



MEMORANDUM

TO: Mayor and Council Members

FROM: Myrna Rios, City Clerk ^{MR}

DATE: October 3, 2022

SUBJECT: **Affordable Housing Bond Proposition (Resolution No. 20220728-092)**

This memo serves as response to [Resolution No. 20220728-092](#) which provided direction to the City Manager to coordinate with the City Clerk to place an affordable housing bond proposition on the November 8, 2022 ballot. [Ordinance No. 20220817-011](#) ordering the election was approved by Council on August 17, 2022 and is also enclosed for reference.

cc: Spencer Cronk, City Manager

enc.

ORDINANCE NO. 20220817-011

AN ORDINANCE ORDERING A GENERAL MUNICIPAL ELECTION TO BE HELD IN THE CITY OF AUSTIN ON NOVEMBER 8, 2022, FOR THE PURPOSE OF ELECTING A MAYOR (AT LARGE) AND CITY COUNCIL MEMBERS (SINGLE MEMBER DISTRICTS) FOR DISTRICT 1, DISTRICT 3, DISTRICT 5, DISTRICT 8, AND DISTRICT 9; ORDERING A SPECIAL ELECTION FOR THE PURPOSE OF AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS; PROVIDING FOR THE CONDUCT OF THE GENERAL MUNICIPAL AND SPECIAL ELECTIONS; AUTHORIZING THE CITY CLERK TO ENTER INTO JOINT ELECTION AGREEMENTS WITH OTHER LOCAL POLITICAL SUBDIVISIONS AS MAY BE NECESSARY FOR THE ORDERLY CONDUCT OF THE ELECTIONS; AND DECLARING AN EMERGENCY.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. A general municipal election shall be held in the City of Austin on November 8, 2022. At the election there shall be elected by the qualified voters of the City a Mayor (at large) and City Council Members (single member districts) for District 1, District 3, District 5, District 8, and District 9. The candidates for Mayor shall meet all requirements and shall be residents of the City of Austin and shall be elected by majority vote of the City at large. The candidates for Districts 1, 3, 5, 8, and 9 shall meet all requirements and shall be residents of their respective districts and shall be elected by majority vote of voters residing in each respective district.

PART 2. A special election shall be held in the City of Austin on November 8, 2022, for the voters to consider the issuance of general obligation bonds and notes. The Council establishes that the following proposition shall be presented to the voters at the special election:

Proposition A (Affordable Housing)

CITY OF AUSTIN, TEXAS PROPOSITION A

Shall the City Council of the City of Austin, Texas be authorized to issue general obligation bonds and notes of the City for the public purposes of planning, designing, acquiring, constructing, renovating, improving, and equipping affordable housing facilities and related infrastructure for low and moderate income persons and families; acquiring land and interests in land and property necessary for such purposes; funding affordable housing and home repair programs as may be permitted by law; funding loans and grants

for such purposes, pursuant to an economic development program now or hereafter approved; and all matters necessary or incidental thereto; with the bonds and notes to be issued in one or more series or issues, in the aggregate principal amount of \$350,000,000, to mature serially or otherwise and bear interest at a rate or rates not to exceed the respective limits prescribed by law at the time of issuance, and to be sold at the price or prices as the City Council determines and shall there be levied and pledged, assessed, and collected annually ad valorem taxes on all taxable property in the City in an amount sufficient, within the limits prescribed by law, to pay the annual interest on the bonds and notes and to provide a sinking fund to pay the bonds and notes at maturity?

PART 3. The Proposition will appear on the official ballot in substantially the following form, and the ballot shall be prepared to permit voting “for” or “against” the Proposition:

CITY OF AUSTIN, TEXAS SPECIAL ELECTION
CITY OF AUSTIN, TEXAS PROPOSITION A

The issuance of \$350,000,000 in tax-supported general obligation bonds and notes for planning, designing, acquiring, constructing, renovating, improving and equipping affordable housing facilities for low and moderate income persons and families, and acquiring land and interests in land and property necessary to do so, funding loans and grants for affordable housing, and funding affordable housing programs, as may be permitted by law; and the levy of a tax sufficient to pay for the bonds and notes.

PART 4. Pursuant to Section 3.009, Texas Election Code: (i) the proposition language that will appear on the ballot is set forth in Part 3 hereof, (ii) the purposes for which the bonds and notes are to be authorized are set forth in Part 2 hereof, (iii) the principal amount of bonds and notes to be authorized is set forth in Part 2 hereof, (iv) if the issuance of bonds and notes is authorized by voters, taxes sufficient, within the limits prescribed by law, to pay the annual principal of and interest on the bonds and notes and to provide a sinking fund to pay the bonds and notes may be imposed, as set forth in Part 2 hereof, (v) bonds and notes authorized pursuant to this ordinance may be issued to mature over not to exceed 40 years from their date of issuance and bearing interest at the rate or rates as authorized by law and determined by the Council, (vi) as of the date of adoption of this ordinance, the aggregate amount of outstanding principal of the City’s debt obligations was \$1,610,625,000 and the aggregate amount of outstanding interest on the City’s debt obligations was \$489,855,015, and (vii) the City’s ad valorem debt service

tax rate as of the date of adoption of this ordinance is \$0.0958 per \$100 of taxable property.

Based upon market conditions as of the date of this ordinance and using taxable assessed values for the 2022 tax year (2022/2023 fiscal year), without adjustment for anticipated growth in taxable assessed value in future years, if the bonds and notes are authorized, the estimated total tax rate of the City is expected to be approximately \$0.4759 per \$100 of taxable assessed value, (which represents an increase of \$0.0132 per \$100 taxable assessed valuation as compared to the City's total tax rate as of the date of the adoption of this ordinance), based on current State law, which is subject to change. The estimated total tax rate represents the sum of (i) the most recently adopted tax rate for operations and maintenance, which is \$0.3669 per \$100 of taxable assessed valuation, plus (ii) the estimated tax rate for debt obligations of the City, including the bonds and notes, which is expected to be approximately \$0.1090 per \$100 of taxable assessed valuation.

If approved by voters, any bond and note issued will be secured by an ad valorem tax that is sufficient, within the limits prescribed by law, to pay the principal of and interest on the bonds and notes and to provide a sinking fund to pay the bonds and notes. Actual tax rates, interest rates, maturity dates, aggregate outstanding indebtedness and interest on such debt, will only be established and known at the time that bonds and notes are issued. In addition, actual tax rates will depend upon, among other factors, the assessed valuation of taxable property, prevailing interest rates, the market for the City's bonds and notes and general market conditions at the time that bonds and notes are issued.

The estimated tax rates and other statements contained in this Part 4 are (i) based on certain assumptions (including assumptions concerning prevailing market and economic conditions at the time(s) of issuance of the bonds and notes) and derived from projections obtained from the City's financial advisor, (ii) subject to change to the extent that actual facts, circumstances and conditions prevailing at the time that the bonds and notes are issued differ from such assumptions and projections, (iii) provided solely in satisfaction of the requirements of Section 3.009, Texas Election Code, and for no other purpose, without any assurance that such projections will be realized, and (iv) not intended to give rise to a contract with voters or limit the authority of the Council to issue bonds and notes in accordance with the propositions submitted herein.

If the issuance of bonds and notes is approved by a majority of the voters voting on the proposition to issue bonds and notes for affordable housing (Proposition A), funding of affordable housing projects shall be in accordance with guidelines of the City relating to affordable housing now and hereafter existing, including but not limited to guidelines for rental housing, home ownership and home repair. The guidelines have been developed by staff after consulting with bond counsel. The guidelines governing affordable housing

projects comprise a program established in part under authority of Chapter 380 of the Texas Local Government Code, relating to the issuance of ad valorem tax supported obligations for this purpose, and Council approves and affirms this program, the guidelines governing the program and their application to the issuance of bonds and notes for affordable housing purposes.

PART 5. The elections shall be conducted between the hours of 7:00 a.m. and 7:00 p.m. The location of the main early voting polling place, the dates and hours for early voting, and the early voting clerk's official mailing address are provided in Exhibit A, attached and incorporated as a part of this ordinance.

PART 6. A direct electronic recording voting system, as the term is defined in Title 8 of the Texas Election Code, shall be used for early voting and for voting conducted on election day. The central counting station is established at the Travis County Elections Division, 5501 Airport Boulevard, Austin, Texas.

PART 7. (a) Notice of this election shall be given by posting and publishing a copy of this ordinance in both English and Spanish. The notice and a copy of this ordinance shall be posted, in both English and Spanish, in three public places and at the City Hall notice kiosk not later than the 21st day before election day. The copy of the notice posted at City Hall shall be accompanied by a cover page, at the top of which shall appear the words "MUNICIPAL GENERAL AND SPECIAL ELECTIONS, NOVEMBER 8, 2022." Notice of this election shall be published, not earlier than the 30th day before the date of the election, in a newspaper of general circulation on the same day in each of two successive weeks, with the first publication occurring before the 14th day before the date of the election.

(b) A copy of this ordinance shall be posted, in both English and Spanish, on election day and during early voting by personal appearance, in a prominent location at each polling place.

(c) This ordinance, together with the notice of election and the contents of the Proposition, shall be posted on the City's website, in both English and Spanish, during the twenty-one (21) days before the election.

PART 8. In accordance with Chapter 271 of the Texas Election Code, the November 8, 2022 municipal election may be held jointly with the various political subdivisions that share territory with the City of Austin and that are holding elections on that day. The City Clerk may enter and sign joint election agreements with other political subdivisions for this purpose, and their terms as stated in the agreements are hereby adopted.

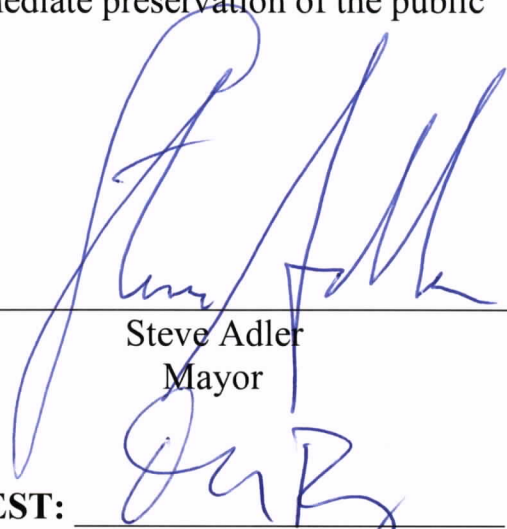
PART 9. In accordance with Section 1251.052(b) of the Texas Government Code, a voter information statement shall be prepared and posted in the manner provided by this section of the Government Code.

PART 10. The Council finds that the need to immediately begin required preparations for this election constitutes an emergency. Because of this emergency, this ordinance takes effect immediately on its passage for the immediate preservation of the public peace, health, and safety.

PASSED AND APPROVED

August 17, 2022

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Steve Adler
Mayor

APPROVED: Anne L. Morgan
Anne L. Morgan
City Attorney

ATTEST: Myrna Rios
Myrna Rios
City Clerk

EXHIBIT A

Main Early Voting Locations, Early Voting Dates, and Early Voting Clerk Mailing Address November 8, 2022

Main Early Voting Locations:

Travis County: City of Austin Planning and Development Center, 6310
Wilhelmina Dr., Austin Texas

Hays County: Government Center Conference Room, 712 S. Stagecoach Trail, San
Marcos, Texas

Williamson County: Williamson County Inner Loop Annex, 100 Wilco Way,
Room HR 108, Georgetown, Texas

Early Voting Dates:

Monday, October 24, 2022 – Friday, November 4, 2022; times vary

Designated 12-Hour Days of Early Voting:

Travis County – every Early Voting Day except Sunday, October 30, 2022

Hays County – Monday, October 31, 2022 and Tuesday, November 1, 2022

Williamson County – Monday, October 24, 2022 and Tuesday, October 25, 2022

Early Voting Clerk Mailing Addresses:

Ballots by Mail – Travis County

By Mail voters: P.O. 149325, Austin, Texas 78714-9325

By Contract Carriers/ Fedex: 5501 Airport Blvd., Austin, Texas 78751

Ballots by Mail - Hays County

By Mail Voters: 712 S. Stagecoach Trl., Ste. 1012, San Marcos, Texas 78666-6294

Ballots by Mail – Williamson County

By Mail voters: P.O Box 209, Georgetown, Texas 78627