ORDINANCE NO.

AN ORDINANCE CREATING AND DESIGNATING A HOMESTEAD PRESERVATION REINVESTMENT ZONE NAMED "CITY OF AUSTIN HOMESTEAD PRESERVATION REINVESTMENT ZONE NUMBER ONE"; CREATING A TAX INCREMENT BASE; ESTABLISHING A TAX INCREMENT FUND; ESTABLISHING OTHER PROVISIONS FOR THE EFFECTIVE ADMINISTRATION OF THE ZONE; AND SETTING AN EFFECTIVE DATE.

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

PART 1. Findings. The City Council finds that:

- (A) The City has proposed the creation of a Homestead Preservation Reinvestment Zone ("the Zone") under Chapter 373A of the Texas Local Government Code for the area depicted on the map attached to and incorporated into this ordinance as Exhibit A. The boundaries of the Zone are located entirely within or are coterminous with the boundaries of the Homestead Preservation District created by Ordinance No. 20070111-053.
- (B) The City has prepared a preliminary financing plan which is attached to and incorporated into this ordinance as Exhibit B.
- (C) The Zone is necessary to accomplish the purposes of Chapter 373A of the Texas Local Government Code and will promote the ability of the City to increase home ownership, provide affordable housing, prevent the involuntary loss of homesteads by existing low-income and moderate-income homeowners living in disadvantaged neighborhoods and will provide the City with a means to expand and protect the homestead interests of low-income and moderate-income families living within the Zone; and
- (D) The Zone meets the requirements of Texas Local Government Code Section 373A.1521(4) in that the area contained within the Zone is unproductive, underdeveloped, or blighted as provided by Section 1-g(b), Article VIII of the Texas Constitution.

- **PART 2.** Creation. A Homestead Preservation Reinvestment Zone is created for the area described in Exhibit A, and this zone is designated "City of Austin Homestead Preservation Reinvestment Zone Number One".
- PART 3. Administration of the Zone. As provided in Texas Local Government Code Section 373A.157(a), the Zone and the tax increment fund established below in Part 7 are administered by the City Council of the City of Austin.
 - **PART 4.** Authority of the City Council. The City Council has the powers necessary to accomplish the purposes for which the Zone is created.
 - **PART 5.** Tax Increment Base. As provided by Texas Tax Code Section 311.012(c), the tax increment base for the Zone is the total taxable value, as determined by the Travis Central Appraisal District, of all real property taxable by the City of Austin and located in the Zone as of December 31, 2015.
 - **PART 6. Tax Increment.** As required by Texas Tax Code Section 311.012(a), the City's tax increment for a year is the amount of property taxes levied and assessed by the City for that year on the captured appraised value of real property taxable by the City and located in the Zone.
 - **PART 7.** Tax Increment Fund. A Tax Increment Fund for the Zone is established. The Tax Increment Fund may be divided into accounts and subaccounts as authorized by the City Council. A tax increment derived from City ad valorem taxes in the amount of 10% of the City increment must be deposited into the Tax Increment Fund by the City. The Tax Increment Fund including an account or subaccount shall be maintained at the City's depository bank and secured as prescribed by state law.
 - **PART 8. Zone Effective Date and Termination Date.** The Zone shall take effect on December 31, 2015 and shall terminate on December 31, 2025.
 - **PART 9. Severability.** If any section, paragraph, clause, or provision of this ordinance is for any reason held to be invalid or unenforceable, the invalidity or unenforceability of that section, paragraph, clause, or provision shall not affect any of the remaining provisions of this ordinance.

	This ordinance takes effect	OII	, 2013.
PASSED AN	D APPROVED		
		§ § ——————————————————————————————————	
	, 2015	§	
			Steve Adler
			Mayor
APPROVED) :	ATTEST: _	
	Anne L. Morgan		Jannette S. Gooda
	City Attorney		City Clerk