

RESOLUTION NO.

WHEREAS, on November 7, 2006, voters approved \$55 million in general obligation bonds to address affordable housing needs within the City of Austin; and

WHEREAS, all bonds for affordable housing that were approved in 2006 have been issued and all funds have been fully committed; and

WHEREAS, Council unanimously passed Resolution No. 20130117-061 directing the City Manager to provide information to Council including the identification of long term sources of funding and take appropriate steps to authorize an election for voter approval of affordable housing bonds; and

WHEREAS, Resolution No. 20130117-061 also requested that a proposed bond package be developed without an increase in our current debt service tax rate which currently stands at 12.08 cents per \$100 of assessed value; and

WHEREAS, maintaining the current debt service portion of the property tax rate of 12.08 cents provides a bonding capacity of \$65million, and

WHEREAS, City staff presented a comprehensive short- and long-term funding proposal at the City Council work session on June 18, 2013 that included phasing in changes to the sustainability fund, augmenting the

housing trust fund with appropriations from the general fund, and issuing of general obligation bonds to maintain existing Neighborhood Housing and Community Development service levels in capital project funding for affordable housing over the next five years; and

WHEREAS, City staff has recommended increasing general fund appropriations as a primary source of funding affordable housing programs and reducing the reliance on funds used from enterprise departments' contributions to the sustainability fund, but the changes would have an impact on the portion of the property tax rate dedicated to operations and maintenance, on budget flexibility, and on other programs funded through the general fund; and

WHEREAS, the City of Austin is interested in transparent budget practices that balance the interests of current and future taxpayers; and

WHEREAS, the City of Austin has immediate needs for a broad range of affordable housing that serves a wide variety of needs including women, children, veterans, seniors, working families, the chronically homeless and people with disabilities; **NOW, THEREFORE,**

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

The City Manager is directed to bring forward an ordinance at the August 8, 2013 City Council meeting that sets an election date of November

5, 2013 for voter consideration of a general obligation bond for affordable housing within the community, using the 2006 affordable housing bond ballot language as a basis for this bond's ballot language.

BE IT FURTHER RESOLVED:

The City Manager is directed to prepare scenarios for maintaining existing Neighborhood Housing and Community Development service levels in capital project funding for affordable housing over the next five years through a mix of bonds, the sustainability fund, and the general fund, and to include in each scenario an analysis of any potential impacts to property tax rates.

The analysis should include a range of options for a bond amount up to the full available debt capacity of \$65 million.

ADOPTED: _____, 2013 **ATTEST:** _____
Jeannette S. Goodall
City Clerk