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Austin

THE HOUSING AND PLANNING COMMITTEE WILL MEET ON TUESDAY, DECEMBER 1, 2026 AT 1:00 PM, AUSTIN CITY HALL 301 W. SECOND STREET, AUSTIN, TX AND SOME MEMBERS MAY BE PARTICIPATING VIA VIDEOCONFERENCE

Natasha Harper Madison, Chair
Mike Siegel, Vice-Chair
José "Chito" Vela
Paige Ellis

Public comment will be allowed in person or remotely by telephone. Speakers may only register to speak on an item once either in person or remotely. Items posted for possible action are available for sign-up. Briefings are not open for sign-up. For full instructions on participation in person or by telephone, please visit the Council Committee Information Center home page, which is linked here:
https://www.austintexas.gov/council/council_committee_info_center

A quorum of the City Council may be present at this meeting. Action will only be taken by the members of the committee, and an alternate member may only vote when a regular committee member is absent.

The committee may go into a closed session under the Open Meetings Act, Section 551.071, of the Texas Government Code, to receive advice from legal counsel on any item on this agenda.

CALL TO ORDER

Public Communication: General

Speakers signed up prior to the meeting being called to order will each be allowed three minutes to address their concerns regarding items not posted on the agenda. This section is limited to five speakers.

Approval of Minutes

1. Approve the minutes for the October 13, 2026, Housing and Planning Committee Meeting.

Briefings

2. Updates on the Northeast District plan, which is a collaborative effort between the City and Travis County to address historical inequities and guide equitable, inclusive development in northeastern Travis County. [Shanisha Johnson, Planner Principal; Romina Tafazzoli, Planner Senior - Austin Planning]

   Sponsors: Council Member Natasha Harper-Madison, and Council Member Mike Siegel

3. Briefing on status and timeline of amendments to City Code Title 25, which is the City's Land Development Code. [Stevie Greathouse, Division Manager - Austin Planning]

   Sponsors: Council Member Natasha Harper-Madison, and Council Member Mike Siegel

4. Briefing on the Emergency Home Repair Pilot Program, which the City utilizes to connect qualifying low-income homeowners facing serious safety-related code violations with home repair assistance, aimed to prevent unsafe conditions from leading to displacement. [Nefertitti Jackmon, Community Displacement Prevention Officer - Austin Housing]

   Sponsors: Council Member Natasha Harper-Madison, and Council Member Mike Siegel

5. Briefing on displacement early warning system, which is a strategy developed by the City in collaboration with the University of Texas, to identify neighborhood change and displacement risk before it escalates, allowing the city to proactively react to displacement trends. [William Swinton-Ginsberg, Planner Senior - Austin Planning; Marla Torrado, Division Manager - Austin Housing]

   Sponsors: Council Member Natasha Harper-Madison, and Council Member Mike Siegel

6. Briefing on the expiration of Low-Income Housing Tax Credit, tracking methods, and potential intervention strategies. [Brendan Kennedy, Division Manager; Nicole Joslin, Housing and Community Development Officer - Austin Housing]

   Sponsors: Council Member Natasha Harper-Madison, and Council Member Mike Siegel

Future Items

7. Identify items to be discussed at future meetings.

Previously Distributed Memos to Mayor and Council (Information only; not for discussion)

Update of the Urban Design Guidelines - Staff Response (Resolution No. 20210902-046) dated October 13, 2026

NOAH Preservation – Staff Response (Resolution No. 20250911-041) dated October 13, 2026

Homestead Preservation Reinvestment Zones – Staff Response (Resolution Nos. 20250911-046 and 20250911-047) dated October 15, 2026

Senior Cooperative Housing - Staff Response (Resolution No. 20241121-076) dated October 23, 2026

Notification Process to CDC about Multifamily Rezoning Applications - Staff Response (Resolution No. 20260423-039) dated October 30, 2026

Home Repair Program Expansion to Small-Scale Landlords - Staff Response (Resolution No. 20250605-082) dated November 10, 2026

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City of Austin

Recommendation for Action

File #: 26-3096, **Agenda Item #:** 1. 12/1/2026

Posting Language

Approve the minutes for the October 13, 2026, Housing and Planning Committee Meeting.

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DRAFT HOUSING AND PLANNING COMMITTEE MEETING MINUTES

October 13, 2026

Committee Members' Present:

1. Natasha Harper-Madison- Chair
2. Mike Siegel- Vice Chair
3. Jose "Chito" Vela

Committee Members' Absent:

1. Paige Ellis

Call to Order

Chairwoman Harper-Madison called the committee meeting to order at 1:16p.m.

Public Communication: General

There were no speakers.

Approval of Minutes

1. **Approve the minutes for the April 14, 2026, Housing and Planning Committee Meeting.**

The minutes for the April 14, 2026, meeting of the Housing and Planning Committee were approved. The motion was made by Vice-Chair Siegel and seconded by Mayor Pro Tem Vela. The motion passed on a 3 – 0 vote, with Council Member absent.

Discussion and Possible Action

2. **Discussion and possible action on the Housing and Planning Committee meeting schedule for calendar year 2027.**

Council Member Siegel read the list of dates.

The meeting schedule was approved. The motion was made by Council Member Siegel and seconded by Mayor Pro Tem Vela. The motion passed on a 3 – 0 vote, with Council Member Ellis absent.

3. **Discussion and possible action, including a resolution, regarding updates to the City's Strategic Housing Blueprint, which details the City's 10-year plan to help align resources and facilitate community partnerships around a single, strategic vision to create 60,000 affordable housing units**

Several staff from Austin Planning gave a briefing to the committee on the Strategic Housing Blueprint.

Chair had in backup a motion sheet recommending several changes to the Strategic Housing Blueprint. The motion was made by Chairwoman Harper-Madison and seconded by Vice-Chair Siegel. The motion passed on a 3 – 0 vote, with Council Member Ellis absent.

Briefings

DRAFT

4. **Briefing on Green Social Housing policy, which focuses on creating housing that is affordable, sustainable and environmentally responsible; and exploring financing options for housing developed under this policy.**

The Committee received a briefing on this topic from Erica Leak, Housing Policy Lead from Austin City Manager's Office; Paul Books, Principal Planner from Austin Planning; and Courtney Banker, Housing Development Manager from Austin Housing.

5. **Briefing on status and timeline of amendments to City Code Title 25, which is the City's Land Development Code.**

The committee received a briefing from Stevie Greathouse, Division Manager from Austin Planning.

Future Items

6. **Identify items to discuss at future meetings.**

Chairwoman brought up some discussion regarding addressing particular areas of blight and some new strategies or approaches to dealing with these areas. She also brought up a conversation regarding community development corporations.

Chairwoman Harper-Madison adjourned the meeting at 2:45p.m.

DRAFT

City of Austin

Recommendation for Action

File #: 26-3130, **Agenda Item #:** 2. 12/1/2026

Posting Language

Updates on the Northeast District plan, which is a collaborative effort between the City and Travis County to address historical inequities and guide equitable, inclusive development in northeastern Travis County. [Shanisha Johnson, Planner Principal; Romina Tafazzoli, Planner Senior - Austin Planning]

Lead Department

Austin Planning.

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City of Austin

Recommendation for Action

File #: 26-3090, **Agenda Item #:** 3. 12/1/2026

Posting Language

Briefing on status and timeline of amendments to City Code Title 25, which is the City's Land Development Code. [Stevie Greathouse, Division Manager - Austin Planning]

Lead Department

Austin Planning Department.

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City of Austin

Recommendation for Action

File #: 26-3091, **Agenda Item #:** 4. 12/1/2026

Posting Language

Briefing on the Emergency Home Repair Pilot Program, which the City utilizes to connect qualifying low-income homeowners facing serious safety-related code violations with home repair assistance, aimed to prevent unsafe conditions from leading to displacement. [Nefertitti Jackmon, Community Displacement Prevention Officer - Austin Housing]

Lead Department

Austin Housing.

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City of Austin

Recommendation for Action

File #: 26-3131, **Agenda Item #:** 5. 12/1/2026

Posting Language

Briefing on displacement early warning system, which is a strategy developed by the City in collaboration with the University of Texas, to identify neighborhood change and displacement risk before it escalates, allowing the city to proactively react to displacement trends. [William Swinton-Ginsberg, Planner Senior - Austin Planning; Marla Torrado, Division Manager - Austin Housing]

Lead Department

Austin Planning, Austin Housing.

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City of Austin

Recommendation for Action

File #: 26-3132, **Agenda Item #:** 6. 12/1/2026

Posting Language

Briefing on the expiration of Low-Income Housing Tax Credit, tracking methods, and potential intervention strategies. [Brendan Kennedy, Division Manager; Nicole Joslin, Housing and Community Development Officer - Austin Housing]

Lead Department

Austin Housing.

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City of Austin

Recommendation for Action

File #: 26-3097, **Agenda Item #:** 7. 12/1/2026

Posting Language

Identify items to be discussed at future meetings.

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Austin

MEMORANDUM

To: Mayor and City Council

Through: Dr. Eric Anthony Johnson, Assistant City Manager

From: Andrea Bates, Austin Planning Director

Date: October 13, 2026

Subject: **Update of the Urban Design Guidelines - Staff Response (Resolution No. 20210902-046)**

The purpose of this memorandum is to respond to Resolution No. 20210902-046, which directed the City Manager to collaborate with the Design Commission on updates to the Urban Design Guidelines (UDG).

In 2021, Austin Planning staff began working with the Design Commission on updates to the UDG in accordance with the City Council's direction and the Commission's Update Draft Framework. In July 2024, City Council Resolution No. 20240718-185 directed the City Manager to update the Downtown Density Bonus Program (DDBP). Additionally, in October 2025, City Council again directed the City Manager to update the DDBP for three subdistricts by June 2026. On May 28, 2026, the City Council approved Ordinance No. 20260528-067, adopting the first phase of the DDBP Update.

Under the prior DDBP, participating projects were required to demonstrate compliance with discretionary Urban Design Guidelines, as determined by the Design Commission. The updated DDBP requires participating projects to choose from a menu of non-discretionary Urban Design Standards, with the choice to provide a specified number of optional standards from a list. Based on previous City Council actions, the Urban Design Standards have largely replaced the Urban Design Guidelines, and the work by Austin Planning has concluded. This update will serve as the close-out to Resolution No. 202109902-046.

Should you have any questions or concerns, please contact Jorge E. Rousselin, Division Manager of Austin Planning at jorge.rousselin@austintexas.gov or (512) 974-2975.

cc: T.C. Broadnax, City Manager
Erika Brady, City Clerk
Jason Hadavi, City Auditor
Mary Jane Grubb, Municipal Court Clerk
Judge Sherry Statman, Municipal Court
CMO Executive Team
Department Directors

Austin

MEMORANDUM

To: Mayor and City Council

Through: Dr. Eric Anthony Johnson, Assistant City Manager EAJ

From: Deletta Dean, Austin Housing Director DD

Date: October 13, 2026

Subject: **NOAH Preservation – Staff Response (Resolution No. 20250911-041)**

The purpose of this memorandum is to respond to Resolution No. 20250911-041, which directs the City Manager to explore opportunities to create new, or enhance existing, housing preservation programs and funding mechanisms with the aim of investing in and preserving naturally occurring affordable housing (NOAH) that is safe and a sound investment. The resolution further states that these opportunities should include:

(1) access to affordable and flexible capital for NOAH preservation with a focus on leveraging existing programs and resources to serve low-income households (at or below 50% Area Median Income);
(2) tax incentives and apportionments designed to support investment in the preservation of NOAH properties by funding or incentivizing the lifespan extension of existing units;
(3) exploring funding mechanisms including, but not limited to, grant-based funding, low-cost loans, and philanthropic investment, to support the growing need for affordable housing for a variety of household incomes; and
(4) other strategies that can magnify the impact of investment from the Affordable Housing Bond, Project Connect Anti-Displacement fund, future bond dollars, and any other identified appropriate funding sources.

The following sections respond to each item requested in the resolution. Please refer to the attached staff report for additional details and analysis.

Geographical analysis of NOAH properties in Austin

- NOAH properties were defined as multifamily properties with rents affordable to households earning at or below 50% of the Area Median Income (AMI) that are not subject to deed restrictions, income requirements, or other affordability regulations.

- Out of the 1,384 multifamily properties in Austin with sufficient rental data to be evaluated, staff identified 556 properties that meet the City's definition of NOAH. Since NOAH is identified at the property level, these properties collectively contain approximately 68,311 housing units, out of 243,393 total units located on properties with reported rental data citywide.
- NOAH properties tend to be older than Austin's multifamily inventory overall and are generally smaller in scale.
- Zoning patterns show that NOAH is largely situated within areas planned for multifamily development.
- The largest concentration of NOAH units is located on East Riverside Dr., followed by North Austin (particularly North Lamar and Georgian Acres).
- The analysis shows that units on NOAH properties are disproportionately located in areas facing displacement pressure compared to multifamily housing overall.
- Austin Housing will work on the following recommendations:
    - Exploring options to track residential displacement through existing development and permitting workflows.
    - Exploring ways to incorporate Austin's median renter income into future City rental housing programs so that these programs better reflect the incomes of renter households rather than relying solely on total AMI.
    - Assess the use of the Displacement Early Warning System tool currently being developed in collaboration with University of Texas researchers and expected in February 2027, to identify NOAH properties facing increased displacement risk and help prioritize preservation and tenant-support efforts.

Identifying NOAH properties with existing and ongoing City Code compliance issues, also known as repeat offenders

- When compared to the broader multifamily inventory, NOAH and income-restricted affordable properties make up a large share of the repeat offenders list, while market (non-NOAH) properties represent a much smaller share.
- The repeat offender list is a relatively small dataset, containing only 80 properties.

Provide an annual report detailing the use of funds allocated to preserving naturally occurring affordable housing units

- Austin Housing staff will develop an annual reporting process to share, in detail, the funds allocated to preserving NOAH. The report will be completed at the end of each fiscal year.

Include in future Housing Bond Reports the use of bond dollars to preserve existing affordable units, including both dollars used, their sources, and the number of units preserved

- Austin Housing will include this information in future Housing Bond Reports.

Reviewing, as part of any proposed zoning changes, the number of existing housing units renting below the current year's 50 percent AMI level and the number of such housing units that would be lost because of redevelopment, to the extent feasible

- Austin Planning will add a field to the zoning application which requests an applicant to indicate whether existing multifamily units exist on the subject property. For cases with existing multifamily units, Planning staff will coordinate with or notify Housing staff. Housing staff can then determine if there are any housing units renting at or below 50 percent of the current year's AMI that could be potentially lost.

Additional Methods to Preserve and Develop Deeply Affordable Housing

- To date, the Austin Housing Finance Corporation has acquired and preserved 12 existing multifamily properties, which include 842 total units, 237 of which are income restricted to 50 percent AMI and below.
- Financing tools utilized in previous acquisitions include GO Bonds, private equity, and agency financing.
- Austin Housing is exploring additional financing structures through tax-exempt bond issuances such as 501(c)(3) bonds and Essential Function Bonds for future preservation acquisitions and the creation of a public-private fund.
- Austin Housing also recommends exploring creating a grant program or other funding mechanism to support critical capital improvements for NOAH properties with 20 units or more renting at certain AMI levels in exchange for long-term affordability.
- Austin Housing will launch a Small Landlord Home Repair program to help preserve one-to-four-unit properties along the Project Connect corridor.

Evaluating the Functionality, Safety, and Quality of NOAH Housing

- The ability to anticipate capital expenses with NOAH acquisitions is critical to a preservation strategy.
- Austin Housing is creating an evidence-based assessment tool for consideration of the City's own acquisitions or gap financing requests from outside entities. This tool will consider the documented history of ownership, developer qualifications, a property condition assessment, current property financials, and a financial proposal aimed at extending the useful life of the property at the current or deeper affordability level.

Prepare an amendment to City Code that applies to density bonus and incentive programs

- Staff in both Austin Planning and Austin Housing collaborated on amendments to City Code Chapter 4-18 that were adopted by City Council at its May 21, 2026, meeting. The amendments clarified existing expectations and updated tenant protections to include a requirement for the applicant to provide an on-site relocation specialist. At the same meeting, City Council also approved Resolution No. 20260521-080 directing staff to continue discussions related to Chapter 4-18 by convening stakeholders and exploring additional amendments holistically, returning with any recommendations and next steps by the end of 2026. Staff has begun scoping this process and expects to be engaging stakeholders this fall.

Should you have any questions or concerns, please contact Deletta Dean, Director of Austin Housing at Deletta.Dean@austintexas.gov or 512-978-1410.

cc: T.C. Broadnax, City Manager
Erika Brady, City Clerk
Jason Hadavi, City Auditor
Mary Jane Grubb, Municipal Court Clerk
Judge Sherry Statman, Municipal Court
CMO Executive Team
Department Directors

Attachments: Naturally Occurring Affordable Housing (NOAH) Preservation Staff Report October 2026

Naturally Occurring Affordable Housing (NOAH) Preservation Staff Report October 2026

This report provides in-depth details to the items listed on Resolution No. 20250911-041, which directs the City Manager to explore opportunities to create new, or enhance existing, housing preservation programs and funding mechanisms with the aim of investing in and preserving naturally affordable housing (NOAH).

Geographical analysis of NOAH properties in Austin

To begin, the analysis defines NOAHs as multifamily properties with rents affordable to households earning at or below 50% of the Area Median Income for Austin (AMI) that are not subject to deed restrictions, income requirements, or other affordability regulations. Properties participating in affordability programs, such as density bonus programs or other initiatives that require restricted rents or tenant income eligibility, are not considered NOAH for the purposes of this analysis, as their affordability is programmatic rather than market driven. For FY26, a one-person household earning 50% AMI has an annual income of $47,050. The table below shows the corresponding maximum affordable monthly rents at this income level for different bedroom types, consistent with standard affordability assumptions.

	1 BR	2 BR	3 BR
FY26 50% AMI Rent Limit	$1,260	$1,512	$1,747

Staff analyzed rental data[1] for 1,384 multifamily properties in Austin. As with most market-based rental datasets, a key limitation is incomplete reporting of rents by unit type. Since many properties do not publicly report rental information for all bedroom categories, methodology adjustments were made for accurate analysis. To this end, staff applied a tiered approach based on data availability. For properties which only reported rental data for a single bedroom type, the analysis considered the property NOAH if:

1) reported rent is equal to or below the FY26 affordability threshold of 50% AMI for the corresponding unit size, and
2) the property was not known to participate in an affordability program with rent or income restrictions.

For properties with rental data available for multiple bedroom types, staff applied a more stringent criterion: rents for multiple unit types that fall below the 50% AMI threshold. This approach minimizes data limitations while balancing inclusivity with rigor by allowing properties with limited data to be evaluated while applying to a higher standard where more complete data is available (Figure 1)[2].

[1] CoStar multifamily market data collected in September 2026 was used for this analysis.
[2] Staff considers this approach (examining properties with reported rental data rather than the entire multifamily inventory) to be a conservative and reasonable method for characterizing NOAH conditions in Austin's current housing market.

Out of the 1,384 multifamily properties in Austin with sufficient rental data to be evaluated, staff identified 556 properties that meet the City's definition of NOAH. Since NOAH is identified at the property level, these properties collectively contain approximately 68,311 housing units, out of 243,393 total units located on properties with reported rental data citywide. Staff refers to these as units on NOAH properties rather than "NOAH units," since affordability is not known for every individual unit within a property.

Building age and size

NOAH properties tend to be older and smaller than Austin's multifamily inventory overall and are generally smaller in scale. The median year built for NOAH properties is 1977, compared to 1985 for all multifamily properties citywide (See Figure 6). NOAH properties have a median size of 49 units, compared to a median of 154 units across all multifamily properties with rental data.

Zoning and geographic distribution

Zoning patterns show that NOAH is largely situated within areas planned for multifamily development (Figure 2). By base zoning, 62% of units on NOAH properties are located on parcels with MF zoning (Figure 3). Within the subset of units on NOAH properties located in MF zones, the majority are concentrated in moderate-intensity multifamily districts (MF-2 and MF-3 zones).

Figure 4 shows the geographic distribution of NOAH properties. The largest concentration of NOAH units is located on East Riverside Dr., followed by North Austin (particularly North Lamar and Georgian Acres). Figure 5 shows the total units on NOAH properties across Austin Council Districts. Districts 4, 3, 7, and 5 contain the largest concentrations of units on NOAH properties, reflecting major multifamily corridors in North Austin, Northwest Austin, and the East Riverside area where older apartment developments remain prevalent. In contrast, District 8 contains relatively little multifamily housing overall and correspondingly fewer units on NOAH properties, while District 9 has a sizable multifamily inventory but comparatively limited NOAH, indicating that multifamily presence alone does not determine NOAH concentration.

Council Districts with more NOAH tend to be characterized by older multifamily development (Figure 6). District 4 combines a high concentration of NOAH with some of the oldest median construction dates, while districts with newer median building ages generally contain fewer NOAH properties (Figure 7). Overall, naturally occurring affordability in Austin reflects long-standing development patterns rather than recent construction alone. As a result, the potential impacts of market pressure, redevelopment, or policy changes are likely to vary by district, with Districts 3, 4, 5, and 7 facing the greatest potential risk of NOAH loss over time.

Displacement Risk Areas and Project Connect

The analysis shows that units on NOAH properties are disproportionately located in Displacement Risk Areas (Figure 8) and higher concentrations of vulnerable populations (Figure 9). About half of all multifamily units[3] are located in Displacement Risk Areas, compared to roughly 61% of units on NOAH properties. A similar pattern appears for vulnerable population areas, where just over 35% of all multifamily units are located, compared 48% of units on NOAH properties. Taken together with

[3] Out of the multifamily units that included rent data.

earlier findings on building age, zoning, and geographic concentration, these patterns indicate that naturally occurring affordability in Austin is more heavily concentrated in areas where vulnerable households are already present and displacement risk is elevated.

Project Connect's planned light rail alignment passes through the Riverside corridor, one of Austin's largest concentrations of units on NOAH properties and an area with elevated displacement vulnerability (Figure 10). Although NOAH properties are located at a similar median distance to existing CapMetro stops as the broader multifamily inventory (517 feet compared to 548 feet), many naturally occurring affordable units are situated in transit-rich areas slated for additional investment. The City's voter-approved $300 million Project Connect Anti-Displacement Fund prioritizes residents near planned corridors, and given this overlap, preservation strategies should be deployed where feasible to help ensure that expanded transit access does not accelerate the loss of naturally occurring affordability or the displacement of lower-income households. Two City-led efforts—the East Riverside Corridor Planning Initiative and the Grove-Riverside Site redevelopment —are currently underway. The planning initiative is guided by the City's Equitable Transit-Oriented Development policy framework which aims to preserve and increase housing opportunities that are affordable and accessible. The Grove Riverside site encompasses over 100 acres of land near Grove Boulevard and East Riverside Drive purchased partially with Project Connect Anti-Displacement funding that the City wants to turn into a lively neighborhood with homes, local shops, safe public spaces and access to public transit including the future Austin Light Rail.

Recommendations

Austin's housing affordability programs are largely calibrated to the region's overall median household income, regardless of whether households rent or own their homes. However, homeowner and renter incomes in Austin reflect two distinct trends (Figure 11). Although both have generally increased over time, the widening gap presents challenges when targeting renter-focused policies using a combined metric. Recent data illustrate this clearly: between 2022 and 2023, renter household income declined by about 1% while owner income increased by more than 5%, resulting in an increase in overall median household income despite worsening renter conditions. This demonstrates how renter households can experience income decline even as the regional median rises.

Year	Total AMI for Austin MSA	Austin MSA Median Renter Income	Austin MSA Median Owner Income
2023	$98,508 (+4%)	$65,380 (-1%)	$129,560 (+6%)
2022	$94,604	$66,100	$122,713

One option for City-managed renter and multifamily programs is to anchor income thresholds to renter incomes rather than the overall median. If the goal is to serve households around a given income bracket, such as the income implied by 50% AMI, that target could be preserved by defining eligibility as the equivalent percentile of Austin's renter income distribution. This would allow thresholds to move with renter wages over time instead of being driven upward by higher homeowner incomes, improving alignment with the target population. Federally funded and

regulated programs would continue to use federally defined income limits as required, while local rental programs would be more closely aligned with the households they are intended to serve.

In addition to refining program targeting, staff recommends establishing a consistent, Citywide method for tracking residential displacement within existing development and permitting workflows. Currently, there is no standard data point in City processes that captures whether redevelopment results in the displacement of residents, and no reliable way to link tenant displacement to site plans, permits, or utility activity. This limits the City's ability to evaluate the real-world impacts of redevelopment and to target prevention and relocation resources effectively. The need is heightened under SB 840, which expands the share of development that can occur by-right and reduces opportunities to identify potential displacement during rezoning and other discretionary review stages. Prior to SB 840, cases were identified during rezoning, allowing residents and the broader community to engage and raise concerns before Council; under a by-right framework, similar properties could move forward without that earlier visibility. Creating a displacement tracking mechanism would improve accountability, strengthen early identification of at-risk properties, and support more effective deployment of both preservation tools and tenant assistance programs.

The City should also explore the use of the Displacement Early Warning System currently being developed by researchers at the University of Texas to support future NOAH monitoring and preservation efforts. Scheduled for completion by February 2027, the system will use real-time data[4] and is being designed to identify areas experiencing current displacement pressures and forecast areas likely to face increased risk in the future. Used alongside property-level NOAH data, its findings could help prioritize areas for further analysis, owner outreach, preservation strategies, and tenant-focused interventions.

Finally, it is important to recognize that not all NOAH redevelopments can be prevented. Preservation strategies should therefore be paired with clear and accessible support for households who experience displacement, building on existing tools such as Tenant Relocation Assistance requirements and other tenant-facing stabilization resources. Framing relocation support as a complementary measure, rather than a substitute for preservation, acknowledges market realities while helping reduce harm when naturally occurring affordability is lost.

Identifying NOAH properties with existing and ongoing City Code compliance issues, also known as repeat offenders

The City's repeat offender list identifies multifamily properties associated with a high volume of code violations. It is important to note that the repeat offender list is a relatively small dataset, containing only 80 properties, compared to the much larger affordability typology dataset of 1,384 multifamily properties (Figure 13). As a result, the proportions shown for repeat offenders are more

[4] Potential inputs include eviction and code-enforcement records; property sales, ownership changes, rents, and redevelopment activity; expiring affordability restrictions; Census indicators of household vulnerability and housing-market conditions; and resident and community reports of displacement pressures.

sensitive to the characteristics of a limited number of properties and should be interpreted accordingly.

When compared to the broader multifamily inventory, NOAH and income-restricted affordable properties make up a large share of the repeat offenders list, while market (non-NOAH) properties represent a much smaller share (Figure 14). This analysis indicates that code compliance challenges are more concentrated among lower-rent properties, including NOAH, rather than being evenly distributed across all affordability types. These findings are consistent with earlier geographic analysis showing that naturally occurring affordability in Austin is closely tied to older multifamily development. Older properties are more likely to face ongoing maintenance needs, which can translate into higher rates of code violations if not adequately addressed.

From a policy perspective, these results underscore the importance of pairing any NOAH preservation or rehabilitation efforts with strong accountability and compliance safeguards. If City resources are used to support repairs or long-term preservation, program design should ensure that assistance is tied to demonstrated improvements in property conditions and code compliance outcomes, so that investments benefit residents without reinforcing patterns of chronic noncompliance.

Provide an annual report detailing the use of funds allocated to preserving naturally occurring affordable housing units

Austin Housing staff will develop an annual reporting process to share, in detail, the funds allocated to preserving NOAH. Since 2002, Austin Housing has allocated a total of $185 million toward the preservation of NOAH units and properties. Of the total amount allocated:

- $41,798,085 has been invested in the acquisition of NOAH properties, ensuring these units remain affordable and are protected from market-rate conversion.
- $71,974,349 has been directed toward the rehabilitation of existing NOAH properties, improving the quality, safety, and longevity of these affordable homes.
- $71,434,013 has been allocated to home repair, including both individual rental units and homes.

The table below provides a detailed breakdown of resources allocated by funding source, including bond allocations and the specific amounts on both acquisition and rehabilitation activities.

Fund Source	Acquisition	Rehabilitation	Home Repair	Grand Total
CDBG	$ -	$ 3,007,378	$ 24,712,493	**$ 27,719,871**
CIP	$ -	$ 739,100	$ -	**$ 739,100**
GO Bonds 2006	$ 10,567,454	$ 19,242,267	$ 4,575,756	**$ 34,385,477**
GO Bonds 2013	$ -	$ 5,799,445	$ 7,326,721	**$ 13,126,166**
GO Bonds 2018	$ 12,250,784	$ 6,010,359	$ 28,000,000	**$ 46,261,143**
GO Bonds 2022	$ 8,658,129	$ 15,227,000	$ 5,000,000	**$ 28,885,129**
HOME	$ -	$ 6,711,179	$ 1,819,040	**$ 8,530,219**

Fund Source	Acquisition	Rehabilitation	Home Repair	Grand Total
HTF	$ -	$ 6,037,621	$ -	**$ 6,037,621**
Project Connect	$ 10,321,718	$ 9,200,000	$ -	**$ 19,521,718**
Grand Total	**$ 41,798,085**	**$ 71,974,349**	**$ 71,434, 013**	**$ 185,206,444**

Include in future Housing Bond Reports the use of bond dollars to preserve existing affordable units, including both dollars used, their sources, and the number of units preserved

Austin Housing will include this information in future Housing Bond Reports. The breakdown by AMI is in the table below. These are rental preservations:

Values	Rehabilitated	Acquired	Grand Total
20%	0	0	**0**
30%	243	36	**279**
40%	100	0	**100**
50%	1,531	195	**1,726**
60%	738	247	**985**
65%	0	0	**0**
70%	0	0	**0**
80%	41	145	**186**
100%	0	81	**81**
120%	0	79	**79**
Total	**2,653**	**783**	**3,436**

Reviewing, as part of any proposed zoning changes, the number of existing housing units renting below the current year's 50 percent AMI level and the number of such housing units that would be lost because of redevelopment, to the extent feasible

Austin Planning will add a field to the zoning application which requests an applicant to indicate whether existing multifamily units exist on the subject property. For cases with existing multifamily units, Planning staff will coordinate with or notify Housing staff. Housing staff can then determine if there are any housing units renting at or below 50 percent of the current year's AMI that could be potentially lost. While Austin Planning maintains an inventory of rezoning cases, there is no mechanism to precisely determine the number of existing housing units below 50% AMI that could be lost because of redevelopment. Planning Staff cannot require an applicant to provide this information as part of an application for rezoning, and if the information is voluntarily provided it should not be considered in staff's recommendation for the request.

Additional Methods to Preserve and Develop Deeply Affordable Housing

As of October 2026, the Austin Housing Finance Corporation (AHFC), an instrumentality of the City of Austin, has acquired 12 existing multifamily properties with the goal of preserving affordability and extending the life of the existing development. These properties receive a full property tax exemption under Chapter 394 of the Texas Local Government Code. These acquisitions have preserved both naturally-occurring affordability through implementation of formal income restrictions and preserved affordability from previously rent- and income-restricted units at risk of expiring affordability periods. There are 842 units across this portfolio, 237 of which are income restricted at or below 50% AMI. These properties range in age with the oldest properties dating back to 1965 and the newest built in 2008. AHFC and its partners have invested heavily in several of the older properties in this portfolio to address issues including aging infrastructure, deferred maintenance from previous owners, and renovations required to meet functional housing needs such as accessibility.

AHFC has used a variety of financing and partnership approaches for these acquisitions. AHFC purchased four properties as the sole owner with a mix of financing strategies including cash acquisitions and agency financing; AHFC partnered with the Texas Housing Conservancy (TxHC) and Civicap Partners for the other acquisitions and utilized traditional debt/equity financing.

NOAH acquisitions may also benefit from additional financing structures not-yet deployed by AHFC. Tax-exempt bond financing (such as 501(c)(3) bonds and essential function bonds) has been used throughout the country to support middle-income affordability. These bonds offer 100% financing with tax-exempt interest rates, favorable underwriting terms, and some unique requirements:

- **501(c)(3) bonds** are issued by a state or local governmental entity and loan the proceeds to a registered 501(c)(3) nonprofit corporation that acquires or constructs an affordable housing development. A public partner may be involved to convey a full property tax exemption to the development as well, but the 501(c)(3) would lease and own the property. Federal rules for acquisitions with 501(c)(3) bonds require at least:
    - 75% of units must be restricted to households at or below 80% AMI; and
    - 20% of units be restricted to households at or below 50% AMI, or 40% of units at or below 60% AMI.
    - 25% of units may be unrestricted.

  If partnering with a local entity for a property tax exemption, acquisitions would also need to comply with Texas Local Government Code affordability requirements.

- **Essential function bonds**, also referred to as governmental bonds, involve a state or local governmental entity issuing tax-exempt bonds to finance their own acquisition or development of capital assets in furtherance of a governmental purpose, such as affordable housing. The governmental entity may hire a third party to provide services for the property (such as asset management services), but for-profit entities are prohibited from having ownership or leasehold interest in tax-exempt governmental bond-financed facilities. Federal rules do not provide any affordability minimums for this type of financing.

According to the "Tax-Exempt Bond Financing for Middle-Income Housing" by Justin Cooper with Orrick (2023), "[g]overnmental and 501(c)(3) bonds both require that no for-profit entity have an ownership or possessory interest in any portion of the tax-exempt bond-financed facilities or an interest that is too similar to an ownership interest… The government or 501(c)(3) may, however, put its own equity into projects in the form of a cash contribution or by contribution of surplus land or other items or incentives of value" (p. 16).[5]

Given that these tax-exempt bonds finance 100% of the acquisition or development with lower projected debt service coverage ratios than conventional financing (per Orrick, as low as 1.10 to 1.0), debt repayment can be more vulnerable to changes in property income or expenses. Favorable financing rates may also require credit enhancements from a rated governmental entity. Fannie Mae and Freddie Mac may provide a credit enhancement for a fee but typically require shorter financing terms (such as 10 years).

Affordable housing groups with credit ratings, such as BRIDGE Housing and the NHP Foundation, have also issued taxable bonds (Social Bonds) to finance affordable housing activities.[6] Additional financing resources commonly utilized for affordable housing preservation include Fannie Mae and Freddie Mac loans, HUD 207/223(f) loans for multifamily acquisitions, and HUD 221(d)(4) loans for substantial rehabilitations.[7]

To complement the other tools listed in this section, Austin Housing recommends exploring creating a grant program or other funding mechanisms to support critical capital improvements for NOAH properties with 20 units or more renting at certain AMI levels in exchange for long-term affordability. Such a program would support existing owners and operators that lack the resources needed to maintain safe, affordable, and healthy housing—without rewarding owner and operator negligence or mismanagement. This program might also need to include resources to support owner and operator capacity in addition to financial tools.

Lastly, Austin Housing will launch a Small Landlord Home Repair program to help preserve one-to-four-unit properties along the Project Connect corridor.

Evaluating the Functionality, Safety, and Quality of NOAH Housing

When considering acquisitions of existing multifamily properties, AHFC has adopted a standard practice of obtaining property condition assessments (PCAs) that include market-specific replacement costs which can be used to evaluate an appropriate purchase price for the property. The PCA should be used to anticipate capital needs to address functional and safety repairs in

[5] Visit https://www.orrick.com/en/Insights/2024/01/Tax-Exempt-Bond-Financing-for-Middle-Income-Housing for more information.

[6] Learn more at https://bridgehousing.com/press_releases/bridge-housing-bond-issue-exceeds-expectations-raising-175-million-to-accelerate-development-and-acquisition-of-affordable-housing/ and https://nhpfoundation.org/wp-content/uploads/2024/11/RatingsDirect_TheNHPFoundationDistrictOfColumbiaGeneralObligation_59807454_Oct-30-2024.pdf.

[7] Visit https://www.novoco.com/resource-centers/housing-and-urban-development/hud-affordable-rental-housing-programs for more information.

addition to the acquisition cost. Prominent challenges with recent AHFC NOAH acquisitions have been with systems (HVAC, roof, windows) or equipment (non-central HVAC units) which are within five years of the end of their useful life. Items which are flagged as such on a PCA should have repair and replacement quotes for consideration in acquisition pricing.

To better anticipate capital expenses with NOAH acquisitions, AHFC recommends creating an evidence-based assessment tool to utilize when considering preservation acquisitions and evaluating potential gap financing requests for acquisition/rehab project proposals. This tool should at minimum include:

1. Documented history of ownership that includes level of professional property management throughout the property's lifespan, ownership investment in regular property maintenance, and history of code violations and complaints.
2. Resume of developer requesting financing or public partnership including acquisition history, rehab experience, and operations plan.
3. Property Condition Assessment that includes life expectancy of building components and replacement costs for capital planning as well as third-party review to verify assessment findings.
4. Current property financials including capital expenditures, occupancy, operational budgets, any existing affordability requirements, and current rent roll and affordability levels.
5. Financial proposal including costs to extend the life of the development at current or deeper affordability levels versus cost to redevelop at current or deeper affordability levels.

Prepare an amendment to City Code that applies to density bonus and incentive programs

Staff in both Austin Planning and Austin Housing collaborated on amendments to City Code Chapter 4-18 that were adopted by City Council at its May 21, 2026, meeting. The amendments clarified existing expectations and updated tenant protections to include a requirement for the applicant to provide an on-site relocation specialist. At the same meeting, City Council also approved Resolution No. 20260521-080 directing staff to continue discussion related to Chapter 4018 by convening stakeholders and exploring additional amendments holistically, returning with any recommendations and next steps by the end of 2026. Staff has begun scoping this process and anticipates engaging with stakeholders this fall.

Should you have any questions or concerns, please contact Deletta Dean, Director of Austin Housing at Deletta.Dean@austintexas.gov or 512-978-1410.

Appendix with Figures

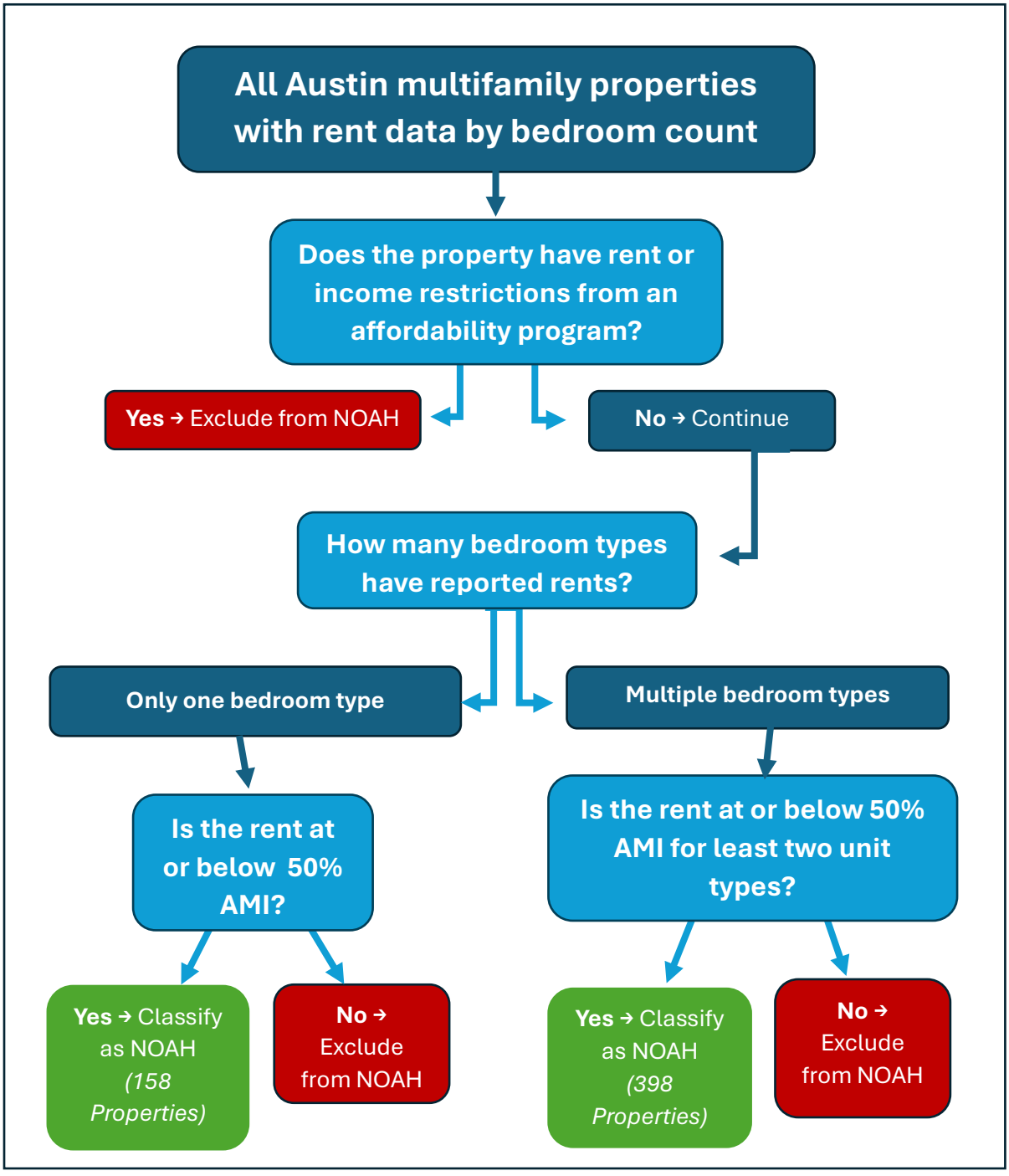


Figure 1. NOAH methodology flowchart

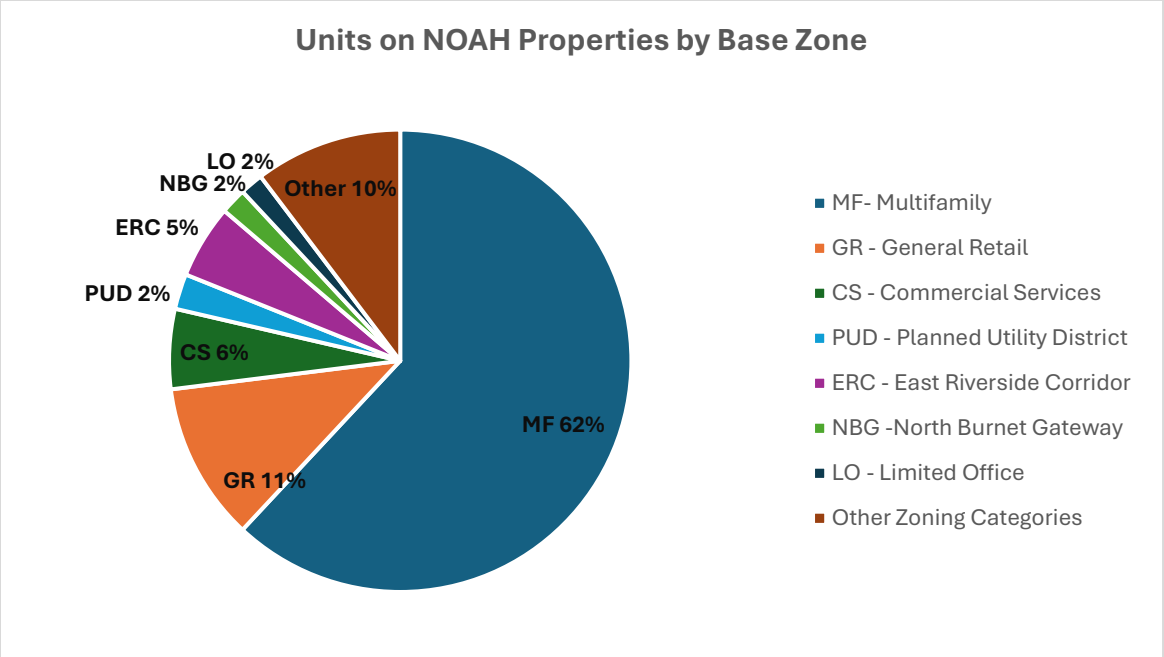


Figure 2. Units on NOAH properties by zoning category

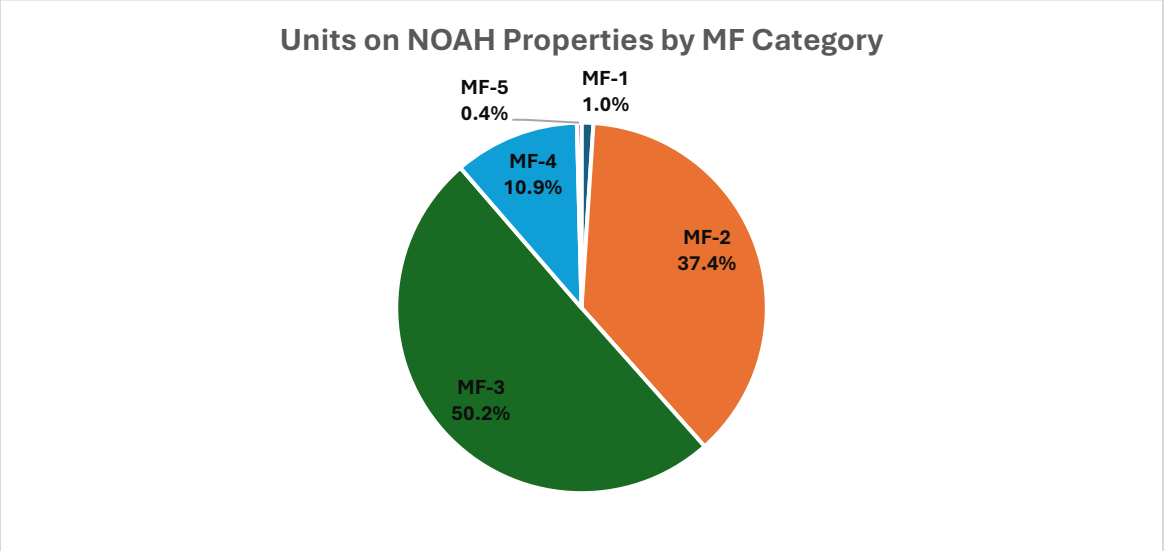


Figure 3. Units on NOAH properties by multifamily category

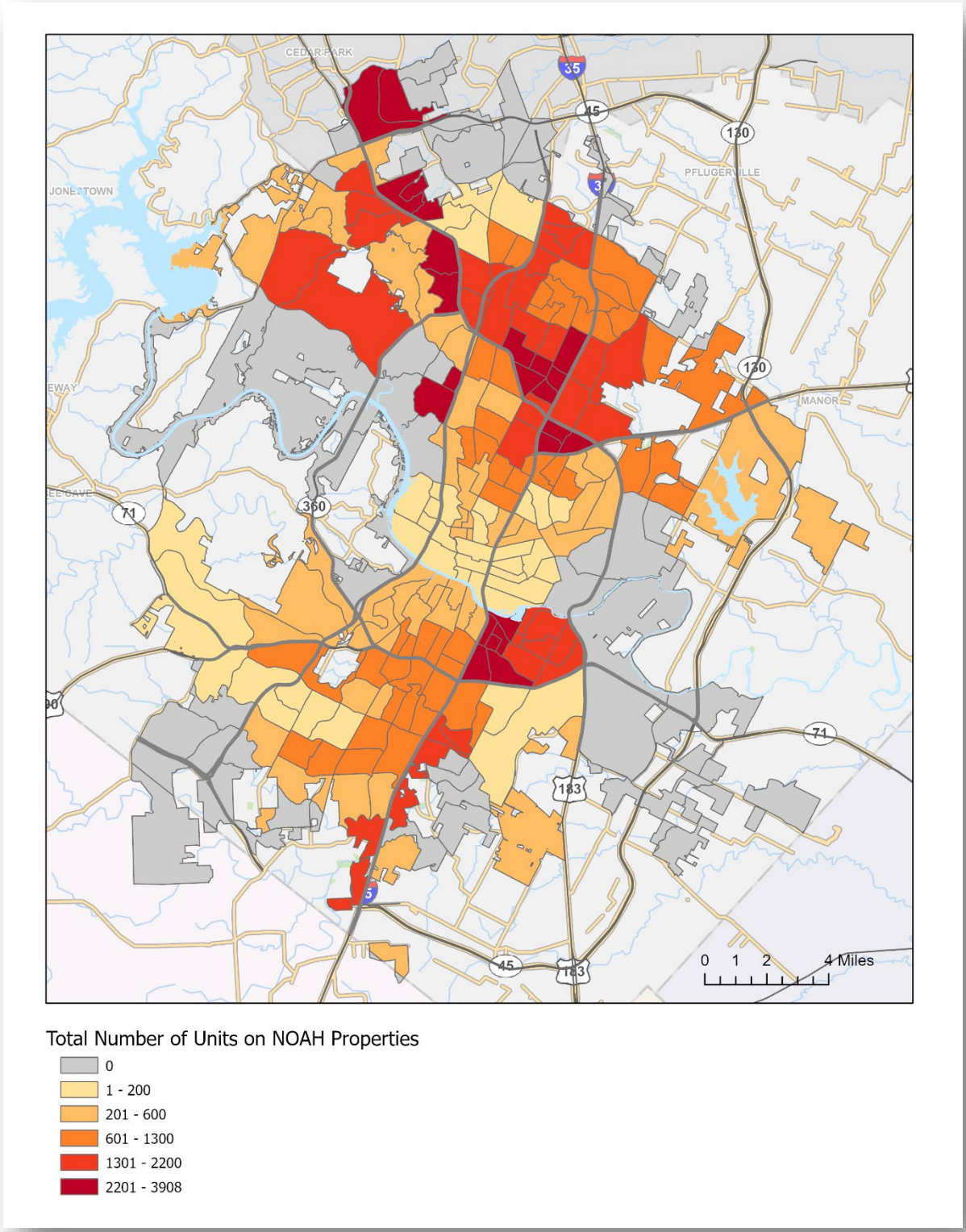
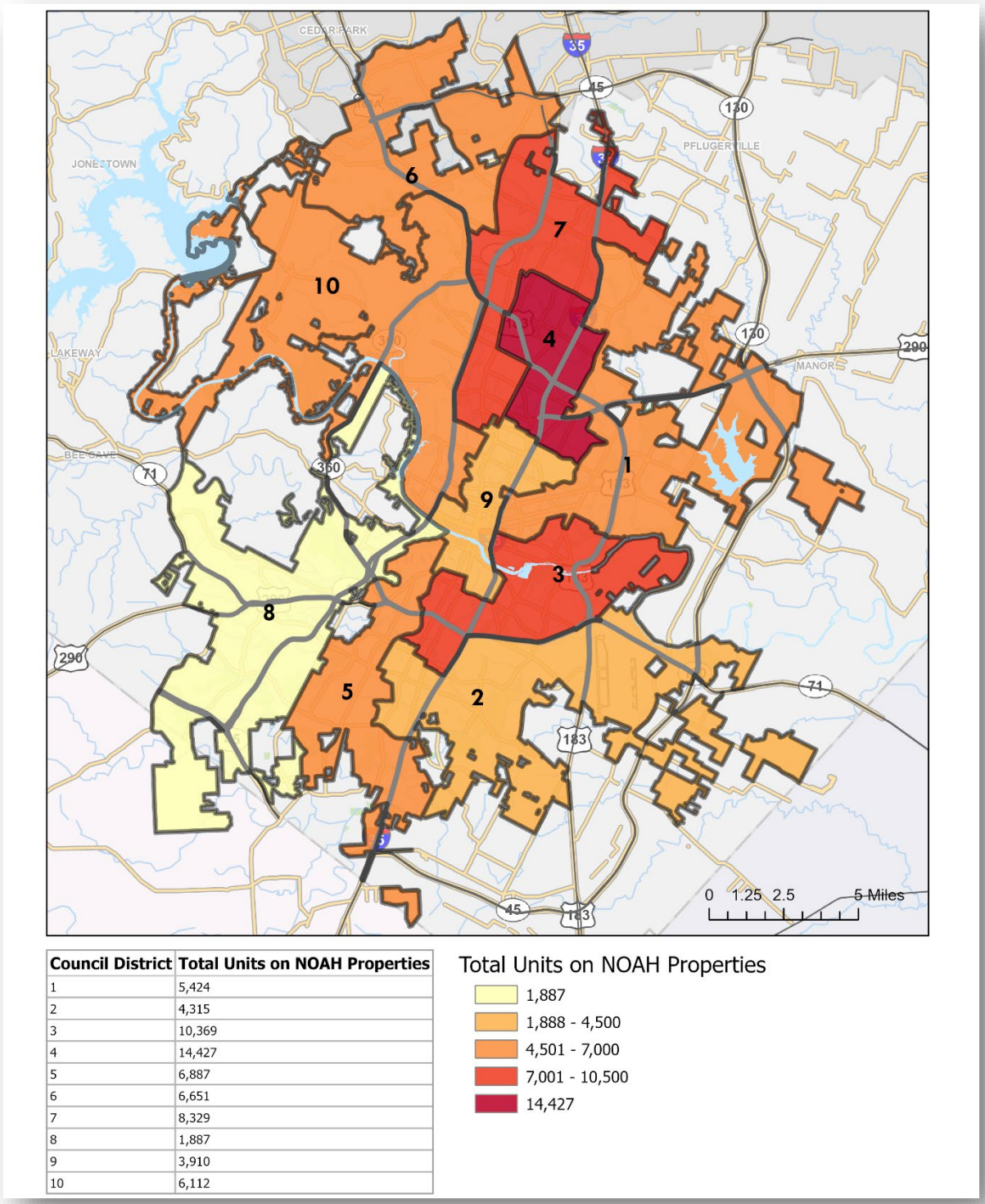


Figure 4. Units on NOAH properties in Austin by Census Tract



Council District	Total Units on NOAH Properties
1	5,424
2	4,315
3	10,369
4	14,427
5	6,887
6	6,651
7	8,329
8	1,887
9	3,910
10	6,112

Figure 5. Total units on NOAH properties by Council District

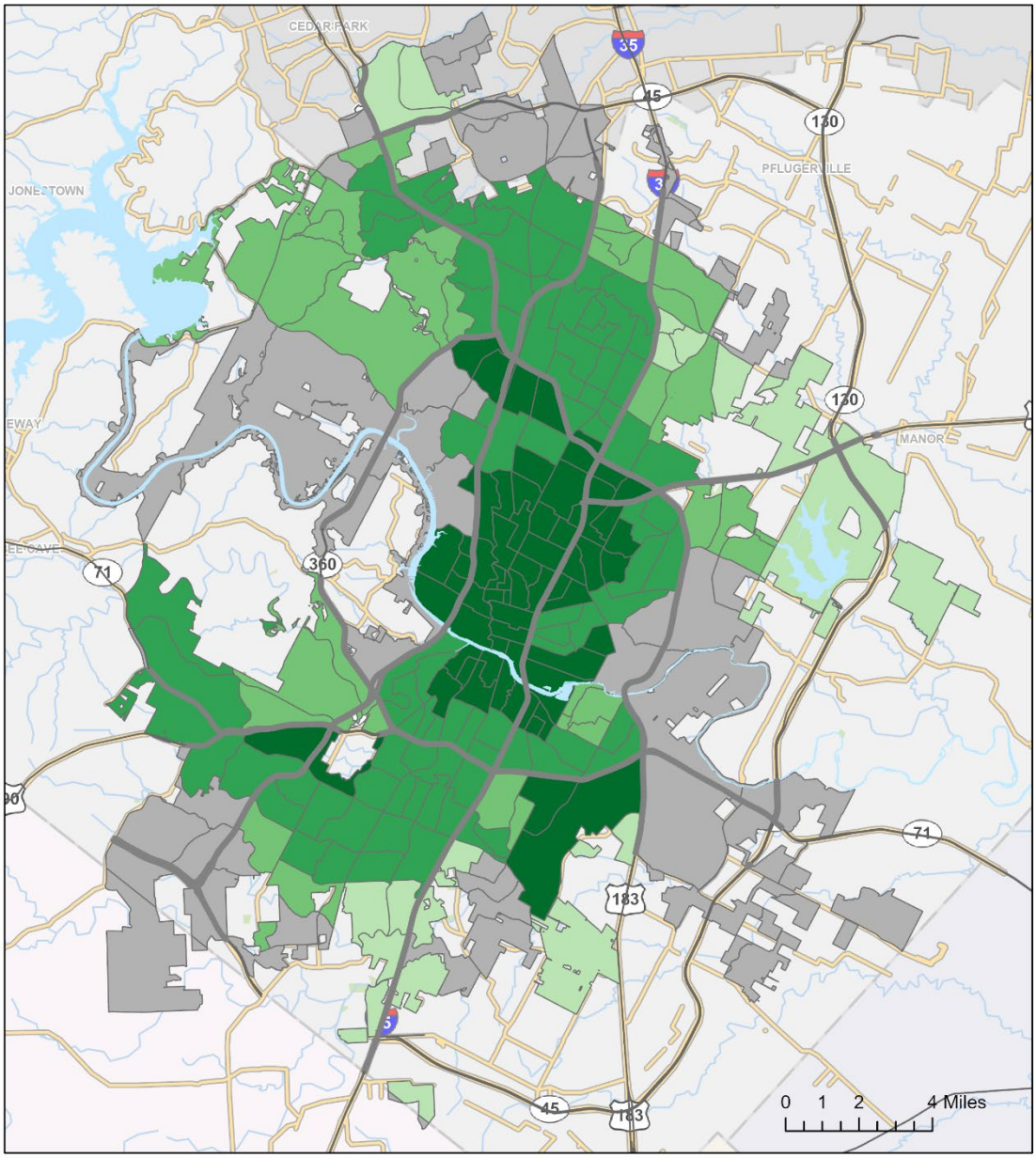


Figure 6. NOAH in Austin by year built.

	Total Units on NOAH Properties	Total Units of all Multifamily Properties w/Rent Data	% of Multifamily units that are on NOAH Properties	Median Year Built of NOAH Properties
District 1	5,424	23,961	23%	1984
District 2	4,315	17,984	24%	1984
District 3	10,369	37,234	28%	1979
District 4	14,427	27,236	53%	1973
District 5	6,887	20,767	33%	1983
District 6	6,651	21,188	31%	1985
District 7	8,329	32,196	26%	1982
District 8	1,887	13,750	14%	1983
District 9	3,910	29,080	13%	1969
District 10	6,112	19,997	31%	1978
Total	**68,311**	**243,393**	**28%**	**1977**

Figure 7. Distribution of Units on NOAH properties by Council District.

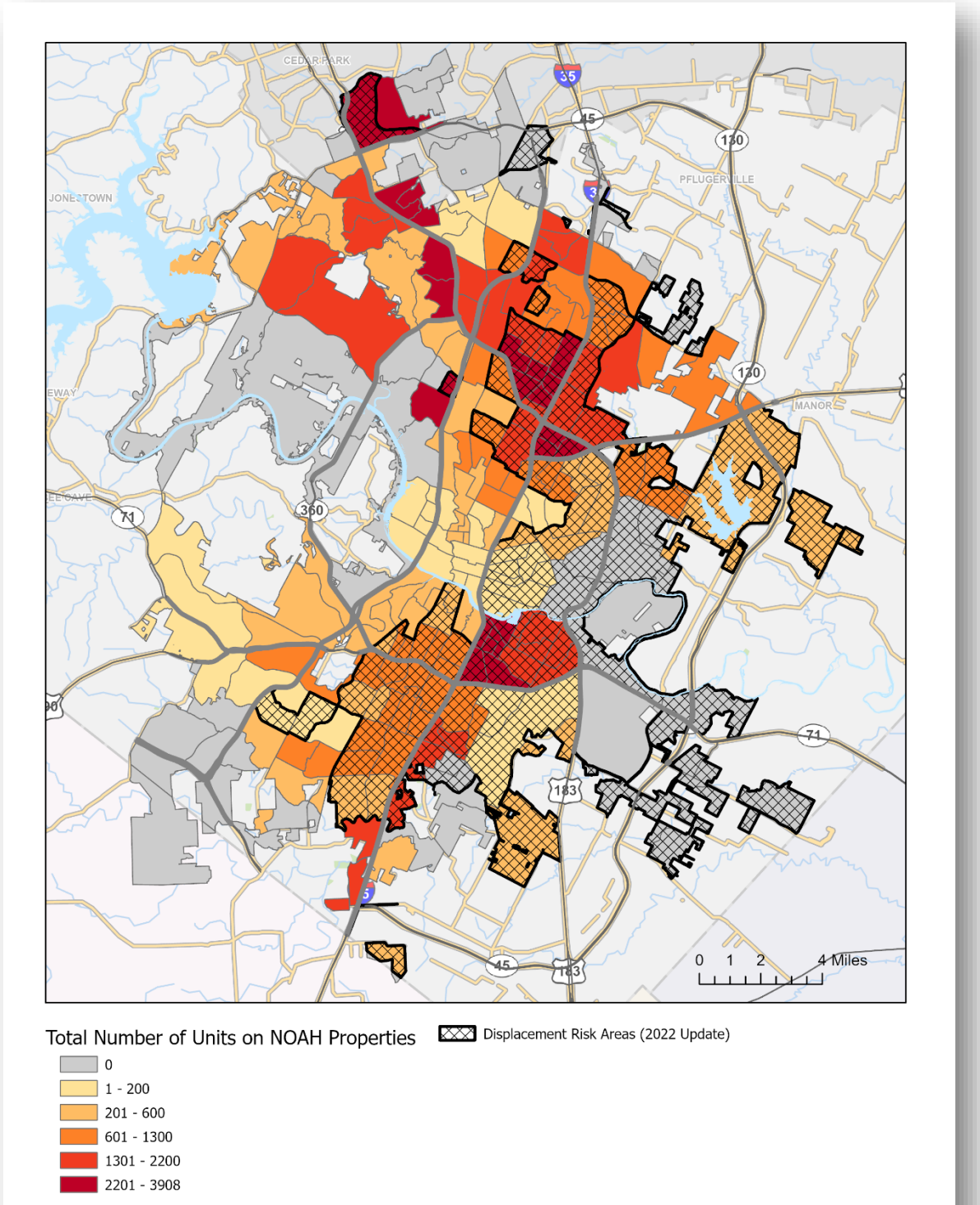


Figure 8. Total units on NOAH properties and Displacement Risk Areas in Austin

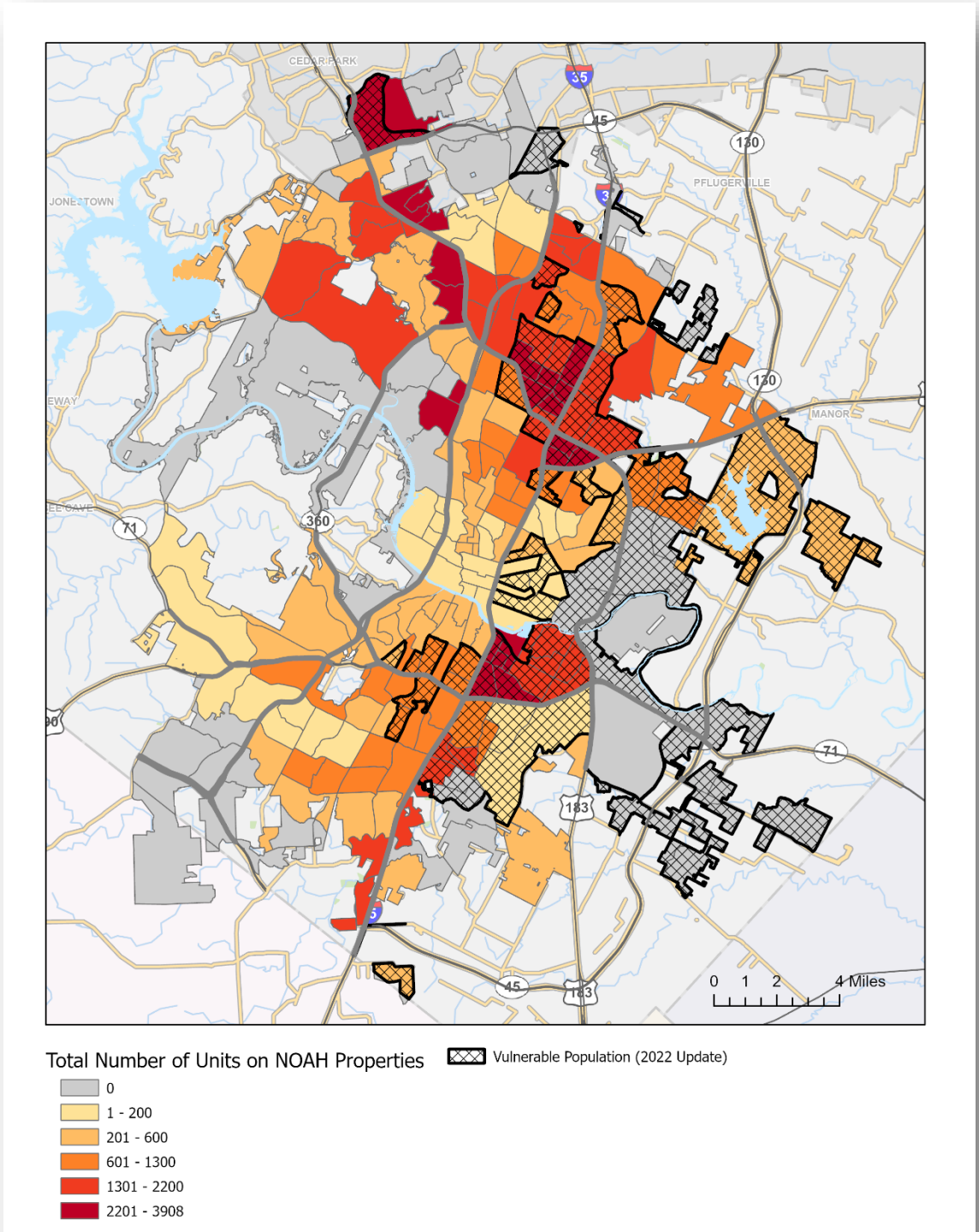


Figure 9. Units on NOAH properties and Vulnerable Population Areas in Austin. (Based on the Uprooted report methodology)

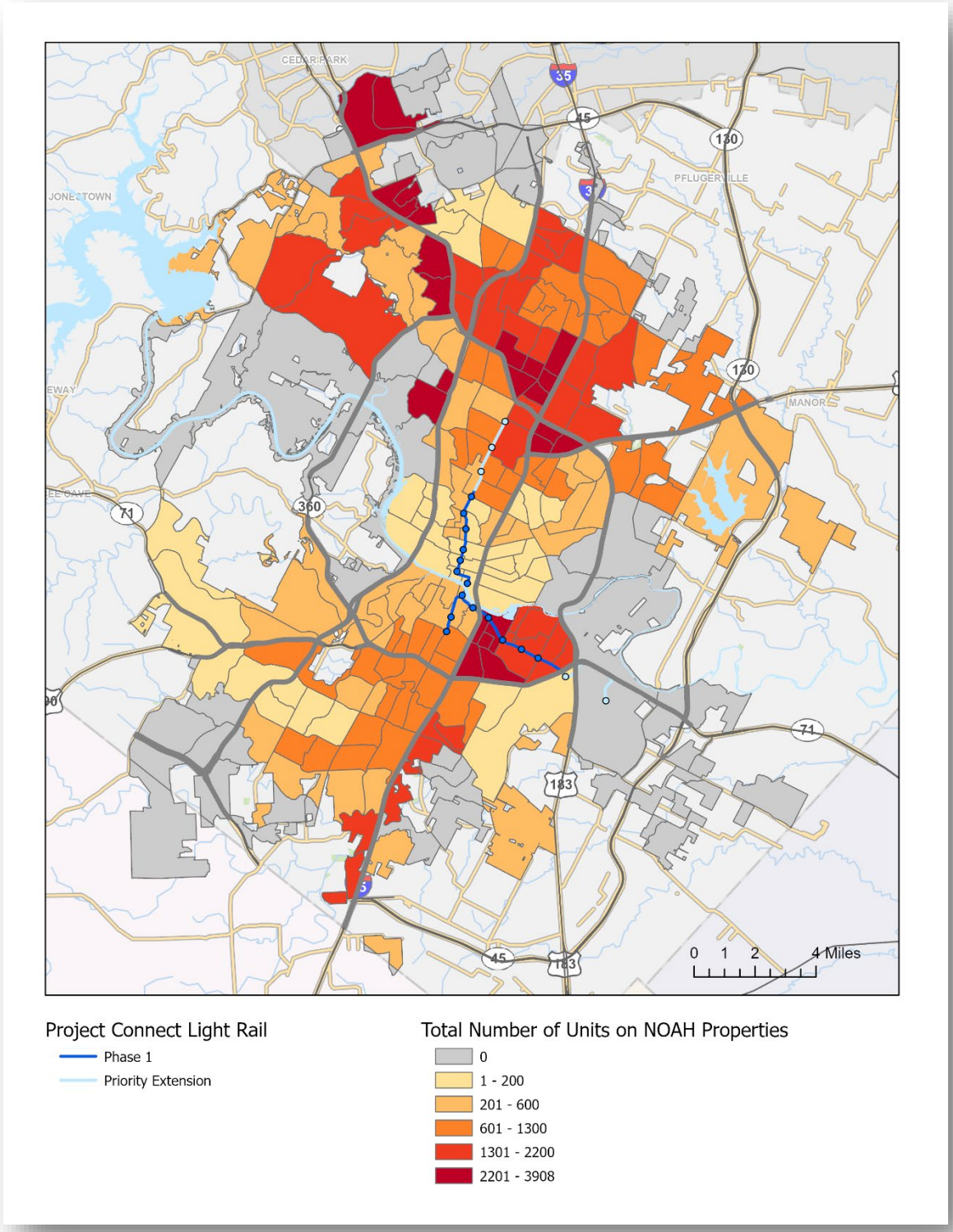


Figure 10. NOAH Proximity to Project Connect Light Rail

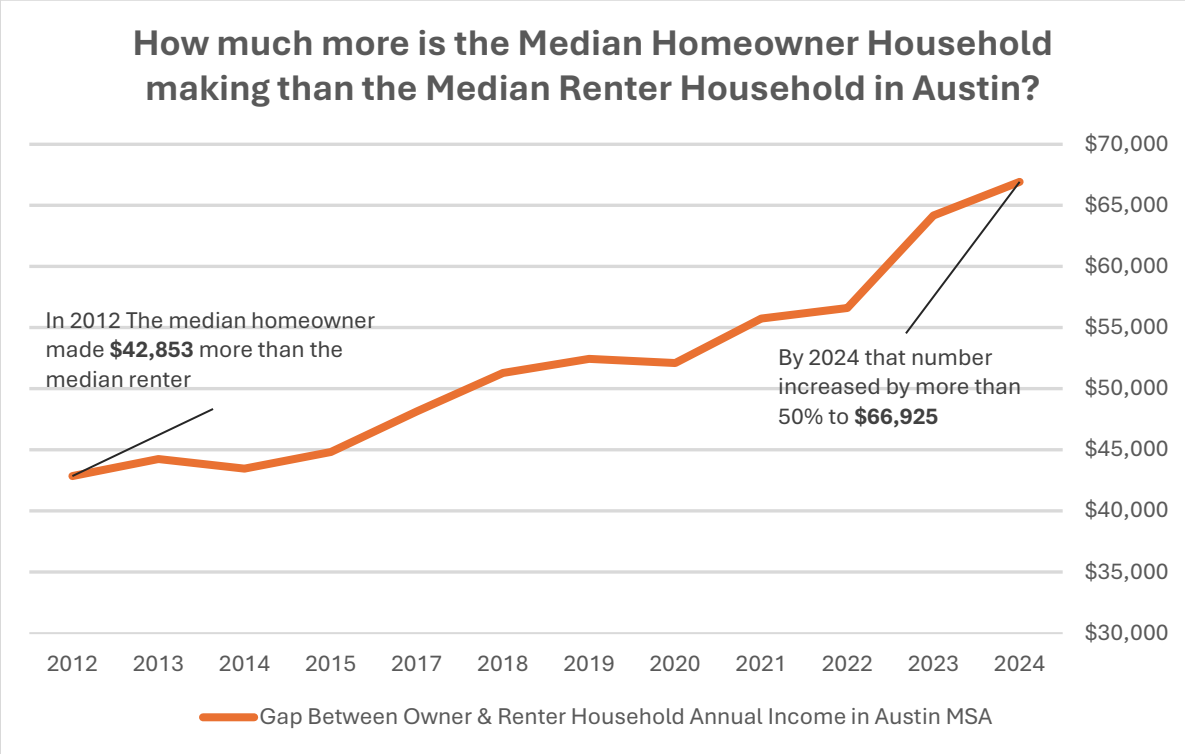


Figure 11. Difference between homeowner and renter median income, Austin MSA.

This chart uses 1-Year ACS Samples from 2012-2024 with one gap in 2016 due to data unavailability. Income measured at the household level using ACS Variable B25119.

Market NOAH Analysis

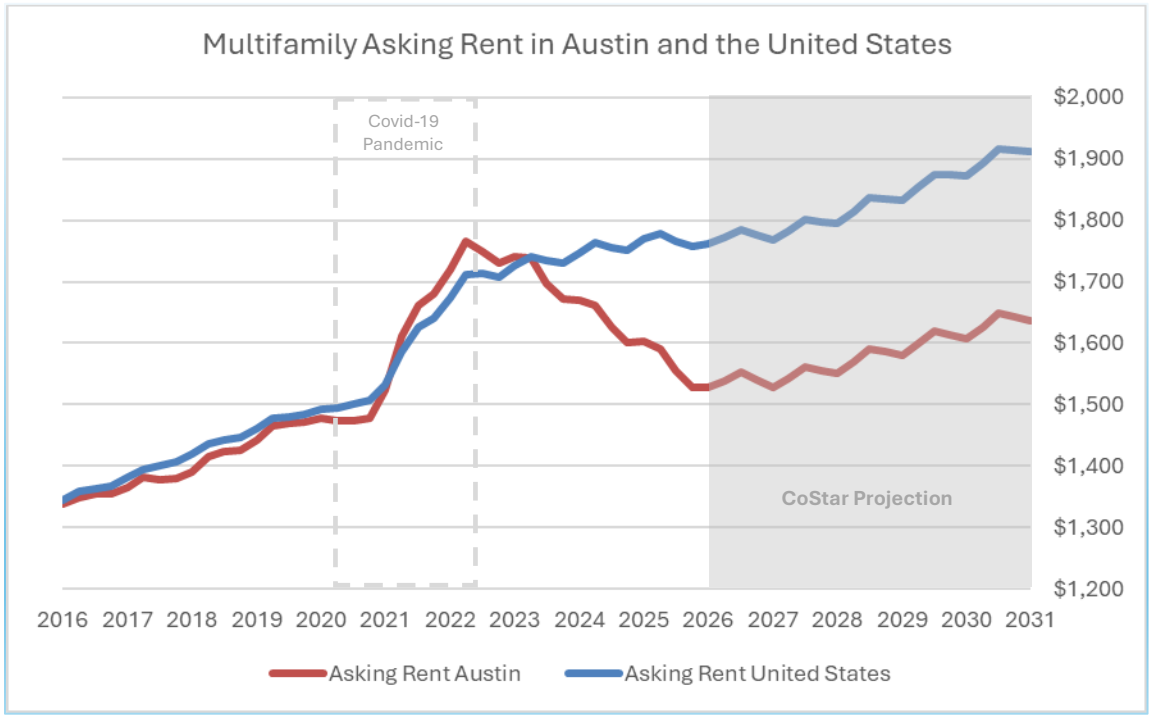
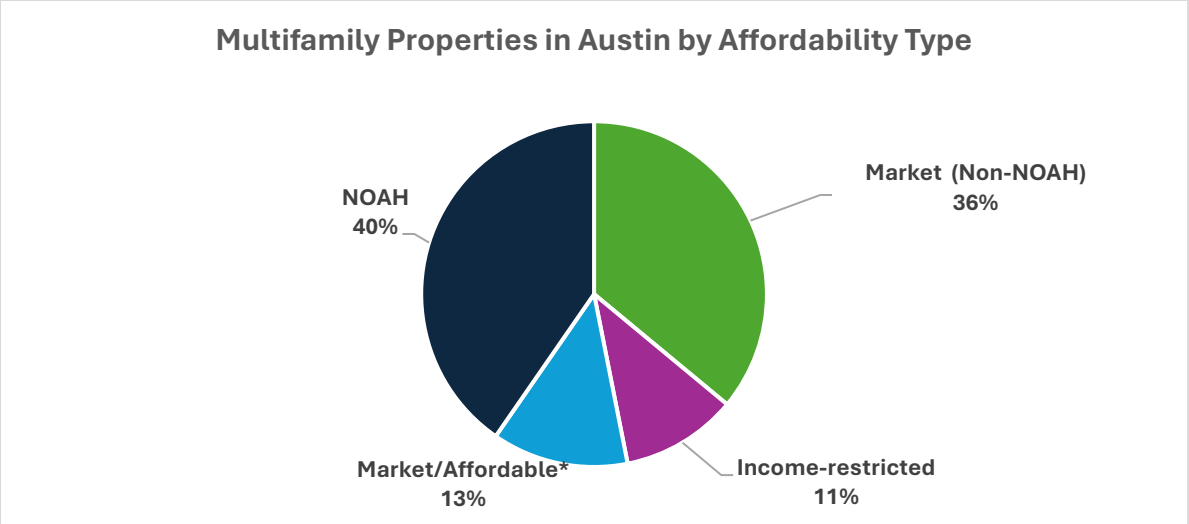


Figure 12. Quarterly multifamily asking rent per unit from 2016-2026 and CoStar projections

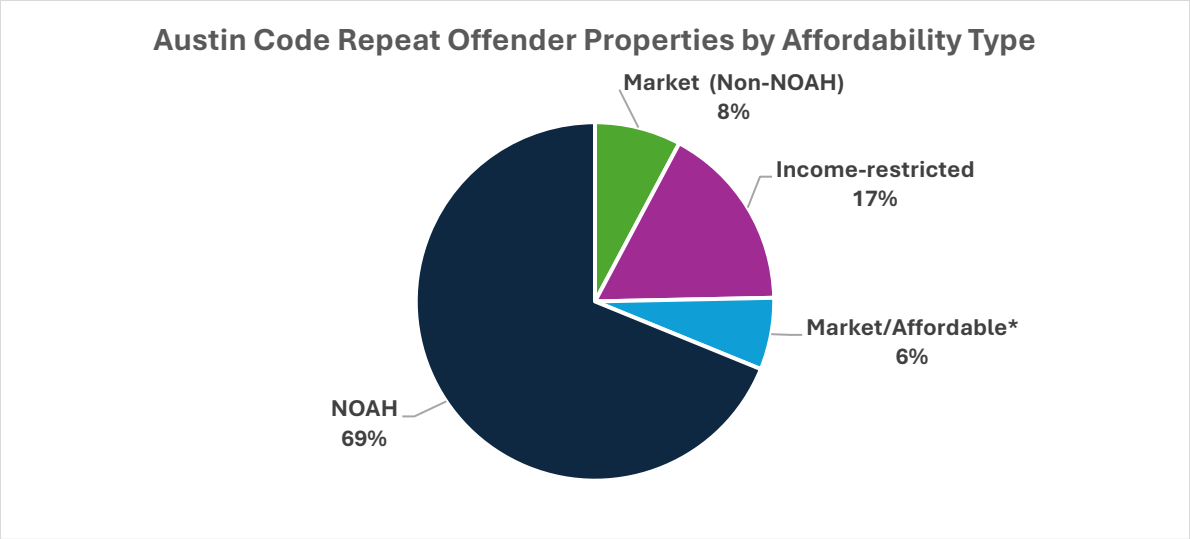
Austin's recent rent decline is largely the result of several years of rapid apartment construction that significantly increased supply and pushed vacancy higher across the city. After new deliveries outpaced demand, property owners lowered rents and relied heavily on concessions to fill units. At the same time, changes outside the housing market have also affected demand. Population growth has slowed from its pandemic peak while outgrowth has increased, job growth has moderated, and recent layoffs in the tech sector have reduced demand pressure in some higher-rent areas. Together, these factors have contributed to one of the steepest rent declines among major U.S. cities, even as leasing activity has begun to improve.

For NOAH, this environment creates both short-term relief and longer-term risk. Falling rents and concessions have temporarily improved affordability for many renters, but these conditions are driven by market cycles rather than lasting protections. As vacant units are absorbed and new construction slows, rent pressure is likely to return, particularly in high-demand corridors. At the same time, older lower-rent properties may be financially strained during the downturn, increasing the risk of deferred maintenance and declining conditions. These dynamics highlight that today's affordability is not guaranteed to last and reinforce the need for proactive strategies to preserve NOAH and reduce displacement as the market tightens again.



*Properties that have a mixture of market rate units and income-restricted units

Figure 13. Affordable Multifamily Properties in Austin



* Properties that have a mixture of market rate units and income-restricted units

Figure 14. Affordable Multifamily Properties Repeat Offenders

Austin

MEMORANDUM

To: Mayor and City Council

Through: Dr. Eric Anthony Johnson, Assistant City Manager EAJ

From: Deletta Dean, Austin Housing Director DD

Date: October 15, 2026

Subject: **Homestead Preservation Reinvestment Zones – Staff Response (Resolution Nos. 20250911-046 and 20250911-047)**

The purpose of this memorandum is to respond to Resolution Nos. 20250911-046 and 20250911-047, which directed the City Manager to extend the term, increase the portion of the tax increment, and evaluate the feasibility of additional Homestead Preservation Reinvestment Zones (HPRZs) within Homestead Preservation Districts (HPDs). This includes evaluating projected revenue, administrative requirements, governance options, and alignment with affordable housing goals.

Background

On November 20, 2025, the City Council adopted ordinances establishing three new Homestead Preservation Districts (HPDs B, C, and D), approved a 10-year extension, and increased the reinvestment zone increment from 20% to 40% for HPRZ #1 located in HPD A, the first Homestead Preservation District created in 2007. The City Council further directed the City Manager to evaluate the feasibility of future reinvestment zones. Austin Housing then contracted with Hayat Brown to update tax increment projections for HPRZ #1 and provide the first tax increment analyses for HPDs B, C, and D. All four HPDs are shown on the map in **Attachment A**. The Tax Increment Financing Study is included as **Attachment B** and the findings are outlined below.

HPRZ Study Summary

The analysis evaluated all four HPDs using 10 years of appraisal data, development pipeline trends, and taxable value projections. Low, Medium, and High Growth scenarios were modeled for each district, with a recommended scenario selected based on current conditions and market outlook.

HPD A: Medium Growth

District A in East Austin shows strong long-term performance and remains productive, with the current 40% increment expected to generate about $188.5 million from 2027–2036.

HPD B: High Growth

District B in Southeast Austin is the strongest candidate for a new HPRZ, driven by major transit investments, rapid growth, and alignment with equity goals. The boundary options should be considered to ensure the best fit for the City's needs, balancing affordability goals with impacts to the General Fund.

HPD C: Medium Growth

District C in North Austin is viable but more moderate, with a higher proportion of single-family housing, dispersed development, and potential upcoming tax-exempt projects.

HPD D: Low Growth

District D in West Campus has limited growth potential due to its built-out student housing environment, making it the lowest priority for establishing a new HPRZ.

HPRZ Study Recommendations

Hayat Brown offered five main recommendations based on the findings in the study:

1. **Determine whether to create new HPRZs and at what scale:** Establishing zones sooner could strengthen long-term increment growth, but the City must balance revenue potential with limits on overall TIRZ capacity and possible General Fund impacts.
2. **Start at a low increment and schedule increases to match investment activity:** Starting at a low initial increment (around 5%) captures future value growth as the market rebounds, with planned increases aligned to major investments.
3. **Understand the General Fund implications before acting:** Because HPRZs redirect future property-tax growth, especially from new construction, fiscal effects on the General Fund require careful evaluation.
4. **Use Opportunity Zone 2.0 overlaps as a coordination opportunity**: Much of the HPRZ eligible areas overlap with Opportunity Zone 2.0 tracts, especially in HPD B, creating a strong opportunity to pair HPRZ funding with Opportunity Zone 2.0 equity.
5. **Treat HPRZ revenue as one component of a broader affordability strategy:** HPRZ revenue is only one element of the City's affordability strategy and should be used as a targeted tool alongside larger funding sources. It must be deployed carefully to prevent reinforcing economic segregation and to ensure districtwide benefits.

Staff Recommendations and Next Steps

Staff will bring forward a Final Financing Plan to the City Council by the end of the year. The plan will refine the revenue projections to align with the study's findings and establish the updated financial framework that will govern the Zone's 10-year extension. Staff recommend establishment of an HPRZ for HPD B in Southeast Austin with a low initial increment to lock in today's lower base value while moderating impacts on the General Fund. At this time, staff does not recommend adopting additional HPRZs beyond HPD B. This response will serve as the close-out to Resolution Nos. 20250911-046 and 20250911-047.

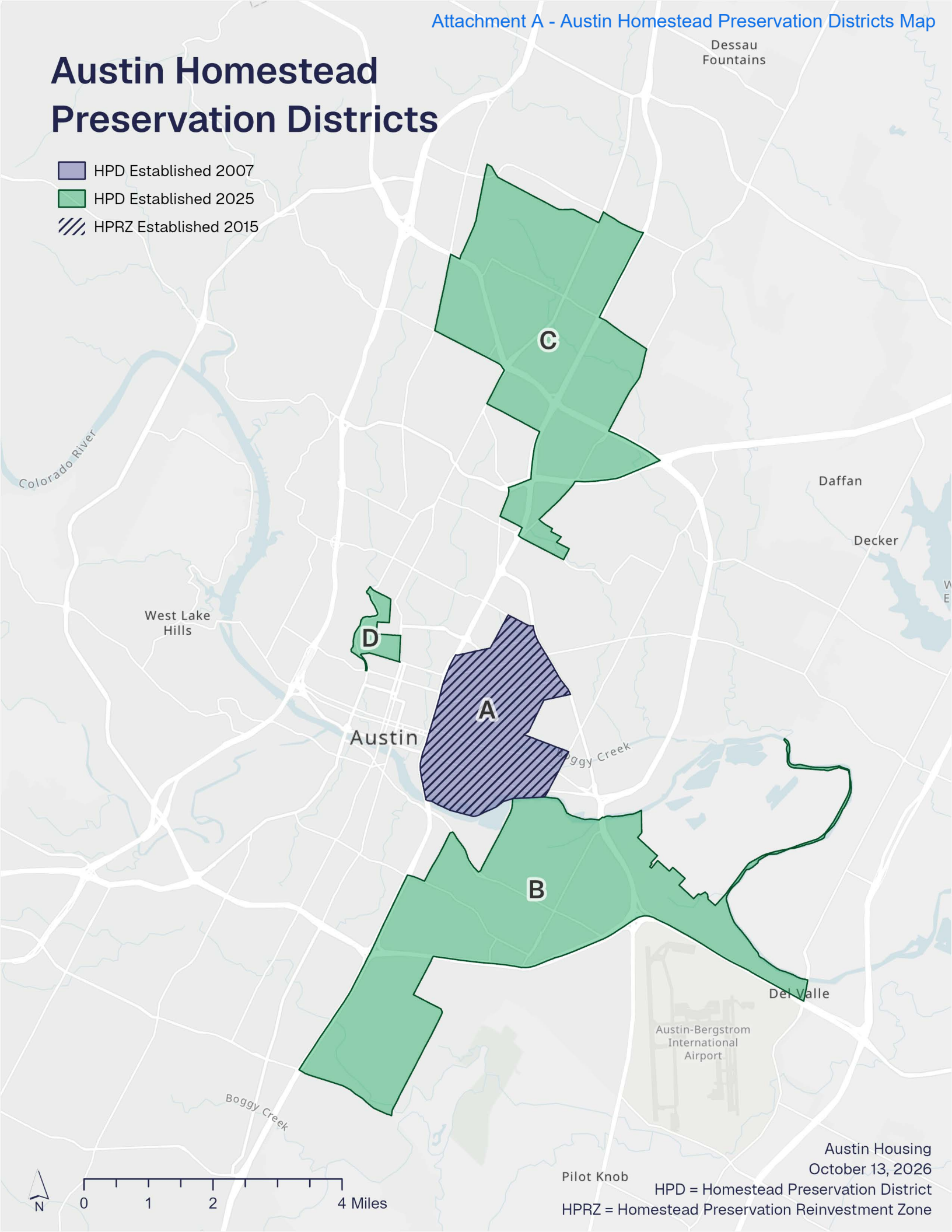
Should you have any questions or concerns, please contact Deletta Dean, Director of Austin Housing at Deletta.Dean@austintexas.gov or at (512) 978-1410.

cc: T.C. Broadnax, City Manager
Erika Brady, City Clerk
Jason Hadavi, City Auditor
Mary Jane Grubb, Municipal Court Clerk
Judge Sherry Statman, Municipal Court
CMO Executive Team
Department Directors

Attachments: **Attachment A** – Austin Homestead Preservation Districts Map
Attachment B - Tax Increment Financing Study – City of Austin

Attachment A - Austin Homestead Preservation Districts Map

Austin Homestead Preservation Districts



Austin Housing
October 13, 2026
HPD = Homestead Preservation District
HPRZ = Homestead Preservation Reinvestment Zone

TAX INCREMENT FINANCING STUDY

City of Austin
Homestead Preservation Districts (HPD) and Reinvestment Zones (HPRZ)

Studies and Recommendations

Prepared for

Austin Housing

1000 E 11th St., Suite 200

Austin, TX 78702

Prepared by

Hayat Brown

June 2026

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1. Introduction

This report has been prepared by Hayat Brown for Austin Housing and the City of Austin in connection with the City's Homestead Preservation Program. It presents updated tax increment financing projections for the existing Homestead Preservation Reinvestment Zone (HPRZ #1) in District A — East Austin, and provides first-ever tax increment analyses for three newly designated Homestead Preservation Districts (HPDs) in Southeast Austin (District B), North Austin (District C), and West Campus (District D), each of which may become HPRZs in the future.

Austin's Homestead Preservation Program was created to stabilize residential communities facing displacement pressure from rising land values. Once a Homestead Preservation District is established by City ordinance, it becomes eligible for three complementary affordability tools: Homestead Preservation Reinvestment Zones (HPRZs), which capture a portion of the annual property tax increment to fund affordable housing activities; Homestead Land Trusts, which preserve long-term affordability through community ownership of land; and Homestead Land Banks, which acquire and hold land for future affordable development. This report focuses specifically on the HPRZ mechanism and its potential application across all four HPDs.

District A is the City's most established HPD, encompassing seven census tracts in East Austin that were designated in 2007. The City created HPRZ #1 within that district in 2015 at a 10% tax increment, raised it to 20% in 2019, and in 2025 approved a 10-year extension at a 40% increment effective in tax year 2026. Districts B, C, and D were all newly established by City ordinance in November 2025, and no HPRZs have yet been created within them. This report provides the foundational analysis necessary for the City to determine whether, when, and at what increment level to establish HPRZs in those districts.

The analysis is intended to serve several purposes: to document historical growth and appreciation patterns in each district using a decade of Travis County Appraisal District (TCAD) tax roll data; to catalog current and planned development activity and its likely effect on future assessed values; to generate 10-year taxable value projections under low, medium, and high growth scenarios; and to estimate the HPRZ revenue potential under a range of increment allocation percentages. For District A, projections reflect the 40% increment already authorized by City Council. For Districts B, C, and D, projections are presented for a range of potential increment allocations (5%, 10%, 15%, and 20%) to help inform future policy decisions.

This report is organized as follows. Following this introduction, Section 1.1 describes the data sources and analytical methods used throughout the study. Sections 2 through 5 present the full analysis for each district in turn, covering historical and current taxable values, construction trends, current and planned developments, improvement-to-land value ratios, and 10-year taxable value projections. Section 3 also includes an analysis of an alternative preferred HPRZ boundary option for District B that excludes a high-value census tract that is included in the separately proposed Dog's Head TIRZ. Section 6 presents cross-district considerations relevant to the City's implementation decisions. Section 7 presents Hayat Brown's recommendations. Section 8 summarizes conclusions. The report concludes with two appendices covering land use designations and alternative tax rate scenarios.

COMBINED HOMESTEAD PRESERVATION DISTRICTS (HPD)

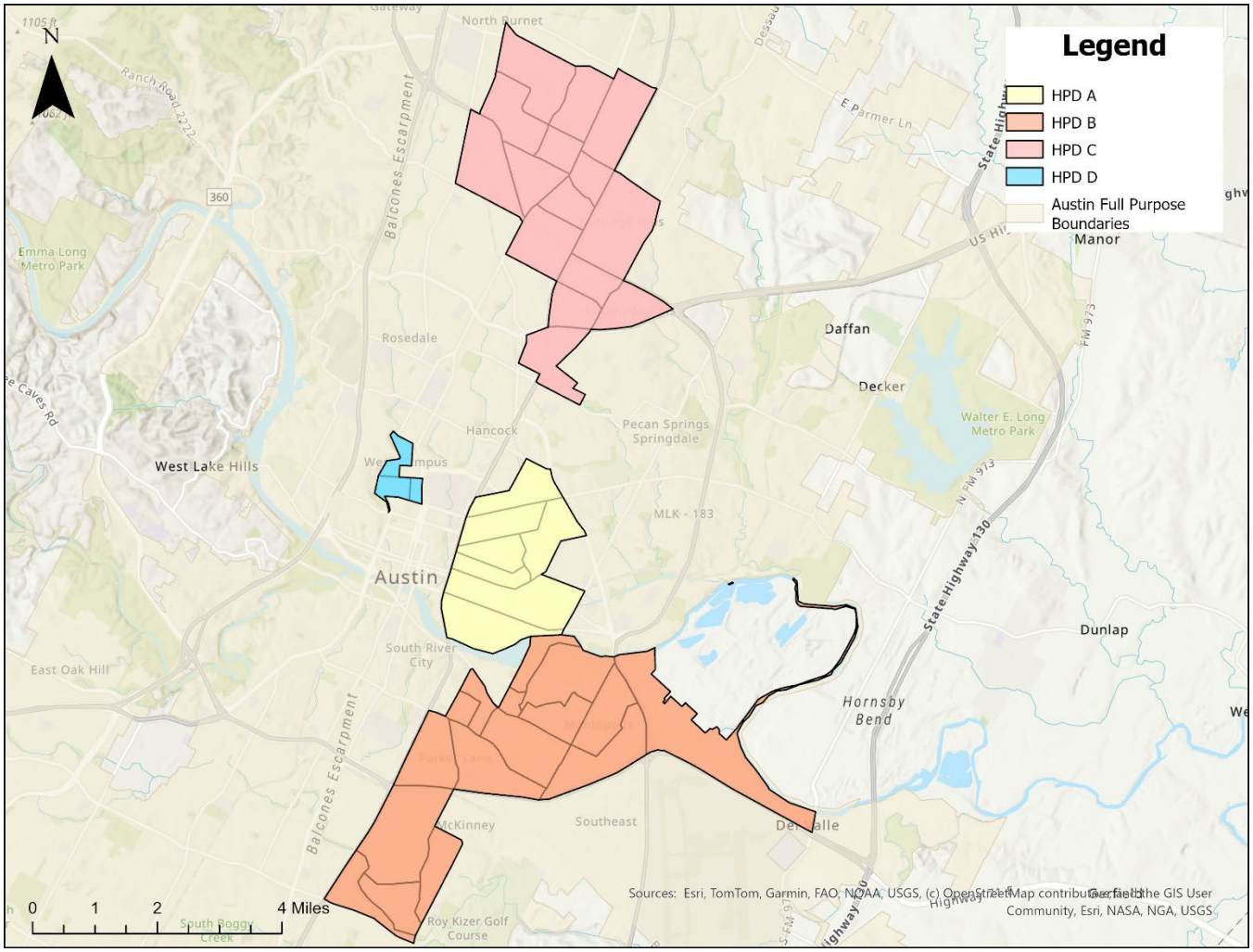


Figure 1. Map of the City of Austin's four Homestead Preservation Districts (HPDs).

1.1 Methods

1. Travis County Appraisal District (TCAD) historical tax roll data was provided by the City of Austin for tax years 2015, 2020, and 2025. Using ArcGIS, Hayat Brown organized the data into each district.
2. Records were classified by land use using Texas State Land Categories as shown in Appendix A. Hayat Brown classified records that were categorized as “Blank” and assumed those records represent condominium parcels based on known data limitations in exports provided by TCAD. Tax-exempt parcels, which include public and non-profit properties as well as affordable housing, were excluded from the analysis as well.
   2.1. Blank Parcels in District A are assumed to have taxable value of $0 per square foot in 2015, $96 per square foot in 2020, and $152 per square foot 2025 based on the TCAD tax roll data and actuals for HPRZ 1 provided by the City of Austin.
   2.2. Hayat Brown then estimated the values per square foot for Blank Parcels in the other districts by calculating the average value per square foot for each District and applying a growth (or discount) factor to the District A Blank Parcels values.
3. Residential and commercial records are analyzed separately by construction vintage, categorized as Existing Construction (built before 2011) and New Construction (built 2011 and onward). Construction dates are derived from the "Year Built" attribute of the TCAD Tax Roll, which reflects the date of initial construction. It is important to note that this field does not capture subsequent improvements or remodels made to a structure after its original completion. This distinction provides insight into how legacy properties have appreciated over time and how new construction is reshaping each district's assessed value base.
4. Current and planned developments were identified using CoStar pipeline research and local development news data. These future projects were mapped, and the type, size, estimated values, and year the projects will be reassessed were listed (where the data was available).
5. Ten-year taxable value projections from 2027 to 2036 were developed using three growth rate scenarios. Hayat Brown assumed 0% taxable growth from 2025 to 2026 based on initial tax roll data. Hayat Brown then selected a recommended scenario for each District based on historical growth data, forthcoming pipeline project data, vacant parcel information, improvement-to-land value ratios to estimate redevelopment likelihood, near-term economic outlook, and major planned capital investments in each district.
   5.1. Growth Rate Scenarios:
      5.1.1. **Low Growth Scenario** uses a historical weighted average growth rate (WAGR) using historical data from 2021-2025 and assigning more weight to the most recent periods. For District A, Hayat Brown used actual data for District A (HPRZ 1) provided by the City of Austin. For Districts B, C, and D, Hayat Brown used city-wide historical data.
         5.1.1.1. WAGR = [(2025 Growth Rate * 5) +(2024 Growth Rate * 4) +…2021 Growth Rate * 1)]/15
      5.1.2. **Medium Growth** Scenario uses the Current and Planned Developments pipeline data for each district as the projected growth from 2027 – 2030 and uses the compound growth rate for the district from 2015 – 2025 as the annual growth rate for 2031 – 2036.
      5.1.3. **High Growth Scenario** uses the compound growth rate for the district from 2015 – 2025 as the annual growth rate for the entire period.
   5.2. The ten-year taxable value projections assume a flat tax rate of 0.474 per $100 of taxable value. Additional tax rate scenarios are shown in Appendix B.
   5.3. District A assumes a Tax Base of $2.34M and an increment of 40% per City Resolution 20250911-046.
   5.4. Districts B, C, & D assume the Tax Base to be equal to the 2026 projected taxable value and model a range of potential increment allocations (5%, 10%, 15%, and 20%).

2. District A — East Austin (HPRZ #1)

Census Tracts: 4.02, 8.02, 8.03, 8.04, 9.01, 9.02, 10

HPD A is comprised of seven (7) contiguous census tracts located in East Austin. The district comprises central city adjacent neighborhoods just east of Interstate 35 including all or parts of East Cesar Chavez, Holly, Govalle, Central East Austin, Rosewood, Chestnut, and Upper Boggy Creek (also known as Blackland and Cherrywood).

The district, established by City ordinance in 2007, gained additional tax increment financing authorities when Council approved creation of Homestead Preservation Reinvestment Zone #1 using the same boundaries in 2015. Initially, HPRZ #1 accumulated 10% of the annual tax increment within the zone for eligible affordable housing uses, which the City increased to 20% in 2019. The initial 10-year term expired in 2025 but was reauthorized with tax increment allocations increased to 40% beginning in tax year 2026, fiscal year 2027.

DISTRICT A: BOUNDARIES

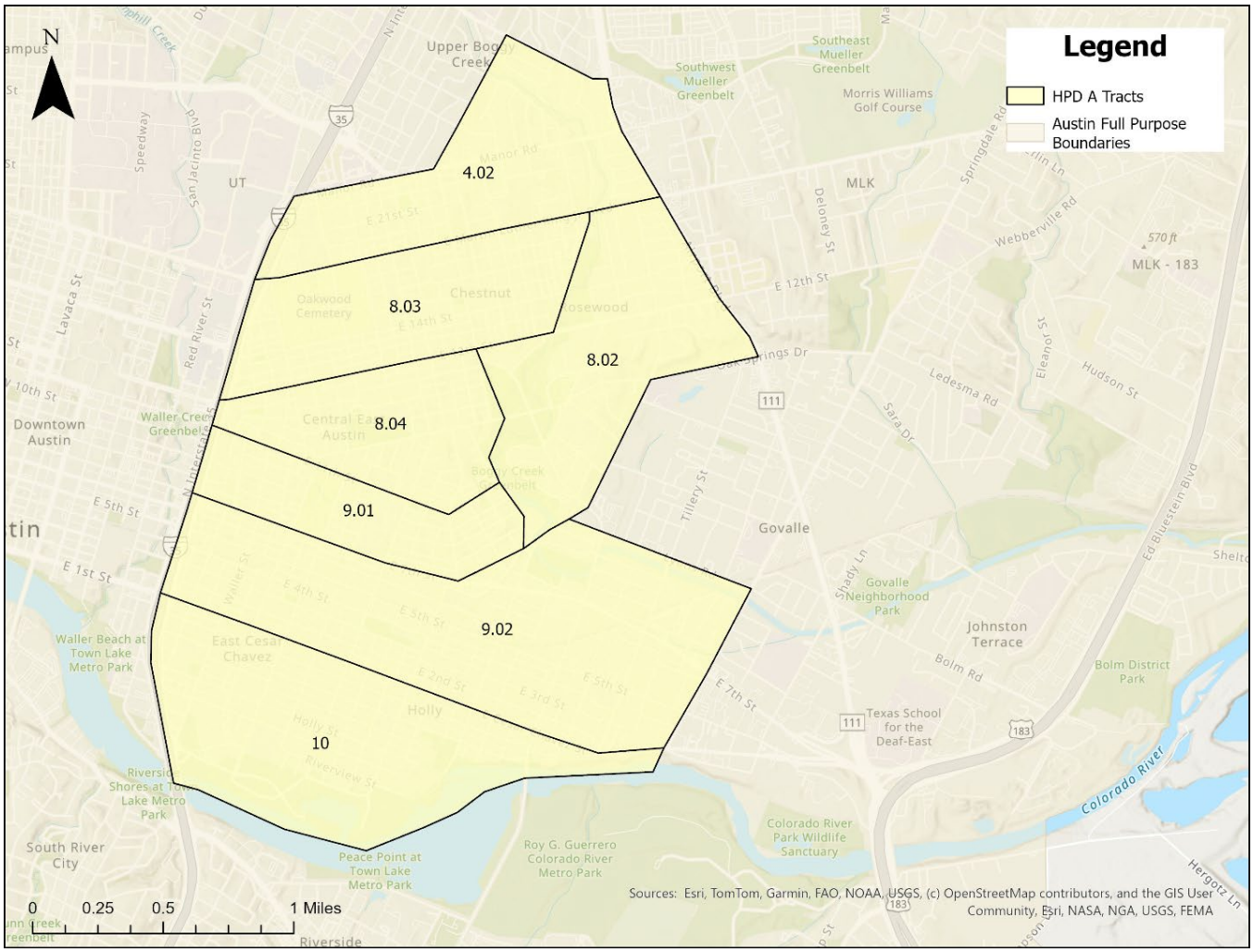


Figure 2. Concurrent Map of HPD A and HPRZ #1.

DISTRICT A: EXEMPT PARCELS

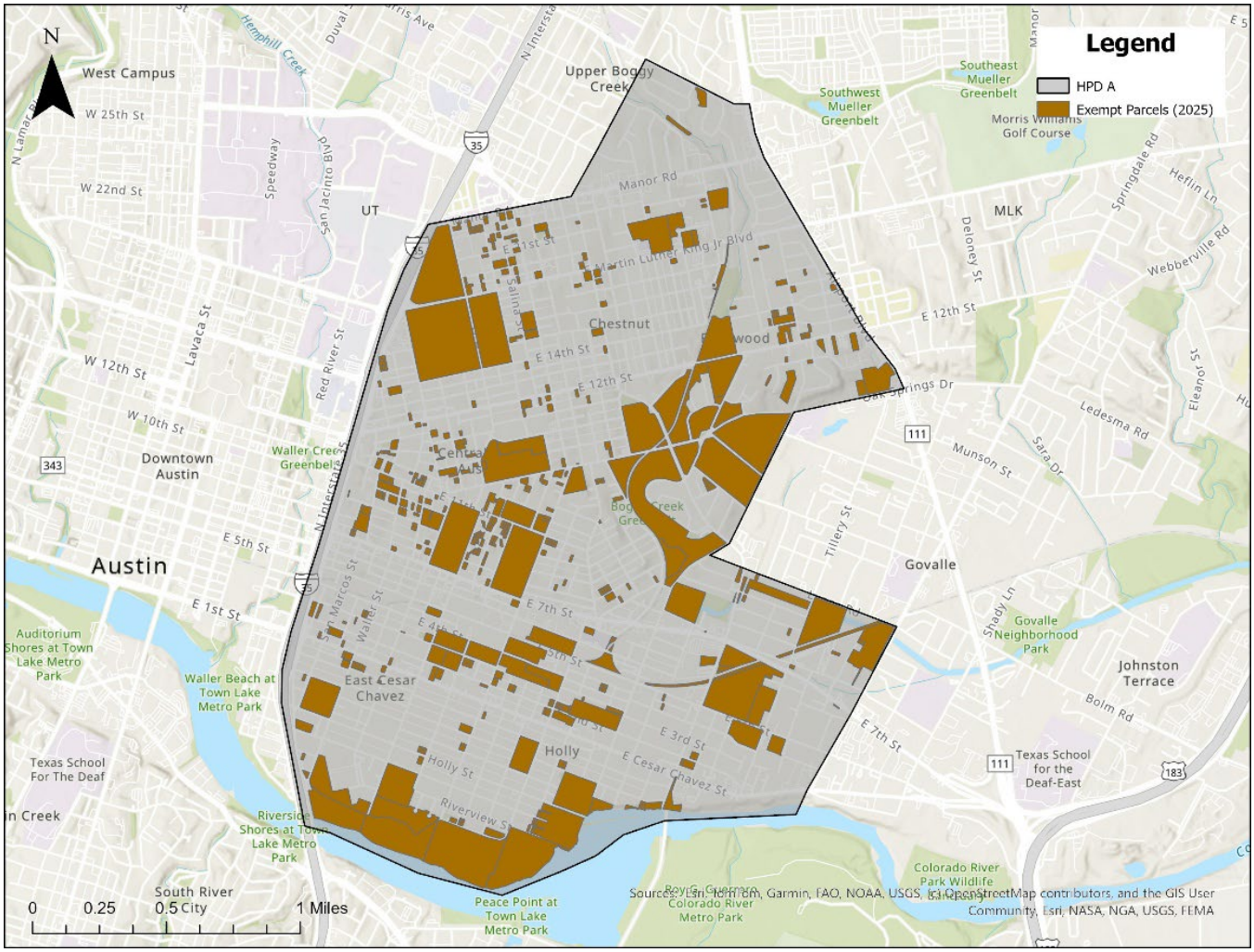


Figure 3. Map of Exempt Parcels (brown) within HPD A.

A noteworthy feature of HPD A is the high number of exempt parcels, which include a range of uses including City parkland, affordable housing, cemeteries, schools, and university-owned real estate. Exempt parcels represent a partial impediment to continued increases in district assessed values, as it reduces infill and redevelopment opportunities that might otherwise generate property tax revenue.

2.1 Historical & Current Taxable Values

District A encompasses approximately 2,960 acres of East Austin. In tax year 2015, the district had a total taxable value of approximately $2.34 billion across 7,140 property records. By tax year 2025, total taxable value grew to $8.04 billion across 7,266 records, reflecting an average annual increase of 24.41% and a **compound growth rate of 13.15%** over the ten-year period.

Blank Parcels, presumed as missing data on condominium parcels, increased from $0 in taxable value to over $1.35 billion by 2025.

Overall, District A has seen strong appreciation across all major land use categories, with **total taxable value more than tripling** between 2015 and 2025.

These values are shown in Table 2 below:

Taxable Value by Land Use											
Tax Year	2015			2020			2025			2015-2025	
	No. of Records	Shape Area (SF)	Taxable Value	No. of Records	Shape Area (SF)	Taxable Value	No. of Records	Shape Area (SF)	Taxable Value	Avg. Annual Increase	Compound Growth
Residential	5,795	41,584,418	$1,722,713,295	5,464	39,425,230	$3,202,441,933	5,091	37,564,649	$4,594,499,775	*16.67%*	*10.31%*
Commercial	621	11,873,921	$468,538,678	642	12,249,105	$1,363,332,874	671	11,073,379	$1,809,134,840	*28.61%*	*14.46%*
Vacant/Agricultural	544	4,782,355	$144,039,493	451	4,194,594	$323,123,228	429	4,028,112	$289,195,268	*10.08%*	*7.22%*
Other	6	298,713	$1,043,099	6	298,696	$3,470,536	1	1,597	$162,794	*-8.44%*	*-16.95%*
Subtotal	6,966	58,539,406	$2,336,334,565	6,563	56,167,624	$4,892,368,571	6,192	52,667,737	$6,692,992,677	*18.65%*	*11.10%*
Blank Parcels	174	3,325,750	$0	549	6,981,067	$673,273,441	1,074	11,754,401	$1,345,708,370	*19.98%*	*14.86%*
Total	**7,140**	**61,865,156**	**$2,336,334,565**	**7,112**	**63,148,692**	**$5,565,642,012**	**7,266**	**64,422,138**	**$8,038,701,047**	*24.41%*	***13.15%***

Table 2: COA Taxable Value by Land Use — District A

2.2 Construction Trends

District A's residential taxable values grew substantially between 2015 and 2025, rising from $1.72 billion to $4.59 billion across 5,091 records at a compound growth rate of 10.3% over the decade.

Existing Construction (Built before 2011): Single-family existing properties declined from 5,201 records in 2015 to 4,068 in 2025, reflecting demolition or redevelopment of older housing stock, while their total taxable value grew from $1.31 billion to $2.32 billion at a compound rate of 5.9%. Average value per square foot rose from $37 to $85. Existing multi-family properties similarly shrank in record count but appreciated at a 6.6% compound rate, with average value per square foot climbing from $42 to $93. In total, the existing construction subtotal grew from $1.47 billion to $2.63 billion at a 6.0% compound rate.

New Construction (Built 2011 and after): New single-family records more than doubled, from 311 to 797, with taxable value surging from $123 million to $771 million, a 20.1% compound growth rate. Average value per square foot jumped from $70 to $165. New multi-family properties grew from $127 million to $1.20 billion at a 25.1% compound rate and an average value per square foot reaching $520 in 2025. The new construction subtotal grew from $250 million to $1.97 billion, a compound rate of 22.9%.

Overall, new construction has rapidly expanded its share of total residential value in the district, reflecting strong demand, densification, and ongoing reinvestment in District A's residential market over the 2015–2025 period.

These values are shown in Table 3 below:

Residential Taxable Value by Date of Completion														
Tax Year	2015				2020				2025				2015-2025	
	No. of Records	Shape Area	Taxable Value	Average Value PSF	No. of Records	Shape Area	Taxable Value	Average Value PSF	No. of Records	Shape Area	Taxable Value	Average Value PSF	Average Annual Increase	Compound Growth Rate
Existing Construction (Built before 2011) *														
Single-Family	5,201	35,279,374	$1,310,296,739	$37.14	4,614	31,133,592	$1,847,507,113	$59.34	4,068	27,304,015	$2,321,806,623	$85.04	*7.7%*	*5.9%*
Multi-Family	263	3,842,956	$162,103,282	$42.18	221	3,099,433	$231,484,196	$74.69	191	3,279,059	$306,474,625	$93.46	*8.9%*	*6.6%*
Subtotal	5,464	39,122,330	$1,472,400,021	$37.70	4,835	34,233,026	$2,078,991,309	$61.05	4,259	30,583,075	$2,628,281,248	$86.02	*7.9%*	*6.0%*
New Construction (Built 2011+)														
Single-Family	311	1,757,177	$123,215,974	$70.12	603	3,686,680	$492,138,175	$133.49	797	4,682,008	$770,578,858	$164.58	*52.5%*	*20.1%*
Multi-Family	20	704,911	$127,097,300	$180.30	26	1,505,525	$631,312,449	$419.33	35	2,299,567	$1,195,639,669	$519.94	*84.1%*	*25.1%*
Subtotal	331	2,462,088	$250,313,274	$126.07	629	5,192,205	$1,123,450,624	$294.12	832	6,981,575	$1,966,218,527	$380.67	*68.6%*	*22.9%*
Total	**5,795**	**41,584,418**	**$1,722,713,295**	**$50.54**	**5,464**	**39,425,230**	**$3,202,441,933**	**$142.81**	**5,091**	**37,564,649**	**$4,594,499,775**	**$212.12**	*16.7%*	*10.3%*

Table 3: Residential Taxable Value by Date of Completion — District A

**Parcels with missing Year Built data are assumed to have been built before 2011*

District A's commercial taxable values grew from $468.5 million across 621 records in 2015 to $1.81 billion across 671 records in 2025 at a compound growth rate of 14.5% over the decade.

Existing Construction (Built before 2011): The number of Goods/Services records declined from 467 to 399, potentially reflecting demolition or redevelopment of older commercial buildings. Despite this, aggregate Goods/Services taxable value grew from $394 million to $963 million at a 9.4% compound rate, with average value per square foot rising from $38 to $120. No Industrial taxable value was recorded in any period. The existing construction subtotal grew from $455 million to $1.19 billion at a compound rate of 10.1%.

New Construction (Built 2011 and after): Goods/Services records expanded from just 7 to 45, with taxable value surging from $12.4 million to $585.9 million at a 47.0% compound growth rate, and average value per square foot jumping from $79 to $490. In total, the new construction commercial subtotal grew from $13.6 million to $617.4 million, a compound rate of 46.4%.

Overall, new commercial construction has become an increasingly significant driver of value in District A's commercial sector, reflecting the district's transition toward higher-intensity, higher-value commercial uses over the 2015–2025 period.

These values are shown in Table 4 below:

Commercial Taxable Value by Land Use														
Tax Year	2015				2020				2025				2015-2025	
	No. of Records	Shape Area	Taxable Value	Average Value PSF	No. of Records	Shape Area	Taxable Value	Average Value PSF	No. of Records	Shape Area	Taxable Value	Average Value PSF	Average Annual Increase	Compound Growth Rate
Existing Construction (Built before 2011)														
Goods/Services	467	10,321,600	$393,913,049	$38.16	435	10,183,463	$864,555,184	$84.90	399	8,024,405	$963,414,084	$120.06	*14.5%*	*9.4%*
Industrial	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	145	1,371,068	$60,981,737	$44.48	179	1,491,485	$148,176,586	$99.35	216	1,726,374	$228,338,606	$132.26	*27.4%*	*14.1%*
Subtotal	612	11,692,668	$454,894,786	$39.01	614	11,674,949	$1,012,731,770	$87.01	615	9,750,779	$1,191,752,690	$122.40	*16.2%*	*10.1%*
New Construction (Built 2011+)														
Goods/Services	7	156,698	$12,424,067	$79.29	25	497,337	$343,896,791	$691.48	45	1,196,336	$585,901,430	$489.75	*461.6%*	*47.0%*
Industrial	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	2	24,554	$1,219,825	$49.68	3	76,819	$6,704,313	$87.27	11	126,264	$31,480,720	$249.32	*248.1%*	*38.4%*
Subtotal	9	181,253	$13,643,892	$76.64	28	574,156	$350,601,104	$679.92	56	1,322,600	$617,382,150	$477.49	*442.5%*	*46.4%*
Total	621	11,873,921	$468,538,678	$40.11	642	12,249,105	$1,363,332,874	$239.49	671	11,073,379	$1,809,134,840	$243.58	*28.6%*	*14.5%*

Table 4: Commercial Taxable Value by Date of Completion — District A

**Parcels with missing Year Built data are assumed to have been built before 2011*

DISTRICT A: ASSESSED VALUE (2015)

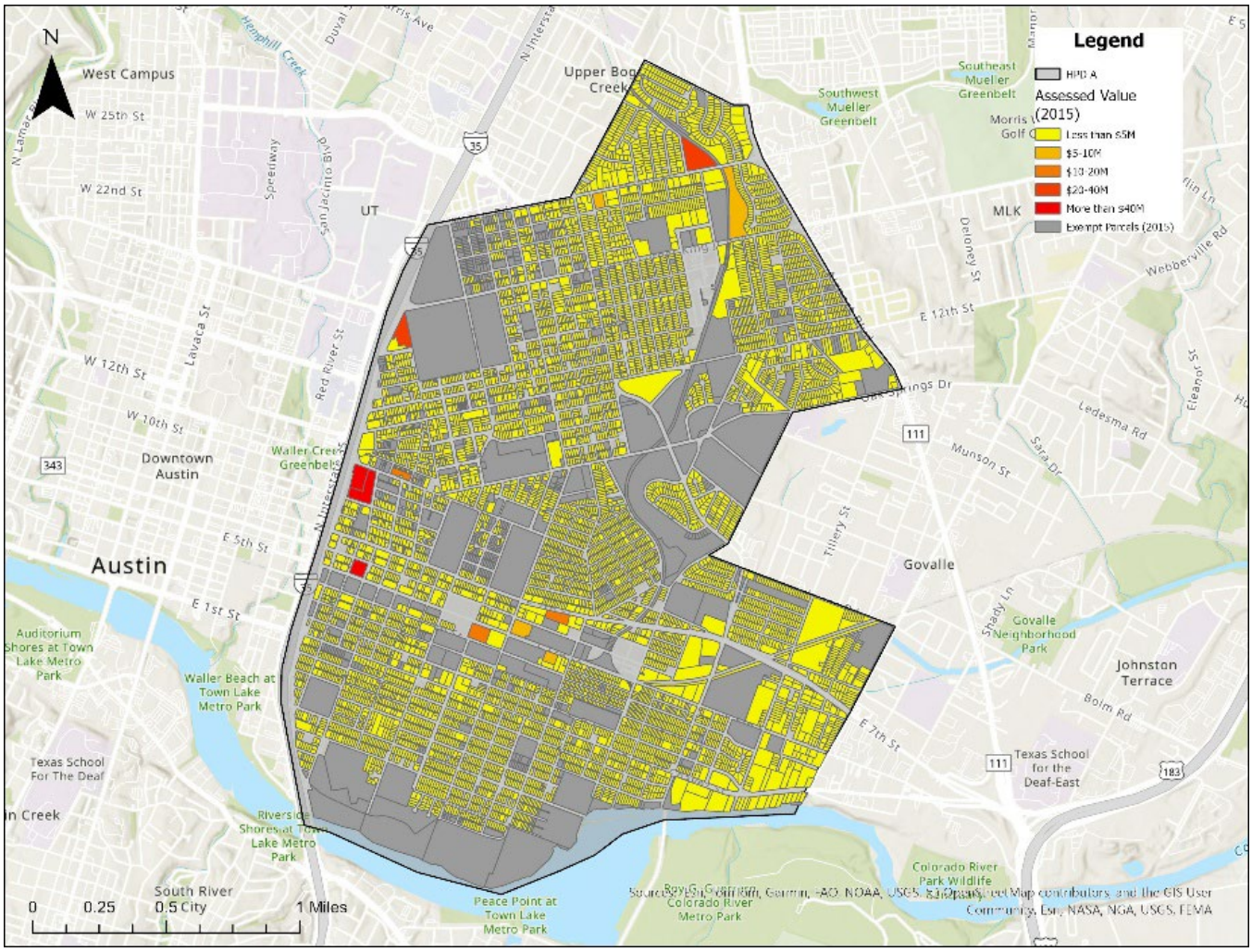


Figure 4. Map of Assessed Values in 2015 by parcel within HPD A.

In 2015, the vast majority of parcels in HPD A were valued at below $5 million, including very large parcels in industrial areas of Govalle and commercial properties in the East 7th Street corridor. Just a handful of parcels, primarily directly adjacent to Interstate 35, were valued at over $20 million.

DISTRICT A: ASSESSED VALUE (2025)

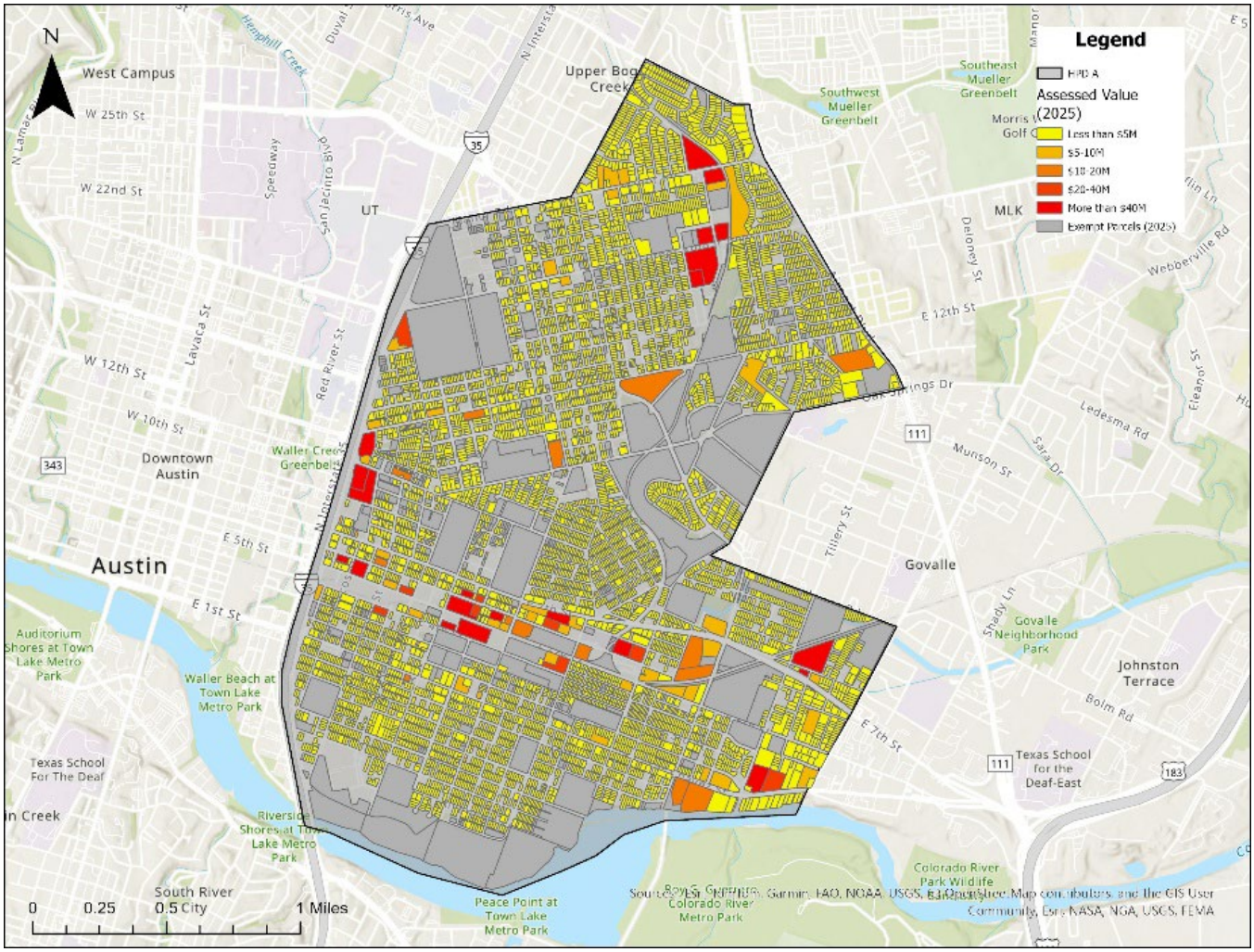


Figure 5. Map of Assessed Values in 2025 by parcel within HPD A.

By 2025 conditions had changed significantly. HPD A experienced a rapid increase in land and improvement values between 2015 and 2025, with average per square foot assessed values in the district increasing from $31 in 2015 to $68 in 2020, rising again to over $102 in 2025. Rather than a handful of parcels valued at $20 million or higher, large swaths of properties near Plaza Saltillo, along East 7th Street, and East MLK Station had significantly increased in value.

2.3 Current and Planned Developments

This section identifies projects under construction or in review as of June 2026 that are not yet reflected on the current tax roll. Estimated future assessed values are based on comparable recently completed properties within the district and reassessed years are based on project timelines and market information.

District A's pipeline of residential and commercial projects has a combined current taxable value of approximately $99.1 million and a total future estimated value of $685.5 million, representing an additional value of approximately $566.4 million once all projects are completed and reassessed.

These values are shown in Table 5 below:

Residential & Mixed-Use Projects									
Map No.	Address	Name	Property Type	Status (2025)	Land Use (2025)	Taxable Value (2025)	Planned Units	Future Estimated Value	Reassessed Year
1	1310 LBJ Way	Flats at The Hatchery	Multi-Family	Under Construction	Vacant	$14,401,482	344	$94,000,000	2028
2	2700 E 5th St	The Right Angle	Multi-Family	Proposed	Vacant	$5,937,913	476	$130,069,767	2029
3	2730 E 7th St	The Martin	Multi-Family	Under Construction	Vacant	$7,458,055	375	$102,470,930	2027
4	2915 E Cesar Chavez St	Trinsic Cesar Chavez	Multi-Family	Under Construction	Commercial	$16,971,049	309	$84,436,047	2027
Subtotal						**$44,768,499**	**1,504**	**$410,976,744**	
Commercial Projects									
Map No.	Address	Name	Property Type	Status (2025)	Land Use (2025)	Taxable Value (2025)	Planned Size (SF)	Future Estimated Value	Reassessed Year
5	1101 Navasota St	The Deluxe Hotel	Hospitality	Proposed	Commercial/Vacant	$2,010,000	62,500	$15,366,530	2030
6	1400 E 4th St	1400 East	Office	Proposed	Commercial	$8,011,549	182,500	$37,744,318	2028
7	1610 E 7th St	AC Hotel Austin Downtown East	Hospitality	Final Planning	Commercial	$2,916,810	77,579	$19,073,921	2028
8	1501 E 6th St	Centro East	Office	Proposed	Multi-Family (Condos)	$1,938,268	439,198	$90,834,132	2028
9	1617 N Interstate 35	Pinnacle Plaza Hotel	Hospitality	Proposed	Commercial (hotel)	$32,750,000	300,000	$73,759,346	2030
10	2422 E 7th St	Workbench	Office	Under Construction	Commercial	$4,478,301	48,000	$9,927,273	2026
11	2967 Manor Rd	2967 Manor Rd	Office	Under Construction	Commercial	$2,268,561	37,800	$7,817,727	2026
Subtotal						**$54,373,489**	**1,147,577**	**$254,523,248**	
Total						**$99,141,988**		**$665,499,992**	
Additional Value				**$566,358,004**					

Table 5: Current and Planned Developments — District A (excludes public and affordable residential (exempt) developments)

DISTRICT A: PIPELINE

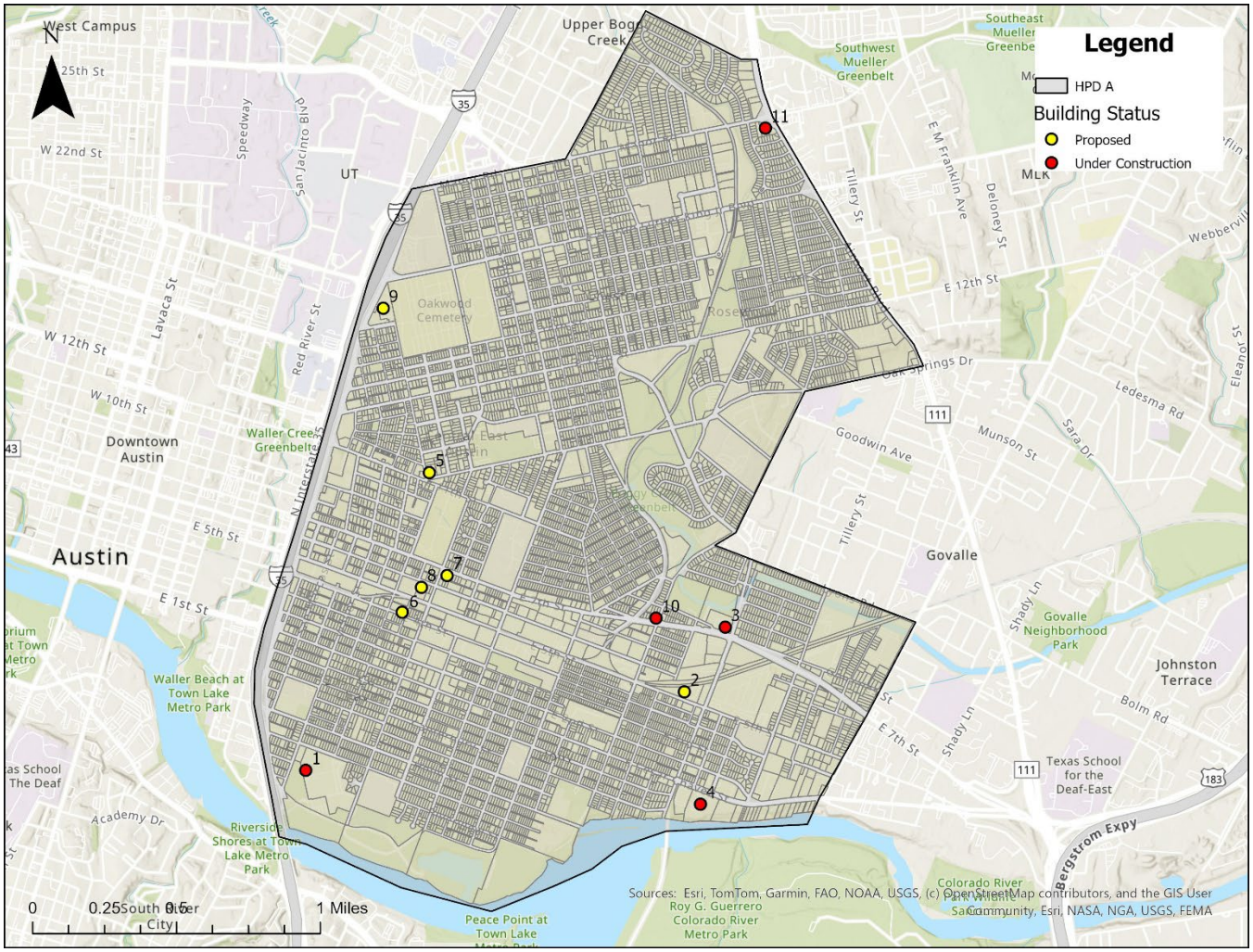


Figure 6. Pipeline development projects in HPD A (2026-2030).

The pipeline data above represents known projects through 2030 within district boundaries and includes those that are currently under construction, proposed and announced projects by developers. Note that for the purpose of forecasting property tax revenue, publicly owned opportunity sites and affordable housing developments are assumed to remain tax exempt.

While the development pipeline in HPD A has slowed significantly in the last few years, there are still a number of projects on the horizon.

DISTRICT A: IMPROVEMENT: LAND VALUE RATIO

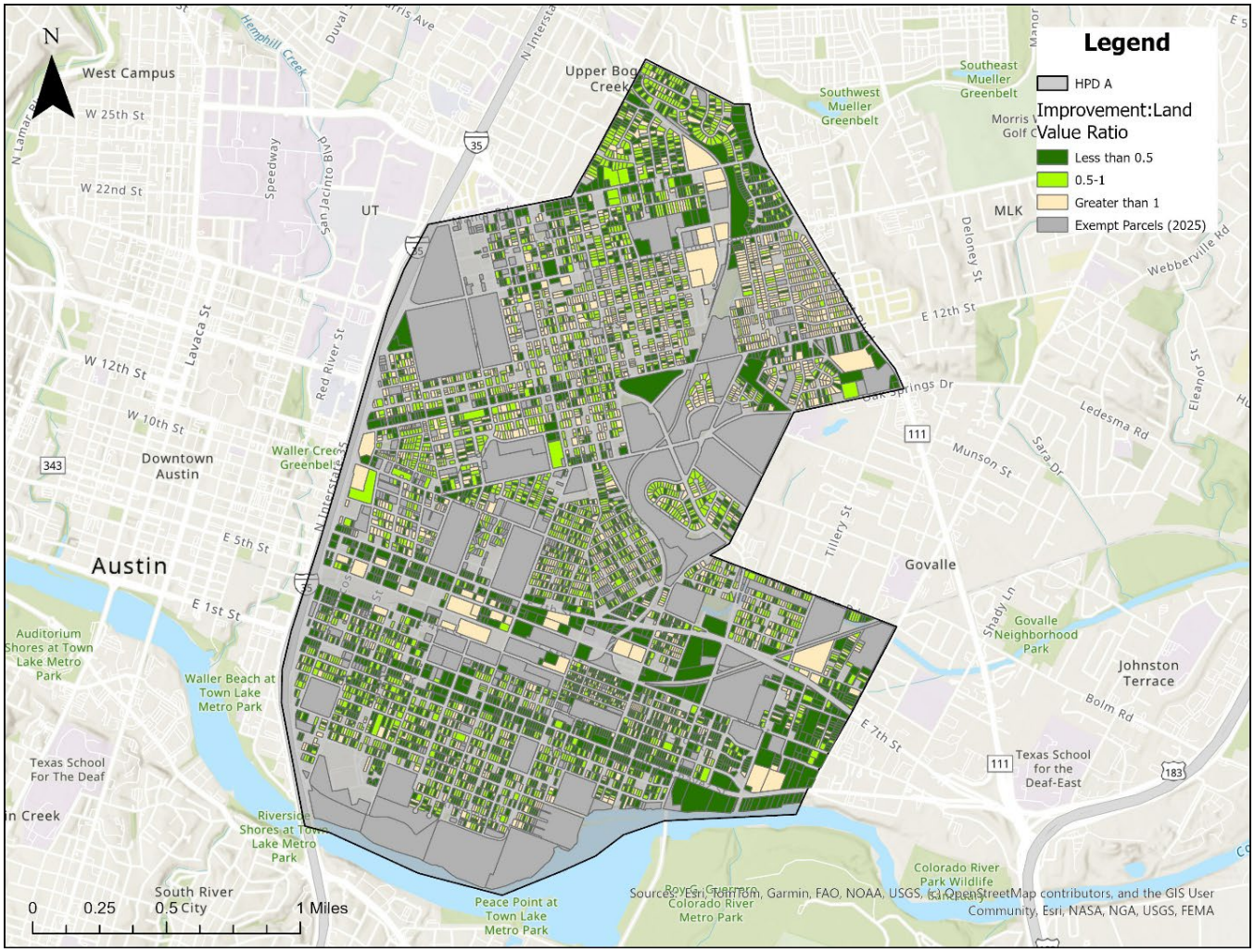


Figure 7. Improvement-land value ratio by parcel in HPD A.

The improvement-to-land value ratio is a simplistic method to estimate redevelopment potential. Sites where land values are higher than improvement values indicate market opportunities for redevelopment and densification. The areas in green, and especially dark green, highlight these opportunity sites, which are largely located near East 7th, East Cesar Chavez, Springdale Road, and along East 12th Street. This represents a moderate supply of growth potential over the next 10 years.

2.4 Future Value Projections

The following tables present three growth scenarios for District A's taxable value over the 10-year period from 2027 to 2036. Projected TIRZ revenue is calculated in each scenario using a 40% increment and the applicable tax rate, with Hayat Brown's scenario recommendation and supporting rationale provided below.

Assumptions	
Tax Base	$2,335,766,057
Increment	40%
Tax Rate	0.473956091

	Annual Compound Growth	Avg. Annual Revenue	10-Year Total Revenue
Low Growth Scenario	4.23%	$14,847,692	$148,476,917
Medium Growth Scenario	**8.42%**	**$17,371,377**	**$173,713,766**
High Growth Scenario	13.15%	$27,572,008	$275,720,084

10-Year Taxable Value Scenario Analysis										
Tax Year	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Low Growth Scenario: Taxable Value	$8,378,738,101	$8,733,158,723	$9,102,571,337	$9,487,610,105	$9,888,936,012	$10,307,238,005	$10,743,234,173	$11,197,672,978	$11,671,334,545	$12,165,031,997
Low Growth Scenario: Revenue	$11,456,414	$12,128,333	$12,828,674	$13,558,640	$14,319,484	$15,112,511	$15,939,083	$16,800,619	$17,698,598	$18,634,562
Medium Growth Scenario: Taxable Value	**$8,200,956,930**	**$8,415,048,283**	**$8,539,010,539**	**$8,593,302,136**	**$9,723,557,036**	**$11,002,471,452**	**$12,449,598,188**	**$14,087,061,776**	**$15,939,896,733**	**$18,036,430,301**
Medium Growth Scenario: Revenue	**$11,119,372**	**$11,525,251**	**$11,760,262**	**$11,863,189**	**$14,005,954**	**$16,430,551**	**$19,174,049**	**$22,278,393**	**$25,791,042**	**$29,765,702**
High Growth Scenario: Taxable Value	$9,096,010,694	$10,292,385,555	$11,646,116,522	$13,177,900,236	$14,911,155,517	$16,872,381,401	$19,091,562,276	$21,602,626,295	$24,443,964,099	$27,659,015,747
High Growth Scenario: Revenue	$12,816,236	$15,084,353	$17,650,789	$20,554,782	$23,840,730	$27,558,870	$31,766,047	$36,526,583	$41,913,260	$48,008,434

Table 6: 10-Year Taxable Value Estimates — District A

Hayat Brown recommends the **Medium Growth Scenario** for future taxable values in District A (HPRZ 1) based on existing conditions and market outlook as of June 2026. While real estate market conditions remain relatively stagnant locally and across the State of Texas, the East Austin neighborhoods comprising HPRZ 1 are centrally located and remain highly desirable for residential, retail, and office uses. The outlook is relatively good for commercial, industrial, and mixed-use redevelopment in the zone, which retains at least a decade of infill development opportunity capacity, as shown across maps in this chapter. Despite these positive signals, we do not recommend a high growth scenario given that: 1) the area is well past peak redevelopment activities that began 20 years ago, with much of the incremental value of the zone already realized; and 2) the high percentage of exempt properties somewhat limits future valuation growth potential. Should conditions significantly change in the coming years, the City may wish to default to the lower or higher projection scenario.

3. District B — Southeast Austin

Census Tracts: 23.07, 23.10, 23.13, 23.14, 23.15, 23.16, 23.20, 23.21, 23.24, 23.25, 23.27, 23.26, 24.11, 24.12, 24.13, 24.19

HPD B is comprised of sixteen (16) contiguous census tracts across a large area of Southeast Austin. The district comprises several neighborhoods between downtown and Austin Bergstrom International Airport, including all or parts of Franklin Park, McKinney, Parker Lane, Riverside, Pleasant Valley, and Montopolis.

District B was just established by City ordinance in November 2025, solidifying future eligibility within this area for a future Homestead Preservation Reinvestment Zone (HPRZ) should it be desired.

DISTRICT B: BOUNDARIES

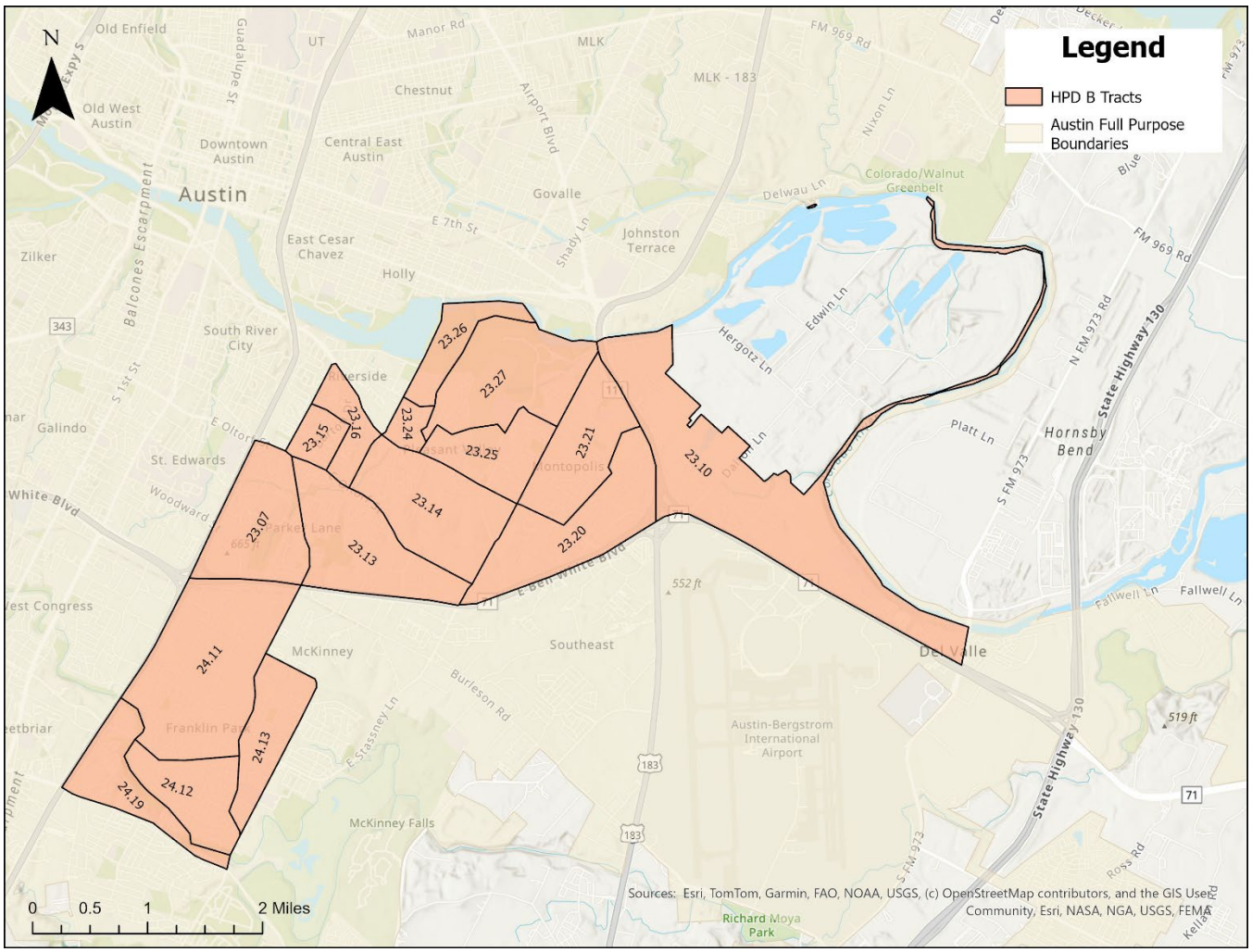


Figure 8. Map of HPD B.

DISTRICT B: PROJECT CONNECT

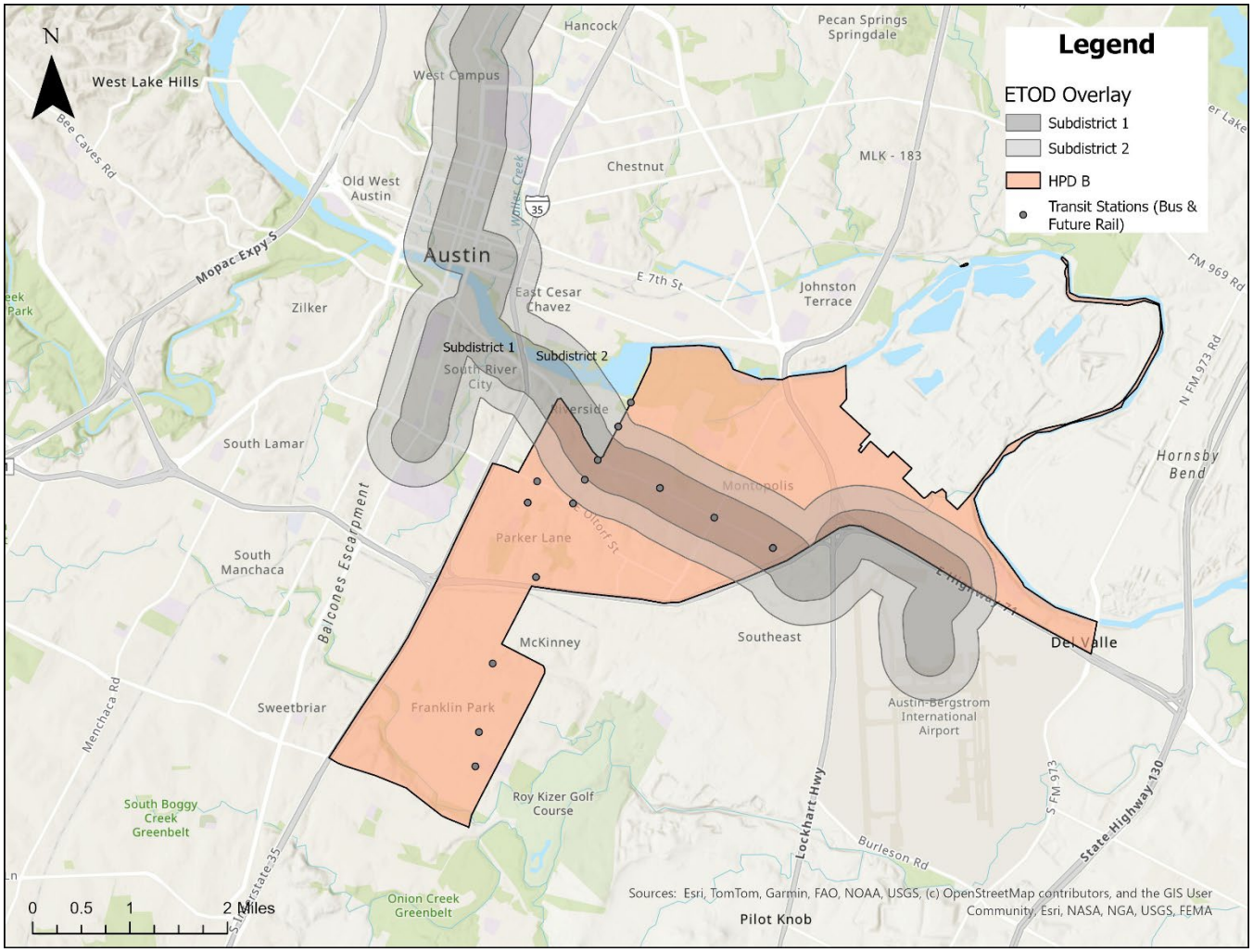


Figure 9. Map of HPD B with Equitable Transit Oriented Development (ETOD) overlays and Project Connect future bus and rail station. ETOD overlays indicate areas requiring special zoning and development programs and incentives given the likelihood of displacement pressures associated with rail investments.

A critically important feature of HPD B is Project Connect, the local effort underway to bring fully electric light rail service to central areas of Austin. HPD B will include four (4) new rail stations (Pleasant Valley, Grove, Montopolis, and Yellow Jacket), directly connecting these neighborhoods with downtown, South Austin, and, potentially in the future, Austin Bergstrom International Airport. This major capital investment, with service estimated to start in 2033 (coupled with MetroRapid (high frequency) bus investments along Burleson Road and S Pleasant Valley) indicates a significantly increased likelihood of redevelopment and infill growth than might otherwise occur given local and regional real estate market conditions.

3.1 Historical & Current Taxable Values

District B experienced substantial growth in total taxable value between 2015 and 2025, rising from $2.66 billion across 7,410 property records to $7.22 billion across 7,352 records, reflecting a compound growth rate of 10.52% over the decade.

Residential properties represent the largest share of taxable value in the district, growing from $1.63 billion in 2015 to $4.45 billion in 2025, at a compound growth rate of 10.55%. The number of residential records declined modestly from 6,362 to 6,236, suggesting that growth was driven primarily by appreciation and densification.

Commercial properties grew from $935 million to nearly $2.0 billion, at a compound rate of 7.88%, while the number of commercial records increased from 329 to 350 over the period.

Blank Parcels, presumed as missing data on condominium parcels, increased from $0 in taxable value to over $630 million by 2025.

Overall, District B's total taxable value nearly tripled between 2015 and 2025, driven primarily by residential appreciation and new development.

These values are shown in Table 7 below:

Taxable Value by Land Use											
Tax Year	2015			2020			2025			2015-2025	
	No. of Records	Shape Area (SF)	Taxable Value	No. of Records	Shape Area (SF)	Taxable Value	No. of Records	Shape Area (SF)	Taxable Value	Avg. Annual Increase	Compound Growth
Residential	6,362	96,128,537	$1,631,788,836	6,348	93,777,309	$3,134,835,790	6,236	95,191,394	$4,449,307,891	*17.27%*	*10.55%*
Commercial	329	50,538,614	$935,350,235	348	56,339,107	$1,684,802,474	350	51,063,594	$1,997,554,962	*11.36%*	*7.88%*
Vacant/ Agricultural	659	53,907,057	$89,701,299	646	42,753,323	$166,550,859	511	31,281,978	$145,108,411	*6.18%*	*4.93%*
Other	4	82,954	$303,692	3	19,629	$30,301	3	19,629	$30,181	*-9.01%*	*-20.62%*
Subtotal	7,354	200,657,161	$2,657,144,062	7,345	192,889,368	$4,986,219,424	7,100	177,556,594	$6,592,001,445	*14.81%*	*9.51%*
Blank Parcels	56	10,084,837	$0	88	11,936,915	$336,354,339	252	18,837,580	$630,144,870	*17.47%*	*13.38%*
Total	**7,410**	**210,741,999**	**$2,657,144,062**	**7,433**	**204,826,283**	**$5,322,573,763**	**7,352**	**196,394,174**	**$7,222,146,315**	*17.18%*	***10.52%***

Table 7: COA Taxable Value by Land Use — District B

3.2 Construction Trends

District B's residential taxable values grew substantially between 2015 and 2025, rising from $1.63 billion to $4.45 billion at a compound growth rate of 10.6% over the decade.

Existing Construction (Built before 2011): In 2015, existing construction represented 99.3% of residential records. By 2025, existing construction represented 95% of residential records, while total taxable value grew from $593 million to $1.42 billion at a compound rate of 9.1%. Average value per square foot nearly tripled from $11 to $30. Existing multi-family properties similarly declined in record count, from 1,137 to 1,011, and taxable value increased from $1.03 billion to $2.31 billion at an 8.4% compound rate and average value per square foot increased from $24 to $56. In aggregate, the existing construction subtotal grew from $1.63 billion to $3.73 billion at an 8.0% compound rate.

New Construction (Built 2011 and after): New single-family records expanded from just 41 to 290, with taxable value surging from $5.2 million to $140.5 million at a compound growth rate of 30.0% and average value per square foot rising from $12 to $62. New multi-family growth was even more pronounced, with a single record in 2015 growing to 24 projects by 2025 and taxable value increasing from $133,671 to $562.4 million, a compound rate of 131.2%. The overall new construction subtotal grew from $5.3 million to $722.9 million, a compound rate of 63.3%.

The legacy housing stock showed strong appreciation from 2015 to 2025, and a wave of new multifamily and single-family development is rapidly reshaping the residential landscape of District B.

These values are shown in Table 8 below:

Residential Taxable Value by Land Use														
Tax Year	2015				2020				2025				2015-2025	
	No. of Records	Shape Area	Taxable Value	Average Value PSF	No. of Records	Shape Area	Taxable Value	Average Value PSF	No. of Records	Shape Area	Taxable Value	Average Value PSF	Average Annual Increase	Compound Growth Rate
Existing Construction (Built before 2011)*														
Single-Family	5,183	51,943,160	$592,536,658	$11.41	5,070	48,762,944	$976,282,876	$20.02	4,911	47,069,549	$1,415,303,116	$30.07	*13.9%*	*9.1%*
Multi-Family	1,137	43,731,278	$1,033,902,390	$23.64	1,034	40,073,939	$1,817,769,623	$45.36	1,011	41,233,947	$2,311,131,732	$56.05	*12.4%*	*8.4%*
Subtotal	6,320	95,674,439	$1,626,439,048	$19.18	6,104	88,836,884	$2,794,052,499	$36.51	5,922	88,303,495	$3,726,434,848	$46.18	*12.9%*	*8.6%*
New Construction (Built 2011+)														
Single-Family	41	444,130	$5,216,117	$11.74	233	1,645,395	$86,235,065	$52.41	290	2,272,688	$140,510,932	$61.83	*259.4%*	*39.0%*
Multi-Family	1	9,968	$133,671	$13.41	11	3,295,031	$254,548,226	$77.25	24	4,615,211	$582,362,111	$126.18	*43556.8%*	*131.2%*
Subtotal	42	454,098	$5,349,788	$11.79	244	4,940,426	$340,783,291	$70.97	314	6,887,899	$722,873,043	$113.67	*1341.2%*	*63.3%*
Total	6,362	96,128,537	$1,631,788,836	$19.16	6,348	93,777,309	$3,134,835,790	$40.25	6,236	95,191,394	$4,449,307,891	$57.15	*17.3%*	*10.6%*

Table 8: Residential Taxable Value by Date of Completion — District B

**Parcels with missing Year Built data are assumed to have been built before 2011*

District B's total commercial taxable value grew from $935.4 million across 329 records in 2015 to nearly $2.0 billion across 350 records in 2025, reflecting an average annual increase of 11.4% and a **compound growth rate of 7.9%** over the decade. While more modest than the residential sector's growth rate, commercial appreciation was broad-based across both existing and new construction categories.

Existing Construction (Built before 2011): The existing construction subtotal grew from $919.7 million to $1.65 billion at a 6.0% compound rate. Existing industrial properties declined sharply in both record count (5 to 2) and compound growth (-4.3%), reflecting either demolition or reclassification of older industrial stock.

New Construction (Built 2011 and after): The new construction subtotal grew from $15.7 million to $348.2 million at a compound rate of 36.3%. No new industrial development was recorded.

New construction, despite representing only 46 of 350 total commercial records in 2025 (13.1%), accounted for $348.2 million or approximately 17.5% of total commercial taxable value. This share gain mirrors the pattern seen in the residential sector and underscores the accelerating pace of new commercial investment in District B over the decade. The absence of new industrial development, combined with the decline of existing industrial properties, suggests a broader shift in the district's commercial character toward service-oriented and mixed-use land uses.

These values are shown in Table 9 below:

Commercial Taxable Value by Land Use														
Tax Year	2015				2020				2025				2015-2015	
	No. of Records	Shape Area	Taxable Value	Average Value PSF	No. of Records	Shape Area	Taxable Value	Average Value PSF	No. of Records	Shape Area	Taxable Value	Average Value PSF	Average Annual Increase	Compound Growth Rate
Existing Construction (Built before 2011)*														
Goods/Services	275	35,018,878	$836,091,030	$23.88	273	35,689,691	$1,317,573,313	$36.92	268	37,325,067	$1,583,112,709	$42.41	*8.9%*	*6.6%*
Industrial	5	6,088,539	$57,071,343	$9.37	4	6,699,271	$78,192,613	$11.67	2	2,429,454	36877615	$15.18	*-3.5%*	*-4.3%*
Other	36	7,743,385	$26,492,526	$3.42	36	7,097,297	$47,886,747	$6.75	34	3,172,051	$29,339,948	$9.25	*1.1%*	*1.0%*
Subtotal	316	48,850,801	$919,654,899	$22.39	313	49,486,260	$1,443,652,673	$34.55	304	42,926,572	$1,649,330,272	$41.22	*7.9%*	*6.0%*
New Construction (Built 2011+)														
Goods/Services	12	949,607	$11,921,708	$12.55	33	5,706,073	$224,097,358	$39.27	44	7,328,690	$331,879,456	$45.28	*268.4%*	*39.5%*
Industrial	0	0	$0	$0.00	0	0	$0	$0.00	0	0	0	$0.00	*0*	*0*
Other	1	738,206	$3,773,628	$5.11	2	1,146,774	$17,052,443	$14.87	2	808,331	$16,345,234	$20.22	*33.3%*	*15.8%*
Subtotal	13	1,687,813	$15,695,336	$10.76	35	6,852,847	$241,149,801	$37.55	46	8,137,022	$348,224,690	$44.11	*211.9%*	*36.3%*
Total	**329**	**50,538,614**	**$935,350,235**	**$22.19**	**348**	**56,339,107**	**$1,684,802,474**	**$34.98**	**350**	**51,063,594**	**$1,997,554,962**	**$41.72**	*11.4%*	*7.9%*

Table 9: Commercial Taxable Value by Date of Completion — District B

**Parcels with missing Year Built data are assumed to have been built before 2011*

DISTRICT B: ASSESSED VALUE (2015)

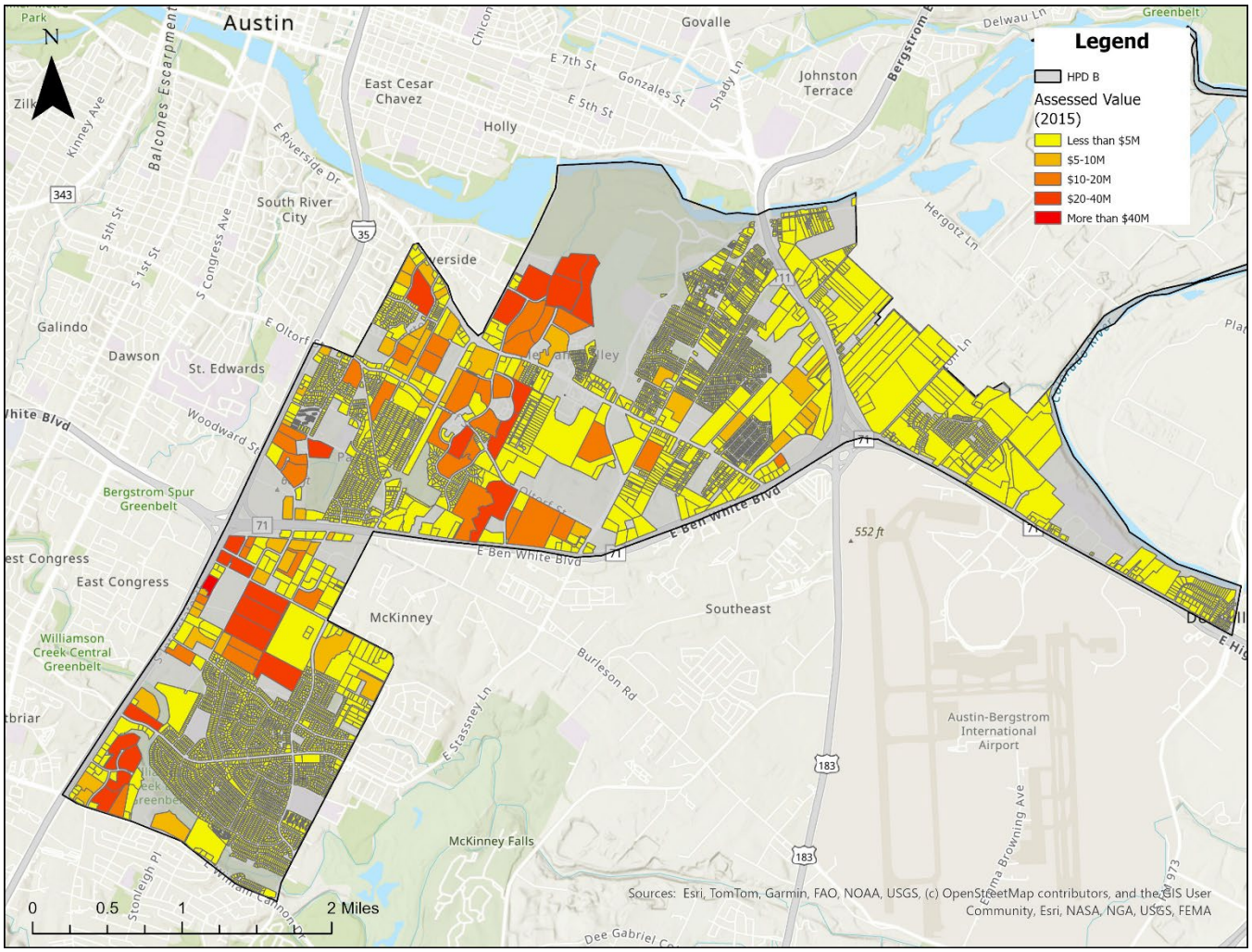


Figure 10. Map of Assessed Values in 2015 by parcel within HPD B.

In 2015, most parcels in HPD B were valued at below $5 million, including large parcels along E Ben White Boulevard and Highway 183 South. At the time, there were few parcels valued at above $20 million, primarily concentrated in industrial areas near Saint Elmo and in commercial and multi-family areas near Interstate 35 and E William Cannon. Larger complexes near E Riverside and Pleasant Valley also had relatively high values.

DISTRICT B: ASSESSED VALUE (2025)

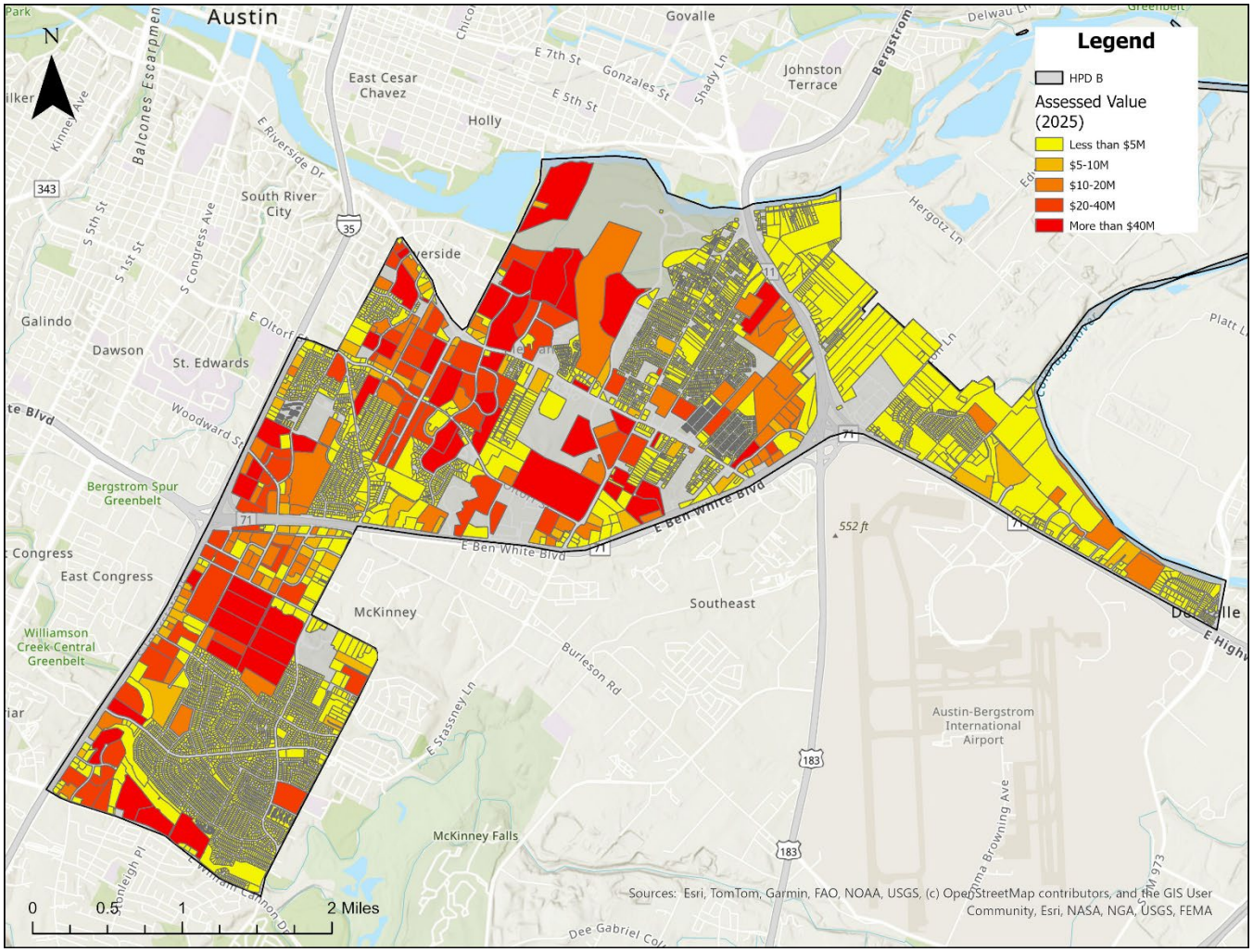


Figure 11. Map of Assessed Values in 2025 by parcel within HPD B.

By 2025, conditions had changed drastically, with a majority of large parcels now valued at more than $20 million. Additionally, several previously tax-exempt parcels ceased to be exempt, bringing new value to the property tax rolls. While most areas west of Highway 183 now featured significantly higher property values, many sites to the east have retained lower land values.

3.3 Current and Planned Developments

This section identifies projects under construction or in review as of the report date that are not yet reflected on the current tax roll. Estimated future assessed values are based on comparable recently completed properties within the district and reassessed years are based on project timelines and market information.

The combined current taxable value of all District B pipeline projects totals approximately $145.2 million, with a total future estimated value of $835.7 million, representing additional value of approximately $690.6 million once all projects are fully assessed.

These values are shown in Table 10 below:

Residential & Mixed-Use Projects									
Map No.	Address	Name	Property Type	Status (2025)	Land Use (2025)	Taxable Value (2025)	Planned Units	Future Estimated Value	Reassessed Year
1	1300 Crossing Pl	Estates at East Riverside	Multi-Family	Under Renovation	Multi-Family	$94,426,077	499	$131,492,877	2026
2	1900 Burton Dr	Easton Hills Mixed-Use Redevelopment	Multi-Family	Proposed	Multi-Family	$12,760,000	385	$101,452,420	2030
3	2500 Willow St	Willow Hill	Multi-Family	Proposed	Vacant	$1,604,316	300	$79,053,834	2028
4	4605 S Pleasant Valley Rd	Sage at Franklin Park	Multi-Family	Under Construction	Vacant	$3,938,560	296	$77,999,783	2027
5	4820 E Riverside Dr	River Park Phase I Multi-Family	Multi-Family	Proposed	Vacant/ Multi-Family	$13,648,770	952	$250,864,167	2029
Subtotal						**$126,377,723**	**2,432**	**$640,863,081**	
Commercial Projects									
Map No.	Address	Name	Property Type	Status (2025)	Land Use (2025)	Taxable Value (2025)	Planned Size (SF)	Future Estimated Value	Reassessed Year
6	1900 Burton Dr	Easton Hills Mixed-Use Redevelopment	Mixed-Use Retail	Proposed	Multi-Family	See Residential	9,000	$2,122,269	2029
7	1909 Grove Blvd	1909 Grove Blvd	Retail	Under Construction	Vacant	$34,213	8,000	$1,886,461	2026
8	2405 Shapard Ln	2405 Shapard Ln	Industrial	Proposed	Vacant	$0*	120,000	$27,186,856	2030
9	4700 E Riverside Dr	River Park Venue	Sports & Entertainment	Under Construction	Vacant	$6,472,665	65,000	$59,538,551	2027
10	1900 Crossing Place	River Park Phase I Commercial	Retail	Proposed	Vacant	$5,273,280	27,000	$6,366,806	2028
11	6610 E Ben White Blvd	Element Austin Airport	Hospitality	Proposed	Vacant	$2,332,800	83,934	$19,287,001	2030
12	6900 E Ben White Blvd	Hilltop 71	Industrial	Proposed	Vacant	$4,481,225	207,000	$46,897,327	2028
13	1600 Landing Lane	SpringHill Suites By Marriott Austin Airport	Hospitality	Final Planning	Vacant	$186,872	82,500	$18,957,486	2028
14	1816 Thornberry Road	TownePlace Suites by Marriott Austin Airport	Hospitality	Final Planning	Vacant	$22,225	55,000	$12,638,324	2027
Subtotal						**$18,803,280**	**657,434**	**$194,881,080**	
Total						**$145,181,003**		**$835,744,161**	
Additional Value				**$690,563,158**					

Table 10: Current and Planned Developments — District B

DISTRICT B: PIPELINE

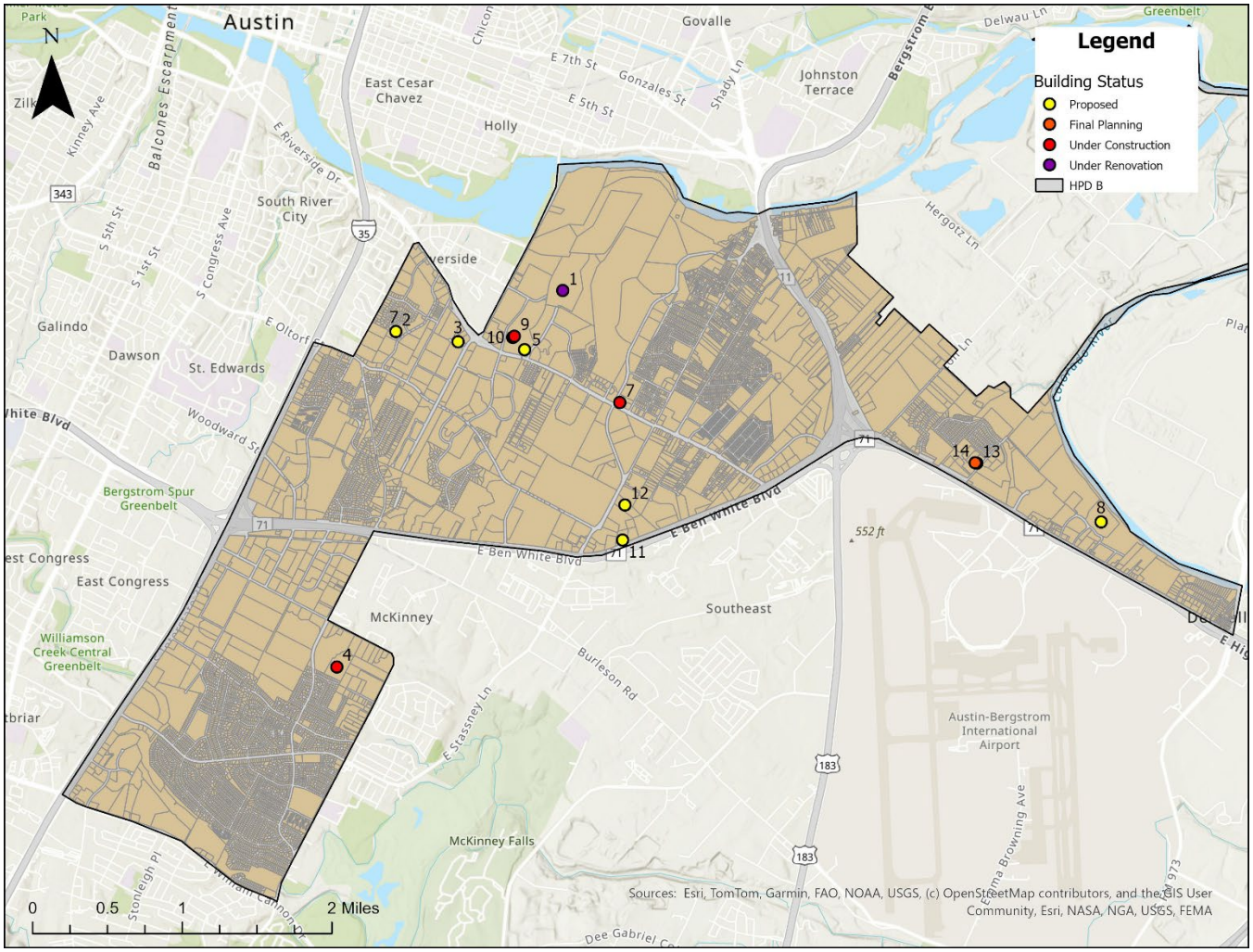


Figure 12. Pipeline development projects in HPD B (2026-2030).

The pipeline data above represents known projects through 2030 within district boundaries and includes those that are currently under construction, proposed and announced projects by developers. Note that for the purpose of forecasting property tax revenue, publicly owned opportunity sites and affordable housing developments are assumed to remain tax exempt.

Forthcoming development activity in HPD B is heavily concentrated in the E Riverside Corridor.

DISTRICT B: IMPROVEMENT: LAND VALUE RATIO

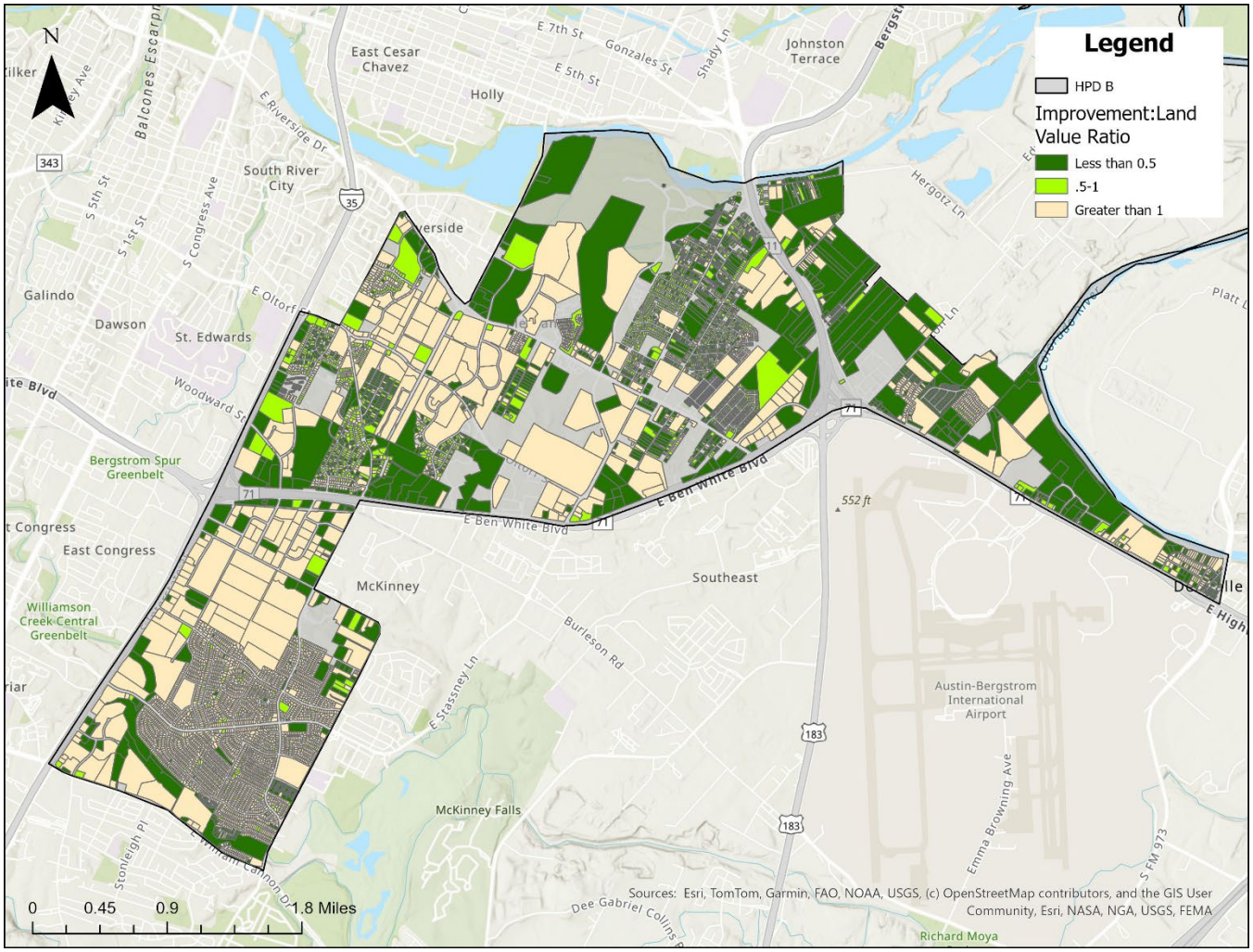


Figure 13. Improvement-land value ratio by parcel in HPD B.

The improvement-to-land value ratio is a simplistic method to estimate redevelopment potential and likelihood. Sites where land values are higher than improvement values indicate market opportunities for redevelopment and densification. The areas in green, and especially dark green, highlight these opportunity sites. In District B, many of the redevelopment opportunities are located along Ben White (Highway 71), especially in eastern areas closer to Austin Bergstrom International Airport.

3.4 Future Value Projections

The following tables present three growth scenarios for District B's taxable value over the 10-year period from 2027 to 2036. Projected TIRZ revenue is calculated in each scenario based on the recommended growth scenario (high growth for HPD B), with annual taxable value estimates provided for a range of potential increments (5%,10%, 15%, and 20%).

Assumptions	
Tax Base	$7,222,146,315
Tax Rate	0.4740 per $100
Low Growth Rate	4.45%
Medium Growth Rate	7.10%
High Growth Rate	**10.52%**

High Growth Scenario		
	Avg. Annual Revenue	10-Year Total Revenue
5% Increment	$1,378,629	$13,786,292
10% Increment	$2,757,258	$27,572,584
15% Increment	$4,135,888	$41,358,876
20% Increment	$5,514,517	$55,145,168

10-Year Taxable Value Scenario Analysis										
Tax Year	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Low Growth	$7,543,531,826	$7,879,218,992	$8,229,844,237	$8,596,072,305	$8,978,597,523	$9,378,145,113	$9,795,472,570	$10,231,371,100	$10,686,667,114	$11,162,223,800
Medium Growth	$7,361,140,503	$7,500,121,316	$7,738,176,141	$7,870,297,636	$8,697,937,342	$9,612,611,557	$10,623,472,820	$11,740,636,151	$12,975,280,266	$14,339,759,431
High Growth	**$7,981,626,493**	**$8,820,973,531**	**$9,748,586,219**	**$10,773,746,564**	**$11,906,712,667**	**$13,158,821,372**	**$14,542,601,702**	**$16,071,900,231**	**$17,762,019,641**	**$19,629,871,837**

10-Year Tax Revenue: High Growth Scenario Analysis										
Tax Year	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
5% Increment	$179,980	$378,887	$598,711	$841,651	$1,110,139	$1,406,862	$1,734,787	$2,097,197	$2,497,719	$2,940,359
10% Increment	$359,960	$757,774	$1,197,422	$1,683,303	$2,220,279	$2,813,723	$3,469,574	$4,194,395	$4,995,437	$5,880,717
15% Increment	$539,940	$1,136,661	$1,796,132	$2,524,954	$3,330,418	$4,220,585	$5,204,362	$6,291,592	$7,493,156	$8,821,076
20% Increment	$719,921	$1,515,548	$2,394,843	$3,366,605	$4,440,558	$5,627,447	$6,939,149	$8,388,790	$9,990,874	$11,761,434

Table 11: 10-Year Taxable Value Estimates — District B

Hayat Brown recommends the **High Growth Scenario** for future taxable values in District B based on current conditions and market outlook as of June 2026. While real estate market conditions remain relatively stagnant locally and across the State of Texas, Southeast Austin continues to grow rapidly, with proximity to downtown, the airport, and the new rail corridor along E Riverside suggesting sustained rapid growth. Additional multi-family, industrial, and mixed-use redevelopment is particularly likely within District B, with ample infill development capacity for decades. Should conditions significantly change in the coming years, the City may wish to default to a lower projection scenario.

3.5 Preferred HPRZ Boundaries Option

The following tables present three growth scenarios for District B's taxable value over the 10-year period from 2027 to 2036, **excluding census tract 23.10** based on City direction**.** Projected TIRZ revenue is calculated in each scenario based on the recommended growth scenario (high growth for HPD B), with annual taxable value estimates provided for a range of potential increments (5%,10%, 15%, and 20%).

Assumptions	
Tax Base	$6,901,514,614
Tax Rate	0.4740 per $100
Low Growth Rate	4.45%
Medium Growth Rate	7.00%
High Growth Rate	**10.52%**

High Growth Scenario		
	Avg. Annual Revenue	10-Year Total Revenue
5% Increment	$1,318,100	$13,181,004
10% Increment	$2,636,201	$26,362,008
15% Increment	$3,954,301	$39,543,012
20% Increment	$5,272,402	$52,724,016

10-Year Taxable Value Scenario Analysis										
Tax Year	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Low Growth	$7,208,632,014	$7,529,416,139	$7,864,475,157	$8,214,444,301	$8,579,987,073	$8,961,796,498	$9,360,596,442	$9,777,142,983	$10,212,225,846	$10,666,669,896
Medium Growth	$7,018,980,971	$7,130,748,086	$7,351,897,799	$7,449,516,032	$8,233,205,119	$9,099,338,297	$10,056,588,686	$11,114,541,816	$12,283,791,615	$13,576,046,493
High Growth	**$7,627,553,951**	**$8,429,972,627**	**$9,316,805,747**	**$10,296,933,712**	**$11,380,171,138**	**$12,577,365,142**	**$13,900,503,955**	**$15,362,836,971**	**$16,979,007,420**	**$18,765,199,001**

10-Year Tax Revenue: High Growth Scenario Analysis										
Tax Year	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
5% Increment	$172,055	$362,211	$572,371	$804,640	$1,061,343	$1,345,052	$1,658,607	$2,005,148	$2,388,145	$2,811,433
10% Increment	$344,111	$724,422	$1,144,742	$1,609,280	$2,122,687	$2,690,104	$3,317,214	$4,010,295	$4,776,289	$5,622,865
15% Increment	$516,166	$1,086,633	$1,717,113	$2,413,919	$3,184,030	$4,035,156	$4,975,820	$6,015,443	$7,164,434	$8,434,298
20% Increment	$688,222	$1,448,844	$2,289,484	$3,218,559	$4,245,373	$5,380,208	$6,634,427	$8,020,591	$9,552,578	$11,245,731

Table 12: Preferred HPRZ Boundaries Option: 10-Year Taxable Value Estimates — District B

4. District C — North Austin

Census Tracts: 21.05, 400, 401, 402, 403, 405, 406, 407, 408, 409, 410, 431, 432, 433, 434

Homestead Preservation District (HPD) C is comprised of fifteen (15) contiguous census tracts straddling Interstate 35 in Central and North Austin. The district extends from North Loop and Windsor Park neighborhoods in the south and continues northward to encompass all or parts of the following neighborhoods: Coronado Hills. St. John, Highland, Heritage Hills, Georgian Acres, Wooten, North Lamar, and North Austin Civic Association.

District C was established by City ordinance in November 2025, solidifying future eligibility within this area to establish a Homestead Preservation Reinvestment Zone (HPRZ) should it be desired.

DISTRICT C: BOUNDARIES

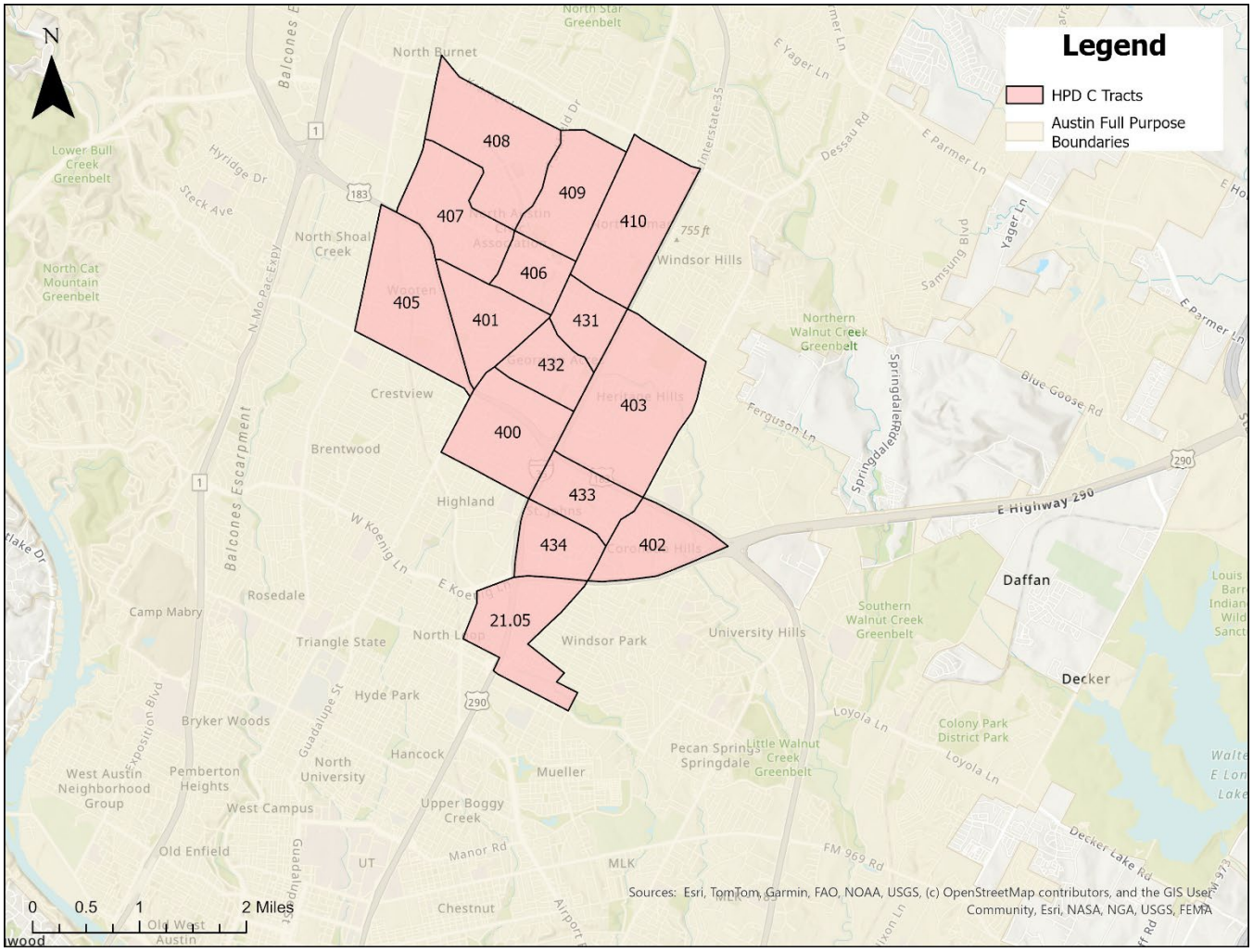


Figure 14. Map of HPD C.

4.1 Historical & Current Taxable Values

District C saw total taxable value grow from $4.11 billion across 10,328 property records in 2015 to $9.79 billion across 10,250 records in 2025, reflecting a compound growth rate of 9.06% over the decade. Despite a slight decline in total record count, the district demonstrated broad-based and sustained appreciation across nearly all land use categories.

Residential properties are the largest contributor to taxable value in the district, growing from $2.28 billion in 2015 to $5.86 billion in 2025 at a compound rate of 9.89%.

Vacant/Agricultural properties declined in record count from 305 to 251 over the decade while taxable value grew from $47.8 million to $86.4 million at a 6.11% compound rate, consistent with ongoing conversion of undeveloped land to productive uses. The single "Other" record remained unchanged throughout the period and posted a negligible compound growth rate of -0.08%.

Blank Parcels, presumed as missing data on condominium parcels, increased from $0 in taxable value to over $510 million by 2025.

Overall, District C's total taxable value more than doubled over the ten-year period.

These values are shown in Table 12 below:

Taxable Value by Land Use											
Tax Year	2015			2020			2025			2015-2025	
	No. of Records	Shape Area (SF)	Taxable Value	No. of Records	Shape Area (SF)	Taxable Value	No. of Records	Shape Area (SF)	Taxable Value	Avg. Annual Increase	Compound Growth
Residential	8,991	109,007,639	$2,281,159,382	8,902	107,332,580	$3,919,395,775	8,724	106,456,013	$5,859,515,773	*15.69%*	*9.89%*
Commercial	966	73,336,097	$1,783,568,095	964	74,734,835	$2,857,201,402	966	74,326,230	$3,331,648,811	*8.68%*	*6.45%*
Vacant/Agricultural	305	12,989,511	$47,782,425	242	8,354,684	$73,356,436	251	6,425,193	$86,435,021	*8.09%*	*6.11%*
Other	1	22,375	$163,765	1	22,375	$162,692	1	22,375	$162,419	*-0.08%*	*-0.08%*
Subtotal	**10,263**	**195,355,623**	**$4,112,673,667**	**10,109**	**190,444,475**	**$6,850,116,305**	**9,942**	**187,229,811**	**$9,277,762,024**	***12.56%***	***8.48%***
Blank Parcels	65	7,031,068	$0	148	8,472,973	$318,619,199	308	11,427,959	$510,155,622	*12.02%*	*9.87%*
Total	10,328	202,386,690	$4,112,673,667	10,257	198,917,448	$7,168,735,504	10,250	198,657,769	$9,787,917,646	*13.80%*	***9.06%***

Table 13: COA Taxable Value by Land Use — District C

4.2 Construction Trends

District C's total residential taxable value grew from $2.28 billion across 8,991 records in 2015 to $5.86 billion across 8,724 records in 2025, at a compound growth rate of 9.9%.

Existing Construction (Built before 2011): Existing single-family properties declined from 7,340 to 7,047 records while taxable value grew from $1.26 billion to $2.80 billion at an 8.3% compound rate, with average value per square foot rising from $18 to $43. Existing multi-family properties similarly declined in record count from 1,618 to 1,561 while appreciating from $990 million to $2.46 billion at a 9.5% compound rate, with average value per square foot more than doubling from $25 to $64. The existing subtotal grew from $2.25 billion to $5.25 billion at an 8.8% compound rate.

New Construction (Built 2011 and after): New single-family records grew from 18 to 83, with value climbing from $4.6 million to $58.0 million at a 29.0% compound rate. New multi-family showed even stronger growth, with records expanding from 15 to 33 and taxable value jumping from $23.2 million to $548.4 million at a 37.2% compound rate and an average value per square foot of $330 by 2025. The new construction subtotal grew from $27.8 million to $606 million at a 36.1% compound rate.

These values are shown in Table 13 below:

Residential Taxable Value by Land Use														
Tax Year	2015				2020				2025				2015-2025	
	No. of Records	Shape Area	Taxable Value	Average Value PSF	No. of Records	Shape Area	Taxable Value	Average Value PSF	No. of Records	Shape Area	Taxable Value	Average Value PSF	Average Annual Increase	Compound Growth Rate
Existing Construction (Built before 2011)*														
Single-Family	7,340	68,407,591	$1,262,871,773	$18.46	7,253	67,404,277	$2,005,431,918	$29.75	7,047	65,576,779	$2,796,390,228	$42.64	*12.1%*	*8.3%*
Multi-Family	1,618	39,968,590	$990,490,353	$24.78	1,577	38,930,948	$1,851,068,610	$47.55	1,561	38,466,074	$2,456,727,288	$63.87	*14.8%*	*9.5%*
Subtotal	8,958	108,376,181	$2,253,362,126	$21.24	8,830	106,335,225	$3,856,500,528	$38.29	8,608	104,042,853	$5,253,117,516	$52.57	*13.3%*	*8.8%*
New Construction (Built 2011+)														
Single-Family	18	155,499	$4,560,644	$29.33	50	450,012	$21,229,206	$47.17	83	750,674	$58,022,728	$77.29	*117.2%*	*29.0%*
Multi-Family	15	475,959	$23,236,612	$48.82	22	547,344	$41,666,041	$76.12	33	1,662,486	$548,375,529	$329.85	*226.0%*	*37.2%*
Subtotal	33	631,458	$27,797,256	$45.62	72	997,355	$62,895,247	$66.35	116	2,413,160	$606,398,257	$305.69	*208.2%*	*36.1%*
Total	8,991	109,007,639	$2,281,159,382	$21.54	8,902	107,332,580	$3,919,395,775	$38.74	8,724	106,456,013	$5,859,515,773	$78.76	15.7%	9.9%

Table 14: Residential Taxable Value by Date of Completion — District C

**Parcels with missing Year Built data are assumed to have been built before 2011*

District C's total commercial taxable value grew from $1.78 billion across 966 records in 2015 to $3.33 billion across 966 records in 2025, at a compound growth rate of 6.4%. All commercial records in District C are either in the Goods/Services or Other subcategories, there are no industrial records.

Existing Construction (Built before 2011): Existing commercial properties increased from $1.77 billion to $3.1 billion at a 5.74% compound rate, with average value per square foot rising from $25 to $46.

New Construction (Built 2011 and after): New Goods/Services records grew from just 5 to 42, with taxable value rising from $10.3 million to $233.0 million at a compound rate of 36.6%.

Taken together, District C's construction trends reflect a maturing but still actively appreciating submarket, where the existing stock provides a stable and growing value base while a concentrated wave of new multifamily and commercial development is rapidly adding premium assessed value to the district's tax roll.

These values are shown in Table 14 below:

Commercial Taxable Value by Land Use														
Tax Year	2015				2020				2025				2015-2025	
	No. of Records	Shape Area	Taxable Value	Average Value PSF	No. of Records	Shape Area	Taxable Value	Average Value PSF	No. of Records	Shape Area	Taxable Value	Average Value PSF	Average Annual Increase	Compound Growth Rate
Existing Construction (Built before 2011)*														
Goods/Services	865	67,702,390	$1,744,651,626	$25.77	836	67,236,643	$2,683,230,954	$39.91	810	65,580,541	$3,043,627,523	$46.41	*7.45%*	*5.72%*
Industrial	0	0	$0	$0.00	0	0	$0	$0.00	0	0	0	$0.00	0.00%	0.00%
Other	96	5,295,769	$28,588,129	$5.40	96	5,087,168	$54,645,897	$10.74	114	3,453,676	$54,989,848	$15.92	*9.24%*	*6.76%*
Subtotal	961	72,998,159	$1,773,239,755	$25.44	932	72,323,811	$2,737,876,851	$39.33	924	69,034,216	$3,098,617,371	$45.87	*7.47%*	*5.74%*
New Construction (Built 2011+)														
Goods/Services	5	337,938	$10,328,340	$30.56	32	2,411,024	$119,324,551	$49.49	42	5,292,013	$233,031,440	$44.03	*215.6%*	*36.6%*
Industrial	0	0	$0	$0.00	0	0	$0	$0.00	0	0	0	$0.00	*0.0%*	*0.0%*
Other	0	0	$0	$0.00	0	0	$0	$0.00	0	0	$0	$0.00	*0.0%*	*0.0%*
Subtotal	5	337,938	$10,328,340	$30.56	32	2,411,024	$119,324,551	$49.49	42	5,292,013	$233,031,440	$44.03	*215.6%*	*36.6%*
Total	**966**	**73,336,097**	**$1,783,568,095**	**$25.47**	**964**	**74,734,835**	**$2,857,201,402**	**$39.75**	**966**	**74,326,230**	**$3,331,648,811**	**$45.74**	**8.7%**	**6.4%**

Table 15: Commercial Taxable Value by Date of Completion — District C

**Parcels with missing Year Built data are assumed to have been built before 2011*

DISTRICT C: ASSESSED VALUE (2015)

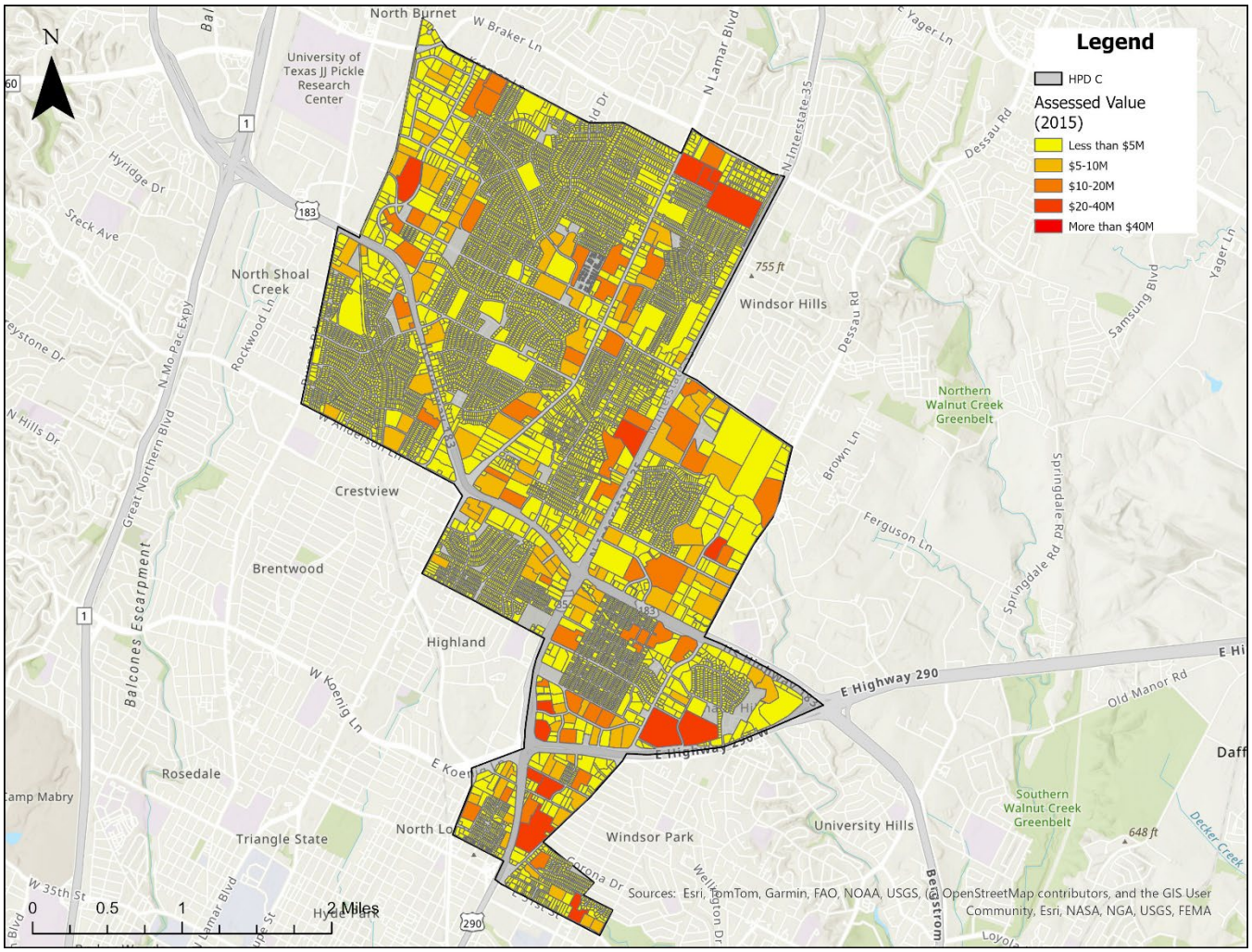


Figure 15. Map of Assessed Values in 2015 by parcel within HPD C.

In 2015, most parcels in HPD C were valued at below $5 million, with notable exceptions on especially large parcels, especially those directly fronting Highway 290 and Interstate 35. Essentially no parcels were valued higher than $40 million, a contrast to conditions in HPD A and HPD B, indicating generally lower property values in this area.

DISTRICT C: ASSESSED VALUE (2025)

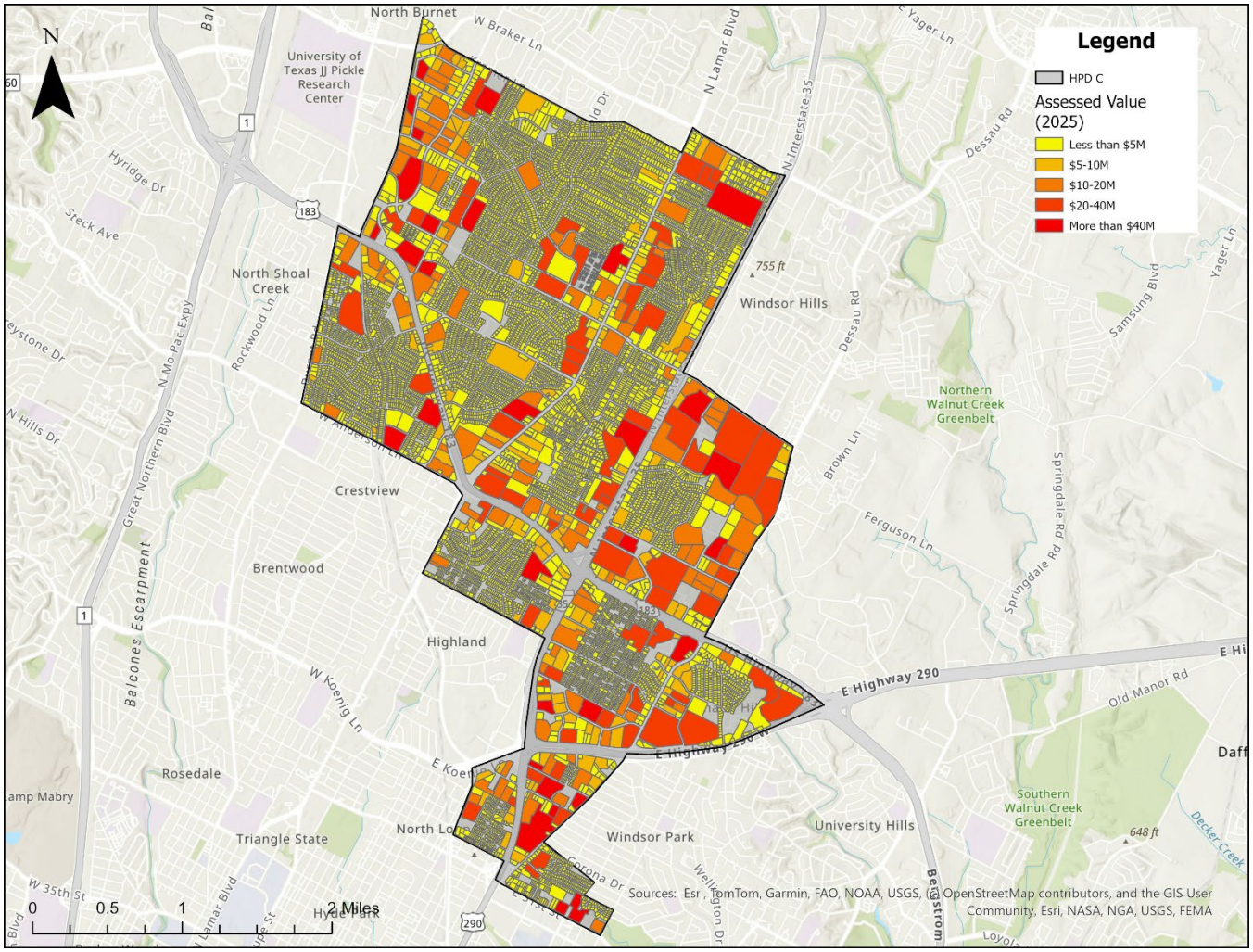


Figure 16. Map of Assessed Values in 2025 by parcel within HPD C.

By 2025, virtually all large parcels in the district were valued at more than $10 million, and a significant number were valued at higher than $40 million. Noteworthy areas of significant increase the Cameron Road corridor, the Metric Boulevard corridor, and most commercial and industrial properties along Interstate 35 and Highway 183 North.

4.3 Current and Planned Developments

The proposed Anderson Square project, 500 multi-family units and 150,000 SF of mixed-use commercial space, is included in the North Lamar Transit Center Vision Plan. Depending on the final project details, it is possible for that project to become tax-exempt, further reducing the near-term growth potential in District C.

The combined current taxable value of all District C pipeline projects totals approximately $71.4 million, with a total future estimated value of $448.8 million, representing additional value of approximately $377.4 million once all projects are fully assessed.

These values are shown in Table 15 below:

Residential & Mixed-Use Projects									
Map No.	Address	Name	Property Type	Status (2025)	Land Use (2025)	Taxable Value (2025)	Planned Units	Future Estimated Value	Reassessed Year
1	2101 Donley Dr	Q2 Stadium Assemblage	Multi-Family	Proposed	Industrial	$11,363,876	825	$185,555,556	2028
2	7301 N Lamar Blvd	Odell	Multi-Family	Under Construction	Vacant	$14,928,248	378	$43,501,793	2027
3	8000 Research Blvd	Anderson Square	Multi-Family	Proposed	Retail	$25,876,650	500	$112,457,912	2030
Subtotal						**$52,168,774**	**1,703**	**$341,515,261**	
Commercial Projects									
Map No.	Address	Name	Property Type	Status (2025)	Land Use (2025)	Taxable Value (2025)	Planned Size (SF)	Future Estimated Value	Reassessed Year
3	8000 Research Blvd	Anderson Square	Mixed-Use Commercial	Proposed	Retail	See Residential	150,000	$61,176,107	2029
4	6121 N Interstate Highway 35	Delta Hotels by Marriott Austin North	Hospitality	Under Renovation	Hospitality	$19,000,000	173,668	$43,092,181	2026
5	1205 Sheldon Cove	Building 4	Office/Flex	Proposed	Vacant	$238,838	32,000	$3,017,348	2028
Subtotal						**$19,238,838**	**355,668**	**$107,285,636**	
Total						**$71,407,612**		**$448,800,897**	
Additional Value					**$377,393,285**				

Table 16: Current and Planned Developments — District C

DISTRICT C: PIPELINE

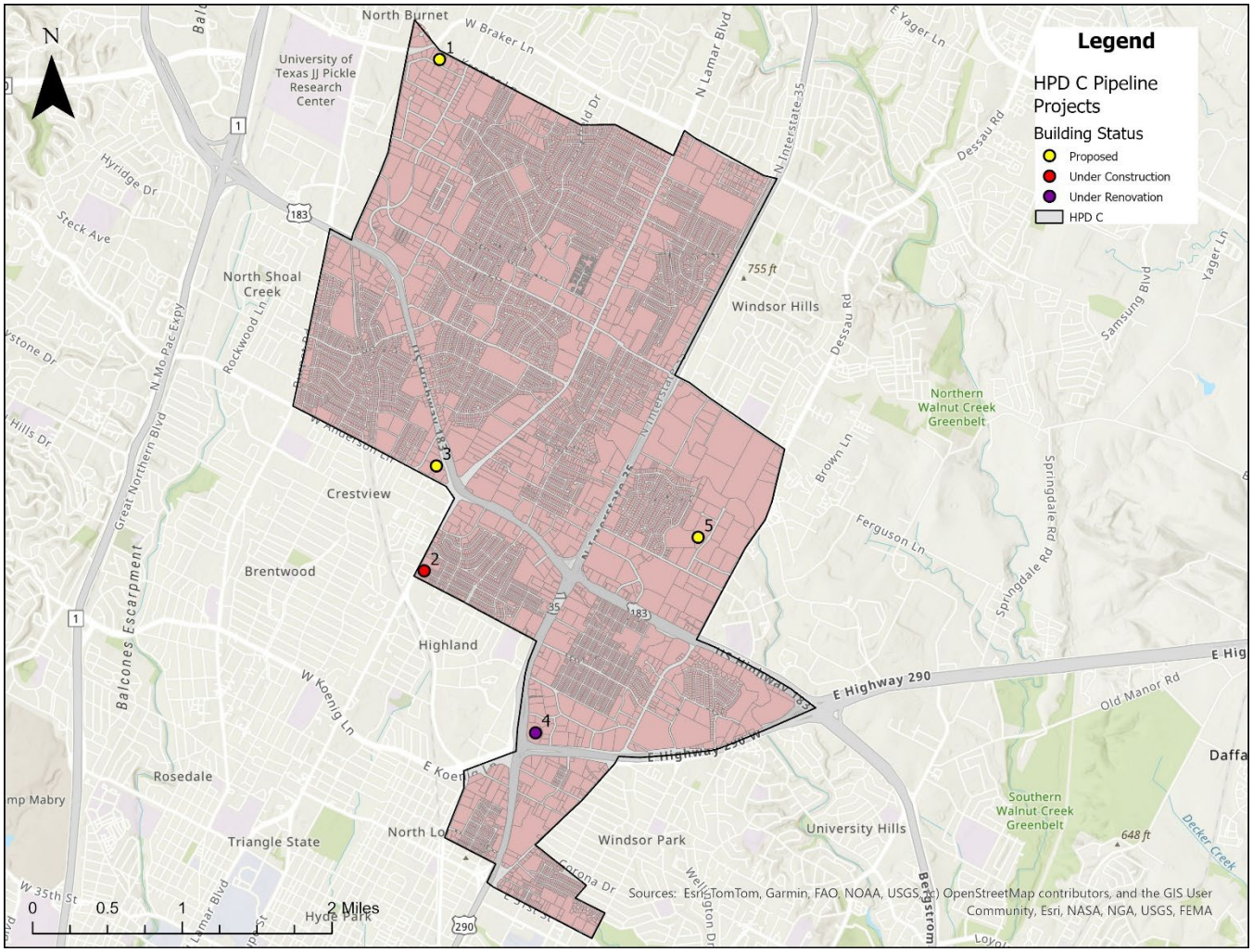


Figure 17. Pipeline development projects in HPD C (2026-2030).

The pipeline data above represents known projects through 2030 within district boundaries and includes those that are currently under construction, proposed and announced projects by developers. Note that for the purpose of forecasting property tax revenue, publicly owned opportunity sites and affordable housing developments are assumed to remain tax exempt.

Forthcoming development activity in HPD C is relatively low and dispersed across the district, with noteworthy opportunities near Q2 Stadium (1) and Anderson Square (3).

DISTRICT C: IMPROVEMENT: LAND VALUE RATIO

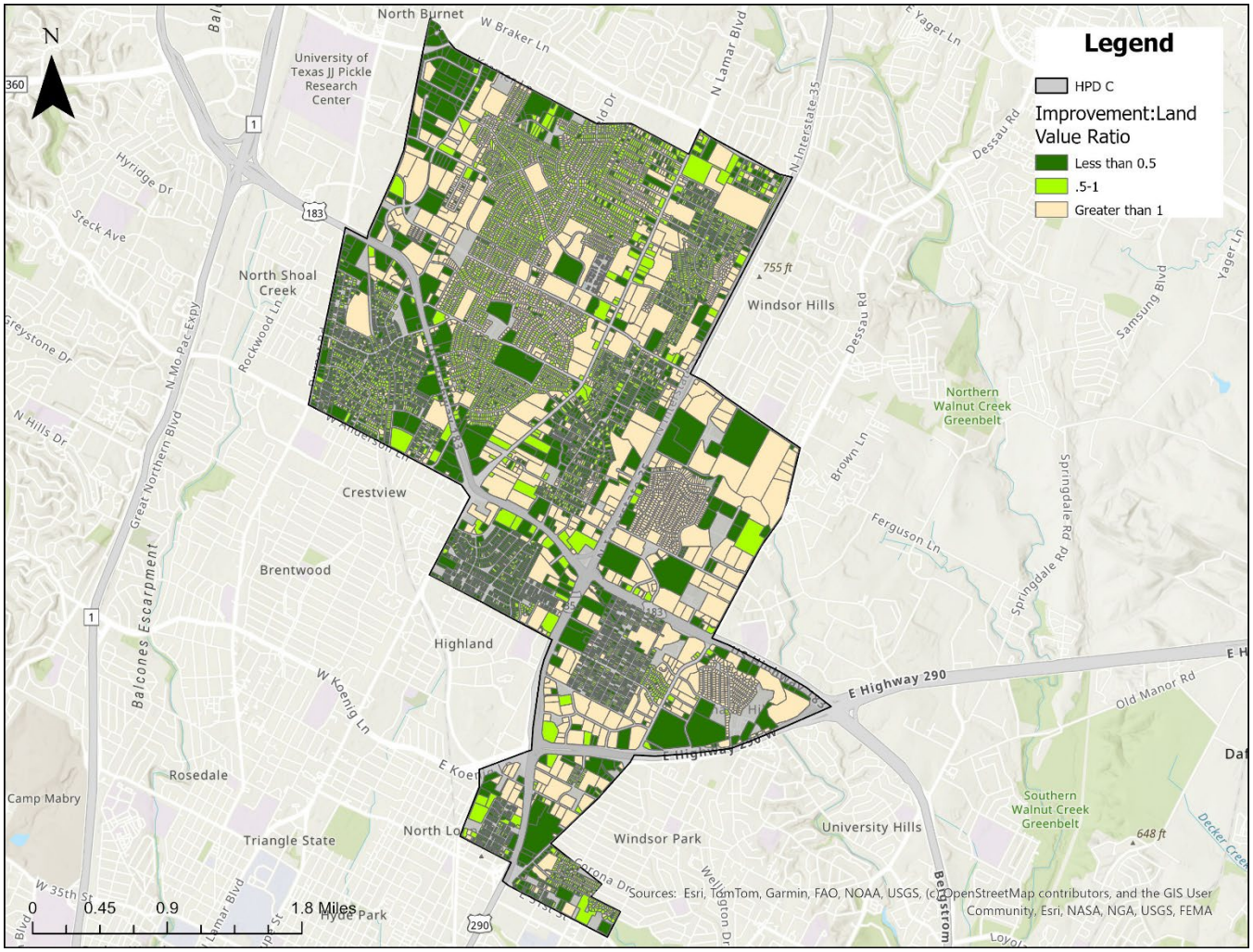


Figure 18. Improvement-land value ratio by parcel in HPD C.

The improvement-to-land value ratio is a simplistic method to estimate redevelopment potential and likelihood. Sites where land values are higher than improvement values indicate market opportunities for redevelopment and densification. The areas in green, and especially dark green, highlight these opportunity sites. In District C, potential redevelopment opportunities are largely scattered across the district, with notable pockets near Interstate 35 at Cameron Road, Coronado Hills, Wooten and North Burnet.

4.4 Future Value Projections

The following tables present three growth scenarios for District C's taxable value over the 10-year period from 2027 to 2036. Projected TIRZ revenue is calculated in each scenario based on the recommended growth scenario (medium growth for HPD C), with annual taxable value estimates provided for a range of potential increments (5%,10%, 15%, and 20%).

Assumptions	
Tax Base	$9,787,917,646
Tax Rate	0.4740 per $100
Low Growth Rate	4.45%
Medium Growth Rate	**5.71%**
High Growth Rate	9.06%

Medium Growth Scenario		
	Avg. Annual Revenue	10-Year Total Revenue
5% Increment	$602,260	$6,022,599
10% Increment	$1,204,520	$12,045,197
15% Increment	$1,806,780	$18,067,796
20% Increment	$2,409,039	$24,090,395

10-Year Taxable Value Scenario Analysis										
Tax Year	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Low Growth	$10,223,479,981	$10,678,424,840	$11,153,614,746	$11,649,950,602	$12,168,373,404	$12,709,866,020	$13,275,455,058	$13,866,212,808	$14,483,259,278	$15,127,764,316
Medium Growth	**$9,816,421,032**	**$9,990,185,005**	**$10,051,210,902**	**$10,137,579,575**	**$11,055,818,027**	**$12,057,228,390**	**$13,149,344,181**	**$14,340,381,288**	**$15,639,299,775**	**$17,055,871,287**
High Growth	$10,674,484,532	$11,641,354,590	$12,695,801,497	$13,845,757,760	$15,099,874,394	$16,467,586,006	$17,959,181,764	$19,585,882,807	$21,359,926,659	$23,294,659,290

10-Year Tax Revenue: Medium Growth Scenario Analysis										
Tax Year	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
5% Increment	$6,755	$47,933	$62,395	$82,862	$300,465	$537,777	$796,584	$1,078,834	$1,386,649	$1,722,345
10% Increment	$13,509	$95,866	$124,789	$165,724	$600,929	$1,075,554	$1,593,169	$2,157,668	$2,773,298	$3,444,691
15% Increment	$20,264	$143,799	$187,184	$248,587	$901,394	$1,613,330	$2,389,753	$3,236,502	$4,159,947	$5,167,036
20% Increment	$27,019	$191,732	$249,579	$331,449	$1,201,858	$2,151,107	$3,186,337	$4,315,336	$5,546,596	$6,889,382

Table 17: 10-Year Taxable Value Estimates — District C

Hayat Brown recommends the **Medium Growth Scenario** for future taxable values in District C based on existing conditions and market outlook as of June 2026. The Medium Growth Scenario generates less total revenue than the Low Growth Scenario because it starts from a lower initial taxable value in 2027 ($9.8B vs. $10.2B), and despite growing at a faster compound rate, the lower starting base means the incremental taxable value accumulates more slowly in the early years and does not overcome the Low Scenario's head start within the 10-year window. While real estate market conditions remain relatively stagnant locally and across the State of Texas, North Central Austin maintains an accessible location at the crossroads of major growth to the east, north, and northwest. While the area has an abundant supply of multi-family development, including income-restricted properties, there is a relatively strong opportunity for continued commercial and industrial development over the next decade.

Despite some positive signals, we do not recommend a high growth scenario given that: 1) the area is growing less rapidly and features less infill development than other parts of the city; and 2) a higher percentage of single-family housing that is less likely to redevelop and less likely to appreciate significantly. Should conditions significantly change in the coming years, the City may wish to default to the lower or higher projection scenario.

5. District D — West Campus

Census Tracts: 6.05, 6.07, 6.08

Homestead Preservation District (HPD) D is comprised of just three (3) contiguous census tracts in West Campus. Significantly smaller due to eligibility criteria, HPD D is just 284 acres in size.

District D was established by City ordinance in November 2025, solidifying future eligibility within this area to establish a Homestead Preservation Reinvestment Zone (HPRZ) should it be desired.

DISTRICT D: BOUNDARIES

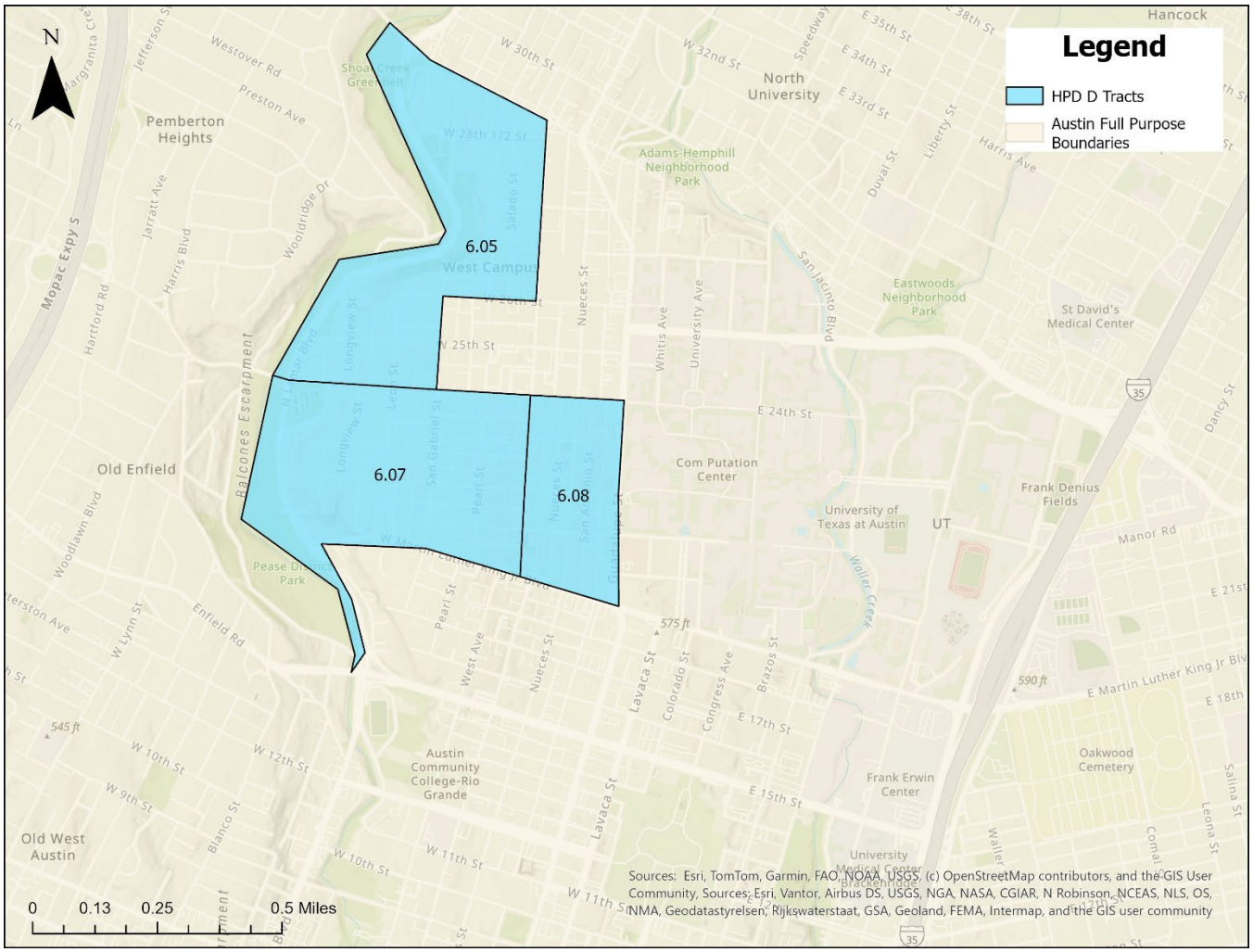


Figure 19. Map of HPD D.

DISTRICT D: IMPROVEMENT YEAR BUILT

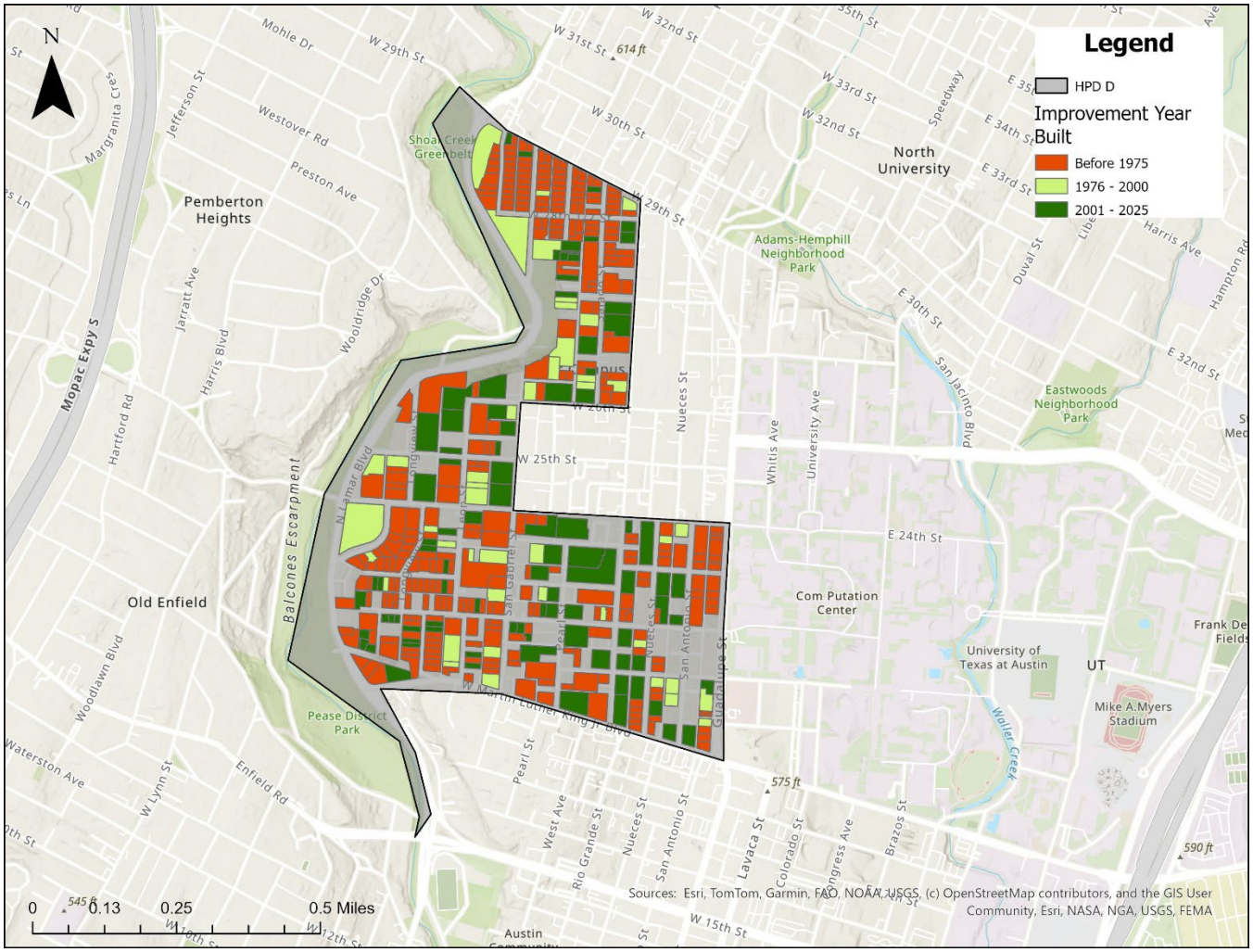


Figure 20. Construction Year of Improvements in HPD D.

The map above categories all improvements in HPD D by year built. Of note are the significant number of improvements built in 2001 or later, indicating very low likelihood of redevelopment within the next decade. This is largely related to high-density redevelopments that have already taken place under the University Neighborhood Overlay (UNO), which has created a significant number of multi-family units and ground floor retail oriented toward university students. Also of note are significant number of improvements built prior to 1975, a significant portion of which are likely historic in nature and subject to historic preservation review. Together, this information suggests minimal likely redevelopment over the coming decade.

5.1 Historical & Current Taxable Values

District D encompasses approximately 203 acres in the West University neighborhood. In 2015, the district had a total taxable value of approximately $1.03 billion across 505 property records. By 2025, total taxable value grew to $3.15 billion across 474 records, reflecting a compound growth rate of 11.87% over the ten-year period.

Residential properties represent the largest share of taxable value, growing from $810.3 million in 2015 to $2.39 billion in 2025. Commercial properties grew at a more modest 5.59% compound rate, rising from $174.7 million to $301.1 million, while the number of commercial records declined from 76 to 60, suggesting consolidation or redevelopment of existing commercial parcels over the period. Vacant/Agricultural values declined at a compound rate of -4.69%, falling from $41.1 million to $25.4 million, consistent with ongoing conversion of undeveloped land to residential and commercial uses.

Blank Parcels, using the methodology consistent with District A, had taxable value of $0 in 2015 and increased to $430.8 million by 2025 across 58 records. The compound growth rate of -0.26% shown in the table reflects the five-year growth rate from 2020 to 2025.

Overall, District D's total taxable value more than tripled between 2015 and 2025, driven primarily by strong residential appreciation in one of Austin's most supply-constrained and high-demand submarkets, but there is limited remaining undeveloped land for future development.

Taxable Value by Land Use											
Tax Year	2015			2020			2025			2015-2025	
	No. of Records	Shape Area (SF)	Taxable Value	No. of Records	Shape Area (SF)	Taxable Value	No. of Records	Shape Area (SF)	Taxable Value	Avg. Annual Increase	Compound Growth
Residential	357	4,072,989	$810,318,070	332	4,061,215	$1,718,822,522	337	4,417,365	$2,392,899,959	*19.53%*	*11.44%*
Commercial	76	1,159,274	$174,729,278	74	1,089,975	$324,702,117	60	810,215	$301,076,492	*7.23%*	*5.59%*
Vacant/ Agricultural	11	117,116	$41,089,274	10	98,820	$8,939,443	19	210,933	$25,409,275	*-3.82%*	*-4.69%*
Other	0	0	$0	0	0	$0	0	0	$0	*0.00%*	*0.00%*
Sub-Total	**444**	**5,349,379**	**$1,026,136,622**	**416**	**5,250,011**	**$2,052,464,082**	**416**	**5,438,514**	**$2,719,385,726**	***16.50%***	***10.24%***
Blank Parcels	61	1,045,443	$0	65	1,149,984	$436,386,815	58	956,237	$430,767,662	*-0.26%*	*-0.26%*
Total	505	6,394,822	$1,026,136,622	481	6,399,995	$2,488,850,897	474	6,394,751	$3,150,153,388	*20.70%*	***11.87%***

Table 17: COA Taxable Value by Land Use — District D

5.2 Construction Trends

District D's residential taxable values grew substantially between 2015 and 2025, rising from $810.3 million to $2.39 billion across 337 records at a compound growth rate of 11.4% over the decade.

Existing Construction (Built before 2011): Single-family existing properties declined modestly from 159 records in 2015 to 155 in 2025, while their total taxable value grew from $77.9 million to $108.1 million at a compound rate of 3.3%. Average value per square foot rose from $63 to $78. Existing multi-family properties similarly declined in record count from 174 to 131, but appreciated at a 4.5% compound rate, with average value per square foot climbing from $195 to $359. In total, the existing construction subtotal grew from $546.7 million to $838.8 million at a 4.4% compound rate.

New Construction (Built 2011 and after): New single-family taxable value grew from $5.4 million in 2015 to $16.4 million in 2025 at an 11.7% compound rate. Average value per square foot rose from $104 to $164. New multi-family showed far stronger growth, with records more than doubling from 17 to 36 and taxable value surging from $258.2 million to $1.54 billion at a 19.5% compound rate, with average value per square foot reaching $1,708 in 2025, the highest of any district and reflective of West Campus's dense, high-end student and urban multifamily market. The new construction subtotal grew from $263.6 million to $1.55 billion at a compound rate of 19.4%.

Overall, new construction has driven the majority of residential value growth in District D, with new multifamily development alone accounting for $1.54 billion of the district's $2.39 billion total residential taxable value in 2025, representing 64.4% of all residential value. This reflects the extraordinary density, land scarcity, and sustained demand pressures that define the West Campus submarket.

These values are shown in Table 18 below:

Residential Taxable Value by Land Use														
Tax Year	2015				2020				2025				2015-2025	
	No. of Records	Shape Area	Taxable Value	Average Value PSF	No. of Records	Shape Area	Taxable Value	Average Value PSF	No. of Records	Shape Area	Taxable Value	Average Value PSF	Average Annual Increase	Compound Growth Rate
Existing Construction (Built before 2011)*														
Single-Family	159	1,236,601	$77,931,565	$63.02	144	1,098,876	$84,051,708	$76.49	155	1,381,339	$108,097,385	$78.26	*3.9%*	*3.3%*
Multi-Family	174	2,408,236	$468,786,532	$194.66	143	2,160,483	$684,014,794	$316.60	131	2,035,929	$730,660,485	$358.88	*5.6%*	*4.5%*
Subtotal	333	3,644,837	$546,718,097	$175.90	287	3,259,359	$768,066,502	$290.33	286	3,417,268	$838,757,870	$322.72	*5.3%*	*4.4%*
New Construction (Built 2011+)														
Single-Family	7	51,944	$5,424,856	$104.44	15	99,781	$13,691,522	$137.22	15	99,781	$16,403,599	$164.40	*20.2%*	*11.7%*
Multi-Family	17	376,208	$258,175,117	$686.26	30	702,074	$937,064,498	$1,334.71	36	900,316	$1,537,738,490	$1,708.00	*49.6%*	*19.5%*
Subtotal	24	428,152	$263,599,973	$674.28	45	801,856	$950,756,020	$1,317.46	51	1,000,097	$1,554,142,089	$1,691.71	*49.0%*	*19.4%*
Total	**357**	**4,072,989**	**$810,318,070**	**$338.02**	**332**	**4,061,215**	**$1,718,822,522**	**$858.48**	**337**	**4,417,365**	**$2,392,899,959**	**$1,211.85**	**19.5%**	**11.4%**

Table 18: Residential Taxable Value by Date of Completion — District D

District D's commercial taxable value grew from $174.7 million across 76 records in 2015 to $301.1 million across 60 records in 2025, at a compound growth rate of 5.6% over the decade. The decline in total record count from 76 to 60 reflects ongoing consolidation and redevelopment of commercial parcels in this supply-constrained submarket, consistent with broader land use pressures in the West Campus area.

Existing Construction (Built before 2011): Existing Goods & Services properties declined from 55 to 41 records while taxable value grew modestly from $158.3 million to $173.8 million at a compound rate of just 0.94%. Total SF for Goods & Services properties declined from 955,083 SF in 2015 to 592,263 SF in 2025, with average value per square foot rising from $166 to $293. In total, the existing construction subtotal declined from 76 to 58 records while taxable value grew from $174.7 million to $210.2 million at a 1.87% compound rate, a notably modest pace reflecting the limited new commercial development and the displacement of older commercial uses in the district.

New Construction (Built 2011 and after): A single new Goods & Services record appeared in 2020 and 2025, The Otis Hotel, with its taxable value growing to $89.8 million at a 15.0% compound rate during that five-year period.

Overall, District D's commercial sector tells a story of modest aggregate growth that reflects West Campus's position as one of Austin's densest and most land-constrained urban submarkets.

These values are shown in Table 19 below:

Commercial Taxable Value by Land Use														
Tax Year	2015				2025				2025				2015-2025	
	No. of Records	Shape Area	Taxable Value	Average Value PSF	No. of Records	Shape Area	Taxable Value	Average Value PSF	No. of Records	Shape Area	Taxable Value	Average Value PSF	Average Annual Increase	Compound Growth Rate
Existing Construction (Built before 2011)														
Goods/Services	55	955,083	$158,322,659	$165.77	51	838,175	$251,731,374	$300.33	41	592,263	$173,767,591	$293.40	*0.98%*	*0.94%*
Industrial	0	0	$0	$0.00	0	0	$0	$0.00	0	0	0	$0.00	0.00%	0.00%
Other	21	204,192	$16,406,619	$80.35	21	223,866	$27,225,660	$121.62	17	190,019	$36,466,866	$191.91	*12.23%*	*8.31%*
Subtotal	76	1,159,274	$174,729,278	$157.75	72	1,062,041	$278,957,034	$282.89	58	782,282	$210,234,457	$275.79	*2.03%*	*1.87%*
New Construction (Built 2011+)														
Goods/Services	0	0	$0	$0.00	1	22,148	$44,559,183	$2,011.85	1	22,148	$89,767,660	$4,053.03	*20.3%*	*15.0%*
Industrial	0	0	$0	$0.00	0	0	$0	$0.00	0	0	0	$0.00	*0.0%*	*0.0%*
Other	0	0	$0	$0.00	1	5,786	$1,185,900	$204.97	1	5,786	$1,074,375	$185.70	*-1.9%*	*-2.0%*
Subtotal	0	0	$0	$0.00	2	27,934	$45,745,083	$1,965.01	2	27,934	$90,842,035	$4,007.29	*19.7%*	*14.7%*
Total	**76**	**1,159,274**	**$174,729,278**	**$157.75**	**74**	**1,089,975**	**$324,702,117**	**$519.87**	**60**	**810,215**	**$301,076,492**	**$1,401.68**	**7.2%**	**5.6%**

Table 19: Commercial Taxable Value by Date of Completion — District D

DISTRICT D: ASSESSED VALUE (2015)

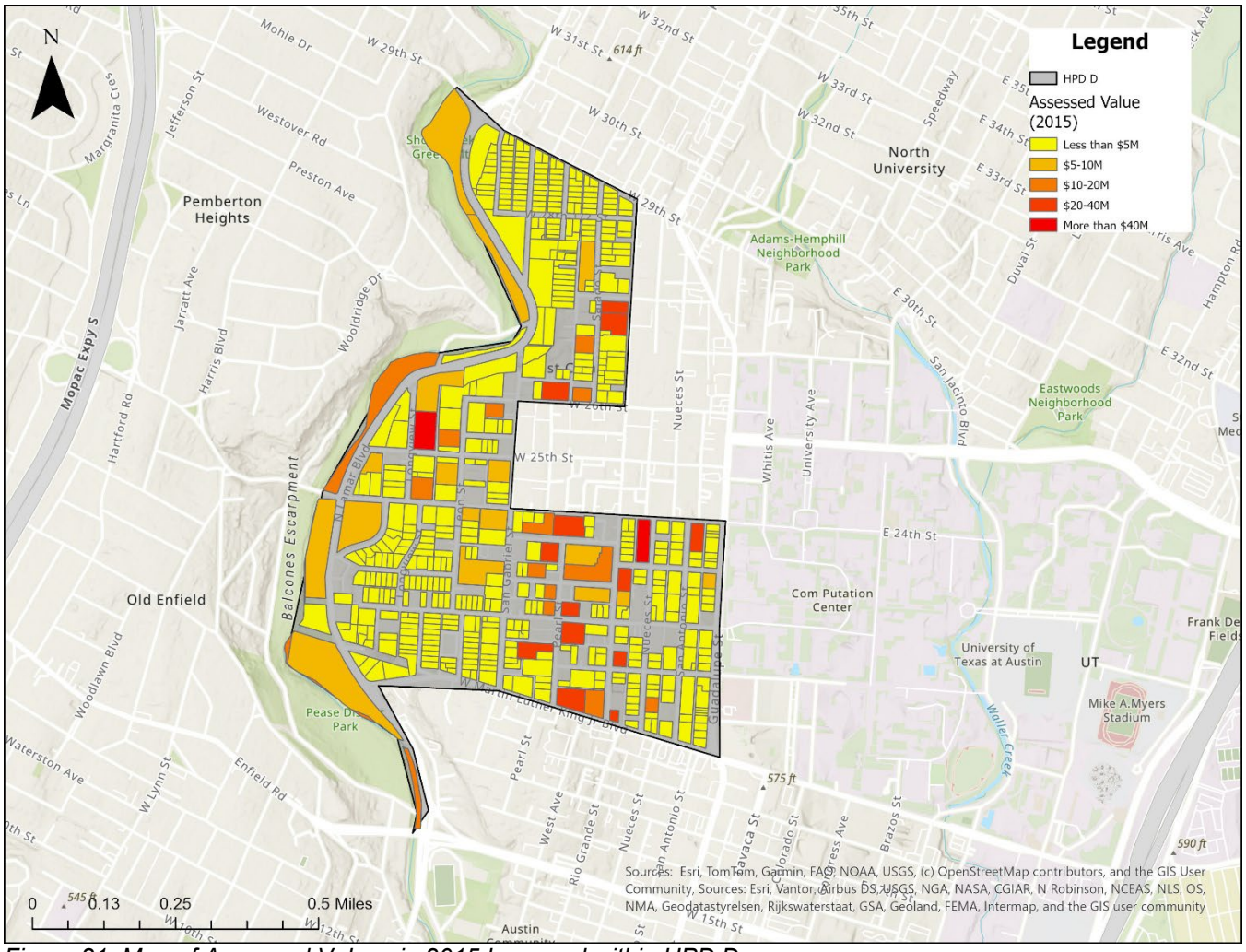


Figure 21. Map of Assessed Values in 2015 by parcel within HPD D.

In 2015, most parcels in HPD D were valued at below $5 million, with some outliers scattered throughout the district. Two parcels were valued at higher than $40 million.

DISTRICT D: ASSESSED VALUE (2025)

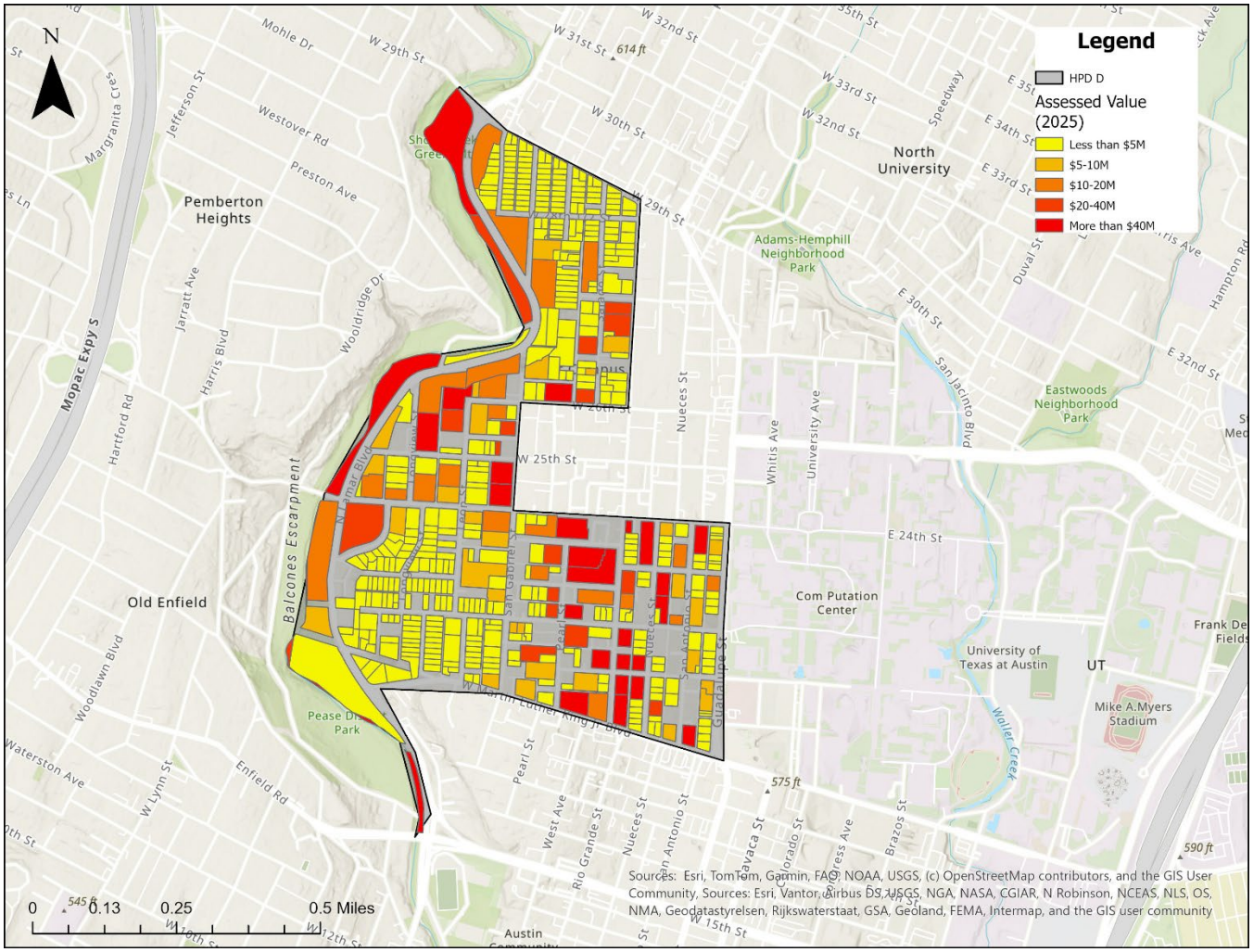


Figure 22. Map of Assessed Values in 2025 by parcel within HPD D.

By 2025, several parcels in the district had increased in value to over $20 million and even $40 million, though a majority of parcels remained at values below $5 million. This is due to significant number of older single-family homes in the district whose values are aligned with small lot sizes and redevelopment restrictions.

5.3 Current and Planned Developments

District D's development pipeline is comprised of four proposed student housing projects that collectively reflect the continued intensification of West Campus as one of Austin's most active student housing markets. All four projects are currently in the proposed stage, with no commercial pipeline projects identified at this time. The combined current taxable value of all pipeline projects totals approximately $28.1 million, with a total future estimated value of $444.4 million, representing additional value of approximately $416.3 million once all projects are delivered. However, it is unclear when or if any of these proposed pipeline projects will be delivered.

Residential & Mixed-Use Projects									
Map No.	Address	Name	Property Type	Status (2025)	Land Use (2025)	Taxable Value (2025)	Planned Units	Future Estimated Value	Reassessed Year
1	900 W 23rd St	9Hundred	Student Housing	Proposed	Student Housing	$15,130,000	297	$158,827,573	2029
2	2411 Longview St	2411 Longview	Student Housing	Proposed	Vacant	$4,500,000	108	$57,755,481	2028
3	2405 Nueces St	The Arconia	Student Housing	Proposed	Retail	$2,795,670	210	$112,302,324	2030
4	2100-2120 Guadalupe Street	The Drag	Student Housing	Proposed	Vacant	$5,670,000	216	$115,510,962	2029
Total						$28,095,670	831	$444,396,340	
Additional Value					$416,300,670				

Table 20: Current and Planned Developments — District D

DISTRICT D: PIPELINE

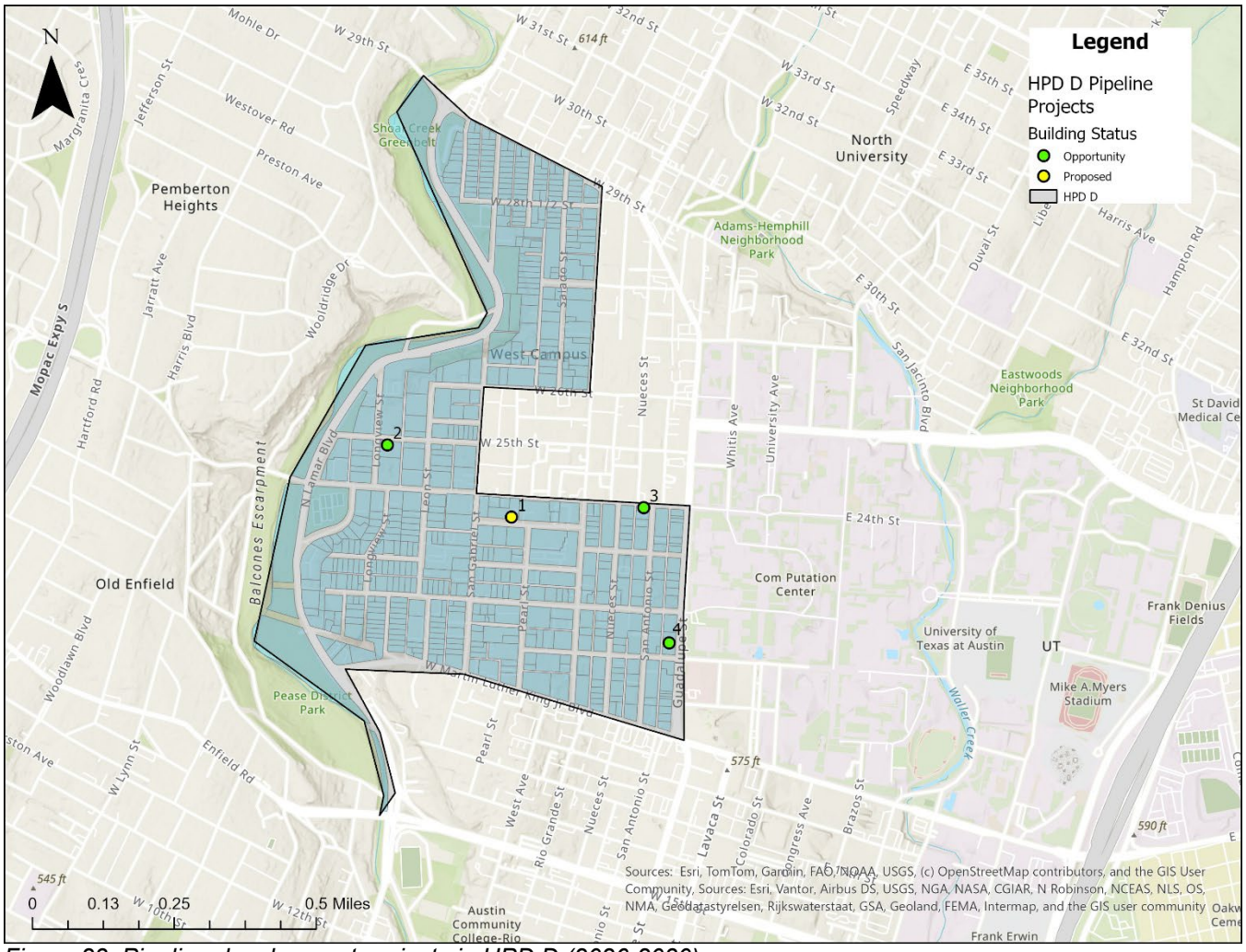


Figure 23. Pipeline development projects in HPD D (2026-2030).

The pipeline data above represents known projects through 2030 within district boundaries and includes those that are currently under construction, proposed and announced projects by developers. Note that for the purpose of forecasting property tax revenue, publicly owned opportunity sites and affordable housing developments are assumed to remain tax exempt.

Forthcoming development activity in HPD D is relatively low and, as indicated in the preceding chart, heavily focused on student housing.

DISTRICT D: IMPROVEMENT: LAND VALUE RATIO

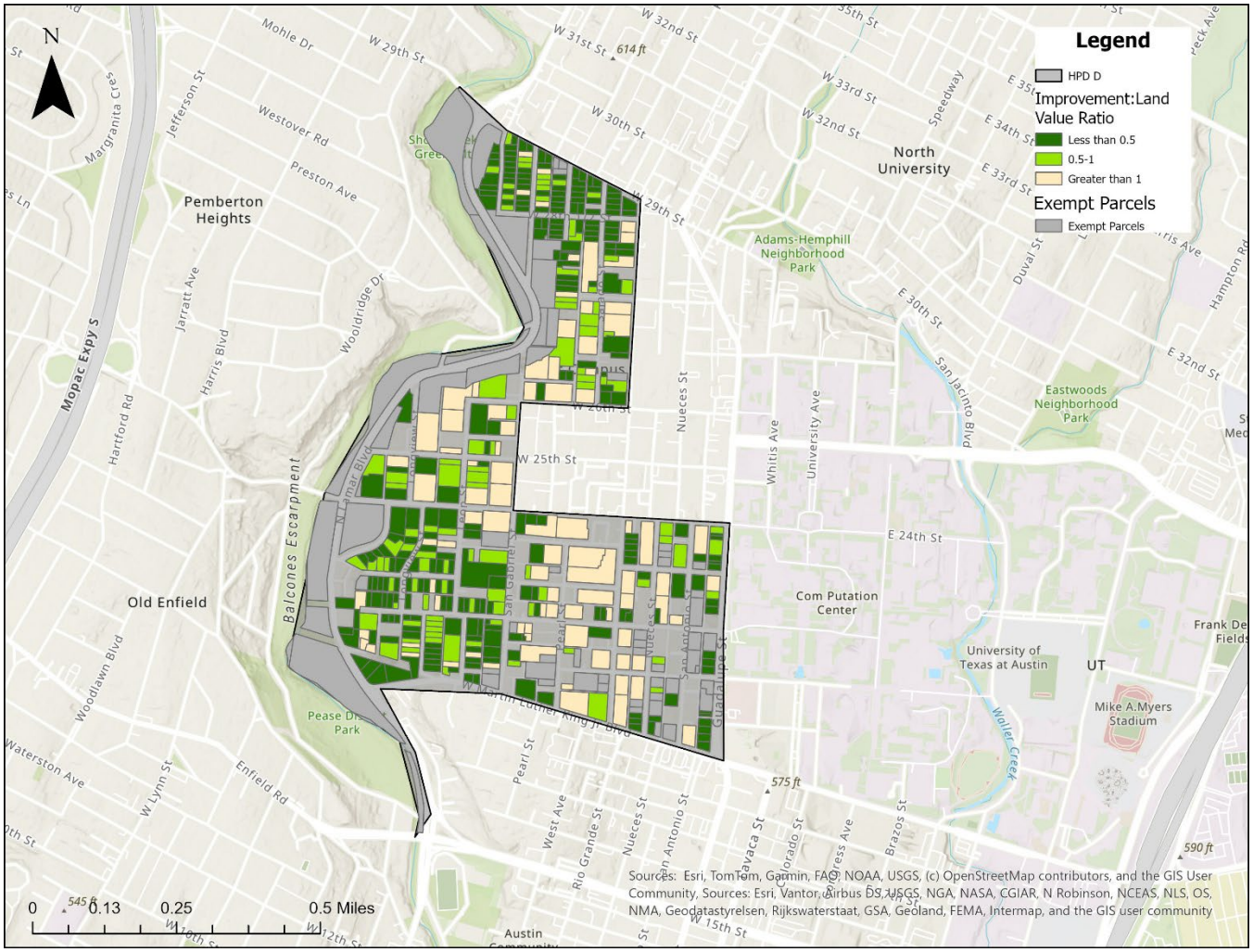


Figure 24. Improvement-land value ratio by parcel in HPD D.

The improvement-to-land value ratio is a simplistic method to estimate redevelopment potential and likelihood. Sites where land values are higher than improvement values indicate market opportunities for redevelopment and densification. The areas in green, and especially dark green, highlight these opportunity sites. In District D, these opportunities are more limited, as many of these sites are single-family homes unlikely to redevelop due to zoning and/or historic preservation preferences.

5.4 Future Value Projections

The following tables present three growth scenarios for District D's taxable value over the 10-year period from 2027 to 2036. Projected TIRZ revenue is calculated in each scenario based on the recommended growth scenario (low growth for HPD D), with annual taxable value estimates provided for a range of potential increments (5%,10%, 15%, and 20%).

Assumptions	
Tax Base	$3,150,153,388
Tax Rate	0.4740 per $100
Low Growth Rate	**4.45%**
Medium Growth Rate	8.30%
High Growth Rate	11.87%

Low Growth Scenario		
	Avg. Annual Revenue	10-Year Total Revenue
5% Increment	$209,414	$2,094,142
10% Increment	$418,828	$4,188,284
15% Increment	$628,243	$6,282,426
20% Increment	$837,657	$8,376,568

10-Year Taxable Value Scenario Analysis										
Tax Year	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Low Growth	**$3,290,335,214**	**$3,436,755,131**	**$3,589,690,734**	**$3,749,431,971**	**$3,916,281,694**	**$4,090,556,230**	**$4,272,585,982**	**$4,462,716,058**	**$4,661,306,923**	**$4,868,735,081**
Medium Growth	$3,150,153,388	$3,203,408,869	$3,456,947,403	$3,566,454,058	$3,989,783,089	$4,463,360,201	$4,993,149,713	$5,585,823,892	$6,248,846,991	$6,990,569,246
High Growth	$3,524,068,588	$3,942,366,572	$4,410,315,464	$4,933,808,700	$5,519,439,252	$6,174,582,663	$6,907,489,931	$7,727,391,429	$8,644,613,150	$9,670,706,759

10-Year Tax Revenue: Low Growth Scenario Analysis										
Tax Year	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
5% Increment	$33,220	$67,918	$104,161	$142,016	$181,556	$222,855	$265,992	$311,049	$358,110	$407,266
10% Increment	$66,440	$135,837	$208,321	$284,032	$363,111	$445,710	$531,984	$622,097	$716,220	$814,532
15% Increment	$99,660	$203,755	$312,482	$426,048	$544,667	$668,564	$797,976	$933,146	$1,074,331	$1,221,798
20% Increment	$132,880	$271,673	$416,643	$568,063	$726,222	$891,419	$1,063,968	$1,244,194	$1,432,441	$1,629,065

Table 21: 10-Year Taxable Value Estimates — District D

Hayat Brown recommends the **Low Growth Scenario** for future taxable values in District D based on current conditions and market outlook as of June 2026. Despite the proximity to downtown and demand for student housing and student-oriented services, infill opportunities are severely constrained across the very small area within the district. While one or two pipeline projects could deliver an influx of new property tax value, these developments are unlikely to substantially impact district values over the course of a decade. Should conditions significantly change in the coming years, the City may wish to default to a higher projection scenario.

6. Considerations

OPPORTUNITY ZONE 2.0 ELIGIBLE TRACTS

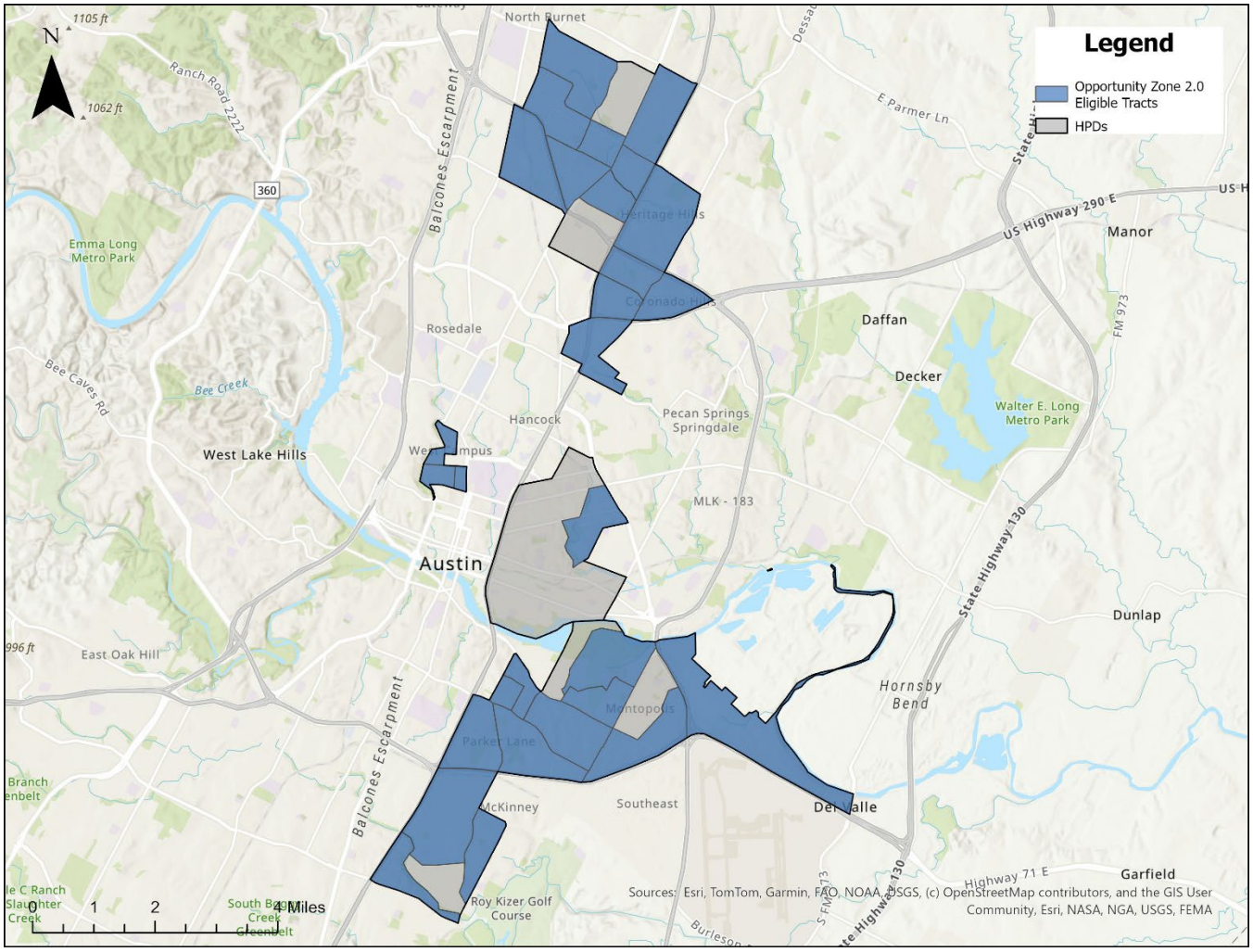


Figure 25. Eligible Opportunity Zone 2.0 Tracts within HPDs.

Opportunity Zone 2.0 (OZ 2.0) represents the permanent extension and refinement of a 2017 tax incentive program. OZ 2.0, authorized by the One Big Beautiful Bill Act (OBBBA) on July 4, 2025, removes the 2026 sunset date and introduces rolling 5-year investment periods.

The map above outlines OZ 2.0 eligible tracts falling within HPDs. While only one tract is eligible from District A, a majority of tracts in HPD B, HPD C, and HPD D are OZ 2.0 eligible. Should Homestead Preservation Reinvestment Zones (HPRZs) also be created within those HPDs, the overlapping of opportunity zone tracts with HPDs may present opportunities to harness new growth and development in historically distressed areas while mitigating displacement through targeted housing investments funded through the HPRZs.

7. Recommendations

Hayat Brown offers the following recommendations based on the findings in this report. They are intended to inform the inter-departmental review process at the City of Austin involving Austin Housing, Austin Financial Services, and partner departments as the City evaluates next steps for the Homestead Preservation Program. HPRZs are one tool in a broader affordability toolkit. The recommendations below are specific to the HPRZ mechanism and its application across the four districts analyzed in this report.

Determine Whether to Create New HPRZs and at What Scale

The foundational decision before the City is whether to create new HPRZs in Districts B, C, and/or D. Creating an HPRZ locks in base assessed values at their current level; any future appreciation above that base becomes the increment available for authorized housing-related uses. Given that assessed values citywide are at a relative low compared to the growth trajectory of the prior decade, acting in 2026 rather than waiting would produce meaningfully larger increment revenue over the life of a zone. At the same time, the City should be aware that HPRZs are a form of TIRZ, and the City's fiscal policy limits total TIRZ exposure to no more than 10% of citywide taxable value. Current estimates place existing TIRZ participation at approximately 6%, which means the three new districts together could approach or exceed that threshold. Future zones may therefore need to be smaller in geographic scope than their full HPD boundaries, or the City may need to revisit its fiscal policy in advance of any ordinance action. The boundaries question matters for a related reason: matching HPRZ boundaries to the full HPD area maximizes revenue potential and program flexibility, while a reduced footprint can limit General Fund impact but tends to produce lower and more variable annual revenue.

Start at a Low Increment and Schedule Increases to Match Investment Activity

Property values across Districts B, C, and D have grown substantially over the last decade, but the statewide market slowdown since 2023 has produced a window in which assessed values are comparatively lower than they may be once the next growth cycle takes hold. Once an HPRZ is created, the tax base is fixed at the value in the year of establishment, so the timing of creation has a direct and lasting effect on total revenue over the life of the zone. Establishing HPRZs in the three new districts in 2026 would lock in these relatively low base values before appreciation resumes. Delaying by even two to three years could meaningfully reduce the incremental value available for capture.

Hayat Brown recommends initiating new HPRZs at a low initial increment, in the range of 5%, with the stated intention to increase the increment at defined intervals timed to coincide with major public and private investment activity. For District B, the anticipated arrival of Project Connect light rail service and the E Riverside development pipeline both point toward a significant acceleration in value growth beginning in the late 2020s and early 2030s. Establishing a zone now at 5%, then scaling to 15% or 20% as development activity matures, would allow the City to capture value growth during the period of greatest appreciation. This phased approach mirrors the trajectory of HPRZ #1, which began at 10% and has grown to its current 40% allocation as district values have increased. The City should also ensure that increment percentages are calibrated to the City's capacity to actually spend the resulting revenue through active programs, since funds are only eligible to be used within the defined geographic area. Unused funds accumulating in a zone can create management challenges and may limit operational flexibility.

Understand the General Fund Implications Before Acting

HPRZs divert property tax increment from the General Fund to the zone, and this effect is most pronounced for new construction within the zone, whose full assessed value would otherwise flow directly to the General Fund. Under Senate Bill 2 (SB 2), which caps annual property tax revenue growth at 3.5% for most taxing units without a voter-approval election, the City is already operating in a constrained revenue environment. One consequence

of HPRZ creation is that compensating for the lost increment may require a slightly higher citywide tax rate, though modeling suggests this effect is modest at low increment percentages. The City should conduct a formal General Fund impact analysis before advancing any new HPRZ ordinance, with Finance and Budget staff engaged alongside Austin Housing throughout the process.

Use Opportunity Zone 2.0 Overlaps as a Coordination Opportunity

As discussed in the Considerations section, most census tracts within Districts B, C, and D fall within Opportunity Zone 2.0 (OZ 2.0) eligible areas authorized by the One Big Beautiful Bill Act of July 2025. OZ 2.0 removes the prior 2026 sunset date and introduces rolling 5-year investment periods, creating a durable framework for attracting private capital into qualifying areas. Where HPRZs and OZ 2.0 tracts overlap, the City should consider whether HPRZ-funded land acquisition or gap financing could be structured alongside OZ 2.0 equity investments to enable mixed-income developments that would otherwise face feasibility challenges. District B, with its combination of transit investment, land availability, and extensive OZ 2.0 tract coverage, represents the most promising context for this kind of program coordination.

Treat HPRZ Revenue as One Component of a Broader Affordability Strategy

HPRZs are a useful but relatively modest financing tool compared to the scale of Austin's affordable housing needs. Even at a 20% increment under high-growth scenarios, projected annual revenues for Districts B, C, and D individually range from approximately $760,000 to $5.9 million in the near term, for a potential total of $8.6M to $59M over 10 years. These are meaningful amounts, but they are not sufficient on their own to dramatically reshape affordability conditions across large, diverse districts. The City should treat HPRZ revenue as a recurring, dedicated stream best suited to gap financing, land acquisition, homeowner retention programs, and housing stock rehabilitation, deployed alongside larger investments from general obligation bonds, the Housing Trust Fund, and Public Facility Corporation (PFC) and Housing Finance Corporation (HFC) housing development structures. The HPRZ statute permits a broad range of eligible uses, including renovation programs to preserve existing homeowners and support for Community Housing Development Organizations (CHDOs). The City should ensure financing plans make full use of these authorities. Finally, the City should avoid concentrating HPRZ-funded affordable housing in ways that risk deepening economic segregation in specific neighborhoods; coordination with other programs and funding sources may be necessary to achieve a balanced distribution of community benefit across each district. Because use of HPRZ funds is restricted to the district's boundaries, GO bonds and other funding sources can be used elsewhere to diversify affordable housing project locations.

8. Conclusions

This report analyzed four Homestead Preservation Districts across Austin, drawing on a decade of TCAD tax roll data, current and planned development pipeline information, and 10-year taxable value projections under low, medium, and high growth scenarios. The findings suggest potential value in HPRZ creation in newly established HPDs, with the timing and increment level tailored to the distinct characteristics of each district.

District A (East Austin, HPRZ #1) remains a productive zone with a strong long-term outlook. Total taxable value grew from $2.34 billion in 2015 to $8.48 billion in 2025 at a compound rate of 13.76% over the decade. Under the recommended Medium Growth Scenario at the authorized 40% increment, HPRZ #1 is projected to generate approximately $188.5 million in revenue over the 10-year period from 2027 to 2036. Annual growth has moderated from its peak, reflecting that much of the incremental redevelopment opportunity in East Austin has already been realized, but the district retains infill capacity, and the increment increase to 40% substantially improves the program's revenue potential compared to prior terms. Expanding the HPRZ #1 financing plan to include renovation programs, CHDO support, and administrative capacity funding would best align expenditures with the displacement-prevention purpose of the program.

Among the three newly established HPDs, District B (Southeast Austin) presents the strongest case for near-term HPRZ creation. The district has experienced compound taxable value growth of 10.83% over the last decade, and its forward-looking fundamentals are among the strongest in the city: four Project Connect light rail stations are planned within district boundaries, the East Riverside corridor is attracting substantial multifamily and mixed-use investment, and a majority of the district's census tracts qualify under OZ 2.0. District B is the highest-priority candidate for new HPRZ designation, and the City should evaluate the preferred boundary option in Section 3.5, which excludes a high-value census tract and may produce a better fit with the program's displacement-mitigation purpose.

District C (North Austin) is a viable HPRZ candidate with a more moderate growth profile. Total taxable value grew from $4.11 billion to $9.96 billion over the decade at a compound rate of 9.24%, and development activity, while less concentrated than in District B, is present across the district. The district's potential is tempered by a higher proportion of established single-family housing, a more dispersed development pipeline, and the possibility that the pipeline projects may be developed under tax-exempt structures. A phased approach may be warranted, establishing a zone now at a low increment and scaling it upward as development activity concentrates around key nodes (i.e., Q2 Stadium area, North Lamar Transit Center).

District D (West Campus) is the smallest and most constrained of the four districts at 284 acres and approximately $3.29 billion in total taxable value. The University Neighborhood Overlay has already facilitated dense student housing development, and meaningful infill opportunities are limited. Pursuing an HPRZ here makes sense primarily to lock in current base values and establish a programmatic foundation, but the revenue potential is modest. District D is the lowest priority among the three new HPDs, and the City should not assume its revenues alone can sustain housing programs.

Across all three newly designated districts, the analysis supports prompt discussion and potential action. Current assessed values reflect a period of market moderation, and the tax base established at the time of HPRZ creation will serve as the permanent baseline for increment calculations over the life of each zone. Waiting increases the likelihood that base values will reset to a higher level, reducing the increment available for affordable housing purposes. The City should initiate a coordinated inter-departmental review involving Austin Housing, Austin Financial Services, and the City Attorney's office to develop HPRZ ordinances, financing plans, and program guidelines for approved zones. That process should address three core decisions: whether to create HPRZs in Districts B, C, and/or D; the appropriate geographic boundaries for each zone; and the initial and projected increment allocation percentages. The projections and analyses in this report are designed to support that process and can be refined as market conditions develop.

Appendix A — Land Use Designations

The following land use designations correspond to Texas State Land Categories used in the TCAD tax roll.

HB Land Use Designation	TX Category	Description
Residential	A1	Single Family
Residential	A2	Single Family (Mobile Home attached to land)
Residential	A3	Single Family (Condominium)
Residential	A4	Single Family (Townhome)
Residential	A5	Single Family (Condominium HOA/Common Area)
Residential	B1	Multi-Family
Residential	B2	Multi-Family (Duplex)
Residential	B3	Multi-Family (Triplex)
Residential	B4	Multi-Family (Fourplex)
Commercial	F1	Goods / Services
Commercial	F2	Industrial / Manufacturing
Commercial	F3	Other Commercial
Commercial	F4	Goods / Services (Condominium)
Commercial	F5	Goods / Services (from Residential conversion)
Vacant / Ag	C1	Small Vacant Lot (<20 acres)
Vacant / Ag	C2	Vacant Land
Vacant / Ag	D1	Qualified Agricultural Land
Vacant / Ag	D2	Qualified Agricultural Land with improvements
Vacant / Ag	E1	Rural Land not qualified for Agricultural use
Vacant / Ag	O1	Residential inventory under development
Other	J1	Water Systems
Other	J2	Gas Systems
Other	J3	Electric Systems
Other	J4	Telephone Systems
Other	J5	Railroad

Table A: Land Use Designations

Appendix B — Alternative Tax Rate Scenarios

Tax Rate Scenario	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Default Tax Rate	0.4740	0.4740	0.4740	0.4740	0.4740	0.4740	0.4740	0.4740	0.4740	0.4740
Slow Tax Rate Decrease	0.5740	0.5640	0.5540	0.5440	0.5340	0.5240	0.5140	0.5040	0.4940	0.4840
Moderate Tax Rate Decrease	0.5740	0.5440	0.5140	0.4840	0.4540	0.4240	0.3940	0.3640	0.3340	0.3040
Slow Tax Rate Increase	0.5740	0.5840	0.5940	0.6040	0.6140	0.6240	0.6340	0.6440	0.6540	0.6640

District A - Medium Taxable Value Growth Scenario												
Tax Rate Scenario	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	***Avg. Annual Revenue***	***10-Year Total Revenue***
Default Tax Rate	$11,119,372	$11,525,251	$11,760,262	$11,863,189	$14,005,954	$16,430,551	$19,174,049	$22,278,393	$25,791,042	$29,765,702	*$17,371,377*	*$173,713,766*
Slow Tax Rate Decrease	$13,466,478	$13,714,861	$13,746,390	$13,616,399	$15,780,322	$18,165,415	$20,794,039	$23,690,612	$26,881,762	$30,396,486	*$19,025,276*	*$190,252,762*
Moderate Tax Rate Decrease	$13,466,478	$13,228,518	$12,753,871	$12,114,590	$13,416,228	$14,698,732	$15,939,399	$17,109,887	$18,175,119	$19,092,008	*$14,999,483*	*$149,994,830*
Slow Tax Rate Increase	$13,466,478	$14,201,203	$14,738,909	$15,118,207	$18,144,415	$21,632,097	$25,648,678	$30,271,338	$35,588,406	$41,700,964	*$23,051,070*	*$230,510,695*

District B - High Taxable Value Growth Scenario												
Tax Rate Scenario	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	***Avg. Annual Revenue***	***10-Year Total Revenue***
Default Tax Rate	$688,222	$1,448,844	$2,289,484	$3,218,559	$4,245,373	$5,380,208	$6,634,427	$8,020,591	$9,552,578	$11,245,731	*$5,272,402*	*$52,724,016*
Slow Tax Rate Decrease	$818,972	$1,693,531	$2,627,837	$3,626,308	$4,693,632	$5,834,774	$7,054,981	$8,359,786	$9,755,013	$11,246,773	*$5,571,161*	*$55,711,608*
Moderate Tax Rate Decrease	$789,931	$1,571,255	$2,338,002	$3,083,041	$3,797,901	$4,472,570	$5,095,264	$5,652,163	$6,127,116	$6,501,299	*$3,942,854*	*$39,428,541*
Slow Tax Rate Increase	$848,014	$1,815,808	$2,917,672	$4,169,575	$5,589,363	$7,196,978	$9,014,698	$11,067,410	$13,382,910	$15,992,247	*$7,199,468*	*$71,994,675*

District C - Medium Taxable Value Growth Scenario												
Tax Rate Scenario	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	***Avg. Annual Revenue***	***10-Year Total Revenue***
Default Tax Rate	$27,019	$191,732	$249,579	$331,449	$1,201,858	$2,151,107	$3,186,337	$4,315,336	$5,546,596	$6,889,382	*$2,409,039*	*$24,090,395*
Slow Tax Rate Decrease	$32,152	$224,112	$286,463	$373,439	$1,328,760	$2,332,851	$3,388,318	$4,497,834	$5,664,138	$6,890,020	*$2,501,809*	*$25,018,087*
Moderate Tax Rate Decrease	$31,012	$207,931	$254,868	$317,493	$1,075,180	$1,788,217	$2,447,119	$3,041,046	$3,557,640	$3,982,839	*$1,670,334*	*$16,703,343*
Slow Tax Rate Increase	$33,292	$240,294	$318,058	$429,385	$1,582,340	$2,877,486	$4,329,517	$5,954,622	$7,770,635	$9,797,202	*$3,333,283*	*$33,332,831*

District D - Low Taxable Value Growth Scenario												
Tax Rate Scenario	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	***Avg. Annual Revenue***	***10-Year Total Revenue***
Default Tax Rate	$132,880	$271,673	$416,643	$568,063	$726,222	$891,419	$1,063,968	$1,244,194	$1,432,441	$1,629,065	*$837,657*	*$8,376,568*
Slow Tax Rate Decrease	$158,125	$317,555	$478,217	$640,030	$802,902	$966,734	$1,131,412	$1,296,812	$1,462,797	$1,629,215	*$888,380*	*$8,883,799*
Moderate Tax Rate Decrease	$152,518	$294,627	$425,472	$544,145	$649,677	$741,037	$817,131	$876,792	$918,781	$941,783	*$636,196*	*$6,361,963*
Slow Tax Rate Increase	$163,732	$340,483	$530,961	$735,914	$956,128	$1,192,431	$1,445,693	$1,716,832	$2,006,812	$2,316,648	*$1,140,563*	*$11,405,635*

Austin

MEMORANDUM

To: Mayor and City Council

Through: Dr. Eric Anthony Johnson, Assistant City Manager EAJ

From: Deletta Dean, Austin Housing Director DD

Date: October 23, 2026

Subject: **Senior Cooperative Housing - Staff Response (Resolution No. 20241121-076)**

The purpose of this memorandum is to respond to Resolution No. 20241121-076 directing the City Manager to explore the Planning Commission's recommendations to prioritize City-owned land, especially within Equitable Transit Oriented Developments (ETODs), for the development of income-restricted shared-equity senior housing and housing for people with disabilities, including Cooperative Housing and Community Land Trusts (CLTs).

Background

The City of Austin prioritizes the use of City-owned land within ETODs for the development of income-restricted housing. To date, the City and the Austin Housing Finance Corporation (AHFC) have completed two affordable housing projects for seniors that fall within the ETOD overlay. Additionally, five more completed affordable housing projects located within either the ETOD overlay or other Transit Oriented Developments include accessible units.

TOD/ETOD	Property Name	City Council District	Total Affordable Units	Number of Accessible Units
Senior Housing				
ETOD Subdistrict 2	The Lady Bird	3	246	34
ETOD Subdistrict 2	La Vista de Guadalupe	1	22	2
Affordable Housing with Accessible Units				
ETOD Subdistrict 2	Aria Grand	9	60	9
ETOD Subdistrict 2	Capital Studios	9	135	17
TOD NW Park & Ride	Lakeline Station	6	128	16
ETOD Subdistrict 1	Lucero Apartments	3	173	22
TOD MLK Blvd	The Rail at MLK	1	58	19

The City of Austin's SMART Housing Program requires developments with four or more units to provide adaptable units in at least 10% of all units. Accessible units include required accessibility features at construction, while adaptable units are designed so those features can be added later. The active affordable housing portfolio includes 2,961 units (about 19%) dedicated to seniors and/or accessible units, exceeding the SMART Housing requirement.

The appropriate housing typology for each site varies based on market conditions, site characteristics, community needs, and resource availability. Each acquisition or redevelopment opportunity is evaluated for its highest and best use, which may include consideration of shared-equity or cooperative housing models for seniors. These models remain a viable option when supported by market feasibility and organizational capacity.

Market Conditions
Overall, there are currently 49 senior-designated housing properties in Austin, with the City or AHFC subsidizing or incentivizing 15 of them. Additionally, 54 other supported properties include designated units for residents with accessibility needs. CoStar, which tracks market residential data, reports that the apartment vacancy rate citywide is approximately 13.6%, while senior-oriented properties are experiencing a slightly higher vacancy rate of 14.2%. These market indicators are factored into evaluations of proposed investments, alongside qualitative input from stakeholders and community groups.

Recent changes to the Austin Land Development Code also influence cooperative housing feasibility. The HOME Phase 1 amendments, adopted in 2023, expanded the number of unrelated adults permitted to live together and increased potential density on single-family sites. These updates have improved the regulatory environment for cooperative housing and may facilitate future opportunities.

Financing remains a significant consideration. As noted in a prior staff response on CLTs and Land Banking (Resolution No. 20240404-067), many financial institutions are still unfamiliar with shared-equity housing models, requiring additional education and capacity building. Mortgage interest rates, currently near 7%, remain higher than pre-pandemic levels and continue to challenge the economic feasibility of ownership models for cost-burdened seniors. Approximately 11% of Austin residents are age 65 or older and, as noted in the FY25–29 Consolidated Plan, a substantial share of these households experience severe cost burden; exceeding 50% of their income. These factors limit affordability for both rental options and buy-in models such as cooperatives, though they do not preclude feasibility under the right conditions.

Site Characteristics
Proximity to high-frequency transit is a key consideration for senior-oriented housing and residents with mobility limitations. Site-specific conditions—such as topography, tree cover, and grading—significantly influence development costs and the achievable unit mix. In some cases, these constraints may limit the suitability of a senior housing typology.

Community Needs
Property manager feedback from AHFC-owned senior-serving properties indicate that current vacancy challenges stem from factors such as unit typology (e.g., limited demand for two-bedroom units among seniors), referral pathways, and site location. Additional feedback gathered through the 2025 Annual Community Needs Assessment and from City commissions, including the Commission on Aging and the

Mayor's Committee for People with Disabilities, revealed recurring themes including:

- The need for support to help seniors remain in the homes they own, particularly regarding property taxes and upkeep;
- Rental affordability challenges; and
- Accessibility issues related to sidewalks, transit proximity, and unit design.

These insights help inform evaluations of cooperative housing proposals and other senior housing strategies.

Available Resources and Organizational Capacity
Several City-supported tools may contribute to the feasibility of senior cooperatives, including Community Land Trusts (CLTs) and home-repair loan programs, which generally offer up to $20,000 in repairs. In addition to its own Austin Community Land Trust, the City designated two CLT organizations in 2025 – Austin Revitalization Authority and Guadalupe Neighborhood Development Corporation – granting the corporations a property tax exemption on certain properties. Staff continue to provide education on cooperative models and shared-equity housing through the Austin Economic Development's "Cooperative Business Certificate Program" and Austin Housing's "CLT Accelerator."

Research from the Lincoln Institute identifies strong shareholder commitment and organizational capacity as critical success factors for CLT-Limited Equity Cooperative (LEC) hybrid models. Many successful LECs rely on sweat equity or resident-driven governance structures, which require significant ongoing capacity development.

Operational and maintenance costs also present potential risks. Unexpected capital needs, combined with unit vacancies, can place disproportionate financial pressure on remaining cooperative members, threatening long-term project stability.

Conclusion
Senior cooperatives will continue to be evaluated as one of several viable models during site acquisition and redevelopment assessments. The City will continue to consider market demand, financial feasibility, community input, organizational capacity, and site characteristics in determining the suitability of cooperative housing for seniors at specific locations. At this time, based on the factors previously shared, staff does not recommend pursuing cooperative housing for seniors. This response serves as the close-out to Resolution No. 20241121-076.

Should you have any questions or concerns, please contact Deletta Dean, Director of Austin Housing at Deletta.Dean@austintexas.gov or 512-978-0868.

cc: T.C. Broadnax, City Manager
Erika Brady, City Clerk
Jason Hadavi, City Auditor
Mary Jane Grubb, Municipal Court Clerk
Judge Sherry Statman, Municipal Court
CMO Executive Team
Department Directors

Austin

MEMORANDUM

To: Mayor and City Council

Through: Dr. Eric Anthony Johnson, Assistant City Manager

From: Deletta Dean, Austin Housing Director

Date: October 30, 2026

Subject: **Notification Process to CDC about Multifamily Rezoning Applications - Staff Response (Resolution No. 20260423-039)**

The purpose of this memorandum is to respond to Resolution No. 20260423-039, which directs the City Manager to notify the Community Development Commission (CDC) when multifamily properties apply for rezoning so that the CDC will have an opportunity to review, discuss, and provide recommendations to the City Council.

Based on the information provided in the resolution and prior research, Austin Planning staff will provide a chart of rezoning applications for existing multifamily properties to Austin Housing staff to be included in the CDC's monthly meeting. The Rezoning Application chart will be sent to Austin Housing staff two weeks before each CDC meeting. Due to holidays and/or other City of Austin closures, the submission and notification days may change.

The Rezoning Application chart will include two sections:

- Section 1 will list all rezoning cases with existing multifamily that have been received since the previous CDC meeting.
- Section 2 will list all active rezoning cases with existing multifamily that have not received final action from the City Council. Cases will remain on the list until the City Council considers the case.

Ideally, applicants will attend the CDC meeting, at which point their case will appear on the chart for the first time.

While Austin Housing is involved in the process because of the department's role as the designated liaison support to the CDC, Austin Housing staff will not provide a recommendation or weigh in on the rezoning applications. CDC members can email questions to Austin Housing staff who will

share the questions with Austin Planning staff. This response serves as the close-out to Resolution No. 20260423-039.

Should you have any questions or concerns, please contact Nefertitti Jackmon, Community Displacement Prevention Officer in Austin Housing at Nefertitti.Jackmon@austintexas.gov or 512-974-3196.

cc: T.C. Broadnax, City Manager
Erika Brady, City Clerk
Jason Hadavi, City Auditor
Mary Jane Grubb, Municipal Court Clerk
Judge Sherry Statman, Municipal Court
CMO Executive Team
Department Directors

Austin

MEMORANDUM

To: Mayor and City Council

Through: Dr. Eric Anthony Johnson, Assistant City Manager EAJ

From: Deletta Dean, Austin Housing Director DD

Date: November 10, 2026

Subject: **Home Repair Program Expansion to Small-Scale Landlords - Staff Response (Resolution No. 20250605-082)**

The purpose of this memorandum is to respond to Resolution 20250605-082 directing the City Manager to explore options for expanding eligibility for the City's home repair programs to include qualifying small-scale landlords who own no more than four rental units and rent to low-income households, including:

- Post-repair protection of the affordability period to align with the total investment made by the City and prioritization of landlords currently renting to tenants with a qualifying income of 50 percent of Area Median Family Income or less.
- Home repair policies and solutions that address housing quality, as well as housing affordability issues in Austin.

Background

In Austin, some small-scale landlords who own single units and missing middle housing types, such as duplexes, triplexes, quadplexes, townhomes, and cottage courts – may provide housing options below market rate. These properties are often older and in short supply and the landlords may lack access to capital needed for repairs.

According to Travis Central Appraisal District (TCAD) data, in Austin, there are an estimated 43,724 residential rentals with four units or fewer (no homestead exemption). Even after excluding 2,413 short-term rentals, more than 40,000 small rental properties remain—meaning thousands of landlords could reasonably be expected to benefit from the City's home repair programs. Most importantly, an estimated 80,000 people (based on Austin's 2024 average household size of two persons/household) who live in those units could benefit from the City's programs. The most recent American Community Survey 5-Year Estimates (2019-2023) determined that the typical renter household in the Austin Metropolitan Statistical Area (MSA) earns $49,052 per year, reinforcing how many tenants could benefit from a program that helps to preserve healthy, safe, and affordable homes.

The City currently offers a variety of home repair programs that support eligible low-income homeowners with plumbing, sewer, accessibility, and safety repairs. Expanding Austin's home repair programs to include small-scale landlords could help preserve Naturally Occurring Affordable Housing (NOAH), prevent displacement, and improve housing quality for renters who are often excluded from direct repair assistance.

Home Repair Program Analysis and Expansion Opportunities

Currently, Austin Housing's Home Repair programs are funded by varying sources that come with respective requirements. Because federal funds require owner-occupants, any program expansion to small-scale landlords would need to be supported with non-federal funds. To expand eligibility, the City can use local funding sources, including GO Bonds, Austin Water (private lateral), and Project Connect funds to support expanded program offerings, as well as consider other viable funding options. Currently, all home repair programs administered by Austin Housing require the homeowner to live on the property.

PROGRAM NAME	FUNDING SOURCE	TARGET POPULATION	PRIMARY SERVICE	MAXIMUM AWARD AMOUNT
Architectural Barrier Removal (ABR) – Owner	Federally funded (CDBG)	Homeowners with disabilities & senior Austinites	Accessibility modifications for owner-occupied homes	$20,000
GO REPAIR! Grant Program*	Locally funded (2022 GO Bonds)	Low-income homeowners	Repairs for serious structural issues	$40,000
Minor Home Repair Grant Program	Federally funded (CDBG)	Low-income homeowners	Minor repairs to improve home safety	$15,000
Plumbing Program*	Locally funded (Austin Water)	Homeowners	Repairs for interior plumbing lines and fixtures	$15,000
Home Rehabilitation Loan Program	Federally funded (CDBG)	Low-income homeowners	0% interest loans for major home safety repairs	$75,000 for interior and exterior repairs, up to $350,000 for demolish and reconstruct
Private Lateral*	Locally funded (Austin Water)	Homeowners	Repairs for private lateral plumbing lines	$10,000

In accordance with funding guidelines, three of the existing programs could expand eligibility to include small-scale landlords. Staff reviewed the existing eligibility criteria in the program guidelines for the City's home repair programs and outlined potential expansion criteria to small-scale landlords to potentially include:

Go Repair! Program Eligibility Criteria Expansion

- *Who is currently eligible?*
  - Austin homeowners living within Austin's full-purpose city limits, and
  - Must have a gross annual income at/below 80% MFI.
- *Who would be eligible under program expansion?*
  - The eligibility for this program could be expanded to include small-scale landlords who rent to households at 80% or less of the area median income, with a prioritization for those who rent to tenants at 50% or less of the median income. This expansion would include updated guidelines for necessary verification of landlords and their renters. It is important to note that any updates to the GO Repair program would require consultation with bond counsel.

Plumbing Program Eligibility Criteria Expansion

- *Who is currently eligible?*
  - Austin homeowners living within Austin's full-purpose city limits with a gross annual income at/below 100% MFI.
  - The property must be:
    - A single-family home or owner-occupied duplex.
    - An Austin Water customer
- *Who would be eligible under program expansion?*
  - Because the current criteria require the home to be the applicant's principal place of residence, the eligibility criteria would need to be adapted for small-scale landlords. A separate set of program guidelines outlining program eligibility, application process, and reporting requirements for small-scale landlords may be the most appropriate approach for program expansion.

Private Lateral Grant Eligibility Criteria Expansion

- *Who is currently eligible?*
  - A household which received a notice from Austin Water Utility about their private lateral line.
  - A household within the Austin city limits, Limited Purpose Annexed (LPA), or Extra Territorial Jurisdictions (ETJ) areas.
  - A household that lives in a single-family home or owner-occupied duplex.
  - Household income is 100% or less than the Median Family Income (MFI).
- *Who would be eligible under program expansion?*
  - Like the Plumbing Program, this program requires that the residence be the primary place of residence. A separate set of program guidelines outlining program eligibility, application process, and reporting requirements for small-scale landlords may be the most appropriate approach for program expansion.

Affordability Period Options

To address the intent of aligning the post-repair protection of the affordability period with the total investment made by the City, staff reviewed the current affordability period frameworks:

- **New Construction: Minimum Affordability Periods**
  - The minimum affordability period for affordable rental units is 40 years following the last certificate of occupancy required for the development.
  - The minimum affordability period for affordable ownership units is 99 years following the issuance of a certificate of occupancy for the dwelling unit.

S.M.A.R.T. Housing

- Unless a longer term is required by law, private agreement, or another provision of this Code, to be eligible for the S.M.A.R.T. Housing program, all reasonably priced dwelling units in a S.M.A.R.T. Housing development must remain reasonably priced starting on the date of initial occupancy:
  - If the unit is owner-occupied, a period of at least one year, or if the owner is receiving federal housing assistance, a period of at least five years; or
  - If the unit is a rental unit, a period of at least five years.
  - Longer affordability periods apply when other affordable housing programs are utilized.

Based on these established requirements, a new option for small-scale landlords may be appropriate such as a structure like the example outlined below:

- *A 5-year affordability period for repairs under $15,000*
- *A 10-year affordability period for investments between $15,000–$30,000*
- *A 15-year affordability period for investments over $30,000*

During the affordability period, landlords would be required to maintain rents affordable to households earning 50% of the Area Median Family Income (AMFI) or less and continue renting to tenants at or below that income level. These requirements could be formalized through a Repair Assistance Agreement, including a recorded deed restriction or affordability covenant, and annual compliance certifications. Penalties for non-compliance may include repayment of prorated repair costs.

Staff Recommendations and Next Steps

Based on research, and analyses of existing programs, staff recommend expanding eligibility to small-scale landlords to address affordability and housing quality concerns. The FY27 Austin Housing Work Plan focuses on enhancing the utilization of home repair programs to better meet established needs. Addressing affordability remains a high City priority and expanding opportunities for small-scale landlords to participate in home repair programs helps the City address the challenges with preservation of NOAH. As such, staff will establish a small-scale landlord home repair program in Project Connect eligible areas with a tiered affordability structure. This response serves as the close-out to Resolution No. 20250605-082.

Should you have any questions or concerns, please contact Nefertitti Jackmon, Community Displacement Prevention Officer of Austin Housing at Nefertitti.Jackmon@austintexas.gov or 512-974-3196.

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