

Mayor and Council Communication

DATE: 11/14/23

M&C FILE NUMBER: M&C 23-0955

LOG NAME: 19THELIFEATWESTLANDESTATES4%HTCRESOLUTION

SUBJECT

(CD 3) Conduct a Public Hearing on the Application by The Life at Westland Estates, L.P. to the Texas Department of Housing and Community Affairs for Non-Competitive (4%) Housing Tax Credits for the Acquisition and Rehabilitation of The Life at Westland Estates, a Proposed Tax-Exempt Affordable Rental Housing Development Located at 2950 Alameda St, Fort Worth, Texas 76108, Adopt a Resolution of No Objection to the Application and Make Related Determinations, Authorize Waiver of Various City Development Fees in the Approximate Amount of \$28,846.40, and Find that Waiver of Fees Serves a Public Purpose and that Adequate Controls are in Place to Ensure the Public Purpose is Carried Out

(PUBLIC HEARING - a. Report of City Staff: Justin McLaughlin; b. Public Comment; c. Council Action: Close Public Hearing and Act on M&C)

RECOMMENDATION:

It is recommended that the City Council:

1. Conduct a public hearing to allow citizen comment on the application of The Life at Westland Estates, L.P. to the Texas Department of Housing and Community Affairs for 2023 Non-Competitive (4%) Housing Tax Credits for the proposed development of The Life at Westland Estates, a multifamily affordable rental housing development, located at 2950 Alameda St, Fort Worth, Texas 76108;
2. Adopt the attached Resolution of No Objection to the application; and,
3. Determine that the development of The Life at Westland Estates as proposed is consistent with the City's obligation to affirmatively further fair housing.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to take actions in accordance with state law and City policy on an application for tax credits for the development of an affordable multifamily rental housing development.

The Life at Westland Estates, L.P. (Developer) has advised the City that it intends to apply to the Texas Department of Housing and Community Affairs (TDHCA) for 2023 Non-Competitive (4%) Housing Tax Credits for the acquisition and rehabilitation of The Life at Westland Estates, a multifamily affordable rental housing development. The Developer has requested a Resolution of No Objection from the City Council. TDHCA will not award 4% Housing Tax Credits (Housing Tax Credits) to an applicant unless they provide a Resolution of No Objection from the governing body of the jurisdiction in which the development is to be located. State law requires that the governing body conduct a public hearing for citizens to provide comment on the proposed development – regardless of whether the governing body intends to issue a resolution.

The Life at Westland Estates will consist of approximately 192 units. Each of the 192 units will be reserved for households earning 60 percent or less of Area Median Income (AMI). The development will consist of two-, three-, and four-bedroom units with amenities including: a fitness center, game room, clubhouse with coffee bar, playground, pool with sundeck, and sport court. The development will be Americans with Disabilities Act (ADA) accessible, gated with controlled access, pet friendly, and will offer covered parking. Perspective residents will benefit from zero deposit requirements and on-site maintenance and management. There will be numerous amenities and social services to support families, specifically an after-school homework and tutoring service will be provided. The Life at Westland Estates is one of the few affordable developments with large, family-size units. The majority of the proposed units will be 3-and 4-bedroom. The development will fill a vital need in the community of quality housing for families with children.

The Life at Westland Estates, L.P. is an affiliate of Olive Tree Affordable Holdings III, LLC. Olive Tree Affordable Holdings has established a solid reputation in the Houston Texas area. Olive Tree Affordable Holdings partnered with the Southeast Texas Housing Finance Corporation to retrofit a 309-unit multifamily rental property with sustainable, energy efficient systems and Class-A quality finishes. The partnership replaced the entire roof of the property, improving the property's structural integrity and durability. Another notable project, The Life at Westpark, provided rehabilitation on a 312-unit property that's located on 31 acres. The project was done in partnership with the Houston Housing Authority. Through appliance upgrades, security improvements, and exterior renovation the property was completely transformed for its residents.

On November 8, 2022, City Council adopted an updated housing tax credit policy (M&C 22-0924) that outlines the requirements for an applicant to receive a Resolution of No Objection for a 4% housing tax credit development. The policy requires that the councilmember who represents the district in which the development will be located be notified as well as the superintendent of the school district in which the development is located and lastly, any registered neighborhood or homeowner's association(s) with boundaries that are within one-quarter mile of the proposed development. In addition, at least one public meeting must be held for the affected registered neighborhood association(s), if any, prior to submission of a resolution application. The Life at Westland Estates, L.P. properly notified Councilmember Michael Crain (CD 3) and Fort Worth Superintendent, Angélica Ramsey. There were no registered NA within a ¼-mile radius of the development, therefore a public meeting was not required.

The affordability requirements for the development will be ensured through various contracts and documents from TDHCA, which will require the

maintenance of affordability for an additional thirty years. Depending on the lender chosen for this development, additional affordability requirements may also apply. Approval of this M&C also represents Council's determination that the TDHCA's affordability requirements and documents are sufficient to ensure the public purpose of housing affordability is carried out.

Following the close of the public hearing, Staff requests that the City Council consider the attached Resolution of No Objection, including all related acknowledgements included therein, to support of the application for 2023 Non-Competitive (4%) Housing Tax Credits for the proposed acquisition and rehabilitation of The Life at Westland Estates. Providing this development as a quality and affordable housing option will assist the City in fulfilling its goals under its Consolidated Plan and Comprehensive Plan, and in fulfilling its obligation to Affirmatively Further Fair Housing by providing quality, accessible, affordable housing for low- to moderate-income residents and supporting economic development and revitalization.

Staff recommends the waiver of the following development fees as applicable, in the approximate amount of \$28,846.40:

Development Fee	Approximate Amount
All Building Permit Related Fees	\$28,846.40
Total Estimated Development Fees to be Waived*	\$28,846.40

*Per the 2023 HTC Policy, developments awarded a Resolution of No Objection for (4% HTC applications only) may be eligible for waivers of Transportation Impact and Water and Wastewater Impact fees. Developers must work with the respective departments to determine the eligibility and amount of those waivers, if any. The amounts listed above are estimated fees, but this M&C authorizes the waiver of the actual amount of any listed fees once such fees are determined. In the event any of these fees were previously paid, approval of this M&C authorizes City staff to refund such payments.

By approving this M&C, the City Council finds that the waiver of the listed development fees for Worthington Point Apartments in the approximate amount of \$28,846.40, is necessary for the financial feasibility of the substantial rehabilitation of the housing development and for meeting the public purpose of providing decent, safe, and affordable housing to low- to moderate- income residents.

The affordability requirements for the project will be ensured through various contracts and documents from TDHCA, which will require the maintenance of affordability for an additional thirty years. Depending on the lender chosen for this development, additional affordability requirements may also apply. Approval of this M&C also represents Council's finding that the TDHCA's affordability requirements and documents are sufficient to ensure the public purpose of housing affordability is carried out.

This development is located in COUNCIL DISTRICT 3

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that approval of the above recommendations will have no material effect on the Fiscal Year 2024 Budget. While no current year impact is anticipated from this action, any effect on expenditures and revenues will be budgeted in future Fiscal Years.

Submitted for City Manager's Office by: Fernando Costa 6122

Originating Business Unit Head: Victor Turner 8187

Additional Information Contact: Vidal Turner 8187