



Recommendation for Action

File #: 19-1278, **Agenda Item #:** 10.

3/28/2019

Posting Language

Approve an ordinance creating the Board of Directors for Homestead Preservation Reinvestment Zone Number 1 and designating Austin City Council as the Board of Directors for the zone.

Lead Department

Neighborhood Housing and Community Development.

Fiscal Note

This item has no fiscal impact.

Prior Council Action:

December 17, 2015 (Item 99) - Council approved Ordinance No. 20151217-099 on Council Member Renteria's motion, Mayor Adler's second on a 9-2 vote. Council Members Troxclair and Zimmerman voted nay.

January 31, 2019 (Item 45) - Council approved Resolution No. 20190131-045 on Council Member Renteria's motion, Council Member Casar's second on a 10-0 vote. Council Member Flannigan was absent.

For More Information:

Rosie Truelove, Director, Neighborhood Housing and Community Development, 512-974-3064; Regina Copic, Real Estate Manager, Neighborhood Housing and Community Development, 512-974-3180.

Council Committee, Boards and Commission Action:

December 4, 2018 (Item 4) - The Housing and Planning Council Committee voted 4-1 to recommend bringing a resolution to establish the Board of Directors, adopt the Final Project and Financing Plan, and increase the tax increment from 10% to 20% for Homestead Preservation Reinvestment Zone #1 to the full Council. Council Member Flannigan voted against the recommendation.

Additional Backup Information:

Austin City Council (Council) created Homestead Preservation Reinvestment Zone (HPRZ) No. 1 on December 17th, 2015.

Council must create a Board of Directors for HPRZ No. 1; that board, and subsequently Council, must approve a Final Project and Financing Plan for HPRZ No. 1 prior to any expenditure of revenue generated by the zone, pursuant to Chapters 373A of the Texas Local Government Code and Chapter 311 of the Texas Tax Code.

The Housing and Planning Committee of Council approved a motion on December 4th, 2018, recommending that Council create the Board of Directors for HPRZ No. 1.

Council approved a resolution on January 31, 2019, directing the City Manager to draft an ordinance for consideration creating the Board of Directors for HPRZ No. 1.

\$740,204 has been generated and deposited in the Tax Increment Fund (TIF) for reinvestment in HPRZ No. 1 to date. It is estimated an additional \$676,878 will be deposited in the TIF in FY19.

