

RESOLUTION NO.

WHEREAS, the City wishes to promote and expand the opportunities for the creation of affordable housing and to prevent the involuntary loss of homesteads by existing low-income homeowners living in certain disadvantaged neighborhoods of the City; and

WHEREAS, the City Council wishes to promote prosperity for residents of East Austin which has historically lagged behind the rest of the City in income; and

WHEREAS, revenue from the tax increment fund will be dedicated to the development, construction, and preservation of affordable housing and other eligible uses including construction of necessary infrastructure directly related to supporting the construction or rehabilitation of affordable housing in this zone; and

WHEREAS, the Texas legislature provided cities with a Homestead Preservation reinvestment zone as a tool to help cities protect the Homestead interest of low income families who face displacement as a result of rising property values; and

WHEREAS, on January 11, 2007, the City Council created a Homestead Preservation District subject to passage of House Bill 470, or legislation that is substantially similar; and

WHEREAS, House Bill 470 became law on September 1, 2007; and

WHEREAS, based on passage of House Bill 470, the City, subject to participation by Travis County, may now move forward with the creation of the Tax Increment Financing (TIF) Reinvestment Zone in all or portion of the Homestead Preservation District; **NOW, THEREFORE**,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

That the City Manager is hereby directed to work with Travis County to begin the steps needed to implement a Tax Increment Financing (TIF) Reinvestment Zone in all or portion of the Homestead Preservation District.

ADOPTED: _____, 2008 **ATTEST:** _____
Shirley A. Gentry
City Clerk