

Amend HB 3311 (senate committee printing) as follows:

(1) Strike the recital to SECTION 2 of the bill (page 1, lines 49 and 50) and substitute the following:

SECTION 2. Section 2306.6725, Government Code, is amended by amending Subsections (a) and (d) and adding Subsections (e) and (f) to read as follows:

(2) In SECTION 2 of the bill, in amended Section 2306.6725, Government Code (page 1, between lines 50 and 51), insert the following:

(a) In allocating low income housing tax credits, the department shall score each application using a point system based on criteria adopted by the department that are consistent with the department's housing goals, including criteria addressing the ability of the proposed project to:

(1) provide quality social support services to residents;

(2) demonstrate community and neighborhood support as defined by the qualified allocation plan;

(3) consistent with sound underwriting practices and when economically feasible, serve individuals and families of extremely low income by leveraging private and state and federal resources, including federal HOPE VI grants received through the United States Department of Housing and Urban Development;

(4) serve traditionally underserved areas;

(5) demonstrate support from local political subdivisions based on the subdivisions' commitment of development funding;

(6) remain affordable to qualified tenants for an extended, economically feasible period; and

(7) [~~(6)~~] comply with the accessibility standards that are required under Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794), and specified under 24 C.F.R. Part 8, Subpart C.

(3) In SECTION 2 of the bill, in amended Section 2306.6725, Government Code (between page 1, line 61, and page 2, line 1), insert the following:

(e) In establishing for the 2016 and 2017 qualified

allocation plans the scoring criterion related to the commitment of development funding by local political subdivisions, the department shall significantly reduce for each place regardless of population the amount in funding, per low income unit, that is required for a proposed project to receive the applicable number of points for that criterion. After the reduction, the amount of required funding may be a de minimis amount.

(f) Subsection (e) and this subsection expire September 1, 2019.

(4) In SECTION 3 of the bill, in Subsection (b) of that SECTION (page 2, lines 9 and 10), strike "Section 2306.6725(d)" and substitute "Sections 2306.6710 and 2306.6725".

(5) Add the following appropriately numbered SECTION to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION _____. Sections 2306.6710(b) and (f), Government Code, are 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 a resolution concerning the development that is voted on and adopted by the following, as applicable:

(i) the governing body of a municipality in which the proposed development site is to be located;

(ii) subject to Subparagraph (iii), the commissioners court of a county in which the proposed development site is to be located, if the proposed site is to be located in an area of a county that is not part of a municipality; or

(iii) the commissioners court of a county in which the proposed development site is to be located and the

governing body of the applicable municipality, if the proposed site is to be located in the extraterritorial jurisdiction of a municipality;

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

(D) the size and quality of the units;

(E) ~~[the commitment of development funding by local political subdivisions,~~

~~[(F)]~~ the rent levels of the units;

(F) ~~[(C)]~~ the cost of the development by square foot;

(G) ~~[(H)]~~ the services to be provided to tenants of the development;

(H) ~~[(I)]~~ whether, at the time the complete application is submitted or at any time within the two-year period preceding the date of submission, the proposed development site is located in an area declared to be a disaster under Section 418.014;

(I) ~~[(J)]~~ 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; and

(J) ~~[(K)]~~ the level of community support for the application, evaluated on the basis of a written statement from the state representative who represents the district containing the proposed development site;

(2) uses criteria imposing penalties on applicants or affiliates who have requested extensions of department deadlines relating to developments supported by housing tax credit allocations made in the application round preceding the current round or a developer or principal of the applicant that has been removed by the lender, equity provider, or limited partners for its failure to perform its obligations under the loan documents or limited partnership agreement; and

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

(f) In evaluating the level of community support for an application under Subsection (b)(1)(J) [~~(b)(1)(K)~~], the department shall award:

(1) positive points for positive written statements received;

(2) negative points for negative written statements received; and

(3) zero points for neutral statements received.