

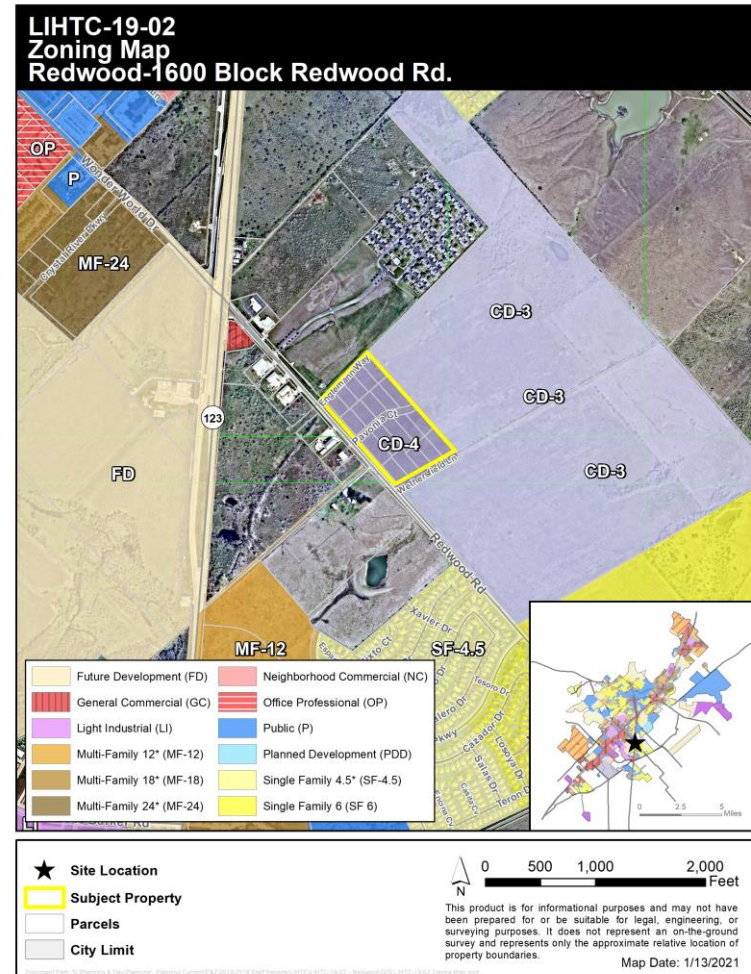
LIHTC-19-02 (Redwood)

Consider approval of Resolution 2021-XXX, amending Resolution 2020-164R, which provided no objection to an application for low income housing tax credits to the Texas Department of Housing and Community Affairs for the proposed Redwood Multifamily project located in the 1600 Block of Redwood Road, to include language which approves the application of the Texas Housing Finance Corporations Act, Chapter 394, Local Government Code and grants approval for the use of bond proceeds issued by a housing finance corporation pursuant to the Act, and providing no objection to the submission of an application for low income housing tax credits; approving findings related to such application, imposing conditions for such non objection; providing authorizations for execution or submission of documents related to the such application, and declaring an effective date.



Background & Context

- **Resolution 2020-27R**
 - Approved February 4, 2020
 - PILOT executed and included as condition of approval in Resolution
 - \$75,000+\$1,500 annual payment to the City for life of project
- **Resolution 2020-164R**
 - Amended to acknowledge within Census tract consists of 20% or more housing tax credit units
 - TDHCA housing de-concentration requirement





Applicant Request

- **Acknowledge ad valorem exemptions for Housing Finance Corporations as allowed by Chapter 394 of the Texas Local Government Code**

“To the extent applicable, the City Council hereby approves the application of the Texas Housing Corporations Act, Chapter 394, Local Government Code (the “Act”), to the property on which the development will be constructed and grants its approval for the use of proceeds of bonds issued by a housing finance corporation pursuant to the Act to finance construction of the development.”



Resolution Redline

PART 4. As provided for in 10 TAC §11.3(d) it is hereby acknowledged that the proposed New Construction or Adaptive Reuse Development is located one linear mile or less from a Development that serves the same type of household as the proposed Development and has received an allocation of Housing Tax Credits (or private activity bonds) for New Construction in the three-year period preceding the date the Certificate of Reservation is issued.

PART 5. As provided for in 10 TAC §11.3(e) and §11.4(c)(1), it is hereby acknowledged that the proposed New Construction Development is located in a census tract that has more than 20% Housing Tax Credit Units per total household and the proposed Development is consistent with the City's obligation to affirmatively further fair housing and the City has no objection to the Application.

PART 6. To the extent applicable, the City Council hereby approves the application of the Texas Housing Finance Corporations Act, Chapter 394, Local Government Code (the "Act"), to the property on which the development will be constructed and grants its approval for the use of proceeds of bonds issued by a housing finance corporation pursuant to the Act to finance construction of the development.

Part 7. The Mayor or the City Manager, are each authorized to execute any and all documents as necessary for the Applicant to complete its application for the Project to the TDHCA and to execute the Payment Agreement for the PILOT as referenced in Part 3(d) above.

PART ~~7~~8. For and on behalf of the City Council, the Mayor or the City Clerk are each authorized to certify one or more copies of this resolution for submission to TDHCA.

PART ~~8~~9. This resolution shall be in full force and effect immediately from and after its passage.

ADOPTED on ~~August 4, 2020~~ February 16, 2021.



Texas Local Government Code, Chapter 394, Section 905

- **Exemption from Taxation.** The housing finance corporation, all property owned by it, the income from the property, all bonds issued by it, the income from the bonds, and the transfer of the bonds are exempt, as public property used for public purposes, from license fees, recording fees, and all other taxes imposed by this state or any political subdivision of this state. The corporation is exempt from the franchise tax imposed by Chapter 171, Tax Code, only if the corporation is exempted by that chapter.



Committee Recommendation:

At their January 25th, 2021 meeting the Workforce Housing Committee provided no objection to the requested amendment.

Staff Recommendation:

Staff provides this request to the Council for your consideration and recommends **approval** of the request as presented.