

By: Pickett

H.B. No. 684

Substitute the following for H.B. No. 684:

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C.S.H.B. No. 684

A BILL TO BE ENTITLED

1

AN ACT

2 relating to state assistance for housing developments located in
3 certain disaster areas.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 2306.0721(c), Government Code, is
6 amended to read as follows:

7 (c) The plan must include:

8 (1) an estimate and analysis of the housing needs of
9 the following populations in each uniform state service region:

10 (A) individuals and families of moderate, low,
11 very low, and extremely low income;

12 (B) individuals with special needs; ~~and~~

13 (C) homeless individuals; and

14 (D) individuals and families who, within the
15 two-year period preceding the date the estimate is made or the
16 analysis is performed, whichever is earlier, reside in an area
17 declared to be a disaster under Section 418.014 due to widespread or
18 severe flooding;

19 (2) a proposal to use all available housing resources
20 to address the housing needs of the populations described by
21 Subdivision (1) by establishing funding levels for all
22 housing-related programs;

23 (3) an estimate of the number of federally assisted
24 housing units available for the populations described by

1 Subdivisions (1)(A), (B), and (D) [~~individuals and families of low~~
2 ~~and very low income and individuals with special needs~~] in each
3 uniform state service region;

4 (4) a description of state programs that govern the
5 use of all available housing resources;

6 (5) a resource allocation plan that targets all
7 available housing resources to the populations described by
8 Subdivisions (1)(A), (B), and (D) [~~individuals and families of low~~
9 ~~and very low income and individuals with special needs~~] in each
10 uniform state service region;

11 (6) a description of the department's efforts to
12 monitor and analyze the unused or underused federal resources of
13 other state agencies for housing-related services and services for
14 the populations described by Subdivisions (1)(C) and (D) [~~homeless~~
15 ~~individuals~~] and the department's recommendations to ensure the
16 full use by the state of all available federal resources for those
17 services in each uniform state service region;

18 (7) strategies to provide housing for the populations
19 described by Subdivisions (1)(B) and (D) [~~individuals and families~~
20 ~~with special needs~~] in each uniform state service region;

21 (8) a description of the department's efforts to
22 encourage in each uniform state service region the construction of
23 housing units that incorporate energy efficient construction and
24 appliances;

25 (9) an estimate and analysis of the housing supply in
26 each uniform state service region;

27 (10) an inventory of all publicly and, where possible,

1 privately funded housing resources, including public housing
2 authorities, housing finance corporations, community housing
3 development organizations, and community action agencies;

4 (11) strategies for meeting rural housing needs;

5 (12) a biennial action plan for colonias that:

6 (A) addresses current policy goals for colonia
7 programs, strategies to meet the policy goals, and the projected
8 outcomes with respect to the policy goals; and

9 (B) includes information on the demand for
10 contract-for-deed conversions, services from self-help centers,
11 consumer education, and other colonia resident services in counties
12 some part of which is within 150 miles of the international border
13 of this state;

14 (13) a summary of public comments received at a
15 hearing under this chapter or from another source that concern the
16 demand for colonia resident services described by Subdivision (12);
17 and

18 (14) any other housing-related information that the
19 state is required to include in the one-year action plan of the
20 consolidated plan submitted annually to the United States
21 Department of Housing and Urban Development.

22 SECTION 2. Section 2306.127, Government Code, is amended to
23 read as follows:

24 Sec. 2306.127. PRIORITY FOR CERTAIN COMMUNITIES. In a
25 manner consistent with the regional allocation formula described
26 under Section 2306.111(d), the department shall give priority
27 through its housing program scoring criteria to communities that:

1 (1) at the time complete applications are submitted
2 under a housing program in relation to those communities, are
3 located wholly or partly in:

4 (A) [~~(1)~~] a federally designated urban
5 enterprise community;

6 (B) [~~(2)~~] an urban enhanced enterprise
7 community; or

8 (C) [~~(3)~~] an economically distressed area or
9 colonia; or

10 (2) at the time complete applications are submitted
11 under a housing program in relation to those communities or at any
12 time within the two-year period preceding the dates of submission
13 of the applications, are located wholly or partly in an area
14 declared to be a disaster under Section 418.014 due to widespread or
15 severe flooding.

16 SECTION 3. Section 2306.359(a), Government Code, is amended
17 to read as follows:

18 (a) In evaluating an application for an issuance of private
19 activity bonds, the department shall score and rank the application
20 using a point system based on criteria that are adopted by the
21 department, including criteria:

22 (1) regarding:

23 (A) the income levels of tenants of the
24 development, consistent with the funding priorities provided by
25 Section 1372.0321;

26 (B) the rent levels of the units;

27 (C) the level of community support for the

1 application;

2 (D) the period of guaranteed affordability for
3 low income tenants;

4 (E) the cost per unit of the development;

5 (F) the size, quality, and amenities of the
6 units;

7 (G) the services to be provided to tenants of the
8 development;

9 (H) the commitment of development funding by
10 local political subdivisions that enables additional units for
11 individuals and families of very low income; ~~and~~

12 (I) whether, at the time the complete application
13 is submitted or at any time within the two-year period preceding the
14 date of submission, the proposed development site is located in an
15 area declared to be a disaster under Section 418.014 due to
16 widespread or severe flooding; and

17 (J) other criteria as developed by the board; and

18 (2) imposing penalties on applicants who have
19 requested extensions of department deadlines relating to
20 developments supported by an issuance of private activity bonds
21 made in the application round preceding the current round.

22 SECTION 4. Section 2306.565(e), Government Code, is amended
23 to read as follows:

24 (e) The board of directors of the corporation shall adopt
25 criteria governing the method by which the staff of the corporation
26 scores and ranks each application [~~applications~~] for an allocation
27 under this section that is [~~are~~] received in response to a request

1 for a proposal [~~proposals~~]. The criteria must include:

2 (1) the cost per unit of the housing development;

3 (2) the proposed rent for a unit; [~~and~~]

4 (3) the income ranges of individuals and families to
5 be served by the housing development; and

6 (4) criteria related to whether, at the time the
7 complete application is submitted or at any time within the
8 two-year period preceding the date of submission, the proposed
9 housing development site is located in an area declared to be a
10 disaster under Section 418.014 due to widespread or severe
11 flooding.

12 SECTION 5. Section 2306.6710(b), Government Code, is
13 amended to read as follows:

14 (b) If an application satisfies the threshold criteria, the
15 department shall score and rank the application using a point
16 system that:

17 (1) prioritizes in descending order criteria
18 regarding:

19 (A) whether, at the time the complete application
20 is submitted or at any time within the two-year period preceding the
21 date of submission, the proposed development site is located in an
22 area declared to be a disaster under Section 418.014 due to
23 widespread or severe flooding;

24 (B) financial feasibility of the development
25 based on the supporting financial data required in the application
26 that will include a project underwriting pro forma from the
27 permanent or construction lender;

1 (C) [~~(B)~~] quantifiable community participation
2 with respect to the development, evaluated on the basis of written
3 statements from any neighborhood organizations on record with the
4 state or county in which the development is to be located and whose
5 boundaries contain the proposed development site;

6 (D) [~~(C)~~] the income levels of tenants of the
7 development;

8 (E) [~~(D)~~] the size and quality of the units;

9 (F) [~~(E)~~] the commitment of development funding
10 by local political subdivisions;

11 (G) [~~(F)~~] the level of community support for the
12 application, evaluated on the basis of written statements from
13 state elected officials;

14 (H) [~~(G)~~] the rent levels of the units;

15 (I) [~~(H)~~] the cost of the development by square
16 foot; and

17 (J) [~~(I)~~] the services to be provided to tenants
18 of the development; and

19 (2) uses criteria imposing penalties on applicants or
20 affiliates who have requested extensions of department deadlines
21 relating to developments supported by housing tax credit
22 allocations made in the application round preceding the current
23 round or a developer or principal of the applicant that has been
24 removed by the lender, equity provider, or limited partners for its
25 failure to perform its obligations under the loan documents or
26 limited partnership agreement.

27 SECTION 6. The changes in law made by this Act relating to

1 the evaluation of applications for financial assistance
2 administered by the Texas Department of Housing and Community
3 Affairs or the Texas State Affordable Housing Corporation apply
4 only to an application submitted for an application cycle that
5 begins on or after the effective date of this Act. An application
6 submitted for an application cycle that begins before the effective
7 date of this Act is governed by the law in effect when the
8 application was submitted, and the former law is continued in
9 effect for that purpose.

10 SECTION 7. This Act takes effect September 1, 2007.