

RESOLUTION NO.

WHEREAS, the City Council wishes to promote and expand the opportunities for the creation and preservation of affordable housing in certain disadvantaged neighborhoods of the City which are included in the Homestead Preservation District area (“District”) established by Council on January 11, 2007; and

WHEREAS, Texas Local Government Code Chapter 373A authorizes the creation of a form of tax increment financing reinvestment zone within the District, referred to as a Homestead Preservation Reinvestment Zone (“TIF Zone”); and

WHEREAS, revenue derived from City of Austin and Travis County tax increments in such a TIF Zone would 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, all of which are public purposes of the City; and

WHEREAS, the City has prepared the attached Homestead Preservation Reinvestment Zone preliminary project and financing plan, which is a necessary component of TIF Zone creation; and

WHEREAS, approval of the creation and terms of the proposed TIF Zone by Travis County is necessary for the TIF Zone to become effective, and the City Council wishes to work with the County in creating this valuable tool for affordable housing in East Austin; **NOW THEREFORE**,

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

- (1) Council adopts the City's preliminary reinvestment zone project and financing plan, attached as Exhibit A, for the proposed Homestead Preservation Reinvestment Zone;
- (2) Council authorizes the City Manager to distribute the preliminary project and financing plan and the City's notice of intent to designate the Homestead Preservation Reinvestment Zone to all other taxing jurisdictions, and to hold a public hearing on the creation of the Zone;
- (3) Council directs the City Manager to meet and confer with Travis County representatives to reach agreement on the terms of the TIF Zone, including the amount of tax increments to be contributed, in order to allow approval of TIF Zone creation by both City and County by the end of 2008; and
- (4) Council authorizes the City Manager to take other steps as necessary to create the Homestead Preservation Reinvestment Zone.

ADOPTED: _____, 2008

ATTEST: _____

Shirley A. Gentry
City Clerk

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