



2025 Housing Tax Credit Application: McAdams Haven

ID 25-107

Christine Taylor

Assistant City Manager

February 18, 2025

A vibrant mural on a wall depicting a blue bird with white wings and tail, perched on a branch. The bird is surrounded by large, colorful flowers in shades of yellow, pink, and purple. The mural is set against a background of green foliage.

COMMUNITY SERVICES

BACKGROUND

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).

The City Adopted an HTC Policy in 2018

There are two types of Housing Tax Credits (HTC):

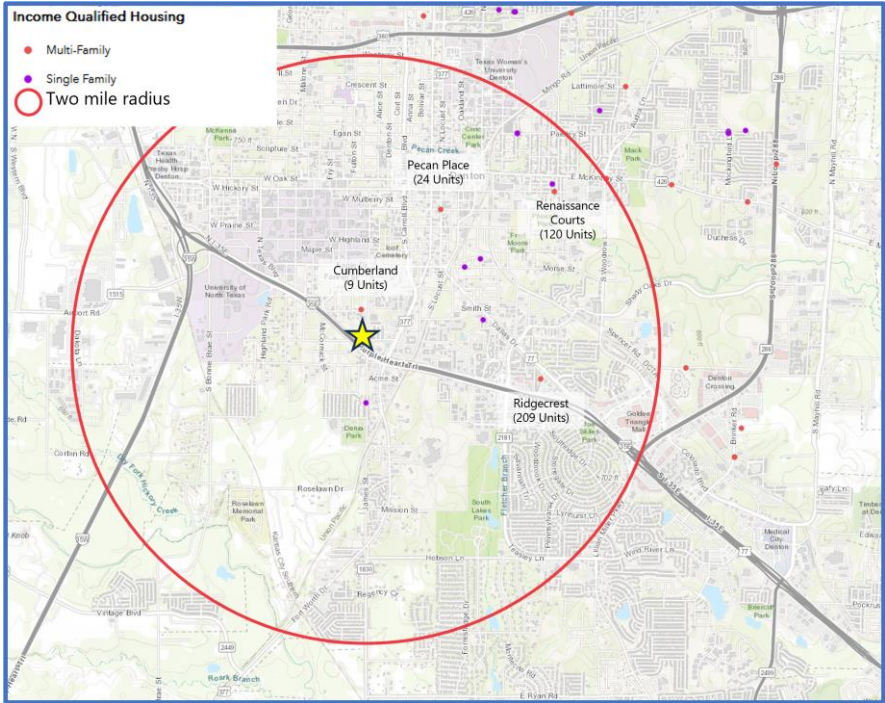
4% HTC	• Non-Competitive • Allows the developer to reduce federal tax burden by a proportion of eligible construction costs, up to 30% of the development costs. • Requires resolution of no objection from municipality
9% HTC	• Competitive, awarded annually • Allows the developer to reduce federal tax burden by a proportion of eligible construction costs, up to 70% of the development costs. • Requires resolution of support from municipality

TIMELINE

- **December 1, 2024**, TDHCA releases the program plan and scoring criteria
- **January 7, 2025**, Developer's request for resolution of support
- **February 4, 2025**, City Council Work Session
- **February 12, 2025**, Public meeting at Serve Denton
- **February 18, 2025**, Public Hearing for resolution of support
- **February 28, 2025**, Application is due to the state
- **July 2025** Awards announced by the state and projects can begin the City's Development Review Process

MCADAMS HAVEN

- Located at Lindsey St. & Bernard St., Denton, TX 76201
- 9% HTC Application
- Seeing a Resolution of Support
- Development by Denton Affordable Housing Corporation partnered with O-SDA Industries
- 84 Permanent Supportive Housing homes for individuals exiting chronic homelessness earning between >30-60% AMI
- Tentatively ranked 3rd in Region by TDHCA
- Received six letters of support from community groups and non-profits
- Estimated \$141,000 in exempt property taxes



	# of Units by Bedrooms	30% AMI		50% AMI		60% AMI	
		# of Units	Rental Limits	# of Units	Rental Limits	# of Units	Rental Limits
0 (Efficiency)	84	60	\$580	20	\$966	4	\$1,159
1 Bedroom							
2 Bedroom							
3 Bedroom							
4 Bedroom							
Total Units	84	60		20		4	
Proportion of Units	100%	71%		24%		5%	

STAFF RECOMMENDATION

Staff recommends approval of a Resolution of Support for McAdams Haven due to:

- The provision of supportive housing in our community.