



AGENDA MEMORANDUM

Action Item for the City Council Meeting of February 14, 2023

DATE: February 2, 2023

TO: Peter Zaroni, City Manager

THRU: Constance Sanchez, Chief Financial Officer
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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% Low-income Housing Tax Credits for a projected 58-unit affordable housing project known as Weber Lofts at Weber Road and Capitol Drive to be developed by Creative Urban Multifamily, LLC and ALMA Weber GP.

SUMMARY:

Resolution of Support for the 58-unit development Weber Lofts 9% Low-income Housing Tax Credits 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, 2023. 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 Resolution of Support is necessary for the project to be competitive in the application process. TDHCA will make the scoring determinations. The City does not determine application scores or the results of any tiebreakers.

Weber Lofts is a 58-unit multi-family development with units for renters 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 Creative Urban

Multifamily, LLC and ALMA Weber GP.

A Resolution of Support does not guarantee that Weber Lofts will be awarded LIHTCs. There were four competitive 9% LIHTC pre-applications submitted to TDHCA for Region 10/Urban. There is also an application for supplemental credits for a previous project that is not part of the competitive round. The pre-applications included two in Corpus Christi, one in Victoria and one in Kingsville. Each pre-application is required to include a self-score. Using the self-scores, the other Corpus Christi project, Corpus Christi Lofts, has one more point than the other applications. The proposed Corpus Christi Lofts is 74 units located at 6502 Holly Road and 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 will be determined as competitive by the TDHCA and decrease the potential for award of Low-income Housing Tax Credits.

FISCAL IMPACT:

The City will provide 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: 132
Project # (CIP Only): NA
Account: 530500

RECOMMENDATION:

City staff recommends approval of the Resolution of Support.

LIST OF SUPPORTING DOCUMENTS:

Resolution
PowerPoint Presentation