

FY 2010-11 DRAFT ACTION PLAN ACTION PLAN REPORTS

Chapter 4

ACTION PLAN OBJECTIVES

The City of Austin continues policy and program initiatives in fiscal year 2010-11 that will support its mission to provide housing, community development, and small business development services to benefit eligible residents so they have access to livable neighborhoods and increase their opportunities for self-sufficiency. The following is an update on the City's Neighborhood Housing and Community Development Office (NHCD) policy and program initiatives.

POLICY AND PROGRAM INITIATIVES

General Obligation (GO) Bond Affordable Housing Program

The City of Austin voters approved a \$55 million bond package for affordable housing in November 2006. These extraordinary resources have enabled Austin to make great strides in addressing the City's core values: reach deeper levels of affordability, to serve lower-income residents; preserving affordability for long-term; and affordable housing geographically dispersed throughout the City of Austin.

After three years of an initial seven-year program, 76 percent of General Obligation (GO) housing bonds have been expended and/or committed as of June 2010. The City of Austin's return on investment has resulted in 1,793 affordable units for rental and homeownership opportunities. A web site highlighting the committed GO Bonds allocated to affordable housing and the community's Return on Investment (ROI) related to its GO Bond funds dedicated to the affordable housing program was designed and launched in 2010. The site demonstrates the community return on investment and features award applicant information and development profiles (units created or retained for low-income residents), as well as a description of affordable housing impact, term and depth of affordability, and geographic dispersion of project.

Features of the web site include: award applicant information and development profile (units created or retained for low-income residents), award funding, description of affordable housing impact, term and depth of affordability, and geographic dispersion of project. Summaries of all GO Bond projects can be found at the City's Return on Investment (ROI) Web site: www.cityofaustin.org/housing/roi.

Permanent Supportive Housing

The Austin City Council unanimously approved a resolution March 25, 2010, directing the City Manager to give priority to funding for permanent supportive housing that targets the most vulnerable populations, specifying residents with annual incomes at or below 30 percent MFI, but continue to fund affordable home ownership, home repair, and rental projects.

The action by the City Council also provided direction for the City Manager to work with the NHCD and Austin/Travis County Health and Human Services Department (HHSD), and community stakeholders to develop a comprehensive strategy, based on information

gathered on best practices in other cities, that will include both the construction and operation of 350 permanent supportive housing units over the next four years.

NHCD has begun working with the HHSD and other stakeholders to develop a strategy to prioritize permanent supportive housing in Austin. For more information about Permanent Supportive Housing, visit Chapter 3.

Transit-Oriented Developments

The Austin City Council adopted the Transit-Oriented Development (TOD) Ordinance, which established TOD districts around stations for the Capital MetroRail, a commuter rail line that launched service in March 2010. The ordinance set affordable housing goals for new development or redevelopment in the half-mile areas surrounding the commuter rail stations. The City Council adopted three station area plans in late 2008 and early 2009 that specified the goals set forth in the original ordinance. The overall goal was to create high-quality, mixed-use, affordable developments designed to be pedestrian-friendly and that maximize access to public transportation. The affordable housing goal is for 25 percent of all new housing units in the TOD areas to be occupied by households earning at or below 80 percent of MFI for homeownership units or at or below 60 percent of MFI for rental units. Other sub-goals also apply, including a goal to serve lower income levels within the Community Preservation and Revitalization Zone (CP&R), which was established by the City Council in 2005.

The TOD ordinance states that for each TOD area, a station-area plan will establish specific standards and include a housing affordability analysis and feasibility review that describes the potential strategies for achieving affordable housing goals. NHCD hired Diana McIver & Associates, Inc. in fiscal year 2008-09 a consultant to produce a housing affordability analysis for each of the Station Area Plans, the City Council directed staff to develop illustrative development scenarios for TOD catalyst projects that reach deeper affordability, long-term affordability, and geographic dispersion on city-owned land within TODs.

The City Council adopted the following three station area plans:

1) Plaza Saltillo Station Area Plan

The Plaza Saltillo TOD district is located near downtown Austin, between IH-35 and Chicon Street and along the Capital MetroRail line. The City anticipates significant growth development along this East Austin corridor. The integration of new developments and other revitalization efforts within the existing neighborhood are key factors to ensuring its ultimate success. The Capital Metropolitan Transportation Authority, the largest landowner in this corridor, is an important stakeholder in future decisions for this area. A 5-acre City-owned site at the edge of the Plaza Saltillo TOD district was included in the TOD catalyst site analysis to evaluate its affordable housing potential if redeveloped in the future.

2) Martin Luther King, Jr. (MLK) Station Area Plan

The MLK TOD district is located adjacent to Martin Luther King, Jr. Boulevard, east of downtown, along the Capital MetroRail line, and in an area where significant reinvestment has occurred in recent years. The area includes significant amounts of vacant land with redevelopment potential, formerly used for light industrial

purposes. However, the affordable housing analysis for this area states that, due to high land prices and a lack of publicly-owned properties in the area, the affordable housing goals will be challenging to achieve in the MLK TOD.

With support from the City Council, Foundation Communities, a non-profit affordable housing provider, secured a Low Income Housing Tax Credit and \$2 million in GO Bond funds to acquire 8.5 acres within the MLK TOD boundaries. The organization will build a 150-unit mixed-income apartment community that will include on-site daycare. This development along with two additional tax credit awards granted in 2009 will add 827 affordable housing units to Austin's affordable housing portfolio.

3) Lamar/Justin Station Area Plan

The Lamar/Justin Station Area is located at the intersection of Justin Lane, Airport Boulevard and North Lamar Boulevard. The site is in the vicinity of the Crestview/Brentwood/and Highland neighborhoods and is along the Capital MetroRail line. The City's electric utility, Austin Energy, is a landowner of a property at Lamar/Airport that provides an option to meet the city's goals for the station area, including housing affordability. The Austin Energy site was included in a TOD catalyst site analysis to evaluate its affordable housing potential if redeveloped in the future.

North Burnet/Gateway

The North Burnet/Gateway (NBG) Master Plan presents a long-term vision for 2,300 acres in north-central Austin to redevelop the existing low-density, auto-oriented commercial and industrial uses into a higher density mixed-use neighborhood that is more pedestrian-friendly and takes advantage of Capital MetroRail located in the NBG area on Kramer Lane. The Austin City Council approved rezoning for properties in the NBG Master Plan area in March 2009 that included an affordable housing density bonus. To receive a density bonus, the developer must provide 10 percent of the bonus area granted as affordable housing or pay a fee-in-lieu of six dollars per square foot. A few specific properties may be eligible to construct new collector streets in exchange for the density bonus, instead of meeting the affordable housing requirements.

Vertical Mixed-Use (VMU)

The Austin City Council adopted changes to the Commercial Design Standards regarding Vertical Mixed Use in 2007. Developers who want exemptions from certain dimensional and parking standards must provide 10 percent of the units as affordable housing for 40 years for rental and 99 years for ownership.

University Neighborhood Overlay (UNO)

The Austin City Council adopted Ordinance 040902-58 establishing the University Neighborhood Overlay (UNO) zoning district, which includes a density bonus based on the provision of affordable housing. The ordinance allows for the adoption of an "opt-in" zoning overlay in the West campus area to allow for greater density and development entitlements.

UNO requires two tiers of affordability, 10 percent of units at 80 percent of MFI and another 10 percent at 65 percent of MFI. The developer has the option to pay a fee-in-lieu of providing the units at 65 percent of MFI. In addition, units at 80 percent of MFI must be on-site. This funding source is one of several identified in the NHCD's Action Plan that allows for the creation and retention of affordable housing, specifically in the UNO zoning district.

UNO Housing Trust Fund

The University Neighborhood Overlay (UNO) Housing Trust Fund generates funding for the development of new affordable housing in a targeted area around the University of Texas. The Austin City adopted the University Neighborhood Overlay (UNO) District Housing Trust Fund in fiscal year 2004-05. The fund was established as part of the UNO zoning district, which was created to implement some of the goals, including affordable housing, in the Combined Central Austin Neighborhood Plan.

In-Lieu Fee

In lieu of providing a portion of the on-site affordable housing requirements in UNO, a person may pay into the University Neighborhood District Housing Trust Fund a fee of \$0.50 for each square foot of net rentable floor area in a multi-family residential use development. UNO has generated an estimated \$1 million available for the provision of affordable housing. The fund balance for the UNO Housing Trust Fund in June 2010 is approximately \$320,000.

Most Recent Council Action

The City Council directed the City Manager through Resolution No. 20091210-044 on December 10, 2009, to work with stakeholders to make recommendations on a potential revision to the calculation of the in-lieu fee for affordable housing in the University Neighborhood Overlay and initiate the necessary code amendments.

The resolution further states that the potential revision should include a provision to set the in-lieu fee by ordinance with an annual adjustment to reflect current market conditions in a manner and format similar to the in-lieu fees for affordable housing incentives in Central Business District (CBD), Downtown Mixed Use (DMU), Planned Unit Development (PUD), and North Burnet/Gateway zoning districts. The City Council requests both the Planning Commission and the Community Development Commission to consider and make recommendations on the proposed code changes and potential fee adjustments.

Stakeholder Process

To ensure staff is responsive to the City Council's direction, NHCD in partnership with the Planning Development and Review Department (PDR) will provide the following opportunities for Stakeholder feedback:

- Action Plan 30-day public comment period: June 11, 2010 through July 12, 2010.
- Provide notice to stakeholders regarding two public hearings as part of the Draft Action Plan. These public hearings and other opportunities before the Community Development Commission (CDC) and City Council related to the Draft Action Plan include:

June 14	CDC Public Hearing on the Draft Action Plan 6:30 p.m., Austin City Hall – Boards and Commissions
June 24	City Council Public Hearing on the Draft Action Plan 4:00 p.m., Austin City Hall – City Council Chambers
July 13	CDC Regular Meeting – Recommendations to Council 6:30 p.m., NHCD – 4 th Floor
July 29	City Council action tentatively scheduled to approve the final Action Plan City Hall – Council Chambers

- Following the FY 2010-11 Action Plan process, there will be a stakeholder meeting hosted by NHCD and PDR staff with stakeholders to ensure a robust public input process.

A summary of the public input will be provided to both the CDC and the Planning Commission. As stated in the resolution, recommendations will be sought from both Boards with action forwarded to the City Council.

Other Density Bonus Programs

The City Council has adopted a number of other density bonuses in other areas of Austin, which include an in-lieu fee component, including affordable housing incentives in a central business district (CBD) or downtown mixed use (DMU) zoning district (currently 10/bonus square foot), the Planned Unit Development (PUD) in-lieu donation (currently \$6/square foot), and fee-in-lieu payments in the North Burnet / Gateway (NBG) Regulating Plan (currently \$6/bonus square foot).

Preservation of Affordable Housing

NHCD issued a report, *Affordable Housing in Austin, A Platform for Action* in April 2008 to proactively address the loss of existing affordable housing stock in the community. Other City of Austin studies that have addressed the importance of preserving Austin's affordable housing stock includes the Comprehensive Housing Market Study (March 2009) and the ROMA/HR&A Affordable Housing Strategy Report (July 2009). In addition, HousingWorks, a non-profit organization endeavoring to keep homes affordable for Austinites, as well as community feedback provided throughout the 2009-14 Consolidated Plan stakeholder meetings, identified preservation as a priority for Austin's affordable housing efforts.

The Preservation Report highlights the following key facts and recommendations regarding preservation of affordable housing in Austin:

- *Subsidized units are at risk.* Austin has almost 1,350 of Project-Based Section 8 units with mortgages that will expire by 2011, with about 73 percent expiring in 2010. In addition, developments financed with federal housing tax credits and elderly/disabled grants will begin to expire in a decade. Developments financed with

federal housing tax credits reach the end of their affordability requirements after 15 years. Therefore, affordability in tax credit developments completed after 1994 will begin to expire, and owners will no longer be required to offer affordable units. The number of units financed with tax credits in Austin is currently more than 8,000.

Recommendation: Develop and share data and strengthen intergovernmental coordination to increase opportunities for preservation in high opportunity areas.

- *Most of Austin affordable housing is privately-owned and not subsidized.* Austin has more than 156,000 multi-family housing units; 79 percent (123,678) are in small complexes with 2 to 49 units.

Recommendation: Maximize use of partnerships by promoting existing programs and services to affordable housing targeted for preservation.

- *Most of multi-family stock is old but occupied.* More than 55 percent of duplexes and 79 percent of small and medium-sized apartment buildings were built before 1980. Of these, 22 percent of apartments are more than 20 years old and have high-occupancy rates.

Recommendation: Explore education and outreach initiatives to help ensure low-income residents have reasonable avenues through education to remain in affordable housing.

- *Redevelopment is underway.* There was a 30 percent increase in the number of multi-family units built from 1995 through 2007. More than 2,000 rental units were converted to condominiums in 2007 and 2008.

Recommendation: Pursue new strategies to bring forward alternative resources and incentives, expanding efforts to increase long-term, permanent affordability

- *Collecting data on housing inventory posed a significant challenge.* Data regarding the condition of Austin's housing units is largely unavailable. In addition, reliable data sources have conflicting unit counts for subsidized properties.

Recommendation: Create a preservation funding pool, making available crucial revenue streams to developers in need of new resources.

Below is an update on the status of each recommendation outlined in the Report:

- *Develop and share data/Expand intergovernmental coordination.* The City of Austin works closely with the Housing Authority of the City of Austin (HACA) which founded the Southwest Housing Compliance Corporation (SHCC) in 2000 to oversee project-based Section 8 properties. HACA has won competitive contracts to administer all such properties in Texas and Arkansas. Nationwide this program is administered by the Federal Housing Administration (FHA). The City will identify opportunities where Austin can preserve project-based Section 8 properties by working closely with key agencies that are instrumental in preservation efforts.

Intergovernmental coordination also is underway through the Community Action Network, with a goal to bring together representatives from the city, county, state, and federal housing agencies along with additional housing experts to identify actions needed to address housing issues locally and regionally.

The City of Austin has developed a research framework to identify geographic areas located near employment centers, services, schools and transit corridors, and then to identify affordable apartment complexes – subsidized and market-rate -- in and near those areas. The goal is twofold – (1) to offer financial incentives to existing property owners who commit to maintaining affordable rents and (2) to enable affordable housing providers to acquire properties to secure permanent affordability in these prime locations.

For information on the Elm Ridge Apartment project which preserves affordable housing, see page 4-23.

- *Partnerships.* In addition to the partnerships, NHCD has strengthened its collaborations with other City departments to leverage resources. NHCD continues collaborative efforts with Austin Energy's (AE) Weatherization Program staff to coordinate packaging AE services with NHCD's home repair and rehabilitation programs. Eligible clients receive maximum benefits from the City. Cross promotion of programs help reduce utility costs for property owners and ease certain on-going maintenance issues.
- *Affordable Housing Education & Outreach.* Housing education and outreach to promote support of affordable housing by the general community is one of NHCD's highest priorities. NHCD Affordable Housing Forums, a quarterly series of conversations on important and diverse affordable housing issues in Austin, are a critical component of NHCD's educational initiative. Past topics range from sustainable building techniques to affordable housing preservation, to affordable housing in transit-oriented development. Three upcoming forums are planned for the rest of 2010. Topics will include a series of forums exploring how various factors such as health and transportation intersect with affordable housing priorities. For more information about NHCD's Affordable Housing Forums, visit www.cityofaustin.org/housing.
- *State-wide Educational Summit.* The City will partner with the U.S. Department of Housing and Urban Development (HUD) to host a one-day Summit on August 13, 2010 highlighting affordable housing needs throughout Texas and develop a regional strategy to create and retain affordable housing to meet the needs of Texas residents. A key issue that will be addressed in the preservation of affordable housing and how best to build sustainable housing markets in Texas. For more information about the Summit, visit www.cityofaustin.org/housing.
- *Tenant and consumer protections.* The Analysis of Impediments to Fair Housing report, a statutory requirement for the City of Austin's 5-year Consolidated Plan, cites affordability and discrimination as significant fair housing problems in Austin. The report was conducted by BBC Research & Consulting of Denver and released in July 2009. BBC determined that the lack of affordable housing results in many low-income persons living in substandard housing or tolerating discriminatory situations, such as apartments with little to no

accessibility, for fear of not finding another affordable unit.

A survey completed for the City of Austin's Housing Market Study (2009) also revealed housing discrimination as a key concern of residents. NHCD launched a Fair Housing and Fair Lending web site in January 2010 with information on the City's fair housing and fair lending initiatives and services. NHCD will continue partnering with the City of Austin Fair Housing Office and the Austin Tenants' Council to enhance current programs and educational efforts to further fair housing initiatives in the Austin community. For more information about the City of Austin's Analysis of Impediments to Fair Housing report and the City's Fair Housing and Fair Lending web page, visit www.cityofaustin.org/housing/fairhousing.htm.

NHCD will continue to explore next steps for preservation of affordable housing stock in FY 2010-11. A copy of the *Preserving Affordable Housing in Austin, A Platform for Action* can be found at: www.cityofaustin.org/housing/downloads/2008_preservation_study.pdf.

East 11th and 12th Streets Urban Renewal Plan

Under Chapter 374, of the Texas Local Government Code, the City of Austin through the Urban Renewal Agency (URA) carries out the East 11th and 12th Streets Urban Renewal Project. URA was created on December 7, 1959 to serve six urban renewal areas. The plans remain active – East 11th and 12th Streets Plan and the University East Plan.

The East 11th and 12th Streets Plan defines specific redevelopment projects and associated regulatory controls intended to assure quality, compatible, mixed-use development along the East 11th and 12th Street Corridors. East 11th Street is envisioned as a visitor-oriented destination with three to five story buildings that provide entertainment and office space attracting local residents and customers from the Austin metropolitan area. East 12th Street is envisioned as a mixed-use area with a variety of small-scale, live-work environments with combined office, retail and residential uses which serve the immediate area.

East 11th and 12th Streets Neighborhood Conservation Combining District

The City of Austin created two Neighborhood Conservation Combining Districts (NCCD) to assist with the implementation of the East 11th and 12th Streets redevelopment. The NCCD's purpose is to establish development regulations for unique neighborhoods in order to preserve its traditional character while allowing for controlled growth to occur. The NCCD defines boundaries and sets standards for redevelopment that is compatible with the unique character of the neighborhood. In addition, the NCCD is a zoning tool that modifies the City's Land Development Code, customizing development standards and development fees for the East 11th and 12th Streets Corridors.

Housing Trust Fund

The Housing Trust Fund is another key source of local funding. The Austin City Council has directed \$8.8 million in local funds to the Housing Trust Fund since 2000. The City dedicates to this fund 40 percent of all incremental tax revenues derived from developments that are built on city-owned property located in the Desired Development Zone and were not on the Travis Central Appraisal District property tax rolls in June 1997. This policy is anticipated to generate revenues in perpetuity to the Housing Trust Fund. Two projects

underway that will support the Housing Trust Fund include the Green Water Treatment Plant and Block 21 behind City Hall in downtown Austin.

Community Land Trust

The Austin City Council directed staff to move forward with implementation of a Community Land Trust (CLT) in 2005. CLT is a tool to preserve the public investment in affordability and to preserve the affordable units in perpetuity. The CLT will retain ownership of the land, while the homeowner owns the improvements. The CLT limits the sales price of the home and requires that subsequent buyers be income-eligible. CLT homeowners will receive a share of the appreciation when the affordable unit is re-sold. This model provides future opportunities for low- to moderate-income households to buy the home at an affordable price.

The City recognizes that homeownership is an important avenue of wealth creation for many low-income households. Without this type of mechanism in areas that are rapidly developing, the subsidy given to low-income households would be lost to future residents when the house is sold. In addition, a CLT would allow the City to reach greater levels of affordability for lower-income homeowners. The City will use a CLT model in partnership with local non-profit housing developers. In addition, the Housing Authority of the City of Austin utilizes the model to assist its residents transitioning to homeownership.

Due to current credit markets, mortgages for CLT customers have not been made available through lending institutions. This activity relies on the participation of lending institutions. NHCD will continue seeking partnerships with lending institutions to provide CLT mortgages.

Shared Equity

The City of Austin, through the Austin Housing Finance Corporation (AHFC), uses a shared equity ownership model to preserve affordable housing. AHFC programs that apply the shared equity model include: Down Payment Assistance Program, Home Rehabilitation Loan Program, and the Acquisition and Development (A&D) program. The Shared Equity model allows income-eligible homebuyers and homeowners to obtain substantial mortgage assistance and housing reconstruction services in exchange for two provisions that preserve housing affordability in Austin:

1. A “Right of First Refusal” allows AHFC the first option to buy the home at resale for the appraised value.
2. Homeowners are required to share the proportional amount of appreciation realized at resale with AHFC and to repay the Down Payment Assistance funds originally received at purchase.

The recaptured funds allow AHFC to assist another low- to moderate-income buyer to purchase the home.

GO Repair! Program

During the public input process for the fiscal years 2009-14 Consolidated Plan, the need for additional home rehabilitation and repair services was identified by the public. The Austin City Council directed staff to allocate \$2 million in GO Bond funds towards an expanded

home repair initiative. NHCD conducted the stakeholder process in the summer of 2009 to design a program that would increase services to clients as well as build the capacity of non-profit partners. NHCD hosted two stakeholder meetings with representatives from housing non-profits, the construction/homebuilder community, HousingWorks, and representatives of the Austin Home Repair Coalition. Accessibility modifications; electrical, plumbing, mechanical repairs; exterior siding repair; window and door repairs/replacements; and minimal drywall and flooring repair; ceiling fans in bedrooms and living room; and life and safety requirements.

The GO Repair! Program was developed to address home repairs that pose health and safety concerns for low- to moderate-income homeowners (earning at or below 80 percent MFI). The program uses subrecipients to make eligible repairs that will eliminate health and safety hazards and/or provide improved accessibility. Subrecipients include: Austin Area Interreligious Ministries, Austin Habitat for Humanity, Austin Area Urban League, and Meals On Wheels and More.

NHCD began providing services for residents through the GO Repair! Program in 2010. For more information about the City's GO Repair! Program, visit www.cityofaustin.org/ahfc/gobonds.htm.

Federal Stimulus Projects

The City of Austin received \$7.5 million in federal stimulus funds, in response to applications submitted to the U.S. Department of Housing and Urban Development (HUD) and the Texas Department of Housing and Community Affairs (TDHCA). These funds are one-time grants released by the federal government for the purpose of stimulating the economy during the current recession and addressing home foreclosures at the local level. The applications for Stimulus funds include:

- A \$2 million application for the Community Development Block Grant (CDBG-R) Program;
- A \$3.1 million application for the Homeless Prevention and Rapid Re-Housing (HPRP) Program; and
- A \$2.4 million application for Housing and Economic Recovery Act (HERA) submitted to TDHCA.

The City applied for the Community Development Block Grant (CDBG) and Homeless Prevention & Rapid Re-Housing Program (HPRP) funds in May 2009. These funds were made available from the American Recovery and Reinvestment Act of 2009. The City amended the 2004-09 Consolidated Plan and fiscal year 2008-09 Action Plan in order to receive these funds from HUD.

The Austin City Council held a public hearing on April 23, 2009, to receive citizen comments. In addition, public comments on the substantial amendment were received from April 20, 2009 through May 1, 2009, and again from May 8, 2009 through May 15, 2009. To assist with transparency and efficient access to information by the public, the City of Austin created a stimulus website related to HUD's American Recovery and Reinvestment Act (ARRA) funding. For more information about federal stimulus projects, visit www.cityofaustin.org/stimulus. This website reflects activity related to stimulus funds.

American Recovery and Reinvestment Act (ARRA) Funding

Community Development Block Grants (CDBG-R) (\$2 million)

The award is based on three major criteria: 1) sustainable, well-financed, established efforts; 2) significant results for the community; and 3) tangible results for the residents, especially low- to moderate-income populations and neighborhoods. CDBG-R guidelines issued May 5, 2009, set clear overall priorities to maximize job creation and economic benefit.

Using the federal and local criteria developed as part of the City of Austin Stimulus Program, the Austin City Council awarded the \$2 million in CDBG-R funds, as follows:

- \$500,000 for Lifeworks' East Austin Youth and Family Resource Center - To purchase land to construct a green-building resource center to expand critical workforce, education and mental health services to low-income populations. Significant leverage is included with corporate, public and nonprofit partners, including Capital Idea, Central Texas Literacy Coalition, Austin Community College and Casey Family Programs. The project has secured the majority of its funding, and will meet job creation and long-term economic development needs.
- \$500,000 for PeopleFund's Center for Economic Opportunity – To construct a \$2.8 million Leadership in Energy and Environmental Design (LEED) Silver Certified building and provide comprehensive services for local businesses and homebuyers as well as affordable office space for local businesses. Key criteria to be met are job creation/preservation, long-term economic development, and sustainable operations.
- \$550,000 for African-American Cultural and Heritage Facility - Located at 912 East 11th, the African-American Cultural and Heritage Facility will house ProArts Collective, a Visitors Bureau, and the Capital City Chamber of Commerce. The facility will offer art programs and assistance for small businesses while educating visitors on the cultural richness of the area. Key criteria to be met are job creation/preservation and long-term economic development. The job creation is through construction and tourism and long-term economic benefits of the project will continue the revitalization of the East 11 and 12th Street Corridors.
- \$250,000 to New Sidewalks in Central East Austin – The City's Public Works Department, with community input, developed a list of the "Top 25" sidewalks in most need of repairs. Most of these sidewalks are in historically disadvantaged neighborhoods throughout Central East Austin. This funding will allow new sidewalks to be completed in key areas. These one-time CDBG-R funds are well suited for these sidewalk projects since they are an essential component of public transit, which is used primarily by low- to moderate-income Austin residents. These projects will enhance the lifestyles of residents, including health (one of the key components of the prioritization matrix in the Council-adopted sidewalk master plan), while ensuring the safety of pedestrians and people with disabilities.
- The balance of the \$2 million is \$200,000 for administration of CDBG-R administration activities.

Homeless Prevention & Rapid Re-housing Program (HPRP) (\$3.1 million)

The Homeless Prevention and Rapid Re-housing Program, which is administered by the City of Austin's Health and Human Services Department (HHSD), has three primary goals: 1) Prevention: Prevent people from becoming homeless whenever possible; 2) Diversion: Intervene when people enter shelters and divert them into housing; and 3) Rapid Re-Housing: Move people who become homeless into permanent housing as quickly as possible.

The City Council approved funding in September 24, 2009, as follows:

- \$480,000 for Caritas of Austin (HPRP Outreach and Intake Specialists) - To identify, assess and qualify potential clients and to expand outreach to key eligible populations. An estimated 2,000 individuals will be served over two years.
- \$240,000 for Caritas of Austin (Housing Locator and Inspector Services) - To identify and inspect available housing; negotiate with landlords; liaison between potential eligible tenants and landlords; and follow-up point of contact for landlords and tenants;
- \$120,000 for Austin Tenants' Council (Tenant Mediation and Legal Services) - To expand existing mediation services for HPRP clients to resolve tenant/landlord disputes and will secure allowable legal services. An estimated 800 HPRP households will be served over two years.
- \$1,970,000 for LifeWorks (Rent, Utilities and Other Direct Financial Assistance) - To provide short- or medium-term rent assistance to prevent homelessness or to re-house homeless households. Other financial assistance includes utilities, deposits, moving expenses and hotel/motel vouchers. An estimated 2,000 individuals will be served over two years.
- \$102,000 for Homeless Management Information System;
- The balance of the \$3.1 million is \$153,000 for Administration of HPRP activities.

Housing and Economic Recovery Act (HERA) Funding

The City of Austin applied for Neighborhood Stabilization Program (NSP) funds established by the Housing and Economic Recovery Act (HERA) of 2008 with the goal of creating permanent affordability rental opportunities. These federal funds are distributed by the Texas Department of Housing and Community Affairs (TDHCA). The City received \$2.4 million in NSP funding which will be used to purchase and rehab/renovate foreclosed homes, and administrative costs.

The City of Austin's application proposes that after rehabilitation, the homes may be transferred to local non-profit organizations that will sell the properties to homebuyers earning at or below 50 percent of MFI. Initially the program targeted zip code 78744 (Southeast Austin) and zip code 78758 (Northwest Austin), two areas in Austin that have seen the highest number of foreclosures; however TDHCA modified the guidelines and now

allows the cities to purchase within their full jurisdiction. The City of Austin now concentrates on its entire jurisdiction for potential purchases.

The City of Austin estimates it will purchase between eight and 16 homes with the NSP funds. The City contracted to purchase four homes as of May 1, 2010.

COMMUNITY INVOLVEMENT/ECONOMIC DEVELOPMENT

The Neighborhood Housing and Community Development Office (NHCD) coordinates and maintains relationships with neighborhood groups, policy groups, non-profit and for-profit developers, businesses, and service providers in low- to moderate-income communities in order to reach its affordable housing and economic development goals. NHCD anticipates participating with the following organizations/initiatives in fiscal year 2010-11:

African American Resource Advisory Commission (AARAC)

NHCD works with members on the African American Resource Advisory Commission (AARAC) to target outreach and marketing efforts on NHCD programs and services to the African American community. The AARAC advises the Austin City Council on issues relating to the quality of life for the City's African American community and recommends programs designed to alleviate any inequities that may confront African Americans in social, economic and vocational pursuits, including; health care; housing, affordable housing, home ownership and homelessness; entertainment opportunities for professionals and students; employment; and cultural venues, including museums, theaters, art galleries and music venues.

The City of Austin launched the African American Quality of Life Initiative (AAQL) in 2005 to improve African American quality of life, identifying areas for improvement and resulting in a number of significant recommendations. The AARAC recommended to the City Council in April 2008 that the City conduct a public hearing on the use of federal economic development funding. NHCD held a joint public hearing before the Community Development Commission (CDC) on March 10, 2010, and invited Economic Development Stakeholders. The City provided outreach on the public hearings to the community, local partners, government agencies, AARAC, and over twenty-five East Austin businesses.

Austin Mayor's Committee for People with Disabilities

NHCD regularly presents and coordinates with this committee whose mission is to carry out a program to encourage, assist and enable persons with disabilities to participate in the social and economic life of the City of Austin and achieve maximum personal independence; to become gainfully employed; and to enjoy fully and use all the public and private facilities available within the community.

Community Development Commission (CDC)

The Community Development Commission (CDC) advises the Austin City Council in the development and implementation of programs designed to serve low-income residents and the community at large, with an emphasis on federally-funded programs. In accordance with the City's Citizen Participation Plan, the CDC holds public hearings on the Annual Action Plan and the Five-Year Consolidated Plan. During the public hearing process, the CDC has the option to make recommendations to the City Council on the community needs.

The CDC is comprised of 15 members; seven members are elected through a neighborhood-based process and are appointed by the City Council. The CDC also oversees the Community Services Block Grant (CSBG) program managed by the Austin/Travis County Health and Human Services Department (HHSD). CSBG regulations require 15 members

including representatives from geographic target areas: Colony Park, Dove Springs, East Austin, Montopolis, Rosewood-Zaragoza/Blackland, St. Johns, and South Austin. NHCD provides staff support for the CDC.

Urban Renewal Board

NHCD partners with the Urban Renewal Board (URB) which oversees the Urban Renewal Agency's functions. The URB consists of seven members appointed by the Mayor, also oversees the implementation and compliance of approved Urban Renewal Plans that are adopted by the Austin City Council. An Urban Renewal Plan's primary purpose is to eliminate slum and blighting influence within a designated area of the City.

The City Council adopted a resolution on November 19, 1997, declaring the East 11th and 12th Streets Revitalization Area to be a slum and blighted area, also designating this area appropriate for an urban renewal project. Subsequently, the City Council approved an Urban Renewal Plan for the area.

Central East Austin Weed & Seed Initiative

NHCD participates in this community-based strategy sponsored by the U.S. Department of Justice (DOJ) to address crime prevention and foster community revitalization. NHCD partners with the U.S. Attorney's Office, Drug Enforcement Agency (DEA), Austin Independent School District (AISD), Capitol Metro, non-profits, community residents. Other City departments that participate include: Austin Police Department (APD), Code Compliance, and the Parks and Recreation Department (PARC).

Community Action Network (CAN)

CAN is a public/private partnership between 15 major community organizations that work to achieve sustainable social, health, educational, and economic outcomes for Austin and Travis County. CAN identified 12 Issue Area Groups (IAGs) that range from housing, health, and elderly services to workforce development. These groups are: Youth Services, Victim Services, Workforce Development, Aging Services, Basic Needs, Early Education and Care, Education, Homelessness, Housing, Mental Retardation/Developmental Disabilities, Public Safety, Wellness, Physical Health, Adult Mental Health and Substance Abuse, and Children's Mental Health. The Issue Area Groups bring together stakeholders from throughout the community to collaborate with organizations that provide social services. CAN maintains a listserv of more than 2,000 community contacts, which is a key resource for NHCD's outreach efforts to provide information to the public, community non-profits and small businesses.

CAN is a key partner in the community's efforts to convene and support public awareness forums and events. NHCD continues attending regular CAN meetings to provide reports and departmental updates to inform CAN affiliates about housing and community development activities. NHCD is working with Travis County, the Travis County Housing Authority, the Housing Authority of the City of Austin and other agencies to explore opportunities to enhance local affordable housing planning efforts and incorporate this planning initiative into the CAN framework.

Community Housing Development Organizations (CHDOs)

Community Housing Development Organizations (CHDOs) are non-profit housing providers whose organizational mission includes the development of affordable housing for low- and moderate-income households. The City is able to work closely with CHDOs to help them meet their housing development goals by coordinating with the CHDO Roundtable, an organization comprised of a local, non-profit affordable housing providers. The City meets with the CHDO Roundtable to discuss policy matters and provides CHDO Operating Expenses Grants to help increase organization capacity.

CreateAustin

The City of Austin recognizes the importance of the arts and culture to the community; thus, the City along with the community's input, launched CreateAustin. CreateAustin was planned with the community's voice, vision, values and ideas about the future of Austin's cultural development. This vision and the values incorporated in it are planned to be implemented in the next decade. NHCD participates in the cultural planning process initiated by the City of Austin that will identify Austin's creative assets and challenges, define goals, and establish recommendations to invigorate Austin's "culture of creativity" to the year 2017.

Ending Community Homelessness Coalition (ECHO)

The Ending Community Homelessness Coalition (ECHO) is charged with providing dynamic proactive leadership that engages policy makers and the community in ending homelessness. In order to accomplish this, ECHO engages in a variety of activities including:

- Coordinating the annual HUD Continuum of Care application;
- Conducting the annual homeless count;
- Providing outreach through the annual Homeless Fair and Women's Homeless Fair;
- Serving as the homeless planning entity for the community; and
- Advocating for homeless issues.

City staff from both the Austin/Travis County Health and Human Services Department (HHSD) and NHCD serve on ECHO committees: the Executive Committee, Planning & Evaluation Committee, and Exiting Committee. City staff also serves as institutional members on the CoC Independent Review Team, which evaluates and scores local CoC applications.

ECHO released The Plan to End Community Homelessness 2010 in May 2010 which updates and expands upon Austin's 2004 Plan to End Chronic Homelessness. The 2010 Plan substantially expands the scope of planning to include the entire continuum of the homeless population, from those at immediate risk of becoming homeless to the chronically homeless. The Plan recommends establishing a sustainable structure to implement community-wide strategies to end homelessness by incorporating ECHO as a 501(c)3 coordinating entity with a re-designed governing structure; securing funding for staffing and program activities to ensure implementation of the Plan; moving Homeless Management Information System (HMIS) management and lead applicant status for the HUD Continuum of Care grant to ECHO; and continuing to evaluate organizational efficiency and effectiveness. This process will begin in summer 2010 and will continue with the creation of two year action plans focused on specific implementation strategies. For more information about ECHO, visit www.caction.org/homeless.

Hispanic/Latino Quality of Life Initiative

The Austin City Council approved a resolution directing the Hispanic/Latino Quality of Life (HQL) Initiative be implemented on May 8, 2008.

The HQL Initiative is a multi-phased process that includes demographic research, and trend and data analysis; community engagement and understanding through public forums; community input using print online surveys; and a Community Oversight Team review culminating in a final recommendations report. The City of Austin contracted with consulting firms Adelante Solutions Inc. and Estilo Communications to assist in the process. The firms presented recommendations to the City Council on August 27, 2009. A recommendation under the Economic Development category addressed the lack of affordable housing, stating the City should develop policies to encourage developers to provide additional affordable housing opportunities and evolve traditional housing to meet the needs of multi generational families. The study also recommended increased information sharing on current affordable housing programs and services. The City Council approved a resolution creating the Hispanic/Latino Community Oversight Team and appointed members on April 22, 2010. NHCD will continue to provide information assistance and information related to affordable housing opportunities. For more information about HQL, visit www.cityofaustin.org/hql.

Homestead Preservation District

City staff supported educational initiatives spearheaded by Texas State Representative Eddie Rodriguez and the Austin City Council to host forums in fiscal year 2009-10 providing information about the Homestead Preservation District (HPD) to area residents. In addition, the City launched a web page dedicated to the educational efforts and provided information related to the initiative as well as City and County policy action on the HPD. The City of Austin will continue working with the community and policy bodies to promote affordable housing tools available in the HPD.

HousingWorks

HousingWorks, a non-profit organization endeavoring to keeping homes affordable for Austinites, through research, education and public policy change. NHCD meets regularly with HousingWorks and collaborates to keep homes affordable in Austin through research, education, and public policy change.

Mayor's Mental Health Task Force Monitoring Committee

NHCD coordinates with the committee that assists with the coordination of behavioral health planning needs in the community to fill mental health system gaps, promote accountability and maximize funding strategies.

Public Housing Authorities

NHCD, representatives from the Housing Authority of Travis County (HATC), and the Housing Authority of the City of Austin (HACA) meet regularly to collaborate, ensure that the City's housing programs are linked to the needs of public housing residents, and coordinate programs such as the Tenant-Based Rental Assistance Program, the Resident Support Services programs at HACA, and other community initiatives. NHCD also coordinates with HACA to inform public housing residents of affordable housing programs and opportunities offered through the City of Austin.

- *Housing Authority of the City of Austin (HACA)*. Created in 1937, the Housing Authority of the City of Austin (HACA) is a major provider of affordable housing for lower-income families, disabled persons and seniors in the Austin area. There are 1,928 public housing units and more than 5,127 Housing Choice Vouchers administered by HACA. HACA receives a Shelter Plus Care grant through the HUD Continuum of Care application for 97 units to provide assistance for homeless individuals and families in Austin. HACA continues to be successful with its down payment assistance program to provide assistance to eligible families participating in either the Public Housing or Housing Choice Voucher programs.

HACA also applies for additional grant opportunities and administers several grants that provide funding for internet/wireless technology networks and additional supportive services to the youth and residents of public housing properties. These programs enable public housing residents to increase computer proficiency and literacy to learn advanced computer skills and to increase their employability with the goal of self-sufficiency. HACA gathers input and ideas on capital improvements and resident initiatives through an annual series of meetings with Resident Councils, and surveys are distributed to all public housing residents. This information is incorporated, where appropriate, into HACA's annual plan. For more information about HACA, visit www.hacanet.org.

- *Housing Authority of Travis County (HATC)*. HATC was created in 1975, as an administrator of two HUD housing programs, the Housing Choice Voucher Program and Public Housing. HATC administers 8 housing services programs, the largest of which is 564 units of Housing Choice Vouchers. HATC owns and manages 105 units of public housing in Austin, TX and 49 units of non-HUD affordable housing in Manor and Del Valle, TX. HATC receives a Shelter Plus Care grant through the HUD Continuum of Care application for 95 units to provide assistance for homeless individuals and families in the Austin Travis County Metropolitan area, as well as inter-local agreements with two other counties that allow for services in those areas. For more information about HATC, visit www.hatctx.com.

Texas Association of Local Housing Finance Agencies (TALHFA)

NHCD maintains a presence on the Board of Directors for this statewide non-profit organization established in 1989 for the purpose of informing, planning and supporting the needs of local housing finance agencies in its delivery of affordable housing in the State of Texas. TALHFA has a membership of over 300

CITY-WIDE POLICY AND PLANNING INITIATIVES

NHCD staff actively participates in City planning processes and task forces that impact affordable housing. NHCD provides technical assistance to the following:

Downtown Austin Plan

The Austin City Council adopted a resolution directing the City Manager to initiate the process of creating a Downtown Austin Plan in December 2005. The City's Planning Development and Review Department (PDR) is the lead agency for the Downtown Austin Plan. The City of Austin hired two consulting firms to develop the plan: the ROMA Design Group, and Diana McIver & Associates. The firms identified strategies and best practice for affordable housing in downtown that are part of the Downtown Master Planning process. The City also hired the ROMA Design Group to develop recommendations for a downtown density bonus ordinance with an affordable housing requirement that will include a fee-in-lieu option. The City Council is expected to take action in 2010 to replace the Interim Density Bonus with a Downtown Density Bonus ordinance. Visit www.cityofaustin.org/downtown for additional information and status of the Downtown Austin Plan.

Imagine Austin: Comprehensive Plan

The Austin City Council identified funding for staff and a consultant to work with the public to create a new Comprehensive Plan for Austin in September 2008. The City selected the consultant, Wallace Roberts & Todd, through a public input process. The current plan, the Austin Tomorrow Comprehensive Plan, the Comprehensive Plan under which the City currently operates, was developed during the 1970s and adopted in 1979. The most recent updates to the plan occurred in 2008.

The process of creating a vision and framework for the City's Comprehensive Plan is expected to be a 2-year process. This process has been broken into three phases: "Plan Kickoff" - October 2009 (first phase); "Vision and Plan Framework" - November 2009 (second phase); and the Comprehensive Plan itself - will begin late 2010 or early 2011 (third phase). To date, the City has undergone its first round of community forums, during which Austin residents were asked to analyze the city's strengths, weaknesses, opportunities, and threats. Participants also made a priority list of broad community issues that they wanted to see addressed in the Comprehensive Plan. As of late April 2010, the City is embarking on its second round of community forums, which will involve a more detailed look at the priorities identified in the previous forums. NHCD has provided input to the Planning and Development Review on the affordable housing component of upcoming community forums. NHCD will continue working with the Planning and Development Review Department to provide housing affordability information to contribute to the development of the plan. For more information about the Austin Tomorrow Comprehensive Plan, visit www.imagineaustin.net.

East Riverside Corridor Master Plan Development

East Riverside Drive is a highly traveled corridor located a few minutes from downtown Austin. There has been significant interest in redevelopment of several large properties in the area due to its proximity to downtown and Lady Bird Lake. East Riverside Drive has a wide right-of-way, which could provide locations for future pedestrian, bicycle or transit-friendly

improvements. The corridor presents a significant opportunity to transform an underutilized commercial corridor into a more sustainable, mixed use, transit-oriented neighborhood.

Along with City's Planning and Development Review Department, Consultants A. Nelessen and Associates, Inc. developed a master plan for the East Riverside Corridor from Interstate 35 to State Hwy 71/Ben White Boulevard. The Master Plan provides land use and urban design recommendations to improve the character and function of the environment along the East Riverside Corridor. The plan includes transportation recommendations and identifies infrastructure improvements that may be required to implement the plan.

The Austin City Council voted unanimously to adopt the East Riverside Corridor Master Plan on February 25, 2010, as the vision for the area. The City Council also voted unanimously to reclassify East Riverside Drive between Pleasant Valley Road and Highway 71/Ben White Boulevard from an Urban Roadway to a Core Transit Corridor. For more information about the East Riverside Corridor Master Plan, visit www.cityofaustin.org/urbandesign/riversideplan.htm.

Families and Children Task Force

The Austin City Council appointed the Families and Children Task Force in June 2007 to make recommendations to improve the quality of life for families with children in Austin. The Task Force's final report was released in June 2008. In order to address the student mobility issue, The Families and Children Task Force's Joint Subcommittee created a Housing/School Mobility Working Group. The Housing/School Mobility Working Group is comprised of members from the City of Austin, Travis County, and the Austin Independent School District (AISD).

To view the *Families and Children Task Force Report Recommendations*, visit www.cityofaustin.org/council/fctf.htm.

School Mobility

Student mobility refers to student turnover at a school during the academic year. This turnover may be due to a student changing schools within or between districts or dropping out of school. In Austin, high student mobility is clustered in distinct areas of the Austin Independent School District (AISD), primarily in the northeast and central east area of the city. High rates of mobility are linked to lower attendance rates, poor academic performance, increased dropout rates, and an increased risk of negative health outcomes; thus, addressing student mobility is critical.

Over the last year, NHCD has facilitated the Housing/School Mobility Working Group process. On February 19, 2010, the Working Group presented a final White Paper, a report/guide, to the Families and Children's Task Force Joint Subcommittee. The White Paper included an outline of the School Mobility issue, best practice research from other cities around the nation, and recommendations on next steps to addressing the issues. These recommendations included concrete funding needs, as well as a detailed program evaluation strategy for a current best practice program model in Austin.

Waller Creek Tunnel Project/Waller Creek District

NHCD participates in the technical advisory group for the Waller Creek District Master Plan. The Waller Creek Tunnel Project is a storm water bypass tunnel beginning at Waterloo Park running nearly a mile to Lady Bird Lake. The project is expected to reduce the size of the 100-year floodplain of the lower Waller Creek watershed by an estimated 28 acres and allow denser development and redevelopment in a very desirable area of downtown Austin. The Waller Creek District Master Plan is a separate, but concurrent, project from the Waller Creek Tunnel Project. The Master Plan will help identify a long-term community vision for the development of the entire Waller Creek District and will outline implementation strategies. The Austin City Council selected the ROMA Design Group to assist the City and the community in the creation of a vision and implementation strategy for the development of Waller Creek for the next 20 years.

Over the past several months, ROMA Design Group and City staff has collected public feedback on the Draft Waller Creek District Master Plan. The final Waller Creek Master Plan is anticipated to be presented to Planning Commission and City Council in mid-2010 and will be carefully coordinated with the Downtown Austin Plan. For more information about the Waller Creek Tunnel Project, visit www.cityofaustin.org/wallercreek.

NHCD PROJECTS BY NEIGHBORHOOD

Through the City of Austin's Acquisition and Development (A&D) and Rental Housing Development Assistance (RHDA) programs, the following neighborhood projects are planned or are underway in fiscal year 2010-11. The City allocated funding to these projects based on the following: type of project (transitional housing, single-family housing, ownership opportunities, etc.), level of affordability, feasibility, and evidence of additional funding. The City of Austin offers services through the A&D and RHDA programs to all affordable housing developers on projects located in City limits. To view these projects, see the City's Geographic Dispersion of Rental Housing Map in Appendix V Maps, where you may also find the City's Neighborhood Planning Areas Map.

Central East Austin Neighborhood Planning Area

Anderson Hill Neighborhood

AHFC is partnering with Anderson Community Development Corporation (ACDC) to develop 24 rental units on East 12th Street. The rental units will be for households earning at or below 50 percent MFI. AHFC will construct the units while the ACDC will own and manage the development.

11th and 12th Streets Revitalization

This revitalization project, along the East 11th and 12th Streets commercial corridors, makes physical improvements to the corridor, creates jobs for low-income people, and provides assistance to small businesses along the corridor. Revitalization efforts along the corridor began in 2000 by NHCD in partnership with the Austin Revitalization Authority (ARA) and the Urban Renewal Agency. These revitalization efforts have increased and promoted private investment in the area.

Juniper Olive

The Juniper Olive Historic District planning efforts are underway for the renovation of several historic homes.

Guadalupe Neighborhood

Guadalupe Neighborhood Development Corporation (GNDC) plans to build six "alley flats", single-family residential rental units, in collaboration with the University of Texas Center for Sustainable Design, the Austin Center for Design and Development, and AHFC in fiscal year 2010-11. The "Alley Flat Initiative" will provide alley flats that showcase both innovative design and the environmental sustainability features. Prototypes have demonstrated how sustainable housing can be affordable and adaptable and provide for more density in established neighborhoods. GNDC will also complete construction of a single-family home at 807 Waller Street in fiscal year 2010-11. For more information about the Alley Flat Initiative, visit www.thealleyflatinitiative.org.

Blackshear Neighborhood

Blackshear Neighborhood Development Corporation (BNDC), in partnership with AHFC, will develop nine units of affordable rental housing for low-income families in the Blackshear neighborhood. Out of the nine units, two will be developed on land that was once City-owned surplus, two of the six units will serve families at or below 60 percent of

MFI, six units will serve families at or below 50 percent of MFI, and one unit will serve a family at or below 30 percent of MFI.

McKinley Heights Neighborhood

Summit Housing Partners, in partnership with AHFC, has acquired and will renovate the Elm Ridge Apartments, 130 affordable housing units at 99 years affordability for families earning at or below 30 percent of MFI. This project-based Section 8 property is an "all-bills-paid" complex, which will be updated to offer residents an energy-efficient, quality living environment near Downtown Austin. Preserving project-based Section 8 housing is a prioritized component in the City of Austin's strategy to preserve affordable housing. The City has set aside \$2.5 million to help renovate the complex, without displacing the residents. It is the first such effort by the City to help preserve federally-subsidized affordable housing.

Montopolis Neighborhood

The Montopolis Neighborhood includes the site of the Frontier at Montana subdivision. Construction of new homes began in October of 2006. NHCD, through AHFC, is partnering with several non-profit housing builders to construct 81 homes that will provide homeownership opportunities for families at or below 80 percent of MFI. Austin Habitat for Humanity has completed 30 single-family homes in Frontier at Montana. American Youthworks will construct nine single-family homes in Frontier at Montana. AHFC completed 30 single-family homes, and will complete the remaining 12 homes. The AHFC homes use a shared equity model along with a "right of first refusal" to preserve long-term affordability.

Robert Mueller Municipal Airport Redevelopment

The City provides assistance in the redevelopment of the former Robert Mueller Municipal Airport (RMMA). The master plan for the development requires 25 percent of the planned owner-occupied housing units be affordable to 80 percent or below of MFI and at least 25 percent of the rental housing be affordable for households to 60 percent or below of MFI. Since April 2010, an additional 53 homes have been permitted by the City of Austin in RMMA. Out of the 53 homes, 13 homes are to be at or below 80 percent of MFI and the remaining 40 homes are to be sold at market-rate. All units must be S.M.A.R.T. HousingTM certified.

DMA Development Co. in partnership with AHFC, will develop Wildflower Terrace in the RMMA, 201 units for senior rental housing with 86 units at 99 years affordability. Out of the 201 units, 26 units are designated for individuals earning at or below 30 percent of MFI, 60 units are designated for individuals earning at or below 50 percent of MFI. This tax credit mixed-income development for seniors offers a variety of amenities including proximity to major retail and transit centers. For more information about the RMMA development, visit Appendix VI or www.muelleraustin.com.

Pecan Springs/Springdale Neighborhood

AHFC in partnership with Green Doors will complete rehabilitation of six four-plexes and two small apartment complexes, a total of 70 units. These units will provide affordable rental housing for households earning at or below 50 percent of MFI and will assist households transitioning out of shelters.

St. John Neighborhood

The City, through AHFC, partners with Neighborhood Housing Services of Austin (NHTSA) to provide affordable housing in the St. John neighborhood. In fiscal year 2010-11, NHTSA will complete rehabilitation on the second of two single-family rental units in the neighborhood.

Downtown Neighborhood Association - Downtown Austin Plan. The City partnered with Austin Travis County Integral Care (formerly Austin/Travis County Mental Health Mental Retardation Center) to expand the availability of transitional housing for individuals with disabilities. In fiscal year 2010-11, GO Bond funds will be used to renovate an existing City-owned property into a 24 unit/bed facility. The property will be leased to Austin Travis County Integral Care to serve as transitional housing for individuals with special needs including chronic substance abuse, incarceration, or who are deemed incompetent to stand trial.

Windsor Park/University Hills. Austin Habitat for Humanity, in partnership with the City, has completed infrastructure work on its new subdivision, Devonshire Village, in the Windsor Park/University Hills neighborhood. The subdivision will be comprised of 43 new construction single-family homes that will be sold to low- and moderate-income buyers. In order to provide diversity in the style of homes built in Devonshire Village, Austin Habitat for Humanity is making a portion of the 43 lots available to other affordable housing providers. The first homes were sold in fiscal year 2008-09 and completion of the remaining units is expected to occur in fiscal year 2010-11.

Govalle/Johnston Terrace Neighborhood

The Guadalupe Neighborhood Development Corporation (GNDC), in partnership with KRDB (Kramer-Robertson-Design-Build), will complete the Solutions Oriented Living (SOL) community in the Govalle/Johnston Terrace neighborhood. SOL is a mixed-income development that includes affordable rental and homeownership opportunities. The SOL Community consists of 38 units and is planned as a net-zero energy development. AHFC invested a total of \$1.47 million with GNDC to buy eight new single-family rental units for low- to moderate-income households and to provide homebuyer assistance for another eight low- to moderate-income families purchasing new homes in the SOL Community. The ownership units will utilize shared equity ownership model in order to preserve affordability in the neighborhood.

GNDC will continue the development of affordable housing at the Guadalupe-Saldaña Subdivision in fiscal year 2010-11. The Guadalupe Saldaña Subdivision is an 11- acre site just south of the Austin Community College's Eastview Campus in the Govalle/Johnston Terrace neighborhood. The development will have a total of 90 units of affordable housing with 58 homeownership units and 32 rental units.

East Martin Luther King Jr. Boulevard Neighborhood Planning Area

The East Martin Luther King Jr. Boulevard planning area will be the site of new affordable housing opportunities on surplus city land deeded to AHFC and leased to Chestnut Neighborhood Revitalization Corporation (CNRC). CNRC will develop 22 affordable senior housing units in this neighborhood that will serve households at or below 50 percent of MFI. This project is expected to be complete in fiscal year 2010-11.

Foundation Communities, with funding received by the City of Austin, will develop the M Station, a 150 unit mixed-income complex with 90 units at 99 years affordability. Out of the 150 units, 15 units are designated for families earning at or below 30 percent of MFI and 75 units are designated for families earning at or below 50 percent of MFI. This tax credit development lies within a Transit Oriented Development (TOD) area along the MetroRail Red Line and will offer newly constructed and energy-efficient affordable living to working families.

University Neighborhood Overlay/West Campus Neighborhood

In 2004, the Austin City Council adopted the University Neighborhood Overlay (UNO) that established housing affordability goals for new housing built in the West Campus neighborhood located adjacent to the University of Texas. All new housing developments that receive incentives must provide at least 10 percent of new units to households at or below 80 percent of MFI for at least 15 years. West Campus builders must provide an additional 10 percent for households at or below 65 percent MFI or pay a fee-in-lieu. In UNO, over 2,600 rental units have been built since 2004, with 301 of them affordable to 80 percent of MFI and below. Since inception, there have been a little over \$1 million collected as a fee-in-lieu for the UNO program.

Sendero Hills

Austin Habitat for Humanity partnered with the City to use GO Bond funds to assist with the acquisition of 15 acres and infrastructure construction, for up to 65 homeownership units in the Sendero Hills Phase IV Subdivision. Installation of infrastructure has been completed and the first homes are expected to be sold to households earning at or below 80 percent of MFI in fiscal year 2010-11.

North Austin Civic Association

The Mulholland Group, in partnership with AHFC, will acquire and renovate the Malibu Apartments, 476 rental housing units with 215 units at 99 years affordability. Out of the 476 units, 22 units are designated for families earning at or below 30 MFI and 193 units are designated for families earning at below 50 percent MFI. This tax credit development offers residents proximity to the Capital Metro North Lamar Transit Center. Malibu contains the largest number of housing units within one development that was gap financed through the City of Austin's developer assistance programs.

Sweet Briar Planning Area

Village on Little Texas LLC, in partnership with AHFC will develop a 240-unit mixed-income rental housing apartment complex on 11.1 acres. The Village on Little Texas will include 180 one-bedroom units and 60 two-bedroom units. Of the total 240 units, 50 units will be reserved for families with yearly household incomes not to exceed 50 percent of Austin's MFI, including 18 units for families with yearly incomes not to exceed 30 percent of Austin's MFI. A minimum of 24 units will be made accessible for families with mobility disabilities and five units will be made accessible for families with hearing and vision disabilities.

HUD REPORTS - OTHER ACTIONS

Federal regulations require that participating jurisdictions include in their annual Action Plans how the community will use HUD grant funds in conjunction with other HUD monies and community resources in order to improve the lives of residents who earn low- to moderate-incomes. The federal requirements are below with a brief description of major initiatives underway or planned to begin in fiscal year 2010-11 to meet the specific directive:

Federal Guideline - Describe Other Actions in Strategic or Action Plan Taken to: Address obstacles to meet underserved needs.

Prioritization of Permanent Supportive Housing

The Austin City Council unanimously approved a resolution March 25, 2010, directing the City Manager to give priority to funding for permanent supportive housing that targets the most vulnerable populations, specifying residents with annual incomes at or below 30 percent MFI), but continue to fund affordable home ownership, home repair, and rental projects. The action by the City Council also provided direction for the City Manager to work with the NHCD and HHSD, and community stakeholders to develop a comprehensive strategy, based on information gathered on best practices in other cities that will include both the construction and operation of 350 permanent supportive housing units over the next four years. NHCD has begun working with the HHSD and other stakeholders to develop a strategy to prioritize permanent supportive housing in Austin. For more information about Permanent Supportive Housing, visit Chapter 3.

Renters' Rights Assistance/Fair Housing Counseling

With the limited stock of affordable rental and ownership opportunities, the City continues its investment in the Austin's Tenants' Council (ATC). ATC is a recipient of HUD's Fair Housing Initiative Program (FHIP) funds. The Austin Tenants' Council Fair Housing Program serves to provide tenant-landlord fair housing education/outreach and counseling and document and investigate housing discrimination complaints. The agency also provides advice about remedies under fair housing laws and coordinates legal services to assist victims of housing discrimination. ATC carries out testing and enforcement activities to prevent or eliminate discriminatory housing practices.

HUD's Fair Housing Program helps individuals who believe they have been discriminated against as it relates to rental, sale, financing, or appraisal of housing. The state and federal Fair Housing Act prohibits discrimination based on a person's race, color, national origin, religion, sex, disability (mental or physical), or familial status. The City of Austin expands further on the state and federal requirements to include additional protections: marital status, sexual orientation, gender identity, age, and status as a student. For more information about the City's Housing Ordinance, please visit www.cityofaustin.org/hrights.

The City's Austin's most recent Analysis of Impediments to Fair Housing report (2009) may be viewed at www.cityofaustin.org/housing/publications. NHCD seeks to enhance current programs that will continue to address obstacles to address impediments to fair housing. For more information on the City of Austin's Analysis of Impediments to Fair Housing report and the City's Fair Housing and Fair Lending web page, please visit www.cityofaustin.org/housing/fairhousing.htm. For more information about the Austin Tenants' Council, visit www.housing-rights.org.

Developer Incentive-Based Program

The City continues to explore incentives to encourage private developers to develop affordable housing. The first City of Austin developer incentive program was S.M.A.R.T. Housing™, a policy adopted by the Austin City Council in April 2000 and codified in 2007. S.M.A.R.T. Housing™ encourages the development of reasonably priced, mixed-income housing units that meet accessibility standards.

The S.M.A.R.T. Housing™ ordinance ensures that new homes are Safe, Mixed-Income, Accessible, Reasonably Priced, and Transit-Oriented and meet the City's Green Building minimum-energy efficiency rating. In addition to S.M.A.R.T. Housing™, the City has created density bonus programs that offer developers incentives to create affordable housing in exchange for greater density and/or height bonuses.

The Developer Incentive-Based Program is comprised of six components that provide incentives for housing developers to develop affordable rental and homebuyer housing to households at or below 80 percent of MFI, or at or below 120 percent of MFI in the Central Business District.

- 1) **S.M.A.R.T. Housing™** - S.M.A.R.T. Housing™ assists non-profit and for-profit builders to create housing that is safe, located in mixed-income neighborhoods, accessible, reasonably-priced, transit-oriented, and meets Austin Energy's Green Building standards. The program also provides fee waivers, fast-track reviews, problem-solving assistance, and regulatory reviews that facilitate the construction of rental and homeownership.
- 2) **Vertical Mixed Use Ordinance (VMU)** - The Austin City Council adopted changes to the "Commercial Design Standards" regarding VMU in 2007. The developments that want exemptions from certain dimensional and parking standards must provide 10 percent of affordable housing for 40 years.
- 3) **Downtown Density Bonus** - The City's Planning Development and Review Department (PDR) is the lead agency for the Downtown Austin Plan. Consultants identified strategies and best practices for affordable housing in downtown that are part of the Downtown Master Planning process. The City also hired the ROMA Design Group to develop recommendations for a downtown density bonus ordinance with an affordable housing requirement that will include a fee-in-lieu of option. The City Council is expected to take action in 2010 to replace the Interim Density Bonus and with a Downtown Density Bonus ordinance.
- 4) **North Burnet/Gateway** - This low-density neighborhood will be transformed into a high-density neighborhood with an incentive, whereby developers can receive a density bonus and must provide 10 percent affordable housing or pay a fee-in-lieu of six dollars per square foot. A few specific properties may be eligible to construct new collector streets in exchange for the density bonus, instead of meeting the affordable housing requirements.

- 5) **University Neighborhood Overlay (UNO)** - The City Council adopted an "opt-in" zoning overlay in the West campus area to allow for greater density and development entitlements. UNO requires two tiers of affordability, 10 percent of units at 80 percent of MFI and another 10 percent at 65 percent of MFI. The developer has the option to pay a fee-in-lieu of providing the units at 65 percent of MFI. In addition, units at 80 percent of MFI must be on-site.
- 6) **Transit Oriented Development (TODs)** - The City Council adopted three station area plans for MLK, Saltillo, and Lamar/Justin that include a density and height bonus. All TODs require developers to: reach the goal of 25 percent of affordable housing on-site or pay a fee-in-lieu for part of the affordable housing in exchange for density and height bonuses.

Ending Community Homelessness Coalition (ECHO)

ECHO actively engages in ending community homelessness through collaborative planning with community volunteers, business leaders, service providers, and City staff support. Together, social service organizations form a continuum of services that range from preventing homelessness to assisting people who are in homeless situations to obtain permanent housing and achieve independent living. For additional information on ECHO, see, pages 4-16.

Stimulus Project: New Sidewalks in Central East Austin

The City of Austin is utilizing \$250,000 in CDBG-R funds from an award received through HUD's American Recovery and Reinvestment Act (ARRA) to support the construction of new sidewalks in Central East Austin and will assist in creating 17 jobs. The award is based on three major criteria: 1) sustainable, well-financed, established efforts; 2) yield significant results for the community; and 3) tangible results for the residents, especially low to moderate-income populations and neighborhoods. The City's Public Works Department matched the CDBG-R funds with an additional \$250,000 to address sidewalk improvements in historically disadvantaged neighborhoods throughout Central East Austin.

These one-time CDBG-R funds are well suited for the Sidewalk Project since they are an essential component of public transit, which is used primarily by low- to moderate-income Austin residents. These new sidewalks will enhance the lifestyles of residents, including health (one of the key components of the prioritization matrix in the Council-adopted sidewalk master plan), while ensuring the safety of pedestrians and people with disabilities. Construction is expected to be complete in June 2010.

Federal Guideline - Describe Other Actions in Strategic or Action Plan Taken to: Foster and maintain affordable housing.

Alternate Funding Sources

The City continues to explore opportunities to increase funding by finding new funding sources for the creation of affordable housing. NHCD's programs and services rely on local funding sources to deliver many of the activities responsive to community priorities. The Austin City Council approved the use of GO Bond funds to increase homeownership and rental opportunities for low- to moderate-income households. The bond package, which includes \$55 million for affordable housing, was approved by voters on November 7, 2006.

Other alternate funding sources anticipated to be used in fiscal year 2010-11 include, CDBG Program Income, HOME Program Income, CDBG Revolving Loan Funds and Housing Assistance Funds.

Permanent Supportive Housing

The Austin City Council unanimously approved a resolution March 25, 2010, directing the City Manager to give priority to funding for permanent supportive housing that targets the most vulnerable populations, specifying residents with annual incomes at or below 30 percent MFI, but continue to fund affordable home ownership, home repair, and rental projects. The action by the City Council also provided direction for the City Manager to work with the NHCD and HHSD, and community stakeholders to develop a comprehensive strategy, based on information gathered on best practices in other cities that will include both the construction and operation of 350 permanent supportive housing units over the next four years. NHCD has begun working with the HHSD and other stakeholders to develop a strategy to prioritize permanent supportive housing in Austin.

Affordable Housing Projects

The City has partnered with various lenders, for-profit, and non-profit developers to increase the supply of affordable rental and homeownership opportunities that will benefit low- and moderate-income households. Since 2006, these partnerships have led to the development of 1,793 affordable housing units. Listed below are projects funded by GO Bond funds that will be underway in fiscal year 2010-11.

The City of Austin will continue to seek opportunities that will foster and maintain affordable housing. For more information about affordable housing projects and GO Bond funded projects, visit www.cityofaustitn.org/housing/roi.

Community Land Trust

The Austin City Council directed staff to move forward with implementation of a Community Land Trust (CLT). The CLT tool is used to preserve the public investment in affordability and to preserve the affordable units in perpetuity. The Community Land Trust model allows the City to provide affordable homeownership opportunities and to provide a fair return to the homebuyer. Without this type of mechanism in areas that are rapidly gentrifying, the subsidy given to low-income households could be lost to future residents when the house is re-sold. In addition, the CLT allows the City to reach greater levels of affordability for lower-income homeowners. The City of Austin will continue working with the community and policy bodies to promote affordable housing tools that foster and maintain affordable housing. For more information on CLT, please see pages 4-9.

Affordability Impact Statement

As part of the S.M.A.R.T. Housing™ ordinance, NHCD staff prepares an Affordability Impact Statement (AIS) for all proposed city code amendments, neighborhood plans, and other changes on development regulations to identify any potential impacts on housing affordability. This analysis ensures that Council and the public are informed on an amendment's potential impact on housing affordability. As of April 2010, NHCD is streamlining the AIS process to make it more efficient, standardized, and transparent. The process will include changes such as a standardized request form, formal assessment criteria, and greater community outreach about the definition and purpose of the AIS.

Online Education and Outreach Initiatives

NHCD increased resources for educational and outreach initiatives by reallocating resources for a position charged with educating the community about affordable housing through community forums and community presentations. A key component of the outreach initiative is the development of educational curriculum that can be easily accessed on the City's Web site to provide a template for other agencies and community members to further affordable housing education.

Educational activities for fiscal year 2010-2011 include multiple presentations to community groups, nonprofits and community businesses and neighborhood associations. NHCD will also design and implement affordable housing educational forums that will focus on housing and the community impact on issues including community health, transportation and economic development. Additional information can be found in NHCD's Web site at www.cityofaustin.org/housing/affordable_housing.

Federal Guideline - Describe Other Actions in Strategic or Action Plan Taken to: Eliminate barriers to affordable housing.

Fair Housing

The City continues to support the Austin Tenants' Council (ATC) through the Tenants' Rights Assistance program. Through HUD's Fair Housing Initiatives Program (FHIP) funds, ATC is able to provide an array of services to Austin's renters. The City's Fair Housing Office also provides assistance to residents who believe they have been discriminated against as it relates to housing. The City will continue working closely with both agencies to help make strides in eliminating barriers to affordable housing. For more information about fair housing, visit Chapter 5.

Financial Education

The Austin Housing Finance Corporation (AHFC) began locally funded housing counseling program in 2006 called Housing Smarts. The Housing Smarts program offers housing counseling to City of Austin residents who earn at or below 80 percent of MFI and is offered in English and Spanish. The program uses the NeighborWorks®'s "Realizing the American Dream," a nationally recognized homebuyer education course. Housing Smarts classroom curriculums includes: pre-purchase counseling that provides financial literacy skills such as budgeting and credit, and mortgage finance; post-purchase class which provides foreclosure prevention counseling to homeowners who may find themselves at risk of losing their homes; individual one-on-one counseling sessions to both pre- and post-purchase participants; and a train-the-trainer scholarship offered to community non-profits that want to address housing financial literacy issues in their individual communities.

AHFC will continue offering the Housing Smarts program services in fiscal year 2010-11.

Down Payment Assistance

The Down Payment Assistance (DPA) program through AHFC provides deferred and forgivable, zero-interest loans to low- and moderate-income first-time homebuyers to assist them with the down payment and closing costs of their home purchase. The program is offered to households earning at or below 80 percent MFI and is available in two options.

- Option 1) The amount of assistance per household will not exceed \$10,000 per household or \$15,000 to persons with disabilities. Loans are secured by a subordinate lien on the property that is non-assumable. If the owner continuously occupies the home for ten years, the loan is forgiven.
- Option 2) DPA funds up to \$40,000, as a deferred, 30-year, zero percent interest loan, with a shared-equity provision and a City of Austin “right of first refusal” provision. This DPA option is not forgivable. Loans are secured by a subordinate lien on the property that is non-assumable. The loan will be recaptured by the City if the household sells or rents the home, requests an equity loan, or transfers the property title before the end of the 30-year affordability period.

Downtown Master Plan

The City’s Planning Development and Review Department (PDR) is the lead agency for the Downtown Austin Plan. The City of Austin has hired two consulting firms to develop the plan: the ROMA Design Group, and Diana McIver & Associates. The firms identified strategies and best practice for affordable housing in downtown that are part of the Downtown Master Planning process. The City also hired the ROMA Design Group to develop recommendations for a downtown density bonus ordinance with an affordable housing requirement that will include a fee-in-lieu of option. The City Council is expected to take action in 2010 to replace the Interim Density Bonus with a Downtown Density Bonus ordinance. For additional information on the status of the Downtown Austin Plan, visit www.cityofaustin.org/downtown.

Housing Opportunities for Persons with AIDS Grant (HOPWA)

The Austin/Travis County Health and Human Services Department (HHSD) administers all HOPWA activities for the City of Austin. These programs provide housing assistance for income-eligible persons living with HIV/AIDS and their families. The goals of these programs are to prevent homelessness and to support independent, self-sufficient living among persons living with HIV/AIDS. The services ensure clients have improved access to primary medical care and other supportive services. Each client is required to receive case management services in order to participate in HOPWA program services. Case managers consistently play a key role in assisting clients to tap into other housing resources, such as the Housing Choice Voucher (HCV) Program.

Educational Outreach

NHCD and Austin Housing Finance Corporation’s (AHFC) web site provides increased access to affordable housing services, available through AHFC, and community and economic development opportunities and resources for low- and moderate-income households – receiving more than 70,000 unique Web hits annually.

The City of Austin is in the process of redesigning its more than 30,000 pages to help achieve a new era in open government, the Austin GO Web Redesign Project. The Web site redesign project began with an online survey launched in November 2007 and was taken by almost 2,000 Austinites. Six town hall meetings were held in 2008, community focus groups will review and offer input on templates, designs and features of the new City web site. SteelSMBology Inc. was hired in December 2009 to begin the redesign efforts. With the community as a key partner, the redesign of the web site will ensure one of the best

municipal web sites in the nation. For additional information on the Austin GO Web Redesign Project visit, www.cityofaustin.org/austingo.

NHCD continues to improve its online architect for user friendly navigation. Information developed for online access the past fiscal year includes a Fair Housing/Fair Lending Web site as well as a site highlighting the community's investment in affordable housing with GO Bond funds. For more information about services offered by NHCD, visit www.cityofaustin.org/housing.

Federal Guideline - Describe Other Actions in Strategic or Action Plan Taken to: Overcome gaps in institutional structures and enhance coordination.

City of Austin – Interdepartmental Coordination

Several City of Austin departments coordinate efforts to provide program services and projects outlined in the Action Plan. NHCD administers community and economic development, as well as public facility programs which require interdepartmental coordination.

The City of Austin contracts with the Austin Housing Finance Corporation (AHFC) to develop affordable rental and homeownership opportunities and housing rehabilitation of owner-occupied homes. HHSD provides homeless and emergency shelter services using Emergency Shelter Grant (ESG) funds. HHSD also provides support to Austin residents living with HIV/AIDS and their families through the use of HOPWA grant funds. HHSD and NHCD jointly administer public service programs. Numerous non-federally funded housing programs and activities offered by NHCD rely on the coordination of other City departments including: Austin Energy, Budget Office, City Manager's Office, Code Compliance Department, Contract and Land Management Department, Economic Growth and Redevelopment Services (EGRSO), Government Relations, HHSD, Law Department, Parks and Recreation (PARD), Planning and Development Review Department (PDR), Public Works, Solid Waste Services (SWS), Watershed Protection Review (WPR).

Community Development Commission (CDC)

The Community Development Commission (CDC) is instrumental to enhancing coordination of policies by advising the Austin City Council in the development and implementation of programs designed to serve low-income residents and the community-at-large with an emphasis on federally funded programs. The CDC is comprised of 15 members appointed by the City Council.

Community Housing Development Organizations (CHDOs)

CHDOs are non-profit housing providers whose organizational missions include the development of affordable housing for low- and moderate-income households. The City coordinates with the CHDO Roundtable on policy matters and provides CHDO Operating Expenses Grants to help increase capacity. The City will continue working closely with CHDOs in fiscal year 2010-11 to enhance coordination and help bridge the gap in affordable housing stock in Austin.

Stimulus Project – African-American Cultural and Heritage Facility

The City of Austin is utilizing \$550,000 CDBG-R funds from an award received through HUD's American Recovery and Reinvestment Act (ARRA) for the creation of the African-American Cultural and Heritage Facility - Located at 912 East 11th Street in Central East Austin. The African-American Cultural and Heritage Facility will house ProArts Collective, a Visitors Bureau, and the Capital City Chamber of Commerce and will offer art programs and assistance for small businesses while educating visitors on the cultural richness of the area. The project will meet the job creation/preservation and long-term economic development goals.

The overall project is a collaborative and joint process with the community, area non-profits, local artists, fellow City departments.

Federal Guideline - Describe Other Actions in Strategic or Action Plan Taken to: Improve public housing and resident initiatives.

The Housing Authority of the City of Austin (HACA) and the Housing Authority of Travis County (HATC) provide public housing in the Austin area. Both HACA and HATC share updates on agency progress through regular contacts and meetings with City staff.

Housing Authority of the City of Austin (HACA)

HACA is a major provider of affordable housing for lower-income families, disabled persons and seniors in the Austin area. There are 1,928 public housing units and more than 5,127 Housing Choice Vouchers administered by HACA. HACA receives a Shelter Plus Care grant through the HUD Continuum of Care application for 97 units to provide assistance for homeless individuals and families in Austin. HACA continues to be successful with its down payment assistance program to provide assistance to eligible families participating in either the Public Housing or Housing Choice Voucher programs. The program provides a \$10,000 forgivable loan to be applied towards the down payment of a new or pre-existing home. If the applicant meets all the criteria of the program for the first five years, then the loan is forgiven.

Housing Authority of Travis County (HATC)

HATC was created in 1975, as an administrator of two HUD housing programs, the Housing Choice Voucher Program and Public Housing. HATC administers 8 housing services programs, the largest of which is 564 units of Section 8 Housing Choice Vouchers. HATC owns and manages 105 units of public housing in Austin and 49 units of non HUD-funded affordable housing in Manor and Del Valle, Texas. HATC receives a Shelter Plus Care grant through the HUD Continuum of Care application for 95 units to provide assistance for homeless individuals and families in the Austin Travis County Metropolitan area, as well as inter-local agreements with two other counties that allow for services in those areas.

NHCD continues coordinating with both HACA and HATC to inform public housing residents of affordable housing programs and opportunities. The City of Austin is committed to continuing the support of partnership and efforts that will improve public housing and resident initiatives. For more information about local PHAs, visit pages 4-17 and 4-18.

Federal Guideline - Describe Other Actions in Strategic or Action Plan Taken to: Evaluate and reduce lead-based paint hazards.

Austin was awarded a \$3.7 million Lead Hazard Control Grant from the U.S. Department of Housing and Urban Development (HUD) in March 2007 to identify and control lead-based paint hazards in eligible low-income rental and owner-occupied housing for a three-year grant period. The City's Lead Smart Program serves homes built prior to 1978 where children under 6 years of age live or spend a significant amount of time and who have tested positive for lead poisoning. The grant targets funding to communities with the greatest need, specifically to households with a high incidence of lead poisoning and older rental housing.

The Lead Hazard Control Grant will continue to provide the abatement services to eligible households in fiscal year 2010-11. The remaining balance of grant funding is available for spending through February 2011. The grant was awarded to the City with the goal of abating a total of 296 units during the three-year grant period. The City submitted a request to the Office of Healthy Homes and Lead Hazard Control to reduce the grant goal from 296 to 162 to more accurately reflect market capacity in Austin. HUD approved a one-year extension in January 2010; thus, HUD and the City of Austin agreed to increase the goal by an additional 38 households. The City anticipates meeting the new goal of 200 by the end of the grant term, which is February 2011.

NHCD offers Renovating, Repair & Painting (RRP) training to its contractors and local non-profits that are currently working or bidding on projects for NHCD/AHFC. NHCD offered RRP training in April 2010 and expects to offer additional training in July 2010. RRP certification training is required for any contractor repairing/rehabilitating homes that are pre-1978.

Federal Guideline: Describe Other Actions in Strategic or Action Plan Taken to: Ensure compliance with program and comprehensive planning requirements.

NHCD's Compliance Division ensures compliance with all program and comprehensive planning requirements which includes a review of current program guidelines with the activities undertaken through these programs. The Compliance Division ensures the review of programs is compliant with mandated federal regulations, established program guidelines, and written contract requirements. Staff is required to be trained on federal and local requirements. The Compliance Division is dedicated to technical assistance for compliance with HUD regulations.

Federal Guideline - Describe Other Actions in Strategic or Action Plan Taken to: Reduce the number of persons living below the poverty level.

Childcare Services

The Health and Human Services Department (HHSD) administers the Childcare Services program to increase the supply of quality child care to low-income families. The program provides services to children from low-income families with gross incomes less than 200 percent of Federal Poverty Guidelines who reside within the Austin city limits. Social service contracts through HHSD will provide: 1) child care vouchers for homeless and near-

homeless families, families in crisis, and parents enrolled in self-sufficiency programs; 2) direct child care services for teen parents who are attending school; and 3) direct child care services through the Early Head Start child development program.

Youth Services

HHSD administers the Youth Support Services program which provides access to holistic, wraparound services and support to youth designated as at-risk and their families. The program's three components provide different levels of intervention: school-based intensive services, community-based services, and summer camps. The program, in partnership with the youth and their family, address the needs and challenges of the youth's situation to improve his or her functioning in school, the community, and home. Youth Support Services will serve youth designated at-risk and their families. The services and support will be customized to the youth and family and will be delivered utilizing the wraparound model. The interventions will focus on the areas of basic needs, mental health services, educational support and social enrichment. Services will continue to be accessed through designated schools and community centers.

Housing Activities

A variety of housing activities operated by the City are designed to reduce the number of families in poverty. For example, the HOPWA Tenant Based Rental Assistance (TBRA) services and housing Tenant Based Rental Assistance (TBRA) programs provide temporary housing assistance to eligible persons living with HIV/AIDS and their families and for low-income residents. These programs allow clients to move towards self-sufficiency

Federal Guideline - Describe Other Actions in Strategic or Action Plan Taken to: Enhance coordination between public and private housing and social services agencies.

Community Action Network (CAN)

CAN is a key partner in the community's efforts to convene and support public awareness forums and events. CAN maintains a listserv of more than 2,000 community contacts assisting NHCD regularly with significant outreach efforts. NHCD attends monthly meetings providing regular reports and departmental updates to coordinate housing and community development activities for the community. NHCD will continue coordinating and fostering relationships that strengthen the public and private sectors and social service agencies.

Coordination with Public Housing Authorities (PHA)

Regular contact and collaboration with local PHA officials ensures that the City housing programs are linked to the needs of public housing residents. NHCD contracts with the Housing Authority of the City of Austin (HACA) for tenant-based rental assistance through Passages Program referrals. For more information about local PHAs, visit pages 4-17 and 4-18.

Public – Private Partnerships

The City of Austin partners with for-profit and non-profit developers to disperse affordable housing geographically throughout the community and to preserve and create long-term affordability. For more information about projects, visit pages 4-22 through 4-25.

Affordable Housing Education

The City will continue hosting quarterly Affordable Housing Forums in fiscal year 2010-11 to enhance coordination and dialogue between industry experts, stakeholders, private developers, housing providers, and public policy makers. These forums serve to address barriers and solutions to affordable housing. Three upcoming forums are planned for the rest of 2010. Topics will include a series of forums exploring how various factors such as health and transportation intersect with affordable housing priorities. For more information about NHCD's Affordable Housing Forums, visit www.cityofaustin.org/housing.

ACTIVITIES TO ADDRESS HOMELESSNESS

This section outlines homeless activities provided by the community at large as well as the specific homeless activities funded in the 2010-11 Action Plan.

Community Framework for Addressing Homelessness

In 2006, two community groups that addressed homeless issues – the Ending Chronic Homelessness Organizing Committee and the Homeless Task Force – merged to form the Ending Community Homelessness (ECHO) Coalition. The ECHO coalition is comprised of businesses and business associations, faith-based entities, public housing authorities, non-profit housing developers and service providers, hospitals, government agencies, funders, public safety representatives, current- and formerly- homeless persons, and other community supporters. ECHO serves as the lead planning entity on homeless issues in Austin/Travis County, and is an issue area group affiliated with the Community Action Network of Austin. Its mission is to provide “dynamic, proactive leadership that engages policy makers and the community to end homelessness.”

As part of this responsibility, ECHO coordinates and completes Austin’s Continuum of Care (CoC) application and Community Plan to End Homelessness. ECHO also administers Austin’s biennial homeless count and survey, which is a HUD prerequisite for CoC funding.

Continuum of Care

HUD adopted the Continuum of Care (CoC) process in 1994 to accommodate a “complete” system of care philosophy to address homelessness based on identified needs, the availability and accessibility of existing housing and services, and opportunities to integrate non-homeless mainstream housing and service resources. To compete for these funds, eligible regions (defined as locality - city, county, or state – that received Community Development Block Grants) are required to complete a CoC application that coordinates the needs of all the homeless service providers in the region. Since 2001, Austin has received \$31,394,305 in Continuum of Care funding.

In 2008, ECHO convened a community conversation to increase the ratio of housing dollars to supportive services in order to increase the community’s housing ratio in homeless service provision. As a result, \$824,152 was reallocated for permanent supportive housing projects in 2008. This resulted in Austin receiving \$5,085,813, or approximately \$1.3 million more in Continuum of Care funding than in 2007.

In 2009, ECHO decided for another year to cut “services-only” programs in order to increase the housing to services ratio. Austin applied for a total of \$4,205,301. See Exhibit 2-4 in Chapter 2 for the 2009 CoC funding table. Salvation Army’s Passages collaboration cut 27% of its budget and LifeWorks did not apply for their Street Outreach program, making \$598,120 available for new project funding. While HUD has announced that all projects that were renewing their contract did receive funding, HUD has not announced new projects at this time.

Austin’s Community Year Plan to End Homelessness (2009)

Ten Year Homelessness Plans are a national best practice recommended by the United States Interagency Council on Homelessness, the National Alliance to End Homelessness, and the U.S. Department of Housing and Urban Development. Plans have been adopted by

all but one or two of the fifty largest cities in the United States. Austin's first Community Plan to End Homelessness was created and approved by the Austin City Council in 2004.

ECHO embarked on a process to update Austin's Community Plan to End Homelessness in 2008. The planning process for this initiative is complete and the final version will be available on the ECHO website at www.caction.org/homeless. In addition to creating new strategies for ending community and chronic homelessness, the new plan will provide a new framework for the City of Austin to address the issue of homelessness.

The Plan to End Community Homelessness 2010 updates and expands upon Austin's 2004 Plan to End Chronic Homelessness. The 2004 plan focused on one segment of the homeless population – the chronically homeless – who has both an extended history of homelessness and significant barriers to self-sufficiency. The 2010 Plan substantially expands the scope of planning to include the entire continuum of the homeless population, from those at immediate risk of becoming homeless to the chronically homeless.

Strategic Planning Goals.

ECHO will achieve the strategic planning goals by providing leadership, coordination, information, and advocacy and creating two year action plans that include specific strategies. In order to address the challenges a continuum of care needs to be established that addresses:

Prevention. People at risk of becoming homeless will be identified early and receive the assistance they need to maintain appropriate housing:

- Develop community-wide strategies to prevent homelessness,
- Expand on-going efforts that provide housing and financial stability for populations at-risk of homelessness,
- Enhance community collaboration and partnerships to address prevention strategies, and
- Educate the community about homelessness and advocate for evidence-based practices and solutions.

Short-term Homelessness. People who become homeless will be able to move quickly back into housing and receive appropriate support services to maintain housing.

- Continue to improve and expand rapid re-housing strategies,
- Continue to improve and expand intervention services,
- Expand job training, employment, and access to mainstream programs (SSI, SNAP, etc), and
- Enhance community collaboration to improve and redesign current programs.

Long-term Homelessness. People experiencing long-term homelessness will have stable housing and effective supportive services, including treatment for persistent mental illness and substance abuse issues.

- Implement pilot projects and expand effective strategies serving targeted populations,
- Increase housing and services capacity to serve people who experience long-term homelessness,
- Enhance community partnerships to address long-term homelessness strategies,
- Expand job training, employment and access to mainstream programs (SSI, SNAP, etc),

- Expand access to and coordination with mental health, health and substance abuse services,
- Expand family support services, i.e., child care.

Highly Effective Coordination. Enhanced strategic planning and the federal Continuum of Care management, data performance, reporting, policy development, and funding coordination at the local level.

- Establish a sustainable structure to implement community-wide strategies to end homelessness which includes incorporation of ECHO into a 501©3 coordinating entity with a redesigned governing structure that increases the effectiveness of the following:
 - a. Communication
 - b. Data Management & Reporting
 - c. Strategic Planning & Policy Development
 - d. Funding Coordination
- Develop a mechanism to strengthen policy development and advocacy efforts to end homelessness,
- Continue to manage and improve the annual HUD Continuum of Care process, and
- Improve data quality and reporting.

Planning/Policy

The City of Austin is an active participant in planning initiatives related to ending homelessness in Austin. City staff from both the NHCD and HHSD serve on ECHO committees, including the Executive Committee, Planning & Evaluation Committee, and Exiting Committee. The city also provides administrative support to ECHO through general funds allocated to the HHSD.

HHSD is serving as the lead agency in administering \$3,062,820 of Federal Homelessness Prevention and Rapid Re-Housing (HPRP) Funding through the American Recovery and Reinvestment Act (ARRA) of 2009.

Housing

NHCD prioritizes gap financing to developers who create transitional and permanent rental housing for homeless households. Utilizing CDBG, HOME, GO Bonds and other local sources of revenue, NHCD has contributed approximately \$18 million and leveraged almost \$22 million to create 675 units of transitional and single-room occupancy housing in 20 housing developments since 1998. In addition to housing development, the City also funds tenant-based rental assistance administered by the Passages Collaboration that serves homeless households.

The City of Austin also funds the ongoing capital costs associated with the Austin Resource Center for the Homeless, a central daytime resource center and overnight shelter for homeless individuals. The ARCH was built with approximately \$6 million from a Section 108 HUD loan, which is repaid using the City's future CDBG entitlement allocations. In FY2007-08, the City repaid \$522,445 using CDBG funding.

Services

The City of Austin funds homeless services in this Consolidated Plan through Emergency Shelter Grants, Housing Opportunities for Persons with AIDS, and CDBG. The City also dedicates general funds to help homeless individuals and families to attain self-sufficiency. City funding for homeless services covers a wide variety of supportive services, including child care, youth services, elderly services, and services for persons with AIDS.

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA) REPORT SPECIAL REQUIREMENTS, FISCAL YEAR 2010-11

Describe how the proposed activities will be used to meet the urgent needs of persons living with HIV/AIDS and their families that are not being addressed by public and/or private resources.

Historically, the City of Austin's Housing Opportunities for Persons with AIDS (HOPWA) program has contracted with two providers, AIDS Services of Austin (ASA) and Project Transitions, to carry out HOPWA activities independently or in the case of the Rent, Mortgage and Utility Assistance Program, collaboratively. This process has proven to support HOPWA activities effectively and in a timely manner.

AIDS Services of Austin (ASA) addresses the needs of the HIV/AIDS community through Short-Term Rent, Mortgage, & Utility Assistance (STRMU) and HOPWA Tenant-Based Rental Assistance (TBRA) to meet the urgent needs of eligible persons living with HIV/AIDS and their families. The goals of the two programs are to prevent homelessness and to support independent living for persons living with HIV/AIDS. To participate in these programs, clients are required to receive case management services. Through case management services, HOPWA clients are referred to and are able to access other housing options such as Public Housing and Section 8 housing.

To ensure eligible clients are able to establish a new residence, funding from Permanent Housing Placement (PHP) is used to provide clients reasonable costs to move into a safe and stable living environment. Payments covering first month's rent have been identified as an urgent need and are not eligible under STRMU and TBRA.

People residing in homeless shelters, living on the street and in places not meant for human habitation may receive assistance through the Short-Term Supported Housing Program (STSH). Short-term facilities are intended to provide temporary shelter, which includes an opportunity for case managers to develop an individualized housing and service plan - a housing stabilization plan for both short-term and long-term, housing needs.

In an effort to address the needs of underserved clients who have criminal histories and housing eviction histories, HOPWA provider agencies have explored transitional housing resources. HOPWA provider agencies will continue to refer to a limited number of transitional housing resources that accept clients with criminal and eviction histories in fiscal year 2010-11.

HIV case managers also provided services that address the urgent needs of persons living with HIV/AIDS and their families including referral, assistance, and follow-up for; permanent housing placement, rent and utility deposits, mental health and substance abuse treatment/counseling services, primary medical care, and assisting with budgeting and life skills management.

Project Transitions addresses the needs of the HIV/AIDS Community through the HOPWA program that provides Transitional Facility-Based Housing. These clients, many

with secondary and tertiary co-mobilities face a number of challenges that affect their ability to access necessary services; however, have the potential, ability and willingness to transition to independence. The move to independence and self-sufficiency is provided by Supportive Services and residential supportive services to help program participants stabilize their living situation and help address the care needs of persons living with HIV/AIDS. A variety of supportive services are offered to all clients including: facility-based meals, life skills management counseling, substance abuse relapse prevention support, client advocacy, transportation and assistance with obtaining permanent housing.

Describe the public and private resources expected to be made available in connection with the proposed activities being funded.

Because housing needs far exceed the supply of affordable housing, other funding sources have been sought. Resources have come from the following:

In partnership with the City, AIDS Services of Austin (ASA), will receive funding from Best Single Source, and the HOME Investment Partnerships Program (HOME), a collaborative project with other Austin community agencies, both of which provide rent, mortgage and utility assistance. ASA and Austin Travis County Integral Care have a collaborative contract with the Austin Housing Authority's Shelter Plus Care Program that serves clients who are homeless. ASA participates in the Customer Assistance Program (CAP) through Austin Energy for payment of utility bills. Funds are most frequently used for individuals who, due to income eligibility limitations, do not qualify for HOPWA or qualify for small amounts of HOPWA assistance. The goals of these programs are to maximize financial support for eligible clients in order to ensure housing stability, to increase self-sufficiency and decrease dependency on community resources. Project Transitions contributes a portion of its own general funds for housing related services. Some clients in the HOPWA program can afford to pay a portion of their monthly housing/supportive services costs through a sliding-scale fee. HOPWA subcontractors retain program income to provide additional services. ASA contracts for 10 subsidized housing slots through the Housing Authority of the City of Austin (HACA) Shelter Plus Care Program. Clients usually occupy these slots for up to five years. ASA refers, on average, two new clients per year to fill slots when clients exit the program. The City also provides housing assistance through the Homeless Prevention Rapid Re-housing Program (HPRP). This program provides housing placement and short-term rental and utility assistance services to achieve housing stability for program participants.

HOPWA program Supportive Housing staff make contacts and referrals as needed with case managers at ASA, Austin Travis County Integral Care, Community Action Inc., The Wright House Wellness Center and the City of Austin's Communicable Disease Unit. ASA and Wright House provide transportation for HOPWA clients who need assistance accessing food bank services. To identify client resources, a resource directory that contains information about available community resources including food, clothing, education, employment, children's needs (schools, immunizations, etc), transportation options, housing options, mental health resources, etc. was established and is used by HOPWA case managers. Staff and interns also coordinate services with Child Protective Services, the Housing Authority of the City of Austin (HACA), Texas Rehabilitation Commission, Capital Area Workforce and members of the legal system.

The City's HOPWA program is one of five HIV-related grants that provide services under 14 categories of HIV/AIDS services in the Austin area. These grants include: Ryan White HIV/AIDS Program - Parts A, B, C and Minority AIDS Initiative (MAI); and HOPWA-HUD. Additional services are provided through support from the State of Texas HIV Health and Social Services funding, and City of Austin and Travis County general revenue funding. HHSD administers the Ryan White Part A, C, MAI, and HOPWA-HUD programs that represent HIV program services valued at almost \$7 million annually. Additionally, the Department of State Health Services (DSHS) administers Ryan White Part B and the State of Texas HIV Health and Social Services in the Austin area, which cumulatively are valued at approximately \$1.5 million.

Based on information from a “transitional grant area” wide comprehensive needs assessment, the Austin Area Comprehensive HIV Planning Council generates the only HIV services Priority List. By allocating grant funds according to the community-wide priority list, additional contributions such as grant allocations, private funds, and in-kind contributions are effectively targeted and duplication or gaps in services are minimized. Case managers at agencies providing rent and utility assistance leverage resources by providing case management services through HIV grant-related funds through: the use of emergency or special funds paying housing deposits and documents required to secure low-income housing and the use of agency vehicles and taxi vouchers to transport clients applying for housing-related resources.

The State of Texas provides additional State HOPWA and general revenue funds through contracts with Community Action to provide rent, mortgage and utility assistance to people living with HIV/AIDS and their families in rural areas of Central Texas.

Describe the method of selecting project sponsors for activities in the Metropolitan area, including areas not within the boundaries of the applicant City.

Historically two providers, ASA and Project Transitions, have been selected to carry out HOPWA activities independently or; however, in the case of the Rent, Mortgage and Utility Assistance programs, TBRA, STRMU and PHP, these activities will be carried out collaboratively. This process has proven to support HOPWA activities effectively and in a timely manner.

As noted earlier, the Health and Human Services Department (HHSD) along with project sponsors ASA and Project Transitions have created and maintained a long-standing community collaborative effort with four other community-based HIV case management service providers. Case management service staff provide eligibility screenings, develop housing service plans, and assist clients in navigating essential housing, medical and support service programs helping to ensure clients living with HIV/AIDS and their families are engaged in medical care and maintain safe and stable housing.