FARMERS BRANCH
TEXAS

Public Facility Corporation/ Housing Finance Corporation Discussion

Study Session Meeting | November 18, 2025

Requested By: Mayor Pro Tem Bennett-Burton

Background

Public Facility Corporation (PFC) Structure:
Board of directors consist of city council members, housing authority commissioners and other public officials.

- Ensure projects align with the city's policy goals and public benefits requirements are met.

Public Facility Corporation (PFC) Purpose:
A nonprofit public entity created by a local government to help finance, develop, or own public-purpose projects such as affordable housing, public buildings, or infrastructure.

Housing Finance Corporation (HFC) Structure:
Usually incorporated as a public limited company or no-banking financial company owned by governments, private sector or joint ventures.

- Board of Directors- set policies, oversees management
- Chairperson & Managing Director- responsible for strategic direction and overall operations.
- Board Committees- Audit, Risk Management

Housing Finance Corporation (HFC) Purpose:
Its primary purpose is to finance, acquire, construct, and provide housing that's affordable for low- to moderate-income residents.

Background

PFC Potential Applications for Farmers Branch:

Affordable/ Workforce Housing Development

- Partner with private developers to build or renovate multifamily housing, with units reserved for middle-income(workforce), or low-income residents.
- Revitalization/ Redevelopment of Under-utilized Land or Older Properties- acquire or rehab older properties and repurpose it for public benefit: e.g., conversion of an under-utilized building into a mixed-use housing or transform a site into a community facility.
- Issuance of Tax-Exempt Bonds/ Finance Large Scale Infrastructure or Civic Facilities- may issue bonds or enter into leases/financing to develop public facilities
- Public-Private Partnerships for Mixed-Use *Development*- combining the PFC with private development can encourage mixed-use development that integrates affordability, tax incentives and city goals

HFC Potential Applications for Farmers Branch:

Affordable Housing Development

- Issue tax-exempt bonds to finance construction of affordable multifamily housing for low to moderate-income residents.
- Partner with private developers to create mixed-income communities or redevelop underutilized sites
- Facilitate land acquisition or provide gap funding for affordable projects that wouldn't otherwise pencil out.

Down Payment Assistance & Homebuyer Programs

- Offer down payment or closing assistance for first time homebuyers
- Provide below-market-rate mortgage programs to make homeownership attainable for moderate-income families.

Workforce & Middle-Income Housing

Create workforce housing programs targeting essential workers-teachers, police, firefighters, healthcare staff

Questions

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