



City of Austin
Neighborhood Housing &
Community Development

Community Council

August 15, 2011

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Presentation Overview

- I. Housing Market Data
- II. NHCD Funding Snapshot
- III. Roof Over Austin
- IV. Comprehensive Housing Planning
- V. Items for Consideration



Definition of Affordable Housing

- The federal government defines housing as **“affordable” if no more than 30% of a household’s** monthly income is needed for rent, mortgage payments and utilities.
- Housing costs are also examined in the context of area median family income (MFI). Federal housing programs divide low and moderate income households into different categories, based on their relationship to the MFI.
- The current MFI for the Austin area is \$74,900



Austin's Housing Profile

- 49% Owner, 51% Renter
- Average rent in Austin = \$848 as of 1Q11
 - Highest ever in Austin's history
- Average home price in Austin
- Average occupancy rate in City of Austin: 91.7%

Austin Home Prices

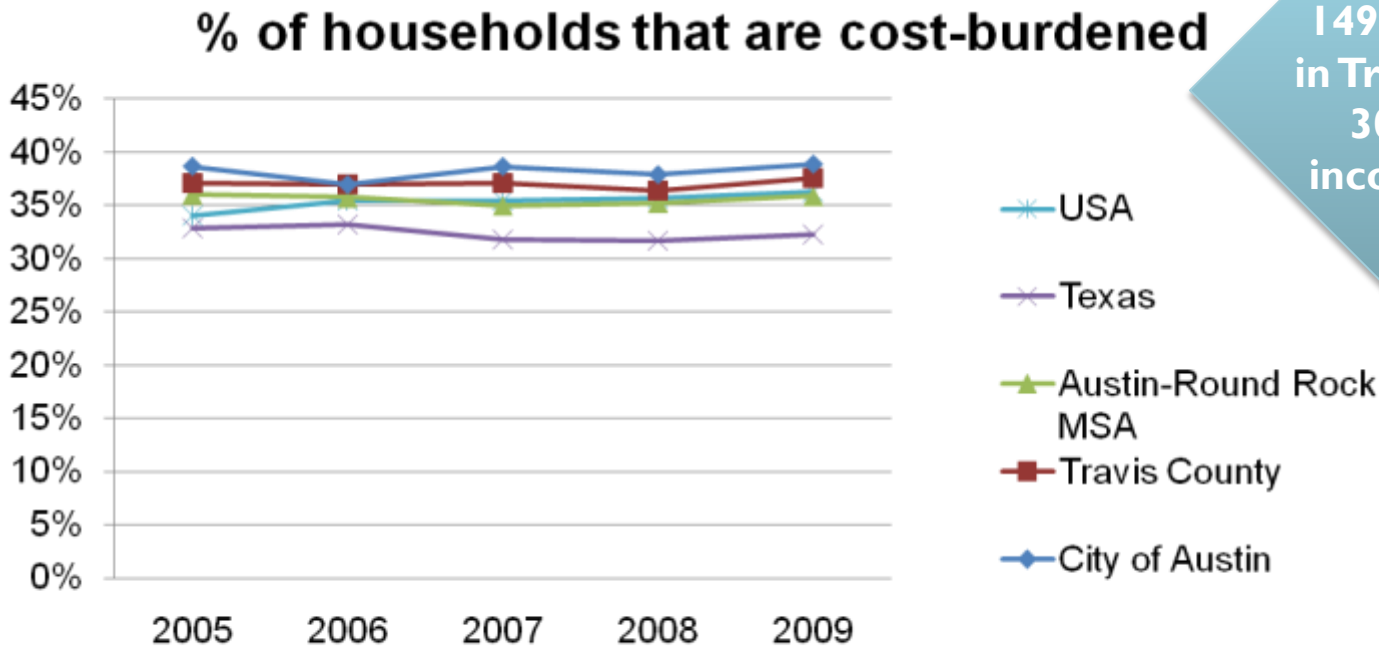
- Median price of all for sale units (listed and sold) in 2008 was \$240,000:
 - *73% of total were single family detached (house): \$260,000*
 - *20% of total were single family attached (condo): \$199,000*
 - *7% of total were multifamily (duplex, triplex, etc): \$214,900*
- Prices have changed in the last 10 years. In 2008, median price for a single family home was \$245,000. In 1998, median price was \$129,900.

How Austin Ranks

- Austin one of the most affordable housing markets in the country from 1970-1990 (1998 HUD study)
- However, Austin is quickly becoming less affordable due to population growth

City	Share of Homes Affordable to the Median Income Family	U.S. Rank of Affordability
Denver, CO	70.3%	94
Dallas, TX	67.5%	112
Austin, TX	67.2%	115
Chicago, IL	56.8%	164
Portland, OR	48.9%	184
Seattle, WA	40.6%	206

38% of Travis County households pay too much for housing



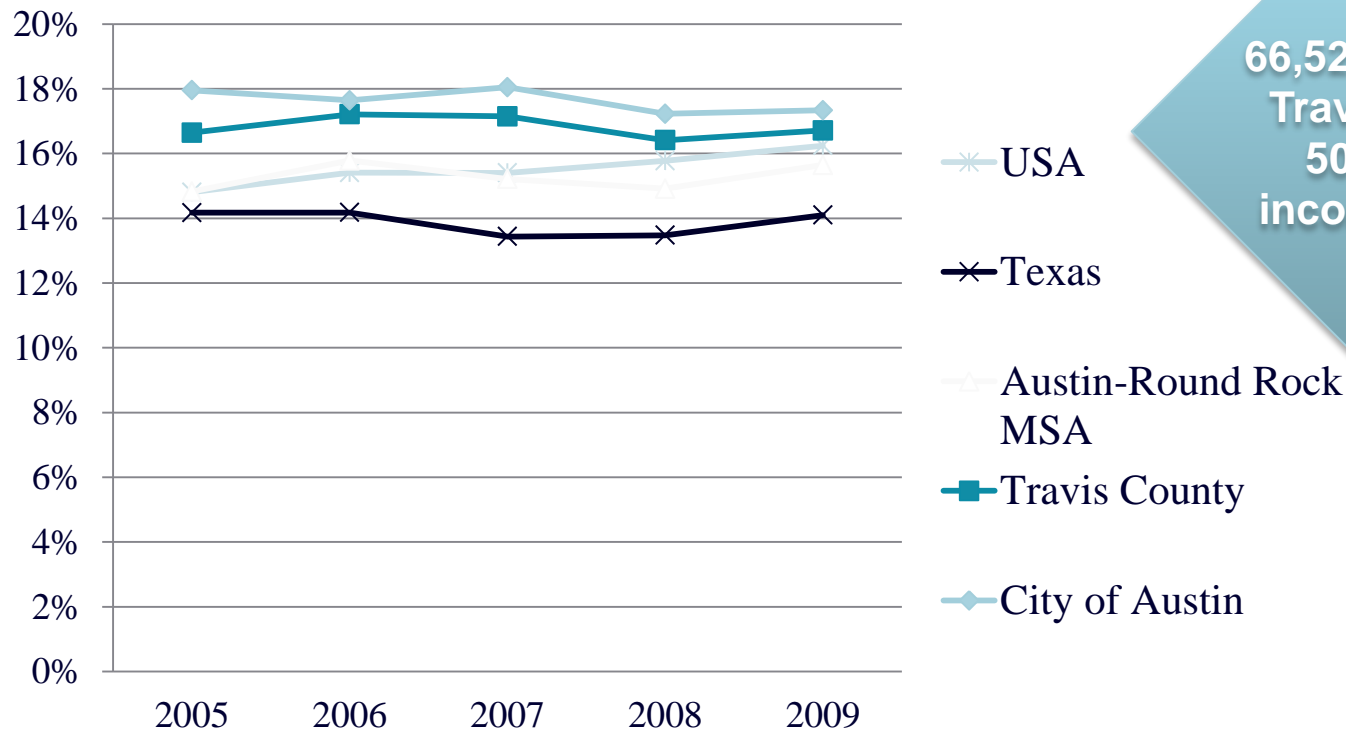
149,594 households in Travis County paid 30% or more of income on housing.

Source: American Community Survey, 1 Yr. Estimates



17% of Travis County households face extreme housing cost burden

% of households that are extreme cost-burdened



66,527 households in Travis County paid 50% or more of income on housing.

Source: American Community Survey, 1 Yr. Estimates





FY 11-12 Budget Highlights

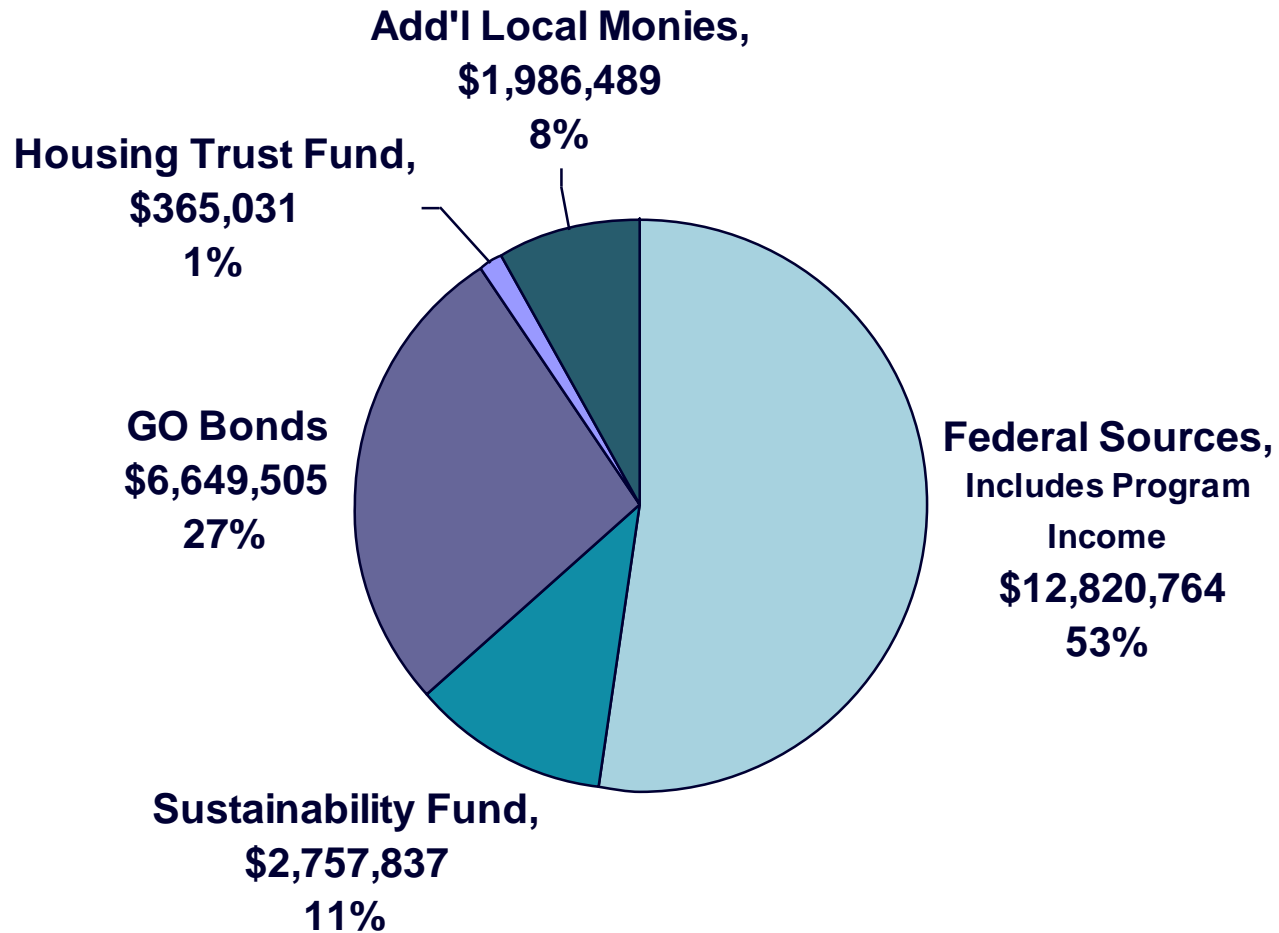
FISCAL YEAR	CDBG	HOME	ESG	HOPWA	TOTAL
1) Federal Funds					
☐FY 2010-2011 Funding	8,157,148	4,531,817	330,444	1,103,927	14,123,336
☐FY 2011-2012 Funding	6,877,946	4,017,139	330,481	1,096,976	12,322,542
Gap \$	(1,279,202)	(514,678)	37	(6,951)	(1,800,794)
%	-15.7%	-11.4%	0.0%	-0.6%	-12.8%

FY 2011-12 Investment

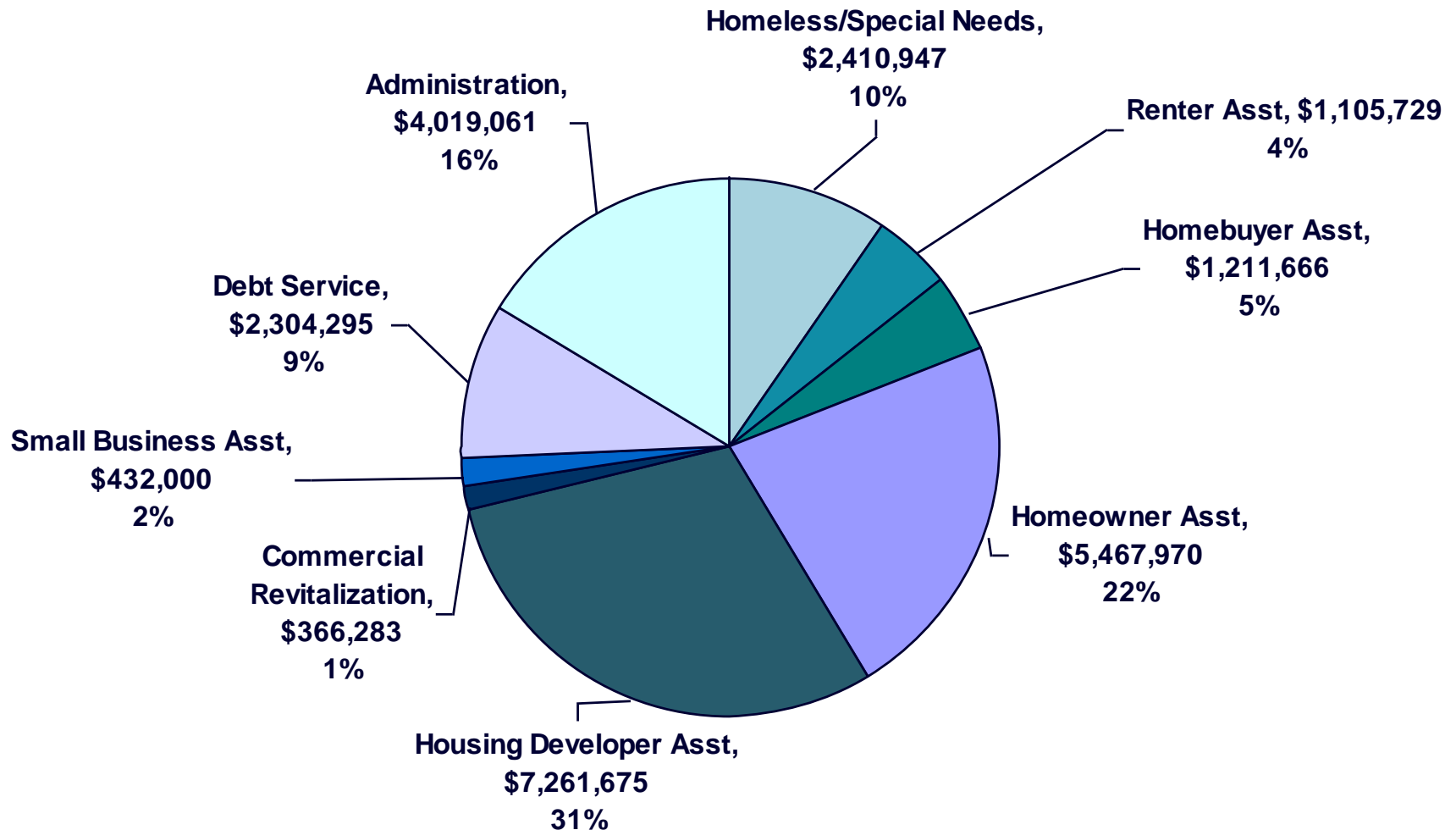
- \$16.4M Affordable Housing Programs
- \$1.8M Public Services/Community Development
- \$6.3M Debt Service/Administration

TOTAL: \$24.5M New funding

NHCD Funding Snapshot: Sources (\$24.5M)



NHCD Funding Snapshot: Uses (\$24.5M)





Clientele: Who we serve

- 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



What's Being Done?

City's Role in Affordability

- **Market-Oriented Programs**
 - Gap financing for new and rehab units
 - Financing for housing services
 - Shared Equity/Community Land Trust

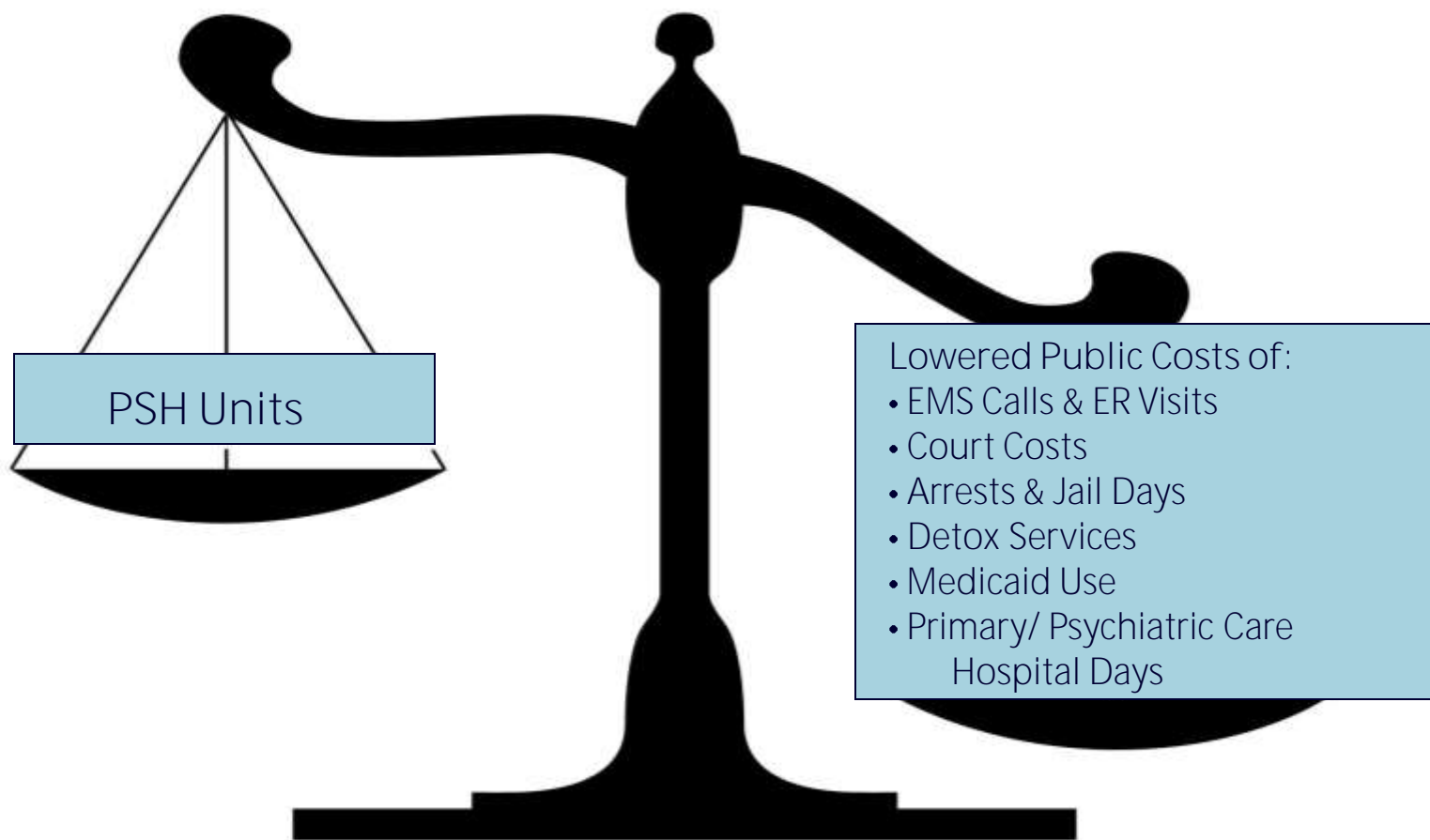
- **Client-Driven Education**
 - First-Time Homebuyer Classes
 - Technical Assistance for Developers

- **Progressive Policy**
 - Core Values: Deeper affordability levels; More geographic dispersion; Longer-term affordability
 - Incentives for Density with Community Benefits (TOD, VMU, etc)
 - Affordable Housing Preservation
 - Permanent Supportive Housing

Focused Investment: Supportive Housing

- City Council passed a resolution directing staff to develop a strategy to prioritize the City's affordable housing resources - including federal and local monies - for permanent supportive housing (PSH).
- Create 350 units over the next four years for residents most vulnerable to homelessness, those who have incomes at or below 30 percent of the median family income (MFI); by 2010 federal standards, a single person earning at or below \$15,550 annually.
- Direct the Health and Human Services Department and Neighborhood Housing and Community Development Office to create a permanent supportive housing strategy

Community Benefits of PSH



A graphic featuring four hands of different skin tones (light, medium, and dark) reaching upwards from the bottom and outwards from the sides to form a triangular shape. The hands are positioned as if they are about to clasp together. In the center of this triangle, the text 'A ROOF OVER AUSTIN' is written in a bold, green, sans-serif font. Below the main title, a smaller line of text in the same green font reads 'Ending homelessness with a sensible, safe, stable housing approach.' The background is white, and there is a solid green vertical bar on the left side of the image.

A ROOF OVER AUSTIN

Ending homelessness
with a sensible, safe,
stable housing
approach.

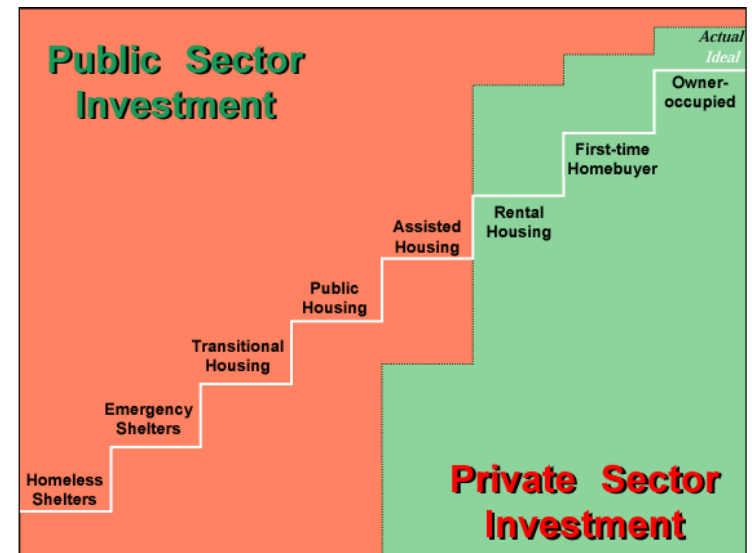
Comprehensive Housing Planning

Actions Underway

- Federal push for sustainability and collaboration across sectors and agencies
- CAN initiative for housing stakeholder group to identify regional housing needs and resources

Tools for Implementation

- Community Reports on Housing Needs
- Housing Continuum Model
- NHCD Housing Gap Analysis (see handout)





Items for Consideration

Regional Housing Stakeholder Group

Recommended Goals and Action Items

1. Evaluation and potential update of the existing Housing Continuum as a framework for regional housing planning.
2. Identifying numerical targets for affordable housing across the community.
3. Link objectives identified in the Imagine Austin Comprehensive Plan (especially as related to the Housing & Neighborhoods Plan Element) to goals of the Housing Stakeholder Group.