



City of Austin

Recommendation for Action

File #: 25-1642, **Agenda Item #:** 68.

8/28/2025

Posting Language

Approve an ordinance designating the Austin Revitalization Authority and the Guadalupe Neighborhood Development Corporation as Community Land Trusts and granting each a property tax exemption on certain properties. Funding: The tax exemption covers the City portion of property taxes, resulting in unrealized revenue, and will aid in the development and preservation of long-term affordable housing.

Lead Department

Housing Department.

Fiscal Note

This item has no fiscal impact.

Prior Council Action:

May 24, 2012 - Council approved Ordinance No. 20120524-020 establishing the exemption from City ad valorem taxes for organizations designated as Community Land Trusts.

June 28, 2012 - Council approved Ordinance No. 20120628-034 designating Blackland Community Development Corporation (BCDC), Chestnut Neighborhood Revitalization Corporation (CNRC), and Guadalupe Neighborhood Development Corporation (GNDC) as Community Land Trusts and granting each a property tax exemption.

June 20, 2013 - Council approved Ordinance No. 20130620-016 designating BCDC, CNRC, and GNDC as Community Land Trusts and granting each a property tax exemption.

June 12, 2014 - Council approved Ordinance No. 20140612-026 designating CNRC and GNDC as Community Land Trusts and granting each a property tax exemption.

June 4, 2015 - Council approved Ordinance No. 20150604-019 designating CNRC and GNDC as Community Land Trusts and granting each a property tax exemption.

June 16, 2016 - Council approved Ordinance No. 20160616-011 designating CNRC and GNDC as community land trusts and granting each a property tax exemption.

June 8, 2017 - Council approved Ordinance No. 20170608-013 designating CNRC and GNDC as community land trusts and granting each a property tax exemption.

June 14, 2018 - Council approved Ordinance No. 20180614-024 designating CNRC and GNDC as community land trusts and granting each a property tax exemption.

June 19, 2019 - Council approved Ordinance No. 20190619-032 designating CNRC and GNDC as community land trusts and granting each a property tax exemption.

July 28, 2022 - Council approved Ordinance No. 20220728-063 designating the Austin Revitalization Authority

(ARA) and GNDC as community land trusts and granting each a property tax exemption.

August 31, 2023 - Council approved Ordinance No. 20230831-036 designating ARA as a community land trust and granting it a property tax exemption.

For More Information:

Mandy DeMayo, Interim Director, Housing Department, 512-974-1091.

Additional Backup Information:

If approved, this action will enact an ordinance designating the Austin Revitalization Authority and the Guadalupe Neighborhood Development Corporation as Community Land Trusts (CLTs) for the purpose of establishing eligibility for exemption from City ad valorem taxes on qualified CLT properties.

Texas Local Government Code Chapter 373B and Texas Tax Code Section 11.1827 authorize local governments to designate nonprofit organizations as CLTs by ordinance. The organization must be a 501(c)(3) nonprofit created to acquire and hold land for the benefit of developing and preserving long-term affordable housing within the municipality. The tax exemption, if granted, covers only the City portion of ad valorem taxes that would be paid on specific properties owned by each organization. The tax savings to each nonprofit organization decreases the operating costs of continuing to provide affordable housing.

Organizations designated as CLTs must reapply annually to the City for continued designation as a CLT. Both organizations submitted applications to the Housing Department. Staff evaluated each organization's applications and determined that they are both eligible for continued CLT designation in accordance with city and state requirements.

A list of each organization's properties to be covered under the proposed ordinance is attached as Exhibit A. The total amount of unrealized revenue per information available as of August 28, 2025, from the Travis Central Appraisal District (TCAD) is estimated to be \$23,152.82.

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