

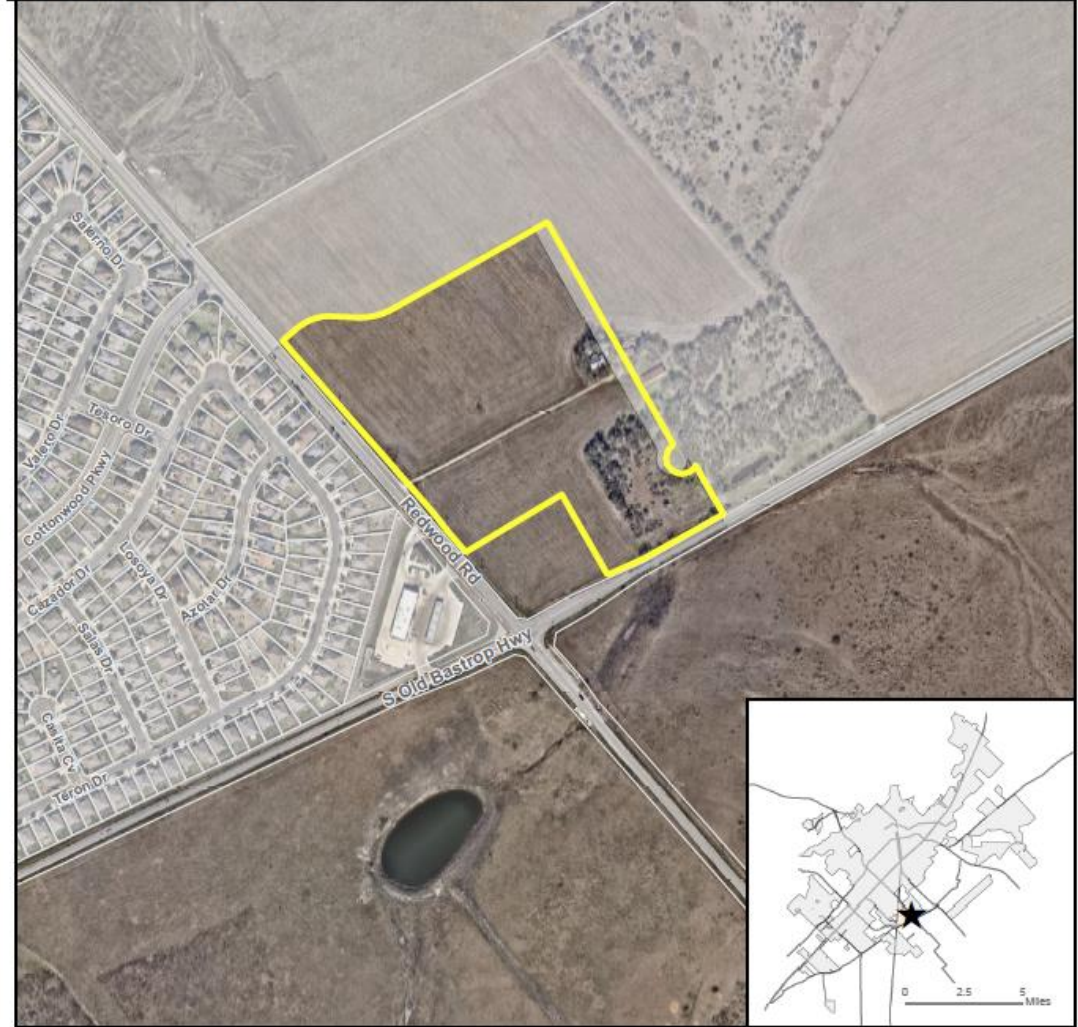
## **LIHTC-20-03 (Legacy Square)**

Receive a Staff presentation and hold a Public Hearing to receive comments for or against Resolution 2021-XXR, providing no objection to the submission of an application for low income housing tax credits to the Texas Department of Housing and Community Affairs for the proposed Legacy Square Senior (55+) Multifamily Housing Project located at the corner of Redwood Road and South Old Bastrop Hwy; approving findings related to the application; imposing conditions for such non objection; approving an associated agreement under which the owner of the project will make an annual payment in lieu of taxes in the amount of \$75,000 and increasing by \$1,500 annually; authorizing the city manager, or his designee, to execute said agreement and to submit and execute documents related to the application; and declaring an effective date.

## Location and Context

- Approximately 17 acres
- Surrounding uses include:
  - El Camino Real neighborhood
  - Gas Station/Convenience Store/Car Wash
  - Vacant/Agricultural land
- Proposing a senior housing (55+) multifamily project

### LIHTC-20-03 Aerial View Legacy Square — Northeast Corner of Redwood Rd & S Old Bastrop Hwy



- ★ Site Location
- Subject Property
- Parcel
- City Limit

0 250 500 1,000 Feet

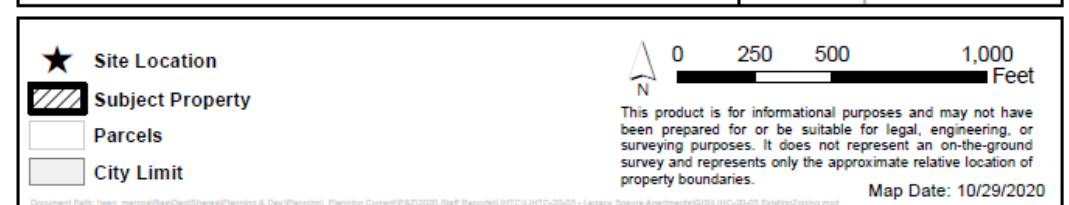
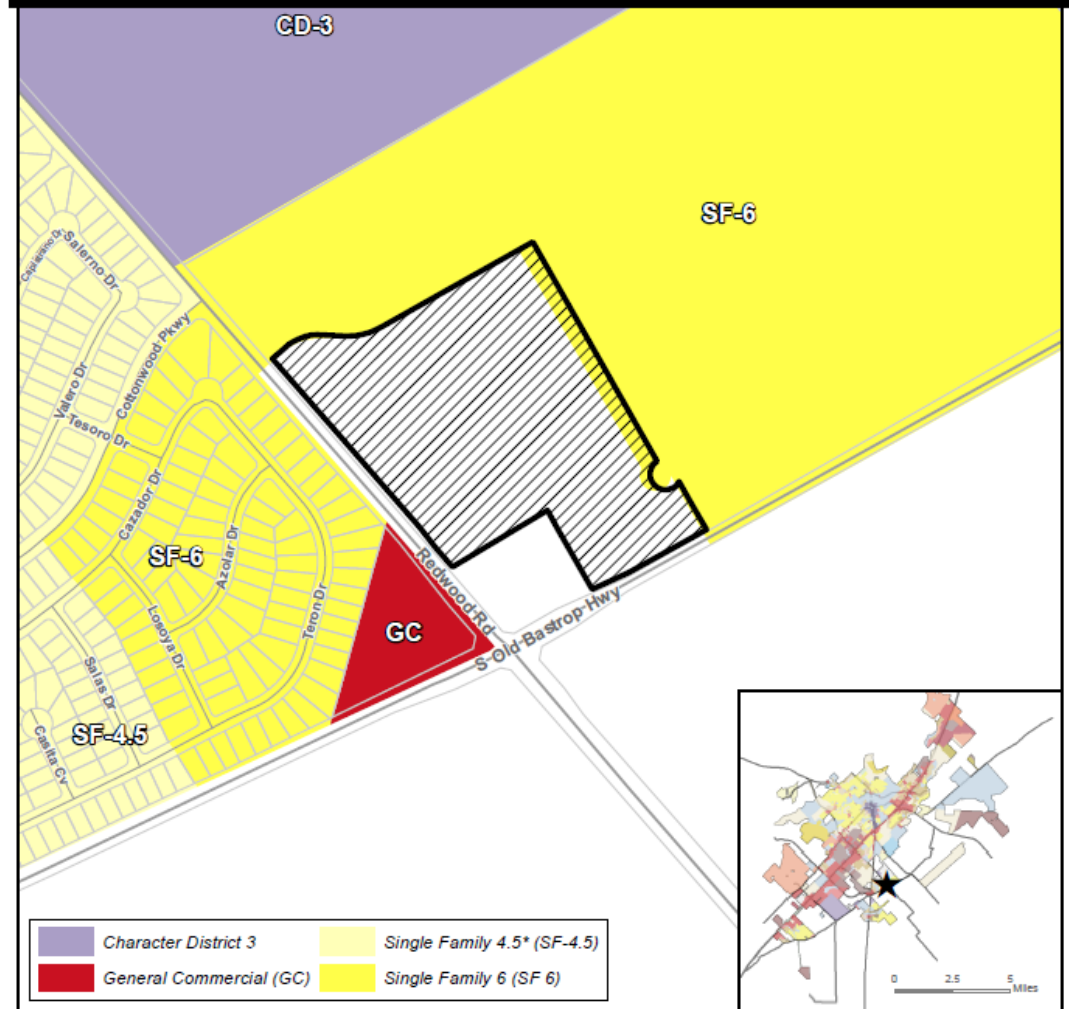
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Map Date: 4/7/2021

## Context

- Located outside the City Limits
- Applications submitted:
  - Annexation into the City Limits
  - Zoning to Character District-5 (CD-5)
  - Request for an Alternative Compliance to allow one-story buildings in CD-5

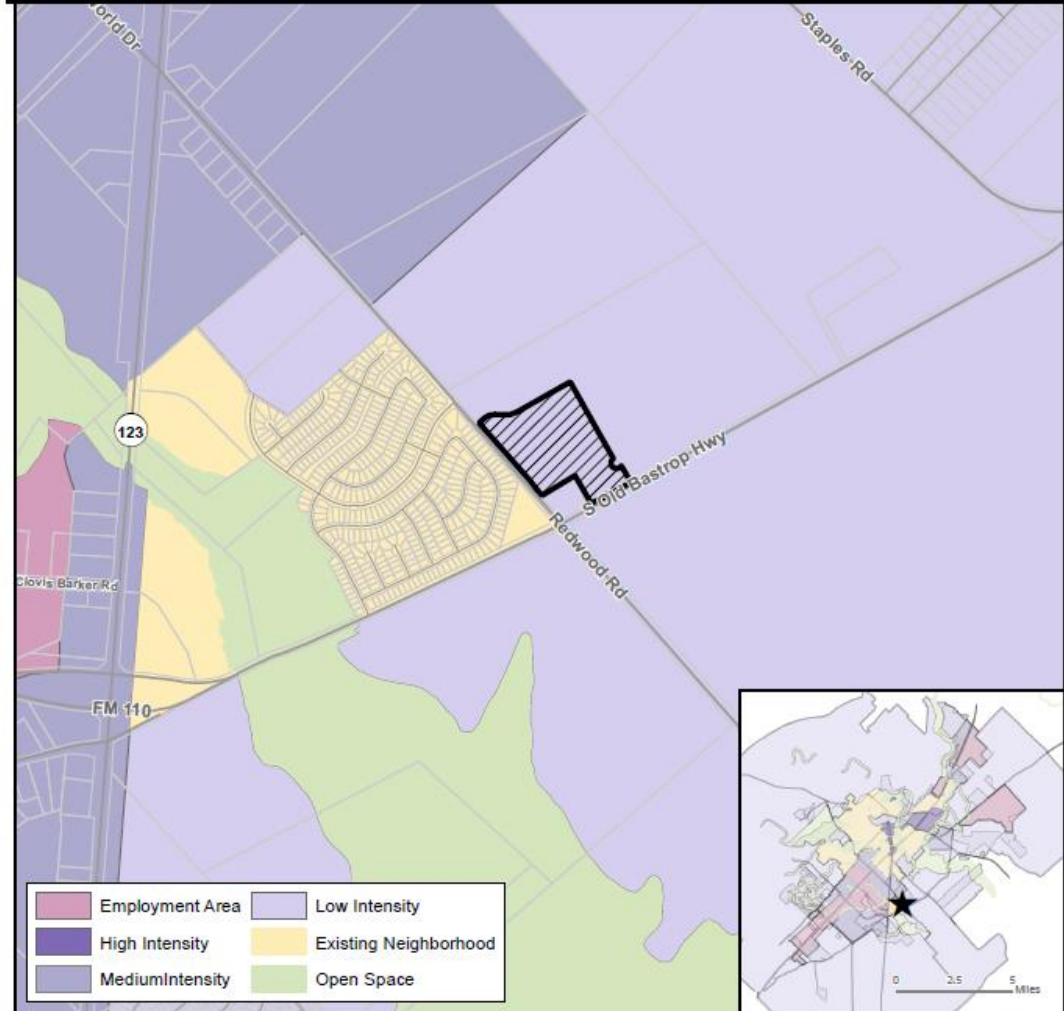
### LIHTC-20-03 Existing Zoning Legacy Square — Northeast Corner of Redwood Rd & S Old Bastrop Hwy



## Context

- **Preferred Scenario Designation:** Area of Stability / Low Intensity

### LIHTC-20-03 Preferred Scenario Legacy Square — Northeast Corner of Redwood Rd & S Old Bastrop Hwy



- ★ Site Location
- ▨ Subject Property
- Parcels
- City Limit

0 700 1,400 2,800 Feet

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Map Date: 11/1/2020



## Unit Summary

### Unit Mix

Income Restriction	Unit Count	% of Total Units
0-30% AMI	21	10%
31-50% AMI	10	5%
51-60% AMI	148	70%
61-80% AMI	31	15%
Market Rate	0	0%
<b>Total</b>	<b>210</b>	<b>210</b>

### Bedrooms

# of Bedrooms	Unit Count	% of Total Units
Efficiency	0	0%
1 bedroom	128	60%
2 bedroom	82	40%
3 bedroom	0	0%
4 bedroom	0	0%
<b>Total</b>	<b>210</b>	<b>210</b>



INTERIOR CORRIDOR BUILDING

### One-story buildings

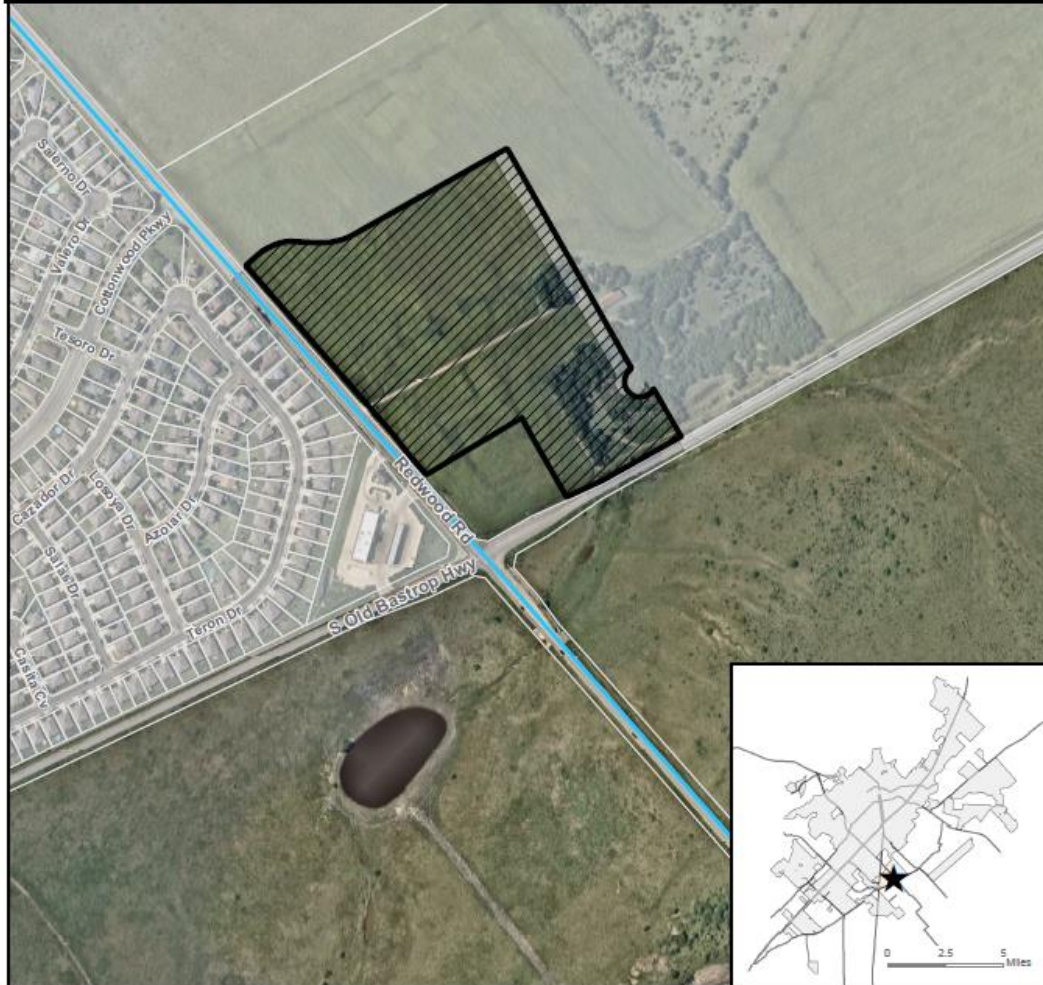


1BR4 COTTAGE



2BR6 COTTAGE

# LIHTC-20-03 CARTS, Fixed Routes and Bus Stops Legacy Square — Northeast Corner of Redwood Rd & S Old Bastrop Hwy



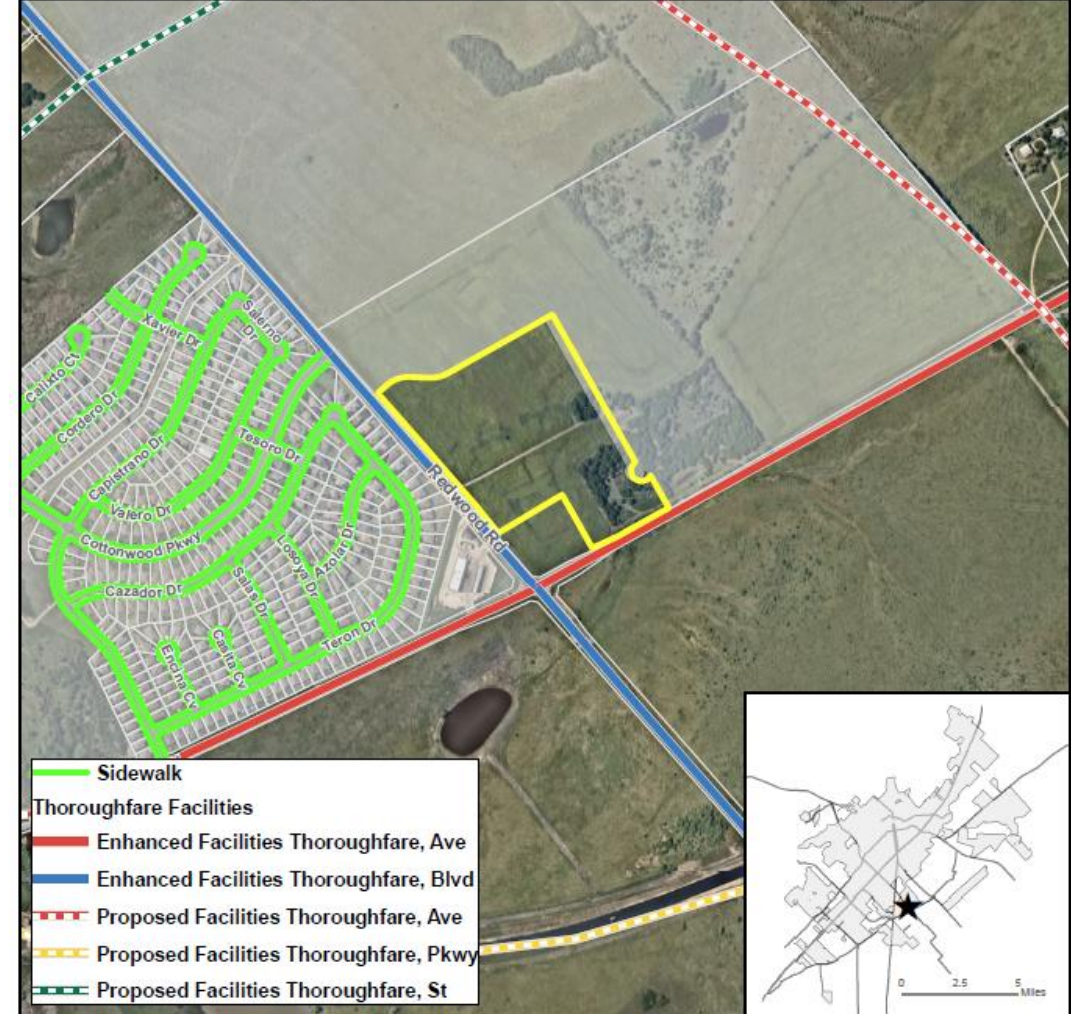
- ★ Site Location
- ▨ Subject Property
- ▭ Parcel
- ▭ City Limit
- CART Fixed Bus Route
- 6 - Guadalupe/Redwood
- ★ CART Bus Stop



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Map Date: 10/29/2020

# LIHTC-20-03 Existing Sidewalks & Thoroughfare Plan Legacy Square — Northeast Corner of Redwood Rd & S Old Bastrop Hwy



- Sidewalk
- Enhanced Facilities Thoroughfare, Ave
- Enhanced Facilities Thoroughfare, Blvd
- Proposed Facilities Thoroughfare, Ave
- Proposed Facilities Thoroughfare, Pkwy
- Proposed Facilities Thoroughfare, St

- ★ Site Location
- ▨ Subject Property
- ▭ Parcel
- ▭ City Limit



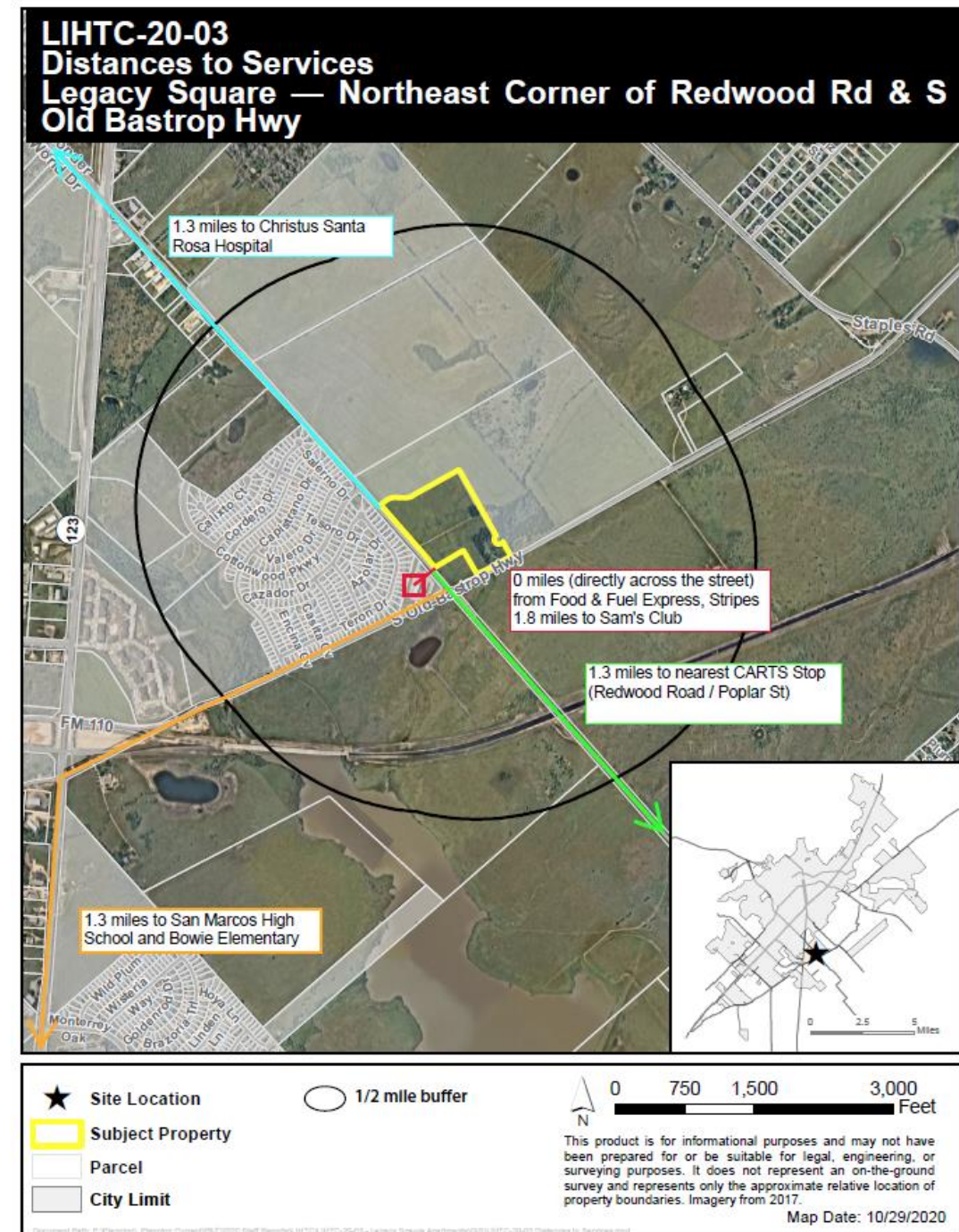
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Map Date: 11/1/2020



## Distance to Services

- **Grocery**
  - 1.8 miles to Sam's Club
- **Medical Services**
  - 1.32 miles to Christus Santa Rosa Hospital
- **Schools**
  - 1.3 miles to San Marcos High School and Bowie Elementary School
- **Transit**
  - Project is located along an existing route, Guadalupe/Redwood Route
  - 1.3 miles to nearest stop on Redwood Road/Poplar Street



## Housing Policy Criteria #1 Overview

#	Criteria	Analysis
1	No exemption from local taxes may be considered unless the project meets the criteria listed below.	<b>Met</b> - The applicant is requesting an exemption from local taxes. Please see the below analysis for Criteria #1 sub-criteria.
1A	A minimum of 10% of all units within the project shall be affordable to households at or below 30% percent of the AMI for the duration of the tax exemption.	<b>Met</b> - The project is providing 21 units (10% of all units) to households at or below 30% of the AMI.
1B	A minimum of 10% of the units affordable to households at or below 30% of the AMI shall be ADA accessible.	<b>Met</b> - 2 of the units (10%) which are affordable to households at or below 30% of the AMI will be accessible.
1C	A minimum of 35% of the units within a project that is not age-restricted shall include a minimum of three bedrooms in each unit.	<b>N/A</b> – this is an age restricted (55 years and older) project and therefore this sub criteria does not apply. The project is providing a mix of one and two bedroom units.
1D	The project shall include these criteria in the Texas Department of Housing and Community Affairs Land Use Restriction Agreement (LURA).	<b>Met</b> – The criteria will be include in the Land Use Restriction Agreement (LURA).
1E	When considering a recommendation of support, projects must show proof that revenues will remain in San Marcos and will be utilized to support local residents with housing.	<b>Met</b> - The project is seeking an exemption from local taxes through a partnership with the Capital Area Housing Finance Corporation (CAHFC). Hays County is one of the applicable counties within the CAHFC service area. <b><u>Pilot Payment: \$75,000 annually with a \$1500 annual increase.</u></b>



## Housing Policy Criteria #2-7 Overview

#	Criteria	Analysis
2	Addresses a housing need identified in this housing policy or in the City's HUD programs	<b>Met</b> - The project will provide 210 units for those with incomes at or below 60% AMI.
3	The project is located in a high or medium intensity zone on the Preferred Scenario Map	<b>Not Met</b> - The property is in an Area of Stability-Low Intensity
4	The project is not proposed to develop under a legacy district on the City's current zoning map.	<b>Met</b> - The property is not currently zoned or annexed, however, the applicant is requesting annexation and zoning to CD-5, which is not a legacy district.
5	The project is located within a ½ mile walking distance to grocery, medical services, and schools.	<b>Not Met</b> – The property is not located within ½ mile walking distance to any of the listed services.
6	The project is located within ¼ walking distance of a proposed or existing bus stop on a current or planned transit route. If the project is not located within ¼ mile walking distance of a proposed or existing bus stop on a current or planned transit route, a private shuttle service for residents is provided in accordance with TDHCA requirements.	<b>Met</b> – The property is not located on an existing route and the nearest stop is ~1.3 miles away. The applicant is providing a private shuttle service for residents in accordance with TDHCA requirements.
7	The project is renovating or redeveloping an existing multifamily complex or under-performing development.	<b>Not Met</b> - The project will be a new development.

**Housing Policy Criteria #8 Overview:** The project incorporates wraparound support services that provide flexible voluntary social, economic, or education benefits to the residents. Proposed support services should:

# Criteria	Analysis
<b>8a</b> Meet the needs of the local community	<b>Met</b> – The project will offer support services for their residents as indicated in the application
<b>8b</b> Utilize local support services and resources	<b>Met</b> – The applicant provided a list of local services and providers that they intend on partnering with for their required wraparound services.
<b>8c</b> Exceed the minimum TDHCA requirements for amenities; and	<b>Met</b> - The applicant is providing 23 points (22 required) for Common Amenities and 11.5 points (8 required) for Resident support services.
<b>8d</b> The project shall submit to the City the Project’s TDHCA application for low income housing tax credits and include the list of amenities in the Project’s Land Use Restriction Agreement.	<b>Potentially Met / provided at later stage of the development process</b> The applicant has not submitted their application to TDHCA. Staff will require the application be submitted to the City and will ensure reference to the amenities in the project’s Land Use Restriction Agreement
<b>8e</b> The project shall submit surety documentation to the City that the proposed support services will be included in the completed project. (Submitted in a MOU indicating partnership, required prior to C of O).	<b>Potentially Met / provided at later stage of the development process</b> The applicant has not yet provided a draft MOU between the property owner and proposed property management company and has not yet provided surety documentation for any local partnerships or service providers. Staff will work with the applicant to acquire the MOUs. An executed MOU will be required prior to issuing Certificates of Occupancy for the project.

# Common Amenities & Residential Support Services

## Common Amenities

- Controlled gate access
- Accessible jogging path
- Furnished fitness center
- Game equipment accessible to residents (pool table, putting green, shuffleboard, etc.)
- Swimming pool
- Dog park
- Lighted pathways
- Gazebo / covered pavilion
- BBQ grill and picnic tables for every 50 units
- Business Center with workstations/printers
- Furnished community room
- Library with accessible sitting area
- Activity room with supplies (arts, crafts, board games)
- Community dining room with warming kitchen
- High speed Wi-fi in community building

## Resident Support Services

- Shuttle service
- Annual income tax preparation program
- Food pantry
- Annual health fair
- Partnership with local law enforcement
- Monthly arts and crafts and other recreational activities
- On-site social events.



## **Committee Concerns (March 17, 2021 Meeting)**

- **Request to increase PILOT payment to meet or exceed \$75,000 annually with \$1,500 annual increase**
  - The applicant increased PILOT payment per Council's request from \$50,000 annually with a 1.5% annual escalator to \$75,000 annually with \$1,500 annual increase.
- **Requested to provide a more robust shuttle system**
  - The applicant agreed to exceed the TDHCA minimum shuttle service (3 times a week). Applicant will provide van service with multiple weekly trips to stops such as the grocery store, activity center or related senior programming, the library, and other commonly requested stops.
- **Asked whether the 3-story interior buildings will have elevators (preferred)**
  - The applicant stated elevators are required and provided for any building on the property over 1-story.

## **Committee Concerns (March 17, 2021 Meeting)**

- **Requested Wi-Fi throughout the development, not just the community or clubhouse building**
  - The applicant stated that each unit will be wired for high-speed internet access.
  - In addition, the applicant stated that they will provide more Wi-Fi connection points than a typical senior community in all common areas, not just the clubhouse.
- **Requested to know if the Governor's exemption to waive the requirement for LIHTC project to receive a Resolution of No Objection is in effect.**
  - Yes, however, the applicant is continuing to pursue the Resolution of No Objection in the event the emergency declaration expires.

## **Staff Recommendation:**

- Per the San Marcos LIHTC Policy, applications must meet at least 5 of the 8 criteria, including criteria #1, in order to receive a positive staff recommendation. Under the current policy, no exemption from taxes may be considered unless the project meets criteria 1a-1e.
- Staff considers **5 of the 8 LIHTC criteria, including criteria 1** met and recommends **approval** of LIHTC-20-03.



	Income Restricted Units	Market Rate Units	Total Units	Vacancies
Completed or Under Construction				
Asbury Place	64	0	64	8
Champions Crossing	156	0	156	8
Country Oaks	160	0	160	14
Encino Pointe	252	0	252	42
La Vista Retirement Community	150	50	200	6
Mariposa Apartments	182	0	182	12
Sienna Pointe	228	0	228	30
Stone Brook Seniors	206	0	206	6
Sunrise Village	60	0	60	6
Villas at Willow Spring	135	85	220	1
Mission Trails at El Camino	283	69	352	351
Total	1,876	204	2,080	484
Resolution Approved-Not Constructed				
The Reserve at San Marcos	320	56	376	
Riverstone	336	0	336	
Villas Del San Xavier	156	0	156	
Redwood	296	0	296	
The Lantana on Bastrop	216	0	216	
Total	1,324	56	1,380	N/A
Resolution Under Review				
Legacy Square	210	0	210	
Sendero at Centerpoint	164	0	164	
Total	374	0	374	
Grand Total	3,574	260	3,834	

## INCOME LIMITS

2020 Area Median Income:

\$97,600

AMFI %	Number of Household Members							
	1	2	3	4	5	6	7	8
20	\$ 13,680	\$ 15,620	\$ 17,580	\$ 19,520	\$ 21,100	\$ 22,660	\$ 24,220	\$ 25,780
30	\$ 20,520	\$ 23,430	\$ 26,370	\$ 29,280	\$ 31,650	\$ 33,990	\$ 36,330	\$ 38,670
40	\$ 27,360	\$ 31,240	\$ 35,160	\$ 39,040	\$ 42,200	\$ 45,320	\$ 48,440	\$ 51,560
50	\$ 34,200	\$ 39,050	\$ 43,950	\$ 48,800	\$ 52,750	\$ 56,650	\$ 60,550	\$ 64,450
60	\$ 41,040	\$ 46,860	\$ 52,740	\$ 58,560	\$ 63,300	\$ 67,980	\$ 72,660	\$ 77,340
70	\$ 47,880	\$ 54,670	\$ 61,530	\$ 68,320	\$ 73,850	\$ 79,310	\$ 84,770	\$ 90,230
80	\$ 54,720	\$ 62,480	\$ 70,320	\$ 78,080	\$ 84,400	\$ 90,640	\$ 96,880	\$ 103,120
120	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

## RENT LIMITS

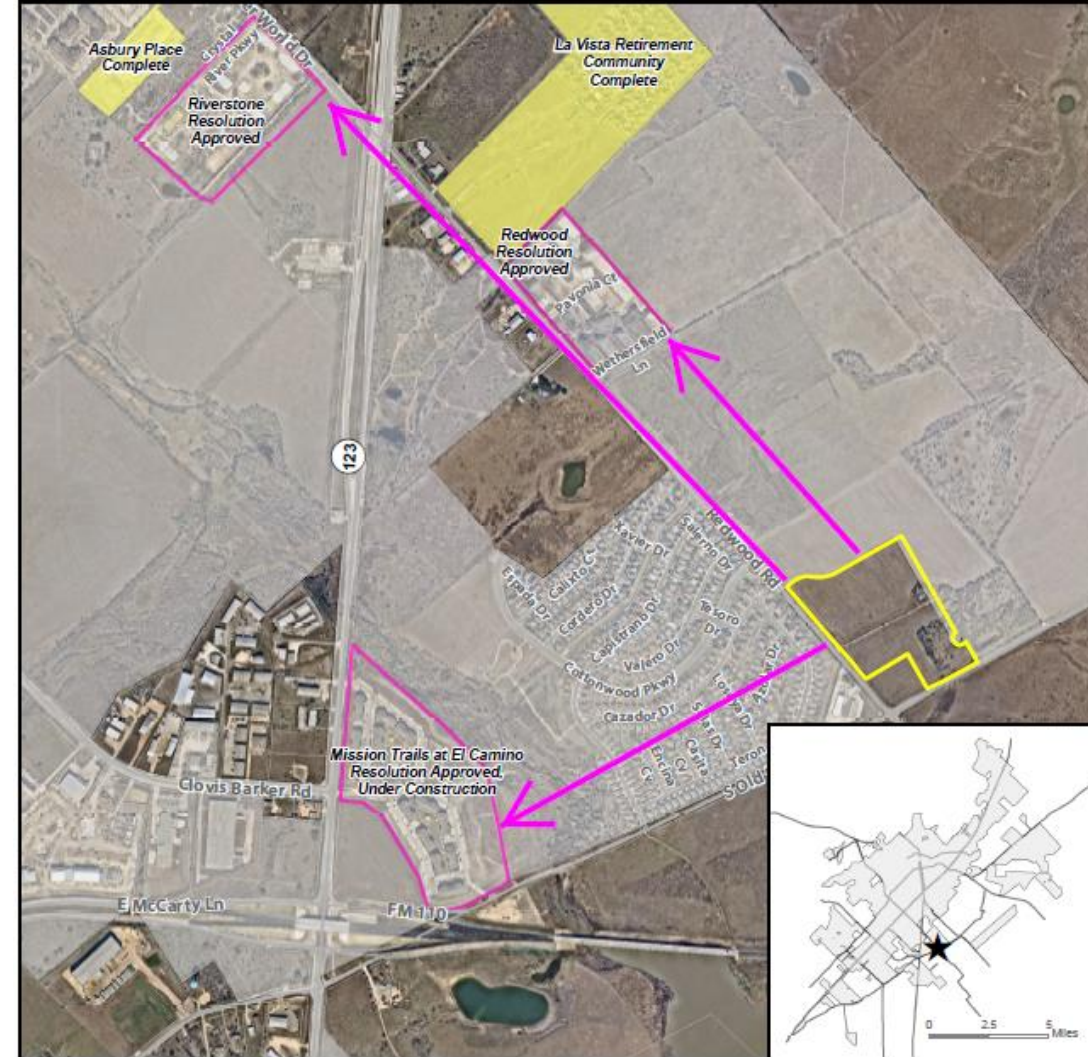
AMFI %	Number of Bedrooms						
	0	1	2	3	4	5	
20	\$342	\$366	\$439	\$507	\$527	\$625	
30	\$513	\$549	\$659	\$761	\$849	\$937	
40	\$684	\$732	\$879	\$1,015	\$1,133	\$1,250	
50	\$855	\$915	\$1,098	\$1,269	\$1,416	\$1,562	
60	\$1,026	\$1,098	\$1,318	\$1,523	\$1,699	\$1,875	
65							
70	\$1,197	\$1,281	\$1,538	\$1,777	\$1,982	\$2,187	
80	\$1,368	\$1,465	\$1,758	\$2,031	\$2,266	\$2,500	

# Additional TDHCA Language added to the Resolution

## 1 Mile, 3-Year Resolution

- TDHCA requires that a resolution be obtained for developments located within one mile of another tax credit development that has received a tax credit award from TDHCA within the last three years.
- **The purpose of the resolution is to ensure that the City of San Marcos is aware that there will be at least two LIHTC developments in relatively close proximity to one another.**

## LIHTC-20-03 One Mile, Three Year Rule Legacy Square





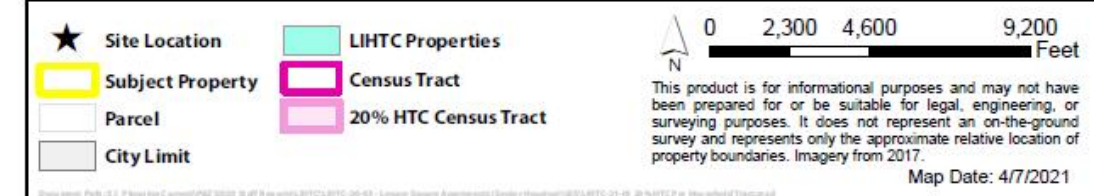
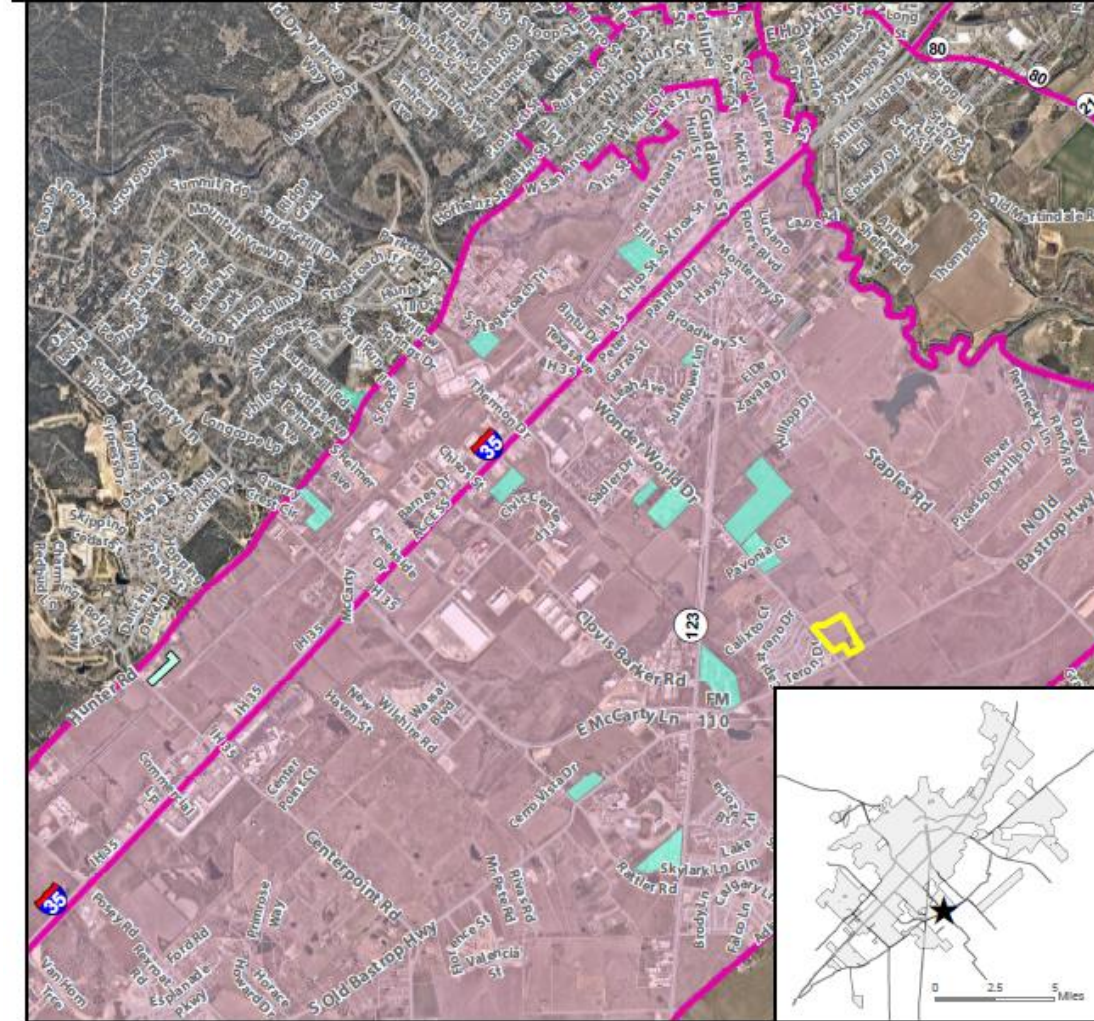
# Additional TDHCA Language added to the Resolution

## 20% Housing Tax Credit per Household Resolution

- TDHCA requires that a resolution be obtained for developments located within Census tracts where more than 20% of all households are housing tax credit units.
- The current percentage is 28.51%

LIHTC-20-03

20% Housing Tax Credit per Households Census Tract  
Legacy Square - Northeast Corner of Redwood Road and S Old Bastrop Hwy





# Additional TDHCA Language added to the Resolution

## Twice the State Average per Capita

- TDHCA requires that a resolution be obtained for developments located in municipalities that have more than twice the state average of units per capital supported by Housing Tax Credits or private activity bonds
- The purpose of this added language is to ensure that the City of San Marcos is aware of the large amount of housing units supported by Housing Tax Credits or private activity bonds

## LIHTC-20-03 San Marcos LIHTC Project Locations Legacy Square - Northeast Corner of Redwood Rd & S Old Bastrop Hwy

