

Housing Tax Credits



Sylvester Turner, Mayor



Tom McCasland, Director

What Are Tax Credits?

- NOT FUNDED BY THE CITY
- An important resource for building affordable homes
- Created through the Tax Reform Act of 1986
- Administered by Texas Department of Housing and Community Affairs (TDHCA)
- Private equity for construction of affordable homes

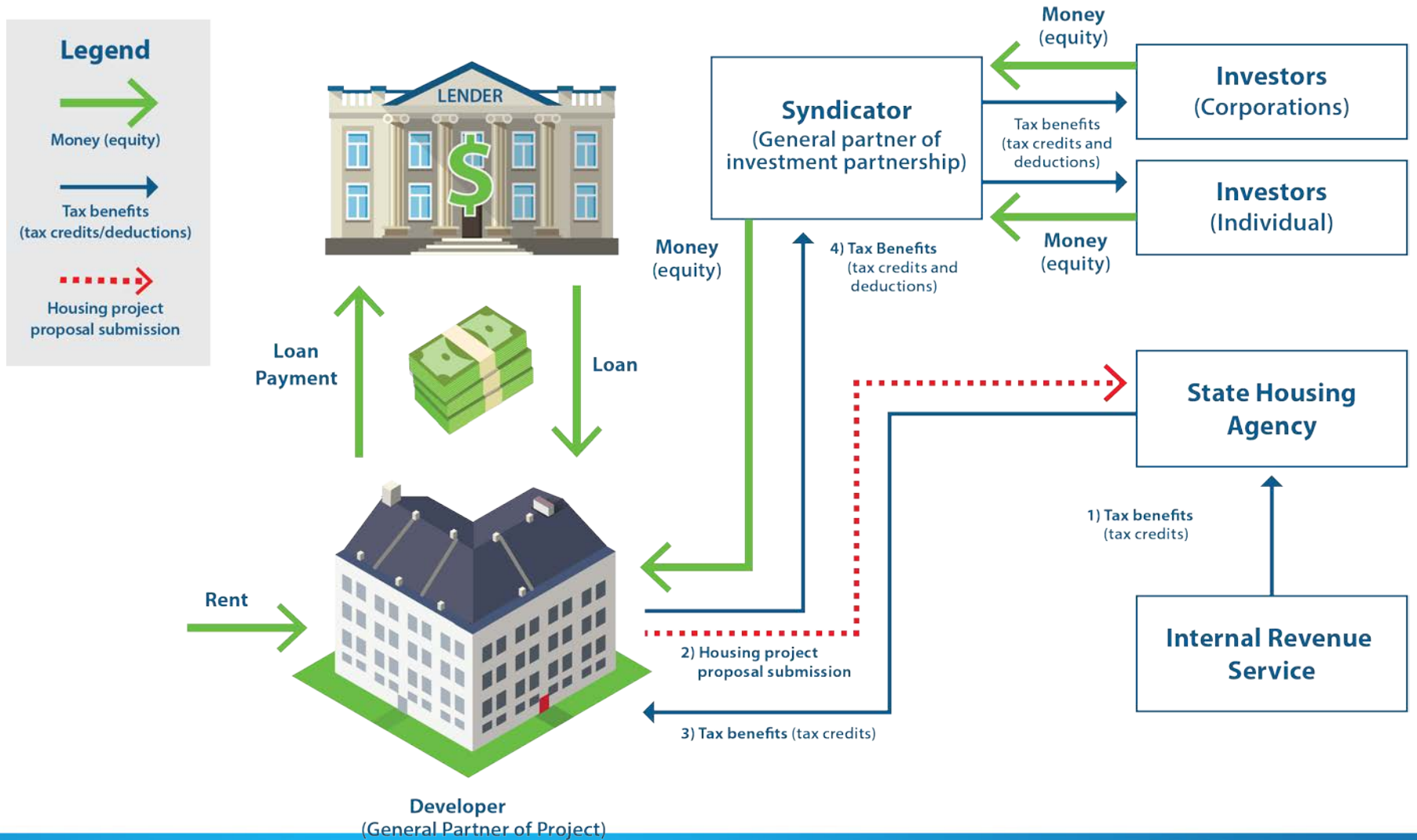


What Are Tax Credits?



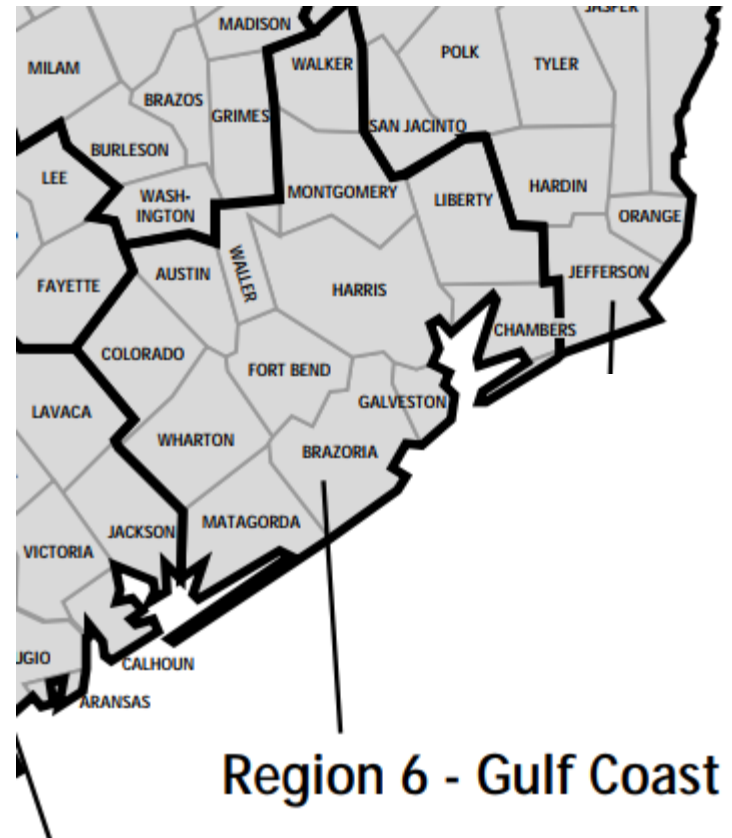
- 9% tax credits allocated through competitive process
- Credits can be sold on the open market
- Market determines price

Mechanics of Tax Credit Allocation



TDHCA 9% Allocation

- TDHCA allocates HTCs among 12 regions- Houston is in Region 6
- In 2020, Houston MSA expected to receive \$15.1M in annual credits
- Represents \$150M+ in total equity over a 10 year period



Region 6 - Gulf Coast

TDHCA 9% Allocation

- 2020 pre-applications:
 - Over 50 proposals
 - \$85M in annual credits requested

6:1

Applications to Available Credits

- Region 6:
 - \$15.1M allocation

TDHCA 9% Allocation

Scoring

- Highly competitive scoring system
- Applicants in the ETJ
 - ½ their points from City
 - ½ from County
 - Resolutions required from both

**SUPPORT:
17 POINTS**

TDHCA 9% Allocation

TDHCA Application Contingent Items

Points	Action
17	Local Government Support
4	Community Participation
8	Support from State Representative
9	Input from Community Organizations
7	Community Revitalization Plan (requires the following) <ul style="list-style-type: none">• Letter from local official documenting measurable improvements within CRA (4 points)• Priority resolution (2 points)• Opportunity metric (1 point)

TDHCA 9% Allocation

Timing

- Very tight timeline
- Applications (**with resolutions**) due to TDHCA - 2/28/2020
- Credit awards announced in July 2020



Schedule for Tax Credit Resolutions

9% Tax Credit Resolution Process

<u>Date</u>	<u>Action</u>
January 6, 2020	Application for resolutions posted by HCDD
January 8, 2020	Pre-applications due to TDHCA
January 31, 2020	Applications due to HCDD
February 3, 2020	Presentation to Housing Committee
February 12, 2020	Preferred City Council date
February 19, 2020	Alternative City Council date
February 28, 2020	Resolutions due in Austin

HCDD Support Criteria

- Low poverty area
- Zoned to quality schools
- Permanent supportive housing
- Transit oriented developments
- Preservation of affordable housing



HCDD Scoring

Location

1. Within Houston city limits – 2 points
2. Within 4 miles of City Hall – 1 point
3. Concerted Revitalization Areas
 - Within the boundaries of a Complete Community or a Tax Increment Reinvestment Zone (TIRZ) – 2 points
4. Underserved Areas of Affordable Housing
 - No affordable housing within or surrounding census tracts – 2 points
 - No affordable housing within census tract – 1 point

HCDD Scoring

Service

Transportation

- Within ¼ mile of high frequency public transit stop – 2 points
- Within a ¼ mile of any public transit stop – 1 point

Reduced Poverty

- Census tract is less than 15% poverty – 2 points
- Census tract is less than 20% poverty – 1 point

School Performance

Elementary, middle and high schools ranking A or B (based on Children at Risk rankings) – 2 points each

HCDD Scoring

Mixed Income Composition

Transactions demonstrating a mixture of market rate and restricted units

- A minimum of 20% of the units to be unrestricted - **2 points**
- A minimum of 10% of the units to be unrestricted - **1 point**



HCDD Scoring

Community Support

Applicant sought, received and implemented views and recommendations from members of the community regarding the proposed development – **1 point**



Concerted Revitalization Areas (CRA)

**PRIORITY
RESOLUTION**

Developments contributing
most to concerted
revitalization efforts

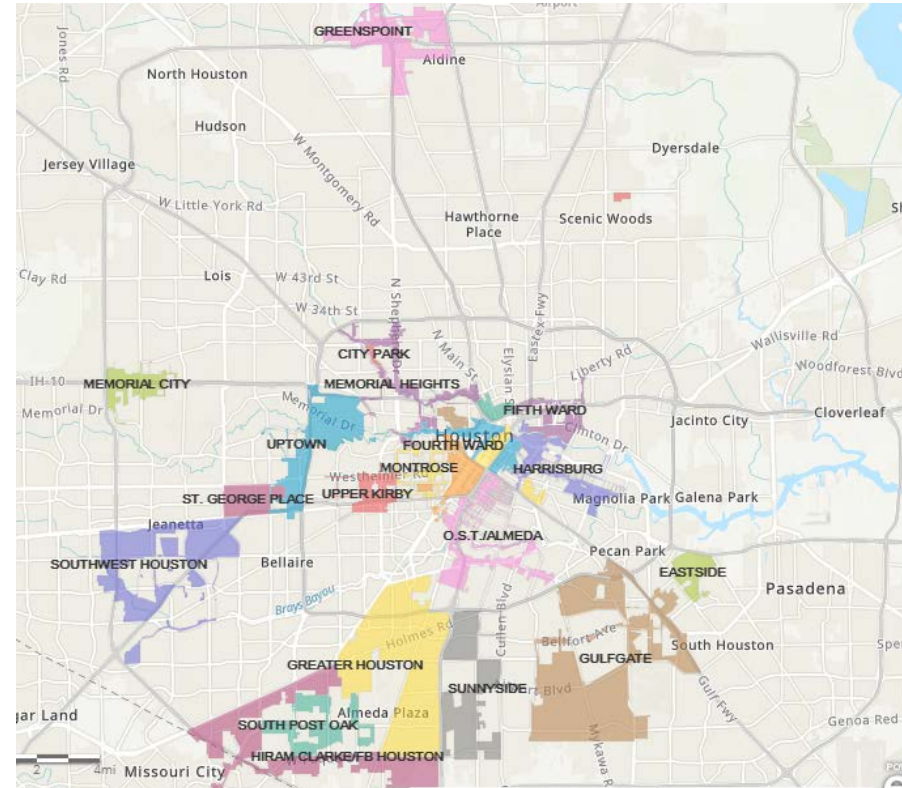
**ADDITIONAL
POINTS**

Priority Resolution Section Criteria (for competing applications in same CRA)

- Poverty concentration
- School ratings
- Access to public transportation
- Permanent Supportive Housing
- Composition of mixed income households

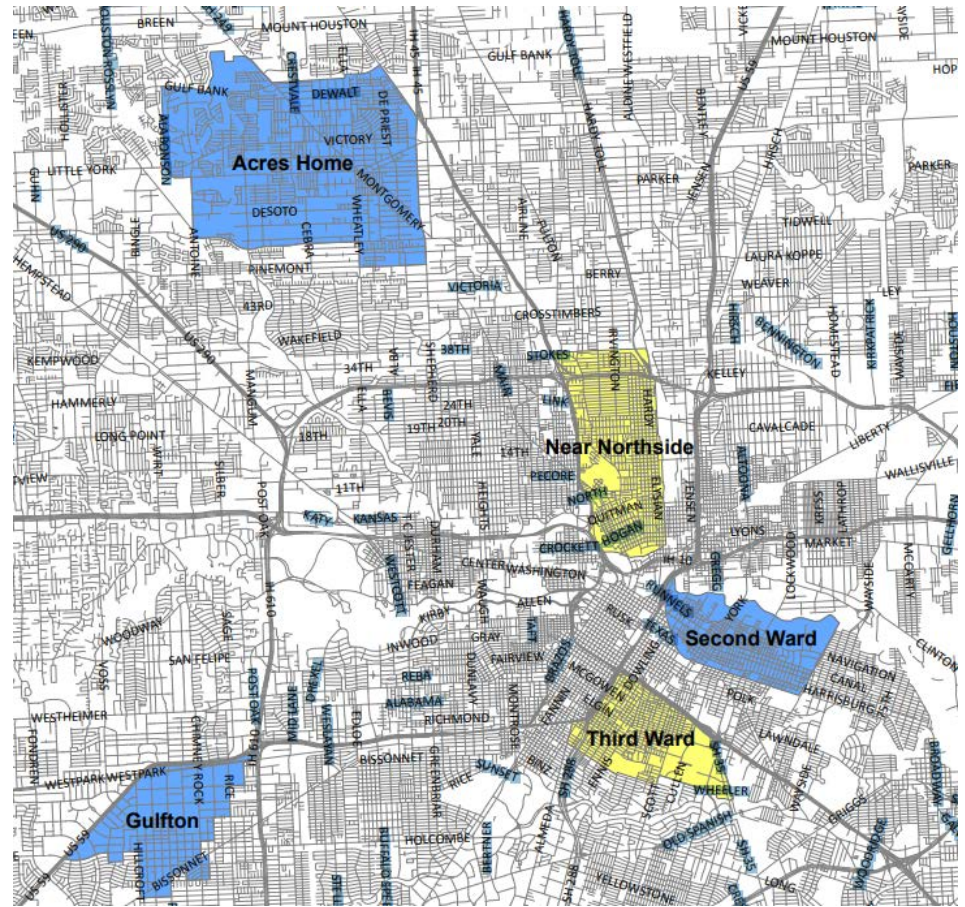
Concerted Revitalization Areas (CRA) Requests for Priority Resolutions - TIRZ

Name of TIRZ	Number of Applications
TIRZ 17 – Memorial City	1
TIRZ 11 - Greenspoint	1
TIRZ 7 – OST/Almeda	1
TIRZ 20 – Southwest Houston	1



Requests for Priority Resolutions – Complete Communities

Complete Community	Number of Applications
Acres Home	1
Third Ward	1
Second Ward	1
Gulfton	1



A map of the Houston, Texas area showing various colored regions (green, red, purple, blue, brown) and numbered points (1-25). Major highways like I-10, I-45, I-67, and I-25 are visible. A green callout box with a white border is overlaid on the map, containing the text 'Two Mile Rule'.

Two Mile Rule

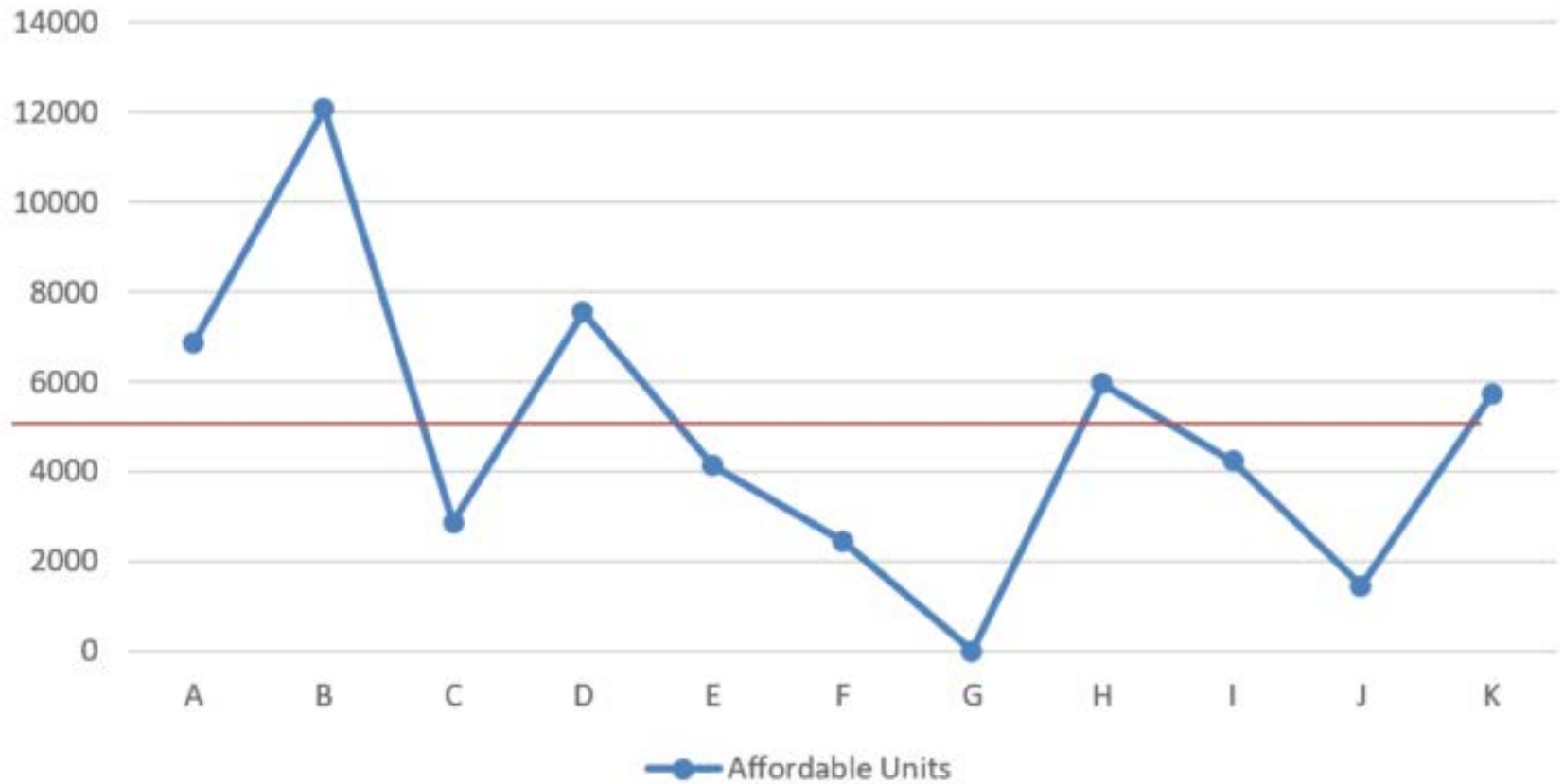
Ability to grant transactions support that meet the Two Mile Rule.

Equitable Dispersion Policy

HCDD aims to reflect a policy to equitably disperse assisted multifamily developments throughout Houston as it aims to create greater housing choice.

The policy will establish a procedure for the approval and endorsement of affordable housing projects.

Affordable Units per Council District



Equitable Dispersion Policy

- Council Districts A, B, D, H, and K, endorsements will only be given to applications located in recognized Concerted Revitalization Areas (e.g. Complete Community, TIRZ) with plans.
- Council Districts C, E, F, G, I, & J will be eligible for a maximum of 3 endorsements by resolution.
- Exceptions – Specialized Housing (e.g. PSH, disabled, women, veterans, etc.) and rehabilitations

Equitable Dispersion Policy

Competitive Factors:

- Availability of financing
- Poverty concentration
- School ratings
- Access to public transportation
- Placement of an onsite resident service coordinator
- Composition of unrestricted market rate units
- Likelihood to receive other financing

Appeals Process

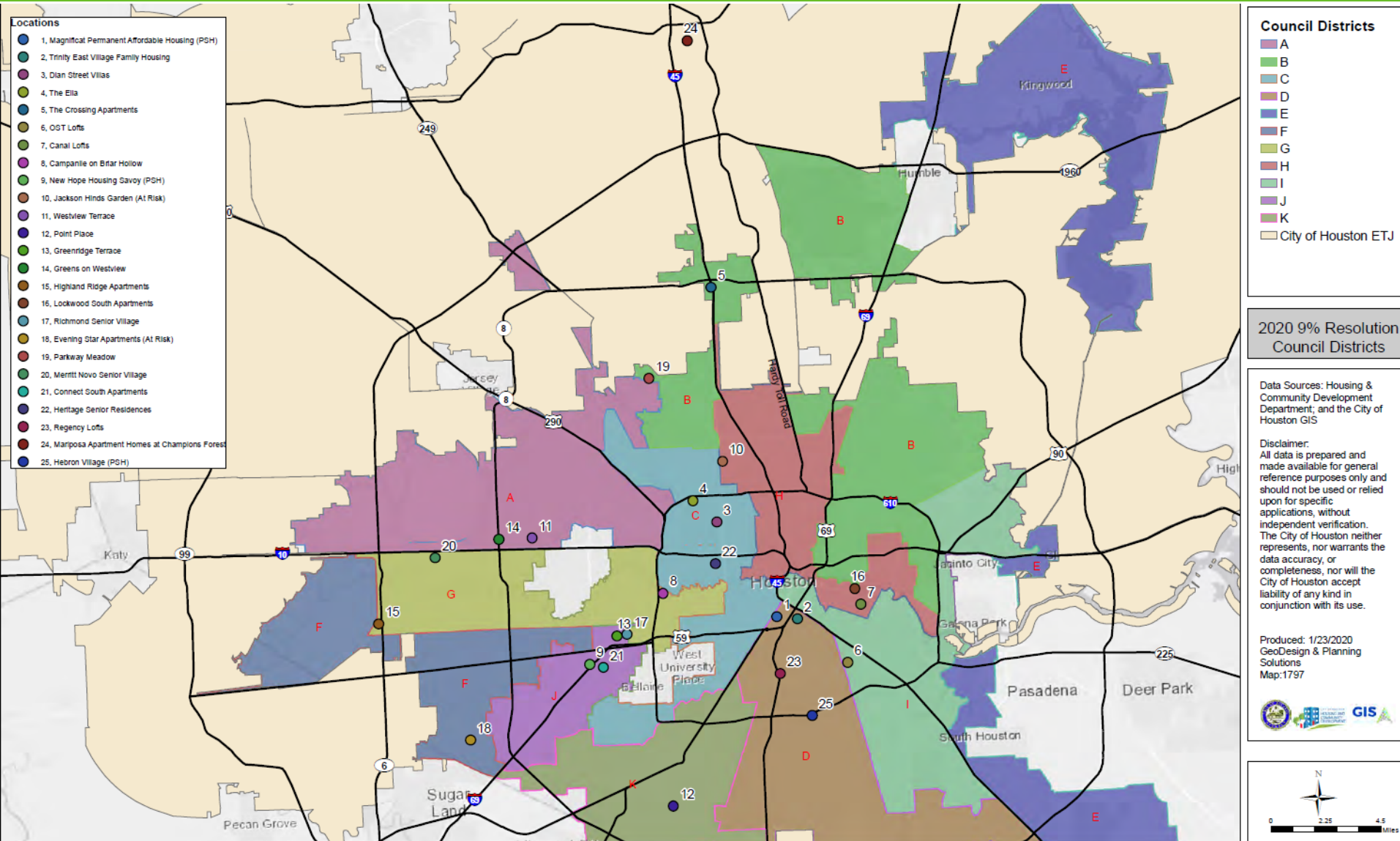
- Please submit written appeals to:
HCDDComplaintsAppeal@houstontx.gov

Applicants for Resolutions

Council District	Total Applications	Resolutions of Support	Priority Resolutions
District A	7	2	1
District B	4	2	2
District C	7	3	0
District D	6	4	2
District E	0	0	0
District F	1	1	0
District G	7	3	0
District H	11	3	1
District I	4	1	0
District J	6	4	2
District K	2	1	0
ETJ	2	1	0
Total	57	25	8

Applicants for Resolutions

All Districts



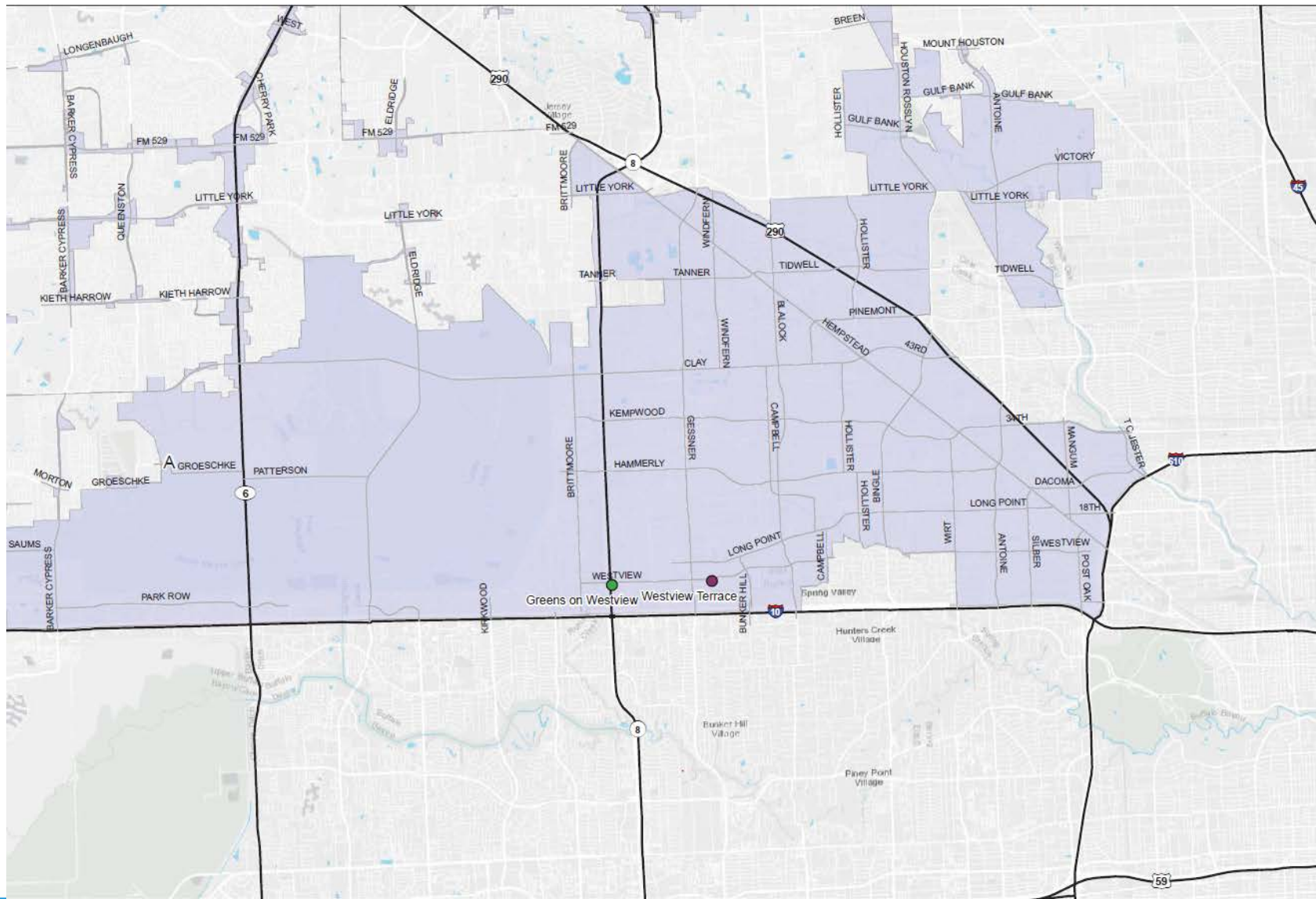
Applicants for Resolutions

District A

Application Number	Development Name	Development Address	Total Units	Target Population
20099	Westview Terrace	~1222 Witte Rd	120	Elderly 55+
20269	Greens on Westview	1212 W Sam Houston Pkwy N	85	Family

Applicants for Resolutions

District A



- Project Locations**
- Greens on Westview
 - Westview Terrace
 - Freeway
 - Federal & State
 - Grand Parkway
 - Council District A

2020 9% Resolution Council District A

Data Sources: Housing & Community Development Department; and the City of Houston GIS

Disclaimer: All data is prepared and made available for general reference purposes only and should not be used or relied upon for specific applications, without independent verification. The City of Houston neither represents, nor warrants the data accuracy, or completeness, nor will the City of Houston accept liability of any kind in conjunction with its use.

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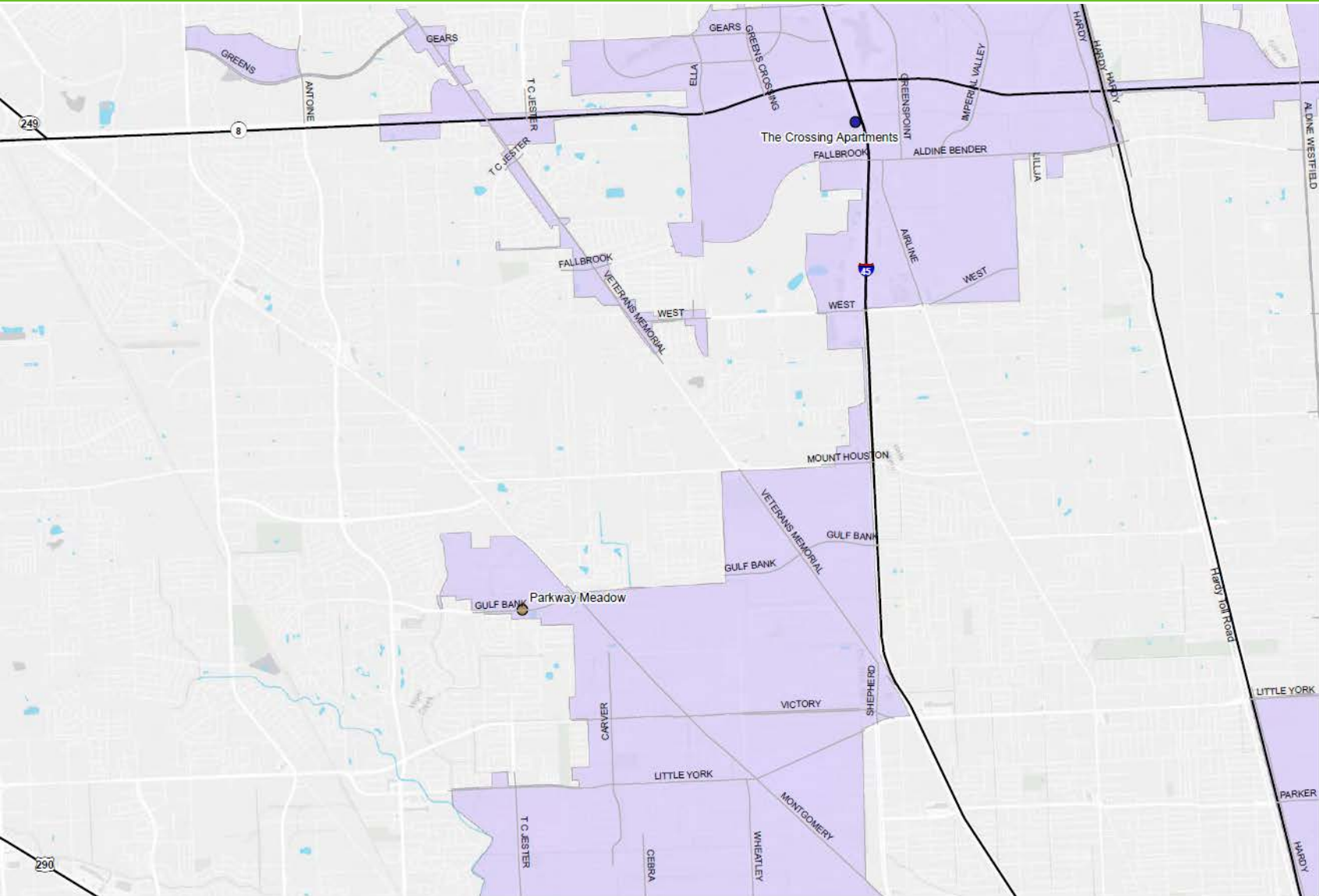
Applicants for Resolutions

District B

Application Number	Development Name	Development Address	Total Units	Target Population
20285	The Crossing Apartments	SWC of Beltway 8 & IH45 N	70	Elderly 55+
20125	Parkway Meadow	~3300 block of W Gulf Bank	82	Family

Applicants for Resolutions

District B



Project Locations

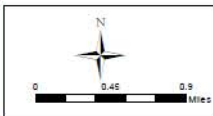
- Parkway Meadow
- The Crossing Apartments
- Council District B
- Freeway
- Federal & State
- Grand Parkway

**2020 9% Resolution
Council District B**

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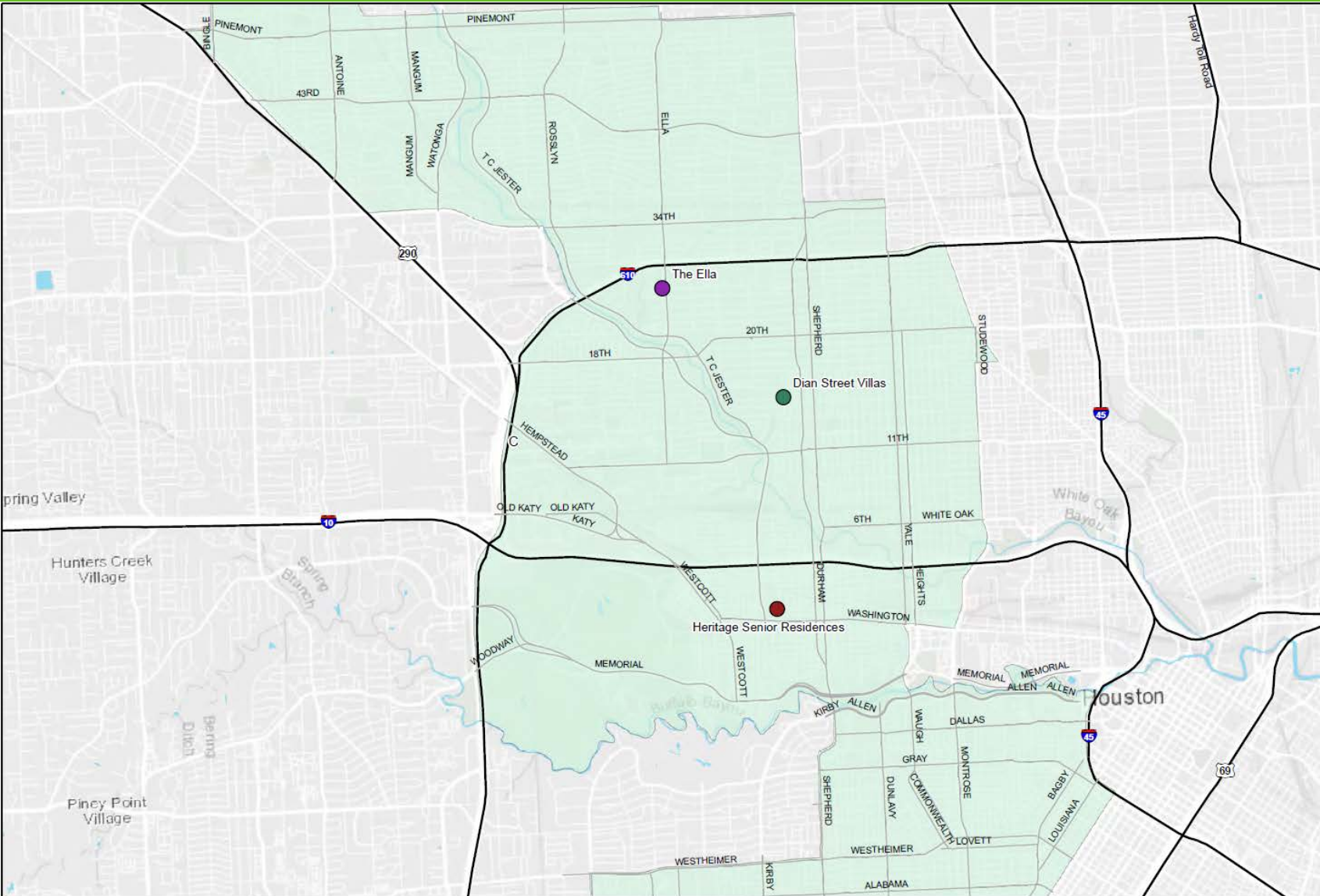


Applicants for Resolutions

District C

Application Number	Development Name	Development Address	Total Units	Target Population
20204	Heritage Senior Residences	NEC Center Street and Moy Street	135	Elderly 55+
20116	Dian Street Villas	1433 Dian Street	100	Family
20138	The Ella	1718 W. 26th Street	180	Family

Applicants for Resolutions



Project Locations

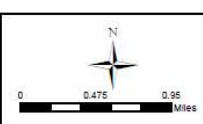
- Dian Street Villas
- Heritage Senior Residences
- The Ella
- Council District C
- Freeway
- Federal & State
- Grand Parkway

**2020 9% Resolution
Council District C**

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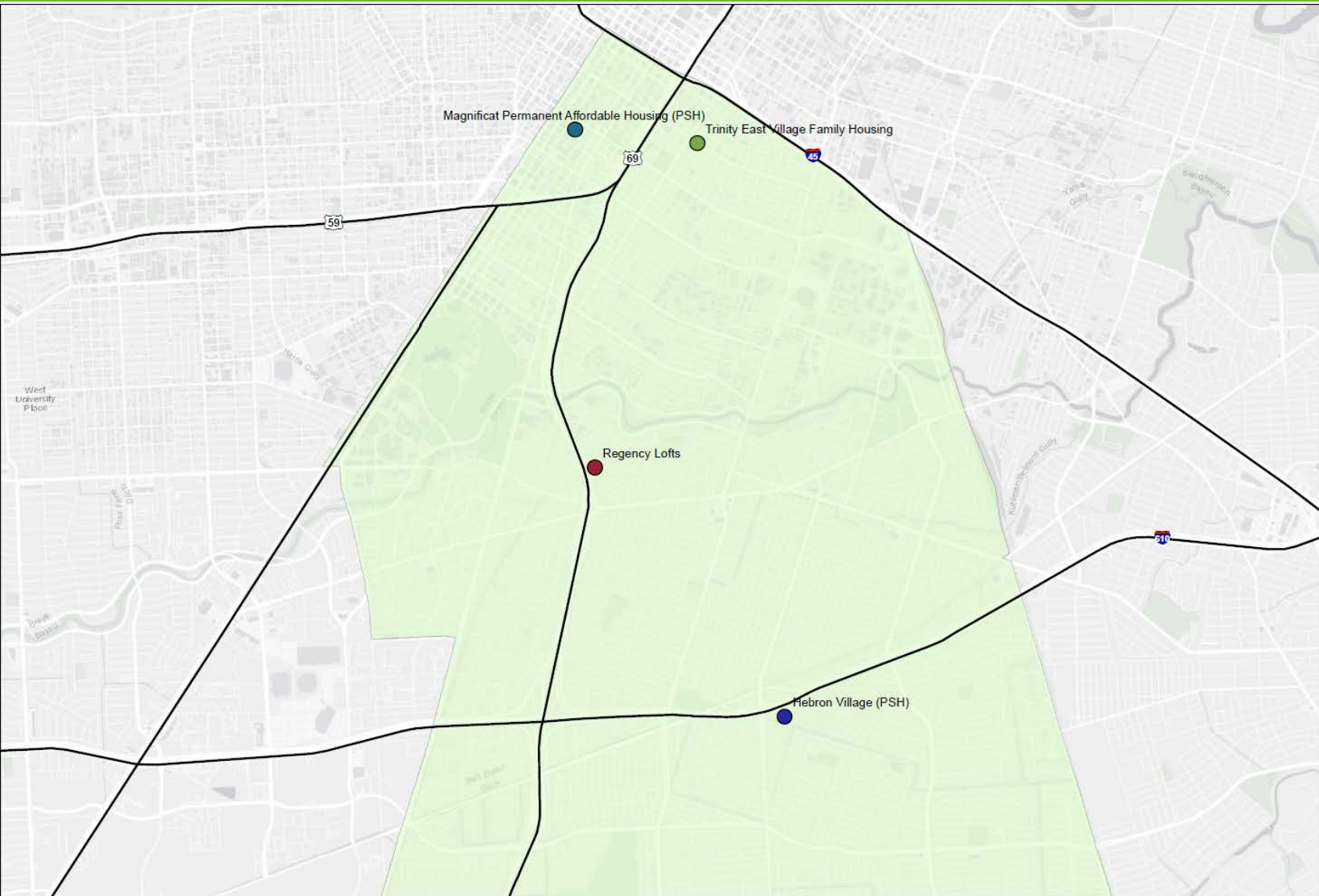
Applicants for Resolutions

District D

Application Number	Development Name	Development Address	Total Units	Target Population
20114	Magnificat Permanent Affordable Housing (PSH)	3300 Caroline St	149	PSH
20053	Hebron Village Supportive Housing (PSH)	7350 Calhoun Rd	70	PSH
20097	Regency Lofts (fka Dixie Lofts)	3232 Dixie Dr	130	Family
20080	Trinity East Village Family Housing	2500 McGowen St.	100	Family

Applicants for Resolutions

District D



Development

- Hebron Village (PSH)
- Magnificat Permanent Affordable Housing (PSH)
- Regency Lofts
- Trinity East Village Family Housing
- Freeway
- Federal & State
- Grand Parkway
- Council District D

2020 9% Resolution Council District D

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**No applications submitted
in District E**

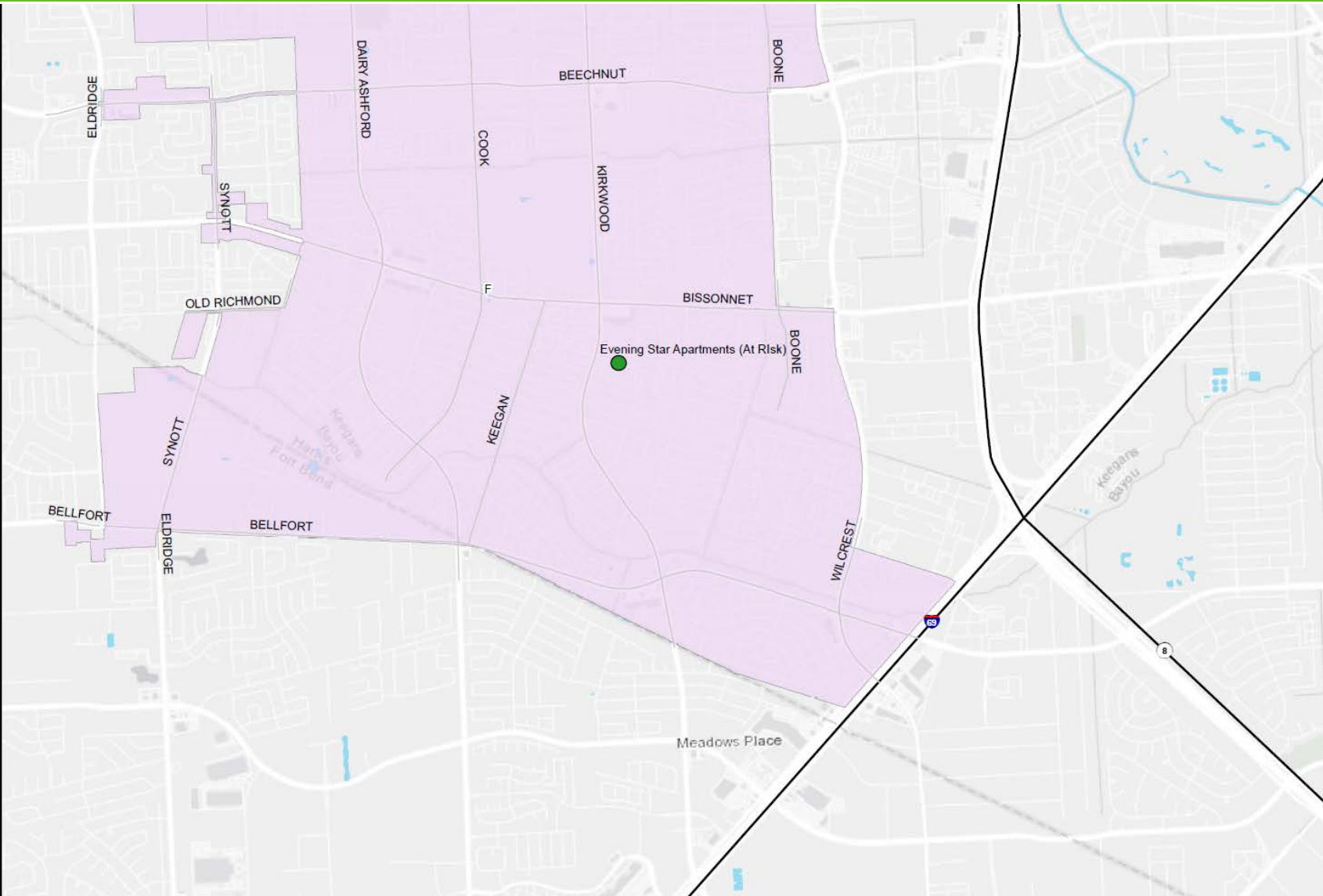
Applicants for Resolutions

District F

Application Number	Development Name	Development Address	Total Units	Target Population
20047	Evening Star Apartments (At Risk)	11800 South Glen Dr	62	Elderly 55+

Applicants for Resolutions

District F



Project Locations

- Evening Star Apartments (At Risk)
- Council District F
- Freeway
- Federal & State
- Grand Parkway

2020 9% Resolution Council District F

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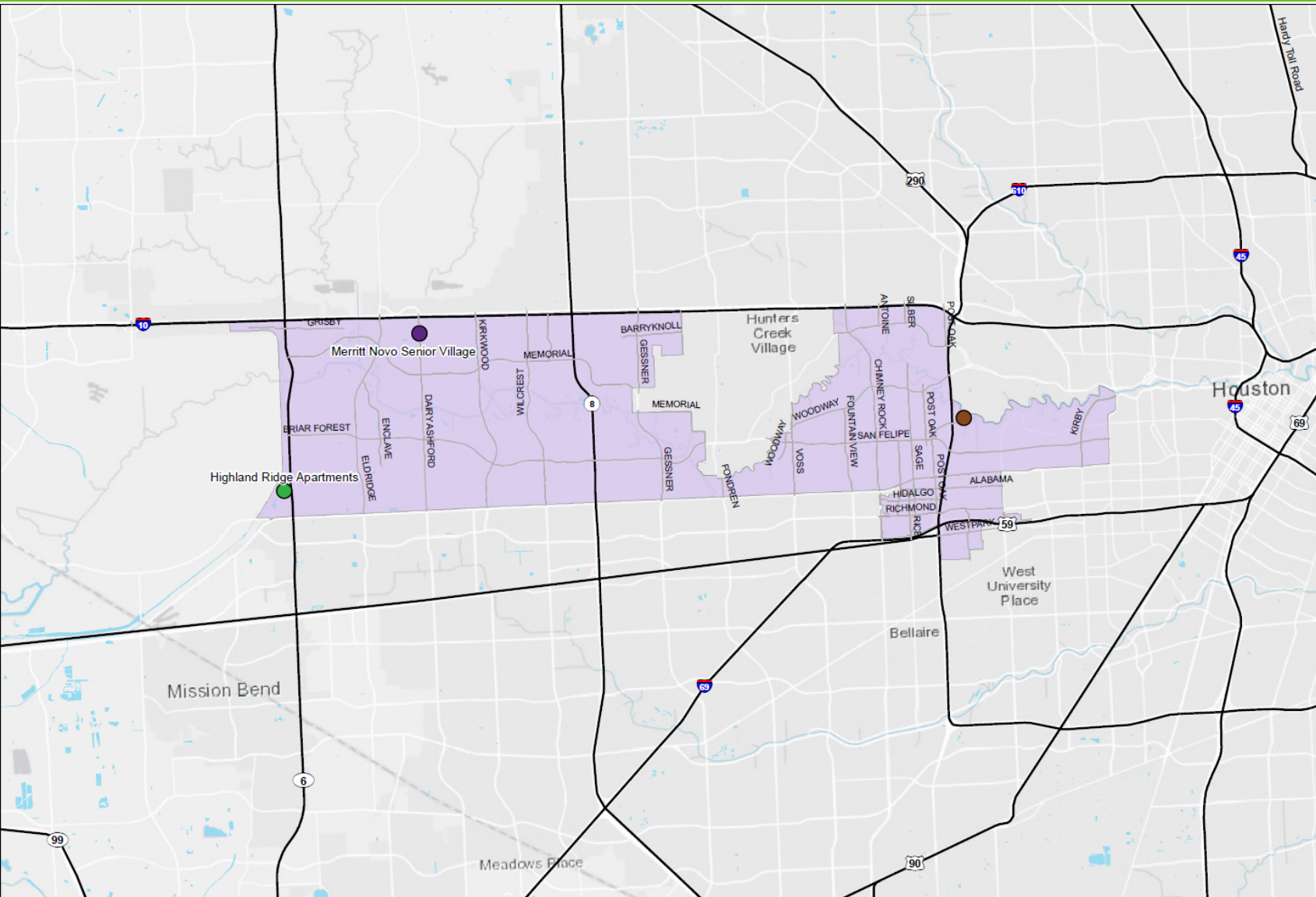


Applicants for Resolutions

District G

Application Number	Development Name	Development Address	Total Units	Target Population
20315	Merritt Novo Senior Village	1120 Dairy Ashford	210	Elderly 55+
20223	Campanile on Briar Hollow	~ Post Oak Blvd. and Briar Hollow	120	Elderly 55+
20199	Highland Ridge Apartments	2250 Barker Oaks Dr.	168	Family

Applicants for Resolutions



Project Locations

- Campanile on Briar Hollow
- Highland Ridge Apartments
- Merritt Novo Senior Village
- Council District G
- Freeway
- Federal & State
- Grand Parkway

2020 9% Resolution Council District G

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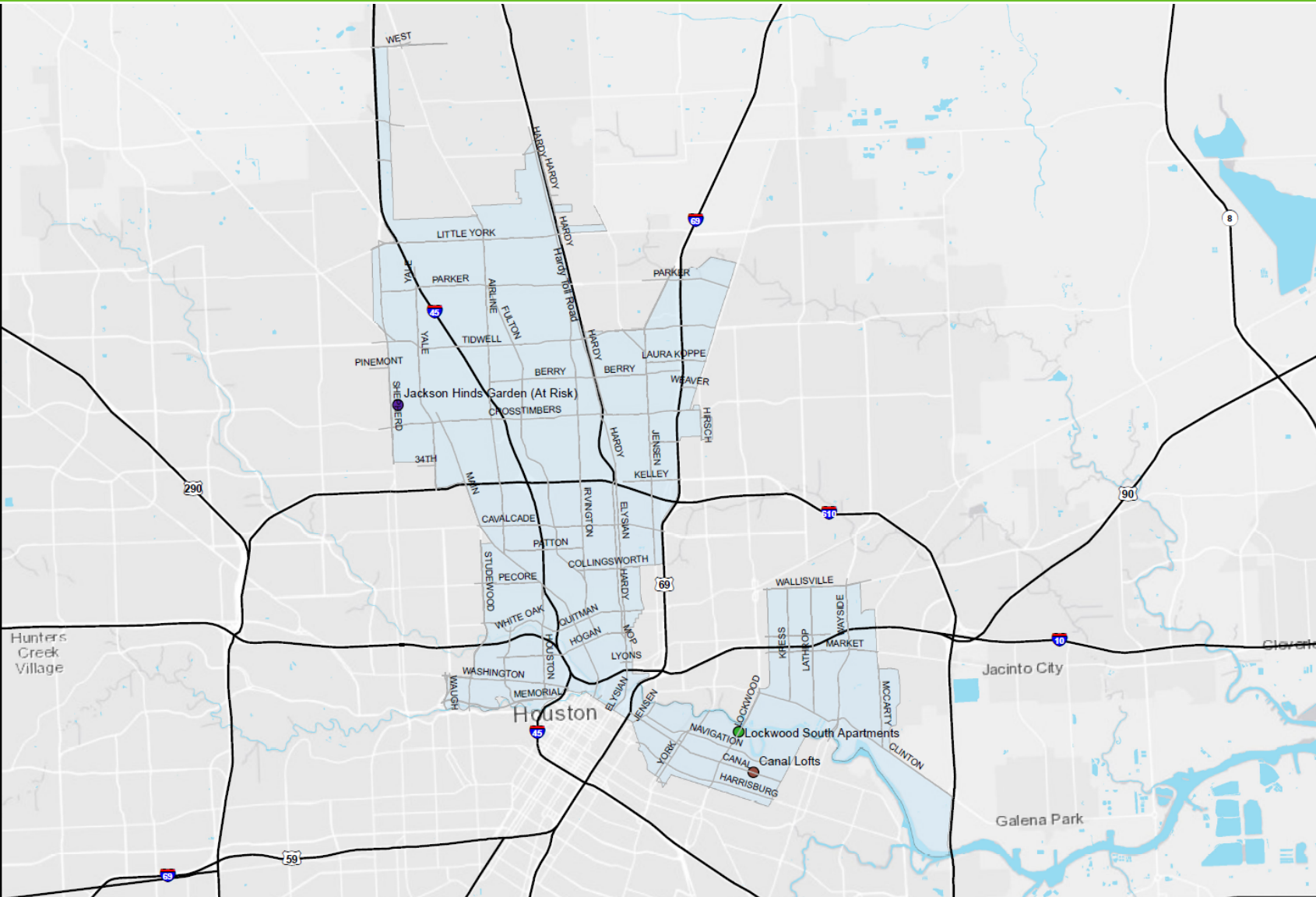
Applicants for Resolutions

District H

Application Number	Development Name	Development Address	Total Units	Target Population	Census Tract Income
20011	Canal Lofts	5601 Canal Street	150	Family	\$ 40,326
20077	Lockwood South Apartments	560' west of Lockwood Drive & South of Buffalo Bayou at Drennan St.	76	Family	\$ 28,555
20189	Jackson Hinds Garden (At Risk)	607 Thornton Rd	111	SRO	\$ 29,263

Applicants for Resolutions

District H



Project Locations

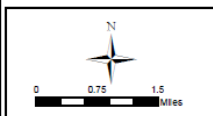
- Canal Lofts
- Jackson Hinds Garden (At Risk)
- Lockwood South Apartments
- Council District H
- Freeway
- Federal & State
- Grand Parkway

2020 9% Resolution Council District H

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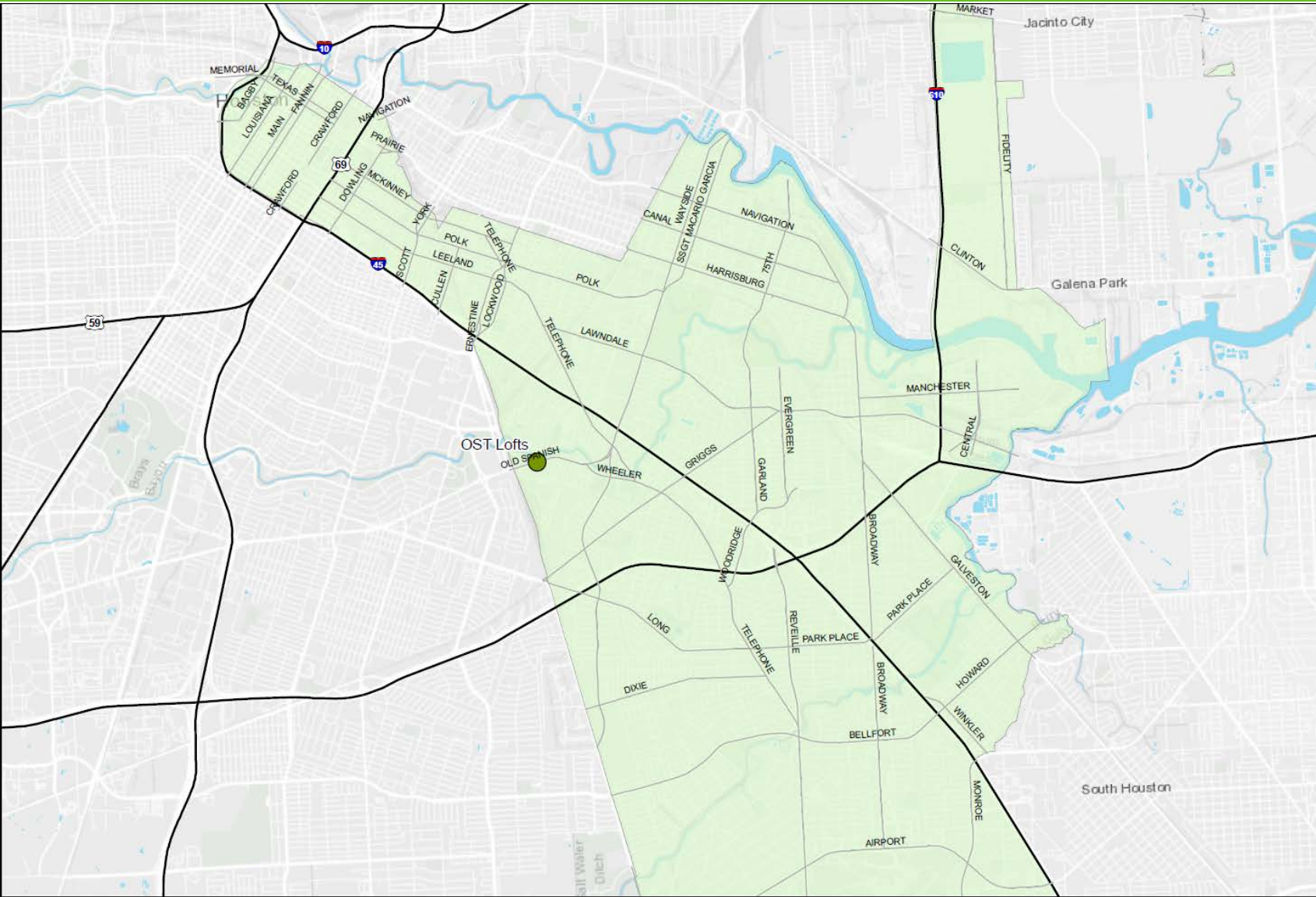
Applicants for Resolutions

District I

Application Number	Development Name	Development Address	Total Units	Target Population
20128	OST Lofts	5520 Old Spanish Trail	130	Family

Applicants for Resolutions

District I



- Project Location
- Freeway
- Federal & State
- Grand Parkway
- Council District I

2020 9% Resolution Council District I

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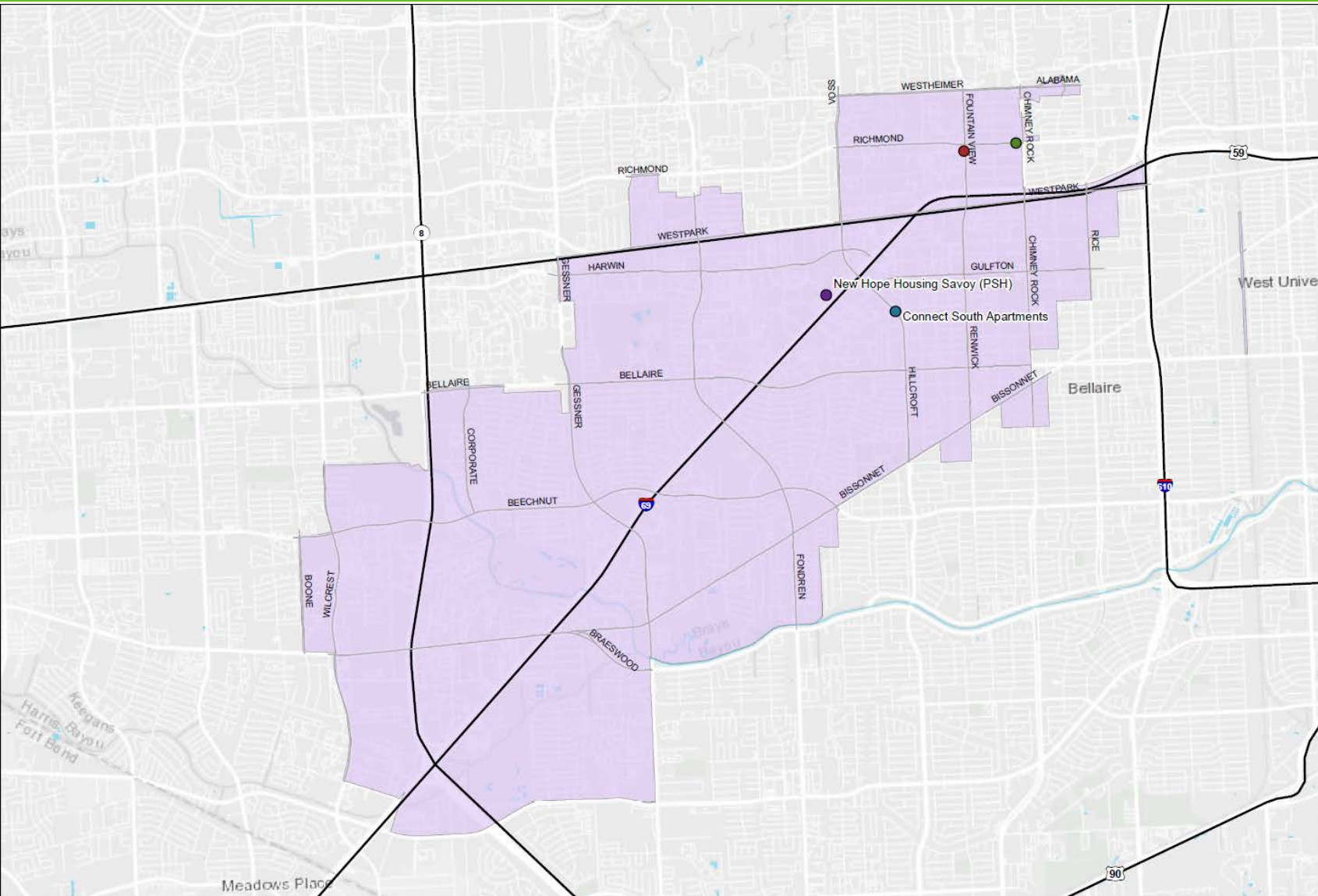
Applicants for Resolutions

District J

Application Number	Development Name	Development Address	Total Units	Target Population
20075	New Hope Housing Savoy (PSH)	~6301 Savoy Drive	130	PSH
20082	Connect South Apartments	6440 Hillcroft Street	80	Family
20141	Richmond Senior Village	5615 Richmond	140	Elderly 55+
20101	Greenridge Terrace	~6000 block of Beverly Hill St	98	Family

Applicants for Resolutions

District J



Project Locations

- Connect South Apartments
- Greenridge Terrace
- New Hope Housing Savoy (PSH)
- Richmond Senior Village
- Council District J
- Freeway
- Federal & State
- Grand Parkway

2020 9% Resolution Council District J

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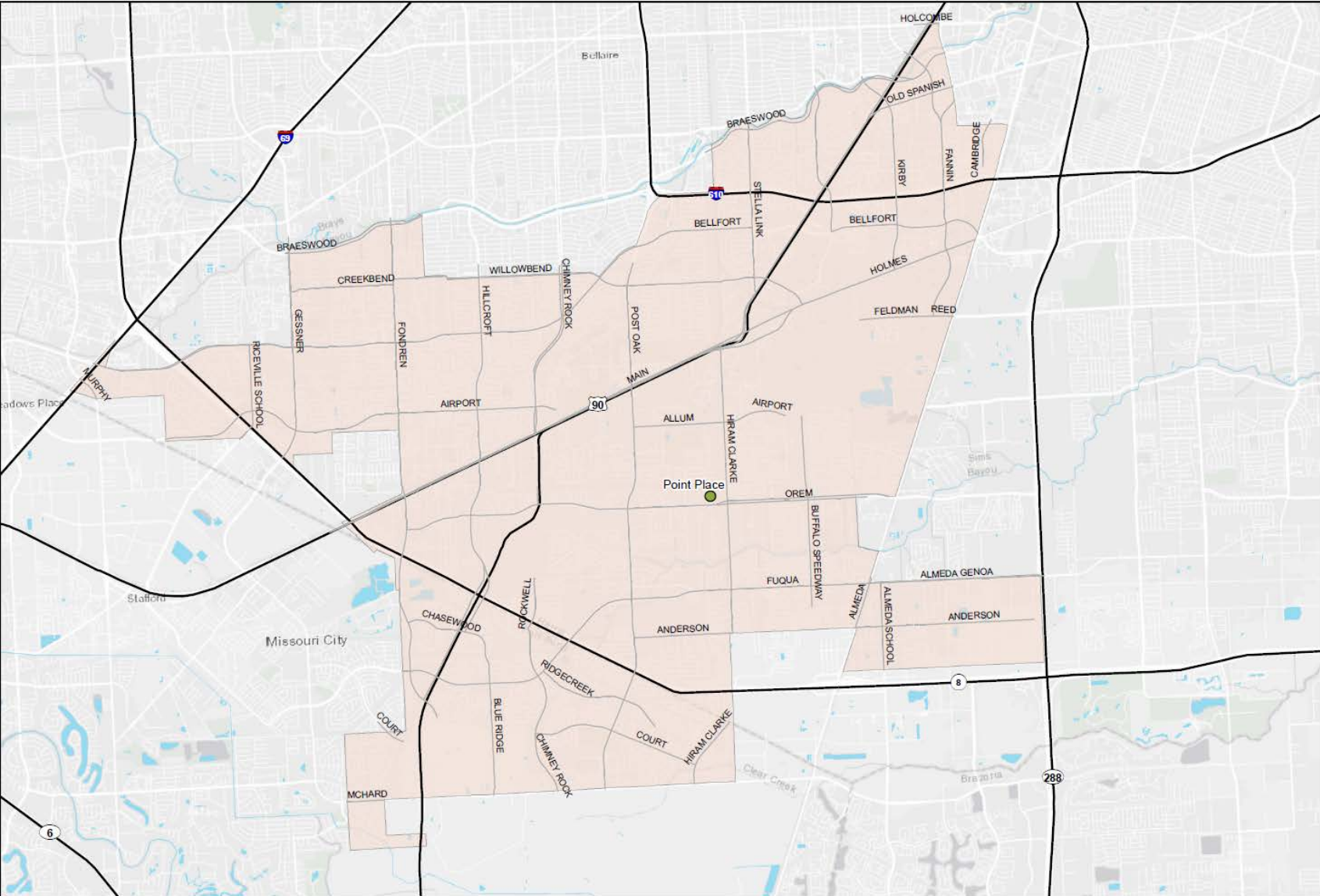


Applicants for Resolutions

District - K

Application Number	Development Name	Development Address	Total Units	Target Population
20215	Point Place	13709 Player	80	Family

Applicants for Resolutions District - K



Project Locations

- Point Place
- Council District K
- Freeway
- Federal & State
- Grand Parkway

2020 9% Resolution Council District K

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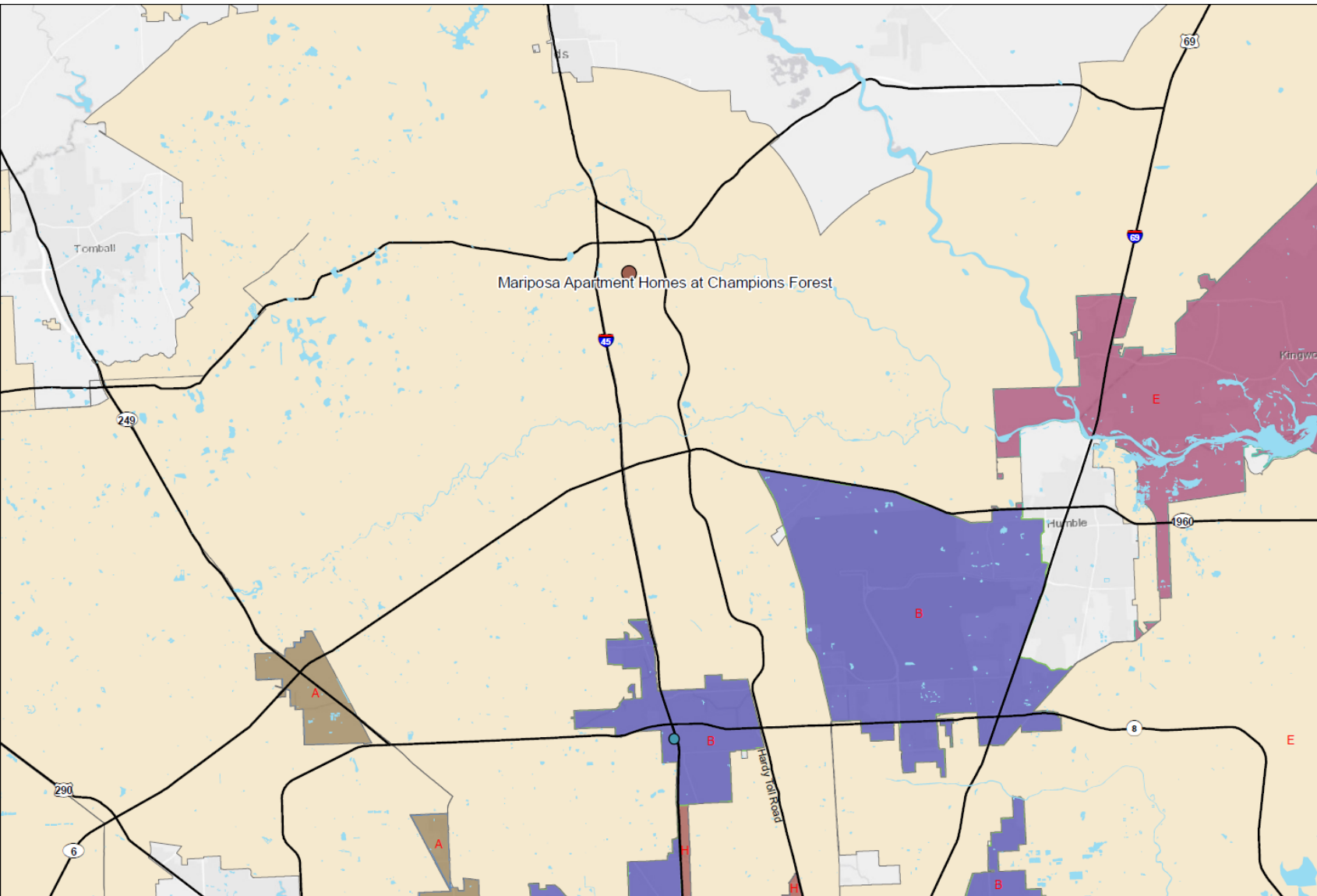
Applicants for Resolutions

ETJ

Application Number	Development Name	Development Address	Total Units	Target Population
20246	Mariposa Apartment Homes at Champions Forest	Southeast of Spring Cypress Road and Brandt Road	180	Elderly 55+

Applicants for Resolutions

ETJ



- Project Location
- City of Houston ETJ

Council Districts

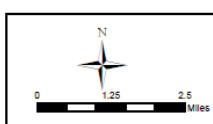
- A
- B
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- I
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2020 9% Resolution ETJ

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THANK YOU



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