



Legislation Details (With Text)

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Title: Receive a report, hold a discussion and give staff direction regarding a requests for resolutions of no objection for two 4% tax credit housing developments, in partnership with the Denton Housing Authority.
Sponsors:
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Attachments: 1. Exhibit 1 - Site Location Map, 2. Exhibit 2 - Site Plan

| Date | Ver. | Action By | Action | Result |
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Agenda Information Sheet

DEPARTMENT: Community Affairs

CM/ACM: Todd Hileman

DATE: May 2, 2017

SUBJECT

Receive a report, hold a discussion and give staff direction regarding a requests for resolutions of no objection for two 4% tax credit housing developments, in partnership with the Denton Housing Authority.

BACKGROUND

The Denton Housing Authority (DHA) has been working with a private developer, Ojala Holdings, on two, 4% tax credit housing developments. One of the developments (The Standard at Medpark Station) is proposed to be a 263 unit multi-family development consisting of one, two, and three bedrooms. The other (The Hudson at Medpark Station) is a 160 unit Senior Development consisting of one and two bedrooms. Both of these development projects have gone through the development review and planning and zoning process and have all approvals needed. They plan to partner with the DHA on these developments, which means the developments will be exempt from property taxes.

In December of 2016, Ojala obtained an Encouragement Letter from the Department of Housing and Urban Development (HUD) to proceed with the developments. HUD is going to provide debt financing for the construction. If Ojala does not submit full application materials to them by May 17, 2017, they will have to start the process over at a significant cost (upwards of \$100,000). They are seeking the resolutions of non-opposition so that they can complete and submit their application to HUD.

The proposed developments are located northwest of the Mayhill Road and Colorado Boulevard intersection

(Exhibit 1). It comprises the westernmost area, located at the terminus of Hudsonwood Drive, and is approximately 20.49 acres. The developments will be located on both the north and south side of Hudsonwood Drive and will feature two different complexes of apartments, as reflected on the Proposed Site Plan (Exhibit 2). Ojala initially intended to combine the two complexes into one development, but has decided to develop them instead into two separate complexes with their own entrances and amenities.

The Standard at Medpark Station will be located on the north side of Hudsonwood Drive and will feature four, three-story multi-family buildings. The buildings will feature a mixture of one, two, and three bedroom units. The proposed buildings are all approximately 16 feet lower than the maximum allowed 50 foot building height, and the density of units on the lot will be 25.56 dwelling units per acre. The total number of units will be 263, which is 148 units less than the maximum that would be permitted for the lot acreage.

The second set of apartments that will be known as The Hudson at Medpark Station consists of apartments that are age restricted for independent senior living. It will feature two three-story buildings with a mixture of one and two bedroom units. The proposed buildings are both approximately 34 feet tall, and the density will be 24.06 dwelling units per acre. The total number of units will be 160, which is 106 units less than the maximum that would be permitted for the lot acreage.

Parking ratio requirement for the developments comply with the Denton Development Code (DDC) standards. Ingress and egress from the multi-family development will be provided along Hudsonwood Drive. Subchapter 13 of the DDC requires a 10-foot wide landscape buffer with five (5) trees and 30 shrubs per 100 linear feet to be located along the northern and eastern perimeter of the northern lot adjoining the existing single-family residences. Street trees are to be provided along Hudsonwood Drive, and the proposed detention pond will be screened from all sides.

Properties to the north, east, and southeast are undeveloped with the exception of a few single-family residences. A multi-family development known as Providence Place II exists on adjoining land to the south and west. The applicant's request to construct two multi-family complexes with a total of 423 units is not inconsistent with the pattern of development in this area of the City and would be comparable to the adjoining multi-family development in scale. The development is also located in relatively close proximity to the MedPark rail station as well as bicycle/pedestrian trails, which would be useful resources for future residents of the area.

The Denton Housing Authority (DHA) has entered into a Memorandum of Understanding (MOU) with Ojala Holdings, on two 4% tax credit housing developments. The MOU allows DHA to share in the developer fees and other cash flow that are derived from the sale of low income housing tax credits (if awarded) and bond revenues. These developer fees are usually deferred over a 15-17 year period. DHA has partnered with private developers on three of the eleven tax credit developments in the City. Currently DHA has Pecan Place (1993), Renaissance Courts (2004) and The Veranda (2015). Staff is compiling additional information regarding the details of the partnership and the potential financial benefits to the community, and this information will be provided to the Council as soon as it is received. Also, by Monday we hope to have the business plans for the projects and information on any outreach that has been done to the neighborhood.

OPTIONS

1. Direct staff to bring forward Resolutions of No Objection for the proposed developments
2. Direct staff to take some other action
3. Take no action

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

January 10, 2017 - City Council Work Session
February 7, 2017 - City Council Work Session
February 21, 2017 - City Council Work Session

FISCAL INFORMATION

None

STRATEGIC PLAN RELATIONSHIP

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

Related Key Focus Area: Economic Development

Related Goal: 3.1 Develop targeted policies and incentives to achieve desired economic growth

EXHIBITS

1. Site Location Map
2. Site Plan

Respectfully submitted:

John Cabrales Jr.
Director of Community Affairs