

Preservation Project Methodology

Purpose of the Database

The Preservation Database (the Database) is a listing of properties that TDHCA believes are in danger of losing their affordable status and exiting TDHCA monitoring. The Database exists to satisfy several criteria, both statutory and non-statutory. The State of Texas Analysis of Impediments identified preservation of existing affordable housing stock as a state goal. The Database identifies existing affordable housing stock that may benefit from preservation. Preservation is also listed as one of TDHCA's main purposes in Texas Government Code §2306.001(3). Further, in Texas Government Code §2306.256(a)(1) TDHCA is tasked with maintaining data on housing projected to lose its affordable status. This requirement is further described in Texas Government Code §§2306.802 and 2306.803. The Database is intended to meet portions of the listed statutes and to be responsive to the state's Analysis of Impediments.

Which properties are listed?

1. The list covers Class A properties, as defined by §2306.802, which considers a Class A property to be “any federally subsidized multifamily housing development at risk because the contract granting a federal subsidy with a stipulation to maintain affordability is nearing expiration or because the government-insured mortgage on the property is eligible for prepayment or near the end of its mortgage term.” The current list reflects those Class A properties that have their affordability period ending between March 2021 and December 2023. The list includes fields specifically required in the Texas Government Code 2306, with owners' contact information listed.

Along with this list of properties, TDHCA notes the following disclaimer:

“TDHCA cannot guarantee that this list of properties is comprehensive. There may be other properties in TDHCA's portfolio that may lose their affordability by December 2023 that are not reflected in this list. Inclusion in this list does not mean that a property will lose its affordability by December 2023, only that TDHCA has identified the property as one that may lose its affordability by December 2023.”

2. The Class A properties mentioned in Statute include federally subsidized properties covered in various federal laws. They can include Project Based Section 8, HOME, National Housing Trust Fund, Tax Credit Assistance Program (TCAP), Neighborhood Stabilization Program (NSP), and other subsidies. In addition, properties that have reported federal subsidies in their annual owners compliance reports (AOCR) will be considered Class A properties. The AOCRs are self-reported data; it is possible that properties have federal subsidies that have not been reported to the agency. For instance, some properties have mentioned USDA funds for their properties which have an extended affordability period. It is possible the properties have had other sources of funding the agency is not aware of.

Limitations and Disclaimers Regarding the Data

TDHCA staff cannot guarantee that the list of properties contains all properties that will exit their affordability periods over the given timeframe.

Due to the fact that most of the properties in TDHCA's portfolio are Low Income Housing Tax Credit (LIHTC), and LIHTC affordability periods are tied to tax years, there is no advantage to updating the list more often than annually.