

Presentation, discussion, and possible action regarding material amendments to previous 9% Competitive Housing Tax Credit Applications to award State Housing Tax Credits and approval of the waiting list for 2024 State Housing Tax Credit Applications.

### **RECOMMENDED ACTION**

**WHEREAS**, The Department is authorized to allocate State Housing Tax Credits (SHTC) of which \$5 million is to be awarded to qualified developments that received an allocation of federal tax credits under the qualified allocation plan issued by the Department for 2021 or 2022 and \$10 million is to supplement 2024 Competitive awards;

**WHEREAS**, as established in 10 TAC §11.1008, the Department has prioritized applications proposing the most additional low income Units for households at or below 30% of AMGI relative to the State Housing Tax Credit Request; and

**WHEREAS**, as part of the process of awarding those credits, the affected Development Owners request approval for material amendments to add the State Housing Tax Credit as a source, revise other financing, and increase the number of 30% Units.

**NOW, therefore, it is hereby**

**RESOLVED**, that the list of recommended Applications for Final Certifications of State Housing Tax Credits and the 2024 SHTC Waiting List are hereby approved in the form presented at this meeting; and

**FURTHER RESOLVED**, that the requested amendments are approved as presented at this meeting, and the Executive Director and his designees are hereby authorized, directed, and empowered to take all necessary action to effectuate the foregoing; and

**FURTHER RESOLVED**, that the Board's approval is conditioned upon the completion of underwriting and program review, the imposing of all conditions of underwriting, the imposing of the conditions resulting from staff review, the completion of any other reviews required to ensure compliance with the applicable rules and requirements for the State Housing Tax Credit Program, and any other special conditions the Board may consider appropriate.

### **BACKGROUND**

The SHTC awards and waiting list recommendations for November 7, 2024, are presented in the Board materials. To the extent that some applications do not yet have a final underwriting or program assessment, those applications will be considered conditionally recommended, with the condition being the completion of those reviews and

recommendation of award or award with conditions. For any awards made by the Board by this item that subsequently are recommended by underwriting with conditions, these conditions will be considered to be the Board's conditions of the award.

#### **REPORTS LOCATED IN THE BOARD BOOK**

- Report 1: Recommended Applications
- Report 2: Complete List of all Applications recommended for an award and the waiting list of all active Applications not recommended for an award including priority analysis.
- Report 3: Real Estate Analysis Summaries of all amendment requests, including conditions to be placed on awards.

#### **APPLICATION SUBMISSIONS**

32 Applications submitted an "Intent-to-Apply" for SHTCs. 17 were 2024 9% Housing Tax Credit Applicants, seeking a total of \$28,000,000. 15 applied for the "priority set-aside" of qualified Developments that received an allocation of federal tax credits under the qualified allocation plan issued by the department for 2021 or 2022. \$5 Million was available in this set-aside and the requests totaled \$25,725,000.

There are currently 19 Applications eligible for consideration. Nine Applicants were not awarded 2024 9% credits at the late July meeting, which means that those Applications are ineligible for consideration for the SHTC. Four additional Applications were withdrawn from consideration. Collectively, the remaining eligible Applicants are requesting \$34,125,000.

Nine Applications are recommended for an award as reflected in Report 1, attached. All eligible Applications are reflected in Report 2. Those recommended for awards are reflected in the "Recommendation" column of this report.

#### **RECOMMENDATION PROCESS**

Because more requests were received than can be funded, staff was required to determine which Applications were most competitive for these new credits. In making recommendations, staff relied on the priorities outlined in 10 TAC §11.1008, which establishes that priority shall be given to Applications that propose to create the most 30% AMGI Units using the SHTC. These are not additional physical Units that will be constructed – rather, they are Units that were proposed in the initial Application at a higher income and rent level that will be converted to the 30% income and rent level using the SHTC.

Units for households at or below 30% of AMGI proposed in the original application were not considered when determining this priority. The initial SHTC award was made to the Applicant with the lowest request amount per additional Units provided. Subsequent awards were made using the same metric until the Department could no longer fund a full credit request.

The 9 recommendations reflect commitments of \$14,675,000, which leaves \$325,000 available. Applicants recommended for an award committed a total of 262 additional 30% Units for households at or below 30% of AMGI.

Applicants recommended for an award submitted material amendment requests to add the SHTC as a source, increase the number of low income Units for households at or below 30% of AMGI, and revise all other necessary exhibits.

**WAITING LIST**

Staff recommends that the Board consider the Waiting List to be composed of all Applications that have not been approved by the Board for a commitment of 2024 SHTC and have not been terminated by the Department or withdrawn by the Applicant. Staff further recommends that the applications that remain be approved by the Board today be accepted as the Waiting List ranked in descending order of priority and subject to the same allocation process as set out in 10 TAC §11.1001 - 11.1009.



**Texas Department of Housing and Community Affairs  
2024 State Housing Tax Credit ("SHTC") Program  
Award Log**

The list of recommended awards is organized by Set-Aside. Applications are prioritized based upon new 30% units provided per the State Housing Tax Credit request amount.

Version Date: October 22, 2024

Application Number	Region	Urban/ Rural	Development Name	SHTC Recommended Award	New 30% Units Proposed	30% Units Per Request Amount
<b>Priority Set-Aside</b>						
22274	7	Urban	Cady Lofts	2,000,000.00	50	40,000.00
22227	11	Urban	Lalita Senior Living	1,425,000.00	6	237,500.00
21292	6	Urban	Campanile on Minimax	500,000.00	2	250,000.00
20042	1	Urban	The Commons at St. Anthony's	1,000,000.00	3	333,333.33
<b>Total SHTCs Recommended</b>				<b>\$4,925,000</b>		
<b>Amount Available to Allocate</b>				<b>\$5,000,000</b>		
<b>2024 9% Applications</b>						
24045	8	Urban	Bird Creek Senior Living	500,000.00	11	45,454.55
24197	11	Urban	Buena Vida Apartments	3,500,000.00	72	48,611.11
24198	11	Urban	Buena Vida Senior Living	3,550,000.00	73	48,630.14
24196	11	Urban	Buena Vida Supportive Housing	1,950,000.00	40	48,750.00
24044	11	Rural	Bibb Senior Living	250,000.00	5	50,000.00
<b>Total SHTCs Recommended</b>				<b>\$9,750,000</b>		
<b>Amount Available to Allocate</b>				<b>\$10,000,000</b>		



## Texas Department of Housing and Community Affairs 2024 State Housing Tax Credit ("SHTC") Program Award Log

The list of recommended awards and applications that remain on the waiting list is organized by Set-Aside. Applications are prioritized based upon new 30% units provided per the State Housing Tax Credit request amount.

Version Date: **October 22, 2024**

Application Number	Region	Urban/Rural	Development Name	SHTC Request Amount	New 30% Units Proposed	30% Units Per Request Amount	Recommendation
<b>Priority Set-Aside</b>							
22274	7	Urban	Cady Lofts	2,000,000.00	50	40,000.00	Award
22227	11	Urban	Lalita Senior Living	1,425,000.00	6	237,500.00	Award
21292	6	Urban	Campanile on Minimax	500,000.00	2	250,000.00	Award
20042	1	Urban	The Commons at St. Anthony's	1,000,000.00	3	333,333.33	Award
22220	2	Rural	Burkburnett Royal Gardens	1,500,000.00	4	375,000.00	
20145	3	Urban	Gala at Ridgmar	1,750,000.00	2	875,000.00	
22211	10	Rural	MillPond at Robstown	5,000,000.00	5	1,000,000.00	
22212	10	Urban	FishPond at Victoria	5,000,000.00	4	1,250,000.00	
22208	6	Rural	FishPond at Walker	3,500,000.00	2	1,750,000.00	
22257	3	Urban	The Reserves at Magnolia	150,000.00	0	-	
22254	6	Urban	Landmark 301	150,000.00	0	-	
21104	2	Urban	Heritage at Abilene	-	0	-	
			<b>Total SHTCs Requested</b>	<b>\$21,975,000</b>			
			<b>Amount Available to Allocate</b>	<b>\$5,000,000</b>			
<b>2024 9% Applications</b>							
24045	8	Urban	Bird Creek Senior Living	500,000.00	11	45,454.55	Award
24197	11	Urban	Buena Vida Apartments	3,500,000.00	72	48,611.11	Award
24198	11	Urban	Buena Vida Senior Living	3,550,000.00	73	48,630.14	Award
24196	11	Urban	Buena Vida Supportive Housing	1,950,000.00	40	48,750.00	Award
24044	11	Rural	Bibb Senior Living	250,000.00	5	50,000.00	Award
24079	9	Urban	Park at Dogwood	1,750,000.00	8	218,750.00	
24172	6	Urban	WALIPP Senior Residence Expansion	650,000.00	1	650,000.00	
			<b>Total SHTCs Requested</b>	<b>\$12,150,000</b>			
			<b>Amount Available to Allocate</b>	<b>\$10,000,000</b>			