



## CITY COUNCIL MEMORANDUM

**FROM:** The Office of the City Manager    **DATE:** August 12, 2024  
**SUBJECT:** Consider Resolution No. 2024-038, pursuing a statutory amendment to the Texas Housing Finance Corporations Act - Chapter 394 of the Texas Local Government Code.  
**PRESENTER:** Craig Hulse, Director of Economic Development

### **SUMMARY:**

Consider a resolution to pursue a statutory amendment to the Texas Housing Finance Corporations Act, Texas Local Government Code - Chapter 394 preventing a housing finance corporation's authority outside of its jurisdiction without the consent of the local municipality.

### **GENERAL DESCRIPTION:**

The Cameron County Housing Finance Corporation ("CCHFC"), which is located in south Texas, has been found to own properties throughout the State of Texas, outside of Cameron County, that are tax exempt through the Texas Housing Finance Corporations Act, Chapter 394 of the Texas Local Government Code.

The City has become aware that the CCHFC owns property located in the nearby City of Euless and has been registered as tax exempt without the approval of Euless' City Council.

While the general purpose of housing finance corporations ("HFC's") is to promote the public health, safety, morals, and welfare of the citizens within the jurisdiction of a housing finance corporation, the City believes the CCHFC undermines this general purpose by creating tax exempt housing outside of its jurisdiction without the consent of the local municipality. In specific, cost burdens are placed on those municipalities to provide police and fire protection, parks and other public facilities, code enforcement, and other governmental services that are unfunded due to the tax-exempt status.

The City finds it in the best interest of our citizens to seek a statutory amendment that would clarify the authority of HFCs to remove properties from a municipality's tax rolls without the consent of the municipality.

### **RECOMMENDATION:**

Approve Resolution 2024-038.