Renard U. Johnson Mayor

> Dionne Mack City Manager



CITY COUNCIL
Alejandra Chávez, District 1
Josh Acevedo, District 2
Deanna Maldonado-Rocha, District 3
Cynthia Boyar Trejo, District 4
Ivan Niño, District 5
Art Fierro, District 6
Lily Limón, District 7
Chris Canales, District 8

NOTICE OF SPECIAL MEETING OF THE EL PASO CITY COUNCIL

October 06, 2025 COUNCIL CHAMBERS, CITY HALL, 300 N. CAMPBELL AND VIRTUALLY 9:00 AM

Teleconference phone number 1-915-213-4096
Toll free number: 1-833-664-9267
Conference ID: 936-845-308#

Notice is hereby given that a Special Meeting of the City Council of the City of El Paso will be conducted on October 6, 2025, at 9:00 A.M. Members of the public may view the meeting via the following means:

Via the City's website. http://www.elpasotexas.gov/videos

Via television on City15,

YouTube: https://www.youtube.com/user/cityofelpasotx/videos

In compliance with the requirement that the City provide two-way communication for members of the public, members of the public may communicate with Council regarding agenda items by calling the following number:

1-915-213-4096 or Toll free number: 1-833-664-9267

At the prompt please enter the corresponding Conference ID: 936-845-308#

The public is strongly encouraged to sign up to speak on items on this agenda before the start of this meeting on the following link:

https://app.smartsheet.com/b/form/7086be5f4ed44a239290caa6185d0bdb

A quorum of City Council must participate in the meeting.

AGENDA

1. Discussion and action on a Resolution approving the 9% Low Income Housing Tax Credits (LIHTC) Evaluation Procedures as set forth in Attachment "A" of

25-1262

the Resolution. Attachment "A" supersedes in its entirety the Evaluation Procedures adopted on October 15, 2019.

All Districts

Community and Human Development, Nickole H. Rodriguez, (915) 212-1673

EXECUTIVE SESSION

The City Council of the City of El Paso may retire into EXECUTIVE SESSION pursuant to Section 3.5A of the El Paso City Charter and the Texas Government Code, Chapter 551, Subchapter D, to discuss any of the following: (The items listed below are matters of the sort routinely discussed in Executive Session, but the City Council of the City of El Paso may move to Executive Session any of the items on this agenda, consistent with the terms of the Open Meetings Act and the Rules of City Council.) The City Council will return to open session to take any final action and may also, at any time during the meeting, bring forward any of the following items for public discussion, as appropriate.

Section 551.071	CONSULTATION WITH ATTORNEY
Section 551.072	DELIBERATION REGARDING REAL PROPERTY
Section 551.073	DELIBERATION REGARDING PROSPECTIVE GIFTS
Section 551.074	PERSONNEL MATTERS
Section 551.076	DELIBERATION REGARDING SECURITY DEVICES OR SECURITY AUDITS
Section 551.087	DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS
Section 551.089	DELIBERATION REGARDING SECURITY DEVICES OR SECURITY AUDITS; CLOSED
	MEETING

<u>ADJOURN</u>

NOTICE TO THE PUBLIC:

Sign Language interpreters are provided for Regular City Council Meetings. If you need Spanish Interpretation Services, please email CityClerk@elpasotexas.gov by 12:00 p.m. on the Friday before the meeting.

Si usted necesita servicios de interpretación en español, favor de enviar un correo electrónico a CityClerk@elpasotexas.gov a mas tardar a las 12:00 p.m. del viernes previo a la fecha de la junta.

ALL REGULAR CITY COUNCIL AGENDAS ARE PLACED ON THE INTERNET TUESDAY PRIOR TO THE MEETING AT THE ADDRESS BELOW:

http://www.elpasotexas.gov/

El Paso, TX

Legislation Text

File #: 25-1262, Version: 1

CITY OF EL PASO, TEXAS LEGISTAR AGENDA ITEM SUMMARY FORM

DISTRICT, DEPARTMENT, CONTACT INFORMATION:

Please choose District and Department from drop down menu. Please post exactly as example below. No Title's, No emails. Please use ARIAL 10 Font.

All Districts

Community and Human Development, Nickole H. Rodriguez, (915) 212-1673

AGENDA LANGUAGE:

This is the language that will be posted to the agenda. Please use ARIAL 11 Font.

Discussion and action on a Resolution approving the 9% Low Income Housing Tax Credits (LIHTC) Evaluation Procedures as set forth in Attachment "A" of the Resolution. Attachment "A" supersedes in its entirety the Evaluation Procedures adopted on October 15, 2019.

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



DEPARTMENT: Community and Human Development

AGENDA DATE: 10/6/25

PUBLIC HEARING DATE: 10/6/25

CONTACT PERSON NAME: Nickole H. Rodriguez PHONE NUMBER: 915-212-1673

DISTRICT(S) AFFECTED: All Districts

STRATEGIC GOAL: Goal 8 - Nurture & Promote a Healthy, Sustainable

SUBGOAL: Goal 8.2 - Stabilize neighborhoods through community, hou

SUBJECT: Discussion and action on a Resolution approving the 9% Low Income Housing Tax Credits (LIHTC) Evaluation

Procedures as set forth in Attachment "A" of the Resolution. Attachment "A" supersedes in its entirety the

BACKGROUND / DISCUSSION:

Low Income Housing Tax Credits (LIHTC) 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) allocates awards on an annual basis and scoring includes additional points for Municipal Support.

COMMUNITY AND STAKEHOLDER OUTREACH:

The Department of Community and Human Development (DCHD) used best practices and information gathered through TDHCA's Qualified Allocation Plan (QAP).

PRIOR COUNCIL ACTION:

On August 23, 2016, City Council approved the Evaluation Criteria for 9% LIHTC applications.

On October 15, 2019, City Council approved the revised Evaluation Criteria for 9% LIHTC applications.

AMOUNT AND SOURCE OF FUNDING:

Not Applicable

REPORTING OF CONTRIBUTION OR DONATION TO CITY COUNCIL:

Not Applicable

NAME	AMOUNT (\$)

DEPARTMENT HEAD:

Nickole H. Rodriguez

Digitally signed by Nickole Rodriguez Date: 2025.09.30 16:31:04 -06'00'

(If Department Head Summary Form is initiated by Purchasing, client department should sign also)

RESOLUTION

WHEREAS, in administering the 9% Low Income Housing Tax Credit ("LIHTC") 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 9% LIHTC 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 objections 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 9% LIHTC proposals ("Evaluation Procedures"); and

WHEREAS, on October 15, 2019 the City Council approved an amendment to the Evaluation Procedures to be used in determining City support for 9% LIHTC proposals; and

WHEREAS, on February 4, 2025 the City Council directed the City Manager to amend the Evaluation Procedures to be used in determining City support for 9% LIHTC proposals; and

WHEREAS, on September 30, 2025 the City Council voted to discuss and act on this item on October, 6, 2025; and

WHEREAS, the City wishes to amend the Evaluation Procedures to align with City Council recommendations.

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

That the Evaluation Procedures adopted October 15, 2019 are amended with the document attached to this resolution as Attachment "A". Attachment "A" supersedes in its entirety the Evaluation Procedures adopted on October 15, 2019.

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ATTROVED tillsday of	<u> </u>
	THE CITY OF EL PASO
	Renard U. Johnson Mayor

2025

(Signatures Continue on Following Page)

ADDDOVED this

ATTEST:	
Laura Prine	
City Clerk	

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

Leus Limtrick

Jesus A. Quintanilla
Senior Assistant City Attorney

Nickole H. Rodriguez

Director

Community and Human Development

City of El Paso

Low-Income Housing Tax Credit (LIHTC) Policy Update

Updated Policy for the Evaluation of 9% LIHTC Applications



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Glossary of Terms

AMI (Area Median Income)

A measure of a region's median income, used to determine eligibility for affordable housing programs. Income limits are typically expressed as a percentage of AMI (e.g., 30%, 60%, 80%) to define who qualifies for specific housing assistance.

Geographic Index

A scoring tool used by the City of El Paso to evaluate project sites. It considers access to essential services such as healthcare, education, food, public transportation, employment opportunities, and parks.

GIS (Geographic Information System)

A mapping and data analysis tool used to visualize and analyze the location of housing projects in relation to key community services and infrastructure.

LIHTC (Low-Income Housing Tax Credit)

A federal program that provides tax incentives to private developers for the construction or rehabilitation of affordable rental housing. It is one of the primary sources of affordable housing development funding in the U.S.

QAP (Qualified Allocation Plan)

A state-developed document that outlines the eligibility criteria, selection priorities, and application process for awarding Low-Income Housing Tax Credits (LIHTC) to developers.

TDHCA (Texas Department of Housing and Community Affairs)

The Texas state agency responsible for managing and overseeing affordable housing programs, including the LIHTC program.

9% LIHTC

A highly competitive Low-Income Housing Tax Credit that provides a substantial subsidy, covering a significant portion of development costs. It is awarded annually to a limited number of projects through a competitive application process.

Introduction

The City of El Paso recognizes that access to safe, high-quality, and affordable housing is essential to a thriving, strong, and inclusive community. As housing challenges intensify across Texas and locally within our own neighborhoods, the City is renewing its commitment to advancing strategic, equity-focused investments that directly address El Paso's most pressing housing needs.

This 2025 Updated Policy establishes a clear and transparent framework for evaluating applications seeking the City's support for 9% **Low-Income Housing Tax Credit (LIHTC)** developments. It reflects our continued alignment with the **Texas Department of Housing and Community Affairs'**

(TDHCA) 2025 Qualified Allocation Plan (QAP) while centering El Paso's local priorities, including geographic equity, environmental sustainability, economic opportunity, and meaningful community engagement.

By prioritizing projects in historically underserved areas and emphasizing data-driven decision-making through tools like the Geographic Opportunity Index, the City seeks to encourage a more balanced distribution of affordable housing opportunities across all districts while contributing to long-term community vitality. The City will support developments that go beyond minimum requirements by delivering lasting and measurable benefits, driving neighborhood revitalization, and enhancing the quality of life for all El Pasoans.

Purpose

This policy provides a clear framework for the evaluation and approval process of 9% LIHTC applications. It aligns with the City's commitment to developing sustainable, high-quality affordable housing that meets community needs, supports economic growth, and improves the quality of life for residents. This policy takes into account the **most recent TDHCA QAP** and incorporates its key priorities for affordable housing development in Texas.

Scope of Application

This policy applies to all developers seeking the City of El Paso's support for 9% LIHTC financing. City support may be issued in the form of either a Resolution of Support or a Resolution of No Objection, in accordance with the rules and definitions established by the TDHCA in the **most recent QAP**.

Applications will be evaluated based on how well they align with both:

- The City's strategic priorities, and
- Our policy as it is in alignment with the threshold and scoring criteria outlined in the TDHCA QAP.

City Priorities

The City of El Paso evaluates affordable housing projects based on six key factors that reflect essential community resources within a quarter mile of the development site. These factors help ensure that residents have convenient access to critical services and opportunities that support their health, economic stability, and overall quality of life.

Healthcare

Access to clinics, hospitals, and pharmacies within a quarter mile is crucial for the well-being of low-income residents. Nearby healthcare services improve health outcomes by reducing barriers to preventive care and medical treatment.

Education

Proximity to quality educational institutions, including early childhood centers and K-12 schools, strengthens opportunities for residents' lifelong learning and economic mobility.

Groceries

Access to grocery stores and fresh food retailers helps eliminate food deserts and promotes better nutrition and overall health in the community.

Public Transportation BRIO Stations

Proximity to BRIO bus rapid transit stations ensures residents have reliable and efficient access to public transportation. This reduces transportation costs, expands employment opportunities, and connects families to essential services throughout the city.

Employment

Developments located near employment centers provide residents with easier access to jobs, supporting economic self-sufficiency and reducing commute times that can add financial and time burdens.

Community Services (Parks, Senior Centers)

Nearby community services such as parks and senior centers enhance residents' quality of life by providing safe recreational spaces, social engagement, and support for seniors and families.

City support is contingent upon applications meeting local goals in alignment with the THDCA QAP. Members of City Council may choose to prioritize and endorse a single development each year that best advances community objectives and offers the greatest public benefit. Focusing support on one project annually allows for targeted assistance, stronger partnerships, and improved competitiveness for funding. Selection will consider location, community support, financial feasibility, and contribution to neighborhood revitalization and economic opportunity, ensuring strategic investments that address El Paso's housing needs.

Process Overview

Application Submission

Developers must submit a comprehensive application package to the City, which includes:

- Site location and zoning documents
- Developer experience and track record
- Financing and project budget details
- Community engagement plan

Application Review

1. Initial Review

Upon submission, applications will undergo an initial review for completeness. Denying incomplete applications is the precedence in our programs.

2. Pre-Application Meeting (Required)

A mandatory pre-application meeting with the City's Planning & Inspections Department will take place to discuss project feasibility and alignment with zoning and development goals.

3. Geographic Index & Proximity to Services

One key feature of the City's evaluation process is the Geographic Index, which scores projects based on their location relative to six essential services. This aligns with TDHCA QAP, emphasizing proximity to public transportation BRIO stations, healthcare facilities, employment centers, grocery stores, educational institutions, and community services such as parks and senior centers.

4. Community Engagement and Input

Developers must provide documentation of outreach efforts, including feedback from local neighborhood associations, community organizations, and surrounding property owners.

Scoring and Evaluation Criteria

Evaluation Outcome Determination

Each application will be evaluated by City of El Paso Departments knowledgeable in the development of affordable housing. Upon completion of the scoring and evaluation process, each application will be assigned a final composite score of up to 100 points, plus the available fifteen **bonus points**, reflecting its overall alignment with the City's priorities, project feasibility, geographic index, community impact, and affordability standards.

The City will issue responses according to the following scoring ranges:

Scores of 80 and above (Resolution of Support):

Applications receiving a score in this range demonstrate exceptional alignment with City priorities, exhibit strong project feasibility, meaningful community engagement, and provide significant public benefit. These projects will receive a **Resolution of Support**, reflecting the City's full endorsement for the LIHTC application.

Scores of 70 to 79 (Resolution of No Objection):

Applications scoring within this range meet minimum eligibility thresholds and demonstrate general compliance with program requirements but may not fully meet all of the City's highest priorities. These projects will receive a **Letter of No Objection**, indicating that while the City does not oppose the development, it is not providing a formal endorsement.

Scores below 69 (No Action):

Applications receiving a score below this threshold fail to sufficiently meet evaluation standards, show limited alignment with City priorities, or present notable concerns related to feasibility, site suitability, or community impact. The City will take **No Action** and will not issue any formal correspondence for these applications.

The scoring system is intended to ensure that City support is directed toward developments that best advance El Paso's affordable housing, equity, and long-term community development goals.

Evaluation Criteria

The City of El Paso uses a **(Geographical Information System) GIS-based Affordable Housing Opportunity Index and Mapping Tool** to guide the development of affordable housing across all eight City Council Districts. This tool integrates spatial data to identify and visualize areas that offer residents access to critical services and support local investment priorities.

Evaluation Criteria for Requests for Local Government Support of LIHTC Proposals

Value Statement

The project is situated in a high-opportunity area, as identified by the GIS-based Affordable Housing Opportunity Index and Mapping Tool. If a developer identifies a service criteria location that is within ¼ mile of the proposed development and is not reflected in the GIS-based Affordable Housing Opportunity Index and Mapping Tool, the developer may submit supporting documentation to verify compliance and earn the corresponding points for this value statement.

Total Points

35

Evaluation Criteria and/or Scoring Breakdown (Points)

Geographic Index points are granted based on the proposed project's proximity to the following:

- ❖ Healthcare located within 1/4 mile of a health-related facility, such as a full-service hospital, community health center, minor emergency center, emergency room or urgent care facility. Physician offices and physician specialty offices are not considered in this category. (5 pts)
- Education located within 1/4 mile to a traditional public school, public charter school, public magnet school, early education learning center. (5 pts)
- ❖ Food located within 1/4 mile of a full-service grocery store. A full-service grocery store is a store of sufficient size and volume to provide for the needs of the surrounding neighborhood and offering a wide variety of fresh, frozen, canned, and prepared foods, including but not limited to a variety of fresh meats, poultry, and seafood; a wide selection of fresh produce including a selection of different fruits and vegetables; a selection of baked goods, paper goods, and toiletry items. (5 pts)

- Public Transportation located within 1/4 mile to Rapid Transit System (RTS) Sun Metro Brio stop or station with a frequency of 10 minutes [peak service] to 15 minutes [off-peak service]. (5 pts)
- ❖ Workforce Development located within a ¼ mile of an agency/center that offers public services to help people find jobs, gain new skills, and navigate the workforce. These agencies offer a range of services, including training, employment support, career counseling, and assistance for employers seeking to hire (5 pts)
- Community Services located within ¼ mile of community services that aim to enhance well-being, engagement, and quality of life, to include public parks, community centers, and senior centers (5 pts)
- Community Census Area located within a Census Tract that contains 4 out of the 6 service category services (5 pts)

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.)

- Goal 2.1 Smart Location Principles
- Goal 5.14 Schools
- Goal 7.12 Educational Opportunities
- Goal 9.3 Access to Healthcare (Policy 9.3.1)
- Goal 6.1 Housing Supply; supportive housing (Policy 6.1.3)
- Policy 10.7.6: Promote behavioral changes and consumption patterns that conserve energy
- ❖ 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
- 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)

Value Statement

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

Total Points

35

Evaluation Criteria and/or Scoring Breakdown (Points)

- Proposal with the greatest number of units (15 pts)
- Other proposals receive points based on the following equation: 15 × (units proposed ÷ greatest units proposed)

- Proposal with the most units for households at or below 30% AMI (8 pts)
- Other proposals receive points based on the following equation: 8 x (30% AMI units proposed ÷ greatest 30% AMI units proposed).
- Proposal with the most units for households between 31% and 60% AMI (7 pts)
- Other proposals receive points based on the following equation: 7 x (31%-60% AMI units proposed ÷ greatest 31%-60% AMI units proposed).
- Proposal with the greatest number of units produced per amount of tax credit (5pts)

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.)

Goal 6.1 - Housing Supply (Policies 6.1.1 & 6.1.2)

Value Statement

Promotes inclusive and accessible developments by providing residents access to community services.

Total Points

15

Evaluation Criteria and/or Scoring Breakdown (Points)

- Development integrates with the neighborhood and commercial/public services, promoting accessibility without barriers (5 pts)
- Development has gathering areas/community spaces (5 pts)
- Development has mixed-income units to include 80% AMI and/or market rate (5 pts)

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.)

- Goal 2.1 Smart Location Principles
- Goal 2.2 Neighborhood Patterns
- Goal 4.2 Complete Streets (Policy 4.2.8)
- Goal 4.5 Network Principles; minimize isolating communities (Policy 4.5.8)
- Goals 5.8 & 5.9 Parks
- Goal 6.1 Housing Supply (Policies 6.1.1, 6.1.2 & 6.1.7)
- Goal 6.2 Existing Neighborhoods (Policy 6.2.1)

- Goal 6.3 Walkable Neighborhoods (Policies 6.3.1 6.3.3)
- Goal 9.3 Access to Healthcare
- 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).

Value Statement

Evaluation of project budget and financial readiness to ensure development feasibility.

Total Points

15

Evaluation Criteria and/or Scoring Breakdown (Points)

- ❖ A complete and detailed development budget, including sources and uses, that reflects financial feasibility (4 pts)
- Secured or committed sources of funding (e.g., letters of commitment, award letters) for at least 50% of total development costs (4 pts)
- Evidence of successful financial closings for similar projects within the past 5 years (4 pts)
- Financial reserves or capacity to address cost overruns or delays (up to 3 pts)

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.)

N/A

TOTAL POSSIBLE POINTS: 100

Bonus Points (up to 10 Points)

Bonus Points for Partnership on City-Owned Property

Applications proposing to develop affordable housing on City-owned land may be awarded additional points (up to 10 points) to reflect the City's commitment to leveraging public assets. To qualify, proposals must demonstrate alignment with City priorities, site readiness including zoning compliance, and a sustainable development plan that advances community goals.

Bonus Points (up to 5 Points)

❖ Bonus Points for Local Presence and Long-Term Accountability in El Paso

- Applicants that have past experience involved in a development team constructing, operating, and/or providing affordable housing for residents who fit the demographic providing affordable housing for residents who fit the demographic profile to be served in El Paso (1 point)
- At least 5 employees whose place of residence is in El Paso, TX for at least the last 2 years (1 point)
- 5 or more years' experience as part of a development team financing, building, operating, or managing affordable housing in El Paso (1 point)
- Commitment to extend affordability beyond 30 years by at least 10 years (1 point)
- Applicants who agree to work with businesses and contractors based in the City of El Paso's city limits or ETJ (1 point)

Selection of the "Best" Application (Optional)

In any given year, the City may choose to prioritize a single development project based on its alignment with the City's strategic goals. This approach is in accordance with **TDHCA QAP Section 11.8**, which allows cities to focus on projects that best meet community needs.

Criteria for Selection

- Location: Priority will be given to developments located in Opportunity Zones or areas with high potential for community revitalization.
- Community Support: Strong neighborhood support and demonstrated positive community impact.
- Feasibility and Sustainability: A well-documented financial plan and a proven track record of successful projects.
- Alignment with City Goals: The project must align with El Paso's strategic objectives for economic development, sustainability, and neighborhood revitalization.

The selected development will be awarded a Letter of Support from the City. Other projects may receive a Letter of No Objection based on the points they accumulate through the evaluation process.

Prohibited Developers & Zoning/Land Use Requirements

The City reserves the right to exclude developers from consideration for a Letter of Support or No Objection if they:

- Are in arrears on any City fees or taxes.
- Have been involved in litigation with the City or other governmental agencies.
- Have failed to comply with fair housing laws or regulations.

In addition, applicants must demonstrate that the proposed development site has the appropriate zoning and land use entitlements in place to support multi-family residential construction. This includes verifying that the parcel is zoned to allow the type, scale, and density of housing being proposed and that there are no overlays, deed restrictions, or other limitations that would prevent development. Projects that require rezoning, variances, or other substantial land use changes may be considered less competitive unless those approvals have already been secured or are guaranteed with formal documentation. Applications that do not clearly demonstrate site readiness from a zoning and land use standpoint will not be considered for City support.

Policy Amendments

This policy will be reviewed and updated as needed to ensure that it remains aligned with changes in local needs, state regulations, and federal guidelines. Amendments will be made as necessary to incorporate changes in the **TDHCA QAP** and other regulatory requirements.

Conclusion

The City of El Paso is committed to increasing the supply of safe, quality, and affordable housing as a foundation for long-term community well-being. This policy establishes a consistent, transparent framework for evaluating 9% LIHTC applications. It ensures that City support is directed to projects that address urgent housing needs while advancing broader goals around neighborhood reinvestment, economic mobility, and coordinated growth.

Evaluation Criteria for Requests for Local Government Support of LIHTC Proposals

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.)	
The project is situated in a high-opportunity area, as identified by the GIS-based Affordable Housing Opportunity Index and Mapping Tool	35	Geographic Index points are granted based on the proposed project's proximity to the following: a) Healthcare - located within 1/4 mile of a health-related facility, such as a full service hospital, community health center, minor emergency center, emergency room or urgent care facility. Physician offices and physician specialty offices are not considered in this category. (5 pts) b) Education - located within 1/4 mile to a traditional public school, public charter school, public magnet school, early education learning center. (5 pts) c) Food - located within 1/4 mile of a full-service grocery store. A full service grocery store is a store of sufficient size and volume to provide for the needs of the surrounding neighborhood and offering a wide variety of fresh, frozen, canned, and prepared foods, including but not limited to a variety of fresh meats, poultry, and seafood; a wide selection of fresh produce including a selection of different fruits and vegetables; a selection of baked goods, paper goods, and toiletry items. (5 pts) d) Public Transportation - located within 1/4 mile to Rapid Transit System (RTS) Sun Metro Brio stop or station with a frequency of 10 minutes [peak service] to 15 minutes [off-peak service]. (5 pts) e) Workforce Development — located within a ¼ mile of an agency/center that offers public services to help people find jobs, gain new skills, and navigate the workforce. These agencies offer a range of services, including training, employment support, career counseling, and assistance for employers seeking to hire (5 pts) f) Community Services — located within ¼ mile of community services that aim to enhance well-being, engagement, and quality of life, to include public parks, community centers, and senior centers (5 pts) g) Community Census Area - located within a Census Tract that contains 4 out of the 6 service category services (5 pts)	Goal 2.1 - Smart Location Principles Goal 5.14 - Schools Goal 7.12 - Educational Opportunities Goal 9.3 - Access to Healthcare (Policy 9.3.1) Goal 6.1 Housing Supply; supportive housing (Policy 6.1.3) Policy 10.7.6: Promote behavioral changes and consumption patterns that conserve energy 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 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)	
2. 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	35	a) Proposal with the greatest number of units (15 pts) Other proposals receive points based on the following equation: 15 × (units proposed ÷ greatest units proposed) b) Proposal with the most units for households at or below 30% AMI (8 pts) Other proposals receive points based on the following equation: 8 x (30% AMI units proposed ÷ greatest 30% AMI units proposed). c) Proposal with the most units for households between 31% and 60% AMI (7 pts) Other proposals receive points based on the following equation: 7 x (31%-60% AMI units proposed ÷ greatest 31%-60% AMI units proposed). d) Proposal with the greatest number of units produced per amount of tax credit (5pts)	Goal 6.1 - Housing Supply (Policies 6.1.1 & 6.1.2)	

-			
3. Promotes inclusive and		a) Development integrates with the neighborhood and commercial/public services,	Goal 2.1 - Smart Location Principles
accessible developments by		promoting accessibility without barriers (5 pts)	Goal 2.2 - Neighborhood Patterns
providing residents access to		b) Development has gathering areas/community spaces (5 pts)	Goal 4.2 - Complete Streets (Policy 4.2.8)
community services	15	c) Development has mixed-income units to include 80% AMI and/or market rate (5	Goal 4.5 - Network Principles; minimize isolating communities (Policy 4.5.8)
		pts)	Goal 6.1 - Housing Supply (Policies 6.1.1, 6.1.2 & 6.1.7)
			Goal 6.2 - Existing Neighborhoods (Policy 6.2.1)
			Goal 6.3 - Walkable Neighborhoods (Policies 6.3.1 - 6.3.3)
4. Evaluation of project budget		a) a complete and detailed development budget, including sources and uses, that	N/A
and financial readniness to		reflects financial feasibility (4 pts)	
ensure development feasability		b) secured or committed sources of funding (e.g., letters of commitment, award	
	15	letters) for at least 50% of total development costs (4 pts)	
	15	c) evidence of successful financial closings for similar projects within the past 5	
		years (4 pts)	
		d) financial reserves or capacity to address cost overruns or delays (3 pts)	
5. Proposed developmet reflects		Applications proposing to develop affordable housing on City-owned land may be	N/A
the City's commitment to		awarded additional points. To qualify, proposals must demonstrate alignment with	
leveraging public assets	10	City priorities, site readiness including zoning compliance, and a sustainable	
		development plan that advances community goals (Up to 10 bonus points)	
6. Local Presence and Long-		One point is awarded for meeting each of the following criteria (Up to 5 points):	N/A
Term Accountability in El Paso		a) Applicants that have past experience involved in a development team	
		constructing, operating, and/or providing affordable housing for residents who fit	
		the demographic providing affordable housing for residents who fit the	
		demographic profile to be served in El Paso (1 point)	
		b) At least 5 employees whose place of residence is in El Paso, TX for at least the	
	_	last 2 years (1 point)	
	5	c) 5 or more years' experience as part of a development team financing, building,	
		operating, or managing affordable housing in El Paso (1 point)	
		d) Commitment to extend affordability beyond 30 years by at least 10 years (1	
		point)	
		e) Applicants who agree to work with businesses and contractors based in the City	
		of El Paso's city limits or ETJ (1 point)	
		, , , ,	
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TOTAL POSSIBLE POINTS 115

Evaluation Criteria for Requests for Local Government Support of LIHTC Proposals

V-1 C11	Evaluation Criteria for Requests for Local Government Support of LIHTC Proposals				
Value Statement	Total	Evaluation Criteria and/or Scoring Breakdown (points)	Plan El Paso Reference (These goals and policies are to be referenced to ensure proposed		
	Points		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. The project is situated in a		Geographic Index points are granted based on the proposed project's proximity to	Goal 2.1 - Smart Location Principles		
high-opportunity area, as		the following:	Goal 5.14 - Schools		
identified by the GIS-based		a) Healthcare - located within 1/4 mile of a health-related facility, such as a full	Goal 7.12 - Educational Opportunities		
Affordable Housing Opportunity		service hospital, community health center, minor emergency center, emergency	Goal 9.3 - Access to Healthcare (Policy 9.3.1)		
Index and Mapping Tool		room or urgent care facility. Physician offices and physician specialty offices are	Goal 6.1 Housing Supply; supportive housing (Policy 6.1.3)		
		not considered in this category. (5 pts)	Policy 10.7.6: Promote behavioral changes and consumption patterns that conserve energy		
		b) Education - located within 1/4 mile to a traditional public school, public charter	Goal 10.16: Reduce "Food Miles" or the distance that food must travel to El Paso, and the		
		school, public magnet school, early education learning center. (5 pts)	associated pollution and fuel consumption associated with long-distance food transport		
		c) Food - located within 1/4 mile of a full-service grocery store. A full service	Goal 10.6 - Atmosphere; promote new development that encourages a sustainable lifestyle such		
		grocery store is a store of sufficient size and volume to provide for the needs of	as walking, cycling, the use of public transit, and reducing dependence upon automobiles (Policy		
		the surrounding neighborhood and offering a wide variety of fresh, frozen, canned,	10.6.3)		
		and prepared foods, including but not limited to a variety of fresh meats, poultry,			
		and seafood; a wide selection of fresh produce including a selection of different			
	35	fruits and vegetables; a selection of baked goods, paper goods, and toiletry items.			
		(5 pts) d) Public Transportation - located within 1/4 mile to Rapid Transit System (RTS)			
		Sun Metro Brio stop or station with a frequency of 10 minutes [peak service] to 15			
		minutes [off-peak service]. (5 pts)			
		e) Workforce Development – located within a ¼ mile of an agency/center that			
		offers public services to help people find jobs, gain new skills, and navigate the			
		workforce. These agencies offer a range of services, including training,			
		employment support, career counseling, and assistance for employers seeking to			
		hire (5 pts)			
		f) Community Services – located within ¼ mile of community services that aim to			
		enhance well-being, engagement, and quality of life, to include public parks,			
		community centers, and senior centers (5 pts)			
		g) Community Census Area - located within a Census Tract that contains 4 out of			
		the 6 service category services (5 pts)			
Maximize affordable housing		a) Proposal with the greatest number of units (15 pts)	Goal 6.1 - Housing Supply (Policies 6.1.1 & 6.1.2)		
units within the City of El Paso		Other proposals receive points based on the following equation: 15 × (units	Soci or - Honsill Subbis (Louicies or T'T & or T'S		
with whatever combination of		proposed ÷ greatest units proposed)			
projects produces the most		b) Proposal with the most units for households at or below 30% AMI (8 pts)			
affordable housing units given		Other proposals receive points based on the following equation: 8 x (30% AMI			
allocation of funds for the		units proposed ÷ greatest 30% AMI units proposed).			
region	35	c) Proposal with the most units for households between 31% and 60% AMI			
		(7 pts)			
		Other proposals receive points based on the following equation: 7 x (31%-60% AMI			
		units proposed ÷ greatest 31%-60% AMI units proposed).			
		d) Proposal with the greatest number of units produced per amount of tax credit			
		(5pts)			

3. Promotes inclusive and accessible developments by providing residents access to community services	15	promoting accessibility without barriers (5 pts)	Goal 6.1 - Housing Supply (Policies 6.1.1, 6.1.2 & 6.1.7) Goal 6.2 - Existing Neighborhoods (Policy 6.2.1)
Evaluation of project budget and financial readniness to ensure development feasability	15	a) a complete and detailed development budget, including sources and uses, that reflects financial feasibility (4 pts) b) secured or committed sources of funding (e.g., letters of commitment, award letters) for at least 50% of total development costs (4 pts) c) evidence of successful financial closings for similar projects within the past 5 years (4 pts) d) financial reserves or capacity to address cost overruns or delays (3 pts)	Goal 6.3 - Walkable Neighborhoods (Policies 6.3.1 - 6.3.3) N/A
5. Proposed developmet reflects the City's commitment to leveraging public assets	10	Applications proposing to develop affordable housing on City-owned land may be awarded additional points. To qualify, proposals must demonstrate alignment with City priorities, site readiness including zoning compliance, and a sustainable development plan that advances community goals (Up to 10 bonus points)	N/A
6. Local Presence and Long- Term Accountability in El Paso	<u>5</u>	One point is awarded for meeting each of the following criteria (Up to 5 points): a) Applicants that have past experience involved in a development team constructing, operating, and/or providing affordable housing for residents who fit the demographic providing affordable housing for residents who fit the demographic profile to be served in El Paso (1 point) b) At least 5 employees whose place of residence is in El Paso, TX for at least the last 2 years (1 point) c) 5 or more years' experience as part of a development team financing, building, operating, or managing affordable housing in El Paso (1 point) d) Commitment to extend affordability beyond 30 years by at least 10 years (1 point) e) Applicants who agree to work with businesses and contractors based in the City of El Paso's city limits or ETJ (1 point)	N/A

TOTAL POSSIBLE POINTS 110 115

City of El Paso

Low-Income Housing Tax Credit (LIHTC) Policy Update

Updated Policy for the Evaluation of 9% LIHTC Applications



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Glossary of Terms

AMI (Area Median Income)

A measure of a region's median income, used to determine eligibility for affordable housing programs. Income limits are typically expressed as a percentage of AMI (e.g., 30%, 60%, 80%) to define who qualifies for specific housing assistance.

Geographic Index

A scoring tool used by the City of El Paso to evaluate project sites. It considers access to essential services such as healthcare, education, food, public transportation, employment opportunities, and parks.

GIS (Geographic Information System)

A mapping and data analysis tool used to visualize and analyze the location of housing projects in relation to key community services and infrastructure.

LIHTC (Low-Income Housing Tax Credit)

A federal program that provides tax incentives to private developers for the construction or rehabilitation of affordable rental housing. It is one of the primary sources of affordable housing development funding in the U.S.

QAP (Qualified Allocation Plan)

A state-developed document that outlines the eligibility criteria, selection priorities, and application process for awarding Low-Income Housing Tax Credits (LIHTC) to developers.

TDHCA (Texas Department of Housing and Community Affairs)

The Texas state agency responsible for managing and overseeing affordable housing programs, including the LIHTC program.

9% LIHTC

A highly competitive Low-Income Housing Tax Credit that provides a substantial subsidy, covering a significant portion of development costs. It is awarded annually to a limited number of projects through a competitive application process.

Introduction

The City of El Paso recognizes that access to safe, high-quality, and affordable housing is essential to a thriving, strong, and inclusive community. As housing challenges intensify across Texas and locally within our own neighborhoods, the City is renewing its commitment to advancing strategic, equity-focused investments that directly address El Paso's most pressing housing needs.

This 2025 Updated Policy establishes a clear and transparent framework for evaluating applications seeking the City's support for 9% Low-Income Housing Tax Credit (LIHTC) developments. It reflects our continued alignment with the Texas Department of Housing and Community Affairs'

(TDHCA) 2025 Qualified Allocation Plan (QAP) while centering El Paso's local priorities, including geographic equity, environmental sustainability, economic opportunity, and meaningful community engagement.

By prioritizing projects in historically underserved areas and emphasizing data-driven decision-making through tools like the Geographic Opportunity Index, the City seeks to encourage a more balanced distribution of affordable housing opportunities across all districts while contributing to long-term community vitality. The City will support developments that go beyond minimum requirements by delivering lasting and measurable benefits, driving neighborhood revitalization, and enhancing the quality of life for all El Pasoans.

Purpose

This policy provides a clear framework for the evaluation and approval process of 9% LIHTC applications. It aligns with the City's commitment to developing sustainable, high-quality affordable housing that meets community needs, supports economic growth, and improves the quality of life for residents. This policy takes into account the **most recent TDHCA QAP** and incorporates its key priorities for affordable housing development in Texas.

Scope of Application

This policy applies to all developers seeking the City of El Paso's support for 9% LIHTC financing. City support may be issued in the form of either a Resolution of Support or a Resolution of No Objection, in accordance with the rules and definitions established by the TDHCA in the **most recent QAP**.

Applications will be evaluated based on how well they align with both:

- The City's strategic priorities, and
- Our policy as it is in alignment with the threshold and scoring criteria outlined in the TDHCA QAP.

City Priorities

The City of El Paso evaluates affordable housing projects based on six key factors that reflect essential community resources within a quarter mile of the development site. These factors help ensure that residents have convenient access to critical services and opportunities that support their health, economic stability, and overall quality of life.

Healthcare

Access to clinics, hospitals, and pharmacies within a quarter mile is crucial for the well-being of low-income residents. Nearby healthcare services improve health outcomes by reducing barriers to preventive care and medical treatment.

Education

Proximity to quality educational institutions, including early childhood centers and K-12 schools, strengthens opportunities for residents' lifelong learning and economic mobility.

Groceries

Access to grocery stores and fresh food retailers helps eliminate food deserts and promotes better nutrition and overall health in the community.

Public Transportation BRIO Stations

Proximity to BRIO bus rapid transit stations ensures residents have reliable and efficient access to public transportation. This reduces transportation costs, expands employment opportunities, and connects families to essential services throughout the city.

Employment

Developments located near employment centers provide residents with easier access to jobs, supporting economic self-sufficiency and reducing commute times that can add financial and time burdens.

Community Services (Parks, Senior Centers)

Nearby community services such as parks and senior centers enhance residents' quality of life by providing safe recreational spaces, social engagement, and support for seniors and families.

City support is contingent upon applications meeting local goals in alignment with the THDCA QAP. Members of City Council may choose to prioritize and endorse a single development each year that best advances community objectives and offers the greatest public benefit. Focusing support on one project annually allows for targeted assistance, stronger partnerships, and improved competitiveness for funding. Selection will consider location, community support, financial feasibility, and contribution to neighborhood revitalization and economic opportunity, ensuring strategic investments that address El Paso's housing needs.

Process Overview

Application Submission

Developers must submit a comprehensive application package to the City, which includes:

- Site location and zoning documents
- Developer experience and track record
- Financing and project budget details
- Community engagement plan

Application Review

1. Initial Review

Upon submission, applications will undergo an initial review for completeness. Denying incomplete applications is the precedence in our programs.

2. Pre-Application Meeting (Required)

A mandatory pre-application meeting with the City's Planning & Inspections Department will take place to discuss project feasibility and alignment with zoning and development goals.

3. Geographic Index & Proximity to Services

One key feature of the City's evaluation process is the Geographic Index, which scores projects based on their location relative to six essential services. This aligns with TDHCA QAP, emphasizing proximity to public transportation BRIO stations, healthcare facilities, employment centers, grocery stores, educational institutions, and community services such as parks and senior centers.

4. Community Engagement and Input

Developers must provide documentation of outreach efforts, including feedback from local neighborhood associations, community organizations, and surrounding property owners.

Scoring and Evaluation Criteria

Evaluation Outcome Determination

Each application will be evaluated by City of El Paso Departments knowledgeable in the development of affordable housing. Upon completion of the scoring and evaluation process, each application will be assigned a final composite score of up to 100 points, plus the available fifteenten bonus points, reflecting its overall alignment with the City's priorities, project feasibility, geographic index, community impact, and affordability standards.

The City will issue responses according to the following scoring ranges:

Scores of 80 and above (Resolution of Support):

Applications receiving a score in this range demonstrate exceptional alignment with City priorities, exhibit strong project feasibility, meaningful community engagement, and provide significant public benefit. These projects will receive a **Resolution of Support**, reflecting the City's full endorsement for the LIHTC application.

Scores of 70 to 79 (Resolution of No Objection):

Applications scoring within this range meet minimum eligibility thresholds and demonstrate general compliance with program requirements but may not fully meet all of the City's highest priorities. These projects will receive a **Letter of No Objection**, indicating that while the City does not oppose the development, it is not providing a formal endorsement.

Scores below 69 (No Action):

Applications receiving a score below this threshold fail to sufficiently meet evaluation standards, show limited alignment with City priorities, or present notable concerns related to feasibility, site suitability, or community impact. The City will take **No Action** and will not issue any formal correspondence for these applications.

The scoring system is intended to ensure that City support is directed toward developments that best advance El Paso's affordable housing, equity, and long-term community development goals.

Evaluation Criteria

The City of El Paso uses a **(Geographical Information System) GIS-based Affordable Housing Opportunity Index and Mapping Tool** to guide the development of affordable housing across all eight City Council Districts. This tool integrates spatial data to identify and visualize areas that offer residents access to critical services and support local investment priorities.

Evaluation Criteria for Requests for Local Government Support of LIHTC Proposals

Value Statement

The project is situated in a high-opportunity area, as identified by the GIS-based Affordable Housing Opportunity Index and Mapping Tool. If a developer identifies a service criteria location that is within ¼ mile of the proposed development and is not reflected in the GIS-based Affordable Housing Opportunity Index and Mapping Tool, the developer may submit supporting documentation to verify compliance and earn the corresponding points for this value statement.

Total Points

35

Evaluation Criteria and/or Scoring Breakdown (Points)

Geographic Index points are granted based on the proposed project's proximity to the following:

- ❖ Healthcare located within 1/4 mile of a health-related facility, such as a full-service hospital, community health center, minor emergency center, emergency room or urgent care facility. Physician offices and physician specialty offices are not considered in this category. (5 pts)
- Education located within 1/4 mile to a traditional public school, public charter school, public magnet school, early education learning center. (5 pts)
- ❖ Food located within 1/4 mile of a full-service grocery store. A full-service grocery store is a store of sufficient size and volume to provide for the needs of the surrounding neighborhood and offering a wide variety of fresh, frozen, canned, and prepared foods, including but not limited to a variety of fresh meats, poultry, and seafood; a wide selection of fresh produce including a selection of different fruits and vegetables; a selection of baked goods, paper goods, and toiletry items. (5 pts)

- ❖ Public Transportation located within 1/4 mile to Rapid Transit System (RTS) Sun Metro Brio stop or station with a frequency of 10 minutes [peak service] to 15 minutes [off-peak service]. (5 pts)
- ❖ Workforce Development located within a ¼ mile of an agency/center that offers public services to help people find jobs, gain new skills, and navigate the workforce. These agencies offer a range of services, including training, employment support, career counseling, and assistance for employers seeking to hire (5 pts)
- Community Services located within ¼ mile of community services that aim to enhance well-being, engagement, and quality of life, to include public parks, community centers, and senior centers (5 pts)
- Community Census Area located within a Census Tract that contains 4 out of the 6 service category services (5 pts)

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.)

- Goal 2.1 Smart Location Principles
- Goal 5.14 Schools
- Goal 7.12 Educational Opportunities
- Goal 9.3 Access to Healthcare (Policy 9.3.1)
- Goal 6.1 Housing Supply; supportive housing (Policy 6.1.3)
- Policy 10.7.6: Promote behavioral changes and consumption patterns that conserve energy
- 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
- 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)

Value Statement

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

Total Points

35

Evaluation Criteria and/or Scoring Breakdown (Points)

- Proposal with the greatest number of units (15 pts)
- Other proposals receive points based on the following equation: 15 × (units proposed ÷ greatest units proposed)

- Proposal with the most units for households at or below 30% AMI (8 pts)
- Other proposals receive points based on the following equation: 8 x (30% AMI units proposed ÷ greatest 30% AMI units proposed).
- Proposal with the most units for households between 31% and 60% AMI (7 pts)
- Other proposals receive points based on the following equation: 7 x (31%-60% AMI units proposed ÷ greatest 31%-60% AMI units proposed).
- Proposal with the greatest number of units produced per amount of tax credit (5pts)

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.)

Goal 6.1 - Housing Supply (Policies 6.1.1 & 6.1.2)

Value Statement

Promotes inclusive and accessible developments by providing residents access to community services.

Total Points

15

Evaluation Criteria and/or Scoring Breakdown (Points)

- Development integrates with the neighborhood and commercial/public services, promoting accessibility without barriers (5 pts)
- Development has gathering areas/community spaces (5 pts)
- Development has mixed-income units to include 80% AMI and/or market rate (5 pts)

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.)

- Goal 2.1 Smart Location Principles
- Goal 2.2 Neighborhood Patterns
- Goal 4.2 Complete Streets (Policy 4.2.8)
- Goal 4.5 Network Principles; minimize isolating communities (Policy 4.5.8)
- Goals 5.8 & 5.9 Parks
- Goal 6.1 Housing Supply (Policies 6.1.1, 6.1.2 & 6.1.7)
- Goal 6.2 Existing Neighborhoods (Policy 6.2.1)

- Goal 6.3 Walkable Neighborhoods (Policies 6.3.1 6.3.3)
- Goal 9.3 Access to Healthcare
- 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).

Value Statement

Evaluation of project budget and financial readiness to ensure development feasibility.

Total Points

15

Evaluation Criteria and/or Scoring Breakdown (Points)

- ❖ A complete and detailed development budget, including sources and uses, that reflects financial feasibility (4 pts)
- Secured or committed sources of funding (e.g., letters of commitment, award letters) for at least 50% of total development costs (4 pts)
- Evidence of successful financial closings for similar projects within the past 5 years (4 pts)
- Financial reserves or capacity to address cost overruns or delays (up to 3 pts)

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.)

N/A

TOTAL POSSIBLE POINTS: 100

Bonus Points (up to 10 Points)

❖ Bonus Points for Partnership on City-Owned Property

Applications proposing to develop affordable housing on City-owned land may be awarded additional points (up to 10 points) to reflect the City's commitment to leveraging public assets. To qualify, proposals must demonstrate alignment with City priorities, site readiness including zoning compliance, and a sustainable development plan that advances community goals.

Bonus Points (up to 5 Points)

❖ Bonus Points for Local Presence and Long-Term Accountability in El Paso

- Applicants that have past experience involved in a development team constructing, operating, and/or providing affordable housing for residents who fit the demographic providing affordable housing for residents who fit the demographic profile to be served in El Paso (1 point)
- At least 5 employees whose place of residence is in El Paso, TX for at least the last 2 years (1 point)
- 5 or more years' experience as part of a development team financing, building, operating, or managing affordable housing in El Paso (1 point)
- Commitment to extend affordability beyond 30 years by at least 10 years (1 point)
- Applicants who agree to work with businesses and contractors based in the City of El Paso's city limits or ETJ (1 point)

Selection of the "Best" Application (Optional)

In any given year, the City may choose to prioritize a single development project based on its alignment with the City's strategic goals. This approach is in accordance with **TDHCA QAP Section 11.8**, which allows cities to focus on projects that best meet community needs.

Criteria for Selection

- Location: Priority will be given to developments located in Opportunity Zones or areas with high potential for community revitalization.
- Community Support: Strong neighborhood support and demonstrated positive community impact.
- Feasibility and Sustainability: A well-documented financial plan and a proven track record of successful projects.
- Alignment with City Goals: The project must align with El Paso's strategic objectives for economic development, sustainability, and neighborhood revitalization.

The selected development will be awarded a Letter of Support from the City. Other projects may receive a Letter of No Objection based on the points they accumulate through the evaluation process.

Prohibited Developers & Zoning/Land Use Requirements

The City reserves the right to exclude developers from consideration for a Letter of Support or No Objection if they:

- Are in arrears on any City fees or taxes.
- ❖ Have been involved in litigation with the City or other governmental agencies.
- Have failed to comply with fair housing laws or regulations.

In addition, applicants must demonstrate that the proposed development site has the appropriate zoning and land use entitlements in place to support multi-family residential construction. This includes verifying that the parcel is zoned to allow the type, scale, and density of housing being proposed and that there are no overlays, deed restrictions, or other limitations that would prevent development. Projects that require rezoning, variances, or other substantial land use changes may be considered less competitive unless those approvals have already been secured or are guaranteed with formal documentation. Applications that do not clearly demonstrate site readiness from a zoning and land use standpoint will not be considered for City support.

Policy Amendments

This policy will be reviewed and updated as needed to ensure that it remains aligned with changes in local needs, state regulations, and federal guidelines. Amendments will be made as necessary to incorporate changes in the **TDHCA QAP** and other regulatory requirements.

Conclusion

The City of El Paso is committed to increasing the supply of safe, quality, and affordable housing as a foundation for long-term community well-being. This policy establishes a consistent, transparent framework for evaluating 9% LIHTC applications. It ensures that City support is directed to projects that address urgent housing needs while advancing broader goals around neighborhood reinvestment, economic mobility, and coordinated growth.



City Council Action

On February 4, 2025, City Council approved a rewrite of the policy for the evaluation of 9% LIHTC applications.

- Geographic Index for Location-Based Scoring
- Minimum Point Thresholds for Eligibility for Letters of Support or No Objection
- Designated Location(s) for Applications
- Return to City Council with a recommendation within 240 days.



Texas Department of Housing and Community Affairs 9% LIHTC

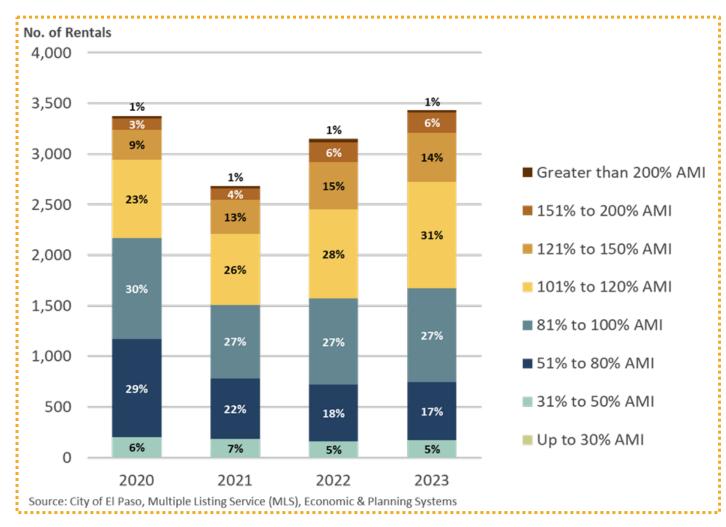
The Texas Department of Housing and Community Affairs (TDHCA) competitively awards 9% tax credits for the production or rehabilitation of affordable housing.

El Paso is in TDHCA Region 13, receiving approximately \$2.5 million in annual 9% tax credits for one to two affordable housing projects.

City Council Action	TDHCA Points
Resolution of Support	17
Resolution of No objection	14
No Action	0



9% LIHTC Importance



Rentals affordable at 80%
Area Median Income (AMI)
and below comprised 35% in
2020 and only 22% in 2023.

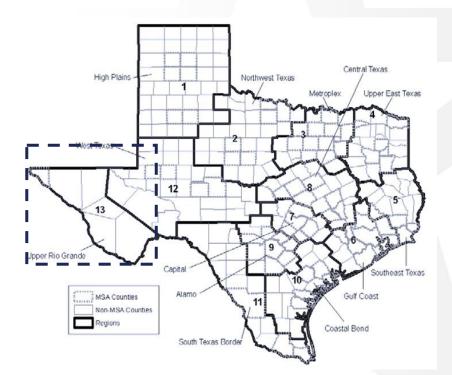
9% LIHTC is critical to increase and preserve affordable housing.



Previous LIHTC Policy

On October 15, 2019, City Council adopted the 9% LIHTC Evaluation Criteria to align with recommendations of the El Paso Regional Housing Plan.

- Maximize units aimed at addressing affordability gap
- Provide for demographic specific supportive services
- Provide inclusiveness with surrounding neighborhood
- Have experience in El Paso affordable housing market
- Be within Uptown and Medical Center of the Americas (MCA), and within ¼ mile of BRIO stops.





Key Updates

Geographic Index

A GIS-based tool to guide equitable development of affordable housing across all eight City Council Districts.

Project Feasibility

Grants points for project budget, developers track record, and site readiness.

Selection of One Development

The City may choose to prioritize a single development project based on its alignment with the City's Strategic Goals.

Threshold for Support and No Objection

The City will issue responses based on each application's composite score.



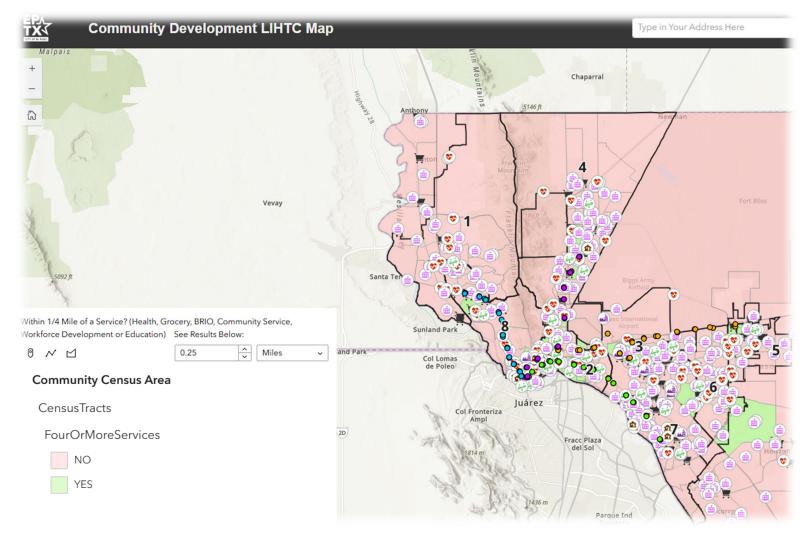
Approved Amendment

Bonus Points for Local Presence and Long-Term Accountability in El Paso (up to 5 points)

- Applicants that have past experience involved in a development team constructing, operating, and/or providing affordable housing for residents who fit the demographic providing affordable housing for residents who fit the demographic profile to be served in El Paso (1 point)
- At least 5 employees whose place of residence is in El Paso, TX for at least the last 2 years (1 point)
- 5 or more years' experience as part of a development team financing, building, operating, or managing affordable housing in El Paso (1 point)
- Commitment to extend affordability beyond 30 years by at least 10 years (1 point)
- Applicants who agree to work with businesses and contractors based in the City of El Paso's city limits or ETJ (1 point)



LIHTC GIS Map



The map displays specified services within ¼ mile of an address.

- Healthcare
- Education
- **y** Food
- Public Transportation
- Workforce Development
- Community Services



Evaluation Criteria

Value Statement	Total Points
The project is situated in a high-opportunity area, as identified by the GIS-based Tool	0-35
Maximize affordable housing units within the City of El Paso	0-35
Promotes inclusive and accessible developments	0-15
Evaluation of project budget and financial readiness	0-15
Bonus points for City-owned land	10
Bonus points for Local Presence & Long Term Accountability	5
Total Available Points	115

Scores	Action
80 Above	Resolution of Support
70-79	Resolution of No objection
Below 69	No Action

Next Steps

Council Action of LIHTC Policy Council Action on TDHCA Board Release the 2026 **LIHTC Policy Rewrite Outreach Request for** 2026 LIHTC Staff **Issuance of Final** Municipal Recommendation **Awards** Resolution January 2026 July 2026 September 2025 October 2025 October 2025



MISSION



Deliver exceptional services to support a high quality of life and place for our community.

VISION



Develop a vibrant regional economy, safe and beautiful neighborhoods and exceptional recreational, cultural and educational opportunities powered by a high performing government.



VALUES

Integrity, Respect, Excellence, Accountability, People



City Council Action

On February 4, 2025, City Council approved a rewrite of the policy for the evaluation of 9% LIHTC applications.

- Geographic Index for Location-Based Scoring
- Minimum Point Thresholds for Eligibility for Letters of Support or No Objection
- Designated Location(s) for Applications
- Return to City Council with a recommendation within 240 days.



Texas Department of Housing and Community Affairs 9% LIHTC

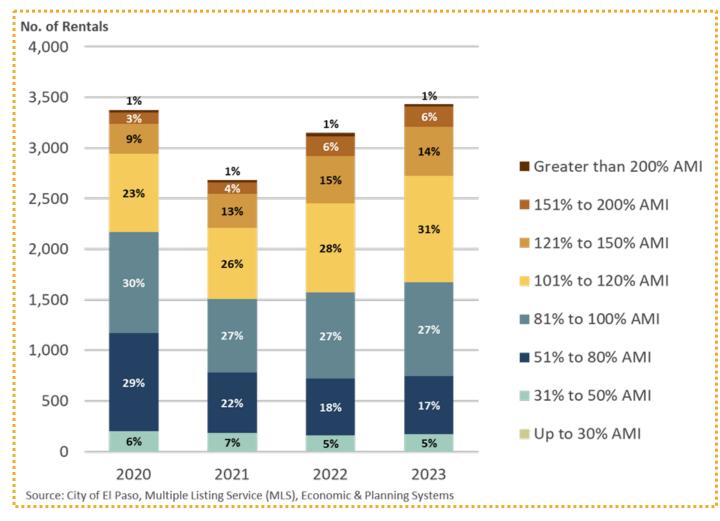
The Texas Department of Housing and Community Affairs (TDHCA) competitively awards 9% tax credits for the production or rehabilitation of affordable housing.

El Paso is in TDHCA Region 13, receiving approximately \$2.5 million in annual 9% tax credits for one to two affordable housing projects.

City Council Action	TDHCA Points
Resolution of Support	17
Resolution of No objection	14
No Action	0



9% LIHTC Importance



Rentals affordable at 80%
Area Median Income (AMI)
and below comprised 35% in
2020 and only 22% in 2023.

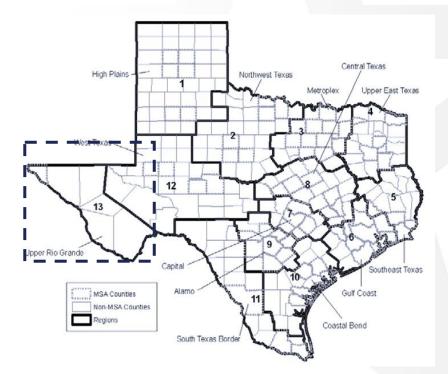
9% LIHTC is critical to increase and preserve affordable housing.



Previous LIHTC Policy

On October 15, 2019, City Council adopted the 9% LIHTC Evaluation Criteria to align with recommendations of the El Paso Regional Housing Plan.

- Maximize units aimed at addressing affordability gap
- Provide for demographic specific supportive services
- Provide inclusiveness with surrounding neighborhood
- Have experience in El Paso affordable housing market
- Be within Uptown and Medical Center of the Americas (MCA), and within ¼ mile of BRIO stops.





Key Updates

Geographic Index

A GIS-based tool to guide equitable development of affordable housing across all eight City Council Districts.

Project Feasibility

Grants points for project budget, developers track record, and site readiness.

Selection of One Development

The City may choose to prioritize a single development project based on its alignment with the City's Strategic Goals.

Threshold for Support and No Objection

The City will issue responses based on each application's composite score.



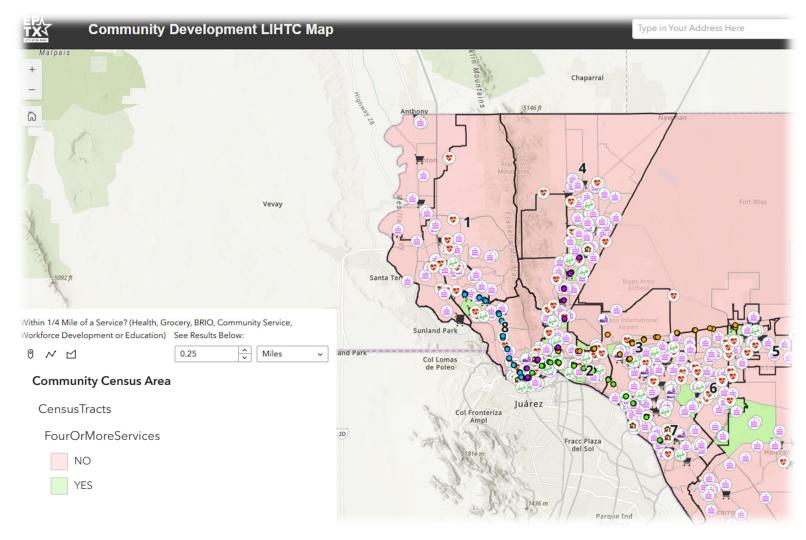
Approved Amendment

Bonus Points for Local Presence and Long-Term Accountability in El Paso (up to 5 points)

- Applicants that have past experience involved in a development team constructing, operating, and/or providing affordable housing for residents who fit the demographic providing affordable housing for residents who fit the demographic profile to be served in El Paso (1 point)
- At least 5 employees whose place of residence is in El Paso, TX for at least the last 2 years (1 point)
- 5 or more years' experience as part of a development team financing, building, operating, or managing affordable housing in El Paso (1 point)
- Commitment to extend affordability beyond 30 years by at least 10 years (1 point)
- Applicants who agree to work with businesses and contractors based in the City of El Paso's city limits or ETJ (1 point)



LIHTC GIS Map



The map displays specified services within ¼ mile of an address.

- Healthcare
- Education
- **y** Food
- Public Transportation
- Workforce Development
- Community Services



Evaluation Criteria

Value Statement	Total Points
The project is situated in a high-opportunity area, as identified by the GIS-based Tool	0-35
Maximize affordable housing units within the City of El Paso	0-35
Promotes inclusive and accessible developments	0-15
Evaluation of project budget and financial readiness	0-15
Bonus points for City-owned land	10
Bonus points for Local Presence & Long Term Accountability	5
Total Available Points	115

Scores	Action
80 Above	Resolution of Support
70-79	Resolution of No objection
Below 69	No Action

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