



BOARD/COMMISSION RECOMMENDATION

Robert Mueller Municipal Airport Plan Implementation Advisory Commission

Recommendation Number: (20151110-004A): Mueller Affordable Homes TCAD Appraisals

WHEREAS, The Robert Mueller Municipal Airport Plan Implementation Advisory Commission (RMMAPIAC) was created in 2000 to advise the City Council on implementation of the Mueller project's Master Development Agreement (MDA) with a focus on ensuring the project adheres to its community-developed and Council-approved vision and goals; and

WHEREAS, The MDA requires the Mueller development to offer a wide range of housing choices with 25 percent of housing units (homes and rental units) being priced in a manner that is affordable under the SMART Housing requirements; and

WHEREAS, The Mueller Affordable Homes Program was launched in 2007 to help meet the project's affordability goals, and the program currently has 290 homeowners with incomes at or below 80 percent of the Median Family Income (MFI) for initial sales and up to 120 percent MFI for resales, who purchased homes priced substantially less than market-rate, unrestricted houses and are sold with resale restrictions to ensure long-term affordability; and

WHEREAS, From 2008 to 2014, the Travis Central Appraisal District (TCAD) appraised the affordable homes at their sale price or at comparable prices for other affordable homes. This approach was developed following discussions that began in 2007 that included TCAD, the City of Austin and Catellus; and

WHEREAS, Affordable homeowners have informed the RMMAPIAC that TCAD has begun to appraise their deed-restricted homes in the same manner as higher-priced, unrestricted homes; and

WHEREAS, This TCAD change in its treatment of affordable homes will cause an escalation in annual property taxes that could raise the cost of home ownership beyond an income-qualified owner's means and threatens the future of long-term home ownership throughout the Mueller Affordable Homes program, one of the key tenets of the Mueller development. This approach also potentially endangers other affordable home programs in Austin and poses a barrier to the greater Austin community's goal of creating and sustaining affordable housing citywide, especially in East and Central Austin.

NOW, THEREFORE, BE IT RESOLVED that the Robert Mueller Municipal Airport Plan Implementation Advisory Commission encourages the Austin City Council to monitor the ongoing discussions involving TCAD, Catellus and the non-profit Mueller Foundation and to take all actions Council deems appropriate to maintain the viability of the Affordable Homes Program for current and future homeowners with moderate incomes.

Date of Approval: 11/10/2015

Record of the vote: Unanimous on a 10-0 vote

Attest: Michael Jones