

By: Barrientos

S.B. No. 833

A BILL TO BE ENTITLED

AN ACT

relating to the required use of tax increment financing to provide affordable housing in certain reinvestment zones.

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

SECTION 1. Section 311.011, Tax Code, is amended by adding Subsection (h) to read as follows:

(h) This subsection applies only to a zone that is located in a county with a population of more than 800,000 and less than 3.3 million, is designated on or after January 1, 2005, and is or will be served by a rail transportation project as defined by general law. The project plan for the zone must:

(1) contain a residential component that includes the construction of affordable housing in the zone; and

(2) require that at least 25 percent of the tax increment of the zone be used to construct the affordable housing until at least 10 percent of the total square footage in the residential component consists of multifamily rental properties and single-family dwellings, half of which are affordable to individuals or families with incomes at or below 30 percent of the area median income, as determined by the Texas Department of Housing and Community Affairs, adjusted for family size, and half of which are affordable to individuals or families with incomes above 30 percent and below 50 percent of the adjusted area median income.

1 SECTION 2. This Act takes effect immediately if it receives
2 a vote of two-thirds of all the members elected to each house, as
3 provided by Section 39, Article III, Texas Constitution. If this
4 Act does not receive the vote necessary for immediate effect, this
5 Act takes effect September 1, 2005.