

By: Watson

S.B. No. 1483

A BILL TO BE ENTITLED

AN ACT

relating to evaluation of applications for the low income housing tax credit program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subsection (b), Section 2306.6710, Government Code, is amended to read as follows:

(b) If an application satisfies the threshold criteria, the department shall score and rank the application using a point system that:

(1) prioritizes in descending order criteria regarding:

(A) financial feasibility of the development based on the supporting financial data required in the application that will include a project underwriting pro forma from the permanent or construction lender;

(B) quantifiable community participation with respect to the development, evaluated on the basis of written statements from any neighborhood organizations on record with the state or county in which the development is to be located and whose boundaries contain the proposed development site;

(C) the income levels of tenants of the development;

(D) the size and quality of the units;

(E) the commitment of development funding by

1 local political subdivisions;

2 (F) the level of community support for the
3 application, evaluated on the basis of written statements from the
4 state representative or the state senator that represents the
5 district containing the proposed development site;

6 (G) the rent levels of the units;

7 (H) the cost of the development by square foot;

8 (I) the services to be provided to tenants of the
9 development; ~~and~~

10 (J) whether, at the time the complete application
11 is submitted or at any time within the two-year period preceding the
12 date of submission, the proposed development site is located in an
13 area declared to be a disaster by the president of the United States
14 under the Robert T. Stafford Disaster Relief and Emergency
15 Assistance Act (42 U.S.C. Section 5121 et seq.) and is qualified for
16 individual assistance under the Federal Emergency Management
17 Agency; and

18 (K) whether, at the time the complete application
19 is submitted or at any time within the two-year period preceding the
20 date of submission, the proposed development site is located in an
21 area declared to be a disaster under Section 418.014;

22 (2) uses criteria imposing penalties on applicants or
23 affiliates who have requested extensions of department deadlines
24 relating to developments supported by housing tax credit
25 allocations made in the application round preceding the current
26 round or a developer or principal of the applicant that has been
27 removed by the lender, equity provider, or limited partners for its

1 failure to perform its obligations under the loan documents or
2 limited partnership agreement; and

3 (3) encourages applicants to provide free notary
4 public service to the residents of the developments for which the
5 allocation of housing tax credits is requested.

6 SECTION 2. This Act takes effect immediately if it receives
7 a vote of two-thirds of all the members elected to each house, as
8 provided by Section 39, Article III, Texas Constitution. If this
9 Act does not receive the vote necessary for immediate effect, this
10 Act takes effect September 1, 2013.