

Mayor and Council Communication

DATE: 03/29/22

M&C FILE NUMBER: M&C 22-0214

LOG NAME: 1919PALLADIUMEASTRESOLUTION

SUBJECT

(CD 8) Conduct a Public Hearing on the Application by Palladium East Berry, Ltd. a Texas limited partnership to the Texas Department of Housing and Community Affairs for Non-Competitive (4%) Housing Tax Credits for Palladium East Berry Street, a Development to be Located at 2350 East Berry Street, Fort Worth, Texas 76105, Adopt a Resolution of No Objection to the Application, and Make Related Determinations

(**PUBLIC HEARING** - a. Report of City Staff: Chad LaRoque; b. Citizen Presentations; 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 Palladium East Berry, Ltd. to the Texas Department of Housing and Community Affairs for 2022 Non-Competitive (4%) Housing Tax Credits for the development of Palladium East Berry Street, a multifamily affordable rental housing development, to be located at 2350 East Berry Street, Fort Worth, Texas 76105;
2. Adopt the attached Resolution of No Objection to the application by Palladium East Berry, Ltd. to the Texas Department of Housing and Community Affairs for 2022 Non-Competitive (4%) Housing Tax Credits for Palladium East Berry Street, a proposed multifamily development; and
3. Acknowledge that Palladium East Berry Street is located in a census tract that has more than 20% Housing Tax Credit Units per total households, that it is consistent with the City's obligation to affirmatively further fair housing, and authorize the development to move forward with its application for tax credits.

DISCUSSION:

Palladium East Berry, Ltd. applied to the Texas Department of Housing and Community Affairs (TDHCA) for 2022 Non-Competitive (4%) Housing Tax Credits for the development of Palladium East Berry Street, a multifamily affordable rental housing development, and has requested a Resolution of No Objection from the City Council. TDHCA requires Housing Tax Credit applicants to provide a Resolution of No Objection from the governing body of the jurisdiction in which the proposed development will be sited. As part of these TDHCA requirements, the governing body must also conduct a public hearing for citizens to provide comment on the proposed development.

Palladium East Berry Street will consist of approximately 240 units. There will be 169 units set aside for households earning 60 percent or less of Area Median Income (AMI) with another 24 units set aside for households earning 0-30 percent of AMI. The development will consist of one-, two-, and three-bedroom units with community and activity space, dog park, pool, children's playground, basketball court, fitness and business center. Palladium East Berry Street is located within close proximity to public transportation, Shoppes at Renaissance Square, schools and nearby amenities including Cobb Park, medical care, jobs, and access to downtown.

Palladium East Berry, Ltd. is an affiliate of Palladium USA, Inc., which has developed over 25 affordable and mixed income multifamily properties in Texas.

On November 9, 2021, City Council adopted a housing tax credit policy, Mayor and Council Communication (M&C) 21-0845, that outlines the requirements for an applicant to receive a Resolution of No Objection for a 4% housing tax credit development. The policy requirement specific to 4% housing tax credit developments states that at least 10 percent of the total units in a development be set-aside for households earning at or below 30 percent of the area median income (AMI). Palladium East Berry Street meets this policy requirement with 10 percent of the total units being set-aside for this targeted group.

The current Qualified Allocation Plan (QAP) promulgated by TDHCA states that the new construction of a proposed development that is located in a census tract that has more than 20% Housing Tax Credit Units per total households as reflected in the Department's current Site Demographic Characteristics Report shall be considered ineligible unless the Governing Body of the appropriate municipality or county containing the Development has adopted a resolution stating the proposed Development is consistent with the jurisdiction's obligation to affirmatively further fair housing and that the Governing Body of the appropriate municipality or county containing the Development has no objection to the Application.

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 the application for 2022 Non-Competitive (4%) Housing Tax Credits for the proposed development of Palladium East Berry Street. The development will assist the City in fulfilling its goals under its Consolidated Plan and Comprehensive Plan by providing quality, accessible, affordable housing for low- to moderate- income residents and supporting economic development and revitalization.

This development is located in COUNCIL DISTRICT 8.

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 these recommendations will have no material effect on City funds.

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Originating Business Unit Head: Victor Turner 8187

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Expedited