

**RESOLUTION NO.**

**WHEREAS**, since 2005, the City of Austin has worked to institute a Homestead Preservation District that could address affordability issues for homeowners; and

**WHEREAS**, in response to Council Resolution No. 20130627-072, using House Bill 3350, City staff identified five geographic areas of Austin that meet the criteria for designation as Homestead Preservation Districts as prescribed in HB 3350; and

**WHEREAS**, the potential districts include two Transit Oriented Development areas described as Saltillo and MLK Blvd., as well as the possible Riverside corridor; and

**WHEREAS**, if the City of Austin applies for Federal Transportation Administration funding, the City will benefit from having designated mechanisms along its transit corridor to assist with affordable housing; and

**WHEREAS**, a fundamental component of the Homestead Preservation District funding could be a Homestead Preservation Reinvestment Zone that includes tax increment financing (Homestead TIF); and

**WHEREAS**, if all viable areas are designated as Homestead Preservation Districts, a Homestead TIF may conflict with the City's TIF policy, but any final plan should ensure compliance with the TIF policy; and

**WHEREAS**, Neighborhood Housing and Community Development has developed an affordable housing financing strategy for Austin which broadly considers Homestead Preservation Districts as an element; and

**WHEREAS**, a full analysis of the funding strategies and their impact on the City of Austin is necessary to understand the potential benefits and impacts to our community; **NOW, THEREFORE**,

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

The City Manager is directed to develop a program plan, financing, and funding strategy for viable districts in the context of an overall affordable housing financing strategy. This strategy should include a market analysis study of each proposed district, using land use and market data information to project future property values. A proposed plan should include recommendations on using value capture and/or other funding tools to accomplish the Council's priorities.

**BE IT FURTHER RESOLVED:**

The City Manager is directed to develop criteria for determining whether land is unproductive, underdeveloped or blighted in order to comply with the existing TIF policy and [also to identify publicly-owned property in the proposed districts and the intended use of the property.]

**BE IT FURTHER RESOLVED:**

The City Manager is directed to report back to Council within 180 days.

**ADOPTED:** \_\_\_\_\_, 2014 **ATTEST:** \_\_\_\_\_

Jannette S. Goodall  
City Clerk

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