

RESOLUTION NO.

WHEREAS, since 2005, the City of Austin has worked to institute a Homestead Preservation District that could address affordability issues for homeowners; and

WHEREAS, in response to Council Resolution No. 20130627-072, using House Bill 3350, City staff identified five geographic areas of Austin that meet the criteria for designation as Homestead Preservation Districts as prescribed in HB 3350; and

WHEREAS, the potential districts include two Transit Oriented Development areas described as Saltillo and MLK Blvd., as well as the possible Riverside corridor; and

WHEREAS, if the City of Austin applies for Federal Transportation Administration funding, the City will benefit from having designated mechanisms along its transit corridor to assist with affordable housing; and

WHEREAS, a fundamental component of the Homestead Preservation District funding could be a Homestead Preservation Reinvestment Zone that includes tax increment financing (Homestead TIF); and

WHEREAS, a Homestead TIF may conflict with the City of Austin's TIF Policy approved in 1996; and

WHEREAS, Neighborhood Housing and Community Development has developed an affordable housing financing strategy for Austin which broadly considers Homestead Preservation Districts as an element; and

WHEREAS, a full analysis of the funding strategies and their impact on the City of Austin is necessary to understand the potential benefits and impacts to our community; **NOW, THEREFORE**,

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

The City Manager is directed to develop a program plan, financing, and funding strategy for viable districts in the context of an overall affordable housing financing strategy. This strategy should include a market analysis study of each proposed district, using land use and market data information to project future property values. A proposed plan should include recommendations on using value capture and/or other funding tools to accomplish the Council's priorities.

BE IT FURTHER RESOLVED:

The City Manager is directed to develop criteria for determining whether land is unproductive, underdeveloped or blighted in order to comply with the existing TIF policy.

BE IT FURTHER RESOLVED:

The City Manager is directed to report back to Council within 180 days.

ADOPTED: _____, 2014 **ATTEST:** _____

Jannette S. Goodall
City Clerk