



MEMORANDUM

TO: Mayor and Council Members

FROM: Rosie Truelove, Director
Neighborhood Housing and Community Development Department

DATE: December 18, 2018

SUBJECT: Resolution No. 20180510-051 - Tenant Protections for Rental Properties with Private Activity Bond Funding

The purpose of this memo is to respond to Resolution [No. 20180510-051](#), which directed the City Manager to take all necessary steps to ensure that entities that seek a Tax Equity and Fiscal Responsibility Act (TEFRA) approval will agree to implement the tenant protections included in the City's Tenant Protection Lease Addendum (Addendum), which is required for all Rental Housing Development Assistance (RHDA) funded developments. This requirement would apply to rental properties that are acquired or rehabilitated with Private Activity Bonds, but not RHDA funding.

To implement this Resolution, the Private Activity Bond regulatory agreement will be amended, the Tenant Protection Lease Addendum will be attached as an exhibit to the regulatory agreement, and the application will be modified to include information about the required tenant protections. The revised regulatory agreement and application are currently under review by the Bond Counsel for the City. They will be incorporated into the TEFRA approval process as soon as they are finalized, which is expected by the beginning of January 2019.

One of the five Community Values found in the [Austin Strategic Housing Blueprint](#) is to "Prevent Households from Being Priced Out of Austin." Staff identified several actions that could have the highest impact, including "Develop Programs and Policies that can help Mitigate Gentrification Pressures in Historically Low-Income Neighborhoods." Staff is currently working on the implementation of the *Strategic Housing Blueprint*. Implementation of the *Blueprint* will include a variety of recommendations from recent reports and task forces, including UT Austin's [Uprooted](#) report, which calls for "mandatory tenant protections for all rental properties receiving city support," as well as the [recommendations from the Anti-Displacement Task Force](#), which mirrors this recommendation. Staff's comprehensive recommendations on *Blueprint* implementation and funding strategy will be presented to City Council Housing and Planning Committee in February 2019.

cc: Spencer Cronk, City Manager
Joe Pantalione, Interim Assistant City Manager