

RESOLUTION NO.

**WHEREAS**, ongoing gentrification in Austin is resulting in the displacement of low- and moderate-income residents from their communities; and

**WHEREAS**, Council approved Resolution No. 20170817-055 whereby The University of Texas was engaged to conduct a study of gentrification within Austin, including the mapping of vulnerable neighborhoods, and to bring forward geographically specific policy recommendations, so that Council may make data informed policy decisions; and

**WHEREAS**, the University of Texas's Uprooted Report identifies Austin neighborhoods vulnerable to gentrification and outlines policy recommendations aimed at mitigating the harmful impacts of gentrification; and

**WHEREAS**, the City's displacement mitigation strategy incorporates many recommendations on how to address gentrification and displacement from the Mayor's Task Force on Institutional Racism and Systemic Inequities, the Anti-Displacement Task Force, the Uprooted Report, and the Austin Strategic Housing Blueprint; and

**WHEREAS**, the displacement mitigation strategy includes land acquisition in gentrifying areas to preserve and expand affordable housing and supporting capacity building for community development corporations; and

**WHEREAS**, on November 5, 2020, voters passed Project Connect (Proposition A), a mass transit system that includes \$300 million to fund anti-displacement strategies; and

**WHEREAS**, Resolution 20200807-003, the Proposition A contract with the

voters, calls for the development of an Equity Assessment tool and neighborhood-level tools and strategies developed with the community; and

**WHEREAS**, \$23 million is available for anti-displacement strategies in Fiscal Year 2021; and

**WHEREAS**, the Austin Housing Finance Corporation's mission is to generate and implement strategic housing finance solutions for the benefit of low- and moderate-income residents of the City of Austin and administers programs through a service agreement (contract) between the City of Austin and AHFC deployed through diverse funding sources; **NOW, THEREFORE**,

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

The City Council directs the City Manager to work with Austin Transit Partnership (ATP) and the Austin Housing Finance Corporation (AHFC) to develop a grant agreement for Council approval laying out the community-informed partnership and process to spend the \$300 million anti-displacement funds in accordance with the Contract with the Voters (Resolution No. 20200807-003).

- AHFC shall develop an efficient process that can act rapidly to acquire properties in a competitive real estate market.
- Properties may be acquired in conjunction with identified partners so that partners can preserve or expand affordable housing supply.
- Fiscal year funding allocations will be authorized as part of the annual budget process for the ATP, the City of Austin, and the AHFC, approved by City Council, and in accordance with the Project Connect Contract with the Voters.
- The Grant Agreement shall include requirements for annual reporting on

fund usage and outcomes.

- Funds shall be spent under the guidance of the neighborhood level tools and strategies created with the community and the Equity Assessment Tool except for the \$23 million in initial funds that are currently available while the recommended tools and strategies are under development as described below.

**BE IT FURTHER RESOLVED:**

The City Council directs the City Manager to develop and implement a process to utilize the initial \$23 million of the anti-displacement funds available in Fiscal Year 2021 while developing the neighborhood level tools and strategies created with the community and the Equity Assessment Tool for the remaining funds. The City Manager shall consult with the Project Connect Community Advisory Committee once it is formed. Spending of the initial funds shall be presented to Council for approval as follows:

- The initial funds shall be used for:
  - 501(c)(3) community development organizations to develop or preserve affordable housing on small sites, and/or
  - affordable housing providers to preserve existing affordability of rental or ownership housing on larger sites. The City Manager shall ensure that purchasers of rental housing are structured as a cooperative or are partners with a record of ensuring safe and affordable housing for tenants.
- The initial funds shall only be spent in areas:
  - identified as vulnerable to displacement based on the methodology used in the UT Uprooted Study while prioritizing areas based on

greater levels of vulnerability, and

○ along the Project Connect high capacity transit corridors.

- When the neighborhood level tools and strategies created with the community and the Equity Assessment Tool and are ready to be deployed, initial funds may be utilized on strategies recommended by that process and in consultation with the Community Advisory Committee.

Regular updates shall be provided to the Project Connect Community Advisory Committee once it is formed, the Housing and Planning Committee, and the Mobility Committee.

**ADOPTED:** \_\_\_\_\_, 2021    **ATTEST:** \_\_\_\_\_  
Jannette S. Goodall  
City Clerk