



Housing and Community Development Department's Housing Tax Credit Resolution Guidelines - 2026

The Housing and Community Development Department (HCD) seeks to provide guidance for obtaining a Resolution of Support or Resolution of No Objection for developments pursuing Housing Tax Credits (HTC). HCD aims to address this shortage and meet the needs of disaster impacted rental households by supporting HTC developments that meet HCD Multifamily Priorities and Minimum Standards.

HCD Multifamily Priorities

- Support rehabilitation and reconstruction activities that transition naturally occurring at risk affordable housing, mitigates undesirable site features, and/or combats physical obsolescence
- Support new construction within the following areas that promote higher standards of environmental and economic resiliency:
 - i. Complete Communities and other Concerted Revitalization Areas (CRA's)
 - ii. Areas of low poverty concentrations
 - iii. Areas experiencing high rental costs that cause displacement of LMI households
 - iv. Transit Oriented Developments (TOD's) that promote access to mass transportations options
 - v. Areas underserved with affordable housing options
- Support purchase of existing quality multifamily housing and converting into affordable housing or preserving existing affordable housing stock
- Support and prioritize permanent supportive housing and/or housing serving special needs populations
- Support developments that provide quality onsite educational programming

Minimum Standards

HCD has financed affordable multifamily developments levered with other capital sources, primarily HTCs. The rules and qualifications for HTC are governed by the Texas Department of Housing and Community Affairs ("TDHCA") within the Uniform Multifamily Rules TAC Chapter 10 ("Multifamily Rules") and Housing Tax Credit Program Qualified Allocation Plan Chapter 11 ("QAP"). The Multifamily Rules and QAP identify minimum qualifications and threshold requirements for site and neighborhood characteristics outlining a variety of standards including environmental hazards, nuisances, poverty concentration, blight, school performance and other impacts. The Multifamily Rules and QAP also outline cost guidelines for HTC developments.

To the extent HCD issues Resolutions of Support or Resolutions of No Objection that are financed by HTC's, the TDHCA site and neighborhood qualifications and thresholds will be met (any negative characteristics to be adequately mitigated to the TDHCA's satisfaction). HCD will impose additional site and neighborhood

qualifications and threshold requirements in addition to those not outlined within the Multifamily Rules or QAP subject to the following conditions. These, along with TDHCA standards for HTC financed transactions, will be hereafter referred to as Minimum Standards. Applications for 9% and 4% Resolutions must meet Minimum Standards to qualify.

- a. **Floodway and Floodplain Development** - HCD will not provide Resolutions of Support or Resolutions of No Objection to developments located within any identified floodway.

Developments with improvements within 100-year floodplain as identified by the Federal Emergency Management Agency (FEMA) will also be ineligible unless the applicant can demonstrate flood mitigation practices to avoid adverse impacts to residents, impacts to the floodplain and restore natural and beneficial values. Sites not located within 100-year floodplain but reported flooding events within the past 10 years may be subject to these requirements.

Mitigation efforts to include Chapter 19 of the City's Code of Ordinances. Mitigation efforts may include, but not limited to, elevating building site out of the floodplain, elevated podium construction, restricting ground floor space for residential use, pier and beam foundations for single-family units, etc. Any mitigation efforts will be evaluated on a case-by-case basis by HCD.

- b. HCD will not provide Resolutions of Support or Resolutions of No Objection to proposed applications for **purchase or new construction** where the poverty concentration of the site's census tract is greater than 25% unless the site is located within the boundaries of a recognized Concerted Revitalization Area. Applications for **rehabilitations** where poverty concentrations are > 25% will be considered on a case-by-case basis.
- c. HCD will not provide a Resolution of Support or Resolution of No Objection to applicants that are debarred by the City of Houston.

All applicants must submit proof of notification to the Superintendent of the school district in which the Development Site is located.

HCD supports environmentally responsible developments ensuring compliance with the Texas Qualified Allocation Plan section 11.101 Site Development Requirements and Restrictions.

Review for Requests for Resolutions of No Objection

Due to the high demand for tax-exempt bonds, HCD will not review a request for a Resolution of No Objection required for 4% HTC applications unless the applicant has secured a reservation of tax-exempt bonds.

Equitable Distribution Policy

The guiding principle of this revision is to equitably disperse assisted multifamily developments throughout Houston as it aims to create greater housing choice. HCD reviewed the concentration of the existing affordable housing stock located within the 11 council districts. The purpose of the equitable distribution strategy is to prioritize council districts which represent a lower-than-average supply of existing housing stock to service the residents of the city. The schedule below reflects the current distribution of affordable stock throughout the 11 districts.

Designated Maximum

HCD will evaluate proposals to ensure each Council District is not allocated greater than three affordable housing developments per year. This designation will apply for funding affordable housing transactions financed directly by HCD (via HOME, TIRZ, CDBG, CDBG Disaster Recovery, Bond) and/or a request for a Resolution of Support or No Objection to be financed with HTC.

To the extent the maximum number of applications are met in each council district, HCD will limit additional approvals for funding or resolutions. To manage multiple applications in each district, HCD will impose prioritization criteria outlined in its Multifamily Priorities that are updated annually. Note that while a Resolution of Support or No Objection is no guarantee a project will eventually be funded, it will be treated as a funded transaction until HCD is notified the project will ultimately not receive HTC.

When a Council District reaches the maximum number of transactions either directly funded by HCD or a resolution is provided, HCD will prioritize one (1) additional application for consideration within underserved Council Districts for that year. Higher HCD scores will be prioritized. Scores will be based off an index established and presented during a Housing Committee meeting.

- HCD will prioritize three (3) applications for consideration in Council Districts A, B, D, H, I, & J and K.
- HCD will prioritize one (1) additional application, a total of four (4), for consideration within underserved Council Districts for that year. Council Districts C, E, F, & G will receive one additional transaction based on the below average number of existing affordable units within the district.

Special consideration will be extended to projects beyond established boundaries should the development show a significant impact on reducing Neighborhood Risk Factors.

- Onsite quality educational program
- Recycling opportunities
- Resilient design components
- Within three miles of an employment district
- Neighborhood beautification improvement plan
- Health Services provided by a licensed healthcare provider
- On-Site adult education and workforce development opportunities
- Lower poverty rate for a site within each district

When HCD receives a total number of applications in a Council District that exceeds the designated maximum per district, the following factors will be considered to determine its final recommendations. These factors will be considered in order:

1. The highest scoring applicant that will receive an award from the Houston Housing Authority for the HUD Choice Neighborhood Implementation grant will be prioritized.
2. HCD total score – Applications with higher HCD scores will be prioritized.
3. Developments that implement emergency power management strategies (i.e. generators, onsite cooling centers, a working elevator for multistory buildings) will be prioritized
4. Poverty index – Lower poverty rate for an application's site within each council district will be prioritized
5. Quality onsite educational program

Exclusion of Specialized Housing

Consideration will be given to proposed rental projects that target a specific population. These types of housing projects serve a special client base and are not geographically oriented as are the general multifamily housing stock and should not be placed in the same category as all other subsidized multifamily housing. Examples of housing for specialized populations include disabled, homeless, transitional housing and permanent supportive housing.

- The limitation will not apply to the repair or rehabilitation of existing affordable units. However, rehabilitations converting market rate units to affordable housing will be covered by this limitation.

Concerted Revitalization Areas

The TDHCA acknowledges Housing Tax Credits applications located in a distinct area that was once vital and has lapsed into a situation condition requiring concerted revitalization and where a CRP has been developed and executed may be eligible for scoring within the 9% round. In 2026, HCD recognizes the following areas as CRAs:

- Complete Communities – Kashmere Gardens, Magnolia Park – Manchester, Alief-Westwood, Sunnyside, Magnolia Park-Manchester, Fort Bend, Acres Homes, Third Ward, Second Ward, Near Northside and Gulfton. Maps, plans and other information may be found on the city’s planning website located at <https://www.houstontx.gov/completemunities/>
- Tax Increment Reinvestment Zone (TIRZ) – The city of Houston holds 27 separate areas created to facilitate economic investment in areas of the city. Additional information that includes maps, budgets, plans agendas and other documents may be located at <https://www.houstontx.gov/ecodev/tirz.html>

The TDHCA places certain conditions regarding these plans which HCD has reviewed. However, applicants of HTC transactions take responsibility for ensuring these plans meet TDHCA requirements.

A letter from an appropriate local official for the municipality may be encouraged.

Extraterritorial Jurisdiction

These guidelines apply to all applications made to HCD for resolutions as required in the Local Government Support (§2306.6710(b)(1)(B)) outlined in the QAP. These include resolutions for applications within the city limits of Houston and areas within the extraterritorial jurisdiction (ETJ) of Houston. Applications within the ETJ require similar resolutions to be provided by the Commissioner’s Court of Harris County, Montgomery County, or Fort Bend County depending on jurisdiction.

To the extent Harris County, Montgomery County or Fort Bend County designates its own CRA within the ETJ (based on its own criteria), these will be acknowledged and recognized by HCD. HCD will require:

1. Verification these areas have been recognized by the county’s commissioner’s court as a CRA by resolution or ordinance

2. Notification by the county agency supporting the resolution (Harris County Housing & Community Development; Montgomery County Community Development; Fort Bend County Community Development Department) it currently recognizes the area as a CRA.

In census tracts with poverty rates higher than 25%, the city requires documentation detailing significant development, current or planned, towards revitalization efforts in the designated CRA. The letter should address mobility and infrastructure, economic development, education improvement plans, health, parks and community amenities, neighborhood character and safety. The letter must also discuss how the improvements will lead to an appropriate area for the placement of housing.

Documentation must be submitted to support revitalization efforts.

1. Attach detailed improvement plans with fiscal allocations with a history of sufficient, documented and committed funding to accomplish its purpose.
2. Other documentation, such as market studies, must be submitted to detail private investments in the area.

9% Resolutions of Support

An application that secures competitive funds by HCD will receive a Resolution of Support.

Request for Resolutions of Support in the 2026 9% application round will undergo the following evaluation. Each request must meet Minimum Standards to qualify for an award. Applications must meet a total of **10 points** to receive a Resolution of Support.

1. Sites located within recognized boundaries of a Complete Community or TIRZ. Sites located in overlaying areas of a Complete Community or TIRZ will not receive combined points. - **2 points**
2. Proposals to renovate or reconstruct existing rental housing - **2 points**
3. Sites located within an underserved area described as the following:
 - i. Sites within a census tract that has no other affordable housing development funded with HTC - **1 point**
 - ii. Sites within a census tract if the contiguous census tracts do not have any affordable housing developments funded with HTC that is less than 10-years-old (2016 or after) - **2 points**
4. Sites that promote access to mass transportations options described as the following:
 - i. Sites located within a ¼ mile to high frequency public transportation stop. High frequency transit service is defined as service arriving every 15 minutes on average from 6 am to 8 pm seven days a week – **2 points**
 - ii. Sites located within a ¼ mile of any public transportation stop - **1 point**
5. Sites with reduced poverty concentration less than 20% - **1 point**
6. Developments providing quality on-site educational opportunities at no additional cost to residents
 - i. Provide a High-Quality Pre-Kindergarten (HQ Pre-K) program and associated educational space on-site. - **2 Points**
 - ii. Operate an after-school learning center that offers, at a minimum, 10 hours of weekly, organized, on-site educational services provided by a qualified third-party entity - **1 point**
7. Developments which promote a mixed income composition whereas:
 - i. A minimum of 10% of the units to be unrestricted - **2 point**
8. Written documentation of community support that the applicant has sought, received, and implemented (if needed) views and recommendations, regarding the proposed project, from locally

organized groups formed to primarily serve the interest of the proposed neighborhood. Letters of support will not be accepted from organizations directly affiliated with the project.

- i. Documentation of support from neighborhood-based associations (civic associations, super neighborhoods etc.), elected officials - **1 point**
9. Developments that offer neighborhood beautification efforts and resiliency features. **HCD will require applicants to certify in a letter to HCD that they agree to implement any features elected below. In addition, development budgets submitted to HCD must clearly indicate the features they are electing to install. Failure to implement these features (without prior consent from HCD) may impact future resolutions being issued to the applicant.**
 - i. Onsite material recycling - **1 point**
 - ii. Building resiliency and sustainability features – **Up to 9 points (See Appendix A)**

Off-site Improvements – A documented neighborhood improvement plan of a minimum \$25,000 to contribute to beautification efforts including landscaping, benches, sidewalks, park improvements, trash cans or other eligible efforts determined appropriate by the department - **1 point**

Two Mile Same Year Rule, One Mile Three Year, and 40% Poverty Waivers

As required by Tex. Gov't Code §2306.6711(f) and §2306.6703(a)(3), TDHCA staff will not recommend for a 9% HTC award to development sites located less than 2 miles from the proposed site of another 9% application within the same calendar year. However, the QAP permits the City of Houston to provide a waiver of the so-called Two-Mile Same Year Rule and One Mile Three Year Rule. HCD will submit a waiver request to City Council for developments receiving a Resolution of Support from the City of Houston with consideration of certain factors:

- Target Population - Developments serving different populations (i.e. seniors, family, permanent supportive housing)
- Distinct Neighborhoods – Distinction of neighborhoods may be created by natural/manmade barriers or separate revitalization areas recognized by HCD

As outlined in §11.101(a)(3) the QAP, mitigation for Developments in a census tract that has a poverty rate that exceeds 40% may include a resolution from the Governing Body of the appropriate municipality acknowledging the high poverty rate and authorizing the Development to move forward. This resolution will only be provided an area of a recognized Concerted Revitalization Area along with a narrative by the applicant supporting the waiver.

However, the 2026 QAP Section 11.101(a)(3)(B)(i) exempts/waives the Neighborhood Risk Factor for rehabilitation developments

Requests for any of the waivers outlined above must be accompanied with the request for a Resolution of Support or No Objection and are subject to City Council approval. HCD will not accept any requests for a stand-alone waiver of these rules.

If two separate applications are unable to demonstrate they serve different populations or located in distinct neighborhoods, the following factors will be used to consider one application eligible for a waiver.

1. Tenant Population
 - a. Permanent Supportive Housing
2. HCD total score – Applications with higher HCD scores will be prioritized
3. Poverty index – Lower poverty rate for an application's site within each council district will be prioritized
4. Quality onsite educational program

APPENDIX A

Multifamily Resilience Checklist	Cost	Point Value	Will be Included in Development	Notes
				https://www.enterprisecommunity.org/download?fid=2154&nid=4325
Protection				
Site Perimeter Floodproofing	\$ - \$\$\$	3		Details can be found at link above
Resilient Elevator modifications	\$ - \$\$\$	3		Details can be found at link above
Adaptation				
Window Shading	\$	1		Details can be found at link above
Site Orientation	\$	1		Details can be found at link above
Cool Roofs	\$	3		Details can be found at link above
Distributed Heating and Cooling	\$	3		Details can be found at link above
Community				
Building Community Ties	\$	1		Details can be found at link above
Creating Community Resilience Spaces	\$ - \$	1		Details can be found at link above
Developing an Emergency Management Manual	\$	1		Details can be found at link above
Organizing for Community Resilience	\$	1		Details can be found at link above
Green Building Standard				
Energy Star	\$\$\$ - \$\$\$\$	5		Details can be found at link above
Enterprise Green Communities	\$\$\$ - \$\$\$\$	5		Details can be found at link above
LEED	\$\$\$ - \$\$\$\$	5		Details can be found at link above
ICC-700 National Green Building Standard	\$\$\$ - \$\$\$\$	5		Details can be found at link above
Solar				
Solar Panel Installation	\$\$\$ - \$\$\$\$	5		Installation of solar panels
Electric Vehicles				
Electric Vehicle Charging Station Readiness	\$ - \$	1		
Electric Vehicle Charging Stations	\$ - \$\$\$	3		Installation of solar panels
Green Infrastructure				
Bioretention	\$ - \$	1		Some type of buffer that removes sedimentation and other contaminants from stormwater runoff.
Green Roofs		3		Consisting of vegetation and soil, or other growing medium, planted over a waterproofing membrane that protects the top of the building from water infiltration.
Permeable Pavement	\$ - \$\$\$	3		walking paths, parking lots, property driveways and other large surfaces to be designed to enable infiltration of stormwater runoff.
Rainwater Harvesting	\$ - \$	1		Rainwater harvesting systems are recognized by the EPA as a Low Impact Development (LID) technique for stormwater management.
Soil Amendments	\$ - \$	1		Adding a material such as Loam to a soil improves its physical properties, such as water retention, permeability, water infiltration, drainage, aeration and structure.
Urban Forestry	\$ - \$	1		Ecosystems that provide critical benefits to people and wildlife. Urban forests help to filter air and water, control storm water, conserve energy, and provide animal habitat and shade.
Vegetated Filter Strips	\$ - \$	1		Land areas of either planted or indigenous vegetation, situated between a potential pollutant-source area and a surface-water body that receives runoff.
Total points for selected options above		0		
Maintaining Backup Power to Critical Systems (Generator)	\$ - \$\$\$	4		Design and budget must include generator as backup power for critical functions (elevator, water, fire-suppression pump, emergency lighting, onsite cooling center, etc)
Total points		0		Reminder- 5 points will be awarded based on selection; however, 4 additional points could be earned if selection includes Maintaining Backup Power to Critical Systems. Possible maximum of 9 pts.