



Recommendation for Action

File #: 19-1396, **Agenda Item #:** 1.

4/11/2019

Posting Language

Approve the Final Project and Financing Plan for Homestead Preservation Reinvestment Zone Number 1.

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 creating Homestead Preservation Reinvestment Zone Number 1 on a vote of 9-2 with Council Members Troxclair and Zimmerman voting no.

January 31, 2019 - Council approved Resolution No. 20190131-045 on a vote of 10-0 with Council Member Flannigan absent.

March 7, 2019 - Council approved Ordinance No. 20190307-042 increasing the tax increment in Homestead Preservation Reinvestment Zone Number One from 10 to 20 percent. The ordinance was approved on a 10 - 1 vote with Council Member Flannigan voting nay.

March 28, 2019 - Council approved an ordinance creating and appointing members to the Homestead Preservation Reinvestment Zone Number One Board of Directors.

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 17, 2015.

Chapter 373A of the Texas Local Government Code and Chapter 311 of the Texas Tax Code require that a Final Project and Financing Plan be adopted and approved by the HPRZ Board of Directors and City Council prior to any expenditure of revenues generated by the HPRZ.

The Housing and Planning Committee of Council approved a motion on December 4, 2018, recommending

that Council create the HPRZ No. 1 Board of Directors.

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.