

For Immediate Release

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City of Plano and Plano ISD Seek Transparency and Accountability regarding Affordable Housing Projects

The Plano Independent School District and the City of Plano believe housing developments in our community should provide the number of affordable units needed by our citizens. For months, several city staff and council members have been actively seeking to obtain detailed information to ensure that projects created by local Public Facility Corporations (PFCs) meet all legal requirements to qualify for the 100% property tax exemptions, which can last in some cases for up to 99 years. To qualify for this exemption, the PFC properties at issue must reserve at least 50% of units for households having an income less than 80% of the area family median income. The PFCs have not been able to produce records showing the required number of affordable units are leased to citizens who qualify based on their income. Further, in Plano, rent considered affordable to a family earning 80% of the area median family income is still too high for many citizens to afford. As a result, PFCs may not be serving the people they are intended to serve while depriving the city of tax revenue that could be used to increase needed affordable housing inventory through other tools.

The Texas Legislature approved a measure this year designed to lessen the chance for abuses of the property tax incentives. The new law adds provisions to increase accountability and transparency and to prevent developers from avoiding millions of dollars in taxes when they fail to deliver affordable housing. Under this new law, the length of the tax exemptions is shorter, some of the affordable units must serve lower income residents who are more vulnerable and in need of housing options, and local taxing authorities (like cities and school districts) must be consulted during the approval process.

The City and PISD have lost millions of dollars in tax revenue due to the developments. In the last two years, Plano Housing Authority's PFCs have executed numerous PFC agreements with developers, without the consent of the City of Plano and PISD. The City and school district seek to gather more information about these contractual agreements. We are prepared to initiate a legal process to obtain information to clarify how these PFCs conduct business in our city. Our ultimate goal is to ensure accountability, to verify that taxpayer funds are, in fact, supporting affordable housing and that the housing is available to Plano families who need it the most.

Media Contacts

Steve Stoler

Director

Lesley Range-Stanton

Chief Communications Officer

Media Relations
City of Plano
Ph. (972) 941-7321
Mo. (972) 345-1393
Stevest@plano.gov

Ph. (469) 752-8094
Plano Independent School District
Mo. (972) 469-360-7552
lesley.range.stanton@pisd.edu