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**RESOLUTION NO.**

**WHEREAS**, Resolution No. 20141211-122 directed the City Manager to deliver a feasibility study for initiating and administering corporations such as Economic Development Corporations (EDC); and

**WHEREAS**, the Resolution also directed the City Manager to review all other prior recommendations for EDC from city plans and to analyze community needs that could be supported through the use of an economic development corporation or another corporate structure and to recommend other focus areas and potential sources of funding; and

**WHEREAS**, Resolution No. 20170216-040 directed the City Manager to bring forward a specific proposal or proposals for creating an entity or entities capable of structuring public-private partnerships to assist in accomplishing the priority projects and goals of the City; and

**WHEREAS**, Resolution No. 20170831-103 directed the City Manager to recommend options for creating a dedicated funding stream for capital and operating expenditures related to meeting the needs of those experiencing homelessness; and

**WHEREAS**, Resolution No. 20170928-052 directed the City Manager to complete the work required in Resolution 20170831-103 and to explore additional financial strategies; and

21           **WHEREAS**, in March 2018, the Council approved Austin’s Strategic Direction  
22 2023 plan and identified homelessness as the top priority indicator in the plan; and

23           **WHEREAS**, Resolution No. 20180426-030 endorsed the “Austin Action Plan to  
24 End Homelessness,” a plan with the goal of launching a public-private partnership to build  
25 a sustainable system that ends people’s homelessness in Austin, Texas; and

26           **WHEREAS**, Austin’s “Action Plan to End Homelessness” delineates five critical  
27 methods to effectively end homelessness, including strategies to build community  
28 commitment from both the public and private sectors; and

29           **WHEREAS**, the City has access to multiple funding sources for land acquisition  
30 and capital costs for both emergency shelter and permanent supportive housing, such as  
31 bond dollars, Community Development Block Grant funds, and revenue generated from  
32 the Waller Creek Tax Increment Reinvestment Zone; however, funds for operating and  
33 maintaining emergency shelters and other critical ancillary resources, such as emergency  
34 rental assistance, housing vouchers, landlord risk mitigation funds, case managers, and  
35 other wraparound services, are much more limited; and

36           **WHEREAS**, Senate Bill 2, which lowered the multiplier used in the rollback rate  
37 calculation from 8 percent to 3.5 percent for cities for nearly every Texas city, will make  
38 it more challenging for the City of Austin to fund the aforementioned services and  
39 resources; and

40           **WHEREAS**, the May 29, 2019, staff memo in response to Resolutions No.  
41 20141211-122 and 20170216-040 states that the Texas Transportation Corporation Act  
42 grants municipalities the ability to create local government corporations (LGCs), nonprofit  
43 organizations empowered to act on behalf of a municipality to “accomplish any  
44 governmental purpose”; and

45           **WHEREAS**, according to the memo, “[t]he City would be able to transfer funds to  
46 the LGC through a contract. Among the potential sources of funding are fund transfers,  
47 hotel taxes (for allowable uses), TIF funds, that may serve as the backing for bonds and  
48 notes”; and

49           **WHEREAS**, LGCs can also take out loans and issue bonds, and bonds not backed  
50 by City property taxes would not be considered City property-tax backed debt; and

51           **WHEREAS**, as city staff note, the LGC structure allows it to “operate with the  
52 flexibility and speed required to capitalize on a range of market driven development  
53 opportunities”; and

54           **WHEREAS**, an LGC’s board must be comprised of at least three members not  
55 associated with the city; and

56           **WHEREAS**, the City of Dallas operates an LGC that, among other goals, raises  
57 money to support policy goals related to addressing homelessness; and

58           **WHEREAS**, individuals often ask City staff how they can assist in financially  
59 supporting efforts related to ending homelessness in Austin; and

60           **WHEREAS**, an LGC could act on behalf of the City to collect and distribute private  
61 funds to address homelessness in Austin; **NOW, THEREFORE:**

62 **BE IT RESOLVED BY THE CITY OF AUSTIN CITY COUNCIL:**

63           The City Council desires to create and incorporate a local government corporation  
64 to accomplish the governmental purpose of addressing homelessness in Austin. The City  
65 Council desires for this LGC to have and exercise all of the powers prescribed by Chapter  
66 22, Texas Business Organizations Code and Chapter 431, Texas Transportation Code. The  
67 City Council will require Council approval before the LGC can incur debt.

68 **BE IT FURTHER RESOLVED:**

69           The City Council directs the City Manager to file a written application with the City  
70 Clerk that requests the City Council to approve and authorize the creation of a public non-  
71 profit LGC. The application must include corporation articles of incorporation and bylaws  
72 and must be filed no later than November 1, 2019.

73 **BE IT FURTHER RESOLVED:**

74           Before submitting the application to the City Clerk, the City Council directs the  
75 City Manager to conduct stakeholder engagement regarding the LGC's scope of work and,  
76 as needed, to seek out subject matter experts.

77 **BE IT FURTHER RESOLVED:**

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79 As part of the LGC's initial board, the City Council directs the City Manager to  
80 include a position for a representative from the Continuum of Care consortium, a private  
81 business sector representative, and a representative from the Downtown Austin Alliance.  
82 The City Council authorizes the City Manager to recommend additional external members  
83 that the City Manager deems appropriate to fulfill the mission of the LGC.

84 **BE IT FURTHER RESOLVED:**

85 Upon Council approval of the composition of the LGC Board, the City Council  
86 directs the City Clerk to solicit applications from citizens who are interested in serving as  
87 soon as feasible, with the goal of receiving applications by January 1, 2020.

88 An interested applicant shall be asked to supply a resume or a curriculum vitae; a  
89 cover letter expressing experience or education relevant to the mission of ending  
90 homelessness; and a completed standard City of Austin application.

91 The members of the Health and Human Services Committee shall review all  
92 applications from citizens interested in serving on the LGC Board and make  
93 recommendations to the full City Council at the Council's last meeting in March of 2020.

94

95 **ADOPTED:** \_\_\_\_\_, 2019

**ATTEST:** \_\_\_\_\_

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Jannette S. Goodall  
City Clerk

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