<input type="checkbox"/> Preliminary Site Plan - Provide a preliminary site plan for the proposed project;
b.	<input type="checkbox"/> Location map "all" multi-family developments highlighting affordable housing within two miles of the proposed site.
c.	<input type="checkbox"/> Census tract map with site identified;
d.	<input type="checkbox"/> Letter of zoning verification or status of rezoning request from the City - Include a letter from the City of Denton's Development Services Department verifying that the current zoning of the site for the proposed project is compatible with the anticipated use, or include documentation verifying that a request to change current zoning has been submitted;
e.	<input type="checkbox"/> Support and/or opposition from community - Describe the impact the project is anticipated to have on surrounding neighborhood and involvement and support from local stakeholders and neighborhood organizations; include a list of stakeholders and neighborhood associations contacted. Attach all letters of support or opposition to your project and/or documentation of each notification/response:
i.	<input type="checkbox"/> Letter of support and/or opposition from the neighborhood association;
ii.	<input type="checkbox"/> Letter of support and/or opposition from the school district(s) (if project will be tax exempt);
iii.	<input type="checkbox"/> Letter of support and/or opposition from the County (if project will be tax exempt)
f.	<input type="checkbox"/> TDHCA self score - Please attach TDHCA Self-Score Matrix - Sample provided in Attachment A.
g.	<input type="checkbox"/> Describe tenant population(s), restrictions (e.g. income or age restrictions) and access to supportive services demonstrated through provision of or proximity to community resources – schools, libraries, public facilities, nonprofits, health care and food security, public transit etc. if any, to be provided to or made available to residents;
h.	<input type="checkbox"/> Provide a list of basic amenities and unit amenities proposed for the project;
i.	<input type="checkbox"/> Describe the project's quality of design and construction;
j.	<input type="checkbox"/> Demonstrate the project's compatibility and alignment with the priorities stated in the City's Comprehensive Plan, Future Land Use Map, Consolidated Plan, and any other applicable master, strategic, and redevelopment or neighborhood plans adopted by the City of

4. FINANCIAL NARRATIVE & ATTACHMENT CHECKLIST

A financial narrative for the project must be attached to this application. Please address, at a minimum, each of the following items including supporting attachments:

a.	<input type="checkbox"/> Project pro forma
b.	<input type="checkbox"/> Annual Audit for each partner
c.	<input type="checkbox"/> Describe the taxable status of the development. Indicate whether the development will be paying property taxes or if the development will be tax exempt;
d.	If project will be tax exempt, provide:
i.	<input type="checkbox"/> A projected loss of property taxes (to each taxing entity and in total) over the 15-year period, and include assumptions and comparable properties utilized;
ii.	<input type="checkbox"/> A copy of the fiscal year budget of the tax-exempt partner;
iii.	<input type="checkbox"/> A detailed plan explaining how projected revenues are intended to be used by the tax-exempt partner; this should provide sufficient explanation to understand the strategic plan for the projected additional revenue and how it will provide an enhancement or benefit to the community. The plan should also address any community service contributions and investments planned by the tax-exempt partner and for-profit developer.



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Application**

5. SUBMISSION INFORMATION

The Community Development Division serves as the City's primary staff and point of contract for all TDHCA programs. Completed applications should be submitted to: Community Development 601 E Hickory Suite B Denton, TX 76205 or email at: community.development@cityofdenton.com

Before a project will be evaluated, each applicant requesting support must submit a completed application with all attachments.

City of Denton 2019 Important Dates for 9% Request for Support*:

January 2019: Application Deadline

February 2019: Presentation from Applicant(s) at City Council Work Session

March 2019: Consideration of Resolution(s) at City Council Meeting

Based on annual deadline from TDHCA, specific dates are subject to change. Please visit www.cityofdenton.com for current deadlines.

**Housing Tax Credit 4% Request for Support will complete the same steps above but may be submitted year-round.*

Applications for the Request for Support for 4% must be submitted at least 60 days prior to when the letter must be submitted by the applicant to TDHCA.

Applicant must attend all City Council meetings where these Resolutions are discussed. Staff will inform the applicant, using the e-mail addresses provided, of the meeting dates as soon as they are determined.

CERTIFICATION

The applicant/developer certifies that the data included in this application and the exhibits attached is true and complete to the best of my knowledge. The statements are made for the purpose of obtaining a resolution or resolutions from the Denton City Council. I understand that false statements may result in forfeiture of benefits and possible prosecution by the City Attorney.

Legal Name of Developer/Entity

Authorized Officer

Title

Signature

Date

TDHCA Self-Score Category	Max Program Points	Self Score
Unit Size 7 Quality (15)	x	x
Unit Size (8)	8	
Unit and Development Features (7)	7	
Sponsor Characteristics (HUB)	2	
Income Levels of Tenants (16)	16	
Rent Levels of Tenants (13)	13	
Tenant Services (w/SHP 11 all others 10)	11	
Opportunity Index (up to 7)	7	x
A.1 - 1st or 2nd Quartile with <20% poverty (2)		
A.2 - 3rd Quartile next to 2nd (1 pt)		
B.1 - 1/2 Mile from Playground (1)		
B.2 - 1/2 mile from Pub. Transportation		
B.3 - 1 mile from Grocery or Pharmacy (1)		
B.4 - 3 miles from Emergency Room or Urgent Care (1)		
B.5 - 2 miles from child care (1)		
B.6 - Crime rate of 26 per 1,000 (1)		
B.7 - 1 mile from public library (1)		
B.8 - 5 miles from University or Community College (1)		
B.10 - Age 25 with Assoc Deg > 27% (1)		
B.12 - 1 mile indoor recreation (1)		
B.13 - 1 mile outdoor recreation (1)		
B.14 - 1 mile of church or civic club (1)		
B.15 - Meals on Wheels service area (1)		
Underserved Area (up to 5)	x	x
A. Colonia (2)*	0	x
B. Economically Distressed (1)*	0	x
C. CT with no HTC ever (3)	3	
D. CT (not C.) with no HTC under 15 yrs (2)	0	
E. CT with no HTC or contiguous no HTC for 15 yrs (5)	0	
Special Housing Needs at least 5% Set-Asides (2)	2	
Proximity to Urban Core (5pts) n/a pop under 200K*	0	x
Pop of 200k or more - 2 miles		x
Pop of 500k or more - 4 miles		
Readiness for Disaster FEMA Designation (5)*	0	x
Local Gov. Letters of Support/No Objections (17-7)*	0	x
LPS Funding	1	
Declared Disaster Area	10	
Quantifiable Community Participation (9)*	0	x
State Representative Support (9)*	0	x
Financial Feasibility (18)	19	
Cost of Development/Sq.Ft. (12)	12	
Pre-Application Participation (6)	6	
Leveraging of Resources (3)	3	
Extended Affordability (2)	2	
Historic Preservation (5) 75%in Historic Structure	0	x
Right of First Refusal	1	
Funding Request Amount	1	
Total Full App Self Score Points	124	0

*City not eligible or not applicable at the time of self-score