

**CITY OF EL PASO, TEXAS  
AGENDA ITEM  
DEPARTMENT HEAD'S SUMMARY FORM**

**DEPARTMENT:** Community + Human Development

**AGENDA DATE:** October 1, 2019

**CONTACT PERSON:** Nicole M. Ferrini, Director, 212-1659

**DISTRICT:** All Districts

**SUBJECT:**

A resolution to adopt amendments to the Evaluation Criteria for Requests for Local Government Support of LIHTC Proposals and presentation on the City of El Paso's process for formulating recommendations to issue resolutions of support and/or resolutions of no objection for 2020 Low Income Housing Tax Credit proposals.

**BACKGROUND / DISCUSSION:**

Low Income Housing Tax Credits (LIHTCs) are an indirect Federal subsidy used to finance the development of affordable rental housing for lower-income households. The Texas Department of Housing and Community Affairs (TDHCA) is the State's designated tax credit allocating agency. TDHCA issues Requests for Tax Credit Developments on an annual basis. The State scoring and evaluation for 9% Housing Tax Credit proposals includes additional points for a Resolution of Local Support from the City where the developments will be located. The points a project may receive via a support resolution from the City have the potential to determine if a project gets a tax credit allocation or not. Seventeen (17) points out of a grand total of approximately 175 can be earned via a support resolution. Fourteen (14) points are earned via a resolution of no objection. Municipal financial support in the form of loans, grants or reduction of fees, totaling no less than \$500, earns one (1) additional point.

For the 2020 LIHTC and following years, the El Paso Regional Housing Plan recommends a two-tier approach to target housing in areas of opportunity. Tier 1 sites are located within strategic priority areas for multi-family affordable development. Currently, those priority areas are Uptown and the Medical Center of the Americas (MCA). Tier 2 locations are within a quarter mile of Bus Rapid Transit stations.

The modified scoring system utilizes the existing scoring criteria as a basis, but shifts priorities by changing the weights of certain categories and adds evaluation criteria as recommended in the El Paso Regional Housing Plan. This shift in weighting prioritizes development of units with deeper affordability in order to produce more units at the 30% and 60% AMI level. See the attached, Attachment A for recommended amendments to the scoring criteria.

**PRIOR COUNCIL ACTION:**

August 23, 2016 – Council approved the Evaluation Criteria for Requests for Local Government Support of LIHTC Proposals

**AMOUNT AND SOURCE OF FUNDING:**

NA

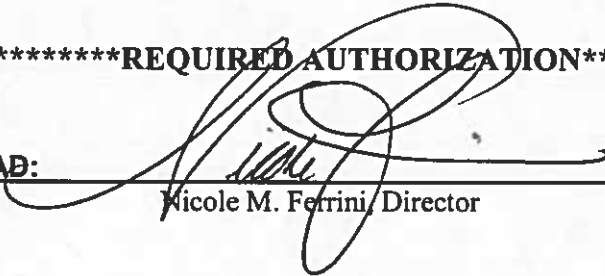
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**BOARD / COMMISSION ACTION:**  
NA

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\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**DEPARTMENT HEAD:**



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Nicole M. Ferrini, Director

*Information copy to appropriate Deputy City Manager*

CITY CLERK DEPT  
2019 SEP 26 AM 8:41

**RESOLUTION**

**WHEREAS**, in administering the low income housing tax credit program, the Texas Department of Housing and Community Affairs ("TDHCA") scores and ranks applications using a point system that prioritizes certain criteria, such point system published in a qualified allocation plan ("QAP"); and

**WHEREAS**, an application for low income housing tax credits may qualify for points if the applicant receives a resolution from the governing body of a municipality expressly setting forth that the municipality supports or has no objection to the application or development; and

**WHEREAS**, on August 23, 2016 the City Council approved evaluation criteria and procedures to be used in determining City support for low income tax credit proposals (the "Evaluation Procedures"); and

**WHEREAS**, the City wishes to amend the Evaluation Procedures to align with recommendations of the El Paso Regional Housing Plan.

**NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:**

That the Evaluation Procedures adopted August 23, 2016 are amended with the document attached to this resolution as Attachment "A". Attachment "A" supersedes in its entirety the Evaluation Procedures adopted by August 23, 2016.

**APPROVED** this \_\_\_\_ day of \_\_\_\_\_, 2019.

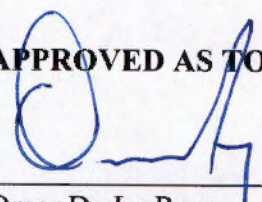
**CITY OF EL PASO**

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Dee Margo  
Mayor, City of El Paso

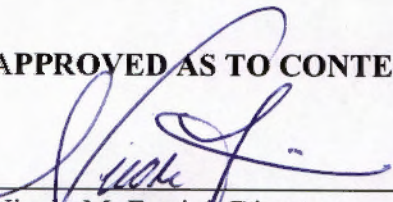
**ATTEST:**

\_\_\_\_\_  
Laura D. Prine  
City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Omar De La Rosa,  
Assistant City Attorney

**APPROVED AS TO CONTENT:**

  
\_\_\_\_\_  
Nicole M. Ferrin, Director  
Community and Human Development

Evaluation Criteria for Requests for Local Government Support of LIHTC Proposals

Value Statement	Total Points	Evaluation Criteria and/or Scoring Breakdown (points)	Plan El Paso Reference (These goals and policies are to be referenced to ensure proposed projects comply with Plan El Paso. Proposals need not address all goals and policies referenced below; rather, listed goals and policies should be used to inform the scoring of proposals against the Evaluation Criteria.)
1. Maximize affordable housing units within the City of El Paso with whatever combination of projects produces the most affordable housing units given allocation of funds for the region	40	<p>a) 20 points for the proposal with the greatest number of units. All other proposals receive a point value equal to 20 multiplied by the percentage of units proposed as compared to the development with the greatest number of units. (ex. Development X proposes 50% of the total units that the development with the greatest number of units proposes. Points for Development X = 20 points x 50% = 10 points).</p> <p>b) 8 points for the development with the most units for households at or below 30% AMI. All other proposals receive a point total equal to 8 multiplied by the percentage of 30% AMI units compared to the development with the greatest number of 30% AMI units.</p> <p>c) 7 points for the development with the most units for households between 31% and 60% AMI. All other proposals receive a point total equal to 7 multiplied by the percentage of 31%-60% AMI units compared to the development with the greatest number of 31%-60% AMI units.</p> <p>d) 5 points for the development with the greatest number of units produced per amount of tax credit.</p>	Goal 6.1 - Housing Supply (Policies 6.1.1 & 6.1.2)
2. Support breaking the cycle of poverty and supporting upward mobility by either directly providing or facilitating availability of social services	15	<p>Actively supporting residents of the project through provision of staffing, investments in programs/services, MOUs with other providers, and/or in house staff providing services.</p> <p>Categories of Services:</p> <p>a) Education (5 pts)</p> <p>b) Economic development/workforce and entrepreneurial development (including homeownership programs) (6 pts)</p> <p>c) Supportive/social services (4 pts)</p>	<p>Goal 5.12 - Museum &amp; Cultural Affairs</p> <p>Goal 5.14 - Schools</p> <p>Goal 5.17 - Civic Buildings</p> <p>Goal 7.12 - Educational Opportunities</p> <p>Goal 9.3 - Access to Healthcare (Policy 9.3.1)</p> <p>Goal 6.1 Housing Supply; supportive housing (Policy 6.1.3)</p> <p>Policy 10.7.6: Promote behavioral changes and consumption patterns that conserve energy</p> <p>Goal 10.16: Reduce “Food Miles” or the distance that food must travel to El Paso, and the associated pollution and fuel consumption associated with long-distance food transport.</p>

3. Residents given an opportunity for inclusiveness and afforded an opportunity to access public services	10	<p>Categories:</p> <p>a) No physical barriers separating the development from the neighborhood and commercial/public services (4 pts)</p> <p>b) Gathering points/areas that bring together residents of the project and residents of the neighborhood at large (3 pts)</p> <p>c) Development has a mix of units at various income levels to include 80% AMI and/or market rate. (3 pts)</p>	<p>Goal 2.1 - Smart Location Principles</p> <p>Goal 2.2 - Neighborhood Patterns</p> <p>Goal 4.2 - Complete Streets (Policy 4.2.8)</p> <p>Goal 4.5 - Network Principles; minimize isolating communities (Policy 4.5.8)</p> <p>Goals 5.8 &amp; 5.9 - Parks</p> <p>Goal 6.1 - Housing Supply (Policies 6.1.1, 6.1.2 &amp; 6.1.7)</p> <p>Goal 6.2 - Existing Neighborhoods (Policy 6.2.1)</p> <p>Goal 6.3 - Walkable Neighborhoods (Policies 6.3.1 - 6.3.3)</p> <p>Goal 9.3 - Access to Healthcare</p> <p>Goal 10.6 - Atmosphere; promote new development that encourages a sustainable lifestyle such as walking, cycling, the use of public transit, and reducing dependence upon automobiles (Policy 10.6.3) .</p>
4. Local presence and long-term accountability in El Paso	15	<p>Applicant has:</p> <p>a) Past experience involved in a development team constructing, operating and/or providing affordable housing for residents who fit the demographic profile to be served in El Paso (4 pts)</p> <p>b) A staff presence in El Paso of at least 5 employees (4 pts)</p> <p>c) 5 or more years experience as part of a development team financing, building, operating or managing affordable housing in El Paso (4 pts)</p> <p>d) Commitment to extended affordability beyond 30 years. (1 point for every 5 years of extended affordability beyond 30 years) (up to 3 pts)</p>	N/A

5. Meets City smart growth initiative as set out in Plan El Paso	20	<p>Each project will be evaluated and scored by City of El Paso staff.</p> <p>Tier 1 projects can score up to 20 points under this category.</p> <p>Tier 2 projects can score up to 10 points under this category.</p> <p>(This is intended to prioritize Tier 1 projects while not ruling out creative, impactful projects in Tier 2.)</p>	<p>Goal 1.1 - Downtown (If proposed project is located downtown)</p> <p>Goal 1.2 - Traditional Neighborhoods (Policy 1.2.3)</p> <p>Goal 1.3 - Neighborhood Retrofits; bus routes and RTS stops (Policies 1.3.1 &amp; 1.3.2)</p> <p>Goal 1.4 - New Neighborhoods</p> <p>Goal 1.5 - Outward Expansion</p> <p>Goal 1.9 - Industrial Lands (Policy 1.9.4)</p> <p>Goal 1.10 - Growth Areas and Overlays (Policies 1.10.3 - 1.10.5)</p> <p>Goal 2.1 - Smart Location Principles</p> <p>Goal 4.1 - Compact Urban Areas (Policy 4.1.2)</p> <p>Goal 4.7 - Air Quality (Policies 4.7.1 &amp; 4.7.3)</p> <p>Goal 4.11 - Public Transportation (Policies 4.11.2, 4.11.3 &amp; 4.11.6)</p> <p>Goal 6.1 - Housing Supply (Policies 6.1.1 - 6.1.3, 6.1.7)</p> <p>Goal 6.2 - Existing Neighborhoods (Policy 6.2.1)</p> <p>Goal 6.3 - Walkable Neighborhoods (Policies 6.3.1 - 6.3.3)</p> <p>Goal 6.4 - Housing Affordability</p> <p>Goal 7.3 - Dynamic Walkable Neighborhoods (Policy 7.3.3)</p> <p>Goal 7.11 - Complete Streets</p> <p>Goal 9.4 - Exposure to Environmental Risk (Policies 9.4.1a, 9.4.1c, 9.4.1e)</p> <p>Goal 9.5 - Encourage Physical Activity Through Design (Policies 9.5.4 &amp; 9.5.6)</p> <p>Goal 9.6 - Encourage Well-Being (Policy 9.6.6)</p> <p>Goal 10.5 - Stormwater; (Policy 10.5.2, Policy 10.5.7, Policy 10.5.9)</p> <p>Goal 10.6 - Atmosphere; promote both roof and non-roof strategies to mitigate the urban heat island effect (Policy 10.6.9).</p> <p>Goal 10.7 - Energy/Public transit (Policy 10.7.2).</p> <p>Goal 10.8: Protect and enhance ecologically sensitive areas such as aquifer recharge zones, hillsides, bosques, arroyos, wetlands, and plants and wildlife resources.</p> <p>Goal 10.9: Preserve the valuable natural resources of the mountain and hillside areas and minimize the exposure of potential environmental hazards associated with their development.</p> <p>Goal 10.10: Protect the community from risks associated with geologic conditions</p> <p>Goal 10.13: Protect City residents from the effects of excessive noise or vibration.</p> <p>Goal 10.14: Improve public safety by developing appropriate lighting and control standards.</p>
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TOTAL POSSIBLE POINTS 100



