

Late Backup



MEMORANDUM

TO Toby Futrell, City Manager

FROM Greg Canally, Budget Officer

DATE January 31st, 2008

SUBJECT Implementation of TIF for Homestead Preservation District

Item # 78 on the November 29, 2007 Council Agenda is to Approve a resolution directing the City Manager 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

This item will have a fiscal impact. One of the first steps of this implementation process will be to develop a project plan(s), which will be completed by the Neighborhood Housing & Community Development Department, working with non-profit housing organizations that will ultimately complete the project(s). Upon completion of this plan(s), we will then need to engage a consultant to conduct an economic feasibility study. Costs for this study will be dependent on the outcome and scope of the project plan(s). Once determined, the cost of the economic feasibility study will be funded by NHCD. This feasibility study is expected to take 1-2 months. Once this study is completed, staff will analyze the estimated impact of the planned project(s) on the City's property tax base, tax rate and annual tax revenue over the estimated life of the TIF and report back to the City Council.

xc Leslie Browder, Chief Financial Officer