RESOLUTION NO.

2	WHEREAS, the City's Demographer reports that the median home sale		
3	price in Austin is currently \$590,000 and the average monthly rent is over \$1,700;		
4	and		
5	WHEREAS, the City's Demographer also reports that 50 percent of people		
6	living in Austin have a low or moderate income; and		
7	WHEREAS, the Urban Displacement Project and the University of Texas a		
8	Austin's Uprooted Project both report high levels of property tax affordability		
9	hardship and displacement, particularly throughout Austin's historically lower-		
10	income eastern crescent; and		
11	WHEREAS, additional residential units can provide a vital income stream		
12	to help people afford to stay in their homes, facilitate multi-generational living and		
13	family support, or provide housing that is affordable for early career or low to		
14	moderate income people; and		
15	WHEREAS, the City currently offers down payment assistance to income-		
16	eligible first-time buyers as well as home repair grants and loans to income-eligible		
17	Austinites; and		
18	WHEREAS, in October 2023 the U.S Department of Housing and Urban		
19	Development, through the Federal Housing Administration, expanded mortgage		
20	access to include dwellings commonly known as Accessory Dwelling Units;		
21	NOW, THEREFORE,		
22			

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

The City Manager is directed to explore options that would enable access to down payment assistance to help people with low or moderate incomes build or renovate their homes to include an additional residential unit. When exploring options, the City Manager should also consider the following goals:

- (1) including a restriction whereby recipients of the down payment assistance and/or fee grants do not use the property as a short-term rental to create long-term affordable housing; and
- (2) ensuring that the options complement existing Project Connect antidisplacement initiatives.

BE IT FURTHER RESOLVED:

To ensure the program is publicized to the communities who would benefit most, the City Manager is directed to develop communications and marketing materials targeted towards homeowners in areas of gentrification and displacement to ensure equitable access to information about down payment assistance.

BE IT FURTHER RESOLVED:

As increasing density in existing neighborhoods has the potential to accelerate the need for infrastructure improvements, the City Manager is directed to:

(1) consider the impacts of increased density on Austin Water and Austin Energy capacity and condition assessment processes and Capital Improvements Programs; and

46	(2) e	valuate a potential economic development grant program for	
47	Q	ualifying residential homestead applicants to pay for City fees	
48	a	ssociated with developing an additional residential unit on their	
49	h	nomestead property.	
50	BE IT FURT	HER RESOLVED:	
5 4	The Cit	y. Managan is dinastad to being proposals, implementation plans, and	
51	The Ch	y Manager is directed to bring proposals, implementation plans, and	
52	costs and funding sources to Council for its consideration by the April 2, 2024,		
53	meeting.		
54			
55	ADOPTED:	, 2023 ATTEST:	
56		Myrna Rios	
57		City Clerk	
58		City Citik	
59			