

RESOLUTION NO. 20140925-088

WHEREAS, the City of Austin seeks to have a broad array of policy tools and programs available to address issues, such as affordable housing; and

WHEREAS, community land trusts were created more than 30 years ago in response to the rising cost of housing, limited space for new construction, a growing number of abandoned buildings, and an aging number of residential units available for non-transient occupancy, referred to as housing stock; and

WHEREAS, the purpose of a community land trust is to provide access to land and housing to people who are otherwise denied access, empower residents through involvement and participation in the organization, and permanently preserve affordability of housing; and

WHEREAS, the 2014 Comprehensive Housing Market Analysis recommends a greater use of land banking, which is the garnering of seed money and organizational support from the private sector, and greater use of public land for redevelopment, in order to facilitate affordable housing; and

WHEREAS, the Austin Housing Finance Corporation (AHFC), as a tax-exempt public entity, receives a 100 percent tax exemption on all land it owns, including those assessed by the school district, health district, and county; and

WHEREAS, the AHFC occasionally partners with an affordable housing developer by purchasing the land and entering into a long-term leasehold deed of trust held by AHFC, or equity in an AHFC-affiliated entity through a limited partnership or limited liability company; and

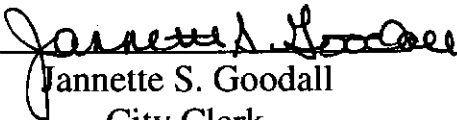
WHEREAS, the use of a community land trust is a tool that has helped address the largest gaps in affordability and locate affordable housing within high opportunity areas experiencing low poverty and plenty of housing, and

WHEREAS, the increasing complexity of some arrangements require a re-examination of safeguards and requirements for consideration, such as an accounting of the cost/benefit of the unrecorded or off-balance sheet subsidy resulting from applicable tax exemptions; **NOW, THEREFORE,**

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

The City Manager is directed to work with the City of Austin's Community Development Commission in order to establish goals for land banking and community land trusts, and also provide criteria and accounting

requirements for the tax exemption of public land used for affordable housing and other long term equity-based partnerships to promote transparency.

ADOPTED: September 25, 2014 **ATTEST:** 
Jannette S. Goodall
City Clerk