# Legislation Details (With Text)

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| **File #:** | 24-746 | **Name:** | |
| **Type:** | Presentation | **Status:** | Individual Item Ready |
| **File created:** | 5/28/2024 | **In control:** | City Council - Special |
| **On agenda:** | 6/17/2024 | **Final action:** | |
| **Title:** | Presentation, discussion, and possible direction on the use of Public Facility and Housing Finance Corporations for the development and preservation of Workforce Housing. | | |
| **Sponsors:** | | | |
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| **Code sections:** | | | |
| **Attachments:** | | | |

| Date | Ver. | Action By | Action | Result |
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| 6/17/2024 | 1 | City Council - Special | | |

**PRESENTER:**
Jeff Jewell, Economic and Community Development Director
**SUBJECT:**
Presentation, discussion, and possible direction on the use of Public Facility and Housing Finance Corporations for the development and preservation of Workforce Housing.
**DEPARTMENT:** Economic and Community Development
**COUNCIL DISTRICTS IMPACTED:** All

**BACKGROUND INFORMATION:**
Public Facility (PFC) and Housing Finance Corporations (HFC) have been discussed by the Workforce Housing Advisory Committee (WHAC) as a possible funding source for housing solutions in New Braunfels. Both instrumentalities are authorized by state statute (PFCs are found in Chapter 303 and HFCs are found in Chapter 394 of Texas Local Government Codes) and will be discussed in a presentation by Cynthia Bast. Ms. Bast is a partner at Locke-Lord and is recognized as an expert if affordable housing and community development finance. One of the primary benefits of these instruments for housing development is access to bond financing and the conference of a property tax exemption on any projects where the corporations are a general partner. This tax exemption provides opportunities to lower rents and realize savings that can be passed on to project users.

**ISSUE:**
The Strategic Plan calls for the inclusion of financial tools such as PFCs for the development of workforce housing units. Establishing a formal policy on the utilization of PFCs and a possible HFC would provide guidance to staff and city council when developing recommendations and housing policy.

**STRATEGIC PLAN REFERENCE:**
☒Economic Mobility ☐Enhanced Connectivity ☐Community Identity
☐Organizational Excellence ☐Community Well-Being ☐N/A

**FISCAL IMPACT:**
N/A

**RECOMMENDATION:**
Staff recommends direction around the creation of a policy for the use of tax exemptions for workforce housing production and preservation.