



Denton Public Facility Corporation

MAY 2, 2023
ID 23-865

A vibrant mural on a wall depicts a blue bird with its wings spread, surrounded by large yellow and pink flowers. The mural is set against a background of green foliage. A diagonal band of blue, white, and red stripes runs across the right side of the image.

COMMUNITY SERVICES

BACKGROUND – COUNCIL ACTIONS

- On June 28, 2022, CM Watts made a two-minute pitch request and received support for a work session to discuss the City creating Public Facility Corporations to partner with developers to develop affordable housing in Denton.
- On October 25, 2022, Council provided direction to staff to create a development program authorizing the formation of Public Facility Corporations for future affordable housing projects.

CREATING PFC



Step 1:

- Preparing Bylaws and Certificate of Formation

Step 2:

- City Council Approval

ACTION: Approve the formation docs, appoint initial board members, and authorize submitting to SOS

Step 3:

- Submission to the Secretary of State

Step 4:

- File for Franchise Tax Exemption and EIN

Step 5:

- Organizational Meeting

NEXT STEPS TO A DEVELOPMENT DEAL

- Inform Development Community of PFC Program and Application
- Complete PFC Formation
 - Submission to Secretary of State and approval.
 - Organizing Meeting: Initial Board of Directors Orientation, Articles, By-laws, Establish Key Priorities and Role in Deal Structures.

Board of Directors to approve or deny applications

- Receive Applications
 - Review applications to ensure that the project would only be feasible with a property tax exemption and the project is alignment with the City's affordable housing goals
 - Board set Term Sheets, Agreements negotiated to a substantially finalized form.

TO APPROVE PFC

There are two actions necessary to complete the formation of the PFC.

1. Approval of the Resolution by City Council accepting the formation documents and approving submissions to the Secretary of State and necessary filings required to form the DPFC.
2. Appoint the initial three (3) board members to the DPFC to complete the bylaws.



QUESTIONS?

