

# Late Backup

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## REPORT OF THE HOUSING TRUST FUND WORKING GROUP OF THE COMMUNITY DEVELOPMENT COMMISSION

The Housing Trust Fund Working Group of the Community Development Commission received the following information:

1. The City Council adopted both an ordinance and a resolution governing the creation of a Housing Trust Fund in 2000.
2. The Housing Trust Fund was funded at \$1,000,000 initially to replace the HOME match of \$1,000,000 that was required for every \$4,000,000 of HOME funds that the City received from HUD. This allowed the City to stop writing \$1,000,000 to HUD each year.
3. Under the original Council actions in 2000, up to \$750,000 each year would be allocated to rental housing for those at or below 50% of the Median Family Income under the same guidelines that governed federal funds, so that the HOME match standards could be met.
4. Housing Trust Fund resources were devoted to different housing programs in different years.
5. From budget year 1999-2000 through budget year 2008-2009, the allocation for the Housing Trust Fund was at least \$1,000,000 annually for every year except 2003-2004. The allocation that year was \$800,000 because of a City budget shortfall.
6. The infusion of money from City property taxes for properties that were not on the City tax rolls on June 1, 1997 but that subsequently paid City taxes (a policy directive for 40% payment from the 2000 Council resolution) began in 2008-2009.
7. The total investment in the Housing Trust Fund dropped to \$302,593 in 2009-2010, but there was a \$2,007,957 carry-forward that year.
8. By December, 2010, all Housing Trust Fund new allocations and carry-forward had been spent or committed.
9. This is occurring at a time when General Obligation Bond funds are being depleted, and HUD funding for CDBG and HOME activities are being reduced by Congress.

Based on this information, we recommend the following to the Community Development Commission and the City Council:

1. That the 2011-2012 City budget include funding for the Housing Trust Fund of at least \$1,000,000.
2. That any property located in the Desired Development zone that is generating City property tax revenue currently or generates City property tax revenue in the future be included in the 40% City property tax calculation if that property was not generating City property tax revenue on June 1, 1997.
3. That the City manager be directed to develop a plan for funding the Housing Trust Fund at \$1,000,000 annually in any budget year when the 40% allocation does not generate at least \$1,000,000 in revenue.

**RESOLUTION NO. 000907-72**

**WHEREAS**, the need for affordable housing for low and moderate income citizens in the City of Austin is critical; and

**WHEREAS**, the City Council desires to direct the City Manager to develop a strategy for an expanded Affordable Housing Initiative for the City of Austin; **NOW, THEREFORE**,

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

The City Council directs the City Manager to identify funds and resources to enable the City to invest in an expanded Affordable Housing Initiative for the City of Austin; and

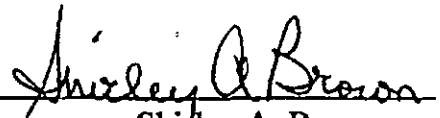
The City Council directs the City Manager or his designee to report back to Council with recommendations for creating an Affordable Housing Initiative that incorporates the following elements, subject to future City Council approvals, into the strategy:

1. Beginning in FY 2002 and continuing through FY 2005, dedicate an additional \$3 million annually from the City's General Fund for affordable housing projects in Austin; and dedicate \$1 million into the Housing Trust Fund to create an endowed fund for addressing the affordable housing needs of the citizens of Austin;
2. Dedicate to the Housing Trust Fund 40% of all incremental tax revenues derived from developments that are built on property located in the Desired Development Zone and were not on the Travis Central Appraisal District property tax rolls on June 1, 1997;
3. Develop a plan to encourage private investment into the Housing Trust Fund in order to further endow the fund;

4. Develop a plan that further expands and encourages private investment in housing rehabilitation, particularly in the inner-city and Desired Development Zone areas of the City of Austin;
5. Identify methods that enables the Austin Housing Finance Corporation to generate additional revenue for investment in the Housing Trust Fund;
6. Develop a plan for maintaining a \$60 million level of Austin Housing Finance Corporation revenue bond financing programs through FY 2005.
7. Maintain or increase financing of administrative expenditures of the Neighborhood Housing and Community Development Office and Austin Housing Finance Corporation from the City's General Fund;
8. Provide a report on September 28, 2000 regarding city surplus property for the potential use of affordable housing construction; and
9. Prepare a state legislative package that strengthens the affordable housing policy of the City of Austin.

**ADOPTED:** September 7, 2000

**ATTEST:**

  
Shirley A. Brown  
City Clerk

## Housing Trust Fund (HTF) History

The Fiscal Year (FY) indicates when the property taxes were collected. The 40% transfer for each year occurs in the following fiscal year.

List of Sites (Parcels)	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
CSC Block 2 - Parcel # 02050105060003	\$ 64,818	\$ 128,164	\$ 78,932	\$ 57,271	\$ 87,721	\$ 139,415	\$ 163,122	\$ 163,897	\$ 171,945	\$ 174,385
CSC Block 2 - Parcel # 02050105060000	\$ 27,582	\$ 36,282	\$ 31,889	\$ 28,667	\$ 28,667	\$ 29,666	\$ 29,005	\$ 28,846	\$ 33,780	\$ 45,023
CSC Block 4 - Parcel # 02050107070001	\$ 28,042	\$ 131,934	\$ 95,002	\$ 71,553	\$ 99,151	\$ 144,712	\$ 166,610	\$ 167,383	\$ 175,602	\$ 182,914
CSC Block 4 - Parcel # 02050107070000	\$ 27,582	\$ 34,668	\$ 37,164	\$ 33,409	\$ 33,409	\$ 34,573	\$ 33,802	\$ 33,618	\$ 35,269	\$ 47,007
Subtotal CSC	\$ 148,024	\$ 331,048	\$ 242,987	\$ 190,900	\$ 248,948	\$ 348,365	\$ 392,539	\$ 393,744	\$ 416,596	\$ 449,329
TIF Reduction *	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
<b>Total CSC Available Payment</b>	<b>\$ 48,024</b>	<b>\$ 231,048</b>	<b>\$ 142,987</b>	<b>\$ 90,900</b>	<b>\$ 148,948</b>	<b>\$ 248,365</b>	<b>\$ 292,539</b>	<b>\$ 293,744</b>	<b>\$ 316,596</b>	<b>\$ 349,329</b>
Post West - Parcel # 01070013050000	\$ 25,674	\$ 25,674	\$ 27,523	\$ 22,268	\$ 22,268	\$ 27,653	\$ 27,036	\$ 26,889	\$ 28,209	\$ 35,741
Post West - Parcel # 01070013050001	\$ 68,605	\$ 91,480	\$ 116,168	\$ 102,016	\$ 102,016	\$ 130,707	\$ 133,985	\$ 138,601	\$ 117,524	\$ 112,817
Post West - Parcel # 01070013110000 **	\$ 19,652	\$ 19,652	\$ 19,466	\$ 17,499	\$ 17,499	\$ 34,745	\$ 46,072	\$ 211,704	N/A	N/A
<b>Total Post West Payment</b>	<b>\$ 113,931</b>	<b>\$ 136,807</b>	<b>\$ 163,156</b>	<b>\$ 141,782</b>	<b>\$ 141,782</b>	<b>\$ 193,104</b>	<b>\$ 207,093</b>	<b>\$ 377,194</b>	<b>\$ 145,733</b>	<b>\$ 148,558</b>
Schneider Bldg. - Parcel # 02050105090000	\$ -	\$ 3,059	\$ 1,115	\$ 1,002	\$ 1,002	\$ 1,051	\$ 1,027	\$ 1,022	\$ 1,559	\$ 1,693
<b>Total Schneider Bldg. Payment</b>	<b>\$ -</b>	<b>\$ 3,059</b>	<b>\$ 1,115</b>	<b>\$ 1,002</b>	<b>\$ 1,002</b>	<b>\$ 1,051</b>	<b>\$ 1,027</b>	<b>\$ 1,022</b>	<b>\$ 1,559</b>	<b>\$ 1,693</b>
Block 21 - Parcel # 02050102020000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 679	\$ 14,251	\$ 14,174	\$ 14,870	\$ 29,067
Block 21 - Parcel # 02050102010000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 679	\$ 14,251	\$ 14,174	\$ 27,497	\$ 370,978
<b>Total Block 21 Payment</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,358</b>	<b>\$ 28,502</b>	<b>\$ 28,348</b>	<b>\$ 42,367</b>	<b>\$ 400,045</b>
AMLI Block 22 - Parcel # 02050101010000										
30% of Total Taxes***	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,605	\$ 8,558	\$ 8,979	\$ 9,751
<b>Total AMLI Block 22 Payment</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,605</b>	<b>\$ 8,558</b>	<b>\$ 8,979</b>	<b>\$ 9,751</b>
3rd and Lamar - Parcel # 01070012150000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,512	\$ 2,809	\$ 2,947	\$ 3,201
<b>Total 3rd. and Lamar Payment</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,512</b>	<b>\$ 2,809</b>	<b>\$ 2,947</b>	<b>\$ 3,201</b>
<b>TOTAL TAX PAYMENTS MADE</b>	<b>\$ 161,955</b>	<b>\$ 370,914</b>	<b>\$ 307,258</b>	<b>\$ 233,684</b>	<b>\$ 291,732</b>	<b>\$ 443,878</b>	<b>\$ 539,278</b>	<b>\$ 711,675</b>	<b>\$ 518,181</b>	<b>\$ 912,577</b>
<b>40% TRANSFER</b>	<b>\$0</b>	<b>\$64,782</b>	<b>\$148,366</b>	<b>\$122,903</b>	<b>\$93,474</b>	<b>\$116,693</b>	<b>\$177,551</b>	<b>\$215,711</b>	<b>\$284,670</b>	<b>\$207,272</b>
<b>ADJUSTMENTS</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$18)</b>	<b>(\$6,225)</b>	<b>(\$3,642)</b>	<b>\$0</b>	<b>(\$32)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTALS</b>	<b>\$0</b>	<b>\$64,782</b>	<b>\$148,348</b>	<b>\$116,678</b>	<b>\$89,832</b>	<b>\$116,693</b>	<b>\$177,519</b>	<b>\$215,711</b>	<b>\$284,670</b>	<b>\$207,272</b>
<b>ACTUAL TRANSFER</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$139,051</b>	<b>\$90,474</b>	<b>\$116,693</b>	<b>\$177,280</b>	<b>\$202,624</b>	<b>\$281,247</b>	<b>\$350,248</b>
<b>DIFFERENCE</b>	<b>\$100,000</b>	<b>\$35,218</b>	<b>(\$148,348)</b>	<b>\$22,373</b>	<b>\$642</b>	<b>\$0</b>	<b>(\$239)</b>	<b>(\$13,087)</b>	<b>(\$3,423)</b>	<b>\$142,976</b>

\* The TIF (Tax-Increment Financing) Reduction is \$100,000 annually for maintaining the plazas, streetscapes and other public improvements constructed within the Reinvestment Zone

\*\* An audit of properties in 2010 determined Post West - Parcel # 01070013110000 should not have been included in this calculation.

\*\*\* AMLI Block 22 - the 40% transfer only applies to 30% of total taxes of this parcel as the City only owned approximately 30% of the land at the time of the HTF Ordinance

# HOUSING TRUST FUND

	1999-2000 ACTUAL	2000-01 ACTUAL	2001-02 ACTUAL	2002-03 ACTUAL	2003-04 ACTUAL	2004-05 ACTUAL	2005-06 ACTUAL	2006-07 ACTUAL	2007-08 ACTUAL	2008-09 ACTUAL	2009-10 ACTUAL
BEGINNING BALANCE	-	1,024,338	571,795	844,745	1,304,605	1,501,595	1,886,072	1,830,562	2,494,953	986,751	2,007,957
TRANSFERS IN											
Sustainability Fund	1,000,000	1,000,000	1,000,000	1,000,000	800,000	1,000,000	1,000,000	1,000,000	1,000,000	-	-
40% TIF	-	-	-	-	-	-	-	-	-	202,624	281,247
Transfer in from CIP	-	-	-	-	-	-	-	-	-	798,000	-
Miscellaneous Revenue	-	-	-	-	-	-	-	-	-	429,924	-
Restitution	-	-	-	-	95,615	20,955	24,247	4,235	2,336	2,332	-
Interest Earnings	24,338	47,457	25,238	19,946	20,131	37,979	63,247	107,202	101,601	24,140	21,346
TOTAL AVAILABLE FUNDS	1,024,338	1,047,457	1,025,238	1,019,946	915,746	1,058,934	1,087,494	1,111,437	1,103,937	1,457,020	302,593
PROGRAM REQUIREMENTS											
Community Development	-	-	-	-	-	-	-	87,571	106,872	106,995	139,228
Housing Development	-	-	-	-	-	-	-	-	-	-	-
TBRA					147,639	75,829	20,613	16,814	115,294	123,605	104,656
DPA						38,453	20,363	11,001	19,996	4,999	-
Rental Housing		1,500,000	750,000	500,000	545,602	546,672	1,090,787	297,132	2,313,648	144,767	169,345
Acquisition and Development											115,995
Home Repair			2,288	60,086	25,515	13,503	11,241	34,528	56,329	55,448	24,421
TOTAL PROGRAM REQUIREMENTS	-	1,500,000	752,288	560,086	718,756	674,457	1,143,004	447,046	2,612,139	435,814	553,645
EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS	1,024,338	(452,543)	272,950	459,860	196,990	384,477	(55,510)	664,391	(1,508,202)	1,021,206	(251,052)
ADJUSTMENT TO GAAP	-	-	-	-	-	-	-	-	-	-	-
ENDING BALANCE	1,024,338	571,795	844,745	1,304,605	1,501,595	1,886,072	1,830,562	2,494,953	986,751	2,007,957	1,756,905