

**To the Mayor and Members of the City Council****November 4, 2025**

Page 1 of 1

SUBJECT: PROPOSED 2026 CITY OF FORT WORTH HOUSING TAX CREDIT POLICY

This report provides a summary of minor changes proposed for the 2026 Housing Tax Credit Policy.

Housing Tax Credits (HTC) are a federal government tool used to incentivize the creation and sustainability of affordable housing through the private market. The Texas Department of Housing and Community Affairs (TDHCA) holds the authority to issue 9% and 4% HTC and tax-exempt bonds for the creation or renovation of eligible affordable housing developments. Each year, TDHCA implements a Qualified Allocation Plan (QAP), which outlines the criteria for HTC applications. One of the requirements for the issuance of HTC and tax-exempt bonds is a resolution of support or no objection from the governing body in which the proposed development is located.

The City has an HTC Policy (the "Policy") to ensure affordable housing developers align their proposed projects with the requirements of the most recent QAP; meet City standards; and provide proper notifications to the City, the local school district and any neighborhood organizations within a half-mile radius. City staff review each HTC application according to the Policy, giving an opportunity to screen each proposed HTC development before a resolution of support or a resolution of no objection is proposed for approval at a City Council meeting. Developers are encouraged to work closely with the Councilmember to perform additional education and outreach to any other identified parties that may be impacted by the proposed development.

Each year, City staff reviews and updates the Policy. For 2026, the following changes are proposed:

- Adding Neighborhood Improvement Program (NIP) areas as one of the City's designated revitalization areas.
- Removing the community outreach requirement for developers applying for housing tax credits to acquire and rehabilitate existing affordable housing developments due to there being no change in the use of these properties.
- Changing the deadline to hold a community meeting from the first week in January to January 30, 2026, allowing for better coordination with developers and neighborhood groups during the holidays.

The 2026 HTC Policy will be on the November 11, 2025, City Council agenda for approval consideration. The timeline for the 2026 HTC Policy approval aligns with the timeline developers must submit 9% HTC applications to TDHCA. In 2026, developers must submit their applications for a competitive HTC award by February 27, 2026. To meet the proper notification requirements by the City, developers must turn in their 9% HTC applications by January 3, 2026. Staff recommendations of HTC applications will be presented at City Council work session on February 3, 2026, followed by City Council consideration and approval of resolutions at the City Council meeting on February 10, 2026.

For additional information, please contact Kacey Thomas, Neighborhood Services Director, at 817-392-8187.

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