



MEMORANDUM

TO: Mayor and Council Members

FROM: Kimberly Olivares, Deputy Chief Financial Officer *KSO*

THROUGH: Ed Van Eenoo, Chief Financial Officer

DATE: July 21, 2022

SUBJECT: Proposed Affordable Housing Bond Election

The July 28, 2022 City Council agenda includes [item #92](#) directing the City Manager to bring an ordinance to Council for an affordable housing bond proposition on the November 2022 ballot. Staff have received questions from Council offices regarding the taxpayer impact of a \$300 million package as well as the impact of bonds remaining to be sold from prior bond programs.

A \$300 million proposition would equate to a \$0.0112 increase to the debt service portion of the tax rate and an annual impact to the typical homeowner of \$40.14. The typical homeowner is currently defined as a home assessed at \$448,000 with a taxable value of \$358,400 (net of homestead exemption). As of July 2022, the City of Austin has approximately \$1.65 billion of authorized but unissued (ABU) bonds associated with prior bond elections. (See exhibit A for ABU details.)

The table below illustrates the estimated annual impact to the typical homeowner related to the planned sale of the ABU bonds in accordance with expected spending for the respective programs. The impacts do NOT include the estimated impact from a potential November 2022 affordable housing bond election nor any other future bond elections.

	FY2022-23	FY2023-24	FY2024-25	FY2025-26	FY2026-27	FY2027-28
Debt Rate	0.0949	0.0954	0.0984	0.1047	0.1061	0.1052
Typical Homeowner Annual Impact	\$340.12	\$376.10	\$426.73	\$490.37	\$536.68	\$564.06
Annual Increment	---	\$35.98	\$50.63	\$63.64	\$46.31	\$27.38

Please contact me with any questions (kimberly.olivares@austintexas.gov or 512.974.2924).

cc: Spencer Cronk, City Manager
Anne Morgan, Interim City Manager
CMO Executive Team
Ed Van Eenoo, Chief Financial Officer
Kerri Lang, Budget Officer
Belinda Weaver, Treasurer

Exhibit A

Bond Year	Prop. #	Prop. Name	Issued To Date	ABU
2006	1	Transportation	\$103,100,000	\$0
2006	2	Drainage and Open Space	\$145,000,000	\$0
2006	3	Parks	\$84,700,000	\$0
2006	4	Cultural Facilities	\$27,500,000	\$4,000,000
2006	5	Affordable Housing	\$55,000,000	\$0
2006	6	Central Library	\$90,000,000	\$0
2006	7	Public Safety	\$58,100,000	\$0
2010	1	Mobility	\$90,000,000	\$0
2012	12	Transportation	\$130,315,000	\$12,984,000
2012	13	Open Space	\$30,000,000	\$0
2012	14	Parks	\$76,180,000	\$1,500,000
2012	16	Public Safety	\$31,075,000	\$4,000
2012	17	Health	\$11,145,000	\$3,000
2012	18	Library and Cultural	\$13,440,000	\$2,000
2013	1	Affordable Housing	\$65,000,000	\$0
2016	1	Mobility	\$172,095,000	\$547,905,000
2018	A	Affordable Housing	\$140,295,000	\$109,705,000
2018	B	Library and Cultural	\$6,700,000	\$121,300,000
2018	C	Parks	\$28,275,000	\$120,725,000
2018	D	Open Space	\$72,685,000	\$111,315,000
2018	E	Health	\$4,190,000	\$11,810,000
2018	F	Public Safety	\$9,450,000	\$28,550,000
2018	G	Transportation	\$34,895,000	\$125,105,000
2020	B	Transportation	\$0	\$460,000,000
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