

Homestead Preservation Reinvestment Zone (HPRZ) #1

City of Austin
Housing and Planning Committee
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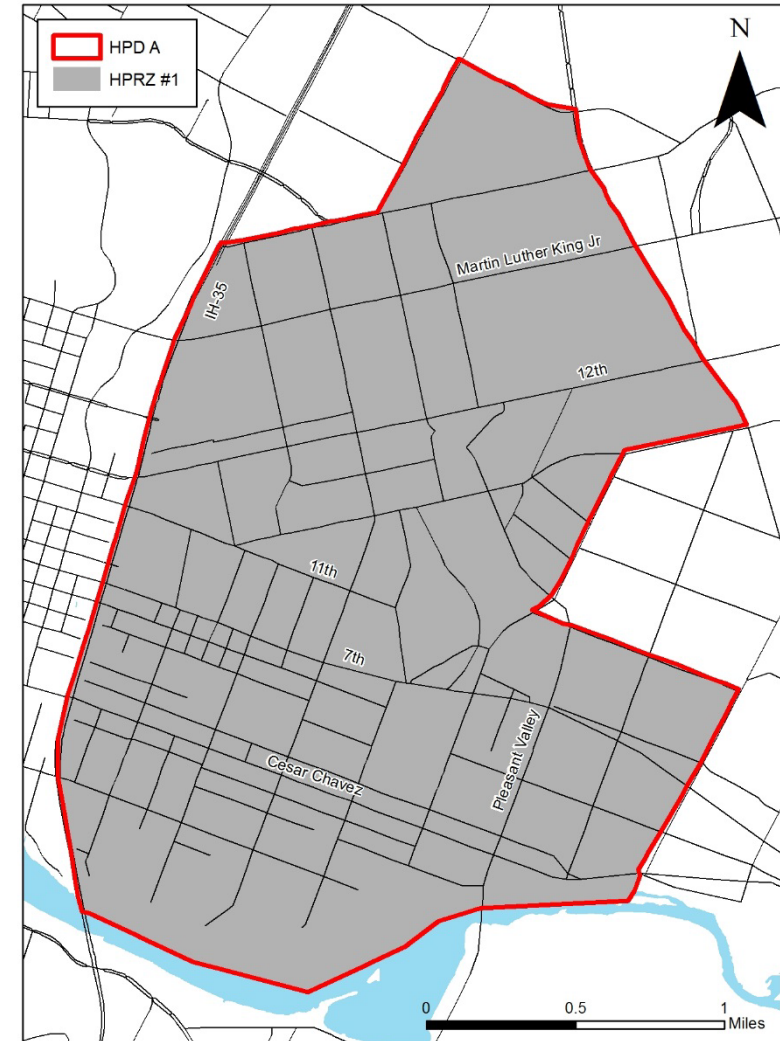


Background

- HPRZ is a modified tax increment reinvestment zone permitted by Local Government Code Chapter 373A whose funds are dedicated solely for affordable housing.
- An HPRZ's boundaries must be contained within a previously established Homestead Preservation District (HPD).
- HPD A was established by the Austin City Council in January 2007.
- HPRZ #1 was established by Austin City Council in December 2015.

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- Austin City Council established the increment at 10% for the zone.
- Chapter 373A establishes criteria for expenditure of funds to benefit individuals or families, which include:
 - 100% funds at or below 70% MFI
 - At least 50% of funds at or below 50% MFI
 - At least 25% of funds at or below 30% MFI



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- The preliminary financing plan adopted with HPRZ #1 established that funds collected would be spent through the City's housing programs.
 - Rental Housing Developer Assistance (RHDA) Program
 - Acquisition & Development (A&D) Program
 - Home Repair Loan Program (HRLP)
- \$253,488 was generated and deposited in the fund for FY17.
- \$464,783 is estimated to be generated for FY18, and deposited in the fund later this year.

Next Steps

- The Austin City Council (and Travis County) must appoint a Board of Directors for the zone.
- The Board of Directors and Austin City Council must approve Project and Financing plans for the zone that identify how the funds are to be spent.

Questions?

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