

By: Gates

H.B. No. 3533

A BILL TO BE ENTITLED

AN ACT

relating to multifamily residential developments financed, owned,  
or operated by public facility corporations.

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

SECTION 1. Section 303.003, Local Government Code, is  
amended by adding Subdivision (6-a) to read as follows:

(6-a) "Multifamily residential development" means any  
residential development consisting of four or more dwelling units  
intended for occupancy as rentals, regardless of whether the units  
are attached or detached.

SECTION 2. Section 303.021(d), Local Government Code, is  
amended to read as follows:

(d) A corporation or a sponsor may finance, own, or operate  
a multifamily residential development only if:

(1) the corporation or sponsor complies with all  
applicable provisions of this chapter; ~~and~~

(2) the development is located:

(A) inside the area of operation of the sponsor,  
if the sponsor is a housing authority; or

(B) if the sponsor is not a housing authority,  
inside the boundaries of the sponsor, without regard to whether the  
sponsor is authorized to own property or provide services outside  
the boundaries of the sponsor; and

(3) for a multifamily residential development

1 financed, owned, or operated by a sponsor that is a school district  
2 or a development financed, owned, or operated by a corporation  
3 created by such a sponsor:

4 (A) at least 75 percent of the residential units  
5 at the development are restricted to occupancy by households with  
6 at least one employee of the district; or

7 (B) the development is located on real property  
8 that was previously used for at least ten years by the district as a  
9 school campus or for administrative functions performed by the  
10 district.

11 SECTION 3. Section 303.003(6-a), Local Government Code, as  
12 added by this Act, and Section 303.021(d), Local Government Code,  
13 as amended by this Act, apply only to a multifamily residential  
14 development (1) for which title was acquired by a public facility  
15 corporation or the sponsor of a public facility corporation on or  
16 after the effective date of this Act or (2) a contract for financing  
17 or operation was entered into by a public facility corporation or  
18 the sponsor of a public facility corporation on or after the  
19 effective date of this Act. A multifamily residential development  
20 for which title was acquired or a contract for financing or  
21 operation was entered into before the effective date of this Act is  
22 governed by the law in effect on the date the title was acquired or  
23 the date the contract was entered into, and the former law is  
24 continued in effect for that purpose.

25 SECTION 4. This Act takes effect immediately if it receives  
26 a vote of two-thirds of all the members elected to each house, as  
27 provided by Section 39, Article III, Texas Constitution. If this

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1 Act does not receive the vote necessary for immediate effect, this

2 Act takes effect September 1, 2025.