

By: Lucio

S.B. No. 1114

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the sale or donation of certain school district
3 property for the development of affordable housing for school
4 district personnel.

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

6 SECTION 1. Subchapter D, Chapter 11, Education Code, is
7 amended by adding Section 11.15415 to read as follows:

8 Sec. 11.15415. SALE OR DONATION OF PROPERTY FOR DEVELOPMENT
9 OF AFFORDABLE HOUSING. (a) Notwithstanding any other provision of
10 law, the board of trustees of an independent school district may by
11 resolution authorize the sale, at less than fair market value, or
12 donation of any property held in trust for public school purposes to
13 the Texas State Affordable Housing Corporation or another nonprofit
14 organization with expertise in developing affordable housing for
15 the development of affordable housing under Section 2306.570,
16 Government Code.

17 (b) Before adopting a resolution to sell or donate property
18 under this section, the board of trustees of an independent school
19 district shall:

20 (1) hold a public hearing concerning the sale or
21 donation of the property and, in addition to any other notice
22 required, give notice of the hearing by publishing the subject
23 matter, location, date, and time of the hearing in a newspaper
24 having general circulation in the territory of the district;

1 (2) ensure that the sale or donation complies with
2 Section 52, Article III, Texas Constitution, and any other
3 applicable provisions of the Texas Constitution; and

4 (3) ensure that the sale will serve a public purpose.

5 SECTION 2. Section 2306.553(a), Government Code, is amended
6 to read as follows:

7 (a) The public purpose of the corporation is to perform
8 activities and services that the corporation's board of directors
9 determines will promote the public health, safety, and welfare
10 through the provision of adequate, safe, and sanitary housing
11 primarily for individuals and families of low, very low, and
12 extremely low income and for persons who are eligible for loans
13 under the home loan program provided by Section 2306.5621 or who are
14 eligible to receive affordable housing under Section 2306.570. The
15 activities and services shall include engaging in mortgage banking
16 activities and lending transactions and acquiring, holding,
17 selling, or leasing real or personal property.

18 SECTION 3. Subchapter Y, Chapter 2306, Government Code, is
19 amended by adding Section 2306.570 to read as follows:

20 Sec. 2306.570. DEVELOPMENT OF AFFORDABLE HOUSING FOR
21 CERTAIN SCHOOL DISTRICT PERSONNEL. (a) The corporation or a
22 nonprofit organization designated by the corporation with
23 expertise in developing affordable housing may purchase or receive
24 property under Section 11.15415, Education Code, to develop
25 multifamily and single-family affordable housing units for school
26 district personnel, including educators, school nurses, school
27 counselors, and other administrative staff of the school district.

1 (b) The corporation or a nonprofit organization that
2 purchases or receives property to develop affordable housing shall:

3 (1) ensure that the property will be used in
4 accordance with the public purposes of the corporation outlined
5 under Section 2306.553; and

6 (2) impose deed restrictions requiring the sale or
7 rental of the property to moderate or low income households.

8 (c) For multifamily housing units developed under this
9 section the deed restrictions must require that:

10 (1) not less than 80 percent of the units must be
11 occupied by and affordable to families with a household income of
12 not more than 80 percent of the area median family income, based on
13 gross household income and adjusted for household size, for the
14 county or metropolitan statistical area in which the units are
15 located; and

16 (2) for multifamily housing units available for rent:

17 (A) not less than 40 percent of the units must be
18 occupied by and affordable to families with a household income of
19 not more than 60 percent of the area median family income, based on
20 gross household income and adjusted for household size, for the
21 county or metropolitan statistical area in which the units are
22 located; or

23 (B) not less than 20 percent of the units must be
24 occupied by and affordable to families with a household income of
25 not more than 50 percent of the area median family income, based on
26 gross household income and adjusted for household size, for the
27 county or metropolitan statistical area in which the units are

1 located.

2 (d) For single-family housing units developed under this
3 section the deed restrictions must require that:

4 (1) not less than 50 percent of the units must be sold
5 to families with a household income of not more than 80 percent of
6 the area median family income, based on gross household income and
7 adjusted for household size, for the county or metropolitan
8 statistical area in which the units are located; and

9 (2) the remaining units must be sold to families with a
10 household income of not more than 120 percent of the area median
11 family income, based on gross household income and adjusted for
12 household size, for the county or metropolitan statistical area in
13 which the units are located.

14 SECTION 4. This Act takes effect immediately if it receives
15 a vote of two-thirds of all the members elected to each house, as
16 provided by Section 39, Article III, Texas Constitution. If this
17 Act does not receive the vote necessary for immediate effect, this
18 Act takes effect September 1, 2019.