



AGENDA MEMORANDUM

Action Item for the City Council Meeting of February 15, 2022

DATE: February 4, 2022

TO: Peter Zaroni, City Manager

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Resolution of Support for 9% Low-income Housing Tax Credits for Weber Lofts

CAPTION:

Resolution in support of the proposed 9% Housing Tax Credit for an affordable housing project known as Weber Lofts to be developed by Creative Urban Multifamily LLC.

SUMMARY:

Resolution of Support for the 58-unit development Weber Lofts 9% Low-income Housing Tax Credit development at the Southwest corner of Weber Road and Capitol Drive.

BACKGROUND AND FINDINGS:

Applications from developers for 9% Low-income Housing Tax Credits (LIHTC) are due to the Texas Department of Housing and Community Affairs (TDHCA) on March 1, 2022. LIHTCs are administered by the Internal Revenue Service and allocated to states. They are a critical funding tool for multi-family low-income housing projects. Region 10/Urban, which includes Nueces, Aransas, San Patricio, and Victoria counties, is generally awarded one LIHTC project annually. The 9% LIHTC application process is highly competitive. TDHCA awards LIHTC applications 17 points to projects that receive a Resolution of Support. The support is necessary for the project to be competitive in the application process.

Weber Lofts is a 58-unit multi-family development for renters with units for households with incomes at or below 60% of the area median income. The proposed development is located at the southwest corner of Weber Road and Capitol Drive. The developer submitting the project is Adelante Development LLC.

A Resolution of Support does not guarantee that Weber Lofts will be awarded LIHTCs. There

were 10 9% LIHTC pre-applications submitted to TDHCA for Region 10/Urban. The pre-applications included four in Corpus Christi, five in Victoria and one in Garland. The Garland application is not eligible in Region 10/Urban. Each pre-application is required to include a self-score. There was a seven-way tie for first place among the pre-applications. If the self-scores are correct, TDHCA will award LIHTCs based on tiebreakers. TDHCA will make the scoring determinations, the City does not determine application scores or the results of the tiebreakers. Based on the anticipated outcome of the tiebreakers, two of the proposed developments in Corpus Christi have decided not to move forward leaving two Corpus Christi developments. The two developments moving forward with full applications to TDHCA are Weber Lofts and Commons at Oso Bay. Commons at Oso Bay is generally located at 2125 Rodd Field Road. Commons at Oso Bay is also being recommended for a Resolution of Support.

ALTERNATIVES:

The alternative is to not approve a Resolution of Support, which would greatly reduce or eliminate the chance that the project would be awarded Low-income Housing Tax Credits.

FISCAL IMPACT:

The fiscal impact is that there will be a \$500 building permit fee waiver if the project is award LIHTC and the development moves forward.

FUNDING DETAIL:

Fund: 1020
Organization/Activity: 11451
Mission Element: 007
Project # (CIP Only): NA
Account: 530500

RECOMMENDATION:

City staff recommends approval of the Resolution of Support.

LIST OF SUPPORTING DOCUMENTS:

Resolution
PowerPoint Presentation