



**CITY OF SAN ANTONIO
OFFICE OF THE CITY COUNCIL
COUNCIL CONSIDERATION REQUEST**

TO: Mayor and City Council
FROM: Councilman John Courage, District 9
COPIES TO: Sheryl Sculley, City Manager; Leticia Vacek, City Clerk; Andy Segovia, City Attorney; John Peterek, Assistant to the City Manager; Christopher Callanen, Assistant to City Council
SUBJECT: Sustaining Neighborhood Improvements
DATE: November 27, 2018

Issue Proposed for Consideration

I ask for your support for the inclusion of the following item on the agenda of the earliest available meeting of the Governance Committee:

Return any tax increment of a project that utilizes Neighborhood Improvements Bond funding to a fund dedicated to Affordable Housing.

Brief Background

In the summer of 2018, the Mayor's Housing Policy Task Force recommended and the Council adopted action items and strategies to mitigate the evolving affordability crisis impacting our City. This action satisfies one of these strategies by creating a dedicated funding source without creating any new fees, taxes or negatively impacting the General Fund.

Similar in nature to the mechanics of a project located within a Tax Increment Reinvestment Zone (TIRZ), once a project utilizes the Neighborhood Improvements Bond the value of the property will significantly increase over the base valuation. This proposal will capture the tax increment of the City's tax portion and dedicate it to an affordable housing fund rather than the general fund. This will only apply if the project is not located within an existing TIRZ and is not owned by a non-profit.

On May 6, 2017 citizens of San Antonio approved Proposition 6 (Neighborhood Improvements of the 2017 Bond). This proposition authorizes the City to issue bonds in the amount of \$20 million, the proceeds from which will be used to: acquire properties within 12 identified Neighborhood Improvement Areas; improve and dispose of acquired property to facilitate private sector development of single-family, multi-family or mixed-use projects; for the purpose of eliminating blight, consistent with the City's 2017 Urban Renewal Plan, adopted by City

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Council on February 2, 2017. The City will not build housing, but will rely on non-profit and private sector housing developers to do so.

The primary goal is to retain consistent funding for affordable housing by utilizing projects that have received public investment through the Neighborhood Improvements Bond.

Submitted for Council consideration by:

John Courage
Councilman John Courage, District 9

Supporting Councilmembers' Signatures (4 only)

District

1. *[Signature]*
2. *[Signature]*
3. *[Signature]*
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