



City of Pflugerville

Legislation Text

File #: RES-0388, **Version:** 1

Consider approving a resolution of the City of Pflugerville in support of a request for a 2017 Competitive 9% Housing Tax Credits with the Texas Department of Housing and Community Affairs for The Verde at Heritage Park project located at 701 FM 685.

The Texas Department of Housing and Community Affairs (TDHCA) Housing Tax Credit (HTC) Program provides a means of directing private capital toward the development and preservation of affordable rental housing for low-income households. Tax credits are awarded to eligible participants to offset a portion of their federal tax liability in exchange for the production or preservation of affordable rental housing.

There are two types of Tax Credits: competitive (9%) and non-competitive (4%). The request is for a project seeking the competitive 9% tax credits which are awarded based on a Regional Allocation Formula (RAF). Within that formula is consideration for community support of the project which is accomplished by receiving a resolution of support by the municipality and any funding provided by the municipality for the project. The funding can be provided through various means such as a waiver of fees for development application(s). The applications are scored and ranked within their region or set-aside and in accordance with rules and laws outlined in the Qualified Allocation Plan (QAP).

The request is for support of a 5-acre multi family proposal located at 701 FM 685 on property known as the Freudenberg Tract. The Heritage at Verde project plans to construct 100 dwelling units(du) of which 100 percent will be for seniors ages 62 and older that meet the income restrictions of 60 percent of the area median income.

The request before City Council is for a resolution of support of the project and a one time development application fee waiver in the amount of \$10.00.

The Resolution has been reviewed and approved by Legal.

Deadline for City Council Action

The final applications to the Texas Department of Housing and Community Affairs (TDHCA) are due March 1, 2017 and therefore action by City Council is requested prior to that date.

Fiscal Impact

Fiscal impact to the City would be the one time development application fee waiver in the amount of \$10.00.

Projected Future City Council Action

Rezoning of the subject property will be required in order to construct a multi family development at this location which will require City Council approval at a future date.

Drafter

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