



# **Dallas County Housing Finance Corporation 2025**

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## **Introduction**

# Presentation Outline

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- Introductions
- What can an HFC do?
  - Affordable Housing
  - Target Audience
- Legislative Changes
  - House Bill 21
- Bonds
- Its in the By-Laws



# Introductions

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Welcome Board Members of the  
Dallas Housing Finance Corporation 2025

# What Can an HFC do?

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Local Government Code Chapter 394 (Housing Finance Corporations) says that the purpose is to “...provide a means to finance the cost of ...decent, safe, and sanitary housing at affordable prices for residents...”

# What Can an HFC do?

- Issue mortgage revenue bonds for low-cost mortgages / downpayment and closing cost assistance
- Issue multifamily housing revenue bonds to build or rehabilitate housing for low-income households
- Receive funding to further its mission

- Provide direct loans or grants to homebuyers for down payment and/or closing cost assistance
- Have a mortgage credit certificate (“MCC”) program
- Provide zero or low-interest loans for housing rehabilitation for low-income residents
- Establish an emergency rental assistance program

- Own multifamily development that provides affordable housing
- Create an in-fill housing program on donated or lots purchased through the HFC
- Construct, own, and operate senior citizen housing
- Assist builders to purchase and rehabilitate substandard housing for low-income residents

Basically, activities with a nexus to affordable housing

# Who is the target audience?

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...applies only to a residential development at least 90 percent of which is for use by or is intended to be occupied by households of low and moderate income...





# **Legislative changes – HB21**

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Geographic Limitation  
Greater Oversight

# 2025's House Bill 21

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## Travelling HFCs

House Bill 21 fixed the “Travelling HFC” problem – HFCs acquired properties and issued tax-exempt bonds or claimed tax exemptions outside their founding jurisdictions without local consent.

## Project Uncertainty

However, this bill applies to deals that are already in existence, requiring HFCs that already hold interests in out-of-jurisdiction properties to obtain local approval by Jan. 1, 2027, or risk losing the project's property tax exemption.

# 2025's House Bill 21

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## Affordability Changes

To qualify for a property tax exemption, a minimum of 50 percent of units must be for low-income tenants. Either with:

40% units @ 80% AMI plus  
10% units @ 60%AMI

Or

40% units @ 100% AMI plus  
10% units @ 50%AMI

## Other Changes

“Rent Reduction test”  
At least 50 percent of tax savings from the tax exemption must be passed to tenants or returned to taxing authorities.

### Annual Compliance

The “Rent Reduction test” and the low-income tenant percentages are monitored yearly for compliance.

# Bonds

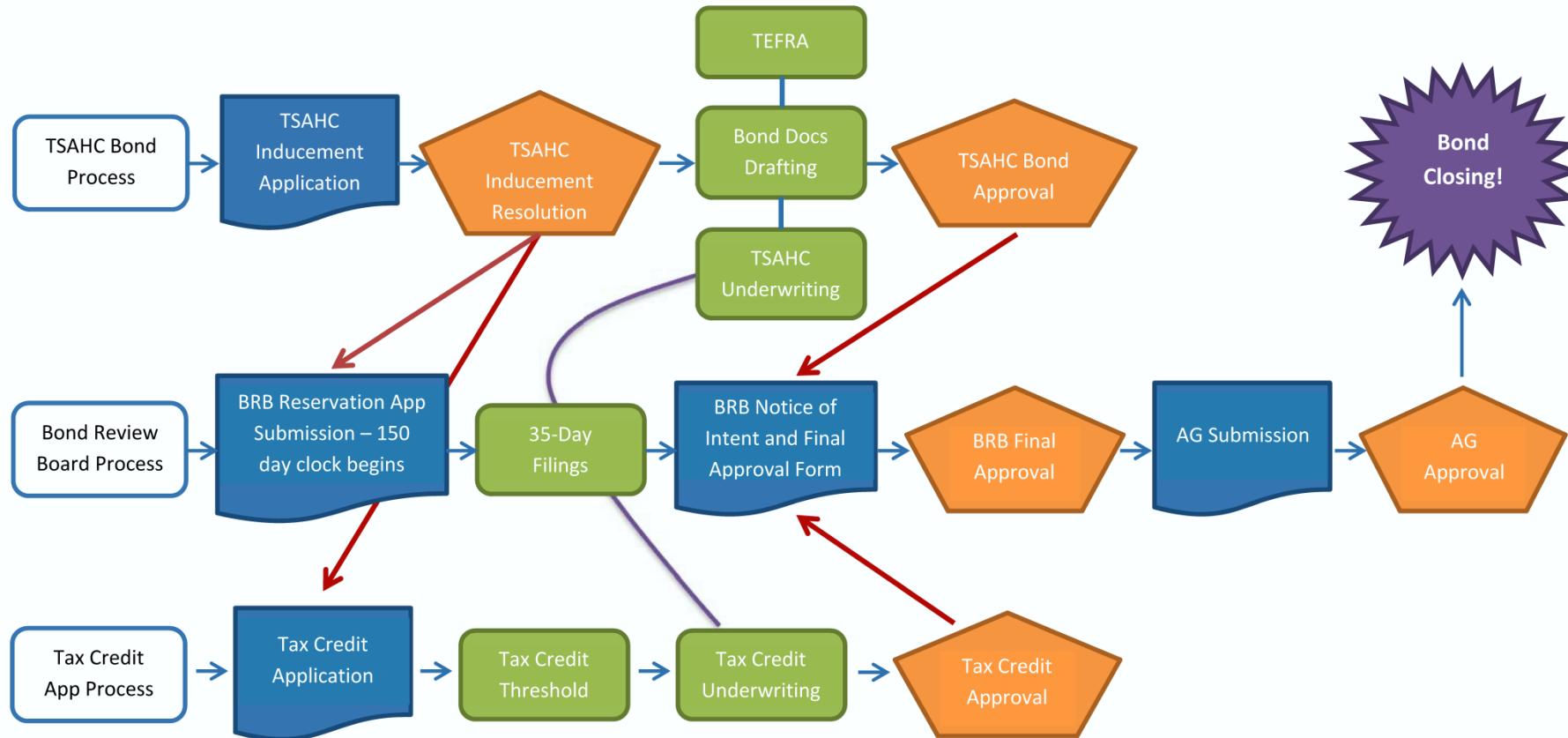
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**Just like a loan, but with some key differences.**

1. You need an Issuer who can make the bonds tax exempt (that's the HFC).
2. Investors will accept a bit less in interest rate because the income on bonds is tax exempt.
3. Texas State Affordable Housing Corporation (TSAHC) is a conduit issuer for the State with authority to issue Multifamily Housing Revenue Bonds.
4. These bonds allow developers to apply for 4% housing tax credits through the State when the bonds finance at least 50% of the cost of the land and buildings in the Development.

# Bonds for Housing

## Simple Bond Approval Process



# Its in the ByLaws

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- Texas Open Meetings
- Non-Profit
- Election of Officers
- Can hire expertise
- Code of Ethics

# Thank you

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