

Understanding Housing and “Affordable Housing” in Texas

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Introduction



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Decoding Acronyms

- HUD – Department of Housing and Urban Development
- DOJ – Department of Justice
- FHA – Fair Housing Act of 1968
- AFFH – Affirmatively Furthering Fair Housing
- TDHCA – Texas Department of Housing and Community Affairs
- PFC – Public Facilities Corporation

HUD & AFFH

- 2015 - U.S. Supreme Court issued an opinion in *Inclusive Communities Project vs Texas Department of Housing and Community Affairs* that “disparate impact” is grounds for action under the Fair Housing Act (FHA).
- 2016 - The Obama Administration implemented “Affirmatively Furthering Fair Housing” (AFFH) and the DOJ and HUD issued a joint statement in 2016 that failure to build low-income housing in affluent areas constitutes a denial of housing to minorities, and a violation of the FHA.
- Following this, cities across the country have been placed under Consent Decrees allowing HUD and the DOJ to step in on local zoning issues. Among those cities are Arlington (2022) and Fort Worth (2016).

TDHCA & Housing Tax Credits

- The Texas Department of Housing and Community Affairs oversees the distribution of Housing Tax Credits to “affordable” (taxpayer-subsidized) housing developments in Texas.
- Applicants can apply for a 4 percent or 9 percent credit, facing different thresholds for award.

TDHCA & PFCs

- Until last year's Texas legislative session, Public Facilities Corporations (PFCs) like the Plano Housing Authority were able to take ownership of an apartment complex—both land and improvements—to take the property completely off the tax rolls, to the benefit of the developer and/or management company.

Q&A
