



Recommendation for Action

File #: 22-2520, Agenda Item #: 63.

7/28/2022

Posting Language

Approve an ordinance designating the Austin Revitalization Authority and the Guadalupe Neighborhood Development Corporation as Community Land Trusts and granting them property tax exemptions on certain properties.

Lead Department

Housing and Planning Department.

Fiscal Note

This item has no fiscal impact.

Prior Council Action:

June 9, 2019 - Ordinance 20190609-032 designated two organizations as community land trusts, granting them exemptions from 2019 City ad valorem taxes.

June 14, 2018 - Ordinance 20180614-024 designated two organizations as community land trusts, granting them exemptions from 2018 City ad valorem taxes.

June 8, 2017 - Ordinance 20170608-013 designated two organizations as community land trusts, granting them exemptions from 2017 City ad valorem taxes.

June 16, 2016 - Ordinance 20160616-011 designated two organizations as community land trusts, granting them exemptions from 2016 City ad valorem taxes.

May 24, 2012 - Council approved Ordinance 20120524-020 establishing the exemption from City ad valorem taxes for organizations designated as Community Land Trusts.

For More Information:

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Additional Backup Information:

If approved, this action will enact an ordinance designating the Austin Revitalization Authority (ARA) as a Community Land Trust (CLT) for the purpose of establishing eligibility for exemption from City ad valorem taxes on qualified CLT properties.

If approved, this action will enact an ordinance recertifying the Guadalupe Neighborhood Development Corporation (GNDC) as a CLT for the purpose of establishing eligibility for exemption from City ad valorem taxes on qualified CLT properties.

The Texas Local Government Code, Chapter 373B and Section 11.1827 of the Texas Property Tax Code authorize local governments to designate non-profit organizations as CLTs by ordinance. The organizations

must be 501(c)(3) non-profits, created to acquire and hold land for the benefit of developing and preserving long-term affordable housing within the municipality. The tax exemption, if granted, covers only the City portion of ad valorem taxes that would be paid on specific properties owned by each organization. The tax savings to each non-profit organization decreases its operating costs of continuing their respective missions to provide affordable housing.

Organizations designated as CLTs must re-apply annually to the City for continued designation as CLTs. Both organizations submitted applications to the City's Housing and Planning Department. Staff evaluated each organization's application and determined that they are both eligible for continued CLT designation in accordance with City and State of Texas requirements.

A list of each organization's properties to be covered under the proposed ordinance is attached as **Exhibit A**. The total amount of unrealized revenue, per information available as of May 30, 2022, from the Travis Central Appraisal District (TCAD), is estimated to be \$16,693.03.

The organizations must provide to TCAD by July 1 of each year proof that the City has designated the organizations as CLTs in order to obtain the tax exemption.

Strategic Outcome(s):

Economic Opportunity and Affordability.