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RESOLUTION NO.

WHEREAS, in 1988, City Council approved Resolution No. 880419-2 initiating the City’s first affordable housing policy, which directed the City Manager to “emphasize the provision of permanent housing and social services to the homeless,” establish “a revolving housing trust fund with a goal of fifty million dollars,” and “create a way to get private investments into non-profit housing;” and

WHEREAS, in April 2000, City Council approved one million dollars for the Austin Housing Finance Corporation to establish a Housing Trust Fund grant program and directed the City Manager to secure additional funding from new property taxes generated from previously unimproved or under-utilized City-owned land; and

WHEREAS, in September 2000, City Council approved Resolution No. 000907-72 directing the City Manager to identify funds and resources to enable the City to invest in an expanded Affordable Housing Initiative, and included direction to:

- Dedicate three million dollars annually for the next three years and dedicate the one million dollars contributed in that year’s budget to the Housing Trust

20 Fund as an endowed fund for addressing the affordable housing needs of
21 Austin;

- 22 • Dedicate to the Housing Trust Fund 40 percent of all incremental tax
23 revenues derived from developments that are built on property located in the
24 Desired Development Zone and were not on the Travis Central Appraisal
25 District property tax rolls on June 1, 1997; and
- 26 • Develop a plan to encourage private investment into the Housing Trust Fund
27 in order to further endow the fund; and

28 **WHEREAS**, in 2015, City Council approved Resolution No. 20151217-
29 074, which amended prior direction and increased the percentage of tax revenue
30 dedicated to the Housing Trust Fund derived from developments built on property
31 formerly owned by the City from 40 percent to 100 percent; and

32 **WHEREAS**, in 2016, City Council approved Resolution No. 20160616-
33 030, which included direction to transfer 100 percent of the property tax revenue
34 derived from all properties within the desired development zone not on the tax roll
35 as of January 1, 2016 to the Housing Trust Fund; and

36 **WHEREAS**, in 2016, City Council approved Resolution No. 20160616-
37 035, which included direction to transfer 100 percent of the property tax revenue
38 derived from formerly county-owned and state-owned land; and

39 **WHEREAS**, in addition to the annual revenues allocated to the Housing
40 Trust Fund using this calculation, several one-time fee-in-lieu amounts resulting
41 from projects in Density Bonus programs, some of which are specifically dedicated
42 to homelessness, are deposited into the Housing Trust Fund; and

43 **WHEREAS**, a community-led Homelessness Summit held in 2021
44 established the goal of housing over 3,000 additional people experiencing
45 homelessness in three years, including revamping the City’s response system;
46 providing housing stabilization such as prevention, diversion and rapid exit; fully
47 rehousing across the spectrum of need; and specifically including the development
48 of at least 1,000 units of permanent supportive housing; and

49 **WHEREAS**, City Council adopted Resolution No. 20210520-039, which
50 incorporated the Homelessness Summit’s goal and initiated an amendment to the
51 Austin Strategic Housing Blueprint to reflect the goal of over 3,000 plus homes by
52 2024 and a target of funding 350 permanent supporting housing units per year
53 beginning in Fiscal Year 2022; and

54 **WHEREAS**, the community and City-adopted goals of addressing
55 homelessness require additional and sustained resource allocation to be successful;
56 and

57 **WHEREAS**, as City Council allocates or dedicates new one-time or on-
58 going revenue towards homelessness, having a formally established fund dedicated
59 to this effort will aid in public clarity and transparency; **NOW THEREFORE**,

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

61 The City Manager is directed to establish the House Our People Endowment
62 Fund (HOPE Fund) within the City budget dedicated to receiving and expending
63 funds to address homelessness.

64 **BE IT FURTHER RESOLVED:**

65 Resources from the HOPE Fund shall be used for capital or operating
66 expenses for housing and service providers to supplement City-efforts related to
67 homelessness. It shall not be used to fund existing City operations or staff salaries.
68 The HOPE Fund may include one-time or ongoing revenue sources as dedicated by
69 City Council. The HOPE Fund shall consist of a corpus that will produce
70 additional funds for allowable uses.

71 The City Manager is directed to:

- 72 1. Determine an appropriate percentage of one-time revenue sources
73 that will be contributed to the corpus of the fund;

- 74 2. Determine an appropriate percentage of ongoing revenue sources that
75 will be contributed to the corpus of the fund; and
76 3. Ensure prudent long-term management of related investments.

77 **BE IT FURTHER RESOLVED:**

78 The City Manager is directed to maintain clear and transparent reporting of
79 expenses from the HOPE Fund. Any proposed appropriations from the HOPE
80 Fund for City Council consideration should clearly identify the HOPE Fund as the
81 funding source.

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85 **ADOPTED:** _____, 2023 **ATTEST:** _____
86 Myrna Rios
87 City Clerk
88