

COMMUNITY ACTION NETWORK 2001	<b>AFFORDABLE HOUSING URGENT ISSUES AND RECOMMENDED ACTIONS</b>	
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**Urgent Issue:** Lack of affordable homes and apartments; There is a significantly inadequate amount of affordable housing in our community due to a lack of: corporate incentives to increase affordable housing; development/building capacity focused on affordable housing; proactive policies (appropriately zoned land, dedicated resources and an efficient development and review process).

- Data:**
- City of Austin 2000 report estimates annual demand at more than 300 single-family homes priced less than \$100,000 and approximately 500 apartments renting for less than \$625/month. Supply estimates would meet less than 10 percent of demand beginning in 2001.
  - National Low Income Housing Coalition calculates that in order to meet federal housing affordability standards, an Austin area renter must earn \$16/hour to afford the average rent in 2000.
  - National Association of Home Builders ranked Austin-San Marcos as the least affordable metro area in the South in a December 2000 report.

**Desired Result:** Increased number of affordable homes and apartments; Improve residents' housing choices.

SOLUTIONS	ACTIONS	FINANCIAL INVESTMENT OPPORTUNITIES	HUMAN INVESTMENT OPPORTUNITIES	EXAMPLES OF ONGOING EFFORTS
Increase the supply of affordable homes and apartments. Goal: 1,000 units/year	Create corporate incentives related to housing.	<ul style="list-style-type: none"> <li>• Ask City Manager for \$10 million in annual contribution to housing trust fund. Seek corporate match of \$10 million</li> <li>• Encourage businesses, especially those downtown, to contribute to a variety of affordable housing finance mechanisms on a "menu" prepared by City</li> <li>• Make down payment assistance available to more people</li> <li>• Create alternative corporate funding source for gap financing and other needs</li> <li>• Ask City Manager for \$10m in annual contribution to housing trust fund</li> </ul>	<ul style="list-style-type: none"> <li>• Create "menu" of options that support local affordable housing providers</li> <li>• Support awards of housing tax credits to Austin at State level</li> <li>• Support State legislation to create revenue source</li> </ul>	<ul style="list-style-type: none"> <li>• Best practices from Texas cities and around the country</li> <li>• Chambers of Commerce</li> <li>• Developers/builders</li> </ul>

<p>Redevelop Mueller Airport site as model for economically integrated, mixed use neighborhood.</p>	<p>Not yet identified</p>	<ul style="list-style-type: none"> <li>• Encourage City and residents to make housing truly affordable to working families as well as very low income residents</li> <li>• Approach major employers on their employees housing needs</li> <li>• Research best practices</li> </ul>	<ul style="list-style-type: none"> <li>• City of Austin</li> <li>• Austin Neighborhoods Council</li> <li>• Chambers of Commerce</li> <li>• Developers/builders</li> <li>• Universities/colleges</li> </ul>
<p>Create more housing for students.</p>	<p>Encourage the University of Texas and other higher education institutions to develop more student housing (300-500 dormitory units)</p>	<p>Not yet identified</p>	<p>Universities/colleges</p>
<p>Develop housing for low and very low-income residents.</p>	<ul style="list-style-type: none"> <li>• Target HUD SuperNOFA (federal grant application) for a single-room occupancy facility for homeless;</li> <li>• Build transitional shelter for families (100 units)</li> <li>• Develop source of construction funds for housing for very low income residents</li> </ul>	<p>Develop criteria for locating transitional and homeless housing</p>	<ul style="list-style-type: none"> <li>• Nonprofit housing providers</li> <li>• Chambers of Commerce</li> </ul>

<p>Work to modify State and local laws and regulations to facilitate affordable housing production.</p>		<ul style="list-style-type: none"> <li>• Create new mechanisms to provide down payment assistance</li> <li>• Increase awards of housing tax credits to Austin;</li> <li>• Streamline means to secure title to land or properties</li> <li>• Support efforts to streamline the City's development, review and inspection process</li> <li>• Pursue variable tax rate ("circuit breaker" tax)</li> <li>• Research model ordinances/best practices on prohibiting discrimination based on source of income and implement them in Austin</li> <li>• Broaden the "traditional neighborhood development (TND)" ordinance for infill development. Monitor its effectiveness</li> </ul>	<ul style="list-style-type: none"> <li>• City of Austin</li> <li>• Austin Neighborhoods Council</li> <li>• Chambers of Commerce</li> <li>• Developers/builders</li> <li>• Universities/colleges</li> <li>• Builders/developers</li> </ul>
<p>Increase capacity and number of affordable housing providers.</p>	<ul style="list-style-type: none"> <li>• Provide multiyear grant awards for operating and technical assistance (\$1m over 5 years)</li> <li>• Provide gap financing for nonprofit housing providers</li> <li>• Invest in local nonprofit capacity so that they can meet demand</li> </ul>	<p>Distribute list of affordable housing providers, their production, and their needs</p>	<ul style="list-style-type: none"> <li>• Nonprofit housing providers</li> <li>• Chambers of Commerce</li> </ul>

	<p>Increase land available for affordable residential development throughout Austin.</p>	<ul style="list-style-type: none"> <li>• Encourage large employers and government (City, State, UT, AISD) to identify land for residential development</li> <li>• Dedicate City and County land to affordable housing and proceeds of foreclosed land sales</li> <li>• Explore implementation strategies for density incentives (zoning and commercial integration)</li> <li>• Consider use of General Obligation Bonds</li> </ul>	<ul style="list-style-type: none"> <li>• Develop formal system for developer/neighborhood interaction (replicate local models for neighborhood involvement; work with Austin Neighborhood Council)</li> <li>• Develop neighborhood zoning incentives (e.g., inclusionary zoning, density bonuses)</li> <li>• Review available programs</li> <li>• Monitor S.M.A.R.T. housing program to determine effectiveness; consider new incentives if required</li> </ul>	<ul style="list-style-type: none"> <li>• City of Austin</li> <li>• Austin Neighborhoods Council</li> <li>• Chambers of Commerce/large employers</li> <li>• Developers/builders</li> <li>• Universities/colleges</li> </ul>
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***Urgent Issue:* Lack of awareness of the broad impact that a lack of affordable housing has on Austin and regional growth; Too many policy makers and community members are not fully aware of the extent or complexity of the affordable housing crisis in our region and the impact of a "Not In My Backyard" (NIMBY) community attitude.**

***Data:***

- City of Austin captures less and less of the new single-family construction. In 1990, 50% now as low as 25%
- Some neighborhood draft plans have included restrictive covenants, plat notes, minimum lot sizes, and other items that would prevent lower cost housing to be built if adopted. (Example of "NIMBY" -- not in my backyard -- attitude)

***Desired Result:* More public support for below-market rate housing in all neighborhoods.**

SOLUTIONS	ACTIONS	FINANCIAL INVESTMENT OPPORTUNITIES	HUMAN INVESTMENT OPPORTUNITIES	EXAMPLES OF ONGOING EFFORTS
<p>Educate community on impacts of lack of affordable housing.</p>	<p>Develop and support a public awareness campaign that promotes affordable and accessible housing and destigmatizes low-income housing.</p>	<p>Develop and implement print and visual media campaign (billboards, public service announcements)</p>	<ul style="list-style-type: none"> <li>• Donation of marketing/PR expertise</li> <li>• Establish speakers' bureau of housing advocates from variety of industries</li> <li>• Develop a list of high-profile advocates</li> </ul>	<ul style="list-style-type: none"> <li>• City of Austin</li> <li>• Public relations/marketing firms</li> <li>• Nonprofit housing providers</li> <li>• Neighborhood Council</li> </ul>

<p>Target certain audiences with tailored message: elected officials; employers; banks/lenders; universities/colleges; and city staff.</p>	<p>Production of handouts/ briefing materials</p>	<ul style="list-style-type: none"> <li>• Donation of marketing/PR expertise</li> <li>• Establish speakers' bureau of housing advocates from variety of industries</li> <li>• Develop a list of high-profile advocates</li> </ul>	<ul style="list-style-type: none"> <li>• City of Austin</li> <li>• Public relations/marketing firms</li> <li>• Nonprofit housing providers</li> <li>• Neighborhood Council</li> </ul>
<p>Involve neighborhoods in addressing Austin affordable housing issues and solutions.</p>	<p>Prepare educational handouts/ briefing materials for neighborhoods on how to preserve character with affordable infill development</p>	<ul style="list-style-type: none"> <li>• Develop a list of high-profile housing advocates</li> <li>• Use groups that have been involved in neighborhood development "fights;" define problem; create case studies for managing issue</li> <li>• Use interviews with developers and neighborhood residents to create educational materials</li> <li>• Distribute information about resolving conflicts to builders/developers via city and business associations</li> <li>• Distribute materials to neighborhood groups via newsletters, City Planning Office</li> <li>• Ensure City staff respect neighborhood heritage, assets</li> <li>• Conduct workshops to help residents identify options and make choices</li> <li>• Create models for affordable infill development that preserves neighborhood character</li> </ul>	<ul style="list-style-type: none"> <li>• City of Austin</li> <li>• Public relations/marketing firms</li> <li>• Nonprofit housing providers</li> <li>• Neighborhood Council</li> </ul>

**Urgent Issue: Preservation of existing affordable homes and apartments; The community is rapidly losing existing affordable homes and apartments to gentrification, development, deterioration, and loss of affordable subsidies.**

**Data:**

- Though overall in good shape, Austin's housing conditions are not uniform across the City. Travis County Appraisal District data shows that in some areas of East Austin more than 37 percent of single-family homes were rated from fair to salvage condition.
- 1999 appraisal data shows that four MLS market areas have a predominance of low value housing stock. All are in East and South Austin.

**Desired Result: Increased number of home repairs; Creative financing packages to retain housing**

SOLUTIONS	ACTIONS	FINANCIAL INVESTMENT OPPORTUNITIES	HUMAN INVESTMENT OPPORTUNITIES	EXAMPLES OF ONGOING EFFORTS
Improve housing conditions of affordable homes and apartments.	Encourage residents to make necessary home repairs.	<ul style="list-style-type: none"> <li>• Develop and implement print and visual media campaign to educate citizens about reverse mortgages and home equity loans</li> <li>• Modify S.M.A.R.T. Housing program to provide waivers for rehabilitation</li> <li>• Waive permit fees for low-income homeowners</li> </ul>	<ul style="list-style-type: none"> <li>• Donation of marketing/PR expertise</li> <li>• Establish speakers' bureau of advocates from variety industries</li> </ul>	<ul style="list-style-type: none"> <li>• Lenders/bankers</li> <li>• City of Austin</li> <li>• Public relations/marketing firms</li> <li>• Nonprofit housing providers</li> <li>• Neighborhood Council</li> </ul>
	Target certain audiences with tailored message: elected officials; employers; banks/lenders; universities/colleges; and city staff.	Production of handouts/ briefing materials	Not yet identified	<ul style="list-style-type: none"> <li>• Lenders/bankers</li> <li>• City of Austin</li> <li>• Public relations/marketing firms</li> <li>• Nonprofit housing providers</li> <li>• Neighborhood Council</li> </ul>
	Provide every neighborhood association handout on Austin affordable housing issues and solutions.	Production of handouts/ briefing materials	Not yet identified	<ul style="list-style-type: none"> <li>• City of Austin</li> <li>• Public relations/marketing firms</li> <li>• Nonprofit housing providers</li> <li>• Neighborhood Council</li> </ul>

Protect existing affordable properties.	Mitigate the impacts of gentrification.	<ul style="list-style-type: none"> <li>• Encourage businesses, especially those downtown, to contribute to a "menu" of finance mechanisms for affordable housing</li> <li>• Invest in nonprofit providers that repair homes of low-income residents</li> <li>• Prevent rental units from deteriorating by supporting groups that advocate for renters rights</li> <li>• Encourage cooperation between City staff and Austin Tenants Council</li> <li>• Provide tax abatements for long-term residents (e.g., tax increment financing; capping appraisals)</li> </ul>	<ul style="list-style-type: none"> <li>• Link neighborhood groups, fiscal agents; and providers to preserve homes/apartments</li> <li>• Use Historic District zoning to preserve neighborhoods</li> <li>• Apply design standards in compliance with Americans with Disabilities Act (ADA)</li> <li>• Support legislation prohibiting predatory lending practices</li> </ul>	<ul style="list-style-type: none"> <li>• Austin Tenants Council</li> <li>• Austin Assn. of Apartment Owners</li> <li>• Chambers of Commerce</li> <li>• City of Austin</li> <li>• Public relations/marketing firms</li> <li>• Neighborhood Council</li> </ul>
	Discourage demolition of existing residential properties in good condition.	Impose fee for unauthorized demolitions (\$20,000 per unit)	<ul style="list-style-type: none"> <li>• Develop aggressive mitigation policy for replacement of demolished affordable housing units</li> <li>• Tighten policy for demolition permits: (a) encourage City to purchase and relocate homes, when feasible; (b) provide incentives for reconstruction instead of demolition</li> </ul>	<ul style="list-style-type: none"> <li>• Chambers of Commerce</li> <li>• City of Austin</li> <li>• Neighborhood Council</li> </ul>
	Retain existing subsidized units.	Use Housing Trust Fund to provide a readily available funding source for non-profit housing developers	<ul style="list-style-type: none"> <li>• Identify assisted properties and implement strategy to retain units.</li> <li>• Explore right of first refusal options for nonprofit housing developers and government agencies</li> </ul>	<ul style="list-style-type: none"> <li>• Housing Authorities</li> <li>• City of Austin</li> <li>• Neighborhood Council</li> </ul>

	Expand pool of landlords participating in subsidized housing programs.		Conduct outreach to landlords who will accept tenants with federal housing subsidies	<ul style="list-style-type: none"><li>• Housing Authorities</li><li>• City of Austin</li><li>• Neighborhood Council</li><li>• Assn. of Apartment Owners</li></ul>
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