

RESOLUTION NO.

WHEREAS, the City currently administers several programs that serve renters and homeowners who reside within the City; and

WHEREAS, Neighborhood Housing and Community Development utilizes a combination of HOME, Community Development Block Grant, and General Fund allocations to fund the following programs:

- Tenant-Based Rental Assistance Program;
- Fair Housing and Tenant Counseling;
- Architectural Barrier Removal Program, in which both renters and homeowners are eligible to apply;
- Down Payment Assistance Program;
- Foreclosure Prevention Counseling in both English and Spanish;
- Emergency Home Repair Program;
- GO Repair! Program;
- Homeowner Rehabilitation Loan Program; and

WHEREAS, it is critical for the City to encourage both the creation and preservation of affordable housing and to mitigate the devastating harm that the displacement of both renters and homeowners causes in our community; and

WHEREAS, in 2013, Council began exploring ways to enact property tax exemptions for seniors and persons who are differently abled and to create a procedure to allow consideration of annual increases in these exemptions to offset the impact of property tax increases for these households; and

WHEREAS, during the 2015–2016 budget and tax rate adoption process, the Austin City Council increased the exemption to \$80,000 for people who are over 65 and for people who are differently abled; and

WHEREAS, the Council has approved actions intended to alleviate the financial barriers that many households face when attempting to secure stable and affordable homeownership, such as Resolution No. 20161006-050, which directed the City Manager to create a housing lending advisory group to develop recommendations for programs to provide new lending tools for current and new homeowners; and

WHEREAS, Resolution No. 20160901-028, which related to mortgage fraud issues, stated that “owning a home is an important tool for families to accumulate wealth and transfer intergenerational wealth” and that “the U.S. Department of Housing and Urban Development reports that when low-income, minority families transition from being homeowners to being renters, only 37% return to being homeowners”; and

WHEREAS, Council approved funding in the fiscal year 2015–2016 budget to implement a housing retention program for low-income renters in Austin and Travis County who are at risk of housing insecurity; and

WHEREAS, this program aims to “promote economic self-sufficiency through the provision of temporary financial assistance, case management, and other

wrap-around services” and to serve low-income families and individuals whose incomes are less than 200% of the Federal Poverty level; and

WHEREAS, on March 31, 2016, Council executed a contract with a non-profit to provide housing stability services for up to five years; and

WHEREAS, City of Austin neighborhood centers provide City-funded rent and utility assistance to individuals at or below 200% of the Federal Poverty level; and

WHEREAS, the Task Force on Institutional Racism and Systemic Inequities recommended stay-in-place strategies for homeowners, including property tax exemptions or tax payment assistance; and

WHEREAS, the 2017 Austin Strategic Housing Blueprint states that “the City will continue to explore ways to help stabilize low-income homeowners, build on the success of existing repair and weatherization programs, and pursue policies to provide assistance to homeowners with financial hardships that threaten their housing;” and **WHEREAS**, as the cost of living rises and wages remain stagnant, the City aims to not only foster and support new affordable housing and rental assistance opportunities throughout the City, but also to create resources for existing, low-earning homeowners struggling to afford to remain in their homes; and

WHEREAS, Neighborhood Housing and Community Development is in the process of reviewing the programs funded through federal grants for our U.S.

Department of Housing and Urban Development Consolidated Plan planning process; and

WHEREAS, similar to the City's Tenant-Based Assistance Program and the funding of programs that provide emergency rental assistance, the creation of resources to assist with monthly mortgage payments could be one tool in a multi-pronged approach to help families remain in their homes, **NOW, THEREFORE:**
BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The Council directs the City Manager to research homeowner assistance programs used in other cities and to propose a mortgage assistance program for Austin households that meet certain income eligibility standards. As part of the proposed program, the Council directs the City Manager to include eligibility guidelines, as well as a mechanism for ensuring monitoring and compliance with the program's standards and protocol.

The Council directs the City Manager to return to Council with the proposal, an estimation of the administrative support required to implement such a program, and a budget item for Council consideration no later than September 1, 2018.

ADOPTED: _____, 2018

ATTEST: _____
Jannette S. Goodall
City Clerk