



# City of Austin

## Neighborhood Housing & Community Development

### **Presentation:**

Community Council

April 19, 2010





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# Presentation Highlights

- I. Housing Market Study findings
- II. Housing Gaps
- III. Housing Continuum
- IV. Investment in housing
- V. Market Study recommendations



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# Housing Market Study

- ❑ An expanded component of the City's Five Year Consolidated Plan, released in August 2009.
- ❑ Factual framework to support policymakers, staff and community leaders in decision-making related to Austin's housing market.
- ❑ Data-centered foundation for other city and regional long-range planning efforts (HUD Consolidated Plan, Austin Comprehensive Plan, Downtown Austin Plan).
- ❑ Recommendations on best practices in other communities to energize and inform local efforts.

# How Austin ranks

- Austin one of the most affordable housing markets in the country from 1970-1990 (1998 HUD study)
- Rapid Population and Employment Growth
- Mismatch Between Incomes and Prices
- Lack of Available Affordable Homes

**\*Austin is still affordable by national standards, so this cycle will continue**

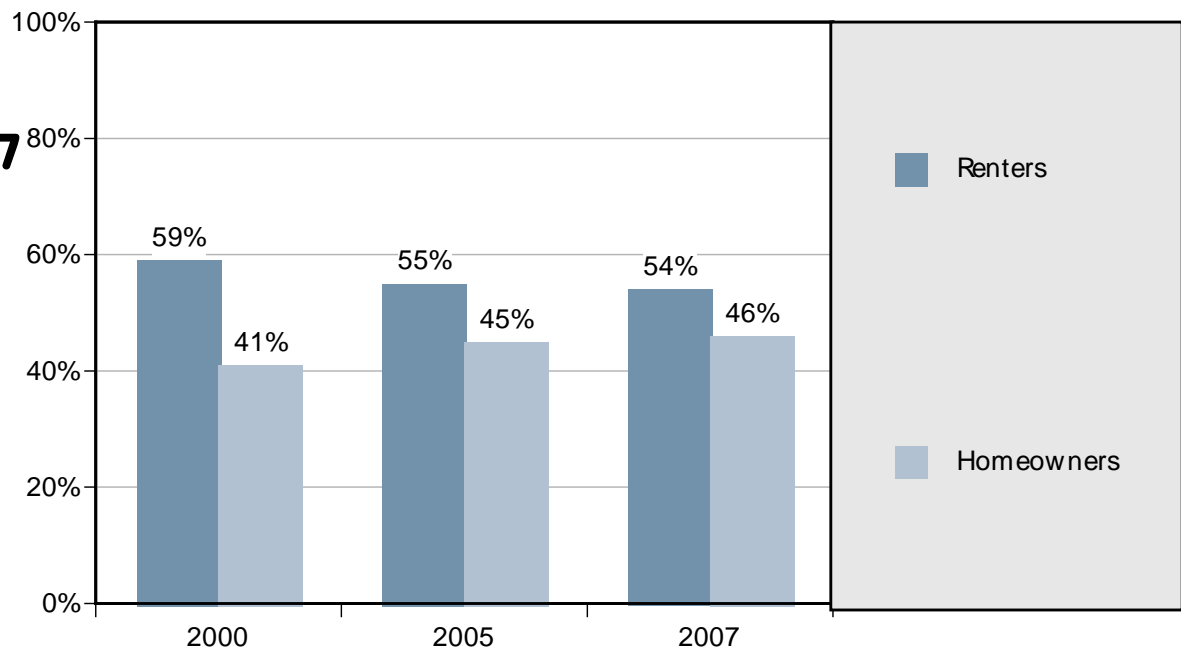
City	Share of Homes Affordable to the Median Income Family	Median Sales Price (MSA)	U.S. Rank of Affordability
Austin, TX	67.2%	\$176,000	115
Dallas, TX	67.5%	\$155,000	112
Denver, CO	70.3%	\$193,000	94
Chicago, IL	56.8%	\$225,000	164
Portland, OR	48.9%	\$245,000	184
Seattle, WA	40.6%	\$335,000	206

# Austin's Homeowner/Rental Mix

- ❑ 54% renters and 46% owners
- ❑ Students make up approximately 25% of the low-income renter population
- ❑ Rental property will continue to play a large part in housing Austin's residents

## Homeownership Rate, City of Austin, 1990, 2000 and 2007

Source: Census, 1990, 2000 and 2007, and City of Austin



# Rents High Compared to Peer Cities

- Average rent in Austin = \$774 as of 4Q09.
- Austin's rents are relatively high compared to other similar cities

## Comparative Rent Levels, 2000 and 2007

Source:  
U.S. Census Bureau  
2000 and 2007.

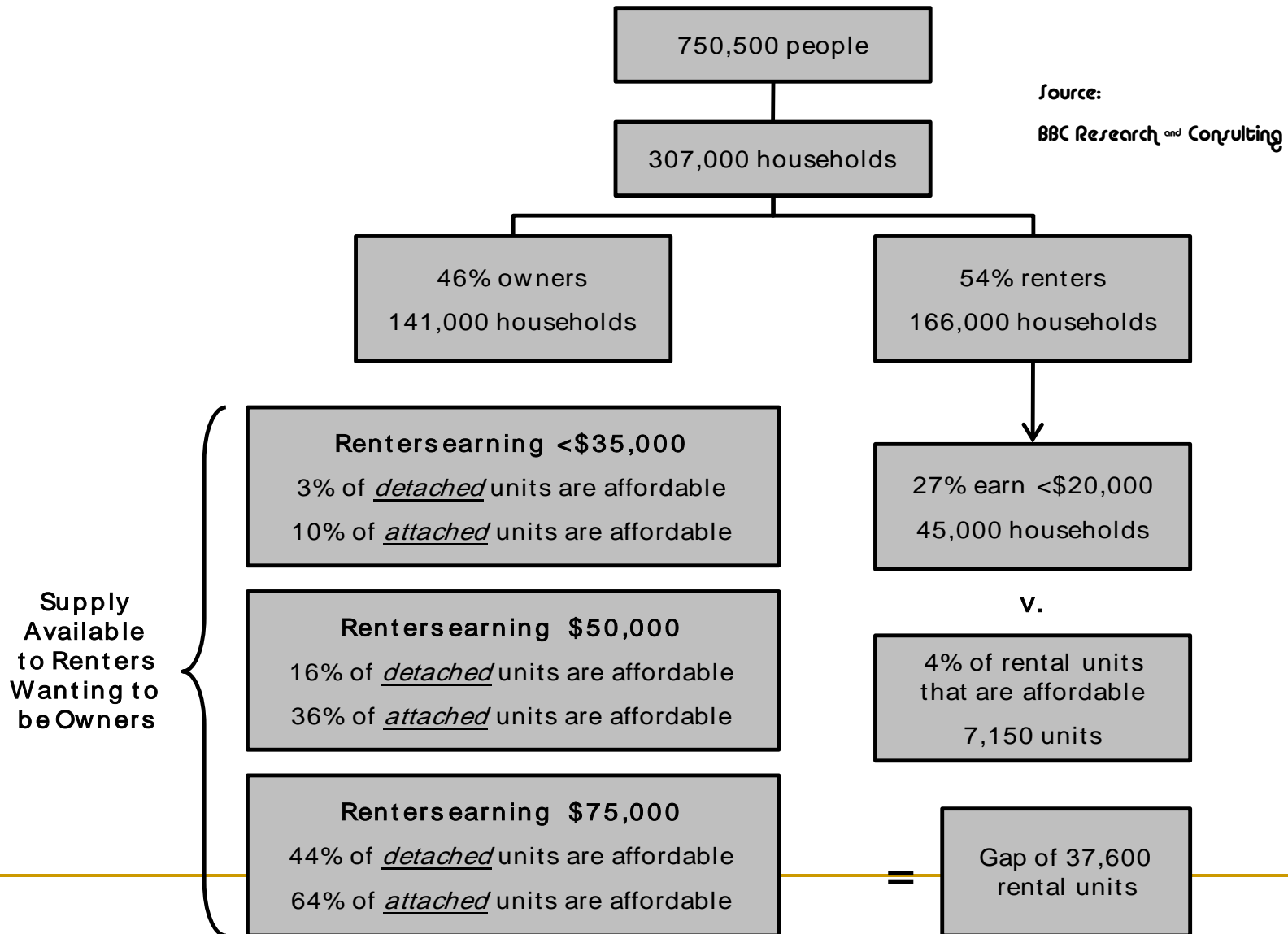
	Median Rent 2000	Median Rent 2007	Numerical Change 2000-2007	Percent Change 2000-2007
Austin	\$724	\$829	\$105	15%
Dallas	\$623	\$737	\$114	18%
Denver	\$631	\$726	\$95	15%
Portland	\$622	\$762	\$140	23%
Seattle	\$721	\$881	\$160	22%



# Housing Austin's Residents

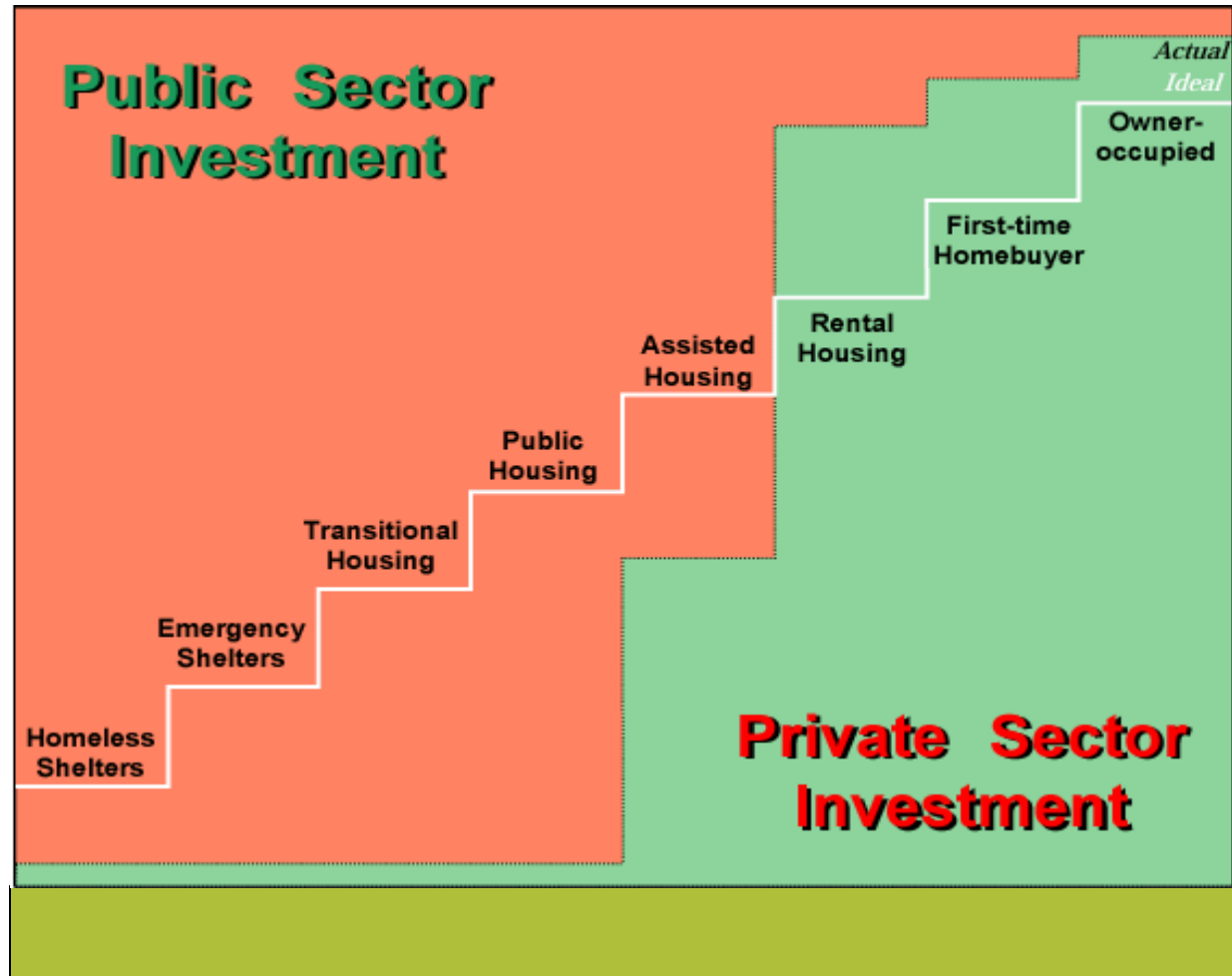
- ❑ Median price of all for sale units (listed and sold) in 2008 was \$240,000:
  - *73% of total were single family detached (house): \$260,000*
  - *20% of total were single family attached (condo): \$199,000*
  - *7% of total were multifamily (duplex, triplex, etc): \$214,900*
- ❑ In many cities, demand for affordable homes is partially fulfilled through attached housing (duplex/condos/townhomes); however, in Austin, this ownership product is currently limited.

# Rental & Homeownership Gap, 2008



# The Housing Continuum™

Steps to increased Self-Sufficiency



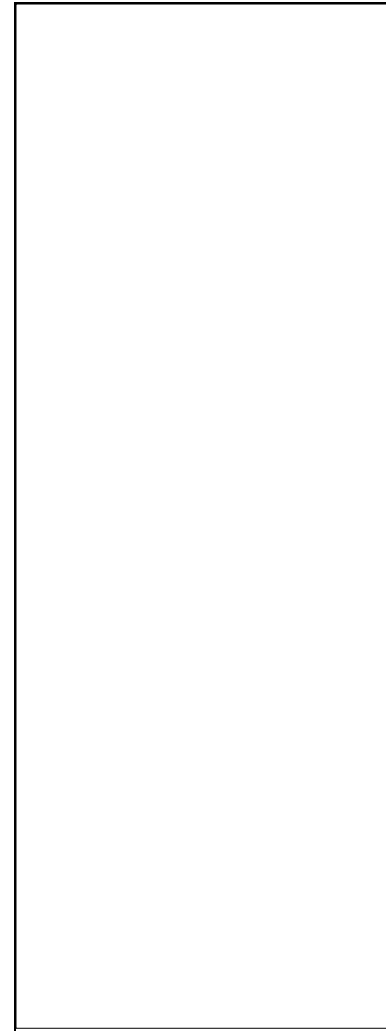
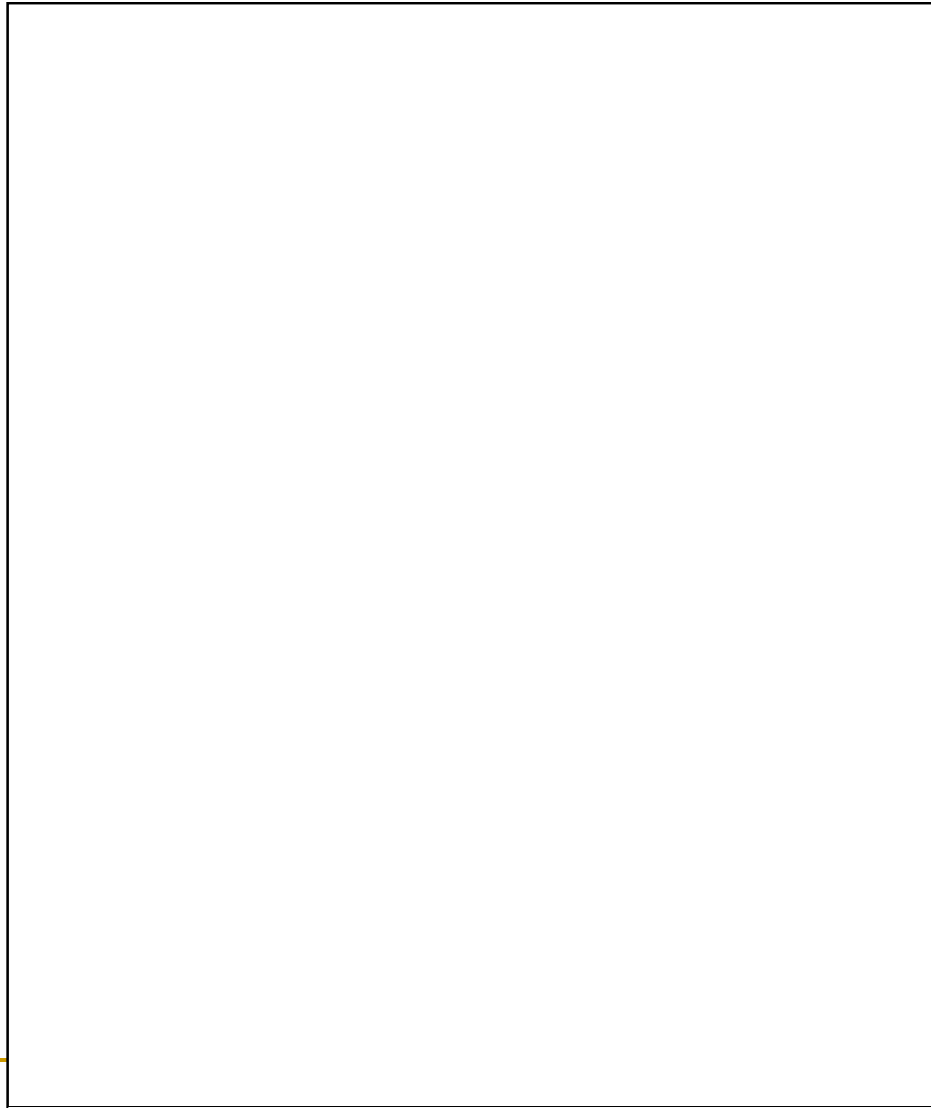
# Fiscal Year 2009-10 NHCD Investment Plan

	HOMELESS / SPECIAL NEEDS ASSISTANCE	RENTER ASSISTANCE	HOMEBUYER ASSISTANCE	HOMEOWNER ASSISTANCE	HOUSING DEVELOPER ASSISTANCE	COMMERCIAL REVITALIZATION	SMALL BUSINESS ASSISTANCE
<i>FY 2009-10 Investment</i>	\$ 2,427,421	\$ 1,517,539	\$ 1,817,080	\$ 9,147,981	\$ 32,182,318	\$ 2,981,941	\$ 1,306,264
Homeless Services	Tenant-Based Rental Assistance	Housing Smarts	Architectural Barrier Removal	Rental Housing Developer Assistance	East 11/12th Revitalization	Community Development Bank	
Shelter Operation and Maintenance	Architectural Barrier Removal	Down Payment Assistance	Emergency Home Repair	Acquisition and Development	Acquisition and Development	Micro-enterprise Technical Assistance	
Homeless Essential Services	Tenants' Rights Assistance		Homeowner Rehabilitation Loan Program	CHDO Operation Loans	- Disposition	Neighborhood Commercial Management Program	
Housing Opportunities for Persons with AIDS			G.O. Repair Program	Developer Incentive-Based Programs	- Job Creation		
Rent, Mortgage and Utility Assistance			Lead Smart		- Area Benefit / Goods & Services	Historic Preservation	
Permanent Housing Placement			Holly Good Neighbor		Parking Facilities	Façade Improvement Program	
Short-Term Supportive Housing			Materials Grant			Community Preservation and Revitalization	
Transitional Housing							
Supportive Services	<b>POPULATION SERVED</b> Homeless, vulnerable populations, low-income households		<b>POPULATION SERVED</b> Low and moderate income homeowners		<b>POPULATION SERVED</b> Low and moderate income households, small businesses		
Child Care							
Senior Services							
Youth Services	<b>POPULATION SERVED</b> Homeless, elderly, at-risk youth, low-income families, persons with HIV/AIDS	<b>POPULATION SERVED</b> Low and moderate income households		<b>POPULATION SERVED</b> Low and moderate income households, Community Housing Development Organizations (CHDOs)		<b>POPULATION SERVED</b> Small businesses, job creation for low-income households	

## FY 2009-14 Neighborhood Housing and Community Development Investment Plan

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# Affordable Housing Inventory in Austin



# City of Austin Program Eligibility

- Majority of programs target moderate incomes ( $\leq 80\%$  MFI)
- Some focus on low income ( $\leq 50\%$  or  $\leq 60\%$  MFI) or very low income ( $\leq 30\%$ )
- Must reside within the Austin city limits

2010 Austin Area Affordability Levels	1 person	2 person	3 person	4 person
80% of Median (moderate income)	\$41,050	\$46,900	\$52,800	\$58,650
50% of Median (low-income)	\$25,650	\$29,300	\$33,000	\$36,650
30% of Median (very low-income)	\$15,400	\$17,600	\$19,800	\$22,000

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# Austin's Housing Resources

## □ Local Programs/Policies

- \$55 million “GO Bond” for affordable housing activities
- Annual Sustainability Fund support
- Redevelopment proceeds of City-owned property into affordable housing
- Austin continues to get high praise as a progressive community in its use of local resources to promote affordable housing.



# Market Study Recommendations

## **Build on Strengths**

- Continue to prioritize funding for affordable housing
  - Continue to develop innovative affordable housing strategies
  - Maintain strong intergovernmental agency partnerships
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## **Raise the Bar**

- Set affordable housing targets
  - Establish new financing sources
  - Collaborate across city departments and partnership agencies to increase affordable housing development
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## **Focus on the Future**

- Replicate and adapt best practice models for Texas
- Collaborate across city departments to monitor the zoning and development process
- Improve development incentives to produce affordable housing
- Work to eliminate legislative barriers

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# Stay in Touch...

- ❑ *Sign up* for the NHCD Notes:
  - [www.cityofaustin.org/news/notes](http://www.cityofaustin.org/news/notes)
  
- ❑ *Contact* NHCD:
  - [www.cityofaustin.org/housing](http://www.cityofaustin.org/housing) (Send an email)
  - 512.974.3100