



# City of San Antonio

## Agenda Memorandum

**File Number:**  
**{{item.tracking\_number}}**

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**Agenda Item Number:** 5

**Agenda Date:** March 20, 2023

**In Control:** Planning and Community Development Committee

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**DEPARTMENT:** Neighborhood and Housing Services

**DEPARTMENT HEAD:** Veronica Garcia, Director

**COUNCIL DISTRICTS IMPACTED:** District 5

**SUBJECT:**

Consideration of a Resolution of No Objection for Winston Roselawn Apts, LP's application for 2023 Non-Competitive 4% Housing Tax Credits (HTC) from the Texas Department of Housing and Community Affairs (TDHCA) for the rehabilitation of a multifamily rental housing development named Winston Roselawn Apartments.

**SUMMARY:**

Winston Roselawn Apts, LP is seeking a Resolution of No Objection for its application to the Texas Department of Housing and Community Affairs (TDHCA) for the 2023 Non-Competitive 4% Housing Tax Credits (HTC) program for the rehabilitation of Winston Roselawn Apartments, a 208-unit affordable multi-family rental housing development, located at 2506 S. General McMullen Drive & 3346 Roselawn Road in Council District 5.

**BACKGROUND INFORMATION:**

The Texas Department of Housing and Community Affairs' (TDHCA) Housing Tax Credit (HTC) program is one of the primary means of directing private capital toward the development and preservation of affordable rental housing for low-income households in the state of Texas. HTC are awarded to eligible participants to offset a portion of their federal tax liability in exchange for the production or preservation of affordable rental housing.

The TDHCA administers two HTC programs: a Competitive 9% and a Non-Competitive 4%. This application is for the Non-Competitive 4% HTC program which is available year-round and requires a Resolution of No Objection from the local governing body to satisfy requirements of the TDHCA's Uniform Multifamily Rules.

On November 18, 2021, City Council updated the Housing Tax Credit (HTC) Policy for the issuance of Resolutions of Support and Resolutions of No Objection. The new policy included an increased focus on deeper affordability, proximity to transit, inclusion of sustainable or green features, and working with local businesses. Under the City's application process, Developers submit applications for Resolutions of Support or Resolutions of No Objection to the City on behalf of their affiliated entity that will apply to TDHCA for HTC's. Applications for 2023 Competitive 9% HTC applications to TDHCA must score 75 points on their City application to be recommended for a Resolution of Support by staff. Applications must score 60 out of 100 points for a Resolution of No Objection, including four from the ownership/management experience category.

#### **ISSUE:**

Winston Roselawn Apts, LP is applying for 2023 Non-Competitive 4% Housing Tax Credits (HTC) from the Texas Department of Housing and Community Affairs (TDHCA) for the rehabilitation of a 208-unit affordable multi-family rental housing development named Winston Roselawn Apartments, located at 2506 S. General McMullen Drive & 3346 Roselawn Road in Council District 5.

The applicant has provided the Council Office with all pertinent information per the HTC Policy.

Any 4% HTC application earning between 60 and 100 points shall be eligible to receive a staff recommendation for a Resolution of No Objection, provided the application receives at least 4 of 7 experience points under the Owner/General Partner/Property Management Experience category. The application received 7 experience points, and 87 points in total and is eligible to receive a Resolution of No Objection.

The applicant received no public engagement points on their application. However, the developer has communicated with the Thompson Neighborhood Association, Haven for Hope, and the League of United Latin America Citizens. The applicant received letters of support from all three.

The value of the TDHCA tax credit award to the Winston Roselawn Apartments would be approximately \$20.3 million over a ten-year period. The total cost for this rehabilitation will be approximately \$44.8 million. All 208 units will be rent restricted to 60% and below of area median income as defined by TDHCA's Rent and Income Limit tool using HUD data (e.g., a family of

three will have a maximum income of \$44,820).

The 4% HTC application is anticipated to be considered by the TDHCA Governing Board in May 2023. If approved, the estimated start date will be in August 2023 and the estimated completion is August 2025.

This development would help achieve the Strategic Housing Implementation Plan (SHIP)'s rehabilitation goals for families with incomes at 30% area median income (AMI) and 60% AMI. Winston Roselawn is being developed in partnership with the San Antonio Housing Trust and received a \$4,750,894 award from the 2022-2027 Housing Bond.

The rehabilitation will update structural, mechanical, and electrical systems. All current residents will be eligible to continue to live at the apartments after the rehabilitation is complete. No residents will be permanently displaced as a result of the proposed work. The applicant submitted a relocation plan.

The development is projected to contain the following unit mix:

Unit Mix	Number of Units	Monthly Rent	AMI Served
One Bedroom	120	\$466	19 units at 30% and below
		\$933	101 units at 60% and below
Two Bedroom	86	\$560	13 units at 30% and below
		\$1,120	73 units at 60% and below
Three Bedroom	2	\$1,293	2 units at 60% and below

#### **FISCAL IMPACT:**

This application is for a Resolution of No Objection for Winston Roselawn Apts, LP's application for 2023 Non-Competitive 4% HTCs from TDHCA for the development of a 208-unit affordable multi-family rental housing development named Winston Roselawn Apartments, located at 2506 S. General McMullen Drive & 3346 Roselawn Road in Council District 5. There is no fiscal impact to the FY 2023 general fund.

#### **ALTERNATIVES:**

The Planning and Community Development Committee may elect not to forward this item to City Council which would adversely impact the ability of the developer to proceed.

#### **RECOMMENDATION:**

Staff recommends forwarding this item to the full City Council for approval of a Resolution of No Objection for Winston Roselawn Apts, LP's application for 2023 Non-Competitive 4% HTCs from TDHCA for the development of a 208-unit affordable multi-family rental housing development named Winston Roselawn Apartments, located at 2506 S. General McMullen Drive & 3346 Roselawn Road in Council District 5.

